

24 February 2005

INTERMODAL RESOURCE PLC
("Intermodal" or "the group")

Maiden Preliminary Results for the Period Ended 31 December 2004

Intermodal, which joined AIM in August 2004, provides transport equipment for rental. The Group comprises two divisions, Axis Intermodal and Trailerent, and operates principally in Germany and the UK.

Axis specialises in the provision of swapbodies, (a type of steel freight container with legs) and container-carrying road chassis. Trailerent provides road trailers for rental.

Key Points:

- Admitted to AIM in August 2004
- Turnover* for the year ended 31 December 2004 up 10% to £2.36m (2003: £2.15m)
- Profit* before exceptional items and amortisation up 17% to £0.32m (2003: £0.27m)
- Strengthened balance sheet with net assets improving by £4,480,000.
- Axis Intermodal - swapbodies and chassis rental business, based in Germany
 - Good performance with sales increased by 7%
 - Utilisation increased to 89% at 31 December 2004 from 82% in January 2004
 - Long term contracts now represent 70% of revenues
 - Swapbody refurbishment and conversion programme will increase operating returns
- Trailerent - road trailer business, based in UK
 - Commenced operations in April 2004
 - Substantial pipeline of quotations now established
- Prospects remain encouraging

* As a result of Intermodal Resource plc acquiring Trailerent and Axis Intermodal shortly before flotation and in order that an annualised comparison of results can be made, consolidated accounts for the group for the years ended 31 December 2003 and 2004 have been provided. These reflect the results for the Group as if it had been trading in its current form since 1 January 2003.

Robert Montague, Chief Executive Officer, commented,

"I am pleased with the progress the group has made over the year. Our road trailer business, which commenced operations in April 2004, has performed to expectations and we are very encouraged by the pipeline of quotations. Axis, our swapbodies and chassis business, continues to improve.

We see growth opportunities both in the UK and Europe and our objective remains to expand in a low risk manner, minimising our residual value exposure while generating strong cash flows."

Enquiries:

Intermodal Resource plc
Robert Montague, Chief Executive Officer

Tel: 020 7448 1000 (today)
Tel: 01993 883148

Biddicks
Katie Tzouliadis

Tel: 020 7448 1000

INTERMODAL RESOURCE PLC

JOINT STATEMENT OF THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

We are pleased to report a period of good progress in the group.

The listing of Intermodal Resource on AIM in August 2004 brought a number of benefits to the group. Most significantly, the move underpinned the establishment of Trailerent, our road trailer rental business in the UK, so expanding both the scope of our activities and our geographical coverage. At the same time, it has raised our corporate profile both amongst our client base and within the logistics industry.

The group's statutory profit and loss account shows the results of the group for the five month period from acquisition of its operating subsidiaries to 31 December 2004. This period showed an operating profit of £79,000 on turnover of £1,086,000. However, the group's performance can best be appreciated by looking at the 12 months to the end of 2004 when the companies which are now within the Intermodal Resource group achieved a combined profit before exceptional items and amortisation of £315,000 on a turnover of £2,361,000.

Our continued objective is to build our rental business in the UK and Europe in a low risk manner, generating strong cash flows and minimising our residual value exposure. This approach differs significantly from traditional business models in this industry.

Review of Operations

Axis Intermodal

Axis, our German subsidiary, had a successful year in 2004. During the year sales increased by 7% and utilisation rose from 82% in January 2004 to 89% on a comparable basis at the end of December 2004 when the fleet stood at 2,297 swapbodies and 133 chassis. These figures are the result of a high level of demand in the market and Axis managing that demand profitably.

We have concentrated on securing long term contracts from one to three years in length and these now represent some 70% of revenues. Renewal of existing contracts is also high and currently stands in excess of 90%.

Whilst we did not increase the overall size of the fleet during the period we disposed of some older chassis, replacing them with 20 new Schmitz chassis.

We have also benefited from the programme of refurbishing our older swapbodies and lengthening units wherever possible from 7.15m to 7.45m, which is the favoured length of our clients. During 2005, we expect to convert a further 300 units from our existing fleet. When the refurbishment programme is completed we will expand the fleet in line with clearly identified client demand. The majority of units acquired will be second hand offering the scope to convert and refurbish according to individual client requirements, enabling Axis to expand its fleet economically and consequently to deliver higher returns. We will however purchase new equipment where required to meet the specific long term requirements of our clients.

We are confident of further growth in Axis, generated by our enhanced profile and improving trading conditions. In addition, the newly introduced road toll system in Germany, the 'MAUT', should help to underpin customer demand. The MAUT has been introduced to encourage further use of rail and barge transport facilities in Germany as well as to raise funds for transport investment.

Trailerent

Trailerent, our new business activity in the UK, offers for rental road trailers which are supplied principally by Schmitz Cargobull AG with whom we have formed a close working partnership.

Trailerent has performed according to our expectations since formation and furthermore our experienced team of sales executives have established a substantial pipeline of quotations. There are currently approximately 190,000 trailers operated by UK based companies and some 16,000 of these are replaced every year. Approximately 30% of all UK trailers are rented and therefore there is ample opportunity for Trailerent to achieve its targets for the current year. We intend to focus on reliable term contracts of typically between one and five years duration.

In addition to the supply of trailer equipment, a key priority for Trailerent is the support of the client's maintenance requirements. Therefore, we have reached agreement in principle to acquire a 51% holding in a new company, Assetcare Maintenance Solutions Limited which will manage all our maintenance, roadside repair service and tyre management. This partnership will also drive our move into offering both satellite location management and web access for our clients.

Outlook

Future prospects for the group are encouraging and we enter 2005 with confidence and opportunities to expand the business. We have products and services which we believe are attractive to customers in both the UK and mainland Europe. Axis is well established and in a position to continue to improve its trading; Trailerent has both the organisation and enquiries to grow further during the current year. We are confident that we can achieve our targets for 2005.

Christopher Rogers
Chairman

Robert J Montague CBE
Chief Executive Officer

23 February 2005

INTERMODAL RESOURCE PLC

FINANCIAL REVIEW

Since the group was only formed in August 2004 the profit and loss account only shows the results for a 5 month period. In order that an annualised comparison of results and a comparison of financial position can be made, financial information for the group for the years ended 31 December 2003 and 2004 is shown below. The figures for 2003 have been sourced from the Admission document.

Profit and loss account (unaudited proforma)

Year ended 31 December

	2004	2003
	£000	£000
Turnover	2,361	2,154
Earnings before interest, tax, depreciation and amortisation	963	941
Net interest	(208)	(231)
Depreciation	(429)	(417)
Loss on sale of fixed assets	(11)	(24)
Profit before exceptionals and amortisation	315	269
Exceptional items	358	1,261
Amortisation	(28)	-
Profit before tax	645	1,530
Tax written back (provided)	233	(233)
Retained earnings	878	1,297

Trading analysis

Group turnover on a comparable basis increased by 9.6% to £2,361,000 with Trailerent, the UK start up, contributing £51,000. During 2004 group overheads increased principally due to the commencement of Trailerent and the additional overhead incurred in being a public company.

Interest cover has improved marginally year on year.

An exceptional gain of £358,000 (2003: £1,261,000) was generated as a result of the group taking advantage of the opportunity to purchase a tranche of the group's existing debt from certain finance providers at a substantial discount. This purchase has helped to strengthen our balance sheet reducing our debt position and the cost of finance. We do not anticipate any further such opportunities.

A tax charge in Axis did not arise in 2004 as a result of losses brought forward, some of which remain available to be used in 2005. In the UK taxable profits are not anticipated until 2006.

Balance sheet

Year ended 31 December

	Audited	Unaudited
	2004	2003
	£000	£000
Fixed assets	4,232	4,760
Debtors	208	129
Cash	6	122
Creditors and accruals	(761)	(1,343)
Debt – short term	(1,206)	(1,249)
Debt – long term	(1,645)	(4,738)
	834	(2,319)
Goodwill	1,327	-
Net Assets/ (Liabilities)	2,161	(2,319)

Balance sheet

The balance sheet has improved substantially during 2004, as a result of the conversion of shareholder loan accounts, funds raised on listing and debt repurchase; the overall effect being a positive movement in net assets of £4,480,000 to £2,161,000.

Bank debt, loans and amounts due under finance leases were reduced from £5,987,000 to £2,851,000 at 31 December 2004 resulting in a gearing ratio of 132%.

INTERMODAL RESOURCE PLC
GROUP PROFIT AND LOSS ACCOUNT
For the period ended 31 December 2004

	£000
Turnover	1,086
Cost of sales	512
Gross profit	574
Administrative expenses	495
Operating profit	79
Net interest payable	(79)
Retained profit for the period	-
Basic earnings per share	-
Diluted earnings per share	-

GROUP BALANCE SHEET
As at 31 December 2004

	£000
Fixed assets	
Intangible assets	1,327
Tangible assets	4,232
	5,559
Current assets	
Debtors	208
Cash at bank and in hand	6
	214
Creditors – amounts falling due within one year	1,967
Net current liabilities	(1,753)
Total assets less current liabilities	3,806
Creditors – amounts falling due after more than one year	
	1,645
	2,161
Capital and reserves	
Called up share capital	2,038
Share premium account	123
Profit and loss account	-
	2,161

INTERMODAL RESOURCE PLC
GROUP CASH FLOW STATEMENT
For the period ended 31 December 2004

	£000
Net cash inflow from operating activities	429
Returns on investments and servicing of finance	
Interest received	1
Interest paid	(41)
Finance lease interest paid	(39)
Net cash outflow from investments and servicing of finance	(79)
Capital expenditure	
Purchase of tangible fixed assets	(115)
Sale of tangible fixed assets	197
Net cash inflow from capital expenditure	82
Acquisitions and disposals	
Net overdrafts acquired with subsidiary undertakings	(358)
Cash inflow before financing	74
Financing	
Issue of shares	520
Expenses relating to issue of shares	(724)
Long term loan finance	55
Repayment of long term finance	(69)
Capital element of finance leases	(208)
Net cash outflow from financing	(426)
Decrease in cash	(352)

INTERMODAL RESOURCE PLC

NOTES

1. Publication of non-statutory accounts

The financial information set out in this preliminary announcement does not constitute statutory accounts as defined in section 240 of the Companies Act 1985.

The summarised balance sheet at 31 December 2004 and the summarised profit and loss account, summarised cash flow statement and associated notes for the period then ended have been extracted from the Group's 2004 statutory financial statements upon which the auditors opinion is unqualified and does not include any statement under Section 237 of the Companies Act 1985.

These financial statements have not yet been delivered to the registrar of companies.

2. Subsidiary undertakings

	Acquired	Date acquired	Nature of business
Trailerent Limited	100%	5 August 2004	Trailer and chassis rental
Axis Intermodal GmbH (incorporated in Germany)	100%	6 August 2004	Swapbody and chassis rental

Trailerent Limited was purchased for a consideration of £1. Its net liabilities on 5 August 2004 were £107. Axis Intermodal GmbH was acquired as a consequence of the acquisition of its parent company Axis Intermodal Holdings BV together with its other wholly owned subsidiary Axis Intermodal BV. On 30 December 2004 the board made the appropriate declaration to liquidate Axis Intermodal Holdings BV and Axis Intermodal BV and as a result thereof the assets were transferred to Intermodal Resource plc.

The group has used acquisition accounting to account for the purchases of both subsidiary undertakings.

Book and fair value of separable net assets acquired

	£000
Tangible fixed assets	4,503
Debtors	378
Bank overdraft	(358)
Creditors	(798)
Loans and finance leases	(2,715)
Net assets at date of acquisition	1,010
Goodwill arising	1,355
Consideration	2,365
Satisfied by:	
Share for share exchange and loan conversions	2,365
	2,365

No adjustments to book values were considered necessary in arriving at fair values.

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NOTES (cont.)

3. Reconciliation of movement in shareholders' funds

	Share capital	Share premium	Profit and loss accounts	Total
	£000	£000	£000	£000
Issued on share for share exchange	287	286	-	573
Issued pursuant to convertible loan agreements	1,361	431	-	1,792
Issued as settlement of AIM Listing expenses	130	130	-	260
Shares placed at AIM Listing	260	260	-	520
Costs of issuing shares	-	(984)	-	(984)
Retained profit for the period	-	-	-	-
	2,038	123	-	2,161

4. Net cash inflow from operating activities

	£000
Operating profit for the period	79
Depreciation	178
Amortisation of goodwill	28
Loss on sale of tangible fixed assets	11
Decrease in debtors	170
Decrease in creditors	(37)
	429

5. Reconciliation of net cash flow to movement in net debt

	£000
Decrease in cash for period	(352)
Net cash inflow from other loans	(55)
Repayment of bank loan	69
Cash outflow from finance leases	208
Change in net debt from cash flows	(130)
Finance leases acquired with subsidiary undertaking	(1,289)
Loans acquired with subsidiary undertaking	(1,426)
Movement in net debt in the period	(2,845)
Net debt at 31 December 2004	(2,845)

6. Annual Report

The annual report and financial statements will be posted to shareholders on Friday, 25 February 2005. Further copies will be available after that date from the Company Secretary, 8 Fenlock Court, Lower Road, Long Hanborough, Oxfordshire, OX29 8LN

7. Annual General Meeting

The Annual General Meeting of Intermodal Resource plc will be held at 1 Westminster Way, Oxford OX2 0PZ on Friday, 22 April 2005 at 10.30am.