



## 2016 Half-year results

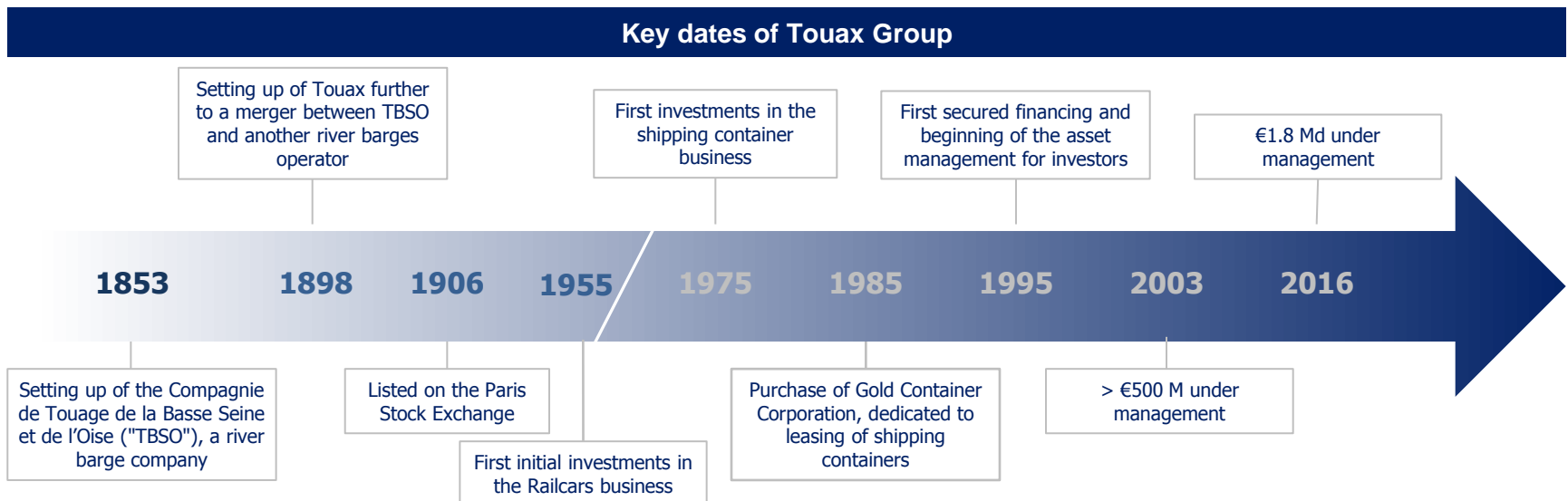
---



# Group overview

## Historic information

- ▶ Founded in 1853, Touax has been listed on the stock exchange since 1906
- ▶ Manager and lessor of standardized assets with €1.8 billion of assets under management
- ▶ 986 employees, 17% of whom are based in France
- ▶ Strong international presence: 40 countries across 5 continents and 89% of revenue generated outside France
- ▶ Stable shareholder structure: Walewski family (32%)



# Leading positions

## Shipping containers: 47% of revenue



### ► Our position

- European leader
- 3<sup>rd</sup> worldwide asset managers of containers for third parties
- 585,300 containers (TEU)

### ► Our activity

- Leasing, lease purchase, sale and lease back
- Management on behalf of third parties
- Sales (new and used)

## Modular buildings: 37% of revenue



### ► Our position

- No. 2 lessor in Europe
- 7.5% Continental Europe market share
- 47,000 modular buildings

### ► Our activity

- Production, leasing, lease purchase
- Services (assembly, facility management,...)
- Sales (new and used)

## Freight railcars : 12% of revenue



### ► Our position

- No. 2 lessor in Europe (intermodal railcars)
- 6.5% Europe market share
- 10,800 platforms (leasing and technical)

### ► Our activity

- Leasing, lease purchase
- Management on behalf of third parties
- Sales (new and used)

## River barges : 4% of revenue



### ► Our position

- Leader in Europe and South America (dry bulk barges)
- 25% Europe market share
- 128 barges

### ► Our activity

- Leasing, lease purchase
- Sales (new and used)

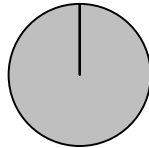
# 89% of the business outside France

## Breakdown of the divisions' business by geographical areas

### Shipping Containers



100%

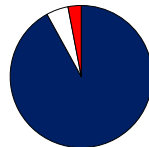


International

### Modular buildings



5% 3%



Europe

Africa

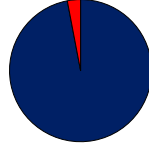
Americas

92%

### Freight railcars



3%



97%

Europe

USA & Asia

### River barges



34%

63%



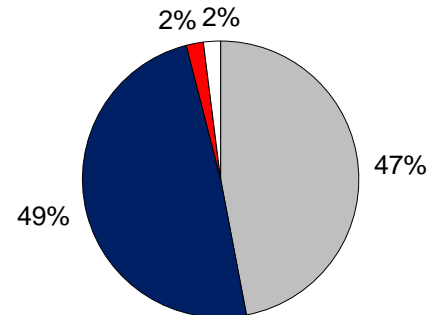
Europe

USA

South America

3%

## Breakdown of the business by geographical areas



International Europe Americas Africa

# AGENDA

---

- ▶ **Part 1**      **Revenues and financing**
- ▶ **Part 2**      **Divisions presentation**
- ▶ **Part 3**      **Strategy**
- ▶ **Part 4**      **TOUAX and the Stock Market**

## S1 2016 financial indicators

Revenue	• €171.5 million
EBITDA (EBITDA after distribution)	• €21.9 million (+44%)
Net results	• €-4.4 million
Free cash flow	• €-7.3 million
Net debt	• €367.6 million
Shareholders' equity	• €155 million
Asset under management	• €1.8 billion (>2bn\$)

# Highlights S1 2016

---

## ▶ **Return to growth**

- Recovery of the Modular Buildings business activity
- Increased utilisation rate in the Shipping Containers business activity since March 2016
- Growth in the Freight Railcars business

## ▶ **Positive operating profitability in the 1st half of 2016**

## ▶ **Strengthening of equity**

- Stable debt compared to 30 June 2015 and one-off increase compared to 31 December 2015
- Negative free cash flow of €7.3 million on 30 June 2016 with a negative change in working capital during the 1st half of 2016
- LTV slightly higher at 63%
- Capital increase for an amount of €11.2 million realized in July 2016

# Revenues and Financing

## Income statement

<i>in € thousands</i>	<b>06/2016</b>	<b>06/2015</b>	<b>2015*</b>
Leasing revenue	107,367	111,359	224,975
Sales of equipment	64,095	56,679	123,265
Capital gains from sale	6	36	172
<b>REVENUES FROM ACTIVITIES</b>	<b>171,468</b>	<b>167,574</b>	<b>348,412</b>
Cost of sales	(53,857)	(50,641)	(105,913)
Operating expenses	(50,644)	(54,941)	(116,715)
Sales, general and administrative expenses	(15,448)	(15,042)	(29,083)
<b>EBITDAR (EBITDA before distribution to investors)</b>	<b>51,519</b>	<b>48,950</b>	<b>96,701</b>
Depreciation, amortization and impairments	(17,812)	(18,663)	(46,988)
<b>Consolidated operating income before distribution</b>	<b>33,707</b>	<b>28,950</b>	<b>49,713</b>
Net distributions to investors	(29,657)	(31,727)	(60,474)
<b>Current operating income</b>	<b>4,050</b>	<b>(3,440)</b>	<b>(10,761)</b>
Other operating income and expenses	(178)	(2,296)	(2,359)
<b>NET OPERATING INCOME</b>	<b>3,872</b>	<b>(5,736)</b>	<b>(13,120)</b>
Financial result	(8,450)	(7,470)	(15,382)
Profit (loss) of investments in associates	1,136		117
<b>Profit before tax</b>	<b>(3,442)</b>	<b>(13,206)</b>	<b>(28,385)</b>
Income tax benefit (expense)	(1,230)	621	1,372
<b>Net income (loss) of consolidated companies</b>	<b>(4,672)</b>	<b>(12,585)</b>	<b>(27,013)</b>
Portion attributable to non controlling interests	306	1,034	3,058
<b>CONSOLIDATED NET INCOME – Owners of the parent company</b>	<b>(4,366)</b>	<b>(11,551)</b>	<b>(23,955)</b>
<b>Net earnings per share</b>	<b>(0.74)</b>	<b>(1.96)</b>	<b>(4.08)</b>

\* Amounts restated in compliance with the change in accounting method related to the application of IFRIC 21 "Levies"



# Revenues and Financing

## Income statement

### ▶ Revenues of €171.5 million up by 2.3% (€4 million)

- Decreasing leasing activity including ancillary services (-€4 million) due to lower utilisation rates in the Shipping Containers business in 2015, partially offset by the other divisions
- Increase in sales to customers (48%), driven by sales growth in the 4 businesses
- 53,000 containers sold to investors in the 1st half of 2016 compared to 12,000 in the same period in 2015 (but the accounting method differs and impacts on declining revenues).

### ▶ EBITDA of €21.9 million up by 44% (+€6.6 million)

- Improved leasing margins in the Modular Buildings and Freight Railcars businesses, resulting notably from higher utilisation rates and lower operating expenses
- Higher sales margins across all business activities with a significant contribution from the Modular Buildings business
- Lower operating and general expenses

### ▶ Positive operating income of €3.9 million (+€9.6 million)

- Fall in amortization further non-recurring impairment in 2015
- Increase in financial costs resulting in the maturity lengthening of part of the debt (bond financing and syndicated credit facility in S2 2015)

### ▶ Improved net profit -€4.4 million compared with -€11.5million at end of June 2015

# Revenues and Financing

## EBITDA

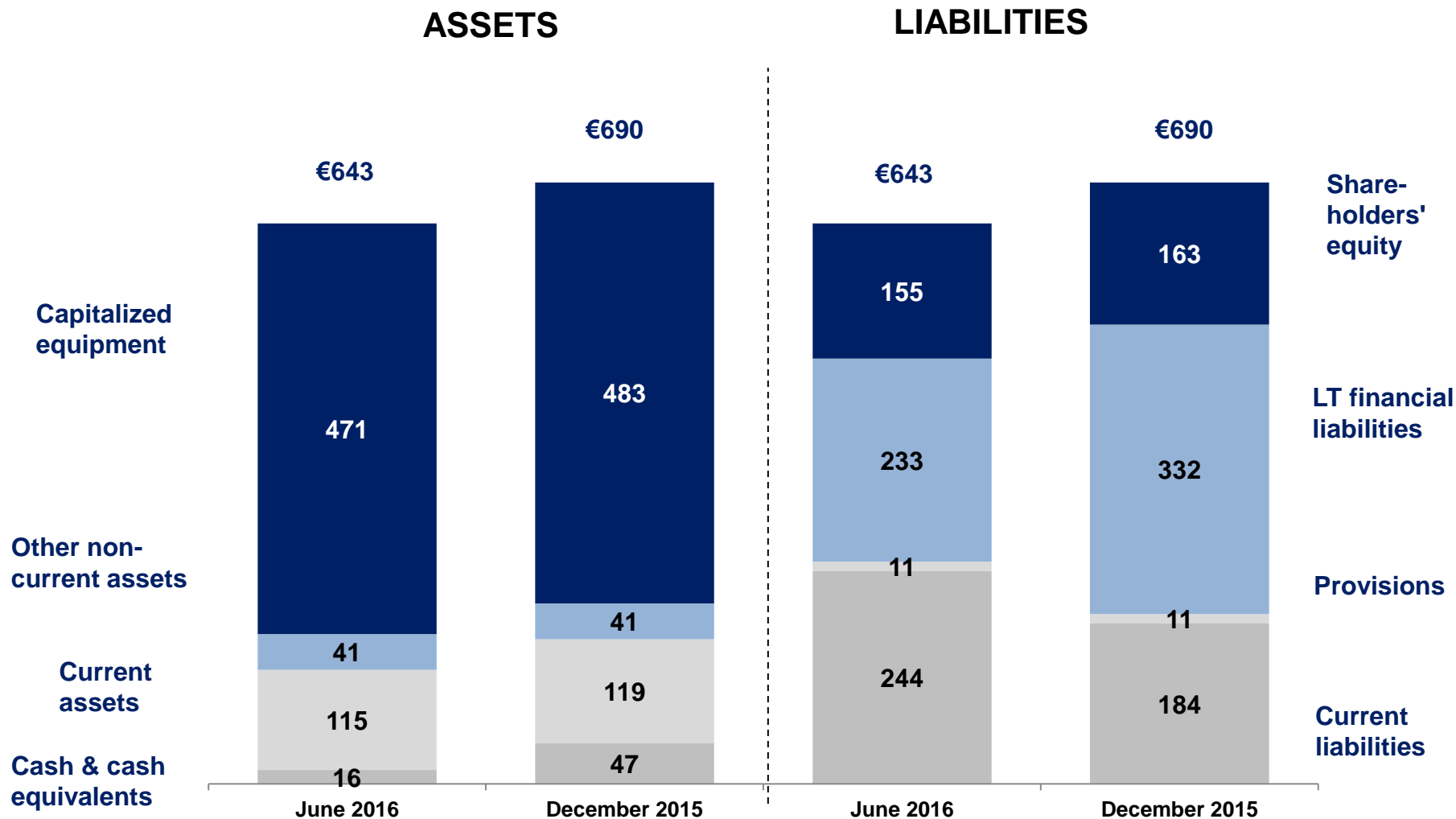
- Rise in EBITDA of €6.6m

(in € thousands)	EBITDAR (EBITDA before distribution to investors)	Distribution to investors	EBITDA (EBITDA after distribution to investors)
Shipping container	29,976	(27,757)	2,219
Modular building	9,760	(246)	9,514
River barge	2,162		2,162
Freight railcar	9,309	(1,654)	7,655
Other (admin, expenses, misc. and offsets)	314		314
<b>30/06/2016</b>	<b>51,520</b>	<b>(29,657)</b>	<b>21,863</b>
30/06/2015	46,950	(31,727)	15,223

- Increase in the Modular Buildings and Freight Railcars business activities resulting from increased utilisation rates and/or sales

# Revenues and Financing

## Comparative summary balance sheet



In € million

# Revenues and Financing

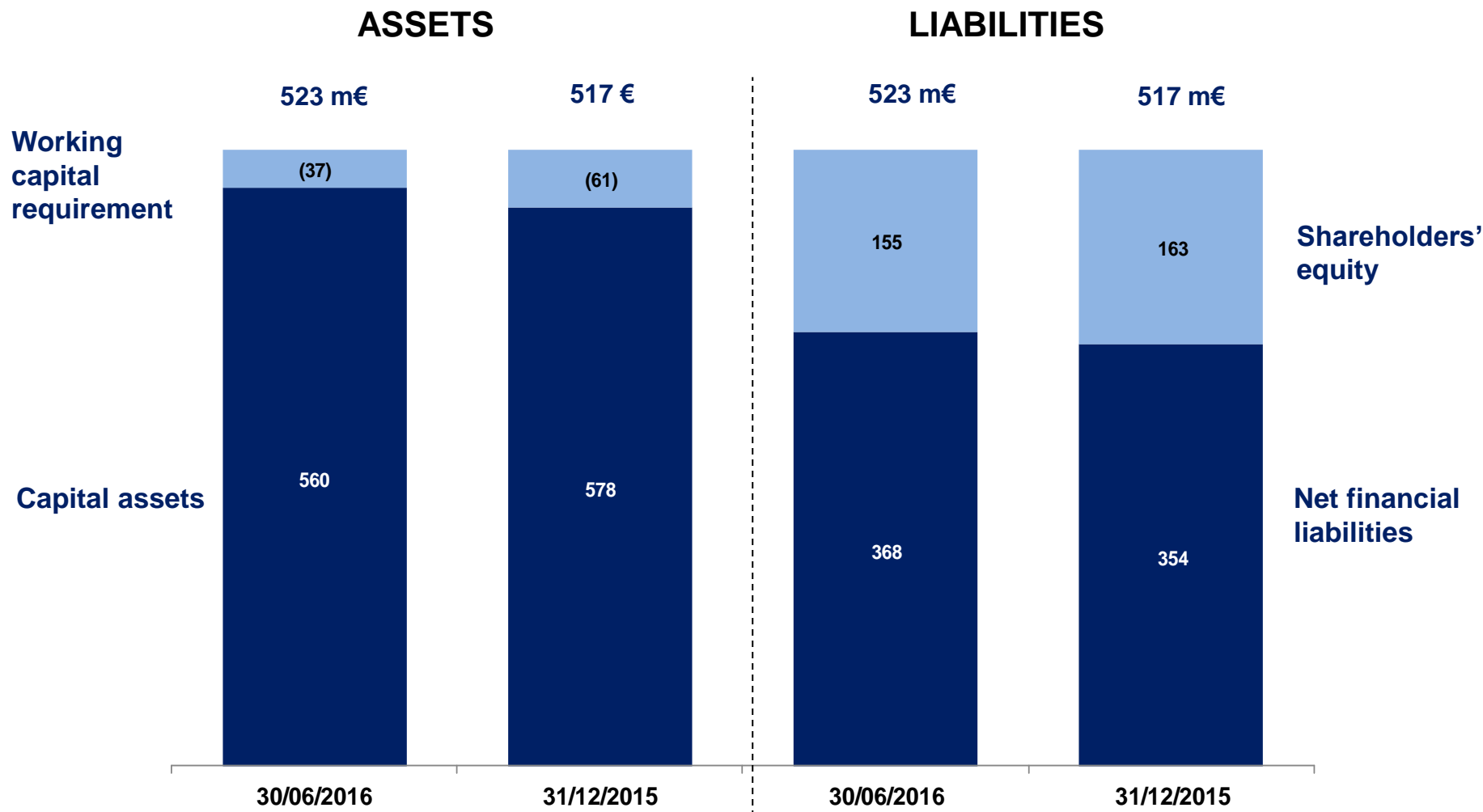
## Comparative summary balance sheet

---

- ▶ **Capitalized equipments** €471m vs. €483m (€-12 m)
- ▶ **Current assets** (other than cash and cash equivalent) €115m vs. €119m
  - Inventory €48m (€-7m)
  - Clients €51m (stable)
  - Others €16m (€+3m)
- ▶ **Equity** €155m vs. €163m (including €19m of minority interest)
- ▶ **LT financial liabilities** €233m vs. €332m (€-99m)
  - Net financial liabilities (including short term debt) €368m vs €354m (€+13m)
- ▶ **Current liabilities** €244m vs. €184m (€+61m)
  - Short term liabilities €151m
  - Supplier indebttness €30m
  - Other debts €64m

# Revenues and Financing

## Economic balance sheet



In € million

► Net debt (€368m) is financing only the tangible assets (€560m)

# Revenues and Financing

## Change in gross value assets managed by the Group

- ▶ The change in gross value assets managed by the Group as of 30 June 2016 amounted to **-€18.8 million** compared to -€7.4 million on 31 December 2015
  - Change in capitalized gross assets and inventory: €-10.8 million (+€20.9 million on 31 December 2015)
  - Change in gross assets under management: -€8 million (-€28.3 million on 31 December 2015)
  - Key highlights in the 1<sup>st</sup> half of 2016: Strong activity in the purchase and sale of shipping containers creating a net disinvestment across the gross assets of -€11.2 million, and sales of modular buildings to adapt the fleet to demand

(€ thousands, gross value)	Change in capitalized assets and inventory	Change in assets under management	Total change in assets owned or managed
Shipping containers	(9,136)	(2,138)	(11,274)
Modular buildings	(4,027)	(1,800)	(5,827)
River barges	(788)		(788)
Freight railcars	3,067	(4,035)	(969)
Miscellaneous	50		50
<b>TOTAL</b>	<b>(10,834)</b>	<b>(7,973)</b>	<b>(18,807)</b>

# Revenues and Financing

## Cash Flow statement

### ► Cash Flow Statement

(€ million)	06/2016	06/2015	12/2015
Operating activities excluding WCR	17.3	10.8	31
WCR (excluding inventory)	(13.5)	4	19.2
Net purchase of equipment and change in inventory	(11.1)	(3.4)	(8.6)
<b>OPERATING ACTIVITIES</b>	<b>(7.3)</b>	<b>11.4</b>	<b>41.6</b>
Investing activities	(0.6)	(0.7)	(5.8)
<b>Financing activities</b>	<b>(27.9)</b>	<b>(51.4)</b>	<b>(63.9)</b>
Exchange rate variation	(0.4)	2.5	2.8
<b>CHANGE IN NET CASH POSITION</b>	<b>(36.2)</b>	<b>(38.1)</b>	<b>(25.3)</b>

- The Group's free cash flow was negative at €7.3 million with positive operating cash of €17.3 million but a net change in working capital of -€13.5 million (temporary impact mainly related to payments early in the year for 2015) and net investments of -€11.1 million (in particular for pre-financing assets in order for their syndication to investors)

31 December 2015	30 June 2015	31 December 2014	30 June 2014	31 December 2013	30 June 2013
€41,6m	€11.4m	€57.1m	€30.5m	€25.3m	€28.8m

# Revenues and Financing

## Debt

### ► Presentation of gross debt

	Balance sheet amount	Breakdown	Average rate 30/06/2016	Floating rate share
Short-term loans with recourse	€52.1m	14%	2.59%	100%
Medium- and long-term loans with recourse	€153.2 m	40%	4.64%	21%
Non recourse debt	€178.5 m	46%	2.97%	59%
<b>TOTAL GROSS DEBT</b>	<b>€383.8 m</b>	<b>100%</b>	<b>3.59%</b>	<b>50%</b>

- 46% of consolidated debt is non recourse to TOUAX SCA
- 20% of the Group's debt is not in euro (15% in USD et 5% in other currencies)

### ► Presentation of net debt

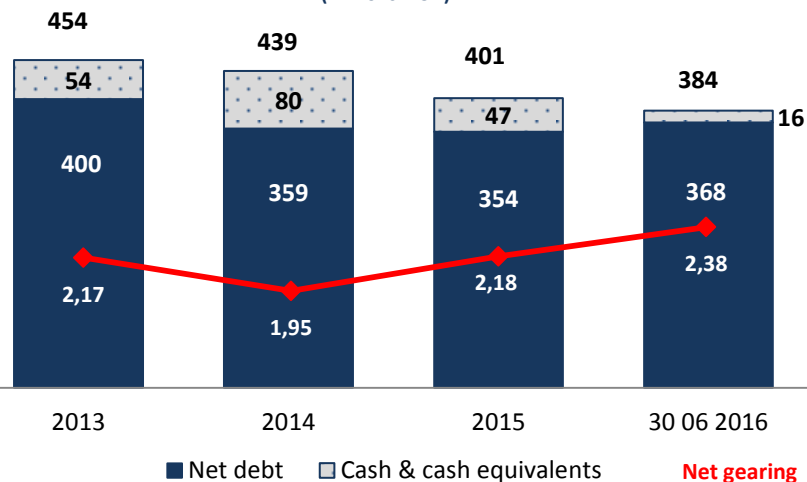
	Balance sheet amount
Gross debt	€383.8 m
Cash and cash equivalents	€16.3 m
<b>TOTAL NET DEBT</b>	<b>€367.6 m</b>
including non-recourse debt	€178.6 m
<b>TOTAL NET DEBT WITH RECOURSE</b>	<b>€189 m</b>



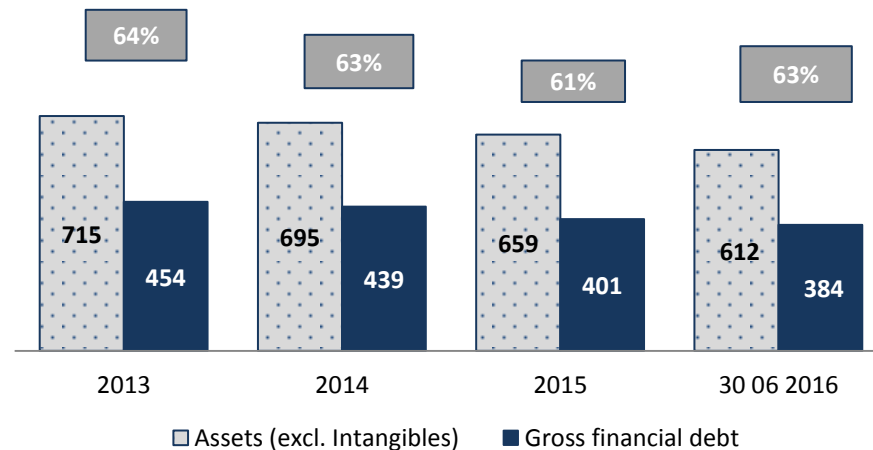
# Revenues and Financing

## Debt

Evolution of gross and net indebtedness  
(millions EUR)



LTV Evolution



- ▶ During the 1<sup>st</sup> half of 2016, financial debt was down 4% (+3% for net debt)
- ▶ The Group has met all its contractual ratios as of end of June 2016
- ▶ The gearing ratio (net debt to equity) is x2.38
- ▶ LTV stands at 63%

# Revenues and Financing

## Market risk management

---

### ▶ Liquidity risk management

- ▶ **Scheduled debt amortizations** stands at €29.4 over the next 12 months, mainly the amortizations of long-term facilities of the assets financed and corporate syndicated loan
- ▶ **Theoretical debt repayments** amount to €15.2 million over the next 12 months, mainly yearly short-term credit lines
- ▶ **Scheduled refinancings** amounts to €106.3 million. These refinancings are non-recourse financings of railcars and shipping containers (including €75.8m for two pre-financing facilities of containers and wagons assets in May 2017). No difficulties are expected for these refinancings, with €471 million of net tangible assets and €48 million of assets in stock at 30 June 2016 and 63% average LTV.

The debt amortization is made thanks to operational flows of €41.15 over the year 2015.

The Group strengthened its equity in July 2016 with a capital increase of €11,2m.

# Revenues and Financing

## Market and currency risk management

### ▶ Interest rate risk management

- Average rate of the debt stable compared with December 2015, to 3.59% (vs. 3.67%)
- After the impact of hedging: 50% of debt is at a fixed rate, and 50% of the overall debt at a floating rate
- For the stable portion of the debt (excluding prefinancing), 80% is fixed and 20% floating
- Sensitivity of interest expenses for a 1% change in floating rates: +13% or €1.9 million

### ▶ Currency risk management

#### • **Operational**

- The Group believes it has minimal exposure to operational currency risk (income and expenses in the same currencies)
- Hedging on intra-group cash flow in USD, CZK, PLN and GBP

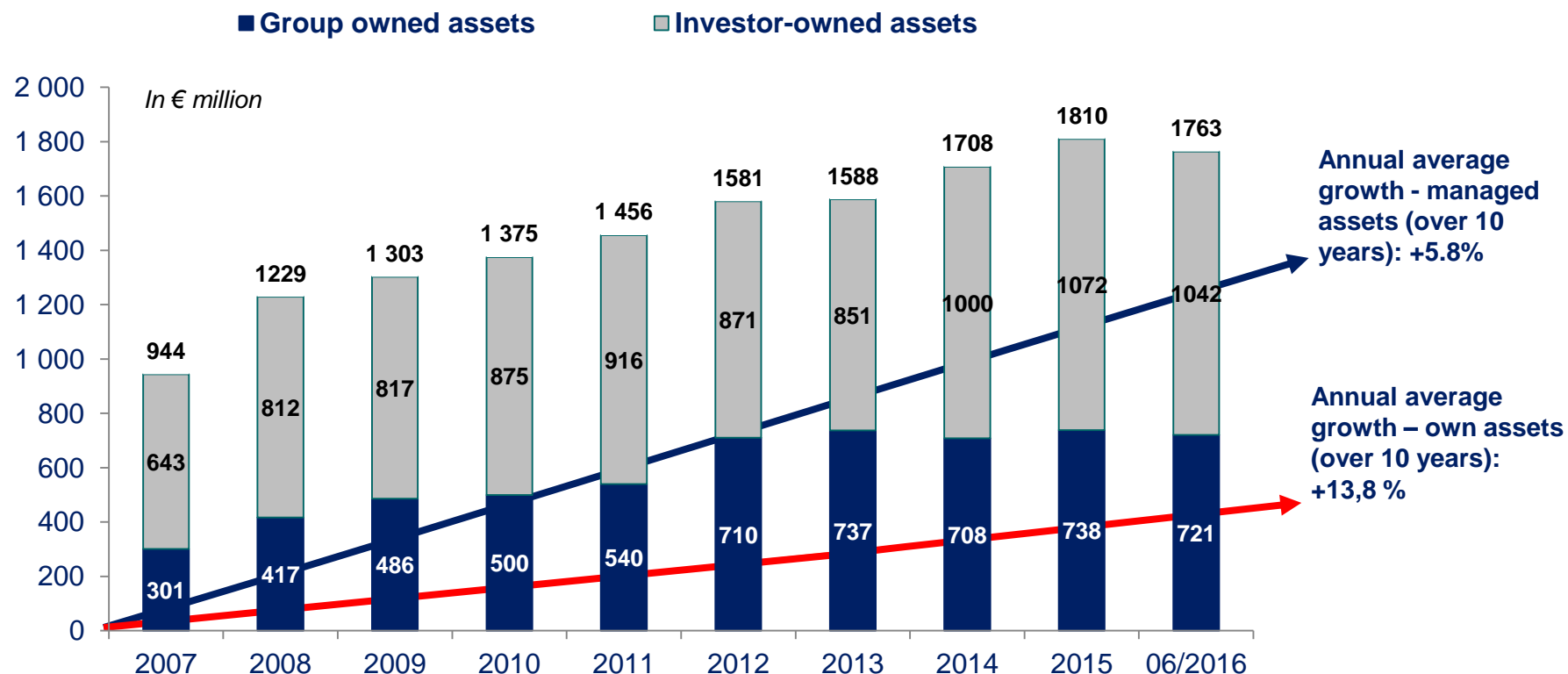
#### • **Balance sheet**

- The Group had no significant currency risk on its balance sheet at 30/06/2016

# Revenues and Financing

## Breakdown of managed assets per year

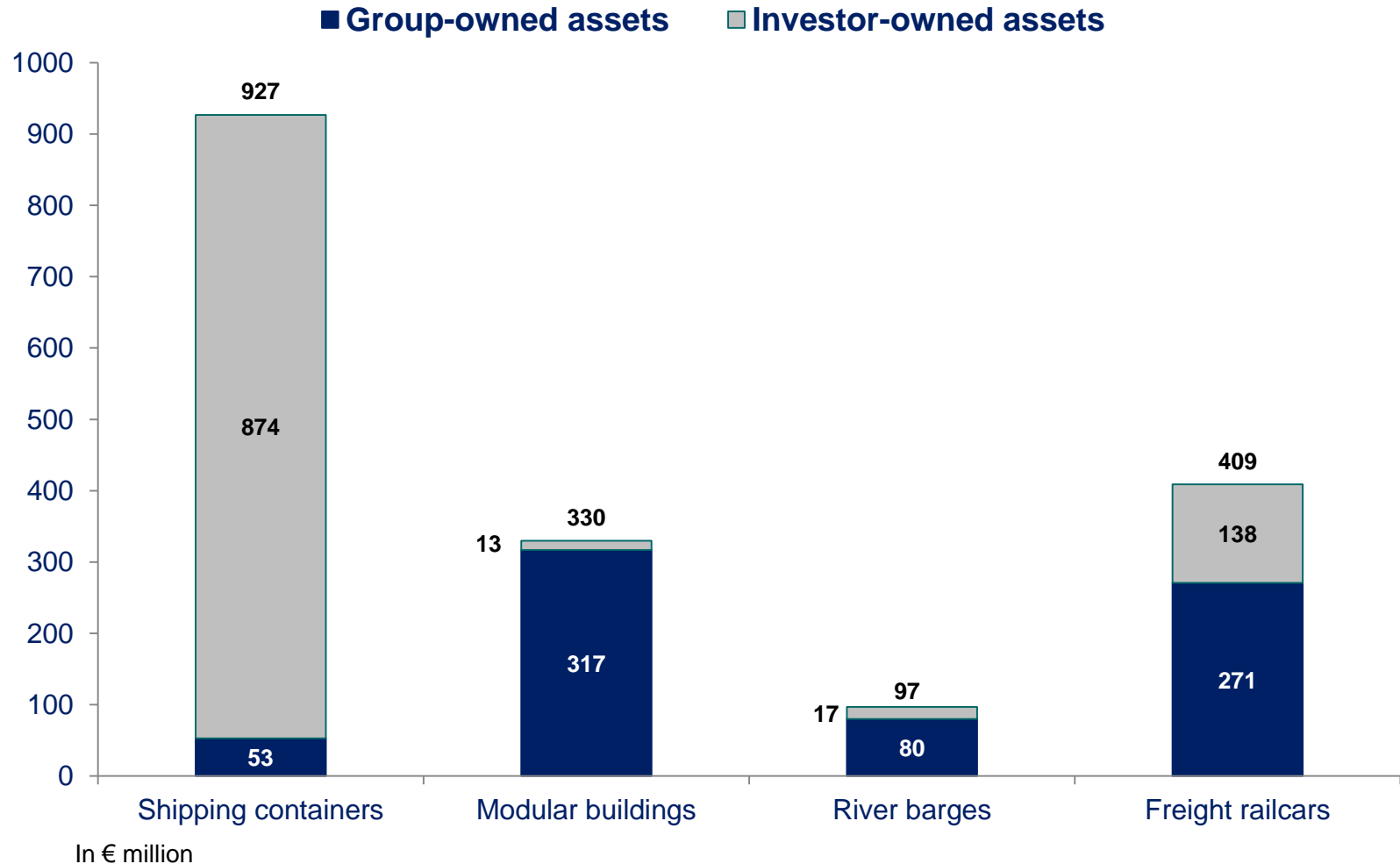
- ▶ Annual average growth of the fleet (over 10 years): 8.3%



More than half of the equipment is valued in USD. The value of the managed assets is stable at 30 June 2016 (exchange rate of 1.1102 at 30/06/2016 vs. 1.0887 at 31/12/2015)

# Revenues and Financing

## Breakdown of managed assets at 30 June 2016



# Revenues and Financing

## Third-party asset management

### ► S1 2016 performance analysis

- \$48m sales of containers to investors

### ► Management strategy

- Offer investors the opportunity to invest in tangible assets offering regular rental yields
- Attractive investment in a context of historically low interest rates
- Group's ability to pre-finance assets by leasing them before sales to investors and to offer varied programmes with recurring profitability

### ► 2016/2017 outlook

- About \$30 million of containers are intended to be syndicated before end of June
- Signing by Touax of a syndication to a Luxembourg SICAV for a railcar portfolio totalling €55 million, with an expected closing in September 2016. Additional syndications are expected for the coming months in the Freight railcars and Shipping Containers businesses.
- The open-end investment fund (SICAV) will facilitate the participation of qualified investors in portfolios of equipment managed by the Touax Group

### Profile and investors strategies

*20 investors with diverse profiles (family office, financial company, investment company, corporate etc.)*

*Investors are seeking a diversification strategy with recurring yields on real and tangible assets with a long useful life*

# AGENDA

---

- ▶ **Part 1**            **Revenues and financing**
- ▶ **Part 2**            **Divisions presentation**
- ▶ **Part 3**            **Strategy**
- ▶ **Part 4**            **TOUAX and the Stock Market**

# Shipping containers: N° 1 in Europe





# Shipping Containers

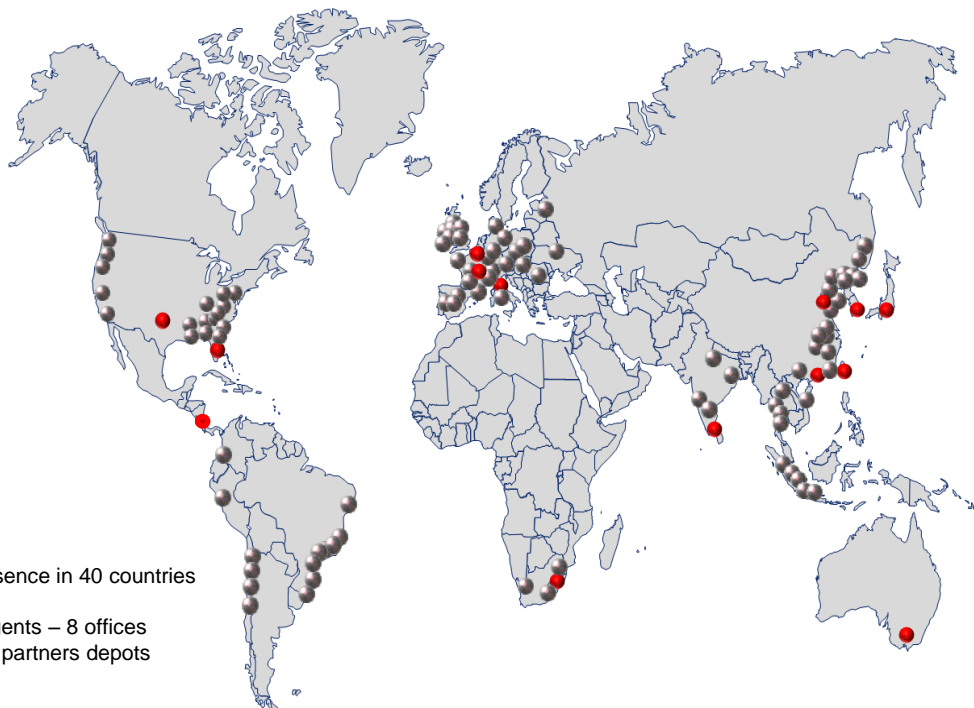
## Our products, our services



- ▶ Touax, a renowned player in this market for **30 years**, remains in the top 10 worldwide
- ▶ Expertise built around the rental business of new and second-hand containers (20', 40' and 40' high cubes)
- ▶ A complete package offered to customers including hire-purchase, sale & leaseback contracts and sales
- ▶ A significant number of customers including the top 125 Maritime companies in the world and more than 100 new customers with the trading of new and second-hand containers
- ▶ Specialised expertise and a dedicated team throughout worldwide to meet customer needs

# Shipping Containers

## A worldwide presence



Presence in 40 countries

2 agents – 8 offices  
200 partners depots

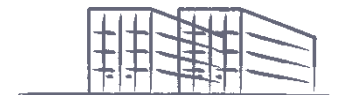
### Highlights S1 2016

- ▶ Higher utilisation rates since March 2016
- ▶ Leasing revenues down 11.7% because of the effects of deflation on prices in 2015
- ▶ Rise in steel and purchase price of the containers from April 2016
- ▶ Increased containers syndications in 2016 but whose accounting method differs and affects the decreasing revenues
- ▶ Growth in used sales

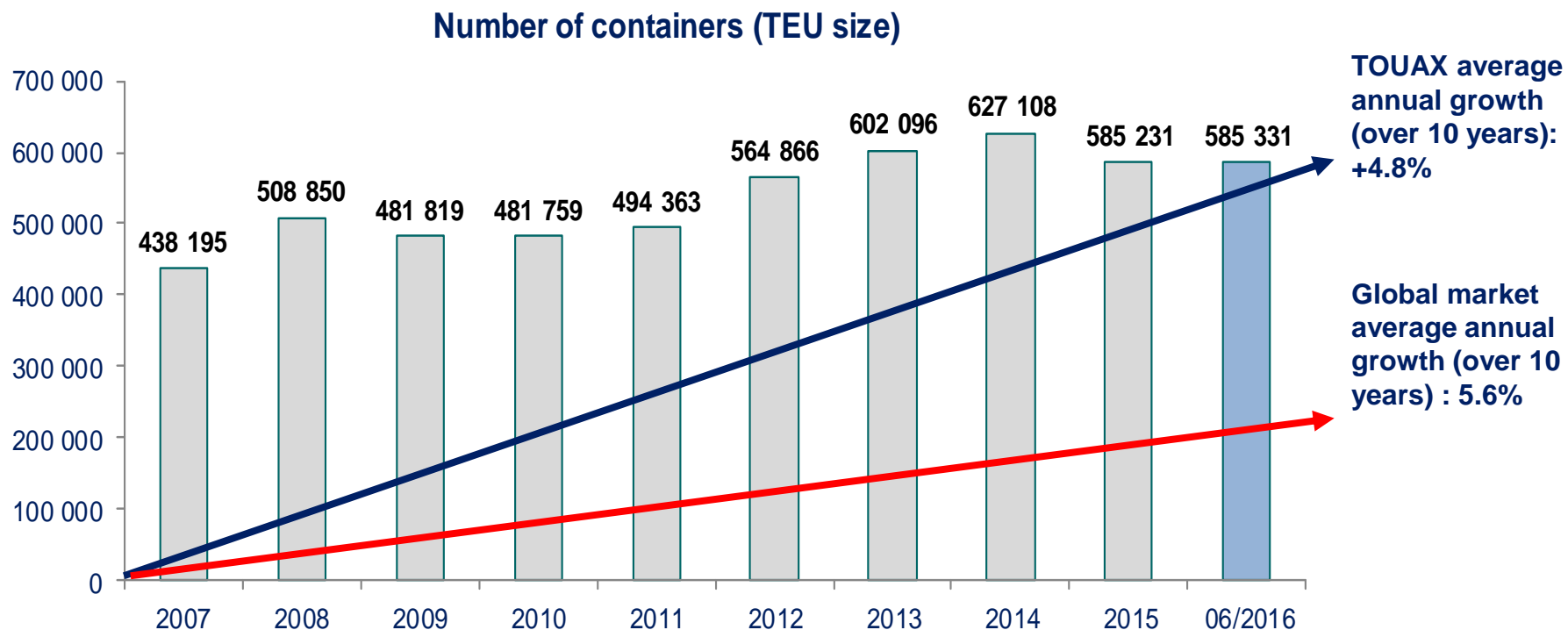
**A 100 % worldwide business**  
(of which 50% clients in Asia)

# Shipping Containers

## A dynamic growth



### ► Growth in TOUTAX container fleet



# Shipping Containers

## Proactive fleet management

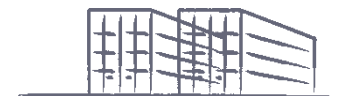


### ► A recent, high quality fleet (standard dry containers 20' and 40')

	06/2016	12/2015
Average age	8.5 years	8.2 years
<b>Proactive management</b>		
Average utilization rate (period)	87.7%	87.5%
Average leasing period	6.5 years	6.5 years
Long term contracts leasing (3-7 years)	85.6%	83.7%
<hr/>		
Economic lifespan	seagoing: 15 year lifespan land: 20 year lifespan	
<hr/>		
Depreciation	13 years	
	Residual value from \$1,000 to \$1,400	

# Shipping Containers

## Performances analysis and key figures S1 2016



### ▶ Performances analysis

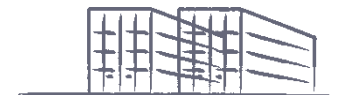
- Leasing revenues down by 11.7%. A utilisation rate that has been rising for a few months to reach 90.2% at end of July 2016
- Increase in used equipment sales (+35%)
- Increased syndications with 53,000 TEUs sold during the 1st half of 2016 compared with 12,000 TEUs in the 1st half of 2015. Despite higher equipment syndications, more numerous in 2016, revenue from sales to investors is falling due to the accounting method that only takes into account the margin of sales when buying/selling transactions are concurrent.
- EBITDA at €2.2 million
- Fleet stable compared to 31 December 2015

### ▶ Key figures

(in thousands of euros)	06/2016	06/2015	12/2015
Leasing revenue	46,960	53,168	104,411
Sales revenue	33,154	36,441	66,184
<i>incl. sales to clients</i>	19,536	14,469	35,072
<i>incl. sales to investors</i>	13,618	21,972	31,113
<b>TOTAL REVENUE</b>	<b>80,114</b>	<b>89,609</b>	<b>170,595</b>
EBITDAR (EBITDA before distribution)	29,976	32,614	62,602
<b>EBITDA (EBITDA after distribution)</b>	<b>2,219</b>	<b>2,527</b>	<b>5,056</b>
Assets managed (gross historic value)	926,671	961,310	956,571
of which gross proprietary assets	52,612	62,577	63,060

# Shipping Containers

## Medium-term outlook



### Market

- ▶ Rising purchase prices of containers since April 2016, putting a stop to deflation.
- ▶ World trade growth forecast expected to be positive in 2016 at 3.4% (Source: IMF)
- ▶ Freight rates from shipowners still estimated to be low in 2016 promoting leasing (requirement for flexibility from shipowners)
- ▶ Recent concentration of the container leasing industry leading to our customers searching for alternative offers



### TOUAX

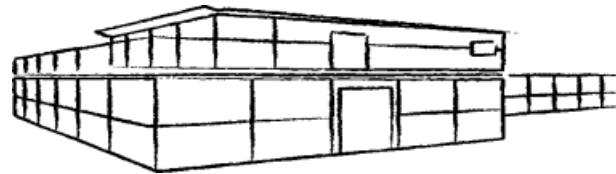
- Return of investors with low steel prices creating investment opportunities
- Development of ancillary services to leasing such as trading of new and used shipping containers and sale and leaseback transactions
- Drop in containers price in 2015 has no significant impact on the Group's financial statements, the group being the owner of only 6% of the fleet



### Medium-term objective

- achieve a fleet > 800,000 TEUs (5% worldwide market share)

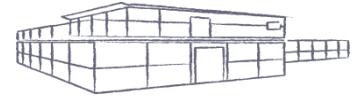
# Modular Buildings: N° 2 in Continental Europe





# Modular Buildings

## Our products and services

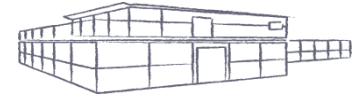


- ▶ Expertise built around the modular buildings leasing business
- ▶ A complete package offered to customers including sale of modular units and all the associated transportation, assembly and dismantling
- ▶ Modular buildings with a steel structure have cost advantages, offer rapid installation and flexibility
- ▶ Customisable spaces for all types of uses: offices, remote sites, changing rooms, schools, refugees housings, canteens, events buildings
- ▶ Nearly 5,000 customers, including construction companies, local authorities and industry
- ▶ Proximity of teams to customers with a network of 30 branches

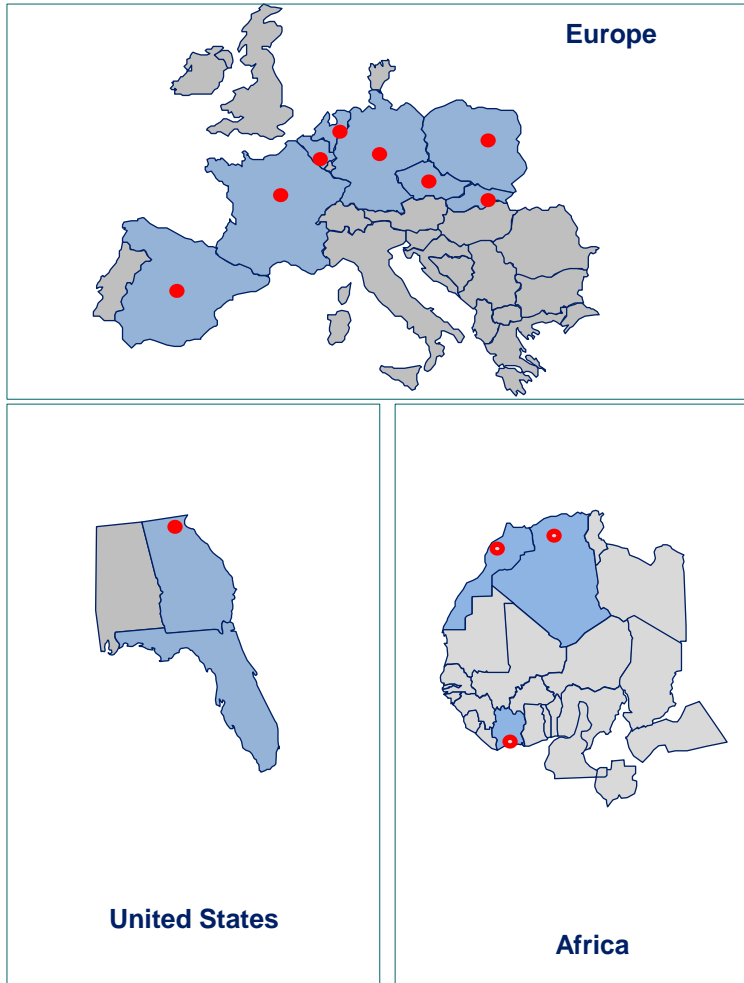


# Modular Buildings

## A worldwide group



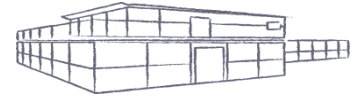
### A worldwide presence



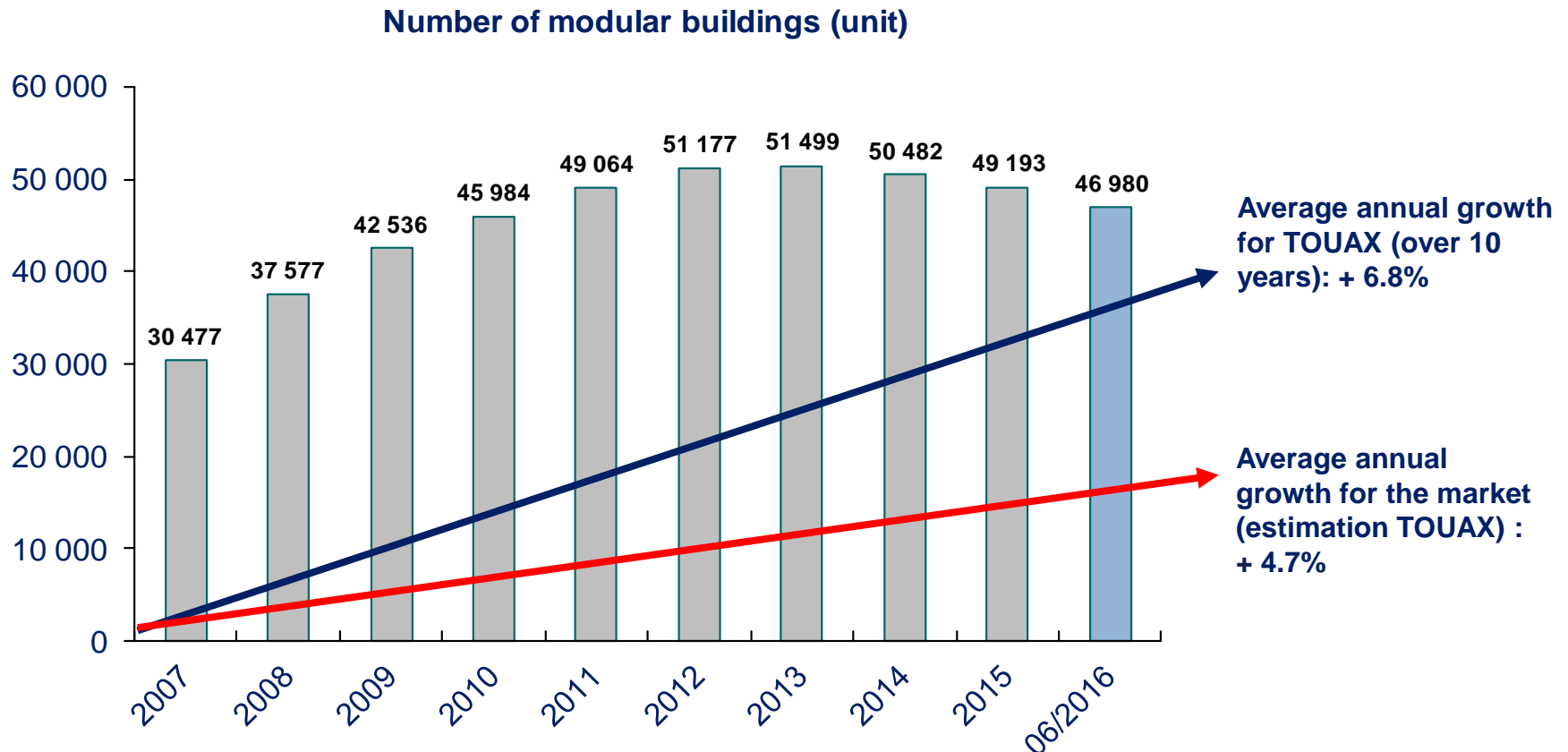
### Highlights S1 2016

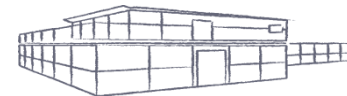
- ▶ The division's business activity continues to grow, particularly in Germany, Poland and the Czech Republic
- ▶ The start of a recovery has been noted in France
- ▶ Improved utilisation rates of 4.2 points and improved leasing rates of +9%
- ▶ Sales of equipment rose sharply (44%)
- ▶ Decreasing preparation costs during the 1st half of 2016
- ▶ Exit from South American markets

**92% of the business in Europe**



### ► Growth in modular buildings fleet



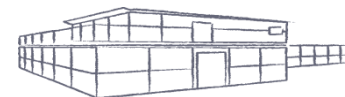


### Fleet management

	06/2016	12/2015
Average age	8.3 years	8 years
<b>Proactive management</b>		
Average utilization rate(period)	73.4%	70,2%
Average leasing period	21 months	22 months
Number of leasing agreements	4,581	4,560
Economic lifespan	20 to 30 years	
Depreciation	20 years	

# Modular Buildings

## Performances analysis and S1 2016 key figures



### ► Performances analysis

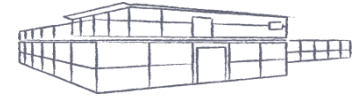
- Revenues for the division increased by 18%
- Growth of rental activities including ancillary services (+4%) notably due to good activity in most countries where we are located, with marked increases in Germany, France and Poland. Increased utilisation and leasing rates.
- Sales of new and used equipment continuing to increase (+44%; +€8.4 million)
- EBITDAR almost doubled to €9.8 million

### ► Key figures

(in thousands of euros)	06/2016	06/2015	12/2015
Leasing revenue	36,446	35,126	72,509
Sales revenue	27,508	19,149	46,392
<i>incl. sales to clients</i>	27,508	19,949	46,392
<b>TOTAL REVENUE</b>	<b>63,954</b>	<b>54,276</b>	<b>118,937</b>
EBITDAR (EBITDA before distribution)	9,760	4,906	10,456
<b>EBITDA (EBITDA after distribution)</b>	<b>9,514</b>	<b>4,418</b>	<b>9,758</b>
Assets managed (gross historic value)	329,634	344,402	339,220
of which gross proprietary assets	316,995	329,032	324,780

# Modular Buildings

## Medium-term outlook



### Market

- ▶ In Europe, 2016 should confirm a turnaround in activity, especially in France
- ▶ In France over the last 12 months, increase of 4.7% in authorised non-residential premises (36.3 million m<sup>2</sup>), and 8.3% of housing authorised for construction (Source: Public statistics from the Ministry of Energy, environment and the sea).
- ▶ Business momentum, more specifically in Germany and Eastern Europe (demand well balanced across industries, construction and local public authorities)
- ▶ Strong demand of German cities to meet the housing needs of refugees
- ▶ Increasing requirements for the African market (site facilities, schools, offices...)



### TOUAX

- A return to profitability in 2016 (positive operating income in Europe):
  - Growth in utilisation rates
  - Increase in leasing rates in Poland and Germany
  - Development of sales of new modules
  - Acceleration of second-hand sales in France and the USA due to exceptional impairment in 2015 ensuing us to adapt the offer to demand



### Medium-term objective

- Restore normal profitability in Europe (EBITDA over €30m)

# Freight railcars: N° 2 in Europe (intermodal railcars)



# Freight railcars

## Our products and services



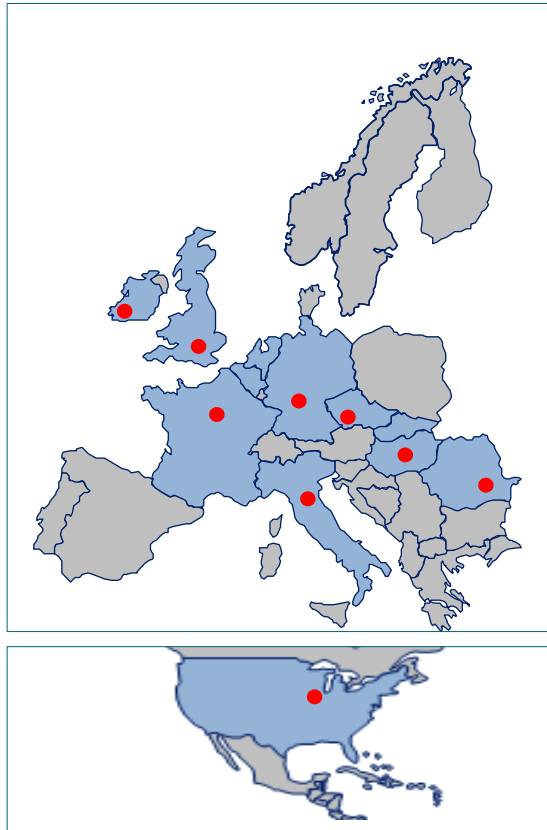
- ▶ Renowned expertise built around freight railcar leasing
- ▶ An extended range of railcars offered to our customers: railcars carrying shipping containers, coal, cars, steel coils, palletized products etc.
- ▶ A maintenance service package to complement our rental offer, thanks to the ECM certification being extended for 5 years in February 2015
- ▶ A large number of customers throughout Europe: public railways, industrial customers and private rail operators
- ▶ A presence throughout Europe (including United Kingdom), in proximity to customers

# Freight railcars

## A varied offer



An anchorage in Europe, the USA and in Asia



## Highlights S1 2016

### ► In Europe

- Rental activity which is in recovery
- Completion of used sales
- Approximately 2,000 railcars taken under management by the year end 2015, complementary to the existing fleet

### ► Other areas

- Development of our business in Asia with the first 300 railcars leased

**95 % of the assets in Europe**

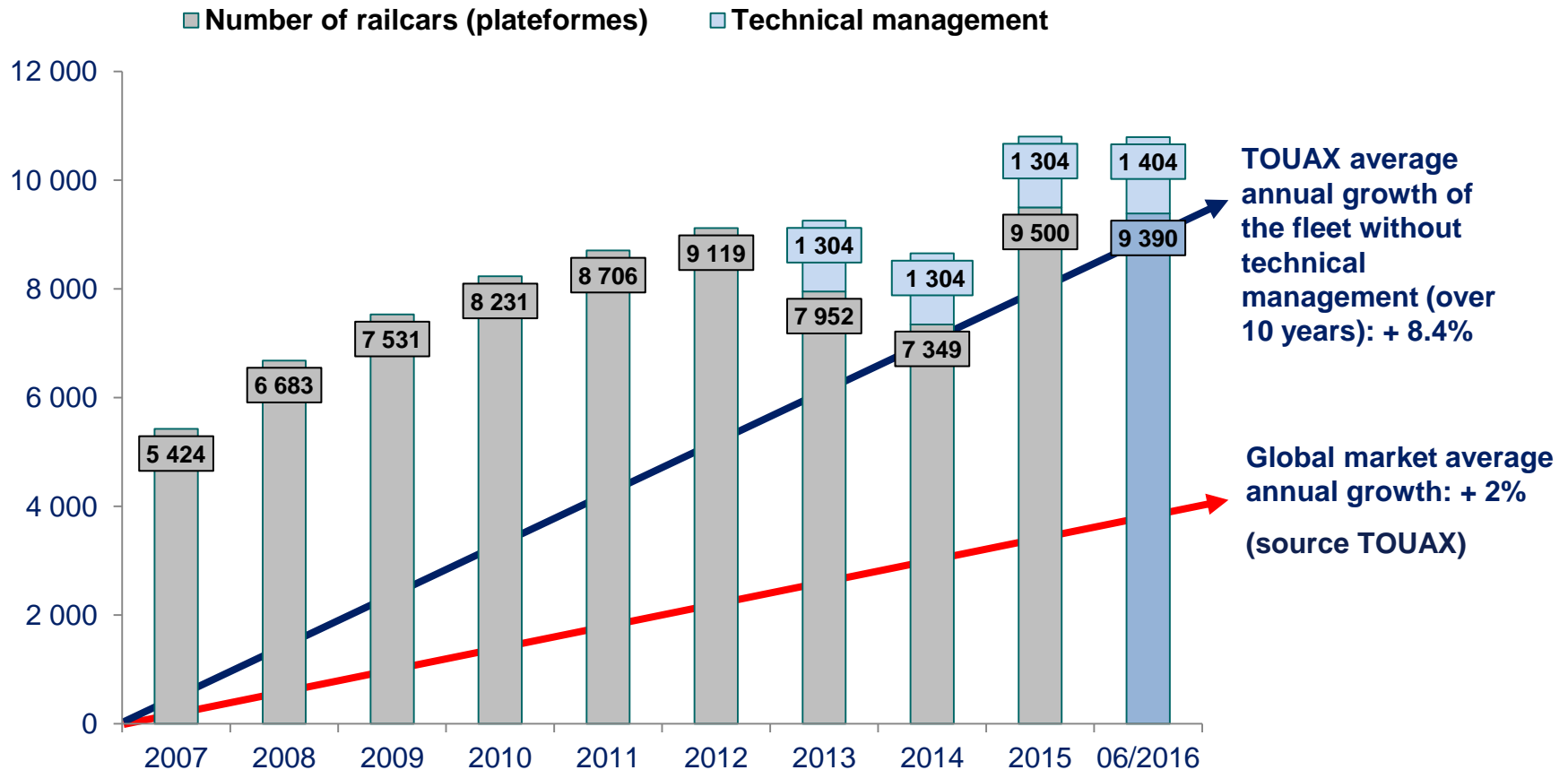


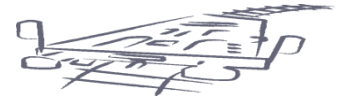
# Freight railcars

## Faster growth than the overall market



### ► Growth in number of railcars



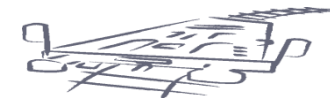


### A recent, high-quality fleet

	06/2016	12/2015
Average age of the fleet	14.4 years	14.2 years
<b>Proactive management</b>		
Average utilization rate	82.4%	83.1%
Average leasing period	2.9 years	2.7 years
Economic lifespan	30 to 50 years	
Depreciation	30 years	

# Freight railcars

## Performance analysis and S1 2016 key figures



### ► Performances analysis

- Leasing revenues increased by 16% to €18.3 million, due mainly to improved business condition
- Realization of sales of used railcars during the 1<sup>st</sup> half of 2016 in Europe for €2.5 million
- EBITDA at €7.7 million, increasing

### ► Key figures

(in thousands of euros)	06/2016	06/2015	12/2015
Leasing revenue	18,293	15,786	32,909
Sales revenue	2,512	573	10,289
<i>incl. sales to clients</i>	2,512	573	8,255
<i>incl. sales to investors</i>			2,034
<b>TOTAL REVENUE</b>	<b>20,805</b>	<b>16,359</b>	<b>43,198</b>
EBITDAR (EBITDA before distribution)	9,309	6,760	17,887
<b>EBITDA (EBITDA after distribution)</b>	<b>7,655</b>	<b>5,608</b>	<b>15,658</b>
Assets managed (gross historic value)	409,788	377,122	410,892
of which Gross proprietary assets	271,375	255,038	268,444

# Freight railcars

## Medium-term outlook



### Market

- ▶ In Europe:
  - Recovery of European rail traffic since 2013. Growth should continue at an average level of 1.3% per year until 2019
  - Growth is the result of the easing of restrictions for rail freight
  - Requirement to renew the fleet and expected growth of the market share of leasing providers
- ▶ In Asia, substantial needs to ensure growth in the zone



### TOUAX

- Increase in the managed fleet in Europe
- Development towards Asia with other investments planned in 2016
- Development of sales of second hand wagons and syndications to investors



### **Medium-term objective**

- 50% growth of the total fleet under management: 15,000 railcars with 12,000 in Europe and 3,000 in Asia

# River barges:

## N° 1 in Europe and in South America

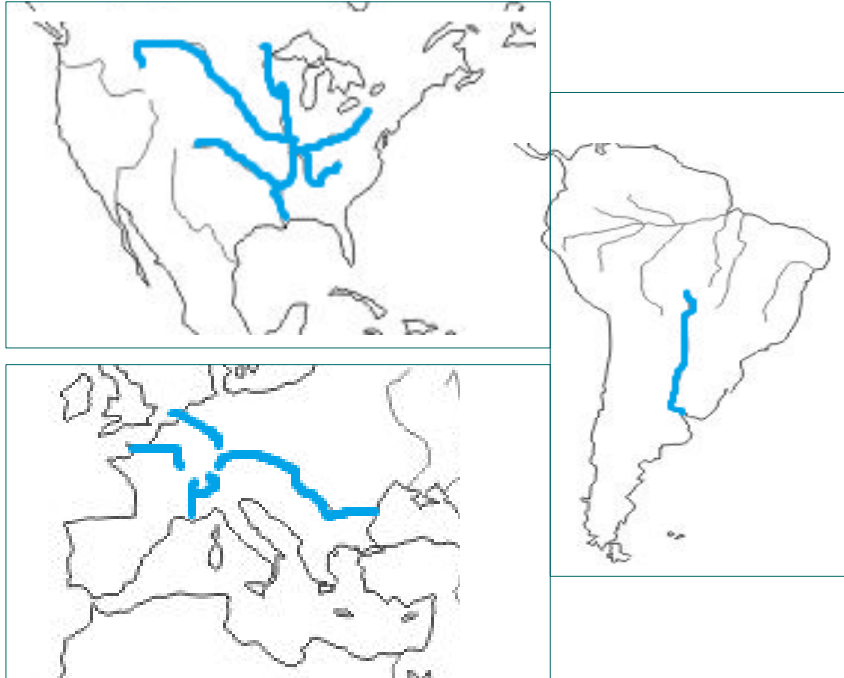


# River barges

## A worldwide presence



### A presence on 3 worldwide main basins



Loading of a barge on the Mississippi river

### Highlights S1 2016

- ▶ Activity in the Rhine area decreasing while global leasing activity remains stable
- ▶ Average utilisation rate close to 92%
- ▶ Sale of the last pusher boat

### Our products and services

- ▶ Expertise built around the river barge leasing and sales business
- ▶ High-quality barges offered in all basins
- ▶ A technical service that can provide certificate follow-ups throughout the world
- ▶ Specialised and renowned expertise along the river value chain
- ▶ Logistics or industrial operating customers

# River barges

## Key figures



### A recent, high-quality fleet : 128 river barges

	06/2015	12/2015
Average age	13.7 years	13.4 years
<b>Proactive management</b>		
Average utilization rate (period)	91.5%	94.9%
Average leasing period	6.7 years	6.7 years
Economic lifespan	30 to 50 years	
Depreciation	30 years	

**54% of the assets in Europe and 38% in South America**

# River barges

## Performances analysis and S1 2016 key figures



### ▶ Performances analysis

- Revenues stood at €6.8 million, decreasing
- Leasing revenues decreased to €5.9 million mainly due to a fall in activity across the Rhine area
- Good barge leasing business activity in Europe with a high utilisation rate of almost 92%
- Sale of the last pusher boat, Touax no longer having any pusher boats or self-propelled barges
- EBITDA of €2.2 million

### ▶ Key figures

(in thousands of euros)	06/2016	06/2015	12/2015
Leasing revenue	5,857	7,507	16,041
Sales revenue	935	38	399
<i>incl. sales to clients</i>	935	38	399
<b>TOTAL REVENUE</b>	<b>6,793</b>	<b>7,546</b>	<b>16,440</b>
EBITDAR (EBITDA before distribution)	2,162	2,707	4,745
<b>EBITDA (EBITDA after distribution)</b>	<b>2,162</b>	<b>2,707</b>	<b>4,745</b>
Assets managed (gross historic value)	96,961	101,470	102,817
of which gross proprietary assets	79,746	81,255	81,602



# River barges

## Medium-term outlook



### Market

- ▶ Recovery in Europe and United States
- ▶ A more contrasting market in South America due to the decline in economic activity in the area
- ▶ Trend for operators, barge owners, to use leasing equipment
- ▶ Raising the awareness of European authorities and governments of environmental issues



### TOUAX

- Expected growth of assets managed only in Europe and the USA, thanks to third party investors
- Growth in sales and trading of river assets
- No short-term growth expected in South America



### **Medium-term objectives**

- Continued investment in Europe and North America

# AGENDA

---

- ▶ **Part 1**            **Revenues and financing**
- ▶ **Part 2**            **Divisions presentation**
- ▶ **Part 3**            **Strategy**
- ▶ **Part 4**            **TOUAX and the Stock Market**

# One business, 4 activities and a global presence

---

- ▶ A single business (operational leasing and associated services) divided into 4 activities to support **market cycles**: markets of shipping containers, river barges, freight railcars and modular buildings
- ▶ Objective of achieving a **balanced global presence**: mature and emerging markets
- ▶ Development mainly based on **internal growth**
- ▶ **Long-term patrimonial assets** secured by long-term leases and the development of associated services
- ▶ Desire to **increase the amount of assets managed** (with proprietary assets and third-party asset management evenly balanced)

# LEASING, SALE, SERVICES

A late cyclical economic model

Long-life assets

Standardized and  
mobile equipment

## Key advantages TOUAX

▶ Recurrent cash  
flow

▶ Balanced risk  
management  
(proprietary vs.  
third party)

71% of  
recurrent  
leasing  
revenues

▶ Strong leading  
positions

▶ Diversified  
markets on  
different zones

Multi-year leasing  
contracts

Low obsolescence  
stemming high  
residual value

# Operational and financial strategy and outlook

## 2016/2017 Operational Strategy

- ▶ **Growth** of the three leasing and sales transportation businesses
  - Improved utilisation rates (freight railcars)
  - Growth in managed fleets (shipping containers and freight railcars)
  - Growth into developing markets (freight railcars)
  - Development of ancillary services (river barges, freight railcars and shipping containers)
  
- ▶ **Recovery** of the Modular Buildings business in Europe :
  - Improved utilisation rates
  - Growth into developing markets
  - Adaptation of managed fleets to the demand of some of the countries

## 2016/2017 Financial strategy

- ▶ **Sustain a positive free cash flow** by
  - Improvement of the operational profitability
  - Disposals of non-strategic or non-leased assets
  - Stabilization of the company's own investments
  - Financing of growth by third-party investors
  
- ▶ **Reduction in net debt** in order to create shareholder value

- ▶ TOUTAX confirms a positive operating income in 2016

# AGENDA

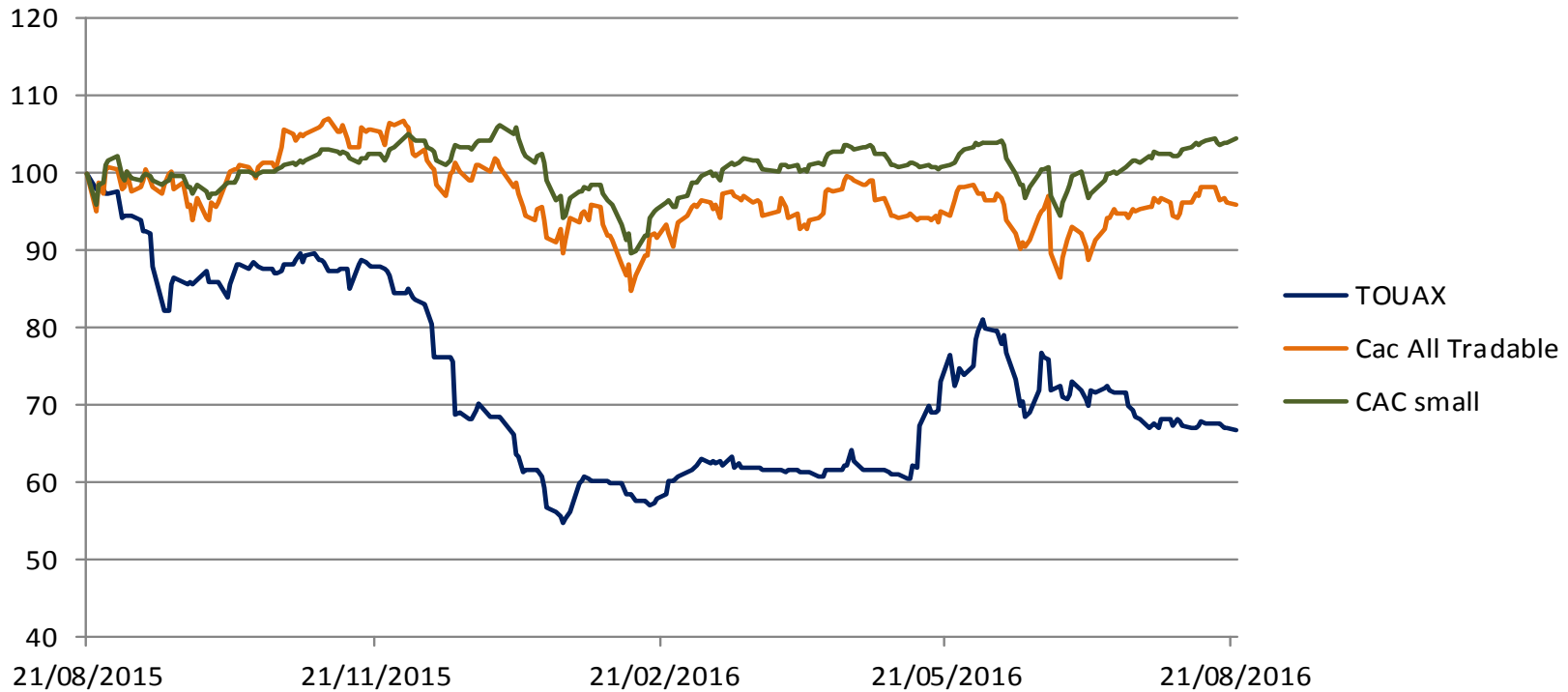
---

- ▶ **Part 1**            **Revenues and financing**
- ▶ **Part 2**            **Divisions presentation**
- ▶ **Part 3**            **Strategy**
- ▶ **Part 4**            **TOUAX and the Stock Market**

# TOUAX and the Stock Market

## Share prices

Share price over 1 year (base 100 on 21 August 2015)



Source : Euronext

► TOUAX has been included in the CAC® Small and CAC® Mid & Small and EnterNext© PEA-PME 150

# TOUAX and the Stock Market

## Shares market data

	06/2016	2015	2014	2013	2012
<b>Number of shares</b> (in thousands)	<b>5,884</b>	<b>5,884</b>	<b>5,884</b>	<b>5,884</b>	<b>5,740</b>
<b>Market capitalization</b> (in €m)	<b>61.19</b>	<b>58.84</b>	<b>86.49</b>	<b>111.44</b>	<b>124.62</b>
<b>Consolidated shareholders' Group equity</b> (€m)	<b>135.62</b>	<b>142.81</b>	<b>162.78</b>	<b>157.02</b>	<b>148.98</b>
<b>Price to Book Ratio</b> (excluding hybrid capital )	<b>0.71</b>	<b>0.64</b>	<b>0.77</b>	<b>0.89</b>	<b>0.84</b>
<b>Annualized net earnings per share</b> (€)	<b>(1.48)</b>	<b>(4.08)</b>	<b>(2.20)</b>	<b>(2.63)</b>	<b>1.60</b>
<b>Highest share price</b> (€)	<b>11.81</b>	<b>16.80</b>	<b>21.03</b>	<b>21.45</b>	<b>26.15</b>
<b>Lowest share price</b> (€)	<b>7.45</b>	<b>9.85</b>	<b>13.51</b>	<b>15.71</b>	<b>19.19</b>
<b>Average daily trading volume</b> (in number of shares)	<b>3,755</b>	<b>6,689</b>	<b>2,866</b>	<b>4,622</b>	<b>3,771</b>
<b>Closing price</b>	<b>10.40€</b>	<b>10.00€</b>	<b>14.70€</b>	<b>18.94€</b>	<b>21.71€</b>
<b>PER</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.57</b>
<b>Overall net distributions per share</b> (€)	<b>-</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>1</b>
<b>Overall return per share</b>	<b>-</b>	<b>5%</b>	<b>3.4%</b>	<b>2.6%</b>	<b>4.6%</b>

- ▶ Attractive valuation with a 28% discount from the equity on 30/06/2016
- ▶ The group equity (excluding hybrid capital) is €14.52 per share



# Questions & Answers

For further information, visit  
[www.touax.com](http://www.touax.com)

and for each of our activities  
[www.touax.fr](http://www.touax.fr)  
[www.touax-container.com](http://www.touax-container.com)  
[www.touaxrail.com](http://www.touaxrail.com)  
[www.touax-river-barges.com](http://www.touax-river-barges.com)

