

intermodalresource plc



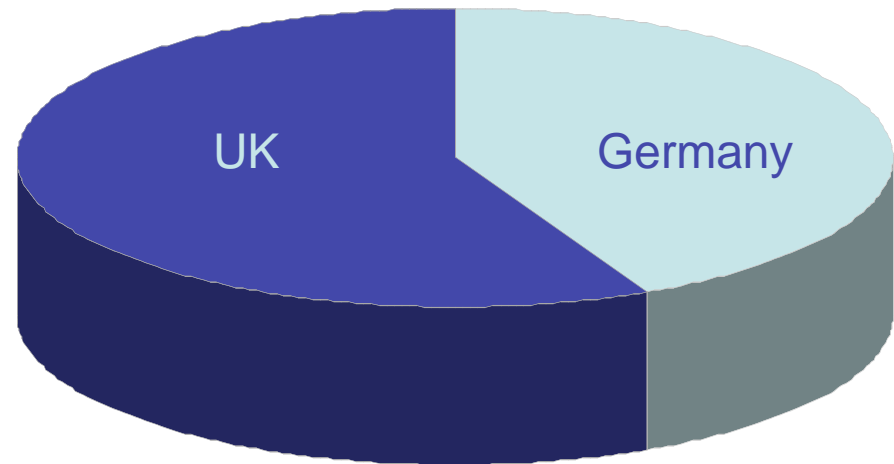
Interim Results 2006

Agenda

- Business Overview
- Operational Highlights
- Financial Highlights
- Outlook
- Appendices

Business Overview

- Intermodal Resource has operations based in the UK and Germany
- Germany – 25% of revenue
 - Axis
- UK – 75% of revenue
 - Trailerent
 - Assetcare
 - Tailored Hire



UK Operations



Road Trailer
Contract Hire
Company

Acquired in July 2005



Online Trailer
Maintenance
Service

First for trailer rental
industry



Truck and Trailer
Contract Hire
Provider

“Greenfield” start up in
late 2004

German Operations - Axis

- Contract hire and maintenance of intermodal swapbodies and extendable chassis typically between 1 to 3 years
- Currently services approximately *10 per cent of the European 7m swapbody rental market
- Over 100 customers including DHL, DFDS, Gefco and the German, French & Swiss postal services
- Recent appointment of highly experienced Managing Director

*Data source: Containerisation International

Key Strengths

- Proven management team, with extensive experience
- Favourable relationships with key suppliers
- Strong customer base
- Infrastructure in place to accommodate increasing demand for contract hire rather than purchase of equipment

Strategy

- To build the business in the UK and Europe in a low risk manner, generating strong cash flows and minimising residual value exposure
- Continue to provide customers with a first-class service and where possible using innovation and technology to create added value

Operational Highlights

- Axis fleet disposal and signing of 12 year management contract
- Continued growth of German and UK businesses
- Restructuring and integration of UK businesses
- Assetcare successfully established

Axis fleet sale

- Axis swapbody fleet sold to Uritas Containers Ltd for £4.1m
 - £450K over book value
- Cash generated will repay Axis debt with a surplus of £1.5m to provide base for new investment
- Axis will manage the fleet under a new 12 year contract and earn a management fee
 - Management fee will be based on percentage of gross revenues
 - Plus procurement and disposal fees
- Agreement provides for further expansion of the fleet by 1200 units
 - 600 have already been ordered
- Benefits include:-
 - Access to capital for expansion
 - Significantly reduced risk and strengthened balance sheet

Financial Highlights

- Turnover up by 247% to £4.2m (2005: £1.2m)
- Operating profit* up 16% to £202k (2005:£174k)
- EBITDA* up 97% to £875k (2005: £445k)
- Maiden interim dividend of 0.13p

*before exceptional items

Summary Profit & Loss Account

	Six months Ended 30 June 2006 Unaudited	Six months ended 30 June 2005 Unaudited	Year Ended 31 December 2005 Audited £000
	£000	£000	
Turnover	4,240	1,221	5,186
Gross profit	1,463	761	2,210
Administrative expenses	1,141	535	1,434
Amortisation of goodwill	82	35	116
Share based payment	38	17	47
Exceptional non recurring items	98	-	-
Total Administrative expenses	1,359	587	1,597
Operating profit	104	191	660
Net interest payable	166	96	271
(Loss) Profit on ordinary activities before taxation	(62)	78	342
Tax on profit on ordinary activities	-	-	(14)
Equity minority interests	-	-	1
Retained profit (loss) for the period	(62)	78	329

Summary Balance Sheet

	30 June 2006 Unaudited	30 June 2005 Unaudited	31 December 2005 Audited
	£000	£000	£000
Fixed assets	8,876	5,211	9,636
Debtors	1,645	379	1,386
Cash	6	8	4
Creditors – amounts falling due within one year	3,551	1,736	3,813
Net current liabilities	(1,900)	(1,349)	(2,423)
Total assets less current liabilities	6,976	3,862	7,213
Creditors – amounts falling due after more than one year	2,330	1,076	2,534
Provision for liabilities	162	-	162
	4,484	2,786	4,517
Capital and reserves	4,484	2,786	4,518
Equity minority interest			(1)
	4,484	2,786	4,517

Outlook

- As a result of restructuring in the UK and the Axis transaction, outcome for the year* now below market expectations
- Group now well positioned to take advantage of business up turn in H2
 - Axis finance structure will facilitate fleet growth to meet demand in Germany
 - Continued expansion of UK fleet
- Potential to extend Axis financing model to other products
- Stronger balance sheet will support organic and strategic acquisition opportunities going forward
- * excluding exceptional gain on fleet disposal



Appendices

Appendix 1 – Our History

- 1995 Axis established
- 2003 Trailerent incorporated (Sep)
 Intermodal Resource formed (Dec)
- 2004 Trailerent commences operations (April)
 Admission to AIM (August)
- 2005 Launch of Assetcare (Jan)
 Acquisition of Tailored Hire Limited (July)
 Launch of Assetcare online portal (Nov)

Appendix 2 - European Swapbody Market

- A swapbody is a steel freight container designed for use on road, rail and barge without national registration requirement.
- Total swapbodies operating in Europe have increased 400% since 1996
- The 7 metre swapbody market continues to grow at 8% annually
- Growth in European swapbody market driven by
 - expanding EU
 - EU policy directed at encouraging movement of goods from road to rail & barge
 - the German toll system (Maut)
 - growing parcel delivery requirement through internet shopping and de-franchising of postal services

Appendix 3 - Axis Business Model

- Business is scaleable:
 - low fixed overheads
 - infrastructure in place to run a much larger fleet
 - increased utilisation increases revenues and profits
- Margin enhancement via:
 - extension of working life through refurbishment
 - swapbodies can remain in commercial use for 15+ years
 - refurbishment and purchase of second-hand units
- Long-term contracts resulting from a high degree of service and customer satisfaction

Appendix 4 – UK Truck and Trailer Market

- Road transport to remain pre-eminent movement of UK freight
- 93% of all goods delivered are via road network
- Estimated 81,000 trucks and 57,000 trailers are rented in the UK
- Major competitors have ageing rental fleets with unsustainable depreciation policy
- UK rental customers increasingly demanding new equipment for long-term contracts

Appendix 5 – Trailerent and THL Business Model

- Long term contract hire only
- Equipment financed on operating lease
- Blue chip customer base
- High contract renewal rate

Appendix 6 Tailored Hire

- Contract hire with vehicle maintenance between 2 to 5 years
- Vehicles financed via operating lease matched to contract term thereby eliminating residual value risk
- Fee earning operating leases also arranged for customers usually through the Bank of Scotland
- Majority of client base in the North of England, to be expanded nationwide
- Current fleet size consists of approximately 500 trucks and trailers
- Customers include DHL, EXEL, GEFECO and Grampian Foods
- Close working relationships with manufacturers

Appendix 7 Trailerent

- Contract hire with/without maintenance between 2 to 7 years
- Vehicles financed via operating lease matched to contract term thereby eliminating residual value risk
- Nationwide client base
- Customers include Freightliner, Exel and Innovate
- Close working relationship with trailer manufacturers, in particular Schmitz and Dennison

Appendix 8 Assetcare

- Tailor-made service designed to ensure its clients comply with VOSA 'O' License maintenance requirements through the management and online documentation of repairs and inspections.
- Oversees entire Group's maintenance including outsourcing to various service providers
- Service available to cover clients own independent fleet
- "Out of Hours" 24 hour breakdown assistance now available nationwide
- Vehicle inspection service
- SORN management for banks and finance companies

Appendix 9 German Operations

- Established in 1996 and based in Cologne
- Contract hire and maintenance of intermodal swapbodies and extendable chassis typically between 1 to 3 years
- Approximate fleet size of [over 2000] units
- All maintenance and depot requirements are outsourced
- Currently services approximately *10 per cent of the European 7m swapbody rental market
- Strong presence in Germany, Switzerland, Austria and the Benelux countries
- Over 100 customers including DHL, DFDS, Gefco and the German, French & Swiss postal services
- Forecast to expand fleet by 1200 units in 2006

*Data source: Containerisation International



www.intermodalresource.com