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Dear Allied Employee,

I am writing today to provide you with an update on our plan to transform the Company by strengthening our liquidity, addressing our debt, and positioning Allied for the next 80 years.

Last night, we implemented the final phase of the Company's financial restructuring with a goal to eliminate debt while continuing to provide best in class service to our customers and ensure Allied remains an industry leader for years to come.

This has been a long and challenging process but I am pleased to report that all of the hard work is paying off. As you know, this process began back in 2005 when the Company implemented a Chapter 11 restructuring. We used that process to reduce expenses and adjust debt levels to become more competitive. Unfortunately, almost as soon as that process concluded, Allied and our customers were hit with the global economic recession of 2008. Most automotive companies decreased production to reflect lower sales levels and that meant much less work for us.

That new reality forced us to be extremely diligent in how we ran the business. That diligence paid off. The financial crisis claimed many victims but Allied wasn't among them. We were, however, left with a balance sheet too onerous and too inflexible to allow the Company to grow.

Over the past several months, the management team has been analyzing the best way to address the Company's debt. When two hedge funds tried to force us into an involuntary bankruptcy and take control of our fate in May, it became clear that the best way to address the Company's financial condition and the involuntary proceeding was to implement a financial restructuring through a new Chapter 11 filing that we can control.

On June 10, Allied and 18 subsidiaries, including Allied Automotive Group, Inc., Axis Group, Inc., and Allied's Canadian units, initiated a Chapter 11 process to restructure our debt in the District of Delaware. The Court process does not include our captive insurance company Haul Insurance Limited or any of the Company's Mexican or Bermudan subsidiaries.

This action isn't about reducing footprint or exiting business lines, it is solely about eliminating excess debt and aligning our costs with our current size. Once the process concludes, Allied's transformation will be complete, and the Company will be strong, healthy, and ready for the next 80 years.

All of these initiatives share one goal – to make Allied the number one carrier in North America.

I'm sure you are wondering what this means to you. Most importantly, we don't expect there to be any interruptions in Allied's operations. All of our customers can continue to rely on Allied to provide superior service on normal schedules. The Company has ample liquidity. In fact, in addition to cash generated from daily operations, our majority lenders have committed to provide up to \$20 million in financing to support the Company during this process.

There will be no reduction in your pay and comprehensive benefits package. Funds invested in your Company 401k are protected and not impacted. All employees will continue to perform the same responsibilities and

June 11, 2012

Page 2 of 2

report to the same managers. In short, nothing about your job should change.

In fact, we have taken steps to ensure the actions announced today will benefit our employees by strengthening the very core of the Company. We expect every single Allied employee will play an important role in helping the Company successfully complete this process. I know I can count on each and every one of you to continue doing a great job. The entire management team is committed to successfully completing this restructuring and leading the Company for years to come.

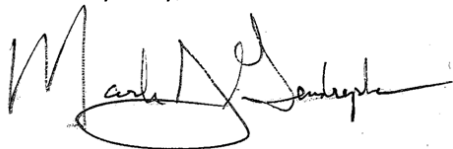
Along with this letter, you will receive a list of Q&A's and materials about the process and what to expect. I encourage you to review them, take them home and share them with your family.

While we firmly believe in our carefully crafted plan, it is possible some of our customers and business partners will have questions about the announcement. You can be sure that we have already begun communicating with our customers and vendors. Additionally, we have prepared materials for you to use when interacting with these groups, including a list of Q&A's and talking points. Your manager will share these materials with you and explain how to best use them.

We encourage you to visit the Restructuring News tabs at www.alliedautomotive.com and www.axisgrp.com for additional information.

Thanks for your continued hard work and commitment.

Yours very truly,

A handwritten signature in black ink, appearing to read "Mark J. Gendregske". The signature is fluid and cursive, with a large, stylized initial "M" and "G".

Mark J. Gendregske
President,
Chief Executive Officer