



TRAC Intermodal

Quarter Ended March 31, 2016

Earnings Release – May 10, 2016

Forward Looking Statements and Use of Non-GAAP Information

FORWARD LOOKING STATEMENTS

- This Presentation contains certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, which reflect our current views with respect to, among other things, future events (including, but not limited to, import container growth, chassis supply trends and the shift to the motor carrier model) and financial performance. Readers can identify these forward-looking statements by the use of forward-looking words such as “outlook,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “seeks,” “approximately,” “predicts,” “intends,” “plans,” “estimates,” “anticipates,” “projects,” “likely,” “would” or the negative version of those words or other comparable words. Any forward-looking statements contained in the Presentation are based upon our historical performance and on our current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. Such forward-looking statements are subject to various risks, uncertainties and assumptions relating to our operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results may vary materially from those indicated in these statements. Accordingly, you should not place undue reliance on any forward-looking statements.
- Important factors that could cause actual results to differ materially from those in the forward-looking statements include, without limitation, the following: the volume of world trade due to economic, political, or other factors; increased operating costs; increased regulatory costs; defaults by our customers; third-party strikes; and, the demand for chassis. More information about potential factors that could affect our business and financial results is included in our filings with the SEC, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.
- The Company undertakes no obligation to update the forward-looking information or any of the information contained in this Presentation.

USE OF NON-GAAP INFORMATION

- There are non-GAAP measures used in this Presentation, including Adjusted EBITDA, Adjusted net income and free cash flow. The Company believes that such non-GAAP measures are appropriate measures of the operating performance of the Company. Additionally, certain of the Company’s debt covenant calculations use Adjusted EBITDA. The Company’s calculation of these measures may differ from the methodology used by other companies and, accordingly, may not be comparable to other companies. Adjusted EBITDA is defined as income before income taxes, interest expense, depreciation and amortization expense, impairment of assets and leasing equipment, early retirement of leasing equipment, loss on modification and extinguishment of debt and capital lease obligations, other expense (income), interest income, non-cash share-based compensation and principal collections on direct finance leases. Adjusted net income is defined as net income before non-cash interest expense related to deferred financing fees, non-cash share-based compensation, loss on modification and extinguishment of debt and capital lease obligations, terminations, modification, and fair value adjustments of derivative instruments and other non-routine, non-cash items as determined by management. Free cash flow is defined as Adjusted EBITDA less Cash Interest Accrued. Adjusted EBITDA, Adjusted net income and free cash flow are not measures recognized under GAAP and are therefore unlikely to be comparable to similar measures presented by other companies and do not have a standardized meaning prescribed by GAAP. Management uses Adjusted EBITDA, Adjusted net income and free cash flow to provide comparative information about performance. A reconciliation of Adjusted EBITDA, Adjusted net income (and free cash flow to net income is provided on slide 15. A reconciliation of segment Adjusted EBITDA is provided on the slides 16.

Executive Summary – Q1 2016

Financial Performance

- Revenue of \$168.3 million, a decrease of -\$0.5 million in Q1 2016 vs. Q1 2015
- Adjusted EBITDA¹ of \$51.3 million, lower by -\$10.6 million in Q1 2016 vs. Q1 2015
- Free cash flow¹ of \$40.2 million in Q1 2016 vs. \$47.0 million in Q1 2015
- Leverage ratio reduced from 5.5x in Q1 2015 to 5.4x in Q1 2016

Chassis Fleet

- Average on-hire fleet remained relatively unchanged at 258,000 from Q1 2016 vs. Q1 2015
 - Net average fleet size driven primarily by the final acquisition of chassis from the 2015 Domestic new remanufactured program offset by fewer Marine chassis on term leases
- Active fleet utilization decreased to 93.9% at March 31, 2016 from 95.8% at March 31, 2015
 - Lower Marine chassis pool utilization in Q1 2015

Key Initiatives

- Facilitating shipping line's conversion to the motor carrier model for chassis provisioning
- Initiate key customer service initiatives
- In-sourcing of select operational activities
- Realignment of cost structure to better match regional chassis demand

¹ See slide 15 for a reconciliation of Adjusted EBITDA and free cash flow to net income

Summary of Financial Performance – Q1 2016

- Revenues were \$0.5 million lower in Q1 2016 vs. Q1 2015
 - Marine Market segment revenues were down -3%
 - Domestic Market segment revenues grew 6%
- Adjusted EBITDA¹ was \$10.6 million lower in Q1 2016 vs. Q1 2015
 - Marine Market segment Adjusted EBITDA² decreased -29%
 - Domestic Market segment Adjusted EBITDA² was flat to last year

Summary Income Statement for the Quarter ended March 31st

\$ millions			B / (W) vs. 2015	
	2015	2016	\$	%
Revenue	\$ 168.8	\$ 168.3	\$ (0.5)	0%
Direct operating expenses	85.0	94.2	(9.2)	-11%
All other expenses	64.3	62.5	1.8	3%
Net income before tax	19.5	11.6	(7.9)	-41%
Net income	\$ 12.2	\$ 7.0	\$ (5.2)	-43%
Adjusted EBITDA ¹	\$ 61.9	\$ 51.3	\$ (10.6)	-17%
Adjusted net income ¹	\$ 16.7	\$ 11.5	\$ (5.1)	-31%

¹ See slide 15 for a reconciliation of Adjusted EBITDA and Adjusted Net Income to net income

² See slide 16 for a reconciliation of segment Adjusted EBITDA to net income

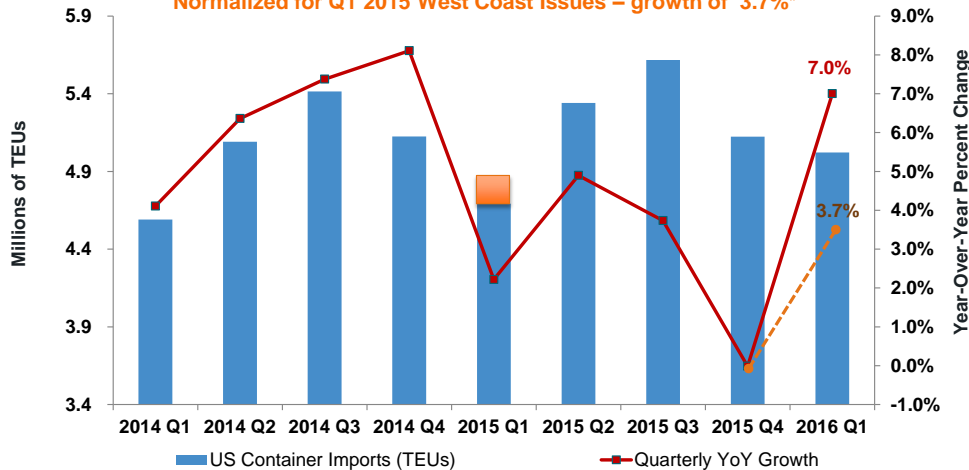
Market Review – Q1 2016

- U.S. port containerized imports were up 7.0% in Q1 2016 vs. Q1 2015
 - Q1 2016 growth percentages impacted favorably by a low base in 2015 due to delays in importing containers at west coast ports last year; normalizing for this impact the growth rate would have been 3.7%
 - 2016 full year annual growth of U.S. port container imports is expected to be 2% to 3%, according to the Journal of Commerce; FTR is expecting 2016 international intermodal loads to grow 2.3% versus 2015
- Total U.S. intermodal rail volumes grew 5.0% in Q1 2016 vs. Q1 2015 - comprised of a 3.8% increase in international volumes and 6.4% increase in domestic container volumes
 - FTR’s expected Q2 2016 drop in international container volumes over the rails is driven by the high base in Q2 2015 where the rails received a backlog of container traffic from west coast ports after the resolution of port delays in Q1 2015

U.S. Port Containerized Imports

TEU Volume and Year-Over-Year Percent Change

Q1 2016 Growth 7.0%
 Normalized for Q1 2015 West Coast Issues – growth of 3.7%*



U.S. Intermodal Rail Load Growth

	International	Containers Domestic ¹	Total
2016 Q1	3.8%	6.4%	5.0%
2016 Q2	-3.6%	5.7%	0.4%
2016 Q3	2.3%	6.5%	4.1%
2016 Q4	7.6%	6.6%	7.1%
2016 - FY	2.3%	6.3%	4.1%

Forecast

¹ Domestic container loads, excludes intermodal trailer loads

Source: FTR (Intermodal volume in loads May 2016)

Source: PIERS / Journal of Commerce (May 2016)

* The normalization of Q1 2015 volumes were estimated at 1.5 million TEUs



Revenue Drivers – Marine and Domestic Market Segments

- Totals decrease by -\$0.5 million in Q1 2016 vs. Q1 2015
 - Marine Pool per diem revenue decreased by -3% and the Domestic Pool per diem revenue grew by 9%
- Marine revenues negatively impacted by lower usage partially offset by higher rates from motor carriers
- Domestic revenues favorability impacted by higher usage and higher rates

		Key Metrics – Q1			
		2015	2016	Variance	% Change
Marine Market segment					
<u>Pool Statistics</u>					
Per Diem Revenue ¹		\$ 109,357	\$ 105,788	\$ (3,569)	-3%
Average Total Fleet ²		147,145	146,925	(220)	0%
Average Daily Revenue per Chassis		\$8.26	\$7.91	(\$0.35)	-4%
<u>Term Lease Statistics</u>					
Per Diem Revenue		\$ 9,166	\$ 9,230	\$ 64	1%
Average Total Fleet		34,251	30,961	(3,290)	-10%
Average Daily Revenue per Chassis		\$2.97	\$3.28	\$0.31	10%
Domestic Market segment					
<u>Pool Statistics</u>					
Per Diem Revenue ¹		\$ 38,219	\$ 41,636	\$ 3,417	9%
Average Total Fleet ²		65,047	67,547	2,500	4%
Average Daily Revenue per Chassis		\$6.53	\$6.77	\$0.24	4%
<u>Term Lease Statistics</u>					
Per Diem Revenue		\$ 3,947	\$ 4,109	\$ 162	4%
Average Total Fleet		12,304	12,595	291	2%
Average Daily Revenue per Chassis		\$3.56	\$3.59	\$0.03	1%

¹ Per Diem Revenue in \$ thousands - represents revenues billed under operating leases and excludes amounts billed to lessees for maintenance and repair, positioning and handling, and other ancillary charges

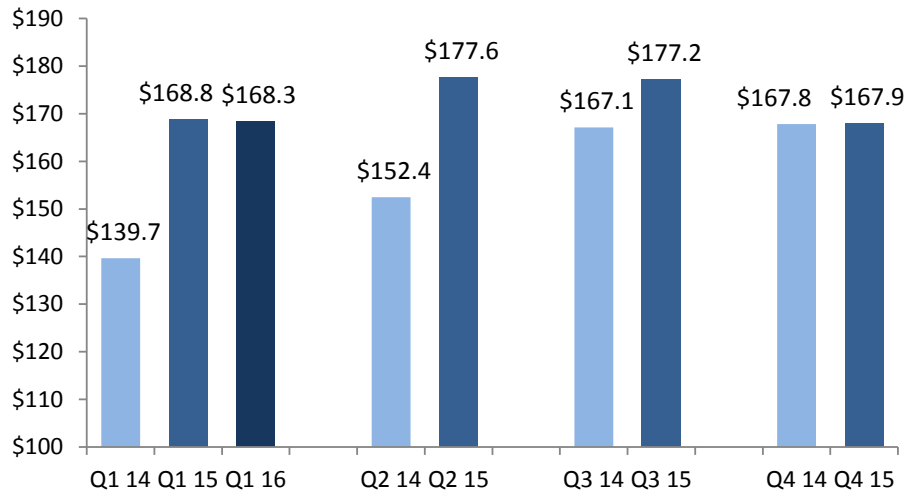
² Average Total Fleet in units - based upon the total fleet at each month end

Quarterly Revenue and Adjusted EBITDA Trends

- Revenue: difficult comparison to last year due to high volumes on the west coast in 2015
 - Q1 '16 volumes at reduced levels due to the west coast correction in Q1 '15 and lower import / export volumes, partially offset by increased rates and strong Domestic pool results
- Adjusted EBITDA¹: lower Q1 '16 results due to lower utilization and higher frequency of repairs for Marine pool chassis
 - West coast labor rates and repairs frequency along with increased fixed facility costs at the east coast ports added to overall costs

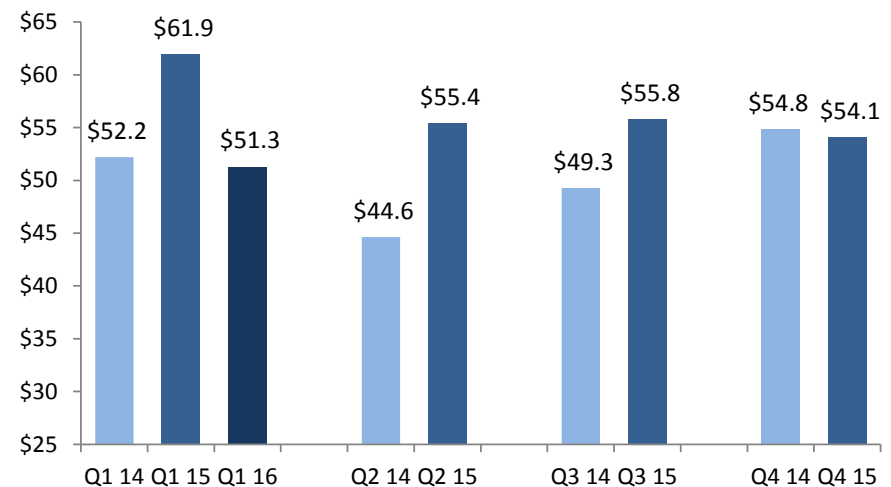
Quarterly Revenue

(\$ millions)



Quarterly Adjusted EBITDA¹

(\$ millions)



¹ See slide 15 for a reconciliation of Adjusted EBITDA to net income

Capital Expenditures and Free Cash Flow

- Invested \$36.4 million of capital for chassis in Q1 2016
 - Domestic chassis capital for remanufacture units to complete the 2016 program
 - Marine chassis capital for refurbishment units
- \$40.2 million of free cash flow¹ generated in Q1 2016
 - Reduced cash interest expense due to lower interest rate in ABL facility and the reduction of 2nd Lien Notes outstanding
 - Fleet maintenance spending is captured in the income statement

Capital Expenditures		
(\$ millions)		
	Q1 '15	Q1 '16
Domestic Chassis	\$ 10.0	\$ 12.2
Marine Chassis	2.2	24.2
Purchase of Leasing Assets	\$ 12.2	\$ 36.4

Free Cash Flow ²			
(\$ millions)			
	Q1 '15	Q1 '16	Year ended 2015
Adjusted EBITDA ¹	\$ 61.9	\$ 51.3	\$ 227.2
Cash Interest Expense ²	(14.9)	(11.1)	(53.5)
Free Cash Flow ¹	\$ 47.0	\$ 40.2	\$ 173.7

¹ See slide 15 for a reconciliation of Adjusted EBITDA and Free Cash Flow to net income

² Cash Interest Expense excludes non-cash interest expense items, including deferred financing fees, amortized losses on terminations of derivative instruments and fair value adjustments for derivative instruments. Bond interest which is paid Q1 and Q3 is accrued in Cash Interest Expense.

Capital Structure

- Leverage ratio decreased 0.1x in Q1 2016 vs. Q1 2015, and increased 0.6x from prior quarter
 - Total debt increased by \$68.6 million in Q1 2016 vs. the prior quarter primarily due to \$36.4 million of chassis capital spending, the acquisition of Interstar for \$4.7 million in net cash and \$51.2 million of dividend payments, partially offset by operating cash flows
 - In compliance with all covenants across the ABL Facility, Capital Leases and Notes

Capital Structure				
(\$ millions)		3/31/2015	12/31/2015	3/31/2016
ABL Facility Size		\$ 1,250.0	\$ 1,300.0	\$ 1,300.0
Available Assets <i>(85% x Eligible Assets)</i>		1,161.2	1,210.5	1,205.9
Excess Availability		401.2	343.5	266.9
Cash		\$ 8.1	\$ 3.2	\$ 1.4
ABL Facility	<i>Cash Rate</i> <i>Libor + 200</i>			
	<i>Maturity</i> <i>Dec '20</i>	760.0	867.0	939.0
Capital Leases	<i>4.9%</i>	89.2	63.7	60.3
	<i>Various</i>			
2nd Lien Notes	<i>11.0%</i>	300.0	150.0	150.0
	<i>Aug '19</i>			
Total Debt	<i>4.0% ¹</i>	\$ 1,149.2	\$ 1,080.7	\$ 1,149.3
Member's Interest ²		\$ 544.6	\$ 568.7	\$ 525.2
Total Debt and Equity		\$ 1,693.8	\$ 1,649.4	\$ 1,674.5
LTM Consolidated EBITDA ³		210.7	227.2	214.7
Total Debt / LTM Adj. EBITDA		5.5x	4.8x	5.4x

¹ Weighted cash interest rate at 3/31/2016 – includes cash impact of interest rate swaps and unused fees

² Member's interest is the equivalent of shareholder's equity for LLC entities

³ Consolidated EBITDA is a defined term from the Company's ABL Credit Facility agreement, and is comprised of Adjusted EBITDA excluding \$1.9 million of costs for a terminated debt offering and other non-recurring professional fees. See slide 15 for a reconciliation of Adjusted EBITDA to net income

For More Information

Investor Relations:

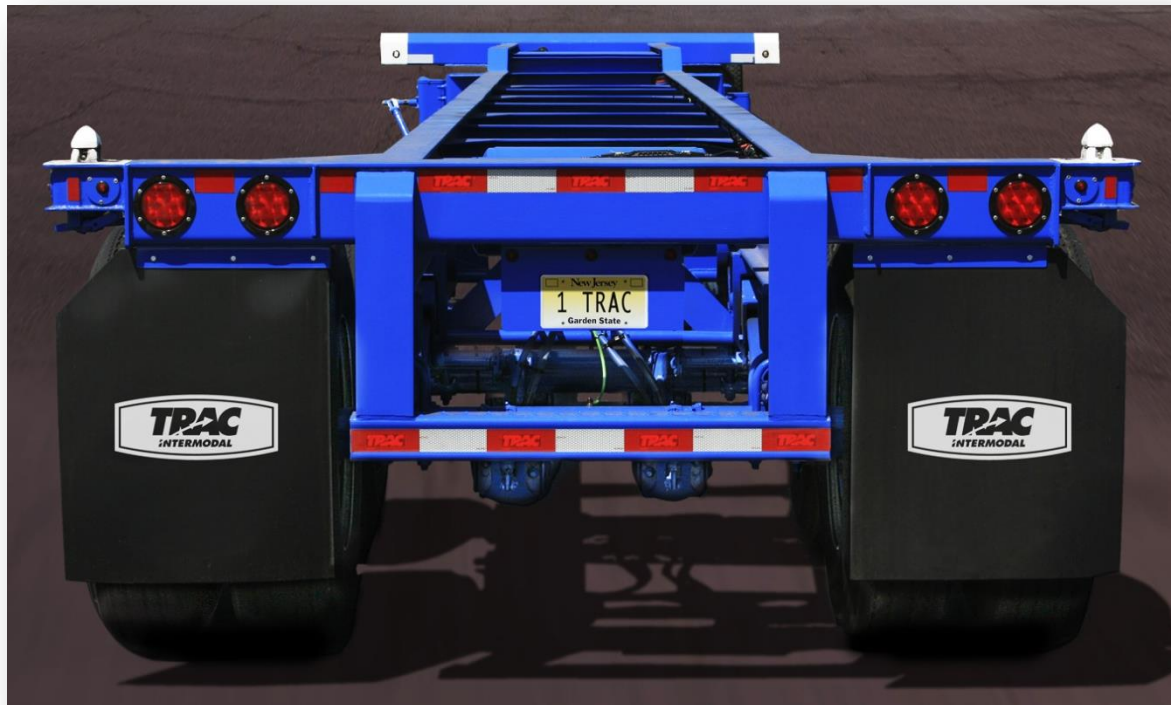
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TRAC Intermodal is North America's leading intermodal equipment provider and chassis pool manager, measured by total assets. TRAC Intermodal provides short term rentals through an extensive chassis pool network, long term chassis leasing and pool/fleet management through the utilization of its proprietary PoolStat® information management system. TRAC Intermodal's active fleet consists of approximately 278,000 chassis. TRAC Intermodal has a broad operating footprint with approximately 600 marine, 160 domestic and 60 depot locations across North America and is the leader in providing chassis solutions to the intermodal industry.



Appendix



Income Statement

Consolidated Income Statement

(\$ thousands)	Three months ended March 31,		
	2015	2016	Variance
Revenues:			
Equipment leasing revenue	\$ 160,689	\$ 160,763	0%
Finance revenue	406	344	-15%
Other revenue	7,660	7,235	-6%
Total revenues	\$ 168,755	\$ 168,342	0%
Expenses:			
Direct operating expense	\$ 84,951	\$ 94,211	-11%
Selling, general and administrative expenses	21,276	26,414	-24%
Depreciation expense	17,901	18,846	-5%
Provision (recovery) for doubtful accounts	2,072	(965)	NM
Other expense, net	879	1,539	-75%
Interest expense, net	22,096	16,705	24%
Loss on modification and extinguishment of debt and capital lease obligations	39	-	100%
Total expenses	149,214	156,750	-5%
Income before provision for income taxes	\$ 19,541	\$ 11,592	-41%
Provision / (benefit) for income taxes	7,380	4,634	37%
Net income	\$ 12,161	\$ 6,958	-43%
Adjusted EBITDA¹			
EBITDA	\$ 60,456	\$ 48,682	-19%
Plus: DFL collections	1,225	758	-38%
Plus: Non-cash stock compensation	247	56	-77%
Plus: Bond fees and M&A costs	-	1,789	NM
Adjusted EBITDA¹	\$ 61,928	\$ 51,285	-17%
Adjusted net income¹	\$ 16,683	\$ 11,544	-31%

Unaudited – Quarter ended March 31st numbers for 2015 and 2016

NM – not meaningful as either 2015 or 2016 was a negative number

¹ See slide 15 for a reconciliation of Adjusted EBITDA and Adjusted Net Income to net income

Balance Sheet

Consolidated Balance Sheet

(\$ thousands)	December 31, 2015	March 31, 2016
Assets		
Cash and cash equivalents	\$ 3,161	\$ 1,429
Accounts receivable, net	110,662	108,187
Net investment in direct finance leases	12,797	12,757
Leasing equipment, net	1,435,978	1,432,568
Goodwill	251,907	256,815
Other assets	32,991	40,601
Total assets	\$ 1,847,496	\$ 1,852,357
Liabilities and member's interest		
Accounts payable and accrued expenses	\$ 88,933	\$ 62,478
Deferred income taxes, net	127,580	132,752
Debt and capital lease obligations:		
Current portion	41,396	45,150
Non-current portion	1,039,283	1,104,167
Total debt and capital lease obligations	1,080,679	1,149,317
Less unamortized debt issuance costs	18,350	17,393
Total debt and capital lease obligations less debt issuance costs	1,062,329	1,131,924
Total liabilities	1,278,842	1,327,154
Member's interest		
Member's interest	586,757	542,320
Accumulated other comprehensive loss	(18,103)	(17,117)
Total member's interest	568,654	525,203
Total liabilities and member's interest	\$ 1,847,496	\$ 1,852,357

Unaudited – March 31, 2016

Cash Flow Statement

Cash Flows		
<i>(\$ thousands)</i>	Three months ended March 31,	
	2015	2016
Cash flows from operating activities		
Net income	\$ 12,161	\$ 6,958
Depreciation and amortization	17,940	18,863
Other adjustments to reconcile net loss to net cash provided by operating activities	18,926	11,655
Changes in assets and liabilities	(22,026)	(13,141)
Net cash provided by operating activities	\$ 27,001	\$ 24,335
Cash flows from investing activities		
Collections on net investment in direct finance leases, net of interest earned	\$ 1,225	\$ 758
Purchase of leasing equipment	(12,158)	(36,450)
Acquisitions	-	(4,706)
Other investing activities	3,201	(2,709)
Net cash used in investing activities	\$ (7,732)	\$ (43,107)
Cash flows from financing activities		
Proceeds from debt	\$ 54,000	\$ 109,500
Repayments of debt	(69,064)	(41,062)
Dividend paid	-	(51,185)
Other financing activities	-	(293)
Net cash (used in) provided by financing activities	\$ (15,064)	\$ 16,960
Effects of changes in exchange rates on cash and cash equivalents	(353)	80
Net increase (decrease) in cash and cash equivalents	\$ 3,852	\$ (1,732)
Cash and cash equivalents, beginning of period	\$ 4,256	\$ 3,161
Cash and cash equivalents, end of period	\$ 8,108	\$ 1,429

Unaudited – Quarter ended March 31st numbers for 2015 and 2016

Reconciliation of Non GAAP Measures

Adjusted EBITDA, Adjusted Net Income and Free Cash Flow Reconciliation

(\$ thousands)	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016
Net income (loss)	\$ 5,474	\$ (21,745)	\$ 6,162	\$ 7,153	\$ 12,161	\$ 7,711	\$ (1,238)	\$ 8,084	\$ 6,958
Income tax (benefit) expense	3,856	(12,042)	896	3,845	7,380	5,054	737	4,709	4,634
Interest expense	22,216	21,375	21,079	22,167	22,097	21,506	19,715	16,928	16,830
Depreciation expense	18,504	16,773	18,942	17,895	17,901	17,914	18,017	18,296	18,846
Impairment of leasing equipment	1,126	1,191	932	2,606	1,433	2,569	1,693	1,582	1,999
Early retirement of leasing equipment	-	37,766	-	-	-	-	-	-	-
Loss on retirement of debt	22	80	-	213	39	-	16,173	3,640	-
Other income, net	(382)	(135)	(166)	(242)	(554)	(221)	(290)	(329)	(460)
Interest income	(24)	(23)	(5)	(9)	(1)	-	-	(18)	(125)
Non-cash share-based compensation	218	218	218	156	247	102	221	305	56
Principal collections on direct finance leases, net of interest earned	1,187	1,172	1,227	1,036	1,225	785	761	894	758
Other - bond fees and M&A costs									1,789
Adjusted EBITDA	\$ 52,197	\$ 44,630	\$ 49,285	\$ 54,820	\$ 61,928	\$ 55,420	\$ 55,789	\$ 54,091	\$ 51,285
Cash interest accrued	(16,000)	(15,217)	(15,245)	(15,155)	(14,891)	(14,665)	(12,850)	(11,089)	(11,139)
Free cash flows	\$ 36,197	\$ 29,413	\$ 34,040	\$ 39,665	\$ 47,037	\$ 40,755	\$ 42,939	\$ 43,002	\$ 40,146
Net income (loss)	\$ 5,474	\$ (21,745)	\$ 6,162	\$ 7,153	\$ 12,161	\$ 7,711	\$ (1,238)	\$ 8,084	\$ 6,958
Non-cash interest expense, net of tax	978	1,075	1,069	1,086	1,112	1,097	1,053	911	627
Non-cash stock compensation, net of tax	131	130	131	94	148	61	71	95	33
Loss on modification and extinguishment of debt and capital leases, net of tax	2,765	2,667	2,432	3,248	3,262	3,053	12,816	4,835	2,852
Early retirement of leasing equipment	-	22,660	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	62	88	1,074
Adjusted Net Income	\$ 9,348	\$ 4,787	\$ 9,794	\$ 11,581	\$ 16,683	\$ 11,922	\$ 12,764	\$ 14,013	\$ 11,544

Unaudited – Quarter ending numbers

Note - Adjusted EBITDA, Free cash flows and Adjusted Net Income are not U.S. GAAP measures, see note on page 2

Reconciliation of Non GAAP Measures – Segments

Segment Adjusted EBITDA Reconciliation

(\$ thousands)

	Revenues			Adjusted EBITDA		
	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016	Variance	Three Months Ended March 31, 2015	Three Months Ended March 31, 2016	Variance
Consolidated Statement of Operations Data:						
Marine Market segment	\$ 122,418	\$ 118,596	\$ (3,822)	\$ 42,216	\$ 29,896	\$(12,320)
Domestic Market segment	44,484	47,096	2,612	27,158	27,292	134
Total Reportable segments	\$ 166,902	\$ 165,692	\$ (1,210)	\$ 69,374	\$ 57,188	\$(12,186)
Other	1,853	2,650	797	(7,446)	(5,903)	1,543
Total Company	\$ 168,755	\$ 168,342	\$ (413)	\$ 61,928	\$ 51,285	\$(10,643)
Principal collections on direct finance leases				(1,225)	(758)	
Non-cash share-based compensation				(247)	(56)	
Depreciation expense				(17,901)	(18,846)	
Impairment of leasing equipment				(1,433)	(1,999)	
Early retirement of leasing equipment				-	-	
Loss on modification and extinguishment of debt and capital lease obligations				(39)	-	
Interest expense				(22,097)	(16,830)	
Other income, net				554	460	
Non-recurring professional fees				-	(1,789)	
Interest income				1	125	
Income before provision for income taxes				19,541	11,592	
Provision for income taxes				7,380	4,634	
Net income				\$ 12,161	\$ 6,958	

Unaudited – Quarter ending numbers

Note - Adjusted EBITDA is not a U.S. GAAP measure, see note on page 2

Fleet Composition

Total Fleet by Lease Type

At March 31, 2016

	Units		NBV of owned fleet		% of on-hire fleet
	# of units	% of total	\$ millions	% of total	
Term lease	42,424	14%	\$ 213.0	15%	17%
Direct finance lease	3,583	1%	12.8	1%	1%
Marine chassis pool	145,162	47%	616.9	43%	56%
Domestic chassis pool	67,723	22%	444.7	31%	26%
On-hire fleet	258,892	84%	1,287.4	90%	100%
Available fleet	16,925	5%	72.1	4%	
Active fleet	275,817	89%	1,359.5	94%	
Units available for remanufacture	33,433	11%	85.8	6%	
Total fleet	309,250	100%	\$ 1,445.3	100%	