



Preliminary Results and Group Overview 2007



Agenda

- Business Overview
- UK Operations
- German Operations
- Operational Highlights 2006
- Financial Highlights 2006
- Outlook
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Business Overview

- Axis Intermodal has operations based in the UK and Germany

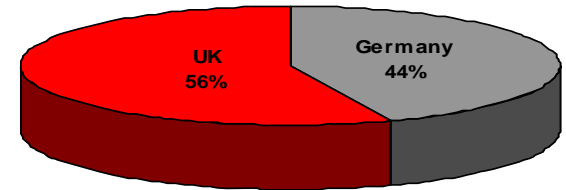


- Axis Intermodal manages over 4,000 transport assets around UK and Europe
- We specialise in the contract hire of Trucks, Trailers, Rigid and intermodal Swapbodies servicing the transport and logistic industries
- Listed on AIM in August 2004



Business Overview

- Revenue
 - ❖ Axis Intermodal Deutschland GmbH 44%
 - ❖ Axis Intermodal UK 56% of revenue



- Rebranding in the UK
 - ❖ As of the 1st January 2007, the UK companies of Trailerent, Tailored Hire and Assetcare have merged and re-branded to form one combined company, aligning ourselves with the European brand, which was established in 1995, Axis Intermodal plc

The UK Business

- Trucks, trailers and rigid contract hire
- Provide flexible and cost effective contract hire
- Equipment built to latest specifications with industry partners
- Complete maintenance and service provided from centralised service centre via website portal
- Over 150 customers include Exel, Freightliner, Bookers Cash and Carry to name a few



Axis UK Business Model

- Long term contract hire only
- No residual value risk
- Equipment financed on operating lease
- Centralised operational control
- Consultative sales team
- Emphasis on 'O' Licence safeguard



The 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 60,000 trailers are rented in the UK
- Market growing by 7% per annum
- Major competitors have ageing rental fleets with unsustainable depreciation policy
- UK rental customers increasingly demanding new equipment for long-term contracts
- Annual Truck registrations in the UK +/- 52,000
- Annual Trailer registrations in the UK +/- 16,000



The German Business

- **Contract hire of intermodal Swapbodies to logistics and freight forwarding industry**
- **Services 10% of European swapbody market**
- **Operated via approved repair service companies**
- **Focus on competitive pricing with strong customer service ensuring that all equipment is maintained to a very high standard with flexible terms**
- **In 2007 Axis is investing in new swapbodies which will take the total fleet to in excess of 3,500 units**
- **12 depots strategically located all over Germany guarantee a comprehensive supply chain and easy and accessible customer pick up and return of units**
- **Over 150 customers including DHL, Steinle, Gefco & the French and German Swiss post services**



Axis Germany 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
- Long-term contracts resulting from a high degree of service and customer satisfaction



European Swapbody Market

- 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 – 10 new members
 - ❖ Environmental 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

The Group

Group 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

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

Operational Highlights 2006

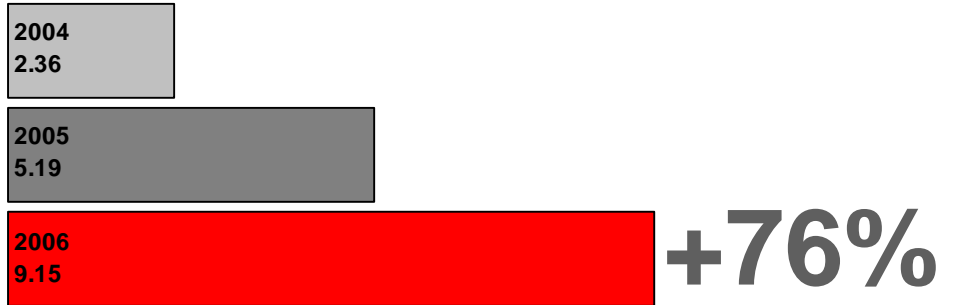
- Sale of the majority of the German swapbody fleet to a German investment fund – the first contract of its type
- Merger of the UK subsidiaries Trailerent, Tailored Hire and Assetcare under the Axis Intermodal brand
- Restructuring creates UK and German businesses under one brand

Financial Highlights 2006

Revenue

2004: £2.35m*
2005: £5.19m
2006: £9.15m

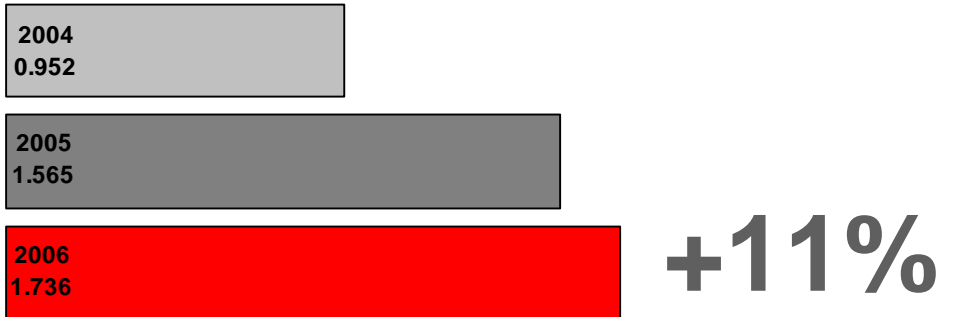
£9.15m



EBITDA

2004: £0.952m
2005: £1.565m
2006: £1.736m

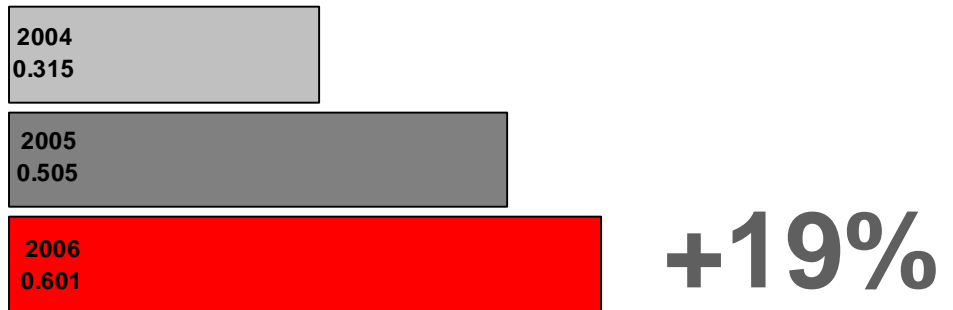
£1.7m



Profit before Amortisation and Share based payment

2004: £0.315m*
2005: £0.505m
2006: £0.601m

£0.6m



*Proforma unaudited

Financial Highlights 2006

- German financing transaction significantly strengthens balance sheet and substantially reduces gearing
- Turnover increased by 76.4% to £9.1m (2006: £5.2m)
- Profit before tax, amortisation and share based payment increased by 19% to £601,000 (2005: £505,000)
- Final dividend of 0.17p which represents a total maiden dividend of 0.30p for the year

Outlook

- Continued expansion of customer base
- Continue to develop Axis brand for European expansion
- Cross marketing and sales in the UK
- Continued product innovation
- Growth both organically and through selective acquisition
- A very encouraging start to 2007 with the signing of several new important contracts
- Strengthened team in place to manage expansion programme



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 Acquisition of Tailored Hire Limited (July)
 Launch of Axis online portal (Nov)
- 2007 Rebranding of Group to Axis Intermodal plc



Appendix 2 - Summary Balance Sheet

	31 st December 2006 £000	31 st December 2005 £000
Fixed assets	2,564	6,515
Debtors	2,422	1,386
Cash	1,417	4
Creditors and accruals	(2,654)	(1,356)
Debt - short term	(717)	(2,457)
Long term debt & provisions	(1,585)	(2,696)
Net assets before goodwill	1,447	1,396
Goodwill	3,331	3,121
Net assets	4,778	4,517

Appendix 3 - Profit & Loss Account

	2006	2005
	£000	£000
		(Restated)
Turnover	9,148	5,186
Profit before interest tax depreciation amortisation and share based payment	1,736	1,565
Net interest	(318)	(271)
Depreciation	(817)	(789)
Profit before amortisation and share based payment	601	505
Amortisation and share based payments	(260)	(163)
Profit before tax	341	342
Tax	(26)	(14)
Profit after tax	315	328
Equity minority interests	(1)	1
Retained profit	314	329

Appendix 4 – Summary Cash Flow

	Year Ended 31 Dec 06	Year Ended 31 Dec 2005
	£000	£000
Net cash inflow from operating activities	1,263	1,128
Net cash outflow from interest	(318)	(271)
Taxation paid	(38)	-
Dividend paid	(77)	-
Net cash inflow outflow from capital expenditure	3,304	(306)
Net cash outflow from acquisitions and disposals	(25)	(1,940)
Cash inflow (outflow) before financing	4,109	(1,389)
Net cash (outflow) inflow from financing	(2,255)	1,225
Increase (decrease) in cash	1,854	(164)
Movement in overdraft	(449)	91
Effect of exchange rate fluctuations	8	71
Increase (decrease) increase in cash at bank and in hand	1,413	(2)

www.axisintermodal.com