

## **MOODY'S PLACES WILLIAMS SCOTSMAN INTERNATIONAL INC. ON REVIEW FOR POSSIBLE UPGRADE**

Moody's Investors Service placed all ratings of Williams Scotsman International, Inc. (Corporate Family at B2) on review for possible upgrade. The review was prompted by the company's continued strong performance, supported by substantial increases in average lease rates with stable utilization. This has resulted in greater cash flow generation, causing leverage metrics to improve to the strongest levels since the equity IPO in September 2005.

Moody's notes management's commitment to a more conservative leverage profile since the IPO as a key driver in the review decision. This has been evidenced by a disciplined approach regarding the usage of debt for both organic growth and acquisitions, in addition to a secondary equity offering in the second quarter of 2006 that was used in-part to reduce outstandings under the company's revolving credit facility.

During the review for possible upgrade, Moody's will also analyze the sustainability of Williams Scotsman's recent strong operating performance. This has been in part due to a favorable period in the economic cycle, and Moody's will evaluate whether there has been a structural shift in the firm's business model so that cyclical troughs will generate less stress on the company's earnings and cash flows. A review of the firm's leasing versus sales mix, and the characteristics of each, will be undertaken as a component of this analysis.

Williams Scotsman's business strategy as the company continues to grow and expand with larger operations outside of North America will also be reviewed by Moody's. The company's recent purchase of the remaining outstanding interest in Wiron Constructuccion Modulares, S.A. is an example. Moody's will evaluate the possibility of greater expansion and investment both domestically and in Europe and its affect on the company's leverage metrics, particularly given the company's excess availability on its senior secured revolver facility. Also, given the company's historical operations have been firmly centered in North America, its ability to manage and control its European expansion will be a factor to the rating.

The following ratings were placed on review for possible upgrade:

LT Corporate Family...B2

Senior Secured Credit Facility...B2

Senior Unsecured Notes...B3

Williams Scotsman International, Inc. is headquartered in Baltimore, Maryland, and is a provider of modular space solutions in North America and Europe.