



YOUR OPERATIONAL LEASING SOLUTION

REVENUE FROM ACTIVITIES¹ IN THE 3rd QUARTER 2018: +6%

- Revenue from activities in the 3rd quarter of 2018 up 6% to €39.6 million
- Revenue from activities at €118.6 million in the first 9 months of the year at constant scope and exchange rates compared to €121.7 million for the same period in 2017
- Revenue growth quarter after quarter in 2018 confirming that an upward trend has returned.

ANALYSIS OF REVENUE FROM ACTIVITIES

Revenue from activities in the 3rd quarter of 2018 totalled €39.6 million compared to €37.4 million in the 3rd quarter of 2017, equal to an increase of 6%.

Over the quarter, leasing revenues increased slightly to €34.7 million while sales of equipment increased significantly (€4.6 million compared with €2.9 million in the 3rd quarter of 2017).

Over the first nine months of the year, combined revenue from activities amounted to €114 million (€118.6 million at constant scope and exchange rates compared to €121.7 million in 2017).

Leasing revenues therefore amounted to €103.9 million at constant scope and exchange rates, an improvement over the 3rd quarter compared to the first two quarters of the year, confirming a positive trend. The Freight Railcar business recorded an increase in leasing revenues, mainly due to higher utilisation rates. Leasing revenues are down slightly for the River Barges division. The Containers activity recorded a decline due to currency effects and a reduction of the managed fleet following the disposals realised during 2017, which were not offset by the gradual recovery of investments in 2018 initiated after asset refinancing in June. The utilisation rate remains very high.

Equipment sales are up at €12.9 million, with the Container division having developed trading operations. Fees on syndication and capital gains increasing by 10.4% to €1.2 million, with, in particular, the syndication of a railcar portfolio to an investment fund realised during the 2nd quarter.

Revenue from activities (in thousands of euros)	Q1 2018	Q2 2018	Q3 2018	TOTAL	Q1 2017	Q2 2017	Q3 2017	TOTAL
Leasing revenues (*)	32,465	32,699	34,712	99,876	38,498	37,820	34,414	110,732
Sales of equipment	3,558	4,728	4,622	12,908	3,424	3,428	2,957	9,809
Fees on syndication and capital gains	323	655	267	1,245	80	1,049	(2)	1,127
Total Revenue from activities	36,346	38,082	39,601	114,029	42,002	42,297	37,369	121,668

(*) Leasing revenues include ancillary services.

¹ IFRS 15 "Revenue from Contracts with Customers" came into effect on 1 January 2018. The application of this standard concerns presentation elements that have no impact on margins. Syndication commissions and sales of used equipment owned by investors are now presented as revenue from activities. The 2017 figures have been restated in accordance with IFRS 15 to allow comparability.

Analysis of the contribution by division

Revenue from activities <i>(in thousands of euros)</i>	Q1 2018	Q2 2018	Q3 2018	TOTAL	Q1 2017	Q2 2017	Q3 2017	TOTAL
Leasing revenues (1)	12,775	12,660	13,392	38,827	11,929	12,826	12,309	37,064
Sales of equipment	100	789	(229)	660	598	982	135	1,715
Fees on syndication		662	25	687		1,050		1,050
Freight railcars	12,875	14,111	13,188	40,174	12,527	14,858	12,444	39,829
Leasing revenues (1)	3,029	2,798	3,613	9,440	3,699	3,560	3,624	10,883
Sales of equipment	1,020		1,020	2,040	6	111	53	170
River Barges	4,049	2,798	4,633	11,480	3,705	3,671	3,677	11,053
Leasing revenues (1)	16,330	17,111	17,480	50,921	22,825	21,571	18,427	62,823
Sales of equipment	1,746	2,062	2,030	5,838	1,833	1,681	1,315	4,829
Fees on syndication	309	5	9	323	76	(1)	(2)	73
Containers	18,385	19,178	19,519	57,082	24,734	23,251	19,740	67,725
Leasing revenues (1)	331	130	227	688	45	(137)	54	(38)
Sales of equipment	692	1,877	1,801	4,370	987	654	1,454	3,095
Other capital gains on disposal	14	(12)	233	235	4			4
Miscellaneous & Eliminations	1,037	1,995	2,261	5,293	1,036	517	1,508	3,061
Total Revenue from activities	36,346	38,082	39,601	114,029	42,002	42,297	37,369	121,668

(1) Leasing revenues include ancillary services.

FREIGHT RAILCARS: The Freight Railcars business is the group's leading activity in terms of capital employed. At the end of September 2018, revenue from activities in the Freight Railcar division increased from €39.8 million to €40.2 million as a consequence of increased leasing revenues (+4.8% over the first nine months of the year and +8.8% over the 3rd quarter). As noted in the first two quarters of 2018, the utilisation rate at the end of September continues to increase in a context of a growing market, allowing leasing rate increases to be initiated.

RIVER BARGES: Revenues in the River Barges division amounted to €11.5 million, up 3.9% thanks to divestment transactions for €2 million while leasing revenues are decreasing over the period, due to a worsening market in South America.

CONTAINERS: The Containers activity consists mainly of assets managed on behalf of third parties. Revenue from activities in the Containers division totalled €57.1 million in the first 9 months of the year (€61.1 million at constant scope and exchange rate effects) compared to €67.5 million in 2017.

The leasing market remains very dynamic with a utilisation rate over the period reaching 98.9%. Leasing revenues for the first nine months of the year totalled €50.9 million in 2018. Around 30% of the decrease is due to the fall in the dollar while the remaining decrease is due to the smaller size of the fleet. Since the beginning of 2018, leasing revenues have increased quarter after quarter, confirming the positive trend. Equipment sales amounted to €5.8 million, up 20.9% over the first 9 months of the year, with the division developing new container trading operations.

The miscellaneous line includes miscellaneous invoicing and the remaining modular buildings sales activities in Africa, which are expected to continue to grow through to the end of the year.

OUTLOOK

Revenue growth over the 3rd quarter of 2018 compared to last year and compared with the two previous quarters marks the return of an upward trend benefiting the Group's recovery.

The demand for rail freight transport continues to grow in Europe, thus pushing demand for freight railcar leasing, especially in the intermodal transport segment for which Touax is the second largest player in Europe.

Container demand is expected to remain strong through to the end of the year, and for the full year of 2019, with global GDP growth expected to reach 3.7%.

The Group is therefore feeling confident about its objective of returning to profitability since this is already visible in the way leasing revenues have continued to increase since the beginning of the year.

UPCOMING DATES

- 22 February 2019: Revenue from activities 4th quarter 2018
- 28 March 2019: 2018 Annual Results - SFAF Presentation
- 29 March 2019: Conference call to present annual results

The TOUAX Group leases tangible assets (freight railcars, river barges and containers) every day across the world, for its own account and on behalf of investors. With nearly 1.2 billion euros under management, TOUAX is a European leader in the leasing of this type of equipment.

TOUAX is listed in Paris on Euronext - Euronext Paris Compartment C (ISIN code FR0000033003) and is included in the CAC® Small, CAC® Mid & Small and EnterNext®PEA-PME 150 indices.

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