



## 2005 results

Palais Brongniart, 30 March 2006



1906-2006: 100 years as a listed company



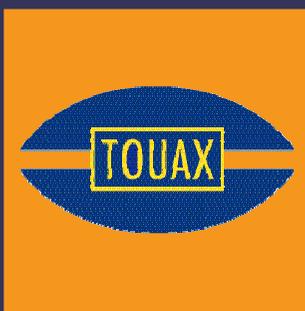
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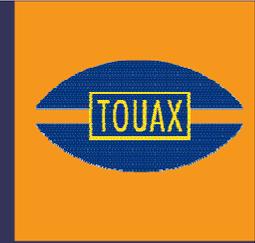
# Presentation of the company





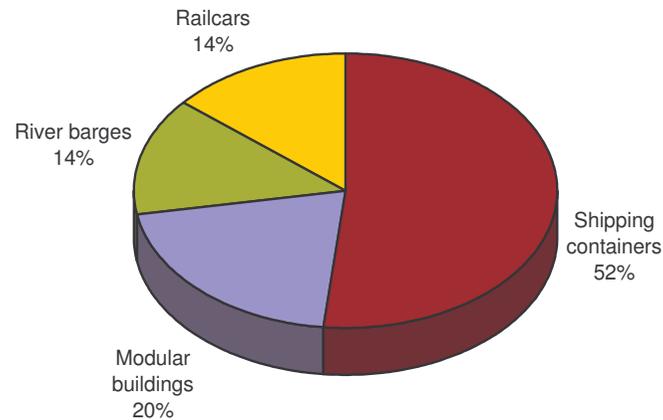
# The TOUAX Group

Your operational leasing solution

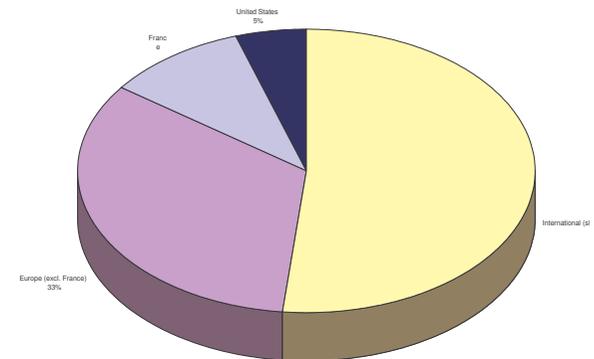


## BREAKDOWN OF 2005 REVENUES

By activity



By geographic region



**2005 REVENUES: €222 million, +23%**

A team of 350 professionals across 11 countries (Europe, Americas and Asia)



## Presentation of activities

Touax's growth is based on a simple concept:



- Companies are increasingly outsourcing the ownership of their non-strategic assets.

- The advantages of operational leasing:

- Flexible contract (short to long term)
- No investment required by the lessee
- Subcontracting of maintenance (included in lease)
- Rapid availability



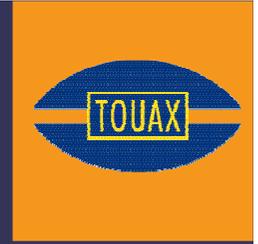
- Touax: a preferred partner for businesses





# Presentation of activities

## A single leasing strategy encompassing four product lines



### Leasing of standardized mobile equipment:

- Low risk of obsolescence
- Long service life (15 to 50 years)
- High residual value in a liquid global market for secondhand equipment
- Mobility allows optimization of utilization rate
- Mainly long-term contracts ensuring recurring cash flow



# Presentation of activities

## Shipping containers



- **2nd in continental Europe and 10th in the world**  
(source: Containerisation International)
- **Leasing of standard dry containers (20' and 40') mainly under long-term contracts**  
(81% at 3/5 years as at end of 2005)
- **The strengths of Touax:**
  - A fleet of modern, high-quality equipment (average age < 4 years)
  - A dynamic sales force
  - A presence in 40 countries (8 branches, 4 offices and 150 depots)
  - More than 100 shipping lines use our services, including 22 of the top 25 (Maersk Lines, Evergreen, MSC, China Shipping, CMA-CGM, etc.)

# Présentation des activités Conteneurs Maritimes

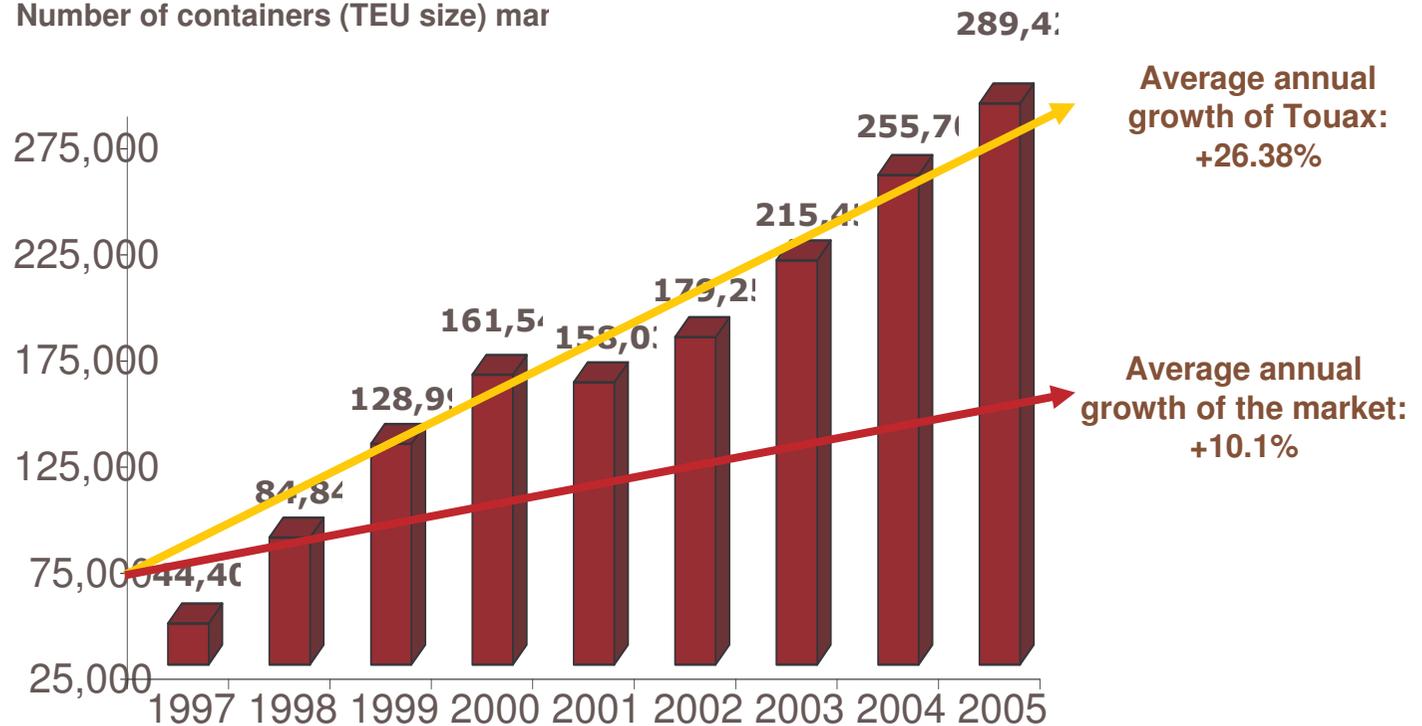


# Presentation of activities

## Shipping containers: growth of the fleet managed by Touax



Number of containers (TEU size) managed by Touax



Growth of international trade: the global container fleet has grown from 8.8 million to 20.8 million units (TEU size) in 10 years

# Presentation of activities

## Shipping containers: outlook



- The growth of maritime transport is favorable for leasing

	2000	2001	2002	2003	2004	2005	2006
Containerized traffic	+11%	+2%	+10%	+11%	+14%	+11%	+10%
Container vessels	+8%	+8%	+8%	+7%	+8%	+10%	+13%
Container fleet	+10%	+4%	+6%	+9%	+10%	+9%	+7%

- Source: Clarkson Research Studies – March 2006 & Containerisation International 2005

### • Outlook for 2006

- A more difficult year for shipowners, which will favor leasing.
- Continuation of investments in long-term contracts
- Investment in excess of \$50,000,000

### • Medium-term outlook

- Fleet size > 500,000 TEU (5% global market share)



# Presentation of activities

## Modular buildings



- **3rd largest lessor in Europe and 6th largest in the world**  
(source Touax)

- **Activity: leasing, lease-purchase, sale**

- **The strengths of Touax:**

- A range of standardized, high-quality equipment for varied uses (offices, schools, hospitals, storage, etc.)

- A presence in Europe (6 countries) and the United States

- A diversified customer base:

- Industries (ST Microelectronics, British Petroleum, Sanofi, Madrid Health Institute, etc.)

- Central/local government (regional authorities, municipalities, etc.)

- Building & public works (Bouygues, Hochtief, FCC, etc.)



# Présentation des activités

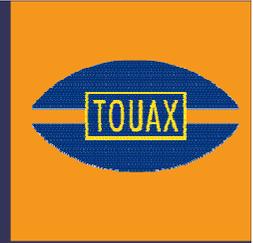
## Constructions Modulaires



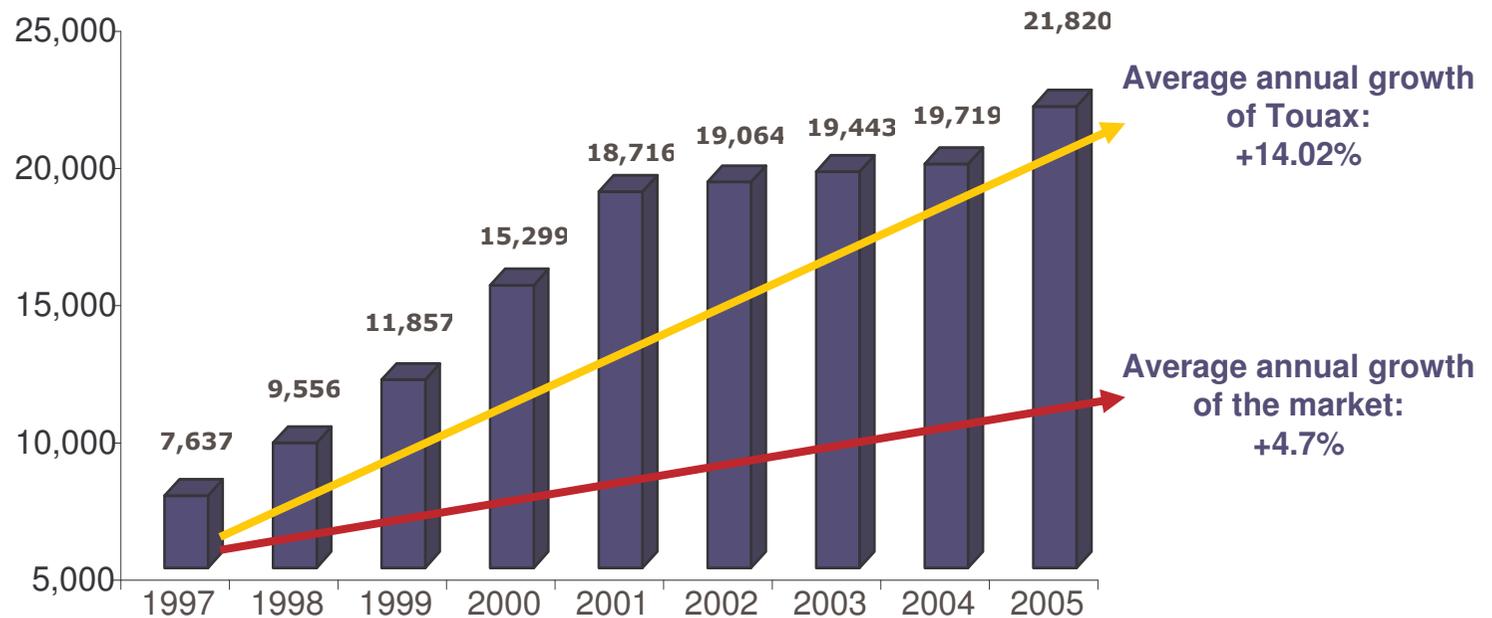


# Presentation of activities

## Modular buildings: growth of the fleet managed by Touax



### Number of module



- The European fleet of leased modular buildings has grown from 225,000 to 450,000 units in 15 years (source Touax)
- 2005 marks a recovery in investments



# Presentation of activities

## Modular buildings: outlook

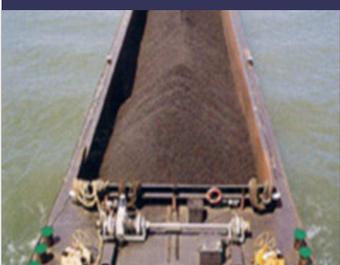


- **Outlook for 2006**
  - **In Europe**
    - Strong progress in Spain and Poland
    - Recovery expected in France, in Germany and Benelux
  - **In the United States (Florida, Georgia)**
    - Development of public authority business and sales
- **Medium-term outlook**
  - **In Europe**
    - Market share target of 10% (5% in 2005), i.e. around 50,000 modules
  - **In the United States**
    - Development in the south-east of the USA with public authorities



# Presentation of activities

## River barges



- **Largest barge fleet in Europe for “dry” bulk goods** (coal, grain, ore, fertilizer, cement, etc.) source: Touax
- **Main activities: transport, chartering, leasing**
- **The strengths of Touax:**
  - **Unique experience of international operation**
  - **A presence in the main European river basins:** Rhine, Main, Meuse, Moselle, Danube, Seine, Rhône, Garonne
  - **Activity in the United States:** Mississippi
  - **Customer base comprising major industrial and transport operators** (Cargill, Dreyfus, Lafarge, Electrabel, DSM, CFT, Miller, etc.)
  - **Experience going back more than 150 years**



# Présentation des activités

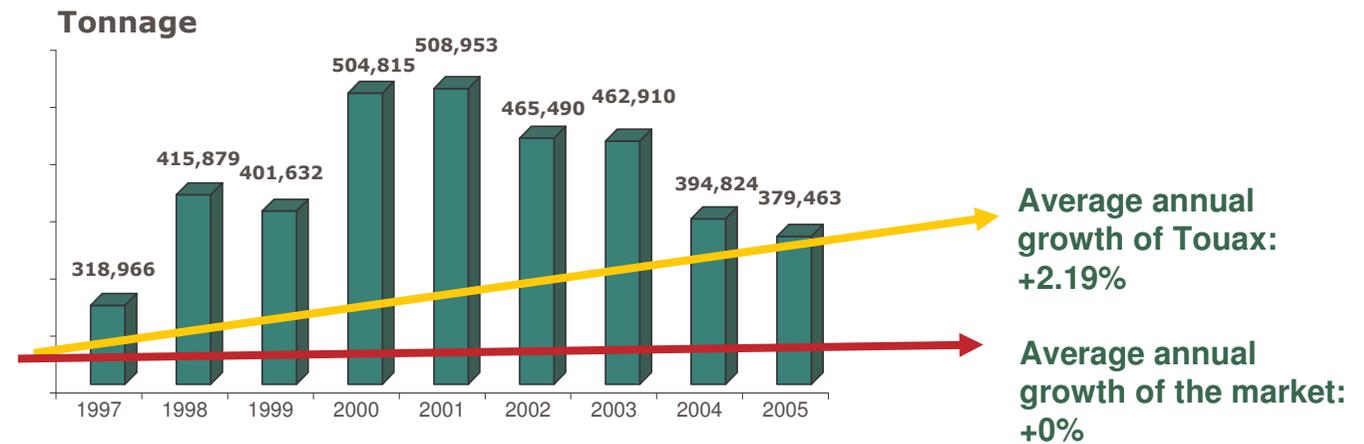
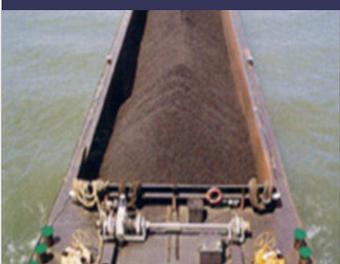
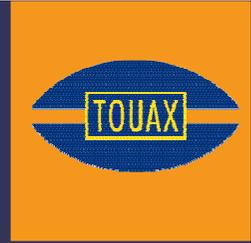
## Barges Fluviales





# Presentation of activities

## River barges: growth of the fleet managed by Touax



- The number of river barges in Europe has remained unchanged for several years, leading to an ageing of the fleet (source Touax). In the USA, the number of barges for dry bulk goods fell from 19,677 units in 2001 to 18,279 units in 2004, 1/3 of which are more than 25 years old (source Sparks Companies Inc).



# Presentation of activities

## River barges: outlook



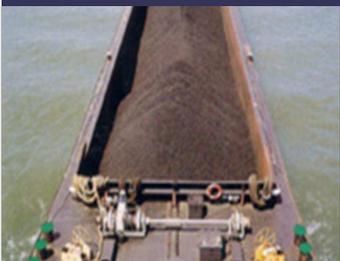
- **Outlook for 2006**

- Strong activity on the Mississippi and the Danube



- **Medium-term outlook**

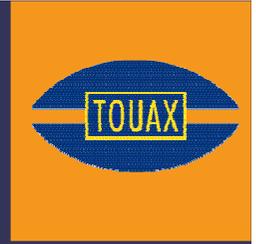
- Positioning in and development of long-term leasing and transport contracts
- Selective new investments under consideration





# Presentation of activities

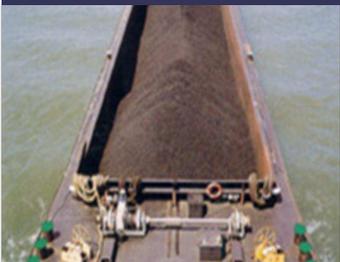
## Railcars



- 2nd largest European lessor of intermodal railcars
- 7th largest lessor of hopper cars in the USA in partnership with CFCL
- Long-term leasing of:
  - Container railcars
  - Auto carrier railcars
  - Hopper cars and dry bulk goods cars for the transporting of heavy goods (cement, grain, etc.)
- The strengths of Touax:
  - Services that meet customers' expectations in a context of rail freight liberalization in Europe.
  - Modern railcars meeting the needs of fleet renewal
  - Average lease term > 5 years
  - Customer base comprising large railway groups (SNCF, SNCB, CFF, private operators, etc.) and industrial groups (Cargill, Lafarge, US Salt, Gefco, etc.).

# Présentation des activités

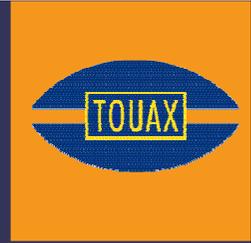
## Wagons



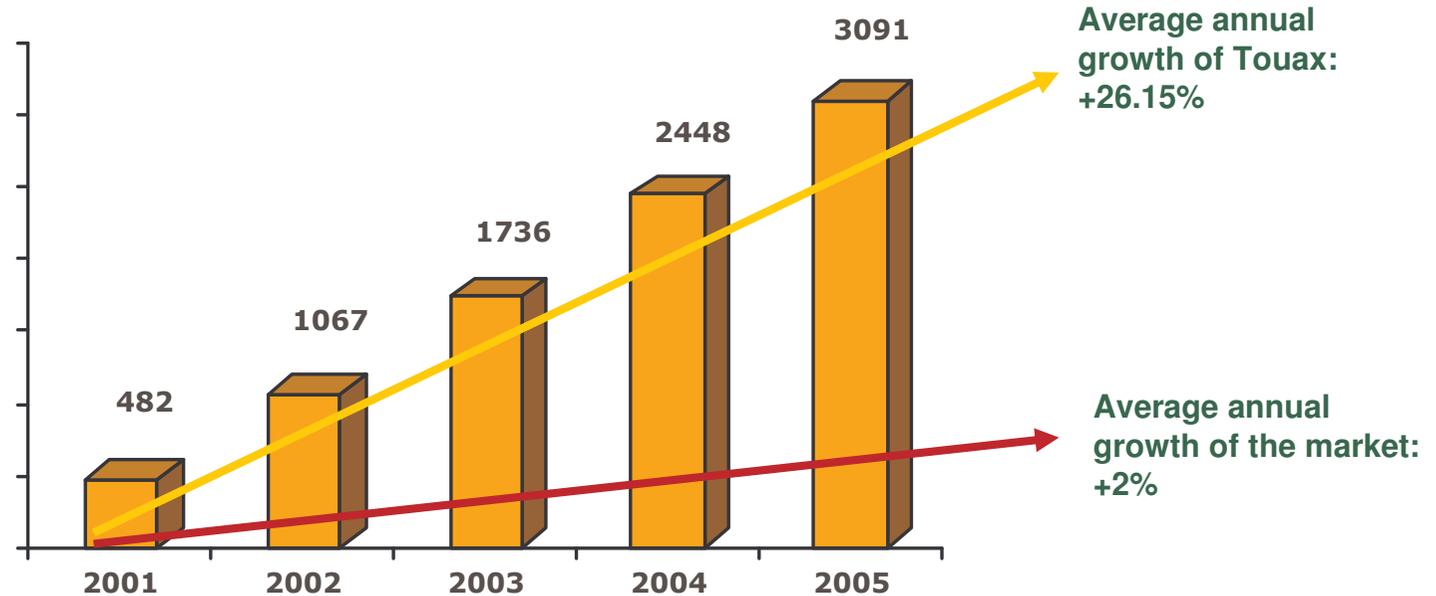


# Presentation of activities

## Railcars: growth of the fleet managed by Touax



Number of platforms



- The number of semitrailers, swap bodies and containers transported by rail in Europe rose from 5,105,758 TEU in 2001 to 5,389,484 TEU in 2004 (Source: International Union of Combined Road-Rail Transport Companies)
- Rail operators are enthusiastic about the leasing services provided by Touax



# Presentation of activities

## Railcars: outlook



- **Outlook for 2006**

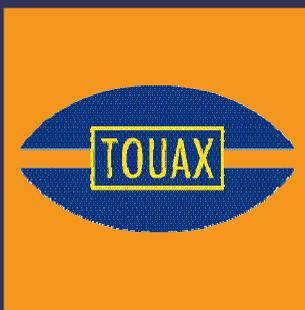
- Investment in excess of €40 million under long-term contracts in Europe and the United States

- **Medium-term outlook**

- Managed fleet of 10,000 railcars
- Consolidation of our position as the 2nd largest European lessor of intermodal railcars



## 2005 results and financing



# 2005 results

## Analytical income statement - IFRS



*In thousands of euros*

	31/12/2005	31/12/2004	Change
<b>Total revenues</b>	<b>221,992</b>	<b>180,583</b>	<b>+23%</b>
Capital gains on disposals	2,836	4,547	
<b>Revenues from activities</b>	<b>224,828</b>	<b>185,130</b>	<b>+21%</b>
Cost of sales	(88,177)	(65,135)	
Operating expenses	(59,200)	(57,119)	
Overheads, selling, general and administrative expenses	(14,621)	(13,375)	
<b>EBITDA before distribution to investors</b>	<b>62,830</b>	<b>49,501</b>	<b>+27%</b>
Depreciation & amortization and transfers to provisions	(7,523)	(5,795)	
<b>Operating income before distribution</b>	<b>55,307</b>	<b>43,706</b>	<b>+27%</b>
Lease revenues due to investors	(46,681)	(36,862)	
<b>Operating income after distribution</b>	<b>8,626</b>	<b>6,844</b>	<b>+26%</b>
Financial result	(2,668)	(3,717)	
<b>Pre-tax underlying earnings</b>	<b>5,958</b>	<b>3,127</b>	<b>+91%</b>
Corporation tax	(2,318)	(337)	
<b>Net income of the consolidated group</b>	<b>3,641</b>	<b>2,790</b>	<b>+30%</b>
Minority interests	442	387	
<b>Net attributable income</b>	<b>4,083</b>	<b>3,177</b>	<b>+29%</b>
<b>Net earnings per share</b>	<b>1.40</b>	<b>1.12</b>	<b>+25%</b>





# 2005 results

## Breakdown of EBITDA by activity



<i>In thousands of euros</i>	31/12/2005	31/12/2004	Change
Shipping containers	44,579	36,859	+21%
Modular buildings	10,985	7,937	+38%
River barges	5,008	3,748	+34%
Railcars	5,595	3,952	+42%
Other (overheads, sundry items and eliminations)	(3,337)	(2,995)	+11%
<b>EBITDA before distribution to investors</b>	<b>62,830</b>	<b>49,501</b>	<b>+27%</b>
Distribution to investors	(46,681)	(36,862)	+27%
<b>EBITDA after distribution to investors</b>	<b>16,149</b>	<b>12,639</b>	<b>+28%</b>

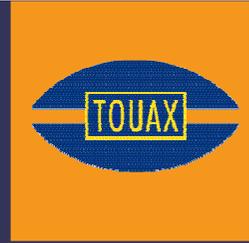
The EBITDA is operating income before depreciation and amortization. Operating provisions are included in EBITDA.

- The rise in EBITDA is due to growth in the Group's activities



# 2005 results

## Performance



- The ROFA is made up as follows:

In thousands of euros	31/12/2005	31/12/2004
EBITDA after distribution to investors	16,149	12,639
Gross tangible fixed assets	134,891	104,005
<b>Return on fixed assets (ROFA*)</b>	<b>12.0%</b>	<b>12.0%</b>

\* ROFA - return on fixed assets: EBITDA after distribution to investors as a proportion of gross tangible fixed assets



- The ROFA of each activity (excluding overheads and sundry items) is as follows:

In thousands of euros	31/12/2005	31/12/2004
Shipping containers	35.2%	33.8%
Modular buildings	8.7%	7.6%
River barges	11.8%	10.2%
Railcars	22.2%	60.8%
<b>ROFA of activities</b>	<b>14.8%</b>	<b>15.3%</b>

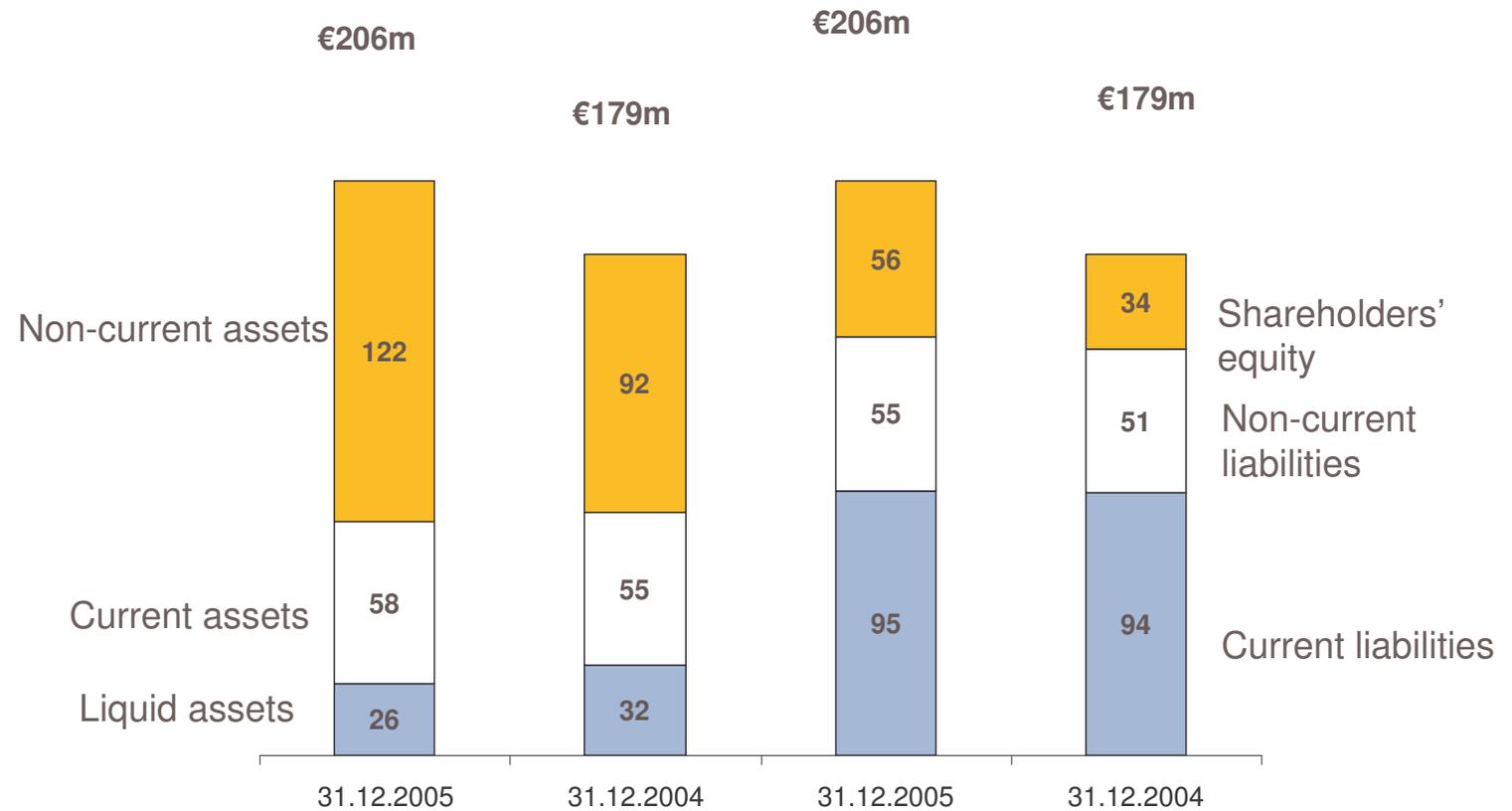
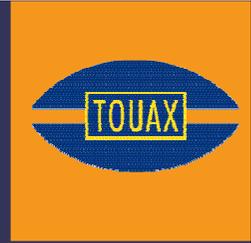


- The decline in ROFA is explained by year-end investments in the river barges and railcars activities.



# 2005 results

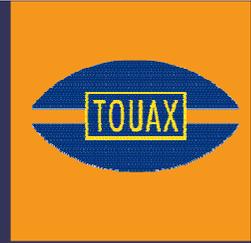
## Simplified comparative balance sheets (€m)





## 2005 results

### Management of the Group's debt



Gross debt	Value	%	Avg rate	% variable rate
Medium and long-term credit	€59.2m	65%	5.10%	57%
Short-term credit	€32.2m	35%	3.59%	100%
Total	€91.4m	100%		

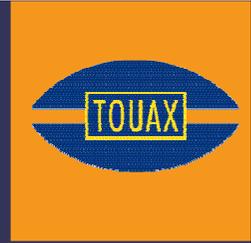


- Continued consolidation of banking relationships
- 20% of consolidated debt is denominated in US dollars
- 10% of consolidated debt is without recourse to the Group
- Objective of confirming short-term debts and increasing flexibility in order to support the planned growth in investments in the Group's balance sheet
- The Group did not conduct any new rate hedging transactions in 2005, since it considered that the breakdown of its debt into 36% fixed rate and 64% variable rate is satisfactory.



## 2005 results

### Management of the Group's debt



- Financial commitments in 2006

Repayment of medium/long-term credit	€15.0m
Theoretical repayment of revolving credit	€21.0m
Theoretical repayment of short-term credit	€5.9m
Estimated financial expenses	€3.0m
<b>Total</b>	<b>€44.9m</b>



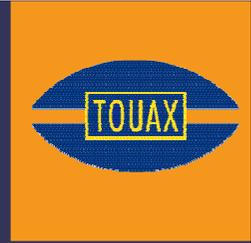
- To meet its commitments in 2006, the Group has cash flow resources (average of €32m over the last three years and €38m as at 31/12/05) as well as €43m of bank lines with recourse, €27m of asset financing lines without recourse and €13m of liquid assets.





## 2005 results

### Management of the Group's debt



	31/12/2005	31/12/2004
Net financial debt	€65.4m	€40.5m
Gearing (net financial debt/shareholders' equity)	1.16	1.19
Leverage (net financial debt/EBITDA)	4.1	3.2



- Increase in net financial debt is in proportion to that of shareholders' equity

- Gearing stable for the Group's activities  
Gearing excluding debts without recourse: 1.0

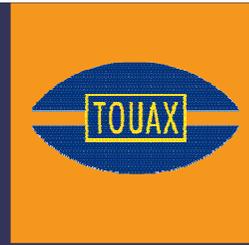
- Leverage increased (including €9m asset purchase at year-end)  
Leverage excluding debts without recourse: 3.5





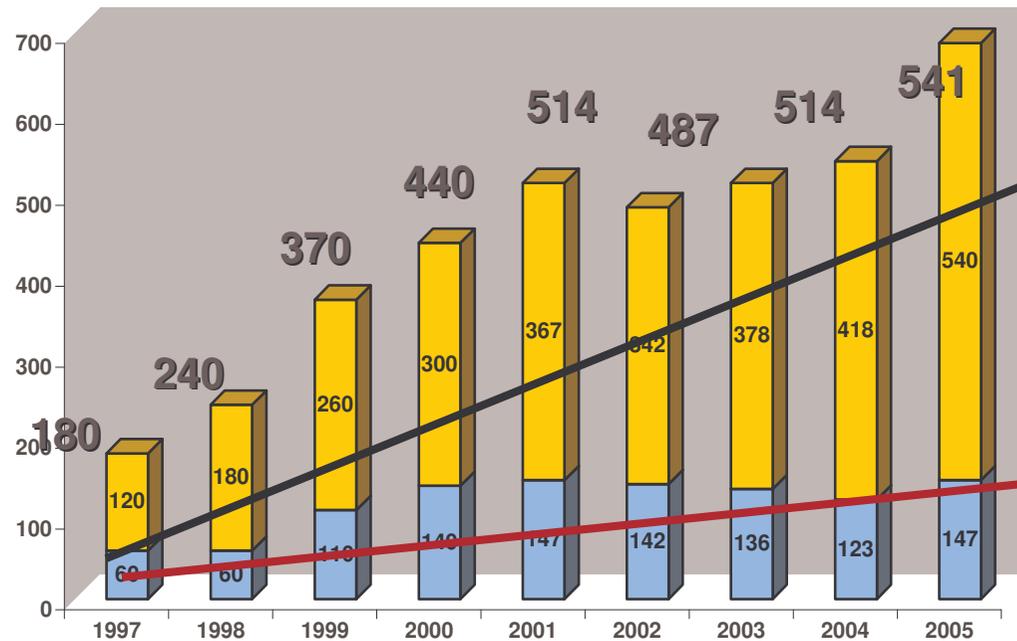
# Financing strategy

## Breakdown of gross tangible assets



- Equipment owned by investors
- Equipment owned by the Group

Average annual increase in the fleet +18.23%  
**687**



Increase in fleet under management +20.68%

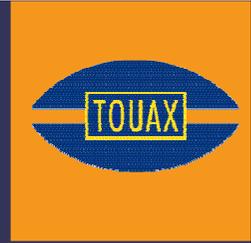
Increase in owned fleet +11.85%

Over half of the assets under management are valued in US dollars



# Financing strategy

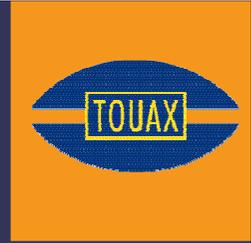
## Management on behalf of third parties



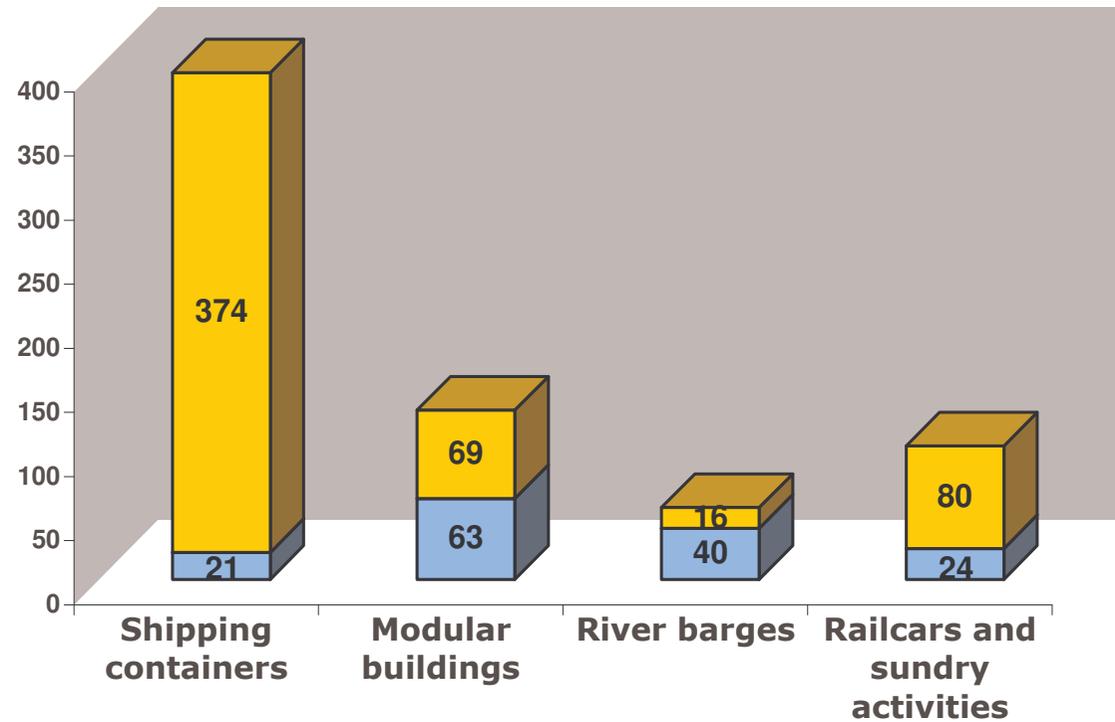
- 79% of managed assets belong to third-party investors
- Of the €540m of assets held by third-party investors, 82% are in management programs and 18% asset backed securitizations.
- All programs are non recourse to the Group and provide no guaranteed minimum revenue (settlement of Trust 95 has had no impact on the Group).
- Recurring investment by existing investors (European, American, Asian).
- The Group concluded management programs worth almost €100 million in 2005 in the shipping containers, modular buildings and railcars activities, enabling it to finance growth without increased borrowing.
- More than €50 million of management programs are already planned in 2006.

# Financing strategy

## Analysis of equipment by activity



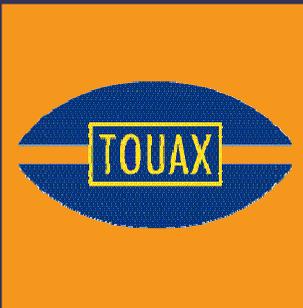
■ Owned by the Group ■ Owned by investors



Over half of the assets under management are valued in US dollars



# Strategy and targets



# Strategy and targets

## Growth strategy



- **Development policy**

- To increase the fleet of new leased equipment (spread across the four activities)

- Target of €100m of investments per year,
- Under long-term contracts,

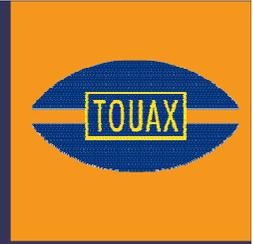
- To pursue double-digit growth in the Group in order to gain market share in all four activities and strengthen economies of scale.





## Strategy and targets

### Balance between own investments and outsourced investments



Breakdown of assets under management: 25% of equipment owned and 75% managed on behalf of third parties

- Investment in owned assets generates significant recurrent income and increases the value of the Group in the long term by creating opportunities for capital gains on disposals.
- Outsourcing of investment to investors allows:
  - Generation of income from assets under management
  - Improvement in the return on equity without tying up capital.
- The target is a 15% return on equity in the long term while optimizing the group's borrowing capacity





# Strategy and objectives

## Target for 2006



2006 income target:

Increase of more than 30%





# Touax and the stock market

1906 - 2006: 100 years as a listed company

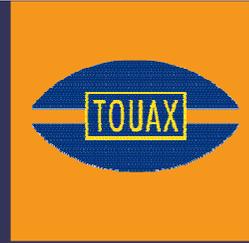


First listing on the Marché Comptant of the Paris stock exchange on 7 May 1906



# Touax and the stock market

## Share price



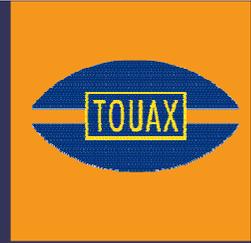
Member of the NextPrime segment

ISIN code: FR0000033003



# Touax and the stock market

## Stock market data



	2005	2004	2003	2002
Number of shares (in thousands)	3,765	2,838	2,838	2,838
Market capitalization (in €m)	88.29	58.47	42.43	34.99
Consolidated attributable shareholders' equity (€m) (1)	56.39	34.01	46.04	51.31
Highest price (€)	23.72	21.20	16.75	19.50
Lowest price (€)	19.25	14.55	9.80	11.00
Average daily volume (in number of shares)	4,385	1,038	764	364
Net EPS (€)	1.40	1.12	0.91	0.89
Annualized P/E ratio	16.75	18.39	16.43	13.85
Total net distribution per share (€)	0.7 (2)	0.6	0.6	0.6
Overall yield of the share	3.0% (2)	2.9%	4.0%	4.9%
Closing price	23.45	20.60	14.95	12.33

(1) Years prior to 2004 are under French GAAP. International standards are used for 2004 and subsequent years.

(2) The 2005 yield is calculated on the basis of an annual total gross distribution of €0.70/share (subject to AGM).



# Touax and the stock market

## A yield stock

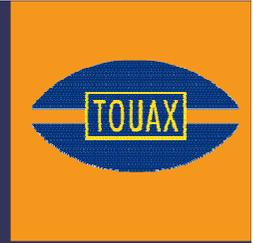


- A policy of regular dividend distribution (108<sup>th</sup> consecutive dividend paid):
  - 2002: €1.70m
  - 2003: €1.70m
  - 2004: €1.70m
  - 2005: €2.64m
- Frequent distribution of free shares:
  - 1990: 1 new share for 3 old shares
  - 1992: 1 for 3
  - 1995: 1 for 2
  - 2001: 1 for 5



# Touax and the stock market

## Strengths of the Touax share



- **Security:**
  - Recurring cash flows associated with the standardization and long life of the equipment enabling it to retain high market values.
- **Internationalization:**
  - Allows better spread of geographic risks.
- **Diversification:**
  - Allows better spread of sector risks.
- **Attractive valuation:**
  - Yield stock based on tangible assets.



## 2005 results

Palais Brongniart, 30 March 2006



1906 – 2006: 100 years as a listed company



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