2010

Annual Report

Your operational leasing solution

Contents

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.

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:

- operational flexibility via both short- and long-term contracts,
- financial flexibility for customers: no capital outlay required,
- Outsourced services, including maintenance,
- Fast availability.

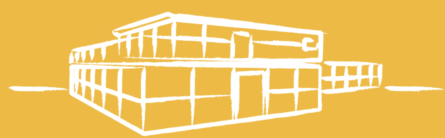
Profile

Your operational leasing solution

Shipping containers

N°1 in Europe

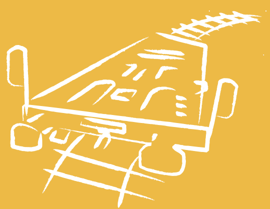
- *482,000 containers*
- *4.2% global market share*
- *42% of the revenue*



Modular buildings

N°2 in Europe*

- *46,000 modular buildings*
- *7.5% European market share*
- *32% of the revenue*



Freight railcars

N°2 in Europe*

intermodal freight

- *8,200 railcars*
- *6.5% European market share*
- *19% of the revenue*

River barges

N°1 en Europe*

- *177 barges*
- *25% de PDM en Europe*
- *7% du CA*

With operations across five continents, we have doubled our revenues since 2002, posting an operating revenue of €302.4 million in 2010, including 87% generated outside France.
On December 31 2010, the Group managed over €1.4 billion in equipment for its own account as well as on behalf of both private and institutional investors.

* *source Touax.*

Message from the Managing Partners

"In 2010, **we returned to growth** and consolidated our position as European leader for the leasing of shipping containers and river barges, and No. 2 for the leasing of modular buildings and railcars (intermodal railcars).

The year was marked by an increase of 6% in our leasing revenue and 27% in our sales revenue, as well as by an increase in owned assets (+3%) and managed assets (+7%).

These good results are due to a recovery in global demand, which we have noted in our activities as follows:

- The financial crisis reduced the financing capacities of our customers, who increasingly prefer leasing for their new requirements. As a result, the utilization rate of shipping containers managed by the Group rose to 97.5%, with at the same time a rise in average leasing rates of 8.2% in 2010.
- Certain infrastructure projects fell behind schedule due to the economic crisis. Lessors of modular buildings offer flexible, rapid and turnkey solutions, thanks to the immediate availability of their stock. In 2010 we therefore delivered (under leasing or sales agreements) about 300,000 m² of modular buildings for schools, site accommodation and offices within a record time of six to eight weeks (on average). Thanks to an increasingly bold architecture and respect for standards, in particular environmental standards, they are now able to offer a genuine alternative to traditional buildings.
- Finally, our customers are increasingly expressing the need to outsource their non-strategic assets, and want to entrust management of their stock of new or existing equipment to leasing companies. In 2010 we became one of the leading railcar maintenance providers (ECM) in Europe, allowing us to offer numerous services in addition to leasing. Our fleet of railcars totaled over 8,200 units at the end of 2010, up 9%.

Although there was a strong recovery during the year in the shipping containers business, this is not yet fully reflected in our results, or in our three other activities, which allows us to anticipate a promising improvement in 2011. The Group remained profitable with net income of €13.3 million and EBITDA (after distribution to investors) of €53.8 million, and €1.4 billion of assets under management, including €500 million of owned assets.

Over ten years, the Group has therefore managed to multiply its revenue by 2.5, its net income by 6.7 and its net earnings per share by 2.7, in spite of the global financial and economic recession.

Our goal is to be a **worldwide** company.

Raphaël Walewski
Managing Partner

Fabrice Walewski
Managing Partner

The **expansion strategy** that we are implementing in 2011 is based on the principles that have made our Group successful:

- We **will support our customers** in their development projects, and **take advantage of their demand to increase our fleet of assets leased.** We will invest the cash provided by operations in modular buildings, shipping containers, railcars and river barges. This equipment is standardized, mobile and has a long service life, and it will generate recurring leasing profitability over the next 15 to 50 years, in addition to the €500 million of owned assets.
- We **will improve our economies of scale by strengthening the development of our four activities,** since they benefit from structural elements that have considerable potential in the long term: globalization of trade and growth in world trade expected in 2011 (the IMF forecasts growth in trade of 7.1% in 2011, favorable to shipping containers, railcars and river transport); strong requirements for infrastructures and in particular for alternative solutions that are flexible and cheaper than traditional construction; development of alternative green transport; requirement of emerging countries for raw materials benefiting river barges; deregulation of European rail freight favorable to the renewal of the fleet of railcars etc.
- We **will complete our own investments by combining them with management programs with third-party investors.** In view of the risk of inflation, investments in tangible assets that are not dependent on the financial markets are highly successful and to date we have over €100 million in commitments available to finance our growth.
- We **will offer services related to leasing** (sale and leaseback agreements, trading of new and used equipment, maintenance services etc.) and will intensify our efforts to innovate in the field of modular buildings in order to develop new applications and markets.
- We will continue **our international expansion** in order to take advantage of opportunities for growth, in particular in emerging countries (87% of revenue is already achieved outside France with a strong presence in Asia, North and South America and Central and Eastern Europe).

We are confident that our four management platforms will continue to generate attractive investment opportunities (net investments of €76.2 million were made in 2010 and we expect to exceed €150 million in 2011 which will be financed by our internal cash-flow and by third-party investors).

We would like to thank our 5,000 customers, without whom the Group could not grow.

We would also like to thank all our employees, who did excellent work and contributed to the return to growth in 2010. In 2011 we will certainly face many new challenges, but we remain very confident about the future and the potential of the Group.

At the meeting to be held on June 27, 2011, we will propose the distribution of a dividend of €1 per share, the same as last year, of which €0.50 has already been paid as an interim dividend in January, with the remainder to be paid at the beginning of July 2011.

Thank you for your commitment and your loyalty. "

Shipping Containers

A leasing service for international trade.

The company now ranks 8th among lessors worldwide and is the leader in continental Europe with a 4.2 % global market share.

(Source: Containerisation International; Market analysis: Container leasing market 2010).

In a high-growth market...

Containers—ideally suited to all types of sea, river and land transport—represent a worldwide logistics standard. Thanks to its brand Gold Container, TOUAX Group has tripled its fleet in 10 years to reach almost 500,000 TEUs in 2010.

Although global trade fell during 2009, international freight volumes have been increasing since January 2010, triggering a major rise in demand for shipping containers. The Group's utilization rates have returned to previous levels, reaching 97.5% at the end of October. This achievement stems from the company's control of operations and its responsiveness in adapting its offer to customer requirements.

Furthermore, 2011 forecasts set growth in international trade at between 6 and 10%. This would enable GOLD Container to pursue its development, achieve a fleet of 800,000 TEUs in the medium term, and thereby consolidate its position among the world's top 8 lessors of shipping containers.

...the Gold Container service...

The Group specializes in standard dry containers (20 feet, 40 feet, and 40 feet high cube) which can be leased to all shipping companies worldwide.

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

Gold Container is positioned to play a key role among shipowners and shipping companies due to its wide array of services, including:

- short- and long-term operational leasing,
- financial leasing,
- Purchase & Lease Back program,
- sales and trading.

Gold Container works with over 120 shipping companies worldwide—including the top 25—and serves customers such as Maersk Lines, Evergreen, Mediterranean Shipping Company, CMA -CGM China Shipping and CSAV.

... delivers worldwide coverage.

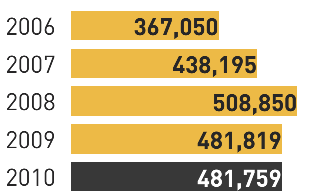
As a global operator, we deliver worldwide coverage to all our customers through our network of offices, agents, and depots in the main ports on five continents.

To provide an overview of our services, TOUAX has set up a sophisticated Web-based information system at www.gold-container.com.

The Website gives customers real-time information on the status of their leased containers, container specifications, availability of containers for leasing around the world, and data to smooth the process of picking up or dropping off containers.

Thanks to its experienced management team backed by the success and support of the TOUAX Group, Gold Container is ready to take up new challenges, pursue its growth strategy, and consolidate its position as a key player in the market for operational and financial leasing of shipping containers.

Fleet managed by the Group



" We are dedicated to shipping companies and to global trade. "

1st in Europe

13 agents and offices

150 depots in Asia, Europe, North America, Australia, and India

Modular buildings

A cutting-edge service for highly modular construction solutions.

Throughout the world, 850 people acting for the company working on 50 sites in 9 countries are serving their clients: local and global players from local authorities through over a third of CAC40-listed firms.

A comprehensive offer...

TOUAX designs, produces and distributes (sells and leases) modular buildings—in compliance with all the latest standards and legislation. Our solutions are for use as offices, classrooms, student housing, social and emergency housing, hospitals, sales offices, site facilities intended for export, social and activity centers, cloakrooms, and much more.

Diversified activities...

TOUAX Solutions Modulaires confirmed the development of its sales activity with an increase of over 16% in its sales revenue, reflecting a successful transition into new activities. 2010 was a turning point, with delivery of buildings featuring a bolder architecture and meeting increasingly strict standards and specifications. TOUAX modular buildings now provide a credible alternative to traditional buildings.

A solid customer base...

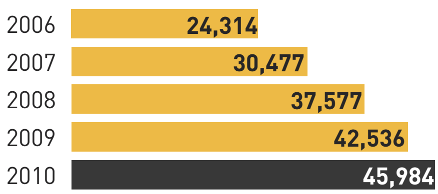
The leasing activity sustained its high revenue growth, with over 8%. Our leasing fleet almost doubled in 5 years to reach nearly 46,000 modular buildings. This capacity means we can serve customers located anywhere in Europe or the United States.

Keeping to our commitments...

In both leasing and sales, TOUAX customers seek:

- Prices 30 to 40% lower than for traditional buildings,
- Very short lead times (8 to 10 weeks to deliver several thousand sq. meters),
- Measurable performance concerning the quality of buildings delivered (BBC, THPE, RT2012, etc.),
- A tailored, eco-friendly offer available worldwide (HQE label),
- A highly flexible, fully modular solution certified by the EC label.

Fleet managed by the Group



46,000 modular buildings

2nd leading lessor in Continental Europe

5,000 customers

"Our fundamentals: geographical diversity and Research & Development."

Freight railcars

Railcar leasing and maintenance in Europe and the USA for industries and railway operators.

Since July 2010, TOUAX RAIL leasing and maintenance systems have ISO 9001 certification, and since October 2010, TOUAX RAIL has ECM (Entity in Charge of Maintenance) certification in line with new European legislation.

In the European market in the midst of deregulation, and in the recovering North American market...

TOUAX RAIL offers railcar leasing services to a diverse customer base including major public railways such as SNCF (Société Nationale de Chemin de Fer Français), RCA (Rail Cargo Austria), DB Railion (Deutsche Bahn), SBB/CFF (Chemins de Fer Suisses), as well as private rail operators and major industrial groups such as Cargill, Lafarge, Arcelor, and Gefco.

... TOUAX RAIL has improved its maintenance expertise...

TOUAX RAIL's expertise in railcar maintenance and safety is a key asset available to customers.

TOUAX offers freight railcar operational leasing services in Europe and the USA through four offices in Dublin (Ireland), Paris (France), Constanta (Romania) and Chicago (USA)— through a partnership with Chicago Freight Railcar Leasing— supported by a network of agents covering all of Europe.

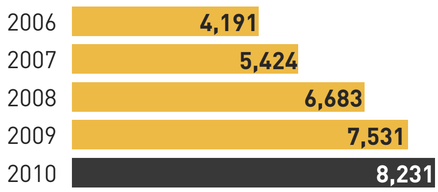
TOUAX RAIL offers long-term operational leasing, including maintenance services.

End 2010, TOUAX managed 8,231 freight railcars available for long-term leasing: intermodal railcars (swap bodies and containers), car-carrier railcars, coil-carrier railcars (for carrying steel coils), pallet railcars (for products on pallets), as well as hopper and powder railcars for carrying heavy loads (such as cement or grain).

... in order to shore up and boost its development strategy.

In light of the renewal requirements for the European railcar fleet and the expected recovery in the USA, TOUAX RAIL's objective is to exceed 10,000 units by 2012 and to broaden the range of railcars offered to customers in order to meet demand.

Fleet managed by the Group



" Our activity is blooming due to the deregulated rail freight market. "

8,231 railcars

2nd largest European lessor of intermodal railcars

4 offices in Europe and USA

River barges

A full range of international river transport services.

For long-distance of heavy goods, river transport continues to represent the most competitive, cost-effective and eco-friendly form of transport for local authorities.

TOUAX provides a comprehensive service offer for industries and transport operators...

The Group delivers two types of service:

- Leasing and trading of river barges or pushboats. We provide technical assistance to fleet owners as well as services for financial engineering through sale & lease back.
- River logistics (transport, chartering, storage, consulting for river logistics solutions, customer supply chain assistance).

TOUAX works on a regular basis with major industrial groups and transport operators such as ADM, Lafarge, YARA, Arcelor Mittal, Miller, etc... for carrying coal, cereals, ore, building materials and all types of dry heavy goods, particularly on the Rhine/Danube axis.

Leasing and trading activities are mainly located in France, the United States, and South America, in particular for CEMEX, P&O Maritime Services...

On December 31, 2010, TOUAX's managed fleet totaled nearly 180 barges, self-propelled barges and pushboats, making us the European leader in dry bulk barges, with a daily hold capacity of about 400,000 tons. (Source: TOUAX).

Barges mainly sail under the "TAF" or "EUROTAF" designation.

... bolstered by our unique international footprint...

We can draw on our considerable presence in the world's major river basins:

In Europe: We are well-established on the Seine and the Rhône in France, as well as on the Rhine, Meuse, Moselle, and Main in northern Europe. We also operate barges on the Danube. The Rhine-Main-Danube network stretches over 2,500 km and across 10 countries. TOUAX is a leading operator in this particular market.

In the Americas: TOUAX is established for its leasing activity on the Mississippi in the United States and on the Paraná Paraguay in South America.

We are working on projects to provide services in other international major river basins.

Our goal is to double our leasing revenue —including transport services— in the medium-term.

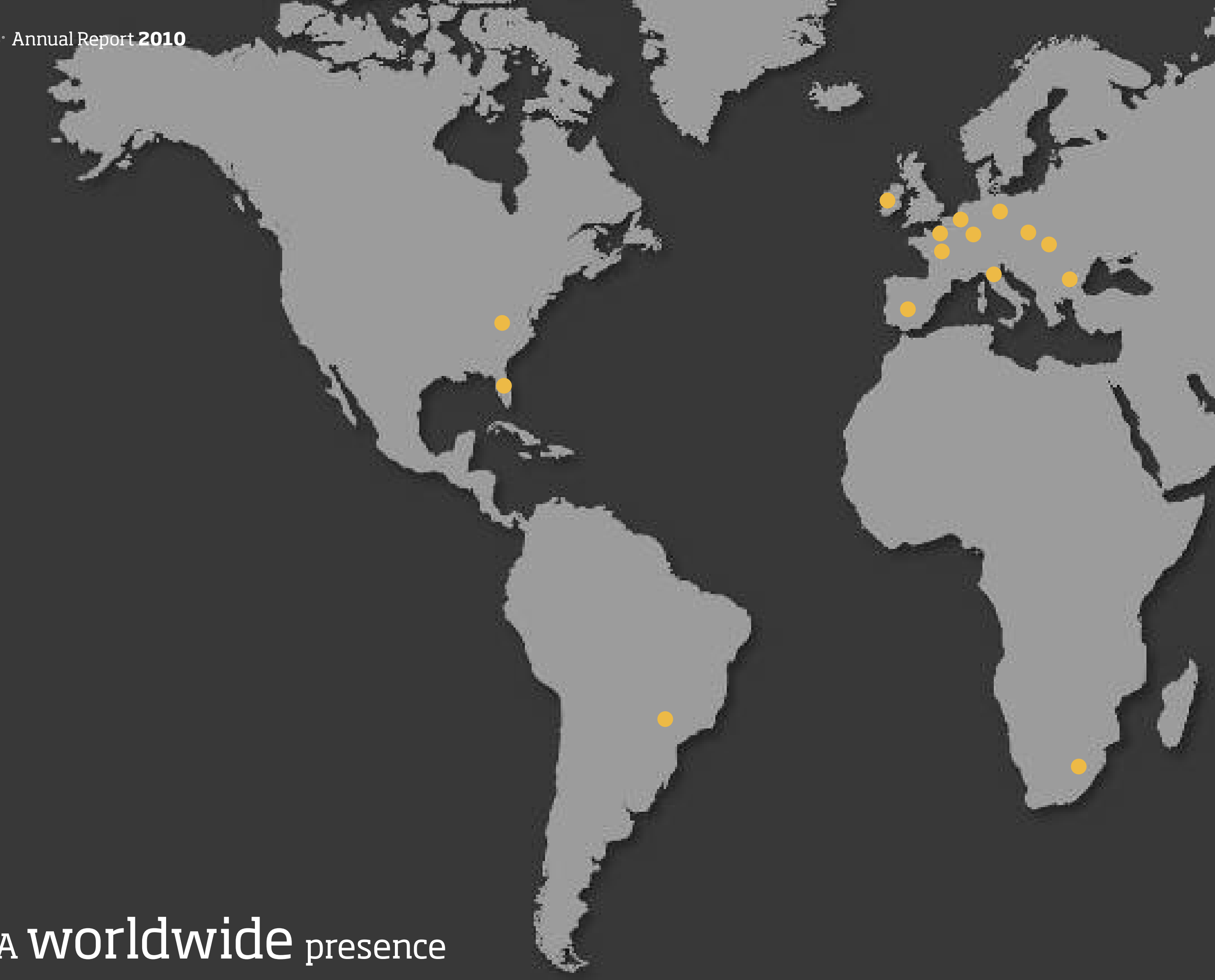
... in a promising market.

River transport remains the most competitive, cost-effective and eco-friendly form of transport for local authorities. River transport is seven times less expensive than road traffic, uses 3.7 times less oil, and generates four times less CO_2. In the United States, a convoy of 30 barges carries as much freight as 3,000 trucks, helping to alleviate road traffic.

" The Group's traditional activity has developed abroad. "

1st in Europe for dry bulk barges

177 barges, self propelled barges and pushboats



A worldwide presence

Shipping containers

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

China (Hong Kong)
Northern Asia Region

United States (Miami)
Americas Region

Singapore
Southern Asia Region

Agents
South Africa (Durban), Australia (Melbourne), Belgium (Antwerp), South Korea (Seoul), India (Chennay), Italy (Genoa), Japan (Tokyo), Taiwan (Taipei)

Modular buildings

France
(10 branches, 1 plant and administrative offices)

Germany
(5 branches)

Spain
(2 branches)

United States (Florida and Georgia)
(4 branches)

Netherlands and Belgium
(2 branches)

Poland
(6 branches)

Czech Republic
(2 branches, 1 plant)

Slovakia
(1 branch)

Freight railcars

France
(technical office)

Ireland
(Western Europe region)

United States
(North America region)

Romania
(Eastern Europe region)

Agents
Germany, Austria, Hungary, Italy, Czech Republic, Slovakia

River barges

France
(Seine and Rhône)

Netherlands
(Rhine, Main, Meuse, and Moselle)

Romania
(Danube)

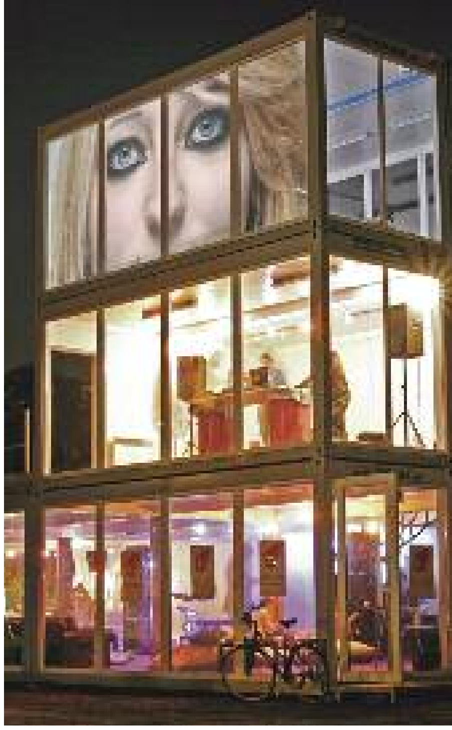
United States
(Mississippi)

South America
(Paraná-Paraguay)

A brief history

TOUAX, founded in 1855 during the reign of Napoleon III, has been managed by the same family for five generations. We have been a leader in French river transport for over a century. The company was first publicly traded in 1906, and became a Group under the leadership of the Walewski family. Starting in 1960, the family helped the small company grow by diversifying its activity into the leasing of new types of equipment, including railcars, containers, and then modular buildings. Meanwhile, Alexandre Walewski purchased the majority of the Group's shares in the stock market. Since taking our first steps outside France in 1981, we have continually expanded our international presence worldwide thanks to the drive of Fabrice and Raphaël Walewski. Using our solid reputation, we have promoted our services and operational leasing know-how to activities. Our long-term entrepreneurial success and the unrivalled consistency in our earnings and growth are due to the efforts of the men and women who share our values: integrity, operational excellence, and customer service.

" TOUAX: a well-established French company becomes a diversified worldwide corporation. "



Historical milestones

Originally, the river barges activity

1853
Founding of Compagnie de Touage de la Basse Seine et de l'Oise (TBSO)

1898
Creation of TOUAX following the merger between TBSO and another company operating river barges

1906
Listed on the Paris Bourse

Successful diversification in three business sectors based on equipment leasing

1955
Initial investments in the Railcars activity

1973
Launch of the Modular Buildings activity

1984
Launch of the TOUAX Brand

1985
Acquisition of shipping container specialist Gold Container Corporation

Acceleration of TOUAX's development over the past 15 years

1995
Securitization-based financing further development of equipment management programs for investors.

1998
Group is jointly managed by Fabrice & Raphaël Walewski

2005
Revenue exceeds 200 million euros

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

2007
TOUAX begins producing modular buildings in two plants

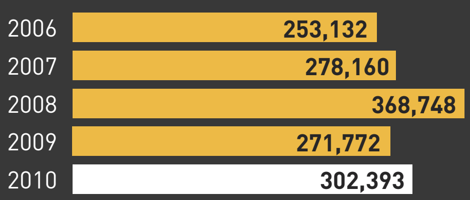
2008
Group managed assets exceed 1 billion

2008
TOUAX appears in the SBF 250 index

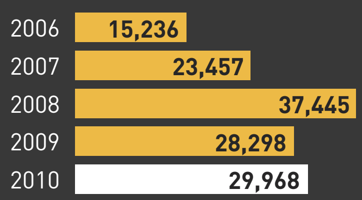
A strategy of creating value for all four divisions

Key figures

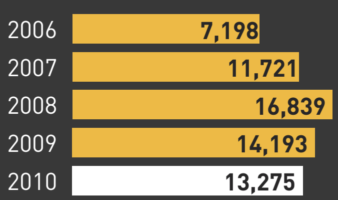
Consolidated revenues
(thousands of euros)



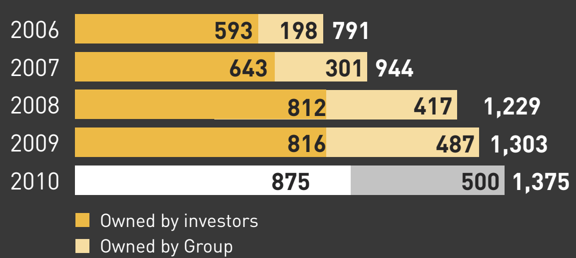
Consolidated current operating income
(thousands of euros)



Consolidated net income
(thousands of euros)



Breakdown in managed assets
(euros million)



Almost half the assets managed are valued in US dollars. As a result, the dollar's appreciation triggers a rise in the euro value of the assets under management.

4 leverages of sustainable profitability

...thanks to our unique leasing activity and associated services of 4 assets with a strong demand...

In all our activities (shipping containers, modular buildings, river barges and freight railcars), TOUAX is an operational leasing expert for mobile and standardized equipment 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

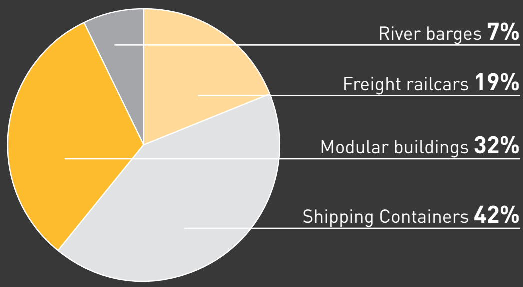
In all our activities, TOUAX is positioned in a market with **strong growth drivers:** the recovery of globalized trade boosts the leasing of shipping containers; Europe's deregulated rail freight market favors freight railcar leasing; the need for flexibility and competitive costs gives modular buildings the edge over traditional construction; and environmental concerns are fostering river transport.

...by weighting our equity investments...

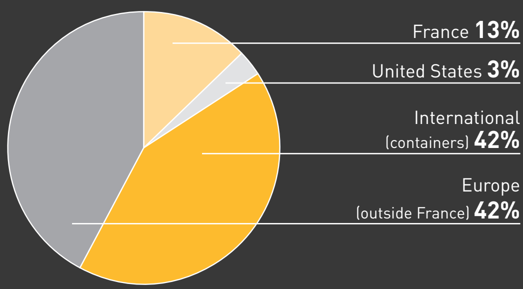
Our equity investment policy generates recurring leasing revenues and ultimately adds future value to the Group by creating opportunities for capital gains.

TOUAX weights its equity investments between equipment featuring a shorter lifecycle and greater profitability (particularly modular buildings and shipping containers) and very long-life business assets (railcars and river barges). The Group is therefore able to optimize the profitability of its equity capital: though the crisis triggers a slowdown, net earnings per share have grown by a factor of 2.7 in 10 years.

Breakdown of revenues by activity
at 31 December 2010



Geographic distribution of revenue
at 31 December 2010



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

...Streamlining our financial resources with third-party asset management

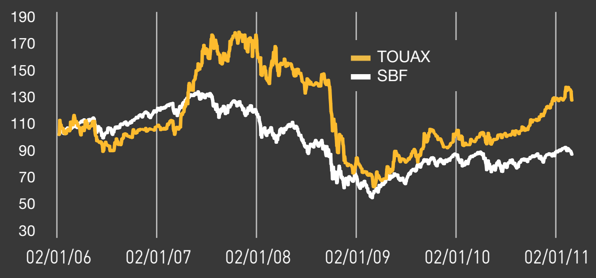
TOUAX provides asset management services for third-party investors and receives management commissions in addition to revenue from our own assets. Third party investment produce additional revenue streams and improve the profitability of our equity without tying up capital.
These are long-term management contracts (averaging 10 years) which ensure recurring cash flows for the Group.

...and our international development policy.

TOUAX is pursuing its international growth strategy in order to diversify, increase market shares and generate economies of scale. TOUAX operates across five continents, and 87% of generated turnover is outside France. We continue to develop our position in emerging countries.

Touax and the stock market

Share price performance over 5 years
(rebased to 100 at January 2, 2006)



Source : Euronext

TOUAX data sheet:

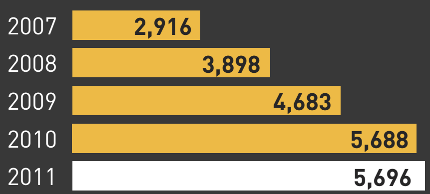
ISIN code: FR0000033003
Mnemonic code: TOUPFP
Listed on: NYSE Euronext (Paris)
Indices: CAC® Small and CAC® mid & Small

On December 31, 2010:

Number of shares: 5,695,651
Touax share price: €29.49
Market capitalization: €167,823,196

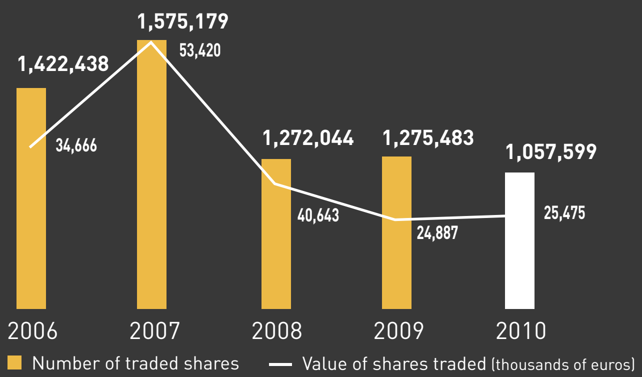
Share price performance (in euros from January 1, 2010 to December 31, 2010)
The price of TOUAX share rose by 32% in 2010.

Dividends distributed
(thousands of euros)

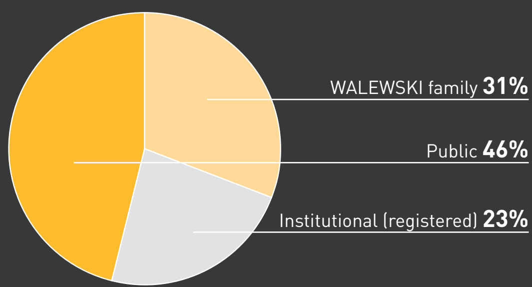


*subject to GSM approval on June 27, 2011

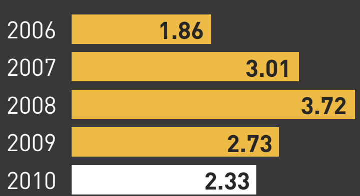
Shares traded over 5 year period *(source Euronext)*



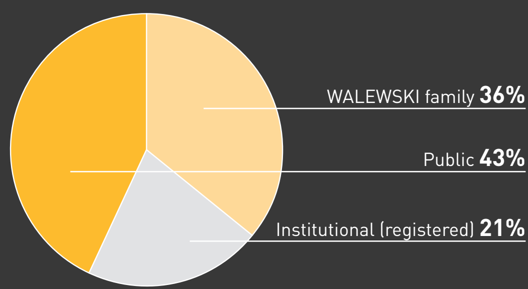
Distribution of capital on December 31, 2010



Net earnings per share
(euro)



Distribution of voting rights on December 31, 2010



Financial announcements schedule

Announcement of Q1 2011 revenues **May 13, 2011** | GSM (General Shareholders' Meeting) **June 27, 2011** | Distribution of 2010 dividends **January 11, 2011 and July 8, 2011** | Announcement of Q2 2011 revenues **August 31, 2011** | Announcement of H1 2011 revenues **August 31, 2010** | Announcement of Q3 2011 revenues **November 15, 2011** | Announcement of Q4 2011 revenues **February 15, 2012** | Announcement and presentation of the Group's 2011 revenues **week of March 19, 2012**

Contents

1. Persons responsible

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

Fabrice and Raphaël WALEWSKI, Managing Partners

1.2. Declaration of the persons responsible for the reference document containing an annual financial 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 were prepared in accordance with applicable accounting standards and 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 104 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 historical financial information for the year ending December 31, 2010 is described in the auditors' reports, appearing on pages 97 to 98 of this document, as well as those incorporated as a reference for the 2009 and 2008 fiscal years. For the 2009 fiscal year, the auditors stated in their report on consolidated financial statements, which appears on page 120 of the 2009 reference document submitted to the AMF on April 12, 2010 under visa number D.10-0247, the existence of new standards and interpretations that the TOUAX Group applied starting on January 1, 2009."

April 8, 2011

Fabrice and Raphaël WALEWSKI

Managing Partners

2. Statutory Auditors

2.1. Statutory Auditors details

	Date of first appointment	Mandate expiry
Principal Statutory 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 10, 2010. .	Following the Ordinary General Meeting held in 2016 to approve the 2015 financial statements.
Substitute Statutory 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.
Thierry Saint-Bonnet 145, rue Raymond Losserand 75014 Paris	Ordinary General Meeting held June 10, 2010.	Following the Ordinary General Meeting held in 2016 to approve the 2015 financial statements.

2.2. Change in Statutory Auditors

Not applicable.

3. Selected financial information

3.1. Selected historic financial information

Key figures from the consolidated income statement

(€ thousands)	2010	2009	2008 Proforma	2008
Leasing revenue	219,751	206,817	205,560	205,560
Sales of equipment	82,642	64,955	163,188	159,327
Revenue	302,393	271,772	368,748	364,887
EBITDA before distribution to investors [1]	121,198	110,879	118,938	118,936
EBITDA after distribution to investors [1]	53,756	48,981	53,539	53,537
Operating income before distribution to investors	97,410	90,196	102,844	102,842
Current operating income	29,968	28,298	37,445	37,443
Consolidated net profit/(loss), Group's share	13,275	14,193	16,840	16,838
Net earnings per share (€)	2.33	2.73	3.72	3.72

(1) The EBITDA represents the operating income restated to include depreciation and provisions for fixed assets

Key figures from the consolidated balance sheet

(€ thousands)	2010	2009	2008
Total assets	568,374	562,018	501,539
Gross tangible assets [1]	425,921	394,736	322,471
ROI [2]	12.62%	12.41%	16.60%
Total non-current assets	378,358	364,927	311,229
Shareholders' equity - Group's share	140,204	129,049	102,487
Minority interests	(85)	(98)	(58)
Gross debt	331,746	336,620	297,905
Net debt [3]	292,646	301,756	262,099
Dividend paid per share (€)	1	1	1

(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

It should be noted that no significant changes have occurred in the Group's financial position or business status since the end of the last fiscal year.

The selected historical financial information is supplemented by the management report in section 26.1 on page 104.

3.2. Selected financial information from the interim periods

Not applicable

4. Risk factors

TOUAX has reviewed the risks which might have a significant adverse impact on its business, its financial situation, its results, 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, earnings 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 could incur costs in order to move into line with any new changes in legislation. Complying with such new legislation would affect all participants in the modular buildings industry, and enable the Group to revise part of its leasing prices.

➜ *Freight railcars*

Implementation, in the European Union, of the General Contract for Use of Wagons has given a legal framework to this business, imposing rights and obligations on the participants, particularly where maintenance is concerned. Obtaining the ISO standard, as well as the pending certification as an Entity in Charge of Maintenance (ECM) limits TOUAX's exposure to regulatory risks.

➜ *River Barges*

The operation of river barges on a river is subject to the river regulations of the country to which the river belongs and to a commission made up of members when the river flows through several countries.

In addition to the administrative formalities involved in registering for licenses, some countries (particularly the United States) 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 boats subject to new technical specifications. Such measures can lead to significant upgrading expenses and even render some units obsolete (for example: double-hull requirement for oil tankers).

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 may 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. This equipment mainly belonged to investors. The bankruptcies had little impact on the Group's accounts, and full provisions were made.

The Group has made insurance claims for payment related to these bankruptcies and has taken legal action against the insurance company in order to obtain compensation for commercial damage.

➜ *Modular Buildings*

To date, no significant dispute has been reported for the Modular Buildings business, with the exception of a dispute with a Czech sub-contractor over the application of contractual provisions. Amounts cannot be disclosed for reasons of confidentiality.

➜ *Freight Railcars*

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

➜ *River Barges*

Following the manufacturing of river barges in China, various incidents and problems were encountered during their transport to Europe. To date, various proceedings have been undertaken by and against TOUAX in an effort to identify those responsible. Amounts cannot be disclosed for reasons of confidentiality. Following successive insurance reimbursements, the amounts at issue have reduced significantly.

Due to the embargo following the war in Kosovo and the bombing of the bridges over the Danube, the Group suffered significant damage in Romania. The Group is currently filing claims to seek damages for the losses incurred. The amounts claimed cannot be disclosed for reasons of confidentiality.

4.2. Industrial and environmental risks

4.2.1. Economic risk

➜ *Shipping Containers*

Demand for containers is linked to changes in container traffic and total transport traffic. Fluctuations depend on the level of global economic growth and international trade. In addition, the shipping container leasing market is very competitive with many leasing companies, factories, funding agencies, etc. The economic risk corresponds to the cyclical risk of recession and the risk generated by lack of competitive advantages. 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 the leased fleet has non-cancelable lease agreements for an average of three to five years with lease prices that cannot be revised. The world's 25 leading shipping lines work with the Group.

➜ *Modular Buildings*

The Group's Modular Buildings business is principally active in 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 these 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.

The local authorities market is regulated (invitations to tender, strict procedures, etc.). This market is highly dependent both on government policies and the budgets allocated by local authorities. Demand for modular buildings by local authorities mainly concerns classrooms, day-care centers 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, 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.

➜ *Freight Railcars*

Growth in the Freight Railcars leasing business benefits from the entrance of new participants on the transport market as a result of rail traffic deregulation. 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. In addition, demand for freight railcars depends on the development of global trade and intra-European exchanges. Economic risk corresponds to the risk of cyclic recession. This risk does not have an impact on long-term leases.

➜ *River Barges*

Demand for river barges is linked to changes in river transport. Fluctuations depend on the level of economic growth in the countries the rivers flow through and on international trade. Economic risks correspond to the risk of 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.

4.2.2. Geopolitical risk

➜ *Shipping Containers*

As the demand for containers depends on international trade, the geopolitical risk corresponds to the risk of 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, by customer and geographical area.

➜ *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. 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

➜ *Freight Railcars*

The freight railcars leasing market depends, in part, on European and governmental policies, in particular as far as re-launch and development of structural investments are concerned. The share of rail transport has fallen significantly over the last few decades due to the lack of these investments. Given the ageing freight railcars fleet, the Group believes a major part needs to be renewed with support from lessors. Furthermore, the Group believes creation of the common market in Europe along with the deregulation of rail transport and current structural investment policies will help boost rail transport.

➜ 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 changes 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.).

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, shipping 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.

➜ 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.

4.2.5. Climate risk

➜ River Barges

River navigation is dependent on weather conditions such as rain, drought 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, obliging 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 grain harvests in a given country or region. The quality and/or quantity can be affected. Poor grain quality or a drop in volume weakens export sales which in turn leads to a drop in freight levels. Climate risk is limited to the river transport business; it does not influence long-term lease agreements. These risks are limited by the fact that the Group is present in different geographic locations. 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 counterparty risk

4.3.1. Counterparty risk concerning customers

Provisions for depreciation of the Group's trade receivables are detailed in the appendix to the consolidated financial statements, note 18.1.1 page 78.

➜ 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 geographic areas (9 countries). It also has a large number of customers. Customer default risk is very diversified. Risks are measured and analyzed for each country based on monthly reviews of the customer portfolio.

➜ Freight Railcars

Customer default risk is ultimately borne by the equipment owners. Most of the Group's customers are national railway operators, and their default risk is limited. For other customers, risk analysis is systematically done. This risk is managed through a monthly review of the customer portfolio, and daily contact with customers. In the event that a customer defaults, the Group assumes the transport costs of recovering the railcars.

➜ River Barges

A majority of the customers are large industrial groups. Terms of payment for transportation contracts are strict, with a 50% advance payment before 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.

4.3.2. 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 Treasury and Financing Department.

This risk is discussed in the appendix to the consolidated financial statements, note 26 page 86.

4.3.3. Risk of dependence

➜ *Patents, licenses*

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.

➜ *Customers, suppliers*

Leasing is a recurring and 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 are based on low-tech equipment which is simple to build and lease. 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 signing of new management programs, and therefore the sale of equipment and disposal of assets, may fluctuate considerably from one quarter to another or from one year to the next. The Group sells equipment to a limited number of investors: 31% of the turnover from equipment sales in 2010 was made from with a single investor. To minimize the risk of investor dependence, the Group is diversifying the number of investors it works with.

The primary customer accounts for an estimated 8% of revenues, the top five account for 22% of revenues, and the top ten represent 28% of revenues. The primary customer is the equipment investor previously mentioned.

4.4. Operational risks

4.4.1. Supply risk

The Group buys part of the equipment it leases. Therefore, the Group can find itself in the situation of having a product whose capacity is not in line with the optimization needs of the market or not being able to buy new equipment quickly enough when the factories no longer have space available for orders. Note that the economic crisis has restricted production capacity. This capacity risk is partly limited over time, and it only has an impact on the Group's growth, not on the equipment already leased. Moreover, the Group pays close attention to the quality of the equipment purchased.

➜ *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, as new buildings have mainly been produced by the Group since 2007.

➜ *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 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.

4.4.2. Raw material prices volatility risk

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, note 26 page 86).

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 to 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 the long-life of its 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. The Group is reducing this risk by restricting its firm commitments and negotiating indexing mechanisms for commodity prices, especially steel.

4.4.3. Risk of container positioning and loss

Containers are sometimes returned by lessees in areas where demand for containers is low (such as the US). In order to protect itself from this risk, the Group contractually controls return locations and applies "penalties" (drop off charge) when it recovers containers in locations with a low demand. The Group has also developed a used container sales department in order to reduce inventory in locations with a low demand. 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. Loss or damage due to natural disasters is either covered by the customer's insurance policy or by the policies of the depots.

4.4.4. Technological and quality risk linked to modular buildings

Modular buildings may be affected by technical obsolescence following quality improvements in rival equipment or upgrades requested by customers (esthetic). 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. Railcar transportation risk

The risks associated with transportation 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 the event of a strike, only railcars being delivered are affected, while leased railcars continue to be invoiced to customers as usual.

4.4.6. Sub-contracting risk

➜ *Modular Buildings*

Taking into account the variety of modular building installation and set-up sites, the Group uses a significant number of sub-contractors. The Group has implemented regular monitoring procedures for sub-contractors. Moreover, the risk is covered by insurance.

➜ *Freight Railcars*

The Group has signed maintenance contracts for its equipment with partners. The risks and liability in connection with the maintenance are borne by these partners.

4.4.7. Seasonal variation

➜ *Modular Buildings*

The construction business (construction and civil engineering) experiences seasonal variation, which can slow down the division's business during 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.

4.4.8. Commercial risk

➜ *Shipping Containers*

Worldwide economic growth, particularly concerning international trade, has a major impact on the demand for shipping containers. The maritime transport sector has recovered in 2010. World trade has picked up again and shipping companies need more containers to deal with the demand. The absence of new container production for nearly 14 months also had an impact on container requests from lessees. Due to financial difficulties, shipping companies tended to lease rather than buy. In order to limit the impact of economic cycles, the Group has entered into long-term, fixed-price agreements.

➜ *Modular Buildings*

The persistence of the economic crisis continues to effect daily prices, particularly in the construction segment (construction and civil engineering). The absence of a return to normal business will prevent price increases and will significantly affect the operating margin. In order to protect itself against falling prices, TOUAX is seeking to diversify into segments and regions where prices remain at adequate levels.

➜ *Freight Railcars*

The low volume of transported merchandise during the economic crisis has led to a large number of equipment returns. TOUAX has adapted its product line in order to maintain the utilization rate and meet customers' expectations by proposing more flexibility in its marketing approach. The market is expected to rebound this year.

➜ *River Barges*

The volumes transported are not sufficient to resolve the temporary overcapacity, particularly on the Rhine. In other words, the offer is still greater than the demand, leading to increased competition and causing rates to remain relatively low. This risk is limited to the transport business; it does not influence the long-term leasing of barges.

4.4.9. Management risk

A considerable portion of the containers, modular buildings, and railcars managed by the Group belongs to third-party investors or investment companies owned 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 management contracts being terminated by diversifying the number of investors. A report summarizing the assets under management is produced every month. No investor has withdrawn the 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.

4.4.10. Psycho-social risk

The Group's success depends to a large extent on the expertise and pro-active capabilities of its teams. These are even more sought out in times of economic uncertainty. 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. The senior management endeavors to be close to the teams to preserve the Group's human capital.

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 reviewed its liquidity risk, and considers it is able to meet its commitments at their future due dates.

Liquidity risk management is assessed according to the Group's requirements set forth in the appendix to the consolidated financial statements in note 26 page 86.

The list of loans containing specific clauses and commitments is mentioned in note 18.2.3 page 80.

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 is at 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 appendix to the consolidated financial statements note 26 page 86.

4.6.2. Currency risk

Information on currency risk and its management is provided in note 26 of the appendix to the consolidated financial statements, page 86.

Because of its international presence, the TOUAX Group is naturally exposed to currency fluctuations. 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 2.33% drop in current operating income. Similarly, a 10% drop in the Czech crown of the Polish zloty would cause a drop in 0.47% and 1.08%, respectively, in current operating income.

4.6.3. Risk on equity and other financial instruments

The Group's strategy is to invest its excess cash in UCITS (Undertakings for Collective Investments in Transferable Securities), for a short-term. The Group has no dealings on the financial stock markets.

Equity risk management is described in the appendix to the consolidated financial statements note 26 page 86.

➜ *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 a call for funds to equity markets.

Shareholders who do not subscribe to the call for funds are exposed to a risk of dilution of their stake in TOUAX's capital. For the record, the call for funds history over the last few years is the following (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
2010				

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 (depots) 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.

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 depots 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 barges 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 railcars 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 réunies

5.1.2. Place of incorporation and registration number

Register of companies

Tour Franklin – 23e étage – 100-101 Terrasse Boieldieu –
92042 La Défense cedex – FRANCE

Telephone: +33 1 46 96 18 00

Identification

Registre du commerce et des sociétés :
Nanterre B 305 729 352

SIRET #: 305 729 352 00099

APE: 7010Z

Listed on NYSE Euronext in Paris – Compartment B

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, 2010, the company's capital comprised 5,695,651 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.

Persons responsible for financial information

Raphaël et Fabrice WALEWSKI

Gérants de TOUAX SCA

Tour Franklin – 23e étage – 100-101 Terrasse Boieldieu - 92042 La Défense CEDEX – FRANCE

Tel.: + 33 1 46 96 18 00

Fax: + 33 1 46 96 39 69

e-mail: touax@touax.com

5.1.5. Historical background

Refer to the timeline on page 9.

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 2010, 64% of assets under Group management were financed 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 objective to invest 200 million euros every year, while continuing to gain new market share and reinforcing its economies of scale, with a return on equity of 15% through optimization of 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. In order to reach these objectives, the Group balances the distribution of managed assets and investments on its own behalf with a rule of 1/4 to 1/3 owned equipment and 3/4 to 2/3 managed equipment. To date, the distribution of managed assets is 1/3 owned equipment and 2/3 equipment belonging to a third-party.

Moreover, the Group's strategy is to only invest on the basis of new, long-term contracts. This strategy makes it possible to limit the releasing risk and the volatility of the equipment's residual value. This strategy also facilitates the Group's ability to find third-party investors and to finance itself in order to continue its development.

TOUAX's investment policy is focused on financing Group-owned assets in line with a net recourse 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 policy 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 does not use financing tools such as pooled-receivables bank-factoring, factoring, securitization or assignment of receivables, for its working capital but could eventually depending on opportunities. The Group has access to all types of financing, short, medium and long-term loans, loans without recourse, operating leases and lease financing.

Lease agreements are classified as financial lease agreements when 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 classified as financial agreements.

Since September 2008, our customers have been economically impacted by the financial crisis, with, as a repercussion on the Group, pressure on leasing and utilization rates. The diversification of the Group's business activities with different economic cycles and its strategy of favoring long-term contracts has allowed it to withstand the economic crisis well.

The difficulties in accessing financing and risk aversion that reduced investors' capacity to acquire equipment and to close new management program in 2009 improved in 2010 and the new equipment marketing business has picked up significantly. Moreover, the Group always seeks to acquire stock of existing equipment.

In this context, the Group has continued to reduce its investments on its own behalf, but has been able to increase investments on behalf of third-parties.

In 2010, the Group made the following investments on its own behalf and for investors:

(€ thousands)	Shipping containers	Modular buildings	Barges	Railcars	Miscellaneous	Total
Gross Capital Assets Investments	5,194	31,517	929	5,960	124	43,725
Variation in Stocks of Equipment	40			(20,818)		(20,778)
Sale of Capitalized Equipment (historical gross value)	(9,290)	(2,568)	(1,944)	(2,849)	(56)	(16,706)
Investments in capital and in stock	**(4,055)**	**28,950**	**(1,015)**	**(17,706)**	**69**	**6,242**
Equipment sold to investors (finance lease)						
Gross investment in managed assets	30,662			54,958		85,620
Capitalized equipment sold to investors	2,021			2,161		4,182
Sale of Capitalized Equipment	(18,041)	(1,732)				(19,773)
Net Investments in Managed Assets	**14,642**	**(1,732)**		**57,119**		**70,029**
NET INVESTMENTS	**10,587**	**27,217**	**(1,015)**	**39,413**	**69**	**76,271**

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

(€ thousands)	Shipping containers	Modular buildings	Barges	Railcars	Miscellaneous	Total
Gross Capital Assets Investments	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)
Investments in capital and in stock	**(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						
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	Barges	Railcars	Miscellaneous	Total
Gross Capital Assets Investments	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)
Investments in capital and in stock	**(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 Equipmen	(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**

The following net capital assets investments were recognized in the Group's consolidated financial statements as of December 31, 2010:

Net capital assets investments during the fiscal year

(€ thousands)	2010	2009	2008
Net investments in intangible assets	367	247	466
Net investments in tangible assets	25,459	73,390	77,177
Net investments in financial assets	1,194	1,191	11,743
TOTAL NET INVESTMENTS	**27,020**	**74,828**	**89,386**

Breakdown by business of net capital assets investments

(€ thousands)	2010	2009	2008
Shipping containers	(4,095)	(2,358)	3,041
Modular buildings	28,950	43,517	55,221
River barges	(1,015)	8,139	23,818
Freight Railcars	3,111	25,190	7,172
Miscellaneous	69	340	134
TOTAL	**27,020**	**74,828**	**89,386**

Methods of financing of net capital assets investments

(€ thousands)	2010	2009	2008
Cash / loans	10,431	29,492	57,248
Leasing	20,771	45,336	32,370
Management contract with third party investors	(4,182)		(232)
TOTAL	**27,020**	**74,828**	**89,386**

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 2011 amount to approximately €10.3 million as of January 31, 2011, including €3.7 million in shipping containers and €6.6 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, 2010 amount to approximately €48 million, including €19 million in shipping containers, €12 million in modular buildings, and €17 million in railcars. These firm orders or investments were delivered in 2010 or will be delivered in 2011, but paid for in 2011.

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 are earmarked for third-party investors or sale. Orders for modular buildings are mainly for the Group.

5.2.4. Breakdown of managed assets

The value of the managed assets presented below corresponds to the equipment purchase prices. Assets in US dollars are values at the exchange rate of December 31, 2010. Fluctuation in the US dollar creates fluctuation in the values of equipment from one year to the next.

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

Breakdown of the assets managed

(€ thousands)	2010		2009		2008	
	owmned by the Group*	owmned by investors outside the Group	owmned by the Group*	owmned by investors outside the Group	owmned by the Group*	owmned by investors outside the Group
Shipping Containers	43,233	559,866	42,746	535,895	45,301	589,592
Modular buildings	264,249	50,508	232,073	51,885	186,593	55,229
Freight railcar	119,263	242,878	139,395	189,289	120,304	158,601
River barges	73,527	21,715	72,370	39,215	64,526	8,815
TOTAL	**500,272**	**874,967**	**486,584**	**816,284**	**416,724**	**812,237**

** Assets, owned by the Group, including long-term assets and assets in stock.*

Assets managed in the framework of securitization only represent 3% of the assets managed for third-parties as of December 31, 2010, 5% of the assets managed for third-parties as of December 31, 2009 and 9% of the assets managed for third-parties as of December 31, 2008.

Operating leases are recognized in managed assets, while financial leases were recognized in Group-owned assets. The details of leases without recourse are specified in note 28.1 page 90 of the appendix to the consolidated financial statements, 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: shipping containers, modular buildings, freight railcars and river barges. The Group manages its own equipment as well as equipment for third-party investors. The breakdown in managed assets is detailed in section 5.2.4 page 26.

The businesses and markets for each one of these business activities are described in more detail on pages 4 to 11; further information is available in the annual management report on page 104.

When the Group manages its own equipment, it purchases or manufactures the equipment (depending on the business), then leases or manages it (including maintenance and repairs) and then sells or destroys it at the end of its life cycle.

The Group also has the cross-functional business of third-party asset management for all of its business activities except river barges. This management activity begins with the Group buying or manufacturing equipment, building up a lease equipment portfolio and subsequently selling that equipment to investors (syndication), and finally managing that portfolio on behalf of investors.

In each step of this cycle, the Group makes a profit: a profit on leasing (owned equipment), syndication (equipment purchase and sale to investors), management (equipment and management) and trade (equipment purchase and sale to final customers).

The accounting treatment of this profit is the following:

- Leasing profit is included in the leasing revenue, which concerns all the equipment managed by the Group, owned or managed equipment. 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 profit margin is included in the leasing revenues from managed equipment less the associated operating expenses and less the revenues distributed to investors. This third-party management margin is equivalent to the Group's management commission.
- The syndication margin is recorded in sales profits (sales less the cost of sales). The syndication portfolio is made up of third-party investors in the Shipping Containers, Freight Railcars and Modular Buildings businesses.
- Syndication margins are recognized as sales / cost of sales. Concerning the Modular Building business, The Group produces and sells modular buildings to its customers and records them as part of the syndication margins. Similarly, the Freight Railcars business is recorded under syndication margins.
- Capital gains on the residual values of the Group's assets are also recognized as sales margins.

The breakdown in revenues for each core business and geographic area is described in the appendix to the consolidated financial statements in section 20.1 page 43. A presentation of the outlook made during the Financial Analyst Meeting on March 29, 2011 is provided in section 28.6 page 133.

➜ *In the Shipping Containers business,*

the Group mainly manages equipment on behalf of third-parties. Therefore, 93% of the shipping containers fleet belongs to third-parties, and the rest belong to the Group. It should be noted that nearly 56% of the equipment held by the Group is earmarked for sale to third-parties in the near future (in less than one year).

The syndication cycle is relatively short and can vary from between 6 months to one year. It comes down to the purchase of equipment, leasing of this equipment and its sale to investors.

The Shipping Containers business is essentially an international business with the Group working worldwide. In order to limit risks and improve its transparency, the Group prefers to sign long-term leases, which vary from 3 to 5 years and can reach 7 years.

Increased international trade has raised the global number of containers from 15.5 million to 27.5 million TEUs in 10 years.

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

Annual growth rate	2002	2003	2004	2005	2006	2007	2008	2009	**2010**	2011*	2012*
Containerized trade	10%	12%	13%	10%	11%	12%	4%	-9%	12%	10%	9%
Navires porte-conteneurs	8%	8%	8%	11%	14%	12%	11%	5%	8%	7%	7%
Flotte conteneurs	7%	9%	10%	7%	9%	12%	7%	-4%	2%	7%	9%

*Source: Clarkson Research Studies - January 2011 & Containerisation International 2010 * Estimates*

The Clarkson institute foresees sustained growth in market volume for 2011. TOUAX has ordered new containers and plans to continue investing in long-term contracts in order to meet demands. The investments are intended to be kept, in part, by the Group and the balance to be sold to third-party investors in the framework of its management contracts.

In the medium-term, the Group seeks to manage, on its own behalf or on the behalf of third-parties, a fleet greater than 800,000 TEU (7% of the global market share).

➜ *In the Modular Buildings business,*

the Group mainly manages equipment for itself. Thus, 84% of the managed fleet belongs to the Group. At this time, modular buildings are built by the Group in its assembly plants in France and the Czech Republic. This manufacturing allows the Group to diversify into sales activities.

The Modular Buildings business is mainly located in Europe, France, Germany, Spain, Belgium, the Netherlands, Poland, the Czech Republic and Slovakia. The Group also has an entity in Florida, in the US, allowing it to solicit other countries in North and South America. 61% of the revenue is outside of France. In order to limit risks and improve its transparency, the Group prefers to sign long-term leases, which can vary from 18/24 months and 5 years.

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

In the medium term, the Group's objective is to possess 75,000 modular buildings so as to have 15% of the market share in Europe and considerably increase sales. In 2010, the Group held a 7.5% share of the continental European market (source: TOUAX).

➜ *In the River Barges business,*

the Group mainly manages equipment for itself. River barges are used for transport and chartering on the Rhine and Danube, leased to large industrial groups or used for transport on the Mississippi, Seine and Rhone and the Paraná in Paraguay.

The River Barges business is located in large European and American basins. In order to limit risks and improve its transparency, the Group prefers to sign long-term leases, which can last up to 10 years.

The number of river barges in Europe has remained stable over the years, and the overall fleet is aging (source: TOUAX). The number of dry bulk river barges in the US fell from 18,014 units in 2008 to 17,498 units in 2009 with an average age of 15.4 years, 22% of which are over 25 years old (source: Informa Economics Inc. March 2010).

In 2010, the river barges market continued to feel the effects of the economic crisis with low volumes transported in Europe leading to the overcapacity of available equipment. The leasing business is less cyclical thanks to long-term contracts.

TOUAX's goals in the medium-term is to concentrate on long-term leases, developing sales and making new selective investments.

➜ *In the Freight Railcars business,*

the Group mainly manages equipment on behalf of third-parties. Therefore, 67% of the equipment managed belongs to investors. It should be noted that nearly 19% of the equipment held by the Group is earmarked for sale to third-parties in the near future (1 year).

The syndication cycle is short, but none-the-less remains longer than that of the Shipping Containers business. This is due to the fact that the investment cycle is longer because there is one year between the order being placed and delivery of the railcars, whereas the lead-time can be several weeks for containers. Similarly, it takes longer to build a portfolio.

The Group mainly operates in Europe, but also in the United States thanks to the joint venture created in partnership with Chicago Freight Car Leasing through which, TOUAX proposes investments in railcars operated in America to investors.

In order to limit risks and improve its transparency, the Group prefers to sign long-term leases, which can vary from 3 to 10 years.

It should be noted that during the economic crisis there was a large reduction in rail traffic in Europe (-17%) (Source UIRR Statistics 2009). The number of semi-trailers, swap bodies or containers transported by rail in Europe decreased from 5 989 250 TEU in 2008 to 4 991 060 TEU in 2009 (source: UIRR, on a like-for-like basis). The market began to decline at the end of 2008 with the rail transport sector also suffering from the effects of the global economic crisis. Confronted with this recession, the Group took measures to adapt its strategy to the demand. Signs that business is recovering has been perceptible since the last quarter of 2010, and the Group is preparing for the market to start picking up in 2011.

TOUAX's leasing services are attractive to railway operators. In 2011, the Group aims to continue making investments on its own behalf and for third-parties on long-term contracts, mainly in Europe.

In the medium term, the Group's objective is to manage a fleet of 10,000 railcars and bolster its position as Europe's second largest lessor of intermodal railcars.

6.1.2. New product or service

Not applicable.

6.2. Key markets

See pages 8 and 9.

6.3. Exceptional events

Not applicable.

6.4. Dependence on patents, licenses and contracts

Not applicable.

6.5. Competitive position

See pages 4 to 7.

7. Organization Chart

7.1. Group organization chart

The percentages indicated are rounded off and correspond to capital held and voting rights.

TOUAX SCA	Country	Percentage held by parent company	Company purpose
TOUAX Corporate SAS	**France**	**100%**	**Service Company**
TOUAX Capital SA	**Switzerland**	**100%**	**Service Company**
TOUAX Container Services SAS	**France**	**100%**	**Service Company**
Gold Container Leasing Pte Ltd	Singapore	100%	Leasing of shipping containers
Gold Container Investment Ltd	Hong Kong	100%	Sale of containers
TOUAX Corp.	USA	100%	Containers investment company
Gold Container Finance Corp.	USA	100%	Containers financing company
TOUAX Finance, Inc.	USA	100%	Investment company
TOUAX Container Lease Rec, Corp.	USA	100%	Investment company
TOUAX Equipment Leasing Corp.	USA	100%	Investment company
Gold Container Corp.	USA	100%	Leasing and sale of containers
Servicios Fluviales SA	Paraguay	100%	Inactive company
TOUAX Modular Solutions SAS	**France**	**100%**	**Leasing and sale of modular constructions**
TOUAX Construction modulaire SAS	France	100%	Modular Buildings assembly company
TOUAX Modular Building USA, Inc.	USA	100%	Leasing and sale of modular buildings
TOUAX Espana SA	Spain	100%	Leasing and sale of modular buildings
TOUAX SRO	Czech Republic	100%	Modular Buildings assembly company
TOUAX SK Sro	Slovakia	100%	Leasing and sale of modular buildings
TOUAX BV	Netherlands	100%	Leasing and sale of modular buildings
TOUAX NV	Belgium	100%	Leasing and sale of modular buildings
SIKO Containerhandel GmbH	Germany	100%	Leasing and sale of modular buildings
SIKO Polska Sp.zo.o	Poland	100%	Leasing and sale of modular buildings
TOUAX Rail Ltd	**Ireland**	**100%**	**Leasing and sale of railcars**
TOUAX Rail Finance Ltd	Ireland	100%	Railcars investment company
TOUAX Rail Finance 2 Ltd	Ireland	100%	Railcars financing company
TOUAX Rail Investment Ltd	Ireland	100%	Railcars investment company
SRFRL	Ireland	25.75%	Railcars investment company
TOUAX Rail Romania SA	Rumania	57,.5%	Leasing and sale of railcars
CFCL TOUAX Llp	USA	51%	Leasing and sale of railcars
TOUAX River Barges SAS	**France**	**100%**	**Leasing of river barges**
TOUAX Leasing Corp.	USA	100%	Leasing of river barges
TOUAX Hydrovia Corp.	Panama	100%	Leasing of river barges
TOUAX Rom SA	Rumania	100%	River transport
Eurobulk Transport Maatschappij BV	Netherlands	100%	River transport
CS de Jonge BV	Netherlands	100%	River transport
Interfeeder Ducotra BV	Netherlands	77.14%	Inactive company
Eurobulk Belgium BVBA	Belgium	97.93%	Inactive company

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 its proprietary assets for leasing and sale.

There is a list of the Group's subsidiaries in note 2.2 page 60 of the appendix to the consolidated financial statements.

The functions of TOUAX's company officers in the Group's subsidiaries are mentioned in the Report of the Chairman of the Supervisory Board in section 27.2 page 117. The economic presentation of the Group is done on page 1 "profile."

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) are as follows for the 2010 fiscal year:

Services provided

(€ thousands)	IT and management costs	Interest received on loan
TOUAX Corp.		142
TOUAX Rail Ltd	315	427
TOUAX Solutions Modulaires SAS	634	1,717
TOUAX Container Services SAS	236	
TOUAX River Barges SAS	394	416

Services received

(€ thousands)	Interest payable on advances
TOUAX Corporate SAS	98
TOUAX Container Services SAS	365
TOUAX River Barges SAS	72
TOUAX Solutions Modulaires SAS	24

The guarantees and other commitments granted as of December 31, 2010 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 time	Outstanding capitl owing as of 31.12.2010
TOUAX Solutions Modulaires SAS		**64,945**	**2,404**	**26,770**	**35,771**	**42,674**
	2008	43,145		12,374	30,771	25,696
	2009	14,335		9,335	5,000	11,395
	2010	7,465	2,404	5,061		5,583
TOUAX Rail Ltd		**6,393**			**6 393**	**1,948**
	2000	3,326			3326	1,461
	2002	3,067			3 067	487
SIKO Containerhandel Gmbh		**56,413**	**725**	**52,185**	**3,503**	**46,534**
	2005	225	225			46
	2006	3,503			3,503	1,864
	2008	15,174		15,174		11,074
	2009	18,502		18,502		15,615
	2010	19,009	500	18,509		17,935
TOUAX River Barges SAS		**24,916**	**2,958**	**20,833**	**1,125**	**19,688**
	2008	3,825	2,958		867	676
	2009	20,833		20,833		18,850
	2010	258			258	162
SIKO Polska Sp.zo.o		**23,186**	**2,107**	**10,079**	**10,999**	**15,106**
	2005	2,107	2,107			245
	2006	4,817			4,817	2,561
	2007	3,675			3,675	2,270
	2008	6,552		4,045	2,507	4,757
	2009	6,035		6,034		5,273
TOUAX Leasing Corp	2008	**7,805**			**7,805**	**5,085**
TOUAX Modular Building USA, Inc		**4,729**		**4,729**		**3,090**
	2006	2,169		2,169		1,317
	2007	2,560		2,560		1,773
TOUAX Corp.	2010	**7,185**	**7,185**			
EUROBULK Transport Maatschappij BV		**5,552**			**5,552**	**1,343**
	2003	4,433			4,433	917
	2005	786			786	251
	2008	333			333	175
GOLD Container Corp		**5,317**	**1,724**	**3,593**		**2,862**
	1998	1,724	1,724			5
	2008	3,593		3,593		2 857
TOUAX Construction Modulaire SAS		**2,296**	**1,500**		**796**	**1,915**
	2008	796			796	469
	2010	1,500	1,500			1,446
TOUAX Espana SA	2005	**710**	**300**		**410**	**83**
TOTAL OF THE GUARANTEES GRANTED		**209,447**	**18,903**	**118,189**	**72,354**	**140,328**

The subsidiaries of TOUAX SCA are listed in the subsidiaries and investment table in note 25.5 of the appendix to the individual financial statements.

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

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

($ thousands)	2010	2009	2008
Net fixed assets	25	25	2
Shareholders' equity	2,593	690	708
Financial debts	298	227	
Revenue	109,251	104,941	28,304
Operating income before distribution to investors	84,551	81,811	25,039
Operating income after distribution to investors	1,907	22	717
Net profit	1,902	(17)	658

The slight increase in revenue can essentially be explained by an increase in leasing revenue and sales. Earnings have increased sharply because of good expenditure control.

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

($ thousands)	2010	2009	2008
Net fixed assets	14,949	12,850	9,251
Shareholders' equity	26,930	26,481	13,000
Financial debts	1,943	2,554	3,123
Revenue	62,604	121,722	113,253
Operating income before distribution to investors	15,741	18,843	18,547
Operating income after distribution to investors	190	1,716	2,437
Net profit	449	3,481	(852)

The decrease in revenue comes from a sharp decline in equipment sales to investors after a good 2009 whereas the leasing revenue remains stable. The drop in earnings recorded in 2010 compared to 2009 can be explained by the €3.1 million provision reversal in 2009 in order to compensate for an increase in the purchase price of railcars earmarked for financial leasing. 2010 earnings are the result of good expenditure control.

It should be noted that in 2010 the consolidation scope integrated SRF Railcar Leasing.

8. Real estate, factories and equipment

8.1. Tangible and Intangible Fixed Assets

The Group is an operational leasing expert for mobile and standardized equipment. To date it possesses little goodwill (€22.9 million) or intangible fixed assets (€1 million) compared with tangible fixed assets (€335 million), financial leasing debts (€11.7 million) and inventory (€75 million). The tangible fixed assets, financial leasing debts and inventory represent equipment belonging to the Group (shipping containers, modular buildings, freight railcars and river barges).

In addition to leased equipment, the Group operates two modular building assembly sites in France and the Czech Republic. For the most part, these sites are made up of equipment and assembly tools 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 repairs or security) concerning these sites, or concerning the leased equipment. The assembly centers are used at almost 87% capacity thanks to their flexibility. The utilization rate of the equipment, as of December, 31 2010, is around 95% for the shipping containers, and around 80% for modular buildings, freight railcars and river barges.

Details of the tangible and intangible fixed assets are in the appendix to the consolidated financial statements in section 20.1 page 43 in note 16 and note 17 on pages 75 and the following.

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 104.

9.2. Operating income

The operating income is analyzed in the management report in section 26.1 page 104.

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 43 and in note 18 page 76 with details on the liquidity and interest rate risks in section 20.1 page 43.

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 43.

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 79 with details on the liquidity and interest rate risks in section 20.1, note 26 page 86.

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 in note 18.2.3 on page 80.

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.

TOUAX has an in-house design office that works on the conception and the improvement of the modular buildings. Modular buildings today are clearly designed to be welcoming, innovating and increasingly environmental friendly. 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 104.

12.2. Known trends, uncertainty, requests, any commitment or event reasonably likely to significantly affect the current fiscal year.

After two years (2008 and 2009) marked first by a financial crisis and then by the global economic crisis, leading to a recession in many developed countries and a slowdown in emerging countries, the global economy has started to pick up in 2010, but this growth remains relatively slow and unequal, depending on the global region. In advanced countries, growth has been moderate while in developing countries, business has remained sustained. In spite of this recovery, the growth outlook for 2011 remains exposed to the risk of a slowdown. The World Bank predicts global growth slowing to 3.3% in 2011 and 3.6% in 2012 after a 3.9% increase in 2010 (source: World Bank report "Prospects for the Global Economy" published January 12, 2011). In fact, the upturn of global business will mainly concern, for advanced countries, reduction in unemployment, solutions for the euro zone in terms of sovereign debt and policies for re-balancing public finances, and for emerging countries, solutions for inflationary risk and signs of overheating economies. For 2011 and 2012, the World Bank believes that, for nearly half of the developing countries, growth will be attributable to their strong interior demand. Similarly, the International Monetary Fund (IMF) considers, according to the global outlook published in January 2011, that the recovery should continue in advanced countries at a mediocre rate and, in emerging countries - primarily in Asia - at a sustained rate. The development of emerging countries should reach a growth rate of 6.5% in 2011 and 2012, after a 7% in 2010. On a global basis, growth in production should fall to 4.4% in 2011 compared with 5% in 2010. The IMF foresees an increase in basic products, particularly in food, which will have the greatest impact on emerging countries, as well as a sharper rebound than foreseen in business investments in the main advanced countries. The Group has already positioned itself, for each of its business activities, in view of recovered growth. It anticipates that leasing rates will come back up as well as improvement in the utilization rate. Its businesses are diversified, tied to markets that are structurally buoyant for the future, and the recurrence of its long-term contracts should allow it to continue resisting in a global context of moderate growth and uncertainties. A presentation of the Group's outlook described during the Financial Analyst Meeting on March 29, 2011 is provided in section 28.6 page 133.

13. Profit forecasts or estimates

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, supervisory, and senior management bodies

14.1. Contact details for administrative, management, supervisory, and senior management bodies

The administrative, management and supervisory bodies are presented in the report of the Chairman of the Supervisory Board in section 27.2 page 117.

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

Conflicts of interest are presented in the Report of the Chairman of the Supervisory Board in section 27.2 page 117.

15. Compensation and benefits

15.1. Compensation of corporate officers

➜ *Compensation of the Managing Partners*

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

(€ thousands)	**2010**	2009	2008
Fabrice WALEWSKI - Managing Partner			
Compensation due for the fiscal year	378.6	358.8	327.1
Value of options allotted during the fiscal year			
Value of performance shares allotted during the fiscal year			
TOTAL	**378.6**	**358.8**	**327.1**
Raphaël WALEWSKI - Managing Partner			
Compensation due for the fiscal year	364.2	357.8	332.8
Value of options allotted during the fiscal year			
Value of performance shares allotted during the fiscal year			
TOTAL	**364.2**	**357.8**	**332.8**

The company provides the Managing Partners with the necessary equipment to perform their duties (car, cell phone, computer, etc.).

➜ Compensation

Summary table of the compensation of each managing partner

(€ thousands)	2010		2009		2008	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fabrice WALEWSKI - Managing Partner						
Fixed salary	133.4	133.4	134.4	134.4	133.2	133.2
Variable compensation	208.8	191.5	180.0	181.3	154.5	134.5
Exceptional compensation						
Directors' fees	36.4	36.4	44.4	44.4	39.4	39.4
Payments in kind						
TOTAL	**378.6**	**361.3**	**358.8**	**360.1**	**327.1**	**307.1**
Raphaël WALEWSKI - Managing Partner						
Fixed salary	133.4	133.4	133.4	133.4	133.2	133.2
Variable compensation	194.4	199.2	180.0	184.9	160.2	150.2
Exceptional compensation						
Directors' fees	36.4	36.4	44.4	44.4	39.4	39.4
Payments in kind						
TOTAL	**364.2**	**369**	**357.8**	**362.7**	**332.8**	**322.8**

Compensation of the Managing Partners 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 General Meeting on June 18, 2008 set the Managing Partners' variable compensation at 0.5% of the Group's consolidated EBITDA less leasing revenues owed to investors.

The General Partners' compensation 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 owed to investors. In 2010, the amount of their compensation totaled €915,627.38, shared equally between the two General Partners. No amendment has been made since the General Meeting on June 18, 2008.

Stock options attributed to the Managing Partners

No stock options were attributed to the Managing Partners.

Performance shares

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

Equity warrants

No equity warrants (free of charge) under Articles L.225-197-1 et seq. of French commercial law were attributed to the Managing Partners.

➜ Remuneration of the Supervisory Board

Table showing the attendance' fees and other compensation received by the members of the Supervisory Board

Name (en milliers d'euros)	Position	2010	2009	2008
Serge Beaucamps	Supervisory Board Member	7.3	7.0	7.7
Jérôme Bethbeze	Supervisory Board Member	7.3	7.0	7.7
Jean Louis Leclercq*	Supervisory Board Member	6.6	7.0	7.7
Jean-Jacques Ogier	Supervisory Board Member	6.6	7.0	7.7
Aquasourça	Supervisory Board Member	7.3	7.0	5.2
François Soulet de Brugière	Supervisory Board Member	7.3	7.0	6.1
Sophie Servaty	Supervisory Board Member	5.9		
Alexandre Walewski	Chairman of the Supervisory Board	14.7	14.0	13.9
TOTAL		**63.0**	**56.0**	**56.0**

** Mr Leclercq passed away in February 2011.*

Rules for distributing attendance fees are specified in the Report of the Chairman of the Supervisory Board in section 27.2 page 117.

Attendance fees are the only type of remuneration provided for members of the Supervisory Board.

It should be noted that Alexandre WALEWSKI received a lump-sum reimbursement of $47 thousand per quarter in 2010 for his travel expenses incurred in fulfilling his mission as Chairman of the Supervisory Board. This sum totaled $47 thousand per quarter in 2009 and $44.25 thousand per quarter in 2008.

15.2. Retirement and other advantages

Managing Partners	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
Fabrice WALEWSKI - Managing Partner registered in the articles of association	Yes	No	No	No
Raphaël WALEWSKI - Managing Partner registered in the articles of association	Yes	No	No	No

Managing partners have a retirement bonus contract (Article 82).

The annual premium for the Managing Partners' retirement bonus contracts amounts to €1,900 for both contracts.

16. Operation of the administrative and management bodies

16.1. Tenure 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 page 117.

16.2. Regulated agreements

Regulated agreements are listed in the management report on page 104 and included in the Statutory Auditors' report in section 20.3.2 page 97.

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 117.

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 117.

17. Employees

17.1. Breakdown of the workforce

The breakdown of employees by geographic location and business segment as of December 31, 2010 is as follows:

	Shipping Containers		Modular buildings		River barges		Railcars		Corporate		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
Europe	23	20	468	464	93	98	25	20	31	31	640	633
Asia	7	9									7	9
United States	4	4	13	17					3	2	7	23
TOTAL	34	33	481	481	93	98	25	20	34	33	667	665

17.2. Profit-sharing and stock options

The main profit sharing for the Managing Partners, General Partners, and corporate officers are detailed in the reference document in chapter 18 page 40, with the profit sharing of Alexandre WALEWSKI (Chairman of the Supervisory Board), Fabrice WALEWSKI (Managing Partner), Raphaël WALEWSKI (Managing Partner), the Management and Investment Holding Company (general partner), and the Leasing and Management Holding Company (general partner).

Fabrice WALEWSKI and Alexandre WALEWSKI are the only officers holding financial instruments giving access to capital as of December, 31 2010. The following table shows all these financial instruments giving access to capital, and the share held by each company officer.

Type of instrument	2002 Stocks options	2006 Stocks options	2006 Equity warrants	2007 Redeemable warrants	2008 Equity warrants
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 issued	11,001	52,874	69,573	1,427,328	200,000
Allotment date	31/07/2002	07/08/2006	n/a	n/a	n/a
Purchase date	n/a	n/a	Nov-06	08/03/2007	12/03/2008
Number of financial instruments that could be exercised or levied as of 12/31/2010 by:					
- Fabrice WALEWSKI				213,032	
- Raphaël WALEWSKI					
- Alexandre WALEWSKI				212,531	
- Top 10 employees		45,917		204,667	
- Others (employees/public)				768,970	22,500
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
Expiration 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	€20.34	€23.83	€28.30	€37.55
Number of subscribed financial instruments	9,900			28,128	
Total number of canceled or void financial instruments	1,101	6,957	69,573		177,500
Number of financial instruments remaining to be exercised on 12/31/2010	**Expired plan**	**45,917**	**Cancellation of the equity warrants**	**1,399,200**	**22,500**
Potential capital in number of shares	n/a	45,917	n/a	363,092 (2)	22,927 (3)

(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 1.038 shares

(3) One 2008 warrant gives the right to 1.019 shares

Details of the share subscription or purchase options and the share subscription warrants granted by TOUAX SCA are given in the appendix to the consolidated financial statements in section 20.1, note 21 page 84.

17.3. Employee participation in the capital

The company does not publish an annual employee report.

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 of capital and voting rights

There are no categories of shares or securities which do not represent capital. There is no treasury stock (TOUAX SCA shares held by its subsidiaries). Shares held by the company (number of TOUAX SCA shares held by TOUAX SCA) is insignificant (see section 18.4 on own shares held).

➜ Distribution of capital and voting rights as of December 31, 2010

	Number of shares	% of share capital	Number of voting rights	% of voting rights	Double voting rights
Alexandre WALEWSKI	532,792	9.35%	947,954	15.48%	415,162
Société Holding de Gestion et de Location	614,256	10.78%	615,006	10.05%	750
Société Holding de Gestion et de Participation	629,214	11.05%	629,214	10.28%	
MAJORITY GROUP TOTAL	**1,776,262**	**31.19%**	**2,192,174**	**35.81%**	**415,912**
SALVEPAR	358,705	6.30%	358,705	5.86%	
SOFINA	785,695	13.79%	785,695	12.83%	
Public - registered securities	189,596	3.33%	199,879	3.27%	10,283
Public - bearer securities	2,585,393	45.39%	2,585,393	42.23%	
TOTAL	**5,695,651**	**100.00%**	**6,121,846**	**100.00%**	**426,195**

TOUAX SCA is controlled by the WALEWSKI Family. SHGL (Leasing and Management Holding Companies) and SHGP (Management and Investment Holding Company) are the two General Partners of TOUAX SCA and are respectively wholly owned by Raphaël and Fabrice WALEWSKI.

It should be noted that Alexandre, Fabrice and Raphaël WALEWSKI, SHGL, and SHGP act in concert.

Salvepar is controlled by Société Générale.

To the knowledge of TOUAX, there is no shareholder holding more than 5% of the share capital or voting rights that are not mentioned in the table above. There was no declaration of exceeding the threshold limit in 2010.

There is no form of potential capital other than the one described in the appendix to the consolidated financial statements in section 20.1 note 21 on page 84.

The different types of voting rights are described in section 18.2.

Breakdown of shares

As of December 31, 2010, 52.39% of all shares issued by TOUAX SCA were registered, and the remainder was bearer shares. 40.26% 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, 2010, the chairman received 9 proxies, 16 shareholders sent postal voting form, 15 shareholders were present, and the General Partners were also present.

Shareholders' agreement

There is no agreement providing preferential conditions for the sale or purchase of shares likely to be transmitted to the French Financial Services Authorities. Following the sale of shares from Fabrice and Raphaël WALEWSKI to the General Partners, SHGL (Leasing and Management Holding Companies) and SHGP (Management and Investment Holding Company), the shareholders' agreement (Dutreil) signed on March 16, 2006 became null and void.

➜ *Changes in the shareholding*

Actionnaires	31/12/09		31/12/08		31/12/07	
	% of shares capital*	% of voting rights*	% of shares capital*	% of voting rights*	% of shares capital*	% of voting rights*
Alexandre WALEWSKI	9.37%	15.53%	11.30%	18.43%	11.31%	16.62%
Fabrice WALEWSKI			0.43%	0.72%	10.63%	16.01%
Raphaël WALEWSKI			0.31%	0.54%	10.48%	15.83%
SHGL	10.78%	10.04%	9.77%	8.93%	0.15%	0.11%
SHGP	10.98%	10.23%	9.70%	8.86%	0.10%	0.08%
MAJORITY GROUP TOTAL	**31.13%**	**35.80%**	**31.51%**	**37.48%**	**32.67%**	**48.65%**
Treasury stock	0.16%	0.16%	0.32%	0.32%	0.13%	0.13%
SALVEPAR	6.31%	5.88%	6.38%	5.83%	6.34%	4.79%
SOFINA	13.81%	12.87%				
Public [1]	48.59%	45.29%	61.79%	56.37%	60.86%	46.43%
TOTAL	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

** To the knowledge of TOUAX*

(1) It is hereby stated that the shares held by Threadneedle Asset Management Ltd in 2008 and 2009 are included in the public offering.

Threadneedle Asset Management Ltd declared:

- In a letter dated May 12 2008, 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, 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 April 8, 2009, that on April 7, 2009 it had fallen below the threshold of 5% of the capital of TOUAX and held 233,192 TOUAX shares, representing the same number of voting rights, i.e. 4.98% of the capital and 4.54% of the voting rights, following sale on the market.

TOUAX SCA does not have an employee shareholding scheme.

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 under French law which by nature is controlled by the general partners. It has two General Partners: SHGP (management & investment holding company) and SHGL (leasing & management holding company). These two companies belong to Fabrice and Raphaël WALEWSKI. Furthermore, Alexandre WALEWSKI, Fabrice WALEWSKI, Raphaël WALEWSKI, SHGP, and SHGL acted in concert in 2010, as they have since 2005. This alliance is a de facto alliance that was established in 2005 during the conversion into a partnership limited by shares under French law. In total, on December 31, 2010 this alliance held 31.19% of shares and 35.81% of voting rights.

By complying with the practices for corporate governance recommended by AFEP/MEDEF, the Group avoids abusive control. Particularly, the current existence of independent members within the Supervisory Board, as well as the Supervisory Board's operational rules ensuring that control is not exercised 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 fiscal year's financial statements.

18.4. Own shares held

As of December 31, 2010 the company held 3,950 of its own shares. These shares were acquired as part of the repurchasing scheme authorized by the combined General Meeting of June 10, 2010 in order to:

- Ensure market stabilization and liquidity of TOUAX SCA shares through a liquidity agreement, compliant with the code of ethics recognized by Financial Services Authority, 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, 2010 to February 28, 2011	
Percentage of the share capital held directly or indirectly	0.08%
Number of shares cancelled during the past 24 months	0
Number of securities held in the portfolio	4,516
Book value of the portfolio (€)	138,870.01
Market value of the portfolio (€)	143,789.44

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

The own shares held by the Group are registered at their acquisition cost as a deduction from shareholders' equity. Gains from the disposal of these shares are stated directly as an increase in shareholders' equity, such that 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 the liquidity 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 parties 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 page 89 (see the Statutory Auditors' report on regulated agreements and commitments, section 20.3.2 page 97).

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

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)*		2010	2009	2008	2008 Proforma
	Leasing revenue	219,750	206,817	205,560	205,560
	Sales of equipment	82,643	64,955	163,188	158,907
	Commission				420
	TOTAL REVENUE	**302,393**	**271,772**	**368,748**	**364,887**
	Capital gains on disposals	5			982
4	**Income from ordinary activities**	**302,398**	**271,772**	**368,748**	**365,869**
	Cost of sales	(74,339)	(53,321)	(149,053)	(146,173)
	Operating expenses	(84,826)	(84,949)	(79,529)	(79,529)
	General, commercial and administrative operating expenses	(22,035)	(22,623)	(21,228)	(21,229)
	GROSS OPERATING MARGIN (EBITDA)	**121,198**	**110,879**	**118,938**	**118,938**
9	Depreciation, amortization and impairments	(23,788)	(20,683)	(16,094)	(16,094)
	OPERATING INCOME before distribution to investors	**97,410**	**90,196**	**102,844**	**102,844**
10	Net distribution to investors	(67,442)	(61,898)	(65,399)	(65,399)
	CURRENT OPERATING INCOME	**29,968**	**28,298**	**37,445**	**37,445**
11	Other operating revenues and expenses		3,121	(3,121)	(3,121)
	OPERATING INCOME	**29,968**	**31,419**	**34,324**	**34,324**
	Income from cash and cash equivalents	26	160	591	591
	Cost of gross financial debt	(12,936)	(13,027)	(15,429)	(14,749)
	Cost of net financial debt	**(12,910)**	**(12,867)**	**(14,838)**	**(14,158)**
	Other financial income and expenses	195	(153)	846	166
12	**FINANCIAL RESULT**	**(12,715)**	**(13,020)**	**(13,992)**	**(13,992)**
	Shares for profil/(loss) of associates	29			
	PROFIT BEFORE TAX	**17,282**	**18,399**	**20,332**	**20,332**
13	Corporation tax	(4,001)	(4,244)	(3,546)	(3,546)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**13,281**	**14,155**	**16,786**	**16,786**
	Income from discontinued activities				
	CONSOLIDATED NET PROFIT (LOSS)	**13,281**	**14,155**	**16,786**	**16,786**
	Minority interest	(6)	38	54	54
	CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)	**13,275**	**14,193**	**16,839**	**16,839**
14	**Net earnings per share**	**2.33**	**2.73**	**3.72**	**3.72**
14	**Diluted net earnings per share**	**2.31**	**2.70**	**3.71**	**3.71**

In the proforma earnings for 2008, 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 impact of this reclassification on the revenue for the 2008 fiscal year is €3,862,000. The impact of this reclassification on the Cost of Sales is €2,880,000 in 2008.

Proforma earnings for 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)		**2010**	2009	2008 Proforma	2008
	REVENUE	**302,393**	**271,772**	**368,748**	**364,887**
	Capital gains on disposals	5			982
4	**Income from ordinary activities**	**302,398**	**271,772**	**368,748**	**365,869**
5	Purchases and other external charges	(154,404)	(133,513)	(223,012)	(220,133)
6	Payroll expense	(26,539)	(25,606)	(24,666)	(24,666)
7	Other operating income and expenses	314	(526)	2,370	2,370
	GROSS OPERATING SURPLUS	**121,769**	**112,127**	**123 440**	**123,440**
8	Operating provisions	(571)	(1,248)	(4 502)	(4,502)
	GROSS OPERATING MARGIN (EBITDA)	**121,198**	**110,879**	**118,938**	**118,938**
9	Depreciation, amortization and impairments	(23,788)	(20,683)	(16,094)	(16,094)
	OPERATING INCOME before distribution to investors	**97,410**	**90,196**	**102,844**	**102,844**
10	Net distributions to investors	(67,442)	(61,898)	(65,399)	(65,399)
	CURRENT OPERATING INCOME	**29,968**	**28,298**	**37,445**	**37,445**
11	Other operating revenues and expenses		3,121	(3,121)	(3,121)
	OPERATING INCOME	**29,968**	**31,419**	**34,324**	**34,324**
	Income from cash and cash equivalents	26	160	591	591
	Cost of gross financial debt	(12,936)	(13,027)	(15,429)	(14,749)
	Cost of net financial debt	**(12,910)**	**(12,867)**	**(14,838)**	**(14,158)**
	Other financial income and expenses	195	(153)	846	165
12	**FINANCIAL RESULT**	**(12,715)**	**(13,020)**	**(13,992)**	**(13,992)**
	Shares for profil/(loss) of associates	29			
	PROFIT BEFORE TAX	**17,282**	**18,399**	**20,332**	**20,332**
13	Corporate income tax	(4,001)	(4,244)	(3,546)	(3,546)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**13,281**	**14,155**	**16,786**	**16,786**
	Income from discontinued activities				
	CONSOLIDATED NET PROFIT (LOSS)	**13,281**	**14,155**	**16,786**	**16,786**
	Minority interests	(6)	38	54	54
	CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)	**13,275**	**14,193**	**16,839**	**16,839**
14	**Net earnings per share**	**2.33**	**2.73**	**3.72**	**3.72**
14	**Diluted net earnings per share**	**2.31**	**2.70**	**3.71**	**3.71**

Comprehensive income statement for the year

(€ thousands)	**2010**	2009	2008
Profit (loss) for the year	**13,281**	**14,155**	**16,785**
Other comprehensive income			
Translation adjustments	4,012	(721)	184
Translation adjustments on net investment in subsidiaries	601	40	(2,221)
Profits and losses on cash flow hedges (effective part)	(149)	235	(112)
Tax on comprehensive income	(40)	(109)	477
Total other comprehensive income	**4,424**	**(555)**	**(1,671)**
Minority interests	7	(3)	4
Total other comprehensive income - Group's share	**4,417**	**(552)**	**(1,675)**
Comprehensive income - Group's share	17,692	13,641	15,163
Comprehensive income - minority interests	13	(41)	(49)
Comprehensive income statement (€ thousands)	**17,705**	**13,600**	**15,114**
Income attributable to the:			
Group	13,275	14,193	16,840
Minority interests	6	(38)	(54)
	13,281	**14,155**	**16,786**
Résultat global attribuable au(x):			
Groupe	17,693	13,641	15,163
Intérêts minoritaires	13	(41)	(49)
Résultat global	**17,706**	**13,600**	**15,114**

Consolidated balance sheet at December 31

note n° (€ thousands)		2010	2009	2008
	ASSETS			
15	Goodwill	22,937	22,062	21,830
16	Intangible assets	1,038	977	1,071
17	Tangible assets	334,972	324,174	267,123
18	Long-term financial assets	7,975	6,715	5,699
18	Investments in associates	1,087		
18	Other non-current assets	10,176	10,999	15,506
13	Deferred tax assets	173		
	Total non-current assets	**378,358**	**364 927**	**311,229**
19	Inventory and work-in-progress	75,015	90 814	90,670
18	Accounts receivable	56,990	54,446	46,342
20	Other current assets	18,911	16,967	17,491
18	Cash and cash equivalents	39,100	34,864	35,807
	Total current assets	**190,016**	**197,091**	**190,310**
	TOTAL ASSETS	**568,374**	**562,018**	**501,539**
	LIABILITIES			
	Share capital	45,565	45,503	37,464
	Reserves	81,364	69,353	48,184
	Profit (loss) for the fiscal year, Group's share	13,275	14,193	16,839
	Shareholders' equity of the Group	**140,204**	**129,049**	**102,487**
	Minority interests	(85)	(98)	(58)
21	**Consolidated shareholders' equity**	**140,119**	**128,951**	**102,429**
18	Loans and financial liabilities	227,880	221,418	244,231
13	Deferred tax liabilities	4,993	4,968	4,790
23	Retirement benefits and similar benefits	219	261	197
24	Other long-term liabilities	1,466	1,562	2,182
	Total non-current liabilities	**234,558**	**228,209**	**251,400**
22	Provisions	2,868	2,317	4,896
18	Loans and current bank facilities	103,866	115,202	53,674
18	Trade accounts payable	37,529	28,567	41,388
25	Other current liabilities	49,433	58,771	47,753
	Total current liabilities	**193,696**	**204,857**	**147,710**
	TOTAL LIABILITIES	**568,374**	**562,018**	**501,539**

Changes in consolidated shareholders' equity *(€ thousands)*	Share capital [2]	Premiums [2]	Consolidated reserves	Conversion reserves	Variation in the fair value of derivatives (swaps) [1]	Comprehensive income for the year	Total shareholders' s'equity of the Group	Minority interests	Total shareholder's equity
Position at January 1, 2008	**31,182**	**12,544**	**15,435**	**(2,299)**	**(79)**	**11,721**	**68,503**	**(8)**	**68,496**
Revenue (charges) recognised directly in shareholders' equity				(1,585)	(91)		(1,676)	4	(1,671)
Total comprehensive income for the year						16,839	16,839	(54)	16,785
Total charges and revenue recognised				**(1,585)**	**(91)**	**16,839**	**15,163**	**(49)**	**15,114**
Capital increase	6,282	17,176					23,459		23,459
Stock option			13				13		13
Appropriation of the 2007 net result			11,721			(11,721)			
General Partners' statutory compensation			(698)				(698)		(698)
Dividends			(3,898)				(3,898)		(3,898)
Changes in the consolidation perimeter and miscellaneous			170				170		170
Cross-shareholdings			(226)				(226)		(226)
AT DECEMBER 31, 2008	**37,464**	**29,721**	**22,517**	**(3,884)**	**(170)**	**16,839**	**102,487**	**(57)**	**102,429**
Position at January 1, 2009	**37,464**	**29,721**	**22,517**	**(3,884)**	**(170)**	**16,839**	**102,487**	**(57)**	**102,429**
Revenue (charges) recognised directly in shareholders' equity				(732)	180		(552)	(3)	(555)
Comprehensive income for the year						14,193	14,193	(38)	14,155
Total charges and revenue recognised				**(732)**	**180**	**14,193**	**13,641**	**(41)**	**13,600**
Capital increase	8,039	10,514					18,553		18,553
Stock option									
Appropriation of the 2008 net result			16,839			(16,839)			
General Partners' statutory compensation			(1,041)				(1,041)		(1,041)
Dividends			(4,681)				(4,681)		(4,681)
Changes in the consolidation perimeter and miscellaneous [1]									
Cross-shareholdings			89				90		90
POSITION AT DECEMBER 31, 2009	**45,503**	**40,235**	**33,723**	**(4,616)**	**10**	**14,193**	**129,049**	**(98)**	**128,951**
Position at January 1, 2010	**45,503**	**40,235**	**33,723**	**(4,616)**	**10**	**14,193**	**129,049**	**(98)**	**128,951**
Revenue (charges) recognised directly in shareholders' equity				4,519	(101)		4,418	7	4,425
Comprehensive income for the year						13,275	13,275	6	13,281
Total charges and revenue recognised				**4,519**	**(101)**	**13,275**	**17,693**	**13**	**17,706**
Capital increase	63	53					116		116
Purchase of share subscription warrants		(699)	324				(375)		(375)
General Partners' statutory compensation			(916)				(916)		(916)
Appropriation of the 2009 net result			14,193			(14,193)			
Dividends		(2,435)	(3,253)				(5 688)		(5,688)
Changes in the consolidation perimeter and miscellaneous [1]			191				191		191
Cross-shareholdings			134				134		134
POSITION AT DECEMBER 31, 2010	**45,566**	**37,154**	**44,396**	**(97)**	**(91)**	**13,275**	**140,204**	**(85)**	**140,119**

(1) The effective part of the cash flow hedge on rates is recognized in Shareholders' Equity.

(2) Including redeemable warrants and stock options.

Consolidated cash flow statement at December 31

	(€ thousands)	2010	2009	2008 Proforma	2008
	Consolidated net profit/(loss) (including minority interests)	13,281	14,156	16,786	16,786
	Shares of profilt/(loss) of associates	(29)			
	Depreciation	23,566	19,116	21,497	21,497
	Provisions for deferred taxes	(317)	132	(404)	(404)
	Capital gains & losses on disposals	(649)	(423)	(982)	(982)
	Other non-cash income and expenses	124	(61)	(153)	(153)
	Self-financing capacity after cost of net financial debt & tax	**35,976**	**32,920**	**36,744**	**36,744**
	Cost of net financial debt	12,910	12,868	14,838	14,158
	Current tax expense	4,318	4,112	3,951	3,951
	Self-financing capacity before cost of net financial debt & tax	**53,204**	**49,900**	**55,533**	**54,853**
	Taxes paid [1]	(4,318)	(4,112)	(3,951)	(3,951)
A	Change in working capital requirement relating to operations excluding changes in inventory [2]	(3,329)	(3,230)	(29,959)	(58,978)
A	Change in inventory	18,106	830	(29,019)	
B	Change in working capital requirement for investment	(488)	(5,135)	(9,491)	
	Acquisition of assets intended for leasing	(36,240)	(89,641)	(82,717)	
	Revenue from sale of assets	8,140	12,624	3,861	
	Net impact of finance leases granted to customers	1,161	1,907	(12,067)	
	Sous-total	**(9,321)**	**(79,415)**	**(129,433)**	
	I - CASH FLOW FROM OPERATING ACTIVITIES	**36,236**	**(36,857)**	**(107,810)**	**(8,076)**
	Investing activities				
	Acquisition of tangible and intangible assets	(1,364)	(261)	(473)	(83,190)
	Acquisition of equity interests	(1,174)			
	Net change in financial fixed assets	(1,336)	(3,098)	(227)	(12,295)
	Revenue from sale of assets				3,861
B	Change in working capital requirement for investment				(9,491)
	Effect of changes in the consolidation perimeter				
	II - CASH FLOW FROM INVESTING ACTIVITIES	**(3,874)**	**(3,359)**	**(700)**	**(101,115)**
	Financing transactions				
	Cash inflows from new loans	46,099	215,626	475,144	475,144
	Loan repayments	(59,751)	(182,254)	(360,752)	(360,752)
	Net change in financial debts	**(13,652)**	**33,372**	**114,392**	**114,392**
	Net increase in shareholders' equity (capital increase)	115	17,622	23,624	23,624
	Cost of net financial debt	(12,910)	(12,868)	(14,838)	(14,158)
	Distribution of dividends	(5,501)	(4,681)	(3,898)	(3,898)
	General Partners' statutory compensation	(916)	(1,041)	(698)	(698)
	Net sale (acq.) of warrants	(375)			
	Net sale (acquisition) of own shares	135	89	(226)	(226)
	III - CASH FLOW FROM FINANCING TRANSACTIONS	**(33,104)**	**32,493**	**118,356**	**119,036**
	Impact of exchange rate fluctuations	138	(72)	1,353	1,353
	IV - CASH FLOW FROM EXCHANGE RATE FLUCTUATIONS	**138**	**(72)**	**1,353**	**1,353**
	CHANGE IN NET CASH POSITION (I) + (II) + (III) + (IV)	**(604)**	**(7,795)**	**11,198**	**11,198**
	Analysis of cash flow				
	Cash position at start of year	26,553	34,347	23,149	23,149
	Cash position at year end	25,949	26,553	34,347	34,347
	CHANGE IN NET CASH POSITION	**(604)**	**(7,795)**	**11,198**	**11,198**

Consolidated cash flow statement at December 31 (cont)

(€ thousands)		**2010**	2009	2008
A	**Change in working capital requirements (WCR) relating to operations**			
	Decrease/(increase) in inventory and work-in-progress	18,106	830	(29,019)
	Change in inventory (2)	**18,106**	**830**	**(29,019)**
	Decrease/(increase) in accounts receivable	726	(8,577)	(7,682)
	Decrease/(increase) in other current assets	(2,118)	(244)	893
	(Decrease)/increase in trade accounts payable	8,778	(12,658)	(28,445)
	(Decrease)/increase in other liabilities	(10,715)	18,249	5,275
	Change in WCR relating to operations excluding change in inventory (1)	**(3,329)**	**(3,230)**	**(29,959)**
	Change in WCR for operations (1)+(2)	**14,777**	**(2,400)**	**(58,978)**
B	**Change in working capital requirement for investment**			
	Decrease/(increase) in receivables / fixed assets	(142)	1	2
	(Decrease)/increase in liabilities / fixed assets	(346)	(5,136)	(9,493)
	Change in WCR for investment	**(488)**	**(5,135)**	**(9,491)**

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 acquired 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."

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, 2010, the cash flow before net financial debts and before tax was €53.2 million, up €3.3 million compared to December 31, 2009. Cash inflow from operating activities totaled €36.2 million, up €73.1 million compared to cash outflow on December 31, 2009. This positive fluctuation is a result of significant outflow of merchandise inventory in the railcar division due to transactions with SRFRL and the drop in equipment purchases. The 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 containers and freight railcars suppliers, and the variation in shipping containers and freight railcars 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 €3.9 million, down €0.5 million from December 31, 2009. This cash outflow can be partially explained by the granting of a €1.2 million loan to SRF1 (an entity with 688 freight railcars operated in Central Europe and managed by the Group since December 2010), and also by the acquisition of shares representing 25.7554% of SRF Railcar Leasing's capital (€1.2 million).

Cash outflow from financing operations totaled €33.1 million, down €65.6 million from 2009. In 2009, two increases in capital were carried out for €17.6 million. The different increases in capital carried out in 2010 concern the exercise of redeemable share subscription warrants for €115 thousand.

Changes in cash flow due to exchange rates rose by €0.2 million in 2010 compared to 2009, following the strengthening of the dollar (1 euro = USD 1.4406 on December 31, 2009 versus USD 1.3362 on December 31, 2010), the strengthening of the Swiss franc (1 euro = CHF 1.4836 on December 31, 2009 versus CHF 1.2504 on December 31, 2010), and, to a lesser extent, the rise in the Czech crown (1 euro=CZK 26.473 in 2009 versus CZK 25.061 in 2010). The value of the (Polish) Zloty rose against the euro in 2010 (1 euro=PLN 4.1082 in 2009 vs. 1 euro=PLN 3.9603 in 2010). These exchange rate fluctuations correspond to the difference between the closing rate and the average rate on cash flow. (Average 2010 rate: 1 euro = USD 1.3257).

Cash flow fluctuations generated by operational activities (+€36.2m) and incidents tied to exchange rates (+€0.1m) allowed the company to cope with financing (-€33.1m) and investment fluctuations (-€3.9m) and revealed a net negative cash flow of -€0.6 million.

Notes to the consolidated financial statements

Appendix to the consolidated financial statements

Significant events and post-closure events:

➜ *Significant events*

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

SRF Railcar Leasing Partnership was created in partnership with a bank in 2009. This entity is held by the banking partner via its SRF III investment fund, and, in 2010, the TOUAX Group purchased 25.7554% of the capital. SRF Railcar Leasing invested in freight railcars. This entity entered in the Group's scope in 2010 according to the equity method of accounting.

➜ *Post-closure events*

On January 11, 2011 TOUAX SCA paid an interim dividend of €2.8 million.

The EIG's partner companies agreed to the acquisition of "senior" shares by HPMF. HPMF financed this acquisition by issuing type A, B and C bonds, which were subscribed to by HPMC1, Apicius and TOUAX.

On March 9, 2011 the Management Board decided to move the company's head office, as of April 1, 2011, to Tour Franklin, 23rd floor, 100-101 Terrasse Boieldieu - 92042 La Défense cedex, FRANCE.

note 1. Accounting rules and methods

➜ *note 1.1. Basis for preparing and presenting the annual financial statements as of December 31, 2010*

Approval of the financial statements

The annual financial statements of December 31, 2010 and the associated notes were approved by the TOUAX SCA Management Board on March 24, 2011 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 2010 fiscal year were prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) on December 31, 2010 and adopted by the European Union, on the date the accounts were closed.

New Standards and IFRS interpretations

The following are the new texts applicable in 2010:

- Revised IFRS 3: On January 10, 2008 the IASB published the revised version of the IFRS 3, Business Combinations, the standard adopted by the European Union, that the Group applies to acquisitions and mergers carried out from 2010. This standard is required from January 1, 2010 following its adoption by the European Union on June 3, 2009. This standard changes the procedural requirements in the purchase method of businesses.

  The accounting principles and methods from now on in force for operations subject to the revised IFRS 3 are described below (note 1.6).
- Revised IAS 27: On January 10, 2008 the IASB published the revised version of IAS 27, Consolidated and Separate Financial Statements, the standard adopted by the European Union, applicable together with the revised IFRS 3. The revisions particularly concern the booking of transactions with non-controlling interests and partial disposals with loss of control.

The revised IFRS 3 and IAS 27 standards are prospective applications and therefore do not affect mergers and acquisitions made before January 1, 2010.

Application of these standards does not affect the Group's consolidated financial statements of December 31, 2010.

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, 2011.

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 impairment tests (see 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, 2010.

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 appendix to the consolidated financial statements, note 1.5 on page 51).

The list of companies retained in the consolidation is provided hereinafter in the appendix 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 financial statements into foreign currency 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 are 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	
	2010	2009	**2010**	2009
Swiss franc (CHF)	1.2504	1.4836	1.3803	1.51
Czech crown (CZK)	25.061	26.473	25.284	26.4349
Zloty (PLN)	3.9603	4.1082	3.9947	4.3276
US dollar (USD)	1.3362	1.4406	1.3257	1.3948

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 on the closing 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 the TLR 2001 trust, in the Modular Buildings division by setting up an EIG, Modul Finance I and in the Railcars by setting up SRF Railcar leasing and SRFI.

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.

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 amount to "control of a Special Purpose Entity" (SPE), and the 2001 Trust 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 (paragraph 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 inherent 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 appendix.

note 1.5.1. GIE Modul Finance I

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 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, or to make or block amendments to its Articles of Association.

c) The financial benefits the Group receives from the Modul Finance I EIG are limited to the net value of the fees it receives for managing the EIG's assets. Those benefits are insignificant compared to the value of the assets themselves. Moreover, the Group would have no ownership rights to 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 appendix to the consolidated financial statements. This 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 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 as of December 31, 2010.

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 fails 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 appendix to the consolidated financial statements. That risk is insignificant compared to the value of the assets themselves. The Group does not own any equity of Trust 2001. Discounting of cash flows on these assets on December 31, 2010 led the Group to depreciate the liquidity reserves by €2.1 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 as of December 31, 2010.

note 1.5.3. 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 managing the freight railcars contract on behalf of SRF Railcar Leasing. Note, however, that the management fee rate is at market rate and, 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. Furthermore, five years after the acquisition date, SFR 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.

e) As of December 31, 2010, the TOUAX Group held 25.7554% of SRF Railcar Leasing's capital and voting rights. In compliance with IAS28 §6, the Group exercises notable influence (over 20% of voting rights) and therefore consolidates SFR Railcar Leasing by the equity method of accounting.

note 1.5.4. SRF I

a) SRF I was created in order to invest in assets and not for the Group's operational requirements. This company acquired 100% of the shares of DV01 (Hungary) and Dunavagon (Slovakia). These companies respectively hold 300 railcars and 388 railcars.

b) The TOUAX Group has no decision-making or executive power over SRF I. The Board of Directors, which makes decisions concerning strategy, includes two representatives of STEPHENSEN CAPITAL LIMITED and one of the TOUAX Group. The TOUAX Group does not have, for example, the power to dissolve the entity, transfer shares to a third-party or carry out equity-related transactions; all of the Board's decisions must be unanimous.

c) Most of the advantages concerning SRF I's business will benefit STEPHENSEN CAPITAL LIMITED, which is administered by DVB. The TOUAX Group will receive management fees for handling the railcar contract on behalf of SRF I. Note, however, that the management fee rate is at market rate and, as a result, the Group will incur management fees for a very similar amount.

d) Given that STEPHENSEN CAPITAL LIMITED finances 75% of the structure and the TOUAX Group 25%, STEPHENSEN CAPITAL LIMITED bears most of the debt non-payment risk.

Accordingly, as the Group does not control the SRF I in the terms of SIC 12, SRF I is not included in the scope of consolidation as of December 31, 2010

→ *note 1.6. Goodwill*

Since the revision of IFRS 3, applied from January 1, 2010, goodwill corresponds, on the acquisition date, to the difference between:

- the fair value of the transferred counterparty, plus the amount of minority interests in the acquired company and, in an acquisition or merger made in steps, the fair value on the acquisition date of the interest previously held by the acquirer in the acquired company, revalued by the income statement, and
- the net balance of identifiable assets and liabilities taken over on the acquisition date, valued at their fair value.

In the case of significant acquisitions, this fair valuation is carried out by independent experts.

Minority interests are either valued at their fair value, or at their share in the net, identifiable assets of the acquired company. This option is available on a case-by-case basis for each business combining operation.

The direct costs in connection with the acquisition are recognized in the period's expenses and are entered on the "Other financial revenues and charges" line of the consolidated income statement.

Possible price adjustments for the acquisition or merger are valued at the fair value on the date of acquisition even if it is improbable that resources will be needed to discharge that obligation. After the acquisition date, the price adjustment is valued at its fair value at each year-end closing. After twelve months from the acquisition date, any change in the fair value from this price adjustment will be recognized in the income statement if the price adjustment is a financial liability.

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 appendix to the consolidated financial statements, note 1.9). If 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.

In the event that shares are sold without loss of exclusive control, the difference between the shares' sale price and the share of equity consolidated at the date of the sale is noted in the Group's share of equity. The consolidated value of the company's identifiable assets and liabilities, as well as the goodwill, remain unchanged.

In the event that shares are sold with loss of exclusive control, the income from the sale is calculated on the entire holding at the date of the operation. If there is residual interest, it is evaluated at its fair value by the income statement at the moment that exclusive control is lost.

➜ 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 an 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 net cost 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 from sales or purchases 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 the appendix 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 revised 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 push-tugs 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. Amortisation

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:

"Dry" shipping containers	15 years
Modular buildings	20 years
River transport (barges and push-tugs)	30 years
Freight 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 Freight 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.

➜ 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 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 assets administered under management contracts with investors (see appendix 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 appendix to the consolidated financial statements note 1.20.6).

Leases to customers have been analyzed in light of IAS 17 criteria. They correspond to operating leases, as well as those (the majority) that are short-term or long-term operational leases for certain lease-options agreements refinanced by banking institutions whose clauses protect the Group from the risks inherent in the assets or customer default (non-recourse clauses benefiting the Group). Lease payments received (see the appendix 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 on its own behalf 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 financial 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 the appendix to the consolidated financial statements,note 1.8). They are tested for impairment in accordance with IAS 36 "Impairment of Assets" (see the appendix 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 (paragraphs 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 Freight Railcars divisions, and to a lesser extent in the Modular Buildings division. The stock turnover period is generally less than a year.

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 period's closing date, the Group has contracted a real 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. Pension 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 or 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 transactions:

- 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 the appendix 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, as well as leasing income deferred for more than one year 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. Fixed financial

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 the appendix 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 the appendix to the consolidated financial statements,note 1.5, note 30.1 to 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

IThese are fixed-maturity non-derivative financial assets with either fixed or calculable yield, which the firm intends and is able to keep until they mature. These assets do not include loans and receivables, or 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 bank loans, one interest-bearing bond and derivative instruments.

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

In 2010 the Group signed a forward currency contract (maturing at the start of 2011) 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 refinances its operations mainly by variable-rate loans and uses derivative foreign exchange instruments 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. The Group leases managed equipment to its customers (see the appendix 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 the appendix 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 the appendix to the consolidated financial statements, note 1.20.6).

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 barges, shipping container, modular buildings and freight 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 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 the appendix to the consolidated financial statements, note 1.20.6).

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:* As previously stated, each equipment owner bears its 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.

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 Freight Railcars divisions), and sales of property, plant and equipment earmarked for leasing 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 the appendix to the consolidated financial statements, note 1.11). The transfers of lease-financing debt are also presented in sales of equipment.

note 1.20.5. Operating Provisions

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

note 1.20.6. Net distribution to investors

The operating revenues and expenses of the assets that are part of investor pools (see the appendix 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 pre-tax 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 the appendix 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 Buildings, River Barges, and Freight Railcars businesses, services are provided in the sector where markets and customers are located.

In the Shipping Containers business, however, markets are in other locations than those of customers and services. Market locations correspond 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, 2010, 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 Containers business by geographic sector. The Shipping Containers business is categorized in the international zone. This presentation is consistent with practices in the shipping containers 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

	2010	2009	2008	2007
French companies	6	6	6	6
French companies	32	31	31	29
TOTAL	**38**	**37**	**37**	**35**
Of which included in consolidation perimeter	1		4	3
Of which excluded from consolidation perimeter			-2	-1

The TOUAX Group has a new company accounted for by the equity method in its scope of consolidation, SRF Railcar Leasing.

➜ note 2.2. List of consolidated companies in 2010

Company name	Address	Percentage of control	Method of consolidation
TOUAX SCA			
Investment and consulting (parent company)	Tour Franklin – 100-101 Terrasse Boieldieu 92042 LA DÉFENSE Cedex (FRANCE)		
CFCL TOUAX Llp			
Railcar leasing, sale and investment company	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 company	BC Leuven zone 2 – Interleuvnlaan - 62 Bus 10 - B3001 LEUVEN (BELGIUM)	97.9346%	FC
EUROBULK TRANSPORTMAATSCHAPPIJ BV			
Investment and river transport company	Amstelwijckweg 15 – 3316 BB DORDRECHT (NETHERLANDS)	100%	FC
GOLD CONTAINER Corporation			
Corporation Investment and leasing and sale of shipping containers	169E Flager street -Suite 730 – MIAMI, FL 33131 (USA)	100%	FC
GOLD CONTAINER FINANCE Llc			
Financing of shipping containers	169E Flager street -Suite 730 – MIAMI, FL 33131 (USA)	100%	FC
GOLD CONTAINER Investment Ltd			
Investment in 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 company	Cardoze & Lindo – Touax Via Tocumen - Apdo. 0819-07230 PANAMA (PANAMA)	100%	FC
INTERFEEDER-DUCOTRA BV			
River transport company	Amstelwijckweg 15 – 3316 BB DORDRECHT (NETHERLANDS)	77.1359%	FC
TOUAX MODULAR BUILDING USA Inc			
Investment, leasing, and sale of modular buildings	155 Cranes roost BLVD – STE 2070 – ALTAMONTE SPRINGS, FL 32701 (USA)	100%	FC

Company name	Address	Percentage of control	Method of consolidation
SERVICIOS FLUVIALES			
River transport company	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
SRF RAILCAR LEASING Ltd			
Investment, leasing, and sale of freight railcars	24 Main Street Cashel Co. Tipperary (IRELAND)	25.7554%	EM
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			
Corp Investment company as part of the 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 Franklin – 100-101 Terrasse Boieldieu – 92042 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 Franklin – 100-101 Terrasse Boieldieu – 92042 LA DÉFENSE cedex (FRANCE)	100%	FC
TOUAX CONSTRUCTION MODULAIRE SAS			
Design, construction, fitting, buying and selling, and operation of modular buildings	Tour Franklin – 100-101 Terrasse Boieldieu – 92042 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	Percentage of control	Method of consolidation
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 company	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 (IRELAND)	100%	FC
TOUAX RAIL Ltd			
Railcar leasing, sale and investment company	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL FINANCE Ltd			
Railcar financing company	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL FINANCE 2 Ltd			
Railcar financing company	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL INVESTMENT Ltd			
Railcar investment company	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL ROMANIA SA			
Railcar leasing, sale and investment company	Cladire administrativa Mol 1S, Étage 3 – CONSTANTA SUD-AGIGEA (ROMANIA)	57.4996%	FC
TOUAX RIVER BARGES SAS			
Investment and river transport	Tour Franklin – 100-101 Terrasse Boieldieu – 92042 LA DÉFENSE Cexex (FRANCE)	100%	FC
TOUAX ROM SA			
River transport company	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 Franklin – 100-101 Terrasse Boieldieu – 92042 LA DÉFENSE Cedex (FRANCE)	100%	FC
TOUAX SRO			
Design, construction, fitting out, 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

EM = Equity method

note 3. Segment information

➜ note 3.1. Income statement by division

December 31, 2010 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars	Miscel-laneous	Unal-located	Eliminations	**Total**
Leasing revenue	89,041	74,704	21,178	34,773	145	10,170	(10,261)	219,750
Sales of equipment	38,928	21,804	1,132	20,779				82,643
Total revenues	**127,969**	**96,508**	**22,310**	**55,552**	**145**	**10,170**	**(10,261)**	**302,393**
Revenue of disposal of other assets		4				1		5
Income from ordinary activities	**127,969**	**96,512**	**22,310**	**55,552**	**145**	**10,171**	**(10,261)**	**302,398**
Acquisition cost of sales	(36,200)	(18,440)	(694)	(19,005)				(74,339)
Operating expenses	(19,765)	(35,841)	(13,100)	(16,888)			768	(84,826)
General, commercial and administrative operating expenses	(8,415)	(6,565)	(3,406)	(3,481)	(47)	(9,613)	9,492	(22,035)
GROSS OPERATING MARGIN (EBITDA)	**63,589**	**35,666**	**5,110**	**16,178**	**98**	**558**	**(1)**	**121,198**
Depreciation, amortization and impairments	(1,230)	(16,329)	(3,005)	(2,986)	(50)	(188)		(23,788)
INCOME PER BUSINESS before distribution to investors	**62,359**	**19,337**	**2,105**	**13,192**	**48**	**370**	**(1)**	**97,410**
Net distributions to investors	(56,772)	(3,065)	(23)	(7,582)				(67,442)
CURRENT OPERATING INCOME	**5,587**	**16,272**	**2,082**	**5,610**	**48**	**370**	**(1)**	**29,968**
Other operating revenues and expenses								
OPERATING RESULT	**5,587**	**16,272**	**2,082**	**5,610**	**48**	**370**	**(1)**	**29,968**
Financial result								(12,715)
Shares of profilt/(loss) of associates								29
PROFIT BEFORE TAX								**17,282**
Corporate income tax								(4,001)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES								**13,281**
Income from discontinued activities								
CONSOLIDATED NET PROFIT (LOSS)								**13,281**
Minority interests								(6)
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)								**13,275**

December 31, 2009 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars	Miscel-laneous	Unal-located	Eliminations	**Total**
Leasing revenue	87,438	69,259	16,688	33,361	143	9,341	(9,412)	206,818
Sales of equipment	1,629	18,810	10,204	34,311				64,954
Total revenues	**89,067**	**88,069**	**26,892**	**67,672**	**143**	**9,341**	**(9,412)**	**271,772**
Revenue of disposal of other assets								
Income from ordinary activities	**89,067**	**88,069**	**26,892**	**67,672**	**143**	**9,341**	**(9,412)**	**271,772**
Acquisition cost of sales	(1,276)	(9,397)	(10,216)	(32,432)				(53,321)
Operating expenses	(26,293)	(38,046)	(8,480)	(12,776)			646	(84,949)
General, commercial and administrative operating expenses	(8,222)	(7,515)	(3,696)	(3,245)	(44)	(8,667)	8,766	(22,623)
GROSS OPERATING MARGIN (EBITDA)	**53,276**	**33,111**	**4,500**	**19,219**	**99**	**674**		**110,879**
Depreciation, amortization and impairments	(1,892)	(13,824)	(2,588)	(2,196)	(51)	(132)		(20,683)
INCOME PER BUSINESS before distribution to investors	**51,384**	**19,287**	**1,912**	**17,023**	**48**	**542**		**90,196**
Net distributions to investors	(50,142)	(3,693)	(114)	(7,949)				(61,898)
CURRENT OPERATING INCOME	**1,242**	**15,594**	**1,798**	**9,074**	**48**	**542**		**28,298**
Other operating revenues and expenses				3,121				3,121
OPERATING RESULT	**1,242**	**15,594**	**1,798**	**12,195**	**48**	**542**		**31,419**
Financial result								(13,020)
PROFIT BEFORE TAX								**18,399**
Corporate income tax								(4,244)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES								**14,155**
RIncome from discontinued activities								
CONSOLIDATED NET PROFIT (LOSS)								**14,155**
Minority interests								38
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)								**14,193**

December 31, 2008 Proforma (€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	Miscel-laneous	Unal-located	Eliminations	**Total**
Leasing revenue	85,161	64,720	24,134	31,482	144	8,987	(9,068)	205,560
Sales of equipment	120,707	22,618	841	19,022				163,188
Income from ordinary activities	**205,868**	**87,338**	**24,975**	**50,504**	**144**	**8,987**	**(9,068)**	**368,748**
Acquisition cost of sales	(116,526)	(15,931)	(446)	(16,312)			162	(149,053)
Operating expenses	(19,410)	(32,896)	(15,649)	(12,209)			635	(79,529)
General, commercial and administrative operating expenses	(6,664)	(6,741)	(3,473)	(3,092)	(41)	(9,488)	8,271	(21,228)
GROSS OPERATING MARGIN (EBITDA)	**63,268**	**31,770**	**5,408**	**18,891**	**103**	**(501)**		**118,938**
Depreciation, amortization and impairments	(954)	(10,682)	(2,157)	(2,128)	(49)	(124)		(16,094)
INCOME PER BUSINESS before distribution to investors	**62,314**	**21,088**	**3,251**	**16,763**	**54**	**(625)**		**102,844**
Net distributions to investors	(51,744)	(4,653)	(274)	(8,728)				(65,399)
CURRENT OPERATING INCOME	**10,570**	**16,435**	**2,977**	**8,035**	**54**	**(625)**		**37,445**
Other operating revenues and expenses				(3,121)				(3,121)
OPERATING RESULT	**10,570**	**16,435**	**2,977**	**4,914**	**54**	**(625)**		**34,324**
Financial result								(13,992)
PROFIT BEFORE TAX								**20,332**
Corporate income tax								(3,546)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES								**16,786**
Income from discontinued activities								
CONSOLIDATED NET PROFIT (LOSS)								**16,786**
Minority interests								54
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)								**16,839**

➜ note 3.2. Balance Sheet by division

December 31, 2010 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	**Total**
ASSETS						
Goodwill		18,067	315	4,555		22,937
Net intangible assets	268	430			340	1,038
Net tangible assets	7,999	206,245	49,221	70,973	534	334,972
Long-term financial assets	506	1,737	25	5,539	168	7,975
Investments in associates				1,087		1,087
Other non-current assets	3,497	412	6,267			10,176
Deferred tax assets					173	173
Total non-current assets	**12,270**	**226,891**	**55,828**	**82 154**	**1,215**	**378,358**
Inventory and work-in-progress	22,272	7,848	215	44,680		75,015
Accounts receivable	13,272	27,110	2,622	13,923	63	56,990
Other current assets	6,738	6,369	2,478	2,569	757	18,911
Cash and cash equivalents					39,100	39,100
Total current assets	**42,282**	**41,327**	**5,315**	**61,172**	**39,920**	**190,016**
Assets intended for transfer						
TOTAL ASSETS						**568,374**
LIABILITIES						
Share capital					45,565	45,565
Reserves					81,364	81,364
Profit (loss) for the fiscal year, Group's share					13,275	13,275
Shareholders' equity of the Group					**140,204**	**140,204**
Minority interests			(312)	227		(85)
Consolidated shareholders' equity					**140,204**	**140,119**
Loans and borrowings					227,880	227,880
Deferred tax liabilities					4,993	4,993
Retirement benefits and similar benefits	17	90	1		111	219
Other long-term liabilities		1,466				1,466
Total non-current liabilities	**17**	**1,556**	**1**		**232,984**	**234,558**
Provisions	4	2,360	200	241	63	2,868
Loans and current bank facilities					103,866	103,866
Trade accounts payable	14,962	13,681	2,178	5,823	885	37,529
Other current liabilities	26,619	12,093	1,314	7,069	2,339	49,434
Total current liabilities	**41,585**	**28,134**	**3,692**	**13,133**	**107,153**	**193,697**
Liabilities intended for transfer						
TOTAL LIABILITIES						**568,374**
Tangible & intangible investments during the year	**1,608**	**31,342**	**923**	**3,608**	**124**	**37,604**
Workforce by business	**34**	**481**	**93**	**25**	**34**	**667**

December 31, 2009 (€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	Unallocated	Total
ACTIF						
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**		**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
ACTIF						
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**
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**		**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**
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**

➜ *note 3.3. Geographical segment reporting*

(€ thousands)	International	Europe	USA	Total
2010				
Revenue	130,071	166,538	5,784	302,393
Tangible and intangible investments	1,598	35,974	33	37,604
Sectoral non-current assets	11,766	337,130	29,463	378,358
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				
Proforma 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

Notes regarding the Income Statement

note 4. Revenue from Ordinary Activities

Breakdown by type *(€ thousands)*	**2010**	2009	variation 2010/2009	2008 Proforma	2008
Leasing revenue	219,750	206,817	6.3%	205,560	205,560
Sales of new and second-hand equipment	82,643	64,955	27.2%	163,188	158,907
Commission					420
TOTAL	**302,393**	**271,772**	**11.3%**	**368,748**	**364,887**
Capital gain on disposal	5				982
TOTAL INCOME FROM ORDINARY ACTIVITIES	**302,398**	**271,772**	**11.3%**	**368,748**	**365,869**

Consolidated revenues in 2010 amounted to €302.4m compared with €271.8m in 2009, i.e. an increase of 11.3% (+8.5% in constant currency and comparable scope).

➜ *Leasing revenues*

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

They also include income from finance leases in which the Group is the lessor.

Leasing revenues rose by 6.3% compared with 2009, mainly due to a pick-up in transport and chartering business in the River Barges division and the stability of leasing revenues observed in the group's other businesses.

➜ *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 include sales by the Modular Buildings division to end customers.

In 2010, the improvement in "Sales of New and Used Equipment" can be explained by the rise in sales in the Shipping Containers division, as well as strong sales in France and Germany in the Modular Buildings division.

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

Since January 1, 2009, revenues from the sale of previously leased fixed assets have been included in sales revenue. The impact on December 31, 2009 is €12.7 million and €3.9 million on December 31, 2008 (see note 1.1). Furthermore, commissions are included in the sale of equipment.

note 5. Purchases and Other External Expenses

(€ thousands)	**2010**	2009	Variation 2010/2009		2008 Proforma	2008
Cost of sales	(70,736)	(48,921)	(21,815)	45%	(144,676)	(141,796)
Other external charges for services	(82,971)	(83,610)	638	-1%	(77,364)	(77,364)
Taxes and duties	(697)	(983)	286	-29%	(973)	(973)
TOTAL	**(154,404)**	**(133,513)**	**(20,891)**	**16%**	**(223,012)**	**(220,132)**

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

Following the French Financial Law for 2010, voted on December 30, 2009, French fiscal entities are no longer liable to the taxe professionnelle (business tax) starting in 2010. The tax has been replaced by the Contribution Economique 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.

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. The Group therefore considers that there are no grounds for applying a different accounting method to the C.V.A.E. or the C.F.E. than that of the business tax which was previously recorded under operational expenses. These two new contributions have thus been classified as operating expenses in 2010, applying the same treatment as the business tax.

note 6. Staff Costs

	2010	2009	Variation	2008
Salaries & social security charges	(26,539)	(25,606)	(933)	(24 666)
Workforce	667	665	2	724

The reduction in the workforce as of December 31, 2009 mainly concerns the production unit in the Czech Republic. Except for these reductions corresponding to an economic adjustment to its production capacity, the Group retained jobs in order to maintain its capacity to recover quickly. Therefore, the workforce has remained stable since 2009. The average salary has increased from 2008 to 2010 following the hiring of more experienced personnel.

The Group has 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 2010.

note 7. Other operating income and expenses

(€ thousands)	**2010**	2009	Variation	2008
Other operating income	2,141	3,969	-46%	2,950
Other operating charges	(1,827)	(4,495)	-59%	(581)
TOTAL OTHER OPERATING INCOME AND CHARGES	**314**	**(526)**	**-160%**	**2,370**

Other operating income and expenses include various income and expenses involved in current operations.

In 2010, the River Barges booked reimbursements concerning incurred losses as other income.

In 2009, the Group wrote off €1 million as other operating expenses 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, in 2009 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. On the other hand, the same amount was reported as other operating income to reflect other long-term assets involving deferred initial commissions of the Trust.

In 2008, the TOUAX Group obtained a grant for €2.3 million. This grant was conditional on making certain investments and creating jobs. In view of the uncertain economic outlook, a provision was set aside in 2008 to cover the entire subsidy (see note 8), booked as further allocations to operating provisions.

note 8. Operating Provisions

(€ thousands)	**2010**	2009	Variation	2008
Reversals of operating provisions	2,032	2,536	-20%	761
Allocation to operating provisions	(2,603)	(3,784)	-31%	(5,263)
TOTAL OPERATING PROVISIONS	**(571)**	**(1,248)**	**-54%**	**(4,502)**

Operating Provisions are those set aside for bad and doubtful trade receivables.

note 9. Amortization and impairments

(€ thousands)	**2010**	2009	Variation	2008
Straight-line depreciation	(16,133)	(13,175)	22%	(11,021)
Depreciation expense for leasing agreements	(7,697)	(6,319)	22%	(5,098)
Depreciation expense	**(23,830)**	**(19,494)**	**22%**	**(16,119)**
Impairment		(1,125)		
Other allocations to provisions	42	(64)	-166%	25
TOTAL	**(23,788)**	**(20,683)**	**15%**	**(16,094)**

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

Following the impairment tests carried out in 2009 on the shipping containers inventory, €0.8 million were written off to bring the value of this inventory back to its realizable value; a large part of this depreciation was written back in 2010 because of its sale.

Some of the modular buildings belonging to TOUAX'S American subsidiary, TOUAX Modular Building USA, Inc., were damaged and written off for €0.3 million.

Other provisions comprise solely provisions and drawings from superannuation commitments.

note 10. Net distribution to investors

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

(€ thousands)	**2010**	2009	Variation	2008
Shipping containers	(56,772)	(50,142)	13%	(51,745)
Modular buildings	(3,065)	(3,693)	-17%	(4,653)
River barges	(23)	(114)	-80%	(274)
Railcars	(7,582)	(7,949)	-5%	(8,727)
TOTAL	**(67,442)**	**(61,898)**	**9%**	**(65,399)**

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 373,032 TEU-size containers on behalf of third parties. This figure is broken down among investors as follows:

- Trust 2001: 10,982 TEUs in 2010, versus 18,080 TEUs in 2009.
- Management programs: 362,051 TEUs in 2010, versus 350,588 TEUs in 2009.

➜ *Modular Buildings*

On behalf of third-party owners, the Group manages 8,830 modular buildings in France, the USA, Germany and the Netherlands (compared to 9,128 in 2009).

➜ *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.

➜ *Freight Railcars*

On behalf of third-parties, the Group managed 4,684 railcars (5,718 flatcars) in Europe and the USA in 2010, compared with 3,802 railcars (4,658 flatcars) in 2009. This increase in the number of railcars reflects the operations with SRF Railcar Leasing.

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 in which the Group is the lessor. This loss reflects the increase in the freight railcars 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 18.1.2).

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

In 2010, no other income or expense was noted.

note 12. Net financial income

(€ thousands)	2010	2009	Variation 2010/2009	2008	Proforma 2008
Income from cash and cash equivalents	**26**	**160**	**-84%**	**591**	**591**
Interest payable on financing transactions	(12,936)	(13,027)	-1%	(15,429)	(15,429)
Profits and losses on debt extinguishment				680	
Cost of gross financial debt	(12,936)	(13,027)		(14,749)	(15,429)
Cost of net financial debt	**(12,910)**	**(12,867)**		**(14,158)**	**(14,838)**
Profit and loss on debt extinguishment	(28)	(203)	-86%		680
Dividends received	2				
Financial income and charges from discounting	11	50	-78%	166	166
Reversal (provision)	210				
Other financial income and charges	**195**	**(153)**		**166**	**846**
Financial result	**(12,715)**	**(13,020)**		**(13,992)**	**(13,992)**

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 revenues and charges. The 2008 proforma income takes this change into consideration (see note 1.1 of the appendix to 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 American tax group is made up of 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 and 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 €4,001,000 (against €4,244,000 in 2009 and €3,546,000 in 2008). It breaks down as follows:

	2010			2009			2008		
(€ thousands)	Payable	Deferred	Total	Payable	Deferred	Total	Payable	Deferred	Total
Europe	(3,164)	(282)	(3,446)	(3,163)	(1,022)	(4,185)	(3,388)	1,105	(2,283)
USA	(986)	599	(387)	(949)	889	(60)	(562)	(651)	(1,213)
Others	(168)		(168)		1	1	0	(50)	(50)
TOTAL	**(4,318)**	**317**	**(4,001)**	**(4,112)**	**(132)**	**(4,244)**	**(3,950)**	**404**	**(3,546)**

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

(€ thousands)	2010
Net profit (loss) from consolidated companies	13,289
Income taxes	(4,001)
Consolidated income before tax	**17,290**
Theoretical tax expense at 33.33%	(5,763)
Impact on theoretical tax of:	
Limitation of deferred taxes	(404)
Permanent differences and other elements	(600)
Deficits created in the fiscal year	(717)
Earnings deducted due to previous deficit	
Difference in tax rates	3,483
Effective income tax expense	**(4,001)**

The amount of the French group's deferred tax assets not recognized in the accounts is estimated at €2.2 million, while the amount of the Dutch group's deferred tax assets not recognized in the accounts is estimated at €5.5 million.

Taxes amount to €4 million with a tax rate of 23%, the same as in 2009. The Group's tax rate is low due to its presence in countries with low tax rates like Ireland (12.5%), Poland (19%), The Czech Republic (19%), Singapore (10%), Romania (19%) and the Netherlands (25%).

→ 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)	2010	Variation by result	Changes by shareholders' equity	2009
Redeemable warrants	(54)	43		(97)
Valuation of swaps	48		40	8
Revaluation of net investments	256		(76)	332
TOTAL	**251**	**43**	**(36)**	**243**

→ note 13.3. Deferred Tax Payable and Redeemable

The deferred tax position is as follows:

(€ thousands)	2010	2009	2008
Deferred tax asset	173		
Deferred tax liability	4,993	(4,968)	(4,790)
TOTAL	**4,820**	**(4,968)**	**(4,790)**

The deferred tax balance on December 31, 2010 breaks down as follows:

(€ thousands)	Deferred tax assets	Deferred tax liabilities	Assets	Liabilities
USA	2,497	(2,324)	173	
Europe	14,146	19,139		4,993
	16,643	**16,815**	**173**	**4,993**
BALANCE OF ASSETS/LIABILITIES				**4,820**

Net deferred tax liabilities are broken down as follows:

(€ thousands)	2010
Depreciation of fixed assets	(11,320)
Leasing restatements in France	(8,380)
Unused tax losses	12,249
Discounting of financial assets	53
Provisions for doubtful accounts	1,560
Deferred income	763
Miscellaneous	255
NET BALANCE	**(4,820)**

note 14. Net income 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 (0.7% of the share capital as of December 31, 2010).

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 three types of equity instruments that could do so: stock options, and share subscription warrants/redeemable share subscription warrants (BSAs/BSARs).

	2010	2009	2008
Net return (€)	13,274,709	14,193,628	16,838,932
Outstanding shares at December 31	5,695,651	5,687,826	4,682,971
Weighted average number of outstanding ordinary shares	5,692,861	5,198,689	4,526,847
Potential number of shares			
- 2002 stock option plan		7,200	7,200
- 2006 stock option plan	51,521	52,874	
- exercisable/transferable equity warrant bonds *			
- 2008 stock warrants *			
WEIGHTED AVERAGE NUMBER OF SHARES FOR CALCULATION OF THE DILUTED EARNINGS PER SHARE	**5,744,382**	**5 258 763**	**4,534,047**
Net earnings per share			
- basic	2.33	2.73	3.72
- diluted	2.31	2.70	3.71

** the market price at December 31, 2010 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)	2008	2009	Increase	Decrease	Translation adjustment	2010
Modular buildings						
Siko Containerhandel Gmbh	1,583	1,583				1,583
Touax Sro - Touax SK Sro	15,364	15,596			874	16,470
Touax Modular Building USA, Inc	14	14			1	15
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	**21,830**	**22,062**			**875**	**22,937**

➜ *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)	Value of associated goodwill	Discount rate	Terminal growth rate
Modular buildings	18,068	7,85%	2,00%
River barges	315	8,62%	2,00%
Railcars	4,554	8,12%	2,00%
TOTAL	**22,937**		

No impairment was recognized on December 31, 2010.

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:

(€ thousands)	Discount rate		Terminal growth rate	
	+ 1 point	- 1 point	+ 1 point	- 1 point
Modular buildings	(70,667)	100,145	85,427	(60,468)
River barges	(10,418)	14,137	11,731	(8,650)
Railcars	(23,422)	32,710	27,796	(19,985)

Taking into account the tangible and intangible values, a 1 point variation in the discount rate or growth rate does not put in question the conclusions concerning the lack of impairment of Goodwill, Tangible and Intangible Fixed Assets.

note 16. Intangible Fixed Assets

(€ thousands)	2010			2009	2008
	Gross value	Amort.	Net val.	Net val.	Net val.
Other intangible assets	2,712	(1,674)	1,038	977	1,071
TOTAL	**2,712**	**(1,674)**	**1,038**	**977**	**1,071**

Other intangible assets mainly concern software, development costs and pre-production tests of modular buildings prototypes.

note 17. Tangible Fixed Assets

➜ *note 17.1. Breakdown by type*

(€ thousands)	2010			2009	2008
	Gross value	Depr.	Net val.	Net val.	Net val.
Land and buildings	7,867	(1,549)	6,318	5,397	4,920
Equipment	406,710	(83,885)	322,825	307,340	243,574
Other tangible assets	8,610	(5,517)	3,094	3,071	3,172
Tangible assets in progress	2,735		2,735	8,366	15,457
TOTAL	**425,923**	**(90,951)**	**334,972**	**324,174**	**267,123**

➜ *note 17.2. Changes in gross value, by type*

(€ thousands)	01.01.2010	Purchases	Sales	Variation in conversion	Reclassification	31.12.2010
Land and buildings	6,731	212	(10)	165	770	7,868
Equipment	371,707	35,090	(11,538)	5,050	6,401	406,710
Other tangible assets	7,933	784	(198)	135	(44)	8,611
Tangible assets in progress	8,365	1,117		2	(6,751)	2,734
TOTAL	**394,736**	**37,204**	**(11,746)**	**5,352**	**376**	**425,923**

Equipment acquisitions amounted to €1.5 million in the Shipping Containers division, €31.1 million in Modular Buildings, €0.9 million in River Barges, and €3.6 million in Railcars.

Sales amounted to €5.2 million in the Shipping Containers division, €2.2 million in Modular Buildings, €1.5 million in River Barges, and €2.8 million in Freight Railcars.

The current reclassification of long-term assets to equipment mainly concerns the River Barges and Modular Buildings divisions.

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 freight railcars range from €10,000 for second-hand 60-ft freight 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. Push-tugs, 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 in 2009 included in an American subsidiary's tangible assets totaling €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 fiancial assets		NET VALUE – 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
AU 31 DÉCEMBRE 2007	**1,400**	**11,918**	**2,720**	**(1,331)**	**(6,492)**		**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)					
TO 31ST DECEMBER 2008	**1,477**	**12,340**	**15,506**	**(1,407)**	**(6,710)**		**70**	**5,630**	**15,506**	
Changes in perimeter										
Increase		4,317	37			(1,000)				
Decrease		(1,218)	(816)							
Translation adjustments	(48)	(107)	(334)	48	99					
Variation in fair value		(2,077)	37							
Other activity		(429)	(2,614)		429					
TO 31ST DECEMBER 2009	**1,429**	**12,826**	**11,816**	**(1,359)**	**(6,182)**	**(1,000)**	**70**	**6,644**	**10,816**	**183**
Changes in perimeter										
Increase		1,346	3,537					1,346	3,537	
Decrease	(52)	(10)	(329)				(51)	(10)	(329)	(111)
Translation adjustments	106	218	748	(106)	(216)			2	748	6
Variation in fair value		(27)	11					(27)	11	
Other activity		299	(4,684)		(299)				(4,684)	
TO 31ST DECEMBER 2010	**1,484**	**14,653**	**11,099**	**(1,465)**	**(6,697)**	**(1,000)**	**19**	**7,955**	**10,099**	**77**

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 ones to the Income Statement.

Investments in associates

SRF Railcar Leasing entered into the TOUAX Group's scope in 2010 by the equity method.

Financial elements from investments in associates

(€ thousands)	SRF RailCar Leasing
Total Assets and liabilities	54,099
Turnover	4,376
Net income	84

Change in investments in associates

(€ thousands)	**2010**
At beginning of financial period	
Share of net income	29
Subscription to capital	1,174
Elimination if internal income	(116)
At the end of the financial period	1,087

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 receivables	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	Cash and cash equivalents receivable
TO 31ST DECEMBER 2007	**44,307**	**317**	**(3,372)**		**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)					
TO 31ST DECEMBER 2008	**52,108**	**1 424**	**(5,765)**		**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)			
TO 31ST DECEMBER 2009	**61,294**		**(6,847)**		**54,446**	
Changes in perimeter						
Increase	67	29,870	(2,067)		(2,001)	29,870
Decrease			1,275		1,275	
Translation adjustments	1,643		(359)		1,284	
Variation in fair value						
Other activity	2,130		(145)		1 986	
TO 31ST DECEMBER 2010	**65,134**	**29,870**	**(8,144)**		**56,990**	**29,870**

Financial Assets are broken down as follows:

Securities Available for Sale: It corresponds to a minority stake in an unlisted storage container leasing company in the USA. The holding was fully written down in 2007 (€1.4 million). The value of the shares on December 31, 2010 was €19,000.

Unlisted securities *(€ thousands)*	**2010**	2009	2008
Gross value	1,426	1,429	1,477
Loss in value	(1,407)	(1,359)	(1,407)
NET VALUE OF AVAILABLE-FOR-SALE SECURITIES	**19**	**70**	**70**

Loans and receivables consist of the loans, collateral deposits and other reserves related to the Trusts and the Modul Finance I EIG (see the appendix to the consolidated financial statements, note 30.1,note 30.2and note 30.3), and of trade receivables and related accounts. In 2009, €1 million was written off for the deferred book value of EIG management fees concerning the Group.

€4.7 million were reclassified as current credits under financial lease. This element appears in the note dedicated to current assets (see note 20)

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 on revenue from financial instruments is indicated hereinafter in note 18.2.5.

The financial risk management policy is described in note 26 of the appendix to the consolidated financial statements.

➜ *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, a €1 million impairment was booked on the deferred payment of EIG management commissions concerning the Group, as well as a €2.1 million impairment on liquidity reserves granted to the Trusts 2001 (see the appendix to the consolidated financial statements, note 30.1 and note 30.3).

note 18.1.1. Trade receivables and other 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, 2010 at an amount of €57 million: this book value is a reasonable estimate of the fair value.

Mean aging of trade receivables is 64 days. A provision is set aside for any receivables in arrears by less than one 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.

As of December 31, 2010 the Group's books included €16 million net of receivables in arrears.

Aged trial balance

(€ thousands)	Gross accounts receivable	Provisions	Accounts receivable
Not due	40,740	(213)	40,527
0-6 months	11,540	(473)	11,067
6-12 months	4,205	(988)	3,216
> 1 year	8,650	(6,471)	2,180
TOTAL	**65,134**	**(8,144)**	**56,990**

note 18.1.2. Credits under finance leases

The Group's assets include moneys owed to it under finance leases, in which it is the lessor, amounting to a net bookable value of €11.7 million and a cost price of €16.1 million.

(€ thousands)	Minimum future payments	Discounted minimum future payments
< 1 year (+)	3,223	1,910
2 - 5 years (+)	10,985	7,160
> 5 years (+)	2,974	2,628
Total	**17,182**	**11,698**
Discounting of finance leases (-)	(5,484)	
Discounted minimum future payments	**11,698**	**11,698**
Presentation in the balance sheet of finance lease receivables:		
Other current assets		1,910
Other non-current assets		9,788
TOTAL		**11,698**

The interest rate applied in each finance lease is determined on the day the contract is signed. The mean rate of interest used in the accounts was 9.91% on December 31, 2010. The interest income from finance leases is recorded under leasing income (€2.1 million in 2010 compared with €1.2 million in 2009 and €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 €2 million in 2010 versus €1.8 million in 2009 and €1.9 million in 2008.

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 as a 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	2010
EBITDA (gross margin)	63,589	35,666	5,109	16,177	657	121,198
Payments received of principal of finance lease receivables	1,348	152	481			1,981
Restated EBITDA	**64,937**	**35,818**	**5,590**	**16,177**	**657**	**123,180**
Net distribution to investors	(56,772)	(3,065)	(23)	(7,582)		(67,442)
EBITDA restated after distribution to investors	**8,165**	**32,753**	**5,567**	**8,595**	**657**	**55,737**

note 18.1.3. Cash and cash equivalents

(€ thousands)	**2010**	2009	2008
Investments less than three months	29,871	8	10,046
Of which marketable securities	29,870	8	1,424
Cash	9,229	34,856	25,761
TOTAL	**39,100**	**34,864**	**35,807**

➜ *note 18.2. Financial liabilities*

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

note 18.2.1. Analysis of financial liabilities by category

(€ thousands)	**2010**			2009			2008		
	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Bond issue	40,045		40,045	39,773		39,773	39,505		39,505
Medium/long-term loans with recourse	12,274	4,215	16,489	13,192	3,808	17,000	11,803	3,949	15,752
Medium/long-term loans without recourse	37,310	3,208	40,518	40,448	2,959	43,407	43,629	2,959	46,588
Finance lease commitments	96,251	18,270	114,521	93,567	16,865	110,432	67,309	12,365	79,674
Revolving lines of credit with recourse		57,549	57,549	34,438	13,720	48,158	41,544	16,783	58,328
Revolving lines of credit without recourse	42,000	7,002	49,002		69,354	69,354	40,440	15,415	55,855
Current bank accounts		13,151	13,151		8,311	8,311		1,459	1,459
Liabilities on derivatives		471	471		185	185		743	743
TOTAL FINANCIAL LIABILITIES	**227,880**	**103,866**	**331,746**	**221,418**	**115,202**	**336,620**	**244,231**	**53,674**	**297,904**

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, 2010

Types of financial liability (€ thousands)	Consolidated financial statements	Valuation at fair value	Diff en%	Sensitivity +1%	Diff compared with fair value
Financial liabilities valued at amortized cost	331,275	332,746	0.44%	328,010	-1.42%
Financial liabilities valued at fair value	471	471	0.00%		0.00%
TOTAL	**331,746**	**333,217**	**0.44%**	**328,010**	**-1.56%**

At December 31, 2009

Types of financial liability (€ thousands)	Consolidated financial statements	Valuation at fair value	Diff en%	Sensitivity +1%	Diff 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%**

**1% increase in the discount rate: from 5.58% to 6.58%*

At December 31, 2008

Types of financial liability (€ thousands)	Consolidated financial statements	Valuation at fair value	Diff en%	Sensitivity +1%	Diff 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 €333,217,000 using closing prices on December 31, 2010.

- 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 bonded debt in the Balance Sheet may be analyzed as follows:

(€ thousands)	2010
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**
Interest payable	857
Coupons paid	(585)
Debt component at December 31, 2010:	**40,045**
Redemption date March 8, 2012	

note 18.2.2. Breakdown by due date of loans and payments as of December 31, 2010

(€ thousands)	2011	2012	2013	2014	2015	> 5 years	Total
Bond issues		40,393					40,393
Medium/long-term loans with recourse	4,398	3,615	3,484	2,829	1,021	1,143	16,490
Medium/long-term loans without recourse	3,208	2,959	2,959	9,741	2,959	19,361	41,187
Finance leasing commitments	18,233	18,222	18,619	17,644	15,615	26,188	114,521
Short-term loans with recourse	50,215	1,333					51,548
Short-term loans without recourse	7,003		42,000				49,003
Total capital flow on loans	**83,057**	**66,522**	**67,062**	**30,214**	**19,595**	**46,692**	**313,142**
Future interest flow on loans	9,076	7,088	5,643	4,374	2,919	3,530	32,630
Total flow on loans	**92,133**	**73,610**	**72,705**	**34,588**	**22,514**	**50,222**	**345,772**

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, 2010.

note 18.2.3. Commitments and specific clauses of the Loans

Some short and medium term bank loans include default clauses based on the respect of financial ratios (financial covenants). These clauses applied to €171 million of debt as of December 31, 2010 (see the following table). They entitle banks to insist on early repayment if the terms of the covenant are not met.

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)
Avec/ sans recours (contre 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	€40.4 m	€55 m	$10 m	$35 m	€13 m	€30.3 m	€45 m
Outstanding liabilities	€40.4 m	€48.0 m	0	€7.0 m ($9 m)	€9.6 m	€24.6 m	€42.0 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	below 4.5 for 2009 and 2010; below 3.7 for 2011		below 5	below 7.5 (using the average debt over one year)	below 7.5 (using the average debt over one year)	below 9.5 for 2010, 8.5 for 2011 and 7.5 for 2012 (using the average debt over one year)
Gearing (net debt with recourse / Shareholders' equity)	below 1.9	below 1.9	below 1.9	below 1.9	below 5.5	below 5.5	below 3.5
Shareholders' equity less goodwill					greater than €14m	greater than €14m	greater than €30m
Interest Coverage (EBITDA after distribution / Net financial expenses)			average of last 2 six month periods 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	12/31/2007	12/31/2008	12/31/2006	12/31/2004	12/31/2004	06/30/2007	12/31/2010
Loan maturity date	03/08/2012	10/24/2011	08/31/2012	07/01/2011	12/30/2016	02/28/2018	11/29/2013
Scope of calculation	TOUAX SCA consolidated accounts	TOUAX SCA consolidated accounts	TOUAX SCA consolidated accounts	TOUAX CONTAINER SERVICES SAS consolidated accounts	TOUAX RAIL LTD consolidated accounts	TOUAX RAIL LTD consolidated accounts	TOUAX RAIL LTD consolidated accounts
Other conditions/clauses							
	No	No	No	Security package	Security package	Security package	Security package
Issue dependent on compliance with eligibility criteria of financial assets	No	No	No	Yes	No	No	Yes
Cross-default clauses	default on a debt greater than €5 million within the scope of calculation, excluding non recourse debts	default on a debt greater than €5 million within the scope of calculation, excluding non recourse debts	default on a debt greater than $5 million within the scope of calculation	default on a debt greater than $5 million in the Shipping Containers division (TCS and its subsidiaries)	default on a debt greater than €250,000 within the scope of calculation	default on a debt greater than €250,000 within the scope of calculation	default on a debt greater than €250,000 within the scope of calculation

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 18.2.4. Debt analysis

Consolidated net financial debt is as follows:

(€ thousands)	2010	2009	2008
Financial liabilities	331,746	336,620	297,905
Derivative instruments asset	77	183	
Marketable securities & other investments	29,871	8	10,046
Cash assets	9,229	34,856	25,761
Consolidated net financial indebtedness	**292,569**	**301,573**	**262,098**
Non-recourse debt	89,520	112,761	102,443
Financial indebtedness excluding non-recourse debt	**203,049**	**188,812**	**159,655**

From 2010, the value of derivative assets is taken into account in the calculation of net consolidated financial debt. Consequently, 2009 and 2008 have been restated.

Financial liabilities broken down by currency

(€ thousands)	2010	2009	2008
Euro (EUR)	291,058	281,179	244,474
US dollar (USD)	25,218	37,598	38,070
Polish zloty (PLN	15,185	17,229	13,499
Others	285	614	1,861
TOTAL	**331,746**	**336,620**	**297,904**

Breakdown of gross debt by fixed rate – variable rate (including hedging instruments)

(€ thousands)	2010	2009	2008
Fixed rate	167,202	164,349	112,829
Floating rate	164,544	172,271	185,075
TOTAL	**331,746**	**336,620**	**297,904**

Mean gross debt rate broken down by currency

	2010	2009
Average debt rate in Euro (EUR)	3.51%	3.20%
Average debt rate in US Dollar (USD)	4.62%	3.57%
Average debt rate in Polish Zloty (PLN)	6.66%	6.65%
Average debt rate in other currencies	6.59%	6.59%
Average overall net debt rate	3.74%	3.42%

❙ note 18.2.5. 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	**2010**
Interest income		338				338
Dividends received	2					2
Interest expense			(13,161)	3	25	(13,133)
Impact on income	**2**	**338**	**(13,161)**	**3**	**25**	**(12,793)**
Exchange gain or loss						(28)
Impact of discounting						(17)
Interest on cash						122
Financial reversal						1
FINANCIAL RESULT						**(12,715)**

(€ 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		**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
Produits d'intérêt		127				127
Charges d'intérêt			(14,737)	(587)	(105)	(15,429)
Impact Résultat		**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 18.2.6. Trade payables

(€ thousands)	**2010**	2009	2008
Shipping containers	14,962	5,155	20,439
Modular Buildings	13,681	15,297	13,378
River Barges	2 ,178	2,213	2,322
Railcars	5,823	5,033	4,412
Miscellaneous	885	868	836
TOTAL	**37,529**	**28,567**	**41,387**

All trade payables are due within one year.

note 19. Inventories and work-in-progress

Inventories and work-in-progress (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.

(€ thousands)	**2010**			2009	2008
	Gross value	Prov.	Net val.	Net val.	Net val.
Equipment	64,256	(334)	63,922	82,382	85,576
Spare parts	9,730		9,730	8,432	5,094
Inventory of finished and semi-finished products	1,363		1,363		
TOTAL	**75,349**	**(334)**	**75,015**	**90,814**	**90,670**

In 2009, the Group wrote-off €0.8 million on shipping containers inventories due to evaluation tests; a large part of this provision has been drawn down in 2010. In fact, a large part of these containers were sold in 2010.

note 20. Other current assets

(€ thousands)	2010	2009	2008
Sale of fixed assets	55	10	10
Prepaid expenses	3,248	3,245	3,318
Taxes and duties	10,105	7,902	9,806
Others	5,503	5,810	4,358
TOTAL	**18,911**	**16,967**	**17,492**

Taxes and Duties mainly consist of input VAT paid on acquisitions of goods at the end of period.

As of December 31, 2010, the "Others" category includes receivables concerning pending insurance reimbursements in the River Barges division amounting to around €0.5 million and €0.7 million in the Modular Buildings division and €1.6 million in payments received from customers pending refund to investors in the Shipping Containers division. Moreover, this category also recorded the share of financial receivables from lease financing due in less than one year (i.e. €1.9 million as of December, 31 2010. See the appendix to the consolidated financial statements, note 1.18.1). On December 31, 2009, in the "Other" item, the share of pending reimbursements for incurred losses in the River Barges business amounted to €1.8 million.

Other current assets are all recoverable within one year.

note 21. Shareholders' Equity

Details of shareholders' equity are given in the appendix of changes in shareholders' equity.

It may be noted here that:

- In January 2010, TOUAX SCA paid an interim dividend of €2.8 million.
- TOUAX recorded the buy-back of 69 573 share subscription warrants for €162,000 and the buy-back of 177,500 share subscription warrants for €213,000.
- 2,444 redeemable warrants (BSARs) were exercised in 2010, leading to the issue of 625 new shares. As of December 31, 2010, 1,399,200 of the 1,427,328 redeemable warrants issued in 2007 remained to be exercised, for a potential of 363,092 shares (4 redeemable warrants for 1,034 shares).
- 7,200 subscription options were exercised in 2010, leading to the issue of 7,200 new shares. 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	06.24.02	06.28.2006
Date of Board of Directors meeting	07.31.02	08.07.2006
Nombre d'options consenties à l'origine	11,001	52,874
– of which to members of the Executive Committee	2,500	15,770
Number of current beneficiaries	13	9
– of which, members of the current Executive Committee	2	2
Date of allotment	07.31.02	08.07.06
Exercise date	07.30.06	08.07.08
Expiration date	07.31.10	08.07.12
Exercise price	13.59 €	20.34 €
Options exercised since allotment	9,900	
– by members of the Executive Committee	2,500	
Number of members of the Executive Committee who exercised options in 2009	1	
Options null and void since allotment	1,101	6,957
Number of outstanding options at 31/12/2010		45,917
– of which held by members of the current Executive Committee		15,770

➜ *Issue of equity warrants*

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.

The General Meeting of share subscription warrant bearers approved the exchange of the aforementioned warrants for TOUAX shares at a price calculated according to the Black-Scholes method. On December 22, 2009, the Management Board confirmed the conditions for carrying out this operation. 177,500 of the 200,000 warrants issued in 2010 were either bought back or cancelled by the Company. These warrants were bought-back at their appraised value, corresponding to one third of their issue price. As of December 31, 2010, there remain 22,500 warrants issued.

➜ *Management of capital*

The Group's objective in managing its equity is to maximize the company's value with 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 controlling its debt/equity ratio in light of changes in economic conditions, its own objectives, and the associated risk. It assesses its working capital requirements and its expected levels of capital spending in order to manage 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 monitors its gearing (Shareholders' equity to debts) using the "financial ratio" indicator, i.e. net indebtedness (with and without recourse) divided by Shareholders' Equity. The debt ratios on December 31, 2010 and 2009 were as follows:

(€ millions)	**2010**	2009	2008
Net debt with recourse	203.0	188.9	159.7
Shareholders' equity	140.2	129	102.5
Debt ratio (excluding non-recourse debt)	**1.45**	**1.46**	**1.56**
Debt ratio of non-recourse debt	**0.64**	**0.87**	**1.00**
Debt ratio	**2.09**	**2.34**	**2.56**

note 22. Provisions for risks & charges

(€ thousands)	2009	Provision	Reversal	Exchange gain or loss	**2010**
Disputes	188	38	(84)		142
Other risks	2,128	477		121	2,726
TOTAL	**2,317**	**515**	**(84)**	**121**	**2,868**

The Others Risks item breaks down as follows:

- In December 2008, a €2.3m subsidy granted abroad was subject to certain conditions, mainly concerning levels of capital investment and job creation. A provision was made for this amount due to an uncertain economic outlook (see the appen
- in December 2008, a provision for €2.6 million, representing less profitability that a lease financing contract signed with a customer in the Freight Railcars division, was written-back in 2009 (see note 11).

The Currency item arises due to the provision concerning the foreign subsidy.

note 23. Pension and similar liabilities

Changes in superannuation commitments can arise from:

- Staff turnover (new hires and departures),
- Acquisition of entitlement by staff members during their employment with the company,
- Changes in pay, and other actuarial assumptions.

(€ thousands)	2009	Provision	Reversal	2010
Shipping containers	71	90	(144)	17
Modular Buildings	73	21	(4)	90
River barges	12	2	(13)	1
Unallocated	105	142	(136)	111
TOTAL	**261**	**256**	**(298)**	**219**

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 3.8%,
- Pay rising at 1.5%,
- Retirement at age 65.

note 24. Other long-term liabilities

(€ thousands)	2010	2009	2008
Shipping Containers			2,123
Modular buildings	1,466	1,562	59
TOTAL	**1,466**	**1,562**	**2,182**

In 2009, the Modular Buildings division implemented a new type of sales contract called "sales with buy-back agreement." 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 €1,466,000 on December 31, 2010.

The deferred initial commissions of the Trust 2001 have been totally written-back from other long-term liabilities (€2.1 million) in 2009.

note 25. Other current liabilities

(€ thousands)	2010	2009	2008
Capital creditors	256	602	7,299
Tax and social security liabilities	16,834	14,137	12,261
Accounts payable	25,482	35,004	22,540
Other current liabilities	923	1,863	1,189
Deferred revenue	5,939	7,166	4,464
TOTAL	**49,433**	**58,772**	**47,753**

Operating liabilities are mainly investors' income due from the Shipping Containers, Freight Railcars and Modular Buildings divisions (€23.3 million on December 31, 2010, €18.5 million on December 31, 2009).

In 2009, a conditional sale with an investor in the Shipping Containers division for $20 million, i.e. €13.9 million, was booked. This debt was reimbursed in 2010 because the sale did not go through.

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 concerning the handling of interest rate and currency risks, and decisions are made by the Group's 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 expanded upon in note 18.1.1.

➜ 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 compensating 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 banking partners. It issued a bond (OBSAR) in 2007 for pre-financing its assets, and credit lines for asset finance leases, in order to optimally associate debt servicing and income generated by assets.

The Group's entire 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.

Some loans include clauses with withdrawal conditions (asset eligibility) and others include financial commitments (ratios) that the Group must abide by, such as laid out in note 18.2.3.

In the short term, the Group's main liquidity risks concern the non-renewal of revolving credit lines reaching maturity. The theoretical maturity dates in 2011 are presented below:

(€ millions)	
Repayment of medium/long-term credit	25.8
Repayment of confirmed short-term credit with recourse	49.9
Repayment of confirmed short-term credit without recourse	7.0
Repayment of annual revolving credit	19.9
Total	**102.7**
Estimated financial charges	16.0
TOTAL	**118.2**

At the end of December 2010, the Group's balance sheet showed €39 million in cash and cash equivalents. It had over €58 million in available lines of credit to meet its cash requirements, and €58 million of assets in inventory intended to be sold to investors.

The Group believes there is little risk of non-renewal of its short-term credit lines reaching maturity, and notes that the use of this revolving credit 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 that are conditions 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	2011	2012	2013	2014	2015	+ 5 years
Debts with recourse	242.2	92.5	63.2	22.1	20.5	16.6	27.3
Debts without recourse	89.5	10.2	3.0	44.3	9.7	3.0	19.4
TOTAL	**331.7**	**102.7**	**66.2**	**66.4**	**30.2**	**19.6**	**46.7**

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.

Thus the Group believes it has little exposure to counterparty risk and does not use any derivatives to manage that 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 applies 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 on 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 modification of the indexing of interest from variable to fixed rates.

In 2010, the Group did not enter into to any new derivative foreign exchange instruments, the hedging program previously used, particularly in 2009, made it possible to maintain the fixed rate debt at 50% of the overall long-term debt versus 49% in 2009. Long term fixed-rate debt represents 79% of overall long-term debt, compared to 78% in December 2009.

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, 2010:

(€ thousands)	Par value	Par value by maturity date < 1 year	1 - 5 years	> 5 years	Valuation at 31/12/2010
Interest rate swaps borrower fixed rate / lender variable rate					
EUR Euribor / fixed rate	5,018	963	3,242	813	
USD Libor / fixed rate					
PLN Wibor / fixed rate	7,093	1,599	5,150	344	
TOTAL INTEREST RATE HEDGING	**12,111**	**2,562**	**8,392**	**1,157**	**48**

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 impacts of derivative instruments on the gross debt broken down by currency are presented below:

(€ thousands)	Amounts at 31 December 2010 before hedging	impact of derivatives	after hedging
Euro at fixed rate	131,833	5,018	136,851
Euro at floating rate	159,225	-5,018	154,207
Dollar at fixed rate	17,908		17,908
Dollar at floating rate	7,310		7,310
Zloty at fixed rate	5,066	7,093	12,159
Zloty at floating rate	10,119	-7,093	3,026
Other currencies at fixed rate	285		285
Other currencies at floating rate			
Total debt at fixed rate	155,091	12,110	167,201
Total debt at floating rate	176,655	-12,110	164,545
TOTAL DEBT	**331,746**		**331,746**

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 €1.2 million on December 31, 2010, around 8% 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 revenue 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 overhead for the Shipping Containers business, which is 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, 2010.

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, 2010, 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, 2010 the Group did not hold any hedging positions in its results in foreign currency in the 2011 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.

Hedging of Currency Risk

The Group therefore 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, 2010:

(€ thousands)		**2010**
	Par value	Maximum due date
USD forward purchase portfolio	22,302	04/28/2011
CZK forward purchase portfolio	7,457	6/03/2011
TOTAL OF FORWARD PURCHASE PORTFOLIOS	**29,759**	

Fair value hedging

(€ thousands)	**2010**
Variation in fair value of the hedging instrument	(285)
Variation in fair value of the hedged item	284
NET IMPACT ON EARNINGS OF FAIR VALUE HEDGES	**(1)**

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	-2.33%	-2.44%
Fall of 10% in the Czech crown	-0.47%	-1.67%
Fall of 10% in the zloty	-1.08%	-0.44%

The Modular Buildings division works mainly in euros, in Czech crowns and in Polish zloty. The River Barges and Freight Railcars divisions deal mainly 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 provides for only 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 it signed with an investment services provider. The amounts currently invested do not represent a significant risk for the Group.

➜ *Raw material prices 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 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 2010 for their 2009 compensation in accordance with the articles of association was €916,000.

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 WALEWSKI together hold directly and indirectly over 20% of the shares.

The Group has not concluded any significant transactions with related parties.

Compensation of the key management personnel does not include any of the five criteria of IAS 24.16: short-term benefits, post-employment benefits, other long-term benefits, end of work contract bonus or share-based payments. The officers receive none of these benefits. (cf. details in chapter 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 €101 thousand. 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 total compensation of the corporate officers amounted to €793,300 in 2010.

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 appendix to the Consolidated Financial Statements, page 84).

Details of the compensation of the members of the Supervisory Board are given in chapter 15 page 36. It amounts to €63,000.

The TOUAX Group exercises significant influence on SRF Railcar Leasing. This entity is consolidated according to the Equity method of accounting. The transactions with this associated company are based on the market price.

Debts and receivables concerning this company are the following:

(€ thousands)	
Long term loan	1,488
Account receivable	3,648
Provision	(241)
Accounts payable	

Sales made to SRF Railcar Leasing are the following:

(€ thousands)	
Sales	18,958

The relationships between the parent company and its subsidiaries are explained in paragraph 7.2 on page 30 of this reference document and in note 25.5 of the appendix to the individual financial statements.

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	24,869	4,162	12,757	7,950
Operating leases without recourse against the Group	96,375	16,936	59,246	20,193
Of which, Shipping containers	*86,758*	*13,679*	*53,089*	*19,990*
Of which, Railcars	*9,617*	*3,257*	*6,157*	*203*
TOTAL	**121,244**	**21,098**	**72,003**	**28,143**

Without recourse against the Group: the Group's obligation to pay lease payments to the banks is suspended if the customers (sub-lessees) default on their own contractual payment obligations.

→ *note 28.2. Other commitments made*

Bank guarantees issued on the Group's behalf as of December 31, 2010

(€ thousands)	Amount	Maturity
Bank guarantee	436	
Modular buildings	436	2013

Firm orders for equipment

Firm orders and investments totaled €48m at December 31, 2010, of which €17m were for freight railcars, €12m for modular buildings and €19m for shipping containers.

➜ note 28.3. Other commitments received

Fixed-Term Operating Leases

(€ thousands)	Shipping containers	Modular buildings	River barges	Railcars	**2010**
0-6 months	21,944	10,024	1,314	11,378	44,660
6 months - 1 year	15,984	5,780	954	8,548	31,266
Between 1 and 5 years	42,083	10,139	5,905	20,788	78,915
More than 5 years	3,107	219	4,027	409	7,762
TOTAL MINIMUM OPERATIONAL RENTS	**83,119**	**26,161**	**12,200**	**41,122**	**162,603**
(€ 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
Between 1 and 5 years	42,057	11,749	5,297	38,129	97,232
More than 5 years	4,070	38	4,709	2,446	11,263
TOTAL MINIMUM OPERATIONAL RENTS	**73,395**	**23,173**	**12,472**	**65,163**	**174,204**

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. The contracts concerned 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)	Rents for receipt on 31/12/2010	1 year	1 to 5 years	5 years+
Shipping containers	88,733	14,091	54,268	20,375
Railcars	10,392	3,505	6,658	228
TOTAL	**99 125**	**17,596**	**60,926**	**20,603**
(€ thousands)	Rents for receipt on 31/12/2009	1 year	1 to 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 28.4. Security interests granted

To guarantee the financing granted for assets held by the Group (except under lease financing) and assets under its management, TOUAX SCA and its subsidiaries have granted the following security interests:

			December 31, 2010		
(€ thousands)	Commencement	Maturity	Asset pledged (gross value)	Balance Sheet item gross value	%
Mortgages (river barges)			**22,848**	**66,327**	**34.4%**
	2006	2011	1,189		
	2008	2013	635		
	2003	2013	4,333		
	2005	2014	8,606		
	2003	2015	7,300		
	2005	2015	785		
Tangible assets pledged			**132,418**	**425,898**	**31.1%**
Modular Buildings	2009	2014	5,020	264,522	
	2005	2016	4,925		
Shipping containers	2010	2011	19,375	35,013	
Railcars	2010	2013	54,299	126,363	
	2006	2016	14,530		
	2008	2018	34,269		
FINANCIAL ASSETS PLEDGED (DEPOSITS)				**14,155**	**0.0%**
TOTAL			**155,266**	**506,380**	**30.7%**

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 28.5. Security and guarantees*

Letters of comfort and guarantees 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	18,903	72,355	118,189	209,447

Remaining liabilities that correspond to the commitments made to subsidiaries amount to 140,329 thousand Euros on 31st December 2010.

The security and guarantees granted by TOUAX SCA are listed in paragraph 7.2 on page 29.

note 29. Further details regarding finance leases (capitalized)

(€ thousands)	Land	Lease equipment	**Total 2010**
Original value	762	171,467	172,229
Amortization for the period		7,702	7,702
Cumulative amortization		24,864	24,864
Net book value	762	146,603	147,366

(€ thousands)	Future payments (min.)			Interest	Present value of future payments	Residual value
	Land	Leasing equipment	**Total 2010**			
2011		23,562	23,562	5,411	18,151	139
2012		22,754	22,754	4,508	18,246	
2013		22,192	22,192	3,563	18,629	52
2014		20,257	20,257	2,604	17,653	144
2015		17,362	17,362	1,740	15,622	122
> 5 years		28,036	28,036	1,840	26,196	991
TOTAL		**134,163**	**134,163**	**19,666**	**114,497**	**1,448**
Amount charged to income statement (amortization & financial charges)	2	13,387	13,389			

note 30. Other information

➜ *note 30.1. Further details regarding the Modul Finance I EIG*

In December 1997 and during the 1998 fiscal year, the TOUAX Group carried out an asset backed securitization operation by transferring 7,869 modular buildings worth €42 million to a French Economic Interest Group, called Modul Finance I EIG. Members of the EIG hold 90% of the investments and the Group holds the balance.

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 Luxembourg-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.

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 unit holders 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 the moment, this proposition has not been accepted by Moduloc. The EIG has requested an extension until June 30, 2010 in order 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 are used to:

- Pay the amounts due to the senior unit holders. As of December 31, 2010, the remaining capital due to seniors is €7,956,904.
- Once the senior debt has been repaid, the funds available will be used to repay the amounts due in respect of the junior loan. As of December 31, 2010, the remaining capital due is €2,328,143.
- Once the junior debt has been repaid, the funds available will be allocated to 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 have not been rented out. 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:

RECOGNIZED IN THE CONSOLIDATED INCOME STATEMENT *(€ thousands)*	**2010**	2009	2008
Leasing revenues from equipment belonging to the EIG	2,145	2,694	3,676
Recognized in Consolidated Revenues	**2,145**	**2,694**	**3,676**
Flat-rate operating costs for equipment belonging to the EIG [b]	(858)	(1,077)	(1,471)
Recognized in Consolidated Purchases and other External Expenses	**(858)**	**(1,077)**	**(1,471)**
Net leasing income distributable to the EIG	(855)	(1,069)	(1,459)
Recognized in consolidated leasing income due to investors	**(855)**	**(1,069)**	**(1,459)**
TOTAL (a)	**432**	**548**	**746**

(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)*	**2010**	2009	2008
Deposit			
Loan to a company incorporated in Luxembourg	1,260	1,260	1,603
Recognized in Consolidated Financial Fixed Assets	1,260	1,260	1,603
Deferred payments	303	292	1,244
Recognized in Other Non-Current Assets	303	292	1,244
Recognized in Consolidated Assets	**1,563**	**1,552**	**2,847**
Deferred Income			
Recognized in Other Non-Current Liabilities			
Net leasing income due to the EIG (Q4)	208	232	336
Recognized in Consolidated Operating Liabilities	208	232	336
Recognized in Consolidated Liabilities	**208**	**232**	**336**

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). Part of the Group's deferred income from the EIG was written down by €0.3 million in 2007. In 2009, the Group's deferred income from the EIG was once again written down by €1 million.

On January 14, 2011, the companies that are partners in the EIG agreed to acquire "senior" shares through HPMF. HPMF financed this acquisition by issuing type A, B and C bonds that will be subscribed to by HPMC1, Apicius and the TOUAX Group.

➜ 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), under 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 $40.4 million, 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, the Trust 1998's assets were sold; 85% (12,006.5 FTEU) and 15% (2,095.5 FTEU) were acquired respectively by investors and Gold Container Investment Ltd.

Gold Container's leasing of the Trust's containers has the following implications for the Group's accounts (in thousands of euros) in 2009 and 2008. There were no longer any containers belonging to Trust 98 on December 31, 2010:

RECOGNIZED IN THE CONSOLIDATED INCOME STATEMENT *(€ thousands)*	**2010**	2009	2008
Leasing revenues from equipment belonging to Trust 1998		921	2,648
Revenues from equipment sold belonging to Trust 1998		249	947
Recognized in Consolidated Revenues		**1,170**	**3,595**
Operational expenditure for equipment belonging to the Trust (1)		(448)	(357)
Recognized in Consolidated Purchases and Other External Expenses		**(448)**	**(357)**
Distributions to the Trust (2) in respect of leasing income		(35)	(2,071)
Distributions to the Trust (2) in respect of equipment sold belonging to Trust 1998		(88)	(947)
Recognized in Consolidated Leasing Income Due to Investors		**(123)**	**(3,018)**
TOTAL MANAGEMENT COMMISSION DUE TO THE GROUP (3)		**599**	**220**

(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)*	**2010**	2009	2008
Deposit (4)			863
Recognized in Consolidated Financial Fixed Assets			863
RECOGNIZED IN CONSOLIDATED ASSETS			**863**
Leasing income due to the Trust (5)			381
Revenues from total loss due to the Trust			60
Revenues from sales of Trust containers (6)			73
Recognized in Consolidated Operating Liabilities			514
RECOGNIZED IN CONSOLIDATED LIABILITIES			**514**

As indicated above, the equipment belonging to Trust 98 was sold in April 2009.

(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), under 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.

As of December 31, 2010 the Trust's fleet consisted of 9,474 containers (2,472 20' dry cargo containers, 3,704 40' dry cargo containers, and 3,298 40' high cube containers), representing a total value of 10,982 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 $9.8m and equity of $15.2m at the end of December 2010.

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.

Gold Container's leasing of the Trust's containers has the following implications for the Group's accounts:

RECOGNIZED IN THE CONSOLIDATED INCOME STATEMENT *(€ thousands)*	2010	2009	2008
Leasing revenues from equipment belonging to Trust 2001	2,403	3,757	4,514
Revenues from equipment sold belonging to Trust 2001	3,548	3,654	1,226
Recognized in Consolidated Revenues	**5,951**	**7,411**	**5,740**
Operational expenditure for equipment belonging to the Trust (1)	(551)	(1,495)	(788)
Recognized in Consolidated Purchases and Other External Expenses	**(551)**	**(1,495)**	**(788)**
Distributions to the Trust (2) in respect of leasing income	(1,658)	(2,004)	(3,363)
Distributions to the Trust (2) in respect of equipment sold belonging to Trust 2001	(3,571)	(3,654)	(1,226)
Recognized in Consolidated Leasing Income due to Investors	**(5,229)**	**(5,658)**	**(4,589)**
TOTAL MANAGEMENT COMMISSION DUE TO THE GROUP (3)	**171**	**258**	**363**

(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 Corp.'s management fee which totaled €5,229,000 at the end of December 2010.

(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)*	**2010**	2009	2008
Cash reserve [1]	389	433	2,543
Recognized in Consolidated Financial Fixed Assets	389	433	2,543
Other Trade Receivables [2]	4	4	4
RECOGNIZED IN CONSOLIDATED ASSETS	**393**	**437**	**2,547**
Recognized in Other Long-term Financial Liabilities			2,123
Leasing income due to the Trust [3]	497	290	632
Revenues from total loss due to the Trust	78	159	111
Revenues from sales of containers due to the Trust [4]	1,233	2,679	84
Recognized in Consolidated Operating Liabilities	1,808	3,128	827
RECOGNIZED IN CONSOLIDATED LIABILITIES	**1,808**	**3,128**	**2,950**

(1) 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 which is refundable on expiry of the Trust.

(2) The other trade receivables correspond to payments of legal expenses on behalf of the Trust.

(3) 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 future distributions.

(4) 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.

20.2. Financial statements

The consolidated financial statements are presented in section 20.1 on page 43.

20.3. Auditorship

20.3.1. Statutory Auditors' report on the consolidated financial statements

Fiscal year closed December 31, 2010

To the shareholders,

In accordance with the engagement entrusted to us by your General Meeting, we present our report on the fiscal year closed December 31, 2010 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/ The opinion on the consolidated financial statements

We carried out our audit in accordance with the standards of professional practice applicable in France; these standards require that audits be conducted in order to ensure that the consolidated financial statements do not contain any significant errors. 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 for the fiscal year 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.

➜ 2/ Basis of our assessments

In application of the provisions of article L. 823-9 of the French Commercial Code concerning the basis of our assessments, we bring to your attention the following matters:

- Notes 1.6, 1.8, 1.9 and 1.18 of the appendix 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 appendix.
- Note 13 of the appendix 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, 29 March 2011
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

Fiscal year ended December 31, 2010

To the shareholders,

In our capacity as Statutory Auditors of your company, we present our report on the regulated agreements and commitments.

It is our duty to give you, based on the information that we have been given, the characteristics and essential terms and conditions of the agreements that we were advised of or that we have discovered during our mission, without giving our opinion as to their usefulness and legitimacy or looking for other agreements and commitments. 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.

In addition, it is our responsibility, if applicable, to give you the information provided for in article R. 226-2 of the French Commercial Code concerning the execution, during the past fiscal year, of agreements and commitments that have already been approved by General Meeting.

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.

➜ Agreements and commitments submitted to the general meeting for approval

Agreements and commitments authorized during the past fiscal year

We hereby inform you that we have not been advised of any agreement or any commitment authorized during the during the fiscal year to be submitted to the General Meeting in application of the provisions in article L. 226-10 of the French Commercial Code.

➜ Agreements and commitments already approved by the general meeting

Agreements and commitments approved during previous fiscal years that remained in force during the past fiscal year

In application of R. 226-2 of the French Commercial Code, we have been informed that the following agreements and commitments that were already approved by the General Meeting remained in force during the past fiscal year.

A tax consolidation 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.

The cumulative amount for the 2010 fiscal year is €204,392, and, in the absence of tax debt for the fiscally consolidated group, it is revenue from taxes booked in TOUAX SCA.

Paris and Neuilly-sur-Seine, 29 March 2011
Statutory Auditors

LEGUIDE NAÏM & ASSOCIES — DELOITTE & ASSOCIES
Charles LEGUIDE — Alain PENANGUER

20.3.3. Fees of the Statutory Auditors

	Deloitte & Associés				Leguide Naïm & Associés				Other networks			
	Amount		%		Amount		%		Amount		%	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
AUDIT												
Auditorship, certification, inspection of indivual and consolidated financial statements	**359**	**341**	**84%**	**83%**	**72**	**72**	**100%**	**100%**	**84**	**84**	**100%**	**100%**
TOUAX SCA	93	93	22%	23%	40	40	56%	56%				
Consolidated subsidiaries	266	248	62%	61%	32	32	44%	44%	84	84	100%	100%
Other controls and services directly connected with the audit engagement	**69**	**69**	**16%**	**17%**								
TOUAX SCA	27	27	6%	7%								
Consolidated subsidiaries	42	42	10%	10%								
Subtotal	428	410	98%	100%	72	72	100%	100%	84	84	100%	100%
Other services provided by audit firms to fully-consolidated subsidiaries												
Legal, tax & social security services												
Other services	9											
Subtotal	9											
TOTAL	437	410	100%	100%	72	72	100%	100%	84	84	100%	100%

20.4. Date of the latest financial information

The last fiscal year for which the financial information has been audited ended on December 31, 2010.

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 11, 2011 the company paid an interim dividend of €0.50 per share. The Managing Partners will propose a total dividend of €1 for the 2010 fiscal year at the General Meeting on June 27, 2011.

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

Exercices (€)	2009	2008	2007
Net dividend	1	1	1
Number of shares	5,687,826	4,672,730	3,892,987
Dividend in euros	5,687,826	4,672,730	3,892,987
General Partners' statutory compensation	915,627	1,040,550	698,003
TOTAL DISTRIBUTED (€)	**6,603,453**	**5,713,280**	**4,590,990**

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 the 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 as of December 31, 2010

Year	Share capital (€)	Issue premium (€)	Accumulated number of shares	Par value	Transactions
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
2010	45,507,608	12,302	5,688,451	€ 8	Issue of 625 shares following exercise of 2,444 redeemable stock warrants
	45,565,208	40,248	5,695,651	€ 8	Exercise of 7,200 stock options

Information concerning pending issue authorizations as of December 31, 2010

On June 10, 2009 the General Meeting delegated the following issue authorizations to the Management Board:

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, 2010	**€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 financial instruments giving access to capital resulting in a dilution are presented in chapter 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

As of December 31, 2010, the capital comprised 5,695,651 fully paid-up shares with a par value of €8, representing 6,121,846 voting rights. The breakdown of TOUAX SCA's capital and voting rights is detailed in section 18.1 page 40.

21.1.4. Potential capital

Details of the share subscription or purchase options and the share subscription warrants granted by TOUAX SCA are given in the appendix to the consolidated financial statements in section 20.1 page 43, note 21.

21.1.5. Unpaid capital

Not applicable

21.1.6. Conditional or unconditional agreements

Not applicable

21.1.7. Capital history

See section 21.1 page 99.

21.2. Share price data

21.2.1. Share price history

On May 7, 1906 TOUAX shares were listed on the Paris Stock Exchange on the spot market. They were transferred to the Second Market on June 14, 1999. TOUAX is listed in Paris on NYSE Euronext and belongs to compartment B since January 1, 2011. In 2008, TOUAX was included in the SBF 250 and CAC Small 90 and, in 2011, will be part of the CAC® Small and CAC® Mid & Small.

21.2.2. The TOUAX share price

At the end of 2010 the TOUAX share was worth €29.49, up 32.2% compared to the price on December 31, 2009 (€22.30). The year's highest share price was reached on December 31, 2010 at €29.49, and the lowest was on February 8, 2010 at €17.13.

As of December 31, 2010 the Group's stock market value was €167.82 million.

(in €)	**2010**	2009	2008	2007	2006
Consolidated figures					
Total number of shares at December 31	5,695,651	5,687,826	4,682,971	3,897,704	3,885,519
Net dividend per share [1]	1	1	1	1	0.75
Total dividend for the fiscal year	5,695,932	5,687,826	4,682,971	3,897,704	2,719,863
Dividend increase	0.1%	21%	20%	43%	3%
Share price ratios					
Net earnings per share	2.33	2.73	3.72	3.01	1.86
p/e ratio [3]	12.64	8.94	4.79	13.35	13.49
Total return on the share [2]	3.4	4.5	5.8	2.5	2.99
Share price data					
Maximum share price	29.49	24.97	40.6	41.99	27.3
Minimum share price	17.13	14.45	16.63	22.5	20
Price at December 31	29.49	22.3	17.25	40.19	25.1
Market capitalization at December 31 (€m)	167.82	126.84	80.78	156.65	97.53
Average daily volume of transactions (€ thousands)	99.01	97.6	158.76	209.49	135.95
Average daily number of shares traded	4,115	5,002	4,968	6,177	5,578

(1) 2010 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 2010 is calculated based on the price at December 31, 2010.

(3) Price/earnings ratio.

21.2.3. Trading levels over the last eighteen months

TOUAX is listed on the NYSE EURONEXT under the ISIN code: FR0000033003 – Reuters TETR. PA – Bloomberg TOUPFP equity.

(€)	Highest price	Lowest price	Last price	Number of securities traded	Amount of capital traded (€ thousands)
September 2009	24.10	19.58	22.80	149,105	3,303.40
October 2009	24.97	22.54	23.30	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
March 2010	23.06	21.74	23.06	60,027	1,351.76
April 2010	24.10	23.05	23.34	86,857	2,041.47
May 2010	23.97	21.37	22.69	101,737	2,310.13
June 2010	23.90	22.19	23.40	114,198	2,642.20
July 2010	23.94	22.65	23.68	53,186	1,248.93
August 2010	24.45	23.45	24.10	70,829	1,703.16
September 2010	25.05	23.65	24.58	210,194	5,123.83
October 2010	26.39	24.40	26.20	48,822	1,249.17
November 2010	27.23	25.58	26.84	55,911	1,485.94
December 2010	29.49	26.82	29.49	69,928	1,972.75
January 2011	30.35	28.12	29.97	110,966	3,300.15
February 2011	32.00	29.55	31.84	69,414	2,116.35

21.2.4. Strict Conditions for altering shareholders' rights

Not applicable

21.2.5. Conditions governing General Meetings

See section 21.3 concerning the extract dedicated to General Meetings on page 10.

21.2.6. Provisions restricting change of control

See section 21.3 on page 101.

21.2.7. Crossing of thresholds

See section 21.3 concerning the extract dedicated to the crossing of thresholds on page 101.

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 head office is located at Tour Franklin – 23rd floor - 100-101 Terrasse Boieldieu – 92042 La Défense cedex, FRANCE, was converted into a partnership limited by shares under French law, by decision of the Extraordinary General Meeting on June 30, 2005.

The partners are as follows:

- Firstly, the General Partner(s) named in the present 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), with a share capital of €37,000, whose head office is located at 5 rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, registered on the Nanterre Registry of Commerce and Companies under reference number 484 322 342, represented by Mr. Raphaël WALEWSKI, born on 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), with a share capital of €37,000, whose head office is located at 5 rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, registered on the Nanterre Registry of Commerce and Companies under reference number 483 911 178, represented by Mr. Fabrice WALEWSKI, born on 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.

It is hereby stated that the share capital of SHGP (Société Holding de Gestion et de Participation) is now €7,281,010 and of SHGL (Société Holding Gestion et de Location) is €7,271,010.

Corporate purpose (Article 2)

The corporate purpose in all countries is:

- to purchase, lease, finance, sell, operate and maintain any standardized, mobile equipment, including shipping or storage containers, modular buildings, river barges and freight 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.

Partners' rights over the profits (extract from Article 20)

Rights to the partnership's profits, reserves, and the liquidation surplus will be allocated as follows:

- a sum shall be deducted from the profit for the fiscal 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 clause is 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 the 2005 fiscal year, this compensation shall be 3% of the consolidated net income after taxes (TOUAX Group's share). From the 2007 fiscal year, 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 head office or any such other place as indicated in the notice of meeting by the Managers or the Supervisory Board or, failing these, by the auditors (Art. 18.2 "Convening of meetings - Agenda").

Unless 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: the deadline by which these formalities must be completed is 3 days before the date of the General 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 under French law) 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 Art. 9.4).

Form of shares (extract from article 7)

Until they have been completely paid-up, shares are required to be registered in the name of their holder at an account held by the company or a proxy designated by it. Wholly paid-up shares are registered to the bearer, of the shareholder's choice, subject to legal or regulatory provisions in force; in particularly, shares belonging to supervisory board members and managing partners are provided for by the law and regulations.

The shares give rise to an entry in the ledger under the terms and conditions set forth in the legal and regulatory provisions in force and are transferred directly from account to account.

Transfer of shares (extract from article 8)

Shares are transferred directly from account to account, under the terms and conditions set by law.

Identifiable bearer securities

The partnership may at any time apply to Euroclear France 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 under French law, TOUAX SCA.

In 2010, article 6 "share capital" of the articles of association was modified 4 times after exercise of redeemable share subscription warrants and 3 times after exercise of stock-options.

Crossing of thresholds

Only the legal thresholds must be complied with.

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 a significant obligation or commitment on any member of the Group for the Group as a whole, at the date of the registration of the 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 the present reference document, the Articles of Association, Statutory 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 company's headquarters. The documents, including the Financial Statements and Statutory Auditors' reports, are also available online at the Group's website (www.touax.com).

25. Information regarding holdings

The Group directly owns a significant Singapore registered subsidiary, GOLD Container Leasing Pte, Ltd. Key figures for this company are given in section 7.2 on page 30.

The Group directly owns a significant Irish-registered subsidiary, TOUAX Rail Ltd. Key figures for this company are given in section 7.2 on page 30.

All the Group's shareholdings are set out in the appendix to the consolidated financial statements in note 2.2 page 60.

26. Reports of the managing partners

26.1. Annual business report

To the shareholders,

TOUAX is a Group of business services, specialized in operational leasing for mobile and standardized equipment with a long life (15 to 50 years):

- shipping containers: a fleet of around 482,000 TEU capacity (TEU, or "twenty foot equivalent" is the physical unit for containers) all over the world, making the Group the biggest on the European continent and 8th largest worldwide (source: Containerisation International; Market analysis: container leasing market 2010),
- modular buildings for use as offices, schools, hospitals, used by industry, local authorities and the construction industry. TOUAX is the 2nd largest lessor on the European continent and the 4th largest worldwide, with a stock of nearly 46,000 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 Europe's leading lessors, deploying a total freight capacity of around 400,000 tons (source: TOUAX),
- freight 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 8,200 railcars.

TOUAX is well positioned to cater to the rapid growth in outsourcing by companies of their non-strategic assets through leasing, which makes it possible to offer:

- a flexible short or long term contract,
- no capital expense for the customer,
- subcontracted maintenance,
- rapid availability.

I - The TOUAX Group

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 2010 consolidated financial statements and comparatives have been prepared according to IFRS, in accordance with the regulations in force.

➜ *Changes in accounting methods*

None

➜ *Changes in the scope of consolidation*

SRFRL company has been added to the scope of consolidation by the equity method of accounting. With the exception of this company, there has been no change in the scope in 2010; all other companies were globally integrated as of December 31, 2010.

➜ Presentation of the Group's 2010 business activity

The Group's consolidated sales amounted to €302.4 million compared to €271.8 million in 2009, i.e. an increase of €30.6 million (11.3%).

Analysis by business activity

Operating revenues by business *(€ thousands)*	**2010**	2009	Variation 2010/ 2009	%
SHIPPING CONTAINERS	**127,969**	**89,067**	**38,902**	**44%**
Leasing revenues	89,041	87,438	1,603	2%
Sales of equipment etc.	38,928	1,629	37,299	2,290%
MODULAR BUILDINGS	**96,508**	**88,069**	**8,439**	**10%**
Leasing revenues	74,704	69,259	5,445	8%
Sales of equipment etc.	21,804	18,810	2,994	16%
RIVER BARGES	**22,310**	**26,892**	**(4,582)**	**-17%**
Leasing revenues and transport	21,178	16,688	4 490	27%
Sales of equipment etc.	1,132	10,204	(, 072)	-89%
RAILCARS	**55,552**	**67,673**	**(12,121)**	**-18%**
Leasing revenues	34,773	33,361	1 412	4%
Sales of equipment etc.	20,779	34,312	(13,533)	-39%
Other (sundries and eliminations)	**54**	**71**	**(17)**	**-24%**
TOTAL	**302,393**	**271,772**	**30,621**	**11.30%**

Analysis by geographical area

Operating revenues by geographical zone *(€ thousands)*	**2010**	2009	Variation 2010/ 2009	%
International	130,071	90,489	39,582	44%
Europe	166,538	175,810	(9,272)	-5%
USA	5,784	5,473	311	6%
TOTAL	**302,393**	**271,772**	**30,621**	**11.30%**

In the Modular Building, River Barges, and Freight Railcars divisions, services are provided in the areas where markets and customers are located. 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 €30.6m (+11%) increase in revenues breaks down in the following manner:

❙ *Shipping Containers division*

The Shipping Containers division's revenues increased by €38.9m (+44%) compared to 2009. This increase can essentially be explained by the pick-up in sales and syndications from investors after a very poor 2009. The division's leasing revenue continues to increase (+2%) resulting in an average utilization rate of 95% in 2010 and an increase in daily rates.

In constant US dollars, the increased revenue would be 37%

❙ *Modular Buildings division*

The Modular Buildings division's revenues increased by 10% and amounted to €96 million (compared with €88 million in 2009). Leasing business activity continues to increase (+8%) thanks to the dynamism of Germany and Poland. Sales primarily made in France and Germany also increased by 16% as a result of the division's development strategy. The division knew how to conquer new markets and diversify its business, markets and products in a difficult context.

Fluctuations in the Polish zloty and the Czech crown had a positive impact. In constant currency, the leasing revenues increased by +6%.

❙ *River Barges division*

The leasing revenue of the River Barges division (+27%) shows recovery signs in the transport and chartering business on the Rhine and Danube, as well as stability in barge leasing revenues. Barge sales are a non-recurrent business activity; therefore, revenue dropped from €10.2 million to €1.1 million.

❙ *Freight Railcars division*

The revenue of the Freight Railcars division amounted to €55.6 million, down 18% compared with €67.7 million in 2009. Equipment sales dropped by €13.5 million in a context that remains difficult. However, leasing revenues rose by 4% even though there was pressure on the prices in 2010, particularly in the 1st half of the year. At the end of 2010, the division took over the management of around 700 railcars in Eastern Europe.

➜ Results

Income statement (€ thousands)	2010	2009	Variations 2010 / 2009
SHIPPING CONTAINERS			
Gross operating margin (EBITDA)	63,589	53,276	10,313
Segment result before distribution to investors	62,359	51,384	10,975
Leasing income due to investors	(56,772)	(50,142)	(6,630)
Segment current operating income	5,587	1,242	4,345
MODULAR BUILDINGS			
Gross operating margin (EBITDA)	35,666	33,111	2,555
Segment result before distribution to investors	19,336	19,287	49
Leasing income due to investors	(3,065)	(3,693)	628
Segment current operating income	16,271	15,594	677
RIVER BARGES			
Gross operating margin (EBITDA)	5,109	4,499	610
Segment result before distribution to investors	2 ,104	1,911	193
Leasing income due to investors	(23)	(114)	91
Segment current operating income	2,081	1,797	284
RAILCARS			
Gross operating margin (EBITDA)	16,177	19,220	(3,043)
Segment result before distribution to investors	13,190	17,024	(3,834)
Leasing income due to investors	(7,582)	(7,949)	367
Segment current operating income	5,609	9,075	(3,466)
TOTAL			
Gross operating margin (EBITDA)	120,541	110,106	10,435
Segment result before distribution to investors	96,989	89,606	7,383
Leasing income due to investors	(67,442)	(61,898)	(5,544)
Segment current operating income	29,547	27,708	1,839
Other (sundries and centrally-managed costs)	**420**	**590**	**(170)**
Other operating revenues and expenses		**3,121**	**(3,121)**
Operating result	**29,967**	**31,419**	**(1,452)**
Financial result	(12,715)	(13,020)	305
Shares for profit/(loss) of associates	29		29
Profit before tax and extraordinary items	**17,281**	**18,399**	**(1,118)**
Taxes	(4,001)	(4,244)	243
CONSOLIDATED NET INCOME	**13,281**	**14,156**	**(875)**
Minority interests	(6)	38	(44)
NET INCOME (GROUP'S SHARE)	**13,275**	**14,194**	**(919)**

Shipping Containers division

As of December 31, 2010, the Shipping Containers division showed an increase of €10 million (+19.3%) in its gross operating margin and €4.3 million in the current operating income for the sector (result multiplied by 4.5). This change can be explained by the pick-up in container sales and syndications to investors and also by the combined effects of increased leasing and utilization rates.

Modular Buildings divisionision Constructions Modulaires

The gross operating margin of the Modular Buildings division rose by €2.5 million in 2010 (i.e. 7.7%). This margin is increasing thanks to the development of sales and increase in the fleet, as well as by good control of operational expenses. The current operating income for the sector rose by €0.7 million.

River Barges division

The gross margin of the River Barges division increased by €0.6 million and the current operating income for the sector increased by €0.3 million. These increases are mainly due to the recovery of the transport and chartering business.

Freight Railcars division

The gross operating margin of the Freight Railcars division dropped €3 million (i.e. 15.8%). The current operating income for the sector dropped by €3.4 million. This decrease is the result of less leasing business in 2010 and an increase in maintenance and repair costs, as well as a drop 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).

Distribution to investors totaled €67.4 million (compared with €61.9 million in 2009), broken down as follows:

- €56.7 million for the Shipping Containers division,
- €3 million for the Modular Buildings division,
- €0.02 million for the River Barges division,
- €7.6 million for the Freight Railcars division.

The global rise in distribution to investors is the result of the increased profitability of managed equipment further to the rise in utilization and leasing rates.

It should be noted that the leasing revenues include both rents received on behalf of third-parties and rents belonging the Group. It is not relevant 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 mix ratio of leasing revenue/revenue from sales, together with the variation in the mix 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 2010, the increase in the managed fleet resulted in increased leasing revenue received on behalf of third-parties and, as a consequence, brought about a rise in distributions to investors.

It should be noted that in 2010 the Group managed €1.4bn worth of equipment, 64% of which belonged to third-parties. In 2009 the Group managed equipment worth €1.3bn, of which 63% belonged to third-parties. The percentage of total leasing revenues distributed to investors rose from 29.9% in 2009 to 30.7% in 2010.

Current operating income

Operating income fell by 4.6% compared to 2009. It should be noted that in 2009, a €3.1 million reversal of a provision was accounted for in the Freight Railcars business corresponding to the conversion of a financial leasing contract to an equipment operating lease. After the reversal of this provision, the operating income would rise by 6%.

The current operating income is €30 million, an increase of €1.7 million (+5.9%) compared to €28.3 million in 2009. This increase can be explained by the good results of the Shipping Containers business and by an increase in utilization and/or leasing rates in each division. Operational expenses remain at the same level as 2009 and general operating expenses have dropped compared to 2009.

Financial income

Financial income stands at -€12.7 million. As of December 31, 2010 the gross financial debt amounted to €331.7 million with an average interest rate of 3.70% before hedging and of 3.74% after hedging. For the record, the 2009 financial income (-€13m) recorded a foreign exchange loss of -€0.2 million and net finance charges of -€12.8 million. The gross financial debt as of December 31, 2009 amounted to €336.6 million with an average interest rate of 3.42%.

Net income, Group's share

Income tax expenses amounted to €4 million in 2010 compared with €4.2 million in 2009. The actual tax rate is stable at 23%, as in 2009. 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 (10%), Romania (19%) and the Netherlands (25%).

The Group's share of consolidated net income was €13.3m, down 6% compared with the income for 2009 (€14.2 million). However, by restating the €2.8 million, net of taxes, provision reversal of the Freight Railcars division, the net earnings would show an increase of 15.8%.

Net earnings per share amounted to €2.33 (compared with €2.73 in 2009), for a weighted average number of shares of 5,692,861 in 2010.

➜ *Consolidated balance sheet of the Group*

The consolidated balance sheet totaled €568.4 million in 2010 compared with €562 million in 2009.

Non-current assets totaled €378 million compared with €365 million in 2009, and shareholders' equity totaled €140 million compared with €129 million. The increase in non-current assets reflects the proprietary acquisitions of new equipment, financed by bank loans.

Non-current liabilities amounted to €234.6m, up €6.4m compared with €228.2m in 2009. Consolidated net financial debt (after deducting cash and marketable securities) amounted to €293m in 2010 compared with €301.8m in 2009. The decrease in the Group's overall debt is compensated for with an increase in net debt with recourse, particularly for the Modular Buildings division. The debt, as well as the flow generated by the businesses has made it possible to finance new investments of €76 million.

➜ *Foreseeable changes*

The International Monetary Fund (January 2011) predicts a 4.4% growth in worldwide production in 2011 compared with 5% in 2010 and the World Bank (January 2011) also predicts a slowdown in worldwide growth to 3.3% in 2011 and 3.6% in 2012. However, this growth is not the same for every country: weaker up developed countries and rather sustained in emerging countries.

The Shipping Containers division saw a sharp increase in demand for containers in 2010, and that should be confirmed for 2011 because shipping companies prefer to lease rather than buy. Container traffic should increase by 9.7% in 2011, according to the Clarkson Institute. The Group placed new orders for 2011 in order to be able to meet the demands of customers and investors.

The Modular Buildings division continues to conquer new markets, as much for its leasing business as for sales, due to its many advantages compared with traditional construction and the development of new products for markets with strong potential. The division also intends to develop in emerging countries in order to benefit from the development opportunities in these countries.

River transport remains the most environmentally-friendly form of transport: it uses 3.7 times less oil, emits 4 times less CO_2, and is 7 times less expensive 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 Freight Railcars division benefits from the structural need to renew the European fleet, and from the economic and ecological advantages of rail transport. In spite of the economic crisis, the Group saw a strong demand for certain types of railcars in 2010, and that should continue in 2011. In this context, the division placed new equipment orders and business should start improving with the recovery of the management of around 700 railcars from Eastern Europe.

The increase in leasing and utilization rates should improve the Group's profitability in 2011, as should the development of sales business activities. Moreover, the TOUAX Group benefits from advantages allowing it to develop and profit from the economic recovery: diversification of its business activities, positioning on markets that will be structurally buoyant in the future, a flexible management model on the behalf of third-parties and our own behalf, and recurrent income from its long-term contracts.

A supplementary presentation of the Group's outlook, presented during the SFAF meeting of March 29, 2011, is detailed in section 28.6, page 133.

➜ *Post-balance sheet events*

TOUAX paid an interim dividend totaling €2.8m on January 11, 2011.

On January 14, 2011, the Group bought out the senior debt issued by the Modul Finance I EIG for €5.6 million. The Group is also the primary beneficiary of the Modul Finance I EIG.

➜ *Research and development activity*

During the 2010 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.

II. TOUAX SCA

TOUAX SCA provides advisory services to its subsidiaries, and has a real estate business.

➜ *Individual financial statements*

The sales revenue of TOUAX SCA amounted to €1.7m in 2010 compared with €1.8m in 2009. TOUAX's consulting services to subsidiaries were nearly the same as that supplied in 2009. The net earnings amounted to €5.4m compared with €2.1m in 2009. This income mainly comprised dividends received from subsidiaries which amounted to €5.1m together with its financial revenue generated by the loans granted to its subsidiaries. The balance sheet of TOUAX SCA totaled €238.4m compared with €228.3m in 2009. 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 €98,000. These expenses mainly correspond to unrealized foreign exchange losses (€28 thousand), the provision for paid leave (€40 thousand), the provision for retirement commitments and 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.

The company does not have R&D business activities.

TOUAX SCA's business mainly comprises consulting services to its subsidiaries; this business activity is predicted to improve in 2011, which should positively impact TOUAX SCA's business.

TOUAX SCA's financial debt amounts to €145.1 million, €40.4 million of which is bonded debt, compared with €132 million as of December 31, 2009.

The business of the company's primary subsidiaries is detailed in the reference document in sections 6.1.1 page 27 and 7.2 page 30. TOUAX SCA did not acquire any significant holdings in 2010.

➜ *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. The company paid an interim dividend of €0.50 per share on January 11, 2011.

Dividends unclaimed for 5 years are paid to the deposit and consignment office by the body responsible for dividend distribution. The dividend distribution policy history is set out in section 20.6.1 on page 99 of the reference document.

Exercices *(€)*	2009	2008	2007
Net dividend	1	1	1
Number of shares	5,687,826	4,672,730	3,892,987
Dividend in euros	5,687,826	4,672,730	3,892,987
General Partners' statutory compensation	915,627	1,040,550	698,003
TOTAL DISTRIBUTED (€)	**6,603,453**	**5,713,280**	**4,590,990**

➜ *Post-balance sheet events*

The company paid an interim dividend totaling €2.8m on January 11, 2011.

TOUAX called an Extraordinary General Meeting on March 30, 2011 in order to modify certain characteristics of redeemable warrants that have already been issued, namely extension of the exercise period, amendment of the strike price and the price of the override clause.

On March 9, 2011 the Management Board decided to transfer the company's head office, as of April 1, 2011, to Tour Franklin, 23rd floor, 100-101 Terrasse Boieldieu, 92042 La Défense cedex, FRANCE.

➜ *Appropriation of the result*

The Managers will propose the following appropriation of the result to the next General Meeting on June 27, 2011:

Net profit of the fiscal year	5,358,102.32 €
Allocation to the legal reserve	-267,905.12 €
General Partners' statutory compensation	-935,798.29 €
Retained earnings	4,729.00 €
FOR A TOTAL OF DISTRIBUABLE PROFIT	**4,159,127.91** €
and decides	
to distribute a total amount of 1€ per share	5,695,932.00 €
- with €0,73 per share to be paid out of the distribuable profit, for a total of	4,158,030.36 €
- with €0,27 per share to be paid out of "share premium" for a total of	1,537,901.64 €
to allocate the balance to the retained earnings	1,097.55 €

As a result of the distribution of part of the share premium, the meeting will be asked to give all powers to the Management Board in order to preserve the rights of holders of redeemable share subscription warrants issued in 2007, share subscription warrants issued in 2008 as well as stock options issued in 2006.

➜ *TOUAX SCA terms of payment*

In accordance with article D.441-4 of the French Commercial Code, the following table presents the breakdown on December 31, 2010 of the outstanding trade accounts payable by due date.

Trade accounts payable (VAT included, € thousands)	**2010**	2009
Total of the non past due trade receivable	**72**	**61**
- including Group trade payable	60	47
Total of the past due trade receivable	**369**	**205**
- including trade receivable < 60 days	56	25
- including trade receivable > 60 days	313	180
- including Group trade receivable	215	81
- including non-Group trade receivable	154	124
TOTAL	**441**	**266**

The outstanding trade accounts payable of €441 thousand are included in accounts payable.

➜ Results of the company during the last five fiscal years (individual financial statements)

	(€ thousands)	2010	2009	2008	2007	2006
I	SHARE CAPITAL AT YEAR END					
	a) Share capita	45,565,208	45,502,608	37,463,768	31,181,632	31,084,152
	b) Number of existing ordinary shares	5,695,651	5,687,826	4,682,971	3,897,704	3,885,519
II	OPERATIONS AND RESULTS FOR THE YEAR					
	a) Revenue excluding taxes	1,705,053	1,793,708	3,198,103	2,408,077	38,985,605
	b) Earnings before tax, depreciation, amortization and provisions	5,626,848	1,866,924	2,987,900	9,611,480	5,472,897
	c) Corporation tax	(204,392)	(496,161)	(47,681)		
	d) Employee profit sharing due for the year	na	na	na	na	na
	e) Earnings after tax and calculated charges	5,328,102	2,055,054	2,847,190	10,340,857	1,045,144
	f) Distributed income	4,158,030 (1)	5,687,826	4,682,971	3,897,704	2,914,139
III	EARNINGS PER SHARE					
	a) Earnings after tax but before depreciation, amortization and provisions	1.02	0.42	0.65	2.47	1.41
	b) Earnings after tax and depreciation, amortization and provisions	0.94	0.36	0.61	2.65	0.27
	c) Net dividend per share	1	1	1	1	0.75
IV	WORKFORCE					
	a) Average number of employees during the year	2	2	2	2	30
	b) Total payroll for the year	730,189	681,705	549,314	1,782,577	2,079,070
	c) Total social security benefits for the year (social security, welfare benefits etc.)	234,417	234,438	208,427	247,884	1,009,375

(1) Proposal to the General Meeting by the Management Board on 24/03/2011

III. Other information

➜ Amendments to the Articles of Association

The company's Articles of Association have been changed in article 6 "share capital" following increases in capital due to the exercise of redeemable share subscription warrants and the exercise of stock-options.

➜ Statutory employee participation in the company's share capital as of December 31, 2010

There was no statutory employee participation in the company's share capital as of December 31, 2010.

➜ Cross-shareholding

There is no cross-shareholding (holding of securities of TOUAX SCA by its subsidiaries). The Group's organization chart is detailed in section 7.1 of the reference document and the list of subsidiaries is presented in note 2.2 of the appendix to the consolidated financial statements of the reference document.

➜ Treasury shares

As of December 31, 2010, the company held 3,950 of its own shares. These shares were acquired following the stock buy-back program approved by the Combined General Meeting of June 10, 2010. The history of the treasury shares held by TOUAX is detailed in chapter 18 of the reference document.

➜ Compensation of corporate officers

Compensation received by TOUAX SCA's corporate officers amounted to €720,500 in 2010. This compensation is detailed in the reference document, chapter15.

➜ 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 2010 the General Partners received 3% of the 2009 net income plus 1% of the Group's consolidated EBITDA after deducting the leasing income due to investors, i.e. a total of €916,000. 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 sets out the mandates and duties of the corporate officers in the reference document (see section 27.2 page 117).

➜ Adjustment of the conversion factors of stock-options and marketable securities giving access to capital

Following the distribution of dividends in July 2010, in part paid out from the share premium, at €0.428 per share, the conversion factors of the stock-options issued in 2006 as well as the redeemable share subscription warrants issued in 2007 and the share subscription warrants issued in 2008 were adjusted as a result, namely:

- the price of one stock-option was reduced to €20.34;
- four 2007 redeemable share subscription warrants give the right subscribe to 1.038 TOUAX share;
- one 2008 share subscription warrant gives the right subscribe to 1.019 TOUAX share.

➜ Powers delegated by the General Meeting

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 million [1]	€20 million [1]	None
Delegation exercised in 2009		€7.6 million	
TOTAL AVAILABLE AS OF DECEMBER 31, 2010	**€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 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 corresponding to €7.6 million in par value.

No delegations were exercised in 2010.

➜ 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 section 18.4 page 41.

➜ Bonus shares

None

➜ Stock options

Details of stock options are given in the appendix to the Group's consolidated financial statements in the reference document in note 21 page 84.

➜ Dealings in securities carried out by the management

Dealings in securities carried out by the managers and the General Partners are as follows:

- SHGP (management & investment holding company) acquired 2,000 TOUAX shares on April 1, 2010,
- SHGL (leasing & management holding company) acquired 1,096 TOUAX shares on September 27, 2010,
- Raphaël WALEWSKI transferred ownership of 212,532 redeemable share subscription warrants to SHGL (leasing & management holding company) on October 20, 2010,
- Mr. Jean-Jacques Ogier and Mrs. Sophie Servaty, member of the Supervisory Board, both acquired 250 TOUAX shares during the year.

➜ Shareholders

A list of the shareholders, the percentage of shares held, and the thresholds crossed are presented in the reference document in chapter 18 page 40.

➜ Employee shareholding

None

➜ 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, chapter 18.

➜ 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 disposal of Fabrice and Raphaël WALEWSKI's shares 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.

The company's legal form, a partnership limited by shares under French law, is generally considered to protect the company from takeover bids. In fact, there are two categories of shareholders, limited partners and general partners; the latter have privileges as far as the nomination of managing managers is concerned, which makes it difficult to change control.

➜ Regulated agreements

The following regulated agreements were signed by TOUAX SCA and continue over the 2010 fiscal year:

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

Sureties and monetary advances previously considered as regulated agreements are considered as current agreements.

➜ Risk factors

The principal risks are detailed in the reference document chapter 4 entitled "factors of risk" and in the appendix to the consolidated financial statements, note 26 page 86. They correspond to the following risks:

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.

➜ 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.

➜ Social and labour information

The men and women working at TOUAX are the main reason the Group has been so successful – it is their day-to-day contribution that enhances the Group's performance in France and abroad.

TOUAX looks to the international stage whilst still remaining a manageable size, and does not lose sight of its professional approach and its people assets.

The Human Resources policy is based on the Group's values and is aimed at attracting and recruiting the best skills, at working with the best partners, and at ensuring equal opportunities both at the recruitment stage and within the company. The policy also enshrines the development of diversity programmes and of young people (including the overseas secondment programme Volontariat International en Entreprise V.I.E., work placement, and the apprenticeship tax) as well as of senior people.

TOUAX values

The values of TOUAX are the pillar on which all of the stakeholders of the Group rest in order to meet long-term goals. These values demonstrate TOUAX's responsibilities to its shareholders, its partners, its employees and everyone involved in the organisation be they directly or indirectly part of the Group's activity.

TOUAX strives to live out these values each and every day that it does business with its partners:

- Client and mission direction
- Integrity and honesty
- Open-mindedness
- Adaptability and reliability
- Team spirit
- Respect
- Personal commitment, goodwill and pride

TOUAX company policy

- New recruits and senior staff

TOUAX encourages a policy of secondment overseas (V.I.E.) so as to further the integration of young people in the work environment and to familiarise them with our business activities abroad.

TOUAX's policy of integrating young people is pursued through regular training sessions, and by welcoming interns throughout the year.

The Group's international outlook and the diversity of its business activities are a real opportunity for our recruits to develop for the future.

Human Resources management also enhances its integration programme for new partners by the drawing up of an integration case file for each new employee and by organising an integration programme. Much of this programme centres on meeting the key partners who will be a part of the new employee's development. These exchanges are a way of familiarising the new partner with his or her new environment and are a part of TOUAX's business and organisation training period.

TOUAX has revisited the action plan that set up in 2009 which aimed to encourage the employment of older people as far as keeping them in employment and recruiting them was concerned. At the end of 2010, the commitments made in 2009 to keep older people in employment have been kept.

- Career and skills management

In order to conduct and carry out appraisal interviews in an efficient manner, a skills checklist has been created and introduced by way of a supplement to the traditional annual interview structure. This is a tool to assist with the evaluation of the partner's general and managerial skills with a view to identifying routes for development and progress. The skills are common to everyone within the Group and are a part of the relevant area of responsibility whatever it be and are regardless of their position within the hierarchical structure, their job or their geographical location. These skills are related to behaviour and to attitude, and take into account the observable ways in which the job is done that contribute to the success of a mission.

These skills are essential to the Group's future and since 2010 have been an integral part of TOUAX values.

Staff at the Group

667 people were employed by the Group across the world at the end of the 2010 financial period, whilst 665 were employed at the end of 2009. The Group's staff numbers have increased by 0.3% during an economic environment characterised by an improvement in prospects.

Chapter 17 of the reference document sets out the distribution of the Group's staff by geographical location and by division. Across the entire Group payroll, 33% are located in France, 63% in the rest of Europe, 3% in the USA and 1% in Asia.

	Shipping containers		Modular buildings		River barges		Railcars		Corporate		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
Europe	23	20	468	464	93	98	25	20	31	31	640	633
Asia	7	9									7	9
United States	4	4	13	17					3	2	20	23
Total	34	33	481	481	93	98	25	20	34	33	667	665

A diversified approach

- Equality in the workplace among men and women

78% of employees are male and 22% are female. There is an uneven spread across countries and divisions; this is explained by the significant number of men working within the production units. Despite this, the Group is striving nevertheless to encourage equality among the work tasks.

- Employment and the recruitment of disabled people

The Group encourages the employment of disabled workers through partnerships with recruitment agencies that specialise in the placement of disabled workers.

Since 2007, TOUAX has elected to direct all of the apprenticeship taxes for specialised training centres into the workplace employment of the disabled, among them: the special school of Leonce Malecot Saint-Cloud, the Clermont-Ferrand Trades School (Institut des metiers), the Paris school for the blind (INJA), Impro Morphange, The Andre Beule Nogent Le Rotrou Institute and the special school of Espoir l'Isle Adam.

- Diversity of culture and nationalities

The Group's international activities are such that it is in a position to welcome many cultures and nationalities. Integrating this diversity into the Group takes place through the Group's common core values pillar, whilst respecting the differences of each person, and considering what everyone can contribute as a result of these differences.

Training policy

The TOUAX training policy aims to provide all employees with the training they need so they can carry out their job as well as possible and so that they can progress within the job. In 2010, 1% of French salary expenditure was spent on training, which represented 2,707 hours of courses.

TOUAX has particularly emphasised communication-based training so as to ensure high quality communication among partners.

Employee representation

Establishment of an economic and social unit (other than the Mignères – Touax Modular Construction production centre) in 2007.

Elections to the works council at the economic and social unit take place every 4 years. Members of the works council are replaced at the next workplace elections which take place between April and June 2011.

A works council was created in 2008 for the Mignères – Touax Modular Construction production centre. The elections for this centre take place every 3 years. Members of the works council are replaced at the next workplace elections which take place in 2011.

Working timetable organisation

A new agreement concerning the arrangement and organisation of the work timetable at the economic and social unit was introduced in January 2010.

The Mignères production centre has also seen the introduction of changes to the working schedule as from January 2010.

Salary developments

An average figure for any salary increase has limited significance because of each country's unique developments.

For the financial period ending 31st December 2010, the Group's overall payroll figure was €26,538,735, as against €25,605,710 for the previous financial period.

The Group has not introduced a profit-sharing scheme for personnel, nor any employee sharing agreement.

Some categories of personnel are awarded annual performance bonuses based on individual criteria that are correlated with objectives. Some categories of personnel can also benefit from stock options.

Hygiene and safety matters

A Hygiene and Safety Council (known as 'CHSCT') was set up in September 2010 at the Mignères centre. Members are replaced every 2 years.

For several years now TOUAX has been supporting first aid training through the provision of workplace first-aid training [Sauveteur Secouriste au Travail – SST] and training for the use of defibrillator machines through the French Red Cross.

In order to monitor staff health and to better manage psychosocial risk, TOUAX introduced a Stress Laboratory in 2009 to so as to establish existing conditions and to identify factors that could cause stress.

Developments in the Human Resources information system

In January 2010, France began to work with a new payroll system in order to keep up with Group developments. This initiative was completed with the establishment of a Human Resources portal that could be accessed by each partner that enables them to carry out certain functions including booking holidays, updating files, and checking information. This is also a vehicle for communicating with the Human Resources department in real time.

A social role

The Group has signed a partnership with a company at Nanterre, whose aim is to "facilitate the employment of young people in society by introducing activities that enable the supervision of young people in difficult situations." TOUAX has made a commitment to support this organisation, to recruit young people on employment contracts and to provide guidance. TOUAX has agreed with its partners that it will sponsor a child or teenager or student in the medium or long term so as to support them through the various stages of their development.

The Group also continues to provide support to humanitarian initiatives through NGOs, among them the Haiti earthquake.

Social indicators

	2010	2009
Geographical distribution		
France	33%	30%
International	67%	70%
Gender spread		
Men	78%	78%
Women	22%	22%
Distribution by category*		
Managers	20%	16%
Employees	80%	84%
Age distribution*		
Under 26	4%	5%
26 to 40	53%	54%
41 to 50	32%	32%
51 and over	11%	9%
Years of service*		
Less than a year	15%	11%
1 to 5 years	54%	61%
5 to 10 years	19%	19%
Over 10 years	12%	9%
Group staff turnover*		
Staff turnover rate	17%	12%
Disabled workers (in accordance with countries' legal definition of disabled)*		
Number of disabled workers (France DOETH declaration)	2.5	nc
Absenteeism*		
Worldwide absentee rate	4.98%	nc
Accidents at work*		
Frequency rate	22.71	nc
Severity rate	0.73	nc
Number of days lost	5,183	nc

** Outside Czech Republic and Slovakia*

Puteaux La Défense, March 24, 2011

Fabrice and Raphaël WALEWSKI

Managing Partners

26.2. Special report of the Management Board concerning options

2010 fiscal year

As required under Art. L.225-184 of the French Commercial Code, shareholders are informed that 7,200 stock options have been exercised in the course of the 2010 fiscal year, and the same number of new shares have been issued.

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 stock 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. 6,957 subscription options became void; as of December 31, 2010, there are 45,917 subscription options at a price of €20.34 for 9 beneficiaries representing 0.8% of the share capital at this date.

Puteaux La Défense, March 24, 2011

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

To the shareholders,

In application of Article L. 226-9 of the French Commercial Code, we present to you our report on the Group's annual financial statements and consolidated financial statements.

We hereby state that the Management Board has given the Supervisory Board the annual financial statements, the consolidated financial statements and the management report.

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 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), and Jérôme Bethbeze (independent member of the Supervisory Board). Alexandre WALEWSKI has chaired the Group's principal subsidiaries for 41 years and chaired TOUAX for 25 years, and Jérôme Bethbeze was Quilvest Gestion Privé's Chairman of the Board and is member of the French Society of Financial Analysts. These members were chosen based on their experience within the Group and their financial expertise. Mr. Jean-Louis Leclercq, who passed away in February 2011, was also a member of the audit committee.

The Managing Partners' Annual Report and the Financial Statements provided to you show the developments in the Group's business and earnings during the 2010 fiscal year. The Statutory Auditors have reported the findings of their audits.

2010 financial statements

The consolidated financial statements show net income (Group's share) of €13.3m in 2010 compared with €14.2m in 2009. The consolidated balance sheet totaled €568m in 2010 compared with €562m in 2009.

2010 was marked by an 11% increase in revenues (6% rise in leasing turnover and 27% increase in sales) and a 9% increase in the gross profit margin. Net earnings dropped by 6% compared with 2009, but if we remove the year 2009 from the exceptional reversal of provision in the Freight Railcars division in the amount of €2.8m net of taxes, the net earnings would increase by 15.8%, which attests to the Group's capacity of knowing how to benefit from signs of recovery in each of its businesses.

The notable events of 2010 are a continued net increase in managed assets on the behalf of third-parties of €59m, and the sustainable equipment investment policies on its own behalf (fixed or stored).

The Managing Partners and the Supervisory Board of your company propose for the meeting to vote on a €1 coupon per share, identical to that of 2009, with the knowledge that an interim payment of €0.50 was paid in January. The balance of €0.50 will be payable in cash. The amount distributed represents around 40% of the consolidated earnings and the average of the sums distributed for the 2009 and 2010 fiscal years represent around 40% of the earnings. The Management Board proposes to distribute a dividend 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 1.45 at the end of 2010 compared with 1.47 at the end of 2009. The leverage ratio representing the capacity to reimburse financial debt (net debt with recourse/EBITDA) went down, with a ratio of 3.77 years in 2010 versus 3.86 in 2009. The leverage ratio is well respected due to a rising EBITDA and controlled net debt.

Taking into account the total debt (with recourse and without recourse) the gearing was 2.1, 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 5.4 years. This overrun is due to the Group's lower profitability during times of economic crisis and to the pursuit of selective investments dedicated to multi-year contracts' management.

On the other hand, the Group's balance sheet was sound at the end of 2010. Against net debts of €294m, the Group has in particular (i) net fixed assets, stocks and equipment leased out to customers under financial leases totaling €410m, (ii) goodwill totaling €23m, which does not include the market value of the four management companies (TOUAX Rail Ltd, TOUAX Solutions Modulaires SAS, TOUAX Container Services SAS, and TOUAX River Barges SAS) which manage equipment worth €875m on behalf of third-party investors in addition to the assets held by the Group.

Forecasts for 2011

TOUAX wishes to continue taking advantage of the opportunities offered by the return of growth, in particular with a recovery in existing equipment fleets under management, or 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 2011.

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, operating leasing, offers customers an attractive alternative funding solution in an environment that is still uncertain (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.

After having audited the annual financial statements, we believe that these documents do not give rise to any particular observation.

The Supervisory Board is accordingly in a position to reaffirm its confidence in your company's future and in your Managing Partners, and recommends that you adopt the proposals put to you for approval, by voting for the motions that embody them.

Puteaux La Défense, March 24, 2011

Alexandre WALEWSKI

Chairman of the Supervisory Board

27.2. Report of the Chairman of the Supervisory Board 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 application of article L.226-10-1 of the French Commercial Code, this report takes into account the conditions under which the Supervisory Board's work has been prepared and organized, as well as the internal control procedures introduced by TOUAX SCA.

The other Group companies are not covered in this report. Nevertheless, they must 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 on March 24, 2011.

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 governed 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 Franklin – 23rd floor – 100-101 Terrasse Boieldieu – 92042 La Défense cedex, FRANCE.

The Management Board, composed of Fabrice WALEWSKI and Raphaël WALEWSKI, manages the company. It is assisted by an executive and operational committee. The Supervisory Board regularly monitors the proper running of the company by the Management Board.

To the best of our knowledge, none of the members of the Supervisory Board or Managers or General Partners have been convicted for fraud, been declared bankrupt, placed under official sequestration of assets or liquidation, or been subject to any criminal or administrative sanction or civil disability in the last five years, nor has any corporation of which any of them is a corporate officer, general partner, or founder, or in which any of them has administrative, senior 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, with regard to TOUAX SCA, for of any of the members of the Supervisory Board, the Chief Executive Officer or either of the General Partners, between their duties 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 practices for corporate governance of the AFEP [French Association of Private Companies]/MEDEF [Movement of the French Enterprises]

- In addition to legal requirements, the Group refers to the practices for corporate governance recommended by the AFEP [French Association of Private Companies]/MEDEF [Movement of the French Enterprises] and recorded in the Corporate Governance Code, revised on April 20, 2010. 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 Articles of Association. This report is available on the Medef's website: www.medef.fr. The application of the recommendations and provisions relative to compensation of the corporate officers is presented in chapter15 of the reference document.
- 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.

1.1. General partners

TOUAX is a partnership limited by shares under French law (SCA) with two General Partners as stated in the Articles of Association described in chapter 21 of the reference document.

The general partners are SHGP (management & investment holding company), held by Fabrice WALEWSKI, and SHGL (leasing & management holding company), held by Raphaël WALEWSKI.

The compensation of the General Partners is determined in the Articles of Association and 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 2009 fiscal year, in 2010 it amounted to €457,800 for SHGP and €457,800 for SHGL. Since the General Partners are themselves corporations, no provisions have been set aside or recognized in respect of pensions or other benefits.

It should be noted that in order to align the General Partners' interests with those of the company, the limited partnerships hold around €2m worth of equipment managed by the Group. These investments are governed by a Code of Practice which has been approved by the Supervisory Board. The General Partners 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.

1.2. Management Board

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 for an unlimited period. They meet as a Board in order to take decisions.

Alexandre WALEWSKI (Chairman of the Supervisory Board), Raphaël WALEWSKI and Fabrice 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 compensation amount is presented in chapter 15 of the reference document, it being hereby stated that the corporate officers' compensation amounted to €720,500 in 2010.

Article 11.5 of the Articles of Association stipulates that:

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 attendances' 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.

It should be noted that in order to align the Managing Partners' interests with those of the company, Fabrice and Raphaël WALEWSKI have invested in assets operated by the company worth around €1m. 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.

1.2.1. Raphaël WALEWSKI's current mandates

Company offices:

- Commencement dates: director in 1994 (mandate expired on 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 of TOUAX SCA since 2005,
- Age: 44,
- A French citizen.

Director or exercising mandates within the following Group's companies:

TOUAX Construction modulaire SAS, TOUAX Solutions Modulaires SAS, TOUAX River barges SAS, Eurobulk Transportmaatschappij BV, TOUAX Rom SA, TOUAX Hydrovia, GOLD CONTAINER Corporation, GOLD CONTAINER FINANCE Corporation, GOLD CONTAINER LEASING Private LTD, GOLD CONTAINER Investment LTD, Interfeeder-Ducotra BV, TOUAX Modular Building USA Inc, 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 Finance 2 Ltd, TOUAX Rail Investment Ltd, TOUAX Rail Investment Finance Ltd, TOUAX Rail Ltd.

Chairman of SHGL (leasing & management holding company) and partner of SCI Franklin Location.

Raphaël WALEWSKI did not directly hold any shares in TOUAX SCA as of December 31, 2010.

1.2.2. Fabrice WALEWSKI's current mandates

Company offices:

- Commencement dates: director in 1994 (mandate expired on July 28, 2005),
- Chief Executive Officer in 1998, 2000, 2002 and 2004,
- Chairman in 1999, 2001, 2003 and 2005 until the company's change of form on July 28, 2005,
- Deputy CEO in 2004,
- Managing Partner of TOUAX SCA since 2005,
- Age: 42,
- A French citizen.

Director or exercising mandates within the following Group's companies:

TOUAX Corporate SAS, TOUAX Container Services SAS, Eurobulk Transportmaatschappij BV, GOLD CONTAINER Corporation, GOLD CONTAINER Finance Corporation, GOLD CONTAINER Leasing Private LTD, GOLD CONTAINER Investment LTD, Interfeeder-Ducotra BV, TOUAX Modular Building USA Inc, 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 Finance 2 Ltd, TOUAX Rail Investment Ltd, TOUAX Rail Investment Finance Ltd, TOUAX Rail Ltd, TOUAX Rail Romania SA, CFCL TOUAX Llp, TOUAX Rom SA, TOUAX Hydrovia.

Member of the board of Dunavagon Sro, DV01 Zrt, Chairman of SHGP (management & investment holding company) and Partner of SCI Franklin Location.

Fabrice WALEWSKI did not directly hold any shares in TOUAX SCA as of December 31, 2010.

1.3. The Executive Committee

1.3.1. Composition

The Executive Committee was created in June 1992.

It currently has four members:

Raphaël WALEWSKI	Managing Partner (since June 1994)
Fabrice WALEWSKI	Managing Partner (since June 1994)
Stephen PONAK	Managing Director – Asset Management (since January 1998)
Thierry SCHMIDT de La BRÉLIE	Administration and Finance Officer (since March 2005)

1.3.2. Functions

The executive 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 20 times during 2010, 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 Chief Executive Officers of the Group's divisions occasionally attend the Executive Committee meetings to discuss specific matters.

1.3.3. Compensation

The gross compensation of the four members of the Executive Committee amounted to €1,083,700 in 2010.

1.3.4. 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, 2000, and 2008, and 1,500 in 2010. The 2000 and 2002 plans have expired. As of December 31, 2010, 15,770 stock options were still exercisable, all of which were in the money at the time of writing of this report.

In January 2010 the company bought 177,500 share subscription warrants out of the 200,000 issued by the Management Board on February 11, 2008. The 100,000 share subscription warrants subscribed by Fabrice and Raphaël WALEWSKI have been cancelled. With the exception of Stephen Ponak, the members of the executive committee only hold 22,500 share subscription warrants that have been issued and are still valid.

On February 2, 2007 the Management Board issued redeemable equity warrant bonds. As of December 31, 2008, 213,032 redeemable stock warrants (BSAR) had been subscribed for or bought by Fabrice WALEWSKI, and 212,532 by Raphaël WALEWSKI. On December 31, 2010, Raphaël WALEWSKI transferred the redeemable share subscription warrants that he owned to SHGL (leasing & management holding company) and Fabrice WALEWSKI did not exercise his redeemable share subscription warrants. The two other members of the executive committee still hold redeemable share subscription warrants. The redeemable share subscription warrants were in the money at the time of writing of this report. An Extraordinary General Meeting was called for March 30, 2011 in order to deliberate on changing the subscription period, the strike price and the price of the override clause.

The stock warrants allotted previously have either been exercised or have expired.

1.4. Supervisory Board

1.4.1. Composition of the Supervisory Board

Under the provisions of the law and the Articles of Association, the Supervisory Board is composed of no fewer than three or more than twelve members, appointed by the General Meeting of Shareholders for one year. It is not planned to stagger renewal of the Supervisory Board members' mandates.

The Supervisory Board currently has seven members following the death of Mr. Jean-Louis Leclercq in February 2011.

Five of the seven Supervisory Board members are considered as independent with regards to the criteria set out in the AFEP [French Association of Private Companies]/MEDEF [Movement of the French Enterprises] code. This code on corporate governance specifies 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".

Members of the Supervisory Board are not employees of the Group and do not have other functions within the Group.

1.4.2. Internal rules of the Supervisory Board

The work of the Supervisory Board is governed by internal rules that are intended to supplement the laws, regulations and Articles of Association, which the Board and its members do of course comply with. The internal rules specify the methods of functioning of the Board, in the interests of the company and all of its shareholders, and the functioning of the committee 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. The last change was on December 13, 2010 in order to better define the role of the audit committee.

1.4.3. 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 monitor and control the management and the sincerity of the annual and half-yearly 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. Subjects featuring on the Agenda in 2010 have included the following, in addition to the regular ones: presentation of a new member of the Supervisory Board, namely Mrs. Servaty, approval of the implementation of a profit-sharing scheme for one division, the approval of a commercial lease under the regulated agreements, analysis of the resolutions from the Shareholders' General Meeting, amendment to the Supervisory Board's internal rules, evaluation of the Board's work, the interim dividend payment.

The Supervisory Board also deliberated on the Group's cash position and the company's exposure.

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.

The Supervisory Board is assisted by an Audit Committee, which examines the individual and consolidated financial statements and reports its conclusions to the Supervisory Board.

There are no other committees within the Supervisory Board. A nomination committee does not seem to be needed insofar as a majority of the Board's members are independent and the member's discussions on this subject are satisfying. A compensation committee has also not been set up in view of the special characteristics of the limited partnership. The Supervisory Board does not have any specific missions concerning compensation of the Management Board.

1.4.4. Functioning of the Supervisory Board

The chairman convenes the Supervisory Board by letter at a fortnight's notice.

The Board has met five times during the period under review. The average attendance rate was close to 95%.

Participation of the Supervisory Board's members in Supervisory Board meetings in 2010:

Member of the Supervisory Board	Number of meetings
BEAUCAMPS Serge	5
BETHBEZE Jérôme	5
LECLERCQ Jean Louis*	4
SOULET de BRUGIERE François	5
Société AQUASOURCA	5
OGIER Jean-Jacques	4
SERVATY Sophie	3
WALEWSKI Alexandre	5

* Mr. Leclercq passed away in February 2011

The Statutory Auditors are invited to Supervisory Board meetings that inspect the annual or half-yearly financial statements.

The regulations regarding insider dealing apply to the members of the company's Supervisory Board.

1.4.5. Assessment of the Supervisory Board's functioning

In 2009, an in-house evaluation of the Board was formalized, through a written evaluation questionnaire, which concerned the Board's composition, the passing on of information to the members, the frequency and duration of meetings, the subjects dealt with, the quality of the debates, the work of the audit committee, the Board's compensation and suggestions for improvement.

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 Board.

In 2010, it was decided, in terms of a self-evaluation, to continue to improve the functioning of the Board on points that were brought up in the questionnaire, particularly the extension of the length of Board meetings depending on the subjects treated, strengthening the Board by integrating new competences to be chosen each year, and the organization of Board meetings on a production site.

The Board considers that it is in a position to exercise its supervisory mission in a constructive manner.

1.4.6. Minutes of the meetings of the Supervisory Board

The Supervisory Board minutes names its secretary at each meeting. The secretary draws up the minutes of the meeting which are validated by the Chairman and submitted for approval at the next Board meeting. They are then signed by the Chairman and a member of the Board, and included in the minute book.

1.4.7. Remuneration of the Supervisory Board

The compensation of the Supervisory Board totaled €63,000 in the 2010 fiscal year, in accordance with the level of attendance fees set by the Ordinary General Meeting of June 10, 2010.

The Ordinary General Meeting of June 27, 2011 will be invited to approve attendance fees of €63,000 for the 2011 fiscal year.

50% of the Supervisory Board members' attendance 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 fees. Attendance fees will be allocated to independent member(s) of the audit committee.

1.5. Current mandates of the members of the Supervisory Board

1.5.1. Alexandre WALEWSKI – Chairman of the Supervisory Board and member of the Audit Committee

Company offices:

- Commencement dates: director in 1977 (mandate expired on July 28, 2005),
- Chief Executive Officer from July 1977 to December 1997,
- Chairman of the Supervisory Board since 2005,
- Age: 77,
- A French citizen.

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 27, 2011. 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 as of December 31, 2010.

1.5.2. Serge Beaucamps – member of the Supervisory Board

Company offices:

- Commencement dates: director in 1986 (mandate expired on July 28, 2005),
- Member of the Supervisory Board since 2005,
- Age: 87,
- A French citizen.

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 on June 27, 2011. He has informed the company that he does not wish to stand for a new term. The company thanks him for his service to the Group during his mandates.

Serge BEAUCAMPS held 3,332 shares in TOUAX SCA as of December 31, 2010.

1.5.3. Jean-Louis LECLERCQ – member of the Supervisory Board and member of the Audit Committee - deceased

Company offices:

- Commencement dates: director in 1986 (mandate expired on July 28, 2005),
- Member of the Supervisory Board since 2005,
- End of service: February 2011,
- He was 79 and was a French citizen.

1.5.4. Jérôme BETHBEZE – member of the Supervisory Board and member of the Audit Committee

Company offices:

- Commencement dates: director in 2004 (mandate expired on July 28, 2005),
- Member of the Supervisory Board since 2005,
- Age: 49,
- A French citizen.

Other corporate offices held: Member of Quilvest Gestion Privée's Supervisory Board, member of SFAF (French Society of Financial Analysts).

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 on June 27, 2011. That meeting will be asked to renew his term of office for a further year.

Jerôme BETHBEZE held 350 shares in TOUAX SCA as of December 31, 2010.

1.5.5. Jean-Jacques Ogier – member of the Supervisory Board

Company offices:

- Commencement dates: member of the Supervisory Board in 2007,
- Age: 64,
- A French citizen.

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 on June 27, 2011. That meeting will be asked to renew his term of office for a further year.

Jean-Jacques OGIER held 250 shares in TOUAX SCA as of December 31, 2010.

1.5.6. François SOULET DE BRUGIERE, member of the Supervisory Board

Company offices:

- Commencement dates: member of the Supervisory Board in 2008,
- Age: 57,
- A French citizen,

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 on June 27, 2011. That meeting will be asked to renew his term of office for a further year.

François SOULET DE BRUGIERE held 412 shares in TOUAX SCA as of December 31, 2010.

1.5.7. Sophie DEFFOREY-CREPET, representative of AQUASOURCA, member of the Supervisory Board

Company offices:

- Commencement dates: member of the Supervisory Board in 2008,
- Age: 56,
- A French citizen.

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 on June 27, 2011. That meeting will be asked to renew her term of office for a further year.

AQUASOURCA held 54,007 shares in TOUAX SCA as of December 31, 2010.

1.5.8. Sophie SERVATY, member of the Supervisory Board

Company offices:

- Commencement dates: member of the Supervisory Board in 2010,
- Age: 38,
- A Belgian citizen.

Other corporate offices held: director of Capital-E NV and Vives SA.

Sophie SERVATY was appointed as a member of the Supervisory Board at the Combined General Meeting of June 10, 2010. Her term of office ends at the next Ordinary General Meeting on June 27, 2011. That meeting will be asked to renew her term of office for a further year.

Mrs. Sophie SERVATY held 250 shares in TOUAX SCA as of December 31, 2010.

1.5.9. Summary of the terms of office

	erm of office in progress	term of office held during the last five years	term of office expired
Fabrice Walewski [1]	Gérant	yes	
Raphaël Walewski [1]	Gérant	yes	
Alexandre Walewski [1]	membre du conseil de surveillance	yes	
SHGL [1]	Commandité	no	
SHGP [1]	Commandité	no	
Aquasourça	membre du conseil de surveillance	no	
Serge Beaucamps	membre du conseil de surveillance	yes	
Jérôme Bethbèze	membre du conseil de surveillance	no	
Jean-Louis Leclercq*	membre du conseil de surveillance	yes	
Jean-Jacques Ogier	membre du conseil de surveillance	no	
Salvepar		no	member of the Supervisory Board
Sophie Servaty	Membre du conseil de surveillance	no	
François Soulet de Brugière	membre du conseil de surveillance	no	

(1) Fabrice WALEWSKI, Raphaël WALEWSKI, Alexandre WALEWSKI, SHGL and SHGP do not hold any office outside of the TOUAX Group, except for those mentioned above.

** deceased in February 2011*

1.5.10. Proportion of women on the Supervisory Board

As of December 31, 2010, there were two women (including representatives of legal entities) out of the 8 members, i.e. a 25%representation rate of women. The company already respects the recommendation of AFEP [French association of private companies]/ MEDEF [Movement of the French enterprises], which advocates a rate of 20% from 2013.

1.6. 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.

To date, the Audit Committee is composed of two members, Mr. Alexandre WALEWSKI - Chairman of the Supervisory Board and Mr. Jérôme BETHBEZE - member of the Supervisory Board, following the death in February 2011 of Mr. Jean-Louis LECLERCQ.

Alexandre WALEWSKI has been chairman of the Group for 20 years, and Jérôme BETHBEZE has been Chairman of the Board and a member of the Supervisory Board of Quilvest Gestion Privée, a management company belonging to Quilvest Banque Privée, who is a subsidiary of Quilvest, a group focused on wealth management. These members were selected for their financial expertise and their experience in 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 AFEP/MEDEF code. Mr. Alexandre WALEWSKI is not considered as independent in the sense of the AFEP/MEDEF recommendations, since he is related to the Managing Partners and holds around 10% of TOUAX SCA's capital. Mr. Jean-Louis Leclercq was also considered as independent.

The committee met twice in 2010. The attendance rate was 100%.

It dealt with the following matters in particular:

- inspection of the consolidated annual and half-yearly financial statements for the 2010 fiscal year;
- checking that the accounting and financial reporting process complies with legal and statutory requirements;
- the main strategic projects;
- ensuring that a procedure for identifying, analyzing and monitoring risks, particularly financial risks, is in place;
- ensuring that in-house monitoring procedures are properly applied and ensuring the reliability of the information;
- 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. The Audit Committee can have recourse to external advice as needed.

Only independent members of the Audit Committee receive compensation in the form of attendance fees. 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.

1.7. 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.

1.7.1. 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.

1.7.2. 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 Company Secretary's department of TOUAX SCA. If, however, this admission card is not received in time, holders of bearer shares may nevertheless present themselves at the General Meeting with a certificate of shareholder status issued by the intermediary within the three days preceding the General Meeting;
- by giving proxy to the chairman of the General Meeting;
- by giving proxy to the person of their choice (spouse, partner with whom a civil solidarity pact has been entered into, another TOUAX SCA shareholder or any other natural or legal person of their choice;
- by postal vote.

For those not attending the General Meeting in person, a single form for voting by correspondence or appointing a proxy is provided to any shareholder requesting one by registered letter with recorded delivery received at the partnership's registered office no later than six days before the AGM date.

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 shares are sold before the third working day prior the meeting at midnight, Paris time, the company voids or modifies accordingly, depending on the case, the absentee vote cast, the proxy, the admission card or the certificate of shareholder status. To this end, the authorized intermediary holding the account notifies the company of the sale and gives it 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.

2. Internal control

Following publication by the Financial Services Authority of its reference manual on internal control, the TOUAX Group has implemented procedures in order to integrate these recommendations. TOUAX draws on the reference manual for the average and minimum values recommended by the FSA in July 2010.

2.1. Organization of internal control

➜ *Definition*

Internal control is a system defined and implemented by the company, which aims to ensure:

- compliance with laws and regulations
- application of instructions and business policies set by the senior management,
- proper functioning of the company's internal processes, particularly those helping to safeguard its assets,
- that financial information is reliable,

and, in a general manner, internal control is a scheme that contributes to the control of its business, the effectiveness of its operations and the efficient use of its resources.

➜ *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. 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.

These 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) constant monitoring 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..

➜ 2.1.4. 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 relationship between the parent company and its subsidiaries.

➜ 2.1.5. Participants involved in internal control

Internal control concerns everyone within the company, from the management bodies to each member of staff.

Management Board

The Management Board defines, encourages, and supervises the system that is the best suited to the Group's situation and business.

In this context, the Managing Partners keep themselves regularly informed of any malfunctions, inadequacies or implementation difficulties and ensure that the necessary corrective action is taken. The Management Board informs the Supervisory Board of any important matters.

Supervisory Board

The Management Board has a duty to keep the Supervisory Board informed of the essential features of the internal control system.

The Supervisory Board may use its general powers to carry out the controls and checks that it considers fit, or to take any other action it considers appropriate in this respect.

An Audit Committee has been formed within the Supervisory Board, which monitors the drafting process of the financial information and makes sure that there is an internal control system that is coherent and compatible with the Group's strategy and risks. The Audit Committee reports on its work to the Supervisory Board.

Internal audit

The operational divisions are wholly responsible for the use of the system within their scope and its proper functioning. The functioning and effectiveness 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.

2.2. Identification of risks

A risk is the possibility that an event will occur whose consequences could affect persons, assets, the environment, the company's objectives or its reputation.

To safeguard its future development and the achievement of its objectives, the Group makes sure that it identifies, analyzes and manages the risks to which it is exposed in its various sectors.

Risk management objectives:

- to create and safeguard the value and reputation of the Group,
- to secure the Group's decision making and procedures,
- to encourage actions that are consistent with the Group's values,
- to mobilize the Group's employees around a common vision of the main risks.

These risks are identified in chapter 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.

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.

Risk management activities are implemented on a daily basis by all members of staff, while performing their duties.

The administration and finance department have been put in charge of overall risk management system.

➜ Financial and accounting risks

LThese financial risks 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 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 objective 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 the financial files are managed in a centralized manner by the Treasury and Finance Departments who monitor and check the information daily. This information is forwarded to the executive committee. The Treasury and Finance Department implement the means necessary to limit financial risk.

➜ Other risks

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 administrative and financial department can be associated with the management of these risks.

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 objective 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 2010. 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 and risk management

Even if it is designed and applied with great care, the internal control and risk management system can never totally guarantee that the objectives will be achieved. There are inherent limits to any internal control system, like, for example, the uncertainty of the external environment and the use of judgment or malfunctions that can arise due to technical faults or human error.

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 senior 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 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 into 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 into 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,
- 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 the order; issues 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 then 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.

❙ *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.

These control procedures rely on:

- an integrated management and accounting system (use of a reporting package with uniform accounting methods approved by the consolidation department),
- 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 budgetary reporting, consolidation and monitoring procedures put into place aim to ensure as much the respect of the accounting principles applied by the Group as the consolidation of related information needed to draft the reference document.

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.

The administrative and financial departments and the senior management are responsible for the entire financial communications process. The consolidation department produces the information needed for the financial communication of the earnings.

➜ *2.4.6. Assessment of internal control*

Internal control procedures and those related to the drafting of accounting and financial information are regularly identified, evaluated and managed and did not changed significantly in 2010.

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 24, 2011

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

Fiscal year to December 31, 2010

To the shareholders,

In our capacity as Statutory Auditors of TOUAX and in application of the provisions of article L. 226-10-1 of the French Commercial Code, we present our report on the report drawn up by the Chairman of your company in accordance with the provisions of this article for the fiscal year ended December 31, 2010.

It is your Chairman's task to draft and submit for the Supervisory Board's approval a report giving an account of the internal control and risk management procedures in place at the partnership and providing other information required by Art. L.226-10-1 of the French Commercial Code, among other things concerning its provisions for 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 an 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 this work, we do not have any observations to make on the information regarding the company's internal control and risk management procedures concerning the drafting and procession of the accounting and financial information contained in the report of the Chairman of the Supervisory Board, drawn up in application of the provisions of 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, March 29, 2011
Statutory Auditors

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

28. Recently released information

28.1. Press release of January 4, 2011

TOUAX to pay interim dividend of € 0.50 per share

During its meeting of 4 January 2011, the Management Board decided to distribute an interim dividend of €0.50 per share, as part of the overall dividend which is to be paid in relation to the fiscal year 2010. The interim dividend will be paid on Tuesday 11 January 2011.

28.2. Press release of January 20, 2011

TOUAX joins Nyse Euronext compartment B thanks to good economic performance

On 24 January 2011, TOUAX will joint NYSE Euronext compartment B which groups together issuers with a market capitalization of between €150 million and €1 billion (market capitalization calculated on the basis of the opening price for the last 60 trading days of the year).

This transfer rewards the drive and stock exchange performance of the TOUAX security in 2010. With a market capitalization of almost €170 million, TOUAX continues its strategy of value creation, the main strengths of which are:

- Extensive diversification in leasing contracts and sales of four assets with demand that looks promising from a structural viewpoint;
- Proprietary fleet of assets leased worth €509 million (on September 30, 2010) invested in standardized, mobile equipment featuring a long life—between 15 and 50 years—which generates long-term leasing profitability and recurring revenue streams;
- Leased assets managed for third parties under long-term contracts worth €832 million on September 30, 2010;
- TOUAX's development policy with a strong international focus in order to benefit from world trade (86% of revenues were generated outside France on September 30, 2010).

In 2010, the Group's sound economic performance was buoyed by continued growth in leasing activities and the increase in sales and syndication business.

As a result, TOUAX confirms its forecast of growth in sales for 2010 combined with stable leasing revenues. The Group will publish its annual results on March 25, 2011.

2011 looks promising, both in terms of business and growth in profitability.

28.3. Press release of January 25, 2011

TOUAX signs a partnership agreement in Morocco in view of installing a modular buildings production unit

TOUAX SOLUTIONS MODULAIRES, a TOUAX subsidiary, signed a memorandum of understanding with a major Moroccan industrial stakeholder for the setup of a partnership in order to launch operations in Morocco.

The purpose of the partnership is to create in the 6 coming months, a production unit capable of supplying the Moroccan market along with the markets in Northern and Western Africa.

This operation is fully in line with the Group's strategy to develop its business in emerging countries. As underlined by Raphaël WALEWSKI, one of the Managing Partners of TOUAX, "these emerging markets already have significant needs, and offer the prospect of strong growth. It is important for the Group to expand into Africa in order to leverage these development opportunities."

TOUAX will provide its industrial know-how while the partner provides its knowledge of the Moroccan market and the housing infrastructure.

This partnership, in which TOUAX will have a majority, is a new step in the international development of the Group's modular buildings business, which already generates 65% of its revenue from outside France.

The final terms of the operation will be announced once it is implemented (during the course of 2011).

28.4. Press release of February 14, 2011

Annual revenue in 2010: + 11%
Great increase in sales: +27%
Improvement in the leasing revenue: +6%

Revenue of €302m in 2010

Managing Partners, Fabrice and Raphaël WALEWSKI, are very pleased about "the increase in TOUAX's revenue in 2010, which reflects the improved economic conditions. TOUAX has been able to leverage signs of recovery in each of its businesses to support the Group's core business, leasing, and to develop its sales. Profitability should increase in 2011, thanks to growth in sales, higher daily rates and a better equipment utilization rate".

Revenue by type

Unaudited consolidated data (in thousands of euros)	2010					2009				
	Q1 2010	Q2 2010	Q3 2010	Q4 2010	**TOTAL**	Q1 2009	Q2 2009	Q3 2009	Q4 2009	**TOTAL**
Leasing revenue (1)	52,001	53,528	56,726	57,496	219,751	51,898	50,121	54,746	50,053	206,818
Sales of equipment &c.	8,850	30,463	11,165	32,164	82,642	3,444	29,835	5,741	25,934	64,954
Consolidated revenue	60,851	83,991	67,891	89,660	302,393	55,342	79,957	60,487	75,987	271,772

(1) Leasing revenue presented here includes ancillary services and river transport services.

Consolidated revenue in 2010 amounted to €302.4m, compared with €271.8m in 2009, i.e. an increase of 11.3% (+8.5% excluding changes in the exchange rates and consolidation perimeter).

This increase is mainly due to the recovery in equipment sales and syndications for investors in the Shipping Containers business.

TOUAX was also able to continue to increase its leasing business thanks to effective management of its leasing fleet and the development of new markets. Leasing revenue, which includes income from leasing and income from services associated with leasing (transport, maintenance etc.) has been rising continually since early 2010. This increase is also reinforced by the favourable impact of the exchange rates.

The accelerated growth in revenue in the last quarter confirms the effective policy for leasing and sales activities (+18% compared with the last quarter of 2009).

In view of these results, the Group distributed an interim dividend on 11 January for the same amount as last year.

Analysis of the contribution of the four Group divisions

Revenue by division

Unaudited consolidated data (in thousands of euros)	2010					2009				
	Q1 2010	Q2 2010	Q3 2010	Q4 2010	**TOTAL**	Q1 2009	Q2 2009	Q3 2009	Q4 2009	**TOTAL**
Leasing revenue (1)	22,458	20,757	22,100	23,726	89,041	23,211	21,267	21,738	21,222	87,438
Sales of equipment &c.	1,093	20,526	949	16,360	38,928	219	342	162	906	1,629
Shipping containers	**23,551**	**41,283**	**23,049**	**40,086**	**127,969**	**23,430**	**21,609**	**21,900**	**22,128**	**89,067**
Leasing revenue (1)	16,745	19,149	20,435	18,374	74,704	15,552	16,716	20,913	16,078	69,259
Sales of equipment &c.	4,216	2,307	8,992	6,288	21,804	3,083	4,147	4,383	7,196	18,809
Modular buildings	**20,962**	**21,456**	**29,428**	**24,662**	**96,508**	**18,635**	**20,863**	**25,296**	**23,274**	**88,068**
Leasing revenue (1)	4,530	5,312	5,434	5,902	21,178	4,620	3,731	3,460	4,877	16,688
Sales of equipment &c.			1,120	12	1,132		10,200		4	10,204
River barges	**4,530**	**5,312**	**6,554**	**5,914**	**22,310**	**4,620**	**13,931**	**3,460**	**4,881**	**26,892**
Leasing revenue (1)	8,268	8,310	8,756	9,494	34,828	8,515	8,407	8,635	7,876	33,433
Sales of equipment &c.	3,540	7,630	104	9,504	20,778	142	15,146	1,196	17,828	34,312
Railcars, misc. and inter-industry offsets	**11,808**	**15,940**	**8,860**	**18,998**	**55,606**	**8,657**	**23,554**	**9,831**	**25,704**	**67,745**
CONSOLIDATED REVENUE	**60,851**	**83,991**	**67,891**	**89,660**	**302,393**	**55,342**	**79,957**	**60,487**	**75,987**	**271,772**

(1) Leasing revenue presented here includes ancillary services and river transport services.

➜ *Shipping Containers*

Leasing revenue of the Shipping Containers division increased by 1.8% (-3% in constant dollars). Excluding ancillary services, the leasing revenue increased by 7.2% compared with 2009. This good performance is the result of an average utilization rate in 2010 of 95% and an increase in the daily rate. The recovery in global traffic in 2010 resulted in heavy demand for containers by the shipping companies, which benefited leasing companies. The recovery in sales of containers marked the return of investors in 2010 with new equipment syndications arranged in the final quarter.

➜ *Modular Buildings*

revenue for the Modular Buildings division was up 9.6%. The sales were mainly achieved in France and Germany, and increased by 16% as a result of the Group's sales development strategy. The leasing revenue (+7.9%; +6.4% assuming constant exchange rates) continues to increase overall compared with 2009 thanks to a slight increase in the daily rate and to the dynamism of Germany and Poland. The division was able to conquer new markets in a difficult context and to diversify its businesses, markets and products.

➜ *River Barges:*

The 27% increase in leasing and transport revenue reflects the stability in the leasing business and a strong recovery in the transport and chartering business (+31%) in the European zones, in particular on the Danube and the Rhine. Since barge sale is a non-recurring business, this amounted to €1.1m compared with €10.2m in 2009.

➜ *Railcars*

leasing revenue was up 4.2%. 2010 was marked by very strong pressure on prices in the first half-year, which began to tail off late in 2010. Sustained demand for certain types of railcars was not sufficient to offset the decrease in the utilization rate for other existing equipment. On the other hand, sales to investors made it possible to reduce the drop in sales revenue compared with 2009. Revenues for the Railcars division fell by 17.9% in an economic context that is still not very favourable. At the end of 2010 TOUAX took over management of about 700 railcars located in Hungary and Slovakia, in order to continue to diversify geographically and with new types of railcars.

Business outlook for 2011: Return to growth and positive signs of increased profitability

Business in the final quarter of 2010 points to signs of recovery in all of the divisions thanks to the improvement in utilization and leasing rates. The combined effects of these elements will favour an increase in profitability in 2011. The market outlook is positive with forecasts of growth in world trade in 2011 revised upwards at +4.4 %. (Source IMF, January 2011).

➜ *Shipping Containers*

According to the latest forecasts from the Clarkson Institute, growth in containerized transport is estimated at about 9.7% in 2011. The recovery in world trade is accompanied by demand for new containers by shipping companies. The Group signed new orders that will contribute to the increase in its fleet and leasing revenues in 2011. The return of investors should be confirmed with significant syndication deals.

➜ *Modular Buildings*

The increase in the leasing and sales business should continue or even accelerate in view of the development of new products intended for sale on markets with high potential such as collective accommodation, site facilities intended for export etc. The division also intends to expand in emerging countries in order to harness development opportunities in these countries.

➜ *River Barges*

river transport showed signs of recovery at the end of 2010, with transport volumes increasing on the Danube and the Rhine. Demand for leasing is still high, since barges are the most environment-friendly and economical method of transport for certain types of products.

➜ *Railcars*

In late 2010 the Group noted a gradual recovery in the utilization rates of the existing fleet as well as steady demand for certain types of railcars in Europe. In this context, the signing of new orders will contribute to the growth in leasing and sales revenues in 2011, as will the takeover of the management of about 700 railcars in Eastern Europe.

Targets for 2011 will be provided with the release of the 2010 financial statements scheduled for March 25, 2011.

28.5. Press release of March 28, 2011

2010 annual nets profits: 13.3 m€

Current operating income up by 6%

"In 2010, we got back on track for growth and consolidated our strong positions in our activities. The upturn was particularly encouraging in the shipping containers division, more measured in our three other business areas, and pointed to promising prospects for improvement in 2011", said Fabrice and Raphaël WALEWSKI, managing partners of TOUAX.

Rise in the current operating income at 6%

Fiscal year 2010 was marked by a 6% growth of leasing revenue and 27% growth of sales revenue, as well as a rise in our property assets (+3%) and managed assets (+7%).

The Group recorded a 9.7% rise in EBITDA (after distribution to investors) at €53.8 million.

The current operating income amounted to €30 million on December 31 2010, compared with €28.3 million at the end of 2009, rewarding our close control of expenditure.

The net profit of €13.3 million was down by 6% compared with 2009. The restatement of the 2009 net profit to include a one-time reversal of a €2.8 million net of tax provisions in the Railcars activity, would leave a net profit up by 16%.

The Group's net bank borrowing was reduced to €292.6 million and TOUAX had over €58 million in lines of credit available at 31 December 2010.

The Management Board approved on 24 March 2011 the accounts for the period ending December 31, 2010. The auditors have completed their audit on the accounts. The auditors' report is in progress.

Consolidated figures *(in € millions - IFRS)*	**31 December 2010**	31 December 2009
Revenue	302,4	271,8
including Shipping containers	128,0	89,1
Modular buildings	96,5	88,1
River barges	22,3	26,9
Railcars	55,6	67,7
Gross operating margin (EBITDA) [1]	121,2	110,9
EBITDA after distribution to investors	53,8	48,9
Current operating income	30,0	28,3
Underlying pretax earnings	17,3	18,4
Consolidated net attributable income	13,3	14,2
Net earnings per share (€)	2,33	2,73
Total non-current assets	378,4	365,0
Total assets	568,4	562,0
Total shareholders' equity	140,2	128,9
Net bank borrowing [2]	292,6	301,8

(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) Including €89.5 million in debt without recourse in 2010.

Breakdown of contribution by the Group's four divisions

Shipping containers: the division took full advantage of the recovery of world trade with an increase of its leasing and utilization rates and a decrease in storage and handling expenses. The division also took advantage of the upturn in sales to investors.

Modular construction: the combination of the development of sales and the improvement of the daily leasing rate enabled the division to stand up well, boosted by the dynamic business in Germany and Poland. The division successfully controlled expenditure in a business environment that remained difficult in some countries.

River barges: the recovery of the transport and chartering business in 2010 remained moderate and did not significantly improve the division's results.

Railcars: the European rail transport business remained sluggish in 2010. The division was still impacted by lower leasing and utilization rates and by an increase in transport expanses and railcar repair and storage costs.

Prospects for 2011: continued growth and rising profitability

There have been clear signs of an upturn in business in each division, with better utilization and leasing rates. The combined impact of these factors will contribute to higher profitability in 2011. Market prospects are positive, with a forecasted growth of world trade for 2011 reappraised at +4.4%. (Source IMF, January 2011).

Shipping containers: in 2011, demand for containers from the shipping companies should become stronger as the recovery of world trade continues to take effect and container transport grows (+9.7% in 2011 according to the Clarkson Institute). The Group has signed new orders for equipment and investors are now taking an interest in substantial operations.

Modular buildings: modular buildings deliver flexible, low budget, quick and turnkey solutions to address customer needs. The progress of the leasing and sales business will continue to benefit from the development of new products and the Group's positioning on new markets.

River barges: inland waterway transport is showing signs of an upturn, with volumes again picking up on the Danube and Rhine. Demand for leasing is still high, barges being the most environmentally-friendly and economical mode of transport for some types of products.

Railcars: the Group has noted a gradual recovery of the utilization rate of the existing fleet and strong demand for certain types of railcars in Europe and the USA. The Group has signed new orders for rolling stock and will pursue the development of its leasing-based services.

In 2011, TOUAX will pursue its development and has an objective of growth of its revenue of more than 10%. The Group's main assets are based on its business model and strategy for creating value:

- **Extensive diversification through leasing and sales in four activities driven by structural demand:** recovery of world trade volume that will be favourable to the leasing of shipping containers; Europe's deregulated rail freight market favours railcar leasing; the need for flexibility, the development of new technologies and industries and competitive costs works in favour of modular buildings; and growing environmental awareness encourages the use of inland waterway transport.
- **Proprietary assets leased** worth €500 million **invested in standardized, mobile equipment benefiting from a long working life of 15 to 50 years** generating recurrent revenue streams from long-term leasing contracts. Going forward,

these assets represent a potential for the Group to create value through capital gains on disposals.

- **Leased assets managed on behalf of third parties on long-term management contracts** worth €875 million. These outsourced investments generate additional revenue streams and improve the profitability of equity without tying up capital.
- **A development policy resolutely focused on international business** to take advantage of worldwide trade on five continents. TOUAX generated 87% of its revenue outside France in 2010.

28.6. Outlook presentation made during the March 29, 2011 French Society of Financial Analysts Meeting

Chapter 6 "Business Overview," section 12.2 of chapter 12 "Known Trends," and the foreseeable evolution described in the management report on page 104 are complemented by the following information presented during the announcement of the Group's annual revenues:

In the short term, the Group's strategy is to consolidate its base and prepare for the significant turnaround expected in 2011.

In the medium term, the Group plans to increase its leased equipment fleet:

- by seeking opportunities to take over shipping container fleets. The Group has started investing again by ordering new containers which will be delivered in 2011;
- in order to reach the goal of a total leasing fleet of around 75,000 units in 5 years, TOUAX plans to invest €20 to €25 million in modular buildings and to take advantage of opportunities in emerging countries by creating joint-ventures;
- although the current freight railcars 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. Freight railcars production was reduced in 2010. The TOUAX Group is planning selective investments.

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 4.2%. The International Monetary Fund forecasts a 7.1% growth in world trade in 2011 and the 2010 containerized trade regained the level of 2008. The significant use of leasing of containers by shipping companies should maintain a high utilization rate;
- 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 5 years, compared to €21.8 million in 2010. This goal 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 increased needs of emerging countries for raw materials and agriculture (in South America and along the Danube) as well as the development of grain and bioenergy transport reinforces the Group's objectives of concentrating on long-term leases and developing sales.
- the objective of the Freight Railcars sivision 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 of resolutions

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 (approval of the financial statements of the fiscal year 2010)

The General Meeting, after examining the reports of the Management Board, the Supervisory Board, the Chairman of the Supervisory Board, and the Statutory Auditors on the fiscal year ended December 31, 2010, hereby approves the annual financial statements for the fiscal year ended December 31, 2010, as presented to the Meeting, showing a net income of €5,358,102.32.

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 €98,045, as well as a tax saving of €204,392 resulting from the fiscal integration.

SECOND RESOLUTION (approval of the consolidated statement of the fiscal year 2010)

LThe General Meeting, after examining the reports of the Management Board, the Supervisory Board, the Chairman of the Supervisory Board and the Statutory Auditors, approves the consolidated financial statements for the fiscal year ended December 31, 2010, as presented to the Meeting, as well as the transactions reflected in these statements showing a profit of €13,274,709.

THIRD RESOLUTION (discharge)

The General Meeting grants discharge to the Management Board, the Supervisory Board and the Statutory Auditors for the performance of their mandates for the 2010 fiscal year.

FOURTH RESOLUTION (allocation of net profit and distribution of dividend)

The General Meeting, approving the recommendation of the Management Board, decides to allocate and appropriate the distributable profit as follows:

Net profit of the fiscal year	5,358,102.32 €
Allocation to the legal reserve	-267,905.12 €
General Partners' statutory compensation	-935,798.29 €
Retained earnings	4,729.00 €
FOR A TOTAL OF DISTRIBUABLE PROFIT	**4,159,127.91** €
and decides	
to distribute a total amount of 1€ per share	5,695,932.00 €
- with €0,73 per share to be paid out of the distribuable profit, for a total of	4,158,030.36 €
- with €0,27 per share to be paid out of "share premium" for a total of	1,537,901.64 €
to allocate the balance to the retained earnings	1 097.55 €

As a result of the distribution of part of the share premium, the General Meeting grants all powers to the Management Board in order to protect the rights of the holders of the redeemable warrants issued in 2007, the warrants issued in 2008 and the stock options issued in 2006.

The dividend distributed to the 5,695,932 qualifying shares will accordingly amount to €1.00 per share. Any difference between the number of shares issued before the dividend payment date and the above number will result in an adjustment of the profits/losses brought forward.

The balance of the dividend will be paid on July 8, 2011, an interim dividend of €0.50 having being paid on January 11, 2011.

The dividend qualifies for the 40% exemption provided for under Article 158-3 of the General Tax Code for physical persons liable for income tax in France. Pursuant to Article 112, 1° of the General Tax Code, the amount to be paid out of "share premium" is considered as reinstatement of capital and is not taxable as a distributed income

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 €) Exercice	2009	2008	2007
Net dividend	1.00	1.00	1.00
Number of shares	5,687,826	4,672,731	3,892,987
Dividends paid in cash	5,687,826	3,745,286	3,892,987
Dividends paid in shares		927,445	
General partners' statutory compensation	915,627	1,040,550	698,003
TOTAL DISTRIBUTED	**6,603,453**	**5,713,280**	**4,590,990**

The General Meeting takes note that the amount of the retained earning mentioned in the 3rd resolution of the General Meeting of June 10, 2010, amounted €2,216,223.63. As a result, part of the dividend was paid out of the share premium for €0.428 per share.

FIFTH RESOLUTION (pursuit of the related party agreements)

The General Meeting, after examining the special report of the Statutory Auditors on the related party agreements specified in articles L. 226- 10 of the French Commercial Code, takes note of the pursuit of the related agreements previously approved and set forth in the said report.

SIXTH RESOLUTION (attendance's fees)

The General Meeting sets the total amount of the annual attendance' fees for the Supervisory Board at €63,000.

This decision applies to the current financial period, and shall continue in effect until countermanded.

SEVENTH RESOLUTION (ratification of the transfer of the head office)

The General Meeting ratifies the transfer of the head office decided by the Management Board on March 9, 2011, effective as from April 1st, 2011, from Tour Arago, 5 rue Bellini 92806 Puteaux La Défense cedex to Tour Franklin, 23ème floor, 100-101 Terrasse Boieldieu 92042 La Défense cedex, as well as the amendments of articles 1 and 4 of the Articles of Association.

EIGHTH RESOLUTION (renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. Alexandre WALEWSKI's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2011.

NINETH RESOLUTION (renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. Jean-Jacques OGIER's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2011.

TENTH RESOLUTION (renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. Jérôme BETHBEZE's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2011.

ELEVENTH RESOLUTION (renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. François SOULET de BRUGIERE's membership of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2011.

TWELFTH RESOLUTION (renewal of a member of the Supervisory Board)

The General Meeting, noting that the term of office of AQUASOURCA, represented by Ms. Sophie Defforey-Crepet, as member of the Supervisory Board expires at the end of the current General Meeting, renews it for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2011.

THIRTEENTH RESOLUTION (renewal of a member of the Supervisory Board)

The General Meeting, noting that Mrs Sophie Servaty's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews her for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2011.

FOURTEENTH RESOLUTION (renewal of the statutory auditors)

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 2016 fiscal year, the mandate as principal statutory auditor of:

DELOITTE & Associés
185, avenue Charles-de-Gaulle
92200 NEUILLY SUR SEINE

and renews as deputy statutory auditor:

B.E.A.S.
7-9 Villa Houssay
92200 NEUILLY SUR SEINE

FIFTEENTH RESOLUTION (authorization to allow the company to purchase and sell its own shares)

The General Meeting, after examining the Management Board report, 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: €34,175,580

In accordance with Article L. 225-210 of the French Commercial Code, the acquisition of the company's own shares must not bring the shareholders' equity below the level of the share capital plus non-distributable reserves.

These shares may be acquired, sold, transferred, exchanged, on one or more occasions by any means including by private agreement, block sale of holdings or the use of derivatives, for one of the purposes set forth by the law, i.e.:

- carrying out market making and ensuring the liquidity of the TOUAX SCA share through a liquidity agreement with an investment services provider acting independently, 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 company 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; and/or
- cancelling the shares, subject to the approval of the 22nd resolution below.

For the first objective, the company'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).

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 6th resolution of the Ordinary General Meeting of June 10, 2010.

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.

On first notice of meeting, the Extraordinary General Meeting can only validly proceed if the shareholders present in person or by proxy hold at least one fourth of the shares to which voting rights are attached. Motions pass by majority of the 2/3 of votes cast.

SIXTEENTH RESOLUTION (amendements of the articles of association)

The General Meeting, after examining the report of the Management Board, decides to modify article 12.4 of the Articles of Association, as follows:

" ... (unchanged article).

Members of the Supervisory Board can participate to the Board's meeting via videoconferencing or telecommunication mediums, as determined in the internal regulation, which guarantees their effective participation in the meeting. The meeting shall be transmitted in a continuous way. Members participating to the meeting via these mediums shall be deemed to be present for calculation of the quorum and the majority."

SEVENTEENTH RESOLUTION (amendements of the articles of association)

The General Meeting, after examining the report of the Management Board, decides to modify article 18.3 of the Articles of Association, as follows:

" ... (unchanged article).

A shareholder may be represented by another shareholder, by his or her spouse, or by his or her partner who he or she has entered into a civil union with. He or she can also be represented by an individual or legal entity of his or her choice.

... (unchanged article) "

EIGHTEENTH RESOLUTION (delegation of authority to be granted to the Management Board in order to increase the share capital with preferential subscription rights)

The General Meeting, after examining the report of the Management Board and the special report of the Statutory Auditors, in accordance with Articles L. 229-129, L. 225-129-2 and L. 228-92 of the French Commercial Code, hereby:

1) delegates its authority to the Management Board to proceed with the issue, on one or more occasions, in such amounts and at such times as it may deem fit, on the French and/or international market, whether denominated in euros or in any other currency or accounting unit based on a basket of currencies, with preferential subscription rights for existing shareholders, of ordinary shares, and/or debt instrument and/or more generally of securities composite or not, including subscription or acquisition warrants issued on a standalone basis, giving either immediate or future access, at any time or on a predetermined date, to the Company's share capital or conferring entitlement to debt securities, by subscription, whether in cash or by offset of payable liquid debt, it being specified that the issuance of preference shares is excluded from the scope of this delegation;
2) decides that the total nominal amount of capital increases that may be carried out, whether immediately or over time, may not exceed twenty (20) million euros, subject to the provisions of the 20th resolution. To this ceiling shall be added, where applicable, the nominal amount of the shares to be issued in the event of further financial transactions carried out, as provided by law, regulation or by contractual provisions, to protect the rights of holders of securities giving access to the share capital;
3) decides, should the Management Board uses this delegation, that the Management Board shall decide a reductible subscription rights if the subscription on an irreductible basis have not absorbed the entre securities or share issuance. The Management Board may have recourse, subject to the terms set forth by law and in the order it shall determine, to any of the options provided for by Article L. 225-134 of the French Commercial Code, and in particular may freely distribute all or part of the unsubscribed securities, offer to the general public all or a portion of the unsubscribed shares and/or securities, and/or limit the issuance to the actual amount of subscription, provided chat such amount represent at least 75 of the approved issuance;
4) takes note that the decision to issue securities giving access to the Company's share capital shall entail, in favor of the holders of the issued securities, the express waiver by shareholders of their preferential right to subscribe to the shares to which the securities so issued shall give access;
5) grants all necessary powers to the Management Board in order to proceed with one or several capital increases that may deem necessary:
   - to set the conditions of issuance(s), and, in particular, the forms and characteristics of shares and/or securities, to determine the amount to be issued within the limits set out above, the issuance price and the value of the share premium, set the starting and closing dates of the subscriptions;
   - to record the completion of the capital increases and to make the corresponding changes in the articles of association;
   - to calculate, on its own initiative, the capital increase costs on the amount of associated premiums and deduct from this amount the sums required to bring the legal reserve to one tenth of the new capital following each increase; and
   - in general, to take any measures, pass any agreements, and carry out any formalities useful to the issue, the listing of securities, the successful outcome and financial service of securities issued under this delegation.

This authorization is granted for a period of 26 months. It cancels and replaces the authorization granted by the 17th resolution of the General Meeting of June 10, 2009.

NINETEENTH RESOLUTION (delegation of authority in order to increase the share capital without preferential subscription rights through a public offering and with a priority delay for the existing shareholders)

The General Meeting, after examining the report of the Management Board and the special report of the Statutory Auditors, recognizing that the capital is fully paid, and pursuant to Articles L. 225-129-2, L. 225-135, L. 225-136, L 225-138, L 225-91 and L. 228-92 of the French Commercial Code, hereby:

1) delegates its authority to the Management Board, to proceed with the issue, on one or more occasions, in such amounts and at such times as it may deem fit, on the French and/or international market, by way of a public offering, either in euros or in any other currency or accounting unit based on a basket of currencies, of ordinary shares and more generally of any other securities, composite or not, including subscription or acquisition warrants issued on a standalone basis, giving either immediate or future access, at any time or on a predetermined date, to the Company's share capital or conferring entitlement to debt securities, by subscription, whether in cash or by offset of payable liquid debt, and it being specified that the issuance of preference shares is excluded from the scope of this delegation;
2) decides that the total nominal amount of capital increases that may be carried out under this delegation, whether immediately or over time, may not exceed twenty (20) million euros, subject to the provisions of the 20th resolution, given that the total nominal amount of capital that may be carried out pursuant this delegation will court toward the overall ceiling provided for in the 18th resolution. To this ceiling shall be added, where applicable, the nominal amount of the

shares to be issued in the event of further financial transactions carried out, as provided by law or contractual provisions, to protect the rights of holders of securities giving access to the Company's share capital;

3) decides to replace the shareholders preferential subscription right of in the context of the issues set out under this delegation with a priority period for shareholders to subscribe to the said shares and, to this purpose, cancel shareholders' preferential subscription right to ordinary shares and securities to be issued, it being understood that the Management Board should grant shareholders the right to priority subscription to all said issues for a period of time and according to the terms that it sets out. This priority subscription will not allow the creation of negotiable priority subscription right, and may involve subscription to shares as of right or, potentially, to excess shares;

4) decides that the issuance price for equity securities will be at least equal to the minimum price as required by the legal and regulatory provisions applicable on the day the price is set;

   The issuance price for securities giving access to company capital will be such that the sum received immediately by the company, plus, as the case may be, the sum to be received eventually, is, for each share issued as a result of the issuance of these securities, at least equal to the issuance price set out in the previous paragraph;

5) resolves that if shareholder or public subscriptions have not absorbed the entire issue of shares or securities set out above, the Management Board can, in the order it sees fit, use one and/or other of the following powers pursuant to Article L225-134 of the French Commercial Code: (i) unsubscribed shares or securities may be fully or partly distributed by the Management Board to such persons as it chooses, in accordance with the legal and regulatory provisions currently in force, (ii) said shares or securities may be offered to the public, or (iii) the issue may be limited to the quantity of subscriptions actually received, provided these amount to at least three quarters of the issue originally decided on;

6) takes note that the decision to issue securities giving access to the Company's share capital shall entail, in favor of the holders of the issued securities, the express waiver by shareholders of their preferential right to subscribe to the shares to which the securities so issued shall give access;

7) grants all necessary powers to the Management Board in order to proceed with one or several capital increases that may deem necessary:

- to set the conditions of issuance(s), and, in particular, the forms and characteristics of shares and/or securities, to determine the amount to be issued within the limits set out above, the issuance price and the value of the share premium, set the starting and closing dates of the subscriptions;
- to record the completion of the capital increases and to make the corresponding changes in the articles of association;
- to make any adjustments to take into account the impact of the operation on the company's capital and decide the terms for ensuring the preservation of rights of holders of securities eventually giving access to company capital in accordance with the applicable legal and regulatory provisions, and, where necessary, contractual agreements, allowing for other adjustments;
- to calculate, on its own initiative, the capital increase costs on the amount of associated premiums and deduct from this amount the sums required to bring the legal reserve to one tenth of the new capital following each increase; and
- in general, to take any measures, pass any agreements, and carry out any formalities useful to the issue, the listing of securities, the successful outcome and financial service of securities issued under this delegation.

It is hereby stipulated that the Management Board may, within the context of the implementation of this delegation, modify, during the lifetime of the securities concerned, the terms given above, in accordance with applicable formalities.

This authorization is granted for a period of 26 months as from the present General Meeting. It cancels and replaces the authorization granted by the 18th resolution of the General Meeting of June 10, 2009.

TWENTIETH RESOLUTION (delegation of authority to be granted to the Management board in order to increase the number of shares to be issued for issues that are oversubscribed)

The General Meeting, after examining the report of the Management Board and the special report of the Statutory Auditors, and ruling in accordance with articles L.225-135-1 of the French commercial code, authorizes the Management Board to decide, within the time periods and limits required by the legal and regulatory provisions applicable on the day of issuance (currently, within 30 days of the closure of the subscription, with a limit of 15% of the initial issue and at the same price as that used for the initial issue), for each issue decided on in application of the 18th and 19th resolutions, to increase the number of securities to issue, subject to compliance with the upper limit set out in the resolution in application of which the issue is decided.

This authorization is granted for a period of twenty-six months from this General Meeting.

TWENTY FIRST RESOLUTION (delegation of authority to the Management Board to increase the capital reserved for Group's employees)

The General Meeting, after examining the Management Board report and the special report of the Statutory Auditors, pursuant to Articles L.3332-18 to 3332-24 of the French Labour Code and Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code:

1) delegates its authority to the Management Board, to proceed, on one or more occasions, subject to the conditions provided for in Art. L. 3332-18 of the Labour Code, an increase of capital up to a maximum of €600,000, and to restrict this increase to the company's employees;

2) granted this delegation for a period of twenty-six months from today;

3) decides that the total quantity of shares that may be subscribed by employees may not exceed 3% of the amount of share capital on the date of the Management Board's decision;

4) decides that the subscription price of the shares shall be set as provided for in Art. L. 3332-18 of the Labour Code;

5) grants the Management Board full powers to implement the present authorization and, to that purpose,

- to set the number of new shares to be issued and the vesting date;
- to set the issuance price for the new shares, having considered the special report of the Statutory Auditors; and to set the deadlines for employees to exercise their rights;
- to decide when and how the new shares shall be paid out;
- to record the corresponding capital increase(s), and to amend the Articles of Association accordingly;
- to complete all necessary transactions and formalities entailed by the capital increase(s).

This authorization shall also constitute the existing shareholders' express waiver of their right of first refusal to the shares to be issued, in favour of the above employees.

TWENTY SECOND RESOLUTION (authorization to reduce the share capital through cancellation of treasury stock)

The General Meeting, after examining the report of the Management Board and the Statutory Auditors' report, and in accordance with Article L 225-209 of the French Commercial Code,

(1) authorises, for a period of twenty-four months from the present General Meeting, the Management Board to cancel, on one or more occasions, up to a maximum of 10% of the share capital per period of twenty-four months, some or all of the shares acquired by the Company in connection with the share buyback program pursuant to any authorisation granted by a past or future General Meeting

(2) autorises the Management Board to allocate the difference between the purchase price and the par value of the shares to whichever reserve account it sees fit,

(3) grants the Management Board all powers to set the terms and conditions of the cancellation, amend the Company's Articles of Association accordingly, and to undertake all necessary formalities.

TWENTY-THIRD RESOLUTION (formalities)

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 8, 2011:

- 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;
- the reference document for the fiscal year ended December 31, 2009, submitted on April 12, 2010 under reference number D10-0247.

31. Glossary

BargeSelf-propelled barge
Motorized river barge

River barge
Non-motorized metallic flat-bottomed vessel used to transport goods by river.

BPW
Building and public works.

Transport capacity
Daily transport capacity of a vessel.

Shipping container:
Standard sized metallic 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'.

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 current 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.

Pusher, push-tug:
Motorized vessel used to push river barges. ROFA

TEU (Twenty Foot Equivalent Unit)
Twenty foot equivalent – unit of measure 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-back 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 more than one means of transport, integrated over long distances and in the same container,

Railcar
Railcar used to transport goods.

Multifreight 45', 60', 90' and 106' railcars and flat railcars:
Freight railcars with standard dimensions.

Table of contents

This reference document was submitted to the French Financial Markets Authority (AMF) on April 8, 2011 in accordance with Article 212-13 of its General Regulations. It can be used in support of a financial transaction if it is supplemented 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 Franklin – 23rd floor – 100-101 Terrasse Boieldieu – 92042 La Défense cedex, FRANCE, as well as on the TOUAX Internet site: www.touax.com and on the Internet site of the French Financial Markets Authority (AMF).

TOUAX ANNUAL REPORT 2010

Touax
Tour Franklin, 23ème étage
100-101 Terrasse Boieldieu - 92042 La Défense Cedex
Tel. +33 (0)1 46 96 18 00 - Fax +33 (0)1 46 96 39 69
touax@touax.com - www.touax.com

actifin 01 56 88 11 11