

Touax[®]

Half-year financials 2009

Palais Brongniart – September 3, 2009

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Company profile



- TOUAX Group
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The TOUAX Group

Your operational leasing solution

- ▶ Specialised in operational leasing and associated services
- ▶ A team of 661 professionals in 15 countries
 - Europe, North America, and Asia
- ▶ Four global, industry-leading divisions with fast and efficient response capability

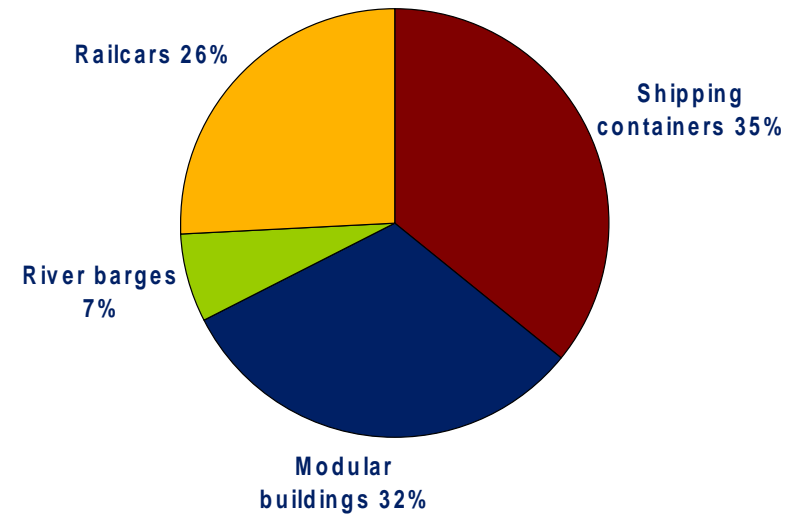
Shipping containers	Modular buildings	River barges	Railcars
			
<ul style="list-style-type: none">▪ Leader in Europe▪ 508,000 shipping containers	<ul style="list-style-type: none">▪ 2nd- largest in Europe▪ 38,000 modular units	<ul style="list-style-type: none">▪ Leader in Europe▪ 172 river barges	<ul style="list-style-type: none">▪ 2nd-largest in Europe (intermodal railcar)▪ 7,404 railcars

The TOUAX Group

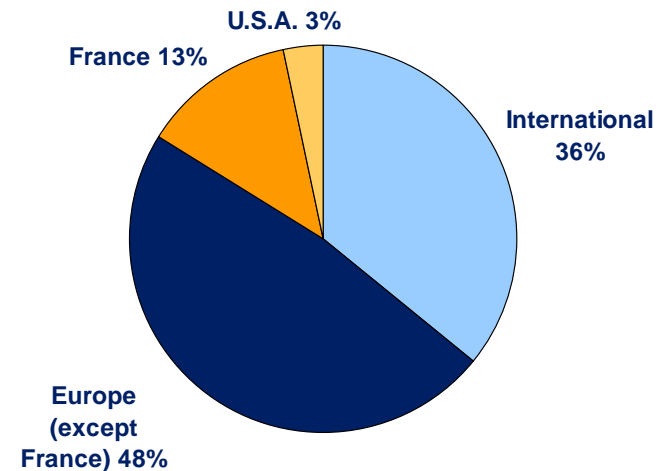
A diversified company

- ▶ Diversification in four core businesses operating in international markets
- ▶ €124.4m turnover in the first half of 2009 (87% outside France)

Breakdown by business division, first half of 2009



Breakdown by geographical region, first half of 2009



The TOUAX Group

Our core business

▶ LEASING

- Offer short or long-term flexible investment-free solutions, with or without an option to buy
- Meet requirements by offering associated services

▶ STANDARDIZED LONG-LIFE ASSETS

- Four asset types, all with complementary qualities: high investment appeal, profitability, long life and low obsolescence risk

▶ MARKETS WITH STRONG POTENTIAL

- International markets with long-term structural growth prospects
- High volume trading

The TOUAX Group

Our strategy

▶ **LONG-TERM DEVELOPMENT**

- Increase the fleet of new lease equipment in the four core businesses
- Pursue the Group's growth strategy in a bid to increase market share and generate economies of scale

▶ **SPREADING RISK**

- A healthy balance of proprietary and third-party assets under management (25% owned by the Group; 75% managed for third parties)
- Four mutually independent markets
- International growth drivers resulting from strong geographic diversification

▶ **HUMAN CAPITAL**

- Strong values
- Our workforce makes the difference

TOUAX businesses

Shipping Containers



TOUAX businesses

Shipping Containers

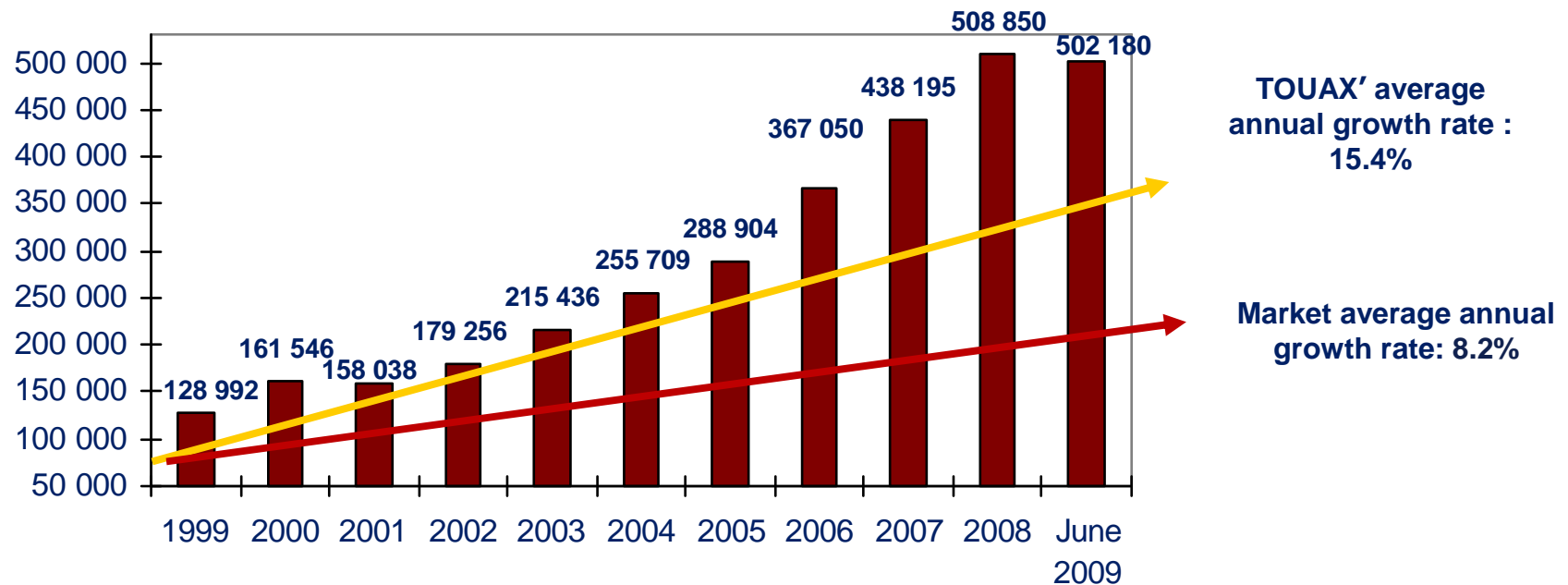
- ▶ Leasing of standard dry containers (20 ft and 40 ft)
 - on long-term contracts (79% between 3 and 7 years, as of 30 June 2009)
 - Flexible short-term leases (master leases) or lease-purchase agreements
- ▶ TOUAX' strengths:
 - New, high-quality containers (average age less than four)
 - Dynamic, recognized sales force
 - Operation In 40 countries (8 agencies, 5 offices et 150 partners warehouses)
 - Over 120 shipping lines use our services, including the top 25 (Maersk lines, Evergreen, MSC, China Shipping, CMA-CGM, etc.)

TOUAX businesses

Shipping Containers

► Growth in TOUAX' container fleet

Number of containers (TEU)



- Booming global trade has expanded the number shipping of containers from 12.5million to 26.2million TEUs between 1998 and 2008 (10.68million of which belonging to lessors).

TOUAX businesses

Shipping containers

- ▶ Trade has slowed since September 2008

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Container traffic	2%	10%	12%	13%	10%	11%	11%	5%	-8%	2%
Container vessels	8%	8%	8%	8%	11%	14%	12%	11%	10%	12%
Container fleet	4%	6%	9%	10%	7%	9%	12%	*5%	*-5%	*2%

Source : Clarkson Research Services - August 2009 & Containerisation International 2008

* TOUAX forecasts for container fleet growth in 2008, 2009 & 2010

- ▶ **Year 2009**

- Traffic down 8%
- China stopped manufacturing “dry” containers in October 2008, limiting over-capacity
- 87% utilization rate
- A fleet of 502,180 TEUs (4.8% worldwide market share)

TOUAX businesses

Shipping containers

▶ **Medium-term outlook**

- Opportunities are available (sale & leaseback, leaseback with management);
- Clarkson forecasts stabilisation/upturn in 2010 (a rise of 2%)
- Inter-Asian traffic rising again since April 2009; Europe to Asia traffic rose 7.8% in May 2009
- The credit crunch will encourage leasing as soon as the upturn starts
- Target unchanged: Reach over 800,000 TEUs (7% global market share)

TOUAX businesses

Modular buildings



TOUAX businesses

Modular Buildings

- ▶ TOUAX offers high-quality equipment for a wide range of uses (offices, schools, hospitals, site accommodation, etc.) under a variety of contracts:
 - Lease
 - Lease-purchase
 - Purchase

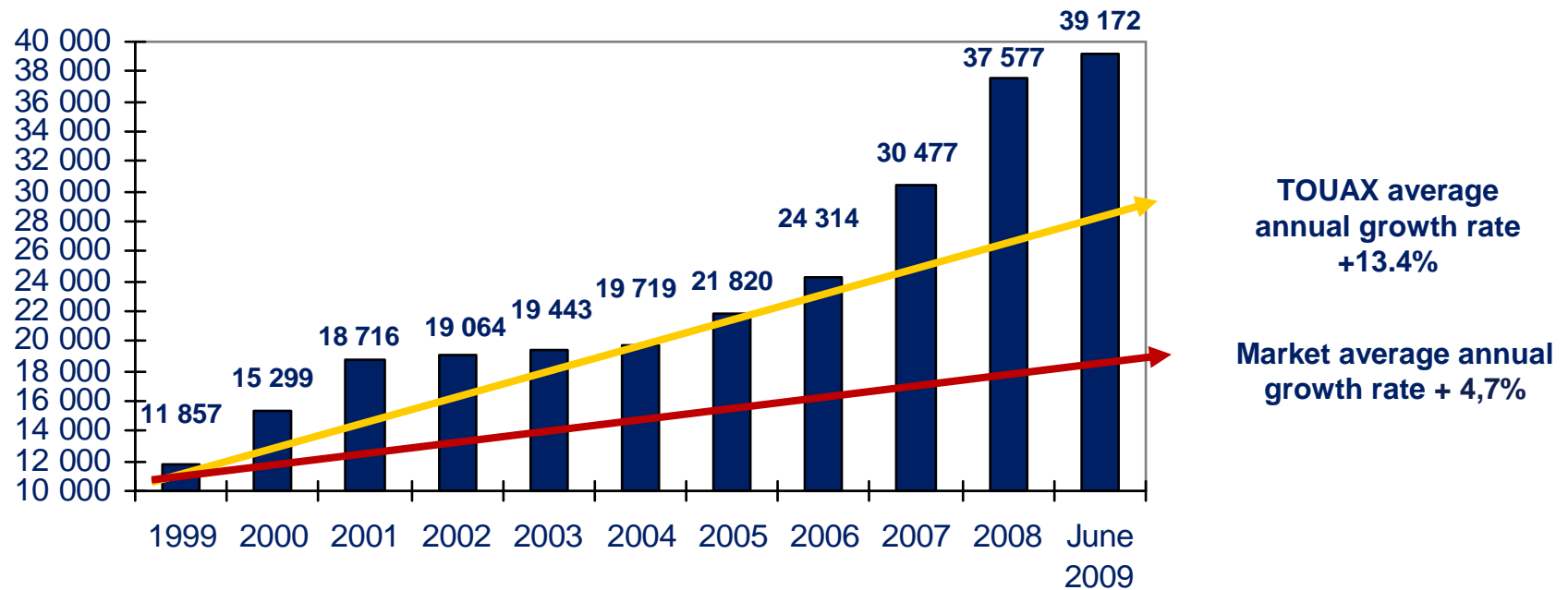
- ▶ **TOUAX' strengths:**
 - Operations in nine European countries (including Eastern Europe) and the US (Florida and Georgia)
 - Newly-commissioned assembly centres in France and Czech Republic extend product availability and boost profit
 - A diversified customer base:
 - Industry: Alstom, Urbaser, EADS, Total, Siemens, RWE, etc.
 - Regional and local authorities
 - Construction companies - Bouygues, Vinci, Hochtief, SKANSKA, etc.

TOUAX businesses

Modular Buildings

► Growth in TOUAX modular buildings

Number of Units



- The European total of leased modular buildings has risen from 250,000 to 500,000 units in 15 years (source: TOUAX).

TOUAX businesses

Modular Buildings

▶ Year 2009

- Downward pressure on leasing prices
- Sustained growth in Germany
- Satisfactory level of activity in France, Benelux and Eastern Europe
- Distinct slowdown in the US and Spain (1.7% of group revenues)

▶ Medium-term outlook

- Modular buildings: still an alternative to the financial crisis
 - Modular buildings offer a flexible low-cost alternative to traditional construction (30% to 50% cheaper)
 - European Structural Funds for 2007 – 2013 total €347bn; most is going to Eastern Europe
 - Big stimulus packages to improve infrastructure will boost our Modular Buildings business
- Target: 10% market share – 60,000 modular units – in Europe within three years (7.5% in 2008); through growth or acquisition

TOUAX businesses

River barges



TOUAX businesses

River barges

- ▶ Europe's largest fleet of river barges for dry bulk cargoes
172 units and a hull capacity of 389,229 tons (coal, cereals, ore, fertiliser, cement, etc.) source: TOUAX
 - Main business lines: transport, chartering, leasing
 - TOUAX' strengths
 - Unrivalled international experience:
 - A presence in all main European river systems: Rhine, Main, Meuse, Danube, Seine, Rhône
 - Business in the United States and in South America
 - Customers include leading manufacturing and shipping companies (Bungee, Cargill, Cemex, Lafarge, Electrabel, CFT, Miller, etc.)
 - Over 150 years' experience

TOUAX businesses

River barges

- ▶ Year 2009
 - Taking delivery of river barges in Europe and South America now completed
 - Lower quantities and lower prices in Europe (Rhine and Danube)
 - Satisfactory level of activity in South America (iron ore) and the United States (cereals)

- ▶ Medium-term outlook
 - Secure positioning and win new long-term leasing and shipping contract
 - Structural overhaul of river transport (need to renew aging barges and environmental assets)
 - Emerging countries' needs for raw materials and agricultural commodities is still high. Cost-effective transport is the preferred solution, mainly with the use of river barges
 - The grain transport sector is growing

TOUAX businesses

Railcars



TOUAX businesses

Railcars

- ▶ TOUAX provides long-term leases for:
 - Container railcars
 - Vehicle carriers
 - Hopper and bulk powder railcars for heavy goods (cement, grain, etc.)

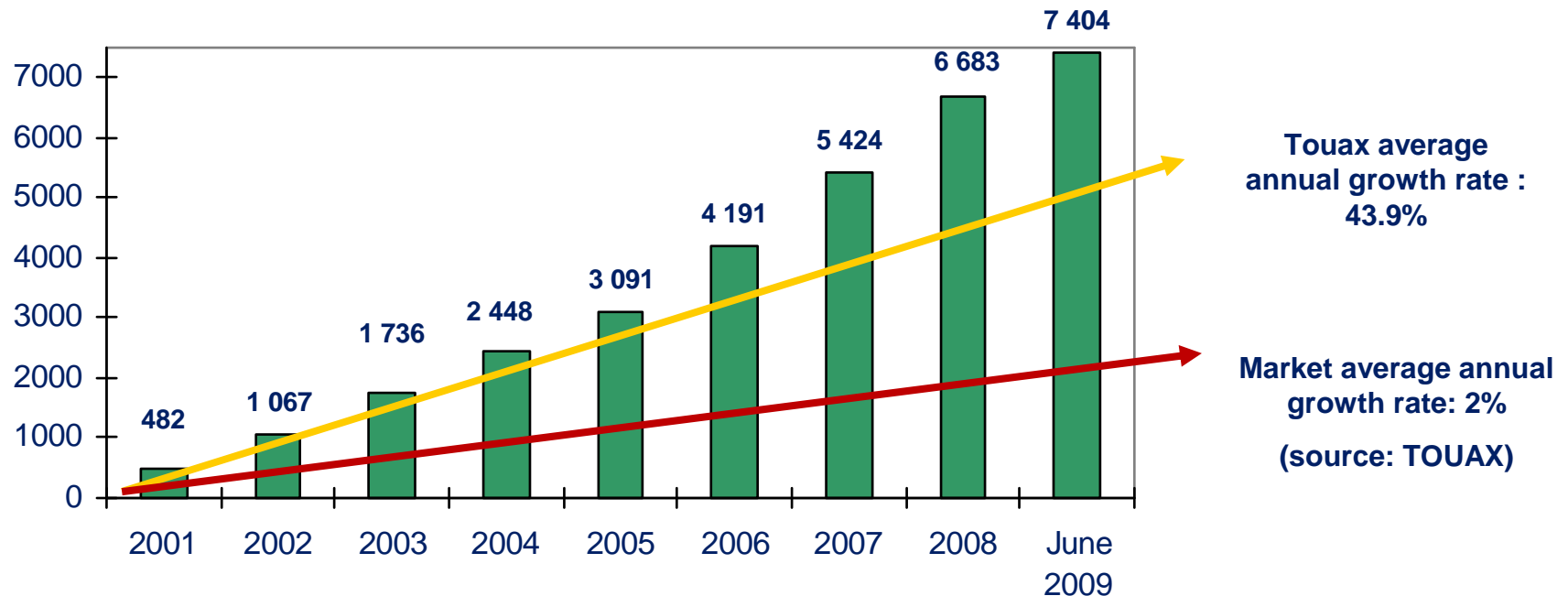
- ▶ TOUAX' strengths:
 - Services that meet customers' needs in Europe's newly deregulated rail freight market
 - A partnership with CFCL, seventh largest lessor of hopper cars in the USA
 - New railcars to meet the replacement needs of an aging stock
 - Average lease term more than five years
 - Customers include major railway operators (SNCF, DB, Railion, SBB/CFF, private operators, etc.) and manufacturers (Cargill, Lafarge, Gefco, etc.)

TOUAX businesses

Railcars

► Growth in TOUAX' railcar fleet

Number of railcars (platforms)



- European intermodal railway traffic up 10% in 2008 and 9% in 2007 – (source: UIRR Statistics 2008)
- Traffic down in 2009.

TOUAX businesses

Railcars

▶ Year 2009

- Pressure on lease prices and utilization rates
- European capital spending down to €40m because of low demand
- No capital spending at all in the USA
- Opportunities currently under examination (sale & leaseback, leaseback and take over the management of existing fleets)

▶ Medium-term outlook remains unchanged

- A structurally buoyant market in the long term: more than 700,000 railcars will need to be replaced in Europe in coming years (the average age of existing stock is over 30 years); forecast capital spending in the next 20 years: at €80bn.
- Targets unchanged: a managed fleet of 10,000 railcars in the medium term.
- Secure our place as Europe's second lessor of intermodal railcars.

Results and financing

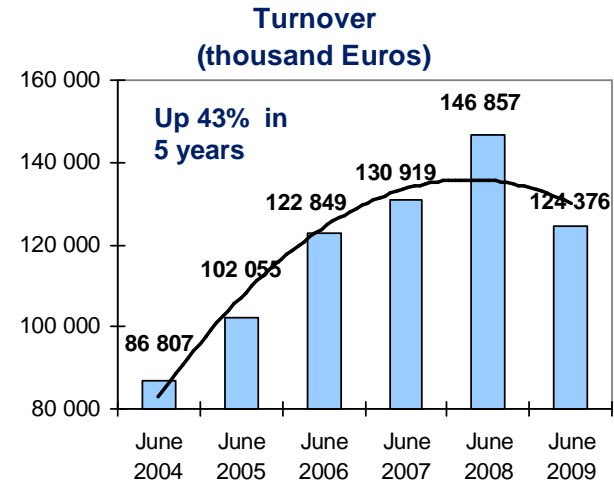


- Key figures, income statement, EBITDA
- Summary balance sheet
- Investments
- Cash flow statement
- Debt
- Handling market risk
- Equipment managed for third parties

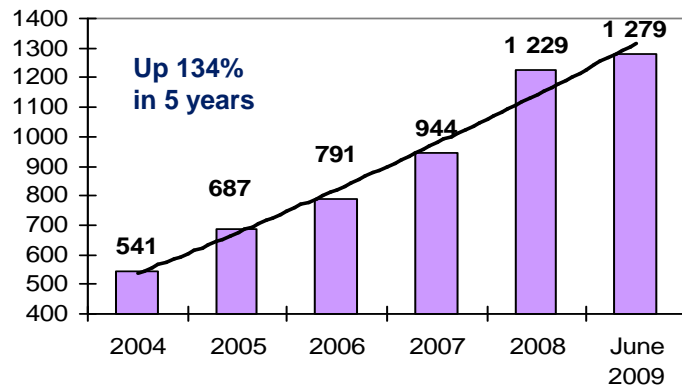
Results and financing

Key figures

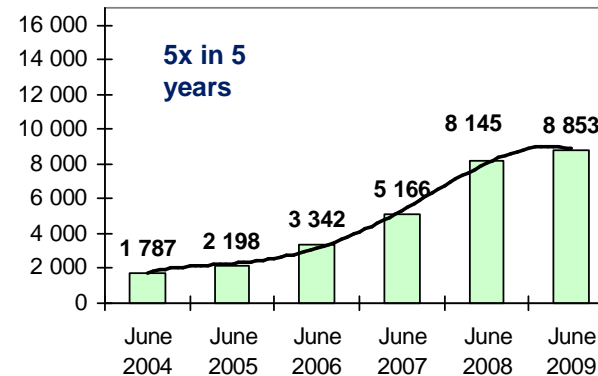
- ▶ Sales growth stalling:
 - -15.3% (lower syndications and sales)
- ▶ But leasing holds up well:
 - leasing turnover (+9.4%)
 - net profit (+8.7%)
 - assets managed (+4.1%)



Managed assets (millions of Euros)



Net operating income (thousand Euros)



Results and financing

Income Statement

(€ 000s)	30/06/2009	30/06/2008	% change
Leasing turnover	102 019	93 216	
Sale of equipment, &c.	22 142	53 032	
Capital gains on disposal	215	609	
Operating costs	124 376	146 857	-15%
Cost of sales	(18 552)	(47 292)	
Charges on ordinary operations	(38 259)	(35 731)	
Central, commercial and administrative overheads	(11 248)	(10 019)	
EBIDTA before distribution to investors	56 317	53 815	5%
Depreciation and Impairments	(9 227)	(7 619)	
Trading profit before distribution	47 090	46 196	2%
Distribution to investors, net	(31 467)	(29 569)	
Trading profit after distribution	15 623	16 627	-6%
Other operating revenues and charges (1)	3 121		
Operating profit	18 744	16 627	13%
Net financial income	(6 919)	(6 009)	
Profit before taxes	11 825	10 618	11%
Corporate income taxes	(2 989)	(2 478)	
Total consolidated net profit	8 836	8 140	9%
Minority interests	17	5	
Net profit, group's share	8 853	8 145	9%
Net profit per share	1,88	1,86	

(1) Writing off losses on a finance lease, following the client's decision not take up the purchase option.

Results and financing

EBITDA

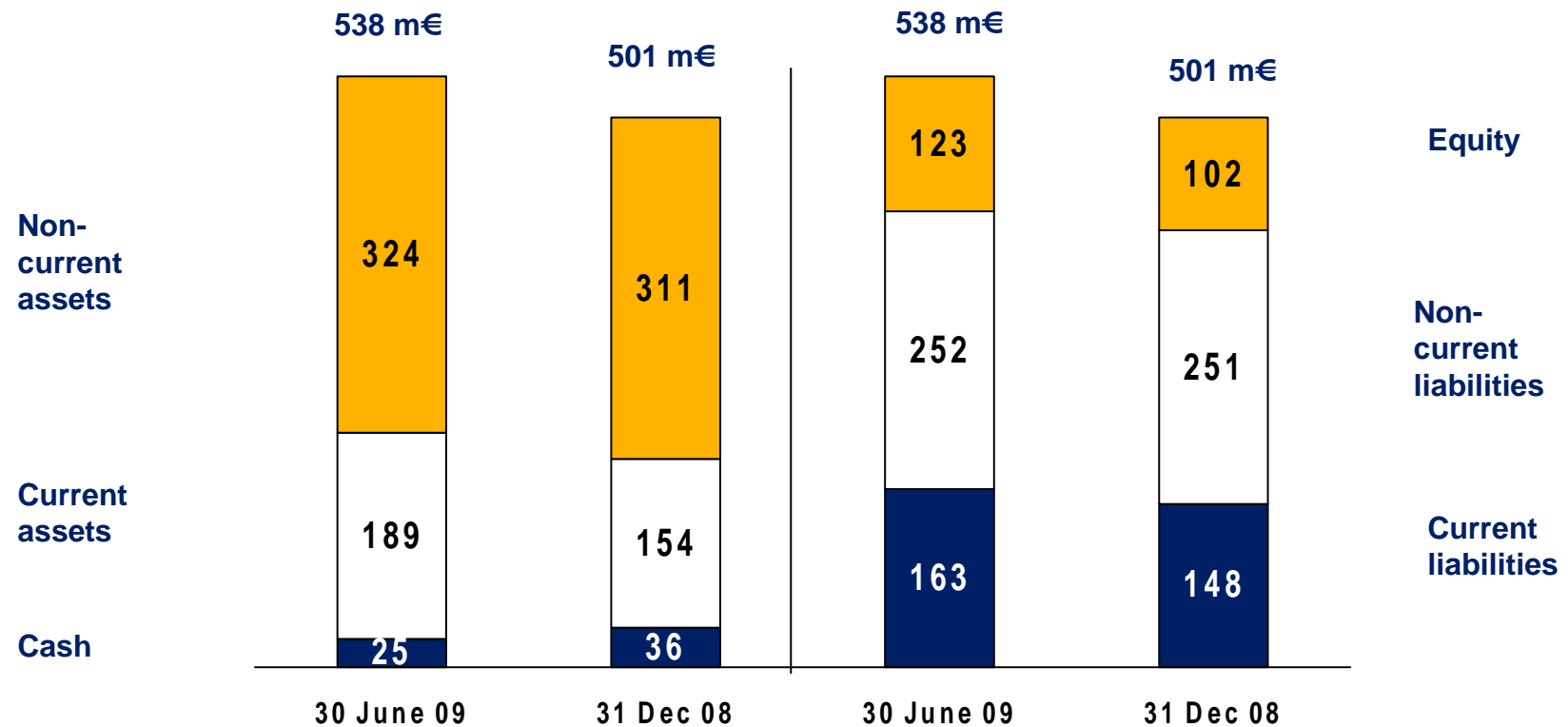
- ▶ EBITDA (after distribution to investors) is steady, as the growth in assets is balanced by lower sales and pressure on usage rates and lease tariffs

(€000s)	EBITDA before distribution to investors	Distributed to investors	EBITDA after distribution to the investors
Shipping Containers	27 942	-25 574	2 368
Modular buildings	15 786	-1 964	13 822
River Barges	3 094	-160	2 934
Railcars	9 422	-3 770	5 652
Other (overheads, sundries and offsets)	74		74
30/06/2009	56 318	-31 468	24 850
30/06/2008	53 815	-29 569	24 246

- EBITDA = earnings before interest, taxes, depreciation and amortization.

Results and Financing

Summary balance sheet



Results and financing

Investments

- ▶ €63.3m net capital investment in the half-year to 30 June 2009 (€130.6m in the half-year to 30 June 2008)
 - Investments in capitalized assets & inventory: €45.4m (€82m in the half-year to 30 June 2008)
 - Investments in managed equipment: €17.9m (€48.3m in the half-year to 30 June 2008)

(millions Euros)	Investments in capitalized assets & inventory:	Investments in managed equipment:	Total Investments
Shipping Containers	-2,6	-6,7	-9,3
Modular Buildings	19,2	-0,6	18,6
River barges	3,1	10,2	13,3
Railcars	25,7	15	40,7
Total	45,4	17,9	63,3

Results and financing

Cash Flow statement

► Cash flow statement

	June 2009	June 2008	2008
Cash-flow from operations, beyond operating requirements	25.7	23.4	54.8
Taxes and operating cash requirements (except inventory)	(5.6)	(12.1)	(34.0)
Change in inventory	(27.3)	(41.0)	(29.0)
Net purchases of equipment	(22.9)	(48.1)	(94.8)
Cash flow from operations	(30.1)	(77.8)	(103.0)
Cash flow from investment activities	0.9	(0.1)	(0.1)
Cash flow from financial activities	16.5	77	113
Change in exchange rates	0.9	(1.0)	1.3
Change in Cash position	(11.8)	(1.9)	11.2

Results and financing

Debt

	30-June-09	2008
Net financial indebtedness with recourse	€168m	€159.1m
Gearing with recourse (net financial debt with recourse / shareholders' equity)	1,4	1,6
Leverage with recourse (net financial debt with recourse / EBITDA)	3,1	3,0

- ▶ Gearing and Leverage ratios steady
- ▶ Capital increase carried out during the first half of 2009: net proceeds €17.7m.

Results and Financing

Debt

	Balance sheet figure	Breakdown	Average rate	Portion on variable rate
Short term credit with recourse	€41.3m	14%	1,89%	100%
Medium and long term credit with recourse	€151.7m	50%	4,18%	37%
Debts without recourse	€113.0m	37%	3,11%	71%
TOTAL	306.0 M	100%	3,47%	58%

- ▶ 36.9 % of the group's consolidated debt is non-recourse
- ▶ 12 % of the group's debt is in USD

Theoretical repayments

under one year

62 M€

- ▶ These theoretical repayments break down as:
 - €15m of annually renewed short-term lines of credit
 - €19m debts without recourse
 - €8m in connection with long term refinancing already agreed
 - €20m of scheduled repayments

Results and financing

Handling market risk

- ▶ The Group faces limited liquidity risk thanks to:
 - operating cash-flow (net of changes in operating capital requirements) at €25.7m for the first half of 2009
 - the Group's self-financing resources (plus asset sale values) at €30.6m on average over the last three years (€17.3m on 30 June 2009).
 - €279m of plant, property and equipment, €121m of inventory, and €25m of cash and marketable securities
 - 90m of lines of credit available

- ▶ In 2009 the Group has already obtained €25m of new lines of credit and raised another €18m of capital

Results and financing

Handling market risk

- ▶ Interest rate risk
 - Rate swaps have fixed interest rates on long-term debts in USD and PLN
 - After hedging: 58% of overall debt is at variable rates, and 42% at fixed rates
 - For ongoing debt (excluding short term financing) the fixed/variable breakdown is 65:35
 - Average cost of debt down to 3.47% from 4.38% at the end of 2008
 - Sensitivity of financial charges to a 1% change in variable rates: 17%

- ▶ Currency risk
 - As 37.5% of the Group's turnover is in dollars, the upturn in the USD had a beneficial effect in 2009 which partly made up for the falls in eastern European currencies (4% of the Group's sales are in Polish zloty and 2% in Czech koruna)
 - The company has hedged its 2009 earnings in USD based on a budgeted exchange rate of 1 EUR = 1.41 USD
 - The company has also hedged its intra-group transfers

Results and financing

Equipment managed for third parties

- ▶ In a difficult financial climate, the Group has finalized €15m worth of management programs during the first half of 2009;
- ▶ The Group currently manages over €800m of assets for more than 20 investors in over 25 different equipment pools
- ▶ These third-party investors (93% of which are invested in management programs, 7% via securitization) come from a wide variety of backgrounds: family investment vehicles, private asset management, American pension funds, banks and finance companies as well as Japanese trading companies;
- ▶ One of the keys to the success of the management programs is the Group's ability, developed over the last five years, to pre-finance these assets by leasing them prior to selling them to investors;
- ▶ Our investors do not only purchase a long-term tangible asset, but recurring profitability based on long-term contracts with an average term of 3 to 5 years;

Results and financing

Equipment managed for third parties

- ▶ According to conservative estimates, TOUAX generates profitability for investors between 6% and 7% above the long-term rate (before leverage);
- ▶ Annual returns on investment vary between 9% to 13% depending on the marketplace and the economic climate (distributable net earnings divided by the equipment purchase price); there are now opportunities for purchasing “distressed” portfolios where the level of profitability is over 15%;
- ▶ These investments are based on a strategy of diversifying assets and re-occurring investment for the most part un-leveraged. However, certain programs depend on the debt markets;
- ▶ All programs are non-recourse for the Group and do not feature a minimum revenue guarantee;
- ▶ Over €100m of asset management programs are currently under discussion for 2009, though investors’ appetite has slackened in the present climate.

Results and financing

Equipment managed for third parties

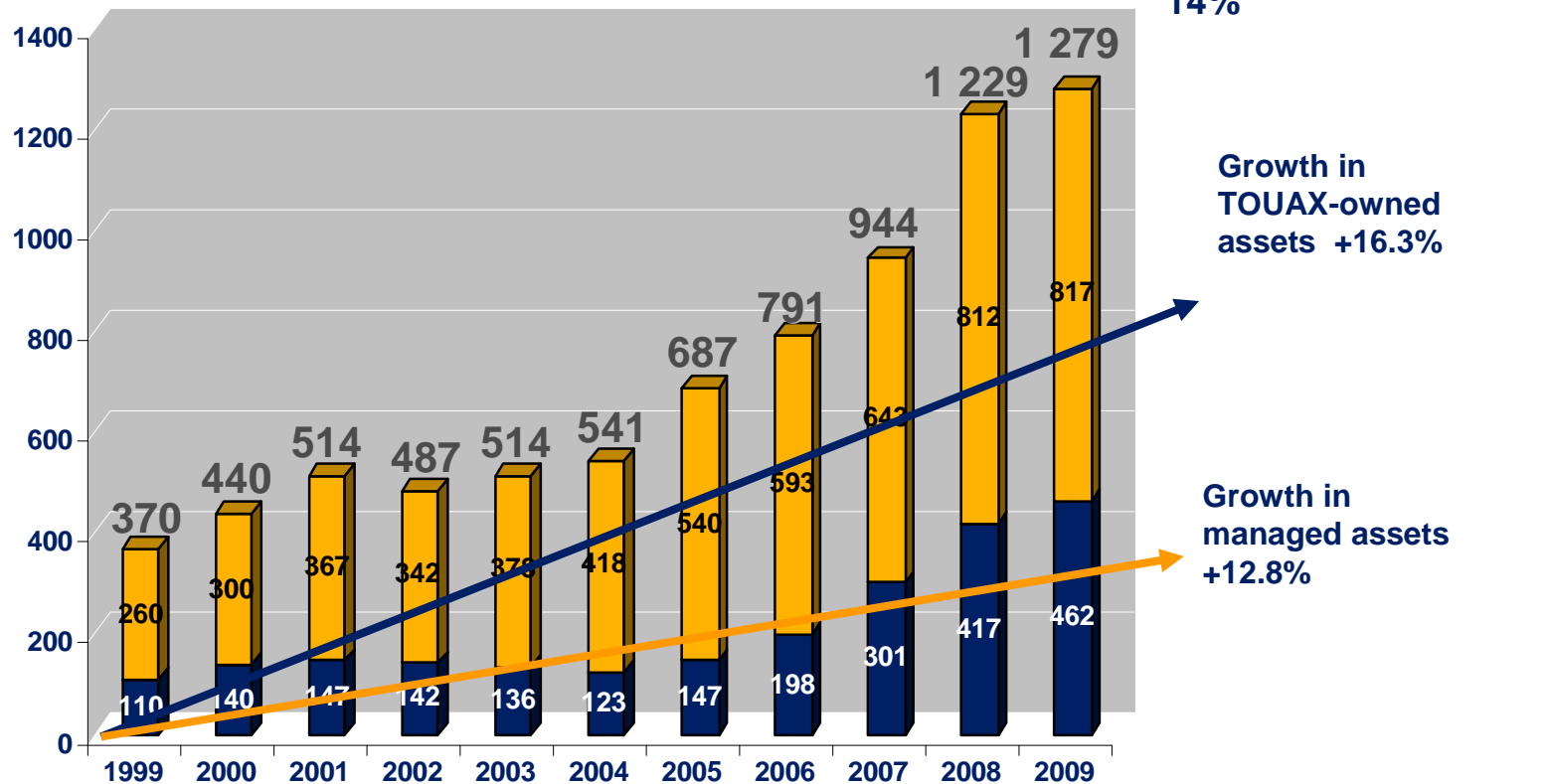
- ▶ **Significant events in the first half of 2009:**
 - In April 2009 TOUAX secured funding for institutional investors in a portfolio of shipping containers financed under a securitisation deal (known as “Trust 98” by selling the assets to other investors).
 - TOUAX participated with 15% stake in the purchase, and continues to manage the assets.
 - This operation will have a beneficial effect on the Group’s operating profit.
 - In June 2009 a joint venture (SFR Railcar Leasing) was set up by TOUAX Rail Ltd and a railway investment fund belonging to DVB Bank SE (a German bank specialising in transport);
 - SFR Railcar Leasing will have €34m of shareholders' equity for purchasing railcars according to certain eligibility criteria
 - TOUAX Rail Limited will manage the railcars on behalf of SFR Railcar Leasing.
 - This vehicle will enable the Group to expand its investments in a highly promising sector.

Results and financing

Breakdown of managed asset ownership in each division

▶ (€m)

- Material owned by investors
- Material owned by the Group

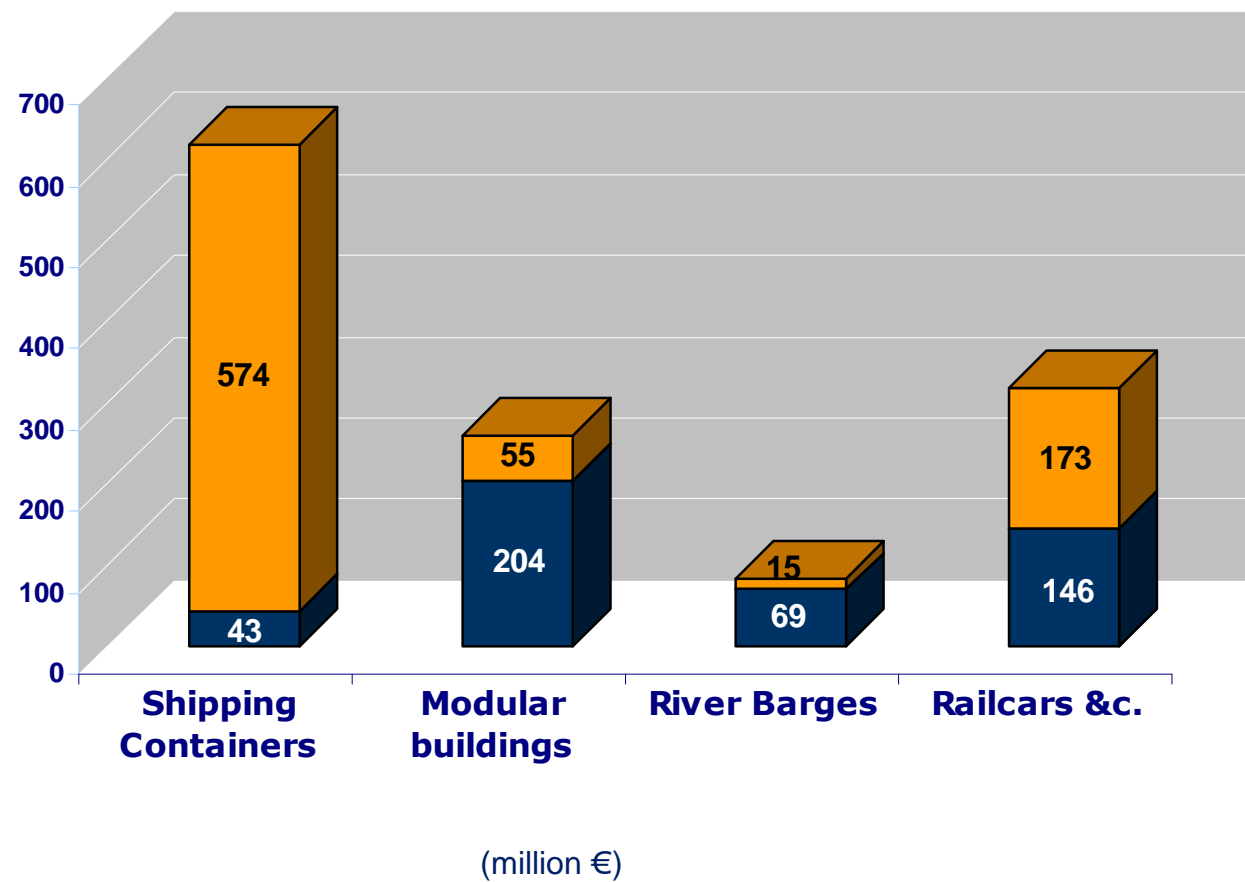


▶ Over half of the managed assets are valued in USD (1 EUR = 1.4134 USD)

Results and financing

Breakdown of assets by division

- owned by investors
- Equipment owned by the Group



Strategy and targets



- The Group's strategy
- Diversification risk
- 2009 targets

Strategy and targets

The Group's strategy

- ▶ In 2009 the Group aims to continue to consolidate its achievements and will carefully examine opportunities for worthwhile acquisitions in the current climate of slower organic growth

- ▶ **Medium term**
 - Development policy
 - Increase the fleet of equipment on longer term leases for all four divisions, but without spending beyond cash flow
 - Win a significant international position in each division, to boost economies of scale
 - Improve service and product quality so as to gain (or keep) recognition and respect as a major player of operational excellence.

Strategy and targets

Diversification risk

- ▶ Breakdown in managed assets
 - 25% owned by TOUAX
 - 75% managed for investors

- ▶ Owned equipment provides a substantial recurring revenue stream and bolsters the company's prospects through opportunities for gains on future sales

- ▶ Equipment managed for investors:
 - provides management fees and syndication commissions
 - improves the company's ROE without needing to invest additional capital

Strategy and targets

Outlook for 2009-10

- ▶ **The outlook is still healthy**
- ▶ despite the erosion of profitability (lease tariffs and utilization rates) on existing assets (owned or managed)
- ▶ and slower organic growth
- ▶ **The Group remains resilient thanks to sound fundamentals:**
 - Diversification of its activities
 - Balanced geographical positioning – not least between developed and emerging countries
 - Good visibility in terms of leasing revenues, thanks to long-term contracts
 - Strategic investments made in 2008 providing profitability in 2009
 - Structural growth drivers in key markets (railway and river transport)
 - Potential opportunities for external growth

Strategy and targets

Outlook for 2009

- ▶ The Group confirms its ability to “weather the storm”
- ▶ The Group’s target is **at least 5% growth** in leasing turnover, after the five years of rapid growth

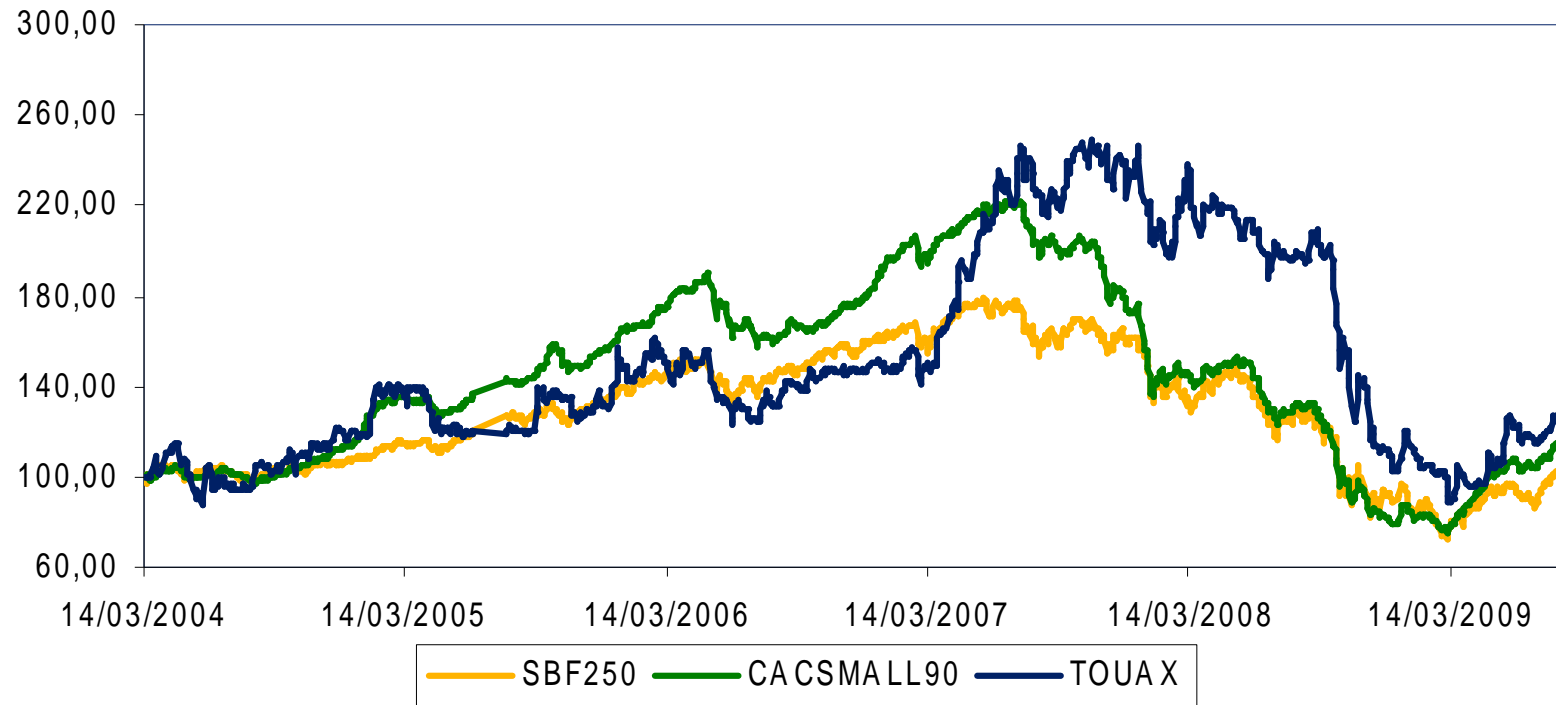
TOUAX and the stock market



- TOUAX share price
- TOUAX share data
- Strengths of the TOUAX share

TOUAX and the stock market

Stock share price



- ▶ TOUAX was added to the SBF 250 and CAC Small 90 indices

TOUAX and the stock market

Stock share data

	30/6/2009	2008	2007	2006
Number of shares (000s)	5 635	4 683	3 898	3 886
Market capitalization (€m)	108,71	80,78	156,65	97,52
Consolidated shareholders' equity, group's share (€m) (1)	122,98	102,49	68,50	60,47
Highest price (€)	21,20	40,60	41,99	27,30
Lowest price (€)	14,45	16,63	22,50	20,00
Average daily trading volume (number of shares)	5 914	4 968	6 177	5 578
Net earnings per share (€, full-year basis)	3,76 (4)	3,72 (3)	3,01 (2)	1,86 (1)
P/E ratio	5,13(5)	4,79	13,35	13,49
Dividend per share (€)	1	1	1	0,75
Dividend yield	5,2%	5,8%	2,5%	3,0%
Closing share price	19,29	17,25	40,19	25,10

(1) Weighted average number of ordinary shares: 3,873,294

(2) Weighted average number of ordinary shares : 3,888,828

(3) Weighted average number of ordinary shares: 4,526,847

(4) Weighted average number of ordinary shares: 4,704,036

(5) Calculated using the closing price at 30 June 2009 and the H1 2009 EPS multiplied by two (for a full year)

TOUAX and the stock market

Strengths of the TOUAX share

- ▶ A robust business model:
 - TOUAX' equipment retains a high market value due to its standard features and long useful life, giving the company a recurring cash flow
 - Diversification and global exposure, which help diversity macroeconomic risks, especially during economic slowdowns
 - The Group's key markets have structural growth drivers
- ▶ The stock offers growth and income, based on tangible assets
- ▶ Management with long term commitment in line with stockholders' interests
- ▶ An environmentally responsible company: "railway and river transport have low CO2 emissions; modular buildings comply with environmental standards"

Questions/Answers



For further information, please visit the TOUAX website

www.touax.com

