



YOUR OPERATIONAL LEASING SOLUTION

REVENUE AND RESULTS FOR S1 2016

- Increased consolidated revenues at €171.5 million (+2.3%)
- EBITDA of €21.9 million up by 44%
- Positive operating income of €3.9 million
- Half-yearly net result of €-4.4 million improved by 62%
- Confirmation of a positive operating income for 2016

The consolidated accounts on 30 June 2016 were approved by the Management Board on 30 August 2016 and submitted to the Supervisory Board. A limited inspection of the financial statements was carried out by the statutory auditors. Their report is being issued.

REVENUE ANALYSIS

Revenue by type (€ thousands)	Q1 2016	Q2 2016	TOTAL S1 2016	Q1 2015	Q2 2015	TOTAL S1 2015
Leasing revenue (1)	53,380	53,987	107,367	55,420	55,938	111,358
Sales of equipment	34,273	29,822	64,095	12,808	43,371	56,179
<i>Including sales to clients</i>	24,357	26,120	50,477	12 708	21 499	34 207
<i>Including sales to investors</i>	9,916	3,702	13,618	100	21 872	21 972
Consolidated revenue	87,653	83,809	171,462	68,228	99,309	167,537

(1) Leasing revenue includes ancillary services.

The consolidated revenue for the 1st half of 2016 increased by 2.3% to €171.5 million mainly due to a rise in sales revenue. At constant exchange rates, revenues increased by 2.8%, since the change in the dollar was slight.

Leasing revenues fell slightly to €107.4 million due to lower activity in the Shipping Containers division offset by the good performance of the Modular Buildings and Freight Railcars divisions. The Group's leasing business during the 1st half of 2016 confirms a recovery in Europe with both improved utilisation rates in the Modular Buildings business and growth of Freight Railcars business. The average utilisation rate of Shipping Containers fell between the two first half-years of 2015 and 2016, but has been increasing again from March 2016.

Equipment sales increased by 14% to €64.1 million.

Sales to customers were up 48%, driven by strong performances in the 4 businesses. In particular, TOUAX is developing its sales business of used containers and new modules, and is continuing to rationalize its fleet of used modular buildings when in excess in some countries.

The number of containers sold to investors increased significantly with over 53,000 containers (20-foot equivalent) sold during the 1st half of 2016 compared to about 12,000 containers during the 1st half of 2015. However, this increased volume is not recorded under revenues of which only the sales margin is accounted in some cases, for in commission under IFRS standards.

Analysis of the contribution of the 4 Group's divisions

Revenue by division (€ thousands)	Q1 2016	Q2 2016	TOTAL S1 2016	Q1 2015	Q2 2015	TOTAL S1 2015
Leasing revenue (1)	23,828	23,132	46,960	26,567	26,601	53,168
Sales of equipment	19,429	13,725	33,154	5,614	30,826	36,440
<i>Including sales to clients</i>	9,513	10,023	19,536	5 514	8 954	14 469
<i>Including sales to investors</i>	9,916	3,702	13,618	100	21 872	21 972
SHIPPING CONTAINERS	43,257	36,857	80,114	32,181	57,427	89,608
Leasing revenue (1)	17,451	18,996	36,447	17,544	17,583	35,127
Sales of equipment	13,751	13,756	27,507	6,903	12,246	19,149
<i>Including sales to clients</i>	13,751	13,756	27,507	6 903	12 246	19 149
MODULAR BUILDINGS	31,202	32,752	63,954	24,447	29,829	54,276
Leasing revenue (1)	3,090	2,768	5,858	3,846	3,661	7,507
Sales of equipment	918	17	935	19	19	38
<i>Including sales to clients</i>	918	17	935	19	19	38
RIVER BARGES	4,008	2,785	6,793	3,865	3,680	7,545
Leasing revenue (1)	9,102	9,191	18,293	7,566	8,220	15,786
Sales of equipment and misc.	178	2,334	2,512	272	301	573
<i>Including sales to clients</i>	178	2,334	2,512	272	301	573
<i>Including sales to investors</i>						
FREIGHT RAILCARS	9,280	11,525	20,805	7,838	8,521	16,359
Miscellaneous and unallocated	-94	-110	-204	-103	-148	-251
Consolidated revenue	87,653	83,809	171,462	68,228	99,309	167,537

(1) Leasing revenue includes ancillary services.

SHIPPING CONTAINERS: Revenues for the River Barges division fell to €80.1 million. The decrease in leasing activity is due to lower utilisation rates during 2015. Since the beginning of 2016, the utilisation rate has increased again to reach 90.2% on 31 July 2016. Despite higher equipment syndications, more numerous in 2016, net sales revenue is falling due to the accounting method that only takes into account the margin of sales when buying/selling transactions are concomitant. Sales of used containers to customers remain very strong with an increase of 35%.

MODULAR BUILDINGS: Revenues in the Modular Buildings division increased by 17.8% to €64 million compared to the 1st quarter of 2015. Leasing revenues increased by 3.8% (€36.4 million) in most countries where we operate with quite marked increases in value in the three main countries (Poland, France, Germany). There has been an increase in utilisation rates and leasing prices. Sales of new and used equipment remain high, confirming the recovery of the business, and increased by 43.6% to reach €27.5 million.

RIVER BARGES: Revenues in the River Barges division stood at €6.8 million, down due to lower activity on the Rhine. The barge leasing activity remains steady with an average utilisation rate of almost 92%. TOUAX has completed the refocusing of its barge leasing business by realizing the sale of its last pusher boat, with the Group now operating no more pusher boats or self-propelled barges.

FREIGHT RAILCARS: Revenue for the Freight Railcars division increased by 27.2 % to €20.8 million. This increase is mainly explained by an increase in the fleet and strong leasing activity during the 1st half of 2016 compared to 2015, with growth of the business. TOUAX has also achieved sales of used railcars to the value of €2.5 million.

ANALYSIS OF HALF-YEAR RESULTS

Main figures <i>(in € million - IFRS)</i>	30/06/2016	30/06/2015	12/2015
Revenue	171.5	167.5	348.2
including Shipping containers	80.1	89.6	170.6
Modular buildings	64	54.3	118.9
River barges	6.8	7.5	16.4
Freight railcars	20.8	16.4	43.2
Miscellaneous and unallocated	-0.2	-0.3	-0.9
Gross operating margin - EBITDAR (1)	51.5	46.9	96.7
EBITDA (2)	21.9	15.2	36.2
Operating income	3.9	-5.7	-13.1
Profit before tax	-3.4	-13.2	-28.4
Consolidated net profit (loss) (Group's share)	-4.4	-11.6	-24
Net earnings per share (€)	-0.74	-1.96	-4.08
Total non-current assets	512.4	547.8	523.8
Total assets	642.6	702.8	689.5
Total shareholders' equity	154.7	174.1	162.8
Net bank borrowing (3)	367.6	364.8	354.5
Operating cash flow	-7.3	11.4	41.6
Loan to Value	63%	60%	61%

(1) The EBITDAR (earnings before interest taxes depreciation and amortization and rent) calculated by the Group corresponds to the current operating income, increased by depreciation charges and provisions for capital assets and distributions to investors

(2) EBITDA: EBITDAR after deducting distributions to investors

(3) Including €178.6 million in debt without recourse at 30 June 2016

EBITDA reached €21.9 million, up by 44%. This recovery is due to the increase in revenues and the decrease in preparation costs related to the re-leasing of modular buildings.

Operating income is positive at €3.9 million compared with -€5.7 million at end of June 2015 in line with the ongoing recovery in the Modular Buildings business.

The Group's net income share amounted to -€4.4 million, a significant improvement of 62%.

At constant exchange rate, assets managed by the Group were slightly down compared with end December 2015. The Group managed assets worth nearly €1.8 billion, which it leases to over 5,000 customers. Owned assets represented 41% of total assets managed.

FINANCIAL STRATEGY

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).

Over the full year, the Group continued to implement its strategy to increase its operating cash flow with a stabilization of its own assets, a growth in its assets under management for third parties and its improved utilisation rates, and is therefore predicting positive free cash for the year 2016.

The Group's net bank debt is stable at €367.6 million compared to €364.8 million at the end of June 2015. It is expected to fall in 2016. Bank ratios applicable on 30 June 2016 have been respected.

In July 2016 the Group signed a first syndication of railcars to a Luxembourg fund (SICAV-SIF) intended exclusively for investment in rental equipment, with an expected closing this September.

In July 2016, the Group strengthened its equity by providing a capital increase of €11.2 million, underwritten by the Walewski family, historical shareholders and institutional investors.

OUTLOOK

In our **Shipping Containers** business, we expect improved utilisation rates and continuing positive demand supported by the growth prospects of global trade of about 3%. Moreover, after a continuous decline in steel prices in 2015 that impacted the price of shipping containers and leasing rates, since April 2016 we have been seeing an increase that is able to positively impact the business.

The **Modular Buildings** business continues its recovery with a good performance in Germany and Eastern Europe and the improved utilisation rates already observed in 2015.

Demand for **River Barges** differs according to the countries with an environment that will largely remain difficult in South America.

The **Freight Railcars** leasing business in Europe is being strengthened and Touax should benefit from economies of scale in an improving market.

TOUAX confirms a positive operating income over the full year 2016.

UPCOMING DATES

- 1st September 2016: Financial analyst presentation and investors conference call
- 14 November 2016: Q3 2016 revenue

TOUAX Group leases out tangible assets (shipping-containers, modular buildings, freight railcars and river barges) on a daily basis to more than 5 000 customers throughout the world, for its own account and on behalf of third party investors. With more than €1.8 billion under management, TOUAX is one of the European leaders in the operational leasing of this type of equipment.

TOUAX is listed in Paris on NYSE EURONEXT – Euronext Paris Compartment C (Code ISIN FR0000033003) and on the CAC® Small and CAC® Mid & Small indexes and in EnterNext PEA-PME.

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