

# Trailer Bridge, Inc.

September 2008

## Big Cost Advantages Now – Bigger in the Future

<b>Ticker:</b>	Nasdaq Global Market: TRBR
<b>Business:</b>	Integrated shipping and trucking transportation system
<b>Jones Act Market:</b>	Connecting mainland and Puerto Rico and Dominican Republic
<b>HQ:</b>	Jacksonville, FL
<b>Employees:</b>	Approximately 125
<b>Diluted Shares Out.:</b>	11.9 million
<b>Insiders Own:</b>	40%
<b>Total Assets:</b>	\$121.8 million



# Safe Harbor Statement

This presentation contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The matters discussed in this press release include statements regarding the intent, belief or current expectations of the Company, its directors or its officers with respect to the future operating performance of the Company. Investors are cautioned that any such forward looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward looking statements as a result of various factors. Without limitation, these risks and uncertainties include the risks of economic recessions, severe weather, changes in the price of fuel, changes in demand for transportation services offered by the Company, capacity conditions in the Puerto Rico trade lane and changes in rate levels for transportation services offered by the Company.

# Primary Investment Considerations

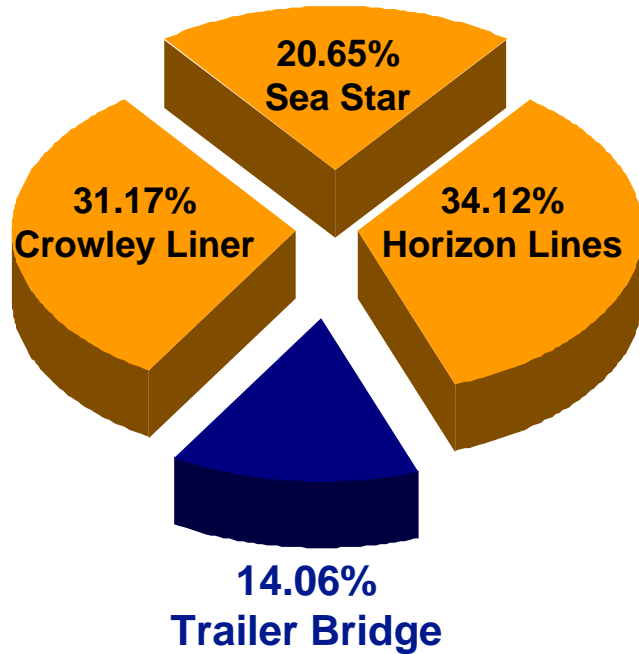
- Best positioned shipping company in the sector with operational leverage to adjust to market conditions, grow and build intrinsic value
  - Gaining market share in Puerto Rico
- Historical growth with favorable valuation metrics
  - Projects profitability for the remainder of 2008
- New environmental standards for fuel will create significant cost increases for competitors as they transition
  - Trailer Bridge is only shipping company in the world that currently meets long-term standards
- Experienced management team that has weathered numerous economic cycles and market changes

# Secondary Investment Considerations

- Broad, blue-chip customer base mitigates risk; recently named exclusive carrier for Costco
- Tonnage tax law changes provide shelter going forward
  - Results in total federal income tax of approximately \$30,000 regardless of the pretax income level
- Significant barriers to entry – The Jones Act

# Company Gaining Market Share in Puerto Rico

2007 Full Year



Tug and Barge Vessels

Trailer Bridge, Inc.

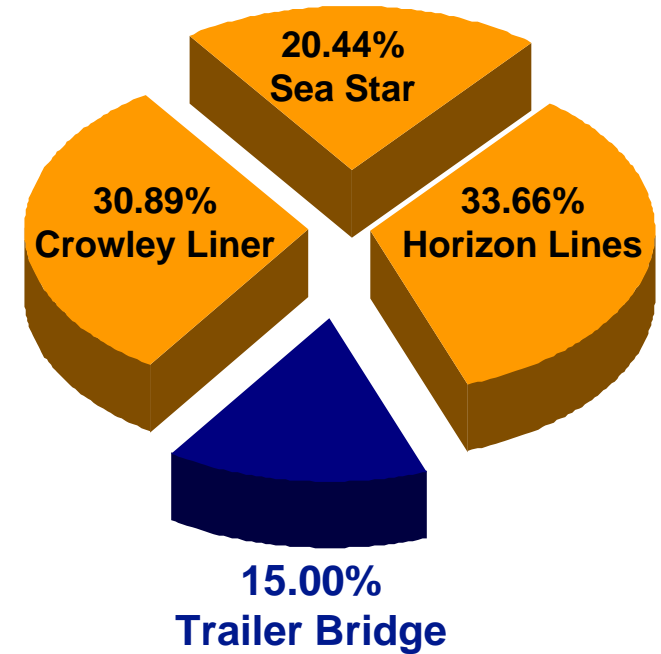
Crowley Liner Services

Self-Propelled Vessels

Horizon Lines, Inc.

Sea Star Lines

Five Months Ended May 2008



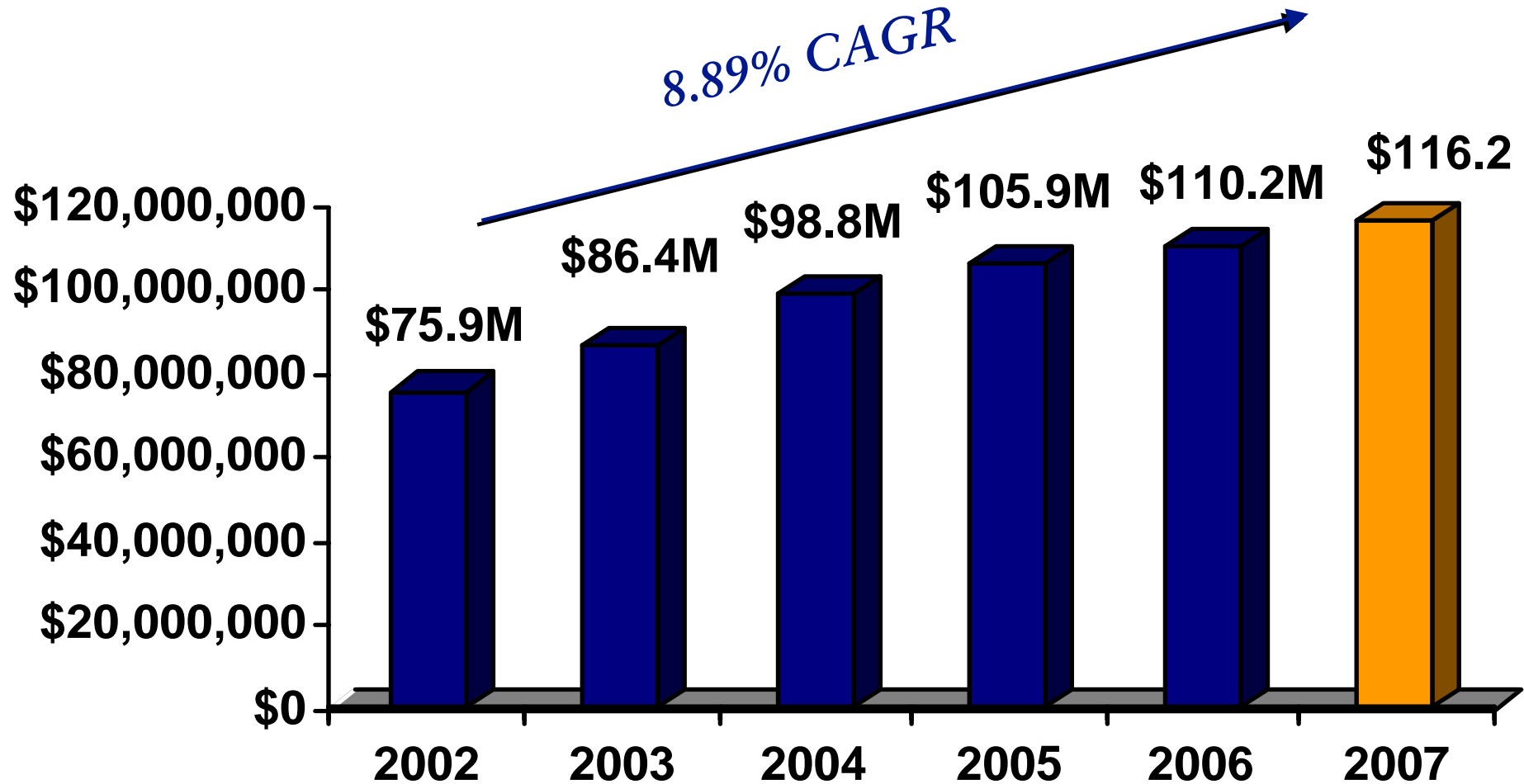
Increased to 14.06% in 2007 from 13.23% in 2006

Increased to 15.00% for 5 M/E May 2008 from 13.86% in year earlier period

(\*PIERs data for total southbound/northbound containerized cargo)

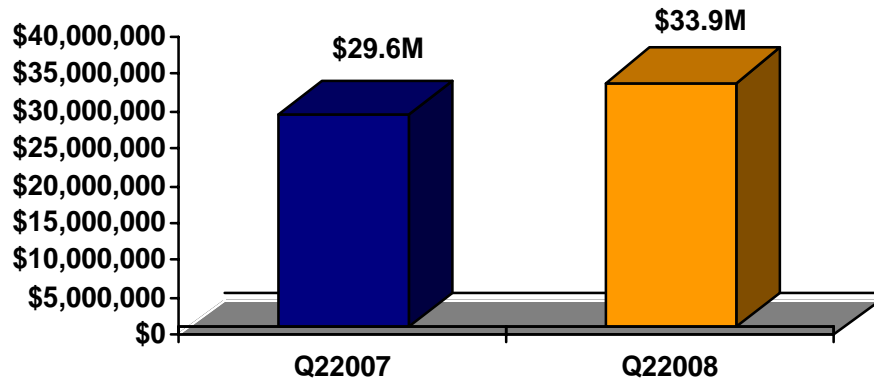
(Does NOT include automobiles, which predominantly ship with Trailer Bridge/ Crowley)

# Annual Revenue Growth

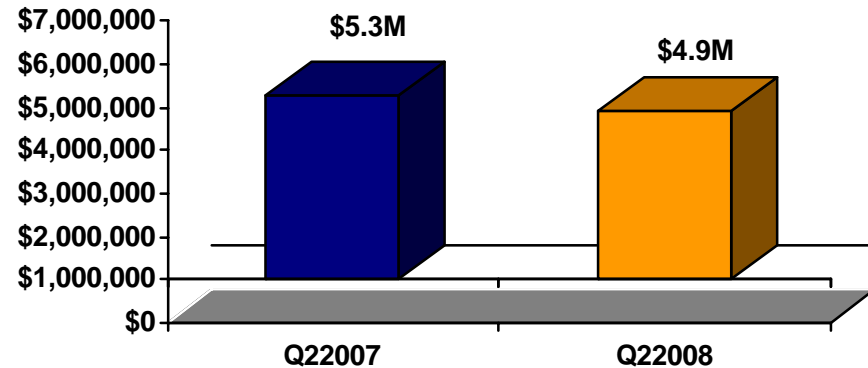


# Q2 2008 Financial Results

## Total Revenue



## Pro-Forma Operating Income\*



- Trailer Bridge plans to draw upon the versatility of its assets to continue addressing rising fuel costs and changing market conditions
- Fuel surcharges and deployment adjustment will materially benefit third quarter results
- Third quarter financial results tracking “well ahead” of second quarter

\* Pro-forma adjustment of approximately \$2.7 million reflecting deployment change, additional fuel surcharge and extra professional fees

# The Total Transportation System



➤ Over 100 trucks for inland leg

➤ 4 tug/barge vessels deployed

➤ 3 vessels available for deployment

➤ Charter market provides revenue streams for non-deployed vessels

➤ Over 3,800 53' containers

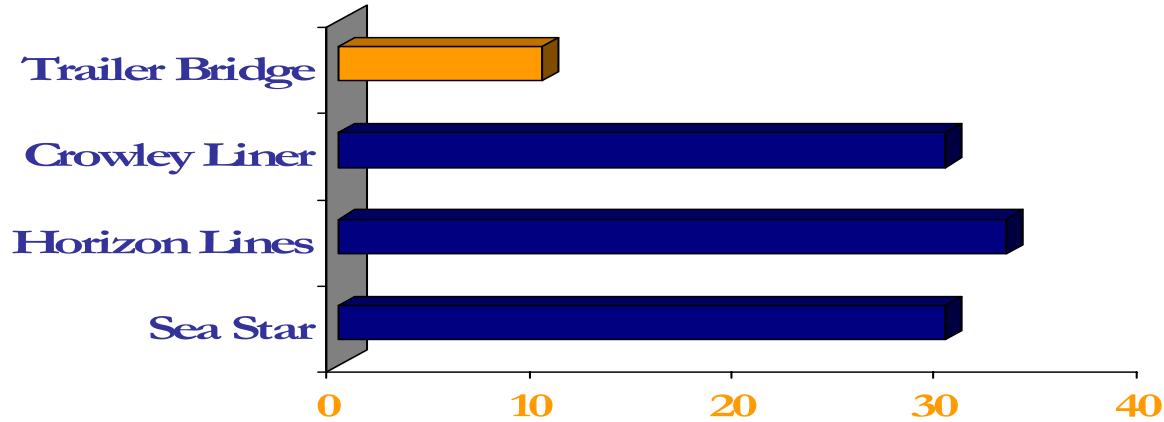
➤ More Cubic Space than 40' containers Utilized by Competitors

➤ Unique patented loading process



# Superior Hard Assets

- Vessel age = approximately 1/3 of competitors

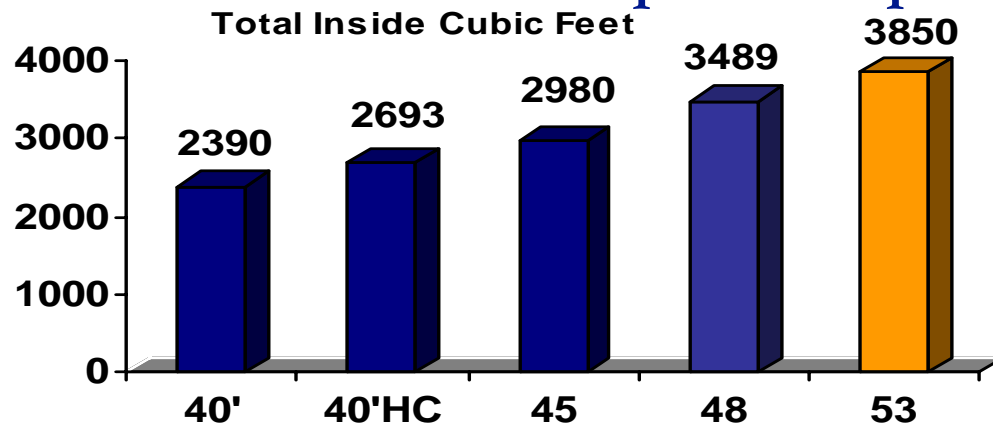


- World's largest "Ro-Ro" (roll on – roll off) barges
- Five TBC vessels, first in world built exclusively for 53's
- Integrated trucking improves inland leg time
- Patented loading/unloading operation
- Other Patents: Transportation Module (VTM®)

# High Cube 53' Equipment

- Current Competitors Use '40 containers due to structure of aging vessels

- 61% more inside cube space compared to 40'



- Large efficiency gains from typical 500 mile U.S. inland leg
- Shippers get additional efficiency thru fewer loads resulting in:
  - Overall savings in local Puerto Rico dray costs
  - Overall savings in dock loading/unloading
  - Overall savings in fuel surcharge/accessorials

# Blue Chip Customer Base

- The bulk of the cargo moved by Trailer Bridge to Puerto Rico makes up what the country's residents eat, drink, drive, wear and use in their daily lives
- This wide variety of cargo comes from a large number of customers, lessening the dependence on a smaller pool of companies
- Trailer Bridge's top 10 customers account for only 25% of total revenues



# Tug/Barge vs. Self-Propelled

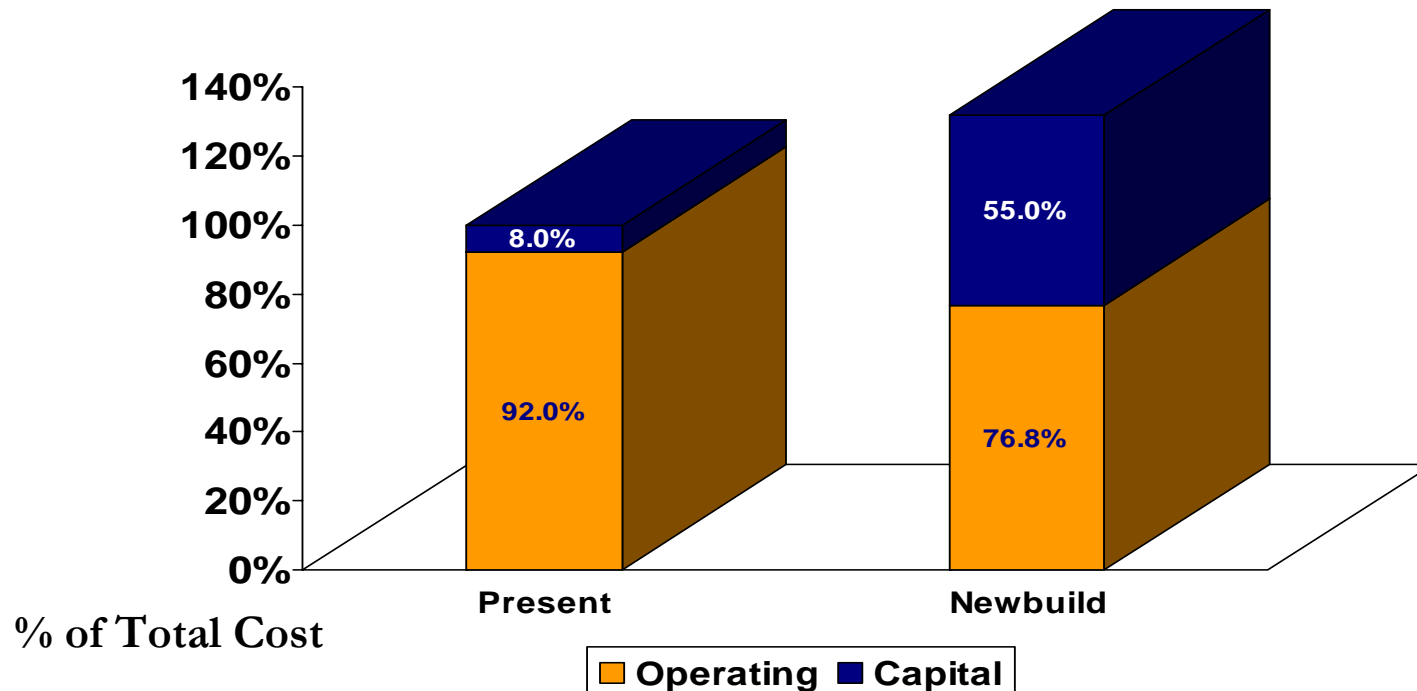


- Less than 1/3 the crew
- Less than 1/2 fuel consumption per mile
- Cleaner fuel has 10X less particulate matter
- Lower construction and maintenance costs
- More conducive to moving larger freight
- Significantly lower overall cost per unit mile at sea
- *Replicable Business Model*

*Tug/Barges Moved Less Than One-Third of All Freight 15 Years Ago. Today, Tug/Barges Move More than 50%*

# Self-Propelled Vessel Model Costs

- Self-Propelled vessel carriers face a difficult choice:
  - Continue to dedicate funds to maintain aging vessels
  - Devote new resources / cap ex to build new vessels
- The self-propelled vessels in Puerto Rico lane are over 35 years old
- The cost of a new “Lancer” vessel is over \$150 million each



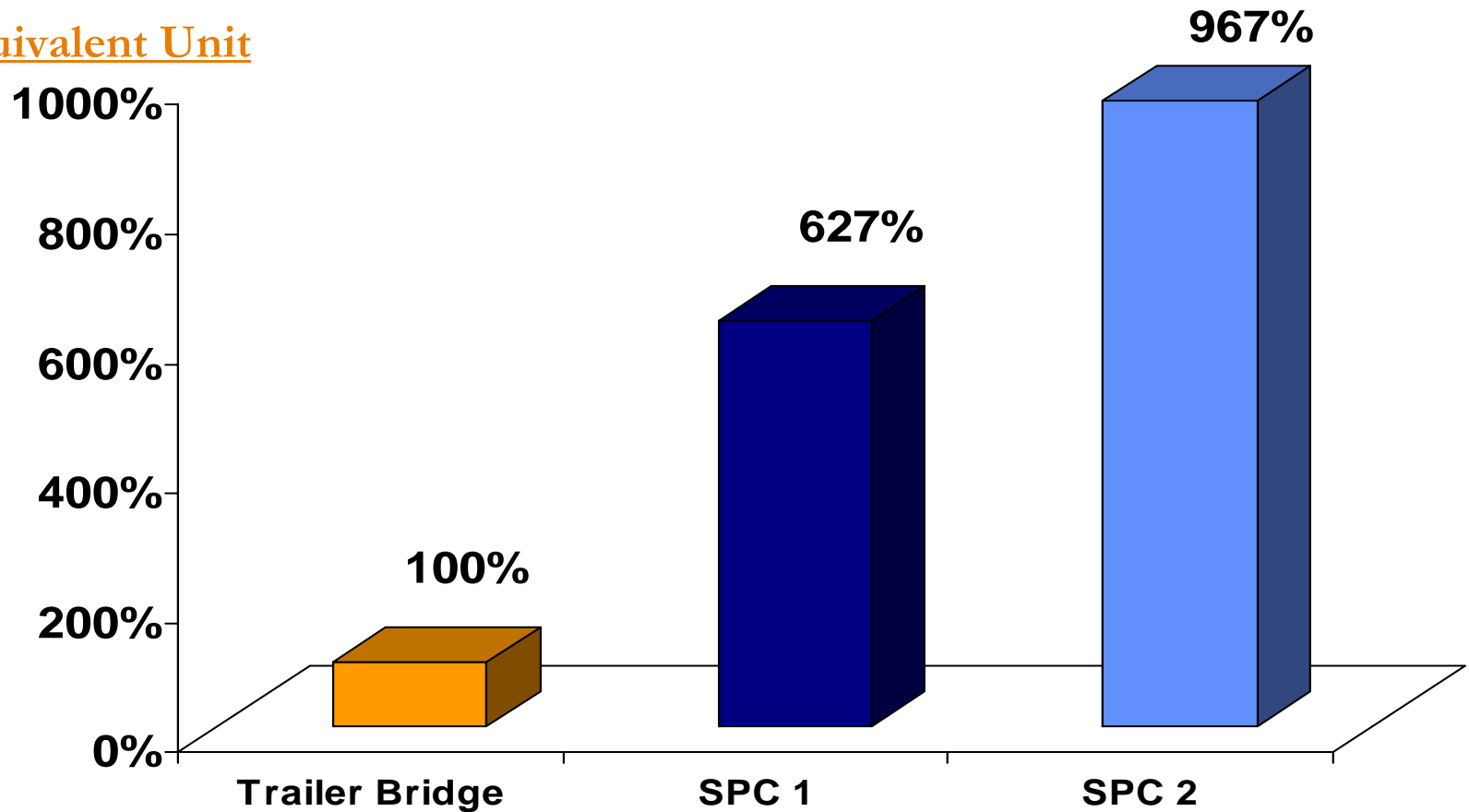
# Company Ahead of Environmental Changes

- In April 2008, the International Maritime Association (“IMO”) approved new standards that will dramatically reduce the permissible level of sulfur content for vessel fuel
  - New standards expected to be phased in by 2010
- Most Jones Act carriers, including a number of Trailer Bridge’s competitors use residual fuel, producing emissions that will not meet the new IMO standards
  - Will create significant cost increases for competitors as they transition
- Trailer Bridge already uses a clean burning distillate fuel and exceeds the new standards

# Vessel Particulate Matter Emissions

## Trailer Bridge Vessels Vs Self-Propelled Carriers (“SPCs”)

Per Equivalent Unit

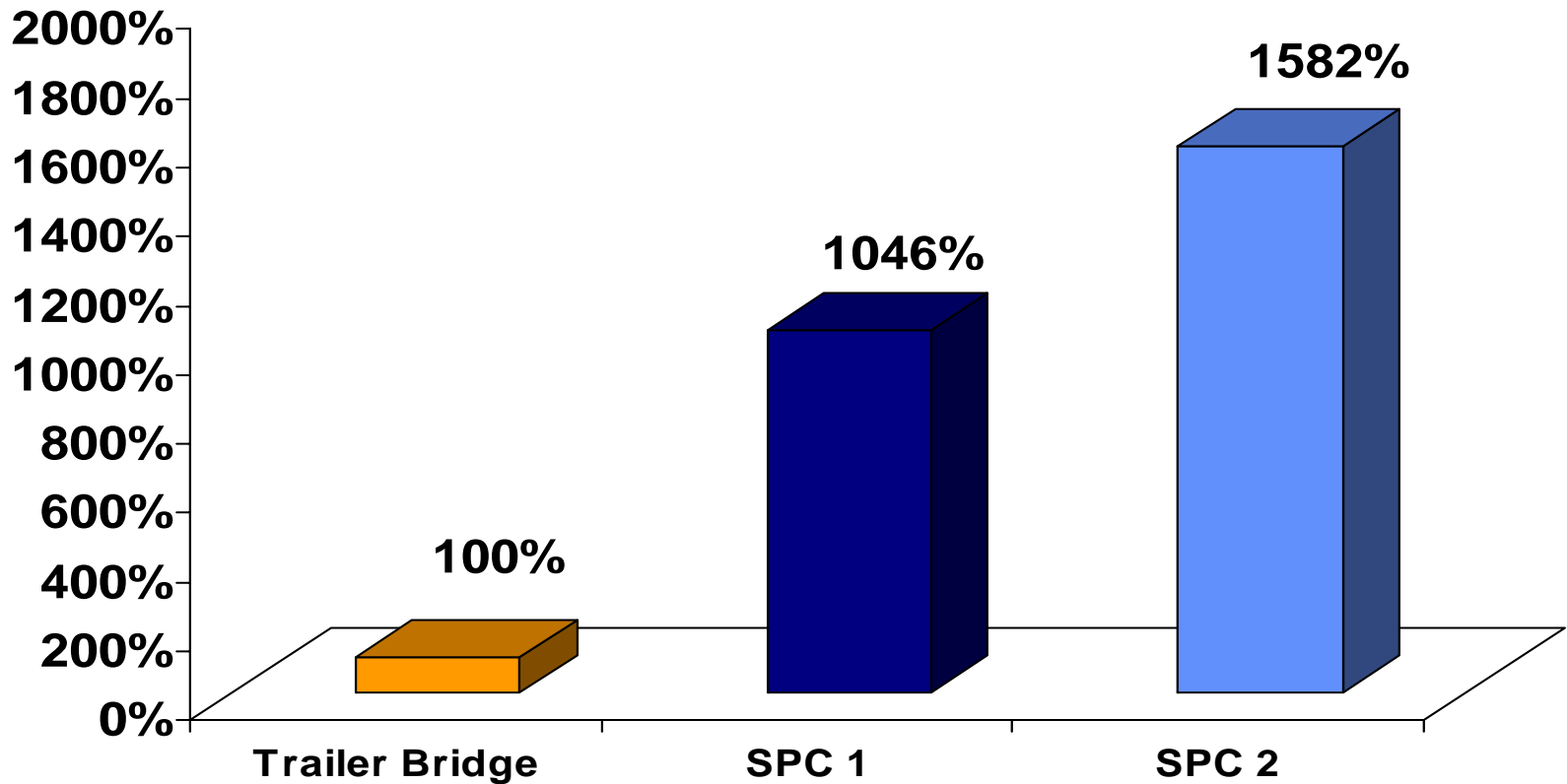


Source: Reducing Emissions From Cargo Transport and Improving Air Quality Between Mainland U.S. and Puerto Rico Through Distillate Fuel Choice, Corbett (2001)

# Sulphur Oxide (SO<sub>x</sub>) Emissions

## Trailer Bridge Vessels Vs Self-Propelled Carriers (“SPCs”)

### Per Equivalent Unit



Source: Reducing Emissions From Cargo Transport and Improving Air Quality Between Mainland U.S. and Puerto Rico Through Distillate Fuel Choice, Corbett (2001)

# Significant Barriers to Entry

- The Jones Act - Requires U.S. Flag Vessels Built in U.S. Shipyards and Owned by U.S. Citizens
- Entrenched market position by Trailer Bridge and others
- Constraints on terminals/port space in San Juan, Puerto Rico
- High U.S. newbuilding costs

## Current Jones Act Liner Carriers

- Puerto Rico: Trailer Bridge, Horizon Lines, Crowley Liner Services, Sea Star Lines
- Hawaii: Matson, Horizon Lines
- Alaska: Tote, Horizon Lines

# Service Expansion to Dominican Republic

- Implemented in 2007
- Links Jacksonville, San Juan and Puerto Plata, DR
- First international 53' marine service
- Jacksonville hub 300 miles closer to most origin/destination
- Began operating profitably in 3Q 2008



# Other Potential Market Opportunities

- Hawaii
- Alaska
- Cuba \*



\* Currently Not Open For Trade With United States

# Seasoned Management Team

Trailer Bridge was founded in by the late Malcom McLean, the universally recognized “*Father of Containerization*”

- John D. McCown, 54, has served as CEO since November 1995. He has over 25 years of transportation industry experience and has a Harvard MBA
- Ralph W. Heim, 61, has served as President & COO since November 1995 and has over 35 years of transportation industry experience
- Mark A. Tanner, 56, Vice President of Administration & CFO, joined Trailer Bridge in 1991 and has over 20 years of transportation industry experience
- William G. Gotimer, Jr., 49, Executive Vice President, General Counsel & Secretary, has over 20 years of transportation industry experience

# Investment Conclusions

- **Low cost operator with replicable business model**
- **More cost efficient than larger competitors**
- **Significant barriers to entry**
- **Growing market share in Puerto Rico**
- **Expanding into new markets**
- **Best positioned company in the Jones Act sector**

Trailer Bridge, Inc.  
(NASDAQ: TRBR)

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Bigger in the Future*

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