ANNUAL REPORT 2009

YOUR OPERATIONAL LEASING SOLUTION

Touax®

Contents

Message from the Managing Partners

"We are satisfied with our earnings, considering the major crisis in 2009. Our model allows us to adapt rapidly to market conditions so that we can offer recurrent income and dividends to our shareholders. The financial crisis has reduced our customers' financing capacity, so they are increasingly turning to leasing in order to meet their new requirements. A significant turnaround is expected at the end of the crisis.

Despite a drop in revenues, the Group remains very profitable with €14.2 million in net earnings and EBIDTA of €48.98 million (after distribution to investors), for €1.3 billion in managed assets including €486 million in Group-owned assets. The Group has multiplied net earnings by 3.5 in the last five years.

The past year has reinforced our commitment to our strategy:

- We invest in standardized and mobile equipment featuring a long life (between 15 and 50 years); this generates long-term leasing profitability and recurring revenue streams. We also offer a wide range of leasing-related services (such as third-party management, the sale of new and used equipment, and maintenance).
- The TOUAX Group has a clear global orientation in order to optimize and diversify our growth—83% of revenues originates outside France due to our strong presence in Asia, America, and Central and Eastern Europe.
- We prefer businesses offering major long-term structural benefits. Globalized trade boosts the leasing of shipping containers (the WTO projects world trade will increase by 9.5% in 2010). Europe's deregulated rail freight market favors freight railcar leasing. The need for flexibility and competitive costs gives modular buildings the edge over traditional constructions, and environmental concerns foster river transport.
- Thanks to our four management platforms operating on four international markets and serving 5,000 customers, we are always able to take advantage of investment opportunities (€83.9 million in 2009). This year we increased our leased assets by 6%, improved our market share, and achieved significant economies of scale. TOUAX has consolidated its status as Europe's #1 lessor of shipping containers and river barges, as the #2 lessor of modular buildings and freight (intermodal) railcars.

Encouraging signs of recovery have emerged over recent months. **Due to the nature of our business, the Group is well-positioned to benefit rapidly from the return to growth.**

›››

For the general meeting to be held June 10, 2010, we have proposed the distribution of a €1 per share dividend—the same as last year—including a €0.50 interim dividend paid in January, with the balance in early July 2010.

We would like to thank all our collaborators for their excellent work during a most challenging and difficult year. Their performance gives us tremendous confidence in the future and in the Group's potential."

Paris, April 2, 2010

Fabrice et Raphaël WALEWSKI
Managing Partners

Your operational leasing solution

TOUAX, a corporate services provider, is an operational leasing specialist for mobile and standardized equipment including shipping containers, modular buildings, river barges and freight railcars.

Our success is based on our extensive experience in leasing long-life equipment (15 to 50 years).

With operations across five continents, we have increased our bottom line by 50% over the last five years, posting an operating revenue of €271,7 million in 2009, including 83% generated outside France.

Services geared towards outsourcing

TOUAX is ideally placed to cater for the record number of businesses outsourcing their non-strategic assets and to meet their leasing needs. We offer:

- Flexible short and long-term contracts
- No capital outlay for the customer
- Outsourced maintenance
- Fast availability.

On December 31, 2009, the Group managed over €1.3 billion in equipment for its own account as well as on behalf of both private and institutional investors.

Global solutions

Shipping containers: specializing in standard dry containers (either 20 or 40 feet long), TOUAX is continental Europe's leading provider and currently 8th worldwide (Source: Containerisation International).

Modular buildings for offices, schools, hospitals, site accommodation etc. TOUAX is Europe's second-leading lessor and fourth worldwide, with customers including industries, local authorities and the building trade (Source: TOUAX).

River barges for lease and for transporting dry bulk cargoes: TOUAX operates internationally and is number one in Europe (Source: TOUAX).

Providing **freight railcars** for railways and top-tier industrial groups in Europe and the USA, TOUAX is Europe's second largest lessor of intermodal railcars (Source: TOUAX).

Historical milestones

1853 Founding of *Compagnie de Touage de la Basse Seine et de l'Oise*

1898 Creation of TOUAX (under the name SGTR, a tugboat and tug company) following the merger between *Compagnie de Touage de la Basse Seine et de l'Oise* (TBSO) and *Société de Touage et de Remorquage de l'Oise* (TRSO): TOUAX's fleet comprises 14 towboats and 11 tugs

1906 Listed on the Paris Bourse spot market on May 17

1922 TOUAX launches the acquisition of six major river transport companies owning several hundred tow-boats, later

1946 Capital increase to fund equipment restoration operations destroyed during World War 2

1955 Initial investments in the Railcars business

1965 TOUAX launches the first large barge (2,500 tons)

1973 Launch of the Modular Buildings business

1975 Launch of the Shipping Containers business

1981 International development with the creation of TOUAX Corporation in the United States

1985 Acquisition of shipping container management specialist Gold Container Corporation

1995 Securitization-based financing further development of equipment management programs for investors. The Group's expansion progresses dramatically, driven by the increasingly globalized marketplace

1999 Entry into the *Second Marché* of the Paris Bourse

2001 Creation of the TOUAX RAIL Ltd subsidiary in Dublin in order to develop the Railcar business

2005 Capital increase and 100% take-over of the Railcar business

2006 100 years as a listed company and over 150 consecutive years of dividends

2007 Creation of the first module assembly plant in France, near Chartres. TOUAX also takes over WAREX Sro and thus becomes the leading assembler–lessor of modular buildings in the Czech Republic

2008 Capital increase to support the company's development
TOUAX appears in the SBF 250 index

2009 Capital increase to support the company's development

A strategy of creating value common to all four divisions

Generating sustainable profitability based on its leasing activities...

...by weighting our proprietary investments…

Our equity investment policy generates recurring leasing revenues and ultimately adds future value to the Group by creating opportunities for capital gains.

TOUAX weights its investments between equipment featuring a shorter lifecycle and greater profitability (particularly modular buildings and shipping containers) and very long-life assets (railcars and river barges). The Group is therefore able to optimize the profitability of its equity capital: **net earnings per share have grown by a factor of 2 in five years**.

…streamlining our financial resources with third-party asset management…

TOUAX provides asset management services for third-party investors and receives management commissions in addition to revenue from our own assets. Third party investments produce additional revenue streams and improve the profitability of our equity without tying up capital.

These are long-term management contracts (averaging 10 years) which ensure recurring cash flows for the Group.

...thanks to our unique leasing business and associated services...

TOUAX is an operational leasing expert for **mobile and standardized equipment** (shipping containers, modular buildings, river barges and freight railcars) providing the following similar yet complementary benefits:

› **Mobility, for improved utilization rates**

› **Steady revenue streams generated by term-based contracts**

› **Standardized, long-life assets** (15-50 years) for maximizing equipment transfer prices.

...and our policy of developping internationally.

TOUAX is pursuing its international growth strategy in order to diversify risk, increase market shares and generate economies of scale.

Shipping containers

A FAST-GROWING SERVICE REFLECTING TODAY'S GLOBALIZED MARKETPLACE AND OFFERING THE FLEXIBILITY REQUIRED BY SHIPPING COMPANIES

Shipping lines
International trade
Standardization
Recent fleet

14 offices and agents in Asia, Europe, America Australia, India

3.8 years: average age of th fleet

In a high-growth market...

Containers—ideally suited to all types of sea, river and land transport—represent a worldwide logistics standard. They have revolutionized the international transport industry since the early 1970s, with tremendous growth driven by the globalized marketplace and international trade. For the first time in 2009, global trading shrank by nearly 10% with a worldwide fleet of 26.3 million TEUs including 10.2 million managed by lessors.

Thanks to its Gold Container branch, TOUAX has quadrupled its fleet in 10 years to reach almost 481,000 TEUs in 2009. Today we are the world's eighth largest lessor and the leader in mainland Europe with a 4.2% global market share (Source: Containerisation International ; Market analysis: Container leasing market 2009).

...the Gold Container service...

The Group specializes in standard dry containers (either 20 or 40 feet long) which can be leased to any worldwide shipping company.

The fleet is continually updated and boasts an average age of under four years.

The Gold Container service features a comprehensive range of contracts:

- Short-term operational leasing (annually renewable master lease)
- Long-term operational leasing (3 to 5 years), with or without a purchase option; these contracts account for 80% of the fleet managed by Gold Container
- Sale & leaseback and lease-purchase program.

Gold Container works with over 120 shipping companies worldwide and serves customers such as Maersk Lines, Evergreen, Mediterranean Shipping Company, CMA-CGM and China Shipping.

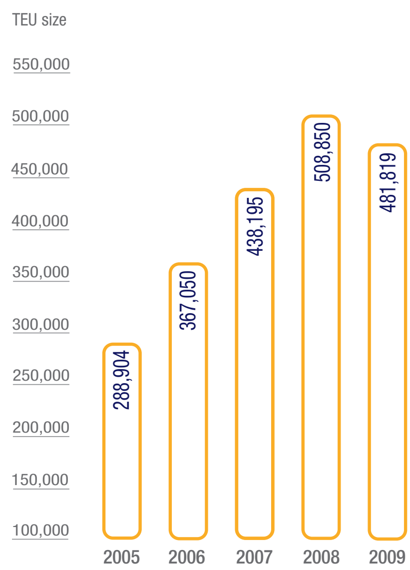
...delivers worldwide coverage

As a global operator, we deliver worldwide coverage to all our customers through our network:

- Five offices (Paris, Miami, Hong Kong, Shanghai and Singapore)
- Eight branches across Asia, Europe, North and South America, Australia and India
- Approximately 150 depots in the main ports on five continents.

To provide an overview of our services, TOUAX has set up a sophisticated Web-based information system at www.gold-container.com. The Website provides customers real-time information on the status of their leased containers, container specifications, availability of containers for leasing around the world, and data to simplify the process of picking up or dropping off containers.

We are pursuing our goal of achieving a fleet of 800,000 TEUs in the medium term in order to meet the needs of our core customers and thereby consolidate our position among the world's top eight lessors of shipping containers.



FLEET MANAGED BY THE GROUP

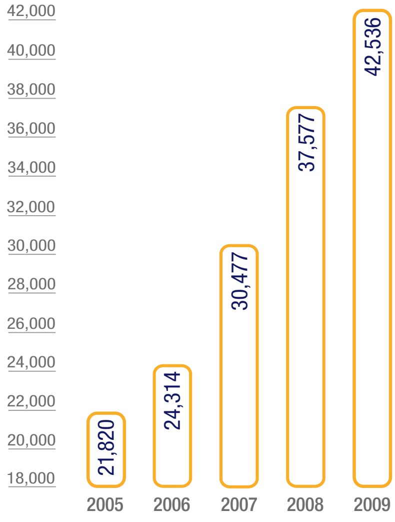
Modular buildings

A cutting-edge service for highly modular construction solutions

Demanding and loyal customers from very different sectors...

TOUAX designs, produces and distributes modular buildings—in compliance with all of the latest standards and legislation—for use as offices, classrooms, student housing, hospitals, social and emergency housing, sales offices, social and activity centers, site facilities, worksite accommodation, cloakrooms, and much more.

Our primary customers come from industry, the service sector, the building trade and local authorities. Long-term customers include Sanofi, Bouygues, ENBW, Siemens, Alstom, Urbaser, EADS, Total, EON, RWE, Rhone Departmental Council, France's PACA region, Skanska, Hochtief and Ferrovial.



FLEET MANAGED BY THE GROUP

...undeniable advantages...

TOUAX's modular buildings are available for both leasing and sale, and feature:

- Up to 50% **savings** compared to traditional buildings
- Guaranteed **flexibility** for expanding, scaling down, moving or refurbishing your space to match your line of business
- **Fast response** with the assurance of receiving the building in just a few weeks
- **Modernity, comfort** and **energy savings** with a highly successful, award-winning product (2007 Janus Industry Award)
- A **seamless, high-performance service** for companies targeting fast development both in Europe and worldwid.

...a high-growth business in France and Europe.

Second in Europe and fourth in the world, the Modular Buildings division was operating in nine countries on December 31, 2009 with 40 branches, two assembly units and over 42,000 modular buildings (Source: TOUAX).

Offices
Schools
Hospitals
Community facilities

2nd in Europe / **4th** worlwide

42,000 modular buildings

Winner of the 2007 Janus Industry Award

Main partner of the *Stade Français* near Paris

Official partner of the *Olympique de Marseille* soccer team

Exclusive provider of modular buildings at Roland Garros

River barges

A service driven by its economic and environmental benefits

Environmentally friendly

Competitive

Leasing

Transportation

199 barges, self propelled barges and pushboats

1st in Europe dry cargo barges

A solid reputation among industries and transport operators…

River transport remains the most competitive, cost-effective and environmentally friendly form of transport for local authorities, helping to alleviate road traffic. River transport is seven times less expensive than road traffic, uses 3.7 times less oil, and generates four times less CO2. A single convoy of 30 barges is equivalent of removing 3,000 trucks from the road networks.

Customers know they can count on TOUAX when outsourcing part of their own fleet or for subcontracting their river transport operations.

The Group delivers two types of service:

- Transportation and chartering (50% of equipment) primarily along the Rhine/Danube
- Barge hire (50% of equipment) primarily in France, the USA and South America.

On December 31, 2009, TOUAX's managed fleet totaled 199 barges, self-propelled barges and pushboats (including 166 barges), making us the European leader in dry bulk barges, with a daily hold capacity of 445,164 tons (Source: TOUAX).

Barges navigate mainly under the "TAF" or "EUROTAF" designation. TOUAX works with major industrial groups such as ADM, Bungee, Lafarge, Cemex, YARA, Arcelor Mittal, CFT and Miller, for transporting coal, grain, ore and all types of dry heavy goods.

… bolstered by its unique international footprint

The Group can draw on its considerable presence around the world:

Seine and Rhône - in France, TOUAX leases barges for transporting coal, grain, fertilizer, cement, building materials and bulky goods.

Rhine, Meuse, Moselle and Main - in the Netherlands, the Group leases barges, and transports and stores phosphates, fertilizer, coal, ore and scrap iron.

Danube - in Romania, the Group transports and stores grain, cement, steel and ore. The Rhine-Main-Danube network spans 2,500 km and ten countries. TOUAX is a leading operator in this particular market.

Mississippi- in the USA, TOUAX leases barges for transporting grain, steel, fertilizer and cement.

Paraná Paraguay, TOUAX is active in South America in the operational leasing and lease purchase of barges for transporting iron ore.

Freight railcars

Delivering services to industries and railways

In a changing rail transport market…

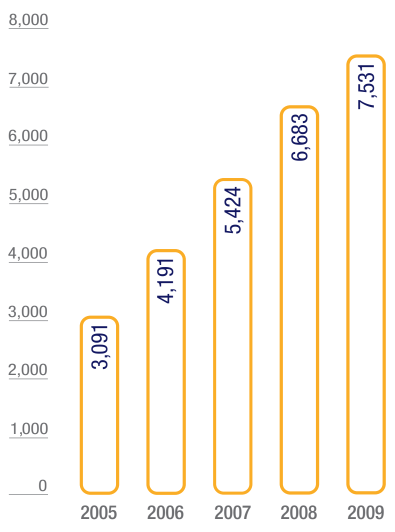
Deregulation of Europe's rail freight market on January 1, 2007, combined with fleet renewal needs (average age: 30 years) serve as a solid structural foundation for the development of the freight railcar business. This sector is also driven by the entry of Eastern bloc countries into the European Union, open borders and globalization.

TOUAX's customer base features blue-chip railway groups such as SNCF, DB Railion and SBB/CFF, as well as private operators and industrial groups like Cargill, Lafarge and Gefco.

…TOUAX draws on its long standing experience in operational leasing…

Today, TOUAX offers freight railcars leasing services in Europe and the USA through four offices in Dublin (Ireland), Paris (France), Constanza (Romania) and Chicago (USA), supported by a network of agents covering all of Europe.

Through our services to industries and railway networks, we continue to strengthen and develop our position in long-term operational leasing, including maintenance services.



FLOTTE GÉRÉE PAR LE GROUPE

At the end of 2009, TOUAX managed 7,531 freight railcars (platforms) available for long-term leasing (an average of over five years): intermodal railcars, car-carrier railcars, hopper railcars and powder railcars for transporting heavy goods (cement, grain etc.).

TOUAX can leverage the experience of our teams along with our new skills concerning quality and rail safety. TOUAX's maintenance expertise is a key asset available to customers. In 2009 we initiated a quality process in order to obtain ISO 9001 certification by the summer of 2010, and ECM (Maintenance Unit) certification by the end of the year.

…strategic outlook.

Given the need to renew the fleet of railcars across Europe, TOUAX expects to have over 10,000 units within the next two years, further diversifying the fleet available to our customers in response to demand.

Flexible leases
Intermodal cars
Hopper cars
Combined rail-road

7,531 flat railcars

2nd largest European lessor of intermodal railcars

4 offices in Europe and USA

Organization chart

Shipping containers

FRANCE
(Paris)
Europe/Africa region
(administrative office)

UNITED STATES
(Miami)
Americas region

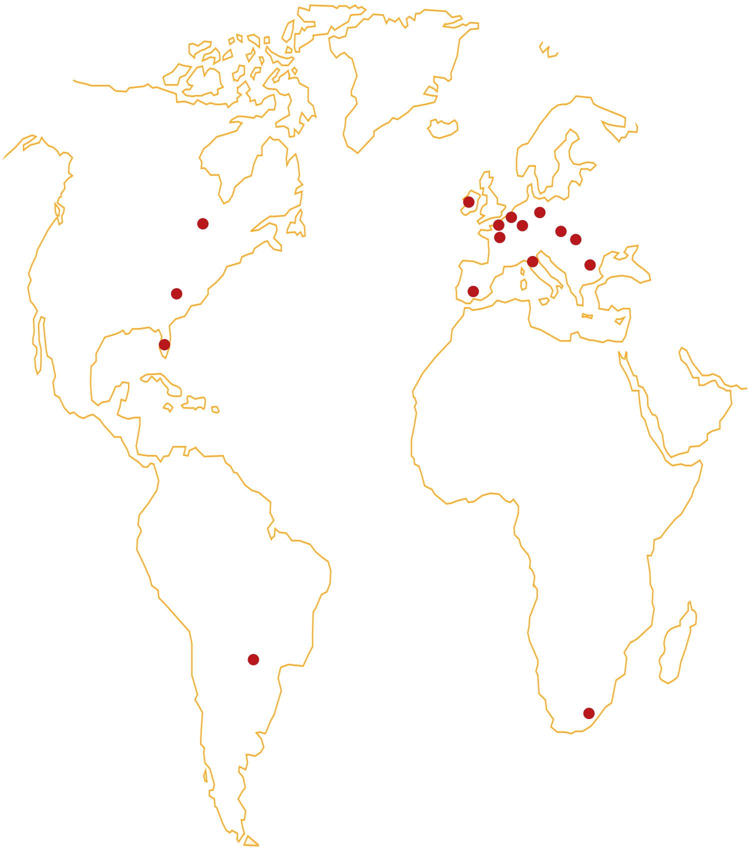
CHINA
(Hong-Kong, Shanghai)
North Asia region

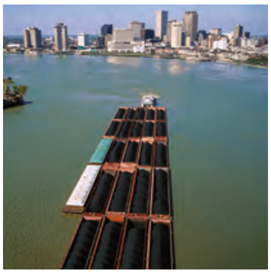
SINGAPORE
South Asia region

AGENTS
AUSTRALIA. Melbourne
BELGIUM. Antwerp
INDIA. Chenay
ITALY. Genoa
JAPAN. Tokyo
SOUTH AFRICA. Durban
SOUTH KOREA. Seoul
TAIWAN. Taipei

Modular buildings

FRANCE
GERMANY
BELGIUM
NETHERLANDS
POLAND
SPAIN
CZECH REPUBLIC
SLOVAKIA
UNITED STATES
(Florida & Georgia)





River barges

FRANCE
Seine, Rhone,

NETHERLANDS
Rhine, Meuse,
Mosel, Main

ROMANIA
Danube

UNITED STATES
Mississippi

SOUTH AMERICA
Paraná-Paraguay

Freight railcars

FRANCE
(*technical office*)

IRELAND
(Western Europe region)

ROUMANIA
(Eastern Europe region)

UNITED STATES
(North America)

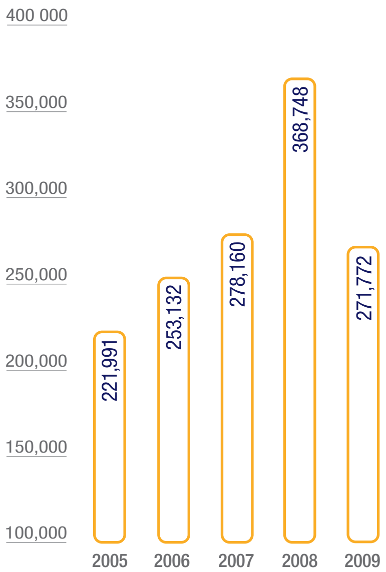
AGENTS
GERMANY
EGYPT
HUNGARY
INDIA
ITALY
CZECH REPUBLIC
SLOVEKIA
SLOVENIA

The TOUAX Group - Listed on Euronext in Paris
NYSE Euronext compartment C
SBF 250 and CAC small 90 index

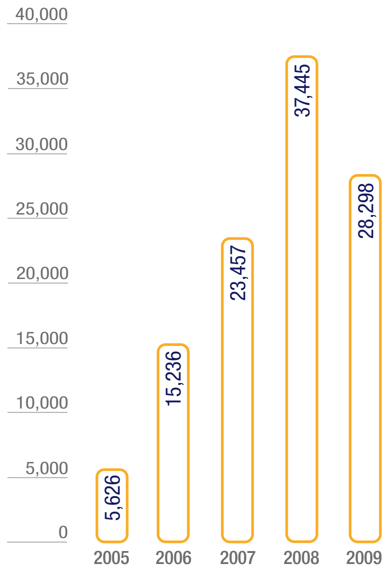
ISIN code: FR0000033003 – Reuters TETR. PA
Bloomberg TOUPFP equity

Key figures

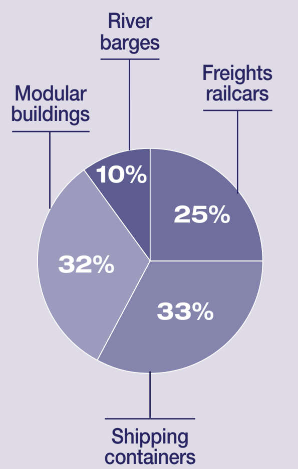
Consolidated sales
(€ thousands)



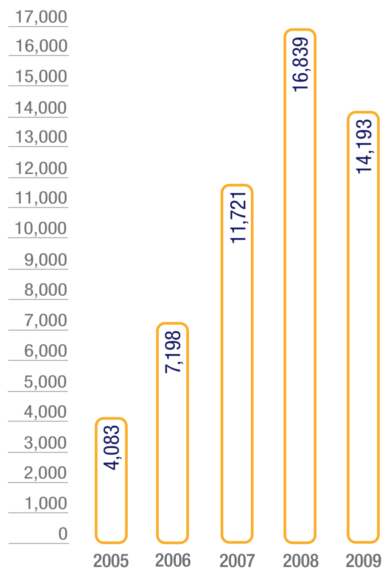
Consolidated operating income
after distribution to investors (€ thousands)



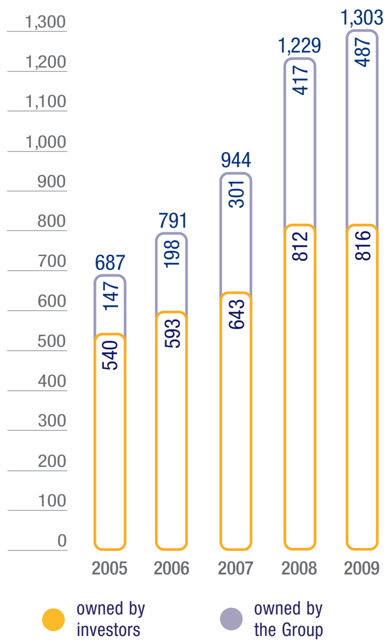
Breakdown of sales
by line of business



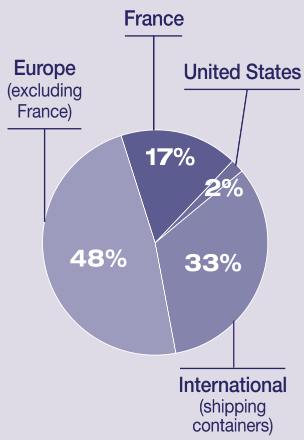
Consolidated net attributable income
(€ thousands)



Breakdown in managed assets
(€ million)



Geographic breakdown
of sales*



*Geographic sectors correspond to areas where the Group is present, except for the shipping containers business which reflects the international nature of the assets.

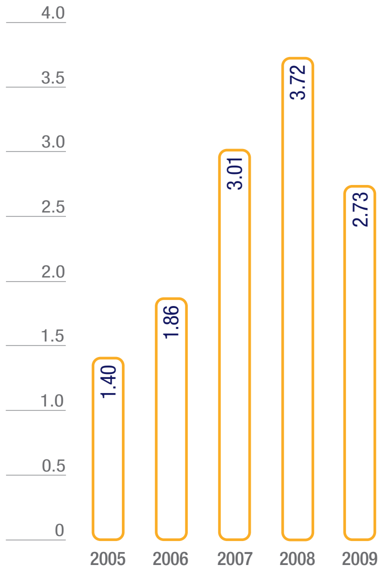
Over half the assets managed are valued in US dollars. As a result, the dollar's weakness has a restraining effect on trends in the euro value of the assets under management.

TOUAX and the stock market

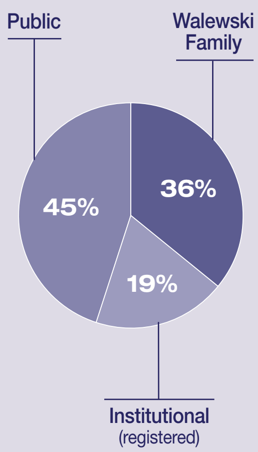
Distribution of capital on December 31, 2009

Share price (base 100 on March 15, 2005) over 5 years

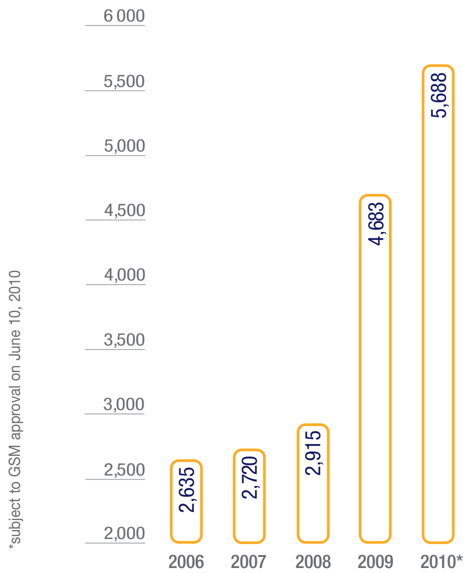
Net earning per share
(in euro)



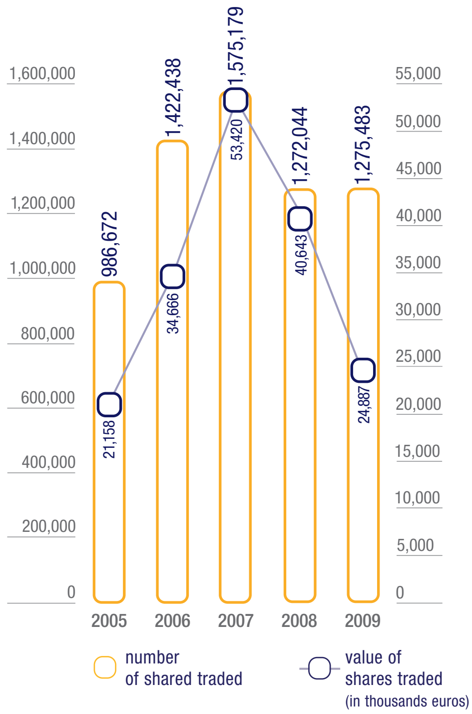
Distribution of voting rights on December 31, 2009



Dividends distributed
(€ thousands)



Shares traded over a 5-year period



FINANCIAL ANNOUNCEMENTS SCHEDULE

› Announcement of Q1 2010 revenues: **May 12, 2010** › GSM (General Shareholders' Meeting): **June 10, 2010** › Distribution of 2009 dividends: **January 12, 2010 and July 9, 2010** › Announcement of Q2 2010 revenues: **August 10, 2010** › Announcement of H1 2010 revenues: **August 31, 2010** › Announcement of Q3 2010 revenues: **November 15, 2010** › Announcement of Q4 2010 revenues: **February 15, 2011** › Announcement and presentation of the Group's 2010 revenues: **week of March 21, 2011**

Contents

1. Persons responsible

1.1. Persons responsible for the information contained in the reference document and the annual report

Fabrice and Raphaël Walewski, Managing Partners.

1.2. Declaration of the persons responsible for the reference document and the annual report

"We confirm that we have taken every reasonable measure to ensure that, to the best of our knowledge, the information in this reference document gives a true and fair view and does not contain any omission likely to change the scope thereof.

We confirm to the best of our knowledge that the financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, financial position and profit or loss of the Group as well as all consolidated companies, and the management report in Section 26.1 on page 111 herein presents a true and fair view of the development and performance of the business, profit or loss and financial position of the Group and all consolidated companies, together with a description of the principal risks and uncertainties that it faces.

We have received the auditors' consent letter, in which they confirm that they have checked the information relating to the financial position and the accounts provided in this document and that they have read all the information herein. The consolidated financial statements for the year ending December 31, 2009 were described in the auditors' report, including an observation. It appears on pages 103 and 104 of the aforementioned document."

April 12, 2010

Fabrice and Raphaël Walewski
Managing Directors

2. Statutory auditors

2.1. Auditor details

	Date first appointed	Mandate expiry
Principal auditors		
DELOITTE **& Associés** Represented by Mr. Alain Penanguer 185, avenue Charles-de-Gaulle 92200 Neuilly-sur-Seine	June 6, 2000 renewed during the Ordinary General Meeting held June 30, 2005.	Following the Ordinary General Meeting held in 2011 to approve the 2010 financial statements.
LEGUIDE NAIM **& Associés** Represented by Mr. Charles Leguide 21, rue Clément-Marot 75008 Paris	July 29,1986 renewed during the Ordinary General Meeting held June 28, 2004.	Following the Ordinary General Meeting held in 2010 to approve the 2009 financial statements.
Alternate auditors		
B.E.A.S. 7-9, Villa Houssay 92200 Neuilly-sur-Seine	June 6, 2000 renewed during the Ordinary General Meeting held June 30, 2005.	Following the Ordinary General Meeting held in 2011 to approve the 2010 financial statements.
Serge Leguide 21, rue Clément-Marot 75008 Paris	July 29,1986 renewed during the Ordinary General Meeting held June 28 2004.	Following the Ordinary General Meeting held in 2010 to approve the 2009 financial statements.

2.2. Change in statutory auditors

In accordance with current legislation, the representative of each legal entity holding a Statutory Auditor mandate has been changed. Alain Penanguer now represents DELOITTE & Associés, replacing Bertrand de Florival, and Charles Leguide now represents LEGUIDE NAÏM & Associés, replacing Paul Naïm.

3. Selected financial information

3.1. Selected historical financial information

Key figures from the Income Statement

(€ thousands)	**2009**	2008 proforma	2008	2007
Leasing revenue	206,818	205,560	205,560	170,285
Sales of equipment	64,954	163,188	159,327	107,875
Revenue	271,772	368,748	364,887	278,160
EBITDA before distribution to investors[1]	110,879	118,938	118,936	96,209
EBITDA after distribution to investors[1]	48,981	53,539	53,537	34,640
Operating income before distribution to investors	90,196	102,844	102,842	85,026
Operating income after distribution to investors[2]	28,298	37,445	37,443	23,457
Consolidated net profit/(loss), Group's share	14,193	16,840	16,838	11,721
Net earnings per share (€)	2.73	3.72	3.72	3.01

(1) The EBITDA represents the operating income restated to include depreciation and provisions for fixed assets.
(2) The operating result after distribution to investors corresponds to the operating income as defined by the French National Accounting Council (CNC).

Key figures from the Balance Sheet

(€thousands)	**2009**	2008	2007
Total assets	562,018	501,540	377,931
Gross tangible assets[1]	394,736	322,471	250,134
ROI[2]	12.41%	16,60%	15,90%
Total non-current assets	364,927	311,229	237,765
Shareholders' equity – Group's share	129,049	102,487	68,504
Minority interests	(98)	(57)	(8)
Gross debt	336,620	297,905	183,413
Net debt[3]	301,756	262,099	158,677
Dividend paid per share (€)	1	1	0.75

(1) The gross tangible assets do not include the value of capital gains on internal disposals.
(2) Return on Investment: represents the EBITDA after distribution to investors divided by the gross tangible assets. For the record, the ROI was previously called "ROFA".
(3) The net debt is the gross debt after deducting cash assets.

Note that no significant changes have occurred in the Group's financial position or business status since the end of the last financial year.
The selected historical financial information is supplemented by the management report in Section 26.1 on page 111.

3.2. Selected financial information for intermediate periods

Not applicable.

4. Risk Factors

TOUAX has reviewed the risks which might have a significant impact on its business, its financial situation, its profit or loss, or its ability to achieve its objectives. The Group does not believe there are other significant risks besides those presented. However, any of these risks, or other risks which TOUAX has not yet identified or considers to be insignificant, could have an adverse effect on the Group's business, financial position, income or share prices.

4.1. Legal risks

4.1.1. Key issues and constraints related to legislation and regulations

› Modular buildings

Modular buildings are subject to building regulations and safety standards such as employment regulations. The Group would incur costs in having to move into line with any new changes in legislation. Complying with such new legislation would affect all players in the modular buildings industry, and enable the Group to revise part of its leasing prices.

› River barges

Circulation of river barges along a waterway is subject to the inland waterway regulations of the country in question or to a Committee of members from the countries concerned when the river passes through more than one country.

In addition to the administrative formalities involved in registering for licenses, some countries (particularly the US) consider rivers to be a "strategic defense" sector: foreign companies have to apply for special licenses. These licenses are subject to modifications following political decisions.

Safety regulations in particular can also change, making barges subject to new technical specifications. Such measures can lead to major remedial costs and even cause some units to become obsolete (such as oil tankers requiring a double hull).

The Group's compliance with the most advanced standards in force for the aforementioned activities, as well as with new regulatory standards (Eurocode, EC, new European standards for barges on the Danube) limit our exposure to regulatory risks.

4.1.2. Proven risks which may or not be due to non-compliance with a contractual commitment – disputes

Should the company be involved in a dispute, a provision is made in the accounts when a charge is likely in accordance with Paragraph 3 of Article L 123-20 of French commercial law. Note that the outcome of any current or recent dispute or litigation will not have any significant impact on the Group's financial position, business or income, or on the Group itself.

There is no other significant dispute or litigation other than those mentioned in the following paragraphs.

› Shipping containers

Two of the Group's shipping container customers went bankrupt in 2008. It was possible to recover all the equipment leased to these customers. The equipment belonged mainly to investors. The failures had little impact on the Group's accounts, and full provisions were made.

This default risk was insured in 2008. The Group has made insurance claims for payment related to these failures. The insurance companies have not indemnified the Group to date, despite the guaranteed terms. Litigation is underway to secure redress for these damages.

› Modular buildings

To date, no significant dispute has been reported for the modular buildings business.

› River barges

Following the return of a leased pushboat and two barges in France in 2003, the Group asked the customer to restore the vessels to their original condition. The customer contested the request, and claims were instigated by and against TOUAX to resolve the dispute. Amounts cannot be disclosed for reasons of confidentiality. The risk related to the return of the pushboat and barges in France is not considered to be significant. The lower court ruled in favor of the Group, and the customer has appealed the ruling.

As a result of the war in Kosovo, the ensuing embargo and the bombed bridges over the Danube, the Group has suffered considerable losses in Romania. The Group is currently filing claims to seek damages for the losses incurred. The significant amounts claimed cannot be disclosed for reasons of confidentiality.

› Railcars

To date, no significant dispute has been reported for the railcar business.

4.2. Industrial and environmental risks

4.2.1. Economic risk

› Shipping containers

Demand for containers is linked to changes in container traffic and transport capacities. Fluctuations depend on the level of global economic growth and of international trade. Furthermore, the leasing market for shipping containers is highly competitive with a numerous lessors, production plants, financing firms, and so on. Economic risks concern both cyclical recession and that of losing customers due to a fall in competitive advantage. They are limited both by the large number of long-term lease agreements and by the quality of the Group's services and equipment, which reflect the quality of its customer base. Over 80% of shipping container lease agreements are for three to five years, they cannot be terminated, and lease prices cannot be revised. The world's 25 leading shipping companies work with the Group.

› Modular buildings

The Group's modular buildings business mostly concerns three distinct markets: construction & civil engineering, industry, and local authorities.

The construction & civil engineering market has strict rules set by the main construction companies. These companies impose their conditions and lease prices (master agreements). They apply penalties in case of failure to abide by the rules. Demand for modular buildings goes hand in hand with both the traditional construction market and the renovation market. To reduce inherent risks, the Group has diversified its business between industries and local authorities, while applying the same rules to its own suppliers, thereby transferring part of the risks.

4. Risk Factors

The local authoritie market is regulated (invitations to tender, strict procedures, etc.). The market is highly dependent both on government policies and the budgets allocated by local authorities. Demand for modular buildings by local authorities is mainly concerns classrooms, nurseries and hospital extensions. Risk of a contraction in the market is tempered by the term of the Group's lease agreements, which are generally for more than one year. Furthermore, the Group believes demand from local authorities will continue to rise.

The industrial market depends closely on industrial investments. Demand for modular buildings is influenced by office space cost and availability, the employment market, and companies' needs for flexibility. The low cost of modular buildings compared to traditional buildings, and their flexibility, both are likely to generate a long-term rise in demand in the same way as for local authorities.

Risks are analyzed for each country based on monthly reports concerning trends in the customer portfolio.

› River barges

Demand for barges is linked to changes in river transport. Fluctuations depend on economic growth both in countries the river flows through and on international trade. Economic risks concern the cyclical recession in these countries. This risk does not have an impact on long-term lease agreements, and is limited by geographical diversification of the Group's transport business across several basins.

› Railcars

Growth in freight railcar leasing depends on deregulation of the rail freight market. The Group believes the EU member states will continue down the road towards deregulation and privatization, which will increase the level of competition in the rail transport market as well as the volume of goods transported.

4.2.2. Geopolitical risk

› Shipping containers

As the demand for shipping containers depends on international trade, the geopolitical risk concerns cyclical recession and protectionist measures taken by countries (customs tariffs, curbed imports, government regulations, etc.). The Group limits its exposure to this risk by signing long-term lease agreements. Risk management is based on an analysis of the breakdown in the Group's long-term and short-term lease agreements.

› River barges

As regards rivers running through several countries (the Danube), the risk concerns the right of way (tax) levied by the country on barges using its stretch of the river. This risk is diminishing since most countries crossed by the Danube have joined the European Community. The European Union standardizes the various duties and taxes. Only Croatia and Serbia still retain duties as they are not part of the European Union.

4.2.3. Political risk

› River barges

One of the key commodities transported by river in Europe is coal. Coal transportation is influenced by the energy policies of the countries using river transport. If one European country changed its power supply policies by drastically reducing thermal energy in favor of other forms of energy –such as nuclear, water and wind energy– it could generate a surplus in barge capacities and lead to a clear drop in freight. To minimize this risk, the Group has developed the river barge leasing business and branched out into different commodities (metals, fertilizer, grain, cement, waste, etc.).

› Railcars

The railcar leasing market partially depends on government policies, notably stimulus initiatives for structural investments. The share of rail transport has fallen significantly over the last few decades due to the lack of these investments. Given the ageing railcar fleet, the Group believes a major part needs to be renewed with support from lessors. Furthermore, the Group believes construction of the common market in Europe along with the deregulation of rail transport and current structural investment policies, will help boost rail transport.

4.2.4. Environmental risk

The environmental risks likely to affect the company's assets or income are insignificant, since the Group is mainly a service provider.

› Shipping containers

In some countries, particularly the US, container owners may be liable for any environmental damage caused as containers are unloaded. The Group has taken out insurance to cover against this type of risk and has obliged its customers to do likewise. No significant disputes have occurred or are currently pending in terms of environmental risks, since the Group does not operate tank containers.

Furthermore, the Group believes its other business lines are not subject to any significant environmental risks; the environmental impact of the Group's new business of producing modular buildings is particularly limited due to the minimal use of paints and solvents.

› Modular buildings

The environmental impact of the Group's new business of producing modular buildings is particularly limited due to the minimal use of paints and solvents. The Group reduces these risks through scrupulous compliance with current health and safety standards.

Furthermore, the Group believes its other business lines are not subject to any significant environmental risks.

4.2.5. Climatic risk

› River barges

River navigation depends on weather conditions such as rain, droughts and ice. Heavy rainfall can raise the level of some rivers and reduce clearance beneath bridges, which hampers or even prevents some barges from passing. Droughts can lower water levels, causing barges to carry a lighter load or even not to sail at all for fear of grounding. Harsh winters can bring barges to a complete standstill until the ice melts.

Poor weather conditions can also affect harvests in a given country or region. The quality and/or quantity can be affected. Poor grain quality or a drop in volume will weaken export sales which will lead to a drop in freight levels. Climate risk is limited to the river transport business; it does not influence long-term lease agreements. The Group's diversified presence can help to reduce this risk. Furthermore, the Group is focused on areas of the Danube's basins (such as canals) that are less prone to changing weather conditions. To minimize this risk, the Group uses long-term fixed-price lease agreements.

4.3. Credit and/or counterparty risk

4.3.1. Counterparty risk concerning customers

› Shipping containers

Customer default risk is ultimately borne by the equipment owners. As the Group mainly performs third-party asset management for leasing shipping containers, the counterparty risk for customers is low. Moreover, the quality of TOUAX's customers actually reduces the risks of insolvency. The Group relies on daily contact with its customers and a weekly review and analysis system for its customer portfolio, in order to implement preventive or corrective actions as necessary.

› Modular buildings

The modular buildings leasing business is diversified among several market segments (Construction & civil engineering, industry, and local authorities) and several geographical sectors (9 countries). It also has a large number of customers. The customer default risk is highly diversified. Risks are analyzed for each country based on monthly reports concerning trends in the customer portfolio.

› River barges

Terms of payment for transportation contracts are strict, with a 50% advance payment and cash payment of the balance. These terms are common in the river transport market and limit customer default risk.

The customer portfolio of the leasing business line is monitored monthly to manage customer default risk.

› Railcars

Most of the Group's customers are national railway operators, and their default risk is limited. This risk is managed through a monthly review of the customer portfolio, and daily contact with customers.

4.3.2. Bank and financial counterparty risk

Counterparty risk from Cash and Cash Equivalents, as well as from derivative instruments under contract with banks and/or financial institutions, is managed centrally by the Group's Finance Department.

This risk is discussed in the Notes to the consolidated financial statements, Note 26 page 91.

4.3.3. Dependence risk

The Group is not significantly dependent on any patent or license holders, procurement, industrial, business or financial agreements, new manufacturing processes and suppliers, or local authorities.

Leasing is a recurring, stable business. As such, leasing revenues are not very volatile. The business sectors are distinct, and the customers and suppliers for each sector are different. The businesses use low-tech equipment which can easily be built and leased. In each of its businesses, the Group has a diversified portfolio of customers and suppliers, and is not dependent on any one leasing customer or supplier.

Third-party asset management is also a recurring business. However, the new management programs signed, therefore the sale of equipment and disposal of assets, may be subject to considerable variations from one quarter to another or from one year to the next. The Group sells equipment to a limited number of investors: 45% of revenues from equipment sales were generated from a single investor in 2009. The investor is an investment company founded four years ago by DVB Bank SE (consulting and investment bank specializing in transport) through an investment fund and a partnership with the Group. To minimize the risk of investor dependence, the Group diversifies the number of investors it works with.

The primary customer accounts for an estimated 11% of revenues, the top five account for 21% of revenues, and the top ten represent 29% of revenues. The primary customer is the equipment investor mentioned previously.

4.4. Operational risks

4.4.1. Supply risk

The Group buys part of the equipment it leases. As such, the Group could find itself in a situation where it is unable to procure new equipment rapidly should production plants have no more available order capacity. Note that the economic crisis has restricted production capacity. This risk is partly limited over time, and it has an impact on the Group's growth only, not on the equipment already leased. The risk is limited for the Modular Buildings division, as new buildings have mainly been produced by the Group since 2007.

› Modular buildings

In its role as manufacturer, the Group's production of modular buildings may slow down if a supplier of intermediate products or spare parts runs into financial or technical trouble. To overcome any possible breach of contract, the Group is developing a network of primary and supporting suppliers. This risk is limited for the Modular Buildings division, for since 2007 new equipment has been produced mainly by the Group.

› River barges

The fuel market can affect the competitive advantage of the river transport industry, either due to lack of fuel or to higher prices. The Group does not use any hedging instruments for oil prices. To minimize this risk, the Group has indexed most of its transport contracts with petroleum product prices.

4.4.2. Volatility risk on commodity prices

Equipment purchase prices vary according to the volatility of commodity prices, especially steel. Such volatility is not only attributed to the economic mechanism of supply and demand, but also to sensitivity concerning exchange rate fluctuations since commodity prices are listed in dollars (see exchange rate risk Section 26 page 91).

The rise in commodity prices has a knock-on effect on the final prices of equipment, while inflation also has a positive impact on equipment sale prices and residual values. Lease prices are mainly correlated with equipment prices. In an environment marked by falling prices, the Group may see an occasional drop in profitability. This risk is limited due to the length of the Group's contracts and its long-life equipment. To date, the Group has not observed any major drop in prices due to the significant reduction in production capacity.

Volatile commodity prices can also affect the prices of ordered equipment for firm purchase agreements spread over time. This Group is reducing this risk by restricting its firm commitments and by negotiating indexing mechanisms for commodity prices, especially steel.

4.4.3. Risk of positioning and loss of shipping containers

Containers are sometimes returned by lessees in areas where demand for containers is low (such as the US). To hedge this risk, the Group applies drop-off charges when containers are returned in low-demand areas and has to developed a sales department for used containers to reduce inventory levels in low-demand areas. Container inventory levels at depots are monitored every day and analyzed every month. Furthermore, containers can also be lost or damaged. In such cases, the Group invoices its customers for the replacement values previously accepted in each lease agreement, where the amount is always greater than the asset's net book value. Damage or losses arising from a natural disaster are covered either by the customer's or the warehouse's insurance.

4.4.4. Technical and quality risk of modular buildings

Modular buildings may be affected by technical obsolescence following quality improvements in rival equipment or upgrades requested by customers (change in preferences). Research into quality materials generates extra costs. The Group invests in high-quality equipment over and above existing standards and rival products, enabling the Group to minimize the extra costs inherent in new materials.

4.4.5. Risk of outsourced railcars

The risks associated with outsourcing mainly correspond to problems caused by derailments or strikes by railway workers. In the event of a derailment, the Group's risk is limited to its share of the liability and insurance coverage. In case of a strike, only railcars being delivered are affected, while leased railcars continue to be invoiced to customers as usual.

4.4.6. Seasonal variation

› Modular buildings

The construction & civil engineering sector is subject to seasonal variation which can slow the division's business at certain times of the year. To guard against this risk, TOUAX strives to balance its business portfolio with long-term contracts in non-seasonal market segments.

› River barges

The volume of goods transported varies from season to season and from year to year. It depends on several factors, including the economic climate and farm production cycles. To compensate for these variations, the Group has diversified towards the transport of goods with higher added value such as iron ore, fertilizers, and manufactured goods, and it has entered into long-term agreements.

4.4.7. Commercial risk

› Shipping containers

Worldwide economic growth, particularly concerning international trade, has a major impact on the demand for shipping containers. The current financial and economic crisis makes it more difficult to market equipment. Shipping companies which also own containers first use their own equipment to meet their demand, before considering leasing. In order to limit the impact of economic cycles, the Group has entered into long-term, fixed-price agreements.

› Modular buildings

Daily rental prices have fallen significantly due to the crisis, particularly in construction and civil engineering. Should the crisis persist, prices will certainly fall further, having a larger impact on operating margins. In order to protect against falling prices, TOUAX is seeking to diversify into segments and regions where prices remain at adequate levels.

› River barges

By reducing the volume of goods transported, the crisis has generated temporary overcapacity for barges, notably on the Rhine. In other words, offer is greater than demand – leading to increased competition and an overall drop in prices. This risk is limited to the river transport business; it does not influence the long-term leasing of barges.

› Railcars

In a difficult market context provoked by the worldwide crisis, the volume of goods transported has decreased sharply, reducing demand from both prospects and existing customers. Demand will fall further should the crisis persist. In order to guard against this risk and retain customers, TOUAX has adapted its offer to cater to customers' needs through a more flexible sales approach.

4.4.8. Management risk

A considerable portion of the containers, modular buildings, and railcars managed by the Group belongs to third-party investors or investment companies held by institutional investors. Management contracts govern relations between each investor and the Group. The Group does not guarantee any minimum revenues and, under certain conditions, investors can terminate the management contract and request that their assets be transferred to another manager.

TOUAX has reduced the risk of having management contracts terminated by diversifying the number of investors. A report summarizing the assets under management is produced every month. No investor has withdrawn management of its assets from the Group in the last 20 years.

In response to the creation of financial vehicles (ad hoc companies), the Group has set up collateral deposits. Financial vehicles can tap into the collateral deposits when returns from the investment programs are insufficient. Collateral deposits are topped up if returns improve. To date and according to profitability forecasts, the Group believes it does not have any unprovisioned risk of losing its collateral deposits. This risk is monitored as part of a half-yearly appraisal of the Group's distributions to investors, together with daily monitoring of the utilization rates and per diem unit revenues.

Management contract termination clauses vary according to the program.

The main reasons for which contracts can be terminated are as follows:

• Material non-performance of any one of the manager's obligations (such as evidence of discriminatory management);

• Bankruptcy or winding-up of TOUAX in its capacity as an asset manager;

• Failure by TOUAX to pay any revenues collected and owing to its different investors;

• A change in the majority shareholder.

Only in certain specific cases (particularly securitization) can a contract be terminated due to poor performance of an investment managed by TOUAX.

4.4.9. Psycho-social risk

The Group's success depends to a large extent on the expertise and pro-active capabilities of its teams. They are even more in demand during a crisis. Increasing pressure, more stringent demand across the entire production line, and uncertainty concerning the end of the crisis are part of the teams' daily environment, causing stress and difficulties in the workplace. In order to protect its human resources, in April 2009 the Group's Human Resources Department and the work committee set up a stress monitoring program.

4.5. Liquidity risk

The TOUAX Group's top priorities for managing its liquidity risk are to ensure financial continuity, to meet its commitments at their due dates, and to optimize the cost of debt. The Group has carried out a specific review of its liquidity risk, and considers it is able to meet its commitments at the future due dates.

Liquidity risk management is assessed according to the Group's requirements and is set forth in the Notes to the consolidated financial statements Section 26 page 91.

4.6. Market risk

Market risks include currency risk, interest-rate risks, and risk on securities held.

4.6.1. Interest-rate risk

The TOUAX Group relies on loans for both its development requirements and its investment policy. A large share of its loans apply a variable interest rate. Most of the Group's interest-rate risk is related to its variable interest-rate loans.

Interest-rate risk management is described in the Notes to the consolidated financial statements Section 26 page 91.

4.6.2. Currency risk

Information on currency risk and its management is provided in Note 26 of the Notes to the consolidated financial statements, page 91.

As explained in this note, the TOUAX Group is naturally exposed to currency rate fluctuations due to its international presence. These fluctuations may affect the Group's results via the conversion into euros of accounts for its subsidiaries outside the euro zone. This makes it difficult to compare performance between two fiscal years. The Group's exposure to currency risk is mainly linked to fluctuations in the US dollar against the euro, as well as by the Czech crown and the Polish zloty against the euro.

The Group believes it has minimal exposure to operational currency risk, as income and expenses are generated in the same currency. The Group considers that a 10% decrease in the exchange rate of the US dollar vs. the euro would cause a 0.79% drop in operating income after distribution to investors. The total percentage of other currencies in the Group's operating income after distribution is 0.92% for the Czech crown and 0.91% for the zloty.

4.6.3. Risk on equity and other financial instruments

The Group's strategy is to invest in short-term surplus monetary investments of Undertakings for Collective Investment in Transferable Securities. The Group has no dealings on the financial stock markets.

Equity risk management is described in the Notes to the consolidated financial statements Section 26 page 91.

Risk of dilution for shareholders

The Group's strategy is based on the growth and development of various fleets. This strategy requires considerable funding. One of the methods used by the Group is to issue new shares in the equity markets.

Shareholders who do not subscribe to the news shares are exposed to a risk of dilution of their stake in TOUAX's capital. The table below lists new shares issued over the past five years (in thousands of euros):

Year	Bond with redeemable equity warrant	Equity call (share capital)	Equity call (issue premium)	Target
2005		7,326.3	10,630.9	growth
2006		964.8	1,529.1	growth
2007	40,393.3			growth
2008		6,236.6	17,072.7	growth
2009		7,622.0	10,537.4	growth

4.7. Insurance – Hedging

Risks concerning the lessor's civil liability in terms of operating equipment are always covered. Only the risks relating to operating losses are not always covered. The directors and business managers are responsible for assessing and covering the risks of operating losses in line with market conditions.

The Group is pursuing a policy that systematically covers its tangible assets and general risks. The Group has three types of insurance policy: equipment insurance, operational liability insurance, and liability insurance for company officers. The Group does not have a captive insurance company.

The risk of losses or damage to tangible assets in the modular buildings, river barges and railcars divisions is covered by the equipment insurance policy (comprehensive property insurance). Insurance for tangible assets in the shipping containers division is delegated to the Group's customers and suppliers (warehouses) in accordance with standard business practices. Operating losses arising from lost or damaged tangible assets are covered by tangible assets insurance.

Third-party liability insurance of the TOUAX SCA parent company covers physical injury occurring in the normal course of operation. The Group's subsidiaries each have their own third-party liability insurance.

4. Risk Factors

Liability insurance for company officers covers legitimate and effective directors whose liability could be invoked due to an act of professional misconduct as part of their management, supervisory or leadership activity performed with or without a mandate or delegated authority.

The shipping containers business has third-party liability insurance. Equipment is insured directly by customers and warehouses in accordance with standard business practices.

Modular buildings insurance guarantees the value of equipment as a whole and specifically when buildings are at warehouses or on lease and when the customer has neglected to take out insurance during the lease term. In particular, this insurance covers risk of an explosion, fire, hurricane, storm, collision, water damage, fall, theft, and so on.

River barge insurance guarantees against damage, loss, third-party claims and costs arising from a navigation accident, explosion, fire or any case of force majeure and more specifically damage arising from a malfunction to the propulsion and steering mechanisms, machine breakages, electrical damage, leaks, damages arising from poor berthing or loading, mooring risks, damage to engineered structures, risks of pollution, and costs arising from investigations, surveys, proceedings, and legal representation. Insurance includes contractual third-party liability for entrusted barges belonging to third parties, coverage for the transporter's liability such as defined by legislation and regulations, and coverage for the goods transported. Coverage and guarantee amounts depend on the vessels and waterways. Note that risks of war are covered for barges operating along the Danube.

The railcar business has third-party liability insurance and equipment damage insurance covering the cost of losses and damages arising from natural disaster, fire, explosion, theft and loss, and any event beyond the Group's reasonable control. Insurance also covers loss of lease revenues if a damaged railcar is immobilized for repairs.

The Group believes adequate coverage is in place for its risks, especially those concerning its equipment.

5. Issuer Information

5.1. Company history and development

5.1.1. Business name and commercial name

TOUAX SCA

SGTR – CITE – CMTE – TAF – SLM
TOUAGE INVESTISSEMENT combined

5.1.2. Place of incorporation and registration number

Registered and administrative office
Tour Arago – 5, rue Bellini
92806 Puteaux – La Défense cedex – FRANCE
Tel.: +33 (0)1 46 96 18 00

Identification
Register of companies: Nanterre B 305 729 352

SIRET: 305 729 352 00099

APE: 7010Z

Listed on NYSE Euronext in Paris – Compartment C

ISIN code: FR0000033003 – Reuters TETR. PA – Bloomberg TOUPFP equity

5.1.3. Date of incorporation and duration

The company was incorporated in 1898. Incorporation will expire on December 31, 2104.

5.1.4. Legal status and legislation

Company legal status
Partnership limited by shares.

Financial year
The financial year of TOUAX SCA commences on January 1 and ends on December 31.

Share capital
On December 31,2009, the company's capital comprised 5,687,826 shares with a par value of €8.

The capital is fully paid up.

Company legislation
A partnership limited by shares, governed by French commercial law.

Viewing of the company's legal documents
Documents relating to TOUAX SCA can be consulted at the company's registered office.

Information policy
In addition to its annual report and publications in BALO (gazette featuring mandatory legal announcements), the company distributes a half-yearly business newsletter containing a sector-based analysis of the company's revenues and key events of the half-year.

A financial communication agreement has been signed with ACTIFIN – 76-78, rue Saint-Lazare – 75009 – Paris – FRANCE.

Annual reports, press releases and half-yearly newsletters are available in French and English on the Group's website (www.touax.com).

Significant news that may affect share prices is always broadcast through the press.

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5.1.5. Historical background

Refer to the timeline on page 4.

5.2. Investments

5.2.1. Principal investments

The Group is in the operational leasing business for mobile and standardized equipment, shipping containers, modular buildings, river barges, and railcars. The Group also runs a cross-functional activity – third-party management. By the end of 2009, 63% of assets under Group management were owned by investors and entrusted to the Group under management contracts. The Group's growth policy is based on new equipment lease agreements with its customers, requiring new investments funded by third-party investors as part of the Group's management programs or by the Group using its own financing resources.

The Group is keen to pursue growth in its four core businesses by increasing the amount of new equipment on long-term lease agreements. The Group is driven by its aim to invest no less than 200 million euros every year, and to continue gaining new market shares and reinforce its economies of scale, with a minimum return on equity of 15% by increasing its borrowing capacity. The return on equity corresponds to the ratio of net profit/equity capital. This is the concept usually calculated by financial analysts. These investments include Group-owned and third-party assets. To achieve this level of performance, TOUAX will balance the breakdown in managed assets and Group investments in the ratio of 25% for Group-owned assets and 75% for third-party assets. This strategy for investment in long-term agreements for standardized mobile equipment limits the risk of non-leasing and risks on residual values. It allows the Group to find third-party investors and to apply Group financing in order to pursue its development.

TOUAX's investment policy is focused on financing Group-owned assets in line with a debt-to-equity ratio of 1.9 to 1. To optimize income, the Group also uses "non-recourse" debt, where reimbursement is secured via leasing revenues or gains from the disposal of the financed asset. This type of financing supports the Group's growth, while reducing risks for shareholders. The policy adopted by the Group is to maintain a debt-to-equity ratio (including non-recourse debt) of 2.8 to 1. This is an internal limit. This ratio enables the Group to pre-finance assets to be sold to investors. Selling assets to investors is part of the Group's strategy and it finances growth with limited recourse to debt. The Group's growth generates economies of scale and increases margins.

The Group may use instruments to finance its current assets, such as pooled-receivables, bank factoring, securitization and assignment of receivables.

Note that lease agreements are classed as financial lease agreements once the Group benefits from the advantages and risks inherent in ownership. For example, clauses for the automatic transfer of ownership, options to buy at a value far below the estimated market value, equivalence between the lease term and the life of the asset or between the discounted value of future lease payments and the value of the asset are features that generally lead to lease agreements being classed as financial lease agreements.

Since September 2008, the market has reversed. The financial crisis has affected our customers and demand in general, with pressure on both leasing and utilization rates. Nevertheless, the Group's diversification and its strategy for giving preference to long-term contracts should help it withstand the crisis.

Furthermore, the difficulties for obtaining loans have reduced investors' capacity to purchase equipment and enter new management programs. The drop in customer demand makes it more difficult to market new equipment, but provides opportunities to acquire existing fleets.

As a result, the Group has reduced both its own investments and those for third parties.

In 2009, the Group made the following investments on its own behalf and for investors:

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	Miscellaneous	Total
Gross Capital Investments included in the consolidation perimeter	2,995	45,526	20,208	25,272	357	94,358
Variation in Stocks of Equipment	(329)			(2,128)		(2,457)
Sale of Capitalized Equipment (historical gross value)	(5,353)	(2,009)	(12,069)	(82)	(17)	(19,530)
Capital Investments & Investments in Managed Assets	**(2,687)**	**43,517**	**8,139**	**23,062**	**340**	**72,371**
Equipment sold to investors (finance lease)	5,674					5,674
Gross investment in managed assets	43		10,200	33,642		43,885
Capitalized equipment sold to investors						0
Sale of Capitalized Equipment	(34,886)	(3,187)				(38,073)
Net Investments in Managed Assets	**(29,169)**	**(3,187)**	**10,200**	**33,642**		**11,486**
Net investments	**(31,856)**	**40,330**	**18,339**	**56,704**	**340**	**83,857**

In 2008, the Group made the following investments on its own behalf and for investors:

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	Miscellaneous	Total
Gross Capital Investments included in the consolidation perimeter	5,067	57,014	23,919	8,081	134	94,215
Variation in Stocks of Equipment	(23,005)			47,394		24,389
Sale of Capitalized Equipment (historical gross value)	(2,026)	(1,793)	(819)	(909)		(3,521)
Capital Investments & Investments in Managed Assets	**(19,964)**	**55,221**	**23,100**	**54,566**	**134**	**115,083**
Equipment sold to investors (finance lease)	34,406					34,406
Gross investment in managed assets	98,978			14,893		113,871
Capitalized equipment sold to investors	232					232
Sale of Capitalized Equipment	(10,418)	(2,249)		(125)		(12,792)
Net Investments in Managed Assets	**123,198**	**(2,249)**		**14,768**		**135,717**
Net investments	**103,234**	**52,972**	**23,100**	**69,334**	**134**	**248,774**

In 2007, the Group made the following investments on its own behalf and for investors:

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	Miscellaneous	Total
Gross Capitalized Investments included in the consolidation perimeter	8,214	52,930	4,416	30,895	331	96,786
Variation in Stocks of Equipment	18,723	681	13	6,069		25,486
Lease purchase	24,827					24,827
Gross Investments in Managed Assets	56,485			33,381		89,866
Capitalized equipment sold to investors	4,248					4,248
Capital Investments & Investments in Managed Assets	**112,498**	**53,611**	**4,429**	**70,345**	**331**	**241,214**
Sale of Managed Equipment	(8,514)	(1,578)		(40)		(10,132)
Sale of Capitalized Equipment	(5,292)	(2,183)	(21)	(641)	(8)	(8,145)
Net Investment in Capital Assets and Inventory	**21,645**	**51,428**	**4,408**	**36,323**	**323**	**114,127**
Net Investments in Managed Assets	**77,046**	**(1,578)**		**33,341**		**108,809**
Net investments	**98,691**	**49,850**	**4,408**	**69,664**	**323**	**222,936**

The following non-current investments were recognized in the Group's consolidated financial statements as of December 31,2009:

Net capital investments during the fiscal year

(€ thousands)	2009	2008	2007
Net investments in intangible assets	247	466	605
Net investments in tangible assets	52,521	77,177	87,589
Net investments in financial assets	1,191	11,025	447
Total net investments	**53,959**	**88,668**	**88,641**

Breakdown by business of net capital investments

(€ thousands)	2009	2008	2007
Shipping containers	(2,358)	3,041	2,922
Modular buildings	43,517	55,221	50,747
River barges	8,139	23,100	4,395
Railcars	4,321	7,172	30,254
Miscellaneous	340	134	323
Total	**53,959**	**88,668**	**88,641**

Methods of financing of net capital investments

(€ thousands)	2009	2008	2007
Cash/loans	8,623	56,530	92,889
Leasing	45,336	32,370	
Management contract with third party investors		(232)	(4,248)
Total	**53,959**	**88,668**	**88,641**

The investments kept on the Group's Balance Sheet were financed via available credit lines.

5.2.2. Principal current investments

Orders and investments paid or delivered since the beginning of the year amount to approximately €3 million as of January 31,2010, including €1 million in shipping containers and €2 million in modular buildings.

Orders and investments have been financed by cash and available credit lines.

5.2.3. Firm investment commitments

Firm orders and investments as of December 31,2009 amount to approximately €8 million, including €1 million in shipping containers, €3 million in modular buildings, and €4 million in railcars. These firm orders or investments were delivered in 2009 or will be delivered in 2010, but paid in 2010.

Firm investment commitments will be pre-financed via available credit lines. Most of these investments will be sold to third-party investors.

The overwhelming majority of orders for shipping containers and railcars as well as part of the orders for river barges are earmarked for third-party investors or sale. Orders for modular buildings as well as part of the river barges are mainly intended for the Group.

5.2.4. Breakdown in managed assets

The value of managed assets corresponds to the purchase price. Assets in US dollars are values at the exchange rate of December 31, 2009.

The breakdown in the assets managed by the Group is as follows:

Breakdown of Managed Assets at 31/12/2009

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars
Group-owned (assets & stock)	42,746	232,073	72,370	139,395
Non-group investors	535,895	51,885	39,215	189,289

The assets managed under securitization agreements represented 5% of all assets under management as of December 31, 2009.

Breakdown of Managed Assets at 31/12/2008

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars
Group-owned (assets & stock)	45,301	186,593	64,526	120,304
Non-group investors	589,592	55,229	8,815	158,601

The assets managed under securitization agreements represented 9% of all assets under management as of December 31, 2008.

Breakdown of Managed Assets at 31/12/2007

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars
Group-owned (assets & stock)	59,570	137,109	39,223	65,576
Non-group investors	433,336	57,206	8,815	143,556

The assets managed under securitization agreements represented 11% of all assets under management as of December 31, 2007.

Non-recourse operating leases were recognized in managed assets, while financial leases were recognized in Group-owned assets. Details on non-recourse operating leases can be found in Note 28.1 page 95 of the Notes to the consolidated financial statements in Section 20.1.

6. Business Overview

6.1. Core businesses

6.1.1. Types of operations and core businesses

The TOUAX Group is an operational leasing expert for mobile and standardized equipment including shipping containers, modular buildings, river barges and freight railcars. The Group manages its own equipment as well as equipment for third-party investors. The Group also provides third-party management across its four core businesses. This management activity begins with the Group buying equipment, building up a lease equipment portfolio and subsequently selling that equipment to investors, and finally managing that portfolio on behalf of investors. As such, the Group generates leasing margins (Group-owned equipment), syndication margins (purchase and sale of equipment to investors), management margins (assets under management), and trading margins (purchase and sale of equipment to end users).

The leasing revenues recognized in the accounts correspond to the leasing revenues from all equipment managed by the Group, whether Group-owned or investor-owned. The Group acts as a principal and not as an agent. Similarly, the recognized operating expenses correspond to all equipment managed.

The third-party management margin refers to the leasing revenues from managed equipment less the associated operating expenses and less the revenues distributed to investors. The third-party management margin is equivalent to the Group's management commission.

The syndication margin refers to either the sales margin (sales less cost of sales) or the capital gains on disposals, depending on the business.

Capital gains on the residual values of the Group's assets are also recognized as capital gains on disposals, depending on the business.

Both businesses and markets are described in more detail in the earlier chapters on pages 5 to 12, further information is available in the management report on page 111.

The breakdown in revenues for each core business and geographic area is described in the Notes to the consolidated financial statements in Note 20.1 on page 42.

› **In the shipping containers business**, the Group generates syndication margins and management and leasing margins. Creating and syndicating a shipping containers portfolio is a short process (average of six months). Syndication margins are recognized as sales/cost of sales.

Increased international trade has raised the global number of containers from 12.5 million to 26.3 million TEUs within 10 years.

The shipping container market has undergone structural growth in response to the increasingly globalized marketplace:

Although Clarkson forecasts a slight market recovery in terms of volume in 2010, the Group is preparing for an end of the crisis. TOUAX intends to continue investing in long-term contracts to meet demand. Investments are planned for sale to third-party investors as part of management contracts.

The Group is determined to achieve a fleet in excess of 800,000 TEUs (7% of the global market) in the medium term.

› **In the modular buildings business**, the Group generates syndication margins, management and leasing margins, and trading margins. The Group produces and sells modular buildings to customers and generates trading margins (sales/cost of sales). In addition, the Group invests in leasing equipment. Building up and syndicating a portfolio of modular buildings tends to take more than one year. Syndication margins are then recognize as sales/cost of sales as well as trading margins.

The number of modular buildings available for leasing in Europe has risen from 250,000 to 500,000 units in 15 years (source: TOUAX).

The Group is pursuing a target of 75,000 modular buildings, representing a 15% share of the European market. In 2009, the Group held a 7.5% share of the European market (source: TOUAX).

› **In the river barges business**, the Group provides transport (along the Rhine and Danube) and leasing services (along the Mississippi, Seine, Rhone, and Parana Paraguay).

The number of river barges in Europe has barely changed over the years, and the overall fleet is aging (source: TOUAX). The number of dry bulk river barges in the US rose from 18,029 units in 2007 to 18,014 units in 2008 with an average age of 15.6 years, 12% of the units are over 25 years old (source: Sparks Companies Inc. March 2009).

In 2009 the river barge market will have to reckon with both a reduction in transport volumes in Europe and equipment surpluses. New emerging markets (particularly in South America) should partially offset these reductions.

TOUAX's goals in the medium term are to:

• Focus TOUAX's positioning and development on new, long-term leasing and shipping contracts.

• Make new selective investments (South America and Europe).

• Achieve a structural increase in Danube river transport.

› **In the railcar business**, the Group leases 7,500 railcars in the USA and Europe, mainly through long-term agreements (average term: 5 years). The Group generates syndication margins, leasing and management margins, and trading margins. Freight railcar portfolios are built up and syndicated among third-party investors. Syndication margins are recognized as sales/cost of sales. Trading margins are also recognized as sales/cost of sales.

Annual growth rate	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010*	2011*
Containerized trade	2%	10%	12%	13%	10%	11%	12%	4%	-9%	5%	8%
Container ships	8%	8%	8%	8%	11%	14%	12%	11%	5%	5%	5%
Container fleet	4%	7%	9%	10%	7%	9%	12%	7%	-3%	3%	7%

Source: Clarkson Research Studies – February 2010 & Containerisation International 2009.
* Forecast.

6. Business Overview

Note that intermodal rail traffic in Europe has increased by 2% (source: UIRR Statistics 2008). The number of semi-trailers, swap bodies and containers transported by rail in Europe increased from 5,875,083 TEUs in 2007 to 5,985,250 TEUs in 2008 (source: UIRR). The market began to weaken in September 2008, and the rail transport sector has also suffered the effects of the global financial crisis. As rail transport provides a service to economies, it is directly dependent on the production, distribution, and consumption of goods. Faced with the recession, the Group has adapted its strategy to demand, reinforced its business, and prepared for the turnaround in 2010-2011.

TOUAX's leasing services have attracted railway operators. The Group's target for 2010 is to continue investing on its own behalf and for third parties, mainly in long-term contracts in Europe, but with lower volumes than in 2008 and 2009.

In the medium term, the Group is aiming to manage a fleet of 10,000 railcars and bolster its position as Europe's number two lessor of intermodal railcars. A presentation of the outlook made during the Financial Analyst Meeting on March 26, 2010 is provided in Section 28.6 page 137.

6.1.2. New product or service

Not applicable.

6.2. Key markets

See page 10.

6.3. Exceptional events

Not applicable.

6.4. Dependence on patents, licenses and contracts

Not applicable.

6.5. Competitive position

See pages 6, 7, 8 and 9.

7. Organization chart

7.1. Group organization chart

TOUAX SCA
(FR)
Listed in Paris on NYSE Euronext
Compartment C

TOUAX CORPORATE SAS (FR)
Service company
100 %

TOUAX CAPITAL SA (SW)
Investment and equipment
management company
100 %

TOUAX CONTAINER SERVICES SAS (FR)
Service company
Shipping containers
100 %

- **TOUAX Corp. (USA)**
  Service company
  Shipping containers
  100 %
- **Gold Container Leasing Pte Ltd (SGP)**
  Leasing of shipping containers
  100 %
- **Gold Container Investment Ltd (HK)**
  Sales of shipping containers
  100 %
- **Gold Container Corp. (USA)**
  Leasing and sales
  of shipping containers
  100 %
- **Gold Container Finance Corp. (USA)**
  Financing company
  for shipping containers
  100 %
- **TOUAX Container Lease Receivables Corp. (USA)**
  Investment company as part
  of the Forming ot the Trust 98
  100 %
- **TOUAX Equipment Leasing Corp. (USA)**
  Investment company as part
  of the Forming ot the Trust 2001
  100 %
- **TOUAX Finance Inc. (USA)**
  Investment company as part
  of the Forming ot the Trust 95
  100 %
- **Servicios Fluviales SA (PARAGUAY)**
  Dormant company
  100 %

TOUAX SOLUTIONS MODULAIRES SAS (FR)
Leasing and sales
of modular buildings
100 %

- **TOUAX Construction Modulaire SAS (FR)**
  Modular builgings
  assembly company
  100 %
- **Marsten THG Modular Leasing Corp. Work Space Plus D/B/A (USA)**
  Leasing and sales
  of modular buildings
  100 %
- **TOUAX Espana SA (SP)**
  Leasing and sales
  of modular buildings
  100 %
- **TOUAX BV (NL)**
  Leasing and sales
  of modular buildings
  100 %
- **TOUAX NV (BE)**
  Leasing and sales
  of modular buildings
  100 %
- **Siko Containerhandel GmbH (GE)**
  Leasing and sales
  of modular buildings
  100 %
- **TOUAX SRO (CZ)**
  Modular buildings
  assembly company
  100 %
- **Siko Polska Sp.zo.o. (PL)**
  Leasing and sales
  of modular buildings
  100 %
- **TOUAX SK Sro (SK)**
  Leasing and sales
  of modular buildings
  100 %

TOUAX RIVER BARGES SAS (FR)
Leasing of river barges
100 %

- **TOUAX Leasing Corp. (USA)**
  Leasing of river barges
  100 %
- **TOUAX Rom SA (RO)**
  River transport
  100 %
- **Eurobulk Transport Maatschappij BV (NL)**
  River transport
  100 %
- **TOUAX Hydrovia Corp. (PA)**
  Leasing of river barges
  100 %
- **CS de Jonge BV (NL)**
  River transport
  100 %
- **Interfeeder Ducotra BV (NL)**
  River transport
  77,14 %
- **Eurobulk Belgium BVBA (BE)**
  River transport
  97,93 %

TOUAX RAIL LTD (IR)
Leasing and sales of railcars
100 %

- **TOUAX Rail Finance Ltd (IR)**
  Railcar financing company
  100 %
- **CFCL TOUAX LLp (USA)**
  Leasing and sales of railcars
  51 %
- **TOUAX Rail Romania SA (RO)**
  Leasing and sales of railcars
  57,5 %
- **TOUAX Rail Investment Ltd (IR)**
  Railcar investment company
  100 %
- **TOUAX Rail Finance 2 Ltd (IR)**
  Railcar financing company
  100 %

100 %	Shipping Containers
100 %	Modular Buildings
100 %	River Transport
100 %	Railcar
100 %	Service Company

Percentages indicated correspond to capital held and voting rights.

7. Organization chart

7.2. Parent-subsidiary relations

TOUAX SCA is a holding company. As such, TOUAX SCA records interests in its national and international subsidiaries. TOUAX SCA is active in the French real-estate business, and provides consulting services to its subsidiaries.

There is no functional dependence between the Group's businesses. There is a certain degree of functional dependence between companies within the same business, particularly asset financing companies, asset production companies, and distribution companies.

In most cases, each subsidiary owns directly its proprietary assets for leasing and sale.

The list of subsidiaries is provided in the consolidated financial statements in Section 20.1 page 42.

The functions of TOUAX SCA's directors in the Group's subsidiaries are detailed in the Report of the Chairman of the Supervisory Board in Section 27.2 page 123. The Group's economic presentation is provided in the Section entitled "An experienced player in operational leasing" (see page 3).

There are no significant risks arising from the existence of any notable influence by minority shareholders on the Group's subsidiaries as regards the financial structure of the Group, particularly concerning the location and association of assets, cash and financial debts in connection with agreements governing joint control.

To the best of our knowledge, there are no restrictions either on cash flows from the subsidiaries to the parent company or on the use of cash, except for jointly controlled subsidiaries.

The figures relating to significant parent-subsidiary relationships (other than regulated agreements) for the 2009 financial year are as follows:

Services provided *(€ thousands)*	IT and management costs	Interest received on loan
TOUAX Capital SA		50
Interfeeder Ducotra BV		19
TOUAX Corp.		136
TOUAX Rail Ltd	471	639
TOUAX Solutions Modulaires SAS	752	1,441
TOUAX Container Services SAS	250	28
TOUAX River Barges SAS		31
TOUAX Corporate SAS	250	524

Services received *(€ thousands)*	Interest payable on advances
TOUAX Capital SA	95
Gold Container Corp.	325
TOUAX Corp.	82
TOUAX Corporate SAS	21
TOUAX Container Services SAS	53
TOUAX River Barges SAS	29

The guarantees and other commitments granted as of December 31, 2009 are as follows:

Subsidiaries concerned (€ thousands)	Year in which guarantees granted	Original amount of guarantees granted	Guarantees expiring in less than one year	Guarantees expiring in 1 to 5 years	Guarantees expiring over 5 years time	Outstanding capital owing as of 31.12.2009
TOUAX Solutions Modulaires SAS		**71,546**	**14,066**	**33,869**	**23,611**	**53,219**
	2008	57,211	14,066	24,534	18,611	39,863
	2009	14,335		9,335	5,000	13,356
TOUAX Rail Ltd		**6,393**		**3,326**	**3,067**	**2,554**
	2000	3,326		3,326		1,703
	2002	3,067			3,067	851
SIKO Containerhandel Gmbh		**37,904**	**500**	**33,676**	**3,729**	**32,686**
	2005	225			226	80
	2006	3,503			3,503	2,291
	2008	15,674	500	15,174		12,822
	2009	18,502		18,502		17,493
TOUAX River Barges SAS		**26,196**	**511**	**21,860**	**3,825**	**12,485**
	2008	4,336	511		3,825	1,161
	2009	21,860		21,860		11,324
SIKO Polska Sp.zo.o		**22,995**		**16,071**	**6,924**	**17,229**
	2005	2,107			2,107	596
	2006	4,817			4,817	3,075
	2007	3,675		3,675		2,646
	2008	6,552		6,552		5,344
	2009	5,844		5,844		5,568
TOUAX Leasing Corp.	2008	**8,296**			**8,296**	**5,846**
Marsten THG Modular LEASING Corp. Workspace Plus D/B/A		**7,806**	**3,077**	**4,729**		**3,615**
	2002	3,077	3,077			312
	2006	2,169		2,169		1,421
	2007	2,560		2,560		1,882
TOUAX Corp.	2008	**7,185**	**7,185**			
EUROBULK Transport Maatschappij BV		**5,552**		**786**	**4,766**	**1,667**
	2003	4,433			4,433	1,128
	2005	786		786		301
	2008	333			333	238
GOLD Container Corp.		**5,317**	**862**	**3,593**	**862**	**3,557**
	1998	1,724	862		862	529
	2008	3,593		3,593		3,028
TOUAX Constructions Modulaires SAS	2008	**3,546**	**2,750**		**796**	**2,059**
TOUAX Espana SA		**960**	**550**		**410**	**326**
	2005	710	300		410	203
	2008	250	250			123
TOUAX NV		**293**	**106**		**187**	**33**
	2002	106	106			6
	2003	187			187	27
TOUAX BV	**2003**	**867**	**867**			**115**
TOUAX Corporate SAS	**2008**	**275**	**275**			
Grand total of guarantees granted		**205,131**	**30,749**	**117,910**	**56,473**	**135,391**

7. Organization chart

The main subsidiaries of TOUAX SCA are described in the table of subsidiaries and of interests in the notes to the company financial statements.

The Group's main subsidiaries are GOLD Container Corporation, a company under US law, and TOUAX RAIL Ltd, a company under Irish law.

The key figures of GOLD Container Corporation are presented in the following table before elimination of any intra-Group transactions:

($ thousands)	**2009**	2008	2007
Net fixed assets	**9,755**	12,385	6,125
Shareholders' equity	**36,616**	35,083	28,068
Financial debts	**5,125**	5,839	963
Revenue	**111,991**	346,669	202,081
Operating income before distribution to investors	**64,232**	86,143	74,902
Operating income after distribution to investors	**2,649**	8,398	4,460
Net profit	**1,929**	5,518	3,798

The decrease in revenues is mainly due to the lack of container sales to investors. The drop in earnings is proportional to the drop in revenues.

The key figures of TOUAX RAIL Ltd are presented in the following table before elimination of any intra-Group transactions:

(€ thousands)	**2009**	2008	2007
Net fixed assets	**12,850**	9,251	9,821
Shareholders' equity	**26,481**	13,000	13,853
Financial debts	**2,554**	3,123	3,119
Revenue	**121,722**	113,253	108,343
Operating income before distribution to investors	**18,843**	18,547	14,098
Operating income after distribution to investors	**1,716**	2,437	3,682
Net profit	**3,481**	(852)	2,733

The growth in revenues is generated in part by the increase in leasing revenues (+6%) thanks to investments made in 2008 and early 2009. It is also due to the 80.4% increase in sales, mainly concerning railcar syndication to third-party investors where the Group maintains management. The improved earnings are attributed to the reversal (following contract renegotiation) of a provision, included in the 2008 accounts of €3.1 million, in order to compensate for the increase in the purchase price of railcars to be used for financial leasing.

There are no other key points for the Group's remaining subsidiaries. The scope for consolidation has not changed.

8. Real Estate, Plant and Equipment

8.1. Tangible and Intangible Fixed Assets

The Group is an operational leasing expert for mobile and standardized equipment. It currently owns considerably more tangible assets (€324.2 million) than goodwill (€22.1 million) and intangible assets (€0.1 million). Tangible assets represent Group-owned equipment (shipping containers, modular buildings, river barges and freight railcars) leased out to third parties.

Besides leasing equipment, the Group also operates two assembly sites for modular buildings. For the most part these sites, located in France and the Czech Republic, include assembly tools and equipment whose value is insignificant compared to the leased equipment. Note that the land and buildings at the French site are leased, while those in the Czech Republic are owned by the Group. There are no major expenses (such as restoration or security) concerning these sites, nor concerning the leased equipment. The assembly centers are used at almost 100% capacity thanks to their flexibility. On December 31, 2009, equipment usage rates were close to 90% for shipping containers, river barges, and railcars, and at around 75% for modular buildings.

Details on the tangible and intangible assets are provided in the Notes to the consolidated financial statements in Section 20.1 page 42 Note 16 to Note 17 page 78.

8.2. Environmental policy

The environmental risks likely to affect the company's assets or income are insignificant, since the Group is mainly a service provider. Consequently, no significant expenditure has been tied up in the following areas (Eurostat classification):

- Protection of the air and climate.
- Wastewater management.
- Waste management.
- Protection and decontamination of soil, groundwater and surface water.
- Prevention of noise pollution and vibrations.
- Protection of biodiversity and the countryside.
- Protection against radiation.
- Research and development.
- Other environmental protection activities.

The Group's environmental policy is based on three key areas.

Rigorous land management

Due to its use of storage platforms, the Group has implemented an environmentally-friendly land management policy:

- Systematic analysis of the ground by core boring when land is purchased.
- Contact with local authorities to ensure that the Group's activities are better integrated into the existing environment.
- Compliance with applicable legislation in terms of rainwater and wastewater (including water and hydrocarbon separators).
- A simple architectural design that blends in with the environment.
- Planting of green areas including identified local species.

Identification and control of substances used

The Group sometimes needs to use such products as paint, solvents and acid during maintenance and assembly work. A procedure along the same lines as the risk prevention system is used to identify the components of the products used.

This identification process has improved storage conditions and especially the sorting and disposal of waste and containers. Each site enters into specific outsourcing agreements with recognized, qualified waste treatment companies.

The railcar and river barge divisions contribute to the environment by conforming to existing regulations governing the cleansing of containers.

The streamlined working methods and risk prevention policies have helped give waste management a higher profile.

Optimized transport vehicles

The Group optimizes its fleet of trucks and consequently respects the environment by reducing carbon emissions in the atmosphere.

This is achieved by:

- Regular inspection of transport vehicles, forklift trucks, railcars, pushboats and self-propelled barges.
- Transport outsourced to companies with the latest vehicles.
- Streamlined deliveries/returns in order to avoid unnecessary travel.

Generally speaking, by ensuring that its assets are in good condition, the Group helps respect the environment.

9. Analysis of the Financial Position and Income

9.1. Financial position

The financial position is analyzed in the management report in Section 26.1 page 111.

9.2. Operating income

The operating income is analyzed in the management report in Section 26.1 page 111.

9.2.1. Unusual factors

Not applicable.

9.2.2. Major changes

Not applicable.

9.2.3. Governmental, economic, budgetary, monetary and political factors

Not applicable.

10. Cash and capital

10.1. Group capital

The Group's financial and cash resources are described in the Notes to the consolidated financial statements in Section 20.1 page 42 and Note 18 page 79 with details on the liquidity and interest rate risks in Section 20.1 page 42.

10.2. Cash flow

The Group's cash flow is described and explained in the cash flow statement in the consolidated financial statements in Section 20.1 on page 42 ff.

10.3. Borrowing conditions and financing structure

The borrowing conditions and financing structure are described in the Notes to the consolidated financial statements in Section 20.1 Note 18.2.1 page 83 with details on the liquidity and interest rate risks in Section 20.1 Note 26 page 91.

The Group uses a wide range of instruments to meet its financing requirements:

• Spot lines (364 days) and overdraft lines are used for occasional working capital financing needs and pre-financing of assets (in order to create high-value asset portfolios prior to long-term financing or sale to third-party investors).

• Revolving credit lines which can be drawn by provisory notes are used for pre-financing the assets.

• Bond loans with redeemable warrants are used for pre-financing the assets.

• Medium-term loans and lines for financing assets with recourse (leasing, financial leasing, etc.) are used for financing assets kept by the Group.

• Non-recourse credit lines are used for pre-financing assets (shipping containers and railcars) as well as the long-term financing of equipment that the Group wishes to keep on its Balance Sheet.

10.4. Restriction on the use of capital that has had or could have a significant direct or indirect effect on the issuer's operations

To the best of our knowledge, there are no restrictions on either cash flows from the subsidiaries to the parent company or on the use of the Group's cash, subject to default clauses for bank loans presented on page 84.

10.5. Expected sources of financing in order to meet investment commitments

The financing sources are detailed in the firm investment commitments in Section 5.2.3 page 26.

11. Research and development, patents and licenses

The Group created a modular buildings assembly plant in 2007. The Group consequently developed a product and an industrial manufacturing process.

In partnership with a consulting firm, TOUAX has developed a new concept aimed at providing another view of the modular buildings market. Modular buildings today are clearly designed to be welcoming, hi-tech and increasingly ecological. This new product does its best to minimize energy consumption by using heat pumps for heating and air conditioning, proximity sensors for controlling lights, water-saving devices, and so on. Modular buildings are also designed to meet customers' new expectations in terms of price, easy installation, standardization, flexibility, customization and aesthetics. The development quality of this new "E-space+" product received a 2007 Janus Industry Award. Development costs were capitalized in accordance with applicable regulations. TOUAX invests in research and development in order to penetrate new markets and to reconcile environmental and technical constraints concerning safety. R&D expenses incurred are recognized as expenses.

In its three other businesses, the Group prefers to buy and lease standardized products; it has deliberately not invested in research and development for patents and licenses for innovative products.

12. Trend information

12.1. Key trends as of the date of the registration document

The key trends are detailed in the management report in Section 26.1 page 111.

12.2. Known trend, uncertainty, request, any commitment or event reasonably likely to significantly affect the current financial year

Tensions that initially surfaced in the US financial markets during the summer of 2007 turned into a true global financial crisis during the autumn of 2008. Credit markets became tight, equity markets fell, and a series of insolvencies threatened the entire international financial system. In this economic climate, the growth outlook for both developed and developing countries has become quite bleak. Although the acute phase of the financial crisis is behind us and the global economy is recovering, the turnaround remains fragile. It should slow during the second half of 2010 as the impact of budgetary and monetary measures on growth subsides and the current inventory cycle nears its conclusion. The World Bank predicts global growth firming to 2.7% in 2010 and 3.3% in 2011 after a 2.2% decline in 2009 (source: World bank report "Prospects for the Global Economy" published January 21, 2010). However, the high level of unemployment and public debt, as well as the existence of financial systems which have not yet fully recovered, and (in some countries) the fragile nature of household finances, may slow the recovery in advanced economies. Nevertheless, according to the global outlook published in January 2010 by the IMF –International Monetary Fund– reinforcement of structures as well as swift action by public authorities have helped emerging countries attenuate the effects of the external shock and quickly attract new capital flows. Development of emerging countries should rise to about 6% in 2010 after a modest 2% in 2009. Growth in production should continue to accelerate in 2011. Thus the major emerging economies should lead the global recovery.

Although the Group has positioned itself for the recovery, it expects limited like-for-like growth. Its diversified businesses linked to markets boasting strong growth drivers along with its recurring long-term contracts should help the Group resist in an uncertain economy marked by a slow recovery. On the other hand, a significant turnaround at the end of the crisis may occur, in particular during a recovery of leasing rates. A presentation of the outlook described during the Financial Analyst Meeting on March 26, 2010 is provided in Section 28.6 page 137.

13. Profit forecasts or estimates

Not applicable.

13.1. Main assumptions

Not applicable.

13.2. Auditor's report – forecasts

Not applicable.

13.3. Basis for forecast

Not applicable.

13.4. Current forecast

Not applicable.

14. Administrative, management, and supervisory bodies

14.1. Contact details of the administrative, management supervisory bodies and general management

The administrative, management and supervisory bodies are presented in the Report of the Chairman of the Supervisory Board in Section 27.2.

14.2. Conflicts of interest between the administrative, management and supervisory bodies and general management

Conflicts of interest are presented in the Report of the Chairman of the Supervisory Board in Section 27.2 page 123.

15. Remuneration and benefits

15.1. Remuneration of company officers

Remuneration of the directors

Summary table of the compensation, options and shares allotted to each managing agent

(€ thousands)	**2009**	2008	2007
Fabrice Walewski – Managing Partner			
Compensation due for the fiscal year	**358,8**	327,1	292,6
Value of options allotted during the fiscal year	**0**	0	0
Value of performance shares allotted during the fiscal year	**0**	0	0
Total	**358,8**	**327,1**	**292,6**
Raphaël Walewski – Managing Partner			
Compensation due for the fiscal year	**357,8**	332,8	292,8
Value of options allotted during the fiscal year	**0**	0	0
Value of performance shares allotted during the fiscal year	**0**	0	0
Total	**357,8**	**332,8**	**292,8**

The company provides the managing partners with the necessary equipment to perform their duties (car, mobile phone, computer, etc.).

Remuneration

Summary table of the compensation of each managing agent

(€ thousands)	**2009**		2008		2007	
Fabrice Walewski Managing Partner	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed salary	134.4	134.4	133.2	133.2	131.3	131.3
Variable compensation	180.0	181.3	154.5	134.5	127.3	121.5
Exceptional compensation						
Directors' fees	44.4	44.4	39.4	39.4	34.0	34.0
Payments in kind						
Total	**358.8**	**360.1**	**327.1**	**307.1**	**292.6**	**286.8**

(€ thousands)	**2009**		2008		2007	
Raphaël Walewski Managing Partner	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed salary	133.4	133.4	133.2	133.2	131.3	131.3
Variable compensation	180.0	184.9	160.2	150.2	127.5	111.8
Exceptional compensation						
Directors' fees	44.4	44.4	39.4	39.4	34.0	34.0
Payments in kind						
Total	**357.8**	**362.7**	**332.8**	**322.8**	**292.8**	**277.1**

Remuneration of the directors has been set forth in the Articles of Association (Article 11.5) and any changes require the approval of the general meeting of shareholders. The last general meeting set the directors' variable remuneration at 0.5% of the Group's consolidated EBITDA less revenues due to investors.

The general partners' remuneration is set forth in the Articles of Association (Article 15) at 3% of the Group's consolidated net profits, increased by 1% of the Group's consolidated EBITDA less leasing revenues due to investors. In 2009, the amount totaled €1,040,550, shared equally between the two general partners.

Stock options attributed to the directors

No stock options were attributed to the directors.

Performance shares

No performance shares (bonus shares) were attributed during the financial year or over a previous financial year.

Equity warrants

No equity warrants under Articles L.225-197-1 et seq. of French commercial law were attributed to the directors (bonus equity warrants).

Remuneration of the company officers

Table showing the directors' fees and other compensation received by non-executive corporate officers

Name *(€thousands)*	Post	**2009**	2008	2007
Serge Beaucamps	Supervisory Board Member	7.0	7.7	7.2
Jérôme Bethbeze	Supervisory Board Member	7.0	7.7	7.2
Thomas Haythe	Supervisory Board Member			5.9
Jean Louis Leclercq	Supervisory Board Member	7.0	7.7	7.2
Salvépar	Supervisory Board Member			7.2
Jean-Jacques Ogier	Supervisory Board Member	7.0	7.7	
Aquasourça	Supervisory Board Member	7.0	5.2	
François Soulet de Brugière	Supervisory Board Member	7.0	6.1	
Alexandre Walewski	Chairman of the Supervisory Board	14.0	13.9	14.3
Total		**56.0**	**56.0**	**49.0**

Rules for distributing attendance fees are specified in the Report of the Chairman of the Supervisory Board in Section 27.2 page 123.

Attendance fees are the only type of remuneration provided for company officers.

Note that Alexandre Walewski received a lump-sum reimbursement of $47 thousand per quarter in 2009 for his travel expenses incurred in fulfilling his mission as Chairman of the Supervisory Board. This sum totaled $44.25 thousand per quarter in 2008 and $36 thousand per quarter in 2007.

15.2 Pensions and other benefits

Managing Agents	Employment contract		Supplementary pension plan		Compensation or benefits due or likely to be due on termination or change of post		Compensation relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Fabrice Walewski Managing Partner registered in the articles	Yes			No		No		No
Raphaël Walewski Managing Partner registered in the articles	Yes			No		No		No

Directors have a retirement benefit contract (Article 82).

The annual premium for the directors' retirement benefit contracts amounts to €1.9 thousand for both contracts.

16. Operation of the administrative and management bodies

16.1. Duration of office

The operation of the administrative and management bodies is presented in the Report of the Chairman of the Supervisory Board in Section 27.2 on page 123.

16.2. Regulated agreements

Regulated agreements are listed in the management report on page 111 and included in the auditors' report in Section 20.3.2 on page 104.

16.3. Information on the various committees

Details on how corporate governance is organized are provided in the Report of the Chairman of the Supervisory Board in Section 27.2 page 123.

16.4. Statement of conformity with the corporate governance scheme

The statement on conformity with the corporate governance scheme is explained in the Report of the Chairman of the Supervisory Board in Section 27.2 page 123.

17. Employees

17.1. Breakdown in the workforce

The breakdown in employees by geographic location and business segment as of December 31,2009 is as follows:

	Shipping containers	Modular buildings	River barges	Railcars	Central Services	Total
Europe	20	464	98	20	31	633
Asia	9					9
United States	4	17			2	23
Total	**33**	**481**	**98**	**20**	**33**	**665**

17.2. Profit-sharing and stock options

The main profit sharing for the managing partners, general partners, and directors are detailed in the reference document in Section 18 page 39, with the profit sharing of Alexandre Colonna Walewski (Chairman of the Supervisory Board), Fabrice Colonna Walewski (Managing Partner), Raphaël Colonna Walewski (Managing Partner), SHGP (management & participation holding company – general partner), and SHGL (leasing & management holding company – general partner).

The only officers holding financial instruments giving access to capital are Alexandre Colonna Walewski, Fabrice Colonna Walewski, and Raphaël Colonna Walewski. The following table shows all these financial instruments giving access to capital, and the share held by each officer.

Financial instruments giving access to capital

	2002	2006	2006	2007	2008
AGM/EGM date	24/06/2002	28/06/2006	28/06/2006	30/05/2005	08/02/2008
Date of the Management Board	31/07/2002	07/08/2006	07/08/2006	02/07/2007	11/02/2008
Total number of financial instruments:					
- Fabrice Walewski			23,191	213,032	50,000
- Raphaël Walewski			23,191	212,532	50,000
- Alexandre Walewski			23,191		
- Top 10 employees	8,600	52,874		581,217	75,351
- Others (employees/public)	2,401			420,547	24,649
Total	**11,001**	**52,874**	**69,573**	**1,427,328**	**200,000**
including frozen warrants	**0**	**0**	**0**	**1,083,902**	**170,000**
Type of instrument	Stocks-options	Stocks-options	Equity warrants	Redeemable warrants(2)	Equity warrants
Allotment date	31/07/2002	07/08/2006	na	na	na
Purchase date	na	na	nov-06	08/03/2007	12/03/2008
Year's starting point for Instruments	30/07/2006	07/08/2008	Immediate	08/03/2007	12/03/2008
Year's starting point for Frozen instruments				08/09/2009	12/03/2011
Expiry date	31/07/2010	07/08/2012	06/08/2010	08/03/2012	12/03/2013
Issue price			€0.87	€0.44	€3.60
Subscription or purchase price(1)	€13.59	€20.72	€23.83	€28.30	€37.55
Number of shares subscribed	2,700	0	0	25,648	0
Total number of canceled or void financial instruments	1,101	0	0	0	0
Number of financial instruments remaining to be exercised on 31/12/2009	7,200	52,874	69,573	1,401,644	200,000
Potential capital in number of shares	7,200	52,874	69,573	357,068	200,000

(1) The exercise price represents 115% of the closing market price at the time of the transaction.
(2) 4 redeemable warrants give the right to 1.019 shares.

The share subscription options or purchase options and equity warrants granted by TOUAX SCA are detailed in the Notes to the consolidated financial statements in Section 20.1 Note 21 on page 88. In the first quarter of 2010, equity warrants issued in 2006 and 177,500 equity warrants issued in 2008 were bought back by the firm and consequently canceled.

17.3. Employee participation in the capital

The company does not publish a social balance sheet.

There is no employee profit-sharing scheme. However, some personnel categories (executives, sales representatives) receive individually-set annual performance-related bonuses or stock options.

18. Main shareholders

18.1. Breakdown in capital and voting rights

There is no category of shares or securities that does not represent the capital. There is no treasury stock (TOUAX SCA shares held by its subsidiaries). The amount of TOUAX SCA shares held by TOUAX SCA is insignificant (see Section on own shares held).

At December 31, 2009	Number of shares	Number of voting rights	% of share capital	% of voting rights
Alexandre Colonna Walewski	532,792	947,954	9.37%	15.53%
Fabrice Colonna Walewski	0	0	0.00%	0.00%
Raphaël Colonna Walewski	0	0	0.00%	0.00%
Société Holding de Gestion et de Location	613,160	613,160	10.78%	10.04%
Société Holding de Gestion et de Participation	624,488	624,488	10.98%	10.23%
Majority group total	**1,770,440**	**2,185,602**	**31.13%**	**35.80%**
SALVEPAR	358,705	358,705	6.31%	5.88%
SOFINA	785,695	785,695	13.81%	12.87%
Public – registered securities	126,634	137,733	2.23%	2.26%
Public – bearer securities	2,646,352	2,637,309	46.53%	43.20%
Total	**5,687,826**	**6,105,044**	**100.00%**	**100.00%**

At December 31, 2008	Number of shares	Number of voting rights	% of share capital	% of voting rights
Alexandre Colonna Walewski	529,100	944,262	11.30%	18.43%
Fabrice Colonna Walewski	20,303	36,939	0.43%	0.72%
Raphaël Colonna Walewski	14,556	27,651	0.31%	0.54%
Société Holding de Gestion et de Location	457,510	457,510	9.77%	8.93%
Société Holding de Gestion et de Participation	454,050	454,050	9.70%	8.86%
Majority group total	**1,475,519**	**1,920,412**	**31.51%**	**37.48%**
SALVEPAR	298,921	298,921	6.38%	5.83%
Public – registered securities	14,510	25,482	0.31%	0.50%
Public – bearer securities	2,894,021	2,879,005	61.80%	56.19%
Total	**4,682,971**	**5,123,820**	**100.00%**	**100.00%**

At December 31, 2007	Number of shares	Number of voting rights	% of share capital	% of voting rights
Alexandre Colonna Walewski	440,701	855,863	11.31%	16.62%
Fabrice Colonna Walewski	414,193	824,719	10.63%	16.01%
Raphaël Colonna Walewski	408,446	815,431	10.48%	15.83%
Société Holding de Gestion et de Location	5,850	5,850	0.15%	0.11%
Société Holding de Gestion et de Participation	3,900	3,900	0.10%	0.08%
Majority group total	**1,273,090**	**2,505,763**	**32.66%**	**48.65%**
SALVEPAR	246,928	246,928	6.34%	4.79%
Public – registered securities	20,755	25,311	0.53%	0.49%
Public – bearer securities	2,356,931	2,372,648	60.47%	46.07%
Total	**3,897,704**	**5,150,650**	**100.00%**	**100.00%**

As indicated in the above tables, TOUAX SCA is controlled by the Colonna Walewski family. SHGL (the leasing & management holding company) and SHGP (the management & participation holding company) are the two partners of TOUAX SCA and are wholly owned by Fabrice and Raphaël Walewski.

Note that Alexandre, Fabrice and Raphaël Colonna Walewski, SHGL, and SHGP act in concert.

The Supervisory Board currently has independent members and ensures that control is not performed in an abusive manner. The Supervisory Board provides continuous management control and reports to the general meeting on the conduct of the company's affairs and the financial statements for the year.

18. Main shareholders

	Breakdown of shares by type			Number of voting rights			% in OGM and EGM	
Shareholders	Number of shares	With full owner ship	With bare owner ship	Total	Simple voting rights	Double voting rights	In share capitall	In voting rights
Alexandre Colonna Walewski	532,792	532,792		947,954	117,630	415,162	9.37	15.53
Fabrice Colonna Walewski	0	0		0	0	0	0.00	0.00
Raphaël Colonna Walewski	0	0		0	0	0	0.00	0.00
SHGL	613,160	613,160		613,160	613,160		10.78	10.04
SHGP	624,488	624,488		624,488	624,488		10.98	10.23
Majority group total	**1,770,440**	**1,770,440**	**0**	**2,185,602**	**1,355,602**	**415,162**	**31.13**	**35.80**
Treasury stock	9,043	9,043					0.16	
SALVEPAR	358,705	358,705		358,705	358,705		6.31	5.88
SOFINA	785,695	785,695		785,695	785,695		13.81	12.87
Public	2,763,943	2,763,943		2,775,042	2,752,844	11,099	48.59	45.45
Total	**5,687,826**	**5,687,826**	**0**	**6,105,044**	**5,252,522**	**426,261**	**100**	**100**

Bearer shareholders with more than 5%

In a letter dated March 6 2006, Société Générale Asset Management declared that on March 3 2006, it had fallen below the threshold of 5% of the voting rights of TOUAX and held 253,942 TOUAX shares, representing the same number of voting rights, i.e. 6.536% of the capital and 4.952% of the voting rights, following a transfer of shares on the market.

In a letter dated March 17 2008, Société Générale declared that on March 12 2008 its company SALVEPAR had risen above the threshold of 5% of the voting rights of TOUAX and held 298,921 TOUAX shares, representing the same number of voting rights, i.e. 6.39% of the capital and 5.05% of the voting rights, following SALVEPAR's participation in the March 2008 capital increase of TOUAX SCA.

In a letter dated May 12 2008, Threadneedle Asset Management Ltd declared that following a transfer of shares on the market on May 9 2008, it had fallen below the threshold of 5% of the capital of TOUAX and held 194,869 shares, representing the same number of voting rights, i.e. 4.17% of the capital and 3.29% of the voting rights.

In a letter dated July 11 2008, followed by a letter dated July 16 2008, Threadneedle Asset Management declared that on June 3 2008 it had risen above the threshold of 5% of the capital of TOUAX and held 245,210 TOUAX shares, representing the same number of voting rights, i.e. 5.24% of the capital and 4.14% of the voting rights, following an acquisition in the market.

In a letter dated January 20 2009, Sofina declared that on January 19 2009 it had risen above the threshold of 5% of the capital of TOUAX and held 237,500 TOUAX shares, representing the same number of voting rights, i.e. 5.07% of the capital and 4.62% of the voting rights, following an acquisition in the market.

In a letter dated March 16 2009, Sofina declared that on March 16 2009 it had risen above the threshold of 5% of the voting rights of TOUAX and held 257,112 TOUAX shares, representing the same number of voting rights, i.e. 5.49% of the capital and 5.01% of the voting rights, following an acquisition in the market.

In a letter dated June 29 2009, Société Générale declared that on June 26 2009 it had risen above the threshold of 10% of the capital and voting rights of TOUAX and held 785,695 TOUAX shares, representing 13.94% of the capital and 12.92% of the voting rights, following its participation in the capital increase, with removal of its preemptive right and with a priority period.

As a result:

• On March 3 2006, Société Générale Asset Management, through the funds that it manages, held 253,942 TOUAX shares representing the same number of voting rights, i.e. 6.536% of the capital and 4.952% of the voting rights.

• On March 17 2008, Société Générale, through its subsidiary SALVEPAR, held 298,921 TOUAX shares, representing the same number of voting rights, i.e. 6.39% of the capital and 5.05% of the voting rights.

• On June 3 2008, Threadneedle Asset Management directly held 245,510 TOUAX shares, representing the same number of voting rights, i.e. 5.24% of the capital and 4.14% of the voting rights.

• On June 29 2009, Sofina directly held 785,695 TOUAX shares, representing the same number of voting rights, i.e. 13.94% of the capital and 12.92% of the voting rights.

No other disclosures were sent to either TOUAX SCA or the AMF.

18.2. Various voting rights

Double voting rights

Double voting rights are granted for registered shares held at least five years by the same shareholder. Furthermore, free shares allocated on the basis of old shares with double voting rights also feature double voting rights. This clause is stipulated in the company's Articles of Association.

Limitation of voting rights

The company's shares do not have any limitation of voting rights, except where stipulated by law.

18.3. Description of the type of control

The TOUAX Group is a partnership limited by shares which by nature is controlled by the general partners. It has two general partners: SHGP (management & participation holding company) and SHGL (leasing & management holding company). These two companies belong to Fabrice and Raphaël Colonna Walewski. Furthermore, Alexandre Colonna Walewski, Fabrice Colonna Walewski, Raphaël Colonna Walewski, SHGP, and SHGL acted in concert in 2009, as they have since 2005. In total, on December 31, 2009 this concert held 31.12% of shares and 35.80% of voting rights.

By complying with the best practices for corporate governance recommended by AFEP/MEDEF, the Group avoids abusive control.

Employee shareholding scheme

TOUAX SCA does not have an employee shareholding scheme.

Breakdown in shares

As of December 31, 2009, 51.39% of shares in TOUAX SCA were registered, and the remainder were bearer shares. 41.08% of registered shares are held by persons residing outside France.

Number of shareholders

The company does not regularly ask for reports on identifiable bearer shares and therefore does not know the exact number of shareholders. The last such report was carried out in September 1999 and featured 919 shareholders. During the last combined general meeting on June 10 2009, the chairman received 11 proxies; 11 shareholders submitted absentee ballots, 16 shareholders were present, and the general partners were also present.

18.4. Miscellaneous – shareholder agreement

To benefit from the Dutreil Act, Alexandre, Fabrice and Raphaël Walewski announced that they had signed a shareholder agreement on March 16 2006. Under this agreement, the signatories agreed to maintain 1,203,258 shares for an initial period of two years, representing 30.97% of the capital and 45.26% of the company's voting rights. The agreement will subsequently be renewed automatically on a monthly basis. Following the sale of the shares held by Fabrice and Raphaël Walewski to the general partners SHGL and SHGP, this agreement is now null and void.

There is no form of potential capital other than the one described in the Notes to the consolidated financial statements in Section 20.1 Note 21 on page 88.

18.5. Own shares held

On December 31, 2009, the company held 9,043 of its own shares, acquired as part of the repurchase scheme authorized by the combined general meeting of June 10 2009 in order to:

- Ensure market stabilization and liquidity of TOUAX SCA shares through a liquidity agreement, compliant with the code of ethics recognized by AMF, and entered into with an investment services provider.
- Grant either share purchase options or shares for no consideration to the employees and/or management of the TOUAX Group.
- Agree to hedge securities giving the right to grant company shares within the scope of current regulations.
- Hold the purchased shares and use them subsequently for trading or payment as part of potential external growth transactions. Note that shares acquired for this purpose may not exceed 5% of the company's share capital.
- Cancel those shares, subject to a decision or authorization by an Extraordinary General Meeting.

The transactions are summarized in the following table:

Declaration by TOUAX SCA of transactions in own shares from June 10, 2009 to February 28, 2010

Percentage of the share capital held directly or indirectly	**0.19%**
Number of shares cancelled during the past 24 months	0
Number of securities held in the portfolio	10,534
Book value of the portfolio	233,807.64
Market value of the portfolio	229,641.20

The sole objective was market-making and the liquidity of TOUAX shares.

The treasury stock held by the Group is registered at its acquisition cost as a deduction from Shareholders' Equity. Gains from the disposal of treasury stock are stated directly as an increase in Shareholders' Equity, such that the capital gains or losses do not affect the consolidated result.

Liquidity agreement

TOUAX SCA and GILBERT DUPONT entered into a market-making agreement on October 17 2005. A liquidity account was created for transactions in order to simplify their liquidity and to regulate the listing of TOUAX shares.

Securities management – pure registered and administered shareholders

CM-CIC Securities provides the share service for TOUAX SCA. The share service involves keeping a list of pure registered and administered share accounts and managing all associated formalities. Further information can be obtained from CM-CIC Securities – 6, avenue de Provence – 75441 PARIS cedex 09.

19. Related party transactions

The Group has not entered into any significant transactions with related parties other than those described in the Notes to the consolidated financial statements in Section 20.1 Note 27 on page 95 (see the auditors' report on regulated agreements and commitments, Section 20.3.2 page 104).

20. Financial information concerning the issuer's assets, financial position and results

20.1. Consolidated financial statements

The consolidated financial statements of TOUAX SCA are presented in accordance with international standards (IFRS – International Financial Reporting Standards).

Consolidated income statement presented by function at December 31

Note n°	(€ thousands)	**2009**	2008 Proforma	2008	2007 Proforma	2007
	Leasing revenue	206,817	205,560	205,560	170,285	170,285
	Sales of equipment	64,955	163,188	158,907	114,594	107,286
	Commission			420		589
	TOTAL REVENUE	**271,772**	**368,748**	**364,887**	**284,879**	**278,160**
	Capital gains on disposals			982		335
4	**Income from ordinary activities**	**271,772**	**368,748**	**365,869**	**284,879**	**278,495**
	Cost of sales	(53,321)	(149,053)	(146,173)	(106,313)	(99,929)
	Operating expenses	(84,949)	(79,529)	(79,529)	(64,554)	(64,554)
	General, commercial and administrative operating expenses	(13,956)	(11,740)	(16,242)	(9,418)	(12,820)
	Centrally-managed costs	(8,667)	(9,488)	(4,987)	(8,385)	(4,983)
	GROSS OPERATING MARGIN (EBITDA)	**110,879**	**118,938**	**118,938**	**96,209**	**96,209**
9	Depreciation, amortization and impairments	(20,683)	(16,094)	(16,094)	(11,183)	(11,183)
	OPERATING INCOME BEFORE DISTRIBUTION TO INVESTORS	**90,196**	**102,844**	**102,844**	**85,026**	**85,026**
10	Net distribution to investors	(61,898)	(65,399)	(65,399)	(61,569)	(61,569)
	OPERATING INCOME AFTER DISTRIBUTION TO INVESTORS	**28,298**	**37,445**	**37,445**	**23,457**	**23,457**
11	Other operating revenues and expenses	3,121	(3,121)	(3,121)		
	OPERATING INCOME	**31,419**	**34,324**	**34,324**	**23,457**	**23,457**
	Income from cash and cash equivalents	160	591	591	856	856
	Cost of gross financial debt	(13,027)	(15,429)	(14,749)	(9,146)	(8,731)
	Cost of net financial debt	**(12,867)**	**(14,838)**	**(14,158)**	**(8,290)**	**(7,875)**
	Other financial income and expenses	(153)	846	166	(910)	(1,325)
12	**FINANCIAL RESULT**	**(13,020)**	**(13,992)**	**(13,992)**	**(9,200)**	**(9,200)**
	PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	**18,399**	**20,332**	**20,332**	**14,257**	**14,257**
13	Corporate income tax	(4,244)	(3,546)	(3,546)	(2,517)	(2,517)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**14,155**	**16,786**	**16,786**	**11,740**	**11,740**
	Income from discontinued activities					
	CONSOLIDATED NET PROFIT (LOSS)	**14,155**	**16,786**	**16,786**	**11,740**	**11,740**
	Minority interests	38	54	54	(19)	(19)
	CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)	**14,193**	**16,839**	**16,839**	**11,721**	**11,721**
14	**NET EARNINGS PER SHARE**	**2.73**	**3.72**	**3.72**	**3.01**	**3.01**
14	**DILUTED NET EARNINGS PER SHARE**	**2.70**	**3.71**	**3.71**	**2.89**	**2.89**

Operating Income After Distribution to Investors corresponds to current operating income as defined by the CNC. Other operating income and expenses correspond to items in "very limited numbers, unusual, abnormal and highly infrequent" (see sect. 5.5.5 CNC 2004-R02). To be specific, this is the reversal of a €3,121 thousand provision recognized in 2008. The provision was no longer necessary in 2009 following renegotiation of the contract.

In the proforma earnings for 2008 and 2007, gains from the disposal of leased assets are reclassified as revenue, and those sold assets' net book value are reclassified as Cost of Sales. The effect of this reclassification as sales equals €3,862 thousand for 2008 and €6,719 thousand for 2007. The effect of this reclassification as Cost of Sales equals (€2,880) thousand for 2008 and (€6,381) thousand for 2007.

In the proforma earnings for 2008 and 2007 Sales, general and administrative expenses are reclassified as Centrally-managed costs, in accordance with the internal reporting used by the Group's Executive Committees since 2009.

Proforma earnings for 2007 and 2008 take into account the new presentation of the cost of financial debt. Profit and Loss Related to the Elimination of Debt has been reclassified, from the Cost of Net Financial Debt to Other Financial Income and Expenses.

Commissions are henceforth reclassified as Sales of Equipment.

Consolidated income statement presented by type at December 31

Note n°	*(€ thousands)*	**2009**	2008 Proforma	2008	2007 Proforma	2007
	REVENUE	**271,772**	**368,748**	**364,887**	**284,879**	**278,160**
	Capital gains on disposals			982		335
4	**Income from ordinary activities**	**271,772**	**368,748**	**365,869**	**284,879**	**278,495**
5	Purchases and other external charges	(133,513)	(223,012)	(220,133)	(170,209)	(163,825)
6	Payroll expense	(25,606)	(24,666)	(24,666)	(18,204)	(18,204)
7	Other operating income and expenses	(526)	2,370	2,370	(457)	(457)
	GROSS OPERATING SURPLUS	**112,127**	**123,440**	**123,440**	**96,009**	**96,009**
8	Operating provisions	(1,248)	(4,502)	(4,502)	200	200
	GROSS OPERATING MARGIN (EBITDA)	**110,879**	**118,938**	**118,938**	**96,209**	**96,209**
9	Depreciation, amortization and impairments	(20,683)	(16,094)	(16,094)	(11,183)	(11,183)
	OPERATING INCOME BEFORE DISTRIBUTION TO INVESTORS	90,196	102,844	102,844	85,026	85,026
10	Net distributions to investors	(61,898)	(65,399)	(65,399)	(61,569)	(61,569)
	OPERATING INCOME AFTER DISTRIBUTION TO INVESTORS	28,298	37,445	37,445	23,457	23,457
11	Other operating revenues and expenses	3,121	(3,121)	(3,121)		
	OPERATING INCOME	**31,419**	**34,324**	**34,324**	**23,457**	**23,457**
	Income from cash and cash equivalents	160	591	591	856	856
	Cost of gross financial debt	(13,027)	(15,429)	(14,749)	(9,146)	(8,731)
	Cost of net financial debt	(12,867)	(14,838)	(14,158)	(8,290)	(7,875)
	Other financial income and expenses	(153)	846	165	(910)	(1,325)
12	**FINANCIAL RESULT**	**(13,020)**	**(13,992)**	**(13,992)**	**(9,200)**	**(9,200)**
	PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	**18,399**	**20,332**	**20,332**	**14,257**	**14,257**
13	Corporate income tax	(4,244)	(3,546)	(3,546)	(2,517)	(2,517)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**14,155**	**16,786**	**16,786**	**11,740**	**11,740**
	Income from discontinued activities					
	CONSOLIDATED NET PROFIT (LOSS)	**14,155**	**16,786**	**16,786**	**11,740**	**11,740**
	Minority interests	38	54	54	(19)	(19)
	CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)	**14,193**	**16,839**	**16,839**	**11,721**	**11,721**
14	**NET EARNINGS PER SHARE**	**2.73**	**3.72**	**3.72**	**3.01**	**3.01**
14	**DILUTED NET EARNINGS PER SHARE**	**2.70**	**3.71**	**3.71**	**2.89**	**2.89**

20. Financial information concerning the issuer's assets, financial position and results

Comprehensive income statement for the year

(€ thousands)	**31.12.2009**	31.12.2008	31.12.2007
Profit (loss) for the year	**14,155**	**16,785**	**11,740**
Other comprehensive income			
Translation adjustments	(721)	184	(1,143)
Translation adjustments on net investment in subsidiaries	40	(2,221)	(90)
Profits and losses on cash flow hedges (effective part)	235	(112)	(40)
Tax on comprehensive income	(109)	477	14
Total other comprehensive income	**(555)**	**(1,671)**	**(1,260)**
Minority interests	(3)	4	(4)
Total other comprehensive income – Group's share	**(552)**	**(1,675)**	**(1,255)**
Comprehensive income – Group's share	13,641	15,163	10,465
Comprehensive income - minority interests	(41)	(49)	15
Comprehensive income statement (€ thousands)	**13,600**	**15,114**	**10,480**
Income attributable to the:			
Group	14,193	16,839	11,721
Minority interests	(38)	(54)	19
	14,155	**16,785**	**11,740**
Comprehensive income attributable to the:			
Group	13,641	15,163	10,465
Minority interests	(41)	(49)	15
	13,600	**15,114**	**10,480**

Consolidated balance sheet at December 31

Note n°	(€ thousands)	**2009**	2008	2007
	ASSETS			
15	Goodwill	22,062	21,830	21,886
16	Intangible assets	977	1,071	647
17	Tangible assets	324,174	267,123	206,969
18	Long-term financial assets	6,715	5,699	5,543
18	Other non-current assets	10,999	15,506	2,720
13	Deferred tax assets			
	Total non-current assets	**364,927**	**311,229**	**237,765**
19	Inventory and work-in-progress	90,814	90,670	60,983
18	Accounts receivable	54,446	46,342	40,935
20	Other current assets	16,967	17,491	13,512
18	Cash and cash equivalents	34,864	35,807	24,736
	Total current assets	**197,091**	**190,310**	**140,166**
	TOTAL ASSETS	**562,018**	**501,539**	**377,931**

	LIABILITIES			
	Share capital	45,503	37,464	31,182
	Reserves	69,353	48,184	25,601
	Profit (loss) for the fiscal year, Group's share	14,193	16,839	11,721
	Shareholders' equity of the Group	**129,049**	**102,487**	**68,504**
	Minority interests	(98)	(58)	(8)
21	**Consolidated shareholders' equity**	**128,951**	**102,429**	**68,496**
18	Loans and financial liabilities	221,418	244,231	129,610
13	Deferred tax liabilities	4,968	4,790	5,312
23	Retirement benefits and similar benefits	261	197	233
24	Other long-term liabilities	1,562	2,182	8,024
	Total non-current liabilities	**228,209**	**251,400**	**143,179**
22	Provisions	2,317	4,896	172
18	Loans and current bank facilities	115,202	53,674	53,803
18	Trade accounts payable	28,567	41,388	68,473
25	Other current liabilities	58,771	47,753	43,808
	Total current liabilities	**204,857**	**147,710**	**166,256**
	TOTAL LIABILITIES	**562,018**	**501,539**	**377,931**

20. Financial information concerning the issuer's assets, financial position and results

Changes in consolidated shareholders' equity

(€ thousands)	Share capital[(2)]	Premiums[(2)]	Consolidated reserves	Conversion reserves	Variation in the fair value of derivatives (swaps)[(1)]
At January 1, 2007	**31,084**	**14,458**	**8,856**	**(1,070)**	**(53)**
Revenue (charges) recognised directly in shareholders' equity				(1,229)	(26)
Net profit for the year					
Total charges and revenue recognised	**0**	**0**	**0**	**(1,229)**	**(26)**
Capital increase	97	222			
Redeemable stock warrants after deferred tax			419		
Stock option			21		
General Partners' statutory compensation			(216)		
Appropriation of the 2007 net result			7,198		
Dividends		(2,135)	(781)		
Changes in the consolidation perimeter and miscellaneous			47		
Cross-shareholdings			(109)		
At December 31, 2007	**31,182**	**12,544**	**15,435**	**(2,299)**	**(79)**
At January 1, 2008	**31,182**	**12,544**	**15,435**	**(2,299)**	**(79)**
Revenue (charges) recognised directly in shareholders' equity				(1,585)	(91)
Total comprehensive income for the year					
Total charges and revenue recognised	**0**	**0**	**0**	**(1,585)**	**(91)**
Capital increase	6,282	17,176			
Stock option			13		
Appropriation of the 2007 net result			11,721		
General Partners' statutory compensation			(698)		
Dividends			(3,898)		
Changes in the consolidation perimeter and miscellaneous			170		
Cross-shareholdings			(226)		
At December 31, 2008	**37,464**	**29,721**	**22,517**	**(3,884)**	**(170)**
At January 1, 2009	**37,464**	**29,721**	**22,517**	**(3,884)**	**(170)**
Revenue (charges) recognised directly in shareholders' equity				(732)	180
Net profit for the year					
Total charges and revenue recognised	**0**	**0**	**0**	**(732)**	**180**
Capital increase	8,039	10,514			
Stock option					
General Partners' statutory compensation			(1,041)		
Appropriation of the 2008 net result			16,839		
Dividends			(4,681)		
Changes in the consolidation perimeter and miscellaneous					
Cross-shareholdings			89		
At December 31, 2009	**45,503**	**40,235**	**33,723**	**(4,616)**	**10**

(1) The effective part of the cash flow hedge on rates is recognized in Shareholders' Equity.
(2) Including redeemable warrants and stock options.

(€ thousands)	Comprehensive income for the year	Total shareholders' equity of the Group	Minority interests	Total shareholders' equity
At January 1, 2007	**7,198**	**60,473**	**(7)**	**60,466**
Revenue (charges) recognised directly in shareholders' equity		(1,255)	(4)	(1,260)
Net profit for the year	11,721	11,721	19	11,740
Total charges and revenue recognised	**11,721**	**10,465**	**19**	**10,480**
Capital increase		319		319
Redeemable stock warrants after deferred tax		419		419
Stock option		21		21
General Partners' statutory compensation		(216)		(216)
Appropriation of the 2007 net result	(7,198)			0
Dividends		(2,916)	(15)	(2,931)
Changes in the consolidation perimeter and miscellaneous		47		47
Cross-shareholdings		(109)		(109)
At December 31, 2007	**11,721**	**68,503**	**(8)**	**68,496**

(€ thousands)	Comprehensive income for the year	Total shareholders' equity of the Group	Minority interests	Total shareholders' equity
At January 1, 2008	**11,721**	**68,503**	**(8)**	**68,496**
Revenue (charges) recognised directly in shareholders' equity		(1,676)	4	(1,671)
Total comprehensive income for the year	16,839	16,839	(54)	16,785
Total charges and revenue recognised	**16,839**	**15,163**	**(49)**	**15,114**
Capital increase		23,459		23,459
Stock option		13		13
Appropriation of the 2007 net result	(11,721)			0
General Partners' statutory compensation		(698)		(698)
Dividends		(3,898)		(3,898)
Changes in the consolidation perimeter and miscellaneous		170		170
Cross-shareholdings		(226)		(226)
At December 31, 2008	**16,839**	**102,487**	**(57)**	**102,429**

(€ thousands)	Comprehensive income for the year	Total shareholders' equity of the Group	Minority interests	Total shareholders' equity
At January 1, 2009	**16,839**	**102,487**	**(57)**	**102,429**
Revenue (charges) recognised directly in shareholders' equity		(552)	(3)	(555)
Net profit for the year	14,193	14,193	(38)	14,155
Total charges and revenue recognised	**14,193**	**13,641**	**(41)**	**13,600**
Capital increase		18,553		18,553
Stock option				
General Partners' statutory compensation		(1,041)		(1,041)
Appropriation of the 2008 net result	(16,839)			0
Dividends		(4,681)		(4,681)
Changes in the consolidation perimeter and miscellaneous				
Cross-shareholdings		90		90
At December 31, 2009	**14,193**	**129,049**	**(98)**	**128,951**

20. Financial information concerning the issuer's assets, financial position and results

Consolidated cash flow statement at December 31

	(€ thousands)	**2009**	2008 Proforma	2008	2007 Proforma	2007
	Consolidated net profit/(loss) (including minority interests)	14,156	16,786	16,786	11,740	11,740
	Depreciation	19,116	21,497	21,497	11,147	11,147
	Provisions for deferred taxes	132	(404)	(404)	2,370	2,370
	Capital gains & losses on disposals	(423)	(982)	(982)	(335)	(335)
	Other non-cash income and expenses	(61)	(153)	(153)	280	280
	Self-financing capacity after cost of net financial debt & tax	**32,920**	**36,744**	**36,744**	**25,202**	**25,202**
	Cost of net financial debt	12,868	14,838	14,158	8,290	7,875
	Current tax expense	4,112	3,951	3,951	1,599	1,599
	Self-financing capacity before cost of net financial debt & tax	**49,900**	**55,533**	**54,853**	**35,091**	**34,676**
	Taxes paid(1)	(4,112)	(3,951)	(3,951)	(1,599)	(1,599)
A	Change in working capital requirement relating to operations excluding changes in inventory(2)	(3,230)	(29,959)	(58,978)	21,588	(3,820)
A	Change in inventory	830	(29,019)		(25,408)	
B	Change in working capital requirement for investment	(5,135)	(9,491)		14,321	
	Acquisition of assets intended for leasing	(89,641)	(82,717)		(84,566)	
C	Revenue from sale of assets (3)	12,624	3,861		6,719	
	Net impact of finance leases granted to customers	1,907	(12,067)		(2,240)	
(3)		**(79,415)**	**(129,433)**	**0**	**(91,174)**	**0**
	I - CASH FLOW FROM OPERATING ACTIVITIES	**(36,857)**	**(107,810)**	**(8,076)**	**(36,094)**	**29,257**
	Investing activities					
	Acquisition of intangible assets	(261)	(473)	(83,190)	(606)	(85,172)
	Acquisition of equity interests				(1,420)	(1,420)
	Net change in financial fixed assets	(3,098)	(227)	(12,295)	1,793	(447)
	Revenue from sale of assets			3,861		6,719
B	Change in working capital requirement for investment			(9,491)		14,321
	Closing cash balance of subsidiaries included/excluded from consolidation perimeter				(1,017)	(1,017)
	Effect of changes in the consolidation perimeter				(22,531)	(22,531)
	II - CASH FLOW FROM INVESTING ACTIVITIES	**(3,359)**	**(700)**	**(101,115)**	**(23,781)**	**(89,547)**
	Financing transactions					
	Cash inflows from new loans	215,626	475,144	475,144	194,862	194,862
	Loan repayments	(182,254)	(360,752)	(360,752)	(161,005)	(161,005)
	Bond issue				39,681	39,681
	Net change in financial debts	33,372	114,392	114,392	73,538	73,538
	Net increase in shareholders' equity (capital increase)	**17,622**	**23,624**	**23,624**	**319**	**319**
	Cost of net financial debt	(12,868)	(14,838)	(14,158)	(8,290)	(7,875)
	Distribution of dividends	(4,681)	(3,898)	(3,898)	(2,916)	(2,916)
	General Partners' statutory compensation	(1,041)	(698)	(698)	(216)	(216)
	Net sale (acquisition) of own shares	89	(226)	(226)	(109)	(109)
	III - CASH FLOW FROM FINANCING TRANSACTIONS	**32,493**	**118,356**	**119,036**	**62,326**	**62,741**
	Impact of exchange rate fluctuations	(72)	1,353	1,353	(1,830)	(1,830)
	IV - CASH FLOW FROM EXCHANGE RATE FLUCTUATIONS	**(72)**	**1,353**	**1,353**	**(1,830)**	**(1,830)**
	CHANGE IN NET CASH POSITION (I) + (II) + (III) + (IV)	**(7,795)**	**11,198**	**11,198**	**621**	**621**
	Analysis of cash flow					
	Cash position at start of year	34,347	23,149	23,149	22,528	22,528
	CASH POSITION AT YEAR END	**26,553**	**34,347**	**34,347**	**23,149**	**23,149**
	Change in net cash position	**(7,794)**	**11,198**	**11,198**	**621**	**621**

	(€ thousands)	**2009**	2008	2007
A	**Change in working capital requirements relating to operations**			
	Decrease/(increase) in inventory and work-in-progress	830	(29,019)	(25,408)
(2)	**Change in inventory**	**830**	**(29,019)**	**(25,408)**
	Decrease/(increase) in accounts receivable	(8,577)	(7,682)	(2,290)
	Decrease/(increase) in other current assets	(244)	893	3,877
	(Decrease)/increase in trade accounts payable	(12,658)	(28,445)	12,303
	(Decrease)/increase in other liabilities	18,249	5,275	7,698
(1)	Change in WCR relating to operations excluding change in inventory	(3,230)	(29,959)	21,588
	Change in WCR for operations(1) + (2)	**(2,400)**	**(58,978)**	**(3,820)**
B	**Change in working capital requirement for investment**			
	Decrease/(increase) in receivables / fixed assets	1	2	(13)
	(Decrease)/increase in liabilities / fixed assets	(5,136)	(9,493)	14,334
	Change in WCR for investment	**(5,135)**	**(9,491)**	**14,321**

The presentation of the cash flow statement has been modified in order to comply with the latest changes in IFRS. According to the amendment to IAS 7: "cash payments to manufacture or acquire assets held for rental to others and subsequently held for sale as described in paragraph 68A of IAS 16 Property, Plant and Equipment are cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also cash flows from operating activities." (C)

Consequently, the Group has reclassified as cash flow from operations all net tangible investments for leasing; they were previously classified as cash flow generated by investing activities. Similarly, reimbursements of Credits Under Financial Lease are henceforth included in cash flow from operations rather than as cash flow from investments.

As of December 31, 2009, the cash flow before net financial debts and before tax was €49.9 million, down €5.6 million compared to December 31, 2008. Cash outflow from operating activities totaled €36.9 million, down €70.9 million compared to cash outflow on December 31, 2008. This decrease is due to the drop in working capital requirements and reduced equipment purchases. The large variations in working capital requirements from one year to the next can be explained by the lag in cash flow between the payment of shipping container and railcar suppliers, and the variation in shipping container and railcar inventories intended to be sold as part of management programs. Equipment sales as part of the management programs are recurrent, but can lag from one quarter to the next. These lags can lead to variations in working capital requirements.

Cash outflow from investment operations (other than operations-related investments) totaled €3.4 million, up €2.7 million from December 31, 2008. This variation is mainly due to a €4.3 million loan granted to SRF Railcar Leasing and to the €0.8 million reimbursement of the letter of credit concerning the ceasing business of Trust 98 in the Shipping Containers division.

Cash inflow from financing operations totaled €32.5 million, down €85.9 million from 2008. Two capital increases were completed totaling €17.6 million; note that the July 9, 2009 capital increase did not affect cash flow (around €1 million dividends paid in shares).

Changes in cash flow due to exchange rates fell by €1.4 million in 2009 compared to 2008, following the weakening of the dollar (1 euro = 1.3917 USD on December 31, 2008 versus 1.4406 USD on December 31, 2009), the strengthening of the Swiss franc (1 euro = 1.485 CHF on December 31, 2008 versus 1.4836 CHF on December 31, 2009), and –to a lesser extent– the rise in the Czech and the Slovak crowns (1 euro = 26.875 CZK in 2008 versus 26.473 CZK in 2009). The value of the (Polish) Zloty rose against the euro in 2009 (1 euro = 4.1724 PLN in 2008 vs. 1 euro = 4.1082 PLN in 2009). These exchange rate fluctuations correspond to the difference between the closing rate and the average rate on cash flow. (Average rate in 2009: 1 euro = 1.3948 USD).

The cash flow generated by financing activities (+€32.5 million) and the change in cash position (€-7.8 million) helped the Group to reckon with the cash flow generated by investing activities (-€3.4 million) and by operating activities (-€36.9 million).

Notes to the consolidated financial statements

Significant events and post-closure events

› Significant events

In January 2009, TOUAX SCA paid an interim dividend of €2.3 million. The balance of the dividend was paid July 9, 2009. Shareholders could choose payment either in cash or in shares. Following the option period, the cash dividend totaled €1.4 million, while 1,854,889 coupons chose shares and therefore 52,098 new shares were created and delivered on July 9, 2009.

In June 2009 TOUAX SCA carried out a capital increase with removal of shareholders' preemptive right and with a period of priority by issuing 952,747 new shares at a unit prescription price of €19.06 (at the rate of one new share for five old shares). Net income from the share issue amounted to €17.6 million.

› Post-closure events

On January 12,2010 TOUAX SCA paid an interim dividend of €2.8 million.

In January 2010 TOUAX SCA carried out a €4,080 capital increase after exercising options on 2,000 redeemable warrants with an issue price of €10,082.24.

TOUAX SCA repurchased 2006 and 2008 warrants from the Group's company officers and managers, or 69,573 2006 warrants and 177,500 2008 warrants at a price calculated using the Black & Scholes method. As a result these warrants were canceled.

Note 1. Accounting rules and methods

Note 1.1. Bases for preparing and presenting the annual financial statements as of December 31, 2009

› Approval of the financial statements

The annual financial statements as of December 31, 2009 and the associated notes were approved by the TOUAX SCA Management Board on March 25, 2010 and presented to the Supervisory Board the same day.

› Accounting rules and methods

In pursuance of Regulation No. 1606/2002 adopted July 19, 2002 by the European Parliament and the European Council, the consolidated financial statements of the TOUAX Group for the 2009 financial year were prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) on December 31, 2009 and adopted by the European Union, on the date the accounts were closed.

New standards or amendments to the following standards were applied for the first time during the fiscal year starting January 1, 2009:

• IAS 1 (revised) – Presentation of Financial Statements. The Group decided to present its performance in two different statements (the Income Statement and the Comprehensive Income Statement). The Comprehensive Income Statement includes variations in shareholders' equity which do not result from transactions with shareholders (henceforth these variations must be presented separately from those resulting from a transaction with shareholders).

• IFRS 8 – Operating Segments. This new standard, which replaces IAS 14, requires a managerial approach whereby segment information must be presented using the same basis as internal reports. Applying this standard did not affect the segment information presented. The assumptions for determining operating segments are no different from those used in the financial statements presented in the 2008 reference document.

Since January 1 2009, internal management reports have been modified in order to allocate part of the centrally-managed costs to each business by charging management fees to subsidiaries (see Note 3). The segment-based presentation reflects these modifications.

• Annual improvement of IFRS:

- IAS 16 –IAS 7 (Amendments adopted January 24, 2009)– "Derecognition of assets: an entity that, in the course of its ordinary activities, routinely sells items of property, plant and equipment that it has held for rental to others shall transfer such assets to inventories at their carrying amount when they cease to be rented and become held for sale. The proceeds from the sale of such assets shall be recognized as revenue in accordance with IAS 18 Revenue. IFRS 5 does not apply when assets that are held for sale in the ordinary course of business are transferred to inventories.

  The disposal of an item of property, plant and equipment may occur in a variety of ways (e.g. by sale, by entering into a finance lease or by donation). In determining the date of disposal of an item, an entity applies the criteria in IAS 18 for recognizing revenue from the sale of goods. IAS 17 applies to disposal by a sale and leaseback.

  Some transactions, such as the sale of an item of plant, may give rise to a gain or loss that is included in recognized profit or loss. The cash flows relating to such transactions are cash flows from investing activities. However, cash payments to manufacture or acquire assets held for rental to others and subsequently held for sale as described in paragraph 68A of IAS 16 Property, Plant and Equipment are cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also cash flows from operating activities."

Certain standards and interpretations adopted by the European Union, applicable as of January 1 2009, do not affect the Group's financial statements:

• IAS 23 (revised) – Borrowing Costs. The amended standard prohibits companies from considering as expenses any borrowing costs which can be directly linked to the acquisition, construction, or production of assets which require a long preparation period before they can be used or sold.

• IFRS 1 and IAS 27 (revised): Information for measuring the cost of an investment in separate financial statements.

• IAS 32 – Financial instruments which may be settled as the holder chooses or in the event of liquidation.

• IFRIC 11 –Group and Treasure Share Transactions, and IFRS 2 (revised)– Share-based payment, vesting conditions, and cancellations.

• IFRIC 13 – Customer loyalty programs.

• IFRIC 14 and IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

• IFRIC 16 – Hedges of a net investment in a Foreign Operation.

The TOUAX Group has chosen not to apply in anticipation any standards, amendments to standards, or interpretations with an application date later than January 1, 2010.

› General evaluation principles

The Group's consolidated financial statements are prepared using the historical cost principle.

Note 1.2. Estimates

Drawing up financial statements in accordance with IFRS standards has led management to perform estimates and put forward assumptions affecting the book value of certain assets and liabilities, income and expenses, as well as the information given in certain notes to the statements.

Since these assumptions are intrinsically uncertain, actual information may differ from the estimates. The Group regularly reviews its estimates and assessments in order to take past experience into account and factor in any elements considered relevant regarding economic conditions. Given the current economic and financial crisis, certain estimates may be even more volatile, making it harder to gauge the Group's business outlook for carrying out the asset depreciation tests (see the Notes to the consolidated financial statements, Note 1.9).

The statements and information subject to significant estimates especially concern the appraisal of potential losses in value of the Group's tangible assets, goodwill, financial assets, derivative financial instruments, inventories and work in progress, provisions for risks and charges, deferred taxes, and retirement benefits.

Note 1.3. Consolidation methods

The Group's annual financial statements include the statements for TOUAX SCA and its subsidiaries covering the period from January 1 to December 31, 2009.

Companies in which TOUAX SCA has a controlling interest are fully consolidated and the rights of minority shareholders are recognized.

Entities created for asset securitization are not retained in the consolidation since they do not constitute controlled ad hoc entities in the sense of SIC 12 "Consolidation – Special purpose entities" (see the Notes to the consolidated financial statements, Note 1.5 page 51).

The list of companies retained in the consolidation is provided hereinafter in the Notes to the consolidated financial statements, Note 2.2.

Commercial and financial transactions between consolidated companies are eliminated, including internal profits.

Note 1.4. Foreign currency conversion

Note 1.4.1. Conversion of currency financial statements for foreign subsidiaries

The functional and presentation currency of the Group is the euro.

The functional currency for foreign subsidiaries is generally the local currency. When the majority of transactions is performed in a third currency, the operating currency is the third currency.

Financial statements for the Group's foreign companies are prepared in their functional currency, and are converted into the Group's presentation currency (euro) as follows:

• Assets and liabilities of foreign subsidiaries are converted into euros at the closing exchange rate.

• Shareholders' equity, maintained at the historical rate, is converted at the closing exchange rate.

• The income and cash flow statements are converted at the average exchange rate for the period.

• Profits or losses resulting from the conversion of the foreign companies' financial statements are recognized in a conversion reserve included in the Consolidated Shareholders' Equity.

Goodwill generated during the acquisition of foreign companies is recognized in the functional currency of the acquired company. The goodwill is then converted at the current exchange rate into the Group's presentation currency. Any differences resulting from the conversion are recognized in the Consolidated Shareholders' Equity.

In accordance with the option authorized by IFRS 1 "First-time Adoption of IFRS", the Group has chosen to reclassify the aggregated "Conversion reserves" as of January 1 2004, resulting from the conversion mechanism for foreign subsidiary financial statements, as "Consolidated reserves".

Following the disposal of a foreign subsidiary, the aggregated exchange differences in the "Conversion reserves" account since January 1, 2004 are recycled on the Income Statement as a component of the profit or loss from the disposal.

Exchange rate for the main currencies

Parity: Currency = €1	**Closing rate**		**Average rate**	
	2009	2008	**2009**	2008
Swiss franc (CHF)	1.4836	1.485	1.51	1.5874
Czech crown (CZK)	26.473	26.875	26.4349	24.9463
Zloty (PLN)	4.1082	4.1724	4.3276	3.5121
Slovak crown (SKK)(1)		30.126		31.2617
US dollar (USD)	1.4406	1.3917	1.3948	1.4708

(1) Slovakia, and as a result TOUAX SK SRO, switched to the euro on January 1, 2009.

Note 1.4.2. Conversion of transactions in foreign currency

Transactions by consolidated companies in foreign currency have been converted into their functional currency at the exchange rates prevailing on the date of the transaction.

Monetary assets and liabilities in foreign currency have been converted at the exchange rates prevailing on the Balance Sheet date. Latent exchange gains or losses from this conversion are booked to net financial income.

Exchange gains/losses arising from a monetary component, which is essentially an integral part of the net investment in a foreign subsidiary included in the scope of consolidation are booked to a conversion reserve in Shareholders' Equity until that net investment has been sold or otherwise liquidated.

Note 1.5. Recognition of securitization operations

Asset securitization operations have been carried out in the Shipping Containers division by setting up two trusts, TCLRT 98 and TLR 2001, and in the Modular Buildings division by setting up an EIG, Modul Finance I.

These securitization operations have enabled the Group to increase its capacity as a provider of operating leases by finding outside investors for the purchase of the assets needed for the Group's leasing and services business, and the provision of the necessary funding.

During 2009, the SRF Railcar Leasing entity was incorporated by DVB Bank SE in partnership with the Group. This entity, now fully owned by DVB Bank SE via its SRF III investment fund, was created to invest in railcars. The Group sold €29 million of railcars to SRF Railcar Leasing 2009, and has agreed to acquire a 25.755% stake in the entity in 2010. The Group loaned €4.3 million to SRF Railcar Leasing on December 31, 2009 recognized as mezzanine debt.

The substance of each of these securitization operations has been examined in detail in the light of Standing Interpretation (SIC) 12 "Consolidation – Special Purpose entities" (see below). None in fact amounts to "control of a Special Purpose Entity" (SPE), and these trusts and the Modul Finance I EIG are consequently not included in the TOUAX Group's scope of consolidation.

These operations and their impact on the statements are described in the Notes to the consolidated financial statements.

› Analysis of the asset securitization operations

SIC 12 reads as follows (para. 10): *"In addition to the situations described in IAS 27.13, the following circumstances, for example, may indicate a relationship in which an entity controls an SPE and consequently should consolidate the SPE (additional guidance is provided in the Appendix to this Interpretation):*

(a) in substance, the activities of the SPE are being conducted on behalf of the entity according to its specific business needs so that the entity obtains benefits from the SPE's operation;

(b) in substance, the entity has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the entity has delegated these decision-making powers;

(c) in substance, the entity has rights to obtain the majority of the benefits of the SPE and therefore may be exposed to risks incident to the activities of the SPE; or

(d) in substance, the entity retains the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities."

The agreements whereby the Group provides services or manages assets were concluded with entities that already existed and were not set up merely for the Group's specific business needs. The Group has no decision-making powers over the entities concerned or over their assets, nor does it have rights to the majority of the economic benefits from those entities or to the majority of the risks connected with them or with the securitized assets. Full details on these operations are provided in the Notes.

Note 1.5.1. The "Modul Finance I" EIG

a) Services provided by the TOUAX Group in connection with the EIG's activities would not necessarily have existed had the EIG not been set up: in other words, the EIG was not set up for the Group's specific business needs. The Modul Finance I EIG is to be regarded as no more than an investor in equipment which the Group manages as a service, as it does for its others investors.

b) The Group has no decision-making or executive power over the Modul Finance I EIG. It does not, for example, have the power to wind up the entity, nor to make or block amendments to its Articles of Association.

c) The financial benefits the Group gets from the Modul Finance I EIG are limited to the net value of the fees it receives for managing the EIG's assets. Such benefits are insignificant compared to the value of the assets themselves; moreover, the Group would have no ownership rights in the assets if and when the EIG was liquidated.

d) If the return on the EIG's assets failed to produce the profitability expected of the EIG, the EIG would be able to draw on the collateral deposits put up by the Group. The Group does not guarantee that the EIG will achieve a particular annual profit or indeed any profit at all. The Group's financial risk in relation to the Modul Finance I EIG is limited to the collateral deposits and the loans and other advances it has made, as shown in the Notes to the consolidated financial statements. That risk is insignificant compared to the value of the assets themselves. There are also operational risks connected with the consequences of a default by the EIG, which would mean that the Group would no longer have manage the inventory of modular buildings owned by the EIG.

Accordingly, as the Group does not control the EIG in the terms of SIC 12, the Modul Finance I EIG is not included in the scope of consolidation.

Note 1.5.2. TCLRT 98 – the "1998 Trust"

a) The services provided by the Group for managing the 1998 Trust's assets would not have existed had the 1998 Trust not been set up. The 1998 Trust is no more than one equipment investor among others.

b) The Group has no decision-making or executive power over the 1998 Trust. It does not, for example, have the power to wind up the entity, or to make or block amendments to its Articles of Association. The Group asked, for instance, for the 1998 Trust's permission to dispose of some of its assets "as and when" it seemed timely; but it was not entitled to go ahead when in fact the Trust declined to give permission.

c) The financial benefits the Group got from the 1998 Trust are limited to the net value of the initial and subsequent fees received for managing the Trust's assets. Those benefits are insignificant compared to the value of the assets themselves; moreover, the Group had no ownership rights in the assets if and when they are sold.

d) If the return on the 1998 Trust's assets failed to produce the expected profitability, the Trust would be able to draw on the collateral deposits put up by the Group. The Group does not guarantee the Trust will achieve a particular annual profit or indeed any profit at all. The Group's risk in relation to the 1998 Trust is limited to the collateral deposits and other advances it has made, as shown in the Notes to the consolidated financial statements. These collateral deposits and other advances have had partial contingency provisions made for them in the Group's accounts. The risk is insignificant compared to the value of the assets themselves. The Group did not own any equity of the 1998 Trust. It should also be pointed out that on February 27, 2007 Radian Asset Insurance Inc gave TOUAX SCA written notice that the 1998 Trust had defaulted on a payment, thereby entitling Radian as insurer of the Senior Notes to reserve the right to demand the Trust be sold and all its assets disposed of. As prudence required, the Group made an estimate of the effects of an immediate sale of the Trust's assets. Such a sale would have meant the Group would not be repaid certain collateral deposits and advances it had made to the Trust. The un-repaid deposits and advances, which appeared among the Group's assets, were accordingly written off in the Group's accounts on December 31, 2006.

Accordingly, as the Group does not control the 1998 Trust in the terms of SIC 12, the Trust 1998 is not included in the scope of consolidation.

In 2009, the Group purchased some of the 1998 Trust containers for €0.9 million. Trust 1998 sold its remaining equipment to a third-party investor for €9.4 million.

The winding down of Trust 1998 in April 2009 did not affect the Group, given the provisions made previously against advance payments and collateral deposits.

Note 1.5.3. TLR 2001 – the "2001 Trust"

a) The Group would not have provided its services to the 2001 Trust's business had the 2001 Trust not been set up. The 2001 Trust is no more than one equipment investor among others.

b) The Group has no decision-making or executive power over the 2001 Trust. It does not, for example, have the power to wind up the entity, or to make or block amendments to its Articles of Association.

c) The financial benefits the Group gets from the 2001 Trust are limited to the net value of the initial and subsequent fees received for managing its assets. Those benefits are insignificant compared to the value of the assets themselves. In contrast to the other securitizations, the Group does have an option to buy the assets of the 2001 Trust if and when it is wound up. That is an option to buy at market value, and does not offer such attractive terms that the Group is sure to exercise it; indeed, the Group does not at present expect to buy the assets of the Trust.

d) If the return on the 2001 Trust's assets failed to produce the expected profitability, the Trust would be able to draw on the collateral deposits put up by the Group. The Group does not guarantee that the EIG will achieve a particular annual profit or indeed any profit at all. The Group's risk in relation to the 2001 Trust are limited to the liquidity reserves as shown in the Notes to the consolidated financial statements. That risk is insignificant compared to the value of the assets themselves. The Group did not own any equity of Trust 2001. Discounting of cash flows on those assets on December 31, 2009 led the Group to depreciate the liquidity reserves by €2 million.

Accordingly, as the Group does not control Trust 2001 in the terms of SIC 12, the Trust 2001 is not included in the scope of consolidation.

Note 1.5.4. SRF Railcar Leasing

a) SRF Railcar Leasing was created in order to invest in assets and not for the Group's operational requirements.

b) The TOUAX Group has no decision-making or executive power over SFR Railcar Leasing. The Board of Directors, which makes decisions concerning strategy, includes two representatives of SRF III and one of the TOUAX Group. For instance, the TOUAX Group does not have the authority to dissolve the entity, to transfer its assets to a third party, or to carry out transactions on its capital.

c) Most of the advantages concerning the SRL Railcar Leasing business will benefit SRF III. The TOUAX Group will receive management fees for handling the railcar contract on behalf of SRF Railcar Leasing. Note however that the management fee rate is a market rate and that, as a result, the Group will incur management fees for a very similar amount. Similarly, the Group will obtain a margin on the sale of railcars to SRF Railcar Leasing. In the event of liquidation, however, most of the liquidating dividend would return to SRF III.

d) Given that SRF III finances 75% of the structure and the TOUAX Group 25%, SRF III bears most of the non-payment risk concerning the mezzanine debt to be financed by TOUAX and SRF III in order to create SRF Railcar Leasing. Furthermore, five years after the acquisition date, SRF Railcar Leasing has the right to sell its railcars to third parties. As asset manager, the TOUAX Group is not obliged to purchase them. Therefore there is a risk on the assets' residual value, only 25% of which is borne by the TOUAX Group. The risk is minimal and insignificant compared to the value of the assets themselves.

Accordingly, as the Group does not control SRF Railcar Leasing in the terms of SIC 12, SRF Railcar Leasing is not included in the scope of consolidation.

Note 1.6. Goodwill

Goodwill entries represent the amounts by which the acquisition cost of a going concern exceeds the fair value of its net assets on the date of taking control. The initial entry may be revised over a period of twelve months. In the case of important acquisitions, this fair valuation is carried out by independent valuers.

In line with IFRS 3 "Business Combinations", goodwill assets are not amortized. As required by IAS 36 "Impairment of Assets", they are subjected to an impairment test at least once a year, and at shorter intervals if there is any indication of a loss of value. The test is designed to ensure that the recoverable value of the cash-generating unit (CGU: usually the individual legal entity) to which the goodwill is applied is at least equal to its net book value (see Notes to the consolidated financial statements, Note 1.9). If an impairment is found, then an irreversible provision is charged to operating income, on a line of its own.

Should the TOUAX Group increase its percentage stake in a firm it already controls, the additional equity purchase is booked directly to Shareholders' Equity as the difference between the price paid for the shares and the additional proportion of the firm acquired.

Note 1.7. Intangible Fixed Assets

Computer software and development expenses which are included among Intangible Fixed Assets are depreciated using the straight-line method over their useful lifetimes. Development costs incurred between the decision to start development and the agreement to manufacture the item are booked as Intangible Fixed Assets. Development costs are regarded as fixed investments if they concern distinguishable projects with a realistic chance of technical success and commercial profitability. They are amortized over three years.

Note 1.8. Tangible Fixed Assets

Note 1.8.1. Valuation at cost net of amortization and impairment

Except when acquired as part of a company takeover, Tangible Fixed Assets are booked at their cost of acquisition or production. Gains arising on sale or purchase within the Group are eliminated in the consolidated accounts, as are revaluations due to mergers or partial takeovers. At the end of each financial period the book value is reduced to acquisition cost less cumulative amortization and provisions for impairment calculated as required by IAS 36 – Impairment of Assets (see Notes to the consolidated financial statements, Note 1.9).

The costs of borrowing used to finance assets defined by the amended IAS 23 are included in the cost of the assets involved. At present no assets are eligible for application of the amended IAS 23.

Note 1.8.2. "Component" approach

IAS 16 "Property, plant, and equipment" (tangible fixed assets) requires that any of a fixed asset's main components that has a useful lifetime shorter than that of the fixed asset itself should be recognized separately so as to be depreciated over its own useful lifetime.

In TOUAX's case the "component" approach applies particularly to the River Barges division. The acquisition cost of pushboats is broken down into hull and power plant so that the engines can be depreciated over their useful lifetime, which is usually not more than ten years.

Note 1.8.3. Amortization

Tangible assets are depreciated and are calculated using the straight-line method over the asset's useful lifetime. Land is not depreciated.

Useful lifetimes for assets acquired new are as follows:

- Shipping containers ("dry" type) ....15 years
- Modular buildings ....20 years
- River transport (barges and pushboats).....................30 years
- Railcars..30 years

The depreciation of shipping containers provides for a residual value of 15% in accordance with industry standards.

Modular buildings in the USA are depreciated over 20 years with a residual value of 50% in accordance with American practice.

Assets acquired second-hand are depreciated using the straight-line method over their remaining useful lifetime.

Residual values are chosen in accordance with the Group's past experience. The residual value of Railcars is considered nil.

Useful lifetimes of second-hand barges depend on their previous condition of use, and materials it carried (some materials being more corrosive than others). The expected lifetime of each barge bought second-hand is estimated on the basis of its date of construction, past use and the materials carried. The total useful lifetime applied never exceeds 36 years.

Note 1.9. Impairment of fixed assets

According to IAS 36 "Impairment of Assets", the recoverable value of Tangible and Intangible Fixed Assets must be tested as soon as there is any indication of a loss of value (to the company or in the market), and is reviewed at the end of each financial period. This test is carried out at least once a year in the case of assets with an indefinite lifetime, which in the Group's case means goodwill.

For this test, fixed assets are grouped into Cash-Generating Units (CGUs). These are homogeneous groups of assets whose continuous use generates cash flows largely independent of the cash flows generated by other groups of assets. The recoverable value of these units is most often calculated from their value in use, i.e. from the discounted future net cash flows expected on the basis of business scenarios and on forecast operating budgets approved by senior management.

If a CGU's recoverable value is below its net book value, then an impairment is recognized. If the CGU contains an element of goodwill, the impairment is charged first against goodwill before any remaining impairment is charged to the CGU's other fixed assets.

However, in certain situations there may be impairment factors applying specifically to certain assets that justify a test and – depending on the outcome – an impairment of those assets regardless of which CGU they are attached to.

CGUs in the TOUAX Group consist of consolidated subsidiaries operating in the same line of business of the Group.

Note 1.10. Leases

As a provider of operating leases (to its customers) and regarding material administered under management contracts with investors (see Notes to the consolidated financial statements, Note 1.5, Note 1.20.1, and Note 1.20.2), the Group naturally contracts many leases, both as lessor and lessee.

The Group also manages a number of assets on its own behalf.

Management contracts the Group makes with investors do not qualify under IAS 17 as finance leases. Amounts paid to these investors are booked under "net income distributed to investors" (see Notes to the consolidated financial statements, Note 1.20.7).

Leases to customers have been analyzed in light of IAS 17 criteria. There are operating leases, for shorter or longer terms, with a few bank-refinanced hire purchase contracts which contain non-recourse clauses protecting the Group from the risks of defective assets or customer default. Lease payments received (see Notes to the consolidated financial statements, Note 1.20.2) are booked to the Income Statement, and do not vary over the duration of the lease. There are also a few finance leases provided by the Group to its customers, and their revenues are booked under Leasing Revenues.

Assets managed by the Group for its own account are booked under Tangible Fixed Assets if financed by means of finance leases; they transfer to the Group virtually all the risks and rewards of ownership of the asset leased. They are recognized on the Assets side of the Balance Sheet at the lower of the leased asset's fair value at the start of the lease and the discounted present value of the minimum finance-lease payments. The corresponding debt is entered under Financial Liabilities. Lease payments are broken down into financial charges and amortization of the debt, in such a way as to obtain a constant periodic rate on the balance of the remaining debt. Assets under a finance lease are amortized over their useful lifetime in accordance with Group rules (see Notes to the consolidated financial statements, Note 1.8). They are tested for impairment under IAS 36 "Impairment of Assets" (see Notes to the consolidated financial statements, Note 1.9).

Assets on lease to the Group (its head office, other administrative buildings, and some equipment) are operating leases yet the lessor retains virtually all the risks and rewards of ownership of the asset. Payments on these leases are charged to the Income Statement, and do not vary over the duration of the lease.

The examples given in IAS 17 (paras. 10 and 11) and the indications set out there justify classifying the commercial lease of the assembly plant at Mignières (France) as an operating lease.

Note 1.11. Inventories

Inventories essentially consist of goods bought for resale in the Shipping Containers and Railcars divisions, and to a lesser extent in the Modular Buildings division. The stock turnover period is under a year. Goods in store for more than twelve months are classified as fixed assets.

Inventories are valued at the lower of cost and net realizable value.

Net realizable value is the estimated price of a sale in the normal course of business, less estimated finishing and selling costs.

Note 1.12. Provisions for Risks and Charges

A provision is made in the accounts if, on the relevant Balance Sheet date, the Group has contracted an obligation (whether legally expressed or implicit) and it is probable that a reliably predictable amount of resources will be needed to discharge that obligation.

Provision is made for lawsuits and disputes (industrial, technical, or tax-related) as soon as there is an obligation by the Group to another party on the Balance Sheet date. The amount of the provision made depends on the best estimate of the foreseeable expense.

Note 1.13. Pensions and Similar Liabilities

The Group's superannuation commitments consist only of severance payments for its French companies' employees: these are "defined benefit schemes" in the terms of IAS 19 "Employee Benefits". Under its various schemes, the Group undertakes to pay benefits in the form of a lump sum on leaving the Group (severance payments) or during retirement. The Group's schemes are not funded, and a provision is made for them in the accounts. The Group has no commitments under any other significant defined benefit scheme nor under any defined contribution scheme.

The Group accounts for these superannuation commitments according to the Projected Unit Credit method as required under IAS 19. The method calls for long term actuarial assumptions concerning demographic parameters (staff revenues, mortality) and financial parameters (salary increases, discount rate) to be taken into account, and for these parameters to be reviewed annually. The effect on the total commitment of any changes in the actuarial assumptions is entered under Actuarial Differences. In compliance with IAS 19 the Group books these (positive or negative) actuarial differences to the Income Statement.

Note 1.14. Operating subsidy

The Group has chosen to present government subsidies in its Financial Statements as reductions of their related expenses, in accordance with IAS 20.

Note 1.15. Share-based payments

IFRS 2 "Share-based Payment", which applies to schemes granted after November 7 2002, requires transactions paid for in shares or similar instruments to be valued in the firm's Income Statement and Balance Sheet. The Standard identifies three possible types of transaction:

• Share-based transactions settled in equity instruments.

• Share-based transactions settled in cash.

• Share-based transactions settled in equity instruments or in cash.

Share-based staff benefits are booked under staff costs and spread over the acquisition period of the entitlements; a counter-entry is made in the form of an increase in Shareholders' Equity.

Note 1.16. Long-term Non-Current Liabilities

In the Shipping Containers division, initial commissions received by the Group on the first sale of containers to the TCLRT 98 and TLR 2001 Trusts were used to set up collateral deposits and liquidity reserves which will not be recoverable until the Trusts are wound up. Those deposits and reserves are earmarked, among other things, to enable the Trusts to cover debt service payments should the net income distributed to them by the Group prove insufficient (see Notes to the consolidated financial statements, Note 1.5, Note 30.1, Note 30.2 and Note 30.3).

Only when the Group is in a position to recover these collateral deposits and liquidity reserves will the economic benefit of these initial commissions materialize as probable. Under such circumstances, these initial commissions bound up in collateral deposits and liquidity reserves are treated as deferred in accordance with IAS 18 "Revenue Recognition", and booked under Non-Current Long-Term Liabilities until recovery of those collateral deposits and liquidity reserves becomes probable. All this deferred income was written off for €3.6 million in 2006 and €2.1 million in 2009.

Other Long-Term Liabilities also concern those portions of liabilities other than borrowings and financial debts which are due in over a year, such as commercial commitments on contracts with a repurchase agreement by the Group, or deferred leasing income over the duration of the contract.

Note 1.17. Treasury Shares

The treasury stock held by the Group is registered at its acquisition cost as a deduction from Shareholders' Equity. Gains from the disposal of treasury stock are stated directly as an increase in Shareholders' Equity, such that capital gains or losses do not affect the consolidated result.

Note 1.18. Financial instruments

Note 1.18.1. Financial assets

The Group's financial assets include the following:

• Non-Current Financial Assets: guarantees and other deposits for the most part, connected with the setting up of the TLR 2001 Trust and the Modul Finance I EIG (see Notes to the consolidated financial statements, Note 1.5 and Note 1.16), shares in non-consolidated companies, and management fees receivable on the Modul Finance I EIG (see Notes to the consolidated financial statements, Note 1.5, Note 30.1 and Note 30.4).

• Current Financial Assets including trade receivables and other operating credits, as well as cash or its equivalents (negotiable securities).

Financial assets are valued on the Balance Sheet date in accordance with their classification under IAS 39.

› Financial assets with changes in fair value booked to the Income Statement

Negotiable securities are valued at their fair value on the Balance Sheet date, and changes in their fair value are booked to net financial revenue: they are not, therefore, tested for impairment. Fair values are determined in most cases by reference to listed market prices.

› Loans and Receivables

For the Group, this category includes:

• long term loans,

• trade receivables and other operating credits.

These financial assets are valued at cost, amortized using the "effective interest rate" method.

› Assets Held to Maturity

These are fixed-maturity non-derivative financial assets with either fixed or calculable yield and which the firm intends and is able to keep until they mature. These assets do not include loans and receivables, nor those financial assets classified under the two other categories (assets with changes in fair value booked to the Income Statement, or assets available for sale).

These financial assets are valued at cost, amortized using the "effective interest rate" method.

› Assets Available for Sale

This covers assets that do not fall into any of the above categories. They are valued at fair value – changes in fair value are booked under Shareholders' Equity until they are actually sold. Among other things, this category includes shareholdings in non-consolidated firms. In the case of listed securities, the fair value is the market price. If the fair value cannot be reliably ascertained, the securities are carried at their historic cost. On each Balance Sheet date, the fair value of financial assets available for sale is determined and entered among assets. If there is any objective indication of a loss of value (significant and lasting impairment), then an irreversible write-down is booked to the Income Statement, and not restored there (if at all) until the securities are sold.

› Impairment testing of financial assets

All assets valued at amortized cost and assets available for sale must undergo an impairment test at the end of each financial period, whenever there is any indication that they may have lost value.

In the case of assets valued at amortized cost, the amount of the impairment recognized is the difference between the asset's book value and the discounted present value of the future cash flows expected in light of the counterparty's situation. It is calculated using the financial instrument's real original interest rate. Expected cash flows from short-term assets are not discounted.

Note 1.18.2. Cash and Cash Equivalents

The Cash and Cash Equivalents Balance Sheet item is made up of current bank account balances and cash-based UCITS holdings that can be liquidated in the short term.

UCITS holdings with a negligible risk of changing value are categorized as highly liquid short-term holdings.

The net cash position from the cash flow statement is determined on the basis of cash holdings, as defined above, less current bank advances and overdrafts.

Note 1.18.3. Financial Liabilities

The Group's financial liabilities include interest-bearing bank loans from banks and derivatives.

Borrowings are broken down into current liabilities (repayable within the twelve months following the Balance Sheet date) and non-current liabilities (for those with longer due dates).

Interest-bearing loans are initially booked at historic cost, less the associated transaction costs.

Financial liabilities are then valued on the Balance Sheet date at their cost amortized using the "effective interest rate" method.

Bonds with redeemable share subscription warrants (OBSARs – "Emprunts obligataires avec bons de subscription d'actions remboursables").

OBSARs are hybrid securities; their components are analyzed, valued and recognized separately, in accordance with the provisions of IAS 32.

Contract analysis of the OBSARs issued by the company on March 8, 2007 with a March 2012 maturity date resulted in the separate recognition on the issue date of a debt component and an equity component represented by the BSAR conversion option (the redeemable share subscription warrants).

The debt component relates to the issuer's contractual obligation to pay the bondholders in cash (the quarterly coupon; and the borrowed capital, on or before the date of maturity).

In line with IAS 39, the fair value of the debt component has been determined by discounting the future cash flows contracted for, at the prevailing market rate on the date of issue for a conventional debenture without any conversion option, but in all other respects identical to the OBSARs in question.

In view of the relatively insignificant size of the equity component compared to the debt component, the issue costs were charged entirely to the debt component.

The interest charge is recognized in net financial revenue according to the effective interest rate method, incorporating the OBSARs' issue costs.

The book value of the equity component (the redeemable share subscription warrants) was calculated as the difference between the issue price of the OBSARs and the debt component discounted as above. The equity component is recognized in a special reserve account and will be transferred to consolidated reserves once the shares involved in the exercise of the warrants have been taken up. This value is not revised in subsequent financial periods.

Some of the redeemable share subscription warrants have been sold to the Group's executives. As the warrants' sale price was close to their market value, no charge has been recognized, in accordance with IFRS 2.

A deferred tax liability applying to the equity component is charged to consolidated reserves and then gradually eliminated by charging to net financial income as required by the IFRS.

Note 1.18.4. Group's exposure to currency risk and interest rate risk – Financial derivatives

In 2009 the Group signed a forward currency contract (maturing at the start of 2010) in order to hedge a debt in USD and Czech crowns. This derivative counts as a "fair value hedge". The item hedged is revalued and the hedge itself is valued and carried at its fair value.

The Group mainly refinances its operations by means of variable-rate borrowing, and uses interest rate derivatives to reduce its exposure to interest rate risk.

Variable rate borrowings hedged by interest rate swaps are subject to cash flow hedge accounting. Changes in the swaps' fair value due to movements in interest rates are booked to Shareholders' Equity to the extent that they are effective, which is tested using the IAS 39 criteria; otherwise they are booked directly to net financial revenue.

Note 1.19. Taxes on Corporate Income

Deferred taxes are recognized (undiscounted) according to the method of variable carrying-forward of the differences due to timing between the assets' and liabilities' values for tax purposes and their book values in the consolidated accounts. In this way each financial period is assigned its appropriate tax charge, particularly in view of the temporary discrepancies that may arise between the date when certain revenues and charges are booked and their effective date for tax purposes.

Any deferred tax assets resulting from these temporary differences (tax losses to be carried forward) are only retained on the books to the extent that the companies involved (or groups of companies consolidated for tax purposes) are reasonably sure of realizing the benefits in subsequent years.

Tax rates used in calculating deferred taxes are the rates known on the Balance Sheet date.

Tax assets and liabilities applying to the same tax entity (or fiscally-consolidated group) are offset in the Balance Sheet.

Deferred tax is recognized as a revenue or charge in the Income Statement unless it relates to a transaction or event recognized directly in Shareholders' Equity.

Deferred taxes are presented on their own lines in the Balance Sheet, under Fixed Assets or Non-Current Liabilities, as the case may be.

Note 1.20. Revenues and expenses of ordinary activities

Note 1.20.1. Revenue from Ordinary Activities: components

The Group is in the business of providing operating leases on standardized mobile equipment either owned by it or managed by it on behalf of investors.

In the latter case, the Group buys new equipment and then transfers ownership to investors who commission the Group to manage their equipment under contract. Equipment managed by the Group is rented out to its customers (see Notes to the consolidated financial statements, Note 1.20.2 and Note 1.20.3).

The Group also has trading activities (buying goods for resale – see Notes to the consolidated financial statements, Note 1.20.4).

Lastly, it sometimes sells its own equipment (fixed assets previously leased to customers), either to investors or third parties (see Notes to the consolidated financial statements, Note 1.20.7).

Note 1.20.2. Statement and recognition of revenues and expenses connected with the Group's trust contracts and commissioned management contracts

The Group operates and manages equipment on behalf of third parties as part of its river transport and river barge, shipping container, modular building and railcars leasing activities. Pools of investors (including the Group itself) are set up for this purpose (including the Trusts and the EIG described in the Notes to the consolidated financial statements Note 1.5). These pools group equipment usually of the same type and age. This form of organization makes it possible to share the revenues and expenses of equipment in a given pool.

According to an analysis of these management and securitization contracts in light of IAS, the Group acts as principal both in its relations with investors (pools, trusts or EIGs) on the one hand, and with its customers on the other: the Group is entirely free to choose the customers, producers and suppliers it deals with, and to negotiate prices for the purchase, leasing and sale of the equipment it manages. Customers do not know the final owners of the equipment.

Accordingly the Group books all revenue and expense streams generated by these contracts to its Income Statement. It includes in its revenues the gross lease payments billed to its customers for all the pool-owned equipment it manages. The operating expenses of all the equipment managed are booked under Operating Expenses. A proportion of the net revenues is then returned to the investors (see Notes to the consolidated financial statements, Note 1.20.7).

The following elements and criteria are taken into account in determining that the Group acts as "principal":

• IAS 18 does not specify conditions or criteria for distinguishing between agent and principal. Under IAS 8, therefore, transactions may be judged by reference to US GAAP (EITF 99-19): there is no conflict between the principles of this EITF and the IASB framework or other IAS/IFRS.

• Criteria enshrined in EITF 99-19 are reviewed in detail in the following paragraphs.

The criteria for concluding that a company is acting as principal are as follows:

• *The company is the primary obligor in the arrangement:* TOUAX SCA and its subsidiaries execute leases directly with the customers. Customers do not know the owners of the equipment.

• *The company has general inventory risk:* TOUAX SCA and its subsidiaries initially bear the risks connected with the equipment. TOUAX SCA may then have recourse to the owners for compensation.

• *The company has latitude in establishing price:* TOUAX SCA and its subsidiaries have complete freedom in the choice of customers and leasing rates, without referring to the equipment's owners.

• *The company changes the product or performs part of the service:* TOUAX SCA and its subsidiaries sign identical contracts with customers, regardless of who owns the equipment.

• *The company has discretion in supplier selection:* TOUAX SCA and its subsidiaries choose suppliers without referring to the equipment's owners.

• *The company has physical loss inventory risk:* TOUAX SCA and its subsidiaries initially bear the risk of the containers' loss. TOUAX SCA then turns to its customers or suppliers for compensation of such loss, and passes on that compensation to the equipment's owners.

• *The company has credit risk:* Each owner of equipment bears its own credit risk. TOUAX SCA and its subsidiaries bear the credit risk for their portion of pool ownership. TOUAX SCA and its subsidiaries are responsible for collection. Should a customer default, TOUAX SCA is obliged to make every effort to find the owners' containers.

The criteria for concluding that a company is acting as agent are as follows:

• *The supplier (not the company) is the primary obligor in the arrangement:* As explained above, TOUAX SCA and its subsidiaries deal directly with their customers, who do not know the owners of the equipment.

• *The amount the company earned is fixed:* TOUAX SCA and its subsidiaries receive variable remuneration. Lease payments billed by TOUAX SCA and its subsidiaries to their customers are independent of the lease payments between TOUAX SCA and the equipment owners.

• *The supplier (and not the company) has credit risk:* Each owner of equipment bears its own credit risk. TOUAX SCA and its subsidiaries bear the credit risk for their portion of pool ownership. TOUAX SCA and its subsidiaries are responsible for collection. If a customer defaults, TOUAX SCA is obliged to make every effort to find the owners' containers.

In view of these characteristics, it may be concluded that TOUAX SCA is acting as principal.

Note 1.20.3. Leasing Revenues

Leasing revenues are the receipts from leasing out (on operating or financial leases) the equipment managed by the Group, for itself or on behalf of others, in the Group's four business divisions, as well as the receipts from additional services billed in the course of arranging those leases. It also includes the River Barges division's receipts from the freight, chartering and storage business. Interest income on finance leases to customers is also booked under leasing revenues.

Changes in leasing revenues are therefore directly connected with the equipment owned or managed by the Group, the leasing rates, and the utilization rate of the equipment.

When the sale of modular buildings is accompanied by a firm repurchase agreement at a fixed price (sale with repurchase clauses), the revenue from the sale is not booked immediately upon delivery as revenues from sales of equipment. Rather, it is recognized as lease payments which do not vary over the duration of the contract, for the difference between the sales price and the purchase price agreed with the customer. Those same modular buildings are regarded as fixed assets, and are depreciated using the same Group plan as for other modular buildings owned directly by the Group.

Note 1.20.4. Sales of Equipment

The Sales of Equipment item includes the receipts from trading in assets (mainly by the Modular Buildings division), sales to investors (in the Shipping Containers and Railcars divisions), and sales of property, plant and equipment since 2009 (see Note 1.1). The corresponding purchases of equipment and the net book values are booked under External Purchases and Expenses in the type-classified Income Statement, and under Cost of Sales in the function-classified Income Statement. Equipment bought and not yet resold is accounted for in the end-of-period inventories (see Notes to the consolidated financial statements, Note 1.11).

Note 1.20.5. Other revenue from ordinary activities (now under Purchases and other external expenses)

Equipment built by the Group for leasing to customers and recognized as a fixed asset (€4.6m in 2007, and €43.3m in 2008) was formerly included under Other revenue from ordinary activities. It has now been reclassified as a decrease in the Cost of sales item in the function-classified Income Statement and of the Purchases and other external expenses item in the type-classified Income Statement.

Note 1.20.6. Operating Provisions

This item mainly records further allocations to and drawings from provisions for bad and doubtful debts.

Note 1.20.7. Net distributions to investors

The operating revenues and expenses of the assets that are part of investor pools (see Notes to the consolidated financial statements, Note 1.20.2) are broken down by pool, and the net revenues from each, less a management fee retained by the Group, are distributed among the pools' investors according to distribution rules established for each management program.

The portion of these revenues to be paid to the outside investors is recognized under net distributions to investors, in accordance with asset-management industry practice.

Note 1.21. Operating income

Operating income is the difference between non-financial pretax revenues and expenses, excluding those from discontinued activities or activities currently being disposed of. Operating income after distribution corresponds to "current operating income" as defined by the French Accountancy Board (CNC).

EBITDA (Earnings before interest, tax, depreciation and amortization) is an important figure for the Group: it measures business performance, and corresponds to operating income after distribution but before depreciation and impairments recognized through impairment tests under IAS 36 (see Notes to the consolidated financial statements, Note 1.9).

Note 1.22. Segment information

In view of the Group's basic structure and its internal operational organization, the first level of segment information applied in accordance with IFRS 8 "Segment information" is that based on the Group's various Divisions.

The Group is in the business of providing operating leases on standardized movable assets. It conducts this business in four divisions: shipping containers, modular buildings, river barges and freight railcars.

Geographic sectors depend on the location of markets and reflect asset locations.

In the Modular Building, River Barges, and Railcars business, services are provided in the sector where markets and customers are located.

In the Shipping Container business, however, markets are in other locations than those of customers and services. Market locations corresponds to asset locations. The geographic sectors of the Shipping Containers business correspond to the location of assets. Shipping containers are moved regularly from country to country via international trade over hundreds of trading routes. The TOUAX Group has neither knowledge nor control over the location or movements of leased containers. Based on shipping container lease agreements in force on December 31, 2009, the containers may be in ports of over 100 countries worldwide. As a result, it is not possible to separate the revenue or assets of the Shipping Container business by geographic sector. The Shipping Container business is categorized in the international zone. This presentation is consistent with practices in the shipping container industry, often managed according to US GAAP standards.

Note 2. Scope of consolidation

Note 2.1. Changes in the scope of consolidation

Number of consolidated companies

	2009	2008	2007
French companies	6	6	6
Foreign companies	31	31	29
TOTAL	**37**	**37**	**35**
Of which included in consolidation perimeter	0	4	3
Of which excluded from consolidation perimeter	0	-2	-1

There were no changes in the scope of consolidation during 2009.

Note 2.2. List of consolidated companies in 2009

Company name	Address	Control percentage	Consolidation method
TOUAX SCA Investment and consulting	Tour Arago – 5, rue Bellini 92806 PUTEAUX LA DÉFENSE CEDEX (FRANCE)		
CFCL TOUAX Llp Investment, leasing, and sales of railcars	1013 Centre Road WILMINGTON, DELAWARE 19805 (USA)	51%	FC
CS DE JONGE BV River transport	Amstelwijckweg 15 – 3316 BB DORDRECHT NETHERLANDS	100%	FC
EUROBULK BELGIUM BVBA River transport	BC Leuven zone 2 Interleuvnlaan – 62 Bus 10 – B3001 LEUVEN (BELGIUM)	97.9346%	FC
EUROBULK TRANSPORTMAATSCHAPPIJ BV Holding company, investment and river transport	Amstelwijckweg 15 – 3316 BB DORDRECHT (NETHERLANDS)	100%	FC
GOLD CONTAINER Corporation Investment, leasing, and sale of shipping containers	169E Flager street Suite 730 MIAMI, FL 33131 (USA)	100%	FC
GOLD CONTAINER FINANCE Llc Investment in shipping containers	169E Flager street Suite 730 MIAMI, FL 33131 (USA)	100%	FC
GOLD CONTAINER Investment Ltd Financing of shipping containers	8th Floor, Gloucester Tower The Landmark 15 Queen's Road Central HONG KONG	100%	FC
GOLD CONTAINER Leasing Pte Ltd Investment, leasing, and sale of shipping containers	5, Shenton Way # 11-11 UIC Building SINGAPORE 068808	100%	FC
TOUAX HYDROVIA CORP River transport	P.H. plaza 2000 – Calle cincuenta (50) PANAMA	100%	FC
INTERFEEDER-DUCOTRA BV River transport	Amstelwijckweg 15 3316 BB DORDRECHT NETHERLANDS	77.1359%	FC
MARSTEN/THG MODULAR LEASING Corp **WORKSPACE PLUS D/B/A** Investment, leasing, and sale of modular buildings	801 Douglas Avenue Suite 207 ALTAMONTE SPRINGS, FL 32714 USA	100%	FC

20. Financial information concerning the issuer's assets, financial position and results

Company name	Address	Control percentage	Consolidation method
SERVICIOS FLUVIALES River transport	Benjamin Constant 593 ASUNCION PARAGUAY	100%	FC
SIKO CONTAINERHANDEL GmbH Investment, leasing, and sale of modular buildings	Lessingstrasse 52 Postfach 1270 21629 NEU WULMSTORF GERMANY	100%	FC
SIKO POLSKA Sp.z.o.o Investment, leasing, and sale of modular buildings	21 Limbowa St 80-175 GDANSK POLAND	100%	FC
TOUAX BV Investment, leasing, and sale of modular buildings	Graanweg 13 (Havennr M240) 4782 PP MOERDIJK (NETHERLANDS)	100%	FC
TOUAX CAPITAL SA Investment and consulting	C/0 Progressia 18, rue Saint-Pierre 1700 FRIBOURG SWITZERLAND	99.99%	FC
TOUAX CONTAINER LEASE RECEIVABLES Corp Investment company as part of Forming of the Trust 98	1013 Centre Road WILMINGTON DELAWARE 19805 USA	100%	FC
TOUAX CONTAINER SERVICES SAS Service company for the shipping containers business	Tour Arago – 5, rue Bellini 92806 PUTEAUX LA DÉFENSE CEDEX FRANCE	100%	FC
TOUAX CORPORATION Investment and holding company for the leasing and transportation of equipment	801 Douglas Avenue Suite 207 ALTAMONTE SPRINGS, FL 32714 USA	100%	FC
TOUAX CORPORATE SAS Services and consulting for companies in the TOUAX Group	Tour Arago – 5, rue Bellini 92806 PUTEAUX LA DÉFENSE CEDEX FRANCE	100%	FC
TOUAX CONSTRUCTION MODULAIRE SAS Design, construction, fitting, buying and selling, and operation of modular buildings	Tour Arago – 5, rue Bellini 92806 PUTEAUX LA DÉFENSE CEDEX FRANCE	100%	FC
TOUAX EQUIPMENT LEASING Corporation Investment company as part the forming of Trust 2001	1013 Centre Road WILMINGTON, DELAWARE 19805 USA	100%	FC
TOUAX ESPANA SA Investment, leasing, and sale of modular buildings	P.I Cobo Calleja Ctra. Villaviciosa a Pinto, Km 17800 28947 FUENLABRADA SPAIN	100%	FC

Company name	Address	Control percentage	Consolidation method
TOUAX FINANCE Incorporated Investment company as part of the forming of the Trust 95	Lockerman Square, Suite L 100 DOVER, DELAWARE 19901 USA	100%	FC
TOUAX LEASING Corporation River transport	801 Douglas Avenue Suite 207 ALTAMONTE SPRINGS, FL 32714 USA	100%	FC
TOUAX NV Investment, leasing, and sale of modular buildings	Staatsbaan 4 C/1 bus 4 3210 LUBBEEK BELGIUM	100%	FC
TOUAX RAIL Ltd Investment, leasing, and sale of railcars	Bracetown Business Park CLONEE Co. Meath IRLAND	100%	FC
TOUAX RAIL FINANCE Ltd Railcar financing company	Bracetown Business Park CLONEE Co. Meath IRLAND	100%	FC
TOUAX RAIL FINANCE 2 Ltd Railcar financing company	Bracetown Business Park CLONEE Co. Meath IRLAND	100%	FC
TOUAX RAIL INVESTMENT Ltd Railcar investment company	Bracetown Business Park CLONEE Co. Meath IRLAND	100%	FC
TOUAX RAIL ROMANIA SA Investment, leasing, and sale of railcars	Cladire administrativa Mol 1S Étage 3 – CONSTANTA SUD-AGFCEA ROMANIA	57.4996%	FC
TOUAX RIVER BARGES SAS Investment and river transport	Tour Arago – 5, rue Bellini 92806 PUTEAUX LA DÉFENSE CEDEX FRANCE	100%	FC
TOUAX ROM SA River transport	Cladire administrativa Mol 1S Étage 3 – CONSTANTA SUD-AGIGEA ROMANIA	99.9978%	FC
TOUAX SOLUTIONS MODULAIRES SAS Service company for the modular construction business	Tour Arago – 5, rue Bellini 92806 PUTEAUX LA DÉFENSE CEDEX FRANCE	100%	FC
TOUAX SRO Design, construction, fitting, buying and selling, and operation of modular buildings	Na Radosti 184 155 21 Praha 5 CZECH REPUBLIC	100%	FC
TOUAX SK SRO Leasing and sale of modular buildings	Odborarska ulica 52 BRATISLAVA 831 02 SLOVAK REPUBLIC	100%	FC

FC = Full Consolidation.

20. Financial information concerning the issuer's assets, financial position and results

Note 3. Segment information

Note 3.1. Income statement by division

December 31, 2009 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars
Leasing revenue	87,438	69,259	16,688	33,361
Sales of equipment	1,629	18,810	10,204	34,311
Income from ordinary activities	**89,067**	**88,069**	**26,892**	**67,672**
Acquisition cost of sales	(1,276)	(9,397)	(10,216)	(32,432)
Operating expenses	(26,293)	(38,046)	(8,480)	(12,776)
General, commercial and administrative operating expenses	(8,222)	(7,515)	(3,696)	(3,245)
Centrally-managed costs				
GROSS OPERATING MARGIN (EBITDA)	**53,276**	**33,111**	**4,500**	**19,219**
Depreciation, amortization and impairments	(1,892)	(13,824)	(2,588)	(2,196)
INCOME PER BUSINESS BEFORE DISTRIBUTION TO INVESTORS	**51,384**	**19,287**	**1,912**	**17,023**
Net distributions to investors	(50,142)	(3,693)	(114)	(7,949)
INCOME PER BUSINESS AFTER DISTRIBUTION TO INVESTORS	**1,242**	**15,594**	**1,798**	**9,074**
Other operating revenues and expenses				3,121
OPERATING RESULT	**1,242**	**15,594**	**1,798**	**12,195**
Financial result				
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS				
Corporate income tax				
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES				
Income from discontinued activities				
CONSOLIDATED NET PROFIT (LOSS)				
Minority interests				
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)				

December 31, 2009 *(€ thousands)*	Miscellaneous	Unallocated	Eliminations	Total
Leasing revenue	143	9,341	(9,412)	206,818
Sales of equipment				64,954
Income from ordinary activities	**143**	**9,341**	**(9,412)**	**271,772**
Acquisition cost of sales				(53,321)
Operating expenses			646	(84,949)
General, commercial and administrative operating expenses	(44)		8,766	(13,956)
Centrally-managed costs		(8,667)		(8,667)
GROSS OPERATING MARGIN (EBITDA)	**99**	**674**	**0**	**110,879**
Depreciation, amortization and impairments	(51)	(134)		(20,685)
INCOME PER BUSINESS BEFORE DISTRIBUTION TO INVESTORS	**48**	**540**	**0**	**90,194**
Net distributions to investors				(61,898)
INCOME PER BUSINESS AFTER DISTRIBUTION TO INVESTORS	**48**	**540**	**0**	**28,296**
Other operating revenues and expenses				3,121
OPERATING RESULT	**48**	**540**	**0**	**31,417**
Financial result				(13,019)
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS				**18,398**
Corporate income tax				(4,243)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES				**14,155**
Income from discontinued activities				
CONSOLIDATED NET PROFIT (LOSS)				**14,155**
Minority interests				38
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)				**14,193**

20. Financial information concerning the issuer's assets, financial position and results

December 31, 2008 Proforma *(€ thousands)*	**Shipping containers**	**Modular buildings**	**River barges**	**Railcars**
Leasing revenue	85,161	64,720	24,134	31,482
Sales of equipment	120,707	22,618	841	19,022
Income from ordinary activities	**205,868**	**87,338**	**24,975**	**50,504**
Acquisition cost of sales	(116,526)	(15,931)	(446)	(16,312)
Operating expenses	(19,410)	(32,896)	(15,649)	(12,209)
General, commercial and administrative operating expenses	(6,664)	(6,741)	(3,474)	(3,093)
Centrally-managed costs				
GROSS OPERATING MARGIN (EBITDA)	**63,268**	**31,770**	**5,407**	**18,890**
Depreciation, amortization and impairments	(954)	(10,682)	(2,157)	(2,128)
INCOME PER BUSINESS BEFORE DISTRIBUTION TO INVESTORS	**62,314**	**21,088**	**3,250**	**16,762**
Net distributions to investors	(51,744)	(4,653)	(274)	(8,728)
INCOME PER BUSINESS AFTER DISTRIBUTION TO INVESTORS	**10,570**	**16,435**	**2,976**	**8,034**
Other operating revenues and expenses				(3,121)
OPERATING RESULT	**10,570**	**16,435**	**2,976**	**4,913**
Financial result				
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS				
Corporate income tax				
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES				
Income from discontinued activities				
CONSOLIDATED NET PROFIT (LOSS)				
Minority interests				
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)				

December 31, 2008 Proforma
(€ thousands)

	Miscellaneous	Unallocated	Eliminations	Total
Leasing revenue	145	8,987	(9,068)	205,561
Sales of equipment				163,188
Income from ordinary activities	**145**	**8,987**	**(9,068)**	**368,749**
Acquisition cost of sales			162	(149,053)
Operating expenses			634	(79,530)
General, commercial and administrative operating expenses	(41)		8,272	(11,741)
Centrally-managed costs		(9,488)		(9,488)
GROSS OPERATING MARGIN (EBITDA)	**104**	**(501)**	**0**	**118,937**
Depreciation, amortization and impairments	(49)	(124)		(16,094)
INCOME PER BUSINESS BEFORE DISTRIBUTION TO INVESTORS	**55**	**(625)**	**0**	**102,843**
Net distributions to investors				(65,399)
INCOME PER BUSINESS AFTER DISTRIBUTION TO INVESTORS	**55**	**(625)**	**0**	**37,444**
Other operating revenues and expenses				(3,121)
OPERATING RESULT	**55**	**(625)**	**0**	**34,323**
Financial result				(13,992)
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS				**20,331**
Corporate income tax				(3,547)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES				**16,785**
Income from discontinued activities				
CONSOLIDATED NET PROFIT (LOSS)				**16,785**
Minority interests				54
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)				**16,839**

20. Financial information concerning the issuer's assets, financial position and results

December 31, 2007 Proforma *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars
Leasing revenue	74,600	52,662	20,783	22,207
Sales of equipment	63,601	14,161	115	36,716
Income from ordinary activities	**138,201**	**66,823**	**20,898**	**58,923**
Acquisition cost of sales	(61,124)	(11,293)	(5)	(33,890)
Operating expenses	(14,738)	(28,803)	(13,236)	(8,035)
General, commercial and administrative operating expenses	(5,769)	(5,981)	(2,884)	(2,329)
Centrally-managed costs				
GROSS OPERATING MARGIN (EBITDA)	**56,570**	**20,746**	**4,772**	**14,669**
Depreciation, amortization and impairments	(998)	(6,784)	(2,027)	(1,221)
INCOME PER BUSINESS BEFORE DISTRIBUTION TO INVESTORS	**55,572**	**13,962**	**2,745**	**13,448**
Net distributions to investors	(48,657)	(5,130)	(355)	(7,427)
INCOME PER BUSINESS AFTER DISTRIBUTION TO INVESTORS	**6,915**	**8,832**	**2,390**	**6,021**
Other operating revenues and expenses				
OPERATING RESULT	**6,915**	**8,832**	**2,390**	**6,021**
Financial result				
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS				
Corporate income tax				
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES				
Income from discontinued activities				
CONSOLIDATED NET PROFIT (LOSS)				
Minority interests				
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)				

December 31, 2007 Proforma
(€ thousands)

	Unallocated	Eliminations	Total
Leasing revenue	7,834	(7,799)	170,287
Sales of equipment			114,593
Income from ordinary activities	**7,834**	**(7,799)**	**284,880**
Acquisition cost of sales			(106,313)
Operating expenses	3	255	(64,554)
General, commercial and administrative operating expenses		7,544	(9,419)
Centrally-managed costs	(8,385)		(8,385)
GROSS OPERATING MARGIN (EBITDA)	**(548)**	**0**	**96,209**
Depreciation, amortization and impairments	(153)		(11,183)
INCOME PER BUSINESS BEFORE DISTRIBUTION TO INVESTORS	**(701)**	**0**	**85,026**
Net distributions to investors			(61,569)
INCOME PER BUSINESS AFTER DISTRIBUTION TO INVESTORS	**(701)**	**0**	**23,457**
Other operating revenues and expenses			
OPERATING RESULT	**(701)**	**0**	**23,457**
Financial result			(9,200)
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS			**14,257**
Corporate income tax			(2,517)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES			**11,740**
Income from discontinued activities			
CONSOLIDATED NET PROFIT (LOSS)			**11,740**
Minority interests			19
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)			**11,721**

20. Financial information concerning the issuer's assets, financial position and results

Note 3.2. Balance sheet by division

December 31, 2009 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
ASSETS						
Goodwill		17,193	315	4,554		22,062
Net intangible assets	280	462			235	977
Net tangible assets	10,276	189,124	50,920	73,107	747	324,174
Long-term financial assets	453	1,705	12	4,282	263	6,715
Other non-current assets	3,825	799	6,375			10,999
Deferred tax assets						
Total non-current assets	**14,834**	**209,283**	**57,622**	**81,943**	**1,245**	**364,927**
Inventory and work-in-progress	20,091	6,285	119	64,319		90,814
Accounts receivable	16,727	26,250	2,531	8,883	55	54,446
Other current assets	3,876	6,224	3,568	2,592	707	16,967
Cash and cash equivalents					34,864	34,864
Total current assets	**40,694**	**38,759**	**6,218**	**75,794**	**35,626**	**197,091**
Assets intended for transfer						
TOTAL ASSETS						**562,018**

LIABILITIES						
Share capital					45,503	45,503
Reserves					69,353	69,353
Profit (loss) for the fiscal year, Group's share					14,193	14,193
Shareholders' equity of the Group					**129,049**	**129,049**
Minority interests					(98)	(98)
Consolidated shareholders' equity					**128,951**	**128,951**
Loans and borrowings					221,418	221,418
Deferred tax liabilities					4,968	4,968
Retirement benefits and similar benefits	71	73	12		105	261
Other long-term liabilities		1,563				1,563
Total non-current liabilities	**71**	**1,636**	**12**	**0**	**226,491**	**228,210**
Provisions	4	2,274			39	2,317
Loans and current bank facilities					115,202	115,202
Trade accounts payable	5,155	15,298	2,213	5,033	868	28,567
Other current liabilities	38,982	11,018	884	5,888	1,999	58,771
Total current liabilities	**44,141**	**28,590**	**3 097**	**10,921**	**118,108**	**204,857**
Liabilities intended for transfer						
TOTAL LIABILITIES						**562,018**

Tangible & intangible investments during the year	**2,985**	**45,456**	**20,113**	**121**	**357**	**69,032**
Workforce by business	**33**	**481**	**98**	**20**	**33**	**665**

December 31, 2008 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
ASSETS						
Goodwill		16,961	315	4,554		21,830
Net intangible assets	265	596			210	1,071
Net tangible assets	10,245	156,448	45,543	54,313	574	267,123
Long-term financial assets	3,421	1,997	12		269	5,699
Other non-current assets	4,973	1,668	5,476	3,389		15,506
Deferred tax assets						
Total non-current assets	**18,904**	**177,670**	**51,346**	**62,256**	**1,053**	**311,229**
Inventory and work-in-progress	21,832	9,216	135	59,487		90,670
Accounts receivable	15,991	20,232	3,556	6,512	51	46,342
Other current assets	2,737	7,137	1,734	4,691	1,192	17,491
Cash and cash equivalents					35,807	35,807
Total current assets	**40,560**	**36,585**	**5,425**	**70,690**	**37,050**	**190,310**
Assets intended for transfer						
TOTAL ASSETS						**501,539**

	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
LIABILITIES						
Share capital					37,464	37,464
Reserves					48,184	48,184
Profit (loss) for the fiscal year, Group's share					16,839	16,839
Shareholders' equity of the Group					**102,487**	**102,487**
Minority interests					(58)	(58)
Consolidated shareholders' equity					**102,429**	**102,429**
Loans and borrowings					244,231	244,231
Deferred tax liabilities					4,790	4,790
Retirement benefits and similar benefits	64	43	8		82	197
Other long-term liabilities	2,123	59				2,182
Total non-current liabilities	**2,187**	**102**	**8**	**0**	**249,103**	**251,400**
Provisions	15	2,233		2,594	54	4,896
Loans and current bank facilities					53,674	53,674
Trade accounts payable	20,439	13,378	2,322	4,411	837	41,387
Other current liabilities	22,988	18,123	2,575	2,580	1,487	47,753
Total current liabilities	**43,442**	**33,734**	**4,897**	**9,585**	**56,052**	**147,710**
Liabilities intended for transfer						
TOTAL LIABILITIES						**501,539**

	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
Tangible & intangible investments during the year	**1,984**	**56,916**	**19,470**	**4,692**	**128**	**83,190**
Workforce by business	**32**	**551**	**95**	**16**	**30**	**724**

20. Financial information concerning the issuer's assets, financial position and results

December 31, 2007 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
ASSETS						
Goodwill		17,017	315	4,554		21,886
Net intangible assets	80	531			36	647
Net tangible assets	10,024	115,783	28,103	52,267	792	206,969
Long-term financial assets	3,022	2,259	24		238	5,543
Other non-current assets	1,549	1,124			47	2,720
Deferred tax assets						
Total non-current assets	**14,675**	**136,714**	**28,442**	**56,821**	**1,113**	**237,765**
Inventory and work-in-progress	43,624	6,215	124	11,020		60,983
Accounts receivable	13,215	19,297	3,313	5,067	43	40,935
Other current assets	1,107	6,213	1,486	1,735	2,971	13,512
Cash and cash equivalents					24,736	24,736
Total current assets	**57,946**	**31,725**	**4,923**	**17,822**	**27,750**	**140,166**
Assets intended for transfer						
TOTAL ASSETS						**377,931**

	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
LIABILITIES						
Share capital					31,182	31,182
Reserves					25,601	25,601
Profit (loss) for the fiscal year, Group's share					11,721	11,721
Shareholders' equity of the Group					**68,504**	**68,504**
Minority interests					(8)	(8)
Consolidated shareholders' equity					**68,496**	**68,496**
Loans and borrowings					129,610	129,610
Deferred tax liabilities					5,312	5,312
Retirement benefits and similar benefits	70	68	13		82	233
Other long-term liabilities	1,852	6,172				8,024
Total non-current liabilities	**1,922**	**6,240**	**13**	**0**	**135,004**	**143,179**
Provisions		172				172
Loans and current bank facilities					53,803	53,803
Trade accounts payable	41,069	16,508	2,062	8,238	596	68,473
Other current liabilities	18,754	19,843	1,360	2,049	1,802	43,808
Total current liabilities	**59,823**	**36,523**	**3,422**	**10,287**	**56,201**	**166,256**
Liabilities intended for transfer						
TOTAL LIABILITIES						**377,931**

	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
Tangible & intangible investments during the year	**8,009**	**41,562**	**4,394**	**30,895**	**312**	**85,172**
Workforce by business	**23**	**415**	**95**	**12**	**30**	**575**

Note 3.3. Geographical segment reporting

(€ thousands)	International	Europe	USA	Total
2009				
Revenue	90,489	175,810	5,473	271,772
Tangible and intangible investments	2,960	60,809	5,263	69,032
Sectoral non-current assets	14,367	321,985	28,574	364,926
2008				
Pro forma revenue	206,689	154,363	7,697	368,749
Tangible and intangible investments	1,978	77,784	3,428	83,190
Sectoral non-current assets	18,469	267,774	24,986	311,229
2007				
Pro forma revenue	138,195	137,165	9,519	284,879
Tangible and intangible investments	8,009	75,782	1,380	85,171
Sectoral non-current assets	16,186	205,796	15,783	237,765

Notes regarding the Income Statement

Note 4. Revenue from Ordinary Activities

Breakdown by type *(€ thousands)*	**2009**	2008 Proforma	2008	Variation 2009/2008 Proforma	2007 Proforma
Leasing revenue	206,817	205,560	205,560	1%	170,285
Sales of new and second-hand equipment	64,955	163,188	158,906	-60%	114,594
Commission			420		
Total	**271,772**	**368,748**	**364,886**	**-26%**	**284,879**

Leasing revenues

Leasing revenues were stable despite lower asset profitability, thanks to investments made during 2008 and 2009.

Leasing revenues include lease payments received, freight receipts, and revenues from the provision of services associated with equipment leasing.

They also include net financial income from finance leases for which the Group has lessor status.

Sale of new and used equipment

Equipment sales mainly involve the sale of equipment to investors (syndication): the equipment is then managed by the Group under management programs. Sales of Equipment also includes sales by the Modular Buildings division to end customers.

In 2009, the drop in Sales of New and Used Equipment is mainly due to the lack of syndication in the Shipping Containers Division.

On January 1, 2009, revenues from the sale of previously leased fixed assets were included in sales revenue. The impact was €12.7 million on December 31, 2009; €3.9 million on December 31, 2008; and €6.7 million in 2007 (see Note 1.1). Furthermore, commissions are included in the sale of equipment.

Note 5. Purchases and Other External Expenses

(€ thousands)	**2009**	2008 Proforma	2008	Variation compared with 2008 Proforma		2007 Proforma	2007
Cost of sales	(48,921)	(144,676)	(141,796)	95,755	-66%	(105,607)	(93,753)
Other external charges for services	(83,610)	(77,364)	(77,364)	(6,246)	8%	(63,789)	(69,259)
Taxes and duties	(983)	(973)	(973)	(9)	1%	(813)	(813)
Total	**(133,513)**	**(223,012)**	**(220,132)**	**89,500**	**-40%**	**(170,209)**	**(163,825)**

20. Financial information concerning the issuer's assets, financial position and results

The cost of proforma sales takes into account the reclassification of the net book value of assets sold for €-2.9 million in 2008 and €-6.4 million in 2007 (see Note 1.1).

Following the French Financial Law for 2010, voted December 30, 2009, French fiscal entities were no longer liable to the *taxe professionnelle* (business tax) starting in 2010. The tax has been replaced by the *Contribution Économique Territoriale* (C.E.T.) which includes new contributions:

• *The Cotisation Foncière des Entreprises* (C.F.E.) is a real estate tax based on the lease values of assets in the current business tax.

• The *Cotisation sur la Valeur Ajoutée des Entreprises* (C.V.A.E.) is based on value added as reported in the company's financial statements.

The Group recognizes the business tax as operating expenses.

At this stage the Group has concluded that the aforementioned fiscal change mainly involves a change in the calculation method for local French taxes, but does not change its general nature. Therefore the Group considers that in the accounts, both the CVAE and the CFE should be treated like as the business tax. These two new contributions will thus be classified as operating expenses, applying the same treatment as the business tax.

The lower cost of sales is linked to the drop in sales.

Note 6. Staff Costs

(€ thousands)	**2009**	2008	Variation	2007
Salaries & social security charges	(25,606)	(24,666)	(940)	(18,204)
Workforce	**665**	**724**	**-59**	**575**

The workforce has expanded by 15% since 2007. A large number of executives was hired during 2008 in order to consolidate the Group's management platforms; 2009 is their first full year. The reduction in headcount on December 31, 2009 mainly concerns the production unit in the Czech Republic. Except for these reductions, concerning an economic adjustment to its production capacity, the Group retained jobs in order to maintain its capacity to recover quickly at the end of the crisis.

Staff incentives

There is no staff profit-sharing scheme, but certain categories of staff (executives, salespersons) do receive individual annual performance bonuses.

There were no stock option plans in 2009.

Note 7. Other Operating Revenues and Expenses

(€ thousands)	**2009**	2008	Variation	2007
Other operating income	3,969	2,950	35%	755
Other operating charges	(4,495)	(581)	674%	(1,212)
Total Other operating income and charges	**(526)**	**2,370**	**-122%**	**(457)**

Other Operating Revenues and Expenses include various income and expenses concerning in current operations.

In 2009, the Group wrote off €1 million to reflect the discounted present value of cash flows expected from modular buildings belonging to the EIG as compared to the book values of the EIG's deferred payments concerning the Group.

Similarly, the Group wrote off €2.1 million of its liquidity reserves as Other Operating Expenses, in order to reflect the discounted present value of cash flows expected on shipping containers belonging to Trust 2001. The same amount was written off as other operating income to reflect other long-term assets involving deferred initial commissions of the Trust.

In 2008, the Czech TOUAX SRO subsidiary was given a €2.3 million subsidy. This grant was conditional on making certain investments and creating jobs. In view of the uncertain economic outlook, a provision has been set aside to cover the entire subsidy (see Note 8 to the consolidated financial statements). Other Operating Revenues and Expenses include various income and expenses involved in current operations.

In 2007 this item included a €0.3m write-down of a deferred commission from the EIG classified among Other Long-Term Assets in the Balance Sheet.

Note 8. Operating Provisions

(€ thousands)	**2009**	2008	Variation	2007
Reversals of operating provisions	2,536	761	233%	1,347
Allocation to operating provisions	(3,784)	(5,263)	-28%	(1,147)
Total Operating provisions	**(1,248)**	**(4 ,502)**	**-72%**	**200**

Operating Provisions are those set aside for bad and doubtful trade receivables. Further allocations in 2008 also included the €2.3m set aside to cover the Czech subsidy in view of the uncertain economic outlook.

Note 9. Amortization and Impairments

(€ thousands)	**2009**	2008	Variation	2007
Straight-line depreciation	(13,175)	(11,021)	20%	(7,496)
Depreciation expense for leasing agreements	(6,319)	(5,098)	24%	(3,651)
Depreciation expense	**(19,494)**	**(16,119)**	**21%**	**(11,147)**
Impairment	(1,125)			
Other allocations to provisions	(64)	25	-358%	(35)
Total	**(20,683)**	**(16,094)**	**29%**	**(11,183)**

The rise in amortization charges reflects the Group's capital spending.

Following impairment tests carried out in 2009 on shipping container inventories, €0.8 million was written off in order to bring the value of the inventory in line with the realizable value.

As some modular buildings of the American subsidiary MARSTEN/THG MODULAR LEASING Corp WORKSPACE PLUS D/B/A were damaged and the Group wrote off €0.3 million in their value.

Other Provisions comprise solely provisions and drawings from superannuation commitments.

Note 10. Net Distributions to Investors

Net Distributions to Investors are broken down by division as follows:

(€ thousands)	**2009**	2008	Variation	2007
Shipping containers	(50,142)	(51,745)	-3%	(48,656)
Modular buildings	(3,693)	(4,653)	-21%	(5,130)
River barges	(114)	(274)	-58%	(355)
Railcars	(7,949)	(8,727)	-9%	(7,427)
Total	**(61,898)**	**(65,399)**	**-5%**	**(61,569)**

The drop in net distributions to investors is due to the lower quantity of assets being managed, as well as a drop in both the leasing and utilization rates.

› Shipping Containers

The Group manages a fleet of 368,668 TEU-size containers on behalf of third parties. This figure is broken down among investors as follows:

- Trust 2001: 18,080 TEUs in 2009, versus 42,172 TEUs in 2008. This decrease is due to the April 2009 sale of equipment belonging to Trust 98.
- Management programs: 350,588 TEUs in 2009, versus 430,847 TEUs in 2008.

› Modular Buildings

On behalf of third-party owners, the Group manages 9,128 modular buildings in France, the USA, Germany and the Netherlands (compared to 9,884 in 2008).

› River Barges

In this division, revenues distributed to investors are from a fleet managed by the Dutch subsidiary Eurobulk Transport Maatschappij BV under bareboat charters.

› Railcars

On behalf of third parties, the Group managed 3,802 railcars (4,658 platforms) in Europe and the USA in 2009, compared to 3,509 railcars (4,179 platforms) in 2008.

Note 11. Other Operating Revenues and Expenses

In 2008, the Group recognized a loss of €3.1 million in Other Operating Revenue and Expenses concerning a lease-financing agreement. This loss reflects the increase in the railcar purchase price; the increase should have been avoided by ordering additional railcars. As prudence required, in the fourth quarter of 2008 the Group decided not to order additional railcars given the weak demand expected in 2009. The €3.1 million loss breaks down into a €2.6 million provision for railcars deliverable in 2009 (see Note 22) and a €0.5 million loss of Credits Under Financial Lease for railcars delivered in 2008 (see Note 18.1.3).

In 2009, this lease-financing agreement was renegotiated and the client's purchase option was canceled, making it a simple lease agreement. The provisioned loss of €3.1 million in 2008 were drawn down accordingly in 2009.

Note 12. Net Financial Income

(€ thousands)	**2009**	2008	2008 Proforma	Variation compared with Proforma	2007	2007 Proforma
Income from cash and cash equivalents	**160**	**591**	**591**	**-73%**	**856**	**856**
Interest payable on financing transactions	(13,027)	(15,429)	(15,429)	-16%	(9,146)	(9,146)
Profits and losses on debt extinguishment		680			415	
Cost of gross financial debt	**(13,027)**	**(14,749)**	**(15,429)**	**-16%**	**(8,731)**	**(9,146)**
Cost of net financial debt	**(12,867)**	**(14,158)**	**(14,838)**	**-13%**	**(7,875)**	**(8,290)**
Profit and loss on debt extinguishment	(203)		680	-130%		415
Financial income and charges from discounting	50	166	166	-70%	102	102
Reversal (provision)					(1,426)	(1,426)
Other financial income and charges	**(153)**	**166**	**846**	**-118%**	**(1,325)**	**(910)**
Financial result	**(13,020)**	**(13,992)**	**(13,992)**	**-7%**	**(9,200)**	**(9,200)**

The reduction in the cost of indebtedness is mainly due to lower interest rates.

The gains and losses related to the discharge of debts consist of currency losses and gains.

According to the new CNC presentation, gains and losses related to debt discharge are no longer part of the cost of indebtedness; now they are included in Other Financial Income and Expenses. This change is reflected in the 2008 and 2007 proforma results (see Note 1.1 of the consolidated financial statements).

Note 13. Corporate Income Tax

Note 13.1. Analysis of the tax charge booked to the Income Statement

Taxes on profits consist of taxes currently payable by Group companies and deferred tax arising from tax losses and temporary discrepancies between consolidated income shown in the Group's Financial Statements and income established for tax purposes.

The Group has opted for tax consolidation in the USA, France and the Netherlands. The US group for tax purposes is composed of the following companies: TOUAX Corp., Gold Container Corp., Gold Container Finance Llc, TOUAX Finance Inc., TOUAX Container Lease Receivables Corp. ("Leasco 1"), and TOUAX Equipment Leasing Corp. ("Leasco 2"). The French group for tax purposes is composed of the following companies: TOUAX SCA, TOUAX Solutions Modulaires SAS, TOUAX Construction Modulaire SAS, TOUAX Container Services SAS, TOUAX Corporate SAS, TOUAX River Barges SAS. Furthermore, there are two tax groups: TOUAX BV on one hand, and Eurobulk Transport Maatschappij BV and CS de Jonge BV on the other.

Note 13.1.1. Breakdown of the tax charge

The tax charge booked to the Income Statement for the period comes to €4,244 thousand (versus €3,546 thousand in 2008 and €2,517 thousand in 2007). It breaks down as follows:

	31.12.2009			31.12.2008			31.12.2007		
(€ thousands)	Payable	Deferred	Total	Payable	Deferred	Total	Payable	Deferred	Total
Europe	(3,163)	(1,022)	(4,185)	(3,388)	1,105	(2,283)	(1,599)	(9)	(1,608)
USA	(949)	889	(60)	(562)	(651)	(1,213)	0	(909)	(909)
Others		1	1	0	(50)	(50)	0	0	0
Total	**(4,112)**	**(132)**	**(4,244)**	**(3,950)**	**404**	**(3,546)**	**(1,599)**	**(918)**	**(2,517)**

Note 13.1.2. Reconciliation between the Group's theoretical tax charge and the tax charge actually recognized

(€ thousands)	**2009**
Net profit (loss) from consolidated companies	14,155
Income taxes	(4,244)
Consolidated income before tax	**18,399**
Theoretical tax expense at 33.33%	(6,132)
Impact on theoretical tax of:	
Limitation of deferred taxes	1,376
Permanent differences and other elements	(1,300)
Deficits created in the fiscal year	(1,914)
Earnings deducted due to previous deficit	289
Difference in tax rates	3,437
Effective income tax expense	**(4,244)**

The amount of the French group's deferred tax assets not recognized in the accounts is estimated at €1.3 million, while the amount of the Benelux group's deferred tax assets not recognized in the accounts is estimated at €4.7 million.

The tax charge is €4.2m, implying an overall tax rate of 23%, compared to 17% in 2008. The variation in the tax rate is due to a higher contribution than in 2008 from countries with high corporate tax rates. The tax rate paid by the Group is low because it does business in countries with low tax rates: Ireland 12.5%, Poland 19%, Czech Republic 19%, Singapore 10%, Romania 19%, the Netherlands 25%, and Panama 0%.

Note 13.2. Taxes Recognized Directly in Shareholders' Equity

Deferred tax effects of swap valuations and net investment revaluations are booked to Shareholders' Equity.

(€ thousands)	**2009**	Variation by result	Changes by shareholders' equity	2008
Redeemable stock warrants	(97)	41		(138)
Valuation of swaps	8		(54)	62
Revaluation of net investments	332		(124)	456
Total	**243**	**41**	**(178)**	**380**

Note 13.3. Deferred Tax Payable and Redeemable

The deferred tax position is as follows:

(€ thousands)	**2009**	2008	2007
Deferred tax asset			
Deferred tax liability	(4,968)	(4,790)	(5,312)
Total	**(4,968)**	**(4,790)**	**(5,312)**

The deferred tax balance on December 31, 2009 breaks down as follows:

December 31, 2008 *(€ thousands)*	Deferred tax assets	Deferred tax liabilities	Assets	Liabilities
USA	4,751	(6,674)		(1,923)
Europe	9,831	(12,876)		(3,045)
	14,582	**(19,550)**		
Balance of assets/liabilities				**(4,968)**

Net deferred tax liabilities are broken down as follows:

(€ thousands)	**2009**
Depreciation of fixed assets	(10,106)
Leasing restatements in France	(7,029)
Unused tax losses	9,234
Discounting of financial assets	52
Provisions for doubtful accounts	1,175
Deferred income	708
Miscellaneous	998
Net balance	**(4,968)**

Note 14. Net earnings per share

Basic earnings per share are calculated by dividing the company's net income by the weighted mean number of shares in circulation during the period. No adjustment is made for treasury shares in view of their insignificant number (0.16% of the share capital on December 31, 2009).

Diluted income per share is calculated by adjusting the weighted mean number of shares in circulation so as to take account of the conversion of all the equity instruments that could dilute this figure. In TOUAX's case there are two types of equity instrument that could do so: stock options, and share subscription warrants/redeemable share subscription warrants (BSAs/BSARs).

(€ thousands)	**FY 2009**	FY 2008	FY 2007
Net return (€)	**14,193,628**	**16,838,932**	**11,720,567**
Outstanding shares at December 31	5,687,826	4,682,971	3,897,704
Weighted average number of outstanding ordinary shares	5,198,689	4,526,847	3,888,828
Potential number of shares			
- 2000 stock option plan*			5,250
- 2002 stock option plan	7,200	7,200	7,200
- 2006 stock option plan	52,874		
- Stock warrants*			69,573
- Exercisable/transferable equity warrant bonds*			79,801
- 2008 stock warrants*			
Weighted average number of shares for calculation of the diluted earnings per share	**5,258,763**	**4,534,047**	**4,050,652**
Net earnings per share			
- Basic	2.73	3.72	3.01
- Diluted	2.70	3.71	2.89

* The market price at December 31, 2009 is lower than the exercise price of the exercisable options or warrants.

Notes concerning the Balance Sheet

Assets

Note 15. Goodwill

Changes in goodwill were as follows:

(€ thousands)	2007	2008	Increase	Decrease	Translation adjustment	**2009**
Modular buildings						
Siko Containerhandel Gmbh	288	1,583				1,583
TOUAX Sro – TOUAX SK Sro	15,421	15,364			232	15,596
Marsten/THG Modular Leasing Corp Workspace Plus D/B/A	13	14				14
Warex Raumsysteme Gmbh	1,295	0				0
River Barges						
Eurobulk Transport Maatschappij BV	221	221				221
CS de Jonge BV	91	91				91
TOUAX Rom SA	3	3				3
Railcars						
TOUAX Rail Limited	4,554	4,554				4,554
Total	**21,886**	**21,830**	**0**	**0**	**232**	**22,062**

Impairment tests:

Impairment tests have been carried out for each CGU for which goodwill is carried in the accounts. The recoverable value is based on the unit's value in use, which is the amount of future cash flows, discounted using the weighted average cost of capital. Future cash flows are based on four-year forecasts and a terminal value estimated on the basis of forecast cash flows.

The table below presents the main assumptions used:

(€ thousands)

Cash-generating unit	Value of associated goodwill	Discount rate	Terminal growth rate
Modular buildings	17,193	8.02%	2.00%
River barges	315	9.85%	2.00%
Railcars	4,554	7.06%	2.00%
	22,062		

The discount rates used are the weighted average cost of capital (WACC) estimated for each division.

The rate of growth used is 2%, which corresponds to the ECB's target rate of inflation.

Sensitivity of the recoverable value according to a ± 1 point change in the rates applied:

	Discount rate		Terminal growth rate	
(€ thousands)	+1 point	-1 point	+1 point	-1 point
Modular buildings	(49,469)	69,437	55,751	(39,856)
River barges	(9,580)	12,363	9,148	(7,081)
Railcars	(59,695)	65,115	54,916	(36,802)

No impairment was recognized on December 31, 2009.

In view of the values of the tangible and intangible assets, a 1% variation in the discount rate or growth rate is not likely to challenge the conclusions regarding the lack of amortization of goodwill and intangible assets, and of fixed asset depreciation.

Note 16. Intangible Fixed Assets

	2009			2008	2007
(€ thousands)	Gross value	Amort.	Net val.	Net val.	Net val.
Other intangible assets	2,202	(1,225)	977	1,071	647
Total	**2,202**	**(1,225)**	**977**	**1,071**	**647**

Other Intangible Fixed Assets include software, as well as development costs generated in designing and pre-production testing of modular building prototypes.

Note 17. Tangible Fixed Assets

Note 17.1. Breakdown by type

	2009			2008	2007
(€ thousands)	Gross value	Depr.	Net val.	Net val.	Net val.
Land and buildings	6,730	(1,333)	5,397	4,920	4,906
Equipment	371,707	(64,367)	307,340	243,574	193,649
Other tangible assets	7,933	(4,862)	3,071	3,172	3,095
Tangible assets in progress	8,366		8,366	15,457	5,320
Total	**394,736**	**(70,562)**	**324,174**	**267,123**	**206,970**

Note 17.2. Changes in gross value, by type

(€ thousands)	**01.01.2009**	Acquisition	Sale	Translation adjustment	Reclassification	**31.12.2009**
Land and buildings	6,066	63		13	589	6,731
Equipment	293,604	74,780	(16,191)	(671)	20,185	371,707
Other tangible assets	7,343	962	(59)	(16)	(297)	7,933
Fixed assets in progress	15,457	13,836			(20,928)	8,365
Total	**322,470**	**89,641**	**(16,250)**	**(674)**	**(451)**	**394,736**

Acquisitions amounted to €2.8 million in the Shipping Containers division, €45.4 million in Modular Buildings, €20.1 million in River Barges, and €20.9 million in Railcars.

Disposals amounted to €3.6 million in the Shipping Containers division, €1.5 million in Modular Buildings, and €11.2 million in River Barges.

The reclassification of fixed assets from Work in Progress (WIP) to Equipment mainly concerned the River Barges division.

The Group's tangible assets comprise leased equipment (shipping containers, modular buildings, river barges and freight railcars). Unit values of shipping containers and modular buildings do not exceed €10,000. Unit values of railcars range from €10,000 for second-hand 60-ft railcars to €125,000 for the new articulated intermodal ones (106 feet); those for river barges range from €150,000 for 1,700-ton barges bought second-hand to over €1m for 2,800-tonners bought new. Pushboats, it should be noted, can reach values well above €1m.

Impairment tests were carried out on Tangible Fixed Assets indicating a loss of value. Impairment on modular buildings included in an American subsidiary's tangible assets totaled €322 thousand.

Note 18. Financial Instruments

Note 18.1. Financial Assets

Non-Current Financial Assets (in € thousands)

	GROSS VALUE			DEPRECIATION CHARGE TO INCOME STATEMENT (accumulated)			NET VALUE			
							Long term financial assets		Other non-current assets	
	Securities available for sale	Loans and receivables		Securities available for sale	Loans and receivables		Securities available for sale	Loans and receivables		Financial assets at fair value
	Financial assets	Financial assets	Other non-current assets	Financial assets	Financial assets	Other non-current assets		Financial assets	Other non-current assets	non-current derivatives
At December 31, 2006	**78**	**12,899**	**1,423**	**(1)**	**(6,754)**	**0**	**77**	**6,145**	**1,423**	**61**
Changes in perimeter										
Increase	1,420	592	226	(1,428)						
Decrease		(201)	(185)		2					(13)
Translation adjustments	(99)	(729)	(115)	99	366					
Variation in fair value			(254)							
Other activity		(644)	1,624		(106)					
At December 31, 2007	**1,400**	**11,918**	**2,720**	**(1,331)**	**(6,492)**	**0**	**69**	**5,426**	**2,720**	**47**
Changes in perimeter										
Increase	1	1,719	12,159							
Decrease		(2,049)	(20)							(47)
Translation adjustments	77	426	563	(77)	(182)					
Variation in fair value		291	26							
Other activity		37	58		(37)					
At December 31, 2008	**1,477**	**12,340**	**15,506**	**(1,407)**	**(6,710)**	**0**	**70**	**5,630**	**15,506**	**0**
Changes in perimeter										
Increase		4,317	37			(1,000)				173
Decrease		(1,218)	(816)							
Translation adjustments	(48)	(107)	(334)	48	99					9
Variation in fair value		(2,077)	37							
Other activity		(429)	(2,614)		429					
At December 31, 2009	**1,429**	**12,826**	**11,816**	**(1,359)**	**(6,182)**	**(1,000)**	**70**	**6,644**	**10,816**	**183**

N.C. = Non-Current

The rate swaps included among non-current derivatives are valued at fair value with realized changes charged to Shareholders' Equity and unrealized changes to the Income Statement.

20. Financial information concerning the issuer's assets, financial position and results

Current Financial Assets (in € thousands)

	GROSS VALUE		DEPRECIATION THROUGH INCOME (accumulated)		NET VALUE	
	Loans and receivables	Financial assets at fair value through income	Loans and receivablesa	Financial assets at fair value through income	Loans and receivables	Financial assets at fair value through income
	Trade and other accounts receivable	Cash and cash equivalents	Trade and other accounts receivable	Cash and cash equivalents	Trade and other accounts receivable	Cash and cash equivalents
At December 31, 2006	**43,618**	**1,130**	**(2,999)**	**0**	**40,620**	**1,130**
Changes in perimeter	6,246		(89)			
Increase			(998)			
Decrease	(2,290)	(813)	474			
Translation adjustments	(1,630)		236			
Variation in fair value						
Other activity	(1,637)		4			
At December 31, 2007	**44,307**	**317**	**(3,372)**	**0**	**40,935**	**317**
Changes in perimeter						
Increase	7,682	1,107	(2,934)			
Decrease			687			
Translation adjustments	900		(146)			
Variation in fair value						
Other activity	(781)					
At December 31, 2008	**52,108**	**1,424**	**(5,765)**	**0**	**46,342**	**1,424**
Changes in perimeter						
Increase			(3,595)			
Decrease	9,798	(1,424)	2,374			
Translation adjustments	(612)		141			
Variation in fair value						
Other activity			(2)			
At December 31, 2009	**61,294**	**0**	**(6,847)**	**0**	**54,446**	**0**

Financial Assets are broken down as follows:

• **Securities Available for Sale** consist of a minority stake in an unlisted storage container leasing company in the USA. The holding was fully written down in 2007 (€1.4m). The value of the shares on December 31, 2009 was €70,000, unchanged since 2008.

• **Loans and receivables** consists of the loans, collateral deposits and other reserves related to the Trusts and the Modul Finance I EIG (see Notes to the consolidated financial statements, Note 30.1, Note 30.2 and Note 30.3), and of trade receivables and related accounts. In 2009, €1 million was written off for the deferred book value of EIG service charges concerning the Group.

The variation in Credits Under Financial Lease (€-3.7 million) mainly represents the reclassification of equipment in inventory related to Credits Under Financial Lease of the Railcars Division; in 2009 a contract was requalified as a simple lease agreement.

The Railcars division granted a €4.3 million loan to SRF Railcar Leasing.

Finally, in the Shipping Containers division the $1.2 million letter of credit was repayed during the year, following the expiry of Trust 98. The Group wrote down all of the liquidity reserves granted to Trust 2001 at December 31, 2009, i.e. €2.1m, as a result of discounting of cash flow on shipping containers belonging to the Trust.

• **Financial assets** valued at fair value through profit or loss consist mainly of negotiable securities, which are carried at fair value.

Long-term financial assets are discounted at the rate for risk-free lending (government bonds).

The impact of financial instruments on net income is explained in Note 18.2.4 below.

The financial risk management policy is described in the Notes to the consolidated financial statements, Note 28.

Fair value of financial instruments

Both Swaps and the Cash and Cash Equivalents item are valued at their fair value.

For trade receivables and related accounts, the book value is used for the fair value, as these credits are all very short term.

Other Non-Current Financial Assets and other fixed assets are valued at cost and amortized using the effective interest rate; it is considered that their book values are a reasonable approximation to fair value.

Other Non-Current Financial Assets and other fixed assets undergo impairment tests on the basis of the estimated future income streams. Impairments amounting to €6.7 million have been booked in earlier financial periods (before 2008). In 2009, €1m was written down on the deferred payment of management commissions by the EIG to the Group, and €2.1m was written down on the liquidity reserves granted to Trust 2001, as stated earlier (see Notes to the consolidated financial statements Note 30.1, Note 30.2 and Note 30.3).

Note 18.1.1. Securities Available for Sale

Unlisted securities

(€ thousands)	**2009**	2008	2007
Gross value	1,429	1,477	1,400
Loss in value	(1,359)	(1,407)	(1,331)
Net value of available-for-sale securities	**70**	**70**	**69**

Note 18.1.2. Trade Receivables

On first booking, trade receivables and related accounts are recognized at their fair value which corresponds to their nominal value. They may be written down if there is a risk the debt may not be collected in full. The item appears in the Balance Sheet on December 31, 2009 at an amount of €54.4 million: this book value is a reasonable estimate of the fair value.

Mean aging of trade receivables is 48 days. A provision is set aside for any receivables in arrears by up to one year in the first year; its amount depends on the customer's payment history.

Before a new customer is accepted, the Group checks its solvency with credit rating agencies and determines the applicable credit limits.

On December 31, 2009 the Group's books included €22.7 million net of receivables in arrears.

Aged trial balance

	2009		
(€ thousands)	Gross accounts receivable	Provisions	Accounts receivable
Not due	31,860	(95)	31,764
0-6 month	21,025	(917)	20,108
6-12 month	2,292	(1,240)	1,052
> 1 year	6,118	(4,597)	1,521
Total	**61,294**	**(6,849)**	**54,446**

Note 18.1.3. Credits under finance leases

The Group's assets include moneys owed to it under finance leases for which it has lessor status. These have an original value of €14.4 million and a net book value of €12 million.

At December 31, 2009 (€ thousands)	Minimum future payments	Discounted minimum future payments
< 1 year (+)	2,807	1,514
2-5 years (+)	11,144	6,955
> 5 years (+)	4,244	3,540
Total	**18,195**	**12,009**
Discounting of finance leases (-)	(6,186)	0
Discounted minimum future payments	**12,009**	**12,009**

Presentation in the balance sheet of finance lease receivables:	
Other current assets	1,514
Other non-current assets	10,495
Total	**12,009**

20. Financial information concerning the issuer's assets, financial position and results

The interest rate applied in each finance lease is determined on the date the contract is signed. The mean rate of interest used in the accounts was 7.72% on December 31, 2009. Revenue from finance leases is booked under Leasing Revenues (€1.2 million in 2009 versus €973 thousand in 2008).

The total amount of customer repayments of principal lent under finance leases (the principal appears as a net investment among Balance Sheet assets) was €1.8 million in 2009 versus €1.9 million in 2008.

The equipment related to financial lease credits for the Railcars division was reclassified as inventory following the requalification of a lease as a simple lease agreement.

The EBITDA – understood by the Group as current operating income less amortization charges and provisions – is not itself an accounting concept. However, it is very often used by financial analysts, investors and other users of Financial Statements to measure of the operating performance of a business. In TOUAX's view, users of the Group's Financial Statements would find the Re-Stated EBITDA shown below to be a better measure of this performance. Re-stated EBITDA is EBITDA plus these capital repayments of the net investment in finance leases accorded to customers: it allows a more accurate calculation than does customary EBITDA of the size of the income stream from these transactions. The practice is widespread among firms which lease out equipment.

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	Miscellaneous	**2009**
EBITDA (gross margin)	53,276	34,111	4,499	19,220	773	111,879
Payments received of principal of finance lease receivables	896	104	797			1,797
Restated EBITDA	**54,172**	**34,215**	**5,296**	**19,220**	**773**	**113,676**
Net distribution to investors	(50,142)	(3,693)	(114)	(7,949)		(61,898)
EBITDA restated after distribution to investors	**4,030**	**30,522**	**5,182**	**11,271**	**773**	**51,778**

Note 18.1.4. Fixed-Term Operating Leases

The minimum payments to be received in the future under operating leases totaled €174 million.

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	**2009**
0-6 months	14,314	5,766	1,233	13,435	34,748
6 months-1 year	12,953	5,620	1,233	11,154	30,961
1-5 years	42,057	11,749	5,297	38,129	97,232
> 5 years	4,070	38	4,709	2,446	11,263
Total minimum operational rent	**73,395**	**23,173**	**12,472**	**65,163**	**174,204**

Note 18.1.5. Deconsolidated Finance Leases

The Group classifies finance leases as "deconsolidated" when the credit involved in the finance lease has been sold on to a financial institution or an investor, and the conditions for deconsolidating a financial asset defined in IAS 39 Sections 18b, 19, and 20 are met. The contracts concerned thus provide for no recourse against the Group.

Lease payments received are recognized under Leasing Revenues.

Lease payments still to be received under these contracts are as follows:

(€ thousands)	Rent due at **31.12.2009**	< 1 year	1-5 years	> 5 years
Shipping containers	95,949	13,184	52,383	30,382
Railcars	13,629	3,444	9,762	423
Total	**109,578**	**16,628**	**62,145**	**30,805**

Note 18.1.6. Cash and Cash Equivalents

(€ thousands)	**2009**	2008	2007
Investments < 3 months	8	10,046	9,827
of which marketable securities	8	1,424	317
Bank current accounts	34,856	25,761	14,909
Total	**34,864**	**35,807**	**24,736**

Note 18.2. Financial Liabilities

Non-current and current financial liabilities are classified as Borrowings and Financial Debts and Borrowings and Current Bank Facilities.

18.2.1. Analysis of financial liabilities by category

	2009			2008			2007		
(€ thousands)	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Bond issue	39,773		39,773	39,505		39,505	39,254		39,254
Medium/long-term loans with recourse	13,192	3,808	17,000	11,803	3,949	15,752	10,260	3,289	13,549
Medium/long-term loans without recourse	40,448	2,959	43,407	43,629	2,959	46,588	15,958	877	16,835
Finance lease commitments	93,567	16,865	110,432	67,309	12,365	79,674	50,258	9,415	59,673
Revolving lines of credit with recourse	34,438	13,720	48,158	41,544	16,783	58,328	10,167	10,319	20,486
Revolving lines of credit without recourse		69,354	69,354	40,440	15,415	55,855	3,714	27,798	31,512
Current bank accounts		8,311	8,311		1,459	1,459		1,587	1,587
Liabilities on derivatives		185	185		743	743		517	517
Total financial liabilities	**221,418**	**115,202**	**336,620**	**244,231**	**53,674**	**297,904**	**129,611**	**53,802**	**183 413**

Debt is considered “non-recourse” when it finances assets and when the parent company TOUAX SCA does not guarantee to service the debt. The debt must be covered by asset-generated income, through both lease payments and gains from disposal.

IFRS 7.8 defines the following categories of financial instruments:

At December 31, 2009

Types of financial liability *(€ thousands)*	Consolidated financial statements	Valuation at fair value	Difference (%)	Sensitivity + 1%	Difference compared with fair value
Financial liabilities valued at amortized cost	336,435	337,686	0.37%	332,672	-1.48%
Financial liabilities valued at fair value	185	185	0.00%	0	0,00%
Total	**336,620**	**337,871**	**0.37%**	**332,672**	**-1.54%**

At December 31, 2008

Types of financial liability *(€ thousands)*	Consolidated financial statements	Valuation at fair value	Difference (%)	Sensitivity + 1%	Difference compared with fair value
Financial liabilities valued at amortized cost	297,161	299,339	0.73%	292,607	-2.25%
Financial liabilities valued at fair value	743	743	0.00%	0	0.00%
Total	**297,904**	**300,082**	**0.73%**	**292,607**	**-2.49%**

As stated in Note 1.18.3, financial liabilities are valued at cost amortized by the "effective interest rate" method.

Applying the "fair value" principle would give financial liabilities a value of €337,871 thousand using closing prices on December 31, 2009.

• The fair value of fixed-rate debt is determined for each borrowing by discounting future cash-flows. The discount rate used is the average rate of fixed-rate debt considered representative of the financing rate for the Group's risk class with no listed securities (credit derivatives or bond yields).

• The net book value of variable-rate debt (both long-term and short-term) provides a reasonable approximation of their fair value.

Derivative liabilities are assessed using the values obtained from first-rate financial institutions.

› OBSAR

The fair value of the debt component was calculated on the original date (in 2007), using a market interest rate for an equivalent non-convertible loan. The remainder –which is the value of the equity component related to the conversion option– is included in consolidated reserves (see the Schedule of Changes in Shareholders' Equity).

The Convertible Bond Loan in the Balance Sheet may be analyzed as follows:

(€ thousands)	**2009**
Par value of the equity warrant bond loan at the issue date (March 8, 2007)	40,393
Loan issue costs	(712)
Shareholders' equity component	(628)
Debt component during initial recognition of the loan	39,053
Interest payable	1,944
Coupons paid	(1,543)
Accrued coupons	(200)
Debt component at December 31, 2007:	**39,254**
Interest payable	2,493
Coupons paid	(2,242)
Debt component at December 31, 2008:	**39,505**
Interest payable	1,194
Coupons paid	(926)
Debt component at December 31, 2009:	**39,773**
Redemption date March 8, 2012	

Note 18.2.2. Breakdown by due date of loans and payments, December 31, 2009

(€ thousands)	2010	2011	2012	2013	2014	> 5 years	Total
Bond issues	0	0	39,772	0	0	0	39,772
Medium/long-term loans with recourse	3,720	3,806	3,124	2,968	2,297	951	16,866
Medium/long-term loans without recourse	2,959	2,959	2,959	2,959	9,250	22,320	43,408
Finance leasing commitments	16,899	15,739	15,616	15,992	14,988	31,277	110,512
Short-term loans with recourse	1,533	34,438	0	0	0	0	35,971
Short-term loans without recourse	69,354	0	0	0	0	0	69,354
Total capital flow on loans	**94,465**	**56,943**	**61,472**	**21,919**	**26,535**	**54,548**	**315,883**
Future interest flow on loans	8,895	7,459	5,968	4,742	3,652	5,362	36,077
Total flow on loans	**103,360**	**64,402**	**67,440**	**26,661**	**30,187**	**59,910**	**351,960**

This table only shows cash flows actually contracted for, and accordingly excludes those connected with borrowing such as overdrafts and annually renewed lines of credit to which the banks have not made a firm commitment. These renewable sources of finance are shown under Current Financial Liabilities and described in Note 18.2.1.

Interest payable in the future on variable rate loans has been estimated on the basis of the interest rates prevailing on December 31, 2009.

Some short- and medium- term bank loans have default clauses verifying financial ratios (financial covenants). These applied to €181 million of debt on December 31, 2009. They entitle banks to insist on early repayment if the terms of the covenant are not met. The contracts for the Group's two main credit lines, OBSAR 2007 (€40 million) and the 2008 syndicated credit facility (€55 million) include the following ratios:

• Consolidated net indebtedness with recourse/consolidated EBITDA after distribution to investors: must be less than 4.5 in 2009 and 2010, then less than 3.7 as of 2011.

• Consolidated net indebtedness with recourse/the consolidated net situation: must be less than 1.9.

Borrower	TOUAX SCA	TOUAX SCA	TOUAX Corp	Gold Container Finance LLC (SPC)	TOUAX Rail Finance (SPC)	TOUAX Rail Finance (SPC)	TOUAX Rail Finance 2 (SPC)
With/without recourse (against TOUAX SCA)	WITH	WITH	WITH	WITHOUT	WITHOUT	WITHOUT	WITHOUT
Type of facility	OBSAR	Club deal	Bilateral	Club deal	Bilateral	Bilateral	Club deal
Period and issue mode	5 year bond	3 year revolving credit in multiple currencies	2 year revolving credit in USD	1 year revolving credit in USD	10 year long-term amortizable debt	10 year long-term amortizable debt	2 year revolving credit in EUR
Maximum amount	**€40.4m**	**€55m**	**$10m**	**$25m**	**€13m**	**€30.3m**	**€55m**
OUTSTANDING 31/12/09 (€ millions)	€39.7m	€35.0 m	0	€17.3 m ($25 m)	€10.5m	€26.7m	€52.0 m

Financial ratios required

Leverage with recourse (net financial debt with recourse/EBITDA)	Below 4.5 for 2009 and 2010, below 3.7 for 2011 over one year)	Below 4.5		Below 5	Below 7.5 (using the average debt	Below 7.5 (using the average debt over one year)	Below 7.5 (using the average debt over one year)
Gearing (net debt without recourse/ Shareholders' equity)	Below 1.9	Below 1.9	Below 1.9	Average of 2 half-years below 1.9	Below 5.5	Below 5.5	Below 5.5
Shareholders' equity less goodwill					Greater than €14m	Greater than €14m	Greater than €14m
Interest Coverage (EBITDA after distribution / Net financial expenses)			Average of last 2 half-years above 2	Greater than 2	Greater than 1.5	Greater than 1.5	Greater than 1.5
Calculation frequency	Annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual
Date control started	31.12.2007	31.12.2008	31.12.2006	31.12.2004	31.12.2004	30.06.2007	31.12.2008
Loan maturity date	08.03.2012	24.10.2011	31.08.2010	30.04.2010	30.12.2016	28.02.2018	06.11.2010
Scope of calculation	TOUAX SCA consolidated accounts	TOUAX SCA consolidated accounts	TOUAX SCA consolidated accounts	TOUAX SCA consolidated accounts	TOUAX RAIL LTD consolidated accounts	TOUAX RAIL LTD consolidated accounts	TOUAX RAIL LTD consolidated accounts

Other conditions/clauses

Collateral	No	No	No	Collateral package	Collateral package	Collateral package	Collateral package
Issue dependent on compliance with eligibility criteria of financial assets	No	No	No	Yes	No	No	Yes
Cross-default clauses	yes, for default on a debt greater than €5 million within the scope of calculation, excluding debt without recourse	yes, for default on a debt greater than €5 million within the scope of calculation, excluding debt without recourse	yes, for default on a debt greater than $5 million within the scope of calculation	yes, for default on a debt greater than $5 million in the Shipping Containers division (TCS and its subsidiaries)	yes, for default on a debt greater than €250,000 within the scope of calculation	yes, for default on a debt greater than €250,000 within the scope of calculation	yes, for default on a debt greater than €250,000 within the scope of calculation

20. Financial information concerning the issuer's assets, financial position and results

In March 2007, the Group issued bonds with redeemable share subscription warrants (OBSARs – "Emprunts obligataires avec bons de subscription d'actions remboursables") for €40.4 million. These bonds were subject to financial covenants, i.e. gearing below 1.9 and leverage below 3.7 for 2007, 2008, and 2009, and below 3.5 for the following years up to the bonds' maturity date on March 8, 2012. These bonds were modified by a general meeting of bondholders in December 2009, which modified the leverage to 4.5 for 2009 and 2010, and to 3.7 for the following years up to the bonds' maturity date.

In October 2008, the Group took out a bank loan of €55 million in the form of a "club deal" from a pool of its main bankers. The new loan is subject to financial covenants: i.e. gearing below 1.9 and leverage below 3.7. In November 2009, the TOUAX Group renegotiated the leverage ratio with the pool of bankers, now it must be below 4.5 for 2009 and 2010.

Renegotiation fees of €275 thousand were recognized in the debt's net book value and will be amortized over the duration of the loan, thereby modifying its effective interest rate.

Cross-default clauses exist in some financing agreements, but they are only applicable following a default for a minimum amount, and they only concern debt with recourse to the Group's parent company.

Clauses requiring the Group to be controlled by the Walewski family were also included.

Note that as the TOUAX Group has no official financial credit rating, in the financing agreements there is no advanced repayment clause which could be triggered by a lower credit rating.

Note 18.2.3. Change in indebtedness

Consolidated net financial debt is as follows:

(€ thousands)	**2009**	2008	2007
Financial liabilities	336,620	297,905	183,413
Marketable securities & other investments	8	10,046	9,827
Cash assets	34,856	25,761	14,909
Consolidated net financial indebtedness	**301,756**	**262,098**	**158,677**
Non-recourse debt	112,761	102,443	48,347
Financial indebtedness excluding non-recourse debt	**188,995**	**159,655**	**110,330**

Financial liabilities broken down by currency

(€ thousands)	**2009**	2008	2007
Euro (EUR)	281,179	244,474	147,313
US dollar (USD)	37,598	38,070	20,697
Polish zloty (PLN)	17,229	13,499	12,926
Others	614	1,861	2,478
Total	**336,620**	**297,904**	**183,414**

Breakdown of gross debt by fixed rate – variable rate (including hedging instruments)

(€ thousands)	**2009**	2008	2007
Fixed rate	164,349	112,829	66,111
Variable rate	172,271	185,075	117,302
Total	**336,620**	**297,904**	**183,413**

Mean debt rate broken down by currency

The mean debt rate including interest rate hedging was 3.42% at the end of 2009 versus 4.42% at the end of 2008.

Note 18.2.4. Effect of financial instruments on net income

(€ thousands)	Available-for-sale securities	Loans and receivables	Instruments valued at amortized cost	Foreign exchange derivative	Interest rate derivative	**2009**
Interest income		56				56
Interest expense			(13,008)	8	(27)	(13,027)
Impact on income	**0**	**56**	**(13,008)**	**8**	**(27)**	**(12,971)**
Exchange gain or loss						(203)
Impact of discounting						51
Interest on cash						102
Financial result						**(13,021)**

(€ thousands)	Available-for-sale securities	Loans and receivables	Instruments valued at amortized cost	Foreign exchange derivative	Interest rate derivative	**2008**
Interest income		127				127
Interest expense			(14,737)	(587)	(105)	(15,429)
Impact on income	**0**	**127**	**(14,737)**	**(587)**	**(105)**	**(15,302)**
Exchange gain or loss						681
Impact of discounting						166
Interest on cash						464
Financial result						**(13,992)**

Note 18.2.5. Trade Payables

(€ thousands)	**2009**	2008	2007
Shipping containers	5,155	20,439	41,069
Modular Buildings	15,297	13,378	16,508
River Barges	2,213	2,322	2,062
Railcars	5,033	4,412	8,237
Miscellaneous	868	836	597
Total	**28,567**	**41,387**	**68,473**

All Trade Payables are due within one year.

Note 19. Inventories and Work in Progress

Inventories and WIP include equipment to be sold as well as spare parts. The equipment is mainly intended to be sold to investors under asset management programs.

	2009			2008	2007
(€ thousands)	Gross value	Prov.	Net val.	Net val.	Net val.
Equipment	83,296	(914)	82,382	85,576	56,991
Spare parts	8,432	0	8,432	5,094	3,992
Inventory of finished and semi-finished products	0	0	0	0	0
Total	**91,728**	**(914)**	**90,814**	**90,670**	**60,983**

Evaluation tests on shipping container inventories led the Group to write off €0.8 million.

Note 20. Other Current Assets

(€ thousands)	**2009**	2008	2007
Sale of fixed assets	10	10	14
Prepaid expenses	3,245	3,318	2,843
Taxes and duties	7,902	9,806	6,801
Others	5,810	4,358	3,854
Total	**16,967**	**17,492**	**13,512**

Taxes and Duties mainly consist of input VAT paid on acquisitions of goods at the end of period.

On December 31, 2009 the Other heading included about €1.8 million in outstanding sums due from insurance reimbursements in the River Barges Division. The Other item also includes the financial loan portion of finance leases with under one year to run (see Notes to the consolidated financial statements Note 1.18.1).

Other current assets are all recoverable within one year.

Note 21. Shareholders' Equity

Details of Shareholders' Equity are given in the Schedule of Changes in Shareholders' Equity.

It may be noted here that:

• On June 26 2009, TOUAX SCA carried out a capital increase with removal of shareholders' preemptive right and with a period of priority by issuing 952,747 new shares, for a total of €7.6 million. The premium was increased by €10.5 million.

• TOUAX allowed shareholders to choose to have the balance of the dividend to be paid in shares. On July 9, 2009, following the option period, TOUAX issued 52,098 new shares representing €0.4 million. The premium was increased by €0.5 million.

• In January 2010, TOUAX SCA paid an interim dividend of €2.8 million.

• Thirty-six redeemable warrants (BSARs) were exercised in 2009, leading to the issue of 10 new shares.

On December 31, 2009, 1,401,644 of the 1,427,328 redeemable warrants issued in 2007 remained to be exercised, for a minimum potential of 357,068 shares (4 redeemable warrants for 1,019 shares).

• No stock options were raised in 2009.

The share subscription options or purchase options granted by TOUAX SCA are detailed in the table below:

Share subscription or purchase options granted by TOUAX SCA

	2002 Stock Option Plan	2006 Stock Option Plan
Date of General Meeting	24/06/2002	28/06/2006
Date of Board of Directors meeting	31/07/2002	08/07/2006
Number of options initially allotted	11,001	52,874
– of which to members of the Executive Committee	2,500	15,770
Number of current beneficiaries	13	10
– of which, members of the current Executive Committee	2	2
Date of allotment	31/07/2002	08/07/2006
Exercise date	30/07/2006	08/07/2008
Expiration date	31/07/2010	08/07/2012
Exercise price	13.59 €	20.72 €
Options exercised since allotment	2,700	0
– by members of the Executive Committee	1,000	0
Number of members of the Executive Committee who exercised options in 2009	1	0
Options lapsed since allotment	1,101	0
Number of outstanding options at 31.12.2009	7,200	52,874
– of which held by members of the current Executive Committee	1,500	15,770

› Outstanding BSAs issued previously

On August 7, 2006 the Management Board, as authorized by the extraordinary general meeting held on June 28, 2006, issued 69,573 share warrants (BSAs) with immediate entitlement. These warrants were allotted to and subscribed by Alexandre Colonna Walewski, Fabrice Colonna Walewski and Raphaël Colonna Walewski in equal allotments, for €0.87 each.

They last four years, and each entitles the bearer to purchase one share at the price of €23.83.

On October 21, 2009 the Management Board modified the 2006 agreement to issue share warrants (BSAs), authorizing the assignment of BSAs to assignees other than the original beneficiaries, subject to approval by the Management Board.

On October 22, 2009 the Management Board authorized the purchase of these BSAs by TOUAX SCA at the price calculated using the Black-Scholes model. The transaction was carried out in January 2010.

› Issue of BSAs

On February 11, 2008 the Management Board, as authorized by the extraordinary general meeting held on February 8, 2008, issued 200,000 warrants. The warrants were assigned to key TOUAX executives in order to keep managers closely involved in the company's development.

During its November 5, 2009 meeting, the Management Board decided to offer holders of the 200,000 warrants the right to swap their warrants for TOUAX shares at a price calculated using the Black-Scholes model. On December 22, 2009, the general assembly of warrant holders approved the terms of this transaction. On December 22 2009, the Management Board confirmed the terms for the transaction.

This transaction was carried out in January 2010.

› Management of capital

The Group's objective in managing its equity is to maximize the company's value by arranging for an optimal capital structure that minimizes the cost of capital and ensures the best possible return to shareholders.

The Group manages its borrowing structure by optimizing its debt/equity ratio in light of changes in economic conditions, its own objectives, and the handling of risk. It assesses its working capital requirements and its expected levels of capital spending in order to control its need for outside finance. Depending on the growth of its market and expectations of managed assets' profitability, the Group decides whether to issue new equity or to sell assets to reduce its debt.

The Group handles its gearing (Shareholders' equity to debts) using the "debt ratio" indicator, i.e. indebtedness (with and without recourse) divided by Shareholders' Equity. The debt ratios on December 31, 2009 and 2008 were as follows:

(€ millions)	**2009**	2008
Net debt with recourse	188.9	159.7
Shareholders' equity	129	102.5
Debt ratio (excluding non-recourse debt)	1.46	1.56
Debt ratio of non-recourse debt	0.87	1.00
Debt ratio	2.34	2.56

Note 22. Provisions

(€ thousands)	2008	Provision	Reversal	Exchange gain or loss	**2009**
Disputes	205	145	(162)		188
Other risks	4,690		(2,594)	32	2,128
Total	**4,896**	**145**	**(2,756)**	**32**	**2,317**

The Others Risks item breaks down as follows:

• In December 2008, a €2.3m subsidy was obtained in the Czech Republic subject to certain conditions, mainly concerning levels of capital investment and job creation. A provision for this amount has been recognized in view of the uncertain economic outlook (see Notes to the consolidated financial statements, Note 7). This risk remains.

• In December 2008, a €2.6m provision representing diminished profit from a finance lease entered into with a customer of the Railcars Division was drawn down in 2009 (Note 11).

The Currency item arises due to the provision concerning the Czech subsidy.

20. Financial information concerning the issuer's assets, financial position and results

Note 23. Pensions and Similar Liabilities

Changes in superannuation commitments can arise from:

• Staff turnover (new hirings and departures).

• Acquisition of entitlement by staff members during their employment within the business.

• Changes in pay, and other actuarial assumptions.

(€ thousands)	2008	Provision	Reversal	**2009**
Shipping containers	64	71	(64)	71
Modular Buildings	44	73	(44)	73
River barges	8	12	(8)	12
Unallocated	82	62	(39)	105
Total	**197**	**218**	**(154)**	**261**

The following assumptions were made to assess superannuation commitments:

• Employees' predicted length of service, calculated using probability coefficients for the various age groups.

• A discount rate of 3.7%.

• Pay rising at 1.5%.

• Retirement at age 65.

Note 24. Other Long-Term Liabilities

(€ thousands)	**2009**	2008	2007
Shipping Containers	0	2,123	1,852
Modular buildings	1,562	59	6,172
Total	**1,562**	**2,182**	**8,024**

In 2009, the Modular Buildings Division set up a new type of purchasing contract called "buy-back". This agreement requires the recognition of the Group's repurchase agreement as well as the deferred income concerning the lease of modular buildings. This had an impact of €1,562 thousand on December 31, 2009.

The Group fully wrote off the Trust 2001 deferred benefits (€2.1 million).

In 2007 Other Long-Term Liabilities also included the portion due in over one year of the debt contracted on acquiring a subsidiary in the Czech Republic. Long-term liabilities are discounted, and carried at amortized cost. The book value of items classified as Other Long-Term Liabilities is a reasonable approximation of their fair value.

Note 25. Other Current Liabilities

(€ thousands)	**2009**	2008	2007
Capital creditors	602	7,299	10,625
Tax and social security liabilities	14,137	12,261	8,256
Accounts payable	35,004	22,540	19,752
Other current liabilities	1,863	1,189	1,436
Deferred revenue	7,166	4,464	3,739
Total	**58,772**	**47,753**	**43,808**

Operating liabilities are mainly investors' income due from the Shipping Containers, Railcars and Modular Buildings divisions (€18.5 million on December 31, 2009, €20.4 million on December 31, 2008). Furthermore, a $20 million conditional sale (i.e. €13.9 million to an investor in the Shipping Containers Division was recognized.

Note 26. Risk Management

› Market risk

Financial and market risks include currency risk, interest-rate risk, equity risk, and counterparty risk.

Currency risk and exchange rate risk are managed centrally within the Treasury and Finance Department which provides monthly reports to the Executive Committee.

Interest rate and currency risks are monitored through monthly reporting by subsidiaries to the Treasury and Finance Department; these reports include borrowings from outside establishments as well as loans agreed between Group subsidiaries. The information is checked, analyzed, consolidated and forwarded to the Executive Committee. The Treasury and Finance Department makes recommendations on the handling of interest rate and currency risks, and decisions are made by the Executive Committee. Standard software tools are used to ensure that the Group's need to monitor these risks is duly accommodated.

› Credit Risk

Credit risk is described in Note 18.1.2.

› Liquidity Risk and Counterparty Risk

Liquidity risk is managed by the Group's Treasury and Finance Department which reports to the Group's Administrative and Finance Department. Overall cash flow management at the Group level allows to compensate for surplus cash and cash requirements in order to limit the use of financial borrowing.

Liquidity risk management is assessed via the Group's requirements defined in the three-year plan, the annual cash flow budget, as well as via monthly and weekly forecasts. All reports are sent to the Group's Executive Committee.

The objective for cash flow management is to meet the Group's deadlines while maintaining the leeway decided by the Group's Executive Committee and to optimize the financial costs of debt.

For that purpose, the Group has credit lines, or revolving bank loans, approved by its banks. It issued a bond (OBSAR) in 2007 for pre-financing its assets, or credit lines for asset finance leases, in order to optimally associate debt servicing and income generated by assets.

All the Group's financing is negotiated or approved by the Treasury and Finance Department in order to control the Group's commitments both on and off the balance sheet.

Certain loans include conditional clauses on issues (asset eligibility), while others include financial commitments (ratios) the Group must meet.

In the short term, the Group's main liquidity risks concern the non-renewal of revolving credit lines reaching maturity. The theoretical maturities for 2010 are presented below:

(€ millions)	
Repayment of medium/long-term credit	23.6
Repayment of confirmed short-term credit with recourse	1.5
Repayment of confirmed short-term credit without recourse	69.4
Repayment of annual revolving credit	20.7
Total	115.2
Estimated financial charges	13.5
Total	**128.7**

At the end of December 2009, the Group's balance sheet showed €35 million in cash and cash equivalents. It had over €50 million in available lines of credit to meet its cash requirements, and €91 million of assets in inventory intended to be sold to investors.

The Group believes there is very little risk of non-renewal of its short-term credit lines reaching maturity, and notes that the use of these revolving credits depends on asset pre-financing needs, and therefore on the Group's investments or on temporarily carrying assets on its balance sheet.

A liquidity risk may arise if the Group cannot use the renewable credit facilities for financing assets due to its inability to meet the eligibility criteria for using those credit lines.

In the long term, the liquidity risk resides in an inappropriate association of income generated by its leased assets and of loan due dates.

The timetable of dates when the Group's debt falls due is as follows:

(€ millions)	Total	2010	2011	2012	2013	2014	> 5 years
Debts with recourse	223.9	42.9	54.0	58.5	19.0	17.3	32.2
Debts without recourse	112.8	72.3	3.0	3.0	3.0	9.2	22.3
Total	**336.6**	**115.2**	**56.9**	**61.5**	**21.9**	**26.5**	**54.5**

In general the Group's liquidity risk is limited, thanks to its ability to sell or refinance its assets: the assets operated by the Group are standardized and low-tech; they keep relatively high residual values in a fairly liquid market.

The Group faces three major types of **counterparty risks**:

• Cancellation of approved credit lines following the default of a lender.

• Counterparty default in the unwinding of an over-the-counter derivative.

• Non-reimbursement of cash surpluses invested in a cash or current account with a financial institution or as part of an investment.

The Group prefers financial relations with first-rate banks, i.e. institutions with excellent credit ratings from international credit rating agencies, for both renewable credit facilities and over-the-counter trading of hedging derivatives.

The Group only invests its surpluses in non-dynamic monetary funds or with first-rate banks in cash or current accounts.

Consequently, the Group considers that it has a low level of exposure to counterparty risk, and does not use derivatives to manage this risk.

› Interest-Rate Risk

The TOUAX Group relies on loans for both its development requirements and its investment policy. A large share of its loans apply a variable interest rate. Most of the Group's interest-rate risk is related to its variable interest-rate loans.

In order to limit the negative impact of a rise in short-term rates, the Group's policy is to not speculate in interest rates. It uses plain vanilla derivatives, and negotiates new fixed-rate or variable rate loans according to its decision to modify the fixed rate-variable rate share of its debt.

In order to limit the use of market transactions, the Group also strives to negotiate loans allowing to modify the indexing of interest, generally from variable to fixed rates.

In 2009, the Group transformed nearly €30 million in long-term variable rate loans into fixed-rate loans, and entered interest rate swaps agreements for €5 million. This reduced fixed-rate debt to 49% of all long-term debt, compared to 38% at the end of 2008. Long term fixed-rate debt represents 78% of overall gross debt, compared to 61% in December 2008.

› Hedging of Interest Rate Risk

The Group uses both variable- and fixed-rate refinancing, and uses interest rate derivatives in order to reduce its net exposure to interest rate risk. These derivatives are never held for speculation.

Those instruments are mainly interest rate swap agreements, but the Group may occasionally use interest rate options (by purchasing caps or tunnels). These instruments are traded over-the-counter with first-rate bank counterparties.

Off balance sheet financial instruments had the following characteristics on December 31, 2009:

(€ thousands)		Par value by maturity date			Valuation at
	Par value	< 1 year	1-5 years	> 5 years	**31.12.2009**
Interest rate swaps borrower fixed rate/ lender variable rate					
EUR Euribor / fixed rate	5,797	902	3,361	1,535	
USD Libor / fixed rate	312	312	-	-	
PLN Wibor / fixed rate	8,457	1,563	5,793	1,100	
Total interest rate hedging	**14,566**	**2,777**	**9,153**	**2,635**	**69**

All the interest rate derivatives meet the accounting criteria for hedges (hedging of cash flows) insofar as they are traded in order to perfectly reflect the maturity dates of the variable rate debts they hedge.

The impact of derivatives on gross debt broken down by currency is presented below:

Amounts at 31 December 2009

(€ thousands)	Before hedging	Impact of derivatives	After hedging
Euro at fixed rate	124,474	5,797	130,272
Euro at floating rate	156,705	(5,797)	150,907
Dollar at fixed rate	18,997	312	19,308
Dollar at floating rate	18,601	(312)	18,289
Zloty at fixed rate	5,698	8,457	14,155
Zloty at floating rate	11,531	(8,457)	3,075
Other currencies at fixed rate	614	0	614
Other currencies at floating rate	0	0	0
Total debt at fixed rate	149,783	14,566	164,349
Total debt at floating rate	186,837	(14,566)	172,271
Total debt	**336,620**	**0**	**336,620**

› Sensitivity to changes in interest rates

A 100 basis point increase in short-term rates would have a direct impact on the Group's financial charges of almost €1.5 million on December 31, 2009, around 11% of theoretical interest expenses.

This theoretical calculation, which takes into account cash and cash equivalents as well as derivatives, is based on the assumption that net debt remains stable and that fixed-rate debt reaching maturity is replaced by variable-rate debt.

› Currency Risk

Due to its international presence, the TOUAX Group is exposed to currency rate fluctuations. Certain years almost 50% of the Group's sales are in US dollars, and a significant share of its revenues is generated in Czech crowns or Polish zlotys.

Nevertheless, the Group believes it has relatively little exposure to operational currency risk as income and expenses are generated in the same currency, and because the Group finances its assets in the same currency as its revenues.

However, the Group may need to set up hedges for its budget or for orders when operational currency risks are identified. In this case, the hedging instruments used are forward sales or purchases, or plain vanilla options.

The Group's main identified operational currency risks are related to:

• The structure of overheads for the Shipping Containers business, which are mostly in euros while revenues are in US dollars.

• The production of modular buildings, where the Czech crown is the main currency but sales are in euros.

There was no hedging of operational currency risks on December 31, 2009.

The Group's objective is to minimize financial currency risks, i.e. risks related to financial assets in foreign currency whose fluctuations would affect net financial income. Balance sheet positions in foreign currency are tracked monthly and reported to the Executive Committee. On December 31, 2009, those positions were not significant.

Due to its presence in various countries, the Group is subject to currency risks related to its investments in foreign subsidiaries. This risk arises in the changes in the Group's equity (net investment rule) and in the conversion of the subsidiary's results into euros for the parent company.

The Group does not hedge the currency risk concerning its equity. However, on several occasions in the past it has hedged the risk of converting the results of some of its subsidiaries into euros by purchasing options from first-rate counterparties, using the entities' budgeted results as a reference. On December 31, 2009 the Group did not hold any hedging positions in its results in foreign currency in the 2010 budget.

As part of its overall cash flow management, the Group is led to change surpluses of a currency into euros, in order to minimize financial expenses and resorting to bank debt. As part of this cash flow management in multiple currencies, the Group sets up futures contracts on a regular basis. These contracts, which compensate for changes in the value of intercompany loans and borrowing, are made with first-rate bank counterparties.

20. Financial information concerning the issuer's assets, financial position and results

› Hedging of Currency Risk

The Group thus sets up forward exchange transactions on a regular basis in order to hedge its exposure to managing its cash in foreign currency (USD and CZK).

The following table summarizes the forward purchase portfolio in foreign currency on December 31, 2009:

(€ thousands)	Par value	31.12.2009 Maximum due date
USD forward purchase portfolio	29,675	30/03/2010
CZK forward purchase portfolio	5,681	09/04/2010
Total of forward purchase portfolios	**35,356**	

Fair value hedging

(€ thousands)	**2009**
Variation in fair value of the hedging instrument	531
Variation in fair value of the hedged item	(523)
Net impact on earnings of fair value hedges	**8**

The net impact on earnings of a fair value hedge represents the ineffective component of the hedge.

› Sensitivity of exchange rates concerning operating income after distribution to investors, and concerning Shareholders' equity

The Group's exposure to fluctuations in exchange rates is mainly concentrated on shifts in the US dollar, the Czech crown and the Polish zloty; other foreign currencies are insignificant. The euro conversion rates used in consolidating subsidiaries' accounts denominated in other currencies involve the following sensitivities as far as the Group's income and its share of shareholders' equity are concerned (sensitivity to a 10% fall in each case):

	Impact on operating income after distribution to investors	Impact on shareholders' equity (Group's share)
Fall of 10% in the US dollar	-0.79%	-2.09%
Fall of 10% in the Czech crown	-0.92%	-1.62%
Fall of 10% in the zloty	-0.91%	-0.32%

The Modular Buildings division works mainly in euros, in Czech crowns and in Polish zloty. The River Barges and Railcars divisions mainly operate in euros within Europe, and in USD in the USA and South America. The business of leasing and selling shipping containers is international, and mainly conducted in USD, the remainder being billed in some 25 international foreign currencies – since the containers themselves may be returned in any of around 25 different countries.

For long-term assets and liabilities the Group's policy is to correlate fixed assets labeled in foreign currency with borrowings in the same currency, so as to avoid exposure to a currency risk.

› Equity Risk

Equity risk is the risk of an adverse change in the price of equity securities held by the Group.

The Group's investment strategy involves investing surplus liquidity in cash-based mutual funds (UCITS) for short periods. The Group has no dealings on the financial stock markets.

The main equity risk concerns the liquidity agreement the Group signed with an investment services provider. The amounts currently invested do not represent a significant risk for the Group.

› Commodities risk

This risk is explained in Section 4.4.2.

Note 27. Related Parties as defined in IAS 24

The definition used for related parties is that given in IAS 24.9. Related parties are the **key management personnel** of TOUAX SCA, i.e. those who have authority and responsibility for planning, managing, and controlling the Group's activities. The officers who fit this description are Fabrice and Raphaël Colonna Walewski, the Managing Partners of TOUAX SCA. Members of the Supervisory Board, in view of their control function, are also regarded as related parties.

The amount paid to the General Partners during 2009 for their 2008 compensation in accordance with the articles of association was €1,040,000.

A related party has a **significant influence** if it is able to take part in financial and operational policy decisions, without however exerting control over these policies. This influence is deemed to be significant if a physical person, legal entity or group of persons holds over 20% of the voting rights: Alexandre, Fabrice and Raphaël Colonna Walewski together hold directly and indirectly over 20% of the shares.

The Group has not concluded any significant transactions with related parties.

The compensation of the key management personnel embodies none of the five criteria set out in IAS 24.16: short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits, and share-based payments. The officers receive none of these benefits. (cf. details in Section 15 page 36).

The Group manages equipment with a gross value of just over €1m belonging to the Managing Partners, and of €2m belonging to the General Partners. These investments generated total income of approximately €217,000. The Managing Partners and General Partners receive no preferential treatment in these dealings, since this equipment is managed under the same terms as equipment managed on behalf of third parties. In addition, management of this equipment is governed by a Code of Practice approved by the Supervisory Board.

The compensation of the company officers totaled €778.8 thousands in 2009.

The pension and supplementary pension liabilities for members of the Executive Committee are immaterial (statutory retirement benefits). No stock options are granted to the company officers. They are granted to the other members of the Executive Committee (cf. stock option table given in Note 21 of the Notes to the Consolidated Financial Statements, page 88).

Details of the compensation of the members of the Supervisory Board are given in Section 15 page 36. This compensation totaled €56,000.

Relations between the parent company and its subsidiaries are explained in paragraph 7.2 on page 30 of this reference document.

Note 28. Off-balance sheet commitments

The financial statements do not omit any off-balance sheet commitments that are material according to current accounting standards.

Note 28.1. Operating leases not capitalized

(€ thousands)	Total	< 1 year	1-5 years	> 5 years
Operating leases with recourse	18,770	3,403	9,441	5,926
Operating leases without recourse against the Group	106,104	16,015	59,581	30,508
Of which, Shipping containers	93,430	12,811	50,491	30,128
Of which, Railcars	12,674	3,204	9,090	380
Total	**124,874**	**19,418**	**69,022**	**36,434**

Without recourse against the Group: the Group's obligation to pay lease payments to financial institutions is suspended if the sub-lessee customers default on their own contractual payment obligations.

Note 28.2. Other commitments

› **Bank guarantees issued on the Group's behalf at December 31, 2009**

(€ thousands)	Amount	Maturity
Bank guarantee	**549**	
Modular buildings	549	2010

› **Firm orders for equipment**

Firm orders and investments totaled €8m at December 31, 2009, of which €4m were for railcars, €3m for modular buildings and €1m for shipping containers.

In addition the Group has agreed to pay, before December 31, 2011, a deposit of €2m on an order for railcars from its principal railcar supplier, following renegotiation of the partnership agreement between them, in case the Group does not order the railcars from it in 2010 and 2011. This deposit will be deducted from the cost of future deliveries of railcars

Note 28.3. Security interests granted

To guarantee the financing granted for assets held by the Group (except under leasing agreements) and assets under its management, TOUAX SCA and its subsidiaries have granted the following security interests:

			December 31, 2009		
(€ thousands)	Commencement	Maturity	Asset pledged (gross value)	Balance Sheet item gross value	%
Mortgages (river barges)			**23,513**	**65,553**	**35.9%**
	2006	2011	1,418		
	2002	2012	1,059		
	2008	2013	635		
	2003	2013	4,333		
	2005	2014	7,983		
	2003	2015	7,300		
	2005	2015	785		
Tangible assets pledged			**154,571**	**413,271**	**37.4%**
Modular Buildings	2005	2016	4,568	231,922	
	2009	2014	5,020		
Shipping containers	2004	2010	23,186	36,106	
Railcars	2008	2010	72,998	145,243	
	2006	2016	14,530		
	2008	2018	34,269		
Financial assets pledged Deposits)			**5,222**	**14,437**	**36.2%**
Modular Buildings	1997	2010	2,778		
Shipping containers	2001	2012	2,443		
Total			**183,306**	**493,261**	**37.2%**
Total			**183,306**	**493,261**	**37.2%**

The security interests granted (mortgages, pledges and others guarantees) can be redeemed by repayment of the borrowings. There are no other special conditions to be disclosed.

Note 28.4. Letters of comfort

Letters of comfort are issued by the parent company for bank loans granted to its subsidiaries.

(€ thousands)	< 1 year	1-5 years	> 5 years	Total
Guarantees given to banks in return for loans used by subsidiaries	30,750	56,472	117,909	205,131
Outstanding loans in respect of these commitments granted to subsidiaries totalled €135,392,000 at 31/12/09				

Note 29. Further details regarding finance leases (capitalized)

(€ thousands)	Land	Lease equipment	Total at **31.12.2009**
ORIGINAL VALUE	493	169,393	169,886
Amortization for the period		6,427	6,427
CUMULATIVE AMORTIZATION		24,932	24,932
Net book value	493	144,461	144,954

	Future payments (min.)					
(€ thousands)	Land	Leasing equipment	Total at **31.12.2009**	Interest	Present value of future payments	Residual value
2010	87	22,157	22,244	5,381	16,863	93
2011	0	20,237	20,237	4,531	15,706	97
2012	0	19,324	19,324	3,710	15,614	1
2013	0	18,879	18,879	2,889	15,990	56
2014	0	17,039	17,039	2,054	14,985	144
> 5 years	0	33,913	33,913	2,639	31,274	790
Total	**87**	**131,549**	**131,636**	**21,204**	**110,432**	**1,182**
AMOUNT CHARGED TO INCOME STATEMENT (amortization & financial charges)	**10**	**11,054**	**11,064**			

Note 30. Other information

Note 30.1. Further details regarding the Modul Finance I EIG

In December 1997 and during the 1998 financial year, the TOUAX Group carried out asset-backed securitization by selling 7,869 modular buildings worth €42m to an Economic Interest Grouping (EIG) registered in France by the name of "Modul Finance I EIG". Investors belonging to the EIG initially held a 90% interest and the Group held the remaining 10%.

The investment by the Modul Finance I EIG was financed as follows:

• Issue of Redeemable Subordinated Securities (TSR) for a total of €10.5m, 90% of which were subscribed for by an institutional investor and 10% by TOUAX SCA.

• Subscription of a senior debt of €32.6m repayable over 10 years at the 3-month Euribor + 1.8%.

Under an operational management contract the EIG commissioned the Group to manage, lease out and in general operate the modular buildings. As agent, the Group receives lease payments from its customers, pays operating expenses directly to suppliers, and arranges within ninety days of the end of each quarter to pay the Net Distributable Leasing Income to the principal, Modul Finance I EIG.

In 1999, Modul Finance I EIG renegotiated its debt in order to receive more advantageous financial conditions. The operational management contract with the Group was renewed for 13 years and six months. The following new commitments were made by Modul Finance I EIG:

• Issue of Redeemable Subordinated Securities (TSR) for a total of €4.5m, subscribed for in full by an institutional investor.

• Subscription of a senior debt of €28.2m repayable over 10.75 years with a residual value of €9.1m. Interest is paid on the senior debt at the 3-month Euribor + 1.475%. The senior rate guarantee undertaken by the Modul Finance I EIG and financed by the senior loan sets the maximum reference rate for the senior debt at 5%.

• Subscription of a junior debt of €8.9m repayable over 11.75 years with a residual value of €2.28m. Interest is paid on the junior debt at the 3-month Euribor + 2.425%. The junior rate guarantee undertaken by Modul Finance I EIG and financed by the junior loan sets the maximum reference rate for the junior debt at 5%.

• A deposit account of €0.8m was opened by TOUAX SCA.

• During 2006 the junior debt and the TSRs were bought by a Luxemburg-registered company to which the Group lent €2m to fund part of the purchase. This company does not belong to the Group, and is not included in the scope of consolidation. The €2m loan has been recognized as an asset in the Group's Balance Sheet.

20. Financial information concerning the issuer's assets, financial position and results

The Group has no control over the EIG as defined in Interpretation SIC 12: Consolidation – Special Purpose Entities, and Law No 2003-706 of August 1, 2003 on financial security, and is therefore not included in the scope of consolidation.

Since it was impossible for the EIG to pay the outstanding capital of the senior debt on December 31, 2009, the EIG began the process of renegotiation with Eurotitrisation, the representative of the unitholders of the special purpose entity (SPE) Moduloc to which the EIG's debt was sold. Moduloc gave the EIG until March 31, 2010 to reach an agreement regarding the rescheduling of the debt. The EIG suggests applying the contractual rate provided for in case of default, i.e. Euribor + 2.475%. At present this proposal has not been accepted by Moduloc. The EIG has requested a further extension until June 30, 2010 to reach an agreement.

According to the Commission Contract between TOUAX and Modul Finance I EIG, TOUAX is commissioned under a marketing mandate to progressively sell the modules on the second-hand market.

The revenue from sales of equipment as well as the leasing revenue is used to:

• Pay the amounts due to the senior unit-holders. At 31.12.09 the Outstanding Capital Owed to senior unit-holders was €8,802,775.32.

• Once the senior debt has been repaid, the funds available will be used to repay the amounts due in respect of the junior loan. At 31/12/09 the Outstanding Capital Owed was €4,444,716.76.

• Once the junior debt has been repaid, the funds available will be allocated bearers of Redeemable Subordinated Securities (TSR), within the limit of an annual actuarial rate of return of 10%. Any excess proceeds from sales of modular buildings will then be distributed between the Group and those involved in renegotiating the debt, at the rate of 95% for the Group and 5% for the others.

The Modul Finance I EIG is entitled to terminate the management contract early if any payment due under the senior debt and junior debt amortization plan is not made in part or in full, as the result of insufficient Net Distributable Leasing Income.

If the Modul Finance I EIG defaults on a payment, the lenders could decide to sell the equipment or find another manager. The Commission Contract stipulates that in the event of default linked to performance, the EIG may only transfer to a new manager the modular buildings that are off lease. For modular buildings that have been rented out, the Commission Contract applies until expiry of the leases of all of the modular buildings.

To avoid such a default by the EIG, the Group has the right, but not the obligation, to lend it the amounts required to cover the amortization plan for the senior debt. These advances are repayable by payment to the Group of any excess in the Net Distributable Leasing Income over the amounts due on the senior debt and the junior debt for the following quarters, and as a priority as soon as Net Distributable Leasing Income is once again higher than the amounts due under the amortization plan for the senior debt and the junior debt.

Management of Modul Finance I EIG's modular buildings has the following impact on the Group's accounts (€ thousands):

Recognized in the consolidated income statement

(€ thousands)	**2009**	2008	2007
Leasing revenues from equipment belonging to the EIG	2,694	3,676	4,601
Recognized in Consolidated Revenues	2,694	3,676	4,601
Flat-rate operating costs for equipment belonging to the EIG (b)	(1,077)	(1,471)	(1,840)
Recognized in Consolidated Purchases and other External Expenses	(1,077)	(1,471)	(1,840)
Net leasing income distributable to the EIG	(1,069)	(1,459)	(1,825)
Recognized in consolidated leasing income due to investors	(1,069)	(1,459)	(1,825)
Total (a)	**548**	**746**	**936**

(a) The total corresponds to the management commission received by the Group for managing equipment belonging to the EIG.
(b) Operational expenditure is calculated according to a flat rate, not according to real costs per item.

The Group has no other liability towards the EIG other than the value of its assets as described below under "Recognized in the Consolidated Balance Sheet".

Recognized in the consolidated balance sheet

(€ thousands)	**2009**	2008	2007
Deposit			0
Loan to a company incorporated in Luxembourg	1,260	1,603	1,886
Recognized in Consolidated Financial Fixed Assets	1,260	1,603	1,886
Deferred payments	292	1,244	1,124
Recognized in Other Non-Current Assets	292	1,244	1,124
Recognized in Consolidated Assets	**1,552**	**2,847**	**3,010**
Deferred Income	0	0	0
Recognized in Other Non-Current Liabilities	0	0	0
Net leasing income due to the EIG (Q4)	232	336	414
Recognized in Consolidated Operating Liabilities	232	336	414
Recognized in Consolidated Liabilities	**232**	**336**	**414**

The security deposits for EIG Modul Finance I EIG were fully written down for a total of €1.9m at December 31, 2006. As a result the same amount of commission deferred at the time of the creation of Modul Finance I EIG (€1.9m), which had been booked as a non-current liability, was cancelled. In 2007, part of the Group's deferred income from the EIG was written down by €0.3m. In 2009, the Group's deferred income from the EIG was written down by €1m.

Note 30.2. Further details regarding the Trust TCLRT 98

On 16 December 1998, the Group conducted a second asset backed securitization operation, this time for shipping containers, in the form of a trust registered in the State of Delaware (USA), by the name of "TOUAX Container Lease Receivables Trust TCLRT 98". This Trust was entirely financed by investors outside the Group (Indenture Agreement) through the issue of a senior debt (Senior Notes) and a subordinated debt (certificates) used to fund the purchase of shipping containers with a total value of $40.4m, to be operated and managed by the Group under a management contract (Sales and Servicing Agreement) for a minimum of 10 years.

In April 2009 Trust 1998's equipment was sold, 85% (12,006.5 TEU) to investors and 15% (2,095.5 TEU) to Gold Container Investment Ltd.

Leasing of the Trust's containers by Gold Container had the following impact on the Group's accounts (€ thousands):

Recognized in the consolidated income statement

(€ thousands)	**2009**	2008	2007
Leasing revenues from equipment belonging to Trust 1998	921	2,648	3,053
Revenues from equipment sold belonging to Trust 1998	249	947	1,579
Recognized in Consolidated Revenues	1,170	3,595	4,632
Operational expenditure for equipment belonging to the Trust(1)	(448)	(357)	(495)
Recognized in Consolidated Purchases and Other External Expenses	(448)	(357)	(495)
Distributions to the Trust(2) in respect of leasing income	(35)	(2,071)	(2,300)
Distributions to the Trust(2) in respect of equipment sold belonging to Trust 1998	(88)	(947)	(1,579)
Recognized in Consolidated Leasing Income Due to Investors	(123)	(3,018)	(3,879)
Total management commission due to the group(3)	**599**	**220**	**258**

(1) Operational expenditure corresponds to costs of storage, maintenance and repair, payment of the network of agents, and all operating expenses in general which are contractually deducted from the net income distributable to the Trust.

(2) Distributions to the Trust correspond to the net revenues from operating the containers after deducting Gold Container Corp.'s management fee which totaled €123,000 at December 31, 2009.

(3) The total corresponds to the management commission received by the Group for managing the equipment belonging to Trust 98.

The Group has no other liability towards the Trust other than the value of its assets as described below under "Recognized in the Consolidated Balance Sheet".

Recognized in the consolidated balance sheet

(€ thousands)	**2009**	2008	2007
Deposit[4]	0	863	790
Recognized in Consolidated Financial Fixed Assets	0	863	790
Recognized in Consolidated Assets	**0**	**863**	**790**
Leasing income due to the Trust[5]	0	381	339
Revenues from total loss due to the Trust	0	60	26
Revenues from sales of Trust containers[6]	0	73	130
Recognized in Consolidated Operating Liabilities	0	514	495
Recognized in Consolidated Liabilities	**0**	**514**	**495**

(4) The Group obtained a letter of credit in favor of the Trust, for a total of $1.2m, guaranteed by a deposit in a bank account. This letter of credit was repaid to the Group. The Group also contributed a cash reserve to the Trust of $3,766,000 (undiscounted) made available on a bank account belonging to the Trust. This discounted financial asset was written down by $1,690,000 at December 31, 2005. The present value of this reserve at December 31, 2006 ($1,679,000) was written down in full. Deferred income included in the consolidated financial statements under "Other long-term liabilities" was reduced by the same amount.

(5) The leasing income corresponds to the net income still to be paid to the Trust on December 31 each year.

(6) The income from sales of containers corresponds to the proceeds from sales of containers belonging to Trust, which the Group had to transfer to the Trust.

Note 30.3. Further details regarding the TLR 2001 Trust

On October 27, 1999, the Group conducted an asset backed securitization operation for shipping containers, in the form of a trust registered in the State of Delaware (USA), by the name of "TOUAX Lease Receivables Master Trust 2000-1" referred to below as Trust 2000. During a preliminary period known as the "Warehouse period" from October 27, 1999 to December 31, 2001, Trust 2000 was financed entirely by a European bank which subscribed for the notes and certificates issued to finance the purchase of shipping containers for a total value of $46.5m.

Trust 2000 was permanently wound up in December 2001 by refinancing of the commitments of the bank which had subscribed for the initial notes and certificates. This refinancing required the setting up of a replacement trust, Trust 2001 (TLR Master Trust 2001) which bought Trust 2000's assets. In February 2002, all outstanding credits and debts between these Trusts and the Group were settled.

At December 31, 2009 the Trust's fleet consisted of 11,139 containers (4,209 20' dry cargo containers, 3,301 40' dry cargo containers, and 3,629 40' high cube containers), representing a total value of 18,069 TEU, as well as 148 railcars with an initial value of $8.9m.

In addition to the $3.5m lent by the Group, Trust 2001 recognized a senior debt (notes) of $15.6m and equity of $16.6m at December 31, 2009.

Trust 2001 and the Group have entered into leases for a term of 10 years and 8 months (the "Railcar Master Lease" and "Container Master Lease"). The Group distributes to Trust 2001 rent equivalent to the Net Distributable Income, according to the terms of the "Master Lease Agreement".

Through Leasco 2, the Group bought 1,733 containers ($4.2m), which are leased on the Trust's behalf and have been assigned to it as security (under a contract entitled "Leased Container Master Lease").

Under certain circumstances connected with the amount of the rent paid, the Trust may decide to sell its containers or to change manager. The Group has an option to purchase the assets on expiry of the leases, but is not obliged to buy the equipment or to repay the debt. The Group has no control over the Trust, as defined in Interpretation SIC 12: Consolidation – Special Purpose Entities, and Law No 2003-706 of August 1, 2003 on financial security, and is therefore not included in the scope of consolidation.

Renting of the Trust's containers by Gold Container has the following impact on the Group's accounts (€ thousands):

Recognized in the consolidated income statement

(€ thousands)	**2009**	2008	2007
Leasing revenues from equipment belonging to Trust 2001	3,757	4,514	5,075
Revenues from equipment sold belonging to Trust 2001	3,654	1,226	802
Recognized in Consolidated Revenues	7,411	5,740	5,877
Operational expenditure for equipment belonging to the Trust(1)	**(1,495)**	**(788)**	**(915)**
Recognized in Consolidated Purchases and Other External Expenses	**(1,495)**	**(788)**	**(915)**
Distributions to the Trust(2) in respect of leasing income	(2,004)	(3,363)	(3,740)
Distributions to the Trust(2) in respect of equipment sold belonging to Trust 2001	(3,654)	(1,226)	(802)
Recognized in Consolidated Leasing Income due to Investors	**(5,658)**	**(4,589)**	**(4,542)**
Total management commission due to the group(3)	**258**	**363**	**420**

(1) Operational expenditure corresponds to storage and maintenance costs, payment of the network of agents, and all operating expenses in general which are contractually deducted from the net income distributable to the Trust.

(2) Distributions to the Trust correspond to the net revenues from operating the containers after deducting Gold Container Corp.'s management fee which totaled €5,658,000 at December 31, 2009.

(3) The total corresponds to the management commission received by the Group for managing the equipment belonging to Trust 2001.

The Group has no other liability towards the Trust other than the value of its assets as described below under "Recognized in the Consolidated Balance Sheet".

Recognized in the consolidated balance sheet

(€ thousands)	**2009**	2008	2007
Cash reserve(4)	433	2,543	2,218
Recognized in Consolidated Financial Fixed Assets	433	2,543	2,218
Other Trade Receivables(5)	**4**	**4**	**3**
Recognized in Consolidated Assets	**437**	**2,547**	**2,221**
Recognized in Other Long-term Financial Liabilities		**2,123**	**1,852**
Leasing income due to the Trust(6)	290	632	424
Revenues from total loss due to the Trust	159	111	54
Revenues from sales of containers due to the Trust(7)	2,679	84	149
Recognized in Consolidated Operating Liabilities	3,128	827	627
Recognized in Consolidated Liabilities	**3,128**	**2,950**	**2,479**

(4) Following the creation of Trust 2001, the security deposits provided on behalf of Trust 2000 were repaid in 2002. The security deposits provided for Trust 2001 Trust amount to €2.1m discounted ($3m undiscounted). This security deposit was written down in full at December 31, 2009 in view of the discounting of future cash flows. The other long-term liabilities were written down by the same amount.
This item also includes the letter of credit for a total of €420,000 ($520,000, undiscounted) which TOUAX SCA obtained for Trust 2001, guaranteed by a bank deposit refundable on expiry of the Trust.

(5) The other trade receivables correspond to payments of legal expenses on behalf of the Trust.

(6) The leasing income corresponds to the net income still to be paid to the Trust at the end of each half-year. The Group pays the Trust monthly down payments on the future distributions.

(7) The income from sales of containers corresponds to the proceeds from sales of the Trust's containers which the Group will have to transfer to the Trust on receipt.

Note 30.4. Further details regarding SRF Railcar Leasing

Leasing of SRF Railcar Leasing's railcars by TOUAX Rail Ltd has the following impact on the Group's accounts (€ thousands):

Recognized in the consolidated income statement

(€ thousands)	**2009**
SRFRL leasing revenues	**914**
Recognized in Consolidated Revenues	914
SRFRL flat-rate operating costs	**(13)**
Recognized in Consolidated Purchases and other External Expenses	(13)
Net leasing income distributable to SRF Railcar Leasing	**(810)**
Recognized in Consolidated Leasing Income Due to Investors	(810)
Total (a)	**91**

1) Operational expenditure corresponds to storage and maintenance costs, payment of the network of agents, and all operating expenses in general which are contractually deducted from the net income distributable to SRF Railcar Leasing.
(2) Distributions to SRF Railcar Leasing correspond to the net income from operating the railcars, after deducting the management commission of TOUAX Rail Ltd which totaled €810,000 at December 31, 2009.
(3) The total corresponds to the management commission received by the Group for managing the equipment belonging to SRF Railcar Leasing.

Recognized in the consolidated balance sheet

(€ thousands)	**2009**
Loan to SRFRL	**4,282**
Recognized in Consolidated Financial Fixed Assets	4,282
Recognized in Consolidated Assets	4,282
Net leasing income due to SRF Railcar Leasing	**371**
Recognized in Consolidated Operating Liabilities	371
Recognized in Consolidated Liabilities	371

The Group granted a loan of €4.3m to SRF Railcar Leasing in order to finance 25.75% of the railcar purchases. The Group must in fact finance 25.75% of SRF Railcar Leasing's mezzanine debt. At December 31, 2009 the Group did not have any stake in SRF Railcar Leasing. However, the Group has undertaken to acquire a 25.75% interest before the end of the first quarter of 2010.

20.2. Financial Statements

The consolidated financial statements are presented in Section 20.1 page 42.

20.3. Auditorship

20.3.1. Statutory auditors' report on the consolidated financial statements

Financial year to December 31, 2009.

To the shareholders,

In accordance with the engagement entrusted to us by your General Meeting, we present our report on the fiscal year to December 31, 2009 regarding:

• Our audit of the consolidated financial statements of TOUAX, as appended to this report.

• Basis of our assessments.

• Specific checks provided for by the law.

The consolidated financial statements were closed by the management. It is our responsibility to give an opinion on these financial statements, based on our audit.

1. Opinion regarding the consolidated financial statements

We have carried out our audit in accordance with the standards for professional practice applicable in France. These standards require controls to be carried out in order to obtain reasonable assurance that the consolidated financial statements do not include material misstatements. An audit involves checking, by sampling or other methods of selection, the evidence for the facts and figures included in the consolidated financial statements. It also involves an assessment of the accounting principles applied, the significant estimates made, and the general presentation of the accounts. We consider that the information we have collected provides a sufficient and appropriate basis for our opinion.

We certify that the consolidated financial statements comply with the IFRS as adopted within the European Union, and give a true and fair view of the assets, financial situation and earnings of the Group which is made up of the persons and entities included within the scope of consolidation.

Without calling into question the opinion given above, we draw your attention to the Note in the Notes to the Consolidated Financial Statements which states the changes in the accounting policy resulting from the application of new standards and interpretations from January 1, 2009.

2. Basis of our assessments

In accordance with article L 823-9 of the French Commercial Code relating to the basis of our assessments, we bring the following facts to your attention:

• Notes 1.6, 1.8, 1.9 and 1.18 of the Notes to the Consolidated Financial Statements specifying the methods of valuation, underlying assumptions and assessments determined by the Management as regards the main long-term assets. We have examined the methods used by the management to determine the assumptions applied and their implementation, as well as the information provided in the Notes.

• Note 13 of the Notes to the Consolidated Financial Statements states the deferred tax assets and liabilities. Our audit involved examining the documents available and assessing the relevance of the assumptions applied and the reasonableness of the valuations made.

The assessments made in this way are part of our approach to auditing the consolidated financial statements, taken as a whole, and therefore contributed to the opinion given in the first part of this report.

3. Specific checks

In accordance with the standards for professional practice applicable in France, we have also carried out the specific checks provided for by the law of the information relating to the Group provided in the management discussion and analysis.

We have no comments to make regarding their sincerity and consistency with the consolidated financial statements.

Paris and Neuilly-sur-Seine, April 8, 2010

Statutory Auditors

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

20.3.2. Special report of the statutory auditors on the regulated agreements and commitments

Financial year to December 31, 2009.

To the shareholders,

In our capacity as Statutory Auditors of your company, we present our report on the regulated agreements and commitments.

It is not our role to discover the existence of agreements or commitments but to inform you, based on the information provided to us, of the main characteristics and terms and conditions of those agreements or commitments which have been brought to our attention, without having to give an opinion on their usefulness or legitimacy. Pursuant to article R. 226-2 of the French Commercial Code, it is your responsibility to assess the benefits of entering into these agreements and commitments, in order to approve them.

1. Agreements and commitments authorized during the fiscal year

No agreement or commitment subject to the provisions of Article 226-10 of the French Commercial Code has been brought to our attention.

2. Agreements and commitments approved during previous fiscal years that remained in force during the fiscal year

In accordance with the French Commercial Code we have been informed that the following agreements and commitments approved in previous fiscal years, remained in force during the last financial year.

A fiscal integration agreement was concluded between TOUAX SCA and its subsidiaries TOUAX Construction Modulaire SAS, TOUAX Containers Services SAS, TOUAX River Barges SAS, TOUAX Solutions Modulaires SAS and TOUAX Corporate SAS:

• Each subsidiary recognizes in its accounts the income tax expense as if it was taxed separately.

• The parent company TOUAX SCA recognizes as an expense or as income the difference between the group's tax liability and the total income tax expense booked by the subsidiaries.

This total expense amounted to €496,161 for FY 2009, and since the fiscally integrated group had no tax liability, an income tax benefit was booked for this amount for TOUAX S.C.A., offset by a current account receivable from the beneficiary subsidiaries.

We have carried out the controls that we considered necessary in accordance with the principles of the French Institute of Statutory Auditors (CNCC) relating to this engagement. These controls involved checking the consistency of the information given to us with the reference documents that it came from.

Paris and Neuilly-sur-Seine, April 8, 2010

Statutory Auditors

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

20.3.3. Fees of the statutory auditors

(€ thousands)	Deloitte & Associés				Leguide, Naïm & Associés				Other firms			
	Amount		%		Amount		%		Amount		%	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
AUDIT												
Auditorship, certification, inspection of individual and consolidated financial statements	**341**	**346**	**83%**	**81%**	**72**	**72**	**100%**	**100%**	**84**	**66**	**100%**	**100%**
- TOUAX SCA	93	93	23%	22%	40	40	56%	56%	84	66	100%	100%
- Consolidated subsidiaries	248	253	61%	59%	32	32	44%	44%				
Other controls and services directly connected with the audit engagement	**69**	**83**	**17%**	**19%**								
- TOUAX SCA	27	39	7%	9%								
- Consolidated subsidiaries	42	44	10%	10%								
Subtotal	**410**	**429**	**100%**	**100%**	**72**	**72**	**100%**	**100%**	**84**	**66**	**100%**	**100%**
OTHER SERVICES PROVIDED BY AUDIT FIRMS TO FULLY-CONSOLIDATED SUBSIDIARIES												
- Legal, tax & social security services												
- Other services												
Subtotal												
Total	**410**	**429**	**100%**	**100%**	**72**	**72**	**100%**	**100%**	**84**	**66**	**100%**	**100%**

20.4. Date of the last financial information

The last fiscal year for which the financial information has been audited ended on December 31, 2009.

20.5. Interim financial reports and other reports

Not applicable.

20.6. Dividend distribution policy

The company has a policy of regular distribution of an annual dividend. The dividend varies according to the results. It has no set distribution rule such as a fixed percentage of net income or of the share price. On January 12, 2009 the company paid an interim dividend of €0.50 per share. The Managing Partners will ask the General Meeting of June 10, 2010 to authorize payments of a dividend of €1 per share.

Dividends unclaimed for five years are paid to the deposit and consignment office by the body responsible for dividend distribution.

20.6.1. Dividend history

(in €)	2006	2007	2008
Net dividend	0.75	1.00	1.00
Number of shares	**3,887,654**	**3,892,987**	**4,672,730**
Dividend	2,915,741	3,892,987	4,672,730
General Partners' statutory compensation	215,943	698,003	1,040,550
Total distributed	**3,131 ,684**	**4,590,990**	**5,713,280**

20.7. Legal and arbitration proceedings

No governmental, legal or arbitration proceedings (including all proceedings that the Group is aware of that are pending or with which it is threatened) have had or could have material effects on financial situation or profitability of the Group in the last twelve months.

20.8. Significant changes in the financial or trading situation

No significant change has taken place in the Group's financial or trading situation since the end of the last fiscal year for which audited financial statements have been published.

21. Additional information

21.1. Share capital

History of the share capital at December 31, 2009

Date	Share capital	Issue premium	Accumulated number of shares	Par value	Transactions
1976	3,121,200		62,424	FRF 50	Capitalization of reserves, bonus issue of 5,675 shares (1 new share for 10 old shares).
1978	3,433,300		68,666	FRF 50	Capitalization of reserves, bonus issue of 6,242 shares (1 new share for 10 old shares).
1980	4,119,950		82,399	FRF 50	Capitalization of reserves, bonus issue of 13,733 shares (1 new share for 5 old shares).
1986	25,324,500		253,245	FRF 100	Capitalization of reserves, bonus issue of 202,596 shares (4 new share for 1 old share worth FRF 100).
1990	33,766,000		337,660	FRF 100	Capitalization of reserves, bonus issue of 84,415 shares (1 new share for 3 old shares).
1992	45,021,300		450,213	FRF 100	Capitalization of reserves, bonus issue of 112,553 shares (1 new share for 3 old shares).
	56,276,600	3,376,590	562,766	FRF 100	Issue of 112,553 shares at FRF 130 (1 new share for 3 old shares) – Amount of the increase in cash FRF 14,631,890.
1994	68,782,400	5,627,610	687,824	FRF 100	Issue of 125,058 shares at FRF 145 (2 new share for 9 old shares) – Amount of the increase in cash FRF 18,133,410.
1995	103,173,600		1,031,736	FRF 100	Capitalization of reserves, bonus issue of 343,912 shares (1 new share for 2 old shares).
1998	103,173,600		2,063,472	FRF 50	Par value halved.
	103,206,650		2,064,133	FRF 50	661 shares created following the merger with Financière TOUAX.
1999	110,922,000	31,000,824	2,218,444	FRF 50	Issue of 154,307 shares following exercise of stock warrants (1 share for 5 stock warrants).
2000	118,255,300	28,744,171	2,365,106	FRF 50	Issue of 146,666 shares following the capital increase reserved for ALMAFIN.
2001	141,906,350		2,838,127	FRF 50	One-for-five bonus issue.
	22,705,016		2,838,127	€8	Share capital converted into euros.
2005	22,793,024	44,004	2,849,128	€8	Issue of 11,001 shares following exercise of 11,001 stock warrants.
	30,119,352	10,630 ,896	3,764,919	€8	Issue of 915,791 shares following exercise of stock warrants (3 shares for 7 stock warrants).
2006	31,084,152	1,529,167	3,885,519	€8	Issue of 120,600 shares following the capital increase reserved for SALVEPAR.
2007	31,132,032	5,985	3,891,379	€8	Issue of 5,985 shares following exercise of 23,940 redeemable stock warrants.
	31,181,632	6,200	3,897,704	€8	Exercise of 6,200 stock options.
2008	31,183,048	3,594	3,897,881	€8	Issue of 177 shares following exercise of 708 redeemable stock warrants.
	37,419,656	17,072,714	4,677,457	€8	Issue of 779,576 shares following exercise of stock warrants (1 share for 5 stock warrants).
	37,421,768	5,289	4,677,721	€8	Issue of 264 shares following exercise of 1,000 redeemable stock warrants.
	37,463,768	90,090	4,682,971	€8	Exercise of 5,250 stock options.
2009	37,463,848	190	4,682,981	€8	Issue of 10 shares following exercise of 36 redeemable stock warrants.
	45,085,824	10,537,382	5,635,728	€8	Issue of 952,747 shares with withdrawal of preemptive rights and with a priority period.
	45,502,608	528,173	5,687,826	€8	Issue of 52,098 shares following the option for payment of the dividend in shares.

Information concerning issue authorizations in progress at December 31, 2009

On June 10, 2009 the General Meeting delegated the following issue authorizations to the management committee:

Authorization date	Authorization of issue with preemptive right	Authorization of issue without preemptive right	Authorization reserved for employees
Combined General Meeting of June 10, 2009	€20 million(1)	€20 million(1)	None
Delegation date			
June 26, 2009		€7.6 million	
Total available at December 31, 2009	**€12.4 million**	**€12.4 million**	-

(1) The ceiling of €20,000,000 is the maximum amount authorized for all capital increases in par value.

These authorizations are valid for a period of 26 months from June 10, 2009 and render ineffective all previous delegations with the same purpose.

All dilution instruments granting access to the share capital are presented in Section 17 page 38 of this document.

21.1.1. Subscribed capital

The share capital is fully subscribed and paid-up.

21.1.2. Securities not representing capital

There are no securities not representing capital.

21.1.3. Composition of the capital

At December 31, 2009 the capital comprised 5,687,826 fully paid-up shares with a par value of €8, representing 6,114,087 voting rights.

21.1.4. Potential capital

Details of the stock options and warrants granted by TOUAX SCA are given in the notes to the consolidated financial statements Section 20.1 page 42.

21.1.5. Unpaid capital

Not applicable.

21.1.6. Conditional or unconditional agreements

Not applicable.

21.1.7. Capital history

Cf. paragraph 21.2 page 107.

21.2. Share price data

21.2.1. Share price history

On May 7, 1906 the TOUAX share was listed on the Paris Stock Exchange on the spot market. It was transferred to the Second Market on June 14, 1999. Following the revision of the quotation, TOUAX has been listed on compartment C of the NYSE Euronext Paris market since January 1, 2009. On January 1, 2008 TOUAX was listed on compartment B. In 2008 it was listed in the SBF 250 and CAC Small 90 indexes.

21.2.2. The TOUAX share price

At the end of 2009 the TOUAX share was worth €22.30, up 29.30% compared to the price at December 31, 2008 (€17.25). The highest price during the year was €24.97 on October 8, 2009, and the lowest price was €14.45 on March 12, 2009.

At December 31, 2009 the Group's market capitalization was €126.84m.

(in €)	2005	2006	2007	2008	**2009**
Consolidated figures					
Total number of shares at December 31	3,764,929	3,885,519	3,897,704	4,682,971	5,687,826
Net dividend per share(1)	0.70	0.75	1.00	1.00	1.00
Total dividend for the fiscal year	2,635,450	2 ,719 ,863	3,897,704	4,682,971	5,687,826
Dividend increase	55%	3%	43%	20%	21%
Share price ratios					
Net earnings per share	1.4	1.86	3.01	3.72	2.73
p/e ratio(3)	16.75	13.49	13.35	4.79	8.94
Total return on the share(2)	2.99	2.99	2.5	5.8	4.5
Share price data					
Maximum share price	23.72	27.30	41.99	40.60	24.97
Minimum share price	19.25	20.00	22.50	16.63	14.45
Price at December 31	23.45	25.10	40.19	17.25	22.30
Market capitalization at December 31 (€m)	88.29	97.53	156.65	80.78	126.84
Average daily volume of transactions (€000)	94.04	135.95	209.49	158.76	97.60
Average daily number of shares traded	4,385	5,578	6,177	4,968	5,002

(1) 2009 dividend figures are drawn up on the basis of the proposal by the Management to the General Meeting.
(2) The total return on the share in 2009 is calculated based on the price at December 31, 2009.
(3) Price/earnings ratio.

21.2.3. Trading levels over the last eighteen months

TOUAX shares are listed on compartment C, NYSE EURONEXT in Paris. ISIN FR0000033003 –Reuters TETR. PA– Bloomberg TOUPFP equity.

(€)	Highest price	Lowest price	Last price	Number of securities traded	Amount of capital traded (*€ thousands*)
September 2008	34.76	31.75	32.00	97,290	3,217.21
October 2008	32.00	20.36	20.42	132,486	3,274.55
November 2008	23.97	18.00	18.80	60,019	1,285.34
December 2008	18.98	16.63	17.25	82,084	1,494.50
January 2009	19.84	16.80	17.05	86,256	1,587.75
February 2009	17.70	16.32	16.74	42,336	718.89
March 2009	17.72	14.45	16.60	60,944	984.99
April 2009	16.60	15.30	15.96	72,832	1,162.29
May 2009	19.24	16.00	19.95	332,096	5,790.13
June 2009	21.20	18.40	19.29	144,775	2,861.92
July 2009	20.00	18.45	19.85	51,924	999.09
August 2009	21.16	18.81	20.00	20,253	1,661.08
September 2009	24.10	19.58	22.80	149,105	3,303.40
October 2009	24.97	22.54	23.3	131,731	3,165.86
November 2009	23.48	21.20	21.50	55,517	1,249.96
December 2009	22.35	21.20	22.30	64,823	1,401.42
January 2010	24.97	22.16	22.81	139,835	3,330.29
February 2010	23.61	17.13	21.84	46,075	1,014.58

21.2.4. Strict Conditions for altering shareholders' rights

Not applicable.

21.2.5. Conditions governing General Meetings

Cf. paragraph 21.3 extract concerning General Meetings page 108.

21.2.6. Provisions restricting change of control

Cf. paragraph 21.3. Provisions of the articles of association (extracts) page 108.

21.2.7. Crossing of thresholds

Cf. Paragraph 21.3 the extract concerning Crossing of Thresholds page 108.

21.2.8. Strict provisions restricting changes in the share capital

Not applicable.

21.3. Provisions of the articles of association (extracts)

Form (Article 1)

The joint-stock company named "TOUAX SGTR-CITE-SGT-CMTE-TAF-SLM Touage Investissement réunies", whose registered office is located at 5, rue Bellini, Tour Arago, Puteaux La Défense, 92806 FRANCE, was converted into a partnership limited by shares, by decision of the Extraordinary General Meeting of June 30, 2005.

The partners are as follows:

› Firstly, the General Partner(s) named in these Articles of Association, who are indefinitely, jointly and severally liable for the partnership's debts, i.e.:

• Société Holding de Gestion et de Location, a simplified joint-stock company (SAS), share capital €37,000, whose registered office is located at 5, rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, registered on the Nanterre register of companies under reference number 484 322 342, represented by Mr. Raphaël Colonna Walewski, born October 22, 1966 in Neuilly-sur-Seine, 92200 FRANCE, residing at 16, rue du Printemps, Paris 75017 FRANCE, a French citizen.

• Société Holding de Gestion et de Participation, a simplified joint-stock company (SAS), share capital €37,000, whose registered office is located at 5, rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, registered on the Nanterre register of companies under reference number 483 911 178, represented by Mr. Fabrice Colonna Walewski, born October 14, 1968 in Neuilly-sur-Seine 92200 FRANCE, residing at 46, avenue de Madrid, Neuilly-sur-Seine, 92200 FRANCE, a French citizen.

› and secondly, the holders of shares currently in existence or that may be created in future, having the capacity of limited partners, who are referred to in the current Articles of Association as "the shareholders" or "the limited partners", and who are only liable for the partnership's debts up to the amount of their capital contribution.

Object of the partnership (Article 2)

The object of the partnership is in particular, in all countries:

• To purchase, lease, finance, sell, operate and maintain any standardized, mobile equipment, including shipping or storage containers, modular buildings, river barges and railcars.

• To operate river push-towing, towing, haulage, transport and chartering services on all waterways.

• To design, build, fit out, repair, purchase, sell, operate directly or indirectly and lease modular and industrialized buildings, and all industrial, mobile and transportable equipment in general.

• To acquire holdings in and operate any business or enterprise of an identical, similar or related nature, whether by forming new companies, capital contributions, subscribing or purchasing shares or other rights in such enterprises, by merger, association, or in any other way.

• To acquire, obtain and sell all types of patents, patents of addition and licenses of patents and processes.

• To acquire interests of any kind in any industrial, financial or commercial corporation, any corporation dealing in real or movable property, in existence now or in the future, in France or abroad.

• To acquire, operate, build or in any way develop any kind of land or buildings.

• In general, to carry out any commercial, industrial or financial transaction involving real or movable property directly or indirectly related to the above objects which may further the development of the partnership's business.

Partner's rights over the profits (extract from Article 20)

Rights to the partnership's profits, reserves, and the liquidation surplus are allocated as follows:

• A sum shall be deducted from the profit for the financial year, less any losses brought forward, and allocated to the legal reserve. After this deduction, a sum shall be allocated to the General Partners equal to a share of the consolidated net earnings (Group's share) of the partnership, calculated according to the formula specified in Article 15.5 of the Articles of Association.

• The remainder of the profit after the above deductions shall either be distributed as a dividend on all shares or allocated to one or more non-interest-bearing extraordinary, general or special reserve funds, as decided by the General Meeting on the proposal of the management.

The General Meeting may also decide to distribute any amount from the reserves at its disposal, expressly indicating which reserves the withdrawals are made from.

General Partners' entitlement to profits (Article 15.5)

In view of their unlimited liability, the General Partners are entitled to compensation paid out of the partnership's net income after taxes, shared equally between them. From 2005, this compensation shall be 3% of the consolidated net income after taxes (Group's share). From 2007, the amount deducted from the partnership's earnings and allocated as compensation to the General Partners shall be increased by an amount equal to 1% of the consolidated EBITDA of the TOUAX Group, after deducting the leasing income due to investors. The EBITDA is the consolidated gross operating margin after deducting net operating provisions This compensation shall be payable at the same time as the dividend paid to shareholders, or failing that, within sixty (60) days of the General Meeting called to approve the financial statements.

Members of the Supervisory Board (extract from Article 12 "Supervisory Board")

The members of the Supervisory Board are appointed by the Ordinary General Meeting for a period of one year (Article 12.1).

Each member of the Supervisory Board must own at least 250 of the partnership's shares (Article 12.2).

General Meetings (extract from Article 18 "Meetings of limited partner shareholders")

The provisions applicable to meetings of limited partner shareholders shall be those provided for by the law for joint-stock companies.

General meetings shall be convened at the registered office or any other place indicated in the notice of meeting, by the management, the Supervisory Board or failing that, by the statutory auditor(s). (Article 18.2 "Notice of meeting – Agenda".)

Except in the cases expressly provided for by the law, all shareholders, regardless of the number of shares owned, are entitled to attend the general meeting and to take part in its decisions in person, by proxy, or by absentee vote, upon providing proof of identity and share ownership in either registered form or by depositing bearer securities at the places specified in the notice of meeting, no later than three days before the date of the meeting. (Article 18.3 "Admission – holding of meetings").

Voting rights (extract from Article 9 "Rights attached to each share")

Double voting rights are allocated to all fully paid-up shares which can be shown to have been registered in the name of the same shareholder for at least five years.

Double voting rights attached to shares existing prior to the conversion of the company into an SCA (partnership limited by shares) shall be maintained.

In addition, in the event of a capital increase through the incorporation of reserves, profits or issue premiums, double voting rights shall be granted, from the date of issue, to registered shares allotted free of charge to shareholders on the basis of existing shares for which they have double voting rights (extract from Article 9.4).

Form of the shares (extract from Article 7)

Until they are fully paid-up, the shares must be in registered form, held in the name of the holder on an account held by the company or a representative appointed by it. Fully paid-up shares can be in registered or bearer form, at the shareholder's discretion, subject to legal or statutory provisions in force, in particular the laws and regulations concerning shares held by members of the Supervisory Board and the Managing Partners.

The shares are recorded in the accounts in accordance with legal and statutory provisions in force and may be assigned by transfer from between accounts.

Transfer of shares (extract from Article 8)

Shares are assigned by transfer between accounts, in accordance with legal provisions.

Identifiable bearer securities

The partnership may at any time apply to SICOVAM for the identity of the holders of bearer securities.

Amendments to the articles of association

The Extraordinary General Meeting of June 30, 2005 changed the company's legal form from a joint-stock company, TOUAX SA, to a partnership limited by shares, TOUAX SCA.

Article 6 "Share Capital» of the Articles of Association was amended following the exercise of stock warrants on October 7, 2005, November 28, 2005, February 6, 2006, June 18, 2007, December 12, 2007, February 11, 2008, March 12, 2008, June 18, 2008, June 30, 2008, January 6, 2009, June 26, 2009 and July 9, 2009.

Crossing of thresholds

Only the legal thresholds must be respected.

22. Significant contracts

There are no significant contracts other than those entered into in the normal course of business.

There are no contracts other than those entered into in the normal course of business, concluded by any members of the Group and including provisions imposing on any member of the Group a significant obligation or commitment for the Group as a whole, at the date of the registration document.

23. Information from third parties, declarations of experts and declaration of interests

23.1. Contact details of the experts

Not applicable.

23.2. Certificate of compliance of the declarations of experts

Not applicable.

24. Documents accessible to the public

For the period of validity of this reference document, the Articles of Association, auditors' reports and financial statements for the last three fiscal years, as well as all reports, correspondence and other documents, historical financial information regarding TOUAX SCA, the Group, and its subsidiaries for the last three fiscal years, valuations and declarations drawn up by experts, when these documents are provided for by the law, and all other documents provided for by the law, can be consulted at the partnership's headquarters. In addition, it should be noted that the reference documents, including the financial statements and auditors' reports are available online on the Group's website (www.touax.com).

25. Information regarding holdings

The Group indirectly owns a significant US-registered subsidiary, Gold Container Corp. Key figures for this company are given in paragraph 7.2 page 30.

The Group indirectly owns a significant Irish-registered subsidiary, TOUAX Rail Ltd. Key figures for this company are given in paragraph 7.2 page 30.

All the Group's holdings are presented in the Notes to the Consolidated Financial Statements Note 2.2 page 59.

26. Reports of the Managing Partners

26.1. Management discussion and analysis

Developments in the performance of the TOUAX Group.

TOUAX is a business services Group which specializes in operating leases.

The Group's distinguishing feature is its experience of more than a hundred years in the leasing of four types of standardized mobile equipment, all with a long service life (15 to 50 years):

• Shipping containers, with a fleet of almost 500,000 TEU capacity (Twenty foot Equivalent Unit, the measure used for container capacity) all over the world, making it the largest container Group in Continental Europe and eighth largest worldwide (source: Containerisation International; Market analysis: container leasing market 2009).

• Modular buildings for use as offices, schools, hospitals, used by industry, local authorities and the construction industry. TOUAX is the second largest European rental company and fourth largest worldwide, with a fleet of nearly 40,000 units in Europe and the USA (source: TOUAX).

• River barges for lease and for dry bulk freight in Europe, the USA and South America. The Group is one of the leading players in Europe, with available tonnage (transport capacity) of over 400,000 tonnes (source: TOUAX).

• Railcars used for carrying goods, for railway networks and by big industrial groups in Europe and the USA. The Group manages a fleet of almost 7,500 railcars.

TOUAX is ideally placed to cater for the rapid growth in outsourcing by companies of their non-strategic assets and their use of leasing, which makes it possible to offer:

• a flexible short or long term contract,

• no capital expense for the customer,

• subcontracting of maintenance,

• rapid availability.

The Group's origins date back to 1853. The TOUAX Group was set up in 1898 and has been listed on the Paris Stock Exchange since 1906.

International Financial Reporting Standards (IFRS)

The 2009 consolidated financial statements and comparatives have been prepared according to IFRS, in accordance with the regulations in force.

Amendments to the Articles of Association

Article 6 (Share Capital) of the Articles of Association has been amended following the capital increases due to the exercise of redeemable stock warrants, the capital increase with withdrawal of the pre-emptive subscription right and with a priority period, and the option for dividend payment in shares.

Changes in the scope of consolidation

There were no changes in the consolidation perimeter in 2009. All companies were fully consolidated at December 31, 2009.

2009 business review

The Group's consolidated sales amounted to €271.8m compared to €368.7m in 2008, i.e. a drop of €96.9m (26%).

Analysis by business

Operating revenues by business *(€ thousands)*	**2009**	2008 proforma	Variation 2009/2008	Variation %
SHIPPING CONTAINERS	**89,067**	**205,868**	**(116,801)**	**-57%**
Leasing revenues	87,438	85,161	2,277	3%
Sales of equipment etc.	1,629	120,707	(119,078)	-99%
MODULAR BUILDINGS	**88,069**	**87,338**	**731**	**1%**
Leasing revenues	69,259	64,720	4,539	7%
Sales of equipment etc.	18,810	22,618	(3,808)	-17%
RIVER BARGES	**26,892**	**24,975**	**1,917**	**8%**
Leasing revenues and transport	16,688	24,134	(7,446)	-31%
Sales of equipment etc.	10,204	841	9,363	1113%
RAILCARS	**67,673**	**50,503**	**17,170**	**34%**
Leasing revenues	33,361	31,482	1,879	6%
Sales of equipment etc.	34,312	19,021	15,291	80%
Other (sundries and eliminations)	**71**	**64**	**7**	**11%**
TOTAL	**271,772**	**368,748**	**(96,976)**	**-26%**

Analysis by geographical area

Operating revenues by geographical zone

(€ thousands)	**2009**	2008 Proforma	Variation 2009/2008	%
International	90,489	206,689	(116,200)	-56%
Europe	175,810	154,362	21,448	14%
USA	5,473	7,697	(2,224)	-29%
Total	**271 ,772**	**368,748**	**(96,976)**	**-26%**

For the modular buildings, river barges and railcars businesses, the services, markets and customers are in the same location. For the shipping containers business, the location of the customers and assets are different. Shipping containers are used on hundreds of trade routes throughout the world and the Group is not aware of their location. Shipping containers are therefore classified in the international zone.

The €96.9m (26%) drop in revenues has the following breakdown:

› Shipping Containers Division

Revenues of the Shipping Containers Division fell by €116.8m (57%) compared to 2008. This decrease is mainly due to the lack of sales following the stopping of investments and the corresponding sales of shipping containers to investors. Leasing revenues for the division continued to rise (+3%) thanks to the investments made in 2008 and effective protection provided by the long-term contracts.

› Modular Buildings Division

The revenues of the Modular Buildings Division remained stable and amounted to €88m compared with €87.3m in 2008. The dynamism of the rental business (up 7%) offset the drop in revenues from sales. The division managed to conquer new market shares in a difficult context with utilization rates up since April 2009.

Variations in the Polish zloty and the Czech crown had a considerable negative impact. In constant currency, the leasing revenues would have increased by 11% compared with the actual increase of 7% at December 31, 2009.

› River Barges Division

The increase in the revenue of the River Barges Division (8%) is mainly due to sales of river barges to a financial institution under operational leases for a total of €10.2m. On the other hand, leasing and transport revenues fell by 31%, mainly due to the decline in the chartering business on the Rhine.

› Railcars Division

The revenue of the Railcars Division amounted to €67.7m, up 34% compared with €50.5m in 2008. Sales of equipment increased by €15.3m, i.e. 80%. This increase is mainly due to syndications for railcars with third-party investors, while the Group retains the management.

Results

Income statement *(€ thousands)*	**2009**	2008	Variation 2009/2008
SHIPPING CONTAINERS			
Gross operating margin (EBITDA)	53,276	63,267	(9,991)
Segment result before distribution to investors	51,384	62,313	(10,929)
Leasing income due to investors	(50,142)	(51,744)	1,602
Segment result after distribution to investors	1,242	10,569	(9,327)
MODULAR BUILDINGS			
Gross operating margin (EBITDA)	33,111	31,770	1,341
Segment result before distribution to investors	19,287	21,088	(1,801)
Leasing income due to investors	(3,693)	(4,653)	960
Segment result after distribution to investors	15,594	16,435	(841)
RIVER BARGES			
Gross operating margin (EBITDA)	4,499	5,407	(908)
Segment result before distribution to investors	1,911	3,250	(1,339)
Leasing income due to investors	(114)	(274)	160
Segment result after distribution to investors	1,797	2,976	(1,179)
RAILCARS			
Gross operating margin (EBITDA)	19,220	18,891	329
Segment result before distribution to investors	17,024	16,763	261
Leasing income due to investors	(7,949)	(8,728)	779
Segment result after distribution to investors	9,075	8,035	1,040
TOTAL			
Gross operating margin (EBITDA)	110,106	119,335	(9,229)
Segment result before distribution to investors	89,606	103,414	(13,808)
Leasing income due to investors	(61,898)	(65,399)	3,501
Segment result after distribution to investors	27,708	38,015	(10,307)
Other (sundries and centrally-managed costs)	590	(571)	1,161
Other operating revenues and expenses	3,121	(3,121)	6,242
Operating result	**31,419**	**34,323**	**(2,904)**
Financial result	(13,020)	(13,992)	972
Profit before tax and extraordinary items	**18,399**	**20,331**	**(1,932)**
Taxes	(4,244)	(3,546)	(698)
Consolidated net income	**14,156**	**16,786**	**(2,630)**
Minority interests	38	53	(15)
Net income (Group's share)	**14,194**	**16,839**	**(2,645)**

› Shipping Containers Division

At December 31, 2009 the Shipping Containers Division showed a drop of €10m (17.3%) in its EBITDA, and of €9.3m in its segment result after net distributions to investors (down 88%). This drop is not only due to the lack of sales of containers to investors, but also to the fall in leasing prices and utilization rates, combined with an increase in storage costs.

› Modular Buildings Division

The gross operating margin of the Modular Buildings Division rose by €1.3m in 2009. This was due to the new product investments at the Group's assembly plants in France and the Czech Republic, the conquest of new market shares and a recovery in the utilization rates since April 2009. The segment result after net distributions to investors was down €0.8m.

› River Barges Division

The gross margin of the River Barges Division's fell by €0.9m and the segment result after net distribution to investors fell by €1.2m. These decreases are mainly due to the new investments made in 2009 which will only be productive from 2010.

› Railcars Division

The gross operating margin of the Railcars Division rose by €0.3m. The segment result after net distribution to investors rose by €1m. This rise is the result of an increase in assets under management (up 12.7%) and an increase in railcar sales to investors.

Distribution to investors

The Group manages equipment belonging to investors, to whom it distributes the net income generated by this equipment (i.e. the distribution to investors).

Distributions to investors totaled €61.9m (compared with €65.4m in 2008), broken down as follows:

- €50.1m for the Shipping Containers division,
- €3.7m for the Modular Buildings division,
- €0.1m for the River Barges division,
- €8m for the Railcars division.

The overall drop in distributions to investors is the result of the reduction in profitability of the equipment under management, caused by the fall in the utilization rates and leasing prices due to the economic crisis.

It should be noted that the leasing revenues include both rents received on behalf of third parties and rents belonging to the Group. It is not necessary to calculate the revenue received on behalf of third parties. This revenue is generated by equipment pools in which the Group owns some of the equipment. Nevertheless, the variation in the ratio of leasing revenue/revenue from sales, together with the variation in the ratio of leasing revenue on behalf of third parties/leasing revenue belonging to the Group, produces the variation in the rate of distribution of the revenues. In other words, the higher the level of leasing revenue received on behalf of third parties, the higher the rate of distribution of the revenue. In 2009, the decline in profitability of equipment managed was not offset by the new management programs. This decline in profitability generated a drop in the proportion of rent received on behalf of third parties, which in turn led to a decrease in the distributions to investors. It should be noted that in 2009 the Group managed equipment worth €1.3bn, of which 63% belonged to third parties. In 2008 the Group managed equipment worth €1.2bn, of which 66% belonged to third parties. The percentage of total leasing revenues distributed to investors fell from 31.8% in 2008 to 29.9% in 2009.

Operating result after distribution to investors

The operating result after distribution to investors corresponds to the operating income as defined by the French National Accounting Council (CNC).

The operating result after distribution to investors amounted to €28.3m, down €9.1m (24%) compared with €37.4m in 2008. This drop is due to a fall in the utilization rates and leasing prices, aggravated by a rise in operational expenditure, general operating expenses and centrally-managed costs. The operational expenditure increased, in particular with rises in the cost of storage, handling and repairs, linked to the drop in the utilization rates. The general operating expenses and centrally-managed costs increased due to the recruitment of employees in 2008 and 2009 to strengthen the management platforms after several years of rapid growth.

Other operating revenues and expenses

The loss of €3.1m in 2008 was the result of a provision to compensate for the increase in the purchase prices of railcars intended to be rented out under a financial lease. The rise was to have been avoided by ordering additional railcars from a manufacturer, but it was thought more prudent not to go ahead in view of the low demand expected in 2009. In 2009 it was possible to renegotiate this financial lease and the option to purchase was cancelled, making it possible to redefine the contract as an operating lease. As a result, the provision and the loss funded in 2008 for a total of €3.1m were reversed.

Financial result

The 2009 financial result of -€13m comprises a net foreign exchange loss of €0.2m and a net financial expense of €12.8m. At December 31, 2009 the gross financial debt amounted to €336.6m with an average interest rate of 3.37% before hedging and of 3.42% after hedging. For the record, the 2008 financial result (-€14m) comprised a foreign exchange gain of €0.7m and a net financial expense of €14.7m. At December 31, 2008 the gross financial debt amounted to €297.9m with an average interest rate of 4.38%.

Net income, Group's share

The income tax expense amounted to €4.2m in 2009 compared with €3.5m in 2008. The increase in the income tax expense is due to the increase in the effective tax rate to 23% compared with 17% in 2008. The change in the tax rate is due to a higher contribution to earnings than in 2009, by countries with a high tax rate. However, the tax rate of the Group remains low and is mainly due to the contribution to the Group's income from countries such as Ireland (corporation tax rate 12.5%), Poland (19%), the Czech Republic (19%), Singapore (18%), Romania (19%) and the Netherlands (25%).

The Group's share of consolidated net income was €14.2m, down 16% compared with the income for 2008 (€16.8m).

Net earnings per share amounted to €2.73 (compared with €3.72 in 2008), for a weighted average number of shares of 5,198,689 in 2009.

Consolidated balance sheet

The consolidated balance sheet totaled €564.1m in 2009 compared with €501.5m in 2008.

Non-current assets totaled €367m compared with €311.2m in 2008, and shareholders' equity totaled €129m compared with €102.5m. The increase in non-current assets reflects the proprietary acquisitions of new equipment, financed by a capital increase and bank loans. The rise in shareholders' equity is due to undistributed income in cash, and the capital increase carried out in June 2009.

Non-current liabilities amounted to €228.2m, down €23.2m compared with €251.4m in 2008. Consolidated net financial indebtedness (after deducting cash and marketable securities) amounted to €301.8m in 2009 compared with €262.1m in 2008. The increase in indebtedness linked to the capital increase and the cash flows generated by the divisions made it possible to finance new investments of €84m.

Individual financial statements

The sales revenue of TOUAX SCA amounted to €1.8m in 2009 compared with €3.2m in 2008. The fall of 43.7% is due to the decline in services provided by the company, in particular due to the lack of sales this year by the Group's shipping containers business. TOUAX SCA provides advisory services to its subsidiaries, and has a real estate business. The net return amounted to €2.1m compared with €2.8m in 2008. This income mainly comprised dividends received from subsidiaries which amounted to €1.2m together and its financial revenue generated by the loans granted to its subsidiaries. The balance sheet of TOUAX SCA totaled €228.3m compared with €194.7m in 2008. The TOUAX SCA balance sheet mainly comprised its holdings on the assets side, and the financing of the holdings on the liabilities side.

Non-deductible expenses amounted to €110,500. These expenses mainly correspond to exchange losses (€34,000), the provision for paid leave (€44,000), the contribution to the National Independent Old-Age Insurance Fund for Self-Employed Persons in Manufacturing or Trading Occupations (ORGANIC) and expenses for private passenger type vehicles.

Foreseeable changes

The International Monetary Fund predicts a return to growth for world trade in 2010 and forecasts remain positive (+3.3% IMF –January 2010; +5.5% Clarkson Research Services– February 2010). However, growth is not evenly spread, with weak growth in developed countries and strong growth in developing countries (BRIC).

The lack of worldwide production of shipping containers since September 2008, combined with a 5% reduction in the fleet available on the market, limits overcapacity. The recovery in trade between Asian countries over the past six months has boosted demand for leasing of new containers by shipping companies.

The Modular Buildings Division continues to conquer new markets thanks to its numerous advantages over traditional buildings, and benefits from various European recovery plans aimed at infrastructure and the construction industry. The development of new products should make it possible to win shares of the market in sales.

River transport remains the most ecological method of transport: it consumes 3.7 times less oil, emits 4 times less CO2 and costs 7 times less than road transport. These advantages give it a preferential position for obtaining support from major industrial groups and public authorities in favor of alternative means of transport.

The Railcars Division benefits from the structural need to renew the European fleet, and from the economic and ecological advantages of rail transport. In view of the crisis which reduced demand in 2009, and the production lead times, few deliveries of new railcars are expected in 2010. On the other hand, a gradual increase in utilization rates for existing fleets is predicted for 2010, and a recovery is expected in 2011.

The low level of leasing prices should continue to have an impact on the Group in 2010, but its diversification, its positioning on markets that will be structurally buoyant in future, its adaptable and flexible model of third-party asset management and proprietary asset management, and the recurring nature of its long-term contracts will enable it to continue to withstand the crisis and to benefit from the recovery. An additional presentation of the Group's outlook made at the meeting of the French Society of Financial Analysts (SFAF) of March 26, 2010 is given in paragraph 28.6 page 137.

Changes in accounting methods

None.

Post-balance sheet events

TOUAX paid an interim dividend totaling €2.8m on January 12, 2010.

In January 2010 TOUAX carried out a capital increase of €4,080 following the exercise of 2,000 redeemable stock warrants with an issue premium of €10,082.24.

TOUAX bought back the 2006 and 2008 stock warrants from the company officers and managers of the Group, i.e. 69,573 2006 stock warrants and 177,500 2008 stock warrants using the Black-Scholes pricing method. These warrants will be cancelled as a result.

26. Reports of the Managing Partners

Results of the company during the last five fiscal years (individual financial statements)

(€ thousands)		2005	2006	2007	2008	**2009**
I	**SHARE CAPITAL AT YEAR END**					
	a) Share capital	30,119,352	31,084,152	31,181,632	37,463,768	45,502,608
	b) Number of existing ordinary shares	3,764,919	3,885,519	3,897,704	4,682,971	5,687,826
II	**OPERATIONS AND RESULTS FOR THE YEAR**					
	a) Revenue excluding taxes	29,533,885	38,985,605	2,408,077	3,198,103	1,793,708
	b) Earnings before tax and calculated charges (depreciation, amortization and provisions)	1,234,925	5,472,897	9,611,480	2,987,900	2,373,085
	c) Corporation tax	41,250	0	0	(47,681)	(496,161)
	d) Employee profit sharing due for the year	none	none	none	none	none
	e) Earnings after tax and calculated charges	1,193,675	1,045,144	10,340,857	2,847,190	2 ,055,054
	f) Distributed income	2,635,443	2,914,139	3,897,704	4 ,682,971	5,687,826 (1)
III	**EARNINGS PER SHARE**					
	a) Earnings after tax but before calculated charges (depreciation, amortization and provisions)	0.32	1.41	2.47	0.64	0.42
	b) Earnings after tax and calculated charges (depreciation, amortization and provisions)	0.31	0.27	2.65	0.61	0.36
	c) Net dividend per share	0.7	0.75	1	1	1
IV	**WORKFORCE**					
	a) Average number of employees during the year	30	30	2	2	2
	b) Total payroll for the year	1,944,918	2,079,070	1,782,577	549,314	681,705
	c) Total social security benefits for the year (social security, welfare benefits etc.)	926,575	1,009,375	247,884	208,427	234,438

(1) Proposal to the General Meeting by the Management Board on 25/03/2010.

Research and development activity

During the 2009 fiscal year the Group incurred R&D expenses for innovative security and thermal insulation solutions for its modular buildings. These costs were booked as charges. For the record, costs of product development and development of the industrial manufacturing process, incurred in 2007 during opening of the modular buildings assembly plant and totaling €0.3m, were capitalized in 2007, in accordance with the regulations in force.

Use of financial instruments by the Group

The Group refinances its operations mainly by variable-rate loans and uses derivative foreign exchange instruments to reduce its exposure to interest rate risk.

Dividend distribution policy

The company implements a regular distribution policy. It has paid a dividend each year since its creation. The dividend varies according to the Group's results. It has no set distribution rule, such as a fixed percentage of net income or of the quoted market price. On January 12, 2010 the company paid an interim dividend.

Dividends unclaimed for five years are paid to the deposit and consignment office by the body responsible for dividend distribution. The dividend history is presented in paragraph 20.6.1 page 105 of the reference document.

	2006	2007	2008
Net dividend	0.75	1.00	1.00
Number of shares	3,887,654	3,892,987	4,672,730
Dividend in euros	**2,915,741**	**3,892,987**	**4,672,730**
General Partners' statutory compensation	215,943	698,003	1,040,550
Total distributed (€)	**3,131,684**	**4,590,990**	**5,713,280**

Statutory employee participation in the company's share capital at December 31, 2009

There was no statutory employee participation in the company's share capital at December 31, 2009.

Cross-shareholding

There is no cross-shareholding (holding of securities of TOUAX SCA by its subsidiaries). The organization chart of the Group is included in the reference document, and the list of subsidiaries is presented in the consolidated financial statements in the reference document.

Treasury shares

At December 31, 2009 the company held 9,043 of its own shares. These shares were acquired following the stock buyback program approved by the Combined General Meeting of June 10, 2009. The history of the treasury shares held by TOUAX is detailed in Section 18 of the reference document.

Stock buyback

The Group bought and sold its own shares via its liquidity contract managed by an investment service provider. A summary of the stock buyback program is given in the reference document in paragraph 18.5 page 41.

Compensation of corporate officers

The compensation of the corporate officers amounted to €690,000 in 2009. This remuneration is detailed in Section 15 of the reference document.

Compensation of the General Partners

The General Partners' compensation corresponds to 3% of the Group's net income plus 1% of the Group's consolidated EBITDA after deducting leasing income due to the investors. In 2009 the General Partners received 3% of the 2008 net income plus 1% of the Group's consolidated EBITDA after deducting the leasing income due to investors, i.e. a total of €1,041,000. This compensation specified in the Articles of Association is considered equivalent to a dividend.

Mandates and duties exercised by the corporate officers

The report of the Chairman of the Supervisory Board specifies the mandates and duties of the corporate officers in the reference document (cf. paragraph 1.4 page 126).

Powers delegated by the General Meeting

The Combined General Meeting of June 10, 2009 authorized the Managing Partners to increase the share capital by €20m in nominal value, by one or more immediate or future capital increases, in cash, with maintenance of preemptive rights, by creating and issuing with a share premium, ordinary shares, warrants and/or any other form of security giving access the company's share capital.

This power was not exercised.

The Combined General Meeting of June 10, 2009 authorized the Managing Partners to increase the share capital by €20m in nominal value, by one or more capital increases, with withdrawal of preemptive rights and with a priority period. The upper limit will be deducted from the upper limit for capital increases with maintenance of preemptive rights. During the first half of 2009 this power was exercised for a total of 952,747 new shares at a price of €19.06 representing a nominal value of €7.6m, i.e. 16% of the share capital at the time of this report.

Bonus shares

None.

Stock options

A breakdown of the stock options is given in the Notes to the Consolidated Financial Statements of the Group, in the reference document Note 21 page 88.

Dealings in securities carried out by the management

Dealings in securities carried out by the managers and the General Partners are as follows:

- Société Holding de Gestion et de Participation SAS, a General Partner of TOUAX SCA, received 193,890 TOUAX shares in January 2009 as a capital contribution from its Chairman, subscribed for 131,164 shares in connection with the capital increase with withdrawal of preemptive rights and with a priority period of TOUAX SCA in June 2009, opted for payment of the dividend in shares i.e. 12,633 shares on July 9, 2009 and acquired 10,986 shares on July 20, 2009, then 4,000 shares on October 14, 2009 and 11,655 shares on December 17, 2009.
- Société Holding de Gestion et de Location SAS, a General Partner of TOUAX SCA, received 193,890 TOUAX shares in January 2009 as a capital contribution from its Chairman, subscribed for 131,164 shares in connection with the capital increase with withdrawal of preemptive rights and with a priority period of TOUAX SCA in June 2009, opted for payment of the dividend in shares i.e. 12,430 shares on July 9, 2009 and acquired 12,056 TOUAX shares on July 9, 2009.
- The Managing Partners sold or assigned as a capital contribution all of their TOUAX SCA shares during the 2009 fiscal year to Société Holding de Gestion et de Participation and Société Holding de Gestion et de Location.

Shareholders

A list of the shareholders, the percentage of shares held, and the thresholds crossed is presented in the reference document in Section 18 page 39.

Employee shareholding

None.

Adjustment in the event of issue of securities giving access to the share capital

Not applicable.

Breakdown of voting rights

There are no categories of shares or securities which do not represent capital. A history of the breakdown of the capital and voting rights is analyzed in the reference document, Section 18.

26. Reports of the Managing Partners

Factors likely to have an impact in the event of a takeover bid

The Dutreil agreement, which came into force on March 16, 2006 between Alexandre, Fabrice and Raphaël WALEWSKI was broken following the assignment of the shares of Fabrice and Raphaël WALEWSKI to Société Holding de Gestion et de Participation and Société Holding de Gestion et de Location, General Partners of TOUAX SCA, of which they are the Chairmen.

Regulated agreements

The regulated agreements are as follows:

Subsidiary concerned	Other agreements
TOUAX CONTAINER SERVICES SAS	Fiscal integration agreement
TOUAX SOLUTIONS MODULAIRES SAS	Fiscal integration agreement
TOUAX CONSTRUCTION MODULAIRE SAS	Fiscal integration agreement
TOUAX RIVER BARGES SAS	Fiscal integration agreement
TOUAX CORPORATE SAS	Fiscal integration agreement

The guarantees, advances and security previously seen as regulated agreements were reclassified by the Supervisory Board on June 10, 2009 as standard agreements.

Risk factors

The main risks, detailed in the paragraph "Risk factors" in the reference document and in the Notes to the Consolidated Financial Statements Note 26 page 91, are as follows:

› Legal risks

Provision is made for these risks as soon as a charge is probable in accordance with Article L 123-20 paragraph 3 of the French Commercial Code.

› Industrial risks and risks linked to the environment

These risks are in particular economic, geopolitical, political, environmental and climatic risks.

› Credit and/or counterparty risk

These are mainly customer credit risks, risk of dependence on a customer or supplier, and counterparty risks linked to financial institutions.

› Operational risk

These are in particular supply, technical, subcontracting, seasonal variation, commercial, management and psycho-social risks.

› Financial risks

These are market risks (interest rate and currency), liquidity risk, and equity risk.

› Insurance – coverage of the risks

The Group has a systematic policy of insuring its tangible assets and its general risks.

Appropriation of the result

The Managers will propose the following appropriation of the result to the next General Meeting on June 10, 2010:

Profit or loss for the fiscal year	2,055,054.03 €
General Partners' Statutory Compensation	-915,627.38 €
Increased by retained earnings	5,063,413.80 €
Profits available for allocation	**6,202,840.45 €**

Allocation to the legal reserve	102,752.70 €
Dividend of €1 per share to 5,687,826 shares	5,687,826.00 €
Balance allocated to Retained Earnings	412,261.75 €
Total profits allocated	**6,202,840.45 €**

Environmental information

The Group does not operate any potentially dangerous industrial sites, classified as Seveso sites. The Group has a Seveso-classified plot which is not used. A site is classified as Seveso if it presents a considerable risk for the neighboring populations in the event of a serious accident.

TOUAX SCA term of payment

In accordance with article D.441-4 of the French Commercial Code, the following table presents the breakdown at December 31, 2009 of the outstanding trade accounts payable by due date. However, since it is the first year of application, no comparative figures from the previous fiscal year are presented for 2009.

Trade accounts payable *(inclusive of tax, in € thousands)*	Not due	Due < 60 days	Due > 60 days	Total trade accounts payable
Foreign trade accounts payable				
- Group	3	7	42	52
- Non-Group	0	0	0	0
French trade accounts payable				
- Group	44	11	21	76
- Non-Group	14	7	117	138
Total	**61**	**25**	**180**	**266**

The outstanding trade accounts payable of €266,000 are included in accounts payable.

Most of the amounts due for over 60 days outside the Group have not been paid because they are in dispute.

Corporate information

The men and women who work for TOUAX are the greatest source of the Group's success: they contribute to improving its performance, day in, day out, in France and abroad.

In spite of the economic crisis and in order to strengthen our management platforms, the Group's workforce was maintained in 2009 and new talents were recruited on all continents, except in the Czech Republic where the Group reduced the workforce at its production unit. The TOUAX Group has 665 employees compared with 724 in 2008, i.e. an overall reduction of 8%. In addition, the Group uses subcontractors to carry out its business. 78% of the staff are men and 22% women. The male/female ratio varies by country and by division, due to the large number of male workers in the production units.

A breakdown of the Group's workforce by geographic location and division is given in Section 17 of the reference document. 30.3% of the Group's employees are located in France, 65% elsewhere in Europe, 3.4% in the USA and 1.3% in Asia.

Although it is present at the international level, TOUAX remains a company on a human scale which gives priority to professionalism and human values.

The HR policy is based on the Group's values, and aims to attract and recruit the finest talents, look after its staff, guarantee equal opportunities both during recruitment and within the firm, and develop programs promoting diversity, for young people (International Voluntary Service in Business, apprenticeship tax) and for older employees.

› TOUAX's values

TOUAX's values are the foundation stone on which all those involved the Group rely in order to meet their long-term expectations. These values demonstrate TOUAX' responsibility to its shareholders, partners, and employees, and to the whole community directly or indirectly affected by the Group's activities.

TOUAX endeavors to ensure that its employees respect the following values in their daily activities:

- Customer satisfaction
- Integrity and honesty
- Open-mindedness
- Responsiveness and reliability
- Team spirit
- Respect
- Personal commitment, pleasure, and pride

› New talent

TOUAX promotes its International Voluntary Service in Business (VIE) policy in order to encourage the integration of young people and introduce them to our businesses through professional assignments abroad.

TOUAX continues to implement its aggressive policy for integrating young people through sandwich courses and accepting trainees throughout the year.

The Group's international scope and the diversity its businesses offer real prospects of advancement to talented employees.

Furthermore, the HR Department is enhancing the quality of the integration of new staff by giving each new employee a Welcome Pack and organizing an integration procedure. This is based in particular on meetings with key employees who will take part in the development of the new recruit. These meetings make it possible to familiarize new workers with their new environment, and help them to learn about TOUAX's businesses and organization.

› Training

TOUAX' training policy is designed to offer all employees the training needed to perform their duties as effectively as possible, and to progress.

In particular, TOUAX has emphasized training in communication skills, giving priority to high quality exchanges between employees.

TOUAX is also continuing its first aid initiatives by training certain employees as First Aid Officers, and teaching them to use defibrillators, through the French Red Cross.

26. Reports of the Managing Partners

› Directory of capabilities

In order to prepare for and conduct appraisal interviews effectively, a directory of capabilities has been created and introduced to supplement the conventional annual appraisal interview form. This tool helps to assess employees' general and managerial skills in order to identify possibilities for development and progress.

The capabilities are the same for all employees of the Group, and can exercised within any area of responsibility whatsoever, regardless of hierarchical position, job or geographic location. They reveal the observable behaviors, attitudes, and ways of doing things which make for success in a given task. They embody TOUAX's values, and are essential for the future of the Group.

› Social measures

For the past four years TOUAX has chosen to pay all of the apprenticeship tax to the following schools that specialize in the integration of the disabled into working life: Ecole IMG Leonce Malecot in Saint-Cloud, Clermont-Ferrand Trades Institute, INJA Paris, Impro Morphange, André Beule Institute in Nogent Le Rotrou, and IME l'Espoir in L'Isle Adam.

The Group has signed an agreement with the association Zy'va. The aim of this association is to "facilitate the integration of young people into society by putting in place activities making it possible to take care of young people in difficulty". It is for this purpose that TOUAX has undertaken to recruit young people under vocational contracts, as well as to provide tutorship. TOUAX enables its employees to sponsor a child/adolescent/student in the medium or long-term, to offer support in the various stages of his/her career.

› Disabled workers

The Group promotes the recruitment of disabled workers within the group thanks to partnerships with recruitment agencies specialized in disabled workers.

› The over-fifties

In September 2009 TOUAX introduced an action plan aimed at promoting the recruitment of people over the age of 50 and their continuation in employment.

› Stress watchdog

To prevent psycho-social risks more effectively, TOUAX created a Stress Watchdog in 2009, to take stock of the situation and identify factors that increase stress.

Puteaux La Défense, March 25, 2010

Fabrice and Raphaël WALEWSKI
Managing Partners

26.2. Special report of the Managing Partners concerning options

2009 fiscal year

As required under Article L.225-184 of the French Commercial Code, we inform you that no options were exercised during the 2009 fiscal year.

› In addition, 11,001 stock options, each giving entitlement to subscribe for one new share, were allotted by the Combined General Meeting of June 24, 2002 to fourteen beneficiaries at the price of €14.34 per share, i.e. the average listed price over the twenty trading days preceding the allotment date.

These stock options can only be exercised after a 4-year vesting period, and for a period of 4 years beginning June 30, 2006 and ending June 30, 2010 inclusive. In view of the departure of some beneficiaries from the Group, the adjustment of the exercise price as a result of the capital increase in cash carried out in November 2005 and the exercise of stock options, at December 31, 2009 there were 7,200 stock options held by 13 beneficiaries, representing 0.13% of the share capital at that date, exercisable at the price of €13.59.

› In addition, 52,874 stock options, each giving entitlement to subscribe for one new share, were allotted by the Combined General Meeting of June 28, 2006 to ten beneficiaries at the price of €21.56 per share, which was the average listed price over the twenty trading days preceding the allotment date.

These call options can only be exercised after a 2-year vesting period, and for a period of 4 years beginning August 7, 2008 and ending June 6, 2012 inclusive. At December 31, 2009 there were 52,874 stock options held by ten beneficiaries, representing 0.93% of the share capital at that date, exercisable at the price of €20.72.

Puteaux La Défense, March 25, 2010

Fabrice and Raphaël WALEWSKI
Managing Partners

27. Report of the Supervisory Board and of the Chairman of the Supervisory Board

27.1. Report of the Supervisory Board

Ladies and Gentlemen,

In accordance with Article L. 226-9 of the French Commercial Code, we present to your our report on the annual financial statements and the Group's consolidated financial statements.

The Supervisory Board continuously monitors the management of the company. For this purpose it has the same powers as the statutory auditors.

In carrying out its monitoring duties the Supervisory Board is wholly independent, and is entitled to full, transparent, and reliable information on the company and in particular on its accounts, its financial commitments and the risks inherent in its businesses and its environment.

Through its Chairman, the Supervisory Board takes part in divisional supervisory committees. These committees are organized by the Managing Partners and the operational departments, and their purpose is to present the business strategies, in particular the changes in market strategy, geographical strategy, competitive positioning and the progress achieved through previous strategies. Their purpose is also to study significant events occurring during the period in question.

The Supervisory Board checks the individual financial statements and the consolidated financial statements of TOUAX SCA with the help of its audit committee. The audit committee is currently made up of the Chairman of the Board (Alexandre Walewski), Jean-Louis Leclercq and Jérôme Bethbeze (independent director). Alexandre Walewski was the Chairman of the Group's main subsidiaries for 41 years and the Chairman of TOUAX for 25 years, over the course of several decades Jean-Louis Leclercq was the Chief Financial Officer of TOUAX, Chairman of the subsidiaries and then Chief Executive Officer of TOUAX Group, and Jérôme Bethbeze is the Chairman of the Board of Directors of Quilvest Gestion Privé and a member of the French Society of Financial Analysts (SFAF). These members were chosen based on their experience within the Group and their financial expertise.

The Managing Partners' Annual Report and the Financial Statements provided to you show the developments in the Group's business and results during the 2009 fiscal year. The Statutory Auditors have reported the findings of their audits.

The consolidated financial statements show net income (Group's share) of €14.2m in 2009 compared with €16.8m in 2008. The consolidated balance sheet totaled €562m in 2009 compared with €501.5m in 2008.

2009 was marked by a drop in revenues (down 26%), but also by good resistance by leasing revenues (up 1%), by the gross margin (down 7%) and by the net return (down 15.7%) which shows the Group's ability to prove the strength of its business model in the face of the crisis.

Significant events in 2009 were the continuation of a small net increase in the assets managed on behalf of third parties of €11.5m, maintenance of the policy of proprietary investment in equipment (immobilized or stocked) totaling €72.4m financed by the Group's cash flow for a total of €45.5m, capital increases of €18.6m and an increase in the net debt of €39.7m (including €29.4m with recourse and €10.3m without recourse).

The Managing Partners and the Supervisory Board of your company submit for approval by the General Meeting a dividend identical to the previous year of €1 per share, with the second interim dividend of €0.5 payable either in new shares or in cash, according to the shareholder's preference. Although the total amount distributed represents just over a third of the income (40%), the average amounts distributed in the 2008 and 2009 fiscal years represents 33% of the income, which remains the aim of the management. The management proposes to maintain the dividend at the level of 2008, to reward the loyalty of the shareholders who support the Group in its expansion policy, which the Supervisory Board also recommends.

The bank liquidity ratios monitored by the TOUAX Group's banking partners were respected. The gearing ratio (debt with recourse/equity capital) stood at 1.47 at the end of 2009 compared with 1.56 at the end of 2008. The leverage ratio representing the capacity to repay financial debt (net debt with recourse/EBITDA) was longer, with a ratio of 3.86 years in 2009 compared with 2.98 years in 2008. This ratio was successfully renegotiated in order to give the Group greater flexibility.

Taking into account the total debt (with recourse and without recourse) the gearing was 2.3, which is in line with the limits recommended by the Supervisory Board. The leverage ratio is higher than the limit of 5 years recommended by the Supervisory Board, at 6.2 years. This is due to the lower profitability of the Group during the crisis, and the investments made in 2009, for which there is only a gradual increase in leasing income.

On the other hand, the Group's balance sheet was sound at the end of 2009. Against net debts of €301.8m, the Group has in particular (i) net fixed assets, stocks and equipment rented out to customers under financial leases totaling €426m, (ii) goodwill totaling €22m, which does not include the market value of the four management companies (TOUAX Rail Ltd, TOUAX Solution Modulaire SAS, TOUAX Container Services SAS, and TOUAX River Barges SAS) which manage equipment worth €816m on behalf of third party investors in addition to the assets held by the Group.

Forecasts for 2010

TOUAX wishes to take advantage of the opportunities offered by the end of the crisis, in particular with a recovery in existing equipment fleets under management, and investments in new equipment. These investments will be financed by the Group (from its cash flow) and by third party investors, who once again showed an interest in tangible assets offering good rental profitability at the beginning of 2010.

The Group's main competitive advantages are the diversity of its businesses and its geographic positioning as well as the recurrent nature of its income, which for the most part comes from long-term leases. Moreover, operational leasing offers customers an attractive alternative financing solution as the financial crisis comes to a close (outsourcing of investments, flexible contracts, and rapid availability). In the long term, the Group's businesses remain linked to markets that are structurally buoyant for the future, but are still largely financed by third party investors.

The Supervisory Board is therefore able to confirm its confidence in the future of your company and in your Managing Partners, and recommends that you adopt the proposals put to you for approval, and approve the corresponding resolutions.

Puteaux La Défense, March 25, 2010

Alexandre WALEWSKI
Chairman of the Supervisory Board

27.2. Report of the Chairman of the Supervisory Board

Report on the conditions under which the Supervisory Board's work has been prepared and organized, and on the internal control procedures introduced by the company

To the shareholders,

In accordance with Article L.621-18-3 of the French Monetary and Financial Code introduced by the law on financial security (Law No. 2003-106 of August 1, 2003), this report presents the conditions for preparing and organizing the Board's work, and the internal control procedures introduced by TOUAX SCA.

The other Group companies are not covered in this report. Nevertheless, they must to apply the procedures specified by the Group. All the Group's internal control procedures are applied by all subsidiaries in the same way.

This report was prepared by the Group's Administration and Finance Department and its senior management, and was discussed and approved at the meeting of the Supervisory Board of March 25, 2010.

The Board wishes to point out that it conducts its work above all in a collegiate manner, with respect for ethical values, the law, regulations and recommendations.

1. Corporate governance

The company is managed by a Management Board and a Supervisory Board. The business address of the members of the Supervisory Board, the Managing Partners and the General Partners is:

TOUAX SCA
Tour Arago – 5, rue Bellini
92806 Puteaux La Défense cedex – FRANCE

The Management Board, assisted by an Executive Committee and the operational departments, runs the company. The Supervisory Board continually monitors the running of the company by the Management Board.

To the best of our knowledge, no conviction for fraud, bankruptcy, sequestration, liquidation, incrimination, official public sanction or impediment has been pronounced during the past five years against any of the members of the Supervisory Board, one of the Managing Partners, one of the General Partners or a company in which one of the two General Partners is a corporate officer, general partner, founder, or has administrative, management or supervisory duties.

The management expertise and experience of the members of the Supervisory Board are shown by the mandates that they hold in other companies and their length of service with the Group.

In addition, to the best of our knowledge there are:

› No potential conflicts of interest between the duties with regard to TOUAX SCA of any of the members of the Supervisory Board, the Chief Executive Officer or either of the General Partners, and their private interests or other duties.

› No arrangements or agreements between any of the members of the Supervisory Board or senior management, or a General Partner, and any of the main shareholders, customers or suppliers.

› No restrictions on the sale by a member of the Supervisory Board, manager or General Partner, within a certain period of time, of their interest in the Group's share capital.

› No customer service contracts binding the members of the TOUAX SCA Supervisory and Management Boards and a General Partner, to any of its subsidiaries.

Compliance with the rules of good governance: the Corporate Governance Code

› In addition to complying with legal requirements, the Group follows the recommendations for rules of good governance of the Viénot Report, and has decided to adopt the recommendations of the French Association of Private Companies (AFEP) and the French employers' association (MEDEF) which are incorporated in the Corporate Governance Code. TOUAX applies them in particular by having independent members of the Supervisory Board and by organizing and setting the compensation of the Managing Partners and General Partners in the Article of Association. This report is available on the website of the MEDEF www.medef.fr. The application of the recommendations and provisions relating to the remuneration of executive and non-executive company officers is presented in Section 15.

› In accordance with Article L. 225-68 paragraph 8 of the French Commercial Code, this report specifies the provisions of the code that are not applied by the company.

General Partners

TOUAX is a partnership limited by shares (SCA) with two General Partners as stated in the Articles of Association quoted in the "Additional Information" section of the reference document.

› The compensation of the General Partners is determined in the Articles of Association approved by an Extraordinary General Meeting. It represents 3% of the Group's share of consolidated net profit after tax, plus 1% of the TOUAX Group's consolidated EBITDA, after deducting the leasing income due to investors. Based on the net income for the 2008 fiscal year, in 2009 it amounted to €520,000 for Société Holding de Gestion et de Participation and €520,000 for Société Holding de Gestion et de Location. Since the General Partners are themselves corporations, no provisions have been set aside or recognized in respect of pensions or other benefits.

1.1. Management

Since July 28, 2005 the partnership has been managed and administered by a Management Board made up of the two Managing Partners, Fabrice and Raphaël WALEWSKI. They were appointed at the Extraordinary General Meeting of June 30, 2005. They meet as a Board in order to take decisions.

Alexandre Colonna Walewski (Chairman of the Supervisory Board), Raphaël Colonna Walewski and Fabrice Colonna Walewski are first-degree relatives.

In discharging their duties the Managing Partners are assisted by an Executive Committee and the senior management of the operational departments.

The Managing Partners' compensation is determined in the Articles of Association and approved by an Extraordinary General Meeting. It comprises a fixed portion, a variable portion, and a family separation allowance for business trips abroad. The amount of their compensation is presented in the reference document.

27. Report of the Supervisory Board and of the Chairman of the Supervisory Board

Under the Articles of Association (Article 11.5):

Each Managing Partner's annual compensation in connection with the general social security scheme is determined as follows:

› A fixed portion amounting to €129,354, together with benefits in kind up to a limit of 15% of the fixed salary, it being specified that this amount does not include the directors' fees, payments or repayments of expenses received by the Managing Partners in respect of corporate mandates or duties performed in any of the company's subsidiaries, up to a limit of €80,000 per Managing Partner.

› A gross amount of €850 per day during business trips outside France, as a family separation allowance.

› The General Partners may only adjust these amounts within the limit of the cumulative change in the annual inflation rate published by the French national institute of statistics and economic studies (INSEE).

› A variable portion not exceeding 0.50% of the TOUAX Group's consolidated EBITDA, after deducting the leasing income due to investors. For the purposes of this calculation, it is specified that the EBITDA is the consolidated gross operating surplus after deducting the net operating provisions.

The General Partners are free to determine the methods of payment of the Managing Partners' compensation, and may limit its amount. The variable portion is paid, following the General Partners' decision, within sixty (60) days of the General Meeting called to approve the financial statements.

This compensation may be modified at any time by decision of the General Meeting of Shareholders on the proposal of the General Partners after consulting the Supervisory Board, provided both General Partners agree.

All travel and entertainment expenses incurred by the Managing Partners in the interests of the company will be paid by the company.

1.2. The Executive Committee

1.2.1. Composition

The Executive Committee was created in June 1992.

It currently has four members:

Raphaël WALEWSKI
Managing Partner (assumption of duties June 1994)

Fabrice WALEWSKI
Managing Partner (assumption of duties June 1994)

Stephen PONAK
Managing Director – Asset Management
(assumption of duties January 1998)

Thierry SCHMIDT de LA BRÉLIE
Administration and Finance Officer
(assumption of duties March 2005)

1.2.2. Functioning

The committee meets regularly (twice a month as a rule) to conduct the actual management of the company and its subsidiaries.

Its main missions are:

› to perfect the Group's strategy and the investment and financial strategies,

› to monitor and control the Group's businesses,

› to monitor and manage risks,

› to decide on investments and disposals.

The committee met 23 times during 2009, with all members attended each meeting.

Financial committee meetings of a technical nature are also held at least twice a month, between certain members of the committee. In addition, the Group's directors occasionally attend the Executive Committee meetings to discuss specific matters.

1.2.3. Compensation

The gross compensation of the four members of the Executive Committee amounted to €1,050,000 in 2009.

1.2.4. Stock options and share subscription warrants allotted to the Executive Committee

Three stock option plans were introduced in the company, in 2000, 2002 and 2006. Under these plans 20,270 options were allotted to certain members of the Executive Committee, of which 1,000 stock options were exercised in 2007, and 2,000 in 2008. The 2000 plan has expired. At December 31, 2009, 60,074 stock options were still exercisable, all of which were in the money at the time of writing of this report.

On August 7, 2006 the Management Board issued stock warrants of which 23,191 were subscribed for by Fabrice Walewski and 23,191 for by Raphaël Walewski. They entitle the holder to acquire one new share at the price of €23.83. None of these warrants had been exercised at 31 December 2008. On October 22, 2009, the Management Board approved the repurchase of these stock warrants by TOUAX SCA at a price calculated according to the Black-Scholes method. These warrants were cancelled as a result.

In accordance with the authorization granted by the Extraordinary General Meeting of February 8, 2008, the Management Board issued 200,000 stock warrants on February 11, 2008. 50,000 stock warrants were subscribed for by Fabrice Walewski and 50,000 for by Raphaël Walewski. On November 5, 2009, the Management Board decided to allow the holders of the 200,000 stock warrants to swap their warrants for TOUAX shares. The General Meeting of warrant holders of December 22, 2009 approved the terms of the transaction whereby the company buys back the warrants from each of the holders, who then use the cash received to purchase TOUAX shares existing on the market. On December 22, 2009, the Management Board confirmed the conditions for carrying out the transaction. 177,500 warrants were then repurchased by TOUAX SCA in January 2010 and cancelled as a result.

On February 2, 2007 the Management Board issued redeemable equity warrant bonds. At December 31, 2008, 213,032 redeemable stock warrants (BSAR) had been subscribed for or bought by Fabrice Colonna Walewski, and 212,532 by Raphaël Colonna Walewski. Four BSARs give entitlement to 1.019 shares at the price of €28.30 per share. At December 31, 2009, no BSARs had been exercised by Fabrice Colonna Walewski or Raphaël Colonna Walewski.

The stock warrants allotted previously have either been exercised or have expired.

1.3. Supervisory Board

1.3.1. Composition of the Supervisory Board

In accordance with legal provisions and the Articles of Association, the Supervisory Board comprises a minimum of three and a maximum of twelve members, appointed by the General Meeting of Shareholders for one year. The Supervisory Board currently has seven members.

Four of the seven members of the Supervisory Board are regarded as independent with regard to the criteria specified in the Viénot II Report and repeated in the AFEP/MEDEF report. These reports on corporate governance specify that a member of the Supervisory Board is independent and disinterested if "he or she has no relationship whatsoever with the company, the Group to which it belongs, or its management, that might compromise the exercise of his or her freedom of judgment". The definition also includes in particular a time criterion: the member must "not have been a Director or member of the Board for more than twelve years".

The members of the Supervisory Board do not belong to the Group's workforce.

1.3.2. Rules of procedure of the Supervisory Board

The work of the Supervisory Board is governed by rules of procedure that are intended to complete the laws, regulations and Articles of Association, which the Board and its members do of course respect. The rules of procedure specify the methods of functioning of the Board, in the interests of the company and all of its shareholders, and the functioning of the committees that members of the Supervisory Board belong to, to which it entrusts preparatory missions for its work.

These rules are likely to be amended by the Board, in view of changes in the law and regulations, and also in its own method of functioning. They are available on the Group's website: www.touax.com.

1.3.3. Organization of the Supervisory Board

In accordance with legal provisions and the Articles of Association, the Supervisory Board continually monitors the management of the company.

The work of the Board is organized by its Chairman. Meetings of the Board are held to inspect and control the management and the sincerity of the annual and half-year financial statements closed by the Managing Partners, analyze the budget, review the businesses and check the quality of the press releases regarding results before they are published, as well as whenever they are required by the course of business, or considered necessary by the Board. The special items included on the agendas for the meetings in 2009 were: presentation of the new statutory auditors; appointment of a new independent member of the audit committee; the capital increase; the reclassification of regulated agreements as standard agreements; analysis of the resolutions of the General Meeting of Shareholders; the rules of procedure of the Supervisory Board and Audit Committee; assessment of the Board's work, and the interim dividend.

The Chairman

› receives the documents prepared by the company's internal departments under the authority of the Managing Partners;

› organizes and manages the work of the Supervisory Board;

› ensures that the members of the Board are able to perform their mission, and in particular makes sure that they have the information and documents needed to carry out their mission;

› makes sure that the representatives of the staff representative bodies are convened regularly, and have the information and documents needed to carry out their mission.

The Supervisory Board is assisted by an Audit Committee.

1.3.4. Functioning of the Supervisory Board

The Supervisory Board is convened by the Chairman by a letter sent two weeks before the meeting.

The Supervisory Board met four times during the past fiscal year. The attendance rate was 100%.

The Statutory Auditors are invited to all Supervisory Board meetings that inspect the annual or half-year financial statements.

The regulations regarding insider dealing apply to the members of the company's Supervisory Board.

1.3.5. Assessment of the functioning of the Supervisory Board

During 2009, an assessment of the Supervisory Board was carried out in-house by means of a written questionnaire sent by letter to the members of the Board, in order to find out at the last meeting their opinions on its methods of functioning, composition and organization. The questionnaire concerned the composition of the Board, the passing on of information to the members, the frequency and length of the meetings, the subjects dealt with, the quality of the discussions, the work of the Audit Committee, the compensation of the Board and suggested improvements.

The Board members consider that they have total freedom of judgment. This freedom of judgment enabled them to take part in the Board's work and collective decisions with total independence. Throughout the year the Supervisory Board received regular and reliable information. It appreciated the way in which presentations were made during the meetings and their quality, the exhaustiveness of the information made available to it, and the cooperation with the management.

The Audit Committee examined the individual and consolidated financial statements and reported its findings to the Supervisory Board.

The Board considers that it is in a position to exercise its supervisory mission in a constructive manner.

Areas for improvement were suggested and decided on at the end of this assessment, in particular regarding increasing the length the meetings according to the topics dealt with, strengthening the Board by including the manager of a company with a different business from that of the Group, and organizing Board meetings at a production plant.

1.3.6. Minutes of the meetings of the Supervisory Board

The Supervisory Board appoints a secretary at each meeting. The secretary draws up the minutes of the meeting which are validated by the Chairman and submitted for approval to the next Board meeting. They are then signed by the Chairman and a member of the Board, and included in the minute book.

1.3.7. Compensation of the Supervisory Board

The compensation of the Supervisory Board totaled €56,000 in the 2009 fiscal year, in accordance with the level of directors' fees set by the Extraordinary General Meeting of June 10, 2009.

The Ordinary General Meeting of June 10, 2010 will be invited to approve compensation of €63,000 for the 2010 fiscal year.

50% of the directors' fees were allocated as a fixed payment, and 50% was paid according to their actual presence at Board meetings. The Chairman of the Supervisory Board receives double directors' fees.

27. Report of the Supervisory Board and of the Chairman of the Supervisory Board

1.4. Current mandates

It should first be noted that:

› The gross compensation of the corporate officers in 2009 amounted to €778,800.

› Fabrice and Raphaël Walewski have invested in assets operated by the company. These investments are governed by a Code of Practice which has been approved by the Supervisory Board. The managers receive the same conditions for management of their assets as those offered to third party investors. The revenues from such managed assets are not guaranteed by the Group; the management fees charged by the Group are the same as those charged on the market, and the assets are managed indiscriminately in existing equipment pools. The sums invested amount to approximately €1m.

› In addition, the General Partners own equipment worth €2m managed by the Group, under the same terms as described above.

1.4.1. Raphaël WALEWSKI – Managing Partner

Company offices and commencement dates:

- Director in 1994 (directorship ended July 28, 2005).
- Chief Executive Officer in 1999, 2001, 2003 and 2005.
- Chairman in 1998, 2000, 2002 and 2004.
- Deputy CEO in 2005 until the company's change of form on July 28, 2005.
- Managing Partner since 2005.

Age: 43

Director of the following Group companies:

EUROBULK TRANSPORTMAATSCHAPPIJ BV, GOLD CONTAINER Corporation, GOLD CONTAINER FINANCE Corporation, GOLD CONTAINER LEASING PRIVATE LTD, GOLD CONTAINER INVESTMENT LTD, INTERFEEDER-DUCOTRA BV, MARSTEN/THG MODULAR LEASING Corporation WORKSPACE PLUS D/B/A, SIKO CONTAINERHANDEL GmbH, SIKO POLSKA Sp.zo.o., TOUAX Sk, TOUAX Sro, TOUAX BV, TOUAX CAPITAL SA, TOUAX CONTAINER LEASE RECEIVABLES Corporation, TOUAX Corporation, TOUAX EQUIPMENT LEASING Corporation, TOUAX ESPANA SA, TOUAX FINANCE Inc., TOUAX LEASING Corporation, SERVICIOS FLUVIALES SA, TOUAX NV, TOUAX RAIL FINANCE Ltd, TOUAX RAIL INVESTMENT Ltd, TOUAX RAIL Ltd, TOUAX ROM SA.

Raphaël WALEWSKI did not directly hold any shares in TOUAX SCA at December 31, 2009.

1.4.2. Fabrice WALEWSKI – Managing Partner

Company offices and commencement dates:

- Director in 1994 (directorship ended July 28, 2005).
- Chief Executive Officer in 1998, 2000, 2002 and 2004.
- Chairman in 1999, 2001, 2003 and 2005 fiscal years until the company's change of form on July 28, 2005.
- Deputy CEO in 2004.
- Managing Partner since 2005.

Age: 41

Director of the following Group companies:

EUROBULK TRANSPORTMAATSCHAPPIJ BV, GOLD CONTAINER Corporation, GOLD CONTAINER FINANCE Corporation, GOLD CONTAINER LEASING PRIVATE LTD, GOLD CONTAINER INVESTMENT LTD, INTERFEEDER-DUCOTRA BV, MARSTEN/THG MODULAR LEASING Corporation WORKSPACE PLUS D/B/A, SIKO CONTAINERHANDEL GmbH, SIKO POLSKA Sp.zo.o., TOUAX Sk, TOUAX Sro, TOUAX BV, TOUAX CAPITAL SA, TOUAX CONTAINER LEASE RECEIVABLES Corporation, TOUAX Corporation, TOUAX EQUIPMENT LEASING Corporation, TOUAX ESPANA SA, TOUAX FINANCE Inc., TOUAX LEASING Corporation, SERVICIOS FLUVIALES SA, TOUAX NV, TOUAX RAIL FINANCE Ltd, TOUAX RAIL INVESTMENT Ltd, TOUAX RAIL Ltd, TOUAX RAIL ROMANIA SA, TOUAX ROM SA.

Fabrice WALEWSKI did not directly hold any shares in TOUAX SCA at December 31, 2009.

1.4.3. Alexandre WALEWSKI – Chairman of the Supervisory Board and member of the Audit Committee

Company offices and commencement dates:

- Director in 1977.
- Chief Executive Officer from July 1977 to December 1997.
- Chairman of the Supervisory Board since 2005.

Age: 76

His directorship ended on July 28, 2005.

Alexandre Walewski was appointed as a member of the Supervisory Board at the Extraordinary General Meeting of June 30, 2005 and elected Chairman at the Supervisory Board meeting of September 29, 2005. His term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew his term of office for a further year.

Alexandre WALEWSKI directly held 532,792 shares in TOUAX SCA at December 31, 2009.

1.4.4. Serge BEAUCAMPS – member of the Supervisory Board

Company offices and commencement dates:

Age: 86

His directorship ended on July 28, 2005.

Serge BEAUCAMPS was appointed as a member of the Supervisory Board at the Extraordinary General Meeting of June 30, 2005. His term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew his term of office for a further year.

Serge BEAUCAMPS held 3,332 shares in TOUAX SCA at December 31, 2009.

1.4.5. Jean-Louis LECLERCQ – member of the Supervisory Board and member of the Audit Committee

Company offices and commencement dates:

Age: 78

Other corporate offices held: Navidor SARL, Chief Executive Officer; Oustal Quercynois SCI, Manager: l'Horte Occitan, Manager.

Jean-Louis LECLERCQ was appointed as a member of the Supervisory Board at the Extraordinary General Meeting of June 30, 2005. His term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew his term of office for a further year.

Jean-Louis Leclercq held 247 shares in TOUAX SCA at December 31, 2009.

1.4.6. Jérôme BETHBEZE – member of the Supervisory Board and member of the Audit Committee

Company offices and commencement dates: director in 2004.

Age: 48

Other corporate offices held: Chairman of the Board of Directors of Quilvest Gestion Privée, member of the French Society of Financial Analysts (SFAF).

Jérôme BETHBEZE was appointed as a member of the Supervisory Board at the Extraordinary General Meeting of June 30, 2005. His term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew his term of office for a further year.

Jerôme BETHBEZE held 350 shares in TOUAX SCA at December 31, 2009.

1.4.7. Jean-Jacques OGIER – member of the Supervisory Board

Company offices and commencement dates: member of the Supervisory Board in 2007.

Age: 63

Jean-Jacques OGIER was appointed as a member of the Supervisory Board to represent SALVEPAR at the Combined General Meeting of June 29, 2007, and then in his own right at the Combined General Meeting of June 10, 2009. His term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew his term of office for a further year.

Jean-Jacques OGIER did not hold any shares in TOUAX SCA at December 31, 2009.

1.4.8. François SOULET DE BRUGIERE – member of the Supervisory Board

Company offices and commencement dates: member of the Supervisory Board in 2008.

Age: 56

Other corporate offices held: Vice-Chairman of the Supervisory Board of the Dunkirk Major Sea Port; Director of the La Rochelle Business School group, and President of the French Ports Association (UPF).

François SOULET de BRUGIERE was appointed as a member of the Supervisory Board at the Combined General Meeting of June 18, 2008. His term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew his term of office for a further year.

François SOULET DE BRUGIÈRE held 412 shares in TOUAX SCA at December 31, 2009.

1.4.9. Sophie DEFFOREY-CREPET – representative of AQUASOURCA, member of the Supervisory Board

Company offices and commencement dates: member of the Supervisory Board in 2008.

Age: 55

Other corporate offices held: Chairwoman of AQUASOURCA and director of GL Events and Chapoutier.

Sophie DEFFOREY-CREPET was appointed as a member of the Supervisory Board at the Combined General Meeting of June 18, 2008. Her term of office ends at the next Ordinary General Meeting of June 10, 2010. That meeting will be asked to renew her term of office for a further year.

AQUASOURCA held 54,007 shares in TOUAX SCA at December 31, 2009.

1.4.10. Summary of the terms of office

	Term of office in progress	Term of office held during the last five years	Term of office expired
Fabrice Colonna Walewski[1]	Managing Partner	yes	
Raphaël Colonna Walewski[1]	Managing Partner	yes	
Alexandre Colonna Walewski[1]	Member of the Supervisory Board	yes	
SHGL[1]	General Partner	no	
SHGP[1]	General Partner	no	
Aquasourça	Member of the Supervisory Board	no	
Serge Beaucamps	Member of the Supervisory Board	yes	
Jérôme Bethbèze	Member of the Supervisory Board	no	
Jean-Louis Leclercq	Member of the Supervisory Board	yes	
Jean-Jacques Ogier	Member of the Supervisory Board	no	
Salvepar		no	Member of the Supervisory Board
François Soulet de Brugière	Member of the Supervisory Board	no	

(1) Fabrice Colonna Walewski, Raphaël Colonna Walewski, Alexandre Colonna Walewski, the companies SHGL and SHGP do not hold any offices outside the TOUAX Group.

1.5. The Audit Committee

The Audit Committee was created at the meeting of the Supervisory Board of January 30, 2006. It began its mission by checking the 2005 financial statements. The Audit Committee comprises three members, Mr. Alexandre WALEWSKI –Chairman of the Supervisory Board– Mr. Jean-Louis LECLERCQ –member of the Supervisory Board and Mr. Jérôme BETHBEZE– member of the Supervisory Board.

Alexandre WALEWSKI was Chairman of the Group for 20 years, Jean-Louis LECLERCQ was Chief Financial Officer for many years and was then appointed Chief Executive Officer and Jérôme BETHBEZE is Chairman of the Board of Directors of Quilvest Gestion Privée, a management company belonging to Quilvest Banque Privée, itself a subsidiary of Quilvest, an asset management group. These members were selected for their financial expertise and their experience of the Group.

TOUAX notes that the Audit Committee has one independent member, Mr. Jérôme BETHBEZE according to the criteria for the independence of a member of the Supervisory Board specified in the Viénot Report II, repeated in the AFEP/MEDEF report. Mr. Jean-Louis LECLERCQ and Mr. Alexandre WALESWKI are not considered as independent as defined in the AFEP/ MEDEF recommendations, since Jean-Louis LECLERCQ has been a director/member of the Supervisory Board for over 12 years and Alexandre WALESWKI is related to the Managing Partners and in addition holds over 10% of the share capital of TOUAX SCA.

The committee met twice in 2009. The attendance rate was 100%.

It dealt with the following matters in particular:

• inspection of the annual and half-year financial statements for the 2009 fiscal year;

• checking that the accounting and financial reporting process complies with legal and statutory requirements;

• the main strategic projects;

• analyzing the management of legal and financial risks;

• ensuring that a procedure for identifying and monitoring risks is in place;

• analyzing and assessing internal control;

• examining the Statutory Auditors' annual audit programs;

• examining the main elements of the financial communications;

• assessing whether shareholders' rights are respected.

During its meetings the Audit Committee held discussions in particular with the Statutory Auditors, the Administration and Finance Officer and the Managing Partners.

It should be noted that since the members of the Audit Committee are members of the Supervisory Board, they do not belong to the Group's workforce.

1.6. Methods of participation by shareholders in General Meetings

Participation in the General Meetings is limited to the shareholders of TOUAX SCA, regardless of the number of shares that they hold.

1.6.1. Shareholder credentials

Registered shareholders

Holders of registered shares do not have to carry out any formalities to prove that they are shareholders.

Holders of bearer shares

Holders of bearer shares must prove their ownership by requesting a certificate of shareholder status from their financial intermediary (bank or stockbroker which manages the securities account in which the TOUAX shares are registered). This certificate must be submitted together with an admission card to the TOUAX SCA legal department.

The shares must have been registered or the certificate submitted no later than midnight (Paris time) three working days before the date of the meeting.

Proof of identity must be shown on entering the General Meeting.

1.6.2. Voting rights

Shareholders may exercise their voting rights in one of four ways:

• by attending the General Meeting in person: an admission card must be requested from the TOUAX SCA legal department. If, however, this admission card is not received in time, holders of bearer shares may nevertheless attend the meeting provided that they present a certificate of shareholder status issued by the intermediary holding the account within the three days preceding the General Meeting;

• by giving proxy to the chairman of the General Meeting;

• by giving proxy to a third party (spouse or another shareholder of TOUAX SCA);

• by postal vote.

For those unable to attend the General Meeting in person, a single form for postal or proxy voting is available to shareholders on request by registered letter with acknowledgement of receipt received at the registered office at least six days before the meeting.

To be valid this form must be filled in, signed, and have reached the registered office at least three days before the meeting. Owners of bearer shares must enclose their certificate of shareholder status with the form.

If the shares are sold between the expression of voting intention and midnight (Paris time) three working days before the General Meeting, the financial intermediary holding the account must notify the sale and pass on the necessary information. If the shares are sold after that time, the certificate of shareholder status will remain valid, and the assignor's vote will be counted.

1.7. Factors likely to have an impact in the event of a takeover bid (Article L.225-100-3 of the French Commercial Code)

TOUAX SCA is a partnership limited by shares. This legal form is generally regarded as giving protection from takeover bids. There are no other factors of likely to have an impact in the event of a takeover bid.

1.8. Presentation of the delegations of powers under the new Article L.225-136 of the French Commercial Code

The ruling of January 22, 2009 amended Article L.225-136 of the French Commercial Code, concerning capital increases with withdrawal of preemptive rights, by allowing private placements (i.e. without a public offering) up to a limit of 20% of the share capital.

The Combined General Meeting of June 10, 2009 delegated the following issue authorizations to the Management Board:

Authorization date	Authorization of issue with preemptive right	Authorization of issue without preemptive right with priority period	Authorization reserved for employees
Combined General Meeting of June 10, 2009	€20,000,000(1)	€20,000,000(1)	None

(1) The ceiling of €20,000,000 is the maximum amount authorized for all capital increases in par value.

These authorizations were the subject of different resolutions and were approved by the General Meeting of Shareholders. They remain in force for a period of 26 months from June 10, 2009.

TOUAX SCA carried out a capital increase on June 26, 2009 with withdrawal of preemptive rights, replaced by a priority period for shareholders. At the end of the priority period, the capital increase comprised: 370,062 shares applied for as of right under the priority mechanism; 539,534 excess shares; 27,000 shares in connection with the public offering, and 16,151 under the extension clause, i.e. a total capital increase of 952,747 shares representing 16.9% of the share capital.

2. Internal control

The TOUAX Group applies the standard procedure recommended by the French Financial Market Authority (AMF) in January 2007.

2.1. Organization of internal control

2.1.1. Definition

Internal control is defined by the French Institute of Audit and Internal Control (IFACI) as a process implemented by the managers and employees of an organization at any level, intended to continually provide them with a reasonable assurance that:

• transactions are duly carried out, secure and optimized; and that they enable the organization to achieve its basic objects in terms of performance, profitability, and protection of assets;

• financial transactions are reliable;

• laws, regulations and directives are complied with;

• the policies determined by the management are implemented.

2.1.2. Internal control objectives of the company

The company's internal control procedures are intended to ensure that:

• The administrative acts, performance of operations and behavior of the staff comply with the company's business policies defined by the corporate bodies, the applicable laws and regulations, and the values, standards and internal rules of the company.

• The accounting, financial and management information communicated to the corporate bodies gives a true and fair view of the company's activity and situation.

The procedures ensure compliance with management policies, safeguarding of assets, prevention and detection of fraud and errors, the reality and exhaustiveness of accounting records, and the establishing of reliable accounting and financial information within the time allowed.

The company's internal control system cannot totally guarantee that the objectives set will be achieved, since no procedure is infallible.

2.1.3. Scope of internal control

The system of internal control put in place by the company is appropriate for its size.

TOUAX SCA makes sure that this system is applied by its subsidiaries. This system is suited to their characteristics and to the relations between the parent company and its subsidiaries.

2.1.4. Players involved in internal control

Internal control concerns everyone within the company, from the management bodies to each member of staff.

› Supervisory Board

It is the responsibility of the management to given an account to the Board of the essential features of the internal control system.

The Board may use its general powers to carry out the controls and checks that it considers fit, and to take any other action it considers appropriate in this respect.

› Management

The management defines, sets the tone for, and supervises the system that is the best suited to the Group's situation and business.

In this connection, the Managing Partners keep themselves regularly informed of any malfunctions, inadequacies or implementation difficulties and ensure that the necessary corrective action is taken.

› Internal audit

The Group is divided into operational divisions which are fully autonomous. The functioning of the internal control system is assessed by the financial controllers in each division based on requests by the management. There is no dedicated internal audit department at present.

› Company employees

All employees have the knowledge and information required for setting up, operating and monitoring the internal control system at their level of responsibility, according to the targets they are set.

2.1.5. Components of internal control

The main internal control policies are determined according to the company's objectives.

The Group's objectives are defined by the Managing Partners. They concern not only its economic performance but also the areas in which the Group aims to achieve a particular level of excellence.

The objectives are specified for each entity and are clearly explained to the employees so that they understand and adhere to the organization's risk and control policy.

The main components of the internal control system are: (i) organization, (ii) the information system, (iii) risk management, (iv) control activities, and (v) assessment of procedures.

The internal control system put in place by the senior management is in line with the Group's strategy and organization. The system is supported by the operational and functional departments whose mission is to make it known within the organization.

2.2. Identification of risks

To safeguard its future development and the achievement of its objectives, the Group makes sure that it anticipates and manages the risks to which it is exposed in its various sectors. These risks are identified in the Section 4 "Risk factors" page 17 of the reference document. One or more of these risks, or other risks not yet identified or considered as immaterial by TOUAX, could have an adverse effect on the its business, financial situation, profits or share price.

These risks are described in the report of the Managing Partners and are summarized in the following paragraphs.

2.2.1. Financial risks

These are market risks (interest rate and currency), liquidity and/or counterparty risk, and equity price risk.

Managing financial risk is an integral part of managing the company. To monitor this risk more effectively and optimize internal control, the Administration and Finance Department is now divided into four financial business units (shipping containers, modular buildings, river barges and railcars) and of four corporate units (holdings, financing & cash, reporting & consolidation, financial, legal & fiscal communications). This method of organization makes it possible to combine business and technical expertise and as a result to assess risks more effectively.

The aim of the Administration and Finance Department is to rapidly produce accounting information that is reliable and pertinent, to pass on this information, to monitor risk, in particular financial, operational and counterparty risks, to put in place administrative, accounting and financial procedures, to provide legal and fiscal monitoring of the Group and consolidation of the accounts, and to ensure compliance with accounting principles.

All financial transactions are monitored or reviewed daily by the corporate financing and cash department, which deploys the resources required for limiting financial risks.

2.2.2. Legal risks

Legal risks are monitored by the administration and accounting department and the CEOs.

Provision is made for these risks as soon as a charge is probable in accordance with Article L 123-20 paragraph 3 of the French Commercial Code.

2.2.3. Industrial risks and risks linked to the environment

These risks include in particular economic, political, geopolitical, technological, climate and environmental risks.

These risks mainly arise from the company's various activities. Regular reporting to the senior management ensures they are duly monitored.

2.2.4. Risk of dependence

The Group is not significantly dependent on a third party or the public authorities.

2.2.5. Business risk

› **Shipping containers:** The Group considers that, in view of the quality of its customers, it provides high-quality services at competitive prices, and that this gives it a significant competitive advantage.

› **Modular buildings:** To limit this risk the Group has, firstly, diversified into three separate markets (public buildings and works sector, industry and local authorities), and secondly has transferred part of the risk to its own suppliers.

› **Railcars:** the Group takes the view that European governments will continue along the path of deregulation and privatization, which will make rail transport more competitive and increase the volumes transported.

2.2.6. Geopolitical risk

› **Shipping containers:** The geopolitical risk is the risk of cyclical recession and protectionism. The risk is managed by analyzing the breakdown of long-term and short-term leases;

› **River barges:** For rivers such as the Danube that cross several countries, there is a risk concerning the tolls levied by each country on boats using their stretch of the river.

2.2.7. Environmental risk

› **Shipping containers**, **river barges** and **railcars**: The Group has taken out insurance cover against risks connected with the unloading of goods, and obliges its customers to do the same.

Moreover, the Group considers that its activities are not subject to significant environmental risks.

2.2.8. Management risk

A significant proportion of the assets managed by the Group belongs to third party investors or financial vehicles. The Group deals with a number of different investors so as to limit the risk of breaking-off of these management contracts.

2.2.9. Supplier risk

› **Modular buildings:** The Group could be liable in the event of default by a subcontractor, up to the limit of its insurance coverage.

› **River barges:** The Group does not use hedging instruments against changes in the price of oil. To limit this risk most of the Group's transportation contracts are index-linked to changes in the price of oil products.

2.2.10. Climate risk

Inland navigation is dependent on weather conditions. These risks are limited by the fact that the Group is present in different geographic locations.

2.2.11. Risk of container positioning and loss

In the event of container loss, the Group bills its customers for the replacement cost which has been agreed beforehand. Loss or damage due to natural disasters is either covered by the customer's insurance policy or by the policies of the warehouses.

2.2.12. Technological and quality risk linked to modular buildings

The Group invests in high-quality equipment that meets current standards and matches our competitors' products. However, the standards relating to modular buildings are frequently modified.

2.2.13. Raw material prices risk

This risk concerns the purchase of raw materials (significant price changes or unavailability of raw materials). Changes in the price of raw materials are generally passed on to the customer by an increase in the leasing prices.

2.2.14. Insurance – coverage of the risks

The Group has a systematic policy of insuring its tangible assets and its general risks.

2.3. Risk control

Risk management aims to identify and limit risks to the company's assets, resources, personnel, continued existence, profitability, reputation and its values in the broad sense of the term.

Responsibility for monitoring risks is delegated to the various operational and functional departments who implement risk management at the operational level. The operational and functional departments are accountable for the risks inherent in their businesses and give an account to the senior management of the risks identified and the action plans put in place to reduce their exposure.

The Administration and Finance Department is in charge of risk management and directs this system.

The risk management activities are implemented on a daily basis by all members of staff, while performing their duties.

2.4. Management and supervision of the internal control system

2.4.1. Overall organization of internal control

Internal control is based on formalized procedures, the information system and its architecture and the competence and training of the staff.

The primary internal control cycles are income and trade accounts receivable, charges and trade accounts payable, tangible assets, cash and financing. The secondary cycles are inventory and employees/payroll.

2.4.2. Role of internal audit and management control

The object of internal audit and management control is to monitor risk mapping, put in place and control feedback via the various reports, and introduce and monitor the administrative and accounting procedures in liaison with the various accounting departments.

The Group reinforced its management control teams in 2009. Their role is part of a process of continuous improvement in internal control and mainly involves helping to implement the Group's internal control standards and coordinating internal financial control operations in their division. The Group aims to harmonize methods, monitoring, control and reporting in each division.

These employees report to the Administration and Finance Department and the operational departments.

2.4.3. Limits of internal control

Even if it is designed and applied with great care, the internal control system can never totally guarantee that the aims will be achieved. There are limits inherent in every internal control system, such as for example the uncertainties of the outside environment and the need to make judgments.

Furthermore, it is necessary to take into account the cost-benefit ratio when introducing the controls, and not to develop internal control systems that are unnecessarily expensive even if this means accepting a certain level of risk.

2.4.4. General description of the control procedures

› Income and trade accounts receivable

The main objectives are to verify the reality of the income, the valuation of trade accounts receivable and the exhaustiveness of the cash inflows and to monitor counterparty risk.

To achieve these objectives, the management has set up the following method of organization:

• Operating Department: This department is separate from the sales and marketing departments and is mainly responsible for processing and monitoring of the filling of customer orders.

• Trade Credit Department: This department reports to the Administration and Finance Department, and is consulted before an order is processed. It is responsible for dealing with disputes. It draws up the invoices on the basis of information entered in the information system by the Operating Department. The invoices are recorded in the accounts via an automatic and integrated system.

The basic principles of the income-trade accounts receivable cycle are:

• systematic existence of leases entered in the information system;

• integration of the management and invoicing system with the accounting system;

• segregation of duties between the credit department, the operational departments and the cash department;

• the regular supervision of trade credit (DSO – Days Sales Outstanding) by the senior management.

› Charges and trade accounts payable

The main objectives are to check that orders are complete, the deliveries comply with the orders, the charges are exhaustive, the trade accounts payable are properly valued and the payments really exist.

It is organized as follows:

• Operating Department: initiates orders by issuing purchase requests subject to strict limits set by the management. Takes delivery of orders once they are approved and makes sure that the deliveries comply with the orders.

• Management of the Operating Department: Validates purchase requests which are converted into purchase orders. Negotiates prices, chooses suppliers and monitors terms of sale.

• Divisional Operational Department: Responsible for systematic control and approval of invoices.

• Accounts Department: Enters the invoices based on the purchase orders and prepares payments which are approved by the senior management.

The basic principles of the charges-trade accounts payable cycle are:

• purchase order approval;

• checking the delivery slips, work acceptance reports, waybills and invoices against the purchase orders;

• systematic control of invoices by the Divisional Operational Department;

• centralization of payments by the senior management.

27. Report of the Supervisory Board and of the Chairman of the Supervisory Board

› Tangible Assets

The main objective is the protection of the Group's assets.

Twice a year the company conducts a general inventory in collaboration with the operational departments and the administrative and financial departments. Differences are analyzed, justified and presented to the senior management.

› Cash

The objectives are the same as those of the other cycles. They are mainly achieved through strict segregation of duties and the involvement of the senior management.

The main features of internal control for the cash-financing cycle are:

• centralized management of cash flows through monthly monitoring of cash flows;

• monitoring of authorizations, delegations of signature and other bank commitments;

• regular assessment and forecasting of cash requirements.

2.4.5. General description of the procedures for preparing and processing financial and accounting information

Administrative and accounting procedures are in place to ensure that transactions recognized meet the objectives regarding the true and fair nature of the annual financial statements. These procedures are an integral part of the internal control system described above.

They are based on:

• an integrated management and accounting system;

• segregation of duties so far as department size allows;

• supervision and control by operational and functional departments and the senior management.

All financial and accounting information is reported each month to the consolidation department, which checks the consistency of the flows and the methods used. Management control checks the consistency of the data and monitors it. The results and the balance sheets are consolidated each month, and full consolidation is carried out each quarter. The reporting, consolidation and budgetary monitoring procedures in place are designed to ensure compliance with the accounting standards applied by the company.

Monthly monitoring of the results and commitments of the subsidiaries and the Group enables the senior management to check the financial effects of the business strategies pursued, and to compare the results with the Group's budgetary commitments and business plan.

It should be noted that the subsidiaries are regularly visited by the departments (senior management, finance department, operational departments) so as to ensure that the Group's procedures are properly monitored.

2.4.6. Assessment of internal control

There were no significant changes in the procedures for internal control and for the preparation of accounting and financial data in 2009.

Internal control is currently assessed by the various reviews of the Group's and subsidiaries' financial statements conducted at meetings of the companies' boards of directors, by meetings of the Supervisory Board concerning the businesses and of the Audit Committee, as well as by one-off internal audits.

Puteaux La Défense, March 25, 2010

Alexandre WALEWSKI
Chairman of the Supervisory Board

27.3. Statutory auditors' report on the report of the Chairman of the Supervisory Board regarding internal control procedures relating to the drawing up and processing of accounting and financial data

Financial year to December 31, 2009.

To the shareholders,

In our capacity as statutory auditor of TOUAX and in accordance with article L. 226-10-1 of the French Commercial Code, we present to your our report on the report drawn up by the Chairman of your company, in accordance with the provisions of the aforementioned article for the fiscal year to.

It is the Chairman's duty to draw up and submit for approval by the Supervisory Board a report on the internal control and risk management procedures put in place within the company, and providing the other information required under article L. 226-10-1, in particular concerning the system of corporate governance.

It is our duty to:

• give you our comments on the information provided in the Chairman's report concerning the internal control and risk management procedures relating to the drawing up and processing of accounting and financial data, and

• to certify that that report contains the other information required by Article L. 226-10-1 of the French Commercial Code, it being stated that it is not our duty to check the accuracy of that information.

We have carried out audit in accordance with the standards of professional practice applicable in France.

Information regarding the internal control and risk management procedures relating to the drawing up and processing of accounting and financial data

According to the standards of professional practice, audits must be conducted in order to assess the sincerity of the information regarding the internal control and risk management procedures relating to the drawing up and processing of accounting and financial data included in the Chairman's report. These audits involve in particular:

• finding out about the internal control and risk management procedures relating to the drawing up and processing of accounting and financial data underlying the information presented in the Chairman's report as well as the existing documentation;

• finding out what work was done to make it possible to draw up this information and the existing documentation;

• determining whether any major deficiencies in the internal controls system relating to the drawing up and processing of accounting and financial data that we have discovered during our engagement have been duly disclosed in the Chairman's report.

Based on these audits, we have no comments to make regarding the information concerning the company's internal control and risk management procedures relating to the drawing up and processing of the accounting and financial data included in the report of the Chairman of the Supervisory Board, drawn up in accordance with article L. 226-10-1 of the French Commercial Code.

Other information

We certify that the report of the Chairman of the Supervisory Board includes the other information required under article L. 226-10-1 of the French Commercial Code.

Paris and Neuilly-sur-Seine, April 8, 2010

Statutory Auditors

LEGUIDE NAÏM & ASSOCIÉS	DELOITTE & ASSOCIÉS
Charles LEGUIDE	Alain PENANGUER

28. Recently released information

28.1. Press release of January 4, 2010

TOUAX to pay interim dividend

During its meeting of 4 January 2010, and in light of results at 30 November 2009, the Management Board authorized payment of interim dividend of €0.50 per share on 12 January 2009.

28.2. Press release of January 7, 2010

Encouraging signs in the industry in the second half of the year 2009

Despite the general drop in leasing prices during 2009, encouraging signs appeared concerning utilization rates in the second half of year. The shipping container utilization rate increased from 87% at June 30, 2009 to 90% at December 31, 2009. Furthermore, new railcar lease requests came in by year-end 2009.

The Modular Buildings market remained competitive during 2009 with contrasting trends in different regions (strong resistance in Germany, Belgium, and Poland, difficult situation in Spain and the USA, stiff competition in France and the Czech Republic). However utilization rates rose slightly year-end as well.

28.3. Press release of January 22, 2010

Repurchase of TOUAX stock warrants

In 2008 the TOUAX Shareholders General Meeting authorized the issue of 200,000 warrants to the company's managers in order to motivate and align the manager's interests with those of the shareholders. These warrants gave the right to purchase 200,000 new shares. Due to the price of TOUAX shares, these warrants lost value, and the company's Managing Partners wanted to propose to offer the managers the opportunity to swap their warrants for existing TOUAX common shares, based on an independent appraisal.

The transaction preserves the motivation of management by limiting the risk in exchange for the purchase of existing TOUAX shares at the current share prices. It also avoids the future dilution of shareholdings.

During its meeting on November 5, 2009, the Management Board decided to offer the holders of the 200,000 warrants issued February 11, 2008 the right to swap their warrants for TOUAX shares. The General Meeting of warrant holders held December 22, 2009 approved the terms of the transaction. The company will repurchase the aforementioned warrants from their holders, who will then use the resulting cash to purchase TOUAX shares on the open market. On December 22, 2009, the Management Board confirmed the terms for the transaction.

Following this transaction, the Management Board indicated that 89% of the warrants issued on February 11, 2008 had been repurchased.

28.4. Press release of February 15, 2010

2009 Annual revenue €272m

Consolidated revenues in 2009 totaled €271.8m compared to €368.7m in 2008, a decrease of €97m. This decrease is mainly due to reducted investments and the ensuing drop in the sale of equipment to investors (shipping container division).

The decrease in revenue did not lead to a corresponding significant drop in the Group's estimated EBITDA or its estimated net profit compared to 2008 (financial statements will be published in late March 2010). TOUAX sold less equipment to investors in 2009, retaining more porprietary equipement. This provided higher ownership margins and an improved margin rate, comprensating for the drop in sales.

The Group's model of third-party management and proprietary ownership is flexible and adaptable, enabling TOUAX to quickly adjust to the changing economic climate.

In view of this situation, the Group distributed an interim dividend in January identical to that of the previous year.

1% increase in leasing revenue

TOUAX increased its leasing revenues by 1% in line with its objectives, thanks to its solid economic model for diversified, long-term leasing.

The Group's leasing revenues include income from both leasing and leasing-related services (such as transport and maintenance).

Business outlook for 2010: positive signs for a return to growth

Forecasts for a return to growth in worldwide trade for 2010 are maintained, with a predicted growth rate of +3.3% (Source IMF – January 2010), and +5% (source Clarkson – January 2010).

The lack of worldwide production of shipping containers since September 2008, combined with a 5% reduction in the fleet available for market, limit overcapacity. The recovery of trade within Asian over the past six months has boosted demand from shipping companies for leasing new containers.

Modular Buildings are gradually conquering new markets thanks to their numerous advantages over traditional construction. They also benefit from various European recovery plans focusing on infrastructure and construction.

River transport remains the most ecological transportation mode: it uses 3.7 times less oil, emits 4 times less $CO2$ and is 7 times less expensive than road haulage. These advantages enable river transport to obtain support from major industrial groups and public authorities seeking alternatives to road transport.

The Railcars Division benefits from the structural need to renew the European fleet, and from the economic and ecological advantages of rail transport. Due to the crisis which slowed demand in 2009, and to production lead times, few new Railcars will be delivered in 2010. Forecasts, however, call for a gradual increase in the utilization rates of existing fleets during 2010, and a jump in 2011.

Income analysis

Consolidated revenues totaled €271.8m in 2009, down 26.3% (26.8% at constant scope and exchange rates) from the 2008 figure of €368.7m. This decrease in revenue is mainly due to weaker equipment sales to investors. Group equipment sales totaled only €65m in 2009 compared to €163.2m in 2008. This decline is due to the halt in investments in shipping containers since September 2008 and to the corresponding absence of sales shipping containers to investors. The sale of modular buildings to end users have also fell as leasing increased. Note that the sales of railcars to investors grew in 2009. The Group leasing revenues (including ancillary services) was up by 1%.

Revenue by type

(Unaudited consolidated data, in € thousands)	Q1 2009	Q2 2009	Q3 2009	Q4 2009	TOTAL	Q1 2008	Q2 2008	Q3 2008	Q4 2008	TOTAL[3]	2008 Proforma total[1]
Leasing revenue[2]	51,898	50,121	54,746	50,053	**206,818**	45,160	48,056	55,535	56,747	**205,498**	205,498
Sales of equipment etc.	3,444	29,004	6,572	25,934	**64,954**	15,324	37,708	25,992	80,364	**159,388**	163,250
Consolidated revenue	55,342	79,125	61,318	75,987	**271,772**	60,484	85,764	81,527	137,111	**364,886**	368,748

(1) Pro forma data take into account the impact of the effects of reclassifying the sale values for "operating" assets following changes in the IFRS.

(2) Leasing revenues presented here include ancillary services and river transport services.

(3) 2008 data take into account a reclassification of the financial interests received from customer finance leases (leasing revenues) as published in the 2008 reference document.

Contribution of the four core businesses

Leasing revenues for the Shipping Containers Division grew by 3%, thanks to the investments made in 2008, the protection provided by long-term contracts and to expanded trade in Asia in late 2009. The restart of activity in Asia is a leading indicator of a recovery; it enabled utilization rates to rise starting July and to reach 90% in December 2009 after having fallen to 87% in June 2009. The sale of shipping containers fell sharply due to the suspension of investments and of the corresponding absence of sales to investors.

Revenue for the Modular Buildings Division remained stable. The buoyancy of the leasing business (+7%) contributed to the increased revenue, and compensated for the temporary drop in sales. Leasing revenues grew by 10.7% at constant exchange rates. The division improved its market share despite the difficult economic climate with utilization rates rising since April 2009.

The improvement in revenue for the River Barges Division (+11.2%) is mainly due to the sale of river barges for €10.2m. These assets were subsequently leased back by the Group for operations on the Rhine and the Danube. Leasing revenues (-30.8%) include a 35.2% drop in ancillary services (transportation and chartering) and an 48% increase in leasing revenue.

The Railcars Division continued to grow (+34%) despite the unfavorable economic climate. Leasing revenue increased by 6% thanks to investments made in 2008 and early 2009. The 80.4% rise in revenue is mainly linked to syndications for railcars with third-party investors, for which the Group retains the management.

Revenue by business

(Unaudited consolidated data, in € thousands)	Q1 2009	Q2 2009	Q3 2009	Q4 2009	TOTAL	Q1 2008	Q2 2008	Q3 2008	Q4 2008	TOTAL[3]	2008 Proforma total[1]
Leasing revenue[2]	23,211	21,267	21,738	21,222	87,438	18,550	19,031	22,802	24,778	85,161	85,161
Sales of equipment &c.	219	-491	995	906	1,629	10,089	19,383	20,260	69,551	119,283	120,707
Shipping containers	**23,430**	**20,776**	**22,733**	**22,128**	**89,067**	**28,639**	**38,414**	**43,062**	**94,329**	**204,444**	**205,868**
Leasing revenue[2]	15,552	16,716	20,913	16,078	69,259	14,010	15,774	17,738	17,198	64,720	64,720
Sales of equipment &c.	3,083	4,150	4,381	7,196	18,810	4,920	6,833	5,310	4,620	21,683	22,618
Modular buildings	**18,635**	**20,866**	**25,294**	**23,274**	**88,069**	**18,930**	**22,607**	**23,048**	**21,818**	**86,403**	**87,338**
Leasing revenue[2]	4,620	3,731	3,460	4,877	16,688	5,222	5,693	6,857	6,362	24,134	24,134
Sales of equipment &c.		10,200		4	10,204		33	6	2	41	841
River barges	**4,620**	**13,931**	**3,460**	**4,881**	**26,892**	**5,222**	**5,726**	**6,863**	**6,364**	**24,175**	**24,975**
Leasing revenue[2])	8,515	8,407	8,635	7,876	33,433	7,378	7,558	8,137	8,410	31,483	31,483
Sales of equipment &c.	142	15,145	1,196	17,828	34,311	315	11,459	417	6,190	18,381	19,084
Railcars, misc. and inter-industry offsets	**8,657**	**23,552**	**9,831**	**25,704**	**67,744**	**7,693**	**19,017**	**8,554**	**14,600**	**49,864**	**50,567**
Consolidated revenue	**55,342**	**79,125**	**61,318**	**75,987**	**271,772**	**60,484**	**85,764**	**81,527**	**137,111**	**364,886**	**368,748**

(1) Pro forma data take into account the impact of the effects of reclassifying the sale values for "operating" assets following changes in the IFRS.

(2) Leasing revenues presented here include ancillary services and river transport services.

(3) 2008 data take into account a reclassification of the financial interests received from customer finance leases (leasing revenues) as published in the 2008 reference document.

Targets for 2010 will be provided with the release of the 2009 financial statements scheduled for March 26, 2010.

28.5. Press release of March 25, 2010

2009 annual net profit: €14.2 million

“We are satisfied with our earnings, given the strong crisis in 2009. Our model allows us to adapt rapidly to market conditions and thus offer recurrent income and dividends to our shareholders. The financial crisis has reduced our customers’ financing capacity, and they are turning more to leasing in order to meet their new requirements. A significant turnaround is expected at the end of the crisis,” said Fabrice and Raphaël Walewski, Managing Partners of TOUAX.

Limited decrease in 2009 earnings

Although revenue fell by 26% in 2009, the Group resisted well with a 1% rise in leasing revenue and a limited drop in EBITDA (-8%) and net profit (-16%) after distribution to investors.

Consolidated figures (in € millions – IFRS)	31 December 2009	31 December 2008
Revenue	271.8	368.7
including Shipping containers	89.1	205.9
Modular buildings	88.1	87.3
River barges	26.9	24.9
Railcars	67.7	50.6
Gross operating margin (EBITDA)(1)	110.9	118.9
EBITDA after distribution to investors	48.9	53.5
Operating income before distribution to investors	90.2	102.8
Operating income after distribution to investors- Operating income(2)	28.3	37.4
Underlying pretax earnings	18.4	20.3
Consolidated net attributable income	14.2	16.8
Net earnings per share (€)	2.73	3.72
Total non-current assets	365.0	311.0
Total assets	562.0	501.5
Total shareholders’ equity	128.9	102.4
Net bank borrowing(3)	301.8	262.1

(1) EBITDA (earnings before interest taxes depreciation and amortization) calculated by the Group corresponds to the current operating income as defined by the CNC plus allowances for depreciation and provisions for fixed assets.
(2) The operating income after distribution to investors corresponds to the current operating income as defined by the CNC.
(3) Including €112.8 million in debt without recourse in 2009.

Analysis of the Group’s four divisions

The Shipping Containers Division was affected in 2009 both by the lack of container sales to investors and by the drop in the leasing and utilization rates which correlated to higher storage fees.

The new producer/lessor status enabled the Modular Buildings Division to withstand the recession well. The combination of its expanding market share along with recovery of utilization rates since April 2009 has enabled the Division to make a larger contribution to the Group’s profit.

The River Barges Division suffered a drop in chartering on the Rhine and was affected by in service costs of new investments delivered in 2009 but which will not be productive until 2010.

The Railcars Division benefited from a growth in assets under management (+12.7%) and an increase in the railcar sales to investors.

Financial position assured

Key events for 2009 included:

- An €18.6 million capital increase in June (capital issue) and July 2009 (dividend paid in shares).
- The gearing ratio (debt with recourse/equity capital) stood at 1.47 in December 2009 versus 1.56 in December 2008. The leverage ratio representing the capacity to reimburse financial debt (net debt with recourse/EBITDA) was 3.86 years in 2009 versus 2.98 in 2008.
- TOUAX had over €50 million in lines of credit available at December 31, 2009.

A sound economic model

TOUAX's strength is based on our strategy for creating value. The company's principal advantages include:

• Proprietary assets leased worth €486 million (a €70 million increase over 2009) invested in standardized, mobile equipment benefiting from a long useful life between 15 and 50 years, which generates long-term leasing profitability and recurring revenue streams. These assets provide the Group with a potential over time to create value through short-term profits on sales.

• Leased assets under management worth €817 million (a €5 million increase in 2009) through long-term management contracts. These outsourced investments produce additional revenue streams and improve the profitability of its equity without tying up capital.

• Our development policy resolutely focused on international markets in order to benefit from world trade (83% of revenues are generated outside France). TOUAX has operations on five continents.

• Extensive diversification in four business lines with strong, long-term growth drivers (despite the contraction in 2009): globalized trade and growth in Asia boosts leasing of shipping container; Europe's deregulated rail freight market favors freight railcar leasing; the need for flexibility and competitive costs provides modular buildings the edge over traditional buildings; and growing environmental concerns are boosting river transport.

Business outlook for 2010: positive signs for a return to growth

The International Monetary Fund predicts a return to worldwide growth in 2010 and forecasts remain positive (+3.3% IMF –January 2010. +5.5 Clarkson Research Services– February 2010). Growth is not evenly distributed worldwide, however: weak growth is predicted in developed countries and strong growth in developing countries (BRIC).

Shipping containers

The worldwide lack of production of shipping containers since September 2008, combined with a 5% reduction in the fleet available on the market has limited overcapacity. The recovery in trade between Asian countries over the past six months has boosted demand for new container leasing from shipping companies, and has raised both utilization rates and lease prices.

Modular buildings

The Modular Buildings Division continues to expand into new markets due to its numerous advantages over traditional buildings. It benefits from various European recovery plans focusing on infrastructure and construction. The development of new products (modular and industrialized buildings complying with the highest building standards) should enable expansion into new markets (public housing, student housing, social and activity centers, etc.).

River barges

River transport remains the most environmentally-friendly form of transport: it uses 3.7 times less oil, emits 4 times less C02, and is 7 times less expensive than road transport. These advantages give it a preferential position for obtaining support from major industrials and public authorities in favor of alternative transport methods.

Freight railcars

The Railcars Division benefits from the structural need to renew the European fleet, as well as the economic and ecological advantages of rail transport. The crisis slowed demand in 2009, creating temporary overcapacity in certain types of railcars, and few new railcars are expected for delivery in 2010. On the other hand, a gradual increase in utilization rates is predicted for 2010, and a turnaround is forecast in 2011 with a return of investments.

The Group predicts stable leasing revenue and improved sales in 2010.

28.6. Outlook presentation made during the March 26, 2010 Financial Analyst Meeting

Section 6 "Business Overview", Section 12.2 of Section 12 "Known Trends", and the foreseeable evolution described in the management report page 111, are complemented by the following information presented during the announcement of the Group's 2009 revenues:

In the short term, the Group's strategy is to consolidate its base and prepare for the significant turnaround expected at the end of the crisis.

In the medium term, the Group plans to increase its leased equipment fleet:

• By seeking opportunities to take over shipping container fleets. Production in China restarted in December 2009 (output is expected to reach between 1 and 1.5 million TEU in 2010 versus 0.25 million TEU in 2009), which will help to relaunch investments.

• In order to reach its stated goal of doubling assets leased within 10 years, TOUAX plans to invest €20 to €25 million in modular buildings and to create joint ventures in emerging countries.

• Although the current railcar fleet is aging (the fleet's average age is 30 years, and it will take 20 years to replace the 700,000 railcars), TOUAX's investments will be limited. Railcar production will remain low in 2010: 10,000 railcars were produced in 2009 compared to 14,000 in 2008. The TOUAX Group does not anticipate high production levels: production of 6,000 railcars in 2010, 15,000 in 2011, and 20,000 in 2012.

28. Recently released information

The Group also plans to obtain a significant worldwide position in each division by strengthening its economies of scale:

• The objective of the Shipping Containers Division is to increase its worldwide market share to 7%, from 4.8%. Asia offers strong potential: China's gross national income continues to grow (8.7% in 2009). The Group strengthened its network in Singapore and Hong Kong, as well as through agents in Korea, Japan, Taiwan, China, and India. In 2009 Asia generated 43.40% of the Group's leasing revenue.

• The objective of the Modular Buildings Division is to increase its European market share to 15%. Eastern Europe offers very high potential: 0.5 modules are leased for 1,000 inhabitants in Eastern Europe versus 2.5 in Western Europe. Furthermore, Eastern Europe is the main beneficiary of European structural funds, which should total €347 billion between 2007 and 2013. The Group's Sales teams plan to increase sales revenue to €150 million over five years, compared to €18.8 million in 2009. This effort will be supported by the development of new services (facility management) and of advanced products meeting environmental and building standards (EC marking, EUROCODE, RT 2012, BBC, THPE).

• Support from public authorities opens new perspectives for increasing capacity for the River Barges Division via the creation of a new European river network spanning over 40,000 km. The Seine Nord canal—which should eliminate 2,000 trucks per day—and the Rhine/Danube link will enable the share of goods transported by river to rise from 5% today to 10% in 2030 (source: DVB Netherlands 2009). The Group's five year objective is to double its revenue to €50 million. This goal reflects the extensive requirements for raw materials and food in emerging countries (in South America and along the Danube), and takes into account the development of grain and biomass energy transport.

• The objective of the Railcars Division is to achieve an 8% market share in Europe. The growth potential is high: Europe's share of freight is only 16.8% while China's is 49.8%, Russia's is 41.4%, and the US has a 38.3% share. Trains are used increasingly for long hauls as they are more efficient and more competitive than road transport.

29. Draft resolutions

Ordinary general meeting of june 10, 2010

On first notice of meeting, the Ordinary General Meeting can only validly proceed if the shareholders present in person or by proxy hold at least one fifth of the shares to which voting rights are attached. Motions pass by simple majority of votes cast.

First resolution

The General Meeting, having heard the report of the Management Board, the report of the Supervisory Board and the Report of the Chairman of the Supervisory Board on the fiscal year ended December 31, 2009, as required under Articles L.225-100 and L.226-9 of the French Commercial Code and Article L.621-18-3 of the French Monetary and Financial Code, and the reports of the Statutory Auditors, approves the annual financial statements in the form in which they are presented, showing net income of €2,055,054.03.

The General Meeting approves the expenses and charges not deductible from profits as specified in Article 39-4 of the General Tax Code amounting to €110,533, as well as a tax saving of €496,161 resulting from the fiscal integration.

Second resolution

The Ordinary General Meeting grants discharge to the Management Board, the Supervisory Board and the Statutory Auditors for the performance of their mandates for the 2009 fiscal year.

Third resolution

The General Meeting approves the proposals of the Management Board and resolves to allocate the profits as follows:

Profit or loss for the fiscal year	2,055,054.03 €
General Partners' Statutory Compensation	-915,627.38 €
Increased by retained earnings	5,063,413.80 €
Profits available for allocation	**6,202,840.45 €**

Allocation to the legal reserve	102,752.70 €
Dividend of €1 per share to 5,687,826 shares	5,687,826.00 €
Balance allocated to Retained Earnings	412,261.75 €
Total profits allocated	**6,202,840.45 €**

The dividend distributed to the 4,687,826 qualifying shares will accordingly amount to €1.00 per share. Any difference between the actual number of shares issued before the dividend payment date following subscription for redeemable stock warrants and the total number of shares at December 31, 2009 as indicated, will result in an adjustment of the profits/losses brought forward.

The dividend qualifies for the 40% exemption provided for under Article 158-3 of the General Tax Code for physical persons. An interim dividend of €0.50 was paid on January 12, 2010, and the balance will be paid from July 9, 2010 by the Crédit Industriel et Commercial.

The General Meeting notes that in accordance with the Active Solidarity Income (RSA) Act of December 1, 2008, dividends eligible for the 40% exemption are liable for social security contributions of 12.1%, deducted at source by the company and paid directly to the public revenue department.

The General Meeting also notes that in accordance with Article 117-quater of the General Tax Code, shareholders who receive income qualifying for the exemption may opt for withholding tax in full discharge at a rate of 18%.

In accordance with Article 243-bis of the General Tax Code, the General Meeting notes that the dividends distributed for the three previous fiscal years were as follows:

(in €)	2006	2007	2008
Net dividend	0.75	1.00	1.00
Number of shares	3,887,654	3,892,987	4,672,731
Dividend paid in cash	2,915,741	3,892,987	3,745,286
Dividend paid in shares			927,445
General Partners' statutory compensation	215,943	698,003	1,040,550
Total distributed	**3,131,684**	**4,590,990**	**5 713,280**

Fourth resolution

The General Meeting, having heard the special report of the Statutory Auditors on agreements specified in articles L.226-10 of the French Commercial Code, approves each of the agreements mentioned in that Report, in accordance with the terms of the last paragraph of Article L.225-40 of that Code.

Fifth resolution

The General Meeting, having noted the report on the management of the Group included in the Annual Reports of the Management Board and the Supervisory Board and the report of the Statutory Auditors, approves the consolidated Financial Statements to December 31, 2009 as presented, drawn up in accordance with the provisions of Articles L.233-16 et seq. of the French Commercial Code, which show a profit €14,193,628.

Sixth resolution

The General Meeting authorizes the Management Board, in accordance with Article L.225-209 of the French Commercial Code, to acquire shares representing up to 10% of the share capital, subject to the following conditions:

Maximum purchase price per share: €60

Maximum amount: €33,459,960

In accordance with Article L.225-210 of the French Commercial Code, the acquisition of the partnership's own shares must not bring the shareholders' equity below the level of the capital plus non-distributable reserves. The value of the securities acquired may not exceed the amount of the reserves, which amounted to €45,299,700 at December 31, 2009.

These shares may be acquired on one or more occasions by any means including by private agreement, block sale of holdings or the use of derivatives, for the purpose of:

• carrying out market making and ensuring the liquidity of the TOUAX SCA share through a liquidity agreement with an investment services provider, in accordance with the Code of Practice recognized by the French Financial Markets Authority (AMF);

• granting stock options and/or allotting bonus shares to employees and managers of the company and/or of TOUAX Group companies;

• granting coverage for securities that entitle the holder to receive shares in the partnership under the regulations currently in force;

• retaining the shares bought, and using them later for trading or as payment in connection with external growth operations, it being stated that the shares acquired for this purpose may not exceed 5% of the share capital;

• cancelling the shares, in connection with a subsequent authorization by the Extraordinary General Meeting.

For the first objective, the partnership's shares will be bought on its behalf by an investment services provider acting under a liquidity agreement and in accordance with the Code of Practice approved by the French Financial Markets Authority (AMF). In addition, it is specified that no shares may be canceled without prior authorization from a future Extraordinary General Meeting.

These transactions may be carried out at any time, including during a public offering, subject to the regulations in force.

This authorization enters into effect on acceptance by this General Meeting. It is granted for a period of 18 months. It cancels and replaces the authorization granted by the Seventh Resolution of the Ordinary General Meeting of June 10, 2009.

The General Meeting grants all powers to the Management Board or any person duly appointed thereby, to decide when to implement this authorization and to determine its terms and conditions, and in particular to adjust the above purchase price in case of transactions that modify the shareholders' equity, the share capital or the par value of the shares, to place any orders on the stock exchange, conclude any agreements, make all declarations, carry out all formalities and in general do everything that is required.

29. Draft resolutions

Seventh resolution

The General Meeting sets the total amount of the annual directors' fees for the Supervisory Board at €63,000.

This decision applies to the current financial period, and shall continue in effect until countermanded.

Eighth resolution

The General Meeting, noting that Mr. Serge Beaucamps' membership of the Supervisory Board expires today, reappoints him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Ninth resolution

The General Meeting, noting that Mr. Jean-Louis Leclercq's membership of the Supervisory Board expires today, reappoints him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Tenth resolution

The General Meeting, noting that Mr. Alexandre Walewski's membership of the Supervisory Board expires today, reappoints him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Eleventh resolution

The General Meeting, noting that the term of office of Mr. Jean-Jacques Ogier, as member of the Supervisory Board, expires today, renews it for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Twelfth resolution

The General Meeting, noting that Mr. Jerôme Bethbeze's membership of the Supervisory Board expires today, reappoints him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Thirteenth resolution

The General Meeting, noting that Mr. François Soulet de Brugière's membership of the Supervisory Board expires today, reappoints him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Fourteenth resolution

The General Meeting, noting that the term of office of AQUASOURCA, represented by Ms. Sophie Defforey-Crepet, as member of the Supervisory Board, expires today, renews it for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Fifteenth resolution

The Ordinary General Meeting decides to appoint Mrs. Sophie Servaty, management assistant at Sofina, born July 4, 1972 in Uccle, Belgium and domiciled at 89 avenue Mostinck, Brussels, 1150 Belgium, as member of the Supervisory Board for a period of one year, i.e. until the end of the General Meeting called to approve the financial statements for 2010.

Sixteenth resolution

The General Meeting renews for a period of six fiscal years expiring at the end of the Ordinary General Meeting called to approve the financial statements for the 2015 fiscal year, the mandate as principal statutory auditor of:

Leguide Naim & Associés
21, rue Clément-Marot
75008 Paris, France

and appoints as deputy statutory auditor:

Thierry Saint-Bonnet
145, rue Raymond-Losserand
75014 Paris, France

Seventeenth resolution

The General Meeting grants all powers to the bearer of a copy or extract of the minutes of this General Meeting in order to carry out the legal and statutory formalities.

30. Inclusion by reference

In accordance with Article 28 of Commission Regulation EC 809/2004 implementing the "Prospectus" Directive 2003/71/EC, the following documents are included by reference in this document submitted on April 12, 2010:

› the reference document for the fiscal year ended December 31, 2006, submitted on April 11, 2007, under reference number D.07-0310, and the updated version submitted on February 12, 2008 under reference number D.07-0310 A01;

› the reference document for the fiscal year ended December 31, 2007, submitted on April 29, 2008 under reference number D.08-0333;

› the reference document for the fiscal year ended December 31, 2008, submitted on April 9, 2009 under reference number D.09–228 and the updated version submitted on June 17, 2009 under reference number D.09-228 A01.

31. Glossary

Self-propelled barge
Motorized river barge.

River barge
Non-motorized flat-bottomed metal vessel used to transport goods by river.

BPW
Building and public works.

Transport hold
Daily transport capacity of a ship.

Shipping container
Standard sized metal freight container.

Twenty-foot dry container
Standard container measuring 20' x 8' x 8.6'.

Forty-foot dry container
Standard container measuring 40' x 8' x 8.6'.

Open top container
Open-top container for outsize loads.

Flat container
Platform container for special loads.

High Cube container
Larger container, 40' x 8' x 9' 6".

Reefer container
Refrigerated container.

Modular building
Building made of standard elements (modules), installed unmodified at a site by stacking and/or juxtaposition.

EBITDA
Earnings Before Interest, Tax, Depreciation and Amortization. The EBITDA used by the Group is the operating income (operating result after distribution to investors) restated to include depreciation and provisions for fixed assets.

Operational leasing
Unlike financial leasing, operational leasing does not transfer almost all the risks and benefits of the asset's ownership to the lessee.

Pool
Equipment grouping.

Push tug
Motorized boat used to push river barges.

TEU
Twenty Foot Equivalent Unit: measurement unit for containers. This unit may be physical (one 40' container is the equivalent of two 20' containers) or financial (the price of a 40' container is equal to 1.6 times the price of a 20' container). The measurement unit used in this report is the physical unit (TEU), unless otherwise indicated (financial unit = FTEU).

Asset-backed securitization
A business financing method in which assets are transferred by their owner (the vendor) to a specific entity which in turn finances their acquisition by issuing securities (Notes) to various parties (investors).

Intermodal transport/combined transport
The carriage of goods using several integrated methods of transport over long distances and in the same container.

Railcar
Railcar used to transport goods.

Multifreight 45', 60', 90' and 106' railcars and flat railcars
Railcars with standard dimensions.

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This reference document was submitted to the French Financial Markets Authority (AMF) on April 12, 2010 in accordance with Article 212-13 of its General Regulations. It can be used in support of a financial transaction if it is completed by a short form prospectus certified by the French Financial Markets Authority. This document was drawn up by the issuer and the signatories accept liability for its content.

Copies of this reference document are available free of charge from TOUAX SCA, Tour Arago – 5, rue Bellini – 92806 Puteaux La Défense cedex, France, as well as on the TOUAX website: www.TOUAX.com and on the website of the French Financial Markets Authority (AMF).

In the concern of the respect of the environment, we choose to publish this report a paper guaranteed without chlorine, printed with inks bio based on vegetable oil. The photoengraving was carried out in CTP, without use of film, thus making it possible to reduce the quantity of chemical used.

Communication Consulting Agency: !pandora, Paris – Printing works: STIPA

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