

Transics®

Road show presentation



Beloftevolle
Onderneming
van het **Jaar** 
2006

June 2007

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The prospectus and the addendum is available in Dutch and in English. The summary of the prospectus is available in Dutch, English and French. The prospectus, including the summary, is available to investors at no cost at the registered office of the Company, Ter Waarde 91, 8900 Ieper, Belgium, at the counters of ING Belgium NV/SA, Marnixlaan 24, 1000 Brussels, telephone numbers +32 (0)2 464 60 01 (Dutch), +32 (0)2 464 60 02 (French) or +32 (0)2 464 60 03 (English), at the counters of Fortis Bank NV/SA, Warandeberg 3, 1000 Brussels, telephone number +32 (0)800 90 301 (Dutch, French and English), and at the counters of Dexia Bank Belgium NV/SA, Pachecolaan 44, 1000 Brussels, telephone number +32 (0)800 922 00 (Dutch, French and English). Subject to certain conditions, this prospectus and the summary is also available on the internet at the following websites: www.transics.com, www.ing.be, www.dexiainvestor.be, www.fortisbanking.be/sparenenbeleggen, www.fortisbanking.be/epargneretplacer and on the websites of Euronext.

Introduction

The market for fleet management systems (FMS)

Transics' offering and strategy

Financials & outlook

Offering specifics

A compelling investment opportunity

Mission statement

- Transics' mission is to provide high-end multifunctional ICT solutions to the road transportation industry (trucks > 3.5t) across Europe, which contribute to improving the revenues, efficiency and quality of service of its customers

Attractive market characteristics

- The European FMS market is large, growing fast (+15% p.a.) and fragmented

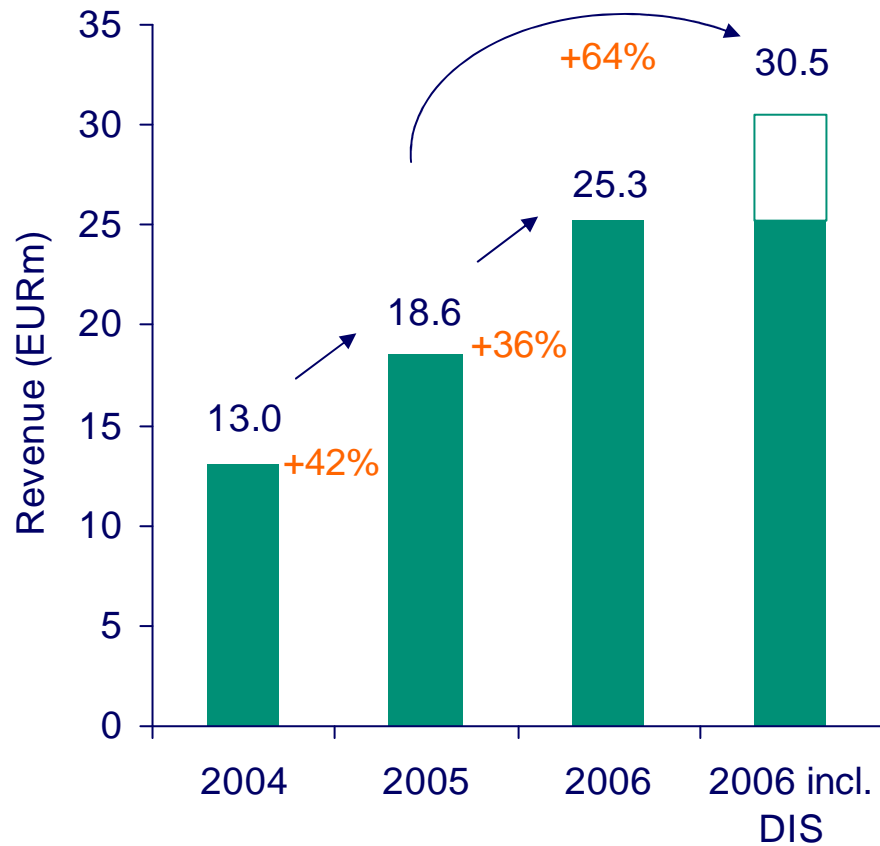
Leading position & solid execution platform

- Transics is one of the largest players in Europe
 - ✓ One of the very few international players
 - ✓ Leading position in key European markets: Belgium, France and the Netherlands
 - ✓ Accelerating penetration in the Czech Republic, Germany, Poland, Spain and Sweden
- Strong brand recognition built on a track record of over 17 years in the FMS market
- Highly efficient and scalable execution platform

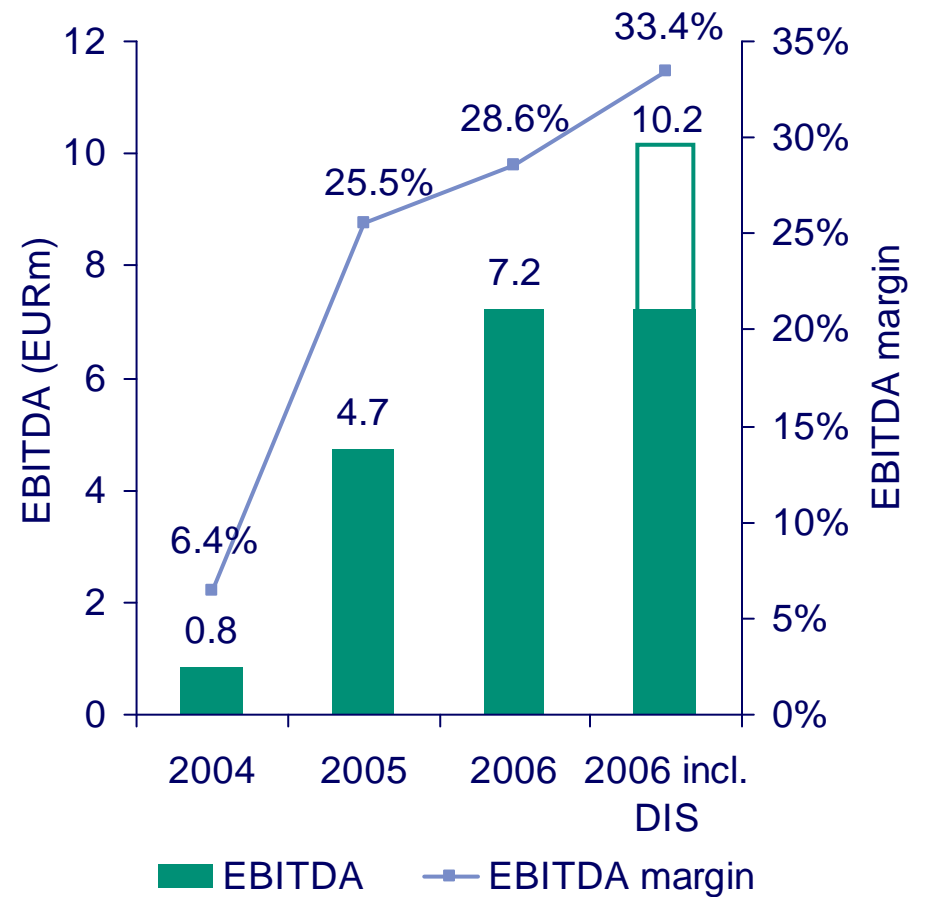
Strong fundamentals and financial performance

- Fragmented customer base, substantial recurring sales, good cash flow conversion, high operating leverage
- Impressive track record of organic growth and margin improvement
- Shareholders are management (20.5%) & the Carlyle Group (79.5%)

Revenue



EBITDA



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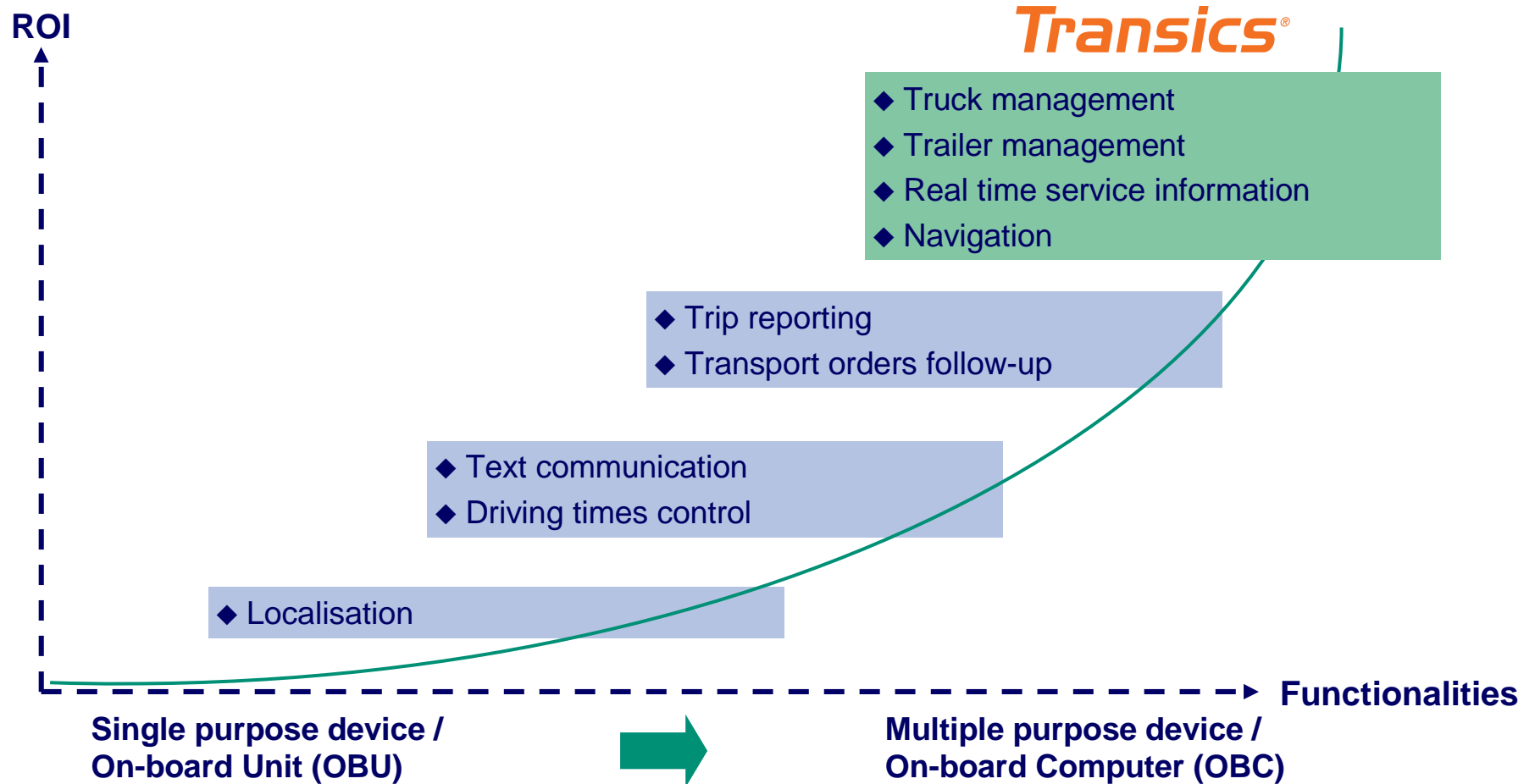
Financials & outlook

Offering specifics



- FMS are advanced commercial telematics solutions used to manage mobile resources (trucks, drivers and cargo) in the transportation and logistics industry
- FMS are integrated ICT solutions that include five different components linking in real-time the truck, the driver, the cargo, the end-customer and the back-office operations of the transport company
 - ✓ On-board computer (OBC) with dedicated embedded software applications
 - ✓ Wireless communication platform
 - ✓ Hosting platform
 - ✓ Dedicated back-office software applications
 - ✓ Interface to third party software
- FMS enable transport companies to achieve efficiency gains, cost reductions and customer service improvements

*Transics offers a one-stop-shop, functionality rich solution delivering high ROI
(average payback < 18 months)*



Market drivers

- Customer pain points
 - ✓ Intense competitive pressure
 - ✓ Need to differentiate on quality of service
 - ✓ Need to improve cost competitiveness
 - ✓ High fuel prices
 - ✓ Increasing burden of social regulation
 - ✓ Introduction of digital tachograph
- Industry trends
 - ✓ Growing complexity of logistics chain
 - ✓ Green agenda: pressure to reduce fuel consumption and road congestion
 - ✓ Technology maturity

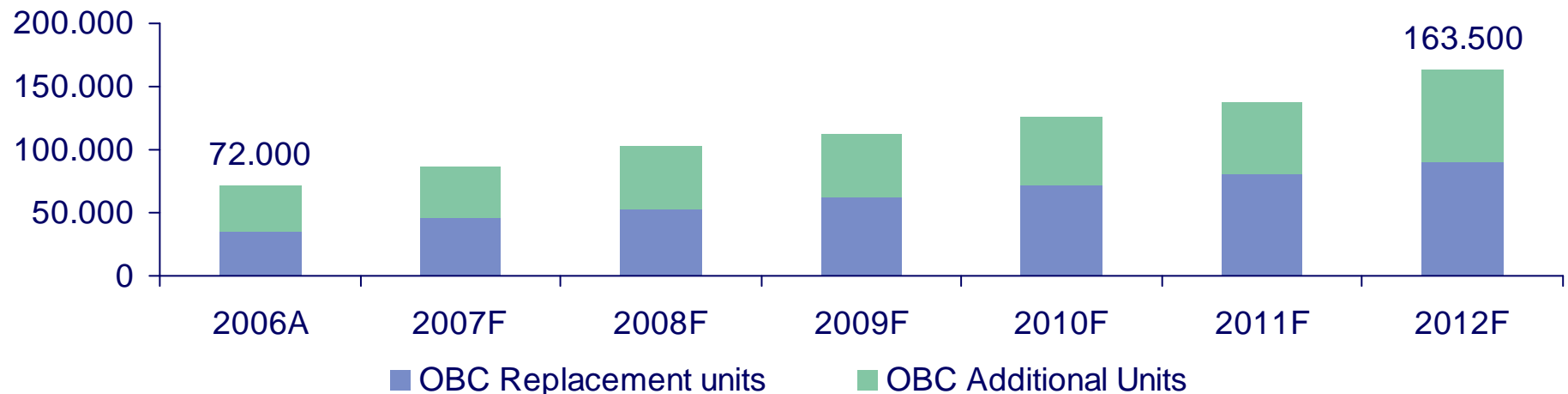
Value proposition

- Driver management
 - ✓ Lower telecom costs
 - ✓ Less administrative work for drivers
 - ✓ Less parasite kilometres
 - ✓ Preparation of data for wage calculation
 - ✓ Automatic remote reading of tachographs
 - ✓ Driver assistance: geofencing, navigation
- Vehicle management
 - ✓ Efficiency gains using analysis of driving style
 - ✓ Better maintenance planning
- Transport & goods management
 - ✓ Optimise fleet management: more trucks per planner, on-line availability of trucks/drivers
 - ✓ Improved customer service through real-time communication
 - ✓ Recovery of stolen vehicles

Penetration and unit shipments

- Penetration rate in 2006 for OBC in Western Europe in trucks >3.5t is 5.5% and is expected to reach 12.4% by 2012
- Installed base for OBCs is expected to increase from 276,000 in 2006 to 664,000 by 2012 (Transics has an installed base of over 35,000 units)
- OBC annual unit shipments are expected to increase from 72,000 in 2006 to 163,500 by 2012
- Replacement market will gain in importance over the years

OBC shipments in Western Europe for trucks (> 3.5 tons)

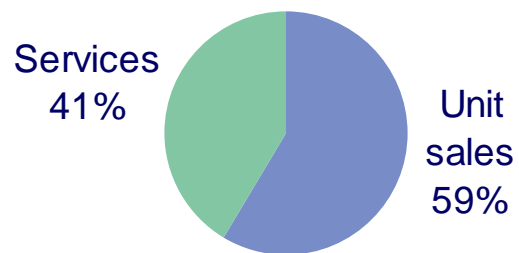


Source: Frost & Sullivan

The market addressed by Transics is expected to grow by over 130% over the next 6 years

- Average prices for OBC are estimated between EUR 2,000 and EUR 2,500
- Services are expected to gain in importance

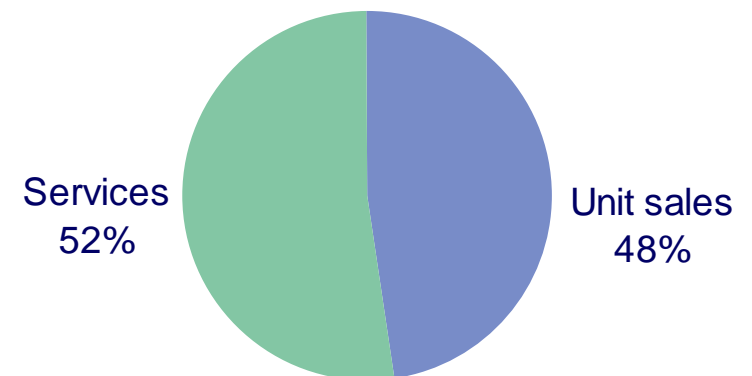
2006 OBC market size (estimated EUR 283m)



CAGR: 15.1%



2012 OBC market size (estimated EUR 658m)



The FMS market is fragmented

- A few international players
 - ✓ Sufficient resources to develop an advanced product offering
 - ✓ International and diversified customer base
- OEM truck manufacturers
 - ✓ Pan-European presence with an international and diversified customer base
 - ✓ Substantial financial resources
 - ✓ Not core to their business
 - ✓ Not all have a dedicated distribution and customer care infrastructure
- A large number of small domestic vendors
 - ✓ Local customer base
 - ✓ Basic product offering
 - ✓ Limited brand recognition
 - ✓ Insufficient critical mass to operate internationally



Belgium & The Netherlands

Transics, Groeneveld, Punch Telematix, Qualcomm



Sweden

Transics, Aplicom, Vehco



Germany

Transics, Siemens VDO, Fleetboard, Qualcomm, Truck 24



France

Transics, Groeneveld, Masternaut, Elocom, Qualcomm



Poland

Transics, Qualcomm, Autoguard, Keratronik



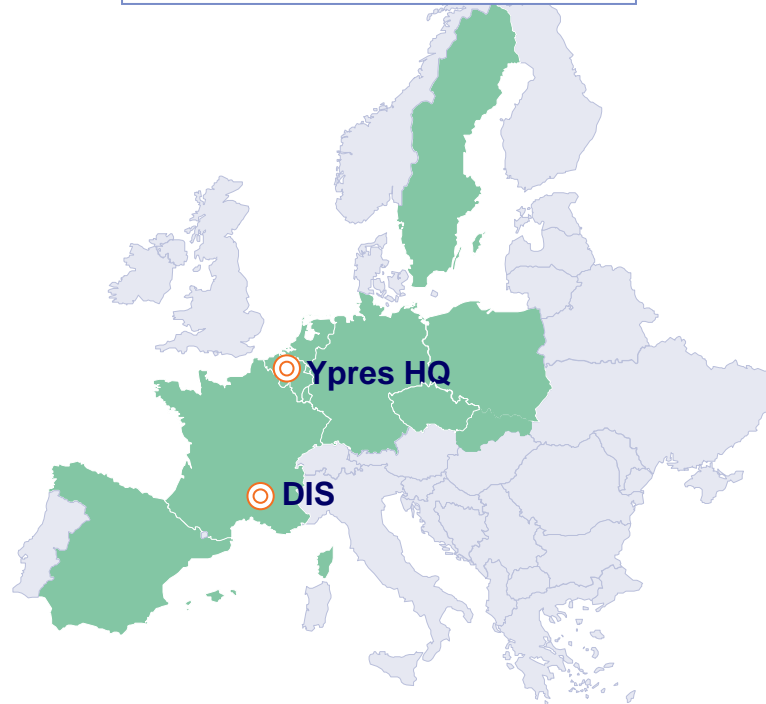
Spain

Transics, Ronda (reseller of Qualcomm), TDI



Czech Republic and Slovakia

Transics, EchoTrack, D&COMM (reseller of Qualcomm), Komtes Chrudim



Transics' Current Markets

Introduction

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Offering specifics

Leading product offering

- Focus on high-end solutions incorporating latest technology
- One-stop-shop : hardware, software, services and customer support
- Open architecture for easier integration
- Proven scalability from 10 to over 2,500 trucks
- Recent extension with acquisition of DIS

Solid execution platform

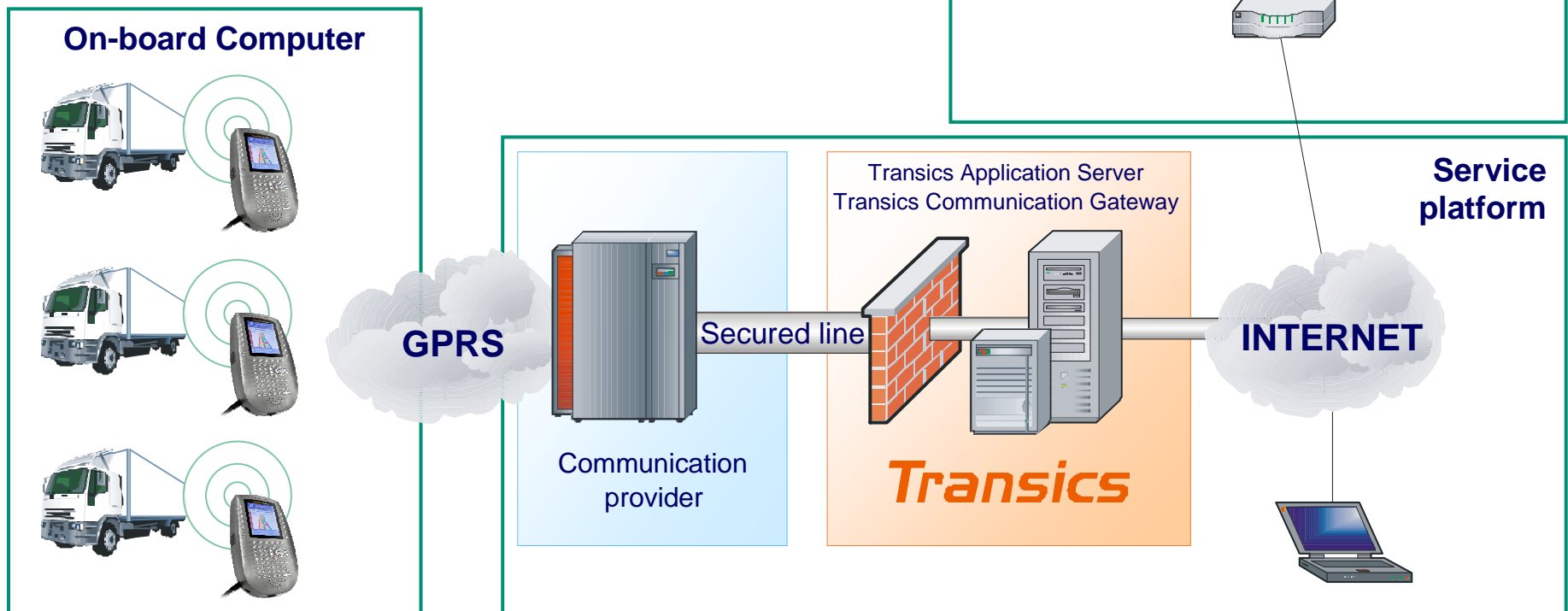
- Pan-European sales presence
- Large, dedicated in-house R&D organisation
- Mature customer support infrastructure with multilingual capabilities
- Outsourced production

Proven track record

- Large installed base (more than 800 customers, over 35,000 units installed)
- Strong brand recognition
- Deep understanding of customer needs
- Management team with over 70 years of combined FMS experience

One stop shopping solution for FMS:

- On-board computer & embedded software applications
- Wireless communication platform
- Back-office software applications (+ interface to 3th party software)
- Service platform for application & communication
- Download & archiving of tachograph data
- Expert advice on best practices



- Transics acquired Delta Industrie Service SA (DIS) in April 2007
- DIS is a leader in a niche adjacent to Transics' core FMS market
 - ✓ DIS is specialised in hard- & software solutions for the retrieval, archiving and processing of digital and analogue tachograph data
 - ✓ DIS serves both the road transport industry, other fleet operators and the control authorities
 - ✓ DIS is market leader in France
- DIS strengthens Transics' portfolio of transport solutions and offers strong commercial synergies
 - ✓ Leverage Transics' international presence
 - ✓ Consolidate Transics' position in the French market
 - ✓ Enlarge Transics FMS product and solutions offering for road transport companies
 - ✓ Acquire additional customer base of other fleet operators (e.g. captive fleets, coaches)



Scan4



Tak-Flash



Tak-Reader



Visio



Scan-Drive

Management Committee

Sales & Marketing (41)	R&D (26)	Customer Care (43)	Fin, Admin & ICT (15)	Logistics (10)	DIS (23)
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Centralised hub

- R&D
- Finance
- Administration
- Logistics
- Support



Operating leverage

In-house R&D and QA



Full product ownership and focus on quality control

Direct sales force in countries



**High customer intimacy
Repeat and recurring sales**

Outsourced manufacturing



**Scalable organisation
Low capex and working capital requirements**

Product sales

- Initial sales
 - ✓ Typical sales cycle for new customers is between 3 and 9 months
 - ✓ The total FMS solution includes OBCs and related software and hardware products
 - ✓ Progressive roll-out creates order backlog and provides medium term visibility
- Repeat sales
 - ✓ Customers expand their fleet through organic and/or external growth
 - ✓ Customers replace old OBCs
 - ➔ In 2006 on average 2 out of 5 OBCs were sold to existing customers

Recurring Sales and Services

- FMS services generate recurring sales
 - ✓ Hardware and software maintenance services
 - ✓ Telecom subscription
 - ✓ Database and telecom hosting included in software service contracts and telecom subscriptions
 - ✓ Navigation subscriptions
- Field Services
 - ✓ Billable hours related to project implementation, training and consulting

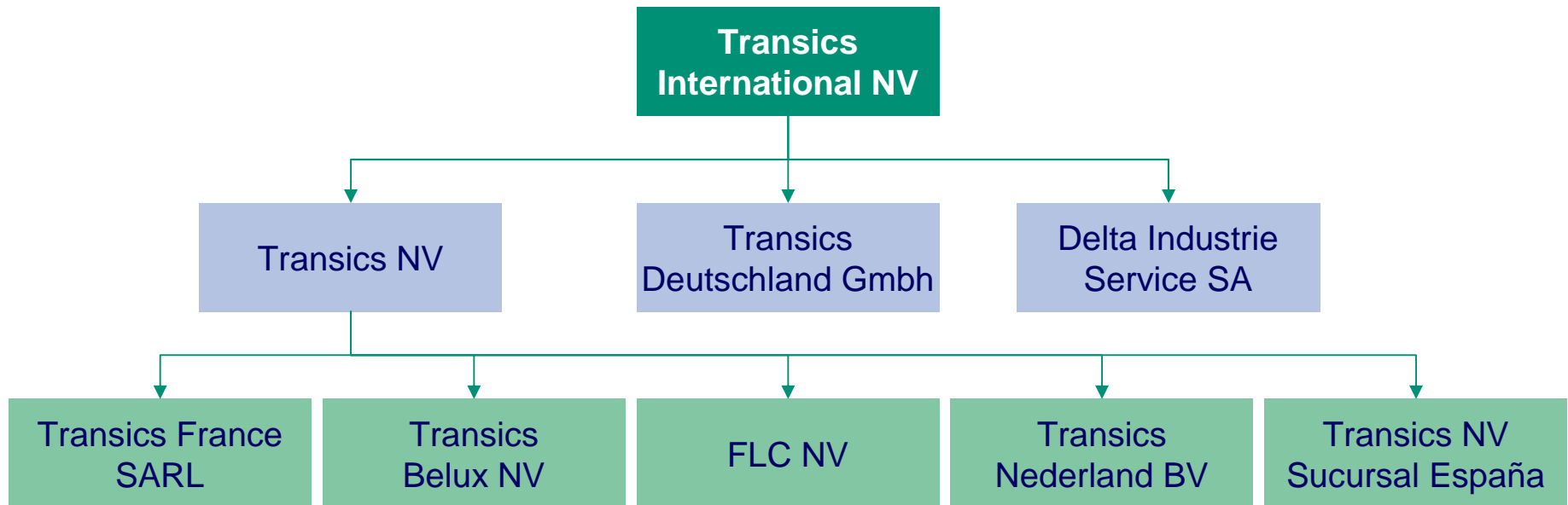
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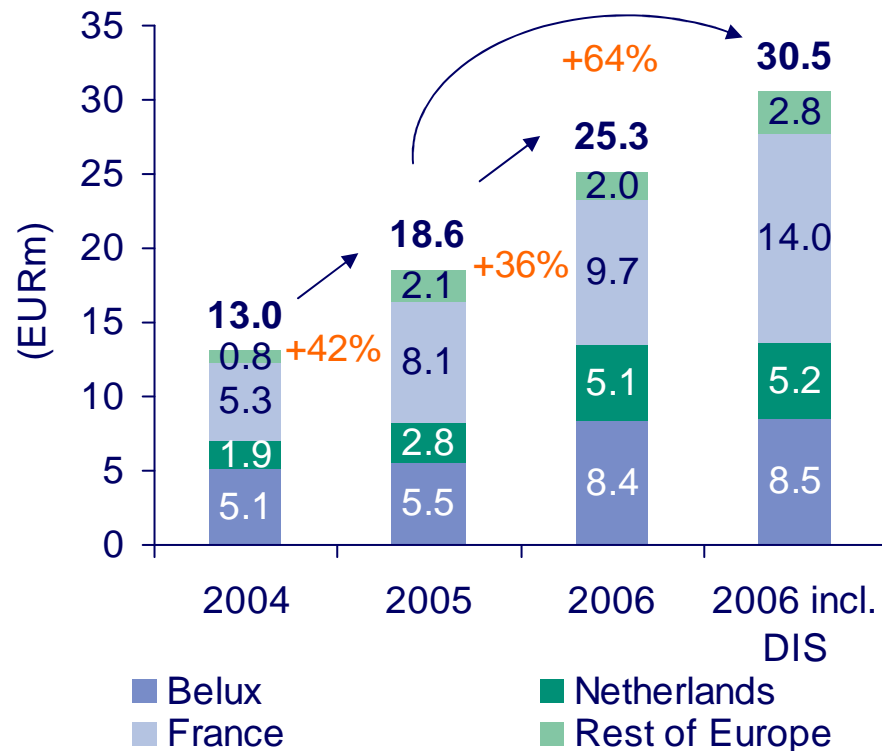
Financials & outlook

Offering specifics

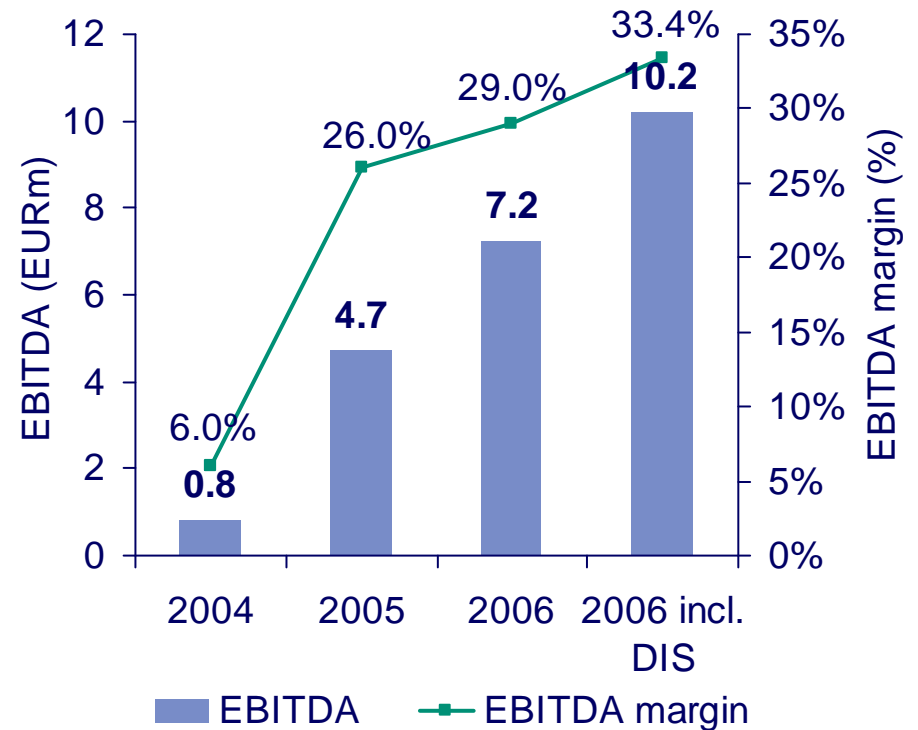


- Consolidated pro-forma figures 2006 excluding DIS include all entities but DIS
- Consolidated pro-forma figures 2006 including DIS include all entities
- Transics International NV was established in 2006 for the purpose of the MBO of Transics NV
- Transics Deutschland GmbH was established in 2006
- Delta Industrie Service SA was acquired in 2007

Sales evolution



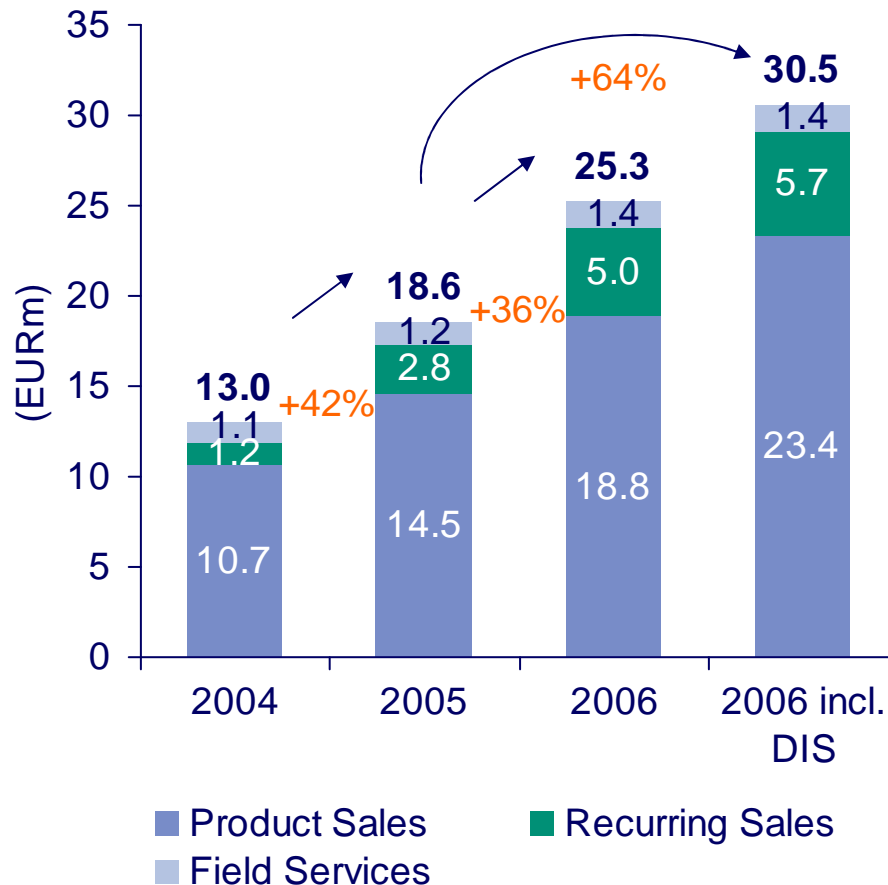
EBITDA evolution



Remarks

- Over 90% organic growth in core markets between '04 and '06
- Seed investments in the development of a commercial presence in the rest of Europe in '04 and '05
- In 2006, Transics has significantly increased its sales & marketing efforts in the rest of Europe

Sales evolution



Remarks

- Product sales grew from EUR 10.7m in 2004 to EUR 14.5m in 2005 (+35.9%) and EUR 18.8 in 2006 (+29.9%)
- Approximately 40% of product sales was related to repeat sales in 2006 (excl. DIS)
- Excluding DIS, recurring sales have grown at a faster pace than overall sales (CAGR of 101% between 2004 and 2006)
- Recurring sales represented 19.7% of sales in 2006, up from 9.2% in 2004
- As of 31 December 2006, excluding DIS, the portfolio of active subscriptions represented an annual revenue stream of kEUR6,107

in EURk	31-Dec-06 Consolidated incl. DIS Pro forma IFRS	31-Dec-06 Consolidated Pro forma IFRS	31-Dec-05 Consolidated IFRS	31-Dec-04 Consolidated IFRS
Revenue	30,531	25,258	18,567	13,042
<i>growth</i>	64%	36%	42%	
Gross Profit	22,259	17,691	12,297	8,410
<i>margin</i>	73%	70%	66%	64%
EBITDA	10,207	7,218	4,735	840
<i>margin</i>	33%	29%	26%	6%
EBIT	7,912	5,128	3,574	(207)
<i>margin</i>	26%	20%	19%	-2%
Financial income/(expenses)	(3,323)	(2,825)	(190)	(339)
Earnings before tax	4,589	2,303	3,384	(546)
<i>margin</i>	15%	9%	18%	-4%
Tax expense (income)	2,715	1,786	1,294	(102)
Net Result	1,874	517	2,090	(444)
<i>margin</i>	6%	2%	11%	-3%
Operating Cash Flows	8,584	6,382	5,813	683

Revenues have experienced a strong growth acceleration in 2005 due to increasing market adoption of FMS and the growth of recurring revenues

Gross profit margin was primarily impacted by better purchasing conditions resulting from strong volume growth and increasing recurring revenue

The improvement in **EBITDA margin** is primarily attributable to a better absorption of fixed cost (e.g. lower salary cost as percentage of sales)

Higher **financial costs** in 2006 relate to the financial leverage put in place (MBO)

Tax expenses are mainly non-cash

The high tax rate in 2006 is related to the financial expenses at the level of Transics International and the absence of taxable income at that level

in EURk	31-Dec-06 Consolidated incl. DIS Pro forma IFRS	31-Dec-06 Consolidated Pro forma IFRS	31-Dec-05 Consolidated IFRS	31-Dec-04 Consolidated IFRS
Non Current Assets	44,828	35,496	6,588	7,357
Goodwill	34,336	26,028	137	137
Fixed Assets	10,333	9,317	4,644	4,000
Other Non Current Assets	159	151	1,807	3,220
Current Assets	23,955	19,305	10,466	10,086
Inventories	1,851	1,627	1,977	1,856
Trade receivables	9,712	8,836	5,880	6,473
Other Current Assets	331	294	414	580
Cash and cash equivalents	12,061	8,548	2,195	1,177
TOTAL ASSETS	68,783	54,801	17,054	17,443
Shareholders' Equity	7,379	6,021	9,392	7,303
Non Current Liabilities	38,263	37,618	1,373	1,083
Non Current Interest Bearing Liabilities	36,488	36,097	1,373	1,076
Other Non Current Liabilities	1,775	1,521	0	7
Current liabilities	23,141	11,162	6,289	9,057
Current Interest Bearing Liabilities	12,057	2,285	364	3,604
Trade Payables	4,987	4,683	3,496	2,729
Other Payables	5,087	3,216	1,511	1,967
Other Current Liabilities	1,010	978	918	757
TOTAL EQUITY AND LIABILITIES	68,783	54,801	17,054	17,443

The balance sheet per 31/12/2006 shows a large amount of **goodwill**, which resulted from the leveraged MBO in May 2006 and the acquisition of DIS

EUR 5m of goodwill was allocated to the customer list (included in fixed assets).

Fixed assets remain low as hardware production is outsourced

Drop in **equity** in 2006 is related to new financial structure put in place at the moment of MBO (May 2006)

The EUR 36.5m interest-bearing debt net of cash is mainly attributable to the MBO and the financing of the DIS acquisition

in EURk

	31-Dec-06 Consolidated incl. DIS Pro forma IFRS	31-Dec-06 Consolidated Pro forma IFRS	31-Dec-05 Consolidated IFRS	31-Dec-04 Consolidated IFRS
Cash and equivalents, beginning balance	0	0	1,177	317
Cash flows relating to operations	8,584	6,382	5,813	683
Profit (loss) from operations	7,912	5,128	3,574	(207)
Non cash adjustments	2,249	2,069	1,197	1,010
Decrease (Increase) in working capital	(1,155)	(766)	1,042	(120)
Income tax (paid)/refunded	(422)	(49)	0	0
Cash flows relating to investing activities	(46,713)	(38,173)	(1,429)	(805)
Acquisitions	(44,956)	(36,388)	(103)	0
Internally developed R&D	(1,175)	(1,175)	(841)	(817)
Other	(582)	(610)	(485)	12
Cash flows relating to financing activities	50,190	40,339	(3,366)	982
Capital increase	5,512	5,512	0	0
New loans	45,177	35,288	385	616
Repayment of finance leases (-)	(142)	(130)	(100)	(109)
Repayment of loans (-)	(255)	(234)	(1,441)	(496)
Bank overdrafts increased (decreased)	0	0	(1,947)	1,247
Interest paid (-)	(102)	(97)	(263)	(276)
Net increase in cash and cash equivalents	12,061	8,548	1,018	860
Cash and equivalents, ending balance	12,061	8,548	2,195	1,177

Transics is focused on optimising **working capital** requirements

Cash flows relating to investing activities in 2006 reflect the acquisitions of Transics NV and DIS

Part of the R&D expenses are capitalised (kEUR1,175 in 2006) and amortised (amortisation of kEUR923 in 2006)

High **EBITDA to cash conversion** resulting from short working capital cycle, outsourced manufacturing and low capex intensity

Cap table (post-acquisition DIS)

EUR'000	15-Apr-07 3.5 months	31-Dec-06 7.5 months	31-Dec-05 12 months	31-Dec-04 12 months
Total Equity	6,492	6,492	9,392	7,303
Financial debt	41,990	37,773	1,737	2,733
Cash and cash equivalents	5,933	8,548	2,195	1,177
Total net financial debt (cash) [1]	36,057	29,225	(458)	1,556
Total invested capital [2]	42,549	35,717	8,934	8,859
Gearing ratio [1] / [2]	84.7%	81.8%	(5.1%)	17.6%

- Post IPO the total net financial debt is expected to decrease to around EUR 10m resulting in a gearing ratio of less than 35 %
- Earn-out DIS
 - ✓ On 2 April 2007, Transics acquired DIS
 - ✓ Transics will pay a maximum consideration for the acquisition of DIS of EUR 17.3m, which includes a consideration for the net cash position of DIS as of 31 March 2007
 - ✓ The total consideration includes an up-front payment of EUR 9.3m and a maximum earn-out payment of EUR 8.0m
 - ✓ The earn-out is based on the gross margin on the sale of DIS' products between 1 April 2007 and 31 December 2008

Outlook 2007 and beyond

- Sales
 - ✓ Transics' strategy is focused on maintaining product leadership, expanding its presence in the rest of Europe, and realising identified synergies with DIS
 - ✓ Transics expects to continue to outperform the overall market growth in line with the Company's historical growth trend
 - ✓ The share of recurring revenue in total revenue is expected to increase further
- Profitability
 - ✓ Gross margin is expected to remain relatively stable
 - ✓ EBITDA margin is expected to remain relatively stable: benefits from both the operational leverage effect and Transics' scalable business model to be partially offset by investments in sales & marketing and R&D

Financial flexibility

- Strengthening balance sheet by reducing the net debt position (repayment of EUR 10.3m of subordinated shareholder loan), resulting in greater financial flexibility

Support growth strategy

- Further develop the offering and the functionalities of the product
- Invest in the geographical roll-out of Transics both within and outside its current markets

Acquisitions

- Transics will seek further acquisition opportunities that may enable the Company to further expand its product offering and/or to accelerate its geographical expansion

Attractive market dynamics and growth opportunity

- Transics is a leading player in a large, fragmented niche market
- Penetration rates of FMS solutions expected to increase substantially
- Rest of Europe offers growth opportunities
- The market is consolidating to the benefit of larger players such as Transics

Strong execution track record & management

- Clear focus on high value added FMS solutions for the road transport industry
- Leading product offering and strong brand recognition, validated by large installed base
- Product offering complemented by acquisition of DIS
- Combined management experience of more than 70 years in the FMS business

Interesting business fundamentals

- Fragmented and diversified customer base
- High switching costs for customers
- Growing recurring and repeat sales base
- High operating leverage
- Good EBITDA to cash conversion

Strong financials

- Stellar track record of revenue and profit growth

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Primary offering

- *Shares:* Up to EUR 26m newly issued shares of Transics International NV

Secondary offering

- *Sellers:* The Carlyle Group
- *Shares:* Up to EUR 14m existing shares (excluding over allotment option)

Over allotment option

- 15% of total offering in existing shares of The Carlyle Group & Management

Offering structure

- Fully marketed book-build
 - ✓ Public Offering in Belgium: 15 % allocated to retail (with claw-back)
 - ✓ Private placement to institutional investors in Belgium and elsewhere in Europe

Lock-up arrangements

- 6-month lock-up
- 6-month standstill for the Company

Price range

- EUR 14.5 – EUR 17.5 per share
- This corresponds to an equity value (pre-money) of EUR 93.6m to EUR 115.5m

Listing

- Eurolist by Euronext Brussels

Global Coordinators

- Fortis & ING

Global Bookrunners

- Fortis & ING

Co-Manager

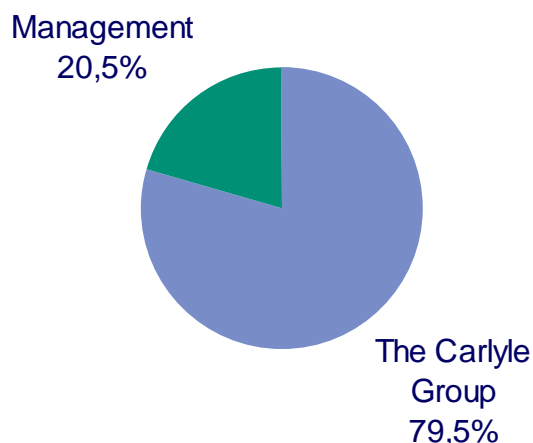
- Dexia Bank

Timetable

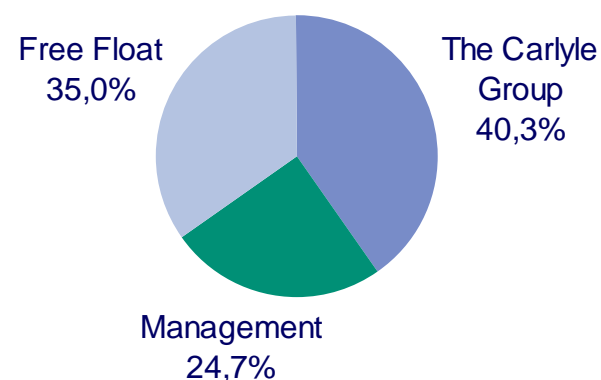
- Road show starts 4 June 2007
- Offering period starts 4 June 2007
- Offering period ends 15 June 2007
- Listing date 18 June 2007
- Closing date 21 June 2007
- Potential early closing as of 11 June 2007

Shareholder structure pre and post IPO

Structure pre-IPO



Structure post-IPO at 16 EUR/share
(after green shoe)



Board of Directors post-IPO

- **Independent directors**
 - ✓ **Luc Vandewalle** : Chairman of the Board (President & CEO of ING Belgium)
 - ✓ **Tom Dechaene** : Director (Independent Member of the Board of Antigenics Inc, Nasdaq AGEN)
 - ✓ **Peter Leyman** : Director (Until April 2007 CEO of Volvo Cars Gent)
- **Non-executive directors** (The Carlyle Group)
 - ✓ **David James Fitzgerald, Vladimir Lasocki** and **Nazo Moosa**
- **Executive directors** (Management)
 - ✓ **Walter Mastelinck** (CEO) and **Ludwig Lemenu** (Executive Director)

Transics®
keep in touch

Thank you for your attention



Beloftevulle
Onderneming
van het **Jaar** 
2006