



**GROUPE TOUAX**

**2004 INTERIM REPORT**

# INTERIM REPORT

1<sup>st</sup> HALF 2004

## LEGAL

TOUAX SA: a limited company with a capital of 22,705,016 euros

Registered office: Tour Arago, 5 Rue Bellini - 92 806 PUTEAUX LA DÉFENSE cedex

Commercial Register 305 729 352 Nanterre - APE 741 J

Financial year: 1 January to 31 December

## A) TREND IN REVENUES

The TOUAX Group recorded consolidated revenues of 86.8 million euros in the first half of 2004 compared to 86.0 million euros in the first half of the previous year, representing an increase of 1% over the period. On a like for like basis and at constant exchange rates, revenues grew by 12%. Group revenues can be broken down in the following manner:

## ANALYSIS BY BUSINESS

Operating income by business (In thousands of euros)	30-Jun-04	30-Jun-03	Change		2003 FY
			30/06/2004	30/06/2003	
<b>SHIPPING CONTAINERS</b>	52,459	48,027	4,432	9%	90,127
Leasing revenues	21,482	20,748	734	4%	40,637
Equipment sales	30,909	27,221	3,688	14%	49,395
Commission	27	29	-2	-7%	57
Net income from outside pools	41	29	12		38
<b>MODULAR BUILDINGS</b>	17,790	19,712	-1,922	-10%	40,350
Leasing revenues	14,462	15,899	-1,437	-9%	32,860
Equipment sales	3,328	3,813	-485	-13%	7,490
<b>RIVER BARGES</b>	14,179	15,792	-1,613	-10%	30,247
Leasing, transportation, storage revenues	13,514	15,209	-1,695	-11%	28,934
Net income from outside pools	665	583	82	14%	1,313
<b>RAILCARS</b>	2,321	2,386	-65	-3%	6,899
Leasing revenues	1,978	2,094	-116	-6%	4,388
Equipment sales	294	208	86	41%	2,240
Commission	13	8	5		162
Net income from outside pools	36	76	-40	-53%	109
Miscellaneous	58	79	-21	-27%	146
<b>TOTAL</b>	<b>86,807</b>	<b>85,996</b>	<b>811</b>	<b>1%</b>	<b>167,769</b>

## ANALYSIS BY GEOGRAPHIC AREA

Operating income by geographic area (In thousands of euros)	30-Jun-04	30-Jun-03	Change		2003 FY
			June 2004 /	June 2003	
International (Shipping containers)	52,459	48,027	4,432	9%	90,127
Benelux	12,462	15,353	-2,891	-19%	29,243
France	9,665	11,466	-1,801	-16%	23,571
United States	3,301	2,682	619	23%	5,387
Germany	2,414	2,894	-480	-17%	6,230
Romania	2,695	1,863	832	45%	3,376
Spain	976	951	25	3%	1,846
Poland	527	465	62	13%	1,097
Ireland	2,308	2,295	13	1%	6,892
<b>TOTAL</b>	<b>86,807</b>	<b>85,996</b>	<b>811</b>	<b>1%</b>	<b>167,769</b>

The change in revenues (+0.8 million euros; +1%) breaks down as follows:

### Shipping containers business:

The shipping containers business grew by 9%. Leasing revenues were up 4% and sales 14%. At June 30, 2004 the container fleet was estimated at 219,963 TEUs (Twenty Foot Equivalent Units), representing a 21% increase over 30 June 2003.

### Modular buildings business:

The modular buildings business declined by 1.9 million euros (-10%). Leasing revenues saw an overall decline of 9% (France -11%, Netherlands -24%). Revenues from trading were down 13%. The total fleet in operation at 30 June 2004 amounted to 19,425 units, representing an increase of 269 units over 30 June 2003.

### River barges business:

The river barges business declined by 10%. On a like for like basis revenues grew by 12%. The leasing, transportation and storage business saw an overall decline of 1.8 million euros (-12%). Revenues in France were down 13% though revenues were up in both Romania (45%) and the Netherlands (+7% on a like for like basis). At 30 June 2004 the group operated 169 barges and 9 pushboats.

### Railcars business:

The railcars business fell back slightly (-3% compared to 30 June 2003). Leasing revenues declined by 6%, while the trading business rose by 41%. The railcar fleet amounted to 1,714 compared to 1,646 units at 30 June 2003.

## B) TRENDS IN THE GROUP'S RESULTS

Consolidated operating earnings before distribution to investors amounted to 21.1 million euros to 30 June 2004 compared to 18.6 million euros to 30 June 2003, representing an increase

of 2.5 million euros. The distribution to investors includes the Group's share in joint operations. EBITDA rose by 2.2 million euros to 24.8 million euros compared to 22.6 million euros to 30 June 2003. EBITDA refers to earnings before interest, tax, depreciation and amortization. The results break down as follows:

Operating earnings (In thousands of euros)	30-Jun-04	30-Jun-03	Change June 04 / June 03	2003 FY
<b>SHIPPING CONTAINERS</b>				
EBITDA of the business	17,619	14,938	2,681	30,017
Operating earnings before distribution to investors	16,953	14,166	2,787	28,831
Leasing revenues due to investors	-13,976	-12,766	-1,210	-25,867
<b>MODULAR BUILDINGS</b>				
EBITDA of the business	5,744	6,749	-1,005	11,569
Operating earnings before distribution to investors	3,655	4,555	-900	7,335
Leasing revenues due to investors	-1,818	-1,789	-29	-3,633
<b>RIVER BARGES</b>				
EBITDA of the business	1,825	1,319	506	2,604
Operating earnings before distribution to investors	1,003	441	562	204
Leasing revenues due to investors	-371	-344	-27	-696
<b>RAILCARS</b>				
EBITDA of the business	1,181	836	345	1,849
Operating earnings before distribution to investors	1,130	771	359	1,697
Leasing revenues due to investors	-347	-336	-11	-684
<b>MISCELLANEOUS</b>				
EBITDA of the business	36	63	-27	-80
Operating earnings before distribution to investors	9	36	-27	-134
<b>Overheads</b>				
EBITDA of the business	-1,621	-1,341	-280	-2,876
Operating earnings before distribution to investors	-1,649	-1,374	-275	-2,938
<b>GROUP TOTAL</b>				
EBITDA	24,784	22,564	2,220	43,083
Operating earnings before distribution to investors	21,101	18,595	2,506	34,995
Leasing revenues due to investors	-16,512	-15,235	-1,277	-30,880

### Shipping containers business:

Compared to 30 June 2003, the shipping containers business showed an increase in EBITDA of 2.7 million euros to 30 June 2004 together with a 2.8 million euro increase in operating earnings. This improvement is largely down to higher revenues from sales of shipping containers (+3.7 million euros) and to controlling operating expenditure (-1.3 million euros).

### Modular buildings business:

EBITDA in the modular buildings business declined (-1 million euros) in the first half of 2004. Similarly, operating earnings before distribution to investors are down 0.9 million euros compared to 30 June 2003. These declines are largely the result of lower leasing rates.

**River barges business:**

EBITDA in the river barges business improved to 30 June 2004 (+0.5 million euros) as did operating earnings (0.6 million euros) compared to 30 June 2003. This improvement stems from favorable weather conditions that allowed shipping units to sail under normal conditions. It should be recalled that 2003 was marked by serious drought.

**Railcars business:**

Both EBITDA and operating earnings were up 0.3 million euros at the railcars business as a result notably of the disposal of railcars during the first half of 2004.

**Overheads:**

Overheads amounted to 1.6 million euros to 30 June 2004 compared to 1.3 million euros to 30 June 2003. These costs should nevertheless be stable over the financial year as a whole.

**Leasing revenues due to investors:**

Leasing revenues due to investors rose by 1.3 million euros between 30 June 2004 (16.5 million euros) and 30 June 2003 (15.2 million euros). This increase is the result of the putting in place of new management programs.

**Financial earnings:**

The financial loss to 30 June 2004 rose with a charge of 2.3 million euros compared to a charge of 1.5 million euros to 30 June 2003. The exchange rate impact on the two periods examined is -0.1 million euros at 30 June 2004 compared to 0.3 million euros at 30 June 2003.

After a tax charge of 0.5 million euros, the Group's net attributable income amounted to 1.8 million euros to 30 June 2004. The rise in the Group's net attributable income to 30 June 2004 compared to the 1st half of 2003 (+60%) can be largely explained by controlling operating expenditure and by recording capital gains on fixed asset disposals.

Capital gains on disposals are recurrent for a lessor but can be subject to fluctuations in the context of quarterly or interim reporting depending on the date at which they are completed.

**C) CONSOLIDATED BALANCE SHEET**

The consolidated balance sheet total amounted to 174 million euros at 30 June 2004 compared to 172 million euros at 31 December 2003. It can be broken down in the following manner:

Total fixed assets:	99 million euros compared to 102 million euros at 31 December 2003;
Total current assets:	75 million euros compared to 70 million euros at 31 December 2003;

Including liquid assets:	26 million euros compared to 27 million euros at 31 December 2003.
Total Group shareholders' equity:	49 million euros compared to 47 million euros at 31 December 2003.
Total long & short-term debt:	124 million euros compared to 124 million euros at 31 December 2003

The reduction in fixed assets is the result of net disposals of equipment (-0.7 million euros), the impact of the dollar (+1.1 million euros) and amortization during the period (-3.5 million euros).

The change in shareholders' equity stems from a change in the translation difference (+1.1 million euros) minus the dividend distribution (-0.7 million euros). It should be noted that net long-term debt amounted to 49 million euros at 30 June 2004 compared to 55 million euros at 31 December 2003.

#### **D) OUTLOOK FOR THE GROUP IN THE SECOND HALF:**

On the basis of currently available information, the Group expects revenues to be stable over the course of the 2004 financial year subject to no movement in the dollar and consolidated net income that is up on 2003.

#### **E) INFORMATION ON THE PARENT COMPANY (Corporate financial statements):**

TOUAX SA's revenues to 30 June 2004 amounted to 12.3 million euros compared to 13.7 million euros to 30 June 2003 and net income to 0.6 million euros compared to -0.3 million euros to 30 June 2003. The increase in TOUAX SA's net income stems from the recording in the first half of dividends paid by its subsidiaries. TOUAX SA's balance sheet total amounted to 77.7 million euros at 30 June 2004 compared to 80.6 million euros at 31 December 2003.

#### **F) International Standards / IFRS**

In the context of the adoption of the international accounting standards (IAS - IFRS) by the European Union, all European companies listed on a regulated stock exchange will be required to prepare their consolidated financial statements in line with IFRS standards from 1 January 2005.

In order to meet this deadline as effectively as possible, the Group has taken a number of measures, the most important of which are summarized in the 2003 Annual Report.

It was indicated in the timetable for the implementation of the IFRS standards that the 2004 Interim Report would include the accounting options and the key impacts of the changeover to international standards. However, at this stage the Group feels that the available information is not sufficiently reliable or complete for it to be able to publish it.

It should be noted that issues that may lead to differences include leasing contracts, accounting for pension liabilities, fixed assets, the accounting for securitization transactions, etc. This list is not exhaustive given that the analysis is ongoing.

**TOUAX GROUP**

**CONSOLIDATED BALANCE SHEET AT 30 JUNE 2004**

(In thousands of euros)

	30-Jun-04	30-Jun-03	2003
<b>ASSETS</b>			
Goodwill	2,519	3,691	2,649
Other net intangible fixed assets	305	349	313
Net tangible fixed assets	84,025	91,940	86,980
Financial fixed assets	12,011	13,007	12,071
<b>Total fixed assets</b>	<b>98,860</b>	<b>108,987</b>	<b>102,013</b>
Inventory and work in progress	2,571	2,012	4,332
Trade receivables	28,823	30,455	21,230
Other receivables	17,501	20,316	16,526
Cash and marketable securities	25,791	24,961	27,525
<b>Total current assets</b>	<b>74,686</b>	<b>77,744</b>	<b>69,613</b>
<b>TOTAL ASSETS</b>	<b>173,546</b>	<b>186,731</b>	<b>171,626</b>
<b>LIABILITIES</b>			
Share capital	22,705	22,705	22,705
Reserves	23,599	24,175	20,760
Attributable income for the period	1,787	1,116	2,569
<b>Shareholders' equity</b>	<b>48,091</b>	<b>47,996</b>	<b>46,034</b>
Minority interests	511	839	725
<b>Group consolidated shareholders' equity</b>	<b>48,602</b>	<b>48,835</b>	<b>46,759</b>
Provisions for liabilities and charges	706	330	376
<b>Total provisions for liabilities and charges</b>	<b>706</b>	<b>330</b>	<b>376</b>
Financial debts	74,576	80,534	79,767
Trade payables	28,422	29,735	27,227
Other debts	21,240	27,297	17,497
<b>TOTAL LIABILITIES</b>	<b>173,546</b>	<b>186,731</b>	<b>171,626</b>



**TOUAX GROUP**

**CONSOLIDATED EARNINGS STATEMENT TO 30 JUNE 2004**  
(In thousands of euros)

	30-Jun-04	30-Jun-03	2003
<b>REVENUES</b>	<b>86,807</b>	<b>85,996</b>	<b>167,769</b>
Purchases and other external charges	(58,296)	(58,267)	(115,260)
Personnel costs	(5,445)	(5,942)	(11,648)
Other operating expenses and income	2,406	1,194	2,358
<b>GROSS OPERATING PROFIT</b>	<b>25,472</b>	<b>22,981</b>	<b>43,219</b>
Operating provisions	(688)	(417)	(136)
<b>EBITDA</b>	<b>24,784</b>	<b>22,564</b>	<b>43,083</b>
Depreciation and amortization	(3,683)	(3,969)	(8,088)
<b>OPERATING EARNINGS</b>	<b>21,101</b>	<b>18,595</b>	<b>34,995</b>
Leasing revenues due to investors	(16,512)	(15,235)	(30,880)
<b>OPERATING EARNINGS after distribution</b>	<b>4,589</b>	<b>3,360</b>	<b>4,115</b>
<b>FINANCIAL EARNINGS</b>	<b>(2,338)</b>	<b>(1,561)</b>	<b>(3,047)</b>
<b>EARNINGS BEFORE TAX</b>	<b>2,251</b>	<b>1,799</b>	<b>1,068</b>
Corporation tax	(546)	(478)	2,811
<b>NET EARNINGS OF INTEGRATED COMPANIES</b>	<b>1,705</b>	<b>1,321</b>	<b>3,879</b>
Amortization of goodwill	(133)	(167)	(1,201)
<b>CONSOLIDATED GROUP NET EARNINGS</b>	<b>1,572</b>	<b>1,154</b>	<b>2,678</b>
Attributable to minority interests	(215)	38	109
<b>CONSOLIDATED NET ATTRIBUTABLE EARNINGS</b>	<b>1,787</b>	<b>1,116</b>	<b>2,569</b>
<b>Earnings per share</b>	<b>0.63</b>	<b>0.39</b>	<b>0.91</b>

**CONSOLIDATED ANALYTICAL EARNINGS STATEMENT**

**AT 30 JUNE 2004**

(In thousands of euros)

	30-Jun-04	30-Jun-03	2003
Leasing revenues	51,494	54,029	106,965
Equipment sales	34,531	31,242	59,125
Commission	40	37	219
Net revenues from outside pools	742	688	1,460
<b>TOTAL REVENUES</b>	<b>86,807</b>	<b>85,996</b>	<b>167,769</b>
Cost of sales	(31,778)	(29,120)	(55,676)
Operating charges	(26,150)	(28,194)	(56,308)
General, commercial and administrative expenses	(4,473)	(5,880)	(12,114)
Overheads	(1,621)	(1,342)	(2,878)
Capital gains on sales	1,999	1,104	2,290
<b>EBITDA</b>	<b>24,784</b>	<b>22,564</b>	<b>43,083</b>
Depreciation and amortization	(3,683)	(3,969)	(8,088)
<b>OPERATING EARNINGS</b>	<b>21,101</b>	<b>18,595</b>	<b>34,995</b>
Leasing revenues due to investors	(16,512)	(15,235)	(30,880)
<b>OPERATING EARNINGS after distribution</b>	<b>4,589</b>	<b>3,360</b>	<b>4,115</b>
<b>FINANCIAL EARNINGS</b>	<b>(2,338)</b>	<b>(1,561)</b>	<b>(3,047)</b>
<b>EARNINGS BEFORE TAX</b>	<b>2,251</b>	<b>1,799</b>	<b>1,068</b>
Corporation tax	(546)	(478)	2,811
<b>NET EARNINGS OF INTEGRATED COMPANIES</b>	<b>1,705</b>	<b>1,321</b>	<b>3,879</b>
Amortization of goodwill	(133)	(167)	(1,201)
<b>CONSOLIDATED GROUP NET EARNINGS</b>	<b>1,572</b>	<b>1,154</b>	<b>2,678</b>
Attributable to minority interests	(215)	38	109
<b>CONSOLIDATED NET ATTRIBUTABLE EARNINGS</b>	<b>1,787</b>	<b>1,116</b>	<b>2,569</b>
<b>Earnings per share</b>	<b>0.63</b>	<b>0.39</b>	<b>0.91</b>

## CONSOLIDATED CASH FLOWS

In thousands of euros	30-Jun-04	30-Jun-03	2003
<b>I - Operations</b>			
Operating cash flows	4,173	3,946	6,723
Changes to the operating managed working capital	(737)	9,689	10,993
<b>CASH FLOWS FROM OPERATIONS</b>	<b>3,436</b>	<b>13,635</b>	<b>17,716</b>
<b>II - Capital Investment</b>			
Acquisition of fixed assets	(10,042)	(6,029)	(13,405)
Net change in financial fixed assets	(111)	162	421
Proceeds from the sale of assets	12,129	16,087	19,128
Changes to the capital investment managed working capital	(1,374)	(13,551)	(12,683)
Cash flow at opening of integrated companies	6		(227)
<b>CASH FLOWS FROM CAPITAL INVESTMENT</b>	<b>608</b>	<b>(3,331)</b>	<b>(6,766)</b>
<b>III - Financing</b>			
Net change in financial debt	(4,867)	693	3,698
Net increase in shareholders' equity	0	1	2
Distribution of dividends	(717)	(1,703)	(1,703)
<b>CASH FLOWS FROM FINANCING</b>	<b>(5,584)</b>	<b>(1,009)</b>	<b>1,997</b>
<b>IV - Impact of exchange rate changes</b>			
Impact of exchange rates on cash flows	638	(900)	(2,519)
<b>CASH FLOWS ARISING FROM EXCHANGE RATE CHANGES</b>	<b>638</b>	<b>(900)</b>	<b>(2,519)</b>
<b>CHANGES TO CASH POSITION (I) + (II) + (III) + (IV)</b>	<b>(902)</b>	<b>8,395</b>	<b>10,428</b>
Cash position at the start of the financial year	23,149	12,720	12,720
<b>CASH POSITION AT THE END OF THE PERIOD</b>	<b>22,247</b>	<b>21,115</b>	<b>23,148</b>

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unless otherwise indicated the figures are in thousands of euros)

### NOTE No. 1 - ACCOUNTING PRINCIPLES & METHODS

The consolidated financial statements are prepared in accordance with the legal and regulatory provisions in force in France (Regulation no. 99-02 issued by the Accounting Regulations Committee and recommendation 99 R-01 on intermediate accounts issued by the National Accounting Council).

The accounting principles and methods used by the TOUAX Group are set out in the "Notes to the Consolidated Financial Statements of 31 December 2003" included in the 2003 Annual Report.

### NOTE No. 2 - CHANGES TO THE SCOPE OF CONSOLIDATION

The stake (52.5%) in Portable Storage Services was included in the scope of consolidation in accordance with the global integration method.

### NOTE No. 3 -KEY EVENTS

During the first half, TOUAX SA agreed two lease purchase deals for the purchase and leasing of 4,000 shipping containers representing an investment of 6.9 million euros.

TOUAX RAIL Ltd sold 66 railcars to an operator that was managing them. This transaction had a net impact of 0.6 million euros.

In the context of new management programs, the disposal of 513 modular buildings and 18,100 shipping containers to investment groups generated a pre tax consolidated margin of 3.3 millions euros.

## NOTES TO THE EARNINGS STATEMENT

### NOTE No. 4 - REVENUES

4.1 BREAKDOWN BY TYPE	30.06.2004	30.06.2003	Change June 2004/2003	Change (in %)	2003
Leasing revenues	51,494	54,029	(2,535)	-5%	106,965
Equipment sales	34,531	31,242	3,289	11%	59,125
Commission	40	38	2	5%	219
Net revenues from outside pools	742	687	55	8%	1,460
<b>TOTAL</b>	<b>86,807</b>	<b>85,996</b>	<b>811</b>	<b>1%</b>	<b>167,769</b>

4.2. BREAKDOWN BY BUSINESS	30.06.2004	30.06.2003	Change June 2004/2003	Change (in %)	2003
Shipping containers	52,459	48,027	4,432	9%	90,127
Modular buildings	17,790	19,712	(1,922)	-10%	40,350
River barges	14,179	15,792	(1,613)	-10%	30,247
Railcars	2,321	2,386	(65)	-3%	6,899
Miscellaneous	58	79	(21)	-27%	146
<b>TOTAL</b>	<b>86,807</b>	<b>85,996</b>	<b>811</b>	<b>1%</b>	<b>167,769</b>

#### NOTE No. 5 - PURCHASES AND OTHER EXTERNAL CHARGES

BREAKDOWN BY TYPE	30.06.2004	30.06.2003	Change June 2004/2003	Change (in %)	2003
Purchase of goods	(32,215)	(29,668)	(2,547)	9%	(56,787)
Other external services	(25,860)	(28,334)	2,474	-9%	(57,890)
Taxes and duties	(221)	(265)	44	-17%	(583)
<b>TOTAL</b>	<b>(58,296)</b>	<b>(58,267)</b>	<b>(29)</b>	<b>0%</b>	<b>(115,260)</b>

#### NOTE No. 6 - PERSONNEL COSTS

There were 286 employees at 30 June 2004, compared to 279 at 31 December 2003.

#### NOTE No. 7 - OTHER OPERATING EXPENSES AND INCOME

	30.06.2004	30.06.2003	Change June 2004/2003	2003
Capital gains from the disposal of assets				
Shipping containers	69	3	66	(158)
Modular buildings	1,053	1,178	(125)	2,060
River barges	99	(86)	185	109
Railcars	778	8	770	472
Miscellaneous		1	(1)	(193)
<b>Subtotal</b>	<b>1,999</b>	<b>1,104</b>	<b>895</b>	<b>2,290</b>
Other management expenses and income during the current year	407	90	317	68
<b>TOTAL</b>	<b>2,406</b>	<b>1,194</b>	<b>1,212</b>	<b>2,358</b>

During the first half of 2004 the disposal of modular buildings to an investment group generated capital gains of more than 1 million euros, the disposal of railcars realized consolidated capital gains of 0.8 million euros.

#### NOTE No. 8 - OPERATING PROVISIONS

BREAKDOWN BY BUSINESS	30.06.2004	30.06.2003	Change June 2004/2003	2003
Shipping containers	(556)	(500)	(56)	(577)
Modular buildings	(122)	137	(259)	163
River barges	(10)	(54)	44	261
Railcars		0	0	0
Miscellaneous		0	0	17
<b>TOTAL</b>	<b>(688)</b>	<b>(417)</b>	<b>(271)</b>	<b>(136)</b>

The change in the provision largely stems from the depreciation of doubtful debts.

#### NOTE No. 9 - DEPRECIATION AND AMORTIZATION

BREAKDOWN BY TYPE	30.06.2004	30.06.2003	Change June 2004/2003	Change (in %)	2003
Straight-line amortization	(2,403)	(2,702)	299	-11%	(5,724)
Amortization of leasing assets	(1,136)	(1,267)	131	-10%	(2,313)
Subtotal	(3,539)	(3,969)	430	-11%	(8,037)
Other provisions	(144)	0	(144)		(51)
<b>TOTAL</b>	<b>(3,683)</b>	<b>(3,969)</b>	<b>286</b>	<b>-7%</b>	<b>(8,088)</b>

Reduced amortization is the result of the disposal of modular buildings to investors (impact of 0.24 million euros).

#### NOTE No. 10 - LEASING REVENUES DUE TO INVESTORS

	30.06.2004	30.06.2003	Change June 2004/2003	Change (in %)	2003
Shipping containers	(13,976)	(12,766)	(1,210)	9%	(25,867)
Modular buildings	(1,818)	(1,788)	(30)	2%	(3,633)
River barges	(371)	(345)	(26)	8%	(696)
Railcars	(347)	(336)	(11)	3%	(684)
<b>TOTAL</b>	<b>(16,512)</b>	<b>(15,235)</b>	<b>(1,277)</b>	<b>8%</b>	<b>(30,880)</b>

The rise in leasing revenues due to investors in the shipping containers business is the direct result of new servicing agreements for the business.

#### NOTE No. 11 - FINANCIAL EARNINGS

	30.06.2004	30.06.2003	Change June 2004/2003	Change (in %)	2003
SCI Earnings and dividend	0	0	0	0%	10
Financial income and charges					
Financial income	92	132	(40)	-30%	240
Financial charges	(2,285)	(2,050)	(235)	11%	(3,909)
Net financial charges	(2,193)	(1,918)	(275)	14%	(3,669)
Provisions					
Decreases		447	(447)	-100%	55
Allocation	(490)	(28)	(462)		(45)
Net allocations	(490)	419	(909)	-217%	10
Exchange rate impact					
Positive	615	358	257	72%	1,355
Negative	(270)	(420)	150	-36%	(753)
Net exchange rate impact	345	(62)	407	-656%	602
<b>FINANCIAL EARNINGS</b>	<b>(2,338)</b>	<b>(1,561)</b>	<b>(777)</b>	<b>50%</b>	<b>(3,047)</b>

At 30 June 2004, the impact of the dollar led to a charge in financial earnings (including the net change in the provision for translation differences) compared to a profit at 30 June 2003.

## NOTE No. 12 - CORPORATION TAX

### BREAKDOWN OF THE TAX CHARGE

	30.06.2004			30.06.2003			2003		
	Payable	Def.	Total	Payable	Def.	Total	Payable	Def.	Total
Europe	(253)	274	21	(292)	(205)	(497)	(171)	158	(13)
US		(579)	(579)	0	25	25	4	2,794	2,798
South America		12	12	0	(6)	(6)	0	26	26
<b>TOTAL</b>	<b>(253)</b>	<b>(293)</b>	<b>(546)</b>	<b>(292)</b>	<b>(186)</b>	<b>(478)</b>	<b>(167)</b>	<b>2,978</b>	<b>2,811</b>

At 31 December 2003, deferred tax related to a deferred tax asset stemming from US tax provisions.

## NOTES TO THE BALANCE SHEET

### ASSETS

#### NOTE No. 13 - INTANGIBLE FIXED ASSETS

	At 30.06.2004			At 30.06.2003	At 31.12.2003
	Unadjusted	Amortization	Net value	Net value	Net value
Goodwill	6,712	(4,193)	2,519	3,691	2,649
Other intangible fixed assets					
Business goodwill	296	(78)	218	227	222
Other (software start-up costs)	614	(526)	88	122	91
<b>Subtotal</b>	<b>910</b>	<b>(604)</b>	<b>306</b>	<b>349</b>	<b>313</b>
<b>TOTAL</b>	<b>7,622</b>	<b>(4,797)</b>	<b>2,825</b>	<b>4,040</b>	<b>2,962</b>

At 31 December 2003, the decline in the net value of goodwill stemmed from a fall in the value attributable to Interfeeder Ducotra BV as a result of impairment tests carried out on this date.

#### 13.1 CHANGE IN GOODWILL

CHANGES IN UNADJUSTED VALUES	At 01.01.2004	Increases & decreases	Translation change	At 30.06.2004
River barges				
Eurobulk Transportmaatschappij BV	667	0	0	667
CS de Jonge BV	121	0	0	121
Interfeeder-Ducotra BV	4,287	0	0	4,287
Touax Rom SA	5	0	0	5
Touax Leasing Corp	208	0	8	216
Modular buildings				
Siko Containerhandel GmbH	429	0	0	429
Workspace Plus	950	0	37	987
<b>TOTAL</b>	<b>6,667</b>	<b>0</b>	<b>45</b>	<b>6,712</b>

## 13.2 CHANGES IN GOODWILL AMORTIZATION

CHANGES IN AMORTIZATION	At 01.01.2004	Increases and decreases	Translation change	At 30.06.2004
River barges				
Eurobulk Transportmaatschappij BV	446	20	0	466
CS de Jonge BV	30	3	0	33
Interfeeder-Ducotra BV	2,319	74	0	2,393
Touax Rom SA	1		0	1
Touax Leasing Corp	146	10	6	162
Modular buildings				
Siko Containerhandel GmbH	141	11	0	152
Workspace Plus	934	16	36	986
<b>TOTAL</b>	<b>4,017</b>	<b>134</b>	<b>42</b>	<b>4,193</b>

## NOTE No. 14 - TANGIBLE FIXED ASSETS

### 14.1 BREAKDOWN BY TYPE

	At 30.06.2004				At	At
	Unadjust.	Amortization	Intra-group capital gains	Net value	30.06.2003 Net value	31.12.2003 Net value
Land	636	0	(188)	448	581	250
Land leasing	1,979	0	0	1,979	1,979	1,979
Buildings	1,969	(813)	(1)	1,155	1,451	1,369
Equipment	67,613	(28,797)	(1,238)	37,578	42,670	37,561
Equipment leasing	48,671	(8,116)	0	40,555	44,032	43,717
Other tangible fixed assets	3,917	(3,087)	0	830	936	826
Ongoing tangible fixed assets	1,480	0	0	1,480	291	1,278
<b>TOTAL</b>	<b>126,265</b>	<b>(40,813)</b>	<b>(1,427)</b>	<b>84,025</b>	<b>91,940</b>	<b>86,980</b>

### 14.2 CHANGES IN UNADJUSTED VALUES BY TYPE

	At 1.01.2004	Acquisitions	Disposals	Translation change	Misc.	At 30.06.2004
Land	438		0	9	189	636
Land leasing	1,979		0	0	0	1,979
Buildings	1,940	15	0	13	1	1,969
Equipment	65,180	9,195	(12,162)	696	4,704	67,613
Equipment leasing	51,393	0	(117)	418	(3,023)	48,671
Other tangible fixed assets	3,971	176	(266)	48	(12)	3,917
Ongoing tangible fixed assets	1,278	202	0	0	0	1,480
<b>TOTAL</b>	<b>126,179</b>	<b>9,588</b>	<b>(12,545)</b>	<b>1,184</b>	<b>1,859</b>	<b>126,265</b>



## NOTE No. 15 – FINANCIAL FIXED ASSETS

	At 30.06.2004			At 30.06.2003	At 31.12.2003
	Unadjusted	Amortization	Net value	Net value	Net value
Participating interests	703	(594)	109	111	111
Loans and other financial fixed assets	12,648	(746)	11,902	12,896	11,960
<b>TOTAL</b>	<b>13,351</b>	<b>(1,340)</b>	<b>12,011</b>	<b>13,007</b>	<b>12,071</b>

### Changes in loans and other financial fixed assets

	At 01.01.2004	Acquisitions	Disposals	Translation change	At 30.06.2004
Shipping containers	8,209	4	(1)	320	8,532
Modular buildings	3,233	243	(234)	1	3,243
River barges	120			5	125
Railcars	48	59			107
Miscellaneous	641	6	(6)		641
<b>TOTAL</b>	<b>12,251</b>	<b>312</b>	<b>(241)</b>	<b>326</b>	<b>12,648</b>

## NOTE No. 16 – BREAKDOWN OF TRADE RECEIVABLES BY BUSINESS

	At 30.06.2004			At 30.06.2003			At 31.12.2003		
	Unadju sted	Provision	Net value	Unadju sted	Provision	Net value	Unadju sted	Provision	Net value
Shipping containers	19,914	(3,977)	15,937	19,906	(3,536)	16,370	10,458	(3,279)	7,179
Modular buildings	7,884	(541)	7,343	9,565	(653)	8,912	8,820	(414)	8,406
River barges	5,227	(535)	4,692	5,567	(833)	4,734	5,689	(516)	5,173
Railcars	830		830	412		412	445		445
Miscellaneous	21		21	44	(17)	27	27		27
<b>TOTAL</b>	<b>33,876</b>	<b>(5,053)</b>	<b>28,823</b>	<b>35,494</b>	<b>(5,039)</b>	<b>30,455</b>	<b>25,439</b>	<b>(4,209)</b>	<b>21,230</b>

## NOTE No. 17 OTHER RECEIVABLES

	At 30.06.2004	At 30.06.2003	At 31.12.2003
Other non-trade receivables	6,328	6,985	7,382
Other receivables (1)	4,170	9,013	2,612
Subtotal	10,498	15,998	9,994
Charges paid in advance	1,324	1,080	1,033
Deferred charges	2,245	2,197	1,937
Deferred tax assets (2)	3,247	1,041	3,562
Asset translation difference	187		
<b>TOTAL</b>	<b>17,501</b>	<b>20,316</b>	<b>16,526</b>

(1) At 30 June 2003, other receivables largely related to a receivable due by investors following the disposal of modular buildings within the framework of a new management agreement (6 million euros).

(2) Deferred tax assets and liabilities are compensated by tax entity. At 31 December 2003, the deferred tax assets in the US were comprised of future tax deductions, for the sum of 3.4 million euros, in accordance with generally accepted French accounting principles.

## NOTE No. 18 – SHAREHOLDERS' EQUITY

### 18.1 CHANGES TO SHAREHOLDERS' EQUITY

	Share capital	Consolidated premiums & reserves	Earnings for the period attributable to the Group	Total Group share
Situation at 31 December 2003	22,705	20,760	2,569	46,034
Dividends paid out during the financial year (including withholding taxes)		(717)		(717)
Translation difference		1,118		1,118
Changes to the scope and miscellaneous		(131)		(131)
Previous net result		2,569	(2,569)	0
Net result for the period			1,787	1,787
Situation at 30 June 2004	22,705	23,599	1,787	48,091

The Group's share capital consists of 2,838,127 shares.

## NOTE No. 19 – PROVISIONS FOR LIABILITIES AND CHARGES

	At 01.01.2004	ALLOCATION	DECREASE	Translation change	At 30.06.2004
Provisions for liabilities	229	317		0	546
Provisions for charges	147	13		0	160
TOTAL	376	330	0	0	706

The provision for liabilities largely relates to the allocation for exchange rates losses arising from an asset translation difference.

## NOTE No. 20 – FINANCIAL DEBTS

### 20.1. ANALYSIS BY DEBT CATEGORY

	At 30.06.2004	At 30.06.2003	At 31.12.2003
Medium-term loans	18,170	22,949	21,732
Lease commitments (principal)	30,525	34,221	33,435
Total medium-term financial debts	48,695	57,170	55,167
Credit renewable annually	21,908	19,232	19,751
Bank current accounts and similar	3,974	4,132	4,849
Total renewable credits and similar overdrafts	25,882	23,364	24,600
TOTAL financial debts	74,577	80,534	79,767

### 20.2. CHANGES IN DEBT

#### 20.2.1 Consolidated net debt

	At 30.06.2004	At 30.06.2003	At 31.12.2003
Financial debts	74,577	80,534	79,767
Marketable securities	(101)	(911)	(111)
Cash	(25,690)	(24,050)	(27,414)
Consolidated net financial debt	48,786	55,573	52,242

## 20.2.2 Net Debt

	At 30.06.2004	At 30.06.2003	At 31.12.2003
Consolidated net financial debt	48,786	55,573	52,242
Operating liabilities	47,868	54,663	42,304
Inventory and operating receivables	(41,892)	(48,465)	(35,556)
Net debt	54,762	61,771	58,990

## NOTE No. 21 - BREAKDOWN OF TRADE PAYABLES BY BUSINESS

	At 30.06.2004	At 30.06.2003	At 31.12.2003
Shipping containers	18,746	20,358	16,119
Modular buildings	5,143	4,733	5,563
River barges	3,065	3,364	3,881
Railcars	470	593	1,023
Miscellaneous	998	687	641
TOTAL	28,422	29,735	27,227

## NOTE No. 22 - OTHER DEBTS

	At 30.06.2004	At 30.06.2003	At 31.12.2003
Debts in respect of fixed assets	494	2,129	250
Social and tax debts	3,989	5,230	3,369
Operating liabilities	14,101	12,197	11,458
Other debts	861	5,373	
Subtotal	19,445	24,929	15,077
Income received in advance	1,205	1,616	1,677
Deferred tax liabilities (1)	589	752	743
TOTAL	21,239	27,297	17,497

(1) Deferred tax assets and liabilities are compensated by tax entities

## NOTE No. 23 OTHER INFORMATION

### 22.1 Earnings statement by business

<i>(Thousand euros)</i>	Shipping containers	Modular buildings	River barges	Railcars	Misc. Overheads	TOTAL	
Leasing revenues							
	21,482	14,462	13,514	1,978	58	51,494	
Equipment sales	30,909	3,328		294		34,531	
Commission	27			13		40	
Net revenues from pools	41		665	36		742	
<b>OPERATING INCOME</b>	<b>52,459</b>	<b>17,790</b>	<b>14,179</b>	<b>2,321</b>	<b>58</b>	<b>0</b>	<b>86,807</b>
Cost of sales	(28,789)	(2,835)		(154)			(31,778)
Operating costs	(4,580)	(8,770)	(11,203)	(1,575)	(22)		(26,150)
General expenses of businesses	(1,539)	(1,495)	(1,250)	(189)			(4,473)
Overheads						(1,621)	(1,621)
Capital gains - sales	69	1,053	99	778	0	0	1,999
<b>EBITDA</b>	<b>17,620</b>	<b>5,743</b>	<b>1,825</b>	<b>1,181</b>	<b>36</b>	<b>(1,621)</b>	<b>24,784</b>
Depreciation & Amortization	(667)	(2,089)	(822)	(51)	(26)	(28)	(3,683)
<b>OPERATING EARNINGS</b>	<b>16,953</b>	<b>3,654</b>	<b>1,003</b>	<b>1,130</b>	<b>10</b>	<b>(1,649)</b>	<b>21,101</b>
Revenues due to investors	(13,976)	(1,818)	(371)	(347)			(16,512)
<b>Operating earnings after distribution</b>	<b>2,977</b>	<b>1,836</b>	<b>632</b>	<b>783</b>	<b>10</b>	<b>(1,649)</b>	<b>4,589</b>

### 22.2 Liabilities and risks

All liabilities were detailed in the "Notes to the Consolidated Financial Statements of 31 December 2003". During the first half, two simple lease contracts without recourse against the Group were put in place for 4,500 shipping containers representing a financing of 6.8 million euros.

### 22.3 Additional information on trusts

The accounting principles and methods employed for the management of trusts are detailed in the "Notes to the Consolidated Financial Statements of 31 December 2003".

Liabilities with regard to the trusts did not change significantly during the first half.

The Group does not control the Trusts within the meaning of regulation CRC 99-02. They are not within the scope of consolidation.