Fourth Quarter - Full Year 2019 Investor Presentation

Managing Key Value Drivers to Maximize Full Cycle Returns

Introductory Information

Unless otherwise specified, the information in this presentation, including forward-looking statements related to our outlook, is as of our most recent earnings call held on January 30, 2020. We make no commitment to update any such information contained in this presentation.

Certain statements in this presentation are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, known as the PSLRA. These statements can generally be identified by the use of forward-looking terminology such as "believe," "expect," "may," "will," "should," "seek," "on-track," "plan," "project," "forecast," "intend," "anticipate" or "target," or the negative thereof or comparable terminology, or by discussions of vision, strategy, outlook or guidance. These statements are based on current plans, estimates and projections, and, therefore, you should not place undue reliance on them. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. Factors that could cause actual results to differ materially from those projected include, but are not limited to, the following: (1) the possibility that companies that we have acquired or may acquire, including BakerCorp and BlueLine, could have undiscovered liabilities or involve other unexpected costs, may strain our management capabilities or may be difficult to integrate; (2) the cyclical nature of our business, which is highly sensitive to North American construction and industrial activities; if construction or industrial activity decline, our revenues and, because many of our costs are fixed, our profitability may be adversely affected; (3) our significant indebtedness, which requires us to use a substantial portion of our cash flow for debt service and can constrain our flexibility in responding to unanticipated or adverse business conditions; (4) the inability to refinance our indebtedness on terms that are favorable to us, or at all; (5) the incurrence of additional debt, which could exacerbate the risks associated with our current level of indebtedness; (6) noncompliance with financial or other covenants in our debt agreements, which could result in our lenders terminating the agreements and requiring us to repay outstanding borrowings; (7) restrictive covenants and amount of borrowings permitted in our debt instruments, which can limit our financial and operational flexibility; (8) overcapacity of fleet in the equipment rental industry; (9) inability to benefit from government spending, including spending associated with infrastructure projects; (10) fluctuations in the price of our common stock and inability to complete stock repurchases in the time frame and/or on the terms anticipated; (11) rates we charge and time utilization we achieve being less than anticipated; (12) inability to manage credit risk adequately or to collect on contracts with a large number of customers; (13) inability to access the capital that our businesses or growth plans may require; (14) the incurrence of impairment charges; (15) trends in oil and natural gas could adversely affect the demand for our services and products; (16) the fact that our holding company structure requires us to depend in part on distributions from subsidiaries and such distributions could be limited by contractual or legal restrictions; (17) increases in our loss reserves to address business operations or other claims and any claims that exceed our established levels of reserves; (18) incurrence of additional expenses (including indemnification obligations) and other costs in connection with litigation, regulatory and investigatory matters; (19) the outcome or other potential consequences of regulatory matters and commercial litigation; (20) shortfalls in our insurance coverage; (21) our charter provisions as well as provisions of certain debt agreements and our significant indebtedness may have the effect of making more difficult or otherwise discouraging, delaying or deterring a takeover or other change of control of us; (22) turnover in our management team and inability to attract and retain key personnel; (23) costs we incur being more than anticipated and the inability to realize expected savings in the amounts or time frames planned; (24) our dependence on key suppliers to obtain equipment and other supplies for our business on acceptable terms; (25) inability to sell our new or used fleet in the amounts, or at the prices, we expect; (26) competition from existing and new competitors; (27) risks related to security breaches, cybersecurity attacks, failure to protect personal information, compliance with data protection laws and other significant disruptions in our information technology systems; (28) the costs of complying with environmental, safety and foreign law and regulations, as well as other risks associated with non-U.S. operations, including currency exchange risk (including as a result of Brexit), and tariffs; (29) labor disputes, work stoppages or other labor difficulties, which may impact our productivity, and potential enactment of new legislation or other changes in law affecting our labor relations and operations generally; (30) increases in our maintenance and replacement costs and/or decreases in the residual value of our equipment; and (31) the effect of changes in tax law. For a more complete description of these and other possible risks and uncertainties, please refer to our Annual Report on Form 10-K for the year ended December 31, 2019, as well as to our subsequent filings with the SEC. The forward-looking statements contained herein speak only as of the date hereof, and we make no commitment to update or publicly release any revisions to forward-looking statements in order to reflect new information or subsequent events, circumstances or changes in expectations.

Note: This presentation provides information about free cash flow, EBITDA, adjusted EBITDA and adjusted EPS, which are non-GAAP financial measures. This presentation includes a reconciliation between free cash flow and GAAP cash from operations, as-reported and pro forma reconciliations between both adjusted EBITDA and EBITDA, on the one hand, and GAAP net income, on the other hand, a reconciliation between both adjusted EBITDA and EBITDA, on the one hand, and GAAP cash from operations, on the other hand, a reconciliation between adjusted EPS and GAAP EPS and a reconciliation between forward-looking free cash flow and forward-looking GAAP cash from operations. Information reconciling forward-looking adjusted EBITDA to GAAP financial measures is unavailable to the company without unreasonable effort. The company is not able to provide reconciliations of forward looking adjusted EBITDA to GAAP financial measures because certain items required for such reconciliations are outside of the company's control and/or cannot be reasonably predicted, such as the provision for income taxes. Preparation of such reconciliations would require a forward-looking balance sheet, statement of income and statement of cash flow, prepared in accordance with GAAP, and such forward-looking financial statements are unavailable to the company without unreasonable effort. The company provides a range for its adjusted EBITDA forecast that it believes will be achieved, however it cannot accurately predict all the components of the adjusted EBITDA calculation.

Contents

1 Introduction

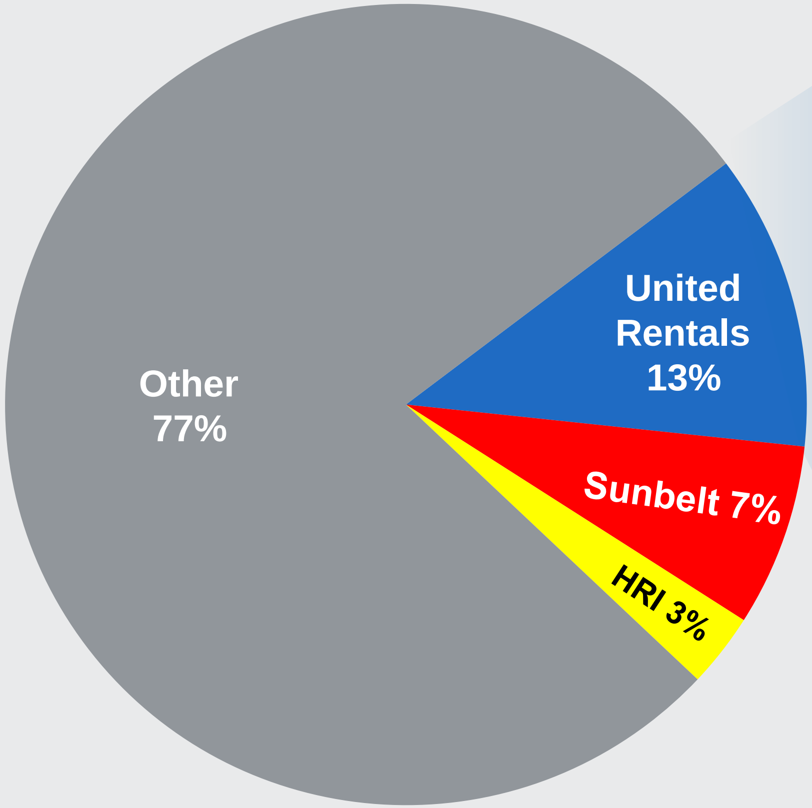
United Rentals

United Rentals®

Maximizing value creation across the cycle by balancing growth, margins and free cash flow to drive returns

Aggressive management of key value drivers within our control

Company overview



#1 Market Share(1)

- 2019 total revenue $9.35 billion (+16.2% Y/Y)
- 2019 adjusted EBITDA(2) $4.36 billion (+12.7% Y/Y; 46.6% margin)

1,164 locations across North America(3)

- 1,024 branches in the U.S.; locations in 49 of 50 states
- 140 branches in Canada; locations in all 10 provinces
- 11 European branches in France, Germany, the United Kingdom and the Netherlands

$14.6B of fleet comprised of ~665,000 units(4)

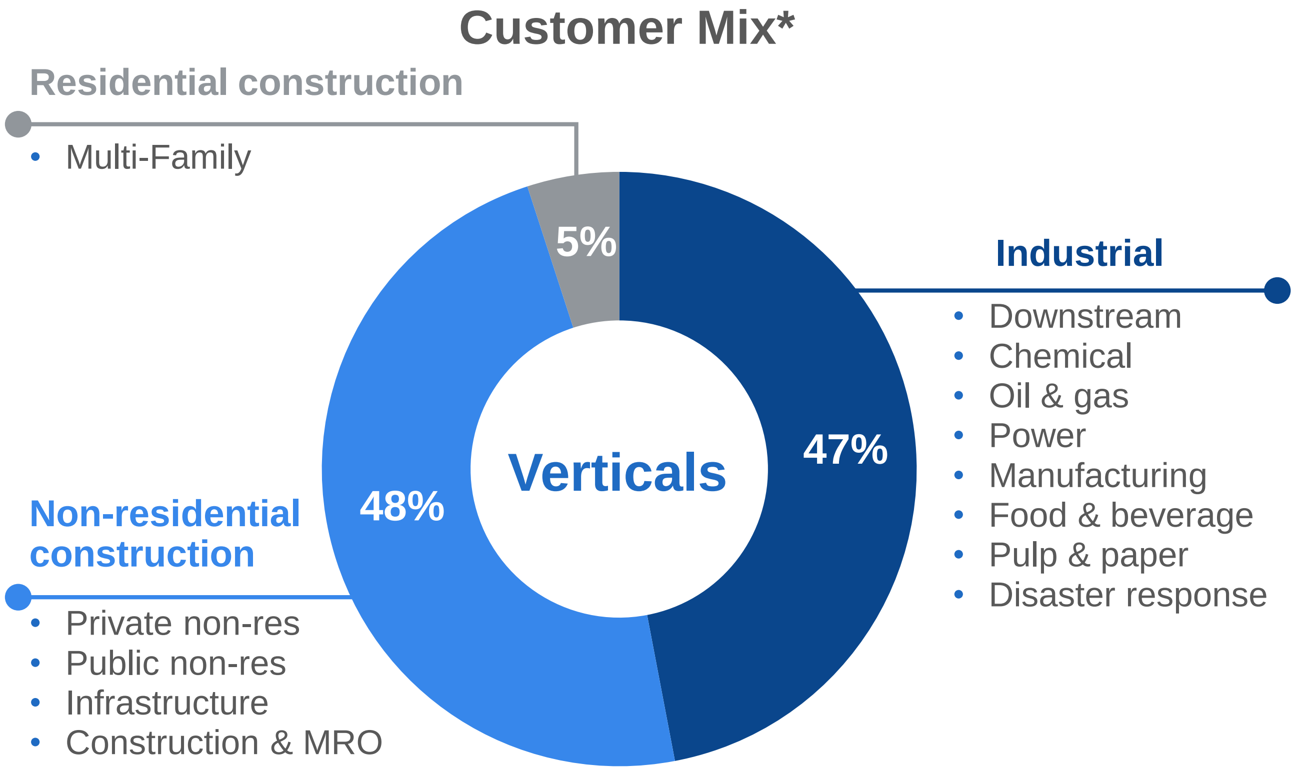
Highly diversified product and end-market mix

Team of approximately 19,100 employees(5)

United Rentals is the North American equipment rental leader

(1) North American market share is based on 2019 rental revenues and ARA industry estimates
(2) Adjusted EBITDA is a non-GAAP measure. See the tables provided elsewhere in this presentation for reconciliations to the most comparable GAAP measures.
(3) As of December 31, 2019. Excludes 11 European branches in France, Germany, the United Kingdom and the Netherlands. Total branch count 1,175.
(4) As of December 31, 2019. Average fleet age 49.5 months.
(5) As of December 31, 2019.

Our customers and the benefits of renting vs. owning



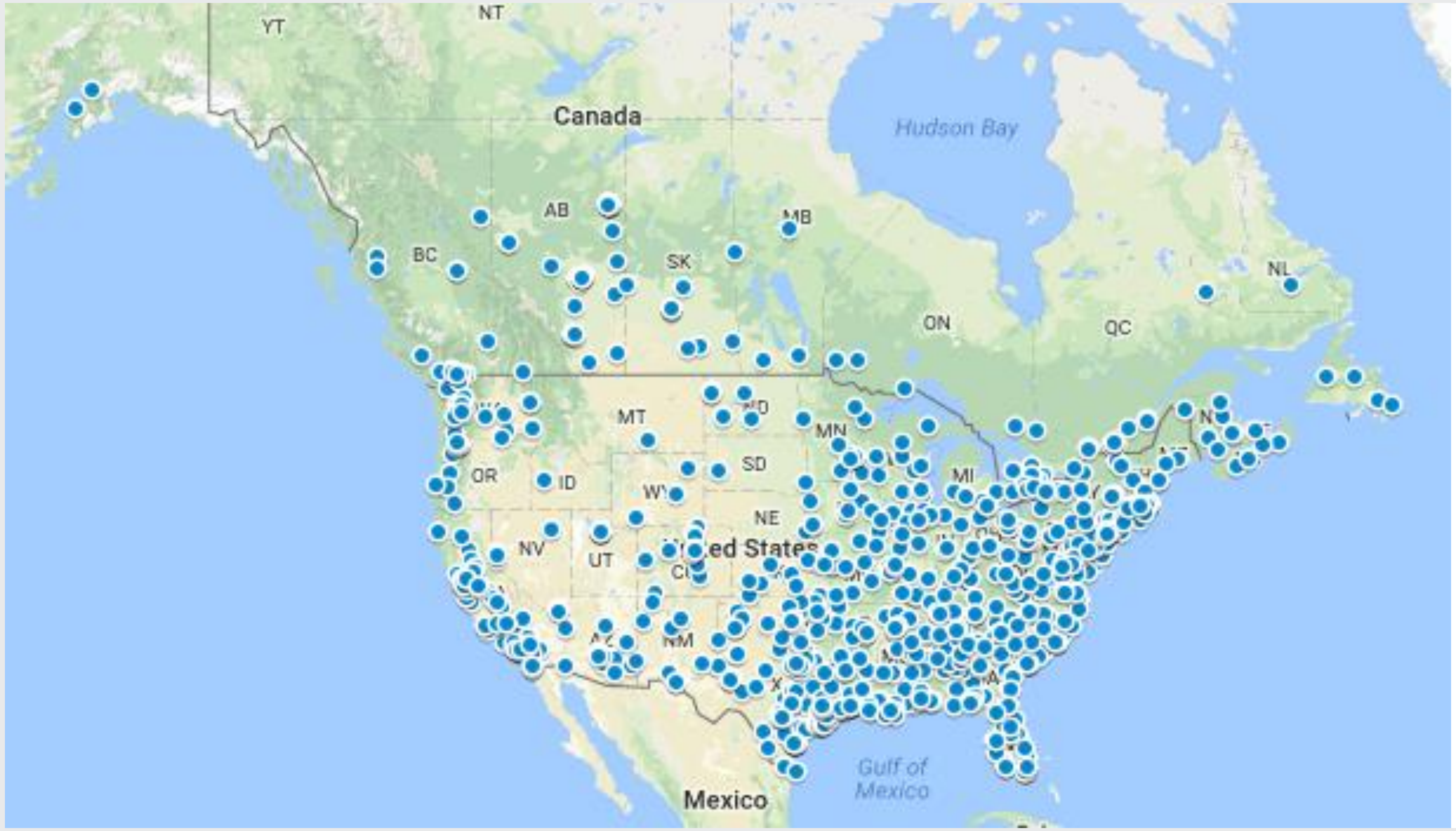
Why Customers Rent Instead of Buy

- Control expenses and inventory
- The right equipment for any job
- 24/7 customer care / support
- No need for maintenance
- Save on storage/warehousing
- Reliability / reduce downtime
- Save on disposable costs
- Equipment tracking
- Conserve capital
- Manage risk

Despite diverse needs, customers derive many benefits from renting

*Note: Based on 2019 rental revenue.

Branch locations



North American branch count 1,164[1]

- General Rentals: 816 locations
- Specialty: 348 locations[2]

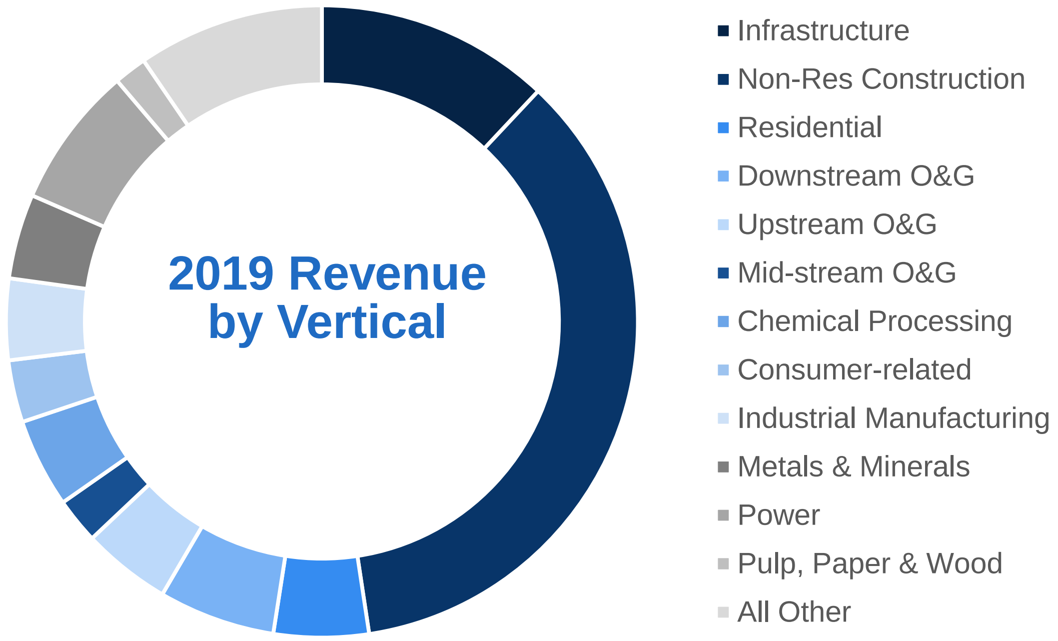
Largest U.S. states by number of locations[1]

- Texas: 152
- California: 111
- Florida: 66
- Louisiana: 47
- Georgia: 44

Largest and broadest footprint in North America

(1) As of December 31, 2019, 1,164 locations in North America and 11 in Europe, for total branch count of 1,175.
(2) Specialty includes Tools and Reliable Onsite Services locations that are part of our General Rentals reporting segment. Total branch count of 359, including 11 European locations.

Diverse end-market exposure

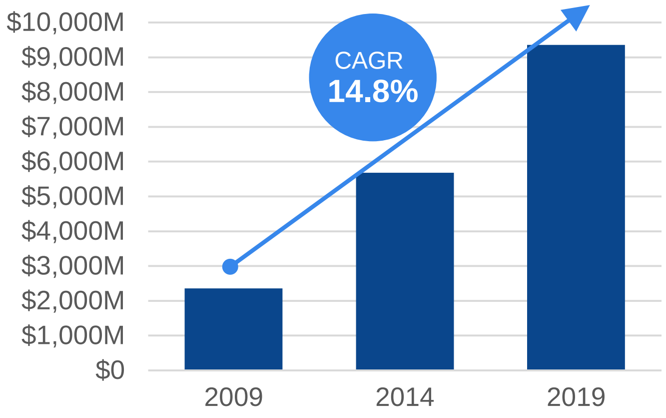


Broad customer base helps reduce full-cycle volatility

*Note: Based on 2019 rental revenue.

A decade of continued financial improvement…

Total Revenue



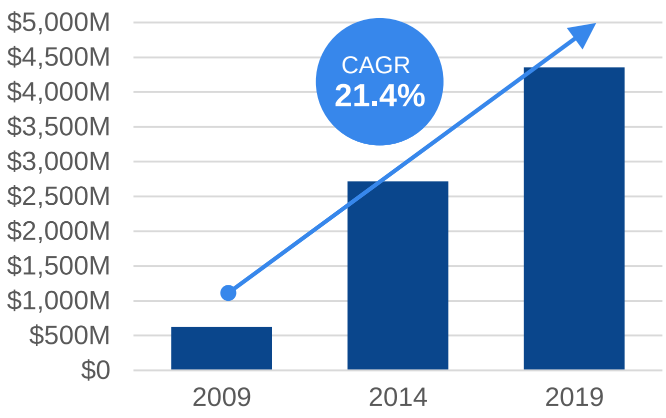
Strong revenue growth

- Trailing 5-year CAGR: +10.5%
- Trailing 10-year CAGR: +14.8%

Improved diversification

- Increased industrial exposure
- Increased non-cyclical specialty exposure

Adjusted EBITDA(1)



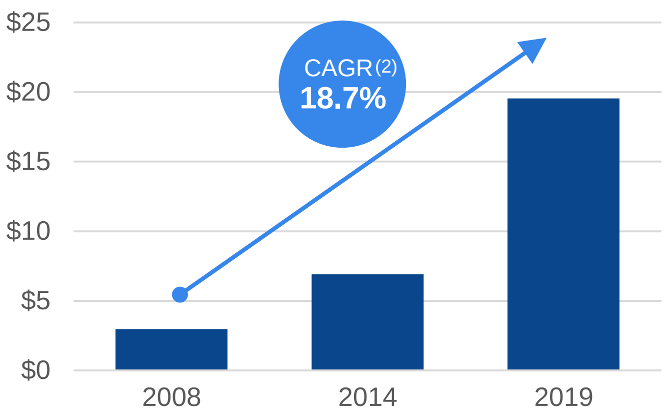
Powerful EBITDA growth

- Trailing 5-year CAGR: +9.9%
- Trailing 10-year CAGR: +21.4%

Sharply higher margins

- Adj. EBITDA margins up ~1,400 bps vs. 2008 (3)
- Adj. EBITDA margins up ~2,000 bps vs 2009 (4)

Adjusted EPS(1)



Meaningful EPS growth

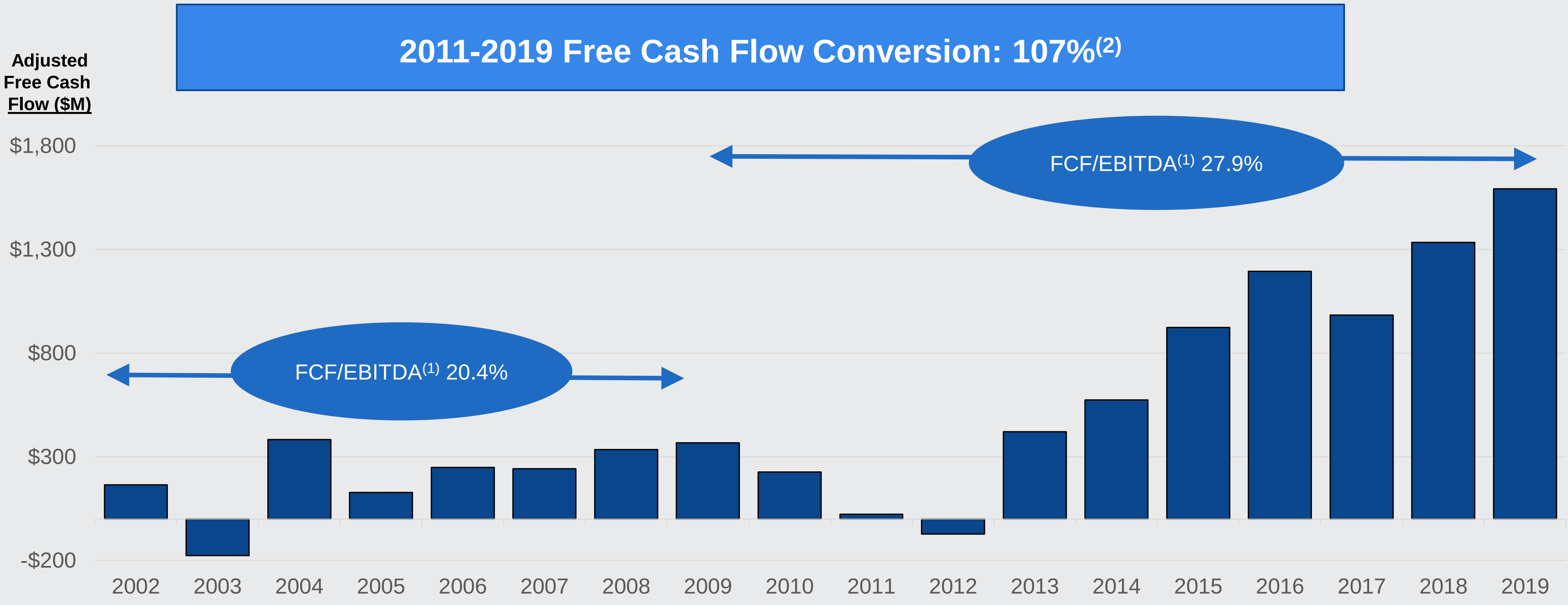
- Trailing 5-year CAGR: +23.1% vs. +7.2% for the S&P 500 over the same period
- Trailing 11-year CAGR(2,3): +18.7% vs. +11.6% for the S&P 500 over the same period

Ongoing transformation of the company's financial performance

Notes:
(1) Adjusted EBITDA and Adjusted EPS are non-GAAP measures. See the tables provided elsewhere in this presentation for reconciliations to the most comparable GAAP measures.
(2) 10-year CAGR excluded, as Adjusted EPS for 2009 was ($0.76). (3) Reflects change/ improvement since peak of the last cycle relative to 2019. (4) Reflects change/ improvement since trough of the last cycle relative to 2019.

United Rentals

…that has ultimately been reflected in free cash flow



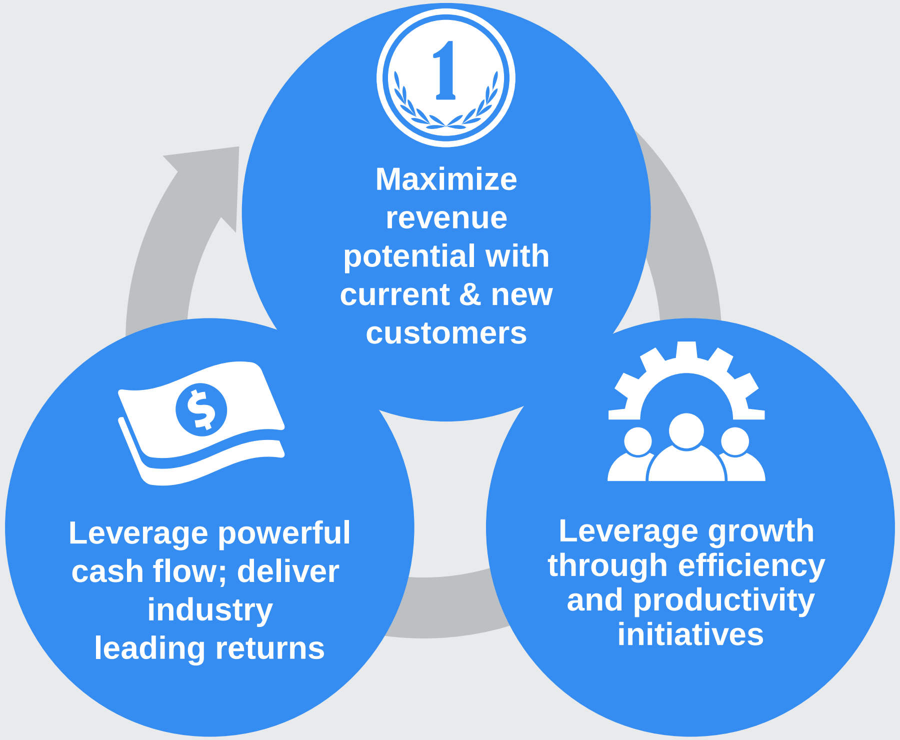
Durable Free Cash Flow generated throughout the cycle

(1) Free Cash Flow (FCF) and EBITDA are non-GAAP financial measures. See the Appendix for reconciliations to the most comparable GAAP measures for 2009-2019.
(2) Reflects average annual free cash flow, excluding the impact of merger and restructuring payments, relative to reported net income with 2017 net income adjusted to exclude tax reform benefits.

United Rentals

Driving and extending our competitive advantages

- Company transformed to be considerably more profitable and efficient
- Operations, technology and culture differentiate us, and make us far more agile
- Diversified end-market exposure across customers, verticals and geographies
- Strong balance sheet and robust cash generation with disciplined approach to smart capital allocation provide powerful optionality
- Focused on balancing growth, margins, returns and FCF to maximize long-term value creation for our shareholders



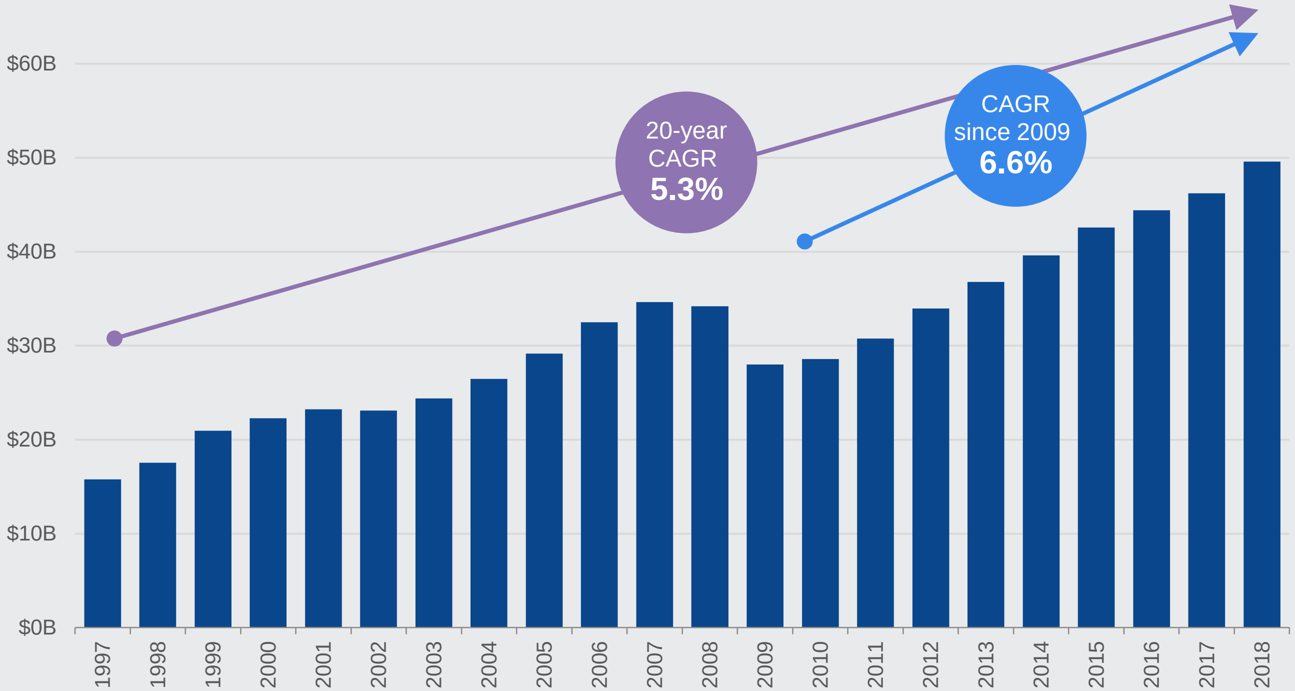
Operating model supports self-reinforcing growth, margins, returns and cash generation

2 End-market overview

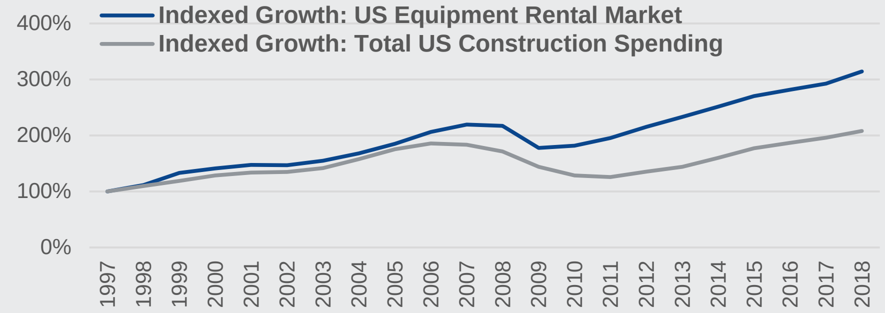
United Rentals

U.S. equipment rental industry overview

Combined U.S. General Rental and Construction & Industrial Equipment Rental Market Size ($bn)

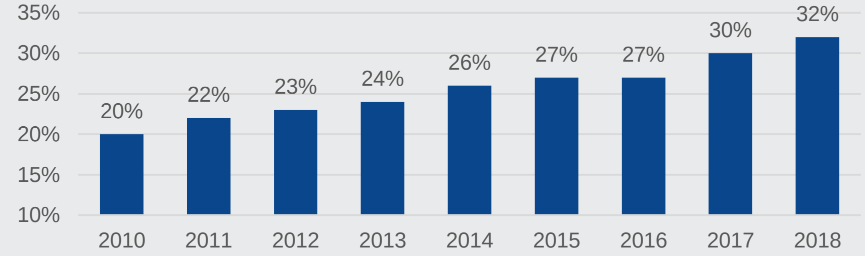


The U.S. equipment rental market has outgrown its underlying market by over 50% in the last 20 years



Largest players capturing a growing share of the U.S. equipment rental market

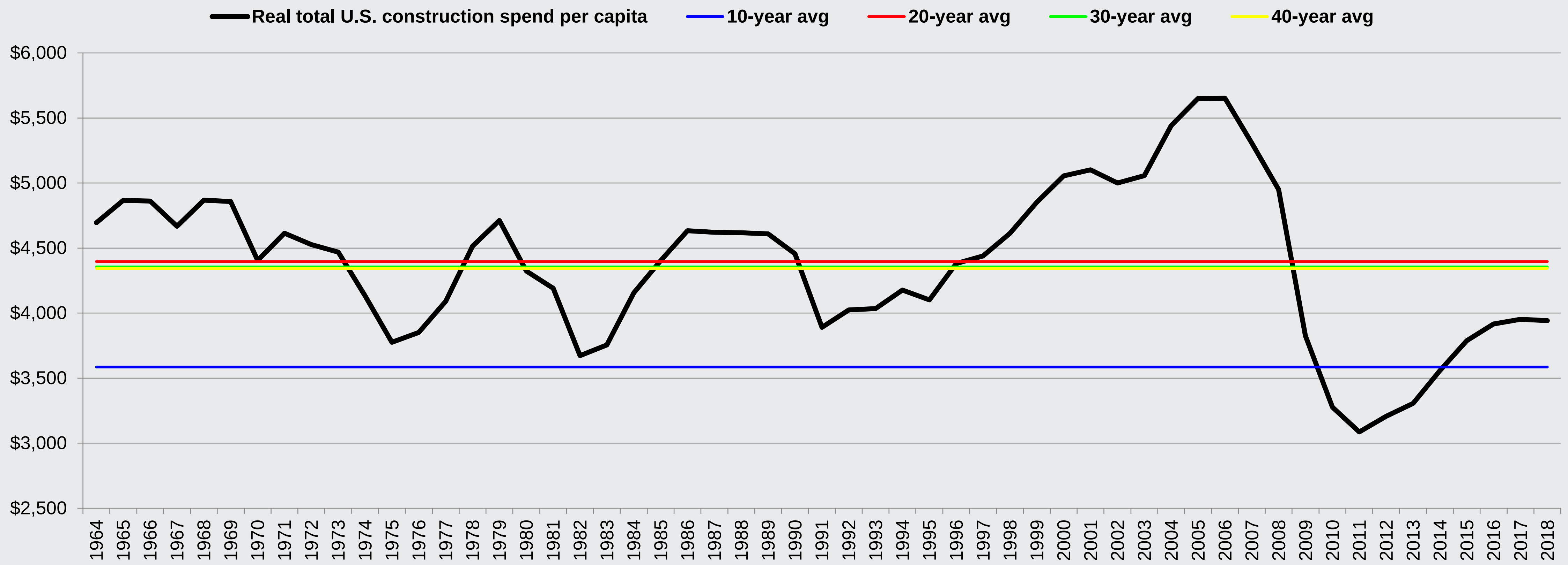
Top 10 U.S. Rental Companies as % of Total Industry Revenues



Equipment rental value proposition continues to drive secular penetration

Sources: Company reports, ARA, RER, and U.S. Census Bureau (based on most current data available as of January 2020).

Real total U.S. construction spending climbing…



…Yet U.S. construction investment remains below long-term average

Sources: U.S. Census Bureau. Reflects most recent data available as of January 2020.

Consensus forecast for U.S. construction put-in-place

Percent Change	Year-over-Year 2020	Year-over-Year 2021
Commercial Total	+0.6%	-0.2%
Office	+3.0%	+0.5%
Retail and Other Commercial	-1.3%	-0.9%
Lodging/Hotel	-0.7%	-1.0%
Industrial Total	+0.3%	+0.5%
Institutional Total	+2.9%	+2.0%
Healthcare	+3.4%	+3.5%
Education	+3.9%	+3.3%
Non-Residential Total	**+1.5%**	**+0.9%**
Consensus High	**+3.4%**	**+5.4%**
Consensus Low	**-0.6%**	**-5.9%**

Growth expected through at least 2021

Source: American Institute of Architects (most recent forecast as of January 27, 2020).
Note: Includes Dodge, IHS Economics, Moody's Economy, FMI, CMD, Associated Builders & Contractors, Wells Fargo Securities, and Markstein Advisors.

3 Company overview

United Rentals®

Strategic evolution over 20+ years

1997–2008	2009–2013	2014–present
Become a market leader	**Optimize scale, diversify, and drive profitable growth**	**Building on and transforming the Core**
1997: Founded / IPO	2009: Increased focus on customer service and improving returns through financial and operating discipline	Continued build-up of GenRent platform
1998–2001: Becomes the largest equipment rental company in North America through ~250 acquisitions	2009–2011: Introduction of Operation United; focused on process improvements to streamline branch operations & logistics	Increased focus on Specialty business to increase returns and reduce volatility through cross-selling
2002–2008: Strong organic growth in powerful up cycle	2012–2013: Acquisition and integration of RSC	Development of services businesses and solutions to increase customer relevance and competitive differentiation
		Launch of digital capabilities to better serve customers and support internal efficiency

United Rentals®

Growth and margin opportunities

Revenue Related

- Capitalize on ongoing secular shift towards rental over ownership
- Leverage cross-selling to capture more wallet share and maximize cyclical growth
- Evolve sales strategies and asset base to better serve customers and capture secular opportunities (infrastructure, digital, etc.)
- Differentiate services through new technologies and accelerated innovation
- Smart M&A

Cost and Margin Related

- Further leveraging of LEAN
  - Optimization of operating costs
  - Continual improvement of labor productivity
- Fixed cost leverage via organic and M&A growth
- Mix shift as Specialty outpaces total growth
- Product and customer mix
- Further leveraging of technology and systems

Optimizing growth and margins to maximize value creation

People & culture as differentiating assets

- **Highly engaged, committed and diverse workforce**
  - Very strong engagement across all categories inline or better-than Towers Watson US High Performing Company Benchmark
  - Industry leading low-turnover rate, which helps drive better customer experience via continuity, consistency, and lower costs
  - Multiple internal communications platforms ensure active 2-way dialogue (town-halls, social media platform, all-employee calls, branch visits, etc.)
  - Diversity embraced top to bottom with measurable goals and achievement across key groups including Women United, Together United and Veteran's United
- **Strong commitment to supporting each other**
  - High participation in employee-managed 501(c)(3) United Compassion Fund which provides financial assistance to those in need
    - Over $2.45 million already allocated to United Rentals' employees and families in need
- **Strong supporter of Veteran Groups**
  - Over 9.4% of workforce is made up of U.S. and Canadian veterans
  - Nationally recognized military friendly employer
    - #7 ranked company on G.I. Jobs list for top 100 Military Friendly Employers & Military Friendly Spouse Employers
    - HIREVets Medallion Award – Platinum award
    - US Veterans Magazine recognized on their Best of the Best Top Veteran-Friendly Companies and Top Supplier Diversity Programs
- **Excellent employee-generated ratings via independent assessments**
  - Peer-best ratings on Glassdoor across key categories including Overall Rating, Recommend to a Friend, CEO Approval, Career Opportunities, etc.
  - Named to Forbes 2018 global list of "World's Best Employers"

Strong, diverse and committed team of ~19,100 employees

Competitive positioning aided by structural advantages

Size, Breadth and Diversity of Fleet

Benefits of Scale, Scope & Diversification

Investments in Technology

Strong Balance Sheet + Cash Flow

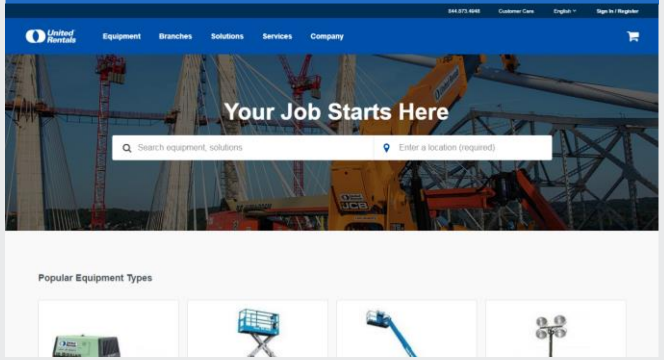
Strong Culture Focused on Customers & Shareholders

Proven Management Team

Focus on driving and extending our leadership position

Online digital strategy and results

Customer Acquisition and Engagement



- Awareness and interest
- New customer acquisition
- Creating & nurturing demand

Search impressions increased +190% YoY

Digital marketing drives 12% of all UR calls

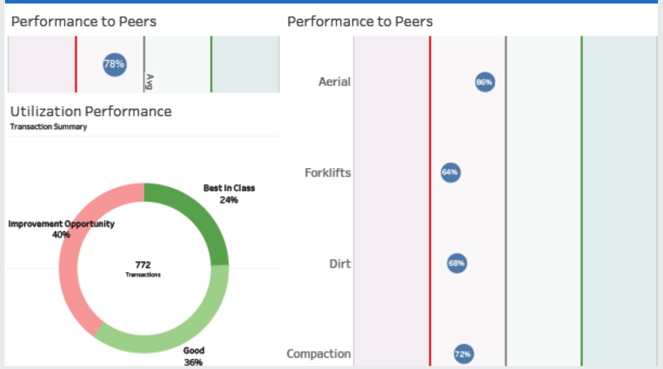
Customer Retention and Growth

- Enhance the customer experience
- Streamline transactions
- Build trust by adding transparency
- Deliver more value-add through digital capabilities

Digital accounts growing at 2x company average

Self-serve transactions via UR.com up +66% YoY

Extend Service offerings



- Drive customer productivity via Telematics and data
- Extract maximum value from your fleet with Customer Equipment Services
- Training

More than 2000 consumption benchmarking sessions

295,000+ courses delivered via United Academy

United Rentals®

Total Control®: Adoption Continues to Grow and Deepen

TC Feature Highlights

- Rental Fleet Management
- Find My Fleet
- Invoices and bill pay
- Reporting and KPI metrics
- Advanced Project Tracking
- GPS Alerts
- Technology integrations, e.g., SAP®

Customer Growth 2019

TC CUSTOMERS	
Revenue	**$2.3 billion**
Total Accounts	**13,000**
REVENUE GROWTH	
TC Customers	**24%**
Same Customers	**14%**

User Adoption 2019

"Calls for Pick Up" via TC and Digital Solutions	**+4% YoY**
Reservations Placed Digitally via TC	**+21% YoY**

Providing tangible value for customers and building loyalty to United Rentals

Telematics & FAST

Telematics & Related Technologies

- Internal Benefits:
  - Performance monitoring and service alerts
  - More efficient location and pick-up capabilities
  - Overtime and revenue recovery
- Customer Benefits:
  - Visibility into equipment utilization
  - Ability to more easily locate equipment
  - Billing and Account access
  - Fuel alerts

Field Automation Systems & Technologies (FAST)

- Internal Benefits:
  - Increased driver and dispatcher productivity
  - Improved fleet efficiency
  - Reduced fuel consumption
  - Safety benefits
  - Environmental benefits

Using technology to drive greater efficiencies and improve customer experience

Investing in Specialty services

Trench Safety

- Excavation support solutions, confined space entry equipment and customer training
- Used for construction, utility installs, manhole work, and other underground applications

Power & HVAC

- Complete solutions for mobile power and air flow
- Used for disaster response,
plant shut downs,
commercial renovations,
and seasonal
climate control

Fluid Solutions

- Full range of equipment to contain, transfer, and treat fluids
- Used by municipalities, industrial plants, and mining, construction, municipal and agri-business customers

Tool Solutions

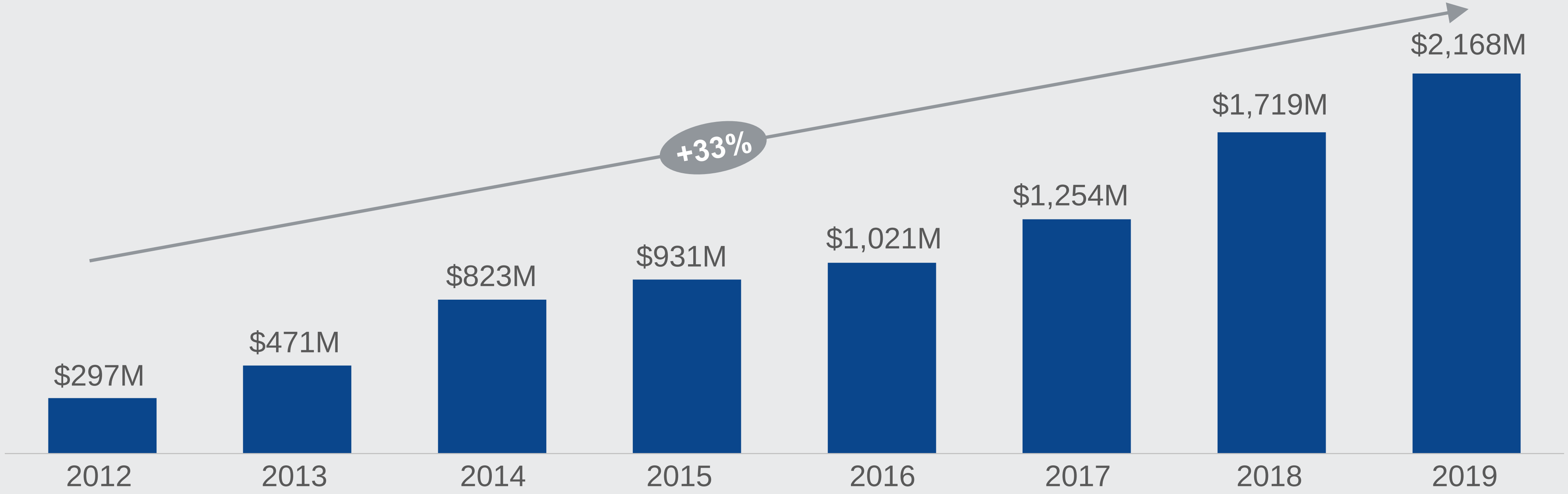
- Tool trailers stocked with hoisting, torqueing, pipe fitting, and air tools
- Used during refinery and other industrial shutdowns, and also at large construction sites

Onsite Services

- Plastic port-a-potties, luxury restroom trailers, sinks, and showers
- Core rental item used across all types of special events, construction sites, and industrial projects

Aggressive growth in Specialty improves returns with reduced volatility

Specialty provides strong growth opportunities[1]



Specialty as a % Total Revenues	7.2%	9.5%	14.5%	16.0%	17.7%	18.9%	21.4%	23.2%

Specialty represented ~23% of total revenue in 2019 with over $2 billion in Revenues

(1) Tool Solutions was added in 2013 and Fluid Solutions was added in April 2014.

Note: Data includes 1) Fluid Solutions, Trench Safety and Power & HVAC and 2) Reliable Onsite Services and Tools revenues, which are included in our General Rentals reporting segment.

Capital allocation strategy

Manage Leverage

- Target leverage range over the cycle of 2.0x–3.0x.
- Net leverage(1) of 2.6x at December 31, 2019.
- Credit ratings:
  - S&P: BB
  - Moody's: Ba2

Invest in Growth

Organic

- Continued organic investments to support growth and boost productivity.
- Opened 34 specialty branches in 2019, following 30 opened in 2018.

M&A

- Balance sheet strategy creates flexibility to pursue strategic assets as opportunities arise.
- Acquisition of National Pump in 2014 and BakerCorp in 2018 expanded specialty.
- Acquisitions of NES and Neff in 2017 and BlueLine in 2018 to support our 'grow the core' strategy.

Return Excess Cash to Investors

- $1.25 billion repurchase program commenced in July 2018 and was completed in December 2019.
- $500 million share repurchase program authorized in first quarter 2020 to be completed over 12 months.
- Since 2012, United Rentals has returned $3.7 billion to shareholders, representing 35% of total issued shares.
- $1 billion of discretionary free cash flow earmarked for debt reduction in 2020

Disciplined, prudent, efficient, and opportunistic approach to capital allocation

(1) Leverage ratio calculated as total debt, net of cash, excluding original issuance discounts, premiums, and deferred financing, divided by adjusted EBITDA.

M&A strategy: Disciplined and opportunistic

Strategic

- Proactively supports growth in attractive markets
- Difficult to replicate organically
- Access to new customers
- Enhance cross-selling
- Best practice adoption
- Geographic coverage
- Diversification

Financial

- Invest capital at attractive returns over cycle
  - Revenue growth
  - Margin opportunities
  - Manage leverage
  - Internal Rate of Return
  - ROIC
  - Volatility

Cultural

- Safety
- Talent
- Ethics and integrity
- Management philosophy
- Customer focus
- Community

Proven integration capabilities are a key advantage in realizing greater value from M&A

Record of value creation through M&A

RSC (2012)

- **Size:** **$4.2B** transaction value (cash and stock)
- **Type:** 'Grow-the-core' gen rent acquisition
- **Rationale:** Positions URI as **leader in North American rental industry**
- **Value:** **Targeted $200M cost savings** from branch consolidation and overhead rationalization
  - **Exceeded initial cost savings estimates -** Raised target to $230M - $250M

National Pump (2014)

- **Size:** **$780M** transaction value (cash)
- **Type:** **Specialty adjacency** in the pump rental sector
- **Rationale:** Expand offerings in **higher margin / return assets**
- **Value:** Delivered on **growth thesis** by capitalizing on **cross-selling opportunity**
  - Secured foothold in energy-related end markets
  - Strongly diversified into core construction and industrial

NES (2017)

- **Size:** **$965M** transaction value (cash)
- **Type:** 'Grow-the-core' gen rent acquisition
- **Rationale:** Strengthened aerial capabilities and added two-way cross-selling opportunities
- **Value:** **Targeted $40M cost savings** and $35M of revenue cross-sell opportunity

Neff Rentals (2017)

- **Size:** **$1.3B** transaction value (cash)
- **Type:** 'Grow-the-core' gen rent acquisition
- **Rationale:** Introduced new dirt capabilities and expertise in infrastructure; provided two-way cross-selling opportunities
- **Value:** **Targeted $35M cost savings** and $15M of revenue cross-sell opportunity

BakerCorp (2018)

- **Size:** **$720M** transaction value (cash)
- **Type:** **Specialty adjacency** in the fluid control sector
- **Rationale:** Expand offerings in **higher return** and **lower volatility assets**
- **Value:** **Targeted $19M cost savings** and $60M of cross-sell revenue opportunity

BlueLine (2018)

- **Size:** **$2.1B** transaction value (cash)
- **Type:** 'Grow-the-core' gen rent acquisition
- **Rationale:** Bolstered URI's position as a **leader in the North American rental industry** while also adding to presence with **local and mid-sized customer segment**
- **Value:** **Targeted $45M cost savings** and $35M of cross-sell revenue opportunity

With 20 years of execution experience for 275+ transactions, team has successfully integrated assets in different environments and across the spectrum from bolt-ons to transformational

4 Summary of key financial data

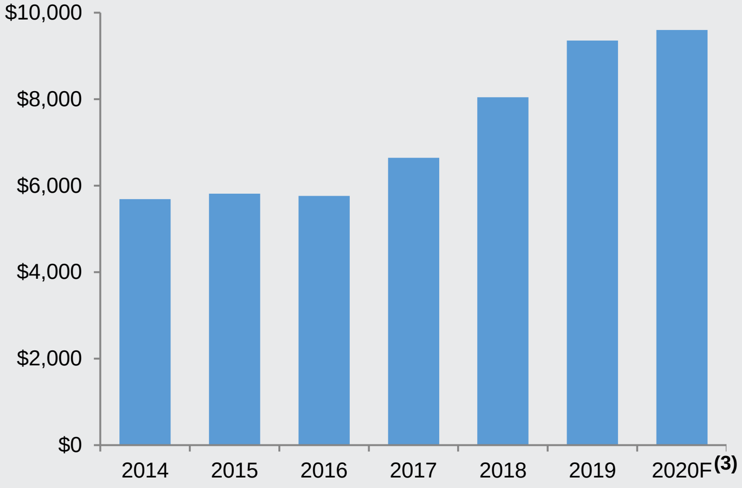
United Rentals

Key financial results snapshot

Total Revenue ($M)

2019 5-Year CAGR:
+10.5%

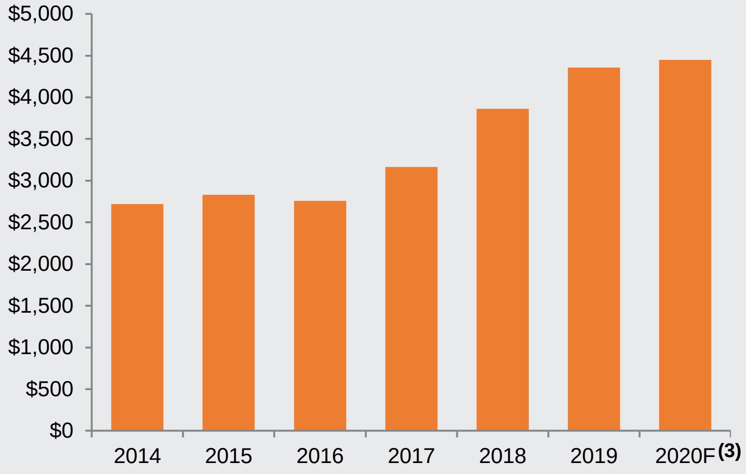
2020 Implied Growth:
+2.7%[3]



Adjusted EBITDA[1] ($M)

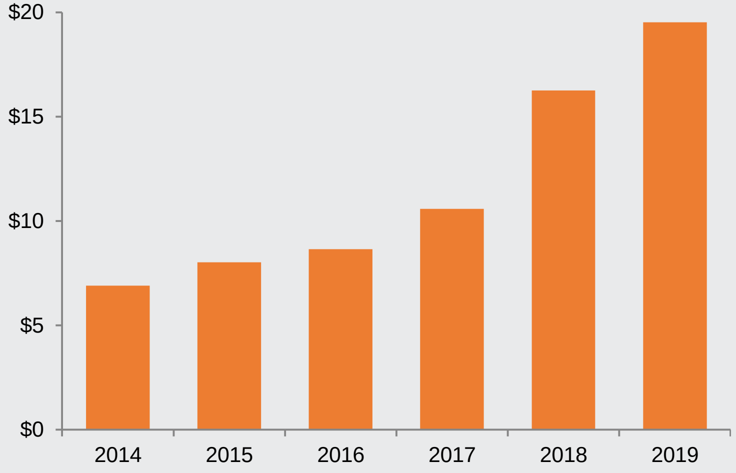
2019 5-Year CAGR:
+9.9%

2020 Implied Growth:
+2.2%[3]



Adjusted Earnings per Share (EPS)[1,2]

2019 5-Year CAGR:
23.1%

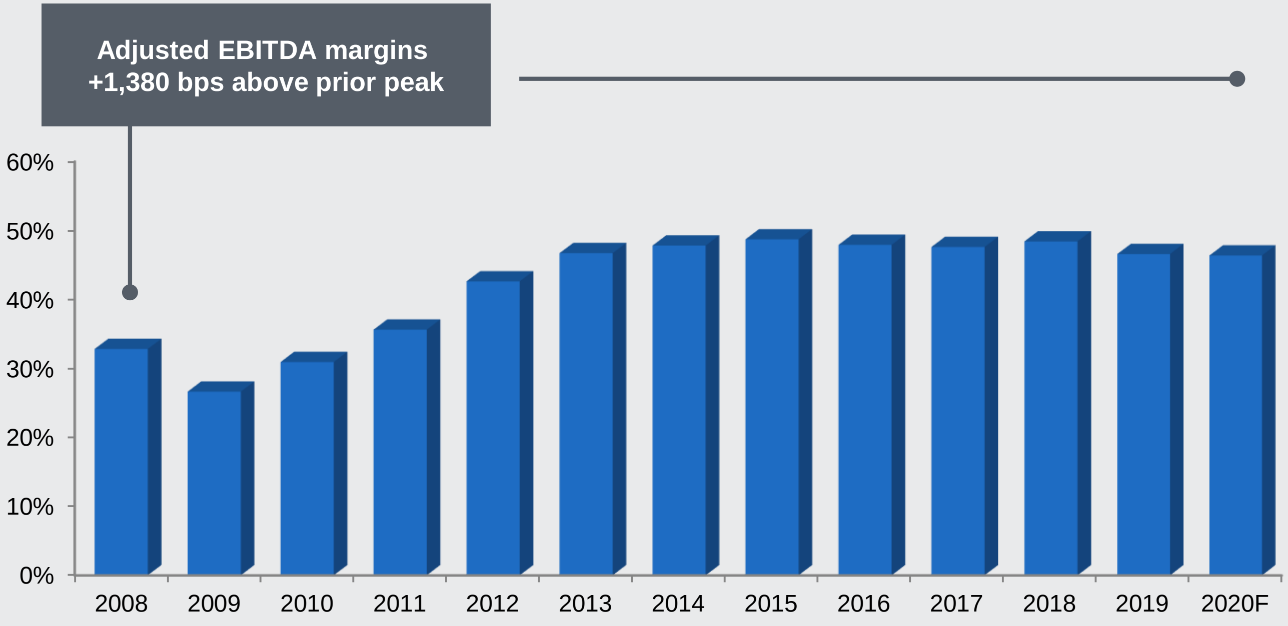


Robust growth and increased profitability across the current cycle

Notes:
(1) Adjusted EBITDA and Adjusted EPS are non-GAAP measures. See the tables provided elsewhere in this presentation for reconciliations to the most comparable GAAP measures.
(2) 2017 EPS excludes a one-time benefit from the Tax Act of $8.05. 2018 and 2019 reflect a reduction in the U.S. federal corporate statutory rate from 35% to 21% as a result of the Tax Act.

Structural changes are key to increased margins

Adjusted EBITDA Margin (%)



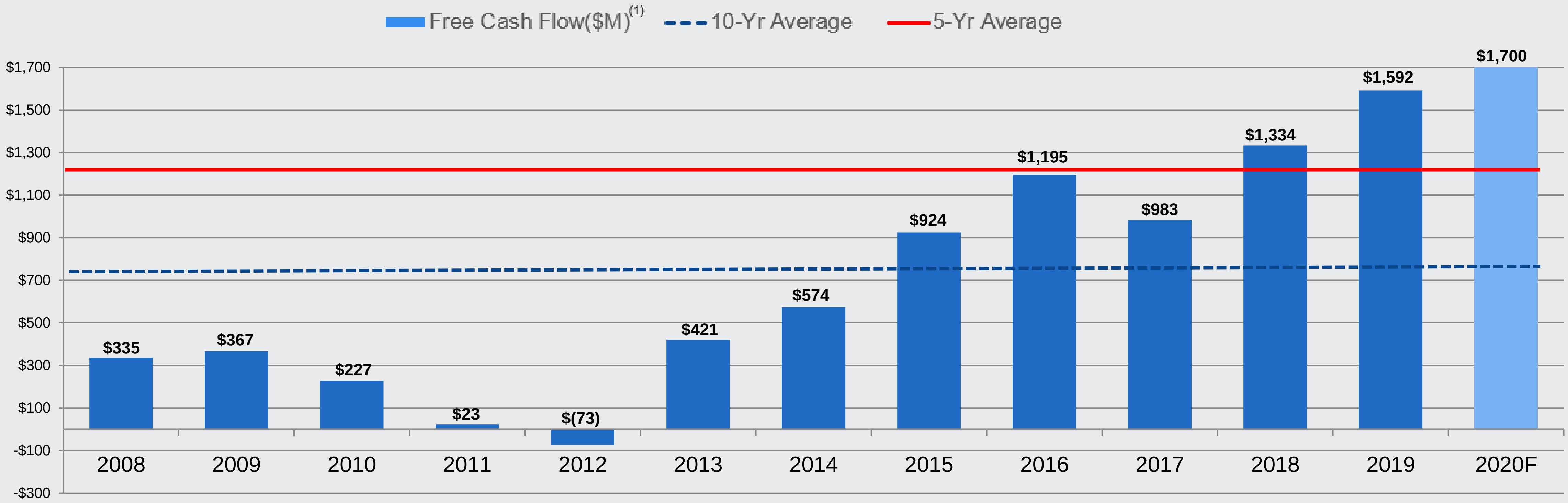
Key Drivers of Margin Gains

- Strong fixed-cost absorption
  - Cyclical leverage (e.g., SG&A as % of sales)
  - M&A cost synergies (e.g., RSC, NES, Neff)
- Operational efficiency gains
  - Process improvements (e.g., LEAN, 5S, etc.)
  - Technology (e.g., logistics, CORE, telematics)
- Improved mix
  - Shift towards higher margin Specialty
  - Improved segment/end-market mix
  - De-emphasis of low margin/return businesses
- Improved used equipment sales strategies

Dramatic cycle-over-cycle margin improvement

Note: 2020F reflects mid-point of guidance.

Consistent free cash flow generation



$6.0B of free cash flow generated over last 5 years, with a strong outlook[2]

Notes:

(1) Free cash flow is a non-GAAP measure. See tables provided elsewhere in this presentation for reconciliations to the most comparable GAAP measure. Merger and restructuring related payments were first reported for 2012. The information required to determine the amount of merger and restructuring related payments for periods prior to 2012 is unavailable without unreasonable effort. Free cash flow for 2012 and subsequent periods above excludes merger and restructuring related payments.

(2) Reflects 5 year period from 2015 to 2019, excluding merger and restructuring related payments.

(3) 2020F reflects mid-point of guidance

United Rentals

4Q Results

Total Revenue	• $2.456 billion (6.5% Y/Y as reported; +3.7% Y/Y pro forma*)
Adjusted EBITDA**	• $1.154 billion (47.0% margin; -140 bps Y/Y as reported; -130 bps Y/Y pro forma*)
Net Rental Capital Expenditures (YTD)	• $1.301 billion, after gross purchases of $2.132 billion
Net Cash Provided by Operating Activities (YTD)	• $3.024 billion
Free Cash Flow (YTD)**	• $1.592 billion***

*Pro forma reflects the combination of United Rentals and BlueLine for 2018.

**Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the tables provided elsewhere in this presentation for reconciliations to the most comparable GAAP measures.

***Excludes aggregate merger and restructuring related payments of $26M.

2020 Financial outlook

Total Revenue	• $9.4 billion to $9.8 billion
Adjusted EBITDA*	• $4.35 billion to $4.55 billion
Net Rental Capital Expenditures	• $1.05 billion to $1.35 billion, after gross purchases of $1.9 billion to $2.2 billion
Net Cash Provided by Operating Activities	• $2.85 billion to $3.35 billion
Free Cash Flow*	• $1.6 billion to $1.8 billion**

*Adjusted EBITDA and Free Cash Flow are non-GAAP measures. See the table provided elsewhere in this presentation for a reconciliation of forecasted Free Cash Flow to the most comparable GAAP measure. Information reconciling forecasted adjusted EBITDA to the most comparable GAAP financial measures is unavailable to the company without unreasonable effort, as discussed in the "Introductory Information" slide.
**Excludes merger and restructuring related payments. FCF outlook assumptions include 2020 cash taxes of ~$285M and cash interest of ~$530M.

Fleet productivity: overview

- *Fleet Productivity* provides greater insight into the interplay and combined impact of key decisions made by managers every day across (a) rental rates, (b) time utilization, and (c) changes in mix on our Owned Equipment Rental Revenue (i.e., the revenue we generate with our owned rental assets).
  - Mix includes impact of changes in customer mix, fleet mix, geographic mix and business mix (i.e., Specialty).

- *Fleet Productivity* is a metric that better explains how the combined changes in rental rates, time utilization, and mix come together to produce revenue and how management flexes the combination of these factors to drive efficient growth and benefits returns.

- *Fleet Productivity* is a comprehensive measure that combines the impact of the change in rental rates **plus** the impact of changes in time utilization **plus** the revenue impact from changes in mix in one metric.

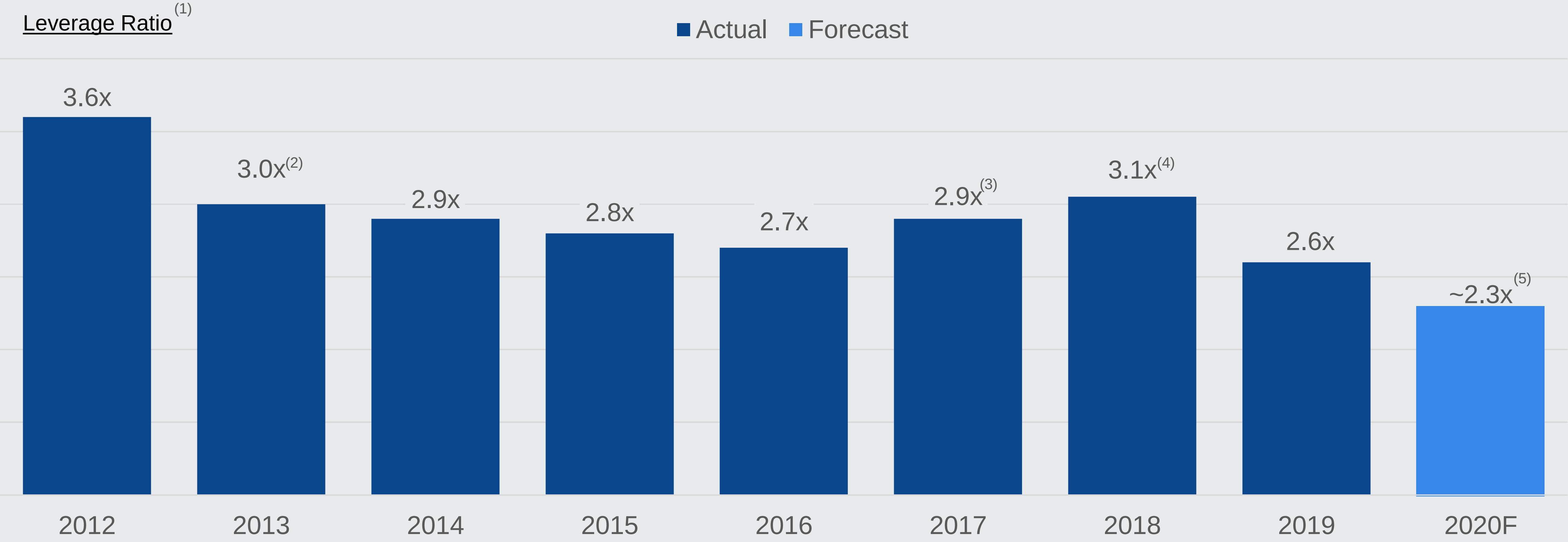
Fleet Productivity provides better insight into the decisions made to optimize growth and returns

Fleet productivity: historical results[1]

As Reported Historical Results					
	Actual YoY Change in Average OEC	Assumed YoY Impact of OEC Inflation on Rent Rev	Fleet Productivity[2]	Contribution from Ancillary and Re-Rent	Reported YoY Change in Rental Revenue
1Q 2016	2.8%	(1.5%)	**(2.3%)**	0.3%	(0.7%)
2Q 2016	1.6%	(1.5%)	**(1.7%)**	0.3%	(1.3%)
3Q 2016	1.7%	(1.5%)	**(1.1%)**	0.5%	(0.3%)
4Q 2016	2.6%	(1.5%)	**0.8%**	(0.3%)	1.6%
1Q 2017	3.9%	(1.5%)	**1.4%**	0.6%	4.4%
2Q 2017[3]	14.3%	(1.5%)	**0.7%** * (NES)	0.1%	13.5%
3Q 2017	15.7%	(1.5%)	**1.7%**	0.3%	16.2%
4Q 2017[3]	27.5%	(1.5%)	**0.5%** * (Neff)	0.3%	26.8%
1Q 2018	27.7%	(1.5%)	**(0.8%)**	(0.3%)	25.1%
2Q 2018	16.2%	(1.5%)	**4.5%**	0.1%	19.3%
3Q 2018[3]	19.5%	(1.5%)	**2.3%** * (BakerCorp)	0.8%	21.2%
4Q 2018[3]	18.8%	(1.5%)	**1.5%** * (BlueLine)	2.0%	20.8%
1Q 2019	23.7%	(1.5%)	**(1.3%)**	2.1%	23.0%
2Q 2019	23.2%	(1.5%)	**(3.1%)**	1.6%	20.2%
3Q 2019	18.1%	(1.5%)	**(1.3%)**	0.1%	15.4%
4Q 2019	7.6%	(1.5%)	**(2.4%)**	0.0%	3.7%
4Q 2019 PF[4]	**4.0%**	**(1.5%)**	**(1.8%)**	**0.1%**	**0.8%**

(1) Provided on an As Reported basis, except as otherwise noted.
(2) Fleet Productivity reflects the combined impact of changes in rental rates, time utilization, and mix that contribute to Owned Equipment Rental revenue (OER).
(3) Denotes quarter in which URI closed a material acquisition (NES = 2Q17; Neff = 4Q17; BakerCorp = 3Q18; BlueLine = 4Q18).
(4) Provided on a Pro Forma basis, as if BlueLine had been acquired January 1, 2018.

Balance sheet strength continues to improve



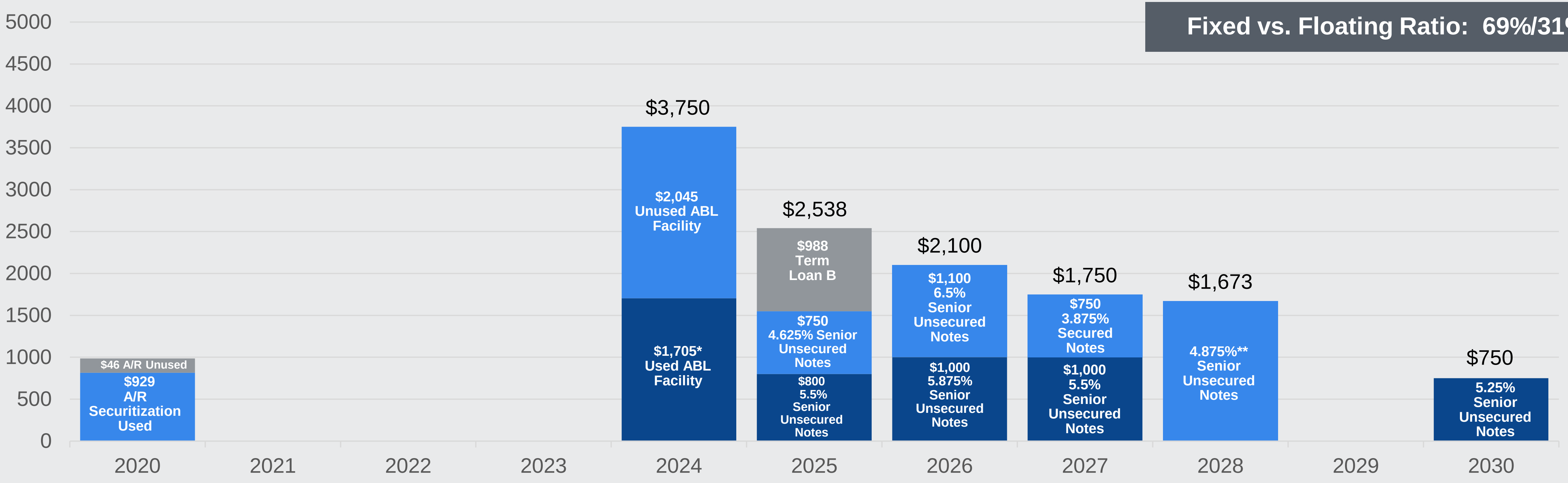
2.0x – 3.0x targeted leverage range across the cycle;
$1 billion of free cash flow earmarked for debt reduction in 2020

(1) Leverage Ratio calculated as total debt and QUIPs, net of cash, excluding original issuance discounts, premiums, and deferred financing divided by adjusted EBITDA.
(2) Pro Forma assumes RSC acquisition occurred on January 1, 2012.
(3) Reflects leverage as reported, which includes borrowings related to the acquisitions of both NES and Neff without full-year benefits of EBITDA contribution.
(4) Reflects leverage as reported, which includes borrowings related to the acquisitions of both Baker and BlueLine without full-year benefits of EBITDA contribution.
(5) Assumes midpoint of adjusted EBITDA guidance of $4.450B and $1B of net debt reduction

No maturities of long-term debt until 2025 ($M)

Total Liquidity of $2.143B***

Fixed vs. Floating Ratio: 69%/31%



Long-term debt maturities extend well into the next decade

Note: as of December 31, 2019.
*Includes $56M in Letters of Credit.
**Comprised of two separate 4.875% notes, a note with $1.669M principal amount and a note with $4M principal amount.
***Includes total cash, cash equivalents and availability under ABL and AR facilities.

5 Appendix

United Rentals

Adjusted Earnings Per Share GAAP Reconciliation

We define "earnings per share – adjusted" as the sum of earnings per share – GAAP, as reported plus the impact of the following special items: merger related costs, merger related intangible asset amortization, impact on depreciation related to acquired fleet and property and equipment, impact of the fair value mark-up of acquired fleet, restructuring charge, asset impairment charge and loss on repurchase/redemption of debt securities and amendment of ABL facility. Management believes that earnings per share - adjusted provides useful information concerning future profitability. However, earnings per share - adjusted is not a measure of financial performance under GAAP. Accordingly, earnings per share - adjusted should not be considered an alternative to GAAP earnings per share. The table below provides a reconciliation between earnings per share – GAAP, as reported, and earnings per share – adjusted.

$ Millions	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
Earnings per share - GAAP, as reported	**$ 4.49**	**$ 3.80**	**$ 15.11**	**$ 13.12**
After-tax impact of:				
Merger related costs (2)	—	0.21	0.01	0.32
Merger related intangible asset amortization (3)	0.60	0.58	2.48	1.76
Impact on depreciation related to acquired fleet and property and equipment (4)	0.05	—	0.39	0.19
Impact of the fair value mark-up of acquired fleet (5)	0.16	0.11	0.72	0.59
Restructuring charge (6)	0.03	0.15	0.18	0.28
Asset impairment charge (7)	(0.01)	—	0.05	—
Loss on repurchase/redemption of debt securities and amendment of ABL facility	0.28	—	0.58	—
Earnings per share - adjusted	**$ 5.60**	**$ 4.85**	**$ 19.52**	**$ 16.26**
Tax rate applied to above adjustments (1)	25.1 %	25.7 %	25.3 %	25.5 %

(1) The tax rates applied to the adjustments reflect the statutory rates in the applicable entities.

(2) Reflects transaction costs associated with the BakerCorp and BlueLine acquisitions discussed above. We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The historic acquisitions that have included merger related costs are RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, and National Pump, which had annual revenues of over $200 million prior to the acquisition. NES had annual revenues of approximately $369 million, Neff had annual revenues of approximately $413 million, BakerCorp had annual revenues of approximately $295 million and BlueLine had annual revenues of approximately $786 million.

(3) Reflects the amortization of the intangible assets acquired in the RSC, National Pump, NES, Neff, BakerCorp and BlueLine acquisitions.

(4) Reflects the impact of extending the useful lives of equipment acquired in the RSC, NES, Neff, BakerCorp and BlueLine acquisitions, net of the impact of additional depreciation associated with the fair value mark-up of such equipment.

(5) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

(6) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(7) Reflects write-offs of leasehold improvements and other fixed assets.

EBITDA and Adjusted EBITDA GAAP Reconciliations

EBITDA represents the sum of net income, provision for income taxes, interest expense, net, depreciation of rental equipment, and non-rental depreciation and amortization. Adjusted EBITDA represents EBITDA plus the sum of the merger related costs, restructuring charge, stock compensation expense, net, and the impact of the fair value mark-up of acquired fleet. These items are excluded from adjusted EBITDA internally when evaluating our operating performance and for strategic planning and forecasting purposes, and allow investors to make a more meaningful comparison between our core business operating results over different periods of time, as well as with those of other similar companies. The EBITDA and adjusted EBITDA margins represent EBITDA or adjusted EBITDA divided by total revenue. Management believes that EBITDA and adjusted EBITDA, when viewed with the Company's results under GAAP and the accompanying reconciliation, provide useful information about operating performance and period-over-period growth, and provide additional information that is useful for evaluating the operating performance of our core business without regard to potential distortions. Additionally, management believes that EBITDA and adjusted EBITDA help investors gain an understanding of the factors and trends affecting our ongoing cash earnings, from which capital investments are made and debt is serviced. However, EBITDA and adjusted EBITDA are not measures of financial performance or liquidity under GAAP and, accordingly, should not be considered as alternatives to net income or cash flow from operating activities as indicators of operating performance or liquidity. The table below provides a reconciliation between net income and EBITDA and adjusted EBITDA.

The table below provides a reconciliation between net income and EBITDA and adjusted EBITDA.

$ Millions	**Three Months Ended December 31, 2019**	**Three Months Ended December 31, 2018**	**Year Ended December 31, 2019**	**Year Ended December 31, 2018**
Net income	**$ 338**	**$ 310**	**$ 1,174**	**$ 1,096**
Provision for income taxes	95	115	340	380
Interest expense, net	170	142	648	481
Depreciation of rental equipment	420	375	1,631	1,363
Non-rental depreciation and amortization	96	95	407	308
EBITDA (A)	**$ 1,119**	**$ 1,037**	**$ 4,200**	**$ 3,628**
Merger related costs (1)	—	22	1	36
Restructuring charge (2)	2	16	18	31
Stock compensation expense, net (3)	16	29	61	102
Impact of the fair value mark-up of acquired fleet (4)	17	13	75	66
Adjusted EBITDA (B)	**$ 1,154**	**$ 1,117**	**$ 4,355**	**$ 3,863**

(A) Our EBITDA margin was 45.6% and 45.0% for the three months ended December 31, 2019 and 2018, respectively, and 44.9% and 45.1% for the years ended December 31, 2019 and 2018, respectively.

(B) Our adjusted EBITDA margin was 47.0% and 48.4% for the three months ended December 31, 2019 and 2018, respectively, and 46.6% and 48.0% for the years ended December 31, 2019 and 2018, respectively.

(1) Reflects transaction costs associated with the BakerCorp and BlueLine acquisitions discussed above. We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The historic acquisitions that have included merger related costs are RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, and National Pump, which had annual revenues of over $200 million prior to the acquisition. NES had annual revenues of approximately $369 million, Neff had annual revenues of approximately $413 million, BakerCorp had annual revenues of approximately $295 million and BlueLine had annual revenues of approximately $786 million.

(2) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(3) Represents non-cash, share-based payments associated with the granting of equity instruments.

(4) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

Reconciliation of Net Cash Provided by Operating Activities to EBITDA and Adjusted EBITDA

The table below provides a reconciliation between net cash provided by operating activities and EBITDA and adjusted EBITDA.

$ Millions	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
Net cash provided by operating activities	**$ 442**	**$ 730**	**$ 3,024**	**$ 2,853**
Adjustments for items included in net cash provided by operating activities but excluded from the calculation of EBITDA:				
Amortization of deferred financing costs and original issue discounts	(4)	(3)	(15)	(12)
Gain on sales of rental equipment	89	82	313	278
Gain on sales of non-rental equipment	3	2	6	6
Gain on insurance proceeds from damaged equipment	6	4	24	22
Merger related costs (1)	—	(22)	(1)	(36)
Restructuring charge (2)	(2)	(16)	(18)	(31)
Stock compensation expense, net (3)	(16)	(29)	(61)	(102)
Loss on repurchase/redemption of debt securities and amendment of ABL facility	(29)	—	(61)	—
Changes in assets and liabilities	387	192	170	124
Cash paid for interest	101	76	581	455
Cash paid for income taxes, net	142	21	238	71
EBITDA	**$ 1,119**	**$ 1,037**	**$ 4,200**	**$ 3,628**
Add back:				
Merger related costs (1)	—	22	1	36
Restructuring charge (2)	2	16	18	31
Stock compensation expense, net (3)	16	29	61	102
Impact of the fair value mark-up of acquired fleet (4)	17	13	75	66
Adjusted EBITDA	**$ 1,154**	**$ 1,117**	**$ 4,355**	**$ 3,863**

(1) Reflects transaction costs associated with the BakerCorp and BlueLine acquisitions discussed above. We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The historic acquisitions that have included merger related costs are RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, and National Pump, which had annual revenues of over $200 million prior to the acquisition. NES had annual revenues of approximately $369 million, Neff had annual revenues of approximately $413 million, BakerCorp had annual revenues of approximately $295 million and BlueLine had annual revenues of approximately $786 million.

(2) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(3) Represents non-cash, share-based payments associated with the granting of equity instruments.

(4) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

Pro Forma EBITDA and Adjusted EBITDA GAAP Reconciliations

The pro forma information below for 2018 reflects the combination of United Rentals, BakerCorp and BlueLine. BakerCorp was acquired in July 2018 and was fully included in United Rentals' results for the three months ended December 31, 2018. Prior to our acquisitions of BakerCorp and BlueLine, BakerCorp and BlueLine management used different EBITDA and adjusted EBITDA definitions than those used by United Rentals. The information below reflects BakerCorp and BlueLine historical information presented in accordance with United Rentals' definitions of EBITDA and adjusted EBITDA. The management of BakerCorp and BlueLine historically did not view EBITDA and adjusted EBITDA as liquidity measures, and accordingly the information required to reconcile these measures to the statement of cash flows is unavailable to the company. The tables below provide calculations of as-reported and pro forma net income and EBITDA and adjusted EBITDA for the three months and years ended December 31, 2019 and 2018.

$ Millions	Three Months Ended December 31,		Three Months Ended December 31,	
	2019	2018	2018	2018
	As-reported	As-reported	BlueLine	Pro forma
Net income (loss)	**$338**	**$310**	**$(139)**	**$171**
Provision for income taxes	95	115	—	115
Interest expense, net	170	142	11	153
Depreciation of rental equipment	420	375	17	392
Non-rental depreciation and amortization	96	95	—	95
EBITDA (A)	**$1,119**	**$1,037**	**$(111)**	**$926**
Merger related costs (1)	—	22	138	160
Restructuring charge (2)	2	16	—	16
Stock compensation expense, net (3)	16	29	—	29
Impact of the fair value mark-up of acquired fleet (4)	17	13	—	13
Other (5)	—	—	1	1
Adjusted EBITDA (B)	**$1,154**	**$1,117**	**$28**	**$1,145**

A) Our as-reported EBITDA margin was 45.6% and 45.0% for the three months ended December 31, 2019 and 2018, respectively, and pro forma EBITDA margin was 39.1% for the three months ended December 31, 2018. Our as-reported EBITDA margin was 44.9% and 45.1% for the years ended December 31, 2019 and 2018, respectively, and pro forma EBITDA margin was 41.8% for the year ended December 31, 2018.

B) Our as-reported adjusted EBITDA margin was 47.0% and 48.4% for the three months ended December 31, 2019 and 2018, respectively, and pro forma adjusted EBITDA margin was 48.3% for the three months ended December 31, 2018. Our as-reported adjusted EBITDA margin was 46.6% and 48.0% for the years ended December 31, 2019 and 2018, respectively, and pro forma adjusted EBITDA margin was 46.9% for the year ended December 31, 2018.

(1) Reflects transaction costs associated with the BakerCorp and BlueLine acquisitions discussed above. We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The historic acquisitions that have included merger related costs are RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, and National Pump, which had annual revenues of over $200 million prior to the acquisition. NES had annual revenues of approximately $369 million, Neff had annual revenues of approximately $413 million, BakerCorp had annual revenues of approximately $295 million and BlueLine had annual revenues of approximately $786 million. The BlueLine merger costs reflect merger related costs recognized by BlueLine prior to the acquisition.

(2) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(3) Represents non-cash, share-based payments associated with the granting of equity instruments.

(4) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

(5) Includes various adjustments reflected in historic adjusted EBITDA for BlueLine.

Pro Forma EBITDA and Adjusted EBITDA GAAP Reconciliations (Cont'd)

The pro forma information below for 2018 reflects the combination of United Rentals, BakerCorp and BlueLine. BakerCorp was acquired in July 2018 and was fully included in United Rentals' results for the three months ended December 31, 2018. Prior to our acquisitions of BakerCorp and BlueLine, BakerCorp and BlueLine management used different EBITDA and adjusted EBITDA definitions than those used by United Rentals. The information below reflects BakerCorp and BlueLine historical information presented in accordance with United Rentals' definitions of EBITDA and adjusted EBITDA. The management of BakerCorp and BlueLine historically did not view EBITDA and adjusted EBITDA as liquidity measures, and accordingly the information required to reconcile these measures to the statement of cash flows is unavailable to the company. The tables below provide calculations of as-reported and pro forma net income and EBITDA and adjusted EBITDA for the three months and years ended December 31, 2019 and 2018.

$ Millions	Year Ended December 31,		Year Ended December 31,		
	2019	2018	2018	2018	2018
	As-reported	As-reported	BakerCorp	BlueLine	Pro forma
Net income (loss)	**$1,174**	**$1,096**	**$(46)**	**$(169)**	**$881**
Provision (benefit) for income taxes	340	380	(38)	—	342
Interest expense, net	648	481	30	106	617
Depreciation of rental equipment	1,631	1,363	21	167	1,551
Non-rental depreciation and amortization	407	308	14	6	328
EBITDA (A)	**$4,200**	**$3,628**	**$(19)**	**$110**	**$3,719**
Merger related costs (1)	1	36	57	142	235
Restructuring charge (2)	18	31	—	—	31
Stock compensation expense, net (3)	61	102	—	—	102
Impact of the fair value mark-up of acquired fleet (4)	75	66	—	—	66
Other (5)	—	—	7	12	19
Adjusted EBITDA (B)	**$4,355**	**$3,863**	**$45**	**$264**	**$4,172**

A) Our as-reported EBITDA margin was 45.6% and 45.0% for the three months ended December 31, 2019 and 2018, respectively, and pro forma EBITDA margin was 39.1% for the three months ended December 31, 2018. Our as-reported EBITDA margin was 44.9% and 45.1% for the years ended December 31, 2019 and 2018, respectively, and pro forma EBITDA margin was 41.8% for the year ended December 31, 2018.

B) Our as-reported adjusted EBITDA margin was 47.0% and 48.4% for the three months ended December 31, 2019 and 2018, respectively, and pro forma adjusted EBITDA margin was 48.3% for the three months ended December 31, 2018. Our as-reported adjusted EBITDA margin was 46.6% and 48.0% for the years ended December 31, 2019 and 2018, respectively, and pro forma adjusted EBITDA margin was 46.9% for the year ended December 31, 2018.

(1) Reflects transaction costs associated with the BakerCorp and BlueLine acquisitions discussed above. We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The historic acquisitions that have included merger related costs are RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, and National Pump, which had annual revenues of over $200 million prior to the acquisition. NES had annual revenues of approximately $369 million, Neff had annual revenues of approximately $413 million, BakerCorp had annual revenues of approximately $295 million and BlueLine had annual revenues of approximately $786 million. The BlueLine merger costs reflect merger related costs recognized by BlueLine prior to the acquisition.

(2) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(3) Represents non-cash, share-based payments associated with the granting of equity instruments.

(4) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

(5) Includes various adjustments reflected in historic adjusted EBITDA for BlueLine.

Free Cash Flow GAAP Reconciliation

We define "free cash flow" as net cash provided by operating activities less purchases of, and plus proceeds from, equipment. The equipment purchases and proceeds are included in cash flows from investing activities. Management believes that free cash flow provides useful additional information concerning cash flow available to meet future debt service obligations and working capital requirements. However, free cash flow is not a measure of financial performance or liquidity under GAAP. Accordingly, free cash flow should not be considered an alternative to net income or cash flow from operating activities as an indicator of operating performance or liquidity. The table below provides a reconciliation between net cash provided by operating activities and free cash flow.

$ Millions	Three Months Ended December 31, 2019	Three Months Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2018
Net cash provided by operating activities	$ 442	$ 730	$ 3,024	$ 2,853
Purchases of rental equipment	(158)	(144)	(2,132)	(2,106)
Purchases of non-rental equipment	(61)	(51)	(218)	(185)
Proceeds from sales of rental equipment	244	186	831	664
Proceeds from sales of non-rental equipment	11	10	37	23
Insurance proceeds from damaged equipment	6	4	24	22
Free cash flow (1)	**$ 484**	**$ 735**	**$ 1,566**	**$ 1,271**

(1) Free cash flow included aggregate merger and restructuring related payments of $4 million and $31 million for the three months ended December 31, 2019 and 2018, respectively, and $26 million and $63 million for the years ended December 31, 2019 and 2018, respectively.

The table below provides a reconciliation between 2020 forecasted net cash provided by operating activities and free cash flow.

$ Millions	
Net cash provided by operating activities	**$2,850- $3,350**
Purchases of rental equipment	$(1,900)-$(2,200)
Proceeds from sales of rental equipment	$800-$900
Purchases of non-rental equipment, net of proceeds from sales	$(150)-$(250)
Free cash flow (excluding the impact of merger and restructuring related payments)	**$1,600- $1,800**

Historical Adjusted Earnings Per Share GAAP Reconciliation

Adjusted EPS (earnings per share) is a non-GAAP measure that reflects diluted earnings (loss) per share from continuing operations excluding the impact of the special items described below. Management believes that adjusted EPS provides useful information concerning future profitability. However, adjusted EPS is not a measure of financial performance under GAAP. Accordingly, adjusted EPS should not be considered an alternative to GAAP earnings per share. The table below provides a reconciliation between diluted earnings (loss) per share and adjusted EPS.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Diluted earnings (loss) per share (EPS) from continuing operations	**$ (12.62)**	**$ (0.98)**	**$ (0.38)**	**$ 1.38**	**$ 0.79**	**$ 3.64**	**$ 5.15**	**$ 6.07**	**$ 6.45**	**$ 15.73**	**$ 13.12**	**$ 15.11**
EPS adjustments (after-tax):												
Merger related costs (1)	—	—	—	0.25	0.72	0.05	0.06	(0.17)	—	0.36	0.32	0.01
Merger related intangible asset amortization (2)	—	—	—	—	0.74	0.94	1.10	1.15	1.12	1.15	1.76	2.48
Impact on depreciation related to acquired fleet and property and equipment (3)	—	—	—	—	(0.03)	(0.04)	(0.03)	(0.02)	—	0.05	0.19	0.39
Impact of the fair value mark-up of acquired fleet (4)	—	—	—	—	0.24	0.25	0.21	0.19	0.25	0.59	0.59	0.72
Pre-close RSC merger related interest expense (5)	—	—	—	—	0.19	—	—	—	—	—	—	—
Impact on interest expense related to fair value adjustment of acquired RSC indebtedness (6)	—	—	—	—	(0.03)	(0.04)	(0.03)	(0.02)	(0.01)	—	—	—
Restructuring charge (7)	0.17	0.29	0.34	0.16	0.64	0.07	(0.01)	0.04	0.11	0.36	0.28	0.18
Asset impairment charge (8)	0.06	0.12	0.09	0.04	0.10	0.02	—	—	0.03	0.01	—	0.05
(Gain) loss on extinguishment of debt securities, including subordinated convertible debentures, and amendments of debt facilities (9)	(0.32)	(0.19)	0.28	0.04	0.45	0.02	0.46	0.78	0.70	0.39	—	0.58
Gain on sale of software subsidiary (10)	—	—	—	—	(0.05)	—	—	—	—	—	—	—
Goodwill impairment charge (11)	12.19	—	—	—	—	—	—	—	—	—	—	—
Charge related to settlement of SEC inquiry (12)	0.19	—	—	—	—	—	—	—	—	—	—	—
Preferred stock redemption charge (13)	3.19	—	—	—	—	—	—	—	—	—	—	—
Foreign tax credit valuation allowance and other (14)	0.10	—	—	—	—	—	—	—	—	—	—	—
Total EPS adjustments	**$ 15.58**	**$ 0.22**	**$ 0.71**	**$ 0.49**	**$ 2.97**	**$ 1.27**	**$ 1.76**	**$ 1.95**	**$ 2.20**	**$ 2.91**	**$ 3.14**	**$ 4.41**
Adjusted EPS	**$ 2.96**	**$ (0.76)**	**$ 0.33**	**$ 1.87**	**$ 3.76**	**$ 4.91**	**$ 6.91**	**$ 8.02**	**$ 8.65**	**$ 18.64**	**$ 16.26**	**$ 19.52**
2017 Tax Act impact (15)										$ 8.05	$	
Total revenues ($M) (16)	**$ 3,267**	**$ 2,358**	**$ 2,237**	**$ 2,611**	**$ 4,117**	**$ 4,955**	**$ 5,685**	**$ 5,817**	**$ 5,762**	**$ 6,641**	**$ 8,047**	**$ 9,351**

Historical Adjusted Earnings Per Share GAAP Reconciliation (cont'd)

(1) We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The acquisitions that have included merger related costs are 1) RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, 2) National Pump, which had annual revenues of over $200 million prior to the acquisition, 3) NES, which had annual revenues of approximately $369 million prior to the acquisition, 4) Neff, which had annual revenues of approximately $413 million prior to the acquisition, 5) BakerCorp, which had annual revenues of approximately $295 million prior to the acquisition and 6) BlueLine, which had annual revenues of approximately $786 million prior to the acquisition.

(2) Reflects the amortization of the intangible assets acquired in the RSC, National Pump, NES, Neff, BakerCorp and BlueLine acquisitions.

(3) Reflects the impact of extending the useful lives of equipment acquired in the RSC, NES, Neff, BakerCorp and BlueLine acquisitions, net of the impact of additional depreciation associated with the fair value mark-up of such equipment.

(4) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

(5) In March 2012, we issued $2.825 billion of debt in connection with the RSC acquisition. The pre-close RSC merger related interest expense reflects the interest expense recorded on this debt prior to the acquisition of RSC on April 30, 2012.

(6) Reflects a reduction of interest expense associated with the fair value mark-up of debt acquired in the RSC acquisition.

(7) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(8) Primarily reflects write-offs of leasehold improvements and other fixed assets.

(9) Reflects gains/losses on the extinguishment of certain debt securities, including subordinated convertible debentures, and write-offs of debt issuance costs associated with amendments to our debt facilities. In 2013, we retired all outstanding subordinated convertible debentures.

(10) Reflects a gain recognized upon the sale of a former subsidiary that developed and marketed software.

(11) We recognized a goodwill impairment charge in the fourth quarter of 2008 that reflected the challenges of the construction cycle, as well as the broader economic and credit environment. Substantially all of the impairment charge related to goodwill arising out of acquisitions made between 1997 and 2000.

(12) In the third quarter of 2008 we settled, without admitting or denying the allegations in the SEC's complaint, to the entry of a judgment requiring us to pay a civil penalty of $14 million associated with an SEC inquiry into our historical accounting practices.

(13) Reflects a preferred stock redemption charge associated with the June 2008 repurchase of our Series C and D preferred stock.

(14) Primarily relates to the establishment of a valuation allowance related to certain foreign tax credits that, as a result of the preferred stock redemption discussed above, were no longer expected to be realized.

(15) The Tax Cuts and Jobs Act (the "Tax Act"), which was enacted in December 2017, reduced the U.S. federal corporate statutory tax rate from 35% to 21%. The benefit in 2017 reflects an aggregate benefit of $689 million, or $8.05 per diluted share, reflecting 1) a one-time non-cash tax benefit reflecting the revaluation of our net deferred tax liability using a U.S. federal corporate statutory tax rate of 21% and 2) a one-time transition tax on our unremitted foreign earnings and profits. Periods subsequent to 2017 reflect the lower 21% U. S. federal corporate statutory tax rate.

(16) Total revenue is provided for context.

Historical EBITDA and Adjusted EBITDA GAAP Reconciliations ($M)

EBITDA represents the sum of net income (loss), loss on discontinued operations, net of tax, provision (benefit) for income taxes, interest expense, subordinated convertible debentures, net, depreciation of rental equipment, and non-rental depreciation and amortization. Adjusted EBITDA represents EBITDA plus the adjusting items (determined at the time of the historic reporting) discussed below. These items are excluded from adjusted EBITDA internally when evaluating our operating performance and for strategic planning and forecasting purposes, and allow investors to make a more meaningful comparison between our core business operating results over different periods of time, as well as with those of other similar companies. The EBITDA and adjusted EBITDA margins represent EBITDA or adjusted EBITDA divided by total revenue. Management believes that EBITDA and adjusted EBITDA, when viewed with the Company's results under GAAP and the accompanying reconciliations, provide useful information about operating performance and period-over-period growth, and provide additional information that is useful for evaluating the operating performance of our core business without regard to potential distortions. Additionally, management believes that EBITDA and adjusted EBITDA help investors gain an understanding of the factors and trends affecting our ongoing cash earnings, from which capital investments are made and debt is serviced. The tables below provide 1) a reconciliation between net income and EBITDA and adjusted EBITDA and 2) a reconciliation between net cash provided by operating activities and EBITDA and adjusted EBITDA.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net income (loss)	**$ (704)**	**$ (62)**	**$ (26)**	**$ 101**	**$ 75**	**$ 387**	**$ 540**	**$ 585**	**$ 566**	**$ 1,346**	**$ 1,096**	**$ 1,174**
Loss on discontinued operations, net of tax	—	2	4	—	—	—	—	—	—	—	—	–
Provision (benefit) for income taxes	(109)	(47)	(41)	63	13	218	310	378	343	(298)	380	340
Interest expense, net	174	226	255	228	512	475	555	567	511	464	481	648
Interest expense-subordinated convertible debentures, net (1)	9	(4)	8	7	4	3	—	—	—	—	—	–
Depreciation of rental equipment	455	417	389	423	699	852	921	976	990	1,124	1,363	1,631
Non-rental depreciation and amortization	58	57	60	57	198	246	273	268	255	259	308	407
EBITDA	**(117)**	**589**	**649**	**879**	**1,501**	**2,181**	**2,599**	**2,774**	**2,665**	**2,895**	**3,628**	**4,200**
EBITDA Margin	**(3.6)%**	**25.0%**	**29.0%**	**33.7%**	**36.5%**	**44.0%**	**45.7%**	**47.7%**	**46.3%**	**43.6%**	**45.1%**	**44.9%**
Merger related costs (2)	—	—	—	19	111	9	11	(26)	—	50	36	1
Restructuring charge (3)	20	31	34	19	99	12	(1)	6	14	50	31	18
Charge related to settlement of SEC inquiry (4)	14	—	—	—	—	—	—	—	—	—	—	—
Goodwill impairment charge (5)	1,147	—	—	—	—	—	—	—	—	—	—	—
Impact of the fair value mark-up of acquired fleet (6)	—	—	—	—	37	44	35	29	35	82	66	75
(Gain) loss on sale of software subsidiary (7)	—	—	—	—	(8)	1	—	—	—	—	—	–
Stock compensation expense, net (8)	6	8	8	12	32	46	74	49	45	87	102	61
Adjusted EBITDA	**$ 1,070**	**$ 628**	**$ 691**	**$ 929**	**$ 1,772**	**$ 2,293**	**$ 2,718**	**$ 2,832**	**$ 2,759**	**$ 3,164**	**$ 3,863**	**$ 4,355**
Adjusted EBITDA Margin	**32.8%**	**26.6%**	**30.9%**	**35.6%**	**43.0%**	**46.3%**	**47.8%**	**48.7%**	**47.9%**	**47.6%**	**48.0%**	**46.6%**

Historical EBITDA and Adjusted EBITDA GAAP Reconciliations ($M) (cont'd)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net cash provided by operating activities (9)	**$ 438**	**$ 452**	**$ 612**	**$ 721**	**$ 1,551**	**$ 1,801**	**$ 1,987**	**$ 1,941**	**$ 2,209**	**$ 2,853**	**$ 3,024**
Adjustments for items included in net cash provided by operating activities but excluded from the calculation of EBITDA:											
Loss from discontinued operation, net of taxes	2	4	—	—	—	—	—	—	—	—	–
Amortization of deferred financing costs and original issue discounts	(17)	(23)	(22)	(23)	(21)	(17)	(10)	(9)	(9)	(12)	(15)
Gain on sales of rental equipment	7	41	66	125	176	229	227	204	220	278	313
(Loss) gain on sales of non-rental equipment	(1)	—	2	2	6	11	8	4	4	6	6
Gain on insurance proceeds on damaged equipment (10)	—	—	—	—	—	—	8	12	21	22	24
Gain (loss) on sale of software subsidiary (7)	—	—	—	8	(1)	—	—	—	—	—	–
Merger related costs (2)	—	—	(19)	(111)	(9)	(11)	26	—	(50)	(36)	(1)
Restructuring charge (3)	(31)	(34)	(19)	(99)	(12)	1	(6)	(14)	(50)	(31)	(18)
Stock compensation expense, net (8)	(8)	(8)	(12)	(32)	(46)	(74)	(49)	(45)	(87)	(102)	(61
Gain (loss) on extinguishment of debt securities, and amendments of debt facilities	7	(28)	(3)	(72)	(1)	(80)	(123)	(101)	(54)	—	(61)
Loss on retirement of subordinated convertible debentures (1)	13	—	(2)	—	(2)	—	—	—	—	—	—
Excess tax benefits from share-based payment arrangements (11)	—	—	—	—	—	—	5	58	—	—	—
Changes in assets and liabilities	(58)	65	49	571	31	182	194	101	129	124	170
Cash paid for interest, including subordinated convertible debentures (1)	234	229	203	371	461	457	447	415	357	455	581
Cash paid (received) for income taxes, net	3	(49)	24	40	48	100	60	99	205	71	238
EBITDA	**589**	**649**	**879**	**1,501**	**2,181**	**2,599**	**2,774**	**2,665**	**2,895**	**3,628**	**4,200**
Add back:											
Merger related costs (2)	—	—	19	111	9	11	(26)	—	50	36	1
Restructuring charge (3)	31	34	19	99	12	(1)	6	14	50	31	18
Stock compensation expense, net (8)	8	8	12	32	46	74	49	45	87	102	61
Impact of the fair value mark-up of acquired fleet (6)	—	—	—	37	44	35	29	35	82	66	75
(Gain) loss on sale of software subsidiary (7)	—	—	—	(8)	1	—	—	—	—	—	–
Adjusted EBITDA	**$ 628**	**$ 691**	**$ 929**	**$ 1,772**	**$ 2,293**	**$ 2,718**	**$ 2,832**	**$ 2,759**	**$ 3,164**	**$ 3,863**	**$ 4,355**

Historical EBITDA and Adjusted EBITDA GAAP Reconciliations ($M) (cont'd)

(1) In 2013, we retired all outstanding subordinated convertible debentures.

(2) We have made a number of acquisitions in the past and may continue to make acquisitions in the future. Merger related costs only include costs associated with major acquisitions that significantly impact our operations. The acquisitions that have included merger related costs are 1) RSC, which had annual revenues of approximately $1.5 billion prior to the acquisition, 2) National Pump, which had annual revenues of over $200 million prior to the acquisition, 3) NES, which had annual revenues of approximately $369 million prior to the acquisition, 4) Neff, which had annual revenues of approximately $413 million prior to the acquisition, 5) BakerCorp, which had annual revenues of approximately $295 million prior to the acquisition and 6) BlueLine, which had annual revenues of approximately $786 million prior to the acquisition.

(3) Primarily reflects severance and branch closure charges associated with our closed restructuring programs and our current restructuring program. We only include such costs that are part of a restructuring program as restructuring charges. Since the first such restructuring program was initiated in 2008, we have completed four restructuring programs. We have cumulatively incurred total restructuring charges of $333 million under our restructuring programs.

(4) In the third quarter of 2008 we settled, without admitting or denying the allegations in the SEC's complaint, to the entry of a judgment requiring us to pay a civil penalty of $14 million associated with an SEC inquiry into our historical accounting practices.

(5) We recognized a goodwill impairment charge in the fourth quarter of 2008 that reflected the challenges of the construction cycle, as well as the broader economic and credit environment. Substantially all of the impairment charge related to goodwill arising out of acquisitions made between 1997 and 2000.

(6) Reflects additional costs recorded in cost of rental equipment sales associated with the fair value mark-up of rental equipment acquired in the RSC, NES, Neff and BlueLine acquisitions and subsequently sold.

(7) Reflects a gain recognized upon the sale of a former subsidiary that developed and marketed software.

(8) Represents non-cash, share-based payments associated with the granting of equity instruments.

(9) We first reported the reconciliation between net cash provided by operating activities and EBITDA and adjusted EBITDA in 2011, and 2009 is the earliest reported period with such a reconciliation. The presentation of our statement of cash flows for periods prior to 2009 differs from the presentation used in 2011, on account of which the information required to prepare the reconciliation between net cash provided by operating activities and EBITDA and adjusted EBITDA for periods prior to 2009 is unavailable without unreasonable effort.

(10) In 2018, we adopted accounting guidance that addressed the cash flow presentation for proceeds from the settlement of insurance claims. Adoption of this guidance decreased net cash provided by operating activities, relative to previously reported amounts, but did not change EBITDA or adjusted EBITDA for 2017, 2016 and 2015 in the table above. The information required to determine the amount of insurance proceeds for periods prior to 2015 is unavailable without unreasonable effort. The insurance proceeds do not impact EBITDA or adjusted EBITDA.

(11) The excess tax benefits from share-based payment arrangements result from stock-based compensation windfall deductions in excess of the amounts reported for financial reporting purposes. We adopted accounting guidance in 2017 that changed the cash flow presentation of excess tax benefits from share-based payment arrangements. In the table above, the excess tax benefits from share-based payment arrangements for periods after 2016 are presented as a component of net cash provided by operating activities, while, for 2015 and 2016, they are presented as a separate line item.

Historical Free Cash Flow GAAP Reconciliation ($M)

We define "free cash flow" as net cash provided by operating activities less purchases of, and plus proceeds from, equipment, and plus excess tax benefits from share-based payment arrangements. The equipment purchases and proceeds are included in cash flows from investing activities. Management believes that free cash flow provides useful additional information concerning cash flow available to meet future debt service obligations and working capital requirements. However, free cash flow is not a measure of financial performance or liquidity under GAAP. Accordingly, free cash flow should not be considered an alternative to net income or cash flow from operating activities as an indicator of operating performance or liquidity. The table below provides a reconciliation between net cash provided by operating activities and free cash flow.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net cash provided by operating activities	**$ 764**	**$ 438**	**$ 452**	**$ 612**	**$ 721**	**$ 1,551**	**$ 1,801**	**$ 1,987**	**$ 1,941**	**$ 2,209**	**$ 2,853**	**$ 3,024**
Purchases of rental equipment	(624)	(260)	(346)	(774)	(1,272)	(1,580)	(1,701)	(1,534)	(1,246)	(1,769)	(2,106)	(2,132)
Purchases of non-rental equipment	(80)	(51)	(28)	(36)	(97)	(104)	(120)	(102)	(93)	(120)	(185)	(218)
Proceeds from sales of rental equipment	264	229	144	208	399	490	544	538	496	550	664	831
Proceeds from sales of non-rental equipment	11	13	7	13	31	26	33	17	14	16	23	37
Insurance proceeds from damaged equipment (1)	—	—	—	—	—	—	—	8	12	21	22	24
Excess tax benefits from share-based payment arrangements (2)	—	(2)	(2)	—	(5)	—	—	5	58	—	—	–
Free cash flow	**$ 335**	**$ 367**	**$ 227**	**$ 23**	**$ (223)**	**$ 383**	**$ 557**	**$ 919**	**$ 1,182**	**$ 907**	**$ 1,271**	**$ 1,566**
Merger and restructuring related payments included in free cash flow (3)					150	38	17	5	13	76	63	26
Free cash flow excluding merger and restructuring related payments (3)					$ (73)	$ 421	$ 574	$ 924	$ 1,195	$ 983	$ 1,334	$ 1,592

(1) In 2018, we adopted accounting guidance that addressed the cash flow presentation for proceeds from the settlement of insurance claims. Adoption of this guidance decreased net cash provided by operating activities, relative to previously reported amounts, but did not change free cash flow, for 2017, 2016 and 2015 in the table above. The information required to determine the amount of insurance proceeds for periods prior to 2015 is unavailable without unreasonable effort. The adoption of this accounting guidance did not impact free cash flow, as the reduction to net cash provided by operating activities was offset by the increase in insurance proceeds from damaged equipment.

(2) The excess tax benefits from share-based payment arrangements result from stock-based compensation windfall deductions in excess of the amounts reported for financial reporting purposes. We adopted accounting guidance in 2017 that changed the cash flow presentation of excess tax benefits from share-based payment arrangements. In the table above, the excess tax benefits from share-based payment arrangements for periods after 2016 are presented as a component of net cash provided by operating activities, while, for 2016 and prior, they are presented as a separate line item. Because we historically included the excess tax benefits from share based payment arrangements in the free cash flow calculation, the adoption of this guidance did not change the calculation of free cash flow.

(3) Merger and restructuring related payments were first reported for 2012. The information required to determine the amount of merger and restructuring related payments for periods prior to 2012 is unavailable without unreasonable effort.