



NARS
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- As of March 31st, 2009, Dahlman Rose & Company, LLC has 94 companies under its research coverage.
- 44.7% have been assigned a Buy rating and 7.14% of the companies in this rating category are investment banking clients. .
- 5.30% have been assigned a Sell rating and 20.00% of the companies in this rating category are investment banking clients.
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Overview

- **Introduction**
- **Current Market Trends:**
 - Rail
 - Truckload
 - Less-Than-Truckload
- **Outlook**
- **Questions**



Dahlman Rose Value Proposition

Dahlman Rose is a specialized investment bank focused on **growth industries** that are *underserved, under-banked, undervalued, and underinvested*

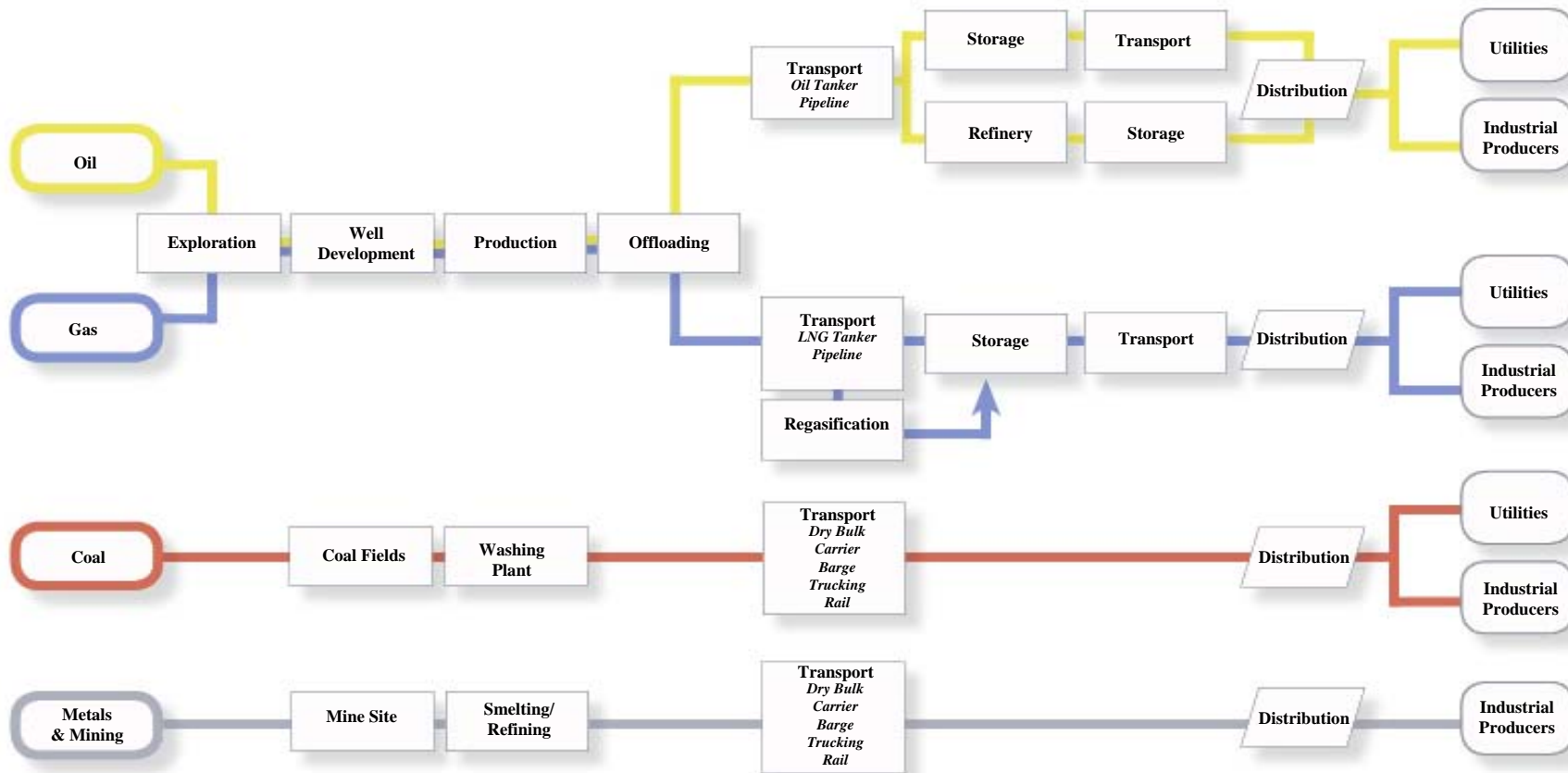


- Historically, investors have generated unprecedented returns in growth sectors such as Technology, Telecommunications, Media and Healthcare
- Growth of global trade, infrastructure development, and urbanization has created a new, dramatic investment theme
- Similar to the underinvestment in infrastructure, there has been a lack of intellectual capital dedicated to these natural resource industries among Wall Street's traditional banks
- Dahlman Rose's mission is to broker the knowledge transfer between the companies that are driving the global economy and the investment community which is seeking outsized returns



Global Energy and Commodity Supply Chain Focus

Dahlman Rose Employs a World Class Expertise Across the Energy and Commodity Supply Chains





Rails Trends – The Good & The Bad

Positives

- Pricing is hanging in there
- Rails proved they can somewhat control costs
- Capital investments made over last 5 years should payoff later
- Giving back to investors

▪ **Negatives**

- Regulatory storm clouds loom
- Volumes have gotten worse (Autos, and Forest Products and Steel...Oh my!)
- Typical end markets no longer protecting rail volumes
- Lost some of the business back to trucks
- Pricing of truck competitive business showing weakness



Rail Group 13 Week Rolling Average Total Commodities



Source: Rail Share Data



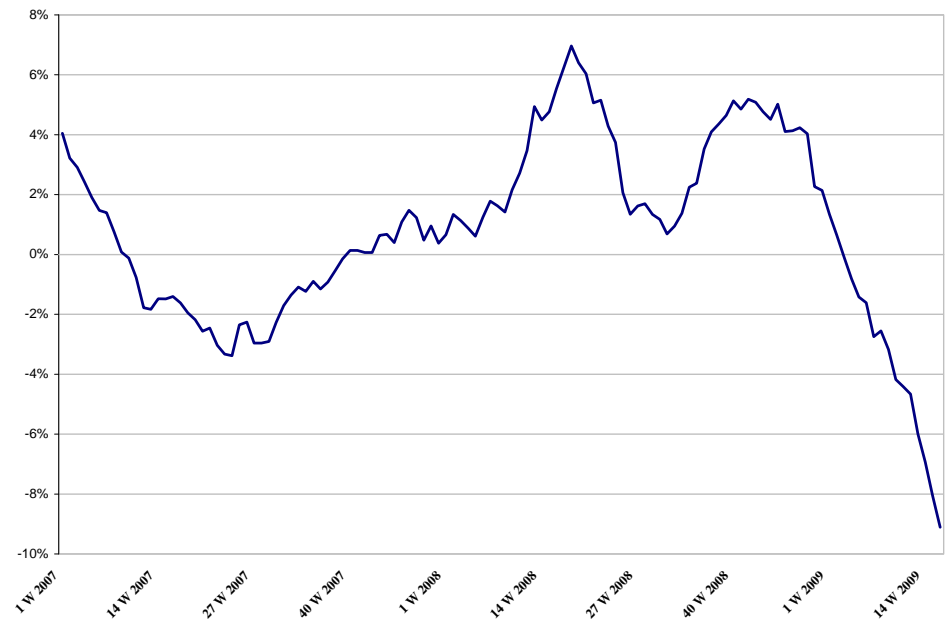
Rail Group 13 Week Rolling Average Grain and Coal

Grain



Source: Rail Share Data

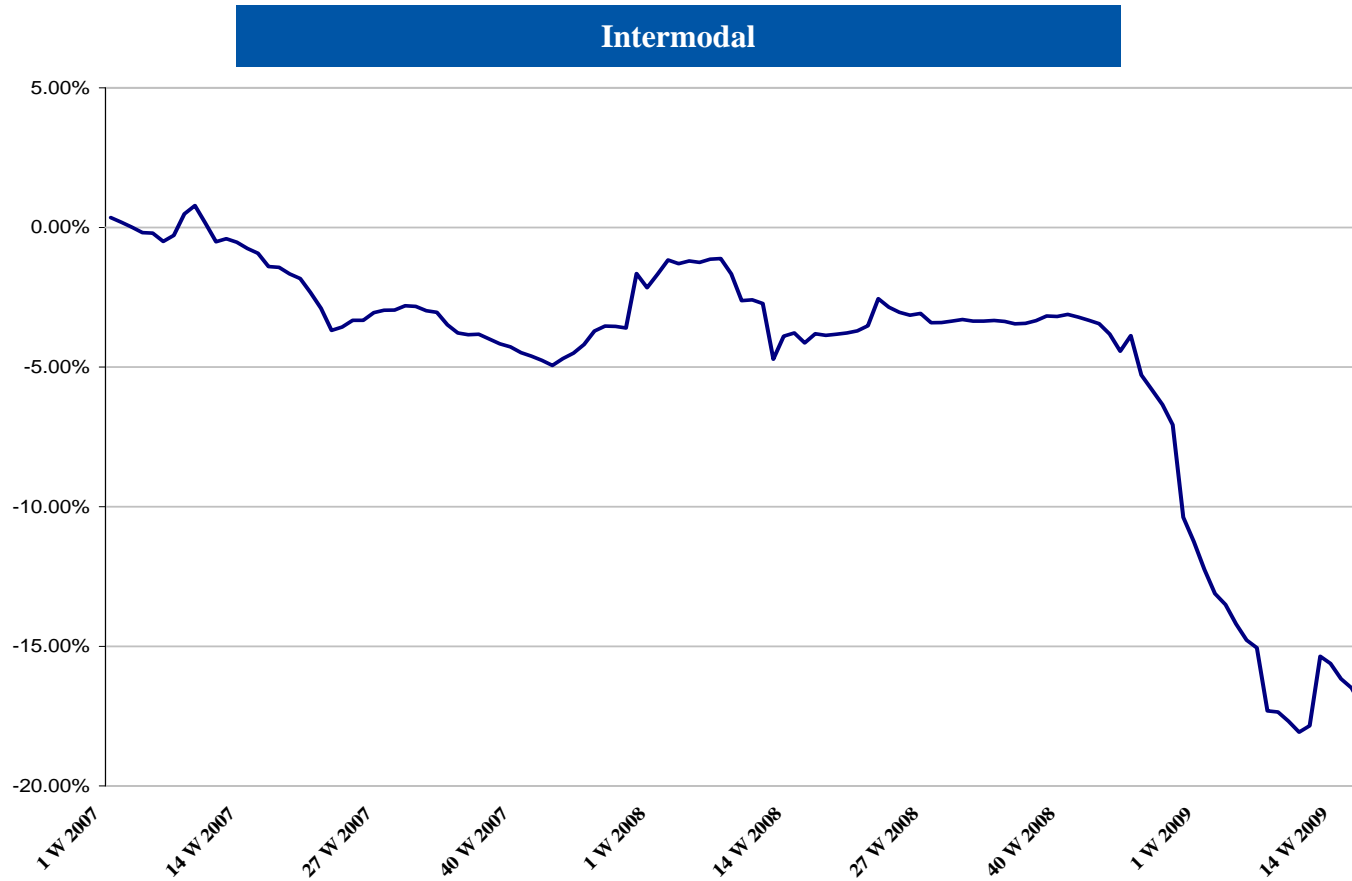
Coal



Source: Rail Share Data



Rail Group 13 Week Rolling Average Intermodal



Source: Rail Share Data



Trucking Trends – What We Learned in 1Q - Truckload

- **Demand**

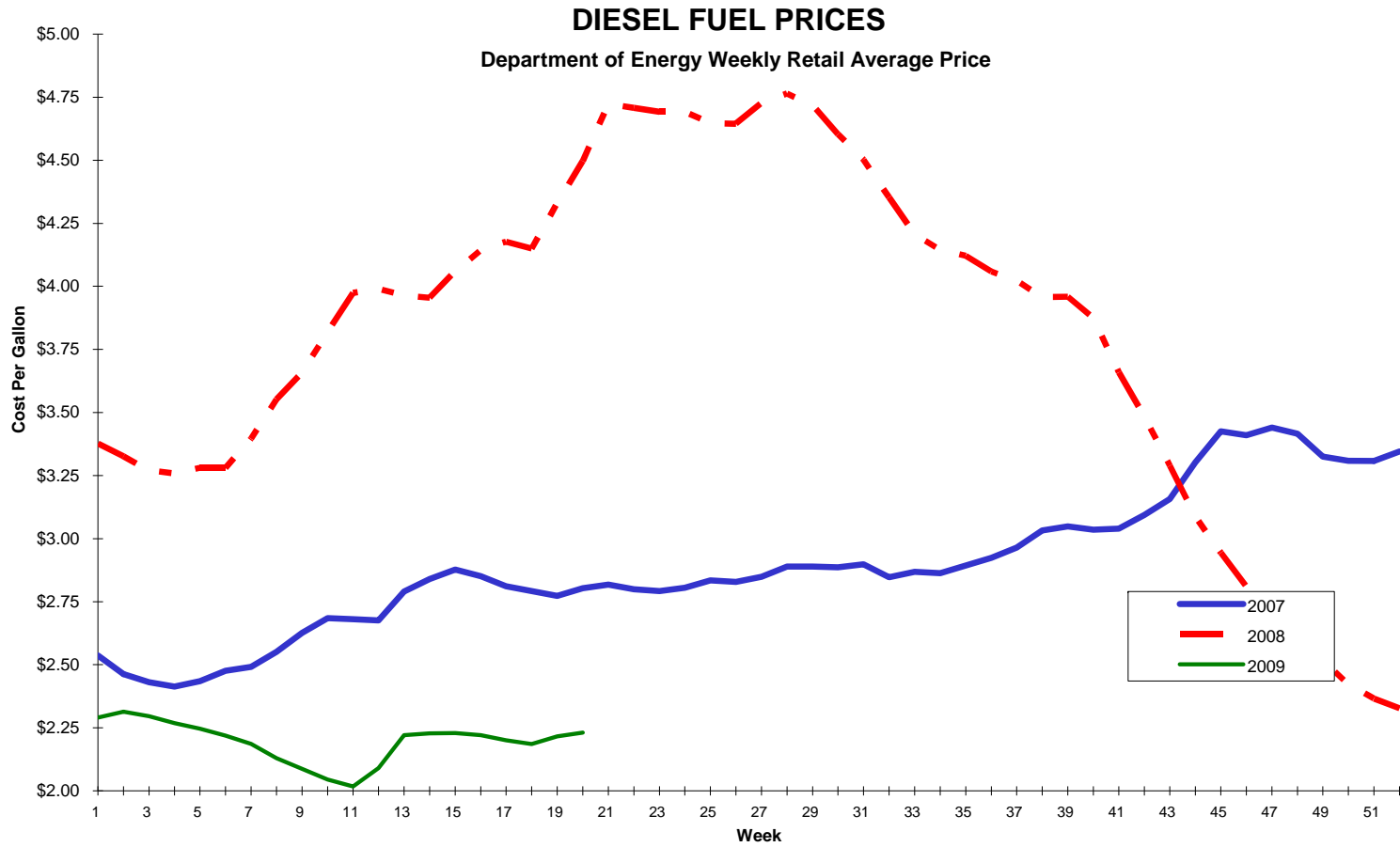
- Well off from the prior year
- Spot business down dramatically
- Slightly better trends in refrigerated and normal dedicated work

- **Capacity**

- Larger carriers continue multi-year shedding process of OTR tractors
- Smaller carriers hurting, but hanging in there
- Trend likely will not be friendly

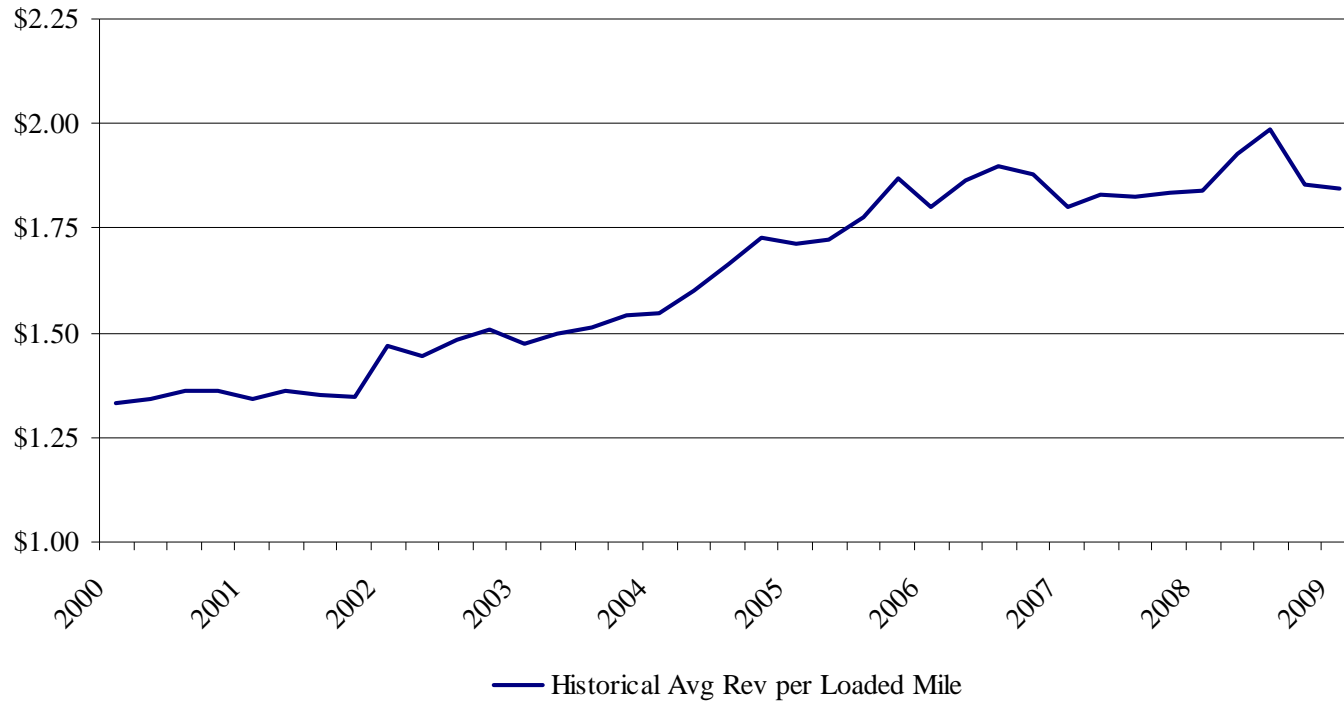


Truckload - Fuel





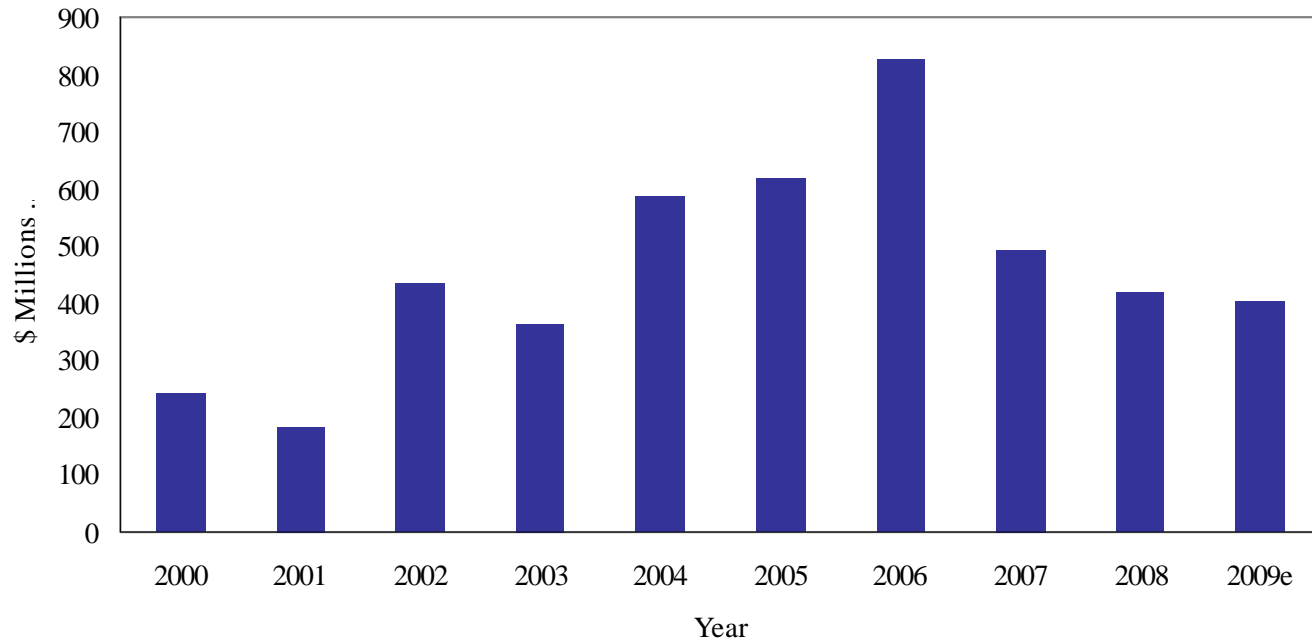
Truckload – Pricing



Source: Knight Transportation, Werner Enterprises and J.B. Hunt Transport Services Company Website



Truckload – CapEx



■ TL Universe Capex Trends



Trucking Trends – What We Learned in 1Q – Less-Than-Truckload

■ Demand

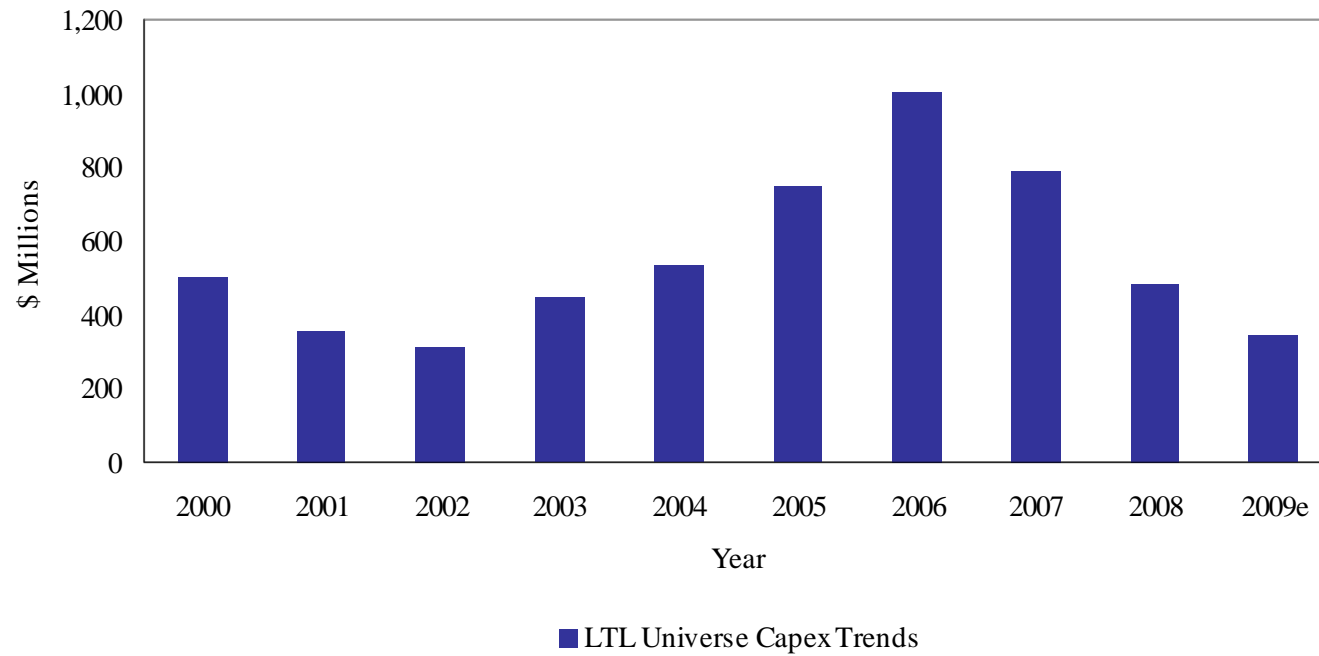
- Tonnage Trends Abysmal Compared to Prior Year
- Sequential seasonal trends holding
- Loss of heavy weight business to TL

Capacity

- Small Players hurting (Jevic, Mid Stateswho is next?)
- Morbid YRCW Death Watch On Going
- YRCW Likely to Survive Year but could exit smaller than they began
- Capital Spending Well Below Replacement Levels at Some Carriers

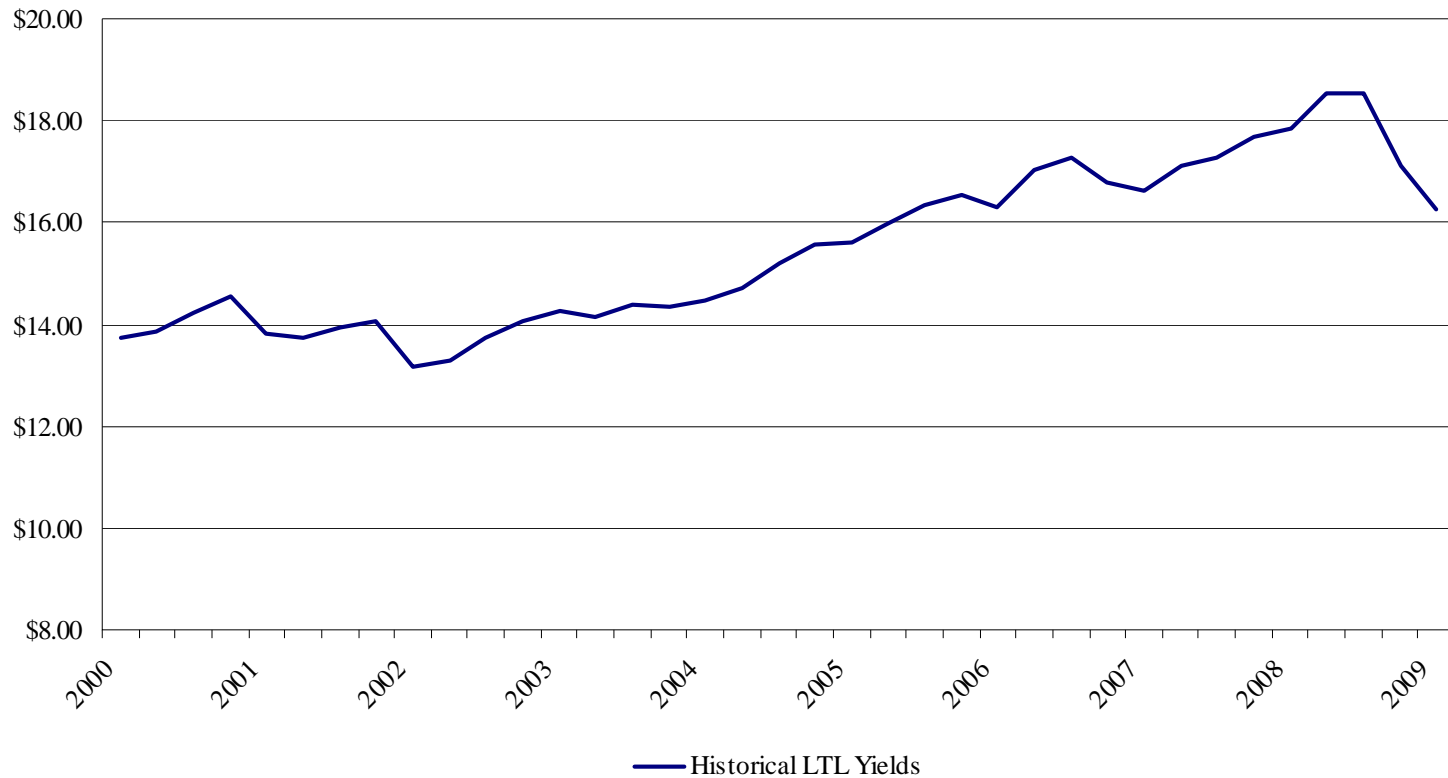


Less-Than-Truckload - CapEx





Less-Than-Truckload - Pricing



Source: YRC Worldwide, Arkansas Best Corp., Old Dominion Freight Line, Saia Inc., Vitran Corporation and Con-way Company Website



Conclusion

- **Near-term**
 - The Economy
 - Pricing
 - Regulation
 - Service

- **Longer Term**
 - Maintain service levels
 - Manage for Supply Chain Not Your Mode
 - Carpe Diem for Those Who Can



Your Turn...



Questions?