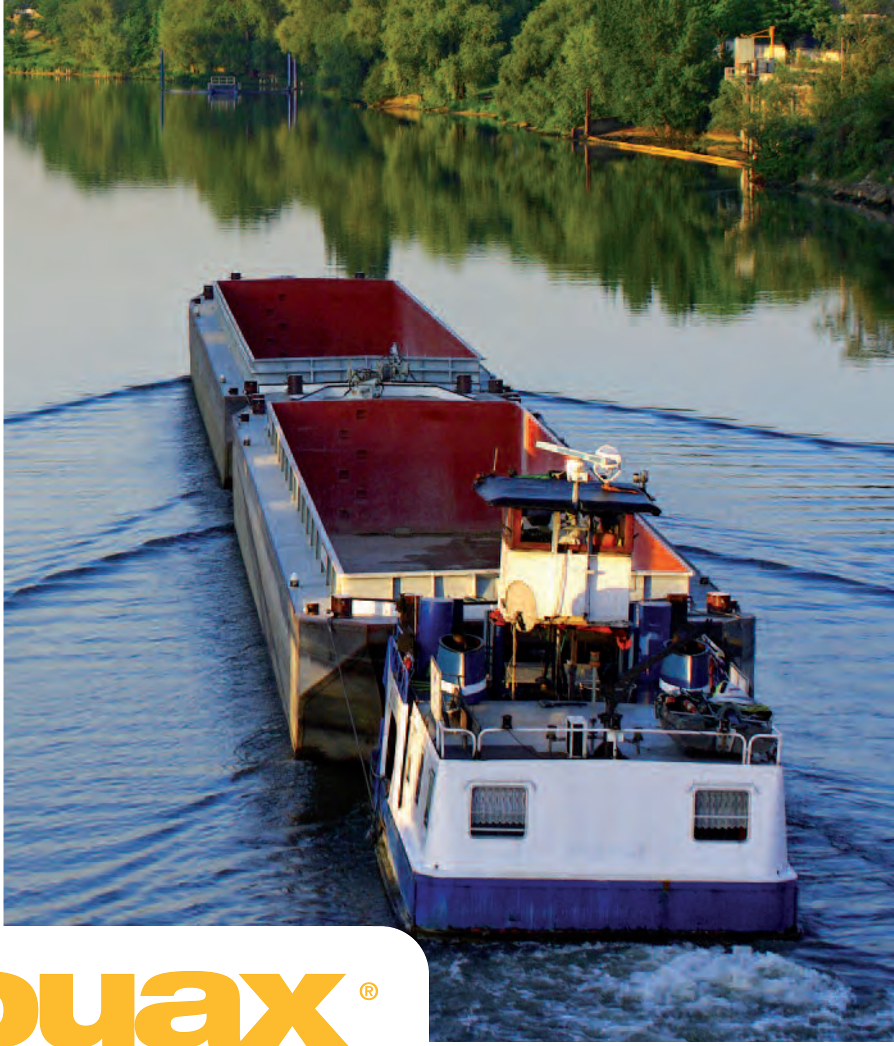


Touax®

2011 ANNUAL REPORT

YOUR OPERATIONAL LEASING SOLUTION

PROFILE:
YOUR OPERATIONAL LEASING SOLUTION

Contents

Shipping containers

N°1 in Europe

• 500,000 containers
*• 4.1% global market share**
• 38% of the revenue

Modular buildings

N°2 in continental Europe**

• 49,000 modular buildings
• 7.5% Continental European market share
• 33% of the revenue

Freight railcars

N°2 in Europe**

(intermodal freight)
• 8,700 railcars
• 6.5% European market share
• 22% of the revenue

River barges

N°1 in Europe**

• 180 river barges
• 25% European market share
• 7% of the revenue

** Drewry Maritime Research source ** Touax source*

TOUAX, a **GLOBAL CORPORATE SERVICES PROVIDER,** specializes in the operational leasing and sale of shipping containers, modular buildings, freight railcars, and river barges.

We meet our customers' needs worldwide, offering tailored solutions for leasing, leasing with purchase options, sale and lease back, and sale.

Thanks to our **know-how** and **expertise,** we can assist our customers with related services such as asset management, maintenance, consulting, technical appraisals and trading.

With operations across five continents, TOUAX posted an operating revenue of €336 million in 2011, including 85% generated outside France.
On December 31 2011, the Group managed over €1.5 billion in equipment for its own account as well as on behalf of both private and institutional investors.

A SPECIALIZED SERVICES COMPANY CLOSE TO ITS CUSTOMERS

In 2011, TOUAX increased its revenue, improved its results and positioned vehicles for growth to ensure profitable and sustainable development over the long-term.

The Group achieved:

- an increase in revenue of 11.1% to €336 million, including 85% in international revenue,
- an increase in the EBITDA after distribution to investors of 7.4% to €58 million,
- an increase in our rental fleet with assets totalling €1.5 billion.

Raphaël Walewski
Managing Partner

Fabrice Walewski
Managing Partner

Our four business divisions achieved satisfactory performance in 2011:

- In the Shipping Containers business, we signed new syndications worth $55 million and maintained utilization rates at a high level of 97%.
- In the Modular Buildings business, we increased our leasing revenues by 12% and our sales by 30%. Numerous significant contracts were signed with large industrial groups such as AIRBUS, TOTAL, SANOFI, SIEMENS, BOUYGUES, VINCI.
- In the Railcars business, we continued to increase our fleet of managed railcars in Europe and the USA by 6% to 8,700 railcars. We have diversified our product range and in Europe we obtained ISO 9001 certification and Entity in Charge of Maintenance (ECM) certification allowing us to provide maintenance services for all railcar fleets.
- In the River Barges business, the Group changed its business model, withdrawing from transport services and instead offering leasing, sales, trading and fleet management services. The leasing business achieved high utilization rates in 2011.

TOUAX is preparing for the future and for 2012 and the following years and anticipates acceleration in growth and an increase in its earnings and profitability.

MESSAGE FROM THE MANAGING PARTNERS

We therefore plan to continue to diversify our businesses, expanding into new markets particularly in emerging countries and expanding our services linked to leasing (sales and trading, services, third party management etc.). These projects are supported by initiatives to optimize existing businesses by capitalizing on group synergies, enhancing our reputation and a policy for managing our human and financial resources and information systems.

In the Shipping Containers business, our results were driven by the globalization of trade and the growth in world trade (+6.9% in 2011 and 3.8% forecasted in 2012) with 50% of global trade conducted between emerging countries.

For the Modular Buildings business, the attraction of this method of construction (low cost and rapid delivery) combined with a desire for attractiveness, has enabled us to win market shares over traditional construction in mature countries and to anticipate significant expansion in emerging countries.

The River Barges and Railcars businesses have been strongly supported by the worldwide trend towards eco-friendly methods of transport, the need to replace old fleets and heavy global demand for raw materials and cereals.

Our markets are therefore structurally buoyant and we are firmly optimistic for 2012 and the following years.

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

We also thank all of our 700 employees who have performed excellent work and contributed to growth in 2011.

We will propose to the General Meeting to be held on 15 June 2012 to distribute a dividend of €1 per share, identical to the previous year, of which €0.50 was already paid in an interim dividend in January.

We thank you for your commitment and loyalty.

Revenue multiplied by 2.3 in 10 years

700 employees

Net profit multiplied by 5.3 in 10 years

We are present through out the world!

and No. 1 in Europe

For over 25 years the teams at Touax Global Container Solutions have offered their customers added value at all stages of the container lifecycle, thanks to higher-quality assets and efficient products and services.

SHIPPING CONTAINERS

Global solutions for leasing and selling containers

A structurally growing market

Containerized sea transport is a meaningful indicator of the globalization of trade which is growing more quickly than world economic growth (+7.5% compared with +4% in 2011). As a result, the overall demand for shipping containers continued to increase in 2011 despite a difficult economic situation.
Moreover, the container leasing business is expected to increase further in coming years, thanks to shipping companies which prefer to lease equipment in order to protect their shareholders' equity and financing capacity.
The sale of new and secondhand containers is an another market which meets the need for containers on land (continental transport, storage, accommodation etc.). In 2011 this growing need greatly enhanced sales of secondhand containers, characterized by high sales prices.
TOUAX Global Container Solutions (previously Gold Container) has adapted its organization and consolidated its expertise to take advantage of structural growth in this market. Thanks to the skill and experience of its teams and global business coverage, TOUAX meets all of the specific requirements of the sea transport sector, by means of a fully comprehensive range of leasing and sale solutions.

Recognized expertise of a leading player

Touax is present throughout the world thanks to its 4 regional platforms and has teams of representatives in 13 countries, while its operational structure is based on a global network of 150 logistics depots. It manages a fleet of about 500,000 containers (TEU), on its own behalf and for third parties, which are mainly dry containers (20-foot, 40-foot, and 40-foot high-capacity) with a build quality recognized by the market.
As a comprehensive service provider, TOUAX Global Container Solutions offers leasing, financing and sales solutions at all stages of the container life cycle.
TOUAX has developed close business relations with the main shipping companies, such as Maersk Lines, Mediterranean Shipping Company, CMA-CGM, Hapag Lloyd, APL-NOL, Evergreen and China Shipping and serves over 120 shipping companies including the 20 leading firms.
In 2011, its average utilization rate reached 97% demonstrating TOUAX's ability to optimize the performance of its fleet.
The good results achieved for sales of second handed containers encourage the company to develop this business segment.

Ambitious growth targets

With over 25 years' experience, TOUAX has a long-term aims within the container industry. It is ready to meet future challenges, focusing on the features that differentiate it from its competitors, and aims to manage a fleet of 800,000 TEU in the medium term.
Furthermore, TOUAX sees its employees as its most precious resource, continually strengthening its team of specialists by attracting new and complementary skills from the transport, logistics, banking, insurance and services sectors. To stay in line with the most recent business practices, TOUAX is continually improving its website (www.touax-container.com) which provides real-time information on the availability and technical characteristics of the containers, facilitating collection and return.
To meet new challenges and strengthen its position, TOUAX is also looking for new opportunities to expand and diversify within the container value chain.

500,000 containers

Fleet managed by the Group

2007	438,195
2008	508,850
2009	481,819
2010	481,759
2011	494,363

Our solutions are flexible and upgradeable...

… and meet all our customers' needs!

For almost 40 years we have supported our customers in Europe and the United States, and thanks to the increase in our industrial capacity we now serve our customers throughout the world. Our R&D teams develop solutions that meet our customers' local requirements. As a manufacturer and lessor of modular buildings, we must offer tailor-made solutions for all projects.

MODULAR BUILDINGS

A cutting-edge service for highly modular construction solutions

A comprehensive offer of products

TOUAX produces, distributes and leases modular buildings—in compliance with the highest quality standards and legislation, such as the RT2012 standard. 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.

A successful diversification

TOUAX Solutions Modulaires confirmed the development of its sales activity with an increase of over 30% in its sales revenue, reflecting a successful transition into new activities. In 2011, TOUAX demonstrated its know-how 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 sound and international customer base

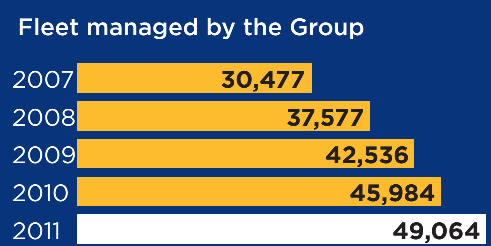
The leasing activity sustained its high revenue growth, with over 12%. Our leasing fleet increased in average by 15% annually in 5 years to reach 49,000 modules. This capacity means we can serve customers located anywhere in Europe or the United States.

Keeping to our commitments

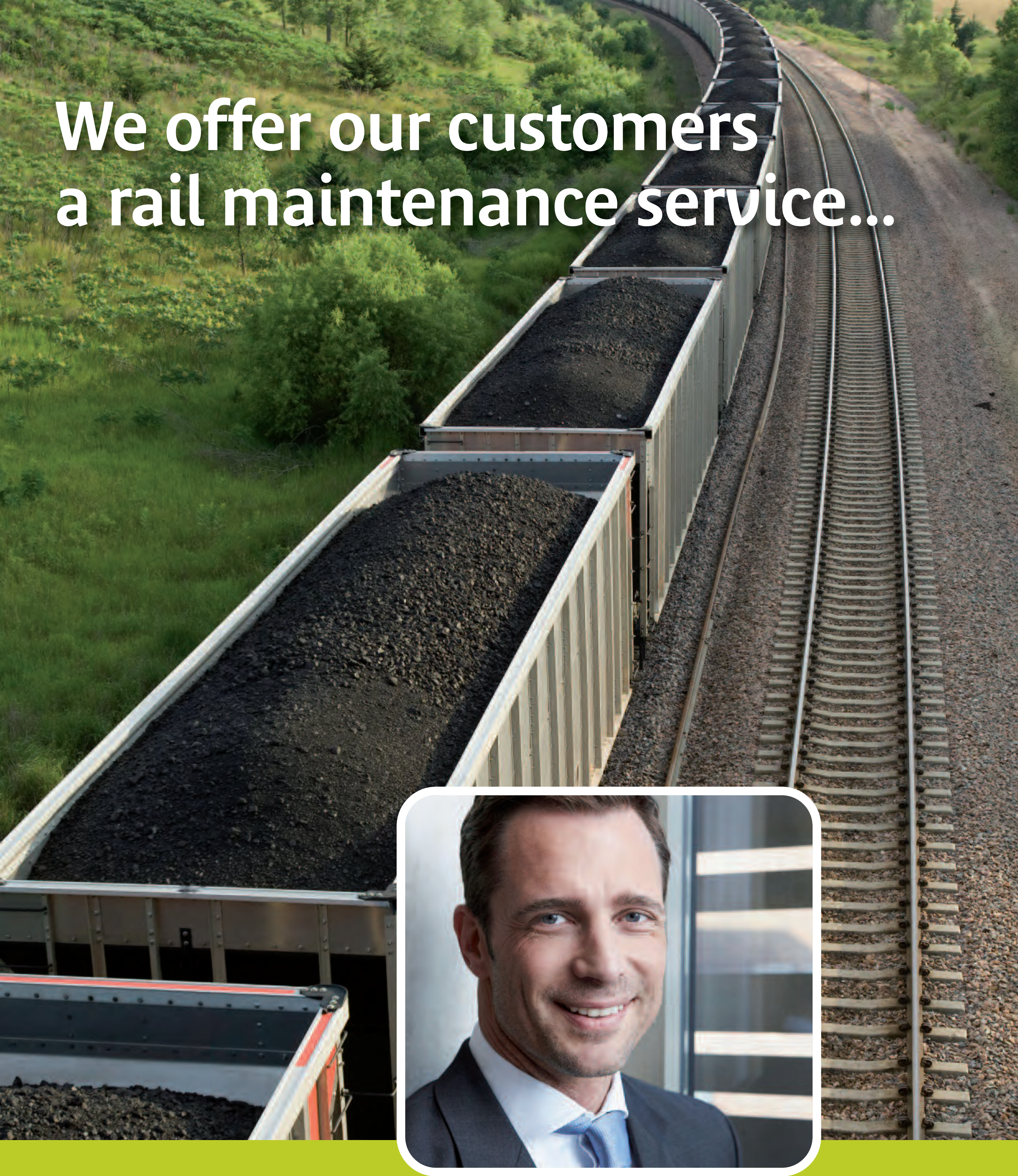
In both leasing and sales, TOUAX customers seek:

- Very attractive prices 30 to 40% lower than 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.

5,000 clients **49,000 modular buildings** **9 countries**



We offer our customers a rail maintenance service…



…in addition to our leasing products

Achieving Entity in Charge of Maintenance (ECM) status represents an important stage for TOUAX in the expansion of its business and offers its customers the guarantee of expertise and skill. TOUAX is one of the first European industry participants to receive this certification.

FREIGHT RAILCARS

In July 2010 the TOUAX RAIL leasing and maintenance systems were awarded ISO 9001 certification, and in December 2011 TOUAX RAIL obtained Entity in Charge of Maintenance (ECM) certification, according to the new European legislation.

A comprehensive service for leasing, sale and maintenance of freight railcars

TOUAX RAIL offers leasing agreements including maintenance services. TOUAX RAIL's command of maintenance and rails safety are strong benefit for its customers. Since end of 2011, TOUAX RAIL was awarded Entity in Charge of Maintenance (ECM) certification.

TOUAX RAIL offers its leasing services in Europe and the United States through a network of offices located in Ireland (Western Europe zone), Romania (Central Europe zone) and the United States (in partnership with Chicago Freight Car Leasing) completed by a network of agencies covering the whole of Europe. The TOUAX RAIL technical office is located in France.

At the end of 2011 TOUAX RAIL managed a varied range of about 8,700 freight railcars: intermodal railcars (transport of containers and swap bodies), car-carrier railcars, coil carriers (transport of steel coils), palletized cargo railcars (transport of palletized products) and hopper railcars and powder railcars for transporting heavy goods (cement, cereals etc.).

Major groups as customers

TOUAX RAIL offers its services to a varied customer base made up of major rail groups such as the French national railway company (SNCF), Rail Cargo Austria (RCA), the German national railway company (DB Railion) and the Swiss national railway company (SBB/CFF), as well as private rail operators and major industrial groups such as Cargill or Véolia.

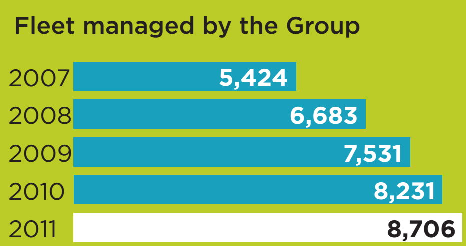
The division's expansion strategy

In view of the need to replace the railcar fleet in Europe, and the recovery in the USA, TOUAX RAIL aims to manage 10,000 units in the medium term and to expand the range of railcars that it offers its customers in order to accompany the demand.

2nd largest European lessor of intermodal railcars

8,700 railcars

A presence in Europe and in the USA



We offer added value for river transport...

... by providing a tailored service offer

With 150 years' experience in river transport, Touax River Barges has developed innovative and exclusive solutions for leasing and sales of assets for manufacturers and river transport logistics operators on the main river basins in the world.

RIVER BARGES

A range of high-value-added services, leasing and sales of river transport equipment

TOUAX provides an innovative range of services for the river barge market, thanks to its mastery of all aspects of the river transport chain…

Touax River Barges offers its customers total expertise in the river transport sector:

- operational and financial leasing of barges,
- trading of barges and push tugs,
- construction,
- fleet management,
- sale and lease back of river fleets,
- transport of barges between different river basins,
- insurance,
- advice, assistance and technical expertise regarding river transport,
- management of river transport certificates and administrative documents.

At 31 December 2011 the TOUAX Group managed a fleet of about 180 barges, and was the biggest leasing company for bulk cargo barges in Europe and South America.

Unique international presence…

Touax River Barges has an extensive geographic presence in the main river basins in the world:

- **In Europe:** the Group is very present on the Seine and the Rhône in France, on the Rhine, the Meuse, the Moselle and the Main in Northern Europe and on the Danube in Central Europe. TOUAX is one of the main operators on the Rhine – Main – Danube network (2,500 km crossing 10 countries).
- **In North America:** TOUAX leases 60 barges on the Mississippi to different logistics operators.
- **In South America:** TOUAX leases 24 barges on the Paraná river in Paraguay in South America and is actively developing a range of sales and leasing solutions on the main rivers.

The Group plans to expand to other river basins located in emerging countries in order to extend its global presence.

Prestigious customers…

- river logistics operators: Navrom-TTS, Miller, Ceres, AEP, P&O Maritime Services etc.
- industrial companies: Cemex, Lafarge, Arcelor, Yara, Bunge, ADM-Toepfer, Total etc.

A constantly evolving market…

River transport remains the most competitive means of inland transport (7 times cheaper than road transport), which is the cheapest for the community (oil consumption 3.7 times lower than road transport), the most environment-friendly (4 times less CO_2 than road transport) and continues to unblock the road networks (a 30-barge convoy in the USA replaces 3,000 trucks on the road).

TOUAX aims to triple its revenue from sales and leasing of barges with associated services over the next five years.

180 barges

1st lessor in Europe and in South America (bulk cargo barges)

A WORLDWIDE PRESENCE

Shipping containers

Europe/Africa region
(administrative office in Paris)

Northern Asia region
(Hong Kong)

Southern Asia region
(Singapore)

Americas region
(United States)

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

Modular buildings

France
(9 branches, 1 factory 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 factory)

Slovakia
(1 branch)

Historical milestones

Originally, the river barges activity

1853
Starting of the river barges activity on the river Seine

1898
Creation of TOUAX following the merger with another major company

1906
Listed on the Paris Stock Exchange

Successful diversification in three business sectors based on equipment leasing

1955
Initial investments in the Railcars activity

1973
Launch of the Modular Buildings activity

1985
Purchase of Gold Container Corporation, Shipping Containers activity

TOUAX was a key operator in French river transport for over a century and until the early 1970s. As this mode of transportation was gradually replaced by other modes, the Group decided to diversify into railcar leasing. TOUAX later seized an opportunity to start leasing modular buildings, and then acquired a shipping container specialist. We have successfully diversified into four major types of equipment, focusing exclusively on standard, mobile equipment. This ensures consistency and avoids dependence on a single economic cycle linked to one line of business.

While consolidating its positions in France over the past 20 years, the Group has stressed international development by entering flourishing markets abroad. Furthermore, we constantly adapt our products, services, and know-how to reflect evolving markets and customer demand. Today TOUAX is recognized as a key, comprehensive operator in each of its business lines. We are the European leader in shipping containers and river barges, and the no. 2 European provider for modular buildings and intermodal railcars.

Freight railcars

France
(technical office)

Western Europe region
(Ireland)

Central Europe region
(Romania)

North America region
(United States)

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

River barges

Rivers Seine and Rhône
(France)

Rivers Rhine, Main, Meuse, and Moselle
(Netherlands)

River Danube
(Romania)

River Mississippi
(United States)

River Paraná-Paraguay
(South America)

Acceleration of TOUAX's development over the past 15 years

1995
Starting of the asset management for investors

1998
Group is jointly managed by Fabrice & Raphaël Walewski

2005
Revenue exceeds **200 million euros**

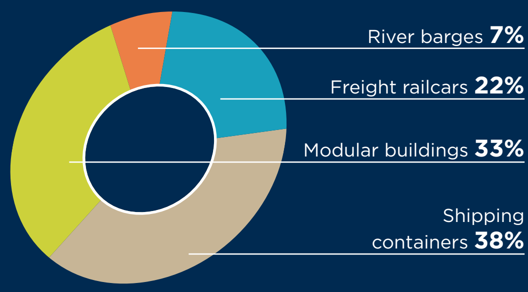
2006
100 years as a listed company with consecutive years of dividends

2007
TOUAX begins producing modular buildings in two plants

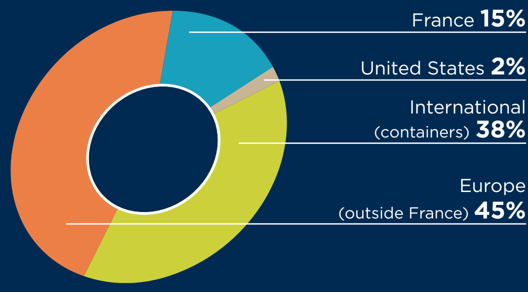
2008
Group managed assets exceed **1 billion**
TOUAX appears in the SBF 250 index

2011
Revenue exceeds **300 million euros** for 2 consecutive years

Breakdown of revenues by activity
at Decembre 31, 2011



Geographic distribution of revenues
at Decembre 31, 2011

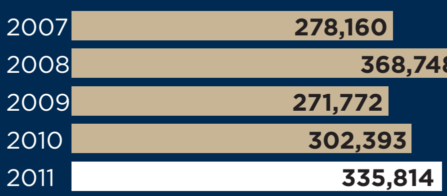


Geographic sectors correspond to areas where the Group is present, except for the shipping containers activity which reflects the international nature of the assets.

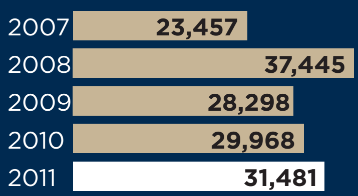
KEY FIGURES

A STRATEGY OF CREATING VALUE FOR ALL FOUR DIVISIONS

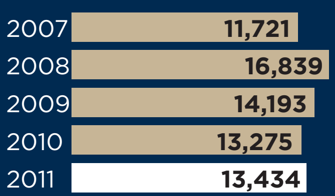
Consolidated revenues
(€ thousands)



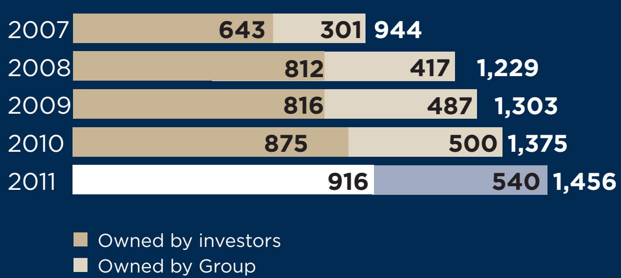
Consolidated current operating income
(€ thousands)



Consolidated net income
(€ thousands)



Breakdown in managed assets
(€ 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.

1. Diversification of its activities

TOUAX specializes in the operational leasing and sale of shipping containers, modular buildings, freight railcars, and river barges. This equipment provides similar yet complimentary benefits:

- **Mobility** for improved utilization rates,
- **Steady revenue streams** generated by term-based contracts ensuring a good visibility,
- **Standardized, long-life assets** (15-50 years) for maximizing equipment transfer prices.

These activities are positioned in a market with strong growth drivers: the growth 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.

4 LEVERAGES OF SUSTAINABLE PROFITABILITY

2. Weighting our equity investments

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

TOUAX weights its equity investments between equipment featuring a shorter lifecycle (particularly modular buildings and shipping containers) and very long-life business assets (railcars and river barges).

3. Streamlining our financial resources thanks to third-party asset management

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

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

4. The Group's capacity to develop and adapt to its environment

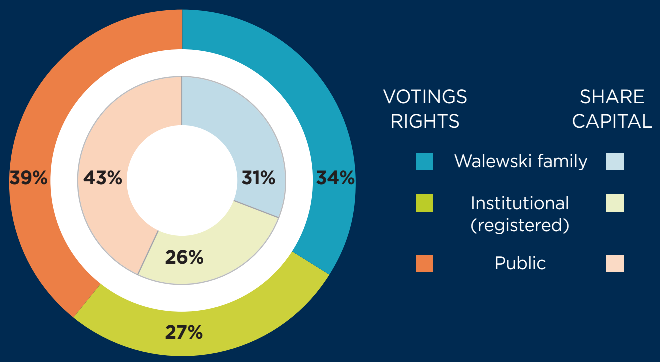
In each of its business lines, TOUAX listens to its customers and closely watches markets in order to continually develop and improve our products and services. Over the past five years, each of our divisions has bolstered its competencies and expanded both its business lines and services, thereby earning recognition as a key player in its field.

The Group is pursuing its international growth strategy in the emerging countries in order to diversify its risks, increase market shares and generate economies of scale.

TOUAX AND THE STOCK MARKET

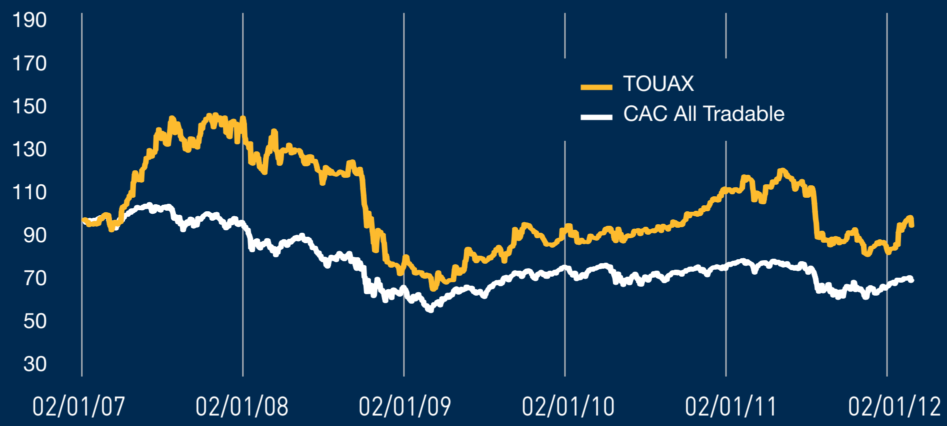
TOUAX data sheet
ISIN code : FR0000033003
Mnemonic code : TOUPFP
Listed on NYSE Euronext (Paris)
Indices : CAC® Small and CAC® Mid & Small
SRD Long only

Distribution of capital and voting rights on December 31, 2011



Share price performance over 5 years

(rebased to 100 at January 2, 2007)



Source: Euronext

Share price data

	2011	2010	2009
Maximum share price (€)	32.99	29.49	24.97
Minimum share price (€)	19.6	17.13	14.45
Price at December 31 (€)	21.8	29.49	22.3
Share price performance	-26%	32%	29%
CAC 40 performance	-17%	-3%	22%
Total number of share at December 31	5,720,749	5,695,651	5,687,826
Market capitalization at December 31 (1)	124.71	167.82	126.84
Number of shares traded	1,053,734	1,057,599	1,275,483
Capital traded (1)	29.35	25.47	24.89

(1) euro millions

Share price ratios

	2011	2010	2009
Net earning per share	2.35	2.33	2.73
P/E ratio	9.28	12.64	8.94
Net dividend per share	1*	1	1
Total return on the share	4.60%	3.40%	4.50%

** subject to GSM approval on June 15, 2012*

Shareholders' agenda

May 14, 2012 Announcement of Q1 2011 revenues	**June 15, 2012** General Share-holders' Meeting	**July 9, 2012** Payment of the balance of the 2010 dividend	**August 31, 2012** Announcement of Q2 2012 revenues	**August 31, 2012** Announcement of H1 2012 results	**November 14, 2012** Announcement of Q3 2012 revenues	**February 14, 2013** Announcement of Q4 2012 revenues	**Week of March 25, 2013** Announcement and presentation of the Group's 2012 results

Contents

1. Persons responsible

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

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 page 111 herein presents a true and fair view of the development and performance of the business, profit or loss and financial position of the Group and all consolidated companies, together with a description of the principal risks and uncertainties that it faces.

We have received the auditors' consent letter, in which they confirm that they have checked the information relating to the financial position and the accounts provided in this document and that they have read all the information herein.

The consolidated historical financial information for the year ending December 31, 2011 is described in the auditors' reports, appearing on page 102 of this document, as well as those incorporated as a reference for the 2010 and 2009 fiscal years. For the 2011 fiscal year, the auditors stated in their report on the consolidated financial statements an observation relating to accounting. For the 2009 fiscal year, the auditors stated in their report on the consolidated financial statements, which appears on page 103 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 5, 2012

Fabrice and Raphaël WALEWSKI
Managing Directors

2. Statutory auditors

2.1. Statutory auditors details

	Date of first appointment	Mandate expiry
Principal Statutory Auditors		
DELOITTE & Associés Represented by M. Alain Penanguer 185, Avenue Charles de Gaulle - 92200 Neuilly sur Seine	June 6, 2000 renewed during the Ordinary General Meeting held June 27, 2011	Following the Ordinary General Meeting held in 2017 to approve the 2016 financial statements.
LEGUIDE NAIM & Associés Represented by M. 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 27, 2011	Following the Ordinary General Meeting held in 2017 to approve the 2016 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 historical financial information

Key figures of the consolidated income statement

(€ thousands)	2011	2010	2009
Leasing revenue	221,419	207,785	194,932
Sales of equipment	114,395	94,608	76,840
Revenue	335,814	302,393	271,772
EBITDA before distribution to investors (1)	118,862	111,365	100,866
EBITDA after distribution to investors (1)	57,748	53,757	48,981
Current operating income	31,481	29,968	28,298
Consolidated net profit/(loss), Group's share	13,434	13,275	14,193
Net earnings per share (€)	2.35	2.33	2.73

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

Key figures of the consolidated balance sheet

(€ thousands)	2011	2010	2009
Total assets	606,601	568,374	562,018
Gross tangible assets (1)	474,490	425,921	394,736
ROI (2)	12.17%	12.62%	12.41%
Total non-current assets	410,612	378,358	364,927
Shareholders' equity - Group's share	146,883	140,204	129,049
Minority interests	(567)	(85)	(98)
Gross debt	364,050	331,746	336,620
Net debt (3)	319,791	292,646	301,756
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.

(3) The net debt is the gross debt after deducting cash assets

Note that no significant changes have occurred in the Group's financial position and 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 page 111.

3.2 Selected financial information for intermediate periods

Not applicable

4. Risk factors

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

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. The Group would incur costs in having to move into line with any new changes in legislation. Complying with such new legislation would affect all participants in the modular buildings industry, and probably enable the Group to revise part of its leasing rates.

➜ *Freight Railcars*

The European Union has adopted a certain number of texts relating to rail transport, and in particular to rail safety and maintenance of the equipment. These texts create rights, obligations and responsibilities for the players, in particular concerning maintenance. All the industry players are subject to these texts. To prevent these risks and ensure the compliance of its organization, TOUAX has obtained IS0 9001 certification, as well as Entity in Charge of Maintenance (ECM) status.

➜ *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 of the countries concerned, when the river flows through several countries.

In addition to the administrative formalities involved in registering for licenses, some countries (particularly the US) consider rivers to be a "strategic defence" 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.

The Group's compliance with the most advanced standards in force for the aforementioned activities, as well as with new regulatory standards (new European standards for barges on the Danube) limit its 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 earning, or on the Group itself.

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

➜ *Shipping Containers*

Two of the Group's shipping container customers went bankrupt in 2008. It was possible to recover all the equipment leased to these customers. The equipment belonged mainly to investors. The failures had little impact on the Group's accounts. A provision has been made to fully cover this impact.

The Group has made insurance claims for payment related to these failures. The Group is currently involved in legal proceedings against the insurance company to obtain compensation for the 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. Following successive insurance reimbursements, the amounts at issue have reduced significantly. Amounts cannot be disclosed for reasons of confidentiality.

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. Business 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 of 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 of loss of customers generated by a 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. Almost 79% 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 20 leading shipping lines work with the Group.

➜ *Modular Buildings*

Demand for modular buildings depends on three separate markets: the public buildings and works sector, local authorities and industry.

The construction & civil engineering market has strict rules set by the main construction companies. These companies impose their conditions and lease prices (master agreements). They apply penalties in case of failure to abide by the rules. Demand for modular buildings is closely linked to the traditional construction market. Trends in the construction & civil engineering sector depend locally on the risk of cyclical recession and government policies to support or revive the sector in order to maintain demand. 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 on government and local investment policies and on the budgets allocated. Demand for leasing or purchase of modular buildings by local authorities mainly concerns classrooms, day-care centres 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.

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, enable the Group to increase its sales.

To limit these risks, the Group is diversifying its activities in several countries.

➜ *Freight Railcars*

Demand for freight railcars is linked to changes in rail transport. The Freight Railcars leasing business benefits from the entrance of new operators on the transport market as a result of rail traffic deregulation and privatization. In addition, demand for freight railcars depends on the development of global trade and intra-European exchanges. Economic risk corresponds to the risk of cyclical 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, as well as in the countries that import products from these countries. Demand for containerized transport also depends on international trade. Economic risks correspond to the risk of cyclical recession at global or local level. This risk does not have an impact on long-term lease agreements and is limited by geographical diversification of the Group 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. Thanks to refocusing of the business on leasing, this risk is entirely borne by the lessees.

4.2.3. Political risk

➜ Freight Railcars

The freight railcars leasing market depends, in part, on European and governmental policies, in particular for the development and renovation of infrastructures. The share of rail transport has fallen significantly over the last few decades due to the lack of these investments. 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

River transport depends on European and governmental policies to improve river navigability conditions and in particular on projects to create or renovate infrastructures (locks, dredging of rivers).

The main goods transported in Europe are coal and cereals. The energy and cereal export policies of states affect demand for river transport. To limit this risk, the Group has refocused on leasing of river barges.

4.2.4. Environmental risk

The environmental risks likely to affect the company's assets or earning 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 business of producing modular buildings is particularly limited due to the minimal use of paints and solvents. The Group reduces these risks by complying with current health and safety standards.

4.2.5. Climate risk

➜ River Barges

River navigation depends on climatic conditions: precipitation, drought, and ice making it difficult or impossible for barges to pass or limiting unloading.

Poor weather conditions can also affect grain harvests in a given country or region leading to reductions in exports. Climate risk is limited to the river transport and chartering 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. To minimize this risk, the Group has refocused on the leasing business.

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 notes to the consolidated financial statements, note 18.1.1 page 83.

➜ 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 highly diversified. Risk analysis is carried out for all new customers. Risks are measured and analyzed for each country based on monthly reviews of the customer portfolio.

➜ Freight Railcars

The risk of customer default is ultimately borne by the equipment owners, given that the Group mainly carries out third-party asset management. Most of the Group's customers are railway operators. Risk analysis is systematically done for all new customers. Some customers encountered financial difficulties in 2011 following the crisis suffered since 2008. The risk of default has resulted in increased monitoring, with a monthly review of the customer portfolio, and daily contact with customers.

➜ River Barges

Most customers are industrial or logistics groups. The terms of payment of the transport contracts are strict, with payment at the latest before unloading. These terms are common in the river transport market and limit customer default risk.

The customer portfolio of the leasing and chartering 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 notes to the consolidated financial statements, note 26 page 91.

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

Third-party asset management is also a recurring business. However, the 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: 38% of the revenues from equipment sales in 2011 came from a single investor. To minimize the risk of investor dependence, the Group diversifies the number of investors it works with.

The primary customer accounts for an estimated 13% of revenues, the top five accounts for 28% of revenues, and the top ten represent 34% of revenues. The primary customer is the equipment investor mentioned previously.

4.4. Operational risks

4.4.1. Supplier risk

The Group buys part of the equipments it leases. Therefore, the Group can find itself in the situation of having a product whose characteristics are 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 the capacity to accept new orders. Note that the economic uncertainty 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 to the new equipment produced by the Group.

➜ River Barges

The fuel market can affect the competitive advantage of the river transport industry, either due to lack of fuel or to higher prices. Since the Group has repositioned its businesses on leasing, this risk is now limited.

4.4.2. Raw material prices 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 when commodity prices are listed in dollars (see exchange rate risk, note 26 page 91).

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

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

4.4.3. Risk of shipping container location 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 set up a used container sales department in order to reduce inventory in locations with a low demand. Container inventory levels at warehouses 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 (aesthetic) upgrades requested by customers. 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. 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 provides maintenance of rail equipment as an Entity in Charge of Maintenance. The Group does not have its own workshops and has concluded agreements with workshops whereby they will carry out maintenance for TOUAX. To limit quality risk, the Group has introduced control systems at all levels and has daily contacts with the workshops.

4.4.6. Seasonal variation

➜ *Modular Buildings*

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

➜ *River Barges*

The volume of goods transported varies from season to season and from year to year. The level of demand depends in particular on agricultural production cycles. To compensate for this, the Group concludes long-term leases.

4.4.7. Commercial risk

➜ *Shipping Containers*

Worldwide economic growth, particularly concerning international trade, has a major impact on the demand for shipping containers. Growth in the sector was confirmed in 2011 generating demand for shipping containers. In addition, large ships ordered by the shipping companies arrived on the market, resulting in a need for containers. Consequently, the average utilization rate of shipping containers increased in 2011 to 97 %. In order to limit the impact of economic cycles, the Group has entered into long-term, fixed-price agreements and increased sales of secondhand containers.

➜ *Modular Buildings*

The effects of the crisis have lessened, in particular in the construction & civil engineering market. Daily prices and utilization rates have increased. Prices went up on the whole, with favourable market conditions for leasing companies, in particular in Germany, Poland and the Czech Republic. At local level, failure to return to a normal level of business will prevent price increases and will have a more significant impact on the operating margin. In order to protect itself against falling prices and a drop in the utilization rate, TOUAX is diversifying into segments and regions where prices remain at adequate levels and is developing its equipment sales businesses.

➜ *Freight Railcars*

As volumes of goods transported did not significantly increase in 2011, the lessees continued to optimize management of their fleets, continuing to return equipment or refraining from leasing new equipment. TOUAX has adapted its commercial offer in order to maintain its utilization rate. It should be noted however that demand by customers varied according to the type of equipment. Since railcars are mobile assets, the Group endeavours to reposition the equipment, not only in different countries: the Group has also diversified its range of equipment so that it is better-suited to customers' requirements.

➜ *River Barges*

The profitability of this business is affected by the highly competitive nature of the transport market, combined with the effects of weather conditions and seasonal variations. The Group has decided to refocus on the leasing business. There is demand for barges from players in the river transport sector, and on the whole there was a big increase in most of the basins where the Group is present.

4.4.8. Management risk

A considerable portion of the container fleets and freight 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 terminated management contracts by diversifying the number of investors. A report summarizing the assets under management is produced every month. Not one investor has withdrawn management of its assets from the Group in the last 20 years.

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

Management contract termination clauses vary according to the program.

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

- material non-performance of any one of the manager's obligations (such as evidence of discriminatory management),
- bankruptcy or winding-up of TOUAX in its capacity as an asset manager,
- failure by TOUAX to pay any revenues collected and owing to its different investors,
- a change in the majority shareholder.

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

4.4.9. Psycho-social risk

The Group's success depends to a large extent on the expertise and pro-active capabilities of its teams. These are even more in demand in times of economic uncertainty. Increasing pressure, more stringent demands 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 endeavours 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 has carried out a specific review of its liquidity risk, and considers it is able to meet its commitments at the future due dates.

Liquidity risk management is assessed according to the Group's requirements set forth in the notes to the consolidated financial statements, note 26 page 91.

The list of loans containing specific clauses and commitments is mentioned in note 18.2.3 page 86.

4.6. Market risk

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

4.6.1. Interest-rate risk

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

Interest rate risk management is described in the notes to the consolidated financial statements, note 26 page 91.

4.6.2. Currency risk

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

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, 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 2.3 % drop in current operating income. Similarly, a 10 % drop in the Czech crown and the Polish zloty would cause a drop in current operating income of 0.7 % and 1.3 % respectively.

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) money market funds, for a short-term. The Group has no dealings on the financial stock markets.

Equity risk management is described in the notes to the consolidated financial statements, note 26 page 91.

➜ *Risk of dilution for shareholders*

The Group's strategy is based on the growth and development of various fleets. This strategy requires considerable funding. One of the methods used by the Group is to issue 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. The table below lists the calls for funds over the past five years:

(€ thousands) Year	Bond with redeemable equity warrant	Equity call (share capital)	Equity call (issue premium)	Target
2007	40,393.3			growth
2008		6,236.6	17,072.7	growth
2009		7,622.0	10,537.4	growth
2010				
2011				

4.7. Insurance - coverage of the risks

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 Managing partners and business managers are responsible for assessing and covering the risks of operating losses in line with market conditions.

The Group has a systematic policy of insuring its tangible assets and its 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 Freight Railcars divisions is covered by the equipment insurance policy (comprehensive property insurance). Insurance for tangible assets in the Shipping Containers division is delegated to the Group's customers and suppliers (warehouses) in accordance with standard business practices. Operating losses arising from lost or damaged tangible assets are covered by tangible assets insurance.

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

Public liability insurance for company officers covers incumbent and acting managers of the Group whose liability could be invoked due to an act of professional misconduct as part of their management, supervisory or leadership activity performed with or without a mandate or delegated authority.

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

Modular Buildings insurance guarantees the value of equipment as a whole and specifically when it is at warehouses or on lease and when the customer has neglected to take out insurance during the lease term. In particular, this insurance covers the risks of explosions, fire, hurricanes, storms, collisions, water damage, natural disasters, 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 Freight Railcars business has third-party liability insurance and equipment damage insurance covering the cost of losses and damages arising from natural disasters, fires, explosions, theft or 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

Registered and administrative office

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

Phone: +33 1 46 96 18 00

Identification

Register of companies: Nanterre B 305 729 352

SIRET #: 305 729 352 00099

APE: 7010Z

Listed on NYSE Euronext in Paris – Compartment C

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

5.1.3. Date of incorporation and duration

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

5.1.4. Legal status and legislation

Company legal status

Partnership limited by shares

Financial yearl

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

Share capital

On December 31, 2011, the company's capital comprised 5,720,749 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

Fabrice and Raphaël WALEWSKI

Managing Partners of TOUAX SCA

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5.1.5. Historical background

Refer to the timeline on page 12.

5.2. Investments

5.2.1. Principal investments

The Group's business is to lease shipping containers, modular buildings, river barges and freight railcars. The Group also runs a cross-functional activity – third-party management. By the end of 2011, 63% 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's objectives are to continue its investments, to conquer market shares and to increase 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 mainly invest in 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 recourse debt-to-equity ratio of 1.9 to 1. To optimize income, the Group also uses "non-recourse" debt, where redemption 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 for its current assets such as the transfer of receivables under the Dailly Act, factoring, securitization or assignment of receivables, but could eventually use them depending on opportunities. The Group has access to all types of financing, short, medium and long-term loans, loans without recourse, operational leasing and leasing.

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 finance contracts.

Although the situation remains difficult, the improvement in economic conditions has made it possible to raise leasing prices and utilization rates. The diversification of the Group's business activities with different economic cycles and its strategy of favouring long-term contracts has allowed it to withstand the economic crisis well.

The return of investors was confirmed in 2011, enabling the Group to conclude new management programs. Moreover, the Group always seeks to acquire fleets of existing equipment.

In 2011, the Group made the following investments on its own behalf and for investors:

(€ thousands)	Shipping containers	Modular buildings	River barges	Freight railcars	Miscellaneous	TOTAL
Gross Capital Assets Investments	1,030	40,277	5,818	19,550	1,795	68,470
Variation in Stocks of Equipment	3,330			(12,514)		(9,184)
Sale of Capitalized Equipment (historical gross value)	(2,258)	(7,913)	(3,198)	(2,005)	(547)	(15,921)
Investments in capital and in stock	**2,102**	**32,364**	**2,620**	**5,031**	**1,248**	**43,365**
Equipment sold to investors (finance lease)						
Gross investment in managed assets	38,915			39,269		78,184
Capitalized equipment sold to investors						
Sale of Capitalized Equipment	(11,098)	(18,180)	(11)	(19,759)		(49,048)
Net Investments in Managed Assets	**27,817**	**(18,180)**	**(11)**	**19,510**		**29,136**
NET INVESTMENTS	**29,919**	**14,184**	**2,609**	**24,541**	**1,248**	**72,501**

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

(€ thousands)	Shipping containers	Modular buildings	River barges	Freight 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	River barges	Freight 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**

The following non-current investments were recognized in the Group's consolidated financial statements as of December 31, 2011:

Net capital assets investments during the fiscal year

(€ thousands)	**2011**	2010	2009
Net investments in intangible assets	169	367	247
Net investments in tangible assets	53,037	25,459	73,390
Net investments in financial assets	(658)	1,194	1,191
TOTAL NET INVESTMENTS	**52,548**	**27,020**	**74,828**

Breakdown by business of net capital assets investments

(€ thousands)	**2011**	2010	2009
Shipping containers	(1,228)	(4,095)	(2,358)
Modular buildings	32,364	28,950	43,517
River barges	2,620	(1,015)	8,139
Freight Railcars	17,544	3,111	25,190
Miscellaneous	1,248	69	340
TOTAL	**52,548**	**27,020**	**74,828**

Methods of financing of net capital assets investments

(€ thousands)	**2010**	2009	2008
Cash / loans	44,615	10,431	29,492
Leasing	7,933	20,771	45,336
Management contract with third party investors		(4,182)	
TOTAL	**52,548**	**27,020**	**74,828**

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 2012 amount to approximately €16.9 million as of January 31, 2012, including €5.8 million in shipping containers, €0.3 million in modular buildings, €4.5 million in river barges and €6.3 million in freight railcars.

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, 2011 amount to €35.6 million, including €21.6 million in shipping containers, €2.2 million in modular buildings, €10 million in railcars and €1.8 million in river barges.

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 freight railcars are intended for sale to third-party investors. Orders for modular buildings and river barges are mainly intended for the Group.

5.2.4. Breakdown in 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, 2011. Fluctuation in the value of the US dollar leads to fluctuation in the value of the equipment from one year to the next.

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

Breakdown of the assets managed

(€ thousands)	**2011**		2010		2009	
	owned by the Group*	owned by investors outside the Group	owned by the Group*	owned by investors outside the Group	owned by the Group*	owned by investors outside the Group
Shipping Containers	46,833	601,767	43,233	559,866	42,746	535,895
Modular buildings	293,684	32,181	264,249	50,508	232,073	51,885
Freight railcars	122,327	262,775	119,263	242,878	139,395	189,289
River barges	77,359	19,215	73,527	21,715	72,370	39,215
TOTAL	**540,203**	**915,938**	**500,272**	**874,967**	**486,584**	**816,284**

** Assets, owned by the Group, including capital assets and assets in stock.*

Assets managed in the framework of securitization only represent 1% of the assets managed for third-parties as of December 31, 2011, 3% of the assets managed for third-parties as of December 31, 2010 and 5% of the assets managed for third-parties as of December 31, 2009.

Equipment used by the Group under operational leases is recognized in managed assets, while equipment used by the Group under financial leases is recognized in Group-owned assets. A breakdown of non-recourse leases is given in note 28.1 page 96 of the notes 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 a leasing company for shipping container, 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 31.

The businesses and markets for each one of these business activities are described in more detail on pages 4 to 15; further information is available in the annual management report on page 111.

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 its business activities. 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.

At each stage of these cycles, the Group makes a profit: a leasing profit (owned equipment), a syndication profit (equipment purchase and sale to investors), a management profit (managed equipment) and a trading profit (equipment purchase and sale to final customers).

The accounting treatment of these profits is the following:

- Leasing margin is included in the leasing revenue, which concerns all the equipment managed by the Group, both owned and 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. The 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.
- The trading margins (sales excluding syndication) are also recognized as sales / cost of sales. Concerning the Modular Building business, the Group produces and sells modular buildings to its customers and therefore shows trade margins. Similarly, the Freight Railcar and Shipping Container businesses show trade margins.
- Capital gains on the residual values of the Group's assets are recognized as sales margins.

The breakdown in revenues for each core business and geographic area is described in the notes to the consolidated financial statements in section 20.1 page 48. A presentation of the outlook given at the meeting of the French Society of Financial Analysts (SFAF) on April 2, 2012 is provided in section 28.6 page 142.

➜ *In the Shipping Containers business,*

the Group mainly manages equipment on behalf of third parties. Therefore, almost 93% of the shipping containers fleet belongs to third-parties, and the rest belongs to the Group. It should be noted that nearly 11% 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 visibility, 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 21.4 million to 30.6 million TEUs within 5 years.

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

Annual growth rate	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*	2013*
Containerized trade	12%	13%	10%	11%	12%	4%	-9%	13%	8%	8%	8%
Container ships	8%	8%	11%	14%	12%	11%	5%	8%	7%	7%	8%
Container fleet	9%	10%	7%	9%	13%	7%	-4%	7%	9%	9%	7%

*Source: Clarkson Research Studies – Jan. 2012 & Drewry Annual Report 2011 *Estimates*

The Clarkson institute forecasts continued sustained growth in volume in 2012. TOUAX has ordered new containers and intends to continue investing in long-term contracts to meet demand.

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).

➜ *In the Modular Buildings business,*

the Group mainly manages equipment while acting as principal. Thus, almost 90% 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, USA, allowing it to canvass other countries in North and South America. 58% of the revenue is generated outside of France. In order to limit risks and improve its visibility, the Group prefers to sign long-term leases, which can vary from 18/24 months to 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 own a total of 75,000 modular buildings so as to have a market share of 15% in Europe and considerably increase sales. In 2011, the Group had a 7.5% market share in continental Europe (source: TOUAX).

➜ *In the River Barges business,*

the Group mainly manages equipment while acting as principal. Thus, almost 80% of the managed fleet belongs to the Group. The river barges are mainly leased to industrial or logistics groups in all basins where the Group is present, and to a lesser extent are used for transport and chartering.

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

The number of river barges in Europe and the USA has barely changed for several years, leading to ageing of the fleet (source: TOUAX).

In 2011 the Group refocused on the leasing of river barges, which is better able to withstand the crisis thanks to long-term leases. There is demand for river barges from transport operators, which benefits the Group.

TOUAX's goals are to focus on long-term leases, increase sales and make new selective investments in high-potential zones

➜ *In the Freight Railcars business,*

the Group mainly manages equipment on behalf of third parties. Therefore, almost 68% of the equipment managed belongs to investors. It should be noted that 9% of the equipment held by the Group is earmarked for sale to third-parties in the near future (about 1 year).

The syndication cycle is short, but nonetheless remains longer than that of the Shipping Containers business. This is due to the fact that the investment cycle is longer since it can take up to one year from the time of the order to delivery of the railcars, whereas the lead-time can be just a few 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 offers investors investments in railcars operated in America.

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

After a big drop in traffic in 2009, European rail freight showed signs of recovery in 2010 with a 7% increase (source: UIC world rail statistics for 2010). This trend continued in 2011. In the USA the Group noted a recovery in the market linked to the energy and agricultural products sectors. The improvement in market conditions made it possible for utilization rates and leasing prices to rise. The Group forecasts high demand by customers for certain types of railcars in 2012.

TOUAX's leasing services have attracted railway operators. In 2012, 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 is aiming to manage a fleet of 10,000 railcars and bolster its position as Europe's number two lessor of intermodal railcars.

6.1.2. New product or service

Not applicable

6.2. Key markets

Cf. pages 12 and 13.

6.3. Exceptional events

Not applicable

6.4. Dependence on patents, licenses and contracts

Not applicable

6.5. Competitive position

Cf. pages 4 to 11.

7. Organization chart

7.1. Group organization chart

The organization chart only mentions companies that have a business. 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 Equipment Leasing Corp.	USA	100%	Investment company
—— Gold Container Corp.	USA	100%	Leasing and sale of containers
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
—— TOUAX 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
— SRFRL	Ireland	25.75%	Railcars investment company
— TOUAX Rail Romania SA	Romania	57,.5%	Leasing and sale of railcars
— CFCL TOUAX Llc	USA	51%	Leasing and sale of railcars
TOUAX River Barges SAS	**France**	**100%**	**Leasing of river barges**
— TOUAX Leasing Corp.	USA	100%	Leasing & sale of river barges
— TOUAX Hydrovia Corp.	Panama	100%	Leasing & sale of river barges
— TOUAX Rom SA	Romania	100%	Leasing & sale of river barges
— Eurobulk Transport Maatschappij BV	Netherlands	100%	Leasing of river barges
—— CS de Jonge BV	Netherlands	100%	Leasing of river barges

7.2. Parent-subsidiary relations

TOUAX SCA is a mixed holding company. As such, TOUAX SCA records interests in its national and international subsidiaries. TOUAX SCA is active in real-estate business in France, 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 division, 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 64 of the notes to the consolidated financial statements.

The functions of TOUAX SCA'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 128. The economic presentation of the Group is given in the Profile on page 1.

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 related party agreements) are as follows for the 2011 fiscal year:

Services provided

(€ thousands)	IT and management costs	Interest received on loan
TOUAX Corp.		148
TOUAX Rail Ltd	348	747
TOUAX Solutions Modulaires SAS	696	2,418
TOUAX Container Services SAS	261	
TOUAX River Barges SAS	435	563

Services received

(€ thousands)	Interest payable on advances
TOUAX Corporate SAS	113
TOUAX Container Services SAS	754
TOUAX River Barges SAS	98

The guarantees and other commitments granted by TOUAX SCA as of December 31, 2011 are as follows:

Subsidiaries concerned (€ thousands)	Year in which guarantees granted	Original amount of of guarantees granted	Garantees expiring in less than one year	Garantees expiring in 1 to 5 years	Garantees expiring in over 5 time	Outstanding capital owing as of 31.12.2011
	2008	43,145		43,145		20,492
	2009	14,335		5,000	9,335	9,420
	2010	5,061			5,061	4,309
	2011	11,690	2,404	6,911	2,375	9,152
TOUAX Solutions Modulaires SAS		**74,231**	**2,404**	**55,055**	**16,771**	**43,372**
	2000	3,326		3,326		1,203
TOUAX Rail Ltd		**3,326**		**3,326**		**1,203**
	2006	3,503		3,503		1,413
	2008	15,174		15,174		9,306
	2009	18,502			18,502	13,536
	2010	18,509			18,509	15,857
	2011	12,750	500		12,250	11,994
SIKO Containerhandel Gmbh		**68,438**	**500**	**18,677**	**49,261**	**52,107**
	2009	20,833			20,833	17,062
	2010	258		258		96
	2011	6,470			6,470	6,368
TOUAX River Barges SAS		**27,561**		**258**	**27,303**	**23,527**
	2006	4,530		4,530		1,719
	2007	3,456		3,456		1,616
	2008	6,161		6,161		3,564
	2009	5,431			5,431	4,183
	2011	4,533			4,533	4,316
TOUAX Sp.zo.o		**24,111**		**14,147**	**9,964**	**15,398**
	2008	2,135		2,135		1,884
	2011	3,957		3,957		3,540
TOUAX Leasing Corp		**6,092**		**6,092**		**5 424**
	2006	2,333		2,333		1,124
	2007	2,753			2,753	1,558
TOUAX Modular Building USA, Inc		**5,086**		**2,333**	**2,753**	**2,681**
	2010	7,729	7,729			
TOUAX Corp.		**7,729**	**7,729**			
	2003	4,433		4,433		456
	2008	333		333		25
EUROBULK Transport Maatschappij BV		**4,766**		**4,766**		**481**
	2008	3,864		3,864		2,504
GOLD Container Corp		**3,864**		**3,864**		**2,504**
	2008	796		796		310
	2011	1,500	1,500			1,467
TOUAX Construction Modulaire SAS		**2,296**	**1,500**	**796**		**1,777**
	2011	2,908		2,908		2,618
TOUAX Sro		**2,908**		**2,908**		**2,618**
	2011	10,000		10,000		
TOUAX Container Services SAS		**10,000**		**10,000**		
	2008	275	275			
TOUAX Corporate SAS		**275**	**275**			
	2005	411	411			17
	2011	75	75			
TOUAX Espana SA		**486**	**486**			**17**
TOTAL OF THE GUARANTEES GRANTED		**241,169**	**12,893**	**122,224**	**106,052**	**151,108**

The subsidiaries of TOUAX SCA are listed in the organisational chart in section 7.1.

The Group's main subsidiaries are GOLD Container Leasing Pte Ltd., a company incorporated in Singapore, and TOUAX RAIL Ltd, a company incorporated in Ireland.

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

($ thousands)	**2011**	2010	2009
Net fixed assets	53	25	25
Shareholders' equity	4,225	2,593	690
Financial debts		298	227
Revenue	97,740	109,251	104,941
Operating income before distribution to investors	77,215	71,264	81,811
Current operating income	1,623	1,907	22
Net profit	1,632	1,902	(17)

The fall in revenue is mainly due to a drop in sales of equipment in spite of an increase in leasing revenue. As there was an increase in distributions to investors, earnings were down compared with 2010.

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

(€ thousands)	**2011**	2010	2009
Net fixed assets	14,941	14,949	12,850
Shareholders' equity	28,740	26,930	26,481
Financial debts	1,204	1,943	2,554
Revenue	94,673	62,604	121,722
Operating income before distribution to investors	15,963	15,741	18,843
Current operating income	1,702	190	1,716
Net profit	1,811	449	3,481

The sharp increase in revenue is mainly due to a sharp increase in sales of equipment, although leasing revenues also continued to increase in 2011. Earnings increased sharply in 2011 due to an improvement in business.

8. Real Estate, Plant & Equipment

8.1. Tangible and intangible fixed assets

The Group is an operational leasing expert for mobile and standardized equipment. To date it owned little goodwill (€22.5 million) or intangible fixed assets (€900 thousand) compared with tangible fixed assets (€365.6 million), financial leasing receivables (€10.8 million) and inventory (€69.3 million). The tangible fixed assets, financial leasing receivables and inventory represent equipment belonging to the Group that is leased (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. These sites mainly include assembly tools and equipment whose value is insignificant compared to the leased equipment. Note that the land and buildings at the French site are leased, while those in the Czech Republic are owned by the Group. There are no major charges (refitting, security, safety etc.) relating to these facilities or the leased equipment. The assembly centres are used at almost 90% capacity thanks to their flexibility. The utilization rates at December 31, 2011 were 96% for shipping containers, 90% for river barges and about 77% for modular buildings and freight railcars.

A breakdown of the tangible and intangible assets is given in the notes to the consolidated financial statements section 20.1 page 48 in notes 16 and 17 page 80.

8.2. Environmental policy

The environmental risks likely to affect the company's assets or earnings 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 Freight Railcars and River Barges divisions contribute to the environment by conforming to existing regulations governing the cleansing of containers.

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

➜ *Optimized transport vehicles*

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

This is achieved by:

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

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

9. Analysis of the financial position and income

9.1. Financial position

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

9.2. Operating income

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

9.2.1. Unusual factors

Not applicable

9.2.2. Major changes

Not applicable

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

Not applicable

10. Cash and capital

10.1. Group capital

The Group's financial and cash resources are described in the Notes to the consolidated financial statements in section 20.1 page 48 and in note 18 page 81 with details on the liquidity and interest rate risks.

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 48.

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 84 with details on the liquidity and interest rate risks in section 20.1, note 26 page 91.

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

- Spot lines (364 days) and overdraft lines are used for occasional working capital financing needs and pre-financing of assets (in order to create high-value asset portfolios prior to long-term financing or sale to third-party investors);
- Revolving credit lines which can be drawn by provisory notes are used for pre-financing the assets;
- Bond loans with redeemable warrants are used for pre-financing the assets;
- Medium-term loans and lines for financing assets with recourse (leasing, financial leasing, etc.) are used for financing assets kept by the Group;
- Non-recourse credit lines are used for pre-financing assets (shipping containers and railcars) as well as the long-term financing of equipment that the Group wishes to keep on its balance sheet.

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

To the best of our knowledge, there are no restrictions on either cash flows from the subsidiaries to the parent company or on the use of the Group's cash, subject to default clauses for bank loans presented in note 18.2.3 on page 86.

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 31.

11. Research and development, patents and licences

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 111.

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

2011 was divided into two consecutive periods: during the first six months conditions remained the same as in 2010, with an upward trend in economic activity, and then the second half of the year was marked by financial instability due to the sovereign debt crisis, particularly in the euro zone. In the final quarter of 2011, financial risks became noticeably higher, increasing tension in the euro zone and the instability of certain regions. Under these circumstances, the World Bank revised its global growth forecast for 2012 downwards to 2.5% after growth of 2.7% in 2011 (World Bank, Global Economic Prospects, January 2012) and the International Monetary Fund (IMF) did the same with a global growth forecast for 2012 of 3.3% compared to 3.8% in 2011 (IMF, Global Economic Prospects, January 2012).

According to the IMF, the economies of developed countries should grow by 1.2% in 2012, while those of emerging and developing countries should grow by 5.4%, while those of the Asia zone countries should show stronger growth of 7.3%. The euro zone should undergo a moderate recession in 2012 due to the rise in sovereign yields, the consequences of the reversal of the financial leverage on the real economy and the impact of continued fiscal consolidation.

In developed countries, the priority is to redress budget deficits and stabilize and reform the financial systems. Fears about the viability of public finances are leading governments to concentrate efforts on rapid fiscal consolidation, which restricts demand and short-term growth. Economic growth in emerging countries should also fall due to the decline in the external environment and the weakening of domestic demand, resulting in the risk of a sudden collapse. On the other hand, the fall in the price of basic products has made it possible to reduce inflation in most developing countries. Consequently, growth in global business is expected to slow, and signs of this were already noticeable at the end of 2011 with the decline in global trade, and the fall in the price of raw materials due to the drop in global demand.

To boost the recovery and counter pessimism, governments must apply sustained but gradual adjustment, implement a flexible monetary policy and carry out the necessary financial adjustments in order to relax credit terms. The euro zone is the most affected in structural terms, but emerging countries must ensure that they give the right response to the low domestic demand and the slowdown in demand from developed countries.

In spite of this context, the Group expects both leasing and utilization rates to gradually improve, and continues to expand in high-potential zones. 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 at the SFAF meeting on April 2, 2012 is provided in section 28.6 page 142.

13. Profit forecast 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, supervisiory, 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 128.

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 128.

15. Compensation and benefits

15.1. Compensation of corporate officers

➜ *Remuneration of the Managing Partners*

Summary table of the compensation, options and shares allotted to each Managing Partner

(€ thousands)	**2011**	2010	2009
Fabrice Walewski - Managing Partner			
Compensation due for the fiscal year	405.5	365.6	404.0
Value of options allotted during the fiscal year			
Value of performance shares allotted during the fiscal year			
TOTAL	**405.5**	**365.6**	**404.0**
Raphaël Walewski - Managing Partner			
Compensation due for the fiscal year	388.4	377.0	407.6
Value of options allotted during the fiscal year			
Value of performance shares allotted during the fiscal year			
TOTAL	**388.4**	**377.0**	**407.6**

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

Compensation

Summary table of the compensation of each Managing Partner

(€ thousands)	2011		2010		2009	
	Amounts due	Amounts paid	Amounts due	Amounts paid	Amounts due	Amounts paid
Fabrice Walewski - Managing Partner						
Fixed salary	142.6	142.6	133.4	133.4	134.4	134.4
Variable compensation	210.5	248.5	195.8	191.5	226.2	181.3
Exceptional compensation						
Directors' fees	52.4	52.4	36.4	36.4	44.4	44.4
Payments in kind						
TOTAL	**405.5**	**443.5**	**365.6**	**361.3**	**404.0**	**359.1**
Raphaël Walewski - Managing Partner						
Fixed salary	142,6	142,6	133,4	133,4	133,4	133,4
Variable compensation	193.4	231.4	207.2	199.2	229.8	184.9
Exceptional compensation						
Directors' fees	52.4	52.4	36.4	36.4	44.4	44.4
Payments in kind						
TOTAL	**388.4**	**426.4**	**377.0**	**369.0**	**407.6**	**362.7**

Remuneration 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 due to investors.

The General Partners receive statutory compensation divided equally between them (Article 15 of the articles of association) of 3% of the Group's consolidated net profits, increased by 1% of the Group's consolidated EBITDA less leasing revenues due to investors. In 2011, their compensation totalled €935,798, 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 corporate officers

No stock options were attributed to the corporate officers.

Performance shares

No performance shares (bonus shares) were attributed during the fiscal year or in a 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 corporate officers.

→ Compensation of the Supervisory Board

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

Name (€ thousands)	Position	2011	2010	2009
Serge Beaucamps	Supervisory Board Member	6.0	7.3	7.0
Jérôme Bethbeze	Supervisory Board Member	11.2	7.3	7.0
Jean Louis Leclercq	Supervisory Board Member		6.6	7.0
Jean-Jacques Ogier	Supervisory Board Member	8.2	6.6	7.0
Aquasourça	Supervisory Board Member	7.1	7.3	7.0
François Soulet de Brugière	Supervisory Board Member	8.2	7.3	7.0
Sophie Servaty	Supervisory Board Member	6.0	5.9	
Alexandre Walewski	Chairman of the Supervisory Board	16.3	14.7	14.0
TOTAL		**63.0**	**63.0**	**56.0**

Rules for distributing attendance fees are specified in the Report of the Chairman of the Supervisory Board in section 27.2 page 163.

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

Note that Alexandre Walewski received a lump-sum reimbursement of $47,000 per quarter in 2011 for his travel expenses incurred in fulfilling his mission as Chairman of the Supervisory Board. This sum totalled $47,000 per quarter in 2010 and 2009.

15.2. Retirement and other advantages

The Managing Partners do not benefit from a supplementary pension plan, benefits due or likely to be due following termination or change of duties, or benefits relating to a non-competition clause. The employment contract of the Managing Partners has been suspended.

Managing Partners have a retirement benefit 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 128.

16.2. Relates party agreements

Related party agreements are listed in the management report on page 111 and included in the Statutory Auditors' report in section 20.3.2 page 103.

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 128.

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 128.

17. Employees

17.1. Breakdown in the workforce

The breakdown in employees by geographic location and business segment as of December 31, 2011 is as follows:

	Shipping Containers		Modular buildings		River barges		Freight railcars		Corporate		**TOTAL**	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
Europe	20	23	543	468	52	93	27	25	30	31	672	640
Asia	6	7									6	7
United States	3	4	15	13					4	3	7	20
TOTAL	**29**	34	**558**	481	**52**	93	**27**	25	**34**	34	**700**	667

17.2. Profit-sharing and stock options

The main holdings of the Managing Partners, the General Partners and the corporate officers are indicated in section 18 page 45 of the reference document, with the holdings of Alexandre WALEWSKI (Chairman of the Supervisory Board), Fabrice WALEWSKI (Managing Partner), Raphaël WALEWSKI (Managing Partner), the company Société Holding de gestion et de Participation (General Partner), and the company Société Holding de Gestion et de Location (General Partner).

The following table shows all these financial instruments giving access to capital, and the share held by each officer.

Type of instrument	2006 Stocks-options	2007 Redeemable warrants	2008 Equity warrants
Date of the General Meeting	28/06/2006	30/05/2005	08/02/2008
Date of the Management Board	07/08/2006	02/07/2007	11/02/2008
Total number of financial instruments issued	52,874	1,427,328	200,000
Allotment date	07/08/2006	na	na
Purchase date	na	08/03/2007	12/03/2008
Number of financial instruments that could be exercised or levied as of 12/31/2011 by:			
- Fabrice WALEWSKI			
- Raphaël WALEWSKI			
- Alexandre WALEWSKI			
- Top 10 employees	21,799	204,667	
- Others (employees/public)		1,190,769	22,500
Year's starting point for instruments	07/08/2008	08/03/2007	12/03/2008
Year's starting point for frozen instruments		08/09/2009	12/03/2011
Expiration date	07/08/2012	08/03/2016	12/03/2013
Issue price		0.44 €	3.60 €
Subscription or purchase price (1)	20.16 €	32.91 €	37.55 €
Number of subscribed financial instruments		31,892	
Total number of cancelled or void financial instruments	6,957		177,500
Number of financial instruments remaining to be exercised on 12/31/2011	**21,799**	**1,395,436**	**22,500**
Potential capital in number of shares	21,799	365,255 (2)	23,130 (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 1.047 shares

(3) One 2008 warrant gives the right to 1.028 shares

Details of the share subscription or purchase options and the share subscription warrants granted by TOUAX SCA are given in the notes to the consolidated financial statements in section 20.1, note 21, page 89.

17.3. Employee participation in the capital

The company does not publish a HR 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 in 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). The number of own shares held (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, 2011

	Number of shares	% of share capital	Number of voting rights	% of voting rights	double voting rights
Alexandre WALEWSKI	532,787	9.31%	947,949	14.83%	415,162
Société Holding de Gestion et de Location	614,256	10.74%	615,006	9.62%	750
Société Holding de Gestion et de Participation	629,214	11,.0%	629,214	9.84%	
MAJORITY GROUP TOTAL	**1,776,257**	**31,.5%**	**2,192,169**	**34.28%**	**415,912**
SALVEPAR	358,705	6.27%	605,633	9.47%	
SOFINA	961,374	16.81%	961,374	15.04%	
Public - registered securities	185,179	3.24%	195,642	3.06%	10,463
Public - bearer securities	2,439,234	42.64%	2,439,234	38.15%	
TOTAL	**5,720,749**	**100.00%**	**6,394,052**	**100.00%**	**426,375**

TOUAX SCA is controlled by the WALEWSKI Family. SHGL (Société Holding de Gestion et de Location) and SHGP (Société Holding de Gestion et de Participation) 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.

On April 26, 2011 Sofina declared that it had exceeded the threshold of 15% of the company's capital, holding 867,507 TOUAX shares, representing 15.21% of the capital and 13.60% of the voting rights. On May 10, 2011 Sofina declared that it had exceeded the threshold of 15% of the company's voting rights, holding 960,365 TOUAX shares, representing 16.84% of the capital and 15.06% of the voting rights. Sofina declared that it did not plan to take control of the company. Apart from Sofina, there were no declarations of exceeding of the threshold in 2011.

To the knowledge of TOUAX, all of the shareholders who holdmore than 5% of the share capital or voting rights are mentioned in the table above.

There is no form of potential capital other than the one described in the notes to the consolidated financial statements in section 20.1 note 21 page 89.

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

Breakdown in shares

As of December 31, 2011, 54.2% of the shares issued by TOUAX SCA were registered, and the remainder were bearer shares. 42.53% 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 27, 2011, the chairman received 7 proxies, 35 shareholders sent postal voting forms, 24 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 Markets Authority (AMF). Following the sale of shares of Fabrice and Raphaël WALEWSKI to the General Partners, SHGL (Société Holding de Gestion et de Location) and SHGP (Société Holding de Gestion et de Participation), the shareholders' agreement (under the Dutreil Law) signed on March 16, 2006 became null and void.

➜ Changes in the shareholding

Shareholders	31/12/10		31/12/09		31/12/08	
	% of shares capital*	% of voting rights*	% of shares capital*	% of voting rights*	% of shares capital*	% of voting rights*
Alexandre WALEWSKI	9.35%	15.48%	9.37%	15.53%	11.30%	18.43%
Fabrice WALEWSKI					0.43%	0.72%
Raphaël WALEWSKI					0.31%	0.54%
SHGL	10.78%	10.05%	10.78%	10.04%	9.77%	8.93%
SHGP	11.05%	10.28%	10.98%	10.23%	9.70%	8.86%
TOTAL GROUPE MAJORITAIRE	**31.18%**	**35.81%**	**31.13%**	**35.80%**	**31.51%**	**37.48%**
Auto détention	0.07%	0.07%	0.16%	0.16%	0.32%	0.32%
SALVEPAR	6.30%	5.86%	6.31%	5.88%	6.38%	5.83%
SOFINA	13.79%	12.83%	13.81%	12.87%		
Public	48.66%	45.43%	48.59%	45.29%	61.79%	56.37%
TOTAL	**100.00 %**	**100.00 %**	**100.00 %**	**100.00 %**	**100.00 %**	**100.00 %**

** To the knowledge of TOUAX*

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 which by nature is controlled by the general partners. It has two general partners: SHGP (Société Holding de Gestion et de Participation) and SHGL (Société Holding de Gestion et de Location). These two companies belong respectively to Fabrice and Raphaël WALEWSKI. Furthermore, Alexandre WALEWSKI, Fabrice WALEWSKI, Raphaël WALEWSKI, SHGP and SHGL acted in concert in 2011, 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, 2011 this alliance held 31.05% of the shares and 34.28% of the voting rights.

By complying with the practices for corporate governance recommended by AFEP/MEDEF, the Group avoids abusive control. Particularly, the presence of independent members within the Supervisory Board, as well as the Supervisory Board's operational rules ensure 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 financial statements for the year.

18.4. Treasury shares

As of December 31, 2011, the company held 6,774 of its ownshares, i.e. 0.12% of the capital. These shares were acquired following the stock redemption programme decided by the Combined General Meeting of June 27, 2011, in order to:

- ensure market stabilization and liquidity of the TOUAX SCA share through a liquidity agreement, compliant with the code of ethics recognized by the AMF, and entered into with an investment services provider;
- grant either share purchase options or shares for no consideration to the employees and/or management of the TOUAX Group;
- agree to hedge securities giving the right to grant company shares within the scope of current regulations;
- retain the shares bought, and use them later for trading or as payment in connection with external growth operations, it being stated that the shares acquired for this purpose cannot exceed 5% of the share capital;
- cancel the shares.

The transactions are summarized in the following table:

Declaration by TOUAX SCA of transactions in own shares from June 27, 2011 to February 29, 2012	
Percentage of the share capital held directly or indirectly	0.08%
Number of shares cancelled during the past 24 months	
Number of securities held in the portfolio	4,819
Book value of the portfolio (€)	117,424.11
Market value of the portfolio (€)	122,836.31

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

The treasury stock held by the Group is registered at its acquisition cost as a deduction from shareholders' equity. Gains from the disposal of these shares are stated directly as an increase in shareholders' equity, such that capital gains or losses do not affect the consolidated earnings, in accordance with accounting standards.

A description of the new stock redemption programme (in accordance with Article 241-2 of the General Regulations of the AMF) submitted for authorization by the General Meeting of June 15, 2012 is given in point IV of the management report section 26.1 page 111.

➜ *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 improve the liquidity of the TOUAX share.

➜ *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 (France).

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 95 (see the Statutory Auditors' report on regulated agreements and commitments, section 20.3.2 page 103).

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

20.1. Consolidated accounts

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

Consolited income statement presented by function at December 31

note n° *(€ thousands)*		2011	2010 Adjusted (1)	2009 Adjusted (1)
	Leasing revenue	221,419	207,785	194,932
	Sales of equipment	114,395	94,608	76,840
	TOTAL REVENUE	**335,814**	**302,393**	**271,772**
	Capital gaind on disposals	212	5	
4	**Icome from ordinary activities**	**336,026**	**302,398**	**271,772**
	Cost of sales	(98,844)	(84,172)	(63,334)
	Operating expenses	(94,628)	(84,826)	(84,949)
	General, commercial and administrative operating expenses	(23,692)	(22,035)	(22,623)
	GROSS OPERATING MARGIN (EBITDA)	**118,862**	**111,365**	**100,866**
9	Depreciation, amortization and impairments	(26,267)	(23,788)	(20,683)
	OPERATING INCOME before distribution to investors	**92,595**	**87,577**	**80,183**
10	Net distribution to investors	(61,114)	(57,609)	(51,885)
	CURRENT OPERATING INCOME	**31,481**	**29,968**	**28,298**
11	Other operating revenues and expenses			3,121
	OPERATING INCOME	**31,481**	**29,968**	**31,419**
	Income from cash and equivalents	52	26	160
	Cost of gross financial debt	(14,541)	(12,936)	(13,027)
	Cost of net financial debt	**(14,489)**	**(12,910)**	**(12,867)**
	Other financial income and expenses	55	195	(153)
12	**FINANCIAL RESULT**	**(14,434)**	**(12,715)**	**(13,020)**
	Shares for profil/(loss) of associates	**37**	**29**	
	PROFIT BEFORE TAX	**17,084**	**17,282**	**18,399**
13	Corporation tax	(4,135)	(4,001)	(4,244)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**12,949**	**13,281**	**14,155**
	Income from discontinued activities			
	CONSOLIDED NET PROFIT (LOSS)	**12,949**	**13,281**	**14,155**
	Minority interest	485	(6)	38
	CONSOLIDED NET PROFIT (LOSS) (GROUP'S SHARE)	**13,434**	**13,275**	**14,193**
14	**Net earnings per share**	**2.35**	**2.33**	**2.73**
14	**Diluted net earnings per share**	**2.34**	**2.31**	**2.70**

(1) adjusted: sales of equipment managed on behalf of third parties were previously recognized under ancillary services and therefore included in the leasing revenue. At the same time, the cost of these sales was recognized under net distribution to investors. To more accurately reflect the business, and since the sales of equipment managed on behalf of third parties are more significant, they have been reclassified as sales and their costs have been recognized under cost of sales..

Consolited income statement presented by type at December 31

note n° (€ thousands)		2011	2010 Adjusted [1]	2009 Adjusted [1]
	REVENUE	**335,814**	**302,393**	**271,772**
	Capital gains on disposals	212	5	
4	**Income from ordinary activities**	**336,026**	**302,398**	**271,772**
5	Purchases and other external charges	(182,480)	(164,238)	(143,526)
6	Payroll expenses	(28,775)	(26,539)	(25,606)
7	Other operating income and expenses	437	314	(526)
	GROSS OPERATING SURPLUS	**125,208**	**111,935**	**102,114**
8	Operating provisions	(6,346)	(571)	(1,248)
	GROSS OPERATING MARGIN (EBITDA)	**118,862**	**111,364**	**100,866**
9	Depreciation, amortization and impairments	(26,267)	(23,788)	(20,683)
	OPERATING INCOME before distribution to investors	**92,595**	**87,576**	**80,183**
10	Net distributions to investors	(61,114)	(57,608)	(51,885)
	CURRENT OPERATINT INCOME	**31,481**	**29,968**	**28,298**
11	Other operating revenues and expenses			3,121
	OPERATINT INCOME	**31,481**	**29,968**	**31,419**
	Income from cash and cash equivalents	52	26	160
	Cost of gross financial debt	(14,541)	(12,936)	(13,027)
	Cost of net financial debt	**(14,489)**	**(12,910)**	**(12,867)**
	Other financial income and expenses	55	195	(153)
12	**FINANCILAL RESULT**	**(14,434)**	**(12,715)**	**(13,020)**
	Shares for profil/(loss) of associates	**37**	**29**	
	PROFIT BEFORE TAX	**17,084**	**17,282**	**18,399**
13	Corporate income tax	(4,135)	(4,001)	(4,244)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**12,949**	**13,281**	**14,155**
	Income from discontinued activities			
	CONSOLIDATED NET PROFIT (LOSS)	**12,949**	**13,281**	**14,155**
	Minority interests	485	(6)	38
	CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)	**13,434**	**13,275**	**14,193**
14	**Net earings per share**	**2.35**	**2.33**	**2.73**
14	**Diluted net earnings per share**	**2.34**	**2.31**	**2.70**

Comprehensive income statement for the year

(€ thousands)	2011	2010	2009
PROFIT (LOSS) FOR THE YEAR	**12,949**	**13,281**	**14,155**
Other comprehensive income			
Translation adjustments	529	4,012	(721)
Translation adjustments on net investment in subsidiaries	(1,327)	601	40
Profits and losses on cash flow hedges (effective part)	(300)	(149)	235
Tax on comprehensive income	325	(40)	(109)
TOTAL OTHER COMPREHENSIVE INCOME	**(773)**	**4,424**	**(555)**
Minority interests	5	7	(3)
Total other comprehensive income - Group's share	**(778)**	**4,417**	**(552)**
Comprehensive income - Group's share	12,656	17,692	13,641
Comprehensive income - minority interests	(480)	13	(41)
COMPREHENSIVE INCOME STATEMENT	**12,176**	**17,705**	**13,600**
Income attributable to the:			
Group	13,434	13,275	14,193
Minority interests	(485)	6	(38)
	12,949	**13,281**	**14,155**
Comprehensive income attributable to the:			
Group	12,656	17,693	13,641
Minority interests	(480)	13	(41)
TOTAL INCOME	**12,176**	**17,706**	**13,600**

Consolidated balance sheet at December 31

note n° *(€ thousands)*		**2011**	2010	2009
	ASSETS			
15	Goodwill	22,476	22,937	22,062
16	Intangible assets	870	1,038	977
17	Tangible assets	365,518	334,972	324,174
18	Long-term financial assets	10,546	7,975	6,715
18	Investments in associates	676	1,087	
18	Other non-current assets	10,090	10,176	10,999
13	Deferred tax assets	436	173	
	TOTAL non-current assets	**410,612**	**378,358**	**364,927**
19	Inventory and work-in-progress	69,347	75,015	90,814
18	Accounts receivable	64,192	56,990	54,446
20	Other current assets	18,191	18,911	16,967
18	Cash and cash equivalents	44,259	39,100	34,864
	TOTAL current assets	**195,989**	**190,016**	**197,091**
	TOTAL ASSETS	**606,601**	**568,374**	**562,018**
	LIABILITIES			
	Share capital	45,766	45,565	45,503
	Reserves	87,683	81,364	69,353
	Profit (loss) for the fiscal year, Group's share	13,434	13,275	14,193
	Shareholders' equity of the Group	**146,883**	**140,204**	**129,049**
	Minority interests	(567)	(85)	(98)
21	**Consolidated shareholders' equity**	**146,316**	**140,119**	**128,951**
18	Loans and financial liabilities	247,746	227,880	221,418
13	Deferred tax liabilities	5,309	4,993	4,968
23	Retirement benefits and similar benefits	307	219	261
24	Other long-term liabilities	1,113	1,466	1,562
	TOTAL non-current liabilities	**254,475**	**234,558**	**228,209**
22	Provisions	1,601	2,868	2,317
18	Loans and current bank facilities	116,304	103,866	115,202
18	Trade accounts payable	29,862	37,529	28,567
25	Other current liabilities	58,043	49,433	58,771
	TOTAL current liabilities	**205,810**	**193,696**	**204,857**
	TOTAL LIABILITIES	**606,601**	**568,374**	**562,018**

Changes in consolidated shareholders' equity *(€ thousands)*	Share capital [2]	Premiums [2]	Consolidated reserves	Conversion reserves[1]	Variation in the fair value of derivatives (swaps) [1]	Comprehensive income for year	TOTAL shareholders' equity of the Group	Minority interests	TOTAL shareholders' equity
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)
Total 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									
Cross-shareholdings			89				90		90
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**	**12, 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			191				191		191
Cross-shareholdings			134				134		134
AT DECEMBER 31, 2010	**45,566**	**37,154**	**44,396**	**(97)**	**(91)**	**13,275**	**140,204**	**(85)**	**140,119**
POSITION AT JANUARY 1, 2011	**45,566**	**37,154**	**44,396**	**(97)**	**(91)**	**13,275**	**140,204**	**(85)**	**140,119**
Revenue (charges) recognised directly in shareholders' equity				(529)	(249)		(778)	5	(773)
Comprehensive income for the year						13,434	13,434	(487)	12,947
TOTAL charges and revenue recognised				**(529)**	**(249)**	**13,434**	**12,656**	**(482)**	**12,174**
Capital increase	201	313					514		514
Purchase of share subscription warrants			259				259		259
General Partners' statutory compensation			(936)				(936)		(936)
Appropriation of the 2010 net result			13,275			(13,275)			
Dividends		(1,602)	(4,092)				(5,694)		(5,694)
Changes in the consolidation perimeter and miscellaneous									
Cross-shareholdings			(120)				(120)		(120)
POSITION AT DECEMBER 31, 2011	**45,767**	**35,865**	**52,782**	**(626)**	**(340)**	**13,434**	**146,883**	**(567)**	**146,316**

(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)	2011	2010	2009
	Consolidated net profit/(loss) (including minority interests)	12,949	13,281	14,156
	Shares of profilt/(loss) of associates	(37)	(29)	
	Depreciation	24,989	23,566	19,116
	Provisions for deferred taxes	300	(317)	132
	Capital gains & losses on disposals	(3,335)	(649)	(423)
	Other non-cash income and expenses	351	124	(61)
	Self-financing capacity after cost of net financial debt & tax	**35,217**	**35,976**	**32,920**
	Cost of net financial debt	14,489	12,910	12,868
	Current tax expense	3,835	4,318	4,112
	Self-financing capacity before cost of net financial debt & tax	**53,541**	**53,204**	**49,900**
	Taxes paid	(3,835)	(4,318)	(4,112)
A	Change in working capital requirement relating to operations excluding changes in inventory (1)	(17,384)	(3,329)	(3,230)
B	Change in inventory (2)	6,631	18,106	830
C	Change in working capital requirement for investment	4,012	(488)	(5,135)
	Acquisition of assets intended for leasing	(53,468)	(36,240)	(89,641)
	Revenue from sale of assets	7,291	8,140	12,624
	Net impact of finance leases granted to customers	1,198	1,161	1,907
	Sub-total	(34,336)	(9,321)	(79,415)
	I - CASH FLOW FROM OPERATING ACTIVITIES	**(2,014)**	**36,236**	**(36,857)**
	Investing activities			
	Acquisition of tangible and intangible assets	(2,382)	(1,364)	(261)
	Acquisition of equity interests		(1,174)	
	Net change in financial fixed assets	(3,890)	(1,336)	(3,098)
	Revenue from sale of assets	2,220		
	Effect of changes in the consolidation perimeter	125		
	II - CASH FLOW FROM INVESTING ACTIVITIES	**(3,927)**	**(3,874)**	**(3,359)**
	Financing transactions			
	Cash inflows from new loans	80,253	46,099	215,626
	Loan repayments	(45,033)	(59,751)	(182,254)
	Net change in financial debts	**35,220**	**(13,652)**	**33,372**
	Net increase in shareholders' equity (capital increase)	514	115	17,622
	Cost of net financial debt	(14,489)	(12,910)	(12,868)
	Distribution of dividends	(5,695)	(5,501)	(4,681)
	General Partners' statutory compensation	(936)	(916)	(1,041)
	Net sale (acq.) of warrants	254	(375)	
	Net sale (acquisition) of own shares	(119)	135	89
	III - CASH FLOW FROM FINANCING TRANSACTIONS	**14,749**	**(33,104)**	**32,493**
	Impact of exchange rate fluctuations	(192)	138	(72)
	IV - CASH FLOW FROM EXCHANGE RATE FLUCTUATIONS	**(192)**	**138**	**(72)**
	CHANGE IN NET CASH POSITION (I) + (II) + (III) + (IV)	**8,616**	**(604)**	**(7,795)**
	Analysis of cash flow			
	Cash position at start of year	25,949	26,553	34,347
	Cash position at year end	34,565	25,949	26,553
	CHANGE IN NET CASH POSITION	**8,616**	**(604)**	**(7,795)**

Consolidated cash flow statement at December 31 (cont)

	(€ thousands)	**2011**	2010	2009
	Change in working capital requirements (WCR) relating to operations			
	Decrease/(increase) in inventory and work-in-progress	6,631	18,106	830
B	**Change in inventory (2)**	**6,631**	**18,106**	**830**
	Decrease/(increase) in accounts receivable	(6,996)	726	(8,577)
	Decrease/(increase) in other current assets	941	(2,118)	(244)
	(Decrease)/increase in trade accounts payable	(7,157)	8,778	(12,658)
	(Decrease)/increase in other liabilities	(4,172)	(10,715)	18,249
A	**Change in WCR relating to operations excluding change in inventory (1)**	**(17,384)**	**(3,329)**	**(3,230)**
	Change in WCR for operations (1)+(2)	**(10,753)**	**14,777**	**(2,400)**
C	**Change in working capital requirement for investment**			
	Decrease/(increase) in receivables / fixed assets	16	(142)	1
	(Decrease)/increase in liabilities / fixed assets	3,996	(346)	(5,136)
	Change in WCR for investment	**4,012**	**(488)**	**(5,135)**

The cash flow table shows the Group's investments in leasing equipment under cash flow from operations instead of under cash flows from investing activities, in accordance with IFRS. Similarly, reimbursements of finance lease receivable are henceforth included in cash flow from operations rather than as cash flow from investments.

According to the amendment to IAS 7: "cash payments to manufacture or acquire assets held for rental to others and subsequently held for sale as described in paragraph 68A of IAS 16 Property, Plant and Equipment are cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also cash flows from operating activities."

In 2011, the cash provided by operations before the cost of debt capital and before tax was €53.5 million, up €337,000 compared to December 31, 2010.

In 2011 the change in the WCR for operations excluding the change in inventory was €17.384 million compared to €3.3 million in 2010. This change was due firstly to a fall in trade accounts payable and other debts, and secondly to the increase in trade accounts receivable. The increase in trade accounts receivable was mainly due to the development of sales of modular buildings. The fall in trade accounts payable was due to the fact that the total amount of orders in 2011 was lower than in 2010.

Investments in leasing equipment amounted to €34.336 million in 2011 compared with €9.321 million in 2010. Other investments (mainly financial investments) amounted to €3.927 million, mainly representing financial investments in SRF Railcar Leasing Ltd.

Payments relating to dividends and the compensation of the General Partners amounted to €6.6 million in 2011 compared with €6.4 million in 2010. Loan interest amounted to €14.489 million compared with €12.910 million in 2010.

The change in net indebtedness (€26.6 million) made it possible to complete the financing of these expenses and investments.

It should be noted that shareholders' equity totalling €768,000 was raised through the excising of redeemable stock warrants (BSARs).

Notes to the consolidated financial statements

Notes to the consolidated financial statements

Significant events and post-closure events:

➜ Significant events

- The partner companies of the Modul Finance I EIG, which has now become a general partnership (SNC), have agreed to the acquisition of senior shares by HPMF. HPMF financed this acquisition by issuing bonds subscribed for by HPMC1, Apicius and TOUAX (cf. note 1.5.1).
- 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.

➜ Post-balance sheet events

TOUAX SCA paid an interim dividend on January 10, 2012 in respect of fiscal year 2011 totalling €2.8 million.

TOUAX increased its interest in the share capital of SRF Railcar Leasing Ltd to 51%. As a result, this company, which was accounted for by the equity method up to December 31, 2011, will be fully consolidated from January 1, 2012.

On January 27, 2012 TOUAX acquired the container fleet of Trust 2001, i.e. about 9,000 CEU, and 148 American hopper cars for a total of $11.6 million.

note 1. Accounting rules and methods

➜ note 1.1. Bases for preparing and presenting the annual financial statements as of December 31, 2011

Approval of the financial statements

The annual financial statements to December 31, 2011 and the associated notes were approved by the TOUAX SCA Management Board on March 27, 2012 and presented to the Supervisory Board on March 28, 2012.

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 2011 fiscal year were prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) on December 31, 2011 and adopted by the European Union, on the date the accounts were closed.

Change in the presentation

The presentation of the revenue was modified in 2011. Sales of secondhand equipment belonging to investors are now recognized under "sales of new and secondhand equipment", instead of under "ancillary services", which is included in the leasing revenue. The revenue shown at December 31, 2010 and December 31, 2009 in the reference document has been restated accordingly. At the same time, the redistribution of these sales to investors was recognized in the income statement under "net distributions to investors" is now recognized under "cost of sales".

New standards, amendments and interpretations adopted by the European Union and which must be applied from January 1, 2011

The following are the new texts applicable in 2011:

Compulsory application since January 1, 2011 of the following standards, amendments and interpretations has no significant impact on the Group's financial statements:

- Amendments to IFRS 05/2010: Amendments to IFRS 1, IFRS 3R, IFRS 7, IAS 1, IAS 21, IAS 28, IAS 31, IAS 32, IAS 34, IAS 39 and IFRIC 13 (published on 6 May 2010, amendments approved by the European Union on February 18, 2011);
- revised IAS 24 – Related Party Disclosures;
- Amendment to IAS 32- Classification of Rights Issues;
- Amendment to IFRS 1- Exemptions from IFRS 7 disclosures;
- Amendment to IFRIC 14 – Prepayments of a Minimum Funding Requirement;
- IFRIC 19: Extinguishing Financial Liabilities with Equity Instruments.

New standards, amendments and interpretations published by the IASB, whether or not adopted by the European Union, that may be applied in 2011.

The optional standards and interpretations at 31 December 2011 have not been applied in advance. However, the Group does not anticipate any significant impact from application of these new texts.

Regarding IFRS 10 – Consolidated Financial Statements -, IFRS 11 – Joint Arrangements - and IFRS 12 – Disclosure of Interests in Other Entities – published in May 2011, not yet adopted by the European Union, and for which retrospective application is planned for fiscal years starting after January 1, 2013, in principle the Group does not anticipate that these standards will have any major impact on the accounts.

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.

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.

➜ 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, 2011.

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

Entities over which TOUAX SCA exerts a significant influence are consolidated by the equity method.

Entities created for asset securitization are not included in the consolidation perimeter since they do not constitute controlled special purpose entities in the sense of SIC 12 "Consolidation – Special purpose entities" (see the notes to the consolidated financial statements, note 1.5 page 56).

A list of companies included in the consolidation perimeter is provided below in the notes to the consolidated financial statements, note 2.2.

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

➜ note 1.4. Foreign currency conversion

❚ note 1.4.1. Conversion of currency financial statements for foreign subsidiaries

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

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

Financial statements for the Group's foreign companies are prepared in their functional currency. The accounts of foreign companies and are converted into the Group's reporting 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	
	2011	2010	**2011**	2010
Swiss franc (CHF)	1.2156	1.2504	1.2326	1.3803
Czech crown (CZK)	25.787	25.061	24.5898	25.284
Polish zloty (PLN)	4.4168	3.9603	4.1205	3.9947
US dollar (USD)	1.2939	1.3362	1.392	1.3257

❚ note 1.4.2. Conversion of transactions in foreign currency

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

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

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

➜ note 1.5. Recognition of asset securitization transactions and holding companies

Asset securitization transactions were carried out by the Shipping Containers division by creating the TLR 2001 trust. Holding companies were created by the Freight Railcars division by setting up SRF Railcar Leasing and SRF I. These securitization operations have enabled the Group to increase its capacity as a provider of operating leases by finding outside investors for the purchase of the assets needed for the Group's leasing and services business, and the provision of the necessary funding.

The substance of each of these securitization operations has been examined in detail in the light of Standing Interpretation (SIC) 12 "Consolidation – Special Purpose entities" (see below). None in fact amounts to "control of a Special Purpose Entity" (SPE), Consequently, Trust 2001 and SRF I are not consolidated by the TOUAX Group.

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

Analysis of the asset securitization operations

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

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

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

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

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

The agreements whereby the Group provides services or manages assets were concluded with entities that already existed and were not set up merely for the Group's specific business needs. The Group has no decision-making powers over the entities concerned or over their assets. The Group does not have rights to the majority of the economic benefits from those entities or to the majority of the risks linked to the businesses or the securitized assets. Full details on these operations are provided in the Notes.

note 1.5.1. Modul Finance I EIG (now a general partnership - SNC)

The EIG Modul Finance I was set up in 1997 in order to acquire a fleet of modular buildings managed by the TOUAX Group. The SIC 12 audit assessment concluded that the Modul Finance I EIG should not be included in the consolidation perimeter. On 14 January 2011 the TOUAX Group indirectly acquired a majority stake in the senior debt of the Modul Finance I EIG, represented by A units of the Moduloc private-debt fund. The holders of A units of the private-debt fund sold their units to a company incorporated in Luxembourg, HPMF, which financed this acquisition by issuing bonds. The TOUAX Group applied for 85% of the bonds issued, for a total of €7,048,000. At the same time, TOUAX sold its interest in the Modul Finance I EIG and as a result no longer belongs to the EIG. Since the TOUAX Group bore most of the risks and received most of the benefits linked to operation of the EIG's assets, the EIG is fully consolidated at 31 December 2011. However, the EIG's results are fully recognized as a minority shareholding, since the TOUAX Group does not have any stake in this entity.

note 1.5.2. 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. The call option is at market value, and is not sufficiently attractive for the Group to be sure to buy back the assets on the liquidation of Trust 2001. On January 27, 2012 the Group decided to buy back the assets of Trust 2001.

d) If the return on the 2001 Trust's assets failed to produce the expected profitability, the Trust would be able to draw on the collateral deposits put up by the Group. The Group does not guarantee that the trust will achieve a particular annual profit or indeed any profit at all. The Group's risk in relation to the 2001 Trust are limited to the liquidity reserves as shown in the Notes to the consolidated financial statements. That risk is insignificant compared to the value of the assets themselves. The Group did not own any equity of Trust 2001. Discounting of cash flows on those assets at December 31, 2010 led the Group to write down the liquidity reserves by €2.1 million.

Accordingly, as the Group does not control Trust 2001 in the terms of SIC 12, Trust 2001 is not included in consolidation perimeter at December 31, 2011.

note 1.5.3. SRF Railcar Leasing

a) SRF Railcar Leasing was created in 2010 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 benefits of SRL Railcar Leasing's business are enjoyed by 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 a market rate and that, as a result, the Group will incur management fees for a very similar amount. Similarly, the Group will obtain a margin on the sale of railcars to SRF Railcar Leasing. In the event of liquidation, however, most of the liquidating dividend would return to SRF III.

d) Given that SRF III finances 75% of the structure and the TOUAX Group 25%, SRF III bears most of the non-payment risk of 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 concerning 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) At December 31, 2011, the TOUAX Group held 25.7554% of SRF Railcar Leasing's capital and voting rights. In compliance with IAS28 §6, the Group exercises significant influence (over 20% of voting rights) and therefore SFR Railcar Leasing is consolidated by the equity method.

As stated in the note regarding post-closure events: TOUAX SCA increased its interest in the share capital of SRF Railcar Leasing Ltd to 51% at the start of 2012. As a result, this company, which was accounted for by the equity method up to December 31, 2011, will be fully consolidated from January 1, 2012.

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 takes the decisions regarding strategy based on the recommendations of a consultative committee of the majority shareholder. The TOUAX Group does not have, for example, the power to dissolve the entity, transfer activities to a third-party or carry out equity-related transactions; all of the board's decisions must be unanimous.

c) Most of the benefits of SRF I's business are enjoyed by its majority shareholder. The TOUAX Group receives management fees for managing the freight railcars contract on behalf of SRF I. Note, however, that the management fee rate is at market rate and that in return, the Group incurs management fees for a very similar amount.

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

Accordingly, as the Group does not control SRF I in the terms of SIC 12, SRF I is not included in the consolidation perimeter at December 31, 2011.

➜ *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 consideration transferred plus the amount of the minority interests in the acquiree and, in a merger of acquisition carried out in steps, the acquisition-date fair value of the acquirer's previously-held equity interest in the acquiree, revalued through the income statement, and
- the net balance of the amounts of the identifiable assets acquired and liabilities taken over measured at acquisition-date fair value.

For significant acquisitions, this fair-value measurement 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 merger operation.

The direct costs in connection with the acquisition are recognized in the period's expenses and are entered under other operating income and expenses, in 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 of 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 notes 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 an entity 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 entity acquired.

In the event that shares are sold without loss of exclusive control, the difference between the shares' sale price and the share of consolidated equity at the date of the sale is recognized under shareholders' equity (Group's share). The consolidated value of the entity'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 in 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 the item are booked as intangible fixed assets. Development costs are regarded as fixed investments if they concern distinguishable projects with a realistic chance of technical success and commercial profitability. They are amortized over three years.

➜ note 1.8. angible fixed assets

note 1.8.1. Valuation at cost net of amortization and impairment

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

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

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

note 1.8.3. Amortization

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

Useful lifetimes for assets acquired new are as follows:	
Shipping containers ("dry" type)	15 years
Modular buildings	20 years
River transport (barges and pushboats)	30 years
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.

➜ note 1.9. Impairment of fixed assets

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

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

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

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

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

➜ note 1.10. Lease contracts

As a provider of operating leases (to its customers) and regarding assets administered under management contracts with investors (see notes to the consolidated financial statements, note 1.5, note 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.

The management contracts concluded by the Group with investors do not qualify under IAS 17 as finance leases. Amounts paid to investors are booked under net income distributed to investors (see notes 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, both those (the majority) that are short-term or long-term operational leases, and certain hire-purchase 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 notes to the consolidated financial statements, note 1.20.2) are booked in income on a straight-line basis over the term of the lease. To a lesser extent, they may also correspond to finance leases granted to customers. The financial revenue from these leases is booked under leasing revenues.

Assets managed by the Group on its own account are booked under tangible fixed assets, if financed by means of finance leases, transferring to the Group virtually all the risks and benefits of ownership of the asset leased. They are recognized on the assets side of the balance sheet, either at the leased asset's fair value at the start of the lease or at the discounted present value of the minimum financial lease payments, whichever is lower. 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 notes to the consolidated financial statements, note 1.8). They are tested for impairment in accordance with IAS 36 Impairment of Assets (see the notes to the consolidated financial statements, note 1.9).

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

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

➜ note 1.11. Inventories

Inventories essentially consist of goods bought for resale in the Shipping Containers and Freight Railcars divisions, and to a lesser extent in the Modular Buildings division. The stock turnover period is under 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 relevant balance sheet date, the Group has contracted an obligation (whether legally expressed or implicit) and it is probable that a reliably predictable amount of resources will be needed to discharge that obligation.

Provision is made for lawsuits and disputes (employee-related, 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 these schemes, the Group undertakes to pay benefits either on leaving the Group (severance payments) or during retirement. The Group's schemes are not funded, and a provision is made for them in the accounts. The Group has no commitments under any other significant defined benefit scheme nor under any defined contribution scheme.

The Group accounts for these superannuation commitments according to the projected unit credit method as required under IAS 19. The method calls for long term actuarial assumptions concerning demographic parameters (staff revenues, mortality) and financial parameters (salary increases, discount rate) to be taken into account. These parameters are 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 company income statement and balance sheet. The three possible types of transactions specified in IFRS 2 are:

- 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 sales of containers to the TLR 2001 Trust were used to set up collateral deposits and liquidity reserves which will not be recoverable until the Trust is wound up. These deposits and reserves are intended, in particular, to enable the Trust to cover debt service payments should the net income distributed to the Trust by the Group prove insufficient (see the notes to the consolidated financial statements, note 1.5, note 30.1, note 30.2 and note 30.3).

Only when the Group is in a position to recover these collateral deposits and liquidity reserves will the economic benefit of these initial commissions materialize as probable. Under such circumstances, these initial commissions bound up in collateral deposits and liquidity reserves are treated as deferred in accordance with IAS 18 Revenue Recognition, and booked under non-current long-term liabilities, until recovery of those collateral deposits and liquidity reserves becomes probable. All this deferred income was reversed for a total of €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. Financial assets

The Group's financial assets include the following:

- non-current financial assets: guarantees and other deposits for the most part, connected with the setting up of the TLR 2001 Trust (see the notes to the consolidated financial statements, note 1.5 and note 1.16), equity interests in non-consolidated companies, loans,
- current financial assets including trade receivables and other operating receivables, as well as cash and cash equivalents (negotiable securities).

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

Financial assets whose changes in fair value are booked in the income statement:

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

Loans and receivables

For the Group, this category includes:

- long term loans,
- trade receivables and other operating credits.

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

Assets held to maturity

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

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

Assets available for sale

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

Impairment testing of financial assets

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

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

note 1.18.2. Cash and cash equivalents

The cash and cash equivalents balance sheet item is made up of current bank account balances and cash-based UCITS holdings that can be liquidated in the short term.

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

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

note 1.18.3. Financial liabilities

The Group's financial liabilities include bank loans, one interest-bearing bond and derivative instruments.

The loans are broken down into current liabilities (the part repayable within the twelve months following the balance sheet date) and non-current liabilities (amounts due at more than twelve months).

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.

Analysis of the OBSAR contract issued by the company on March 8, 2007 maturing in March 2012 resulted in separate recognition on the issue date of a debt component and an equity component represented by the conversion option inherent in the redeemable share subscription warrants (BSARs).

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

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

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

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

In 2011 the Group signed a forward currency contract (maturing at the start of 2012) 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. The investors entrust management of their assets to the Group under management contracts. The Group leases managed equipment to its customers (see the notes to the consolidated financial statements, note 1.20.2 and note 1.20.3).

The Group also has trading activities (buying assets with a view to resale – see note 1.20.4 to the consolidated).

Lastly, the Group may resell to investors or third-party customers, equipment that it previously owned (fixed assets) and leased to customers (see note 1.20.6 to the consolidated financial statements.

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 Shipping Container and Freight Railcar leasing businesses. Asset pools (including the Trust described in the notes to the consolidated financial statements note 1.5) are set up for this purpose, grouping together several investors including the Group. 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 the light of international standards, the Group acts as principal both in its relations with investors (pools or trust) on the one hand, and with 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 paid to the investors (see the notes 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. If a customer defaults, 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 own credit risk. TOUAX SCA and its subsidiaries bear the credit risk for their portion of pool ownership. TOUAX SCA and its subsidiaries are responsible for collection. If a customer defaults, TOUAX SCA is obliged to make every effort to find the owners' containers.

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

note 1.20.3. Leasing revenues

Leasing revenues are the receipts from leasing out (on operating or financial leases) the equipment managed by the Group, for itself or on behalf of others, in the Group's four business divisions, as well as the receipts from additional services billed in relation with 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 capitalized, and are depreciated using the same Group depreciation schedule as for other modular buildings owned directly by the Group.

note 1.20.4. Sales of equipment

Sales of equipment corresponds to the revenue generated by trading in assets, sales to investors (in the Shipping Containers and Freight Railcars divisions), and fixed assets intended for leasing since 2009. 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 included in the end-of-period inventories (see the notes to the consolidated financial statements, note 1.11). Disposals of finance lease receivables are also included 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 distributions to investors

The operating revenues and expenses for assets that are part of investor pools (see the notes to the consolidated financial statements, note 1.20.2) are broken down by pool, and the net revenues from each, less a management fee retained by the Group, are distributed among the pool's 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.

Due to the change in presentation of the income statement regarding sales of equipment belonging to investors, payment of the revenue from these sales, which was previously included in the income statement under net distributions to investors, is now booked under cost of sales. The 2010 and 2009 financial statements have been restated accordingly.

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.

EBITDA (Earnings before interest, tax, depreciation and amortization) is an important indicator for the Group, allowing it to assess economic performance. It corresponds to operating income after distribution to investors, but before depreciation and impairments recognized through impairment tests under IAS 36 (see the notes to the consolidated financial statements, note 1.9).

note 1.22. Segment information

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

The Group is in the business of providing operating leases on standardized movable assets. It conducts this business in four divisions: Shipping Containers, Modular Buildings, River Barges and Freight Railcars.

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

For the Modular Buildings, River Barges and Freight Railcars businesses, the services, markets and customers are in the same location.

In the Shipping Container business, however, markets are in other locations than those of customers and services. Market's locations corresponds to asset locations. The geographic sectors of the Shipping Containers business correspond to the location of assets. Shipping containers are moved regularly from country to country via international trade over hundreds of shipping 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, 2011, the containers may be in ports of over 100 countries worldwide. As a result, it is not possible to separate the revenue or assets of the Shipping Container business by geographic sector. The Shipping Container business is categorized in the international zone. This presentation is consistent with practices in the shipping container industry, often managed according to US GAAP.

In Note 3, the unallocated column of the income statement for each division corresponds to the Group head office expenses.

note 2. Scope of consolidation

➜ note 2.1. Changes in the scope of consolidation

Number of consolidated companies

	2011	2010	2009
French companies	7	6	6
Foreign companies	32	32	31
TOTAL	**39**	**38**	**37**
Of which included in consolidation perimeter	1	1	
Of which excluded from consolidation perimeter			

The TOUAX Group includes a new fully-consolidated company, the Modul Finance I EIG.

➜ note 2.2. List of consolidated companies in 2011

Company name	Address	percentage of control	method of method
TOUAX SCA Investment and consulting (parent company)	Tour Franklin – 100-101 Terrasse Boieldieu– 92042 LA DÉFENSE Cedex (FRANCE)		
CFCL TOUAX Llc Railcar leasing, sale and investment company	Corporation Trust Center, 1209 Orange Street, WILMINGTON, DE 19801 (USA)	51%	FC
CS DE JONGE BV River barges	Amstelwijckweg 15 3316 BB DORDRECHT (NETHERLANDS)	100%	FC
EUROBULK BELGIUM BVBA River transport company	Uitbreidingstraat 66 b19, 2600Berchem Antwerpen (BELGIUM)	97.9346%	FC
EUROBULK TRANSPORTMAATSCHAPPIJ BV River barges	Amstelwijckweg 15 – 3316 BB DORDRECHT (NETHERLANDS)	100%	FC
GOLD CONTAINER Corporation Shipping containers	c/o the prentice-hall Corporation system inc 2711 Centerville Rd, suite 400, Wilmington, DE 19808 (USA)	100%	FC
GOLD CONTAINER FINANCE Llc Shipping containers	c/o RL&F Service corp, 920 North King Sreet 2nd floor, Wilmington, DE 19801 (USA)	100%	FC
GOLD CONTAINER Investment Ltd Shipping containers	8th Floor, Gloucester Tower The Landmark 15 Queen's Road Central (HONG KONG)	100%	FC
GOLD CONTAINER Leasing Pte Ltd Shipping containers	138 Robinson Rd #17-00, The corporate Office, Singapore 068906 (SINGAPORE)	100%	FC
SNC MODUL FINANCE I (formerly an EIG) Modular buildings	3 avenue Hoche 75008 PARIS (FRANCE)	0%	FC
TOUAX HYDROVIA CORP River barges	Cardoze & Lindo – Touax Via Tocumen - Apdo. 0819-07230 PANAMA (PANAMA)	100%	FC

Company name	Address	percentage of control	method of method
INTERFEEDER-DUCOTRA BV			
River barges	Amstelwijckweg 15 – 3316 BB DORDRECHT (NETHERLANDS)	77.1359%	FC
TOUAX MODULAR BUILDING USA Inc			
Modular buildings	155 Cranes roost Blvd STE 2070 ALTAMONTE SPRINGS, FL 32701 (USA)	100%	FC
SERVICIOS FLUVIALES			
Shipping containers	Benjamin Constant 593 ASUNCION (PARAGUAY)	100%	FC
SIKO CONTAINERHANDEL GmbH			
Modular buildings	Lessingstrasse 52 Postfach 1270 21629 NEU WULMSTORF (GERMANY)	100%	FC
TOUAX Sp.z.o.o			
Modular buildings	21 Limbowa St - 80-175 GDANSK (POLAND)	100%	FC
SRF RAILCAR LEASING Ltd			
Freight railcars	24 Main Street Cashel Co. Tipperary (IRELAND)	25.7554%	EM
TOUAX BV			
Modular buildings	Graanweg 13 (Havennr M240) – 4782 PP MOERDIJK (NETHERLANDS)	100%	FC
TOUAX CAPITAL SA			
Services	c/o Progressia - 18 rue Saint Pierre – 1700 FRIBOURG (SWITZERLAND)	99.99%	FC
TOUAX CONTAINER LEASE RECEIVABLES Corp			
Shipping containers	c/o Corporation Service company, 2711 Centerville Road, suite 400 Wilmington, DE 19808 (USA)	100%	FC
TOUAX CONTAINER SERVICES SAS			
Shipping containers	Tour Franklin – 100-101 Terrasse Boieldieu– 92042 LA DÉFENSE cedex (FRANCE)	100%	FC
TOUAX CORPORATION			
Shipping containers	c/o Corporation Trust Company, 1209 Orange Street, Wilmington, DE 19801 (USA)	100%	FC
TOUAX CORPORATE SAS			
Services	Tour Franklin – 100-101 Terrasse Boieldieu– 92042 LA DÉFENSE cedex (FRANCE)	100%	FC
TOUAX CONSTRUCTION MODULAIRE SAS			
Modular buildings	Tour Franklin – 100-101 Terrasse Boieldieu– 92042 LA DÉFENSE cedex (FRANCE)	100%	FC
TOUAX EQUIPMENT LEASING Corporation			
Shipping containers	c/o Corporation Services Company, 2711 Centerville Rd, suite 400, Wilmington, DE 19808 (USA)	100%	FC
TOUAX ESPANA SA			
Modular buildings	P.I Cobo Calleja - Ctra. Villaviciosa a Pinto, Km 17800 – 28947 FUENLABRADA - (SPAIN)	100%	FC
TOUAX FINANCE Incorporated			
Shipping containers	c/o the Prentice Hall Corporation System inc, 2711 Centerville Road, suite 400 Wilmington, DE 19808 (USA)	100%	FC
TOUAX LEASING Corporation			
River barges	155 Cranes roost blvd -Suite 2070 – ALTAMONTE SPRINGS, FL 32701 (USA)	100%	FC

Company name	Address	percentage of control	method of method
TOUAX NV			
Modular buildings	Staatsbaan 4 C/1 bus 4 - 3210 LUBBEEK (BELGIUM)	100%	FC
TOUAX RAIL Ltd			
Freight railcars	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL FINANCE Ltd			
Freight railcars	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL FINANCE 2 Ltd			
Freight railcars	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL INDIA Ltd			
Freight railcars	Bracetown Business Park CLONEE Co. Meath (IRELAND)	100%	FC
TOUAX RAIL ROMANIA SA			
Freight railcars	Cladire administrativa Mol 1S Étage 3 – CONSTANTA SUD-AGIGEA (ROMANIA)	57.4996%	FC
TOUAX RIVER BARGES SAS			
River barges	Tour Franklin – 100-101 Terrasse Boieldieu– 92042 LA DÉFENSE Cedex (FRANCE)	100%	FC
TOUAX ROM SA			
River barges	Cladire administrativa Mol 1S, Étage 3 – CONSTANTA SUD-AGIGEA (ROMANIA)	99.9978%	FC
TOUAX SOLUTIONS MODULAIRES SAS			
Modular buildings	Tour Franklin – 100-101 Terrasse Boieldieu– 92042 LA DÉFENSE Cedex (FRANCE)	100%	FC
TOUAX SRO			
Modular buildings	Prague, Krizikova 148/34 (CZECK REPUBLIC)	100%	FC
TOUAX SK SRO			
Modular buildings	Bratislava, Boženy N mcovej 8, 811 04 (SLOVAKIA)	100%	FC

FC = full consolidation

EM = Equity method

note 3. Segment information

➜ note 3.1. Income statement by division

December 31, 2011 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Freight railcars	Miscellaneous	Unallocated	Eliminations	**TOTAL**
Leasing revenue	76,937	82,090	20,370	41,938	145	11,384	(11,445)	221,419
Sales of equipment	49,462	29,746	3,170	32,017				114,395
TOTAL REVENUES	**126,399**	**111,836**	**23,540**	**73,955**	**145**	**11,384**	**(11,445)**	**335,814**
Revenue of disposal of other assets		258				(46)		212
Income from ordinary activities	**126,399**	**112,094**	**23,540**	**73,955**	**145**	**11,338**	**(11,445)**	**336,026**
Acquisition cost of sales	(42,885)	(24,988)	(1,215)	(29,757)				(98,844)
Operating expenses	(17,478)	(41,459)	(12,177)	(24,138)			625	(94,628)
General, commercial and administrative operating expenses	(8,714)	(7,237)	(3,760)	(3,821)	(40)	(10,940)	10,820	(23,692)
GROSS OPERATING MARGIN (EBITDA)	**57,322**	**38,410**	**6,388**	**16,238**	**105**	**398**	**0**	**118,862**
Depreciation, amortization and impairments	(1,115)	(18,485)	(3,122)	(3,116)	(50)	(379)		(26,267)
INCOME PER BUSINESS before distribution to investors	**56,208**	**19,925**	**3,266**	**13,122**	**55**	**19**	**0**	**92,595**
Net distributions to investors	(50,319)	(2,008)		(8,787)				(61,114)
CURRENT OPERATING INCOME	**5,889**	**17,917**	**3,266**	**4,335**	**55**	**19**	**0**	**31,482**
Other operating revenues and expenses								
OPERATING RESULT								**31,482**
Financial result								(14,435)
Shares of profit/(loss) of associates								37
PROFIT BEFORE TAX								**17,084**
Corporate income tax								(4,135)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES								**12,949**
Income from discontinued activities								
CONSOLIDATED NET PROFIT (LOSS)								**12,949**
Minority interests								485
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)								**13,434**

December 31, 2010 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Freight railcars	Miscellaneous	Unallocated	Eliminations	**TOTAL**
Leasing revenue	78,244	73,535	21,178	34,773	145	10,170	(10,261)	207,784
Sales of equipment	49,724	22,973	1,132	20,779				94,608
TOTAL REVENUES	**127,968**	**96,508**	**22,310**	**55,552**	**145**	**10,170**	**(10,261)**	**302,392**
Revenue of disposal of other assets		4				1		5
Income from ordinary activities	**127,968**	**96,512**	**22,310**	**55,552**	**145**	**10,171**	**(10,261)**	**302,397**
Acquisition cost of sales	(46,033)	(18,440)	(694)	(19,005)				(84,172)
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)	**53,755**	**35,666**	**5,110**	**16,178**	**98**	**558**	**(1)**	**111,364**
Depreciation, amortization and impairments	(1,230)	(16,329)	(3,005)	(2,986)	(50)	(188)		(23,788)
INCOME PER BUSINESS before distribution to investors	**52,525**	**19,337**	**2,105**	**13,192**	**48**	**370**	**(1)**	**87,576**
Net distributions to investors	(46,938)	(3,065)	(23)	(7,582)				(57,608)
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 profit/(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	Freight railcars	Miscellaneous	Unallocated	Eliminations	**TOTAL**
Leasing revenue	75,552	69,260	16,688	33,361	143	9,341	(9,412)	194,933
Sales of equipment	13,515	18,809	10,204	34,311				76,839
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	(11,289)	(9,397)	(10,216)	(32,432)				(63,334)
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)	**43,263**	**33,111**	**4,500**	**19,219**	**99**	**674**		**100,866**
Depreciation, amortization and impairments	(1,892)	(13,824)	(2,588)	(2,196)	(51)	(132)		(20,683)
INCOME PER BUSINESS before distribution to investors	**41,371**	**19,287**	**1,912**	**17,023**	**48**	**542**		**80,183**
Net distributions to investors	(40,129)	(3,693)	(114)	(7,949)				(51,885)
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**
Income from discontinued activities								
CONSOLIDATED NET PROFIT (LOSS)								**14,155**
Minority interests								38
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)								**14,193**

➜ note 3.2. Balance sheet by division

December 31, 2011 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Freight railcars	Unallocated	TOTAL
ASSETS						
Goodwill		17,607	315	4,554		22,476
Net intangible assets	240	379			251	870
Net tangible assets	6,655	221,981	51,429	83,687	1,766	365,518
Long-term financial assets	541	586	22	9,062	335	10,546
Investments in associates				676		676
Other non-current assets	3,245	30	5,805		1,010	10,090
Deferred tax assets					436	436
TOTAL non-current assets	**10,681**	**240,583**	**57,571**	**97,979**	**3,798**	**410,612**
Inventory and work-in-progress	26,582	10,157	123	32,485		69,347
Accounts receivable	14,632	38,724	4,161	6,603	72	64,192
Other current assets	6,940	4,804	2,198	3,497	752	18,191
Cash and cash equivalents					44,259	44,259
TOTAL current assets	**48,154**	**53,685**	**6,482**	**42,585**	**45,083**	**195,989**
Assets intended for transfer						
TOTAL ASSETS						**606,601**
LIABILITIES						
Share capital					45,766	45,766
Reserves					87,683	87,683
Profit (loss) for the fiscal year, Group's share					13,434	13,434
Shareholders' equity of the Group					**146,883**	**146,883**
Minority interests		(403)	(331)	167		(567)
Consolidated shareholders' equity					**146,883**	**146,316**
Loans and borrowings					247,746	247,746
Deferred tax liabilities					5,309	5,309
Retirement benefits and similar benefits	18	121	2		166	307
Other long-term liabilities		1,113				1,113
TOTAL non-current liabilities	**18**	**1,234**	**2**		**253,221**	**254,475**
Provisions	4	669	200	241	487	1,601
Loans and current bank facilities					116,304	116,304
Trade accounts payable	2,539	17,146	2,345	7,074	758	29,862
Other current liabilities	29,995	13,806	8,062	3,961	2,219	58,043
TOTAL current liabilities	**32,538**	**31,621**	**10,607**	**11,276**	**119,768**	**205,810**
Liabilities intended for transfer						
TOTAL LIABILITIES						**606,601**
Tangible & intangible investments during the yeare	**171**	**31,998**	**5,809**	**16,308**	**1,562**	**55,848**
Workforce by business	**29**	**558**	**52**	**27**	**34**	**700**

December 31, 2010 *(€ thousands)*	Shipping containers	Modular buildings	River barges	Freight 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 yeare	**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	Freight railcars	Unallocated	TOTAL
ASSETS						
Goodwill		17,193	315	4,554		22,062
Net intangible assets	280	462			235	977
Net tangible assets	10,276	189,124	50,920	73,107	747	324,174
Long-term financial assets	453	1,705	12	4,282	263	6,715
Other non-current assets	3,825	799	6,375			10,999
Deferred tax assets						
TOTAL non-current assets	**14,834**	**209,283**	**57,622**	**81,943**	**1,245**	**364,927**
Inventory and work-in-progress	20,091	6,285	119	64,319		90,814
Accounts receivable	16,727	26,250	2,531	8,883	55	54,446
Other current assets	3,876	6,224	3,568	2,592	707	16,967
Cash and cash equivalents					34,864	34,864
TOTAL current assets	**40,694**	**38,759**	**6,218**	**75,794**	**35,626**	**197,091**
Assets intended for transfer						
TOTAL ASSETS						**562,018**
LIABILITIES						
Share capital					45,503	45,503
Reserves					69,353	69,353
Profit (loss) for the fiscal year, Group's share					14,193	14,193
Shareholders' equity of the Group					**129,049**	**129,049**
Minority interests					(98)	(98)
Consolidated shareholders' equity					**128,951**	**128,951**
Loans and borrowings					221,418	221,418
Deferred tax liabilities					4,968	4,968
Retirement benefits and similar benefits	71	73	12		105	261
Other long-term liabilities		1,563				1,563
TOTAL non-current liabilities	**71**	**1,636**	**12**		**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 yeare	**2,985**	**45,456**	**20,113**	**121**	**357**	**69,032**
Workforce by business	**33**	**481**	**98**	**20**	**33**	**665**

→ note 3.3. Geographical segment reporting

(€ thousands)	International	Europe	USA	TOTAL
2011				
Revenue	126,399	201,953	7,462	335,814
Tangible and intangible investments	164	51,427	4,259	55,850
Sectoral non-current assets	10,172	367,075	32,929	410,176
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

Notes regarding the Income Statement

note 4. Revenue from ordinary activities

Breakdown by type (€ thousands)	**2011**	2010 adjusted[1]	2010 published	Variation 2011/2010	2009 adjusted[1]	2009 published
Leasing revenue	221,419	207,787	219,750	6.6%	194,932	206,817
Sales of new and second-hand equipment	114,395	94,606	82,643	20.9%	76,840	64,955
TOTAL	**335,814**	**302,393**	**302,393**	**11.1%**	**271,772**	**271,772**
Capital gain on disposal	212	5	5			
TOTAL Income from ordinary activities	**336,026**	**302,398**	**302,398**	**11.1%**	**271,772**	**271,772**

Adjusted (1): cf. note 1.1

The consolidated revenue for 2011 was €335.8 million compared to €302.4 million in 2010, i.e. an increase of 11.1% (+13.4% at constant exchange rates).

➜ *Leasing revenues*

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

The leasing revenue also includes the financial revenue from finance leases in which the Group is the lessor.

The leasing revenue increased by 6.6% compared with 2010 thanks to the rise in utilization rates and leasing prices.

➜ *Sale of new and used equipment*

Equipment sales mainly include the sale of equipment to investors (syndication). The equipment is then managed by the Group under management programs. In addition, sales of equipment includes sales of modular buildings to end customers, as well as sales of equipment belonging to investors.

note 5. Purchases and other external expenses

Breakdown by type (€ thousands)	**2011**	2010 adjusted[1]	2010 published	Variation 2011/2010		2009 adjusted[1]	2009 published
Cost of sales	(94,500)	(80,570)	(70,736)	(13,930)	17%	(58,934)	(48,921)
Other external charges for services	(87,312)	(82,971)	(82,971)	(4,341)	5%	(83,610)	(83,610)
Taxes and duties	(668)	(697)	(697)	29	-4%	(983)	(983)
TOTAL	**(182,480)**	**(164,238)**	**(154,404)**	**(18,242)**	**11%**	**(143,526)**	**(133,513)**

Adjusted (1): cf. note 1.1

The French 2010 Finance Act voted on December 30, 2009, stipulates that French fiscal entities are no longer liable to business tax from 2010, and replaced it with the Local Economic Contribution (CET) 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 the same accounting method can be applied for the C.V.A.E. and the C.F.E. that was applied for the business tax, which was previously recognized under operating expenses. These two new contributions have therefore been recognized as operating expenses, applying the same treatment applied for the business tax.

note 6. Staff costs

(€ thousands)	2011	2010	Variation	2009
Salaries & social security charges	(28,775)	(26,539)	(2,236)	(25,606)
Workforce	700	667	33	665

The average salary rose between 2009 and 2011 as a result of taking on more experienced personnel.

➜ Staff profit-sharing

The Group has no staff profit-sharing scheme. However, certain categories of staff (executives, salespersons) receive annual performance bonuses awarded on an individual basis.

There were no stock option plans in 2011.

note 7. Other operating income and expenses

(€ thousands)	2011	2010	Variation	2009
Other operating income	4,239	2,141	98%	3,969
Other operating charges	(3,802)	(1,827)	108%	(4,495)
TOTAL OTHER OPERATING INCOME AND CHARGES	**438**	**314**	**39%**	**(526)**

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

In 2011, other operating charges mainly comprised irrecoverable losses from doubtful debts. Other operating income comprised in particular the recognition in income of a debt to one of our suppliers which was also a customer of the TOUAX Group. The company has been put into compulsory liquidation, resulting in the recognition in income of the outstanding debt, and recognition in expenses of the outstanding receivable.

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

In 2009, the Group wrote off €1 million under other operating charges, to reflect the present value of cash flows expected from modular buildings belonging to the EIG compared to the book value of the EIG's deferred payments to the Group.

Similarly, in 2009 the Group wrote off €2.1 million of its liquidity reserves under other operating charges, in order to reflect the present value of cash flows expected on shipping containers belonging to Trust 2001. In return, the same amount was deducted from the other long-term liabilities, comprising the deferred front-end commission of the Trust, and included in other operating income.

note 8. Operating provisions

(€ thousands)	2011	2010	Variation	2009
Reversals of operating provisions	3,803	2,032	87%	2,536
Allocation to operating provisions	(10,148)	(2,603)	290%	(3,784)
TOTAL OPERATING PROVISIONS	**(6,346)**	**(571)**	**1,011%**	**(1,248)**

Operating provisions comprise provisions and reversals of provisions for doubtful debts.

Large provisions were made for doubtful debts in particular in the Freight Railcars division for a customer that belongs to the same Group as the supplier described above.

note 9. Amortization and impairments

(€ thousands)	2011	2010	Variation	2009
Straight-line depreciation	(18,059)	(16,133)	12%	(13,175)
Depreciation expense for leasing agreements	(8,119)	(7,697)	5%	(6,319)
Depreciation expense	**(26,178)**	**(23,830)**	**10%**	**(19,494)**
Impairment				(1,125)
Other allocations to provisions	(89)	42		(64)
TOTAL	**(26,267)**	**(23,788)**	**10%**	**(20,683)**

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

Other provisions comprise solely provisions and drawings from superannuation commitments.

note 10. Net distributions to investors

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

(€ thousands)	**2011**	2010 adjusted[1]	2010 published	Variation	2009 adjusted[1]	2009 published
Shipping containers	(50,319)	(46,938)	(56,772)	7%	(40,129)	(50,142)
Modular buildings	(2,008)	(3,065)	(3,065)	-34%	(3,693)	(3,693)
River barges		(23)	(23)	-100%	(114)	(114)
Freight railcars	(8,787)	(7,582)	(7,582)	16%	(7,949)	(7,949)
TOTAL	**(61,114)**	**(57,608)**	**(67,442)**	**6%**	**(51,885)**	**(61,898)**

Adjusted (1): cf. note 1.1

The increase in net distributions to investors is due to an increase in the size of the fleet under management, leasing prices and utilization rates.

➜ Shipping Containers

The Group manages a fleet of 383,095 TEU-size containers on behalf of third parties. This figure is broken down among investors as follows:

- Trust 2001: 10,311 TEUs in 2011, versus 10,982 TEUs in 2010.
- Management programs: 372,784 TEUs in 2011, versus 362,051 TEUs in 2010.

➜ Modular Buildings

On behalf of third-party owners, the Group manages 5,412 modular buildings in France, the USA, Germany and the Netherlands (compared to 8,830 in 2010).

➜ Freight Railcars

On behalf of third parties, the Group managed 4,920 railcars (6,180 platforms) in Europe and the USA in 2011, compared with 4,650 railcars (5,684 platforms) in 2010. This increase in the number of railcars is due to the operations with SRF Railcar Leasing.

note 11. Other operating revenues and expenses

In 2008, other operating income and charges comprised a loss of €3.1 million concerning a finance lease in which the Group is the lessor. This loss reflects the increase in the freight railcar purchase price. This 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 amount of €3.1 million comprises a provision of €2.6 million for railcars ready for delivery in 2009 (see note 22) and a €0.5 million finance lease credit loss for railcars delivered in 2008 (see note 18.1.2).

In 2009 it was possible to renegotiate this finance lease and the customer's option to purchase was cancelled, making it possible to redefine the contract as an operating lease. Consequently, the provision made in 2008 for a total of €3.1 million was reversed in 2009.

No other income or expenses were posted in 2010 and 2011.

note 12. Financial result

(€ thousands)	2011	2010	Variation 2011/2010	2009
Income from cash and cash equivalents	52	26		160
Interest payable on financing transactions	(14,541)	(12,936)		(13,027)
Cost of gross financial debt	(14,541)	(12,936)		(13,027)
Cost of net financial debt	**(14,489)**	**(12,910)**		**(12,867)**
Profit and loss on debt extinguishment	(274)	(28)		(203)
Dividends received		2		
Financial income and charges from discounting	(23)	11		50
Reversal (provision)	352	210		
Other financial income and charges	**55**	**195**		**(153)**
FINANCIAL RESULT	**(14,434)**	**(12,715)**	**13.52%**	**(13,020)**

The change in the financial result was mainly due to an increase in the Group's gross debt.

note 13. 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 comprises the TOUAX Corp. companies, Gold Container Corp., Gold Container Finance Llc, TOUAX Finance Inc., TOUAX Container Lease Receivables Corp. ("Leasco 1"), and TOUAX Equipment Leasing Corp. ("Leasco 2"). The French group for tax purposes is composed of the following companies: TOUAX SCA, TOUAX Solutions Modulaires SAS, TOUAX Construction Modulaire SAS, TOUAX Container Services SAS, TOUAX Corporate SAS, TOUAX River Barges SAS. Furthermore, there are two tax groups: TOUAX BV on one hand, and Eurobulk Transport Maatschappij BV and CS de Jonge BV on the other.

note 13.1.1. Breakdown of the tax charge

The tax charge booked to the income statement amounts to €4.1 million (compared with €4 million in 2010 and €4.2 million in 2009). It breaks down as follows:

	2011			2010			2009		
(€ thousands)	Payable	Deferred	Total	Payable	Deferred	Total	Payable	Deferred	Total
Europe	(3,666)	(292)	(3,958)	(3,164)	(282)	(3,446)	(3,163)	(1,022)	(4,185)
USA		(8)	(8)	(986)	599	(387)	(949)	889	(60)
Others	(168)		(168)	(168)		(168)		1	1
TOTAL	**(3,835)**	**(300)**	**(4,135)**	**(4,318)**	**317**	**(4,001)**	**(4,112)**	**(132)**	**(4,244)**

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

(€ thousands)	2011
Net profit (loss) from consolidated companies	12,949
Income taxes	(4,135)
CONSOLIDATED INCOME BEFORE TAX	**17,084**
Theoretical tax expense at 33.33%	(5,694)
Impact on theoretical tax of:	
Limitation of deferred taxes	(1,601)
Permanent differences and other elements	(510)
Deficits created in the fiscal year	
Earnings deducted due to previous deficit	
Difference in tax rates	3,670
EFFECTIVE INCOME TAX EXPENSE	**(4,135)**

Outstanding deferred tax assets in France not recognized in the accounts are estimated at €2.8 million. Outstanding deferred tax assets in the Netherlands not recognized in the accounts are estimated at €0.9 million.

The tax expense amounted to €4.1 million with a tax rate of 24.2%. The Group's tax rate is low, due to its presence in countries with a tax rate lower than 33.33% such as Ireland (12.5%),Poland (19%), the Czech Republic (19%), Singapore (10%), Romania (16%) and the Netherlands (20%).

➜ 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	Changes by shareholders' equity	2011
Redeemable warrants	(54)		(54)
Revaluation of net investments	48	54	102
Revaluation of net investments	256	244	500
TOTAL	**251**	**298**	**549**

➜ note 13.3. Deferred tax payable and redeemable

The deferred tax position is as follows:

(€ thousands)	2011	2010	2009
Deferred tax asset	436	173	
Deferred tax liability	(5,309)	(4,993)	(4,968)
TOTAL	**(4,873)**	**(4,820)**	**(4,968)**

Net deferred tax liabilities are broken down as follows:

(€ thousands)	2011
Depreciation of fixed assets	(11,189)
Leasing restatements in France	(9,652)
Unused tax losses	16,440
Discounting of financial assets	63
Provisions for doubtful accounts	551
Deferred income	788
Miscellaneous	(1,874)
NET BALANCE	**(4,873)**

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 was made for treasury shares in view of their insignificant number (0.12 % of the share capital at December 31, 2011).

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. The company has three types of potentially dilutive equity instruments: stock options, and share subscription warrants/redeemable share subscription warrants (BSAs/BSARs).

	2011	2010
Net return (€)	13,434,318	13,274,709
Outstanding shares at December 31	5,720,749	5,695,651
Weighted average number of outstanding ordinary shares	5,713,220	5,692,861
Potential number of shares		
- 2006 Stock options plan	32,521	51,521
- 2007 exercisable/transferable equity warrant bonds*		
- 2008 stock warrants *		
WEIGHTED AVERAGE NUMBER OF SHARES FOR CALCULATION OF THE DILUTED EARNINGS PER SHARE	**5,745,741**	**5,744,382**
NET EARNINGS PER SHARE		
- basic	2.35	2.33
- diluted	2.34	2.31

** the market price at December 31, 2011 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)	2009	2010	Increase	Decrease	Translation adjustment	2011
Modular buildings						
Siko Containerhandel GmbH	1,583	1,583				1,583
Touax Sro - Touax SK Sro	15,596	16,470			(461)	16,009
Touax Modular Building USA, Inc	14	15				15
River barges						
Eurobulk Transport Maatschappij	221	221				221
CS de Jonge BV	91	91				91
Touax Rom SA	3	3				3
Freight railcars						
Touax Rail Limited	4,554	4,554				4,554
TOTAL	**22,062**	**22,937**			**(461)**	**22,476**

➜ *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:

No impairment was recognized on December 31, 2011.

Cash-generating unit

(€ thousands)	Value of associated goodwill	**2011** Discount rate	**2011** Terminal growth rate	2010 discount rate	2010 Terminal growth rate
Modular buildings	17,607	6.61%	2.00%	7.85%	2.00%
River barges	315	8.27%	2.00%	8.62%	2.00%
Freight railcars	4,554	7.21%	2.00%	8.12%	2.00%
TOTAL	**22,476**				

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

The growth rate applied is 2%, corresponding to the ECB's forecasts for the rate of inflation.

Analyses were carried out to assess the sensitivity of the recoverable value to a possible adjustment of a key hypothesis (notably a 100 base point rise in discount rate and a 100 base point reduction of the perpetual growth rate).

Given the tangible and intangible values, these analyses would not bring about any risk of goodwill depreciation.

note 16. Intangible fixed assets

(€ thousands)	2011 Gross value	2011 Depr.	2011 Net val.	2010 Net val.	2009 Net val
Other intangible assets	2,954	(2,084)	870	1,038	977
TOTAL	**2,954**	**(2,084)**	**870**	**1,038**	**977**

➜ note 16.1. Change in the gross value

(€ thousands)	2010	Increase	Decrease	Translation adjustment	Others	2011
Other intangible assets	2,712	182	(13)	23	50	2,954

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

note 17. Tangible fixed assets

➜ note 17.1. Breakdown by type

(€ thousands)	2011 Gross value	2011 Amort.	2011 Net val.	2010 Net val.	2009 Net val.
Land and buildings	7,918	(1,444)	6,474	6,318	5,397
Equipment	453,964	(100,948)	353,016	322,825	307,340
Other tangible assets	11,589	(6,580)	5,009	3,094	3,071
Tangible assets in progress	1,018		1,018	2,735	8,366
TOTAL	**474,490**	**(108,972)**	**365,518**	**334,972**	**324,174**

➜ note 17.2. Changes in gross value, by type

(€ thousands)	01.01.2011	Purchases	Sales	Variation in conversion	Reclassification and variation of the perimeter	31.12.2011
Land and buildings	7,868	389	(505)	(84)	250	7,918
Equipment	406,710	48,434	(9,548)	(3,449)	11,817	453,964
Other tangible assets	8,611	1,811	(704)	(39)	1,910	11,589
Tangible assets in progress	2,734	5,034		(56)	(6,693)	1,018
TOTAL	**425,923**	**55,668**	**(10,757)**	**(3,628)**	**7,284**	**474,490**

Equipment acquisitions mainly comprised modular buildings for a total of €32 million, river barges for a total of €5.8 million and railcars for a total of €16.3 million.

Sales of fixed assets comprised shipping containers for a total of €1 million, modular buildings for a total of €4.8 million, river barges for a total of €2.7 million and freight railcars for a total of €2 million.

Inclusion of the EIG in the consolidation perimeter increased the gross value of the fixed assets (modular buildings) by €8.1 million (See note 1.5.1).

The transfer to equipment of construction work in progress mainly concerns the River Barges and Modular Buildings divisions.

The Group's tangible fixed assets comprise leasing 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 secondhand 60-ft railcars to €125,000 for new 106-ft coupled intermodal railcars. The unit values of river barges range from €150,000 for secondhand 1,700-ton barges, to over €1 million for new 2,800-ton barges. Pushboats, it should be noted, can reach values well above €1 million.

Impairment tests were carried out on equipment operated in markets showing a loss in value. In 2009 an impairment writedown of €322,000 was booked for modular buildings included in the tangible assets of an American subsidiary. A further writedown of €266,000 was entered in the accounts of the same subsidiary in 2011.

note 18. Financial instruments

➜ note 18.1. Financial assets

Non-Current Financial Assets

(€ thousands)	GROSS VALUE			DEPRECIATION CHARGE TO INCOME STATEMENT (accumulated)			NET VALUE			
							Long term financial assets			Other N.C. assets
	Securities available for sale	Loans and receivables		Securities available for sale	Loans and receivable		Securities available for sale	Loans and receivables		Financial assets at fair value
	Financial assets	Financial assets	Other N.C. assets	Financial assets	Financial assets	Other N.C. assets		Financial assets	Other N.C. assets	N.C. derivatives
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**
Changes in perimeter										
Increase		3,944	824					3,944	824	
Decrease	(1)	(1,539)	(1,751)		225	1,000	(1)	(1,314)	(751)	
Translation adjustments	48	112	227		(108)		48	3	227	(4)
Variation in fair value		(61)						(61)		956
Other activity			(1,338)	(48)			(48)		(1,338)	
TO 31ST DECEMBER 2011	**1,531**	**17,108**	**9,061**	**(1,513)**	**(6,581)**	**0**	**18**	**10,527**	**9,061**	**1,029**

N.C. = Non-current

Interest rate swaps included under non-current derivatives are valued at fair value; the effective portion is included in shareholders' equity, and the ineffective portion in income.

Interests in associated companies

SRF Railcar Leasing has been consolidated by the equity method since 2010.

Financial data of the associated company

(€ thousands)	2011	2010
TOTAL assets and liabilities	86,062	54,099
Revenues	6,203	4,376
Net income	142	84

Changes in holdings in associated companies

(€ thousands)	2011	2010
At beginning of financial period	1,087	
Share of net income	37	29
Subscription to capital		1,174
Elimination if internal income	(279)	(116)
Fair value of financial instruments	(173)	
Miscellaneous	4	
At the end of the financial period	**676**	**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 receivable	Cash and cash equivalents
TO 31ST DECEMBER 2008	**52,108**	**1,424**	**(5,765)**		**46,342**	**1,424**
Changes in perimeter						
Increase	9,798		(3,595)			
Decrease		(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**
Changes in perimeter	(18)				(18)	
Increase	14,623	1,578	(9,701)		4,922	1,578
Decrease			2,076		2,076	
Translation adjustments	253		(25)		228	
Variation in fair value						
Other activity	(109)		106		(2)	
TO 31ST DECEMBER 2011	**79,883**	**31,448**	**(15,688)**		**64,195**	**31,448**

Financial Assets are broken down as follows:

Securities Available for Sale: These comprise 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 equity interests at December 31, 2011 was €18,000.

Unlisted securities (€ thousands)	**2011**	2010	2009
Gross value	1,531	1,483	1,429
Loss in value	(1,513)	(1,464)	(1,359)
NET VALUE OF AVAILABLE-FOR-SALE SECURITIES	**18**	**19**	**70**

The loans and receivables comprise loans and deposits. Reserves linked to the trusts and the Modul Finance I EIG were included in this item until December 31, 2010 (cf. notes to the consolidated financial statements note 30.1, note 30.2 and note 30.3). This item also includes trade accounts receivable.

A loan of €3.9 million was granted to SRF Railcar Leasing Ltd in connection with the financing of its mezzanine debt. This entity was consolidated by the equity method at December 31, 2011.

€1 million was reclassified as the current component of the financing lease receivables. This is mentioned in the note regarding other current assets (cf. 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 effects of the financial instruments on income are shown in note 18.2.5 below.

The financial risk management policy is indicated in note 26 of the notes to the consolidated financial statements.

➜ *Fair value of financial instruments*

Both swaps and cash and cash equivalents 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 non-current assets are valued at their amortized cost calculated using the effective interest rate. Their book values provide a reasonable estimate of the 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 were recognized in financial periods prior to 2008. In 2009, an impairment writedown of €1 million was recognized on deferred payment of management commissions by the EIG to the Group, as well as an impairment writedown of €2.1 million on liquidity reserves granted to the Trust 2001 (see the notes to the consolidated financial statements, note 30.1 and note 30.3).

❚ *note 18.1.1. Trade receivables*

On first booking, trade receivables and related accounts are recognized at their fair value which corresponds to their nominal value. They may be written down if there is a risk the debt may not be collected in full. At December 31, 2011, outstanding trade accounts receivable totalled €64.2 million on the balance sheet. This book value is a reasonable estimate of the fair value.

Mean aging of trade receivables is 75 days. For receivables in arrears for less than one year, an impairment writedown was posted according to the customer's payment history.

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

On December 31, 2011 the Group recognized net overdue receivables of €14.6 million.

Aged trial balance

(€ thousands)	Gross accounts receivable	Provisions	Accounts receivable
Not due	50,010	(395)	49,615
0-6 months	13,553	(1,189)	12,364
6-12 months	4,518	(3,291)	1,227
> 1 year	11,802	(10,813)	989
TOTAL	**79,883**	**(15,688)**	**64,195**

❚ *note 18.1.2. Finance lease receivables*

The Group's assets include moneys owed to it under finance leases, in which it is the lessor, amounting to a net book value of €10.8 million and a historical cost of €16 million.

(€ thousands)	Minimum future payments	Discounted minimum future payments
< 1 year (+)	2,877	1,718
2 - 5 years (+)	9,570	6,776
> 5 years (+)	2,611	2,278
TOTAL	**15, 058**	**10,772**
Discounting of finance leases (-)	(4,286)	
Discounted minimum future payments	**10,772**	**10,772**
Presentation in the balance sheet of finance lease receivables:		
Other current assets		1,718
Other non-current assets		9,054
TOTAL		**10,772**

The interest rate applied in each finance lease is determined on the day the contract is signed. The average rate of interest used was 11.65% on December 31, 2011. The interest income from finance leases is recorded under leasing revenue (€1.3 million in 2011 compared with €2.1 million in 2010).

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 2011 (€2 million in 2010).

The EBITDA – understood by the Group as current operating income before 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 restated EBITDA shown below to be a better measure of this performance. Restated EBITDA is EBITDA plus the repayment of principal of the net investment of the finance leases granted to customers. This makes it possible to calculate the cash flow from operations more accurately than by using the EBITDA. The practice is widespread among firms which lease out equipment.

(€ thousands)	Shipping containers	Modular buildings	River barges	Freight railcars	Miscellaneous	2011
EBITDA (gross margin)	57,322	38,410	6,388	16,238	503	118,863
Payments received of principal of finance lease receivables	1,215	266	525			2,006
Restated EBITDA	**58,537**	**38,676**	**6,914**	**16,238**	**503**	**120,868**
Net distribution to investors	(50,319)	(2,008)		(8,787)		(61,114)
EBITDA restated after distribution to investors	**8,219**	**36,668**	**6,914**	**7,452**	**503**	**59,754**

note 18.1.3. Cash and cash equivalents

(€ thousands)	2011	2010	2009
Investments less than three months	31,448	29,871	8
Of which marketable securities	29,559	29,870	8
Cash	12,811	9,229	34,856
TOTAL	**44,259**	**39,100**	**34,864**

The group has cash balances on accounts pledged to lenders in connection with financing transactions. These balances amounted to €1.9 million at December 31, 2011 and are therefore not available to the Group.

→ 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)	2011			2010			2009		
	Non current	Current	TOTAL	Non current	Current	TOTAL	Non current	Current	TOTAL
Bond issue	1,188	40,415	41,603	40,045		40,045	39,773		39,773
Medium/long-term loans with recourse	24,792	6,337	31,129	12,274	4,215	16,489	13,192	3,808	17,000
Medium/long-term loans without recourse	45,550	4,595	50,145	37,310	3,208	40,518	40,448	2,959	43,407
Finance lease commitments	94,115	19,664	113,779	96,251	18,270	114,521	93,567	16,865	110,432
Revolving lines of credit with recourse	52,137	17,233	69,370		57,549	57,549	34,438	13,720	48,158
Revolving lines of credit without recourse	29,963	18,245	48,208	42,000	7,002	49,002		69,354	69,354
Current bank accounts		9,694	9,694		13,151	13,151		8,311	8,311
Liabilities on derivatives		123	123		471	471		185	185
TOTAL FINANCIAL LIABILITIES	**247,746**	**116,304**	**364,050**	**227,880**	**103,866**	**331,746**	**221,418**	**115,202**	**336,620**

The debt is "non-recourse" when it finances assets and when the parent company, TOUAX SCA, does not guarantee to service the debt, since it is serviced by the leasing revenue and sales revenue generated by the assets.

IFRS 7.8 defines the following categories of financial instruments:

At December 31, 2011

Types of financial liability (€ thousands)	Consolidated financial statements	Valuation at fair value	Difference (%)	Sensitivity +1%	difference compared with fair value
Financial liabilities valued at amortized cost	363,928	367,601	1.01%	362,729	-1.33%
Financial liabilities valued at fair value	122	123	0.00%		0.00%
TOTAL	**364,050**	**367,724**	**1.01%**	**362,729**	**-1.36%**

At December 31, 2010

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

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

Applying the fair value principle would value the financial liabilities at €367.7 million, using closing rates at December 31, 2011.

- 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 bond issue entered as an asset has the following breakdown:

(€ thousands)	2011
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**
Interest payable	1,093
Coupons paid	(799)
Debt component at December 31, 2011:	**40,339**
Redemption date March 8, 2012	

note 18.2.2. Breakdown by due date of loans and payments, December 31, 2011

(€ thousands)	2012	2013	2014	2015	2016	> 5 years	TOTAL
Bond issues	40,415		1,188				41,603
Medium/long-term loans with recourse	6,337	6,475	6,263	4,225	3,037	4,792	31,129
Medium/long-term loans without recourse	4,595	4,092	7,594	4,092	10,477	19,294	50,145
Finance leasing commitments	19,664	20,172	19,425	17,665	14,446	22,406	113,779
Short-term loans with recourse	1,333				52,137		53,470
Short-term loans without recourse	18,245	29,963					48,208
TOTAL capital flow on loans	**90,588**	**60,702**	**34,470**	**25,982**	**80,099**	**46,493**	**338,334**
Future interest flow on loans	9,681	7,722	6,189	4,642	3,330	4,725	36,289
TOTAL flow on loans	**100,269**	**68,424**	**40,659**	**30,624**	**83,428**	**51,218**	**374,623**

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 future on variable rate loans has been estimated on the basis of the current interest rates at December 31, 2011.

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 or not of financial ratios (financial covenants). These clauses applied to debts totalling €185 million at December 31, 2011 (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 2 (SPC)	Touax Container Services
With/ without recourse (against Touax SCA)	WITH	WITH	WITH	WITHOUT	WITHOUT	WITHOUT	WITH
Type of facility	Obsar	Club deal	Bilateral	Club deal	3 bilateral facilities	Club deal	Bilateral
Period and issue mode	5 year bon	5 year revolving credit in multiple currencies	2 year revolving credit in USD	1 year revolving credit in USD	10 year long-term amortizable debt	2 year revolving credit in EUR	2 year revolving credit in EUR in multiple currencies
Maximum amount	€40.4 M	€67.5 M	$10 M	$40 M	€56.3 M	€45 M	€10 M
outstanding liabilities 31/12/11	€40.4 M	€52.5 M	0	€17.8 M ($23 M)	€44.4 M	€30.5 M	€0 M
Financial ratios required							
Leverage with recourse (net finanvial debt with recourse / Ebitda)	below 4.5 for 2009, and 2010; below 3.7 pour 2011	below 4.5 until 30/06/12, then below 4.25 until 30/06/14, then below 4		below 5	less than 8.5 until 31/12/2011, less than 7.5 then (use of the average debt over one year)	less than 8.5 until 31/12/2011, less than 7.5 then (use of the average debt over one year)	less than 4.5 until 30/06/12, then less than 4.25 at 30/12/2012
Gearing (net debt with recourse / Shareholdres'equity)	below 1.9	below 1.9	below 1.9	below 1.9	below 3.5	below 3.5	below 1.9
Shareholdres'equity less goodwills					greater than €30 M	greater than €30 M	
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	
Calculation frequency	annual	semi-annual	semi-annual	semi-annual	semi-annual	semi-annual	semi-annual
Loan maturity date	08/03/2012	14/04/2016	31/08/2012	28/07/2012	30/12/2016 28/02/2018 30/09/2021	29/11/2013	31/01/2013
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 SCA consolidated accounts
Other conditions / clauses							
Security	No	No	No	Secutity package	Secutity package	Secutity package	No
Issue dependent on compliance with eligibility criteria of financial assets	No	No	No	Yes	No	Yes	No
Cross-default clauses	default on a debt greater than €5 million within the scope of calculation, excluding non recourse debt	default on a debt greater than €5 million within the scope of calculation, excluding non recourse debt	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 €10 million 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. Analysis of the debt*

Consolidated net financial debt is as follows:

(€ thousands)	**2011**	2010	2009
Financial liabilities	364,050	331,746	336,620
Derivative instruments asset	1,029	77	183
Marketable securities & other investments	31,448	29,871	8
Cash assets	12,811	9,229	34,856
CONSOLIDATED NET FINANCIAL INDEBTEDNESS	**318,762**	**292,569**	**301,573**
Non-recourse debt	98,353	89,520	112,761
FINANCIAL INDEBTEDNESS EXCLUDING NON-RECOURSE DEBT	**220,409**	**203,049**	**188,812**

From 2010, the value of derivative instrument assets is taken into account in the calculation of consolidated net financial debt. The figures for 2009 have been restated accordingly.

Financial liabilities broken down by currency

(€ thousands)	**2011**	2010	2009
Euro (EUR)	311,038	291,058	281,179
US dollar (USD)	34,916	25,218	37,598
Polish Zloty (PLN)	15,398	15,185	17,229
Others	3,698	285	614
TOTAL	**365,049**	**331,746**	**336,620**

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

(€ thousands)	**2011**	2010	2009
Fixed rate	171,450	167,202	164,349
Floating rate	192,600	164,544	172,271
TOTAL	**364,050**	**331,746**	**336,620**

Average rate of gross debt by currency

	2011	2010	2009
Average debt rate in Euro (EUR)	3.53%	3.51%	3.20%
Average debt rate in US Dollar (USD)	4.00%	4.62%	3.57%
Average debt rate in Polish Zloty (PLN)	7.02%	6.66%	6.65%
Average debt rate in other currencies	3.92%	6.59%	6.59%
AVERAGE AVERALL NET DEBT RATE	**3.73%**	**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	**2011**
Interest income		593				593
Interest expense			(14,868)	3	26	(14,839)
Impact on income		**593**	**(14,868)**	**3**	**26**	**(14,247)**
Exchange gain or loss						(274)
Impact of discounting						(52)
Interest on cash						52
Miscellaneous						**86**
FINANCIAL RESULT						**(14,434)**

(€ 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)**

note 18.2.6. Trade payables

(€ thousands)	**2011**	2010	2009
Shipping containers	2,539	14,962	5,155
Modular Buildings	17,146	13,681	15,297
River Barges	2,345	2,178	2,213
Freight railcars	7,075	5,823	5,033
Miscellaneous	754	885	868
TOTAL	**29,860**	**37,529**	**28,567**

All trade payables are due within one year.

note 19. Inventories and Work in Progress

Inventories and WIP include equipment to be sold as well as spare parts. The equipment is mainly intended to be sold to investors under asset management programs.

(€ thousands)	**2011**			2010	2009
	Gross value	Prov.	Net val.	Net val.	Net val.
Equipment	57,124	(340)	56,783	63,922	82,382
Spare parts	12,563		12,563	9,730	8,432
Inventory of finished and semi-finished products				1,363	
TOTAL	**69,687**	**(340)**	**69,347**	**75,015**	**90,814**

note 20. Other current assets

(€ thousands)	2011	2010	2009
Sale of fixed assets	35	55	10
Prepaid expenses	4,052	3,248	3,245
Taxes and duties	7,157	10,105	7,902
Others	6,946	5,503	5,810
TOTAL	**18,190**	**18,911**	**16,967**

Taxes and duties mainly consist of VAT paid on acquisition of goods at the end of the period.

At December 31, 2011, "Others" comprised in particular the current component of financial receivables from finance leases (i.e. €1.7 million at December 31, 2011, cf. notes to the consolidated financial statements note 1.18.1).

Other current assets are all recoverable within one year.

note 21. Shareholders' equity

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

It may be noted here that:

- TOUAX paid an interim dividend in January 2011 totalling €2.9m.
- 3,764 redeemable warrants (BSARs) were exercised in 2011, leading to the issue of 980 new shares. On December 31, 2011, of the 1,427,328 redeemable share subscription warrants (BSARs) issued in 2007, 1,395,436 remained to be exercised, i.e. a potential of 362,255 shares (4 BSARs for 1.047 share).
- In 2011, 24,118 stock options were exercised, resulting in the issue of 24,118 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:

	2006 Stock Option Plan
Date of General Meeting	28.06.2006
Date of Board of Directors meeting	07.08.2006
Number of options initially allotted	52,874
– of which to members of the Executive Committee	15,770
Number of current beneficiaries	5
– of which, members of the current Executive Committee	1
Date of allotment	07.08.06
Exercise date	07.08.08
Expiration date	07.08.12
Exercise price	€20.16
Options exercised since allotment	24,118
– by members of the Executive Committee	7,885
Number of members of the Executive Committee who exercised options in 2011	1
Options null and void since allotment	6,957
Number of outstanding options at 31/12/2011	21,799
– of which held by members of the current Executive Committee	7,885

➜ Management of capital

The Group's objective in managing its equity is to maximize the company's value by arranging for an optimal capital structure that minimizes the cost of capital and ensures the best possible return to shareholders.

The Group manages its borrowing structure by optimizing its debt/equity ratio in the light of changes in economic conditions, its own objectives, and management of its risks. It assesses its working capital requirements and its expected return on investment, in order to control its financing requirements. 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 uses its gearing ratio as an indicator for managing its debt/equity ratio. indebtedness (with and without recourse) divided by shareholders' equity. The debt/equity ratios are as follows:

(€ millions)	**2011**	2010	2009
Net debt with recourse	220.4	203.0	188.9
Shareholders' equity	146.3	140.2	129
Debt ratio (excluding non-recourse debt)	1.50	1.45	1.46
Debt ratio of non-recourse debt	0.67	0.64	0.87
DEBT RATIO	**2.17**	**2.09**	**2.34**

note 22. Provisions

(€ millions)	2010	Provision	Reversal	Unused reversal	Exchange gain	**2011**
Disputes	142			(99)		43
Other risks	2,726	447	(767)	(860)	11	1,557
TOTAL	**2,868**	**447**	**(767)**	**(959)**	**11**	**1,600**

Other risks relate to a subsidy awarded abroad for a total of €2.3 million and a provision for tax risks totalling €0.4 million. The subsidy was mainly dependent on making investments and creating jobs. A provision was made for this amount due to the uncertain economic outlook (cf. notes to the consolidated financial statements note 7).

In June 2011 the provision was reversed for a total of €1.6 million. The remainder of the provision on the balance sheet at December 31, 2011 was €0.7 million. As not all of the conditions were met, part of this reversal was entered as a charge for a total of €0.8 million.

note 23. Pension and similar liabilities

Changes in superannuation commitments can arise from:

- of personnel movements (arrivals of new personnel and departures),
- acquisition of entitlement by staff members during their employment within the business,
- changes in pay, and other actuarial assumptions.

(€ thousands)	2010	Provision	Reversal	**2011**
Shipping containers	17	30	(29)	18
Modular Buildings	90	31		121
River barges	1	2	(1)	2
Unallocated	111	176	(121)	166
TOTAL	**219**	**239**	**(151)**	**307**

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 3.645%,
- Pay rising at 1.5%,
- Retirement at age 65.

note 24. Other long-term liabilities

(€ thousands)	2011	2010	2009
Modular buildings	1,113	1,466	1,562
TOTAL	**1,113**	**1,466**	**1,562**

In 2009, the Modular Buildings division set up a new type of sales agreement with a repurchase commitment. This agreement involves recognizing the Group's repurchase commitment as well as the deferred income relating to the lease of modular buildings. Both these items are included in other long-term liabilities.

The deferred front-end commission of Trust 2001 was wholly deducted from the other long-term liabilities for a total of €2.1 million in 2009.

note 25. Other current liabilities

(€ thousands)	2011	2010	2009
Capital creditors	4,563	256	602
Tax and social security liabilities	18,198	16,834	14,137
Accounts payable	23,576	25,482	35,004
Other current liabilities	8,790	5,939	7,166
Deferred revenue	2,914	923	1,863
TOTAL	**58,042**	**49,433**	**58,772**

The accounts payable mainly constitute income due to investors in the Shipping Containers, Freight Railcars and Modular Buildings businesses (€21.9 million at December 31, 2011, €23.3 million at December 31, 2010).

In 2009, a conditional sale of $20 million, i.e. €13.9 million, had been booked regarding an investor in the Shipping Containers division. This debt was repaid in 2010, since the sale did not take place.

note 26. Risk Management

➜ *Market risk*

Financial and market risks include currency risk, interest-rate risk, equity risk, and counterparty risk.

Interest rate risk and exchange rate risk are managed centrally within the Treasury and Finance Department which provides monthly reports to the Executive Committee.

Interest rate risk and exchange rate risk are monitored through monthly reporting by subsidiaries to the Treasury and Finance Department; these reports include borrowings from outside establishments as well as loans agreed between Group subsidiaries. The information is checked, analyzed, consolidated and forwarded to the Executive Committee. The Treasury and Finance Department makes recommendations on the management of interest rate and exchange rate risks, and decisions are made by the Group Executive Committee. Standard office IT tools enable the Group's to adequately monitor these risks.

➜ *Credit Risk*

Credit risk is dealt with 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 to compensate for surplus cash and cash requirements in order to limit the use of financial borrowing.

Liquidity risk management is assessed via the Group's requirements defined in the three-year plan, the annual cash flow budget, as well as via monthly and weekly forecasts. All reports are sent to the Group's Executive Committee.

The objective for cash flow management is to meet the Group's deadlines while maintaining the leeway decided by the Group's Executive Committee and optimizing the financial costs of the debt.

For that purpose, the Group has credit lines approved by its banking partners, comprising revolving bank loans, a bond issue (bond with redeemable equity warrant - OBSAR) in 2007 for pre-financing its assets, and credit lines for asset finance leases, in order to optimize matching of debt servicing with the income generated by assets.

All of the loans are 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 drawdown conditions (asset eligibility) and others include financial commitments (ratios) that the Group must abide by, as indicated in note 18.2.3.

In the short term, the Group's main liquidity risks concern the non-renewal of revolving credit lines and the refinancing of the OBSAR maturing in March 2012.

The theoretical maturity dates in 2011 are presented below:

(€ millions)	
Repayment of medium/long-term credit	66.2
Repayment of confirmed short-term credit with recourse	1.3
Repayment of confirmed short-term credit without recourse	22.4
Repayment of annual revolving credit	25.6
TOTAL	**115.6**
Estimated financial charges	20.0
TOTAL	**135.6**

At the end of December 2011, the Group's balance sheet showed €44 million in cash and cash equivalents, over €77 million in available lines of credit to meet its cash requirements, and €69 million of assets in stock intended for sale 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 these revolving lines of credit depends on asset pre-financing needs, and therefore on the Group's investments or on temporarily including assets on its balance sheet.

The group refinanced the OBSAR which matured on March 8, 2012.

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 the credit lines.

In the longer term, the liquidity risk resides in inappropriate matching of income generated by its leased assets with loan maturities.

The timetable of dates when the Group's debt falls due is as follows:

(€ millions)	TOTAL	2012	2013	2014	2015	2016	+ 5 years
Debts with recourse	**265.7**	93.5	26.6	26.9	21.9	69.6	27.2
Debts without recourse	**98.4**	22.8	34.1	7.6	4.1	10.5	19.43
TOTAL	**364.1**	**116.3**	**60.7**	**34.5**	**26.0**	**80.1**	**46.5**

In general the Group's liquidity risk is limited, thanks to its ability to sell or refinance its assets: The assets operated by the Group are standardized and low-tech; they keep relatively high residual values in a fairly liquid market.

The Group faces three major types of counterparty risks:

- cancellation of approved credit lines following the default of a lender,
- counterparty default in the unwinding of an over-the-counter derivative,
- non-repayment of cash surpluses invested in spot or futures markets 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 investment products with first-rate banks in spot or futures markets.

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 apply a variable interest rate. Most of the Group's interest-rate risk is related to its variable interest-rate loans.

In order to limit the negative impact of a rise in short-term rates, the Group's policy is to not speculate in interest rates. It uses plain vanilla derivatives, and negotiates new fixed-rate or variable rate loans according to its decision to modify the fixed rate-variable rate share of its debt.

In order to limit the use of market transactions, the Group also strives to negotiate loans allowing modification of the indexing of interest from variable to fixed rates.

In 2011, the Group did not use any new interest-rate derivatives, since the hedging programme previously used, particularly in 2009, made it possible to maintain the fixed rate debt at 49% of the overall long-term debt compared with 50% at the end of 2010.

Long term fixed-rate debt represented 73% of total long-term debt, compared to 79% at the end of 2010.

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 at December 31, 2011:

(€ thousands)	Par value	Par value by maturity date			Valuation at 31.12.11
		< 1 year	1 - 5 years	> 5 years	
Interest rate swaps borrower fixed rate / lender variable rate					
EUR Euribor / fixed rate	3,960	929	3,031		
USD Libor / fixed rate					
PLN Wibor / fixed rate	4,944	1,302	3,642		
TOTAL INTEREST RATE HEDGING	**8,904**	**2,231**	**6,673**		**(129)**

All the interest rate derivatives meet the accounting criteria for hedges (hedging of cash flows) insofar as they are traded in order to perfectly reflect the maturity dates of the variable rate debts they hedge.

The impact of derivative instruments on the gross debt per currency is presented below:

(€ thousands)	Amounts at 31 December 2011		
	before hedging	Impact of derivatives	after hedging
Euro at fixed rate	139,692	3,960	143,652
Euro at floating rate	171,347	(3,960)	167,387
Dollar at fixed rate	16,337		16,337
Dollar at floating rate	18,579		18,579
Zloty at fixed rate	3,819	4,944	8,763
Zloty at floating rate	11,579	(4,944)	6,635
Other currencies at fixed rate	2,698		2,698
Other currencies at floating rate			
Total debt at fixed rate	162,546	8,904	171,450
Total debt at floating rate	201,504	(8,904)	192,600
TOTAL DEBT	**364,050**		**364,050**

Sensitivity to changes in interest rates

A 100 basis point increase in short-term rates would have a direct impact on the Group's financial charges of almost €1.5 million at December 31, 2011, i.e. around 8% of theoretical finance charges.

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 debts reaching maturity are replaced by variable-rate debts.

➜ Currency risk

Due to its international presence, the TOUAX Group is exposed to currency rate fluctuations, and some years almost 50% of the Group's revenue is in US dollars, and a significant share of its revenues is generated in Czech crowns and Polish zlotys.

Nevertheless, the Group believes it has relatively little exposure to operational currency risk as income and expenses are usually generated in the same currency, and the Group finances its assets in the same currency as its revenues.

However, the Group may need to set up hedges for its budget or for orders when operational currency risks are identified. In this case, the hedging instruments used are forward sales or purchases, or plain vanilla options.

The Group's main identified operational currency risks are related to:

- the structure of overheads for the Shipping Containers business, which are mostly in euros while revenues are in US dollars ;
- the production of modular buildings, where the Czech crown is the main currency but sales are in euros.

There was no hedging of operational foreign exchange risk at December 31, 2011.

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. At December 31, 2011, 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 foreign currency results of some of its subsidiaries into euros by purchasing options from first-rate counterparties, using the entities' budgeted results as a reference. At December 31, 2011 the Group did not have any hedging positions for its foreign currency results budgeted for in 2012.

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 multicurrency cash management, the Group regularly sets up forward contracts making it possible to offset variations in the value of intercompany borrowings. These forward contracts 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 linked to managing its cash in foreign currencies (USD and CZK).

The following table summarizes the foreign currency forward purchase portfolio at December 31, 2011:

(€ thousands)		2011
	Par value	Maximum due date
USD forward purchase portfolio	27,668	29/03/12
CZK forward purchase portfolio	969	30/01/12
TOTAL OF FORWARD PURCHASE PORTFOLIOS	**28,638**	

Fair value hedging

(€ thousands)	2011
Variation in fair value of the hedging instrument	1,378
Variation in fair value of the hedged item	(1,375)
NET IMPACT ON EARNINGS OF FAIR VALUE HEDGES	**3**

The net impact on earnings of a fair value hedge represents the ineffective component of the hedge.

Impact of the exchange rate on the operating income before tax and extraordinary items and on 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 parity used to convert foreign currency accounts of subsidiaries into euros has the following impact on the Group's income and share of shareholders' equity in case of a 10% fall in value:

	Impact on operating income after distribution to investorsl	Impact on shareholders' equity (Group's share)
Fall of 10% in the US dollar	-2.29%	-2.82%
Fall of 10% in the Czech crown	-0.68%	-0.90%
Fall of 10% in the zloty	-1.30%	-0.45%

The Modular Buildings division works mainly in euros, in Czech crowns and in Polish zloty. The River Barges and Freight Railcars divisions are mainly denominated 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 currencies – since the containers may be returned in about 25 different countries.

For long-term assets and liabilities the Group's policy is to correlate fixed assets denominated in foreign currency with borrowings denominated in the same currency, to avoid exposure to foreign exchange 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, as well as Société Holding de Gestion et de Participation (SHGP) and Société Holding de Gestion et de Location (SHGL), General Partners. 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 2011 for their 2010 compensation in accordance with the articles of association was €936,000.

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 acting 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, termination benefits or share-based payments. The corporate officers receive none of these benefits. (cf. details in Section 15 page 41).

A transaction was indirectly concluded between TOUAX SCA and its Managing Partners, through a real estate investment trust, relating to the leasing of its premises in the Tour Franklin for a total of €814,000.

The Group manages equipment with a gross value of €500,000 belonging to the Managing Partners, and of €2 million belonging to the General Partners. These investments generated total income of approximately €118,000. The Managing Partners and General Partners receive no preferential treatment in these dealings, since this equipment is managed under the same terms as equipment managed on behalf of third parties. In addition, management of this equipment is governed by a Code of Practice approved by the Supervisory Board.

The total compensation of the corporate officers amounted to €828,100 in 2011.

The pension and supplementary pension commitments for members of the Executive Committee are immaterial (statutory retirement benefits). No stock options are granted to the corporate officers. They are granted to the other members of the Executive Committee (cf. stock option table given in note 21 of the Notes to the consolidated financial statements, page 89).

The compensation of members of the Supervisory Board is listed in section 15 page 41. It amounted 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)	2011	2010
Long term loan	7,899	4,375
Account receivable	1,878	3,648
Provision	(241)	(241)
Accounts payable	840	766

The following sales were made to SRF Railcar Leasing:

(€ thousands)	2011	2010
Sales	24,108	18,958

Relations between the parent company and subsidiaries are detailed in section 7.2 page 35 of the present reference document.

note 28. Off-balance sheet commitments

The financial statements do not omit any off-balance sheet commitments that are material according to current accounting standards.

➜ note 28.1. Non-capitalized operating leases

(€ thousands)	TOTAL	below 1 year	1 to 5 years	5 years+
Operating leases with recourse	22,440	4,338	12,768	5,335
Operating leases without recourse against the Group	81,716	17,166	55,527	9,023
Of which, shipping containers	*75,299*	*14,071*	*52,212*	*9,016*
Of which, freight railcars	*6,417*	*3,095*	*3,315*	*7*
TOTAL	**104,156**	**21,504**	**68,295**	**14,357**

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 at December 31, 2011

(€ thousands)	Montant	Échéance
Bank guarantee	**1,073**	
Modular buildings	1,073	2017

Firm purchase agreements for equipment

Firm orders and investments at December 31, 2011 amounted to €35.6 million, including €10 million for railcars, €2.2 million for modular buildings, €1.8 million for river barges and €21.6 million for shipping containers.

➜ note 28.3. Other undertakings received

Fixed-term operating leases

The minimum future payments to be received under operating leases totalled €200 million.

(€ thousands)	Shipping containers	Modular buildings	River barges	Freight railcars	2011
0-6 months	25,828	9,470	1,940	12,014	49,252
6 months - 1 year	19,987	7,254	1,639	9,164	38,042
Between 1 and 5 years	71,054	12,387	6,068	12,619	102,128
More than 5 years	7,644	11	2,665		10,320
TOTAL MINIMUM OPERATIONAL RENTS	**124,514**	**29,122**	**12,311**	**33,796**	**199,742**

(€ thousands)	Shipping containers	Modular buildings	River barges	Freight 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	Freight 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 unconsolidated when the finance lease receivables are assigned to a financial institution or an investor and the conditions for derecognition of a financial asset defined in IAS 39 sections 18b, 19 and 20 are met. There can be no recourse against the Group for such contracts.

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 31/12/2011	1 year	1 to 5 years	5 years+
Shipping containers	76,930	14,506	53,374	9,050
Freight railcars	6,952	3,320	3,632	
TOTAL	**83,882**	**17,826**	**57,006**	**9,050**

(€ thousands)	Rents for receipt on 31/12/2011	1 year	1 to 5 years	5 years+
Shipping containers	88,733	14,091	54,268	20,375
Freight railcars	10,392	3,505	6,658	228
TOTAL	**99,125**	**17,596**	**60,926**	**20,603**

(€ thousands)	Rents for receipt on 31/12/2011	1 year	1 to 5 years	5 years+
Shipping containers	95,949	13,184	52,383	30,382
Freight railcars	13,629	3,444	9,762	423
TOTAL	**109,578**	**16,628**	**62,145**	**30,805**

➜ *note 28.4. Secured debt provided*

To guarantee the loans granted to finance the Group's proprietary assets (apart from leasing agreements) and assets under management, TOUAX SCA and its subsidiaries have granted the following security interests:

		31 December 2011			
(€ thousands)	Commencement	Maturity	Asset pledged (gross value)	Balance Sheet item gross value	%
Mortgages (river barges)					
	2005	2014	8,888		
	2005	2015	785		
TOTAL			**9,673**	**69,850**	**13.8%**
Tangible assets pledged					
Modular buildings				296,869	
	2009	2014	5,020		
	2005	2016	5,086		
	2011	2016	2,908		
	2010	2017	3,000		
	2011	2020	2,068		
Shipping containers				38,955	
	2004	2012	24,259		
	2008	2016	3,864		
Freight railcars				128,470	
	2010	2013	40,116		
	2006	2016	14,530		
	2008	2018	34,269		
	2011	2021	16,343		
TOTAL			**151,464**	**464,294**	**32.6%**

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

The security and guarantees are issued by the parent company in return for bank loans granted to its subsidiaries.

(€ thousands)	below 1 year	1 to 5 years	+ 5 years	TOTAL
Guarantees given to banks in return for loans used by subsidiaries	12,893	122,224	106,052	241,169

Outstanding loans in respect of these commitments granted to subsidiaries totalled ¤151,108,000 at December 31, 2011.

The security and guarantees granted by TOUAX SCA are listed in section 7.2 page 35.

note 29. Additional information on capitalised finance leases

(€ thousands)	Lease equipment	2011
ORIGINAL VALUE	183,431	183,431
Amortization for the period	8,119	8,119
CUMULATIVE AMORTIZATION	29,513	29,513
NET BOOK VALUE	**153,918**	**153,918**

(€ thousands)	Future payments (min.)		Interest	Present value of future payments	Residual value
	Leasing equipment	TOTAL 2011			
2012	24,964	24,964	5,300	19,664	
2013	24,452	24,452	4,279	20,172	52
2014	22,666	22,666	3,241	19,425	135
2015	19,951	19,951	2,286	17,665	122
2016	15,898	15,898	1,451	14,446	578
2017	9,866	9,866	870	8,996	60
+ 5 years	14,185	14,185	775	13,410	2,123
TOTAL	**131,981**	**131,981**	**18,202**	**113,779**	**3,070**

note 30. Other information

note 30.1. Additional information concerning the Modul Finance I EIG (now a general partnership)

In December 1997 and during the 1998 financial year, the TOUAX Group carried out asset-backed securitization by selling 7,869 modular buildings worth €42m to Modul Finance I, an Economic Interest Grouping (EIG) registered in France. Investors belonging to the EIG initially held a 90% interest and the Group held the remaining 10%.

The investment by the Modul Finance I EIG was financed as follows:

- Issue of Redeemable Subordinated Securities (TSR) for a total of €10.5m, 90% of which were subscribed for by an institutional investor and 10% by TOUAX SCA,
- Subscription of a senior debt of €32.6m repayable over 10 years at the 3-month Euribor + 1.8%.

Under an operational management contract the EIG commissioned the Group to manage, lease out and in general operate the modular buildings. As agent, the Group receives lease payments from its customers, pays operating expenses directly to suppliers, and arranges within ninety days of the end of each quarter to pay the net distributable leasing income to the principal, Modul Finance I EIG.

In 1999, Modul Finance I EIG renegotiated its debt in order to receive more advantageous financial conditions. The operational management contract with the Group was renewed for 13 years and six months.

Since the Group had 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, it was not included in the consolidation perimeter until December 31, 2010.

Management of Modul Finance I EIG's modular buildings had the following impact on the Group's accounts in 2010 and 2009:

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

(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
Deposit		
Loan to a company incorporated in Luxembourg	1,260	1,260
Recognized in Consolidated Financial Fixed Assets	1,260	1,260
Deferred payments	303	292
Recognized in Other Non-Current Assets	303	292
RECOGNIZED IN CONSOLIDATED ASSETS	**1,563**	**1,552**
Deferred Income		
Recognized in Other Non-Current Liabilities		
Net leasing income due to the EIG (Q4)	208	232
Recognized in Consolidated Operating Liabilities	208	232
RECOGNIZED IN CONSOLIDATED LIABILITIES	**208**	**232**

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 (€1.9 million), which had been booked as a non-current liability, was cancelled. In 2007, part of the Group's deferred income from the EIG was written down by €0.3 million. In 2009, the Group's deferred income from the EIG was written down again by €1 million.

On 14 January 2011 the TOUAX Group indirectly acquired a majority stake in the senior debt of the Modul Finance I EIG, represented by A units of the Moduloc private-debt fund. Holders of A units in the private-debt fund sold their units to a company incorporated in Luxembourg, HPMF, which financed this acquisition by issuing bonds. The TOUAX Group applied for 85% of the bonds issued, for a total of €7,048,000. At the same time, TOUAX sold its interest in the Module Finance I EIG and as a result no longer belongs to the EIG. Since the TOUAX Group bore most of the risks and received most of the benefits linked to operation of the EIG's assets, the EIG is fully consolidated at 31 December 2011. However, the EIG's results are fully recognized as a minority shareholding, since the TOUAX Group does not have any stake in this entity.

➜ note 30.2. Further details regarding the Trust TCLRT 98

On December 16, 1998, the Group conducted a second asset backed securitization operation, this time for shipping containers, in the form of a trust registered in Delaware (USA), by the name of TOUAX Container Lease Receivables Trust TCLRT 98. This Trust was entirely financed by investors outside the Group (Indenture Agreement) through the issue of a senior debt (Senior Notes) and a subordinated debt (certificates) used to fund the purchase of shipping containers with a total value of $40.4 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, Trust 1998's assets were sold; 85% (12,006.5 CEU) was purchased by investors and 15% (2,095.5 CEU) by Gold Container Investment Ltd.

The leasing of the Trust's containers by Gold Container had the following effects on the Group's accounts in 2009 and 2008; at December 31, 2011 there were no longer any containers belonging to Trust 98:

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

(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.

Distributions to the Trust correspond to the net revenues from operating the containers after deducting Gold Container Corp.'s management fee which totalled €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.

➜ 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 Delaware (USA), by the name of TOUAX Lease Receivables Master Trust 2000-1 referred to below as Trust 2000. During a preliminary period known as the "Warehouse period" from October 27, 1999 to December 31, 2001, Trust 2000 was financed entirely by a European bank which subscribed for the notes and certificates issued to finance the purchase of shipping containers for a total value of $46.5 million.

Trust 2000 was permanently wound up in December 2001 by refinancing of the commitments of the bank which had subscribed for the initial notes and certificates. This refinancing required the setting up of a replacement trust, Trust 2001 (TLR Master Trust 2001) which bought Trust 2000's assets. In February 2002, all outstanding credits and debts between these Trusts and the Group were settled.

At December 31, 2011, the fleet belonging to Trust 2001 comprised 8,875 containers (2,233 20' dry cargo units; 3,589 40' dry cargo units and 3,053 40' high cube units) representing 10,311 TEU size, as well as 144 railcars.

On January 27, 2012 the Group decided to buy back Trust 2001's assets at the market price.

In addition to the 3.5 million US Dollars advanced by the Group, at end December 2011, Trust 2001 had a senior debt (notes) of $7.2 million, and equity of $14.1 million.

Gold Container's leasing of the Trust's containers had the following impact on the Group's accounts:

RECOGNIZED IN THE CONSOLIDATED INCOME STATEMENT *(€ thousands)*	2011	2010	2009
Leasing revenues from equipment belonging to Trust 01	1,815	2,403	3,757
Revenues from equipment sold belonging to Trust 01	219	3,548	3,654
Recognized in Consolidated Revenues	**2,034**	**5,951**	**7,411**
Operational expenditure for equipment belonging to the Trust [1]	(276)	(551)	(1,495)
Recognized in Consolidated Purchases and Other External Expenses		**(551)**	**(1,495)**
Distributions to the Trust[2] in respect of leasing income	(1,375)	(1,658)	(2,004)
Distributions to the Trust [2] in respect of equipment sold belonging to Trust 2001	(186)	(3,571)	(3,654)
Recognized in Consolidated Leasing Income Due to Investors	**(1,561)**	**(5,229)**	**(5,658)**
TOTAL MANAGEMENT COMMISSION DUE TO THE GROUP [3]	**198**	**171**	**258**

(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 totalled €1,561 at December 31, 2011.

(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)*	2011	2010	2009
Liquidity reserve [4]	402	389	433
Recognized in Consolidated Financial Fixed Assets	**402**	**389**	**433**
Other trade receivables [5]	4	4	4
RECOGNIZED IN CONSOLIDATED ASSETS	**406**	**393**	**437**
In other long-term financial liabilities			
Leasing income due to the Trust [6]	397	497	290
Revenues from total loss due to the Trust	37	78	159
Revenues from sales of Trust containers [7]	53	1,233	2,679
Recognized in Consolidated Operating Liabilities	**487**	**1,808**	**3,128**
RECOGNIZED IN CONSOLIDATED LIABILITIES	**487**	**1,808**	**3,128**

(4) Following the creation of Trust 2001, the security deposits provided on behalf of Trust 2000 were repaid in 2002. The security deposits provided for Trust 2001 amount to €2.1 million discounted ($3m undiscounted). This security deposit was fully written down 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 €402 thousand ($520 thousand, undiscounted) that TOUAX SCA established in favour of Trust 2001, guaranteed by a deposit in a bank account, repayable at the end of the Trust's lifetime.

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

(6) The leasing income corresponds to the net income still to be paid to the Trust at the end of each half-year. The Group pays the Trust monthly down payments on the future distributions.

(7) The income from sales of containers corresponds to the proceeds from sales of the Trust's containers which the Group will have to transfer to the Trust on receipt.

20.2. Financial Statements

The various financial statements are detailed in section 20.1 page 48 for the consolidated financial statements.

20.3. Auditorship

20.3.1. Statutory Auditors' report on the consolidated financial statements

Financial year ended 31 December 2011

To the shareholders,

In accordance with the engagement entrusted to us by your General Meeting, we present our report on the fiscal year to December 31, 2011 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.

Our audit of the consolidated financial statements produced by TOUAX SCA as appended to this report.

➜ I. The reasons for our assessment

We conducted our audit in accordance with professional standards applicable in France. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis as well through the use of other methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting policies used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We certify that the consolidated financial statements comply with the IFRS as adopted within the European Union, and give a true and fair view of the assets, financial situation and earnings of the Group which is made up of the persons and entities included within the scope of consolidation.

Without questioning the opinion given above, we draw your attention to Note 1.1 which indicates the change of presentation of the revenue and sales costs relating to sales of secondhand equipment belonging to investors.

➜ II. Basis of our assessments

In application of the terms of Article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby inform you that our assessments cover the appropriateness of the accounting methods used and we bring to your attention the following information:

- Notes 1.6, 1.8, 1.9 and 1.18 in the Notes to the Consolidated Financial Statements specify the evaluation methods, the key assumptions, and the valuations used by management for the principal long-term assets. We examined management's process for determining and applying its assumptions, as well as the information provided in the Notes.

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.

➜ III. Specific verification

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, 30 March 2012

The Statutory Auditors

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

20.3.2. Special report of the Statutory Auditors on the regulated agreements and commitments

Financial year ended 31 December 2011

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 responsibility, based on the information we have received, to inform you of the essential features and conditions of the agreements and commitments we were informed about of or have discovered during our mission, without expressing our opinion on the use or value thereof, nor searching for the existence other agreements and commitments. It is your responsibility, according to the terms of article R. 226-2 of the French Commercial Code, to assess the interest of the implementation of these agreements and commitments in view of their approval.

➜ *AGREEMENTS AND COMMITMENTS SUBJECT TO APPROVAL OF THE GENERAL MEETING*

Pursuant to article L.226-10 of the French Commercial Code, we were informed of the following agreements and commitments subject to previous approval of your Supervisory Board.

❙ Supervisory Board meeting June 27, 2011

- Your company signed a commercial lease with SCI FRANKLIN concerning the lease of its headquarters for an annual rent of €390 ex-VAT and HC/sq. meter, as well as an archives room and eight parking spots. Mr. Fabrice and Raphaël Walewski have an interest in this agreement as they are partners and managers of the SCI.

➜ *AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE GENERAL MEETING*

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

Pursuant to article R. 226-2 of the French Commercial Code, we were informed that the execution of the following agreements and commitments, approved by the General Meeting during previous years, continued during the most recent year.

A fiscal integration agreement was concluded between TOUAX SCA and its subsidiaries TOUAX Construction Modulaire SAS, TOUAX Containers Services SAS, TOUAX River Barges SAS, TOUAX Solutions Modulaires SAS and TOUAX Corporate SAS.

- each subsidiary recognizes in its accounts the income tax expense as if it was taxed separately.
- the parent company TOUAX SCA recognizes as an expense or as income the difference between the group's tax liability and the total income tax expense booked by the subsidiaries.

This amount totaled €235,596 for 2011, and, in the absence of group tax debt consolidated for tax purposes, it represents tax income recognized for this amount in TOUAX SCA.

We have taken the due care we deemed necessary in terms of our professional policies and the National Company of Chartered Accountants (Compagnie Nationale des Commissaires aux Comptes) in the execution of this mission. This due diligence involved verifying the consistency of the information given to us with the basic documents from which it was extracted.

Paris and Neuilly-sur-Seine, 30 March 2012

The Statutory Auditors

LEGUIDE NAÏM & ASSOCIES — DELOITTE & ASSOCIES

Charles LEGUIDE — Alain PENANGUER

20.3.3. Fees of the statutory auditors

(€ thousands)	Deloitte & Associés				Leguide Naïm & Associés				Other networks			
	Amount		%		Amount		%		Amount		%	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
AUDIT												
Auditorship, certification, inspection of indivual and consolidated financial statements	**370**	**359**	**84%**	**84%**	**72**	**72**	**100%**	**100%**	**58**	**84**	**100%**	**100%**
TOUAX SCA	96	93	22%	21%	40	40	56%	56%				
Consolidated subsidiaries [1]	274	266	62%	61%	32	32	44%	44%	58	84	100%	100%
Other controls and services directly connected with the audit engagement	**70**	**69**	**16%**	**16%**								
TOUAX SCA	27	27	6%	6%								
Consolidated subsidiaries	43	42	10%	10%								
Subtotal	440	428	100%	98%	72	72	100%	100%	58	84	100%	100%
Other services provided by audit firms to fully-consolidated subsidiaries												
Legal, tax & social security services												
Other services		9										
Subtotal		9										
TOTAL	**440**	**437**	**100%**	**100%**	**72**	**72**	**100%**	**100%**	**58**	**84**	**100%**	**100%**

20.4. Date of the last financial information

The last fiscal year for which the financial information has been audited ended on December 31, 2011.

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 10, 2012 the company paid an interim dividend of €0.50 per share. The Managing Partners will propose to the General Meeting of June 15, 2012 a dividend for fiscal year 2011 of €1 per share.

Dividends that remain unclaimed five years after the payment date will lapse and be paid to the state.

20.6.1 Dividend history

Fiscal year *(in €)*	Date of payment	General partners's statutory compensation	Dividend per share	number of dividend-bearing shares	TOTAL of the distribution
2008	12 January 2009		0.50	4 670,358	2,335,179
2008	9 July 2009	1,040,550	0.50	2,820,814 [1]	2,450,957
TOTAL 2008					**4,786,136**
2009	12 January 2010		0.50	5,680,106	2,840,053
2009	9 July 2010	915,627	0.50	5,686,088	3,758,671
TOTAL 2009					**6,598,724**
2010	11 January 2011		0.50	5,691,522	2,845,761
2010	8 July 2011	935,798	0.50	5,697,901	3,784,749
TOTAL 2010					**6,630,510**

(1) out of a total of 4,675,703 shares, 1,854,889 shares having opted for payment of the dividend in shares, as decided by the General Meeting of June 10, 2009

20.7. Legal and arbitration proceedings

No governmental, legal or arbitration proceedings (including all proceedings that the Group is aware of that are pending or with which it is threatened) have had or could have material effects on financial situation or profitability of the Group in the last twelve months.

20.8. Significant changes in the financial or trading situation

No significant change has taken place in the Group's financial or trading situation since the end of the last fiscal year for which audited financial statements have been published.

21. Additional information

21.1. Share capital

History of the share capital at December 31, 2011

Year	Share capital (€)	Issue premium (€)	Accumulated number of shares	Par value	Transactions
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
2011	45,573,048	19,073	5,696,631	€ 8	Issue of 980 shares following exercise of 3,764 redeemable stock warrants
	45,765,992	294,527	5,720,749	€ 8	Exercise of 24,118 stock options

Information concerning issue authorizations in force at December 31, 2011

The General Meeting of Shareholders of June 27, 2011, with the unanimous agreement of the General Partners, has delegated the following issue authorizations to the Management Board.

Description of the authorization	authorization date	Expiration date	Maximum amount athorized [1]	utilization during the fiscal year	Total amount unused
Increase of the share capital by issuing shares and/or securites giving either immediate or future access to company's share capital with preferential rights	Combined shareholders' meeting of 27 June 2011 (18th resolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2011	nil
Increase of the share capital by issuing shares and/or securites giving either immediate or future access to company's share capital without preferential rights through a public offering and with priority delay	Combined shareholders' meeting of 27 June 2011 (19th resolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2011	nil

(1) The ceiling of € 20,000,000 is the maximum amount authorized for all capital increases par value.

These authorizations cancel any previous delegations for the same purpose.

All financial instruments giving access to capital resulting in dilution are presented in section 17 page 43 of this document.

21.1.1. Subscribed capital

The share capital is fully subscribed and paid-up.

21.1.2. Securities not representing capitall

There are no securities not representing capital.

21.1.3. Composition of the capital

At December 31, 2011 the capital comprised 5,720,749 fully paid-up shares with a par value of €8, representing 6,394,052 voting rights. A breakdown of TOUAX SCA's capital and voting rights is detailed in section 18.1 page 45.

21.1.4. Potential capital

The stock options and stock warrants granted by TOUAX SCA are detailed in section 17.2 page 44 as well as in the notes to the consolidated financial statements section 20.1 page 48, note 21.

21.1.5. Unpaid capital

Not applicable

21.1.6. Conditional or unconditional agreements

Not applicable

21.1.7. Capital history

Cf. paragraph 21.1 page 105.

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. It was transferred to the Second Market on June 14, 1999. TOUAX was listed in Paris on NYSE Euronext in compartment C on January 26, 2012, after being listed in compartment B throughout 2011. TOUAX has been included on the CAC® Small and CAC® Mid & Small indexes since 2011, and on the SRD Long-Only since 2012.

21.2.2. The TOUAX share price

At the end of 2011 the TOUAX share was worth €21.80, down 26.08% compared with the price on December 31, 2010 (€29.49). The highest price of the year was €32.99 on May 20, 2011 and the lowest price was €19.60 on November 29, 2011.

The Group's market capitalization on December 31, 2011 was €124,712,328.

(in €)	**2011**	2010	2009	2008	2007
Consolidated figures					
Net dividend per share distributed during the year	1.00	1.00	1.00	1.00	0.75
Total dividend distributed during the year	5 694,712	5,683,097	4,675,703 [1]	3,892,987	2,914,139
Dividend increase	0.20%	22%	20%	34%	11%
Total number of shares at December 31	5,720,749	5,695,651	5,687,826	4,682,971	3,897,704
Share price ratios					
Net earnings per share	2.35	2.33	2.73	3.72	3.01
P/E ratio [2]	9.28	12.64	8.94	4.79	13.35
Total return on the share [3]	4.59%	3.39%	4.48%	5.80%	1.87%
Share price data					
Maximum share price	32.99	29.49	24.97	40.60	41.99
Minimum share price	19.60	17.13	14.45	16.63	22.50
Share price at December 31	21.80	29.49	22.30	17.25	40.19
Market capitalization at December 31 (€m)	124.71	167.82	126.84	80.78	156.65
Average daily volume of transactions (€ thousands)	116.73	99.01	97.60	158.76	209.49
Average daily number of shares traded	4,177	4,115	5,002	4,968	6.177

(1) This sum takes into account the share of the dividend paid in shares, as decided by the General Meeting of June 10, 2009.

(2) Price/earnings ratio.

(3) The total return of the share for each year is calculated on the basis of the price at December 31.

The Management Board proposed to the General Meeting of 15 June 2012 to distribute a dividend of €1 per share.

21.2.3. Trading levels over the last eighteen months

The TOUAX share is listed on NYSE EURONEXT, ISIN code FR0000033003 – Reuters TETR. PA – Bloomberg TOUPFP equity.

(in €)	Highest price	Lowest price	Last price	Number of securities traded	Amount of capital traded *(€ thousands)*
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
March 2011	31.97	26.20	27.95	71,998	2,117.28
April 2011	31.20	26.40	31.15	239,215	7,095.00
May 2011	32.99	30.91	32.24	128,932	4,088.80
June 2011	32.35	29.75	31.00	47,719	1,484.66
July 2011	31.47	28.40	28.75	70,509	2,104.99
August 2011	29.00	22.00	22.23	92,238	2,181.04
September 2011	23.00	21.15	22.00	113,213	2,492.92
October 2011	24.18	21.47	23.86	34,775	729.11
November 2011	23.87	19.60	20.00	50,116	1,058.79
December 2011	22.35	20.01	21.80	24,549	519.90
January 2012	22.00	20.00	20.90	44,565	929.69
February 2012	25.49	20.80	25.49	94,291	2,247.69

21.2.4. Strict conditions for altering shareholders' rights

Not applicable

21.2.5. Conditions governing General Meetings

Cf. paragraph 21.3 concerning the extract dedicated to General Meetings on page 108.

21.2.6. Provisions restricting change of control

Cf. paragraph 21.3 page 108.

21.2.7. Crossing of thresholds

See section 21.3 concerning the extract dedicated to exceeding thresholds on page 108.

21.2.8. Strict provisions restricting changes in the share capital

Not applicable

21.3. Provisions of the articles of association (extracts)

Form (Article 1)

The joint-stock company named "TOUAX SGTR-CITE-SGT-CMTE-TAF-SLM Touage Investissement réunies," whose 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 2011, article 6 "share capital" of the articles of association was modified after exercise of redeemable share subscription warrants and exercise of stock-options. Articles 12.4 and 18.3 were modified by the General Meeting of June 27, 2011.

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 a member of the Group and including provisions imposing on any member of the Group a significant obligation or commitment for the Group as a whole, at the date of 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 expertss

Not applicable

24. Documents accessible to the public

For the period of validity of the present reference document in accordance with Articles 22-1 et seq. of the General Regulations of the French Financial Markets Authority (AMF), the Articles of Association, the auditors' reports and the 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. In addition it should be noted that the reference documents including the financial statements and auditors' reports are available online on the Group's website (www.touax.com).

In accordance with Article 222-7 of the General Regulations of the AMF, the information published or made public by the company during 2011 to comply with stock market regulations is listed below. This list is also available on the company's website (www.touax.com) and on the AMF's website (www.amf-france.org).

25. Information regarding holdings

The Group directly owns a significant subsidiary, GOLD Container Leasing Pte Ltd, a company incorporated in Singapore. Key figures for this company are given in section 7.2 page 35.

The Group directly owns a significant Irish-registered subsidiary, TOUAX Rail Ltd. Key figures for this company are given in paragraph 7.2 page 35.

All the Group's shareholdings are set out in the Notes to the consolidated financial statements note 2.2 page 64.

26. Reports of the managing partners

26.1. Management board report

Dear Shareholders,

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

- a fleet shipping containers of about 495,000 TEU (measurement of container size in twenty foot equivalent units) all over the world, making the Group the market leader in continental Europe, and in 9th position worldwide (source: Drewry Container Leasing Industry - 2012),
- modular buildings for use as offices, schools, hospitals etc., used by industry, local authorities and the construction industry. TOUAX is the 2nd largest leasing company in continental Europe, with a stock of nearly 49,000 units in Europe and the USA (source: TOUAX),
- river barges intended for leasing in Europe, the USA and South America. The Group is one of the leading players in the world (source: TOUAX),
- freight railcars used for transporting goods on the railway networks and by big industrial groups in Europe and the USA. The Group manages a fleet of about 8,700 railcars.

TOUAX is ideally placed to cater for the rapid growth in outsourcing by companies of their non-strategic assets and their use of leasing, which makes it possible to offer:

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

Since TOUAX is a partnership limited by shares (SCA), it is stated that the decisions of the shareholders, apart from those relating to the appointment and dismissal of members of the Supervisory Board, only enter into force and become enforceable against the shareholders, the company and third parties, once it has been ascertained that the decision of the General Partners complies with the vote of the General Meeting of limited partner shareholders.

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 2011 consolidated financial statements and comparatives have been prepared according to IFRS, in accordance with the regulations in force.

➜ Changes in the scope of consolidation

There were no changes, apart from the inclusion in the consolidation perimeter of the Modul Finance I general partnership (SNC) (formerly an EIG) in 2011. All of the companies were fully consolidated at December 31, 2011, apart from SRFRL.

➜ Presentation of the Group's 2011 business activity

The Group's consolidated revenue amounted to €335.8 million compared to €302.4 million in 2010, i.e. an increase of €33.4 million (+11.1%).

General analysis

Operating revenue by type (€ thousands)	2011	2010	Variation 2011/ 2010	%
Leasing revenues	221,419	207,787	13,632	7%
Sales of equipment and misc.	114,395	94,606	19,789	21%
TOTAL	**335,814**	**302,393**	**33,421**	**11.1%**

Analysis by business

Operating revenues by business (€ thousands)	2011	2010	Variation 2011/ 2010	%
SHIPPING CONTAINERS	**126,399**	**127,969**	**(1,570)**	**-1%**
Leasing revenues	76,937	78,245	(1,308)	-2%
Sales of equipment	49,462	49,723	(261)	-1%
MODULAR BUILDINGS	**111,836**	**96,508**	**15,328**	**16%**
Leasing revenues	82,090	73,535	8,555	12%
Sales of equipment	29,746	22,973	6,773	29%
RIVER BARGES	**23,540**	**22,310**	**1,230**	**6%**
Leasing revenues and transport	20,370	21,178	(808)	-4%
Sales of equipment	3,170	1,132	2,038	180%
FREIGHT RAILCARS	**73,955**	**55,552**	**18,403**	**33%**
Leasing revenues	41,938	34,773	7,165	21%
Sales of equipment	32,017	20,779	11,238	54%
Other (sundries and eliminations)	**84**	**55**	**29**	**53%**
TOTAL	**335,814**	**302,394**	**33,420**	**11,1%**

Analysis by geographical area

Operating revenues by geographical zone (€ thousands)	2011	2010	Variation 2011/ 2010	%
International	126,399	130,071	(3,672)	-3%
Europe	201,953	166,538	35,415	21%
USA	7,462	5,784	1,678	29%
TOTAL	**335,814**	**302,393**	**33,421**	**11.1%**

For the Modular Building, River Barges, and Freight Railcars divisions, the location of the services, markets and customers remained the same. For the Shipping Containers division, the location of the customers and assets was 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 €33.4 million increase in revenues (+11 %) has the following breakdown:

Shipping Containers Division

The revenue of the Shipping Containers division fell slightly by 1.2% due to the currency effect, but grew by 3.6% in constant dollars. There was high demand from shipping companies for containers throughout the year, and the average utilization rate in 2011 was 97%. The daily rates continued to rise in 2011. In constant dollars, sales of containers to investors increased by 4.4% compared with 2010. The Group signed major syndication agreements in Q1, Q2 and Q4.

Modular Buildings Division

The revenue of the Modular Buildings division was up 16%. Growth was driven by an increase in sales of 29.5% in 2011 as a result of TOUAX's expansion into new market segments in Europe, and the positioning that TOUAX has maintained for several years. The leasing business (up 11.6%) continued to grow on the whole compared with 2010 thanks to an increase in daily rates and the utilization rate. The dynamism of the Central Europe zone as well as Germany and France offset lower results in countries where market conditions are more difficult. The division managed to conquer new markets in a difficult European context, and continues to diversify its businesses, markets and products.

River Barges Division

The revenue of the River Barges division was up 6%. The temporary fall in leasing revenue was due to the gradual shutdown of the transport business in favour of strategic refocusing of the division towards leasing. The utilization rate of the Group's fleet is almost 90% at 31 December, the fleet being leased to manufacturers or logistics groups. Demand for river barges is strong in all basins where TOUAX is present. The Group achieved sales of equipment totalling €3.2 million compared with €1.1 million in 2010.

Freight Railcars Division

The revenue of the Railcars division was up 33%. This increase was mainly due to the rise in sales to investors in Q4 compared with 2010 when there were fewer syndications. The increase in leasing revenues of 20.6% was due to growth in the fleet in certain buoyant segments. However the tonnage transported by rail in Europe has not regained its pre-crisis levels, which curbed the increase in leasing revenues for the existing fleet in 2011.

➜ *Results*

(€ thousands)	**2011**	2010	Variation 2011/ 2010
SHIPPING CONTAINERS			
Gross operating margin (EBITDA)	57,322	53,755	3,567
Segment result before distribution to investors	56,208	52,525	3,683
Leasing income due to investors	(50,319)	(46,938)	(3,381)
Segment current operating income	5,889	5,587	302
MODULAR BUILDINGS			
Gross operating margin (EBITDA)	38,410	35,666	2,744
Segment result before distribution to investors	19,925	19,336	589
Leasing income due to investors	(2,008)	(3,065)	1,057
Segment current operating income	17,917	16,271	1,646
RIVER BARGES			
Gross operating margin (EBITDA)	6,388	5,109	1,279
Segment result before distribution to investors	3,266	2,104	1,162
Leasing income due to investors		(23)	23
Segment current operating income	3,266	2,081	1,185
FREIGHT RAILCARS			
Gross operating margin (EBITDA)	16,238	16,177	61
Segment result before distribution to investors	13,122	13,192	(70)
Leasing income due to investors	(8,787)	(7,582)	(1,205)
Segment current operating income	4,335	5,610	(1,275)
TOTAL			
Gross operating margin (EBITDA)	118,358	110,707	7,451
Segment result before distribution to investors	92,596	87,577	5,019
Leasing income due to investors	(61,114)	(57,609)	(3,505)
Segment current operating income	31,408	29,549	1,859
Other (sundries and centrally-managed costs)	**74**	**419**	**(345)**
Other operating revenues and expenses			
Operating result	**31,482**	**29,967**	**1,515**
Financial result	(14,434)	(12,715)	(1,719)
Shares for profit/(loss) of associates	37	29	8
Profit before tax and extraordinary items	**17,085**	**17,280**	**(195)**
Taxes	(4,135)	(4,001)	(134)
CONSOLIDATED NET INCOME	**12,950**	**13,280**	**(330)**
Minority interests	485	(6)	491
NET INCOME (GROUP'S SHARE)	**13,435**	**13,274**	**161**

Shipping Containers Division

On December 31, 2011 the Shipping Containers division posted an increase of ¤3.5 million EBITDA (+6.6%) and a 5.4% increase in the segment current operating income. The variation is explained by tightly controlled operational expenditure set against a slight downturn in revenue.

Modular Buildings Division

The gross operating margin of the Modular Buildings division rose by €2.7 million in 2011 (i.e. 7.7 %). The margin rose thanks to the development of sales and the increase in the fleet, as well as effective control of operational expenses. The segment current operating income rose by €1.6 million.

River Barges Division

The gross margin of the River Barges division increased by €1.3 million (i.e. 25%) in 2011 and the segment current operating income rose by €1.2 million (i.e. 57%). These increases were mainly due to the sales achieved by the division.

Freight Railcars Division

The gross operating margin of the Railcars Division was stable in 2011. The segment current operating income fell by €1.3 million. This decrease was due to an increase in distributions to investors and in equipment maintenance and repair costs related to bringing the equipment back into service.

Distribution to investors

The Group manages equipment belonging to investors, to whom it distributes the net income generated by this equipment (i.e. the distribution to investors).

Distributions to investors totalled €61.1 million (compared with €57.6 million in 2010), broken down as follows:

- €50.3 million for the Shipping Containers Division,
- €2 million for the Modular Buildings Division,
- €8.8 million for the Freight Railcars Division.

The overall increase in distributions to investors is the result of the increased profitability of some of the managed equipment due to the rise in utilization rates and daily prices, and the increase in managed assets from €1.4 billion to €1.5 billion in 2011.

It should be noted that the leasing revenues include both rents received on behalf of third parties and rents belonging to the Group. It is not 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 ratio of leasing revenue/revenue from sales, together with the variation in the ratio of leasing revenue on behalf of third parties/leasing revenue belonging to the Group, produces the variation in the rate of distribution of the revenues. In other words, the higher the level of leasing revenue received on behalf of third parties, the higher the rate of distribution of the revenue. In 2011, 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 2011 the Group managed equipment worth almost €1.5 billion, 63% of which belonged to third parties. In 2010 the Group managed equipment worth €1.4 billion, of which 63% belonged to third parties. The percentage of total leasing revenues distributed to investors remained stable, increasing from 27.7% in 2010 to 27.6% in 2011.

Current operating income

Current operating income was up 5.1% compared with 2010.

This increase is mainly due to a rise in the utilization rates and/or leasing rates in most of the divisions, as well as to the increase in sales of equipment to investors by the Shipping Containers and Freight Railcars divisions as well as to end customers by the Modular Buildings and River Barges divisions. Operating expenses rose in proportion and general operating expenses and centrally-managed costs increased compared with 2010.

Financial results

The financial result showed a loss of €14.4 million. The gross financial debt at December 31, 2011 amounted to €364 million with an average interest rate of 3.78 % before hedging and 3.79% after hedging. The gross financial debt at December 31, 2010 amounted to €331.7 million with an average interest rate of 3.74%.

Net income, Group's share

The income tax expense amounted to €4.1 million in 2011 compared with €4 million in 2010. The effective tax rate in 2011 was up at 24.2 % compared with 23 % in 2010. The Group's tax rate is low, 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%), and the Netherlands (20%).

The Group's share of consolidated net income was €13.4 million, up 1.2% compared with the profit for 2010 (€13.3 million).

Net earnings per share amounted to €2.35 (compared with €2.33 in 2010), for a weighted average number of shares of 5,713,220 in 2011.

➜ Group consolidated balance sheet

The consolidated balance sheet totalled €606.6 million in 2011 compared with €568.4 million in 2010.

Non-current assets totalled €411 million compared with €378 million in 2010, and shareholders' equity totalled €147 million compared with €140 million. The increase in non-current assets reflects the proprietary acquisitions of new equipment that were partly self-financed, with the balance financed by bank loans.

Non-current liabilities amounted to €254 million, up €19.4 million compared with €234.6 million in 2010. Consolidated net financial indebtedness (after deducting cash and marketable securities) amounted to €320 million in 2011 compared with €293 million in 2010. The debt, as well as the cash flows generated by the businesses made it possible to finance new investments totalling €72.5 million.

➜ Foreseeable changes

Although it is moderate, the forecast for growth in world trade is 3.3% in 2012 (source: IMF, January 2012). In this context, thanks to the strength of its economic model based on long-term contracts and diversified businesses, in particular in emerging countries, TOUAX anticipates continued growth in 2012.

Shipping Containers: according to the latest forecasts by Clarkson Research Services, (January 2012), growth in containerized transport is estimated at 7.7% in 2012 driven by growth in north-south traffic in particular to Africa (+9.5%) and inter-Asia traffic (+9%). The Group therefore anticipates demand for containers from shipping companies, growth in its rental fleet and syndications, and utilization rates that should remain high.

Modular Buildings: The leasing and sales businesses should continue to grow in most countries where the Group is present. TOUAX has developed new products intended for sale in high-potential markets such as site facilities intended for export etc. The division also intends to expand in emerging countries in order to take advantage of development opportunities.

River Barges: in 2012 the Group will benefit from its conversion into a river equipment leasing company in the basins where it is present. Demand for river transport equipment remains high due to the increasing need for raw materials and agricultural products, since barges are the most environment-friendly and economical means of transport for certain types of products. To support its growth, TOUAX will choose to invest in high-potential zones. The Group has started to trade in river transport equipment, which is highly complementary to its leasing business, and expects significant growth in its sales of barges in 2012.

Freight railcars: the Group has noted a recovery in the American rail market linked to the energy and agricultural sector, and will increase its rental stock there. Selective investments will be made in Europe according to demand. The Group is also considering extending its businesses to other geographic zones.

In addition, the TOUAX Group has the benefit of advantages that enable it to develop and make the most of the economic recovery: diversification of its businesses, positioning in structurally buoyant markets, flexible model of third-party asset management and proprietary asset management, and recurring income from long-term leases.

An additional presentation of the Group's outlook presented at the SFAF meeting on April 2, 2012 is provided in section 28.6 page 142.

➜ *Post-balance sheet events*

TOUAX paid an interim dividend totalling €2.85 million on January 10, 2012.

➜ *Research and development activity*

During the 2011 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 totalling €0.3 million, 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 revenue of TOUAX SCA amounted to €2.7 million in 2011 compared with €1.7 million in 2010. Consultancy services provided by TOUAX to its subsidiaries increased in 2011 due to an increase in business by the subsidiaries. The net return amounted to €4.6 million compared with €5.4 million in 2010. Its income mainly comprised dividends received from subsidiaries which amounted to €5.1 million, and financial revenue generated by the loans granted to its subsidiaries. The balance sheet of TOUAX SCA totalled €261.2 million compared with €238.4 million in 2010. 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 €195 thousand. These expenses mainly correspond to exchange gains (€58,000), the provision for pension obligations (€72,000), the contribution to the National Independent Old-Age Insurance Fund for Self-Employed Persons in Manufacturing or Trading Occupations (ORGANIC) and expenses for private passenger type vehicles.

The company does not have R&D business activities.

The principal role of TOUAX SCA is to provide consultancy services to its subsidiaries, and since business is forecast to improve in 2012, this should have a favourable impact on the business of TOUAX SCA.

The financial debt of TOUAX SCA amounted to €158.5 million, including a bond issue totalling €40.5 million, compared with €145.2 million at December 31, 2010.

The businesses of the company's main subsidiaries are detailed in the reference document in sections 6.1.1 page 32 and 7.2 page 35. TOUAX SCA did not acquire any significant holdings in 2011.

➜ 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. It paid an interim dividend of €0.50 per share on January 10, 2012.

Dividends unclaimed for five years are paid to the deposit and consignment office by the body responsible for dividend distribution. The dividend history is set out in section 20.6.1 page 104 of the reference document.

FISCAL YEAR *(in €)*	Date of payment	General partners' statutory compensation	dividend per share	d'actions of shares (excluding treasury shares)	TOTAL of the distribution
2008	12 January 2009		0.50	4,670,358	2,335,179
2008	9 July 2009	1,040,550	0.50	2,820,814 (1)	2,450,957
TOTAL 2008					**4,786,136**
2009	12 January 2010		0.50	5,680,106	2,840,053
2009	9 July 2010	915,627	0.50	5,686,088	3,758,671
TOTAL 2009					**6,598,724**
2010	11 January 2011		0.50	5,691,522	2,845,761
2010	8 July 2011	935,798	0.50	5,697,901	3,784,749
TOTAL 2010					**6,630,510**

(1) out of a total of 4,675,703 shares, 1,854,889 shares having opted for payment of the dividend in shares, as decided by the General Meeting of June 10, 2009

➜ Post-balance sheet events

The company paid an interim dividend totalling €2.85 million on January 10, 2012.

➜ Appropriation of the result

The management board will propose the following appropriation of the result to the next General Meeting on June 15, 2012:

Net profit of the 2011 fiscal year	4,589,884.06 €
Less General Partners' statutory compensation	(980,514,.82) €
Less the allocation for the legal reserve	(229,494.20) €
Increased by the positive retained earnings	66,860.38 €
For a total of distributable profit of	**3,446,735.42 €**
Distribution of a total amount of €1 per share	5,911,817.00 €
given that:	
An interim dividend has been paid out for	2,857,250.00 €
The balance of the dividend of €0.50 is set for	3,054,567.00 €
And decides to allocate the balance to the retained earnings	195,236.07 €
Total amount of the 2011 dividend distributed, i.e.	5,911,817.00 €
will be distributed as follows:	
- €0.55 per share to be paid out of the distribuable 2011 profit, for	3,251,499.35 €
- €0.45 per share to be paid out of the share premium, for	2,660,317.65 €

The General Meeting sets the net dividend for the 2011 fiscal year at €1 per share. The balance of the 2011 dividend to be distributed amounts €0.50 per share after an interim dividend of €0.50 per share has been paid out on January 10, 2012.

It is stated that the maximum number of shares entitled to the dividend for the 2011 fiscal year, i.e. shares with dividend rights on January 1, 2011, amounts to 6,109,134 shares, corresponding to the number of shares comprising the capital of the company on December 31, 2011, i.e. 5,720,749 shares, increased by the maximum number of shares to be created by the exercise of warrants and redeemable warrants issued by the company, up to the ex-dividend date.

As a result of the distribution of part of the premium issue, the General Meeting will be asked to grant all powers to the management in order to protect the rights of holders of the redeemable stock warrants issued in 2007, the warrants issued in 2008 and the stock options issued in 2006.

➜ TOUAX SCA term of payment

In accordance with Article D.441-4 of the French Commercial Code, the following table presents the breakdown at December 31, 2011 of the outstanding trade accounts payable by due date.

Trade accounts payable *(VAT included, € thousands)*	**2011**	2010
TOTAL of the non past due trade receivable	**195**	**72**
- including Group trade payable	174	60
TOTAL of the past due trade receivable	**155**	**369**
- including trade receivable less than 60 days	52	56
- including trade receivable more than 60 days	103	313
- including Group trade receivable	42	215
- including non-Group trade receivable	113	154
TOTAL	**350**	**441**

The trade accounts payable of €350,000 are included under accounts payable.

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

	(€ thousands)	**2011**	2010	2009	2008	2007
I	SHARE CAPITAL AT YEAR END					
	a) Share capital	45,765,992	45,565,208	45,502,608	37,463,768	31,181,632
	b) Number of existing ordinary shares	5,720,749	5,695,651	5,687,826	4,682,971	3,897,704
II	OPERATIONS AND RESULTS FOR THE YEAR					
	a) Revenue excluding taxes	2,662,895	1,705,053	1,793,708	3,198,103	2,408,077
	b) Earnings before tax, depreciation, amortization and provisions	5,338,903	5,626,848	1,866,924	2,987,900	9,611,480
	c) Corporation tax	(235,596)	(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	4,589,885	5,328,102	2,055,054	2,847,190	10,340,857
	f) Distributed income	3,251,499	4,158,030	3,253,436	4,682,971	3,897,704
III	EARNINGS PER SHARE					
	a) Earnings after tax but before depreciation, amortization and provisions	0.93	1.02	0.42	0.65	2.47
	b) Earnings after tax and depreciation, amortization and provisions	0.80	0.94	0.36	0.61	2.65
	c) Net dividend per share	1	1	1	1	1
		(1)	(2)	(3)		
IV	WORKFORCE					
	a) Average number of employees during the year	2	2	2	2	2
	b) Total payroll for the year	765,140	730,189	681,705	549,314	1,782,577
	c) Total social security benefits for the year (social security, welfare benefits etc.)	242,720	234,417	234,438	208,427	247,884

(1) Proposal to the General Meeting by the Management Board on 27/03/2012, of which 0.45€ would be paid out of the share premium

(2) of which 0.28€ has been paid out of the share premium

(3) of which 0.428€ a has been paid out of the share premium

III. Other information

➜ Amendments to the Articles of Association

Article 6, Share Capital, of the company's articles of association was amended following the capital increases resulting from the exercise of redeemable stock warrants and stock options. Article 4 of the articles of association was also amended to take into account the transfer of the head office, as were Articles 12.4 and 18.3.

➜ Statutory employee participation in the company's share capital at December 31, 2011

There was no statutory employee participation in the company's share capital at December 31, 2011.

➜ Cross-shareholding

There is no cross-shareholding (holding of securities of TOUAX SCA by its subsidiaries). An organization chart of the Group is given in section 7.1 of the reference document and a list of subsidiaries is given in note 2.2 of the notes to the consolidated financial statements in the reference document

➜ Treasury shares

On December 31, 2011, the company held 6,774 of its own shares. These shares were acquired following the stock buyback programme approved by the Combined General Meeting of June 27, 2011. The history of the treasury shares held by TOUAX is detailed in Section 18 of the reference document.

➜ Compensation of corporate officers

The compensation received by the corporate officers of TOUAX SCA amounted to €828,100 in 2011. This remuneration is detailed in Section 15.

➜ 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 2011 the General Partners received 3% of the 2010 net income plus 1% of the Group's consolidated EBITDA after deducting the leasing income due to investors, i.e. a total of €936,000. 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 presents the terms of office and duties of the corporate officers in the reference document (cf. section 27.2 page 128)

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

Following the distribution of the dividend in July 2011, partly paid out from the issue premium, for a total of €0.28 per share, the conversion factors of the stock option plan issued in 2006, the redeemable stock warrants (BSARs) issued in 2007 and the stock warrants (BSAs) issued in 2008 where adjusted accordingly, i.e.:

- the price of a stock option was reduced to €20.16,
- 4 2007 BSARs give entitlement to 1.047 TOUAX shares,
- 1 2008 BSA gives entitlement to 1.028 TOUAX shares.

➜ *Authorization granted by the General Meeting*

The Combined General Meeting of June 27, 2011 delegated the following issue authorizations to the Management Board:

Description of the authorization	authorization date	Expiration date	Maximum amount athorized [1]	utilization during the fiscal year	Total amount unused
Increase of the share capital by issuing shares and/or securites giving either immediate or future access to company's share capital with preferential rights	Combined shareholders' meeting of 27 June 2011 (18th resolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2011	nil
Increase of the share capital by issuing shares and/or securites giving either immediate or future access to company's share capital without preferential rights through a public offering and with priority delay	Combined shareholders' meeting of 27 June 2011 (19th resolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2011	nil

(1) The ceiling of € 20,000,000 is the maximum amount authorized for all capital increases 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 27, 2011.

➜ *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 programme is given in the reference document in section 18.4 page 46.

➜ *Bonus shares*

None

➜ *Stocks options*

A breakdown of the stock options is given in the notes to the consolidated financial statements of the Group in the reference document note 21 page 89.

➜ *Transactions on securities carried out by the management*

To the company's knowledge, only the following securities transaction was carried out in 2011 by the corporate officers and the General Partners, for the purpose of internal reassignment:

- Fabrice WALEWSKI sold to Société Holding de Gestion et de Participation (SHGP) 214,142 redeemable stock warrants (BSARs) on September 21, 2011.

➜ Shareholders

A list of the shareholders, the percentage of shares held, and the thresholds crossed are presented in the reference document in section 18 page 45.

➜ 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 analysed in the reference document, Section 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 assignment of the shares of Fabrice and Raphaël WALEWSKI to Société Holding de Gestion et de Participation and Société Holding de Gestion et de Location, General Partners of TOUAX SCA, of which they are the Chairmen.

The company's legal form, a partnership limited by shares under French law, is generally considered to protect the company from takeover bids. There are two categories of shareholders, limited partners and general partners; the latter have the power to appoint the Managing Partners, which makes it difficult to carry out a change of control.

➜ Related party agreements

The following related party agreements concluded by TOUAX SCA remained in force during the 2011 fiscal year:

Subsidiary concered	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

In addition, a new agreement was concluded and entered into effect in 2011 between TOUAX SCA and SCI Franklin Location concerning the leasing of the premises located at Tour Franklin, La Défense, in which the Managing Partners were the related parties. This agreement was authorized by the Supervisory Board and was concluded at market conditions.

The guarantees, advances and security previously seen as related party agreements were deemed to be standard agreements.

➜ Risk factors

The principal risks are detailed in section 4, Risk Factors, of the reference document and in the notes to the consolidated financial statements note 26 page 91. They comprise the following risks:

Legal risks

Provision is made for these risks as soon as a charge is likely 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 and management 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 Sevesco-classified plot which is not used. A site is classified as Sevesco if it presents a considerable risk for the neighbouring populations in the event of a serious accident.

➜ HR 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.

Although it is an international company, TOUAX remains on a human scale, and gives priority to professionalism and human values.

The HR policy, based on the Group's values, aims to attract and recruit the best talent, support its staff, guarantee equal opportunities both during hiring and within the firm, and develop programmes to promote diversity, both for young people - through the International Voluntary Service in Business (VIE), work placements and the apprenticeship tax, and for older employees.

TOUAX values

The values of TOUAX provide the basis for all of the Group's stakeholders to meet their long-term goals. These values demonstrate TOUAX's responsibility towards its shareholders, partners, employees and the community as a whole, whether directly or indirectly concerned by the Group's activities.

TOUAX endeavours to ensure that its employees respect the following values in their daily activities:

- Customer-oriented and mission-oriented approach,
- Integrity and honesty,
- Open-mindedness,
- Responsiveness and reliability,
- Team spirit,
- Respect,
- Personal commitment, pleasure, and pride.

Ethical charter

In addition to these values, TOUAX has formalized its ethical charter in a detailed document, to provide a basis for the Group's future. This is a tool that should make it possible to solve ethical issues and dilemmas that may arise in connection with work.

The charter establishes daily ethical practices, and is intended for all employees of the TOUAX Group and all of its subsidiaries throughout the world. It also applies to the corporate officers and members of the executive committees.

TOUAX's new headquarters

The Group's new head office is located on the 23rd floor of the Tour Franklin in La Défense, Paris, France. The new offices are better suited to the Group's current requirements and future development. All of the teams are brought together on the same floor in order to develop all possible synergies, promote communication between employees and strengthen Group culture.

TOUAX HR policy

- New talent

TOUAX promotes its International Voluntary Service in Business (VIE) policy in order to encourage the integration of young people and introduce them to our businesses through professional assignments abroad.

TOUAX continues to implement its aggressive policy for integrating young people through sandwich courses and accepting trainees throughout the year.

The Group's international scope and the diversity of its businesses offer real prospects of advancement to talented employees.

Furthermore, the HR Department is enhancing the quality of the integration of new staff by giving each new employee a Welcome Pack and organizing an integration process. This is based in particular on meetings with key employees who will take part in the development of new recruits. These exchanges make it possible to familiarize new workers with their new environment, and help them to learn about TOUAX's businesses and organization.

- Over-fifties

TOUAX has continued the action plan introduced in 2009 aimed at promoting the employment of over-fifties through continuation in employment and recruitment. At the end of 2011, the commitments to continuation in employment made in 2009 had been respected.

- Skills management and career management

In order to prepare for and conduct appraisal interviews effectively, a directory of capabilities has been created and introduced to supplement the standard annual appraisal procedure. This tool helps to assess employees' general and managerial skills in order to identify possibilities for development and progress. The skills are the same for all Group employees, and can be exercised within any area of responsibility, regardless of hierarchical position, job or geographic location. They reveal the observable behaviours, attitudes, and ways of doing things, that determine the success of a mission.

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

Group workforce

The Group's workforce comprised 700 employees throughout the world at the end of the 2011 fiscal year, compared with 667 employees at the end of 2010. The Group's workforce increased by 4.9% in an economic context marked by an improvement in outlook.

A breakdown of the Group's workforce by geographic location and division is given in Section 17 of the reference document. 33% of the Group's employees are located in France, 63% elsewhere in Europe, 3% in the USA and 1% in Asia.

	Shipping containers		Modular buildings		River barges		Freight railcars		Corporate		TOTAL	
	2011	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
Europe	20	23	543	468	52	93	27	25	30	31	672	640
Asie	6	7									6	7
United States	3	4	15	13					4	3	7	20
TOTAL	**29**	34	**558**	481	**52**	93	**27**	25	**34**	34	**700**	667

Diversity policy

- Gender equality in the workplace

TOUAX has drawn up a report on the situation of its male and female employees in France, resulting in the introduction of an action plan to promote gender equality.

At the international level, 72% of its employees are male and 28% are female. The male/female ratio differs depending on the country and the division, since more men are employed in the production units. Despite this, the Group is striving to encourage equality at work.

- Integration of disabled workers into the world of work

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

Since 2007, TOUAX has chosen to pay most of the apprenticeship tax to the following training centres that specialize in the integration of the disabled into working life: Ecole IMG Leonce Malecot in Saint-Cloud, Clermont-Ferrand Trades Institute, INJA Paris, Impro Morphange, André Beule Institute in Nogent Le Rotrou, and IME l'Espoir in L'Isle Adam.

- Ethnic and cultural diversity

Due to the international nature of its business, the Group welcomes many different cultures and nationalities. Such diversity is integrated by means of the Group's shared values, while respecting the differences of each person, and exploiting these differences to everyone's benefit.

Training policy

TOUAX' training policy is designed to offer all employees the training needed to perform their duties as effectively as possible, and to progress. In 2011, French entities devoted 2.06 % of the payroll to training, representing 2,753 training hours.

In particular, TOUAX continued to offer training in communication skills, giving priority to high quality exchanges between employees.

Employee representation

Creation of an economic and social unit (apart from the Mignières – Touax Modular Buildings manufacturing facility) in 2007.

Elections to the works council at the economic and social unit are held every 4 years. The members of the works council were therefore replaced at elections held from April to June 2011.

A works council was created in 2008 for the Mignières – Touax Modular Buildings manufacturing facility. The elections for this facility are held every 3 years. The members of the works council were replaced at elections held in April 2011.

Organization of working hours

A new agreement on the methods of organizing working hours within the economic and social unit was introduced in January 2010.

An agreement was also introduced in January 2010 at the Mignières manufacturing facility concerning the adjustment of working hours.

Salary increases

The average increase in salaries is not representative, since the increases were different in each country.

For the fiscal year to December 31, 2011, the Group's payroll totalled €28,775,404, compared with €26,538,735 for the previous fiscal year.

The Group has not introduced a profit-sharing scheme or agreement.

Some categories of personnel are awarded annual individual performance bonuses linked to targets. Some categories of personnel may also receive stock options.

Health & safety conditions

A health, safety and working conditions committee (CHSCT) was set up at the Mignières manufacturing facility in September 2010. The members will be re-elected every two years.

For many years, TOUAX has continued its first aid initiatives by training certain employees as First Aid Officers, and teaching them to use defibrillators, through the French Red Cross.

Changes to the Human Resources information system

In January 2010, a new payroll system was introduced in the Group's French entities, to stay in line with changes in the Group. This was completed by the creation of a Human Resources portal accessible by all employees and making it possible to carry out various operations (taking leave, updating files, consulting information etc.), as well as to communicate real-time with the Human Resources departments.

A social role

The Group is in partnership with the association ZYVA in Nanterre whose aim is to "facilitate the integration of young people into society by putting in place activities making it possible to take care of young people in difficulty". For this purpose TOUAX has undertaken to support this association, to recruit young people under vocational training contracts and to provide tutorship. TOUAX enables its employees to sponsor a child, adolescent or student in the medium or long-term, in order to offer support in the various stages of their career.

In addition the Group provides support to humanitarian projects through well-known NGOs, in particular following the earthquake in Haiti.

HR indicators

	2011	2010
GEOGRAPHICAL DISTRIBUTION		
France	33%	33%
International	67%	67%
GENDER SPREAD		
Men	72%	78%
Women	28%	22%
DISTRIBUTION BY CATEGORY*		
Managers	22%	20%
Employees	78%	80%
AGE DISTRIBUTION*		
Under 26	5%	4%
26 to 40	52%	53%
41 to 50	30%	32%
51 and over	13%	11%
YEARS OF SERVICE*		
Less than a year	18%	15%
1 to 5 years	53%	54%
5 to 10 years	13%	19%
Over 10 years	16%	12%
GROUP STAFF TURNOVER*		
Staff turnover rate**	26%	17%
DISABLED WORKERS (IN ACCORDANCE WITH COUNTRIES' LEGAL DEFINITION OF DISABLED)**		
Number of disabled workers (France DOETH declaration)	2.7	2.5
ABSENTEEISM**		
worldwide absentee rate	5.96%	6.21%
ACCIDENTS AT WORK**		
Frequency rate	67.42	53.45
Severity rate	2.66	1.73
Number of days lost	948	551

** excluding Czech Republic and Slovakia*
*** Only in France*

IV. Other resolutions submitted to the shareholders

➜ *Renewal of the terms of office of the members of the Supervisory Board (7th to 12th resolutions) and setting of the attendance fees (6th resolution)*

The Supervisory Board currently has six members. They are elected for one year, i.e. until the Ordinary General Meeting called to approve the financial statements for the fiscal year to December 31, 2011.

You are asked to renew the terms of office of the following six members for a period of one year, i.e. until the General Meeting called to approve the financial statements for fiscal year 2012:

- Mr Alexandre WALEWSKI,
- Mr Jean-Jacques OGIER,
- Mr Jérôme BETHBEZE,
- Mr François SOULET de BRUGIERE,
- AQUASOURCA represented by Mrs Sophie DEFFOREY-CREPET,
- Mrs Sophie SERVATY.

In addition to the information contained in the report of the Chairman of the Supervisory Board, you will find below a presentation of the six members, whose terms of office you are asked to renew:

Mr Alexandre WALEWSKI - Renewal

- Company offices and commencement dates: director in 1977 (term of office expired on July 28, 2005),
- Chief Executive Officer from July 1977 to December 1997,
- Member of the Supervisory Board since June 30, 2005,
- Chairman of the Supervisory Board since 2005,
- Member of the Audit Committee,
- Age: 78,
- French citizen,
- Non-independent member.

Alexandre WALEWSKI was Chairman of the Group for 20 years.

He directly owned 532,792 TOUAX SCA shares on December 31, 2011.

Mr Jérôme BETHBEZE - Renewal

- Company offices and commencement dates: director in 2004 (term of office expired on July 28, 2005),
- Member of the Supervisory Board since June 30, 2005,
- Member of the Audit Committee,
- Age: 50,
- French citizen,
- Independent member.

Jérôme BETHBEZE has been Chairman of the Board of Directors and a member of the Supervisory Board of Quilvest Gestion Privée, a management company belonging to Quilvest Banque Privée, itself a subsidiary of Quilvest, a group specialized in asset management.

Other corporate offices held: CEO of Quilvest Family Office, member of the French Society of Financial Analysts (SFAF)

Jerôme Bethbeze held 350 shares in TOUAX SCA at December 31, 2011.

Mr Jean-Jacques OGIER - Renewal

- Company offices and commencement dates: Member of the Supervisory Board since June 10, 2009,
- Age: 65,
- French citizen,
- Independent member.

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.

Jean-Jacques OGIER was CEO of SG Réseau France and then CEO of SG in the USA.

He held 250 TOUAX SCA shares on December 31, 2011.

Mr François SOULET DE BRUGIERE - Renewal

- Company offices and commencement dates: Member of the Supervisory Board since June 18, 2008,
- Age: 58,
- French citizen,
- Independent member.

Other corporate offices held: Vice-Chairman of the Supervisory Board of the Dunkerque Major Sea Port; Director of the La Rochelle Business School group, and President of the French Ports Association (UPF).

François Soulet de Brugière held 412 shares in TOUAX SCA at December 31, 2011.

AQUASOURCA represented by Sophie DEFFOREY-CREPET - Renewal

- Company offices and commencement dates: Member of the Supervisory Board since June 18, 2008,
- Age: 57,
- French citizen,
- Independent member.

Sophie Defforey-Crepet worked for almost ten years in advertising at the communications agency RSCG, before joining TLM and then Valon. In 1998 she set up Aquasourca.

Other terms of office of Sophie Defforey-Crepet: Chairwoman of AQUASOURCA and director of GL Events and Chapoutier.

AQUASOURCA held 87,425 shares in TOUAX SCA at December 31, 2011.

Mrs Sophie SERVATY - Renewal

- Company offices and commencement dates: Member of the Supervisory Board since June 10, 2010,
- Age: 39,

- Belgian citizen,
- Non-independent member, linked to the Sofina group, shareholder holding over 10% of the capital.

Mrs Sophie SERVATY is an executive assistant at SOFINA.

Other corporate offices held: director of Capital-E NV.

Mrs Sophie SERVATY held 250 TOUAX SCA shares on December 31, 2011.

It is stated that, in accordance with the law, the General Partners who are shareholders cannot take part in the vote to renew the terms of office of the members of the Supervisory Board.

We propose that you allocate attendance fees to the members of the Supervisory Board for a total of €63,000.

➜ *Renewal of the authorization to carry out a stock redemption programme (13th resolution) and authorization to cancel securities (15th resolution)*

We propose that you renew the programme to authorize the buyback of shares in our company.

It should be noted that this programme only concerns TOUAX shares listed for trading on Compartment C of the NYSE Euronext Paris regulated market, ISIN FR0000033003.

The previous stock redemption programme was authorized by the Ordinary General Meeting of June 27, 2011 and has been reported on half-yearly to the AMF. The purpose of the programme was to:

- carrying out market making and ensuring the liquidity of the TOUAX SCA share through a liquidity agreement with an investment services provider, in accordance with the Code of Practice recognized by the French Financial Markets Authority (AMF);
- granting stock options and/or allotting bonus shares to employees and managers of the company and/or of TOUAX Group companies;
- granting coverage for securities that entitle the holder to receive shares in the partnership under the regulations currently in force;
- keep the shares bought, and use them later for trading or as payment in possible corporate acquisitions, though the shares acquired for this purpose may not exceed 5% of the share capital;
- cancel the shares.

The scheme was set up for the sole purpose of conducting transactions so as to enhance activity and liquidity in the market for the shares. These purchase and sale transactions were carried out via a liquidity agreement concluded on October 17, 2005 in accordance with the code of ethics approved by the AMF, with the investment services provider GILBERT DUPONT.

At December 31, 2011 the company held 6,774 treasury shares, as shown in the following summary table:

Declaration by TOUAX SCA of transactions in own shares from June 27, 2011 to February 29, 2012	
Percentage of the share capital held directly or indirectly	0.08%
Number of shares cancelled during the past 24 months	
Number of securities held in the portfolio	4,819
Book value of the portfolio (€)	117,424.11
Market value of the portfolio (€)	122,836.31

TOUAX has not used derivatives in connection with its previous share buyback scheme.

The renewal of this programme is in line with Articles L. 225-209 of the French Commercial Code and will be submitted to the General Meeting of Shareholders on June 15, 2012 (13th resolution). The General Meeting will also discuss the authorization to cancel shares (15th resolution).

Our company wants to implement this stock redemption programme with the same aims as those adopted by the General Meeting of June 27, 2011.

Regarding the aim of liquidity of its share, 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 ethics approved by the French Financial Markets Authority (AMF).

These shares may be acquired, sold, transferred or exchanged on one or more occasions, by any means including, where appropriate, by private agreement, block sale of holdings or the use of derivatives. These transactions may be carried out at any time, including during a public offering, subject to the regulations in force.

The programme concerns the possibility of buying back a maximum of 10% of the share capital under the following conditions:

- Maximum purchase price per share: 60 EUR
- Maximum amount: 34,371,804 EUR
- Length of the programme: 18 months from the authorization granted by the Ordinary General Meeting on June 15, 2012, i.e. until December 14, 2013.

You are also asked to authorize the Management Board to reduce the share capital, on one or more occasions, by a maximum of 10 % of the share capital per period of twenty-four months, by cancelling some or all of the treasury shares acquired under the stock redemption programme adopted by the company's shareholders at the present General Meeting, or at a previous or subsequent General Meeting.

This authorization will be granted for a period of 24 months.

The Management Board may allocate the difference between the repurchase price of the cancelled shares and their par value at the time of cancellation, to the premiums and free reserves.

The Management Board shall have all powers to determine the terms and conditions of the cancellation(s), amend the Company's Articles of Association where appropriate, make all declarations, carry out any other formalities, and in general do everything necessary.

➜ *Changes to the articles of association (14th resolution)*

We propose that you modify the articles of association in order to bring them into line with the Warsmann Law of May 17, 2011, and modify Article 1 as follows:

Article	Previous wording	New wording
Article 1 - Form	" ... The partners are as follows: 1/ 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.: a) Société Holding de Gestion et de Location, a simplified joint-stock company (SAS), share capital €37,000, whose registered office is located at 5 rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, currently being registered on the Nanterre register of companies, represented by Mr Raphaël Colonna Walewski, born October 22, 1966 in Neuilly sur Seine, 92200 FRANCE, residing at 16 rue du Printemps, 75017 Paris FRANCE, a French citizen. b) Société Holding de Gestion et de Participation, a simplified joint-stock company (SAS), share capital €37,000, whose registered office is located at 5 rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, currently being registered on the Nanterre register of companies, represented by Mr Fabrice Colonna Walewski, born October 14, 1968 in Neuilly sur Seine 92200 FRANCE, residing at 46 avenue de Madrid, 92200 Neuilly sur Seine, FRANCE, a French citizen. "	" ... The partners are as follows: 1/ 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.: a) Société Holding de Gestion et de Location, a simplified joint-stock company (SAS), share capital €7,271,010, whose registered office is located at Tour Franklin, 100-101 Terrasse Boieldieu, 92042 la Défense Cedex, FRANCE, registered on the Nanterre register of companies under reference number 484 322 342, represented by its Chairman, Mr Raphaël Colonna Walewski. b) Société Holding de Gestion et de Participation, a simplified joint-stock company (SAS), share capital €7,281,010, whose registered office is located at 41 rue Charles Laffitte, 92200 Neuilly sur Seine, FRANCE, registered on the Nanterre register of companies under reference number 483 911 178, represented by its Chairman, Mr Fabrice Colonna Walewski. "
Article 13 – related party agreements 2nd paragraph	" ... The preceding provisions do not apply to agreements concerning ordinary transactions concluded under normal conditions. The Chairman of the Supervisory Board is informed of these agreements by the person concerned, unless they are not significant for any of the parties due to their purpose or financial impact. The Chairman gives a list of these agreements and their purpose to the members of the Supervisory Board and the statutory auditors. This list is made available to the shareholders in accordance with legal requirements. "	" ... The preceding provisions do not apply to agreements concerning ordinary transactions concluded under normal conditions. "

We ask you to approve the draft resolutions which are submitted for you approval.

La Défense, March 27, 2012

Fabrice and Raphaël Walewski, Managing Partners

26.2. Special report of the Managing Partners concerning stock options

2011 fiscal year

As required under Art. L.225-184 of the French Commercial Code, shareholders are informed that 24,118 stock options have been exercised in the course of the 2011 financial period, and the same number of new shares has been issued.

It should be noted that 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 options could be exercised from August 7, 2008 and expire on August 7, 2012. 6,957 stock options lapsed in 2010 and 24,118 options were exercised in 2011. Consequently, at December 31, 2011, five beneficiaries held a total of 21,799 stock options at the price of €20.16, representing 0.4 % of the share capital at that date.

La Défense, March 27, 2012

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

Dear Shareholders,

In accordance with Article L. 226-9 of the French Commercial Code, the Supervisory Board presents to you its report on its mission to provide continuous monitoring of the Group's management.

In 2011 the Supervisory Board carried out its monitoring mission with total independence, and received all of the documents and information needed to properly perform its mission, in particular regarding the accounts, financial commitments and risks inherent in its businesses and environment.

Through its Chairman, the Supervisory Board takes part in divisional supervisory committees. These committees are organized by the Managing Partners and the operational departments, and their purpose is to present the business strategies, in particular the changes in market strategy, geographical strategy, competitive positioning and the progress achieved through previous strategies. Their purpose is also to study significant events occurring during the period in question.

At its meeting on March 28, 2012, the Supervisory Board, preceded by the Audit Committee, examined the individual and consolidated financial statements for the fiscal year to December 31, 2011.

The Managing Partners' report and the financial statements provided to you show the developments in the Group's business and results during the 2011 fiscal year. The Statutory Auditors have reported the findings of their audits.

2011 was marked by an increase in revenue of 11% (rise in leasing revenue of 6.6% and in sales of 21%) and in the gross margin (+7%). Compared with 2010, there was a slight increase in the net result (Group's share) of 1.2%, at €13.4 million.

The significant events in 2011 were the continuation of the net increase in assets managed on behalf of third parties from €875 million to €916 million, and maintenance of the policy regarding proprietary investment in equipment (capitalized or stocked) which increased from €500 million to €540 million.

The Managing Partners and Supervisory Board of your company propose to the General Meeting to allocate a dividend of €1 per share, the same as in 2010, given that an interim dividend of €0.50 was paid in January. The amount distributed represents about 44% of the consolidated earnings, while the average of the amounts distributed for the last five fiscal years represents about 39% of earnings. The Managing Partners propose to distribute the dividend to reward the loyalty of 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) was 1.50 in December 2011 versus 1.45 in December 2010. The leverage ratio, which indicates the ability to repay financial debts (net indebtedness with recourse/EBITDA), increased with a ratio of 3.7 years in 2011 compared with 3.8 years in 2010. The leverage ratio was respected thanks to a rise in EBITDA and control of the net debt.

Taking into account the total debt (with and without recourse) the gearing was 2.2, which is within the internal limit of 2.8 recommended by the Supervisory Board. At 5.3 years, the leverage ratio was slightly higher than the internal limit of 5 years recommended by the Supervisory Board. This limit was not respected due to the reduced profitability of the Group since 2009, the decision not to sell assets whose profitability or value may increase noticeably in the next few years, and the commercial successes that have made it possible to continue to invest and develop the Group.

The Group's balance sheet was sound at the end of 2011. The consolidated balance sheet totalled €606.6 million in 2011 compared with €568 million in 2010. Against net debts of €319 million, the Group has in particular (i) net tangible fixed assets, stocks and equipment rented out to customers under finance leases totalling €435 million, (ii) goodwill totalling €22 million, 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 €916 million on behalf of third party investors in addition to the assets held by the Group.

After inspecting the annual financial statements and the consolidated financial statements, the Supervisory Board considers that these documents to not give rise to any specific comments.

The Board asks you to approve all of the resolutions submitted to you. You are therefore asked to approve the resolution concerning related party agreements as well as those concerning the renewal of the stock redemption programme and the authorization to cancel shares acquired under this programme. The company also wants to bring its articles of association into line with the provisions of the Warsmann Law of May 17, 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 financing 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.

The Supervisory Board is therefore able to confirm its confidence in the company's future and in the Managing Partners.

La Défense, March 28, 2012

The Supervisory Board

27.2. Report of the Chairman of the Supervisory Board on the conditions under which the Supervisory Board's work was prepared and organized, and on the internal control procedures introduced by the company

Dear Shareholders,

In accordance with Article L.226-10-1 of the French Commercial Code, this report presents the conditions under which the Supervisory Board's work was 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 to apply the procedures specified by the Group. All the Group's internal control procedures are applied by all subsidiaries in the same way.

The report was prepared by the Administration and Finance Department and the Management of the Group, and was discussed and approved at the meeting of the Supervisory Board of March 28, 2012.

The Board wishes to point out that it conducts its work above all in a collegiate manner, with respect for ethical values, the law, regulations and recommendations.

1. Corporate governance

The company is managed by a Management Board and a Supervisory Board. The business address of the members of the Supervisory Board, the Managing Partners and the General Partners is:

TOUAX SCA – Tour Franklin – 23ème étage – 100-101 Terrasse Boieldieu – 92042 La Défense cedex.

The company is run by the Management Board made up of Fabrice WALEWSKI and Raphaël WALEWSKI. It is assisted by an Executive Committee and operational departments. The Supervisory Board continually monitors the running of the company by the Management Board.

To the best of our knowledge, no conviction for fraud, bankruptcy, sequestration, liquidation, incrimination, official public sanction or impediment has been pronounced during the past five years against any of the members of the Supervisory Board, either of the Managing Partners, either of the General Partners or a company in which one of the two General Partners is a corporate officer, general partner, founder, or has administrative, management or supervisory duties.

The management expertise and experience of the members of the Supervisory Board are shown by the mandates that they hold in other companies and their length of service with the Group.

In addition, to the best of our knowledge there are:

- No potential conflicts of interest between the duties with regard to TOUAX SCA of any of the members of the Supervisory Board, the Chief Executive Officer or either of the General Partners, and their private interests or other duties;
- There are no arrangements or agreements between any of the members of the Supervisory Board or Senior Management, or either of the General Partners, 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;
- There were no customer service contracts binding the members of the TOUAX SCA Supervisory and Management Boards or either of the General Partners, to any of its subsidiaries;
- There are no family ties between the members of the Supervisory Board.

➜ *Compliance with the corporate governance rules of the French Association of Private Companies (AFEP) and the French employers' association (MEDEF)*

- In addition to legal requirements, the Group complies with the governance rules recommended by the AFEP/MEDEF included in the Corporate Governance Code revised on April 20, 2010. This report is available on MEDEF's website: www.medef.fr. Application of the recommendations and provisions regarding the compensation of executive and non-executive corporate officers is presented in section 15 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. The General Partners

TOUAX is a partnership limited by shares (SCA) with two General Partners as stated in the articles of association described in section 21 of the reference document.

The General Partners are Société Holding de Gestion et de Participation, held and managed by Fabrice WALEWSKI and Société Holding de Gestion et de Location, held and managed by Raphaël WALEWSKI.

The General Partners have approved all of the resolutions submitted for approval by the shareholders at the Extraordinary General Meeting of March 30, 2011 and the Combined General Meeting of June 27, 2011, apart from the 21st resolution.

The compensation of the General Partners is provided for under Article 15.5 of the articles of association and voted on by the 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 2010 fiscal year, in 2011 it amounted to €467,900 for Société Holding de Gestion et de Participation and €467,900 for Société Holding de Gestion et de Location. Since the General Partners are themselves corporations, no provisions have been set aside or recognized in respect of pensions or other benefits.

It should be noted that, in order to bring the interests of the General Partners into line with those of the company, the General Partners invested in assets managed by the Group totalling about €2 million. These investments are governed by a Code of Practice which has been approved by the Supervisory Board. The General Partners receive the same terms for management of their assets as those applied 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 company 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. In addition to the powers of the Supervisory Board and the General Meeting, the powers of the Managing Partners are not limited.

They meet as a Board in order to take decisions. The Management Board met officially ten times in 2011. The main purpose of these meetings was:

- payment of an interim dividend;
- approval of the individual annual and consolidated financial statements and approval of the consolidated half-year financial statements;
- transfer of the head office;
- capital increases resulting from the exercise of stock options and redeemable stock warrants (BSARs).

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 total amount of compensation is presented in section 15 of the reference document, it being stated that the compensation of the executive corporate officers amounted to €821,100 in 2011.

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 directors' fees, payments or repayments of expenses received by the Managing Partners in respect of corporate mandates or duties performed in any of the company's subsidiaries, up to a limit of €80,000 per Managing Partner;
- A gross amount of €850 per day during business trips outside France, as a family separation allowance;
- The General Partners may only adjust these amounts within the limit of the cumulative change in the annual inflation rate published by the French national institute of statistics and economic studies (INSEE).
- a variable portion not exceeding 0.50% of the TOUAX Group's consolidated EBITDA, after deducting the leasing income due to investors. For the purposes of this calculation, it is specified that the EBITDA is the consolidated gross operating surplus after deducting the net operating provisions.

The compensation of the Managing Partners is revised annually in accordance with the provisions of the articles of association.

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 bring the interests of the Managing Partners into line with those of the company, Fabrice and Raphaël WALEWSKI invested about €1 million in assets operated by the company. These investments are governed by a Code of Practice which has been approved by the Supervisory Board. The Managing 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. In 2011, only Fabrice WALEWSKI still held assets worth about €500 million. When the assets were sold, the Managing Partners received the same terms of sale as those applied to the Group or third party investors.

1.2.1. Current terms of office of Raphaël WALEWSKI

- Company offices and commencement dates: director in 1994 (term of office 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: 45,
- French citizen.

Director or holding terms of office within the following Group 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, TOUAX 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 India Ltd, TOUAX Rail India Finance Ltd, TOUAX Rail Ltd.

Chairman of Société Holding de Gestion et de Location and Managing Partner of SCI Franklin Location.

Raphaël WALEWSKI did not directly hold any shares in TOUAX SCA at December 31, 2011.

1.2.2. Current terms of office of Fabrice WALEWSKI

- Company offices and commencement dates: director in 1994 (term of office expired on July 28, 2005),
- Chief Executive Officer in 1998, 2000, 2002 and 2004
- Chairman in 1999, 2001, 2003 and 2005 fiscal years until the company's change of form on July 28, 2005
- Deputy CEO in 2004,
- Managing Partner of TOUAX SCA since 2005,
- Age: 43,
- French citizen.

Director or holding terms of office within the following Group 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, TOUAX 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 India Ltd, TOUAX Rail India Finance Ltd, TOUAX Rail Ltd, TOUAX Rail Romania SA, CFCL TOUAX Llp, TOUAX Rom SA, TOUAX Hydrovia, Dunavagon Sro and DV01 Zrt.

He is also Chairman of Société Holding de Gestion et de Participation and Managing Partner of SCI Franklin Location.

Fabrice WALEWSKI did not directly hold any shares in TOUAX SCA at December 31, 2011.

1.3. The Executive Committee

1.3.1. Composition

The Executive Committee was created in June 1992.

The Executive Committee currently has four members:

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

1.3.2. Functioning

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 21 times during 2011, and all of the 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 €1,262,100 in 2011.

1.3.4. Stock options and stock warrants allotted to the members of the Executive Committee

There is only one stock option plan in force in the company, which was issued in 2006. 15,770 options were allotted to certain members of the Executive Committee, of which 7,885 were exercised in 2011 by one of the members of the Executive Committee. At December 31, 2011, 7,885 stock options were still exercisable, all of which were in the money when this report was drawn up.

The company issued stock warrants (BSAs) in 2008. Apart from Stephen PONAK, the members of the Executive Committee do not hold any of the 22,500 BSAs issued which are still valid.

On February 2, 2007 the Management Board issued bonds with redeemable equity warrants (OBSARs). At December 31, 2011, neither of the two Managing Partners personally held any BSARs. In 2011, Fabrice WALEWSKI sold his BSARs to Société Holding de Gestion et de Participation. The two other members of the Executive Committee still hold BSARs. The BSARs were not in the money when this report was drawn up.

1.4. Supervisory Board

1.4.1. Composition of the Supervisory Board

In accordance with legal provisions and the Articles of Association, the Supervisory Board comprises a minimum of three and a maximum of twelve members, appointed by the General Meeting of Shareholders for one year. There is no plan to stagger the renewal of the terms of office of Supervisory Board members.

The Supervisory Board currently has six members following the death of Mr Jean-Louis Leclercq in February 2011 and non-renewal of the term of office of Mr Serge Beaucamps in June 2011.

The status of independent member of the Supervisory Board was discussed by the Supervisory Board before publication of the annual report. In March 2012 the Supervisory Board examined the situation of each of its members and concluded that four of them are independent according to the criteria of the AFEP/MEDEF Corporate Governance Code.

This code 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 judgement". The definition also includes in particular a time criterion: the member must "not have been a Director or member of the Board for more than twelve years". The independent members are listed in section 1.5 below.

The members of the Supervisory Board do not belong to the Group's workforce and do not have other duties within the Group.

1.4.2. Rules of procedure of the Supervisory Board

The work of the Supervisory Board is governed by rules of procedure that are intended to complete the laws, regulations and Articles of Association, which the Board and its members do of course respect. The rules of procedure specify the methods of functioning of the Board, in the interests of the company and all of its shareholders, and the functioning of its committee, the members of which belong to the Supervisory Board, 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. Organisation 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 organised by its Chairman. Meetings of the Board are held to inspect and control the management and the sincerity of the annual and half-year financial statements closed by the Managing Partners, analyse 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. Specific matters included on the agenda in 2011 were: modification of the characteristics of the BSARs; annual review of the functioning of the Board; professional equality and equal pay, and the interim dividend.

The Supervisory Board also discussed the Group's cash position and the company's commitments.

The Chairman:

- receives the documents prepared by the company's internal;
- 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 examined the individual and consolidated financial statements and reported its findings to the Supervisory Board.

The Supervisory Board does not have any other committees. An appointments committee does not appear necessary since most of the Board members are independent and discussions between the members regarding appointments are perfectly satisfactory. A compensation committee has not been set up either, in view of the characteristics of the limited partnership, since the Supervisory Board does not have specific duties regarding the compensation of the Managing Partners.

1.4.4. Functioning of the Supervisory Board

The Supervisory Board is convened by its Chairman or the Management Board subject to two weeks' notice by letter or email.

The Supervisory Board met four times during the past fiscal year. The average attendance rate was close to 88%.

Participation of the members of the Supervisory Board at Board meetings in 2011:

BEAUCAMPS Serge*	2
BETHBEZE Jérôme	4
SOULET de BRUGIERE François	4
Société AQUASOURCA	3
OGIER Jean-Jacques	4
SERVATY Sophie	2
WALEWSKI Alexandre	4

** Mr Serge Beaucamps did not wish to renew his term of office in June 2011*

The statutory auditors are invited to the meetings of the Supervisory Board that inspect the annual or half-year financial statements.

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

The members of the Supervisory Board visited a site linked to the Shipping Containers business.

1.4.5. Assessment of the functioning of the Supervisory Board

In 2010, it was decided to continue to improve the functioning of the Board in areas highlighted by the questionnaire the previous year, particularly by lengthening Board meetings depending on the subjects dealt with, strengthening the Board by including new skills to be chosen each year, and organizing Board meetings on a production site.

In 2011 the Board was assessed internally by an evaluation questionnaire concerning the composition of the Board, the passing on of information to members, the frequency and length of the meetings, the subjects dealt with, the quality of the discussions, the work of the Audit Committee, the compensation of the Board and suggested improvements.

It emerged that the Board members are satisfied with the improvements to the functioning of the Board, in particular concerning the main areas for improvement identified in 2009. They consider that they have total freedom of judgement. This freedom of judgement enabled them to take part in the Board's work and collective decisions with total independence. Throughout the year the Supervisory Board received exhaustive, regular and reliable information, sufficiently in advance of the Board meetings. It appreciated the style and quality of the presentations made during the meetings. New areas for improvement were identified, in particular with presentations made in turn by the managers of the functional departments, which enhanced the Board members' understanding of the Group's business lines.

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

1.4.7. Compensation of the Supervisory Board

The compensation of the Supervisory Board totalled €63,000 in the 2011 fiscal year, in accordance with the level of directors' fees set by the Extraordinary General Meeting of June 27, 2011.

The Ordinary General Meeting of June 15, 2012 will be invited to approve compensation of €63,000 for the 2012 fiscal year.

50% of the directors' fees were allocated as a fixed payment, and 50% was paid according to their actual presence at Board meetings. The Chairman of the Supervisory Board receives double directors' fees. Attendance fees will be allocated to the independent member(s) of the Audit Committee.

1.5. Current terms of office 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 and commencement dates: director in 1977 (term of office expired on July 28, 2005),
- Chief Executive Officer from July 1977 to December 1997,
- Chairman of the Supervisory Board since 2005
- Age: 78,
- French citizen,
- Non-independent member, due to a family relationship with the Managing Partners and in addition holding about 10% of the capital of TOUAX SCA.

Alexandre WALEWSKI was appointed member of the Supervisory Board at the Extraordinary General Meeting of June 30, 2005 and elected Chairman at the meeting of the Supervisory Board on September 29, 2005. Her term of office ends at the next Ordinary General Meeting of June 15, 2012. That meeting will be asked to renew her term of office for a further year.

Alexandre WALEWSKI directly held 532,792 shares in TOUAX SCA at December 31, 2011.

1.5.2 Jérôme BETHBEZE, member of the Supervisory Board and member of the Audit Committee

- Company offices and commencement dates: director in 2004 (term of office expired on July 28, 2005),
- Member of the Supervisory Board since 2005,
- Age: 50,
- French citizen,
- Independent member.

Other terms of office: CEO of Quilvest Family Office, member of the French Society of Financial Analysts (SFAF).

Jérôme BETHBEZE was appointed as a member of the Supervisory Board at the Extraordinary General Meeting of June 30, 2005. Her term of office ends at the next Ordinary General Meeting of June 15, 2012. That meeting will be asked to renew her term of office for a further year.

Jerôme Bethbeze held 350 shares in TOUAX SCA at December 31, 2011.

1.5.3. Jean-Jacques OGIER, member of the Supervisory Board

- Company offices and commencement dates: member of the Supervisory Board in 2007,
- Age: 65,
- French citizen,
- Independent member.

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. Her term of office ends at the next Ordinary General Meeting of June 15, 2012. That meeting will be asked to renew her term of office for a further year.

Jean-Jacques OGIER held 250 shares in TOUAX SCA at December 31, 2011.

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

- Company offices and commencement dates: member of the Supervisory Board in 2008,
- Age: 58,
- French citizen,
- Independent member.

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. Her term of office ends at the next Ordinary General Meeting of June 15, 2012. That meeting will be asked to renew her term of office for a further year.

François Soulet de Brugière held 412 shares in TOUAX SCA at December 31, 2011.

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

- Company offices and commencement dates: member of the Supervisory Board in 2008,
- Age: 57,
- French citizen,
- Independent member.

Other corporate offices held: Chairwoman of AQUASOURCA and director of GL Events and Chapoutier.

Sophie DEFFOREY-CREPET was appointed as a member of the Supervisory Board at the Combined General Meeting of June 18, 2008. Her term of office ends at the next Ordinary General Meeting of June 15, 2012. That meeting will be asked to renew her term of office for a further year.

AQUASOURCA held 87,425 shares in TOUAX SCA at December 31, 2011.

1.5.6. Sophie SERVATY, member of the Supervisory Board

- Company offices and commencement dates: member of the Supervisory Board in 2010,
- Age: 39,
- Belgian citizen,
- Non-independent member, linked to the SOFINA group, shareholder holding over 10% of the capital and voting rights of the company.

Other corporate offices held: director of Capital-E NV.

Sophie SERVATY was appointed 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 of June 15, 2012. That meeting will be asked to renew her term of office for a further year.

Mrs Sophie SERVATY held 250 TOUAX SCA shares on December 31, 2011.

1.5.7. Proportion of women on the Supervisory Board

At December 31, 2011 there were two women (including representatives of legal entities) out of a total of six members, i.e. a female representation rate of 33 %. The company already complies with the recommendation of the AFEP/MEDEF, for 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.

The Audit Committee has two members, Mr Alexandre WALEWSKI, Chairman of the Supervisory Board, and Mr Jérôme BETHBEZE, member of the Supervisory Board.

Alexandre WALEWSKI was Chairman of the Group for over 20 years and Jérôme BETHBEZE was Chairman of the Board of Directors, and member of the Supervisory Board of Quilvest Gestion Privée, a management company owned by Quilvest Banque Privée, itself a subsidiary of Quilvest, a group specialized in asset management. He is currently Chief Executive Officer of Quilvest Family Office. These members were selected for their financial expertise and their experience of the Group.

In accordance with the criteria specified in the AFEP/MEDEF Code regarding the independence of members of the Supervisory Board, TOUAX notes that the Audit Committee had one independent member, Jérôme BETHBEZE. There is no plan to appoint another independent member since the size of the company and the experience of its members enable the committee to perform its mission correctly.

The Audit Committee met twice in 2011. The attendance rate was 100%.

It dealt with the following matters in particular:

- inspection of the annual and half-year consolidated financial statements for the 2011 fiscal year;
- checking that the accounting and financial reporting process complies with legal and statutory requirements;
- the main strategic projects;
- checking the existence of a procedure to identify, analyse and monitor risks, in particular financial risks;
- checking that the internal control procedures are applied and ensuring the reliability of the information;
- examining the Statutory Auditors' annual audit programmes;
- examining the main elements of the financial communications.

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 attend the meeting provided that they present a certificate of shareholder status issued by the intermediary holding the account within the three days preceding the General Meeting;
- giving proxy to the Chairman of the Meeting;
- giving proxy to any person of their choice (spouse, partner with whom a civil solidarity pact has been concluded, another TOUAX SCA shareholder or any other physical person or legal entity of their choice);
- by postal vote.

For those unable to attend the General Meeting in person, a single form for postal or proxy voting is available to shareholders on request by registered letter with acknowledgement of receipt received at the registered office at least six days before the meeting.

To be valid this form must be filled in, signed, and have reached the registered office at least three days before the meeting. Owners of bearer shares must enclose their certificate of shareholder status with the form.

However, if the sale of securities takes place before 0.00 a.m. CET on the third working day preceding the Meeting, the company will invalidate or modify accordingly, depending on the case, the postal vote, the proxy, the admission card or the certificate of participation. For this purpose, the authorized intermediary holding the account will notify the company of the sale and give 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 French Financial Markets Authority (AMF) of its guidelines for internal control, the TOUAX Group introduced procedures in order to implement these recommendations. TOUAX applies the guidelines for mid caps and small caps published by the AMF in July 2010.

2.1. Organization of internal control

➜ 2.1.1. Definition

The internal control procedure is defined and implemented by the company, and aims to ensure:

- compliance with laws and regulations,
- application of the instructions and 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 more generally, internal control is a system that helps to control its businesses and enhances the efficiency of its operations and 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 behaviour of the staff comply with the company's business policies defined by the corporate bodies, 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 relations between the parent company and its subsidiaries.

➜ 2.1.5. Players 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, promotes and supervises the system that is the best suited to the Group's situation and business.

In this connection, the Managing Partners keep themselves regularly informed of any malfunctions, inadequacies or implementation difficulties and ensure that the necessary corrective action is taken. The management informs the Supervisory Board of any important points.

Supervisory Board

It is the responsibility of the management to given an account to the Board of the essential features of the internal control system.

The Board may use its general powers to carry out the controls and checks that it considers fit, and to take any other action it considers appropriate in this respect.

An Audit Committee has been formed within the Supervisory Board, which monitors the process of drawing up financial data 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 remit 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. In addition there is an internal audit department whose role is to provide constant monitoring of the internal control system.

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

One risk is the possibility that an event may occur whose consequences could affect persons, assets, the environment, the company's targets or its reputation.

To safeguard its future development and the achievement of its targets, the Group makes sure that it identifies analyses and manages comprehensively the risks to which it is exposed related to its various areas of activity, processes and assets.

The aims of risk management are to:

- create and safeguard the value and reputation of the Group,
- secure the Group's decision-making and procedures,
- ensure that the Group's actions are consistent with its values,
- mobilize the Group's employees around a common vision of the main risks.

These risks are identified in section 4 Risk factors, page 21 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.

The risk management activities are implemented on a daily basis by all members of staff, while performing their duties.

The Administration and Finance Department is in charge of risk management and coordinates this general system of risk management and control.

➜ Financial and accounting risks

The financial risks are market risks (interest rate and foreign exchange risks), liquidity and/or counterparty risk, and equity price risk.

Managing financial risk is an integral part of managing the company. To monitor this risk more effectively and optimize internal control, the Administration and Finance Department is now divided into four financial business units (shipping containers, modular buildings, river barges and railcars) and of four corporate units (holdings, financing & cash, reporting & consolidation, financial, legal & fiscal communications). This method of organisation makes it possible to combine business and technical expertise and as a result to assess risks more effectively.

The aim of the Administration and Finance Department is to rapidly produce accounting and financial 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, to consolidate the accounts, and to ensure compliance with accounting principles.

All the financial files are managed in a centralized manner by the Treasury and Finance Department attached to the Administration and Finance Department which monitors and checks the information daily. This information is passed on to the Executive Committee. The Treasury and Finance Department puts in place the means needed to limit financial risks.

➜ 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 Administration and Finance Department can be involved in the management and control of these risks.

2.4. Management and supervision of the internal control system

➜ 2.4.1. Overall organisation of internal control

Internal control is based on formalized procedures, the information system and its architecture and the competence and training of the staff.

The primary internal control cycles are income and trade accounts receivable, charges and trade accounts payable, tangible assets, cash and financing. The secondary cycles are inventory and employees/payroll.

➜ 2.4.2. Role of internal audit and management control

The object of internal audit and management control is to monitor risk mapping, put in place and control feedback via the various reports, and introduce and monitor the administrative and accounting procedures in liaison with the various accounting departments.

The Group reinforced its management control teams in 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, such as the uncertainty of the external environment and the use of judgement 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 organisation:

- Operating Department: This department is separate from the sales and marketing departments and is mainly responsible for processing and monitoring of the filling of customer orders,
- Trade Credit Department: This department reports to the Administration and Finance Department, and is consulted before an order is processed. It is responsible for dealing with disputes. It draws up the invoices on the basis of information entered in the information system by the Operating Department. The invoices are recorded in the accounts via an automatic and integrated system.

The basic principles of the income-trade accounts receivable cycle are:

- systematic existence of leases entered in the information system,
- integration of the management and invoicing system with the accounting system,
- segregation of duties between the credit department, the operational departments and the cash department,
- the regular supervision of trade credit (DSO – Days Sales Outstanding) by the senior management.

Charges and trade accounts payable

The main objectives are to check that orders are complete, the deliveries comply with the orders, the charges are exhaustive, the trade accounts payable are properly valued and the payments really exist.

It is organized as follows:

- Operating Department: initiates 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 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 analysed, 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 recognised 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 are based 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 reporting, consolidation and budgetary monitoring procedures put in place are aimed at ensuring compliance with the accounting principles applied by the Group and consolidation of incidental data needed to draw up 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 Administration and Finance Department and Senior Management are responsible for the whole of the financial communications process. The consolidation department produces the information needed for financial communication of the earnings.

➜ 2.4.6. Assessment of internal control

Internal control procedures and those related to the drawing up of accounting and financial data are continually identified, assessed and managed and did not change significantly in 2011.

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. No major errors were identified.

La Défense, March 28, 2012

Alexandre WALEWSKI
Chairman of the Supervisory Board

27.3. Statutory Auditors' report on the report of the Chairman of the Supervisory Board regarding internal control procedures relating to the drawing up and processing of accounting and financial data

Financial year ended 31 December 2011

To the shareholders,

In our capacity as statutory auditor of TOUAX and in accordance with article L. 226-10-1 of the French Commercial Code, we present to your our report on the report drawn up by the Chairman of your company, in accordance with the provisions of the aforementioned article for the fiscal year to December 31, 2011.

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 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:

- finding out about the internal control and risk management procedures relating to the drawing up and processing of accounting and financial data underlying the information presented in the Chairman's report as well as the existing documentation;
- finding out what work was done to make it possible to draw up this information and the existing documentation;
- determining whether any major deficiencies in the internal controls system relating to the drawing up and processing of accounting and financial data that we have discovered during our engagement have been duly disclosed in the Chairman's report.

Based on these audits, we have no comments to make regarding the information concerning the company's internal control and risk management procedures relating to the drawing up and processing of the accounting and financial data included in the report of the Chairman of the Supervisory Board, drawn up in accordance with article L. 226-10-1 of the French Commercial Code.

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.

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, 30 March 2012
The Statutory Auditors

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

28. Recently released information

28.1. Press release of January 10, 2012

TOUAX wins the call for tenders issued by the French Tennis Federation for the construction of the ROLAND GARROS media village

An exclusive and long-term contract

After a call for tenders issued by the French Tennis Federation (FFT), the Touax group Modular Solutions Division was chosen for the construction of the media village for the Roland Garros French Open for 3 years, renewable 1 year.

This new contract follows an initial exclusive 3-year partnership in 2009. It demonstrates the growing success of Touax in the modular buildings sector, and represents a powerful showcase for the group's know-how.

A world-famous technical challenge

The Roland Garros tennis tournament is a first-rate international sports event (10th biggest sports event in terms of audience), and is broadcast in 178 countries by 117 TV channels. Each year about 3,000 broadcasting professionals are welcomed at the media village with the same conditions of comfort and safety as in traditional buildings.

In less than a month, Touax will have to install over 3,000 m² of technical facilities providing high quality air-conditioning and thermal and acoustic insulation, representing a total of 200 modules on 3 levels. These temporary modular buildings need to fit perfectly into the historically protected and listed site of the tournament. The solutions designed by Touax enable it to meet this technical challenge and reconcile respect for standards, comfort and attractiveness, thanks to modules comprising plate glass windows, round posts and signs on the façade etc. The buildings must also make it possible to carry out open-air broadcasts, requiring external designer fixtures with terraces and canopies.

For Christophe Boustouller, Managing Director of the Modular Solutions Division, "it is a major commercial success but also an exceptional opportunity to demonstrate, once again, the qualities of Touax modules and our know-how. We are very pleased to announce this second partnership with the FFT which shows the long-term relationship of trust that has been established between Touax and the federation".

28.2. Press release of January 16, 2012

Touax accelerates the strategic repositioning of its river barges business

For several months, the Touax group River Barges division has been developing its leasing and sales activities of river transport equipment, which represent its core business, in the main European basins. At the same time, the division continues to increase its business in North and South America. The utilization rate of barges intended for leasing is 90%.

Emmanuel Cheremetinski, Managing Director of the River Barges division, is enthusiastic about this strategic repositioning which should help to optimize the Group's business mix, and notes that "there is high demand for river transport equipment throughout the world in view of the prospects for growth in this type of transport".

In this connection, Touax announces that it has signed a sales agreement with LAFARGE GRANULATS for seven barges for delivery in spring 2012. Raphaël Walewski, Managing Partner of Touax, is very pleased "with this agreement, which shows the extent of the services that the Group is able to offer to market players".

Touax is a global player in the river transport sector and the Group offers numerous services to manufacturers and transport operators.

28.3. Press release of February 6, 2012

TOUAX wins several contracts to supply modular buildings to AIRBUS

TOUAX announces that it has reached an agreement with Airbus, a subsidiary of the EADS Group, concerning several lease and sale agreements for modular buildings, mainly in connection with the development of the Airbus A350.

These orders concern the installation and delivery of over 11,000m² on several sites. They comprise 10 buildings for use as staff offices, site accommodation for external contractors and a departure lounge.

Airbus required functional and aesthetic buildings that met all of the standards of traditional buildings. TOUAX was successful thanks to its responsiveness and the performance of its solutions, the challenge being to delivery permanent and temporary buildings with different technical characteristics, within very short time limits.

TOUAX's Modular Solutions division has focused on the sale of modular buildings for several years and these contracts confirm that the solutions offered by TOUAX meet the requirements of major international players. According to Christophe Boustouller, Managing Director of the Modular Solutions division, "this successful approach confirms the unique positioning of TOUAX, which is able to support its customers throughout the world and in particular in the case of EADS, on several European sites".

28.4. Press release of February 14, 2012

Strong growth in the 4th quarter: +30%; Higher than targeted increase in revenue 2011: +11%; Strong progression in sales in 2011: +21%; Increase in the leasing business: +7%

TOUAX: 2011 revenue of €336 million

Fabrice and Raphaël WALEWSKI, Managing Partners, are pleased "with the growth in revenue in 2011 and in particular the very high level of business in the final quarter, making it possible to achieve a higher than targeted increase of 11%. In spite of the difficult economic situation in some European countries, TOUAX was able to take advantage of very good diversification in a global market. The utilization rate and daily rates increased encouragingly with a slow positive effect for our businesses in 2012".

Revenue by type

Unaudited consolidated data *(in thousands of euros)*	T1 2011	T2 2011	T3 2011	T4 2011	TOTAL	T1 2010	T2 2010	T3 2010	T4 2010	TOTAL
Leasing revenue (1)	51,621	54,364	55,613	59,821	**221,419**	47,241	52,162	55,408	52,976	**207,787**
Sales of equipment	13,708	30,406	13,565	56,716	**114,395**	13,610	31,830	12,483	36,683	**94,606**
Consolidated revenue	**65,329**	**84,770**	**69,178**	**116,537**	**335,814**	**60,851**	**83,992**	**67,891**	**89,659**	**302,393**

(1) Leasing revenue presented here includes ancillary services and river transport services.

Consolidated revenue in 2011 amounted to €335.8 million compared with €302.4 million in 2010, i.e. an increase of 11.1% (+13.4% on a constant currency basis).

This rise was the result of an increase in syndication (sales of equipment to investors) in particular in Q4 by the Railcars division, as well as an increase in sales of modular buildings and river barges.

TOUAX's leasing businesses continued to grow thanks to effective management of its rental fleet. Leasing revenue, which includes revenue from leasing and services associated with leasing (transport, maintenance etc.), was up by 6.6% in 2011 (8.7% on a constant currency basis).

The acceleration in growth in revenue in Q4 (+30% compared with the same period in 2010) was mainly due to two syndications finalized in December.

In view of these results, the Group distributed an interim dividend of €0.50 per share on 10 January, identical to the previous year.

Analysis of the contribution of the four Group divisions

Revenue by division

Unaudited consolidated data *(in thousands of euros)*	T1 2011	T2 2011	T3 2011	T4 2011	TOTAL	T1 2010	T2 2010	T3 2010	T4 2010	TOTAL
Leasing revenue (1)	19,037	18,873	19,335	19,692	**76,937**	17,697	20,158	20,880	19,510	**78,245**
Sales of equipment	7,523	22,482	844	18,613	**49,462**	5,854	21,125	2,169	20,575	**49,723**
Shipping containers	**26,560**	**41,355**	**20,179**	**38,305**	**126,399**	**23,551**	**41,283**	**23,049**	**40,085**	**127,968**
Leasing revenue (1)	18,301	20,754	22,701	20,334	**82,090**	16,745	18,382	20,337	18,071	**73,535**
Sales of equipment	4,682	4,526	6,895	13,644	**29,746**	4,216	3,075	9,090	6,592	**22,973**
Modular buildings	**22,983**	**25,282**	**29,595**	**33,976**	**111,836**	**20,962**	**21,457**	**29,427**	**24,662**	**96,508**
Leasing revenue (1)	5,597	5,669	4,555	4,549	**20,370**	4,530	5,312	5,434	5,902	**21,178**
Sales of equipment	2	3,166		2	**3,170**			1,120	12	**1,132**
River barges	**5,599**	**8,835**	**4,555**	**4,551**	**23,540**	**4,530**	**5,312**	**6,554**	**5,914**	**22,310**
Leasing revenue (1)	8,686	9,067	9,022	15,163	**41,938**	8,268	8,310	8,756	9,439	**34,773**
Sales of equipment	1,501	230	5,827	24,543	**32,101**	3,540	7,630	104	9,560	**20,834**
Freight railcars	**10,187**	**9,297**	**14,849**	**39,706**	**74,039**	**11,808**	**15,940**	**8,860**	**18,999**	**55,607**
CONSOLIDATED REVENUE	**65,329**	**84,770**	**69,178**	**116,537**	**335,814**	**60,851**	**83,992**	**67,891**	**89,659**	**302,393**

(1) Leasing revenue presented here includes ancillary services and river transport services.

➜ *Shipping Containers:*

the revenue of the Shipping Containers division fell slightly by 1.2% due to the currency effect, but grew by 3.6% in constant dollars. There was high demand from shipping companies for containers throughout the year, and the average utilization rate in 2011 was 97%. The daily rates continued to rise in 2011. In constant dollars, sales of containers to investors increased by 4.4% compared with 2010. The Group signed major syndication agreements in Q1, Q2 and Q4.

➜ *Modular Buildings:*

the revenue of the Modular Buildings division was up 16%. Growth was driven by an increase in sales of 29.5% in 2011 as a result of TOUAX's expansion into new market segments in Europe, and the positioning that TOUAX has maintained for several years. The leasing business (up 11.6%) continued to grow on the whole compared with 2010 thanks to an increase in daily rates and the utilization rate. The dynamism of the Central Europe zone as well as Germany and France offset lower results in countries where market conditions are more difficult. The division managed to conquer new markets in a difficult European context, and continues to diversify its businesses, markets and products.

➜ *River Barges:*

the revenue of the River Barges division was up 6%. The temporary fall in leasing revenue was due to the gradual shutdown of the transport business in favour of strategic refocusing of the division towards leasing. The utilization rate of the Group's fleet is almost 90% at 31 December, the fleet being leased to manufacturers or logistics groups. Demand for river barges is strong in all basins where TOUAX is present. The Group achieved sales of equipment totalling €3.2 million compared with €1.1 million in 2010.

➜ *Railcars:*

the revenue of the Railcars division was up 33%. This increase was mainly due to the rise in sales to investors in Q4 compared with 2010 when there were fewer syndications. The increase in leasing revenues of 20.6% was due to growth in the fleet in certain buoyant segments. However the tonnage transported by rail in Europe has not regained its pre-crisis levels, which curbed the increase in leasing revenues for the existing fleet in 2011.

2012 Outlook

Although it is moderate, the forecast for growth in world trade is 3.3% in 2012 (source: IMF, January 2012). In this context, thanks to the strength of its economic model based on long-term contracts and diversified businesses, in particular in emerging countries, TOUAX anticipates continued growth in 2012.

➜ *Shipping Containers:*

according to the latest forecasts by Clarkson Research Services, (January 2012), growth in containerized transport is estimated at 7.7% in 2012 driven by growth in north-south traffic in particular to Africa (+9.5%) and inter-Asia traffic (+9%). The Group therefore anticipates demand for containers from shipping companies, growth in its rental fleet and syndications, and utilization rates that should remain high.

➜ *Modular Buildings:*

The leasing and sales businesses should continue to grow in most countries where the Group is present. TOUAX has developed new products intended for sale in high-potential markets such as site facilities intended for export etc. The division also intends to expand in emerging countries in order to take advantage of development opportunities.

➜ *River Barges:*

in 2012 the Group will benefit from its conversion into a river equipment leasing company in the basins where it is present. Demand for river transport equipment remains high due to the increasing need for raw materials and agricultural products, since barges are the most environment-friendly and economical means of transport for certain types of products. To support its growth, TOUAX will choose to invest in high-potential zones. The Group has started to trade in river transport equipment, which is highly complementary to its leasing business, and expects significant growth in its sales of barges in 2012.

➜ *Railcars:*

the Group has noted a recovery in the American rail market linked to the energy and agricultural sector, and will increase its rental stock there. Selective investments will be made in Europe according to demand. The Group is also considering extending its businesses to other geographic zones.

28.5. Press release of February 20, 2012

TOUAX RAIL is one of the first companies in Europe to be awarded Entity in charge of maintenance (ECM) certification

TOUAX RAIL, which specializes in leasing and sales of railcars, has announced that it was awarded Entity in Charge of Maintenance (ECM) certification in December 2011 by Bureau Veritas.

This is the culmination of a process introduced by TOUAX RAIL in 2009 to position itself as a player able to provide its customers with a complete rental service for freight equipment, including maintenance services. It follows ISO 9001 certification obtained in July 2010 for the organization of its leasing business and railcar maintenance.

This European certification recognizes TOUAX's know-how in the field of technical management and maintenance of railcars, and will continue to accelerate its development.

At 31 December 2011 TOUAX managed a total fleet of 8,709 railcars, representing average annual growth of 34% for the past 10 years.

Tom Murray, Managing Director of Touax Rail Limited adds that "this certification is an important stage in the development of the railcars division and opens up prospects for growth throughout Europe. We want to offer our customers a comprehensive service, including both leasing and maintenance of rail equipment".

28.6 Presentation of the outlook given at the SFAF meeting on April 2, 2012

Section 6 Business Overview, section 12 Known Trends in section 12.2 and expected changes described in the management report on page 111 are completed by the following information presented on announcement of the Group's annual results:

In the short term, the Group's strategy is to consolidate its position and continue its growth:

- by increasing its fleet of shipping containers. In 2011 the Group resumed investing and will continue to invest in 2012 on its own account and on behalf of investors;
- by investing €20-30 million per year in modular buildings and taking advantage of opportunities in emerging countries by creating joint ventures or buying out companies;
- by making selective investments in the River Barges and Freight Railcars divisions, in Europe, the USA and South America according to demand.

In the medium term the Group also plans to obtain a significant global position in each division by strengthening its economies of scale:

- The objective of the Shipping Containers division is to expand in order to increase its global market share from 4.1% to 7%, with a fleet under management of 800,000 containers compared with about 500,000 at the end of 2011. In spite of the fall in growth of global GDPs, the International Monetary Fund anticipates global growth in trade of 3.8% in 2012. Shipping companies should therefore continue to use leasing companies to meet their needs, and we expect utilization rates to remain at a high level.
- The objective of the Modular Buildings division is to expand in order to achieve a market share of 15% in Europe with 75,000 modules under management compared with about 49,000 at the end of 2011. The Group expects to increase its sales revenue to €150 million within five years compared with €29.7 million in 2011. The development of new services (facility management) and products that exceed environmental and building standards (EC marking, EUROCODE, RT 2012, BBC, THPE) will help to it to meet this objective;
- The objective of the River Barges division is to complete the refocusing of its business on leasing. High demand from emerging countries for raw materials and agricultural products (in South America and on the Danube) and the development of the transport of cereals and biomass energy, confirm the Group's aims to focus on long-term leases and increase sales;
- The objective of the Freight Railcars division is to expand in order to achieve a market share of 8% in Europe and to manage more than 10,000 railcars. There is substantial potential for growth: 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. The average age of railcars in Europe is high, and there is a big market for replacing the existing fleet. The trains in use are also increasingly used for longer distances, making rail transport more efficient and competitive than road transport.

29. Draft of resolutions

Ordinary and extraordinary shareholders' meeting to be held on 15 june 2012

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 2011)

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, 2011, hereby approves the annual financial statements for the fiscal year ended December 31, 2011, as presented to the Meeting, showing a net income of €4,589,884.06.

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 €195,361, as well as a tax saving of €235,596 resulting from the fiscal integration.

SECOND RESOLUTION (approval of the consolidated statement of the fiscal year 2011)

The 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, 2011, as presented to the Meeting, as well as the transactions reflected in these statements showing a profit of €13,434,318.

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 2011 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 2011 fiscal year	4,589,884.06 €
Less General Partners' statutory compensation	-980,514.82 €
Less the allocation for the legal reserve	-229,494.20 €
Increased by the positive retained earnings	66,860.38 €
For a total of distributable profit of	**3,446,735.42** €
and decides to distribute a total amount of €1 per share	5,911,817.00 €
given that:	
An interim dividend has been paid out for	2 857,250.00 €
The balance of the dividend of €0.50 if set for	3,054,567.00 €
And decides to allocate the balance to the retained earnings	195,236.07 €
Total amount of the 2011 dividend distributed, i.e.	5,911,817.00 €
will be distributed as follows:	
- €0.55 per share to be paid out of the distribuable 2011 profit, for	3,251,499.35 €
- €0.45 per share to be paid out of the share premium, for	2,660,317.65 €

The General Meeting sets the net dividend for the 2011 fiscal year at €1 per share. The balance of the 2011 dividend to be distributed amounts €0.50 per share after an interim dividend of €0.50 per share has been paid out on January 10, 2012.

It is stated that the maximum number of shares entitled to the dividend for the 2011 fiscal year, i.e. shares with dividend rights on January 1, 2011, amounts to 6,109,134 shares, corresponding to the number of shares comprising the capital of the company on December 31, 2011, i.e. 5,720,749 shares, increased by the maximum number of shares to be created by the exercise of warrants and redeemable warrants issued by the company, up to the ex-dividend date.

If at the time of the Shareholders' meeting, the Company holds any of its own shares, or warrants or redeemable warrants are not exercised, then the unpaid dividend for those shares shall be allocated to retained earnings.

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 detachment date of the balance of the dividend is on July 4, 2012 (12:00 a.m – Paris time). The payment will be on July 9, 2012, an interim dividend of €0.50 having being paid on January 10, 2012.

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:

Fiscal year (in €)	General partners's statutory compensation	nature of the dividend*	dividend per share	number of dividend -bearing shares	TOTAL of the distribution
2008		interim	0.50	4,670,358	2,335,179
2008	1,040,550	balance	0.50	2,820,814 (1)	2,450,957
TOTAL 2008		**TOTAL**	**1.00**		**4,786,136**
2009		interim	0.50	5,680,106	2,840,053
2009	915,627	balance	0.50	5,686,088	2,758,671
TOTAL 2009			**1.00**		**5,598,724**
2010		interim	0.50	5,691,522	2,845,761
2010	935,798	balance	0.50	5,697,901	3,784,748.50
TOTAL 2010			**1.00**		**6,630,509.50**

** dividend qualifying for the 40% exemption provided for under Article 158-3 of the General Tax Code for physical persons liable for income tax in France.*

(1) out of a total of 4,675,703 shares, 1,854,889 shares having opted for payment of the dividend in shares, as decided by the General Meeting of June 10, 2009..

FIFTH RESOLUTION (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, approved the report as well as the new regulated party agreement decribed 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 (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 2012.

EIGHTH 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 2012.

NINETH 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 2012.

TENTH 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 2012.

ELEVENTH 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 2012.

TWELFTH 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 2012.

THIRTEENTH 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:	€34,175,804

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 15th 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 15th resolution of the Ordinary General Meeting of June 27, 2011.

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.

FOURTEENTH RESOLUTION (amendements of the articles of association)

The General Meeting, after examining the report of the Management Board, decides to modify articles 1 and 13 of the Articles of Association, as follows:

Article	Previous wording	New wording
Article 1 – Form	" … The partners are as follows: 1/ 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.: c) Société Holding de Gestion et de Location, a simplified joint-stock company (SAS), share capital €37,000, whose registered office is located at 5 rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, currently being registered on the Nanterre register of companies, represented by Mr Raphaël Colonna Walewski, born October 22, 1966 in Neuilly sur Seine, 92200 FRANCE, residing at 16 rue du Printemps, 75017 Paris FRANCE, a French citizen. c) Société Holding de Gestion et de Participation, a simplified joint-stock company (SAS), share capital ¤37,000, whose registered office is located at 5 rue Bellini, Tour Arago, Puteaux La Défense, FRANCE, currently being registe-red on the Nanterre register of companies, represented by Mr Fabrice Colonna Walewski, born October 14, 1968 in Neuilly sur Seine 92200 FRANCE, residing at 46 avenue de Madrid, 92200 Neuilly sur Seine, FRANCE, a French citizen. "	" … The partners are as follows: 1/ 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.: a)Société Holding de Gestion et de Location, a simplified joint-stock company (SAS), share capital €7,271,010, whose registered office is located at Tour Franklin, 100-101 Terrasse Boieldieu, 92042 la Défense Cedex, FRANCE, registered on the Nanterre register of companies under reference number 484 322 342, represented by its Chairman, Mr Raphaël Colonna Walewski. b) Société Holding de Gestion et de Participation, a simplified joint-stock company (SAS), share capital €7,281,010, whose registered office is located at 41 rue Charles Laffitte, 92200 Neuilly sur Seine, FRANCE, registered on the Nanterre register of companies under reference number 483 911 178, represented by its Chairman, Mr Fabrice Colonna Walewski. "
Article 13 – related party agreements 2nd paragraph	" … The preceding provisions do not apply to agree-ments concerning ordinary transactions concluded under normal conditions. The Chairman of the Supervisory Board is informed of these agreements by the person concerned, unless they are not significant for any of the parties due to their purpose or financial impact. The Chairman gives a list of these agreements and their purpose to the members of the Supervisory Board and the statutory auditors. This list is made available to the shareholders in accordance with legal requirements. "	" … The preceding provisions do not apply to agreements concerning ordinary transactions concluded under normal conditions."

FIFTEENTH 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 the present, 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.

This authorization enters into effect on acceptance by this General Meeting. It cancels and replaces the authorization granted by the 22nd resolution of the Extraordinary General Meeting of June 27, 2011.

SIXTEENTH 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 5, 2012:

- 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;
- the reference document for the fiscal year ended December 31, 2010, submitted on April 8, 2011 under reference number D11-0264.

31. Glossary

River barge
Non-motorized metallic flat-bottomed vessel used to transport goods by river.

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,

Freight Railcar
Railcar used to transport goods.

Multifreight 45', 60', 90' and 106' railcars and flat railcars
Freight railcars with standard dimensions.

Table of contents

Notes

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This reference document was submitted to the French Financial Markets Authority (AMF) on April 5, 2012 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).

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