



## YOUR OPERATIONAL LEASING SOLUTION

## Half-year net profit up 9% to €8.9m (€1.88 per share):

"With an increase in net profit for the half-year, we are pleased at the way the Group is currently weathering the crisis. Though turnover on some business lines has fallen, the Group has maintained good profitability. The key to our success today is the policy of geographical and sectorial diversification of our activities combined with a strategy that benefits from long-term contracts. The crisis is not over yet: there are still difficult times ahead that we know we will have to deal with; but we can face the future with confidence: our policy is the right one; our strategy is good; and our staffs are up to the job. It's people that make the difference: and we know we can count on ours", said Raphael and Fabrice Walewski, the Joint Managers of Touax.

## The Group's figures are holding up well in a difficult economic climate

The Group's consolidated turnover in the first half of 2009 was €124m, compared with €147m in the first half of last year, a fall of 15.3% over the period (-19.4%, excluding the impact of changes in exchange rates and in the scope of consolidation). The Group's core business, on the other hand, **leasing** (with ancillary services), **was up by of 9%**. This is due to the mainly long-term nature of its leases and the rise in the fleet of equipment managed, thanks to contracts signed in 2008: these factors have outweighed the decline in utilization rates and lease rates caused by the fall in demand since September 2008. The lower turnover is mainly due to a fall in equipment sales. The Group sold €21.9m worth of equipment in the first half of 2009, compared with €52.8m in the first six months of 2008. This fall has occurred because capital spending on shipping containers came to a halt in September 2008, and syndication with investors accordingly stopped as well. In the railcars business, on the other hand, syndication has risen. Sales of modular buildings to end users have also declined temporarily.

### Turnover by function

(Unaudited consolidated figures, €000s)

	Q1 2009	Q2 2009	Total for 2009	Q1 2008	Q2 2008	Total for 2008	Total for 2008, Proforma (1)
<b>Leasing turnover (2)</b>	<b>51,898</b>	<b>50,121</b>	<b>102,019</b>	<b>45,115</b>	<b>47,869</b>	<b>92,984</b>	<b>93,216</b>
Capital gains on disposals	95	120	215				609
Sales of equipment & sundries	3,15	18,992	22,142	15,324	37,708	53,032	53,032
<b>Consolidated turnover</b>	<b>55,143</b>	<b>69,233</b>	<b>124,376</b>	<b>60,439</b>	<b>85,577</b>	<b>146,016</b>	<b>146,857</b>

### Turnover by division

(Unaudited consolidated figures, €000s)

	Q1 2009	Q2 2009	Total for 2009	Q1 2008	Q2 2008	Total for 2008	Total for 2008, Proforma
<b>Leasing turnover (2)</b>	<b>23,211</b>	<b>21,267</b>	<b>44,478</b>	<b>18,505</b>	<b>18,989</b>	<b>37,494</b>	<b>37,638</b>
Capital gains on disposals	56	39	95			0	57
Sales of equipment & sundries	30	15	45	10,089	19,383	29,472	29,472
<b>Shipping Containers</b>	<b>23,297</b>	<b>21,321</b>	<b>44,618</b>	<b>28,594</b>	<b>38,372</b>	<b>66,966</b>	<b>67,167</b>
<b>Leasing turnover (2)</b>	<b>15,552</b>	<b>16,716</b>	<b>32,268</b>	<b>14,01</b>	<b>15,774</b>	<b>29,784</b>	<b>29,784</b>
Capital gains on disposals	39	85	124			0	124
Sales of equipment & sundries	2,978	3,831	6,809	4,92	6,833	11,753	11,753
<b>Modular buildings</b>	<b>18,569</b>	<b>20,632</b>	<b>39,201</b>	<b>18,93</b>	<b>22,607</b>	<b>41,537</b>	<b>41,661</b>
<b>Leasing turnover (2)</b>	<b>4,62</b>	<b>3,731</b>	<b>8,351</b>	<b>5,222</b>	<b>5,549</b>	<b>10,771</b>	<b>10,859</b>
Capital gains on disposals		-4	-4			0	300
Sales of equipment & sundries			0		33	33	33
<b>River Barges</b>	<b>4,62</b>	<b>3,727</b>	<b>8,347</b>	<b>5,222</b>	<b>5,582</b>	<b>10,804</b>	<b>11,192</b>
<b>Leasing turnover (2)</b>	<b>8,515</b>	<b>8,407</b>	<b>16,922</b>	<b>7,378</b>	<b>7,557</b>	<b>14,935</b>	<b>14,935</b>
Capital gains on disposals			0			0	128
Sales of equipment & sundries	142	15,146	15,288	315	11,459	11,774	11,774
<b>Railcars, other sales and inter-division elimination</b>	<b>8,657</b>	<b>23,553</b>	<b>32,21</b>	<b>7,693</b>	<b>19,016</b>	<b>26,709</b>	<b>26,837</b>
<b>Consolidated turnover</b>	<b>55,143</b>	<b>69,233</b>	<b>124,376</b>	<b>60,439</b>	<b>85,577</b>	<b>146,016</b>	<b>146,857</b>

(1) The proforma figures take account of the effects of reclassifying financial interest on the proceeds of customer finance leases (leasing turnover) and the capital gains or losses on disposal of "operating" assets.

(2) "Leasing turnover" as presented in these accounts includes ancillary services and transport services in the river barge division.

## Breakdown of the figures for the four businesses

- Thanks to its long-term leases, the **Shipping Containers division** is weathering the economic storm well (leasing turnover up 18%) and maintaining the utilization rates at high levels of 87%.
- In an even more competitive market, the **Modular Buildings division** is showing itself highly resilient, thanks to its new status as producer/lessor. The financial crisis is leading our customers to prefer leasing rather than buying: which means lower sales but higher leasing turnover (the fleet of equipment has risen by 18% between 30 June 2008 and 30 June 2009 and now stands at 39,972 units).
- The **River Barges division** has done less chartering business, prioritizing the operation of its own assets to respond to the fall in freight quantities. Its lower turnover is directly connected to this decline in chartering.
- The turnover of the **Railcars division** rose 20%, despite the difficult circumstances. Our commitment to our customers in 2008 has borne fruit now in our leasing turnover. The sale of these assets marks our first transaction with SFR Railcar Leasing. SFR Railcar Leasing is an investment vehicle for acquiring railcars which was recently set up by Touax and an indirectly-controlled railcar investment fund belonging to DVB Bank SE (an international advisory bank and finance house that specialises in transport). Touax Rail is committed to acquiring 25% of SFR Railcar Leasing by the start of 2010. The parties have agreed to commit up to €34m of equity finance for the purchase of railcars according to eligibility criteria. The creation of this investment vehicle in partnership with DVB Bank SE will permit the continued investment in a promising growth sector on the long term and to accompany our clients in their projects and development.

## Net financial income up

Despite the lower turnover, the 30% increase in assets managed by the Group in 2008 and its rising market share have also borne fruit in 2009, making possible economies of scale that are truly vital during the world economic slowdown.

**Net profit (Group's share) rose by 9% to €8.9m.**

Consolidated figures (€m, under IFRS)	30 June 2008,		31 December 2008	
	30 June 2009	Proforma	30-juin-08	Proforma
Turnover	124.4	146.9	146.0	365.9
of which, Shipping Containers	44.6	67.1	67.0	204.7
Modular Buildings	39.2	41.7	41.5	86.7
River Barges	8.3	11.2	10.8	24.5
Railcars	32.3	26.9	26.7	50.0
EBITDA (after distribution to investors) (1)	24.8	24.2	53.6	53.9
Operating profit	18.7	16.6	16.4	34.3
EBIT	11.8	10.6	10.6	20.3
<b>Net profit, Group's share</b>	<b>8.9</b>	<b>8.1</b>	<b>8.1</b>	<b>16.8</b>
Net earnings per share (€)	1.88	1.86	1.86	3.72
Total Fixed assets	324	280	280	311.0
Balance Sheet Total	538	476.7	476.7	501.5
Shareholders' funds overall	122.9	97.4	97.4	102.4
Net bank debt (3)	280.7	220.9	220.9	262.0
	280,7	220,9	220,9	262,0

(1) the Group's calculated EBITDA after distribution (Earnings Before Interest, Taxes, Depreciation and Amortization) is its "operating profit" as defined by the French accountancy profession (CNC) plus its provisions for "depreciation, &c., on fixed assets" and "other operating revenues and charges".

(2) Operating profit after distributions to investors is the same as "current operating profit" as defined by the CNC.

(3) Including €113m of debt without-recourse on 30 June 2009: excluding this debt without-recourse, the gearing ratio was 1.36.

## Stronger balance sheet

In June 2009 the Group launched a successful capital issue with waiver of existing shareholder's preferential subscription but with priority right. The product of this offering raised €18.2m.

The new share issue is designed to strengthen the Group's financial structure, and in particular to lower its ratio of net indebtedness to EBITDA. Moreover, the proceeds of the new offering will position the Group strategically to continue its capital spending and take advantage of the opportunities offered by the crisis (purchase of shipping containers, modular buildings, river barges and railcars, mainly for leasing under long term leases). Such acquisitions will be chosen for their contribution to the Group's future strength and profitability.

The banking ratios covenanted for with the Group's banking partners are stable versus 31 December 2008: the gearing ratio – net financial indebtedness (with recourse) to shareholders' equity – has improved from 1.56 to 1.36, and leverage – or repayment capacity: the ratio of net financial indebtedness (with recourse) to EBITDA – is down to 3.1 years.

Lines of credit totalling over €90m were available to Touax on 30 June 2009, permitting the Group to comfortably meet its undertakings in 2009.

## Outlook for 2009: Leasing turnover growth target confirmed

In an international economic environment that remains difficult, the Group expects no growth in the short term but is focused on enhancing the resilience of its business and investigating all the opportunities the crisis may offer. Most of the Group's leases are long-term contracts. These long-term contracts give an assurance of recurrent lease income, enabling the Group to keep

the medium-term effects of the recession under control. Furthermore the Group is diversified in terms of the type and geographical location of its business, in markets that are structurally promising for the longer term.

Operating leases will be an attractive funding alternative (outsourcing costs, flexible contracts and rapid availability) once the worldwide economy picks up.

In August 2009 Clarkson Research Services again downgraded its forecast of annual change in containerised traffic to -8.5% in 2009 (against +4.7% in 2008), but expects a return to growth in 2010 (+2.2%). World containerised shipping capacity is set to grow by 10% in 2009, but the fact that no new containers are being manufactured worldwide in 2009 (the stock of containers should fall by 5% during the year) will make it possible to limit excess capacity. The expected resumption of growth in trade during 2010 should therefore favour the Touax Group's shipping container leasing business.

Leasing and sale prospects for the Modular Buildings division vary from sector to sector and region to region: Demand in the civil engineering sector is slowing, but local authority demand is holding up well, as is that from industry, especially in the Energy sector. The attractive cost and flexibility offered by modular buildings are recognized as significant advantages in difficult times. The diversification of the Division's clientele and areas of operations, the launch of new products and well-targeted marketing campaigns give the Group grounds for optimism on the performance of this business, and the Division expects its sales to increase in the course of the next few quarters

The River Barges division is facing a reduction in traffic within Europe, but not suffering from over-capacity in equipment. Its new contracts – notably in South America – are enabling it to weather the storm.

Rail freight traffic in Europe is expected to fall by some 10% –20% in 2009 (depending on the sector), and then to rise by degrees during 2010. Demand for new railcars (to buy or lease) will accordingly remain weak this year. However, the over-capacity in railcars within Europe is limited, given the average age of European rolling stock (still over 30 years), which implies a structural need for renewal. Furthermore the Group's long-term leasing business ensures that income and profit remain admirably steady.

In view of these healthy and resilient figures, the TOUAX Group confirms its target growth for lease turnover: of 5% or more compared with the 2008 financial year. This target was set at the meeting of the French Financial Analysts Association (SFAF) on 25 March 2009.

The TOUAX Group provides operating leases to customers around the world; TOUAX is Europe's no.1 in shipping containers and river barges, and no.2 in modular buildings and freight railcars (intermodal railcars). TOUAX is well placed to respond to the boom in corporate outsourcing of non-core assets, and every day provides over 5,000 customers with quick and flexible leasing solutions.

TOUAX is listed on Euronext in Paris – NYSE Euronext Compartment C (ISIN Code FR0000033003), and features in the SBF 250 Index.

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