



2003 Results

Palais Brongniart, March 31st 2004



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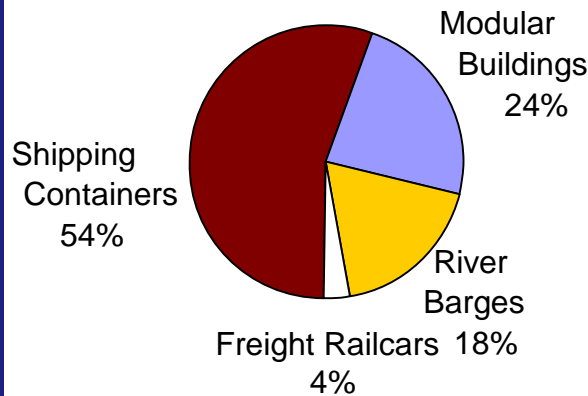
Presentation of the company

The TOUAX Group

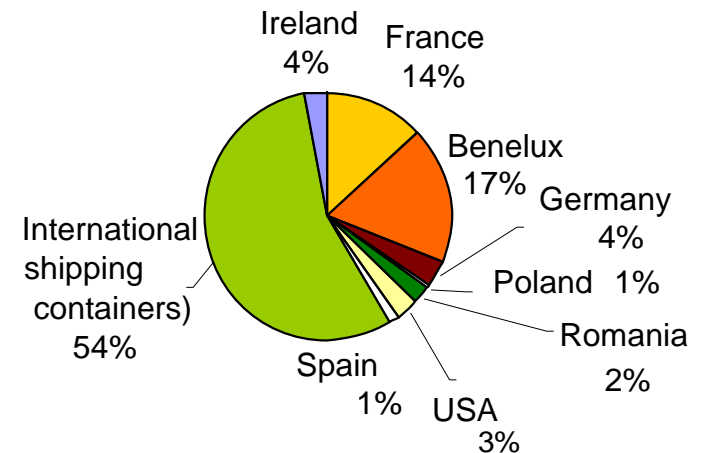
Specialist provider of operational leasing
Services for companies



BREAKDOWN OF REVENUES 2003
BY ACTIVITY



BREAKDOWN OF REVENUES 2003
BY GEOGRAPHIC REGION



TOTAL REVENUES FOR 2003 : € 168 million



The leasing business



Touax bases its growth on a simple fact :

- **Companies are increasingly outsourcing their non-strategic assets** (operational leasing, financial leasing, sale & leaseback transactions)

- **Operational leasing responds to this need by offering :**
 - a flexible service (short- to long-term contracts)
 - recent equipment in good condition
 - ease of use
 - rapid availability
 - subcontracting of maintenance
 - no need for recourse to investment



Leasing : four products



- **Shipping containers :**

continuous growth in international commerce and global trade flows

- **Modular buildings :**

demand for modular buildings for temporary or permanent use linked to low cost, fast delivery of office space and flexibility (offices, classrooms, hospitals, etc.)

- **River barges :**

economic and ecological importance

- **Freight railcars:**

trend towards outsourcing ownership of railcars and need to renew an ageing fleet in Europe. Strong potential following deregulation of the European market on 15 March 2003

Four products: one strategy



☉ Standardized mobile equipment :

- low risk of obsolescence
- very long life (15 to 50 years)
- High residual market value and disposal liquidity in a global market
- mobility allows optimization of the utilization rate
- long-term contracts ensure recurring cash flow

☉ Global market / strong international presence :

- **58%** of revenues in USD, **40%** en euros
- a team of around 300 professionals in 11 countries (present in America and Asia)



Highlights of 2003



Shipping containers



Services for shipping lines

- 2nd in continental Europe and 10th in the world (source: Containerization International)
- Leasing of standard dry containers (20' and 40'), mainly under long-term contracts (80% to 3/5 years at the end of December 2003)
- Established in 37 countries (branches, offices and depots)
- More than 120 shipping lines use our services, 22 of which are in the top 25 (Maersk lines, Zim, MSC, P&O Nedlloyd, China Shipping, etc.).

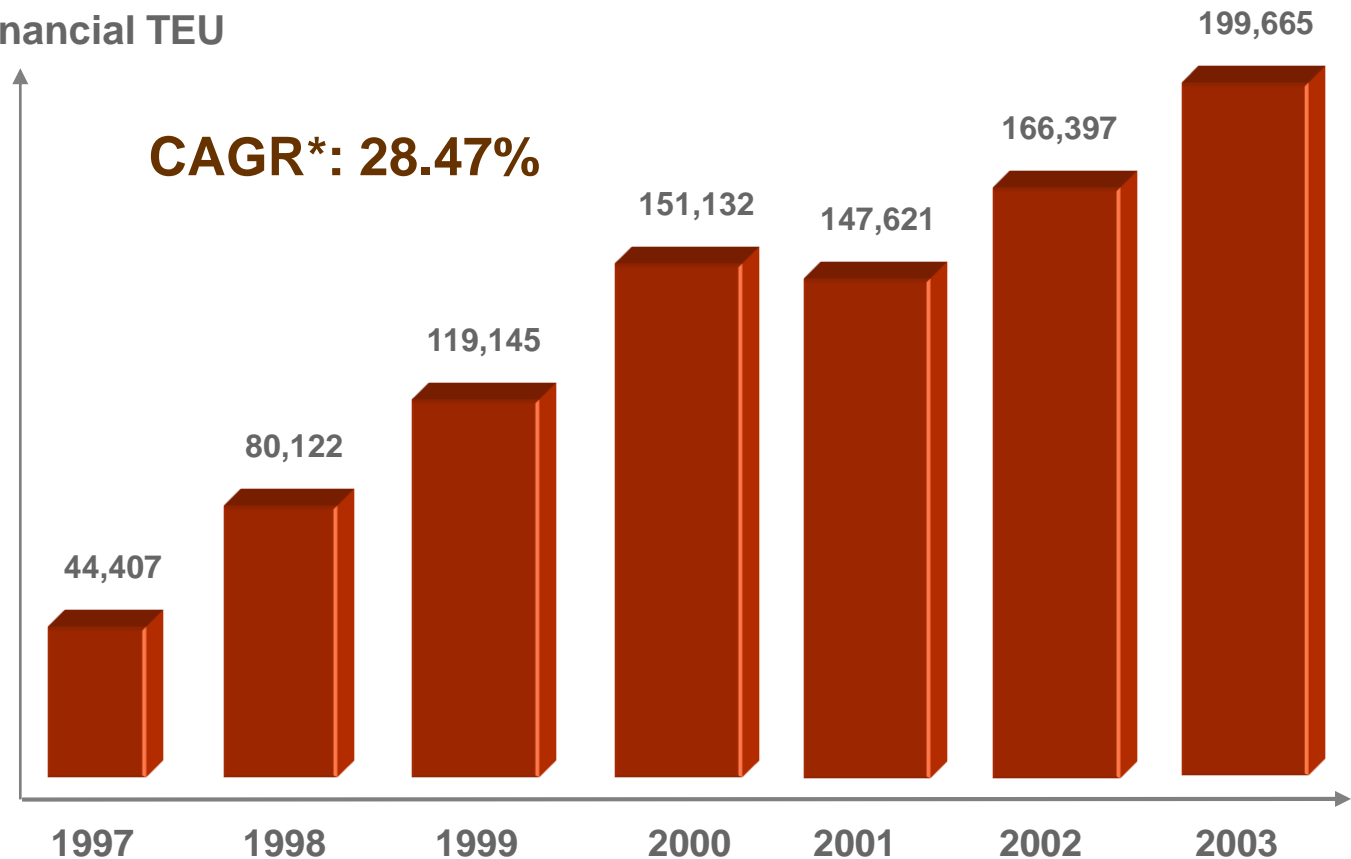


Shipping containers



Growth of the container fleet

Number of financial TEU



* Compounded Annual Growth Rate



Shipping containers



Highlights of 2003

- After a record year in 2000 (+11%), international trade contracted in 2001 (-1%), before recovering in 2002 (+2.5%) and returning to a normal level in 2003 (+3%, source : WTO)
- Rise in the average utilization rate (79.8 % in 2002; 88.3% in 2003)
- Firm orders for new equipment worth a total USD 53 million leased in 2003.
- Wide Asian demand (China)



Modular buildings

Services for industry / local authorities /
building & public works



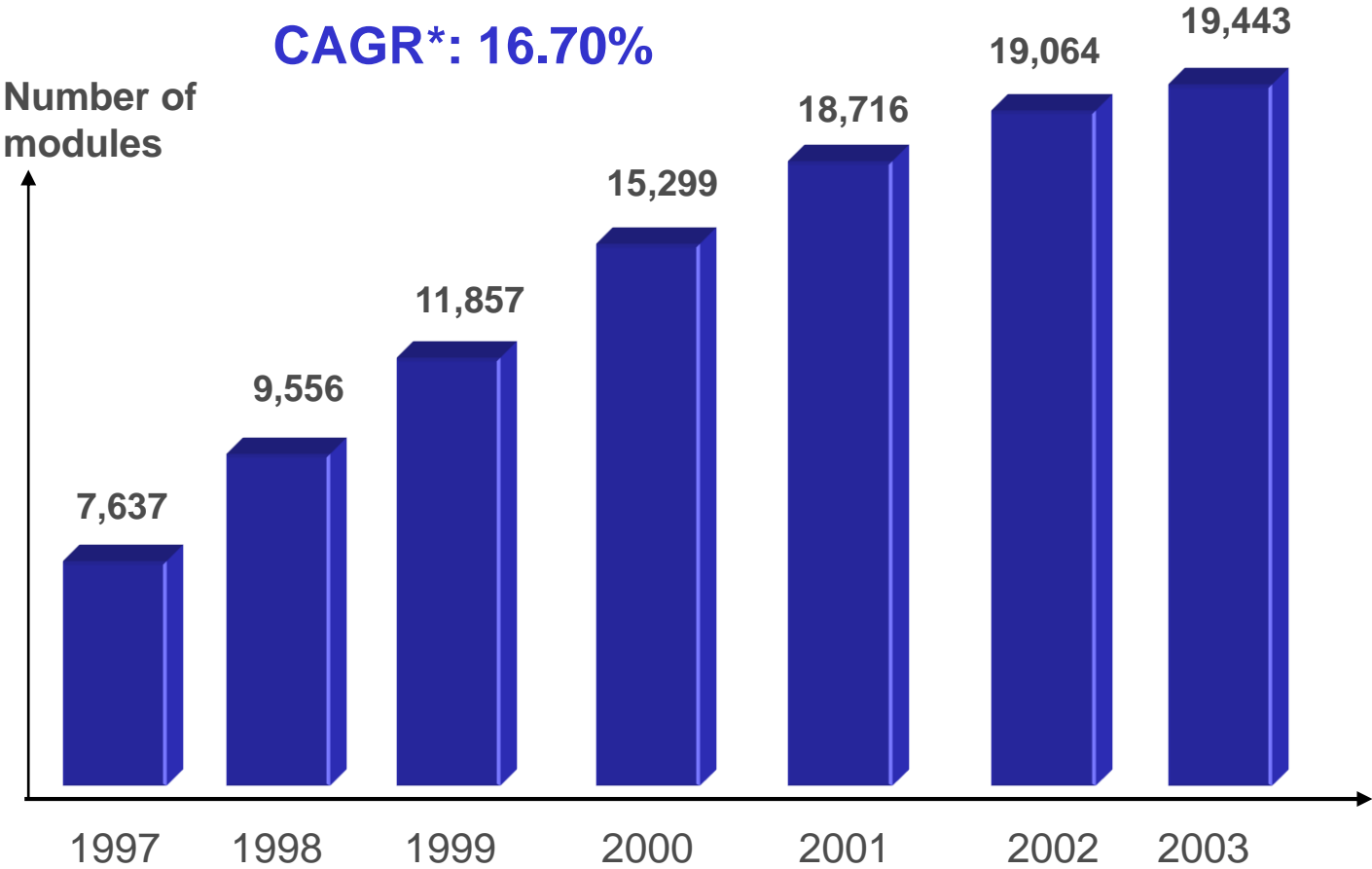
- 3rd largest fleet in Europe and 4th largest in the world (source: TOUAX)
- Activity : leasing, lease-purchase, sale
- Standardized equipment for varied uses (offices, schools, hospitals, laboratories, storage, etc.)
- Touax operates in a range of sectors in Europe and the United States :
 - Industry (Sanofi, Thomson, Renault, Snecma, Peugeot, Total, etc.)
 - Central/local government (armed forces, regional authorities, municipalities, etc.)
 - Building & public works (Bouygues, FCC, Hoechtief, etc).



Modular buildings



Growth of the modular fleet



*Compounded Annual Growth Rate

Modular buildings



Highlights of 2003

- Average utilization rate 74.6% at end of December 2003 (versus 77.4% in 2002)
- Revenues down compared to 2002 (-€ 4.5 million), resulting in a decrease in the operating income after distribution to investors (-€ 1 million). The decrease in the margin remained limited thanks to the development of long-term lease contracts with industrial and public sectors, control of operating costs and establishment of new management programs for investors.
- **In Europe** : 88% of the fleet
 - Utilization rate down in France, Benelux and Spain, business still buoyant in Poland and recovering in Germany.
- **USA – Florida, Georgia** : 12% of the fleet
 - Low level of business activity
 - Slight pick-up in utilization rate



River barges

Services for industry



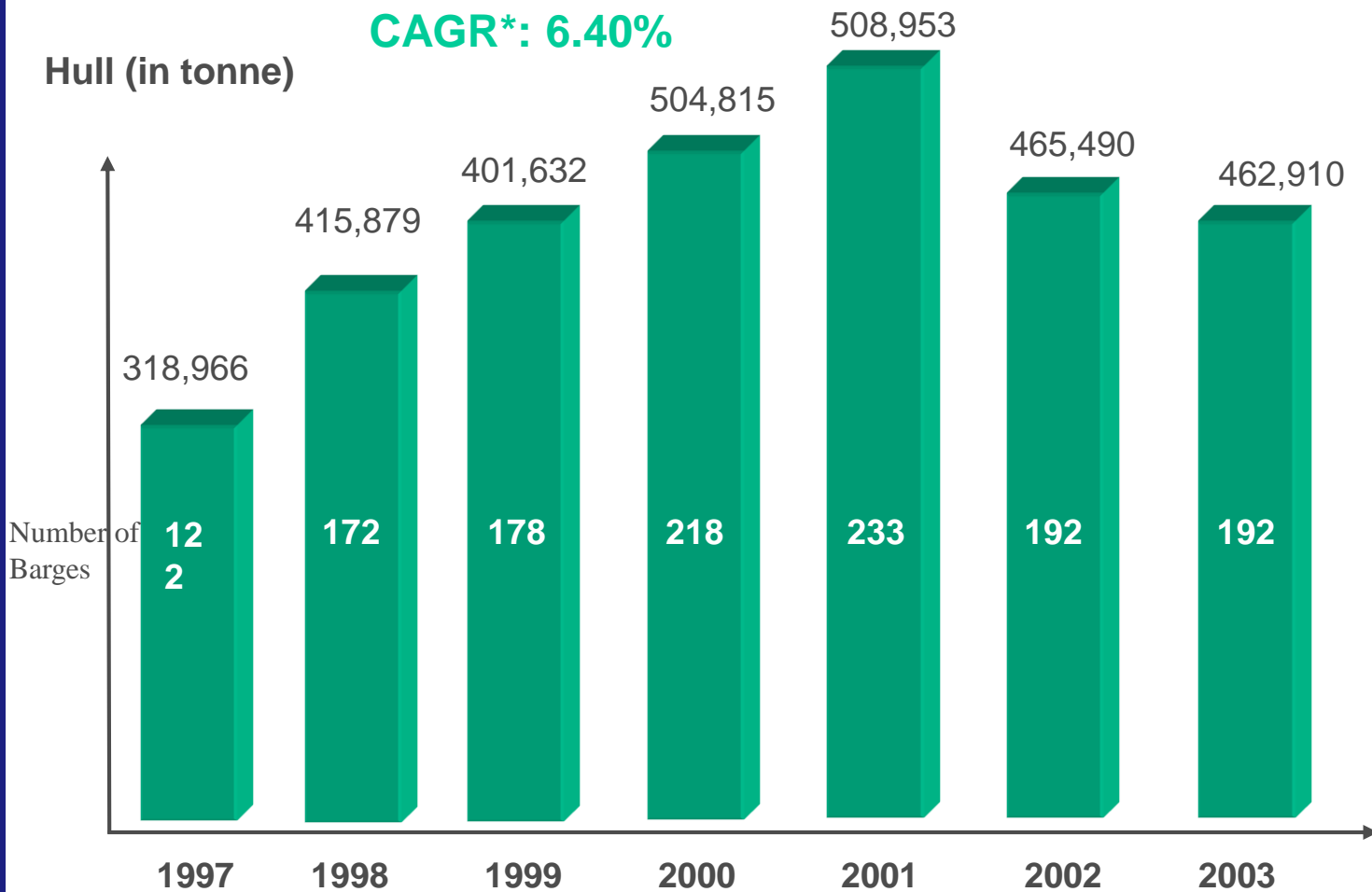
- ➊ Largest barge fleet in Europe for “dry” bulk goods (coal, cereals, minerals, fertilizer, etc.) – source: Touax
- ➋ Main activities: leasing, transport, chartering, storage.
- ➌ Area of operation :
 - Europe (Rhin, Main, Danube, Seine, Rhone, Garonne)
 - United States (Mississippi)
- ➍ Services for large industrial and transport operators (Cargill, Dreyfus, Lafarge, Electrabel, DSM, CFT, Miller, etc.)



River barges



Trend in barges fleet



*Compounded Annual Growth Rate

River barges



Highlights of 2003

Leasing (45 % of the fleet)

- **In France - Seine, Rhone, Garonne** : barge leasing business stable (long-term contracts); utilization rate over 90%.
- **In USA - Mississippi** : long term lease contracts at variable rate for barges, low activity level despite a recovery during the 4th quarter 2003.

Transport, storage et chartering (55% of the fleet)

- **Benelux, Romania - Rhine, Main, Danube**
 - transport business stable on the Rhine – assignment of Eurokor Barging BVBA
 - evolution of the transport of containers by river barges on the Rhine
 - business down in the Danube further to exceptional weather conditions in 2003 (unprecedented drought).



Railcars

Services for industry and railway networks



- 2nd largest lessor of intermodal railcars in Europe
- Long-term leasing of :
 - container railcars
 - hopper cars and dry bulk goods cars for the transporting of cement and cereals
 - Average term of existing lease contracts > 7 years
- Customers in Europe and the USA :
 - railway networks and subsidiaries (SNCF, SNCB, CFF, etc.)
 - major industrial groups (Cargill, Lafarge, US Salt, etc.)



Railcars

Highlights of 2003



- Fleet as at 31/12/2003 : 1,736 railcars compared to 1,067 railcars as at 31/12/2002



- Utilization rate of the Touax fleet exceeds 99%



- 10-year contract signed for the management of 1,159 railcars (including 568 as at 31/12/2002)



2003 Results and financing strategy

Comparative results

Analytical income statement



In thousands of euros	31.12.2003	31.12.2002
Total revenues	167,769	147,678
Costs of sales	- 55,676	- 31,833
Operating expenses	- 56,308	-58,819
General expenses and overheads	-14,992	- 15,326
Capital gains on disposal of assets *	2,290	6,070
EBITDA before distribution to investors	43,083	47,770
Depreciation and amortization	-8,088	-9,759
Operating income	34,995	38,011
Distribution to investors	- 30,880	- 27,574
Financial result	-3,047	- 5,002
Current income before tax	1,068	5,435
Income tax	2,811	- 1,783
Net income from consolidated companies	3,879	3,652
Amortization of goodwill	- 1,201	- 1,144
Net income	2,678	2,508
Net income – Group share	2,569	2,515

* For the record, disposals, which are part of the Group's ordinary leasing activity, are included in the operating income



Comparative results



Breakdown of EBITDA by activity

In thousands of euros	31.12.2003	31.12.2002
Shipping containers	30,017	28,973
Modular buildings	11,569	12,742
River barges	2,604	3,669
Railcars	1,850	5,359
Sundry (overheads)	-2,956	-2,973
EBITDA before distribution to investors	43,084	47,770
Distributions to investors	-30,880	-27,574
EBITDA after distribution to investors	12,204	20,196



Results to 31.12.2003



Performance trend

In thousands of euros	31.12.2003	31.12.2002
EBITDA after distribution to investors	12,204	20,196
Gross fixed assets	139,999	158,601
Return on fixed assets (ROFA*)	8.7%	12.7%

*return on fixed assets

The decline in EBITDA is due to :

- a lower contribution from capital gains on disposals in 2003
- exceptional weather conditions for river barges on the Danube and the fall in leasing and utilisation rates for modular buildings.

The fixed assets decrease is due to :

- the net disposal of equipment (-€ 10 million) of which TOUAX retains most of the management
- the decline of the dollar(-€ 5.9 million)

The capital gains recorded by a lessor on disposals of equipment are recurrent but may give rise to varying amounts in half-yearly and annually reports



Results to 31.12.2003



Performance trend

Return on gross fixed assets (ROFA*) excluding central costs

31.12.2003

Shipping containers	15.4%
Modular buildings	11.9%
River barges	5.6%
Railcars	11.9%
ROFA excluding central costs	10.8%

*return on fixed assets



Results to 31.12.2003



Trend in results

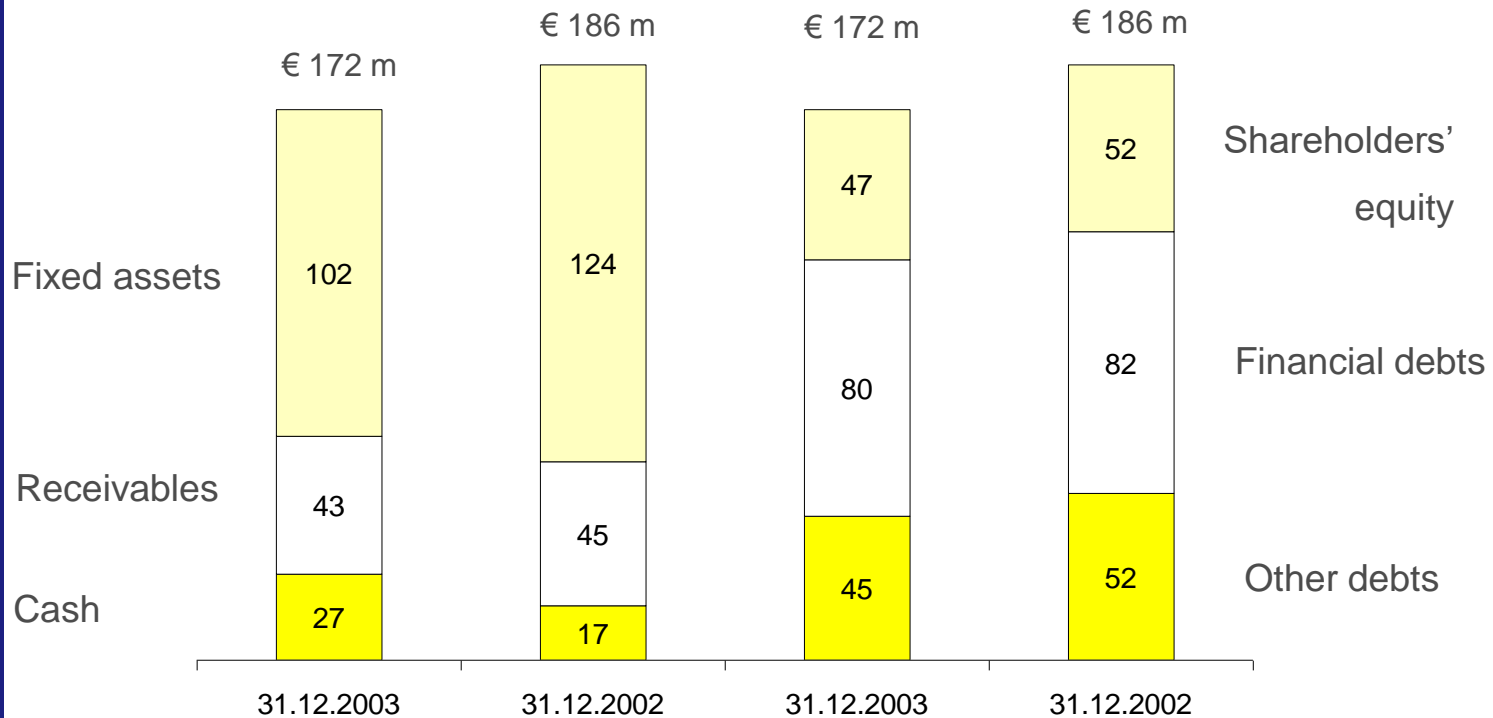
- The net consolidated income Group share is in line with forecasts.
- The net consolidated income Group share stands at €2,569 thousand, at 31/12/2003 compared to €2,515 thousand in 2002.



Comparative balance sheets



Simplified balance sheet (in € m)



Fixed assets

Receivables

Cash

Shareholders' equity

Financial debts

Other debts



Financing strategy



Management of the Group's debt

- Net financial debt down from € 64 million as at 31/12/2002 to € 52 million as at 31/12/2003 (-18.9%).
- Improvement in ratio of net financial debt to Group equity (gearing) to 1.12 in 2003 versus 1.23 on 31/12/2002, despite the unfavourable impact of American dollar decreasing the shareholders' equity from 10%.
- Ratio of net financial debt to Group EBITDA after distribution to investors (leverage) stands to 4.28 on 31/12/2003 versus 3.19 on 31/12/2002.
- Following a large decrease, debt has stabilized in 2003



Financing strategy



Group financing

	Value	%	Average rate	% variable rate
Short-term credit	€ 24.3 m	31%	3.06%	100%
Medium and long-term credit	€ 55.4 m	69%	4.74%	40.3%

- 11 % of the Group's debt is in US dollars
- Forecast for repayment of medium- and long-term debt of € 15.5 million in 2004 (including € 6.1 million as yet unutilized facilities for long-term drawing)
- € 8.3 m of short-term debt relates to 18 months to 4 years revolving credit lines, € 2.5 million of which expire in 2004
- € 16 million of short-term is in the form of annually renewable credit lines
- In order to reduce its exposure to rises in short-term rates, the Group has entered into hedging transactions in respect of its variable rate debt, resulting in a change in the debt breakdown by rate (72% at variable rate and 28% at fix rate to 57 / 43).
- To meet its theoretical commitments in 2004 amounting to around € 29.8 million (including € 3 million of estimated financial charges), the Group has cash flow resources (€ 31,8 million on average over the last three years) and € 13.1 million of bank lines and cash.

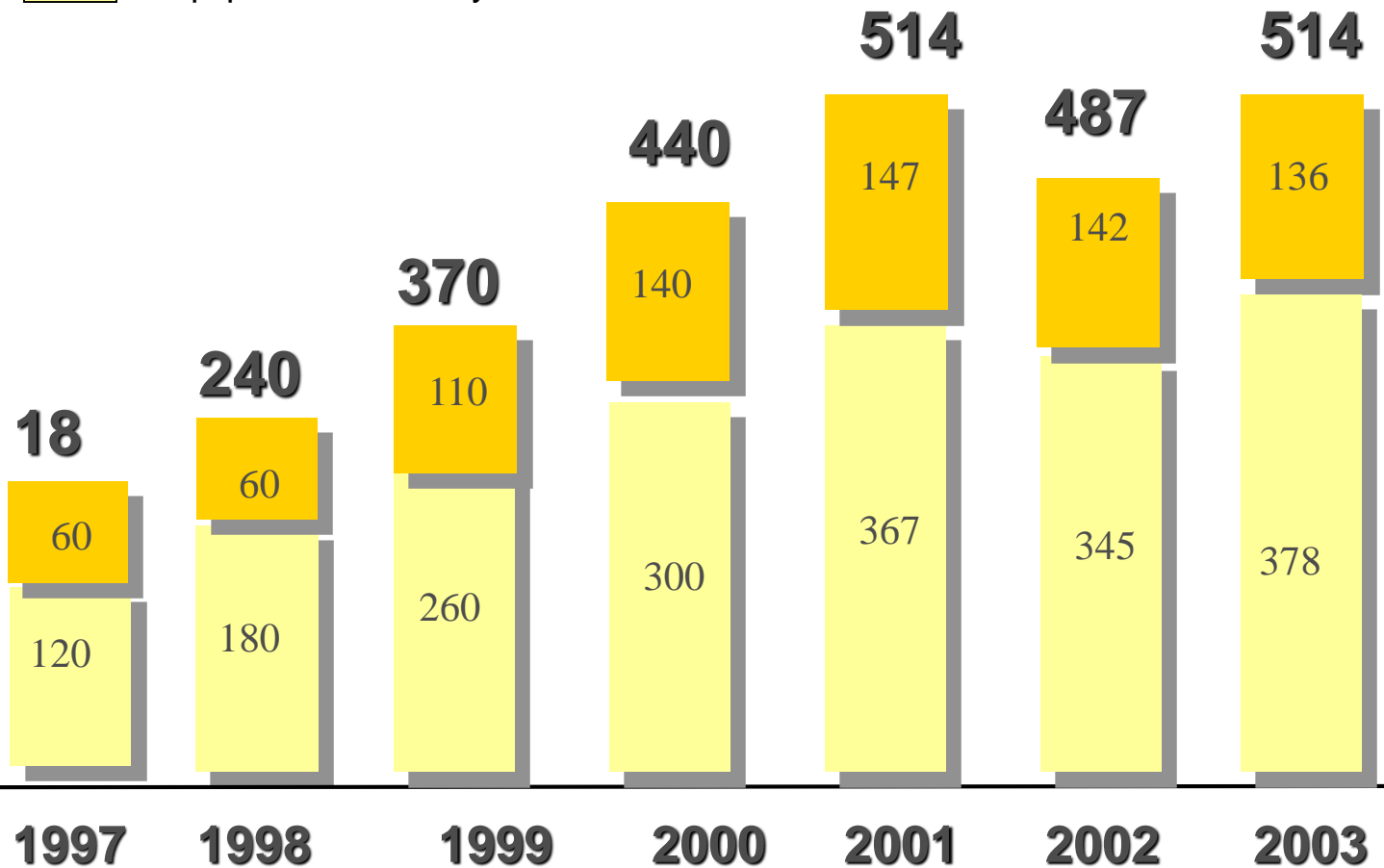


Financing strategy



Breakdown of gross tangible assets

- Equipment owned by the Group
- Equipment owned by investors



More than the half of fixed assets managed by the Group are recorded in us dollar



Financing strategy



Management on behalf of third parties

- 74% of managed assets belong to third-party investors
- Of the € 378 million of assets held by third-party investors, 37% form a part of securitization programs and 63% form part of management programs
- All these programs are without recourse to the Group and without guaranteed minimum revenues
- Strong investor interest in the assets managed by Touax in a context of very low interest rates and uncertain financial markets
- The Group has already concluded management programs worth € 60 million for 2003 in shipping container, modular building and railcars activities enabling it to finance growth with only limited recourse to debt





5-year Outlook from 2004

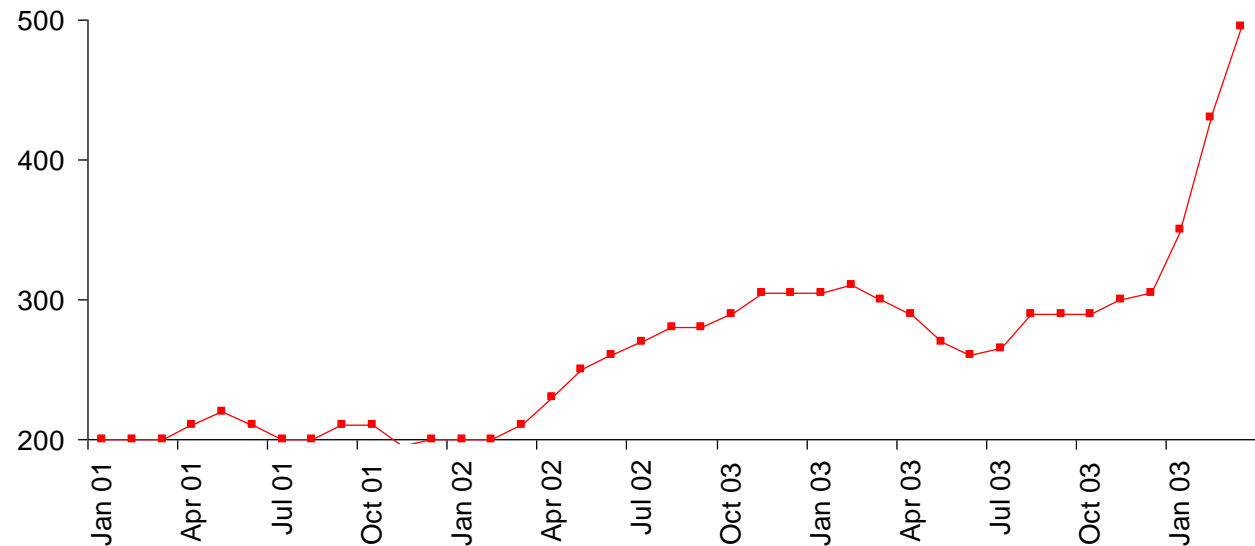


Strategies and outlook



The steel and our equipment

Recent evolution of steel price (Hot rolled – source Bloomberg)



- Increase of the fleet value
- Unprecedented connection between the equipment value and leasing prices.

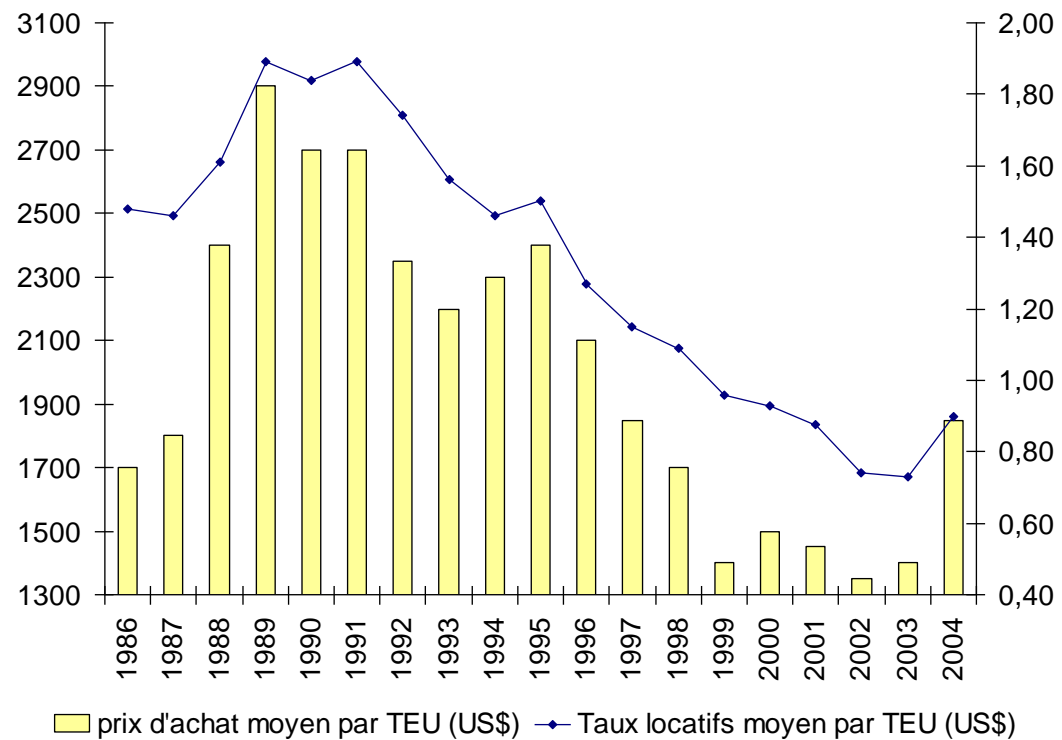


Strategies and outlook



The steel and our business

Example of connection between purchase costs of shipping containers and leasing prices



Strategies and outlook



Shipping containers

The growth of maritime transport in 2004 is favourable to leasing

	1999	2000	2001	2002	2003	2004 Estimated
Containerized traffic	+10%	+11%	+2%	+10%	+10%	+9%
Fleet of container carriers	+4%	+8%	+7%	+8%	+7%	+8%
Balance	+6%	+3%	-5%	+2%	+3%	+1%

Source : Clarkson Research Studies – March 2004

2004 Outlook

- Continued investment under long-term contracts

5-year outlook

- Reach a fleet size > 300,000 TEU (3.5% global market share) and 10% market share for new leasing equipment
- Achieve economies of scale



Strategies and outlook



Modular buildings

2004 Outlook

- **In Europe :**
 - Optimization of utilization rates and operating margins
 - Development of long-term contracts
 - Development of management on behalf of third parties
- **In the USA**
 - Recovery of prices and utilization rate

5-year outlook

- **In Europe:**
 - Market share target of 10% (5% en 2003) around 40,000 modules
 - Development of long-term lease contracts, lease-purchase and sales
- **In the USA**
 - Development in the south-east of the USA
 - Positioning in long-term contracts



Strategies and outlook



River barges



2004 Outlook

Favourable trends :

- Leasing business stable in Europe and rising in the USA.
- Transport activity stable in the Rhine and sustained on the Danube (conditioned to unfavourable weather conditions).
- Significant increase of shipping container transport on the Rhine (automobile market)

5-year outlook

- Positioning in and development of long-term transport and lease contracts.

Strategies and outlook



Railcars

2004 Outlook

- Recovery in investments under long-term contracts in Europe and the USA

5-year Outlook

- Reach a fleet size in excess of 10,000 railcars
- Consolidate our position as 2nd largest European lessor of intermodal railcars

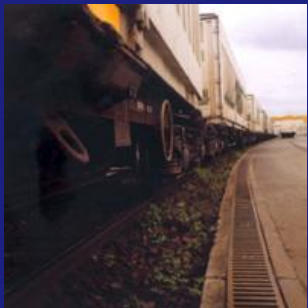


Strategies and outlook



Outlook for results 2004

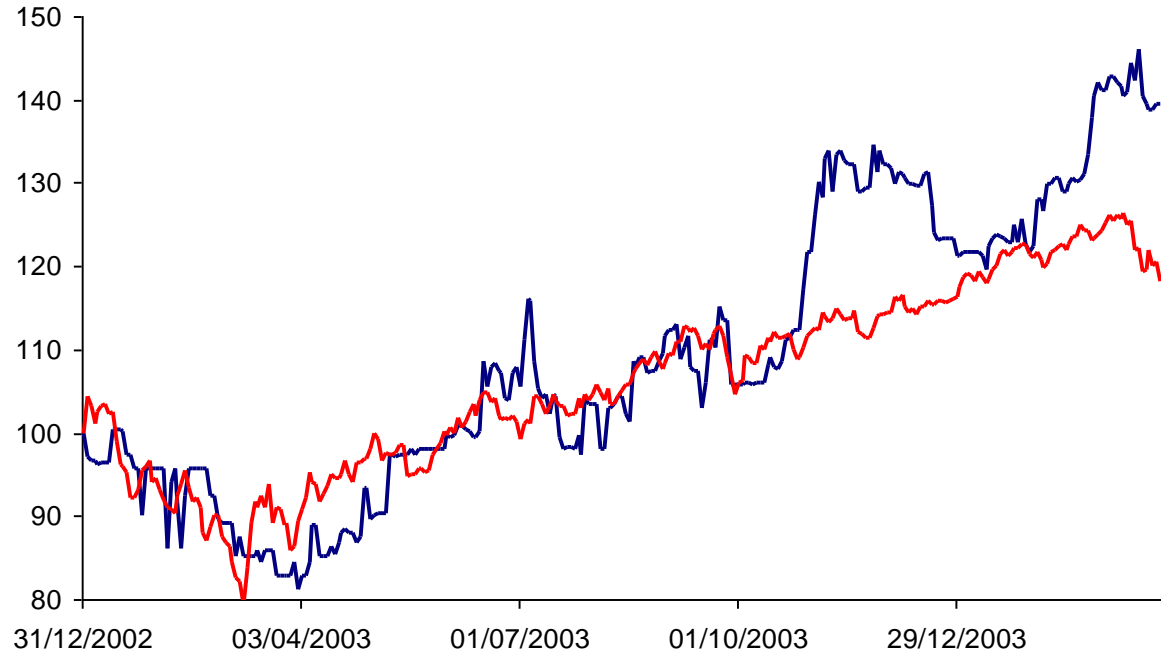
- **2004 revenues** +5% (conditioned to the evolution of American dollar)
- **2004 net income** general trend favourable but contrasted depending on businesses.





Touax and the stock market

Touax and the stock market



Source Euronext

— TOUAX — SBF 250



Member of NextPrime quality segment of Euronext

Code ISIN : FR0000033003

Touax and the stock market

Stock market data



	2003	2002	2001	2000
Number of share in thousands	2,838	2,838	2,838	2,365
Market capitalization (in € m)	42.43	34.99	51.25	77.81
Consolidated shareholders' equity (€ m)	46.00	51.31	56.12	42.49
Highest price (€)	16.75	19.50	27.44	38.99
Lowest price (€)	9.80	11.00	14.80	25.50
Average daily volume (in number of shares)	764	364	639	1,777
EPS (€)	0.91	0.89	1.03	0.85
P/E	16.43	13.85	17.53	38.47
Overall yield of the stock	6.02%*	7.30%	4.31%	3.13%
Closing price	14.95	12.33	18.06	32.90

* calculated on the basis of the 2003 gross dividend proposed to the general meeting.



Touax and the stock

market A yield stock



● A policy of regular dividend distribution:

- 1998 : € 1.42 million
- 1999 : € 1.52 million
- 2000 : € 1.62 million
- 2001 : € 1.70 million
- 2002 : € 1.70 million
- 2003 : € 1.70 million

● Frequent distribution of free shares :

- 1990 : 1 new share for 3 old shares
- 1992 : 1 for 3
- 1995 : 1 for 2
- 2001 : 1 for 5

Touax and the stock

market Stock market data



- **Security:**
Recurring cash flows linked to the standardization and long life of the equipment, enabling it to retain high market values.
- **Internationalization:**
Allows better spread of geographic and currency risks
- **Diversification:**
Allows better spread of sector and market risks.
- **Attractive valuation:**
A yield stock.