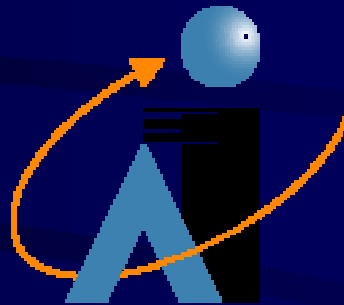
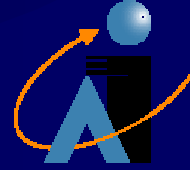


Aero Inventory plc



**Final Results
for the year ended 30 June 2005**



Board

Nigel McCorkell
(Non-executive Chairman)

Rupert Lewin
(Chief Executive)

Hugh Bevan
(Finance Director)

Martin Dodge
(Commercial Director)

Paul Docker
(Operations Director)

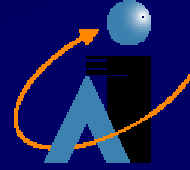
Collin Trupp
(Information Director)

Frank Turner
(Non-executive Director)

	Page
▶ Summary	3
▶ Financial review	4-5
▶ Financial record	6
▶ Operational review	7
▶ Business strategy	8
▶ Growth since flotation	9
▶ Conclusion	10

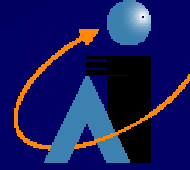
NOTE

This presentation derives from published company information. In all cases, published information takes precedence. As noted at the interim stage, figures for FY04 are restated to reflect a change in accounting policy.



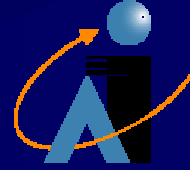
Summary

- Successful outcome for FY05
 - sales more than double those of the previous year; pre-tax profits and EPS up more than four-fold
 - benefit of major contracts secured over last 24 months
- Positive outlook for FY06
 - 12 month (rather than 10 month) contribution from SR Technics UK and SR Technics Ireland contracts
 - expect rapidly growing contribution from GMF AeroAsia contract
 - organic growth from existing contracts
 - new business initiatives developing
 - profits likely to be significantly weighted to 2H because of reduction in maintenance activity during European holiday season (ie July-Sept) and because of anticipated expansion of the business



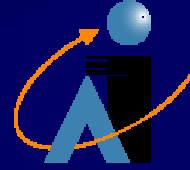
Financial review – FY05 Finals

- Turnover £43.6m, up 107% YoY
 - **first-time ten month contribution from contracts with SR Technics UK and SR Technics Ireland**
 - **12 (vs 7) month contribution from SR Technics Switzerland contract**
- Operating profit £7.9m, up from £1.9m
 - **positive effects of operational gearing**
 - **operating margin 18% vs 9%**
- Sales and operating profits impacted by US dollar weakness
 - **average US\$/£ rate for period \$1.85 (vs \$1.74)**
- Net interest payable £1.1m, vs £0.3m
- Pre-tax profit £7.2m, up from £1.7m



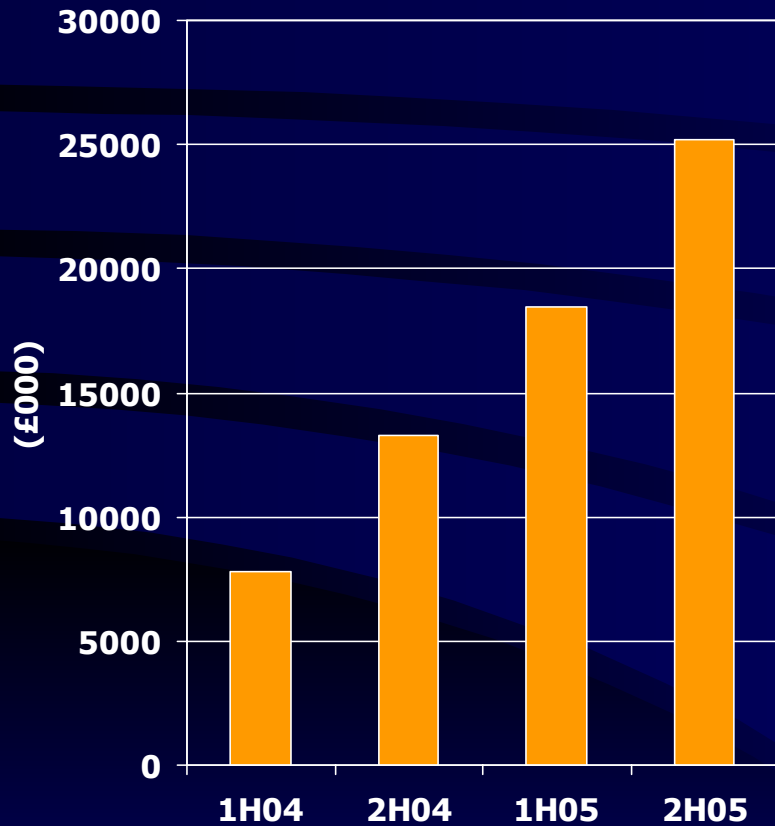
Financial review – FY05 Finals (cont.)

- Diluted EPS 31.44p, up 340%
 - **10% increase in the average number of shares outstanding**
- Final dividend 6.7p (vs 3.0p) making 10.0p (vs 6.0p) for the year
 - **66% increase in total dividends for year with cover of 3.1 times**
- Stocks £66.8m, vs £35.9m at 6/04
 - **US\$20m stock purchase in connection with SR Technics UK and SRT Technics Ireland contracts**
 - **further stock purchases to ensure we meet contractual service levels**
 - **initial build-up of stock to support GMF AeroAsia**
- Net bank debt £24.8m vs £8.6m at 6/04
 - **takes into account proceeds of £4.8m from March 2005 share placing**
 - **gearing 60% (vs 26% at 6/04)**
- Established contracts cash-generative, excluding investment in FY05 in new contracts and new parts added to existing contracts

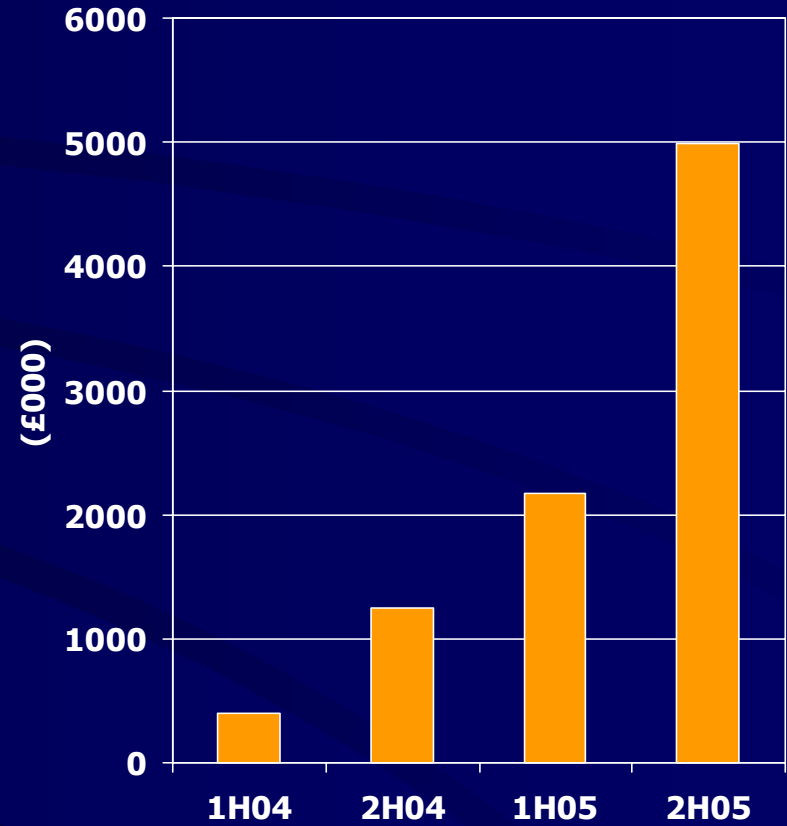


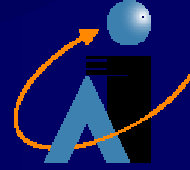
Financial record (for last four six month periods)

Sales



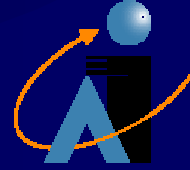
Pre-tax





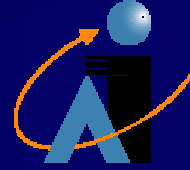
Operational review – FY05 Finals

- SR Technics UK and SR Technics Ireland contracts
 - **started well with sales in line with our expectations**
- SR Technics Switzerland contract
 - **steady performance**
- HAECO/TAECO contracts
 - **sales benefiting from extension of range of support provided by AI**
- GMF AeroAsia
 - **first sales booked in February; small contribution to 2H of FY05**
 - **sales expected to increase significantly during FY06**
- Trading of Group's inventories of aircraft parts
 - **only small contribution to sales during FY05**



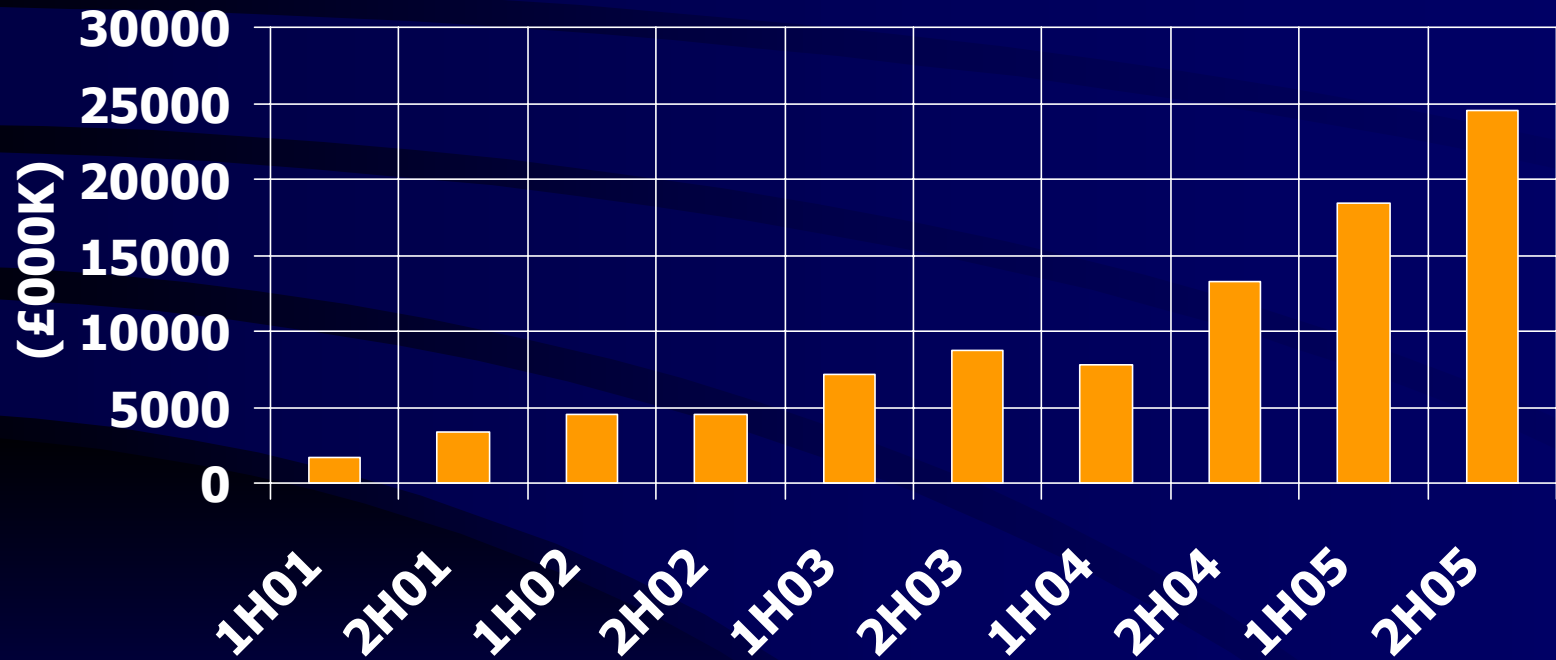
Business strategy

- AI's goal is to become the world's leading consumable aircraft parts service provider
- Well-placed to capitalise on a large, emerging outsourcing market
 - **a number of major long-term contracts with world-class customers**
 - **owner of broad and large inventories of current aircraft parts**
- Attractive business model, both for AI and its customers
 - **customers enjoy significant savings in operating and capital costs**
 - **AI able to generate profits through the optimisation of procurement**
- Opportunities for AI
 - **significant incremental business from existing customers**
 - **potential new customers among maintenance and repair companies, airlines, aerospace manufacturers, and government agencies**
 - **new customers without a proportional increase in operating costs**
 - **economies of scale in both purchasing and trading; and inventory pooling**
 - **opportunities to increase efficiency through improved logistics**



Growth since flotation in May 2000

Sales in six month periods





Conclusion

- Successful outcome for FY05
 - **profits in line with expectations**
 - **established contracts cash-generative (excluding investment in stocks to support new contracts and new parts added to existing contracts)**
- Positive outlook for FY06
 - **objective to deliver a further substantial increase in sales and profits without a corresponding increase in capital employed**
- Focus now on ensuring substantial growth beyond FY06
 - **a number of important new business opportunities currently under discussion**