Touax®

2012 REPORT

YOUR OPERATIONAL LEASING SOLUTION

PROFILE: YOUR OPERATIONAL LEASING SOLUTION

SHIPPING CONTAINERS

N°1 in Europe

- 565,000 containers
- 3.6% global market share*
- 49% of the revenue

MODULAR BUILDINGS

N°2 in Continental Europe**

- 51,000 modular buildings
- 7.5% Continental European market share
- 32% of the revenue

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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, hire-purchase, 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.

FREIGHT RAILCARS

N°2 in Europe**

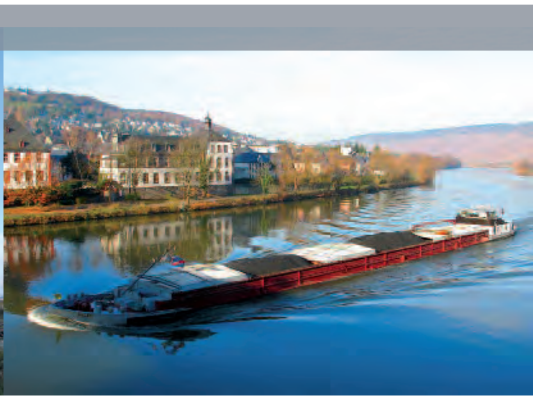
(intermodal freight)
- 9,100 railcars
- 6.5% European market share
- 12% of the revenue

RIVER BARGES

N°1 in Europe and South America**

- 160 river barges
- 25% European market share
- 7% of the revenue

**.Drewry Maritime Research source*
*** Touax source*



With operations across five continents, TOUAX posted an operating revenue of €358 million in 2012, including 85% generated outside France.
On December 31 2012, the Group managed over €1.6 billion in equipment for its own account as well as on behalf of both private and institutional investors.

MESSAGE FROM THE MANAGING PARTNERS

A SPECIALIZED SERVICES COMPANY CLOSE TO ITS CUSTOMERS

2012 was marked by a 7% increase in the Group's revenue to €358 million, of which 85% is achieved outside France. The EBITDA after distribution to investors also increased by 7% to €61.8 million. Managed assets increased by 9% to a total of €1.6 billion.

On the other hand, the Group's net income declined to €9 million compared with €13 million in 2011.
These results are due to several factors:

- A good year for the Shipping Containers business, with an average utilization rate in 2012 of 96%, growth in its managed assets of 14% to 565,000 TEU and high results. The business benefited from its positions in Asia and in emerging countries.
- A difficult year in Europe for the Modular Buildings and Freight Railcars leasing businesses with a decline in profitability in particular in the second half of 2012,
- A good year for the River Barges business, thanks in particular to new investments in emerging countries.

TOUAX took advantage of 2012 to establish itself in new zones. The Group will benefit from these investments in the next few years.

- The acquisition of SACMI, market leader for leasing and sales in Morocco, makes it possible to gain a foothold in the modular buildings sector in Africa. There is considerable potential in Africa for site facilities for the oil and mining industries, low-cost housing, hospitals and schools, and offices for companies and governments.
- The Group also has an entity that leases freight railcars in Asia, where it anticipates strong demand in coming years.
- In South America, the river barge leasing businesses on the Hidrovia network (Parana-Paraguay) grew. With over 50 barges, the Group is the leader in this market and anticipates strong growth in its fleet to cope with the increase in transport of soya, oil, iron ore etc.

In Europe, the economic situation is expected to remain difficult in 2013. TOUAX has introduced an action plan for its Modular Buildings

Fabrice Walewski
Managing Partner

Raphaël Walewski
Managing Partner

and Freight Railcars businesses to reduce costs and optimize its offer. In the Modular Buildings business, the sites in Germany, Poland and the Czech Republic should continue to perform satisfactorily. In the Freight Railcars business, underinvestment by our European customers since 2009 should create structural opportunities for replacing fleets in the short and medium term.

The Group also remains confident for 2014 in view of all of the action taken in growth areas, in particular in Asia, Africa and South America.

We would like to thank all our employees for their excellent work throughout the 2012 fiscal year, as well as our shareholders, partners, customers and suppliers for their confidence, commitment and loyalty.

Key figures

Revenue multiplied by 2.1 in 10 years

760 employees

Net profit multiplied by 3.6 in 10 years

SHIPPING CONTAINERS

GLOBAL SOLUTIONS FOR LEASING AND TRADING CONTAINERS

"9th container lessor worldwide and leader in Europe with a 3.6% global market share"

In a structurally growing market anchored in globalization, TOUAX Global Container Solutions is a leading player in container leasing and trading solutions. Relying on high standard assets and diligent services, its experienced teams innovate and bring value to their clients at each stage of the container life.

A structurally growing market

Shipping containers continue to play their role in facilitating global trade (+3.7% growth of container trade in 2012 – source Clarkson January 2013). In 2012 the overall demand for shipping containers steadily increased with an estimated production of 2.5 million TEUs.

The container leasing business increased its support to the shipping industry, as shipping lines need to protect their cash reserves and focus their capital expenditures for new ships. Over 60% of containers produced in 2012 were ordered by lessors, 40% by shipping lines (source manufacturers – TOUAX).

Container leasing is insulated from shipping sector cyclicality, with long-term lease agreements, low excess capacity risk due to short order-to delivery cycle and asset liquidity with access to many non-maritime markets.

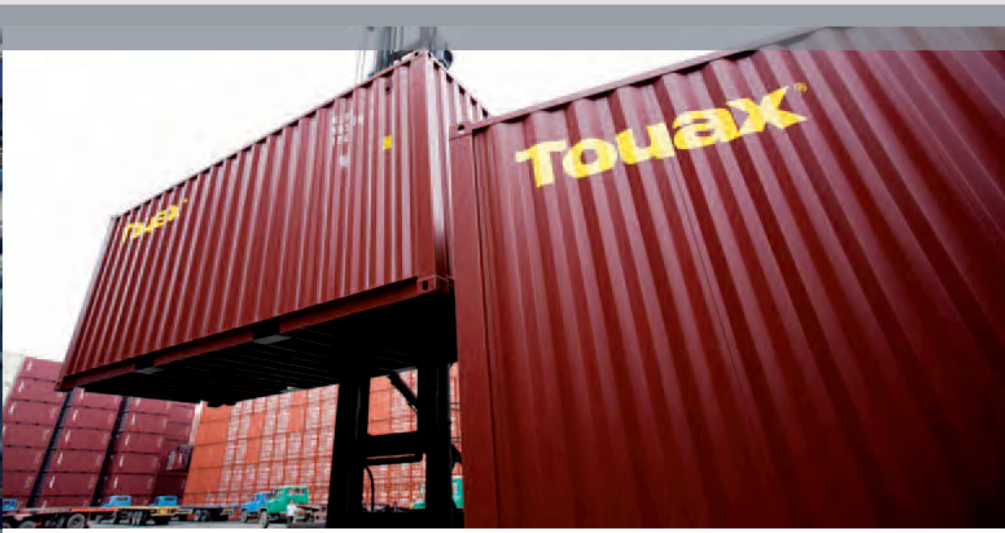
In 2012 TOUAX increased its trading of brand new units and disposal of 2nd hand containers into active secondary markets with multiple participants in land, storage and container conversions. In that respect, residual values of used equipment remained at record levels.

The proven expertise of a reference player

TOUAX serves its clients worldwide from its 4 regional hub offices and has teams of representatives in 13 countries while its operational structure relies on a global network of 200 strategically located depots. The company owns and manages a fleet of high standard containers, mostly dry vans of (20', 40', and 40' HC).

As a comprehensive container-life cycle player, TOUAX proposes solutions for

- Operational Leasing (short and long term contracts),
- Finance Lease (Lease Purchase and Sell & Lease back),
- Sales & Trading (brand new and second hand containers).



TOUAX has developed close business relationship with the top container shipping lines like Maersk Lines, Mediterranean Shipping Company, CMA–CGM, Hapag Lloyd, APL-NOL, Evergreen and China Shipping and serves over 120 shipping companies including the top 25 major shipping lines and over 400 clients in the retail sector.
In 2012, the utilization rate maintained at an average of 96% and the fleet increased by 14% with 565,000 TEU, demonstrating TOUAX ability to optimize its fleet performance and its management capabilities.

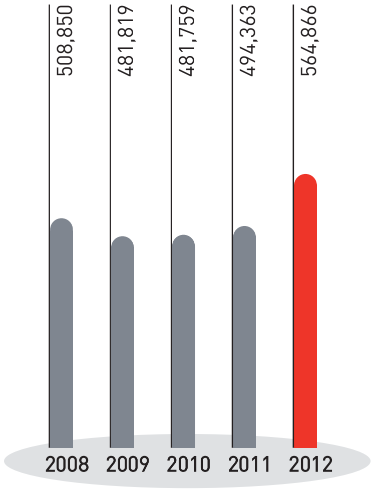
Ambitious growth plans

Committed to the container industry for more than 25 years, TOUAX operates with long term perspectives and focuses on reaching a fleet of 800,000 TEUs in the medium term.
TOUAX constantly develops its web-based information system (www.touax-container.com), giving live information on availability and specifications of containers for lease and facilitates the process of picking up or dropping off containers.
In 2013, TOUAX is well positioned to expand in both leasing and trading business segments.

Key figures

Fleet of 565,000 TEU
200 depots worldwide

Fleet managed by the Group



MODULAR BUILDINGS

A CUTTING-EDGE SERVICE FOR HIGHLY MODULAR CONSTRUCTION SOLUTIONS

"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 now also in Africa.
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.

A comprehensive offer of products

TOUAX is a manufacturer, distributor, and a leasing company, and produces modular buildings and prefabricated buildings that meet the highest quality standards (such as in particular RT2012) and are suited to all our territories (Europe, America, Africa and the Middle East). Our solutions include site facilities, offices, classrooms, social and emergency accommodation, clinics, sales offices, camps, changing rooms etc.

Successful international diversification

TOUAX is already present in 9 countries and continued to expand into new markets by acquiring SACMI, the leading modular solutions and prefabricated buildings operator in Morocco. We are now able to support our customers in Africa and open up the promising markets for residential and non-residential buildings. TOUAX Solutions Modulaires achieved near 60% of its revenue outside France.

Some of the biggest projects within the market

Our teams built some of the biggest site facilities in Africa and Europe: Tekfen site (30,000m^2) and Eemshaven site (55,000m ^{2}).
The fleet has increased by an average of 8% in

recent years to over 51,000 modules. In addition, the sales business, which continued to grow in 2012, shows the Group's know-how, offering tailor-made solutions for each project. In the medium term, the Group aims to increase its leasing market share in Europe and to reach € 150 million sales revenue, mainly generated by its development in emerging countries.

Keeping to our commitments

In both leasing and sales, TOUAX customers seek:

- Global cover;
- Very short lead times (8 to 10 weeks to deliver several thousand m²);
- Very attractive prices 10 to 50% lower than for traditional buildings;
- Measurable performance concerning the quality of buildings delivered (BBC, THPE, RT2012, etc.);
- A tailored, eco-friendly offer available worldwide (HQE label);
- A solution that is 100% flexible, 100% modular and 100% adaptable to our customers' needs.

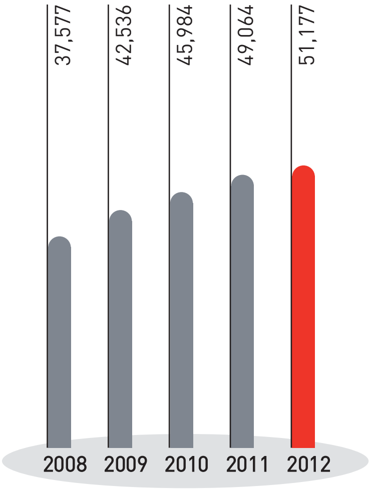
Key figures

5,000 clients

51,000 modular buildings

10 countries

Fleet managed by the Group



FREIGHT RAILCARS

WE OFFER OUR CUSTOMERS A RAIL MAINTENANCE SERVICE IN ADDITION TO OUR LEASING RANGE

"In December 2011 TOUAX RAIL obtained Entity in Charge of Maintenance (ECM) certification, according to the new European legislation"

TOUAX RAIL LTD

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 players to receive this certification.

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

TOUAX RAIL offers leasing agreements including maintenance services. The strengths emphasized by TOUAX RAIL for the benefit of its customers are its command of maintenance and rail safety. Since end of 2011, TOUAX RAIL was awarded Entity in Charge of Maintenance (ECM) certification.

TOUAX RAIL offers leasing services in Europe, the United States and Asia. In Europe through a network of offices located in Ireland (Western Europe zone) and Romania (Central Europe zone), completed by a network of branches covering the whole of Europe; in the United States in partnership with Chicago Freight Car Leasing and in Asia in partnership with a local group.

At the end of 2012 TOUAX RAIL managed a varied range of more than 9,100 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), the Belgian national railway company (SNCB), Rail Cargo Austria (RCA), DB Schenker Rail (Deutsche Bahn), the Swiss railway companies (SBB/CFF) as well as private operators and big industrial groups like Cargill and Veolia.

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 15,000 units in the medium term. TOUAX RAIL is also well positioned to an international expansion.

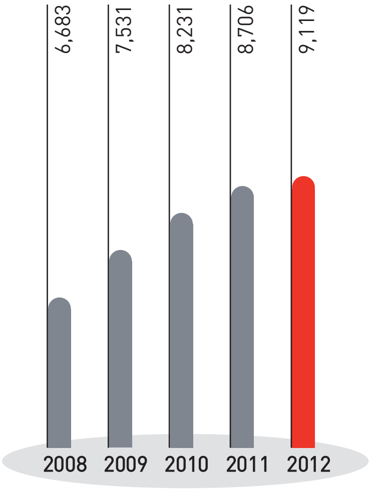
Key figures

2nd largest European lessor of intermodal railcars

9,100 railcars

Present in Europe, the USA and Asia

Fleet managed by the Group



RIVER BARGES

A RANGE OF HIGH-VALUE-ADDED SERVICES, LEASING AND SALES OF RIVER TRANSPORT EQUIPMENT

"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 long term leasing and sales of assets for manufacturers and river transport logistics operators on the main river basins in the world.

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:

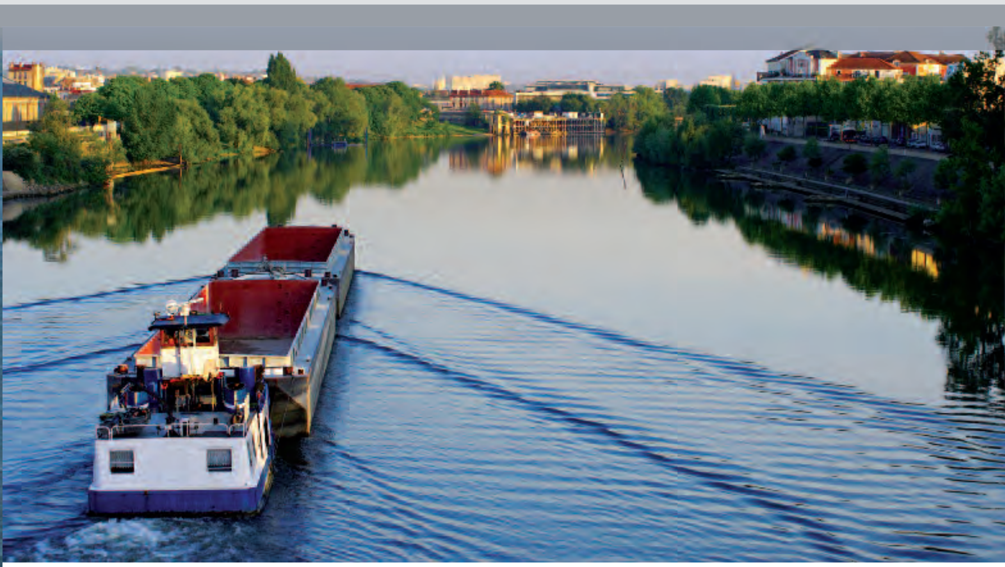
- operational and financial leasing of barges,
- trading of barges and push tugs,
- construction,
- fleet management,
- sale and lease back of river fleets,
- transport of barges between different river basins,
- insurance,
- advice, assistance and technical expertise regarding river transport,
- management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

At 31 December 2012 the TOUAX Group managed a fleet of about 160 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 50 barges on the Mississippi to different logistics operators.



- In South America: TOUAX rents 50 barges under long-term leases on the Paraná River in Paraguay 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 CO2 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 double its fleet, thanks to its locations in South America and to triple its revenue from associated services.

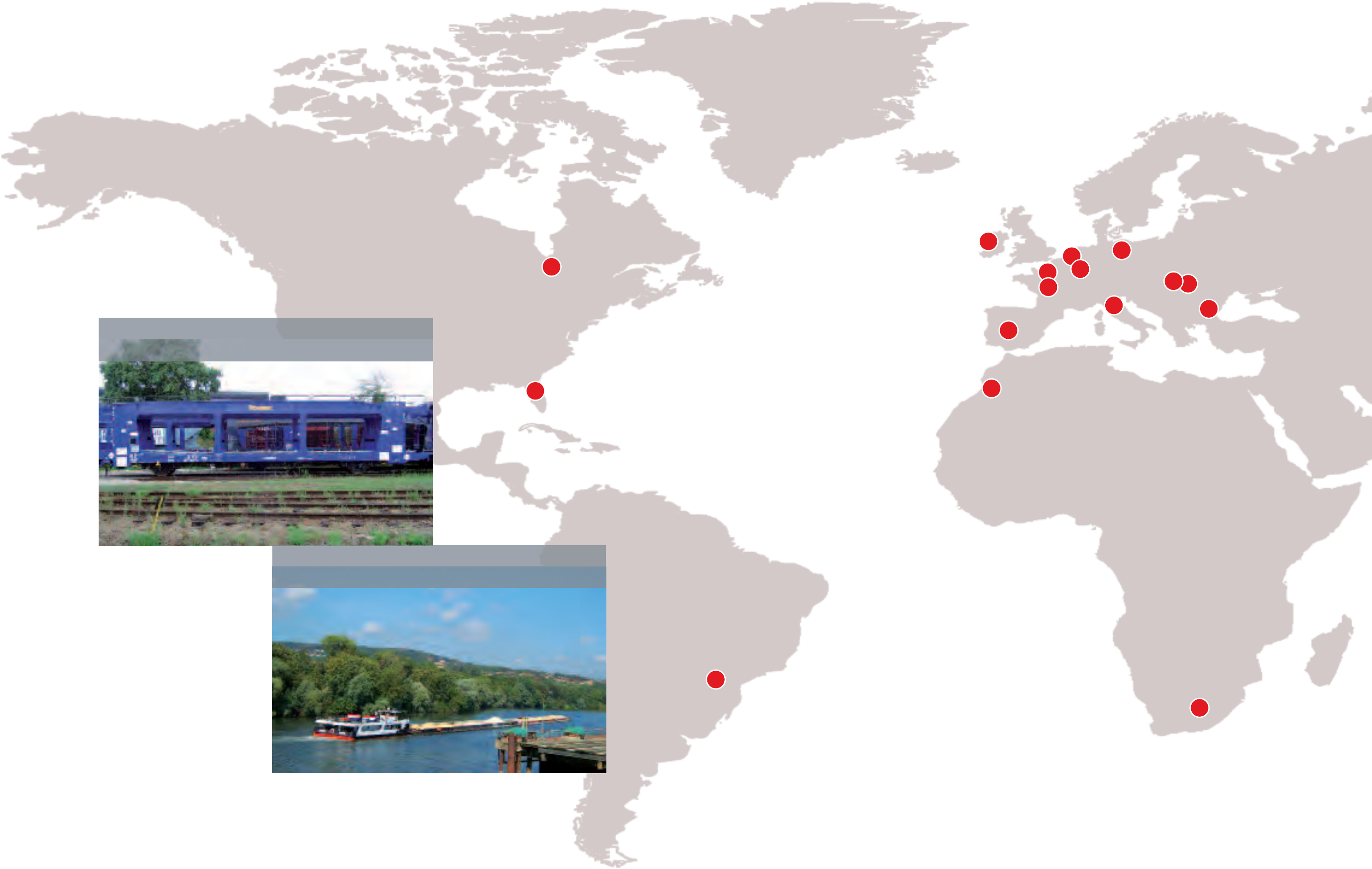
Key figures

160 barges

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

A WORLDWIDE PRESENCE

A NEW DYNAMIC WITH OUR LOCATIONS IN THE EMERGING COUNTRIES



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

Shipping containers

Europe/Africa region
(administrative office in Paris)
Northern Asia region
(Hong Kong)
Southern Asia region
(Singapore)
Americas region
(Miami, United States)
Agents:
South Africa (Durban),
Australia (Melbourne),
Belgium (Antwerp),
South Korea (Seoul),
India (Chennay),
Italy (Genoa),
Japan (Tokyo),
Taiwan (Taipei)

Modular buildings

France
(8 branches, 1 factory and administrative office)
Germany
(5 branches)
Spain
(1 branch)
United States
(Florida and Georgia)
(5 branches)
Netherlands and Belgium
(2 branches)
Poland
(5 branches)
Czech Republic
(2 branches, 1 factory)
Slovakia
(1 branch)
Morocco
(1 factory)

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, Austria, Slovenia,
Poland

River barges

Rivers Seine and Rhône
(France)
Rivers Rhine, Main, Meuse, and Moselle
(Northern Europe)
River Danube
(Central Europe)
River Mississippi
(United States)
River Paraná-Paraguay
(South America)

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.

Acceleration of the development of services over the past 15 years

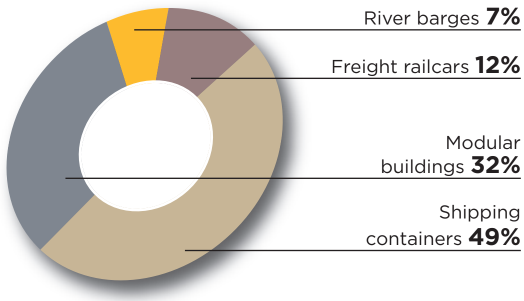
1995	1998	2005	2006	2007	2008	2010	2012
Starting of the asset management for investors	Group is jointly managed by Fabrice & Raphaël Walewski	Revenue exceeds **200 million euros**	100 years as a listed company with consecutive years of dividends	TOUAX begins producing modular buildings in two plants	Group managed assets exceed **1 billion** TOUAX appears in the SBF 250 index	Revenue exceeds **€300 million**	Expansion of the Group in Morocco

KEY FIGURES

A STRATEGY OF CREATING VALUE FOR ALL FOUR DIVISIONS

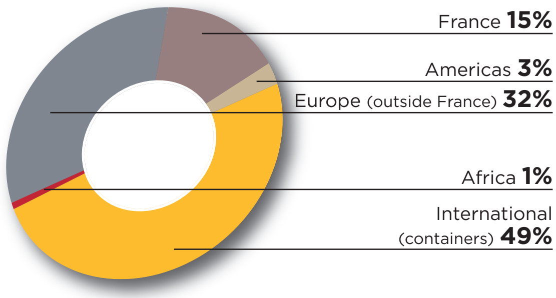
Breakdown of revenues by activity

at December 31, 2012



Geographic distribution of revenues

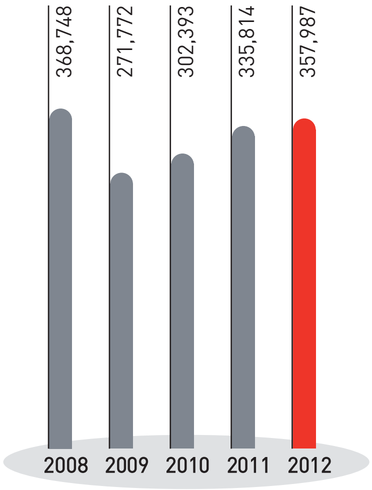
at December 31, 2012



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

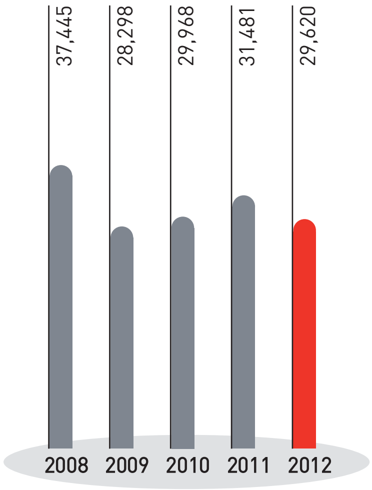
Consolidated revenues

(€ thousands)



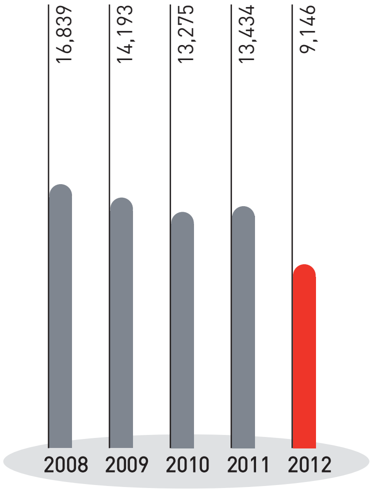
Consolidated current operating income

(€ thousands)



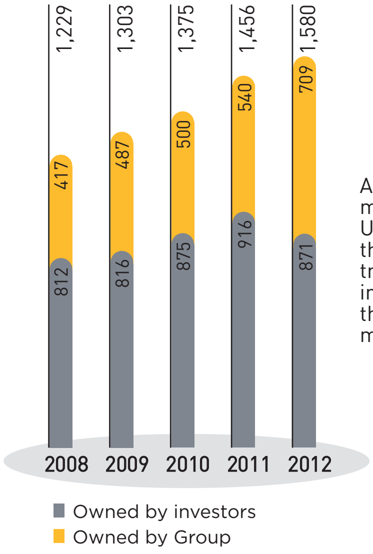
Consolidated net income

(€ thousands)



Breakdown in managed assets

(€ million)



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

4 leverages of sustainable profitability

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; the need for flexibility, short delivery time and competitive costs gives modular buildings the edge over traditional construction; environmental awareness, the increase in transport of raw materials and agricultural goods and the deregulation of rail freight markets in many countries all promote international leasing of both river barges and freight railcars.

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

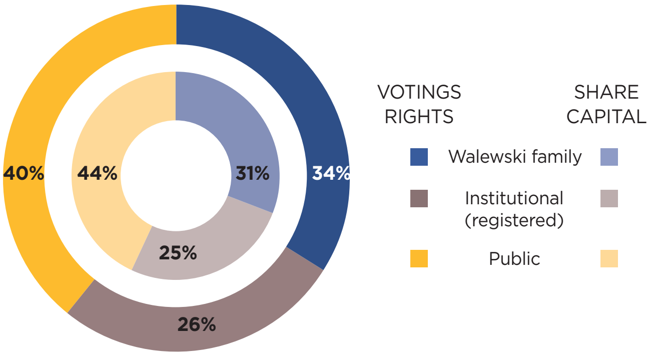
In each of its business lines, TOUAX listens to its customers and closely watches markets in order to continually develop and improve our products and services. Over the past five years, each of our divisions has bolstered its competencies and expanded both its business lines and services, thereby earning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

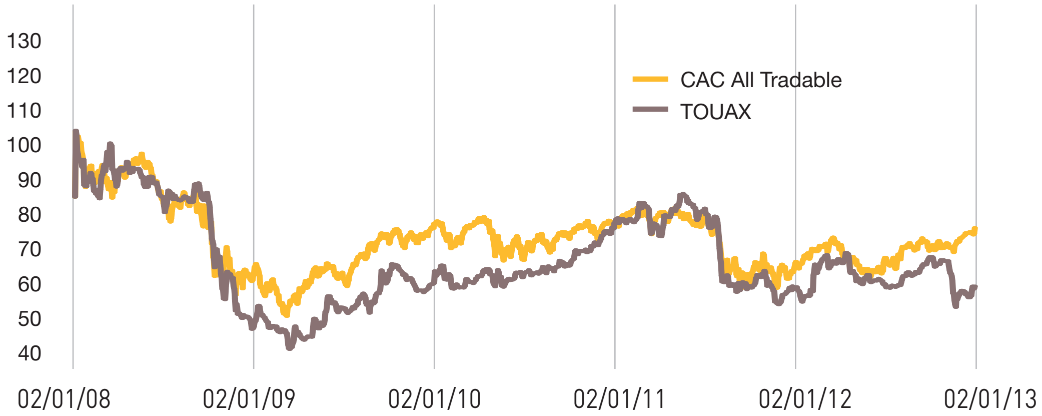
ISIN code : FR0000033003
Mnemonic code : TOUPFP
Listed on NYSE Euronext (Paris)
Indices : CAC® Small and CAC® Mid & Small
SRD Long Only

DISTRIBUTION OF CAPITAL AND VOTING RIGHTS ON DECEMBER 31, 2012



SHARE PRICE PERFORMANCE OVER 5 YEARS

(rebased to 100 at January 2, 2008)



Source : Euronext

SHARE PRICE DATA

	2012	2011	2010
Maximum share price (€)	26.15	32.99	29.49
Minimum share price (€)	19.19	19.60	17.13
Price at December 31 (€)	21.71	21.80	29.49
Share price performance	-0.40%	-26%	32%
CAC 40 performance	15%	-17%	-3%
Total number of share at December 31	5,740,267	5,720,749	5,695,651
Market capitalization at December 31 [1]	124.62	124.71	167.82
Number of shares traded	941,405	1,053,734	1,057,599
Capital traded [1]	21.59	29.35	25.47

[1] euro millions

SHARE PRICE RATIOS

	2012	2011	2010
Net earning per share	1.6	2.35	2.33
P/E ratio	13.63	9.28	12.64
Net dividend per share*	1	1	1
Total return on the share	4.60%	4.60%	3.40%

* A dividend of € 0.5 per share will be proposed to the General Shareholders meeting on June 11, 2013 as well as the distribution of free shares.

SHAREHOLDERS' AGENDA

May 15, 2013
Announcement of Q1 2013 revenues

June 11, 2013
General Shareholders' Meeting

August 29, 2013
- Announcement of Q2 2013 revenues
- Announcement of H1 2013 results

November 14, 2013
Announcement of Q3 2013 revenues

February 14, 2014
Announcement of Q4 2013 revenues

week of March 25, 2014
Announcement and presentation of the Group's 2013 results

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1. PERSONS RESPONSIBLE

1.1. PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THE REFERENCE DOCUMENT AND THE ANNUAL FINANCIAL REPORT

Fabrice and Raphaël WALEWSKI, Managing Partners

1.2. DECLARATION OF THE PERSONS RESPONSIBLE FOR THE REFERENCE DOCUMENT CONTAINING AN ANNUAL FINANCIAL REPORT

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

We confirm to the best of our knowledge that the financial statements were prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and profit or loss of the Group as well as all consolidated companies, and the management report in section 26.1 page 104 herein presents a true and fair view of the development and performance of the business, profit or loss and financial position of the Group and all consolidated companies, together with a description of the principal risks and uncertainties that it faces.

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

The consolidated historical financial information for the year ending December 31, 2012 is described in the auditors' reports, appearing on pages 96 to 97 of this document, as well as those incorporated as a reference for the 2011 and 2010 fiscal years. For the 2011 fiscal year, the auditors stated in their report on the consolidated financial statements appearing on page 116 of the reference document submitted to the Autorité des Marchés Financiers an observation relating to accounting."

April 9, 2013
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)	**2012**	2011	2010
Leasing revenue	219,034	221,419	207,785
Sales of equipment	138,952	114,395	94,608
Revenue	357,986	335,814	302,393
EBITDA before distribution to investors (1)	118,266	118,862	111,365
EBITDA after distribution to investors (1)	61,777	57,748	53,757
Current operating income	29,042	31,481	29,968
Consolidated net profit/(loss), Group's share	9,146	13,434	13,275
Net earnings per share (€)	1.60	2.35	2.33

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

Key figures of the consolidated balance sheet

(€ thousands)	**2012**	2011	2010
Total assets	776,135	606,601	568,374
Gross tangible assets (1)	649,708	474,490	425,921
ROI (2)	9.51%	12.17%	12.62%
Total non-current assets	563,769	410,612	378,358
Shareholders' equity - Group's share	148,978	146,883	140,204
Consolidated shareholders' equity	173,013	146,316	140,119
Minority interests	24,035	(567)	(85)
Gross debt	491,783	364,050	331,746
Net debt (3)	432,639	319,791	292,646
Dividend paid per share (€)	1	1	1

(1) The gross tangible assets do not include the value of capital gains in 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 financial year.

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

3.2. SELECTED FINANCIAL INFORMATION FOR INTERMEDIATE PERIODS

Not applicable

4. RISK FACTORS

TOUAX has reviewed the risks which might have a significant negative impact on its business, its financial situation, its profit or loss, or its ability to achieve its objectives, and considers that, to the best of its knowledge, there are no 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

Some of the equipment leased or sold by TOUAX may be subject to new technical or safety regulations requiring it to be brought into compliance with standards or making some units obsolete. The Group would have to cover the costs of backfitting due to these changes, but this would affect all players within the sector and would probably make it possible to partly revise the leasing prices.

The Group has technical teams responsible for monitoring changes in standards. TOUAX complies with the most advanced standards in force, according to the regulations applicable in the countries concerned, in order to limit its exposure to regulatory risks.

Modular Buildings

Modular buildings are subject to building regulations and safety standards. A change in standards would require equipment to be brought into compliance, which would apply to all players in the modular buildings sector. In France, the RT 2012 energy standard applies to all modular buildings leased for over 24 months. In Germany the EnEv standard applies. The existing equipment can always be used for periods of less than 24 months. Some is backfitted for longer use. Backfitting makes it possible to improve the equipment and is taken into account when invoicing customers.

River Barges

Each river barge obtains a seaworthiness certificate which makes it possible to check that the ship has undergone all of the statutory inspections. This certificate must be renewed regularly. The regulations change periodically, in particular regarding safety, making boats subject to new technical specifications. These changes result in backfitting costs. The changes do not involve a risk of obsolescence of existing units, since the Group does not operate barges for transporting dangerous materials.

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. These standards apply to all players, and in some cases apply to all railcars in use. To ensure the compliance of its organization, TOUAX has obtained IS0 9001 certification, as well as Entity in Charge of Maintenance (ECM) status. The Group belongs to European working parties set up to develop the regulations applicable to the sector.

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 the French Commercial Code. In addition it should be noted that no dispute or arbitration that has not been mentioned is likely to have at present, and has not had in the recent past, a significant impact on the Group's financial position, business or income, or on the Group itself.

There are no significant disputes or arbitration other than those mentioned in the following paragraphs, as well as in section 20.1 page 48.

Shipping Containers

There are no significant disputes known to date, apart from proceedings against an insurance company concerning coverage of default by two customers. Since the equipment mainly belongs to investors, the impact on the Group's accounts is small and full provision has been made. The first instance decision should be pronounced by the end of June.

Modular Buildings

To date, no significant dispute has been reported for the Modular Buildings business, with the exception of a dispute with a Czech subcontractor over compliance with contractual provisions. Amounts cannot be disclosed for reasons of confidentiality. The first hearing of the dispute is under way, and the date of the speech for the defence has not yet been set.

River Barges

TOUAX is in dispute with the company that repaired barges damaged during transport from China to Europe. Amounts cannot be disclosed for reasons of confidentiality. The arbitration ruling should be pronounced in the coming months.

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 a claim to seek damages for the losses incurred. The amounts claimed cannot be disclosed for reasons of confidentiality. The Brussels Court of Appeal should give a verdict on this dispute in 2013.

Freight Railcars

To date, provision has been made for all significant disputes for the Freight Railcars business.

4.2. ENVIRONMENTAL AND MARKET RISKS

4.2.1. Economic risk

Shipping Containers

Demand for containers is linked to changes in container traffic and total transport traffic. Fluctuations depend on the level of global economic growth and of international trade. The economic risk corresponds to the risk of cyclical recession, and recent years have been characterized by low growth in developed economies and a financial risk that may affect customers' credit capacity. This risk is 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 80% of the fleet of shipping containers is leased under non-cancellable contracts for average periods of three to five years with leasing prices that are not subject to alteration. The 25 leading shipowners in the world work with the Group.

Modular Buildings

Demand for modular buildings depends on three separate markets: the construction & civil engineering 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 centers and hospital extensions. Risk of a contraction in the market is tempered by the term of the Group's lease agreements, which are generally for more than one year.

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.

The modular building leasing business is mainly established in Europe and for several years has suffered from the slowdown in the European economies. The Group has established itself in North Africa to limit its exposure to the risk of recession in the European market, and look for new drivers for growth.

River Barges

Demand for containers 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 on the policies for importing and exporting raw materials. Demand for containerized river transport also depends on international trade. The economic risk corresponds to the risk of cyclical recession at global level or in a specific zone. This risk does not have an impact on long-term leases, and is limited by geographical diversification of the Group across several basins, in particular in South America.

Freight Railcars

Demand for freight railcars is linked to changes in rail transport. Rail transport depends on developments in global and intra-European trade.

In Europe the 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 considers that deregulation of rail transport, the current structural investment policies and the advantages of this method of transport, which is deemed to be more environment-friendly, should contribute to an increase in rail transport in the medium term.

The economic risk corresponds to the risk of cyclical recession. This risk does not impact long-term leases and is limited according to the zones where the Group is present. The freight railcar leasing business is mainly established in Europe and for several years has suffered from the slowdown in the European economies. To limit its exposure in Europe, the business is looking for growth drivers in Asia.

4.2.2. Geopolitical risk

Apart from the Modular Buildings business, demand for shipping containers, freight railcars and river barges depends on international trade. The geopolitical risk corresponds to the risk of protectionist measures taken by countries (increase in 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 of the Group's long-term and short-term lease agreements, by customer and geographical area.

4.2.3. Exposure to sustained competition

The Group's businesses face sustained competition.

Shipping Containers, Freight Railcars

The Shipping Containers and Freight Railcars businesses are competitive businesses with numerous leasing campaigns, production plants and financing organizations. Pressure on prices from competitors can force the Group to reduce its prices and consequently its margins. Moreover, the shipping companies and railway undertakings also own equipment which limits demand for leasing. Alternative methods of transport by road or river also indirectly compete with rail transport.

To limit this risk, the Group applies a growth and differentiation policy, to maintain a sufficient size and offer services enabling it to retain competitive advantages.

Modular Buildings

The modular building sector is a fragmented market with a few big leaders such as Williams-Algeco. According to demand, the Group is in competition with these large companies or with small local players, and depending on the case, implements a differentiation strategy via the price, availability of the service, quality, delivery lead times or equipment supplied.

The Group also differentiates itself by offering innovative products and is looking for growth drivers in emerging countries where there is less competition.

River Barges

There are no rival operational leasing companies for river barges, only financing organizations that indirectly compete with the business. Moreover, alternative methods of transport by road or rail compete indirectly.

4.3. RISKS LINKED TO THE BUSINESS

4.3.1. Commercial risk

Commercial risk is assessed according to the equipment utilization rate. To ensure that the equipment is leased, the Group gives priority to long-term non-cancellable leases and optimizes the utilization rate and leasing prices with shorter leases. Early termination of leases results in significant penalties.

In an unfavourable market environment, the fall in utilization rates and leasing prices affects the results of the leasing businesses.

Shipping Containers

Worldwide economic growth, particularly concerning international trade, has a major impact on demand for shipping containers. Growth in the sector was confirmed in 2012 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 remained high in 2012 at 96%. In order to limit the impact of economic cycles, the Group concludes long-term, fixed-price agreements and increased sales of used containers.

Modular Buildings

The modular buildings business is mainly located in Europe. The European economy suffered a slowdown in 2012 and some countries in which the Group is established went into recession. All of the sectors targeted by TOUAX experienced difficulties, and limited their budgets or deferred their investments. This resulted in a fall in leasing prices and utilization rates. 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. If there is no recovery in Europe and the United States, this will prevent an increase in the prices and utilization rates and could have a more significant impact on the operating margins.

River Barges

The river barge leasing business depends on demand for river transport of goods. The weakness of the European economy makes it impossible to achieve high profitability levels for the river barge leasing business in Europe.

Freight Railcars

Since the volumes of goods transported did not increase in 2012, the lessees continued to optimize management of their fleet by returning equipment that was not required and refraining from renting other equipment. This had a negative impact on the utilization rate in 2012 although prices were not affected. It should be noted however that demand by customers varies according to the type of equipment, with excess capacity on the market for some types, and undercapacity for others. The lack of recovery in Europe will not make it possible to increase utilization rates and operating margins.

4.3.2. 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 79.

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 the Group's customers is low and only concerns the equipment that it owns in full. Moreover, the quality of TOUAX's customers, in particular the 25 biggest shipping companies, limits 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 (10 countries). It also has a large number of customers. The risk of default by customers is very varied at divisional level, but can be significant at country level. Risk analysis is carried out for all new customers. In 2012 the Group reinforced its customer monitoring procedures. Risks are measured and analysed for each country based on periodic reviews of the customer portfolio.

River Barges

The customer portfolio is monitored periodically to manage the risk of default. To reduce this risk, security deposits are requested according to customer quality.

Freight Railcars

Customer default risk is ultimately borne by the equipment owners. The Group only bears risks for equipment that it owns in full. The Group does not bear the risk of customer default in its third-party asset management business. Some customers encountered financial difficulties in the past following the crisis suffered since 2008, resulting in provisions being made.

In 2012 the Group reinforced its customer monitoring procedures, with increased monitoring of default risk and a periodic review of the customer portfolio.

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. Nevertheless, the five biggest customers of the river barge, freight railcar and shipping container leasing businesses account for 40-50% of the leasing revenue. There are not many production plants and the Group works with a few in particular (cf. supplier risk).

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: 50% of the revenue from equipment sales in 2012 came from a single investor. Dependence on that investor increased in 2012. To minimize the risk of dependence on investors, the Group is attempting to diversify the investors with which it works; however the market conditions under which the Group leases its equipment may not meet the investment criteria of some investors.

The primary customer accounts for an estimated 20% of revenues, the top five accounts for 30% of revenues, and the top ten represent 37% of revenues. The primary customer is the equipment investor mentioned previously.

4.3.4. Supplier risk

The Group buys part of the equipment it leases. The Group pays close attention to the quality of the equipment purchased. The Group may find itself in a situation where it is unable to procure new equipment rapidly should production plants have no more available order capacity. It should be noted that the current economic uncertainty has limited the production capacities of certain suppliers in some zones. Supplier risk is limited in time and does not impact the Group's growth.

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 prevent any interruption to supplies, the Group has developed a diversified network of primary and secondary suppliers and synergies between the different assembly sites. This risk is limited to the new equipment produced by the Group.

4.3.5. Risk of shipping container location and loss

Containers are sometimes returned by lessees in areas where demand for containers is low. 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. 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.

4.3.6. 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.

4.3.7. Subcontracting risk

Modular Buildings

Taking into account the variety of modular building assembly and installation sites, the Group uses a significant number of subcontractors. The Group has introduced procedures to regularly control the conditions in which subcontractors work. Moreover, the risks that may arise on the building sites are covered by insurance policies.

Freight Railcars

As an Entity in Charge of Maintenance, the Group maintains its own railway equipment as well as that of companies who are unable or unwilling to do so. The Group does not have its own workshops and has concluded agreements with workshops whereby they will carry out maintenance for TOUAX. To limit the quality risk, the Group has decided to only work with certified workshops and has introduced technical inspection procedures TOUAX also relies on a daily relationship with these workshops.

4.3.8. Environmental risk

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

Shipping Containers

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

Modular Buildings

The environmental impact of producing modular buildings is limited due to the minimal use of paints and solvents. The

Group reduces these risks by complying with current health and safety standards.

4.3.9. Seasonal variation

Modular Buildings

The construction and civil engineering business experiences seasonal variations linked to weather conditions, 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 and customer portfolio with less seasonal market segments.

4.3.10. Management risk

A considerable portion of the container fleets and freight railcars (72%) 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. The third-party asset management business solely involves providing services which cannot on any account be considered to be an association between the Group and the investors.

TOUAX has reduced the risk of termination of 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.

Management contract termination clauses vary according to the program.

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

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

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

4.4. FINANCIAL RISKS

4.4.1. Liquidity risk

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

Liquidity risk management is assessed according to the Group's requirements and is set forth in the notes to the consolidated financial statements, note 26 page 87.

The list of loans containing specific clauses and commitments is mentioned in note 18.2.3 page 81 and note 26 page 87 of the notes to the consolidated financial statements.

4.4.2. Interest rate risk

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

Interest-rate risk management is described in the notes to the consolidated financial statements note 26 page 87.

4.4.3. Currency risk

Information on currency risk and its management is provided in note 26 of the notes to the consolidated financial statements, page 87.

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 most of the expenses are generated in the same currency as the income. The Group considers that a 10% decrease in the exchange rate of the US dollar vs. the euro would cause a 6.1% 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 1.4% and 0.5% respectively.

4.4.4. 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 87.

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:

Year *(€ thousands)*	Equity call (share capital)	Equity call (issue premium)	Target
2008	6.2	17.1	growth
2009	7.6	10.5	growth
2010			
2011			
2012			

4.4.5. 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 87.

4.4.6. Raw material prices risk

Equipment purchase prices vary according to the volatility of commodity prices, especially steel, which represents the main component of the shipping containers, freight railcars and river barges. Such volatility is not only due to the economic mechanism of supply and demand, but also to sensitivity to exchange rate fluctuations when commodity prices are listed in US dollars (see exchange rate risk note 26 page 110).

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. Leasing prices are mainly correlated with equipment prices. However, in an environment where there is pressure on leasing prices or if it is difficult to lease equipment, the Group may record an occasional decline in profitability. This risk is limited thanks to the duration of the leases and the service life of the equipment. To date, the Group has not observed any major drop in prices due to the significant reduction in production capacity.

Volatile commodity prices can also affect the prices of ordered equipment for firm purchase agreements spread over time. The Group is reducing this risk by restricting its firm commitments and by negotiating indexing mechanisms for commodity prices, especially steel. For freight railcars, orders are placed for new railcars once the Group has concluded a lease for the railcars. However it may not be possible to pass on the whole of the increase in the price of steel to the lessee, resulting in a fall in profitability.

4.5. 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 the business managers are responsible for assessing and covering the risk of operating losses according to 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 Railcars divisions is covered by the equipment insurance policy (comprehensive property insurance). Insurance for tangible assets in the Shipping Containers division is delegated to the Group's customers and suppliers (depots) in accordance with standard business practices. Operating losses arising from lost or damaged tangible assets are covered by tangible assets insurance.

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

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.

All risks river barge insurance covers, among other risks, damage, loss and total theft, third-party claims and costs arising from navigation accidents, explosions, fire or any case of force majeure and more specifically damage arising from malfunction of the propulsion or steering mechanisms, breakdown of machinery, electrical damage, leaks, damage arising from incorrect berthing or loading, mooring risks, damage to third parties and in particular to engineered structures, risks of pollution, salvage costs and costs arising from investigations, surveys, proceedings, and legal representation. Damage resulting from acts of vandalism and/or with malicious intent. Finally the insurance policy includes coverage of the carrier's tort liability as specified by the law and regulations. In general, the coverage and guarantee amounts depend on the units and operating basins.

The 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

5.1.2. Place of incorporation and registration number

Register of companies

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

Telephone: +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, 2014.

5.1.4. Legal status and legislation

Company legal status

Partnership limited by shares

Financial year

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

Share capital

On December 31, 2012 the company's capital comprised 5,740,267 shares with a par value of €8.

The capital is fully paid up.

Company legislation

A partnership limited by shares, governed by the French Commercial Code.

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

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5.1.5. Historical background

Refer to the timeline on pages 12 and 13.

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 has the cross-functional activity of third-party asset management. By the end of 2012, 55 % 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. In 2012 the share of assets owned by the Group increased considerably in the Freight Railcars business, due to the consolidation of a company previously recognized as an investor. Following the takeover, the assets managed by the company are now recognized as proprietary assets.

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. To achieve these objectives, the Group balances the ratio between managed and proprietary assets using a distribution rule that varies according to the business. At present, 45% of assets managed are owned by the Group, and 55% are belonging to third parties. The assets held by fully consolidated subsidiaries are wholly included in the Group's assets, even if the Group invested in partnership with minority shareholders.

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 therefore 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 prefinance 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 Daily 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.

After a good start, economic conditions in Europe deteriorated particularly in the second half of 2012, resulting in a certain amount of pressure on leasing prices and utilization rates. The Group's diversification enables it to limit the effects of the economic crisis in Europe. Moreover, the Group continued to implement its strategy of favouring long-term leases.

Après un bon début, les conditions économiques européennes se sont particulièrement détériorées au 2nd semestre 2012, ce qui a entrainé une certaine pression sur les tarifs locatifs et les taux d'utilisation. La diversification du Groupe lui permet de limiter les effets du ralentissement économique européen. Par ailleurs, le Groupe continue sa stratégie de privilégier les contrats de location longue durée.

In 2012, investors continued to show an interest in the assets managed by the Group, which made it possible to sign new management contracts. Moreover, the Group always seeks to acquire fleets of existing equipment.

In 2012, the Group made the following investments on its own behalf and for investors:

	Shipping	Modular	River	Freight	Miscellanous	TOTAL
(€ thousands)	Containers	Buildings	Barges	Railcars		
Gross Capital Assets Investments	9,658	30,062	16,152	101,650	179	157,701
Variation in Stocks of Equipment	31,457			9,689		41,147
Sale of Capitalized Equipment (historical gross value)	(6,747)	(7,947)	(10,643)	(503)	(37)	(25,877)
Investments in capital and in stock	**34,368**	**22,115**	**5,509**	**110,836**	**142**	**172,971**
Equipment sold to investors (finance lease)						
Gross investment in managed assets	74,505					74,505
Capitalized equipment sold to investors						
Sale of Capitalized Equipment	(26,570)			(90,843)		(117,413)
Net Investments in Managed Assets	**47,935**			**(90,843)**		**(42,908)**
NET INVESTMENTS	**82,303**	**22,115**	**5,509**	**19,994**	**142**	**130,062**

On 1 January 2012, the Group acquired 26% of the shares of SRF Railcar Leasing Ltd, thereby raising its holding to 51% of the latter company's capital. The Group thus took control of this equity consolidated subsidiary. Now fully consolidated, the shares held by this subsidiary have been transferred from the category "tangible assets under management" to "net fixed investments for stock" amounting to 84 million euros.

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

(€ thousands)	Shipping Containers	Modular Buildings	River Barges	Freight Railcars	Miscellanous	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	**21,817**	**(18,180)**	**(11)**	**19,510**		**29,136**
NET INVESTMENTS	**29,919**	**14,184**	**2,609**	**24,541**	**1,248**	**75,501**

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

(€ thousands)	Shipping Containers	Modular Buildings	River Barges	Freight Railcars	Miscellanous	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**

The main net capital investments recognized in the consolidated financial statements at December 31, 2012 are shown below:

Net capital assets investments during the fiscal year

(€ thousands)	**2012**	2011	2010
Net investments in tangible assets	885	169	367
Net investments in tangible assets	132,748	53,037	25,459
Net investments in financial assets	(1,809)	(658)	1,194
TOTAL net investments	**131,824**	**52,548**	**27,020**

Breakdown by business of net capital assets investments

(€ thousands)	**2012**	2011	2010
Shipping Containers	2,911	(1,228)	(4,095)
Modular Buildings	22,115	32,364	28,950
River Barges	5,508	2,620	(1,015)
Freight Railcars	101,147	17,544	3,111
Miscellanous	143	1,248	69
TOTAL	**131,824**	**52,548**	**27,020**

Methods of financing of net capital assets investments

(€ thousands)	**2012**	2011	2010
Cash / loans	131,824	44,615	10,431
Leasing		7,933	20,771
Management contract with third party investors			(4,182)
TOTAL	**131,824**	**52,548**	**27,020**

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 2013 amount to approximately €9.45 million as of January 31, 2013, including €3.95 million in shipping containers, €0.2 million in modular buildings, €3.3 million in river barges and €2 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, 2012 amount to €26.7 million, including €13.53 million in shipping containers, €2.8 million in modular buildings, €2 million in railcars and €8.37 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 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 of managed assets

The value of the managed assets presented below corresponds to the equipment purchase prices. Assets in US dollars are valued at the exchange rate of December 31, 2012. 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 of the assets managed by the Group is as follows:

	2012		2011		2010	
		owned by		owned by		owned by
	owned by the	investors outside	owned by the	investors outside	owned by the	investors outside
(€ thousands)	Group*		the Group		Group*	the
Shipping Containers	76,301	642,497	46,833	601,767	43,233	559,866
Modular Buildings	318,485	32,181	293,684	32,181	264,249	50,508
Freight Railcars	233,675	171,932	122,327	262,775	119,263	242,878
River Barges	81,034	24,215	77,359	19,215	73,527	21,715
TOTAL	**709,495**	**870,825**	**540,203**	**915,938**	**500,272**	**874,967**

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

There were no more assets managed via securitization at December 31, 2012, but they represented 1% of the assets managed for third parties at December 31, 2011 and 3% at December 31, 2010.

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 91 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 containers, modular buildings, freight railcars and river barges. The Group manages equipment on its own behalf, as well as on behalf of third-party investors. A breakdown of managed assets is detailed in section 5.2.4 page 30.

The businesses and markets for each of these business activities are described on pages 4 to 15; further information is available in the annual management report on page 103.

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 provides third-party asset management. 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. These investors are family offices, financial companies or investment companies that want to diversify their investments with recurring yields from real and tangible underlying assets with a long service life.

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 this profit is the following:

- Leasing profit 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, 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, 2013 is provided in section 28.3 page 142.

The Group's Shipping Containers business

includes leasing and hire-purchase, third-party asset management, and sale of new and used containers.

The Group managed a container fleet of about 565,000 TEU at the end of December 2012, most of which was managed on behalf of third parties. Almost 89% of the fleet of shipping containers belongs to third parties and the remainder belongs to the Group, given that almost 17.6% of the equipment held by the Group is intended for sale to third parties in the near future (less than one year).

TOUAX leases to numerous shipping companies, including the 25 biggest companies in the world. The average utilization rate in 2012 was 96%. TOUAX also syndicates equipment leases to investors. 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. The leases have an average term of 6.1 years, and often continue after the initial expiry date.

The shipping containers leasing market is relatively concentrated, with about ten major players, four of which are very large, and financing organizations that may also provide leasing. TOUAX is a major player with 3.6% of the global market, in ninth position in the world (source Drewry Container Leasing Industry 2012/13).

The shipping container market has undergone structural growth in response to the increasingly globalized marketplace: The global fleet of containers has increased from 23.3 million to 31.3 million TEU within 5 years. The forecasts for growth in containerized traffic are 6% in 2013 and 7% in 2014:

Annual growth rate	2004	2005	2006	2007	2008	2009	2010	2011	**2012**	**2013***	**2014***
Containerized trade	13%	10%	11%	12%	4%	-9%	13%	7%	4%	6%	7%
Container ships	8%	11%	14%	12%	11%	5%	8%	7%	5%	7%	5%
Container fleet	10%	7%	9%	13%	7%	-4%	7%	9%	7%	7%	7%

Source: Clarkson Research Services Ltd – Jan. 2013 & Drewry Container Leasing Industry 2012/13

** Forecasts*

The average annual growth of the TOUAX fleet is 12.2% over 10 years, while the average annual growth of the market is 7.3%.

The Clarkson Institute forecasts a continuation of sustained growth in volumes in the market in 2013 and the growth prospects for world trade, driven in particular by the emerging economies, are positive at 3.5% (IMF) and specifically at 5.5% for emerging and developing countries. In the medium-term, the Group seeks to manage, on its own behalf or on behalf of third-parties, a fleet of more than 800,000 TEU (7% of the global market) and to seize any investments opportunities.

The Group's Modular Buildings business

manufactures modular buildings, leases or sells them and provides a certain number of services for customers, in particular assembly and facility management.

The Group managed about 51,000 modules at the end of December 2012, and mainly manages the equipment on its own behalf. Almost 91% of the managed fleet belongs to the Group.

TOUAX leases to very many customers, in particular large construction and civil engineering firms, local authorities and industries. The average utilization rate in 2012 was 74% and the average age of the fleet was 6.4 years.

Modular buildings are currently built by the Group in its assembly plants in France, the Czech Republic and Morocco. Production enables the Group to diversify into sales activities, which often require more personalized production.

The Modular Buildings business is located in three zones, with 59% of the revenue achieved outside France:

- in Europe, in France, Germany, Spain, Belgium, the Netherlands, Poland, the Czech Republic and Slovakia, each country targeting its own market;
- in the USA with an entity based in Florida in order to canvass the states of Florida and Georgia and South American countries;
- in Africa with the acquisition of the Moroccan leader in 2012 in order to canvass the African continent.

The modular buildings market is fragmented. TOUAX may be in competition with very large players, in particular in France and the USA, or with a multitude of small or medium-sized players with a local reputation. TOUAX is the second largest leasing company in Europe with a market share of 7.5% in continental Europe (source TOUAX).

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 average term of leases for modular buildings is 22 months.

The number of modular buildings available for leasing in Europe has risen from 250,000 to 500,000 units in 15 years (source: TOUAX). The average annual growth of the TOUAX fleet is 10.4% over 10 years, whereas the estimated average annual growth of the market is 4.7%.

In the medium term, the Group's objective is to obtain a market share of 15% in Europe with a strengthening in Eastern Europe, and to increase sales to achieve revenue of €150 million. In Europe, the Group does not foresee a recovery in 2013. To ride out the crisis, TOUAX has taken measures to reduce its costs and bolster its growth, such as developing offers based on second-hand assets, reorganising the agency network, lowering the break-even point of the assembly centres and launching new products in new countries.

TOUAX is continuing its international expansion and the recent acquisition of the Moroccan leader in the modular buildings sector offers it strong potential for growth in Africa, which will account for over 10% of the division's revenue in 2013. TOUAX has noted strong demand on the African continent, notably for portacabins, low-cost accommodation and modular buildings for companies and local authorities.

The Group's River Barges business

includes leasing and hire-purchase, and sale of new and used barges. The Group manages a fleet of about 160 barges, mainly on its own account. Almost 77% of the managed fleet belongs to the Group. The river barges are mainly leased to logistics groups in all basins where the Group is present.

TOUAX mainly leases its barges to logistics and transport operators, which are mainly large groups. The average utilization rate in 2012 was 82%.

The River Barges business is located in three major zones:

- The Seine, Rhine and Danube basins in particular in Europe,
- The Mississippi basin in the USA,
- The Paraná Paraguay basin in South America.

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 average term of the leases is 5 years.

There are only a few players in the river barge leasing market, apart from in the Netherlands where there are traditionally a lot of leasing companies. The Group has a strong position in the other basins and is developing its reputation. TOUAX is the leader in Europe and South America for dry bulk barges.

River transport is an environment-friendly means of transport and is generally supported by the authorities, which are very keen to promote alternatives to road transport. In addition, river transport operators will either need to lease equipment immediately to cope with demand, in particular in South America where the needs for transport of raw and agricultural materials are substantial, or to replace their equipment due to ageing of their fleet especially in Europe, and TOUAX intends to take advantage of these opportunities.

In 2012 the Group repositioned its business towards leasing 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.

The Group's ambitions over the medium term are to double the fleet, notably thanks to establishments in South America, and to triple the turnover of services ancillary to leasing. Its positioning in long-term leasing agreements and the development of sales and trading in inland waterway assets should contribute to the realisation of these objectives.

The Group's Freight Railcars business

includes leasing and hire-purchase, third-party asset management, and sale of new and used railcars.

TOUAX managed a fleet of about 9,100 railcars at the end of December 2012, of which 42% belong to third-party investors. 58% of the equipment managed belongs to the Group, of which 10% is intended for sale to third parties in the near future (about one year).

TOUAX leases to numerous rail operators. The average utilization rate in 2012 was 82%. TOUAX also syndicates equipment to investors, i.e. the Group buys the equipment, leases it and then sells it to investors. The syndication cycle is short, but none-the-less remains longer than that of the Shipping Containers business. This is due to the fact that the investment cycle is longer 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 North 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. The average term of the leases is 3.4 years.

The railcar leasing market is relatively concentrated, with a few big players, about ten medium-sized players, and financing organizations that may also provide leasing. TOUAX is the second biggest railcar leasing company in Europe with a market shares of 6.5%, and a market shares of 20% for intermodal railcars.

The average annual growth of the TOUAX fleet is 23.9% over 10 years, whereas the estimated average annual growth of the market is 2%.

Rail freight transport benefits from the development of alternatives to road transport, since it emits low levels of CO^2. In addition, the deregulation of rail freight and standardization of rules within Europe should also make it possible to develop long-distance traffic that is more competitive compared with road transport.

In view of the low level of growth in GDP expected in Europe in 2013, the Group does not anticipate an improvement in rail freight transport this year but expects a catch-up effet in 2014. On the other hand, the lack of investment in new railcars in this zone since 2009 should create an increasing need from 2014 which will benefit European leasing companies. In the United States, the Group noticed a recovery in the market in 2012 linked to the energy and agricultural produce sectors, resulting in a slight rise in the utilization rates and leasing prices.

TOUAX's leasing services have attracted railway operators. In 2013, the Group aims to make highly selective investments in Europe in order to anticipate the recovery in 2014 as well as in the United States and Asia.

In the medium term, the Group aims to manage a fleet of 15,000 railcars with 10,000 in Europe and 5,000 in Asia and in the USA. TOUAX continues its geographic diversification by establishing a presence in Asia, where the outlook remains very good. 2013 should be marked by the first investments in this zone.

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 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
Gold Container Corp.	USA	100%	Leasing and sale of shipping containers
TOUAX Solutions Modulaires SAS	**France**	**100%**	**Leasing and sale of modular constructions**
TOUAX Construction modulaire SAS	France	100%	Modular Buildings assembly company
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 Modular Building USA, Llc	USA	100%	Leasing and sale of modular buildings
SACMI	Morocco	45.9%	Sale of modular buildings
RAMCO	Morocco	51%	Leasing 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	51%	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 & sale 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 2012 fiscal year:

Services provided

(€ thousands)	IT and management costs	Interest received on loan
TOUAX Corp.		155
TOUAX Rail Ltd	195	910
TOUAX Solutions Modulaires SAS	371	2,077
TOUAX Container Services SAS	139	3
TOUAX River Barges SAS	232	341

Prestations reçues

(€ thousands)	Interest payable on advances
TOUAX Corporate SAS	90
TOUAX Container Services SAS	780
TOUAX River Barges SAS	90

The guarantees and other commitments granted by TOUAX SCA as of December 31, 2012 are as follows:

(€ thousands) Subsidiaries concerned	Year in which guarantees granted	Original amount of guarantees granted	Guarantees expiring in less than one year	Guarantees expiring in 1 to 5 years	Guarantees expiring over 5 time	Outstanding capital owing as of 31.12.2012
	2008	43,145	5,098	38,047		15,037
	2009	14,335		11,024	3,311	7,397
	2010	5,061			5,061	3,758
	2011	9,286		6,911	2,375	6,290
	2012	3,778	2,404		1,374	2,271
TOUAX Solutions Modulaires SAS		**75,604**	**7,502**	**55,982**	**12,121**	**34,753**
	2000	3,326		3,326		1,203
TOUAX Rail Ltd		**3,326**		**3,326**		**1,203**
	2006	3,503		3,503		939
	2008	15,174		15,174		7,431
	2009	18,502		18,502		11,354
	2010	18,509		3 000	15,509	13,479
	2011	12,250			12,250	10,876
	2012	8,914	500	1,000	7,414	7,276
SIKO Containerhandel Gmbh		**76,852**	**500**	**41,180**	**35,173**	**51,355**
	2009	20,833			20,833	9,080
	2011	6,470			6,470	5,952
	2012	5,574		5,574.2		5,490
TOUAX River Barges SAS		**32,877**		**5,574**	**27,303**	**20,522**
	2006	4,894		4,894		1,187
	2007	3,734		3,734		1,271
	2008	6,657		6,657		3,037
	2009	5,868		3,364	2,504	3,862
	2011	4,897			4,897	4,169
TOUAX Sp.zo.o		**26,050**		**18,649**	**7,401**	**13,527**
	2008	297		297		256
	2011	3,881		3,881		2,745
	2012	2,592			2,592	2,343
TOUAX Leasing Corp		**6,770**		**4,177**	**2,592**	**5,344**
	2006	2,287		2,287		854
	2007	2,700		2,700		1,246
TOUAX Modular Building USA, Llc		**4,988**		**4,988**		**2,099**
	2010	7,579		7,579		1,895
TOUAX Corp.		**7,579**		**7,579**		**1,895**
	2003	4,433	4,433			152
	2008	333	333			11
EUROBULK Transport Maatschappij BV		**4,766**	**4,766**			**163**
	2008	3,790		3,790		1,993
	2012	4,018			4,018	3,683
GOLD Container Corp		**7,807**		**3,790**	**4,018**	**5,676**
	2008	796	796			141
	2012	1,500	1,500			1,478
TOUAX Construction Modulaire SAS		**2,296**	**2,296**			**1,619**
	2011	2,982		2,982		2,087
	2012	2,187	2,187			1,789
Touax Sro		**5,169**	**2,187**	**2,982**		**3 877**
	2011	10,000	10,000			5,000
TOUAX Container Services SAS		**10,000**	**10,000**			**5,000**
	2008	275	275			
TOUAX Corporate SAS		**275**	**275**			
	2012	8,458			8,458	8,417
TOUAX Hydrovia Corp.		**8,458**			**8,458**	**8,417**
TOTAL OF THE GUARANTEES GRANTED		**272,817**	**27,526**	**148,226**	**97,066**	**155,447**

The subsidiaries of TOUAX SCA are listed in note 2.2 of the appendix to the consolidated financial statements.

The Group's main subsidiaries are GOLD Container Leasing Pte Ltd., a company incorporated in Singapore, and GOLD Container Investment Ltd, a company incorporated in Hong Kong.

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

($ thousands)	**2012**	2011	2010
Net fixed assets	86	106	25
Shareholders' equity	7,047	4,225	2,593
Financial debts			298
Revenue	105,648	97,740	109,251
Operating income before distribution to investors	80,397	77,215	71,264
Current operating income	2,857	1,623	1,907
Net profit	2,822	1,632	1,902

The rise in turnover derives from a high utilisation rate and an increase in the fleet under management, even if leasing prices have eroded slightly. Distributions to investors were also higher than in 2011 due to the increase in the fleet under management.

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

(€ thousands)	**2012**	2011	2010
Net fixed assets	1,887	3,452	4,501
Shareholders' equity	20,041	12,902	5,601
Financial debts			
Revenue	181,440	86,324	49,538
Operating income before distribution to investors	7,242	7,465	4,497
Current operating income	7,242	7,465	4,493
Net profit	7,139	7,301	4,374

The sharp increase in turnover was primarily due to strong growth in the sale of tangible assets to investors. The result is unchanged as compared with 2011.

8. REAL ESTATE, FACTORIES AND EQUIPMENT

8.1. TANGIBLE AND INTANGIBLE FIXED ASSETS

The Group is an operational leasing expert for mobile and standardized equipment. To date it owned little goodwill (€34.1 million) or intangible fixed assets (€91.4 million) compared with tangible fixed assets (€518.3 million), financial leasing receivables (€7.1 million) and inventory (€70.9 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 three modular building assembly sites in France, the Czech Republic and Morrocco. 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 with a purchase option, while those in the Czech Republic and Morrocco 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 85% capacity thanks to their flexibility. The utilization rates at December 31, 2012 were 95% for shipping containers, 82% for river barges and 82% for freight railcars and 72% for modular buildings.

A breakdown of the tangible and intangible assets is given in the notes to the consolidated financial statements section 20.1 page 48 in note 16 and note 17 page 76 and seq.

8.2. ENVIRONMENTAL POLICY

The Group's environmental policy is presented in the management report in section 26.1 and in particular in the corporate social and environmental responsibility section 3.2 page 117.

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 137.

9.2. OPERATING INCOME

The operating income is analyzed in the management report in section 26.1 page 137.

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 44 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 in particular note 18.2.1 page 80 with details on the liquidity and interest rate risks in section 20.1 note 26 page 87.

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 issues are used to finance 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 either on cash flows to the parent company from subsidiaries wholly-owned by the Group, or on the use of the Group's cash, subject to default clauses for bank loans presented in note 18.2.3 of the notes to the consolidated financial statements on page 81.

The cash balances shown on the Group's balance sheet at December 31, 2012 include €12 million in cash that is not available for the Group's daily cash management. €6.7 million of this amount corresponds to contractual restrictions on liquidity transfers linked to bank covenants, and €5.3 million corresponds to the lack of shareholder authorization for using the cash of companies that are not wholly-owned.

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 30.

11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES

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

TOUAX has an in-house design office that works on the conception and the improvement of the modular buildings. Modular buildings today are clearly designed to be welcoming, innovating and increasingly environmental friendly. This new product does its best to minimize energy consumption by using heat pumps for heating and air conditioning, proximity sensors for controlling lights, water-saving devices, and so on. Modular buildings are also designed to meet customers' new expectations in terms of price, easy installation, standardization, flexibility, customization and aesthetics. The development quality of this new "E-space+" product received a 2007 Janus Industry Award. Development costs were capitalized in accordance with applicable regulations. TOUAX invests in research and development in order to penetrate new markets and to reconcile environmental and technical constraints concerning safety. R&D expenses incurred are recognized as expenses.

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

12. TREND INFORMATION

12.1. KEY TRENDS AS OF THE DATE OF THE REGISTRATION DOCUMENT

The key trends are detailed in the management report in section 26.1 page 104.

12.2. KNOWN TRENDS, UNCERTAINTIES, REQUESTS, ANY COMMITMENTS OR EVENTS QUITE LIKELY TO SIGNIFICANTLY AFFECT THE CURRENT FISCAL YEAR

In 2012 developed countries experienced weak economic growth (1.3% growth according to the International Monetary Fund) while emerging countries and developing countries were fairly resilient, showing growth of 5.1%. On the whole, the economic context deteriorated compared with 2010 and 2011. More specifically, 2012 was particularly marked by the situation in the euro zone, to a greater extent than expected. Uncertainty concerning the result of the financial rescue package for Greece and the euro zone and the effectiveness of the European Stability Mechanism put in place, and recognition of the worsening of the economic crisis in the zone, had a negative impact on world growth. Business in developing and emerging countries continued to grow, but growth slowed in some parts of the world, due to political uncertainty, weak demand from developed countries or a fall in local demand.

In 2013 the IMF does not anticipate a marked improvement, the world economy remains fragile and the level of growth in high-income countries remains low. The World Bank forecasts growth in global GDP of 2.4% in 2013 after 2.3% in 2012 (global economic outlook, January 2013, World Bank) and the IMF forecasts global growth of 3.5% compared with 3.2% in 2012 (outlook for the global economy, January 2013, IMF).

According to the IMF there should nevertheless be an acceleration in global growth even if there is still a risk of deterioration due to a decline in the euro zone, excessive short-term fiscal consolidation in the USA or a possible slowdown in investment in China. In 2013 growth in the advanced economies should be almost the same as in 2012 at 1.4%, whereas it should pick up in emerging and developing countries at 5.5% (the same trend is forecast for the Asia zone including China and India). Emerging and developing countries will have to rely more heavily on domestic demand and continue the necessary reforms. Weak demand in developed countries may also affect any recovery in the short term. Regarding the euro zone, the outlook for 2013 suggests the economy will stagnate, but the outlook is more optimistic from 2014 if countries manage to implement viable budgetary policies and reform their financial sector.

In this context, the Group anticipates a difficult year in 2013 in European countries, where the group is mainly present in the modular buildings and freight railcars businesses. Utilization rates are not expected to rise significantly and TOUAX estimates that there will continue to be pressure on leasing prices from competitors and customers. To make up for the lack of dynamism in this zone, the Group is expanding in Africa with the acquisition of a leading company in the modular buildings sector in Morocco, and continuing to expand in South America by buying and leasing river transport equipment, and in Asia where it recently started to lease railcars. A presentation of the Group's outlook described at the SFAF meeting on April 2, 2013 is provided in section 28.3 page 142.

13. PROFIT FORECASTS OR ESTIMATES

Not applicable

13.1. MAIN ASSUMPTIONS

Not applicable

13.2. AUDITOR'S REPORT – FORECASTS

Not applicable

13.3. BASIS FOR FORECAST

Not applicable

13.4. CURRENT FORECAST

Not applicable

14. ADMINISTRATIVE, MANAGEMENT, SUPERVISORY, AND SENIOR MANAGEMENT BODIES

14.1. CONTACT DETAILS FOR ADMINISTRATIVE, MANAGEMENT, SUPERVISORY, AND SENIOR MANAGEMENT BODIES

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

15.1.1. Compensation of the Managing Partners

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

(€ thousands)	**2012**	2011	2010
Fabrice WALEWSKI - Managing Partner			
Compensation due for the fiscal year	402.2	405.5	365.6
Value of options allotted during the fiscal year			
Value of performance shares allotted during the fiscal year			
TOTAL	**402.2**	**405.5**	**365.6**
Raphaël WALEWSKI - Managing Partner			
Compensation due for the fiscal year	460.0	388.4	377.0
Value of options allotted during the fiscal year			
Value of performance shares allotted during the fiscal year			
TOTAL	**460.0**	**388.4**	**377.0**

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

Compensation

Summary table of the compensationof each Managing Partner

	2012		2011		2010	
	Amounts	Amounts	Amounts	Amounts	Amounts	Amounts
(€ thousands)		due		paid		due paidaid
Fabrice WALEWSKI - Managing Partner						
Fixed salary	147.0	147.0	142.6	142.6	133.4	134.4
Variable compensation	205.0	205.0	205.1	243.1	193.7	189.4
Exceptional compensation						
Directors' fees	44.4	44.4	52.,4	52.4	36.4	36.4
Payments in kind	5.8	5.8	5.4	5.4	2.1	2.1
TOTAL	**402.2**	**402.2**	**405.5**	**443.5**	**365.6**	**361.3**
Raphaël WALEWSKI - Managing Partner						
Fixed salary	147.0	147.0	142.6	142.6	133.4	133.4
Variable compensation	261.8	261.8	188.2	226.,2	204.8	196.8
Exceptional compensation						
Directors' fees	44.4	44.4	52.4	52.4	36.4	36.4
Payments in kind	6.8	6.8	5.2	5.2	2.4	2.4
TOTAL	**460.0**	**460.0**	**388.4**	**426.4**	**377.0**	**369.0**

The compensation of the Managing Partners is specified in the Articles of Association. 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 gross 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.

Any changes to their compensation require the approval of the General Meeting of Shareholders. The General Meeting on June 18, 2008 set the Managing Partners' variable compensation at 0.5% of the Group's consolidated EBITDA less leasing revenues owed to investors.

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 the French Commercial Code were attributed to the corporate officers during the fiscal year.

More generally, no equity securities, debt securities or securities giving access to capital or entitlement to the allocation of debt securities were allocated to the corporate officers of the company or of the companies mentioned in Articles L.228-13 and L.228-93 of the French Commercial Code during the 2012 fiscal year.

15.1.2. Compensation of the Supervisory Board

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

(€ thousands) Name	Position	Type of compensation	**2012**	2011	2010
Serge Beaucamps	Supervisory Board Member	Attendance fees	11.9	11.2	7.3
Jérôme Bethbeze	Supervisory Board Member	Attendance fees		6.0	7.3
Jean Louis Leclercq	Supervisory Board Member	Attendance fees			6.6
Jean-Jacques Ogier	Supervisory Board Member	Attendance fees	7.8	8.2	6.6
Aquasourça	Supervisory Board Member	Attendance fees	8.9	7.1	7.3
François Soulet de Brugière	Supervisory Board Member	Attendance fees	8.9	8.2	7.3
Sophie Servaty	Supervisory Board Member	Attendance fees	7.7	6.0	5.9
Alexandre Walewski	Chairman of the Supervisory Board	Attendance fees	17.8	16.3	14.7
TOTAL ATTENDANCE FEES			**63.0**	**63.0**	**63.0**
($ thousands)					
Alexandre WALEWSKI	Chairman of the Supervisory Board	other compensation	192.7	188.0	188.0
TOTAL OTHER COMPENSATION			**192.7**	**188.0**	**188.0**

Rules for distributing attendance fees are specified in the Report of the Chairman of the Supervisory Board in Section 27.2 page 128.

The members of the Supervisory Board do not receive any compensation other than the attendance fees, apart from the fixed allowance that Alexandre WALEWSKI receives to cover expenses incurred in the course of his duties as Chairman of the Supervisory Board. This allowance amounted to $48,175 per quarter in 2012 and $47,000 per quarter in 2011 and 2010.

No equity securities, debt securities or securities giving access to capital or entitlement to allocation of debt securities were allocated to the members of the Supervisory Board of the company or of the companies mentioned in Articles L.228-13 and L.228-93 of the French Commercial Code during the 2012 fiscal year.

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 104 and included in the Statutory Auditors' report in section 20.6.1 page 126.

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 OF THE WORKFORCE

The breakdown of the workforce by geographic location and business segment as of December 31, 2012 is as follows:

	Shipping Containers		Modular Buildings		River Barges		Freight Railcars		Corporate		**TOTAL**	
	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Europe	21	20	528	543	20	52	30	27	38	30	637	672
Asia	7	6									7	6
Africa			92								92	
Americas	4	3	16	15	1				3	4	24	22
TOTAL	**32**	29	**636**	558	**21**	52	**30**	27	**41**	34	**760**	700

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 44 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 Stock 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 12/31/2012 by:			
- Fabrice WALEWSKI			
- Raphaël WALEWSKI			
- Alexandre WALEWSKI			
- Top 10 employees		184 903	
- Others (employees/public)		1 210 389	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]	€19.75	€32.91	€37.55
Number of subscribed financial instruments		31 930	
Total number of cancelled or void financial instruments	6,957		177,500
Number of financial instruments remaining to be exercised on 12/31/2012		**1,395,292**	**22,500**
Potential capital in number of shares		372,892 [2]	23,603 [3]

[1] The exercise price represents 115% of the closing market price at the time of the transaction.

[2] 4 redeemable stock warrants entitle the holder to 1.069 shares.

[3] 1 2008 stock warrant entitles the holder to 1.049 shares.

Details of the stock options and stock warrants granted by TOUAX SCA are given in the notes to the consolidated financial statements in section 20.1, note 21, page 84.

17.3. EMPLOYEE PARTICIPATION IN THE CAPITAL

The company does not publish a social report.

In 2012 an employee profit-sharing scheme and a compulsory profit-sharing agreement were put in place for all French entities. Compulsory profit-sharing was paid in 2012, but there was no voluntary profit-sharing. These two systems do not give entitlement to capital shares.

Some personnel categories (executives, sales representatives) receive individually-set annual performance-related bonuses.

18. MAIN SHAREHOLDERS

18.1. BREAKDOWN OF CAPITAL AND VOTING RIGHTS

There are no categories of shares or securities which do not represent capital. There is no treasury stock (TOUAX SCA shares held by its subsidiaries). The number of own shares held (TOUAX SCA shares held by TOUAX SCA) is insignificant (see section 18.2 on own shares held).

Distribution of capital and voting rights as of December 31, 2012

	Number of shares	% of share capital	Number of voting rights	% of voting rights	double voting rights
Alexandre WALEWSKI	532,787	9.28%	947,949	14.78%	415,162
Société Holding de Gestion et de Location	616,256	10.74%	617,006	9.62%	750
Société Holding de Gestion et de Participation	630,214	10.98%	630,214	9.83%	
TOTAL GROUPE MAJORITAIRE	**1,779,257**	**31.00%**	**2,195,169**	**34.23%**	**415,912**
SALVEPAR	358,705	6.25%	605,633	9.44%	246,928
SOFINA	961,374	16.75%	961,374	14.99%	
Public - titres nominatifs	132,541	2.31%	143,197	2.23%	10,656
Public - titres au porteur	2,508,390	43.70%	2,508,390	39.11%	
TOTAL	**5,740,267**	**100.00%**	**6,413,763**	**100.00%**	**673,496**

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

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

In accordance with the Banking and Financial Regulation Act of 22 October 2010, the threshold for the obligation to file a draft takeover bid was lowered on February 1, 2011 from one third to 30% of the capital and voting rights. A grandfather clause applies for an unlimited period to shareholders who held between 30% and one third of the capital and voting rights on January 1, 2010: the previous threshold (33.33%) for a compulsory takeover bid will apply to these shareholders, provided that their interest remains between these two thresholds (Article 234-11 paragraph 1 of the General Regulation of the AMF).

The WALEWSKI family alliance, comprising Alexandre WALEWSKI, SHGL and SHGP, which held an interest of between 30% and 33.33% on January 1, 2010 (31.13% of the capital representing 35.75% of the voting rights) is concerned by the provisions of Article 234-11 paragraph 1 of the General Regulation of the AMF published on 18 July 2011 in Notice No. 211C1275.

In other words, if the alliance exceeds the threshold of one third of the capital, it will be obliged to file a compulsory draft takeover bid.

Sofina is a Belgian investment company listed on the Brussels stock exchange. Sofina is controlled by Union Financière Boël and Société de Participations Industrielles.

On September 12, 2012, Sofina declared that it had fallen below the threshold of 15% of the TOUAX voting rights, and held 961,374 shares, i.e. 16.75% of the capital and 14.99% of the voting rights.

On October 29, 2012, Société Générale, which controlled Salvepar, declared that it had fallen below the threshold of 5% of the capital and voting rights of TOUAX and no longer held indirectly any shares following the sale of Salvepar to Tikehau Participations et Investissements.

In a letter dated October 31, 2012 sent to the company, Tikehau Participations et Investissements declared that it had indirectly exceeded, through Salvepar, the threshold of 5% of the capital and voting rights of TOUAX and held indirectly 358,705 shares representing 605,633 voting rights, i.e. 6.25% of the capital and 9.44% of the voting rights.

On February 8, 2013 Sofina declared that it had exceeded the threshold of 15% of the company's voting rights, holding 974,223 TOUAX shares, representing 16.97% of the capital and 15.19% of the voting rights.

On February 12, 2013 Sofina declared that it had exceeded the threshold of 20% of the company's capital and voting rights, holding 1,332,928 TOUAX shares, representing 23.22% of the capital and 20.78% of the voting rights. Each time Sofina declared that it did not plan to acquire control of the company and intends to remain a stable shareholder. Sofina already has a representative on the Supervisory Board and does not intend to request the appointment of a representative in the management bodies.

On February 15, 2013 Salvepar announced that it had fallen below the threshold of 5% of the capital and voting rights and is no longer a shareholder of TOUAX.

Apart from the above, there were no declarations of thresholds being crossed in 2012 or in 2013 to date.

To the knowledge of TOUAX, all of the shareholders who hold more 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 on page 84.

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

Breakdown of shares

As of December 31, 2012, 53.11% of the shares issued by TOUAX SCA were registered, and the remainder were bearer shares. 43.26% of registered shares are held by persons residing outside France.

Number of shareholders

The company does not regularly ask for reports on identifiable bearer shares and therefore does not know the exact number of shareholders. The last such report was carried out in September 1999 and featured 919 shareholders. At December 31, 2012 there were 46 registered shareholders. During the last Combined General Meeting on June 15, 2012, the chairman received 7 proxies, 22 shareholders granted proxy or sent postal votes, 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 from Fabrice and Raphaël WALEWSKI to the General Partners, SHGL and SHGP, the shareholders' agreement (Dutreil) signed on March 16, 2006 became null and void.

Changes in the shareholding

Shareholders	**31/12/2012**		31/12/2011		31/12/2010	
	% of shares capital*	% of voting rights*	% of shares capital*	% of voting rights*	% of shares capital*	% of voting rights*
Alexandre WALEWSKI	9.28%	14.78%	9.31%	14.83%	9.35%	15.48%
SHGL	10.74%	9.62%	10.74%	9.62%	10.78%	10.05%
SHGP	10.98%	9.83%	11.00%	9.84%	11.05%	10.28%
MAJORITY GROUP TOTAL	**31.00%**	**34.23%**	**31.05%**	**34.29%**	**31.18%**	**35.81%**
Auto détention	0.09%	0.08%	0.08%	0.08%	0.07%	0.07%
SALVEPAR	6.25%	9.44%	6.27%	9.47%	6.30%	5.86%
SOFINA	16.75%	14.99%	16.81%	15.04%	13.79%	12.83%
Public	45.91%	41.26%	45.79%	41.15%	48.66%	45.43%
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, 2012, the company held 5,265 of its own shares, i.e. 0.09 % of the capital. These shares were acquired following the stock redemption programme decided by the Combined General Meeting of June 15, 2012, 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.

During the 2012 financial year, 128 495 shares were purchased and 130 004 shares sold under the liquidity agreement, the sole aim being to buoy the market and ensure the liquidity of TOUAX securities.

The transactions are summarized in the following table:

Declaration by TOUAX SCA of transactions in own shares on February 28, 2013	
Percentage of the share capital held directly or indirectly	0.34%
Number of shares cancelled during the past 24 months	
Number of securities held in the portfolio	9,422
Book value of the portfolio (€)	190,312.94
Market value of the portfolio (€)	174,495.44

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 11, 2013 is given in point 5 of the management report section 26.1 page 87.

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 91 (see the Statutory Auditors' report on regulated agreements and commitments, section 20.3.2 page 97).

20. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS, FINANCIAL POSITION AND RESULT

20.1. CONSOLIDATED FINANCIAL STATEMENTS

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

Consolidated income statement presented by function at December 31

note n° *(€ thousands)*		**2012**	2011	2010 Restated [1]
	Leasing revenue	219,034	221,419	207,785
	Sales of equipment	138,952	114,395	94,608
	TOTAL REVENUE	**357,986**	**335,814**	**302,393**
	Capital gains on disposals	(22)	212	5
4	**Income from ordinary activities**	**357,964**	**336,026**	**302,398**
	Cost of sales	(122,917)	(98,844)	(84,172)
	Operating expenses	(91,493)	(94,628)	(84,826)
	General, commercial and administrative operating expenses	(25,288)	(23,692)	(22,035)
	GROSS OPERATING MARGIN (EBITDA)	**118,266**	**118,862**	**111,365**
9	Depreciation, amortization and impairments	(32,157)	(26,267)	(23,788)
	OPERATING INCOME before distribution to investors	**86,109**	**92,595**	**87,577**
10	Net distribution to investors	(56,490)	(61,114)	(57,609)
	CURRENT OPERATING INCOME	**29,619**	**31,481**	**29,968**
11	Other operating revenues and expenses	(577)		
	OPERATING INCOME	**29,042**	**31,481**	**29,968**
	Income from cash and cash equivalents	101	52	26
	Cost of gross financial debt	(17,594)	(14,541)	(12,936)
	Cost of net financial debt	**(17,493)**	**(14,489)**	**(12,910)**
	Other financial income and expenses	(74)	55	195
12	**FINANCIAL RESULT**	**(17,567)**	**(14,434)**	**(12,715)**
	Shares for profil/(loss) of associates		**37**	**29**
	PROFIT BEFORE TAX	**11,475**	**17,084**	**17,282**
13	Corporation tax	(2,749)	(4,135)	(4,001)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**8,726**	**12,949**	**13,281**
	Income from discontinued activities			
	CONSOLIDATED NET PROFIT (LOSS)	**8,726**	**12,949**	**13,281**
	Minority interest	420	485	(6)
	CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)	**9,146**	**13,434**	**13,275**
14	**Net earnings per share**	**1.6**	**2.35**	**2.33**
14	**Diluted net earnings per share**	**1.6**	**2.34**	**2.31**

[1] Restated: 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.

Consolidated income statement presented by type at December 31

(€ thousands)		**2012**	2011	2010
note n°				restated
	REVENUE	**357,986**	**335,814**	**302,393**
	Capital gains on disposals	(22)	212	5
4	**Income from ordinary activities**	**357,964**	**336,026**	**302,398**
5	Purchases and other external charges	(209,141)	(182,480)	(164,238)
6	Payroll expense	(29,513)	(28,775)	(26,539)
7	Other operating income and expenses	372	437	314
	GROSS OPERATING SURPLUS	**119,682**	**125,208**	**111,935**
8	Operating provisions	(1,416)	(6,346)	(571)
	GROSS OPERATING MARGIN (EBITDA)	**118,266**	**118,862**	**111,364**
9	Depreciation, amortization and impairments	(32,157)	(26,267)	(23,788)
	OPERATING INCOME before distribution to investors	**86,109**	**92,595**	**87,576**
10	Net distributions to investors	(56,490)	(61,114)	(57,608)
	CURRENT OPERATING INCOME	**29,619**	**31,481**	**29,968**
11	Other operating revenues and expenses	(577)		
	OPERATING INCOME	**29,042**	**31,481**	**29,968**
	Income from cash and cash equivalents	101	52	26
	Cost of gross financial debt	(17,594)	(14,541)	(12,936)
	Cost of net financial debt	**(17,493)**	**(14,489)**	**(12,910)**
	Other financial income and expenses	(74)	55	195
12	**FINANCIAL RESULT**	**(17,567)**	**(14,434)**	**(12,715)**
	Shares for profil/(loss) of associates		37	29
	PROFIT BEFORE TAX	11,475	17,084	17,282
13	Corporate income tax	(2,749)	(4,135)	(4,001)
	NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES	**8,726**	**12,949**	**13,281**
	Income from discontinued activities			
	RÉSULTAT NET CONSOLIDÉ DE L'ENSEMBLE	**8,726**	**12,949**	**13,281**
	Part des intérêts minoritaires	420	485	(6)
	CONSOLIDATED NET PROFIT (LOSS)	**9,146**	**13,434**	**13,275**
14	**Net earnings per share**	**1.6**	**2.35**	**2.33**
14	**Diluted net earnings per share**	**1.6**	**2.34**	**2.31**

Comprehensive income statement for the year

(€ thousands)	**2012**	2011	2010
PROFIT (LOSS) FOR THE YEAR	**8,726**	**12 949**	**13 281**
Other comprehensive income			
Translation adjustments	(1,113)	529	4,012
Translation adjustments on net investment in subsidiaries	953	(1,327)	601
Profits and losses on cash flow hedges (effective part)	(1,735)	(300)	(149)
Tax on comprehensive income	184	325	(40)
TOTAL OTHER COMPREHENSIVE INCOME	**(1,711)**	**(773)**	**4,424**
Minority interests	(622)	5	7
Total other comprehensive income - Group's share	(1,089)	(778)	4,417
Comprehensive income - Group's share	8,056	12,656	17,692
Comprehensive income - minority interests	(1,042)	(480)	13
COMPREHENSIVE INCOME STATEMENT	**7,014**	**12,176**	**17,705**
Income attributable to the:			
Group	9,146	13,434	13,275
Minority interests	(420)	(485)	6
	8,726	**12,949**	**13,281**
Comprehensive income attributable to the:			
Group	8,056	12,656	17,693
Minority interests	(1,042)	(480)	13
TOTAL INCOME	**7,014**	**12,176**	**17,706**

Consolidated balance sheet at December 31

note n° *(€ thousands)*		**2012**	2011	2010r
	ASSETS			
15	Goodwill	34,120	22,476	22,937
16	Intangible assets	1,423	870	1,038
17	Tangible assets	518,311	365,518	334,972
18	Long-term financial assets	2,339	10,546	7,975
18	Investments in associates		676	1,087
18	Other non-current assets	7,082	10,090	10,176
13	Deferred tax assets	494	436	173
	TOTAL non-current assets	**563,769**	**410,612**	**378,358**
19	Inventory and work-in-progress	70,866	69,347	75,015
18	Accounts receivable	62,654	64,192	56,990
20	Other current assets	19,701	18,191	18,911
18	Cash and cash equivalents	59,144	44,259	39,100
	TOTAL current assets	**212,365**	**195,989**	**190,016**
	TOTAL ASSETS	**776,134**	**606,601**	**568,374**
	LIABILITIES			
	Share capital	45,922	45,766	45,565
	Reserves	93,910	87,683	81,364
	Profit (loss) for the fiscal year, Group's share	9,146	13,434	13,275
	Shareholders' equity of the Group	**148,978**	**146,883**	**140,204**
	Minority interests	24,035	(567)	(85)
21	**Consolidated shareholders' equity**	**173,013**	**146,316**	**140,119**
18	Loans and financial liabilities	368,873	247,746	227,880
13	Deferred tax liabilities	5,658	5,309	4,993
23	Retirement benefits and similar benefits	359	307	219
24	Other long-term liabilities	1,102	1,113	1,466
	TOTAL non-current liabilities	**375,992**	**254,475**	**234,558**
22	Provisions	566	1,601	2,868
18	Loans and current bank facilities	122,910	116,304	103,866
18	Trade accounts payable	39,135	29,862	37,529
25	Other current liabilities	64,518	58,043	49,433
	TOTAL current liabilities	**227,129**	**205,810**	**193,696**
	TOTAL LIABILITIES	**776,134**	**606,601**	**568,374**

Changes in consolidated shareholders' equity

(€ thousands)	Share capital [2]	Premiums [2]	Consolidated reserves	Conversion reserves	Variation in the fair value of derivatives (swaps) [1]	Comprehensive income for the year	Total shareholders' equity of the Group	Minority interests	Total shareholders equity
POSITION AT JANUARY 1, 2010	**45,503**	**40,235**	**33,723**	**(4,616)**	**10**	**14,193**	**129,049**	**(98)**	**128,951**
Revenue (charges) recognised directly in shareholders' equity				4,519	(101)		4,418	7	4,425
Total 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
Stock option		(699)	324				(375)		(375)
Appropriation of the 2009 net result			(916)				(916)		(916)
General Partners' statutory compensation			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						514		514
Purchase of share subscription warrants		313	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)
AT DECEMBER 31, 2011	**45,767**	**35,865**	**52,782**	**(626)**	**(340)**	**13,434**	**146,883**	**(567)**	**146,316**
POSITION AT JANUARY 1, 2012	**45,767**	**35,865**	**52,782**	**(626)**	**(340)**	**13,434**	**146,883**	**(567)**	**146,316**
Revenue (charges) recognised directly in shareholders' equity				(122)	(968)		(1,090)	(622)	(1,712)
Comprehensive income for the year						9,146	9,146	(420)	8,726
TOTAL charges and revenue recognised				**(122)**	**(968)**	**9,146**	**8,056**	**1 042**	**7,014**
Capital increase	156	233					389		389
General Partners' statutory compensation			(981)				(981)		(981)
Appropriation of the 2011 net result			13 434			(13,434)			
Dividends		(2,482)	(3,232)				(5,714)		(5,714)
Changes in the consolidation perimeter and miscellaneous			165		174		338	25,644	25,982
Cross-shareholdings			6				6		6
AT DECEMBER 31, 2012	**45,923**	**33,616**	**62,175**	**(749)**	**(1,308)**	**9,146**	**148,978**	**24,035**	**173,013**

(1) The effective part of the cash flow hedge on interest rate instruments is recognized in shareholders' equity.
(2) Including redeemable warrants and stock options.

Consolidated cash flow statement at December 31

	(€ thousands)	**2012**	2011	2010
	Consolidated net profit/(loss) (including minority interests)	8,726	12,949	13,281
	Shares of profilt/(loss) of associates		(37)	(29)
	Depreciation	30,794	24,989	23,566
	Provisions for deferred taxes	(193)	300	(317)
	Capital gains & losses on disposals	(6,202)	(3,335)	(649)
	Other non-cash income and expenses	(435)	351	124
	Self-financing capacity after cost of net financial debt & tax	**32,690**	**35,217**	**35,976**
	Cost of net financial debt	17,492	14,489	12,910
	Current tax expense	2,910	3,835	4,318
	Self-financing capacity before cost of net financial debt & tax	**53,092**	**53,541**	**53,204**
	Taxes paid	(2,910)	(3,835)	(4,318)
A	Change in working capital requirement relating to operations excluding changes in inventory (1)	11,356	(17,384)	(3,329)
B	Change in inventory (2)	(38,694)	6,631	18,106
C	Change in working capital requirement for investment	1,561	4,012	(488)
	Acquisition of assets intended for leasing	(63,064)	(53,468)	(36,240)
	Revenue from sale of assets	14,625	7,291	8,140
	Net impact of finance leases granted to customers	1,415	1,198	1,161
	Sub-total	(84,157)	(34,336)	(9,321)
	I - CASH FLOW FROM OPERATING ACTIVITIES	**(22,619)**	**(2,014)**	**36,236**
	Investing activities			
	Acquisition of tangible and intangible assets	(1,621)	(2,382)	(1,364)
	Acquisition of equity interests			(1,174)
	Net change in financial fixed assets	391	(3,890)	(1,336)
	Revenue from sale of assets	10	2,220	
	Effect of changes in the consolidation perimeter	(18,443)	125	
	II - CASH FLOW FROM INVESTING ACTIVITIES	**(19,663)**	**(3,927)**	**(3,874)**
	Financing transactions			
	Cash inflows from new loans	167,940	80,253	46,099
	Loan repayments	(95,863)	(45,033)	(59,751)
	Net change in financial debts	**72,077**	**35,220**	**(13,652)**
	Net increase in shareholders' equity (capital increase)	9,658	514	115
	Produits ou Charges net/cession VMP	(17,492)	(14,489)	(12,910)
	Distribution of dividends	(5,668)	(5,695)	(5,501)
	General Partners' statutory compensation	(981)	(936)	(916)
	Net sale (acq.) of warrants		254	(375)
	Net sale (acquisition) of own shares	6	(119)	135
	III - CASH FLOW FROM FINANCING TRANSACTIONS	**57,600**	**14,749**	**(33,104)**
	Impact of exchange rate fluctuations	(520)	(192)	138
	IV - CASH FLOW FROM EXCHANGE RATE FLUCTUATIONS	**(520)**	**(192)**	**138**
	CHANGE IN NET CASH POSITION (I) + (II) + (III) + (IV)	**14,798**	**8,616**	**(604)**
	Analysis of cash flow			
	Cash position at start of year	34,565	25,949	26,553
	Cash position at year end	**49,363**	**34,565**	**25,949**
	CHANGE IN NET CASH POSITION	**14,798**	**8,616**	**(604)**

Consolidated cash flow statement at December 31 (rest)

	(€ thousands)	**2012**	2011	2010
	Change in working capital requirements (WCR) relating to operations			
	Decrease/(increase) in inventory and work-in-progress	(38,694)	6,631	18,106
B	**Change in inventory (2)**	**(38,694)**	**6,631**	**18,106**
	Decrease/(increase) in accounts receivable	6,117	(6,996)	726
	Decrease/(increase) in other current assets	(820)	941	(2,118)
	(Decrease)/increase in trade accounts payable	6,921	(7,157)	8,778
	(Decrease)/increase in other liabilities	(861)	(4,172)	(10,715)
A	**Change in WCR relating to operations excluding change in inventory (1)**	**11,357**	**(17,384)**	**(3,329)**
	Change in WCR for operations (1)+(2)	**(27,337)**	**(10,753)**	**14,777**
C	**Change in working capital requirement for investment**			
	Decrease/(increase) in receivables / fixed assets	(18)	16	(142)
	(Decrease)/increase in liabilities / fixed assets	1,579	3,996	(346)
	Change in WCR for investment	**1,561**	**4,012**	**(488)**

The net cash flow presented in the cash flow statement corresponds to the flow of cash and cash equivalents included on the balance sheet after deducting current bank loans. Analysis of the debt by type (note 18.2.1) shows a total amount of recourse debt of €8.73 million, in addition to debt without recourse against the Group totalling €1.05 million.

The cash flow statement shows the Group's investments in leasing equipment and the income from sale of this equipment under cash flow from operations instead of under cash flows from investing activities, in accordance with IFRS. Similarly, reimbursements of Credits Under Financial Lease 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 2012, the cash provided by operations before the cost of debt capital and before tax was €53.1 million, down €440,000 compared to December 31, 2011.

In 2012 there was an increase in the WCR for operations, excluding the change in inventory, of €11.356 thousands. This change is due to an increase in trade accounts payable and a decrease in trade accounts receivable. The increase in trade accounts payable corresponds to the cost of orders at the end of 2012, in particular for shipping containers, which was higher than at the end of 2011.

Investments in leasing equipment amounted to €84.157 million in 2012 compared with €34.336 million in 2011. Other (mainly financial) investments amounted to €19.663 million corresponding to cash outflow for the acquisition of SACMI and RAMCO and the takeover of SRF Railcar Leasing Ltd.

Payments relating to dividends and the compensation of the General Partners amounted to €6.6 million in 2012. Loan interest amounted to €17.491 million compared with €14.481 million in 2011.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Significant events and post-closure events:

Significant events

- TOUAX and its financial partner ADP I (a fund specialized in investments in Africa and advised by DPI), have acquired in July 2012 a 90% majority interest in SACMI, the Moroccan market leader for modular buildings, as well as a 100% interest in RAMCO, a modular building leasing company affiliated to SACMI. SACMI Group manufactures sells and leases modular buildings in Morocco and Africa. SACMI is the market leader in Morocco and has a varied range of products, including administrative, industrial and worksite buildings, site facilities and telecom shelters.
- TOUAX has increased its stake in SRF Railcar Leasing Ltd. to 51%. This company, which was accounted for by the equity method up to December 31, 2011, has been fully consolidated since January 1, 2012.

Post-balance sheet events

TOUAX SCA paid an interim dividend on January 13, 2013 in respect of fiscal year 2012 totalling €2.8 million.

NOTE 1. ACCOUNTING RULES AND METHODS

note 1.1. Bases for preparing and presenting the annual financial statements as of December 31, 2012

Approval of the financial statements

The annual financial statements to December 31, 2012 and the associated notes were approved by the TOUAX SCA Management Board on March 27, 2013 and presented to the Supervisory Board on March 27, 2013.

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 2012 fiscal year were prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) on December 31, 2012 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 used equipment belonging to investors are now recognized under "sales of new and used equipment", instead of under "ancillary services", which is included in the leasing revenue. The revenue shown at December 31, 2010 in the reference document has been restated accordingly. At the same time, redistribution of these sales to investors which 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, 2012

No standards, amendments or interpretations in force since January 1, 2012 have had a significant impact on the Group's financial statements.

In particular, the amendment to IFRS 7 concerning disclosures to be made in case of a change in the method of assessing financial assets applicable from January 1, 2012, did not have a significant impact on the Group's consolidated financial statements.

New standards, amendments and interpretations published by the IASB, whether or not adopted by the European Union, that may be applied in 2012

The optional standards and interpretations at 31 December 2012 have not been applied in advance. However, the Group does not anticipate any significant impact from application of the following new texts:

- IAS 27 amended in 2011: Separate Financial Statements, adopted by the EU, applicable from January 1, 2013,
- IAS 28 amended in 2011: Investments in Associates and Joint Ventures, adopted by the EU, applicable from January 1, 2013,
- IFRS 10: Consolidated Financial Statements, adopted by the EU, applicable from January 1, 2013,
- IFRS 11: Joint. Arrangements, adopted by the EU, applicable from January 1, 2013,
- IFRS 12: Disclosure of Interests in Other Entities, adopted by the EU, applicable from January 1, 2013,
- IFRS 13: Fair Value Measurement, adopted by the EU, applicable from January 1, 2013,
- IAS 12 amendments: Deferred Tax: Recovery of Underlying Assets, adopted by the EU, applicable from January 1, 2013,
- IAS 1 amendments: Presentation of Items of Other Comprehensive Income (OCI),
- IFRS 7 and amendments to IAS 32: Offsetting Financial Assets and Financial Liabilities, adopted by the EU, applicable from January 1, 2014, with early application permitted,
- Annual improvements (2009-2011), not adopted by the EU.

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 the management to make estimates and assumptions affecting the book value of certain assets and liabilities, income and expenses, as well as the information given in certain notes to the financial statements.

Since these assumptions are intrinsically uncertain, the actual figures 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, and 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, 2012.

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 by asset securitization are not included in the consolidation if they do not constitute controlled special purpose entities as defined in SIC 12 "Consolidation – Special purpose entities" (see the notes to the consolidated financial statements note 1.5 page 59).

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 and internal profits between consolidated companies are eliminated.

note 1.4. Foreign currency conversion

note 1.4.1. Conversion of currency financial statements for foreign subsidiaries

The reporting currency of the Group is the euro.

The functional currency for 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 reclassified 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	
	2012	2011	**2012**	2011
Swiss franc (CHF)	1.2072	1.2156	1.2053	1.2326
Czech crown (CZK)	25.1510	25.787	25.1491	24.5898
Polish zloty (PLN)	4.0882	4.4168	4.1848	4.1205
US dollar (USD)	1.3194	1.2939	1.2848	1.392
Moroccan Dirham (MAD)	11.114		11.1116	
Indian Rupee (INR)	72.56		68.5973	

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 consolidated foreign subsidiary, are booked to a conversion reserve in shareholders' equity until the net investment has been sold or liquidated.

note 1.5. Recognition of asset securitization transactions and holding companies

In connection with third-party asset management, the Group has carried out securitization transactions, and creates and takes part in the financing of holding companies.

Trust TLR 2001 was set up in connection with the securitization of shipping containers.

SRF Railcar Leasing Ltd and SRF 1 were set up in connection with the securitization of railcars.

Modul Finance I was set up in connection with the securitization of modular buildings.

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

The substance of these operations has been examined in detail in the light of Standing Interpretation (SIC) 12 "Consolidation – Special Purpose Entities".

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

In 2012 the Group bought the assets of Trust TLR 2001 which was dissolved as a result. Trust TLR 2001 had not previously been included in the consolidated accounts.

In 2012 the Group acquired a 51% controlling interest in SRF Railcar Leasing Ltd.

SRF Railcar Leasing Ltd has been fully-consolidated since the takeover. SRF Railcar Leasing Ltd was previously accounted for by the equity method since the Group held a significant influence.

SRF 1 is a holding company financed and held by outside investors. The Group does not receive most of the benefits or bear most of the risks, and does not control the company. SRF 1 is not included in the consolidated accounts.

The Group indirectly provides most of the funding for Modul Finance I and therefore bears most of the risks and receives most of the benefits. Modul Finance I is fully consolidated.

Detailed 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 companies set up in connection with asset securitization are not consolidated if:

- 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 appendix.

note 1.5.1. 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. TLR 2001 is no more than one equipment investor among others.

b) The Group had no decision-making or executive power over the TLR 2001. It did not, for example, have the power to wind up the entity, nor to make or block amendments to its articles of association.

c) The financial benefits the Group received from TLR 2001 were limited to the net value of the initial and subsequent fees received for managing its assets. These benefits were insignificant compared to the value of the assets. In contrast to the other securitizations, the Group had an option to buy the assets of the 2001 Trust when it was wound up. The call option was at market value, and was not sufficiently attractive for the Group to be sure to buy back the assets on the liquidation of Trust 2001.

d) If the return on the 2001 Trust's assets failed to produce the expected profitability, TLR was able to draw on the collateral deposits put up by the Group. Discounting of cash flows at December 31, 2010 led the Group to write down these liquidity deposits by €2.1 million.

The Group did not guarantee any fixed rent. The Group did not guarantee the Trust's profitability. The Group's risks in relation to TLR 2001 were limited to the liquidity reserves as shown in the notes to the consolidated financial statements. The risk is insignificant compared to the value of the assets themselves. The Group did not own any equity of Trust 2001. Accordingly, as the Group did not control TLR 2001 in the terms of SIC 12, TLR 2001 was not included in consolidation perimeter at December 31, 2011.

On January 27, 2012 the Group decided to buy back the assets of TLR 2001.

Consequently TLR 2001 was would up and no longer existed at December 31, 2012.

note 1.5.2. SRF Railcar Leasing Ltd

As of December 31, 2011, the TOUAX Group held 25.7554% of SRF Railcar Leasing Ltd's capital and voting rights. In compliance with IAS28 §6, the Group exercised significant influence (over 20% of voting rights) and therefore SFR Railcar Leasing Ltd was accounted for by the equity method.

TOUAX Rail Ltd increased its stake in the share capital of SRF Railcar Leasing Ltd to 51% at the start of January 2012 and consequently it was fully consolidated from January 1, 2012.

note 1.5.3. 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 railcars on behalf of SRF I. The management fees are charged at the market rate and the Group incurs management expenses for a very similar amount.

d) Given that the majority shareholder finances 75% of the structure's debt and the TOUAX Group finances 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, 2012.

note 1.5.4. Modul Finance I

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 control assessment concluded that Modul Finance I should not be included in the consolidation perimeter. On 14 January 2011 the TOUAX Group indirectly acquired the senior debt of Modul Finance I, 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 units in Modul Finance I and consequently is no longer a member of Modul Finance I. Since the TOUAX bears most of the risks and receives most of the benefits of operation of Modul Finance I's assets, Modul Finance I has been included in the consolidation perimeter since 2011. However, Modul Finance I's results are fully recognized as a minority shareholding, since the TOUAX Group does not have any stake in this entity.

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 identifiable assets and liabilities taken over on the acquisition date, valued at their 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 an impairment is found, then an irreversible provision is charged to operating income, on a line of its own.

Should the TOUAX Group increase its percentage stake in 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. Tangible fixed assets

note 1.8.1. Valuation at cost net of amortization and impairment

Except when acquired as part of a company takeover, tangible fixed assets are booked at their 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.

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

note 1.8.3. Amortization

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

Useful lifetimes for assets acquired new are as follows:

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

The modular buildings of the Moroccan entities acquired in July 2012 are depreciated over 10 years.

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 based on their value in use, i.e. from the discounted future net cash flows expected on the basis of business scenarios and on forecast operating budgets approved by senior management.

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

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

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

note 1.10. Leases

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

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

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 notes to the consolidated financial statements, note 1.20.2) are recognized 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 under IAS 36 "Impairment of Assets" (see notes to the consolidated financial statements, note 1.9).

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

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

note 1.11. Inventories

Inventories essentially consist of goods bought for resale in the Shipping Containers and Freight Railcars divisions, and to a lesser extent in the Modular Buildings division. The stock turnover period is generally less than a year.

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

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

note 1.12. Provisions for Risks and Charges

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

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

note 1.13. 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, and for these parameters to be reviewed annually. The effect on the total commitment of any changes in the actuarial assumptions is entered under Actuarial Differences. In compliance with IAS 19 the Group books these (positive or negative) actuarial differences to the Income Statement.

note 1.14. Operating subsidy

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

note 1.15. Share-based payments

IFRS 2 "Share-based Payment", which applies to schemes granted after November 7, 2002, requires transactions paid for in shares or similar instruments to be valued in the company income statement and balance sheet. This standard applies to schemes granted after November 7, 2002. The three possible types of transactions specified in 1FRS 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

Other long-term liabilities 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 the 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 equity securities of non-consolidated companies, loans,
- current financial assets including trade receivables and other operating credits, as well as cash or its equivalents (negotiable securities).

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

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

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

Assets available for sale

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

Impairment testing of financial assets

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

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

note 1.18.2. Cash and cash equivalents

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

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

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

note 1.18.3. Financial liabilities

The Group's financial liabilities include bank loans, interest-bearing bond issues 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.

The bond component of this OBSAR was redeemed in March 2012 and therefore is no longer included in the accounts at December 31, 2012.

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

In 2012 the Group signed forward currency contracts (maturing in 2013) in order to hedge debts in USD, Czech crowns and Polish zloty. These derivatives constitute fair value hedges. The item hedged is revalued and the hedge itself is valued and carried at its fair value.

Some of the Group's operations are financed by variable-rate loans, some of which are hedged by interest rate derivatives, in order to reduce the Group's 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. Income tax expense

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 notes to the consolidated financial statements, note 1.20.2 and note 1.20.3).

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

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

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

The Group operates and manages equipment on behalf of third-parties as part of its 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) 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, sales to investors in the Shipping Containers and Freight Railcars divisions, and income from the sale of fixed assets intended for leasing. The corresponding purchases of equipment and the net book values are booked under external purchases and expenses in the type-classified income statement, and under cost of sales in the function-classified income statement. Equipment bought and not yet resold is accounted for in the end-of-period inventories (see Notes to the consolidated financial statements, note 1.11). Assignments 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 of the assets that are part of investor pools (see Notes to the consolidated financial statements, note 1.20.2) are broken down by pool, and the net revenues from each, less a management fee retained by the Group, are distributed among the pools' investors according to distribution rules established for each management program.

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

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 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)* after distribution to investors 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.

In the Modular Buildings, River Barges, and Freight Railcars businesses, services are provided in the sector where markets and customers are located.

In the Shipping Containers business, however, markets are in other locations than those of customers and services. The location of the markets and geographic zones of the Shipping Containers business correspond to the location of the assets, since the shipping containers are regularly moved from one country to another in the course of international trade, on hundreds of commercial 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, 2012, the containers may be in ports of over 100 countries worldwide. As a result, it is not possible to break down the revenue or assets of the Shipping Containers business by geographic zone. The Shipping Containers business is categorized in the international zone. This presentation is consistent with practices in the shipping container industry, often managed according to US GAAP.selon les normes américaines US GAAP.

NOTE 2. SCOPE OF CONSOLIDATION

note 2.1. Changes in the scope of consolidation

Number of consolidated companies	**2012**	2011	2010
French companies	8	7	6
Foreign companies	39	32	32
TOTAL	**47**	**39**	**38**
Of which included in consolidation perimeter	9	1	1
Of which excluded from consolidation perimeter	1		

The TOUAX Group includes nine new companies within the consolidation perimeter.

1. TOUAX Lease SAS is a French entity set up with a minority partner. The purpose of this entity is to invest in modular building leases in France. This company is fully consolidated in the Group's financial statements.
2. TOUAX Asset BV is a Dutch entity set up to hold the assets of TOUAX BV, an existing company in the Netherlands present in the Modular Buildings sector. In the near future, it will hold the assets of the Belgian company TOUAX NV which is already included in the TOUAX Group consolidation perimeter. This company will therefore mutualize ownership of these assets and lease them in Belgium and the Netherlands.
3. TOUAX Africa was set up with the minority interest ADPI to hold investments in Africa. TOUAX Solutions Modulaires has a 51% stake in TOUAX Africa. TOUAX Africa set up a holding company in Morocco, TOUAX Maroc Capital to purchase two Moroccan companies, Sacmi and Ramco.
4. TOUAX Container Finance is an entity set up in Singapore to finance the assets of the Shipping Containers business by revolving credit without recourse against the Group.
5. TOUAX Rail India Ltd sold a minority interest to Trufidee (11.26% of the capital) in order to invest in India. TOUAX Texmaco Rail Leasing Pte Ltd was set up with a local partner in order to develop our railcar leasing business in India.

Interfeeder-Ducotra BV, a Dutch company that is no longer active, was wound up on the Group's initiative in November 2012. It is no longer included in the Group's consolidation perimeter from that time.

note 2.2. List of consolidated companies in 2012

Company name	Activity	Adress	Percentage of control	Method of method
TOUAX SCA	Holding, parent company	Europe		
TOUAX CAPITAL SA	Services	Europe	99.99%	FC
TOUAX CORPORATE SAS	Services	Europe	100%	FC
GOLD CONTAINER Corporation	Shipping containers	North America	100%	FC
GOLD CONTAINER FINANCE Llc	Shipping containers	North America	100%	FC
GOLD CONTAINER Investment Ltd	Shipping containers	Asia	100%	FC
GOLD CONTAINER Leasing Pte Ltd	Shipping containers	Asia	100%	FC
SERVICIOS FLUVIALES	Shipping containers	South America	100%	FC
TOUAX CONTAINER LEASE RECEIVABLES Corp	Shipping containers	North America	100%	FC
TOUAX CONTAINER SERVICES SAS	Shipping containers	Europe	100%	FC
TOUAX CORP	Shipping containers	North America	100%	FC
TOUAX EQUIPMENT LEASING Corp	Shipping containers	North America	100%	FC
TOUAX FINANCE Inc.	Shipping containers	North America	100%	FC
TOUAX CONTAINER FINANCING Pte LTD	Shipping containers	Asia	100%	FC
TOUAX SOLUTIONS MODULAIRES SAS	Modular buildings	Europe	100%	FC
TOUAX SRO	Modular buildings	Europe	100%	FC
TOUAX SK SRO	Modular buildings	Europe	100%	FC
TOUAX Africa SAS	Modular buildings	Europe	51%	FC
MODUL FINANCE I SNC	Modular buildings	Europe	0%	FC
TOUAX Maroc Capital SARL	Modular buildings	Africa	51%	FC
SACMI SARL	Modular buildings	Africa	45.90%	FC
RAMCO SARL	Modular buildings	Africa	51%	FC
TOUAX ASSETS BV	Modular buildings	Europe	100%	FC
TOUAX MODULAR BUILDING USA Llc	Modular buildings	North America	100%	FC
SIKO CONTAINERHANDEL GmbH	Modular buildings	Europe	100%	FC
TOUAX Sp.z.o.o	Modular buildings	Europe	100%	FC
TOUAX BV	Modular buildings	Europe	100%	FC
TOUAX CONSTRUCTION MODULAIRE SAS	Modular buildings	Europe	100%	FC
TOUAX ESPANA SA	Modular buildings	Europe	100%	FC
TOUAX NV	Modular buildings	Europe	100%	FC
TOUAX LEASE SAS	Modular buildings	Europe	51%	FC
CFCL TOUAX Llc	Freight railcars	North America	51%	FC
SRF RAILCAR LEASING Ltd	Freight railcars	Europe	51%	FC
TOUAX RAIL Ltd	Freight railcars	Europe	100%	FC
TOUAX RAIL FINANCE Ltd	Freight railcars	Europe	100%	FC
TOUAX RAIL FINANCE 2 Ltd	Freight railcars	Europe	100%	FC
TOUAX RAIL INDIA Ltd	Freight railcars	Europe	88.74%	FC
TOUAX RAIL ROMANIA SA	Freight railcars	Europe	57.4996%	FC
TOUAX TEXMACO RAILCAR LEASING Pte Ltd	Freight railcars	Asia	44.3695%	FC
CS DE JONGE BV	River barges	Europe	100%	FC
EUROBULK TRANSPORTMAATSCHAPPIJ BV	River barges	Europe	100%	FC
EUROBULK BELGIUM BVBA	River barges	Europe	97.9346%	FC
TOUAX RIVER BARGES SAS	River barges	Europe	100%	FC
TOUAX LEASING Corp	River barges	North America	100%	FC
TOUAX ROM SA	River barges	Europe	99.9978%	FC
TOUAX HYDROVIA Corp	River barges	South America	100%	FC

FC = Full consolidation

NOTE 3. SEGMENT INFORMATION

note 3.1. Income statement by division

2012	Shipping	Modular	River	Freight	Real	Corporate	Eliminations	**TOTAL**
(€ thousands)	Containers	Buildings	Barges	Railcars	estate			
Leasing revenue	87,344	78,885	14,715	37,877	124	11,323	(11,233)	219,034
Sales of equipment	86,358	37,726	11,119	3,749				138,952
TOTAL REVENUES	**173,702**	**116,611**	**25,834**	**41,626**	**124**	**11,323**	**(11,233)**	**357,986**
Revenue of disposal of other assets		(22)						(22)
Income from ordinary activities	**173,702**	**116,589**	**25,834**	**41,626**	**124**	**11,323**	**(11,233)**	**357,964**
Acquisition cost of sales	(80,524)	(34,706)	(6,050)	(1,637)				(122,917)
Operating expenses	(20,370)	(43,157)	(8,510)	(20,616)		20	1,140	(91,493)
General, commercial and administrative operating expenses	(8,383)	(7,360)	(4,055)	(4,349)	(45)	(11,189)	10,093	(25,288)
GROSS OPERATING MARGIN (EBITDA)	**64,426**	**31,366**	**7 218**	**15,024**	**79**	**155**		**118,267**
Depreciation, amortization and impairments	(2,535)	(18,928)	(3,036)	(7,156)	(51)	(452)		(32,157)
INCOME PER BUSINESS before distribution to investors	**61,891**	**12,437**	**4,182**	**7,868**	**28**	**(297)**		**86,109**
Net distributions to investors	(52,223)	(1,947)		(2,320)				(56,490)
OPERATING INCOME PER BUSINESS after distribution to investors	**9,668**	**10,491**	**4,182**	**5,548**	**28**	**(297)**		**29,619**
CURRENT OPERATING INCOME								**29,619**
Other operating revenues and expenses								(577)
OPERATING RESULT								**29,042**
Financial result								(17,567)
Shares of profit/(loss) of associates								
PROFIT BEFORE TAX								**11,475**
Corporate income tax								(2,749)
NET PROFIT (LOSS) FROM CONSOLIDATED COMPANIES								**8,726**
Income from discontinued activities								
CONSOLIDATED NET PROFIT (LOSS)								**8,726**
Minority interests								420
CONSOLIDATED NET PROFIT (LOSS) (GROUP'S SHARE)								**9,146**

2011	Shipping	Modular	River	Freight	Real	Corporate	Eliminations	**TOTAL**
(€ thousands)	Containers	Buildings	Barges	Railcars	estate			
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**		**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**		**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**		**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**

2010	Shipping	Modular	River	Freight	Real	Corporate	Eliminations	**TOTAL**
(€ thousands)	Containers	Buildings	Barges	Railcars	estate			
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**

note 3.2. Balance sheet by division

December 31, 2012 *(€ thousands)*	Shipping Containers	Modular Buildings	River Barges	Freight Railcars	Unallocated	**TOTAL**
ASSETS						
Goodwill		28,704	315	5,101		34,120
Net intangible assets	200	261	25	689	248	1,423
Net tangible assets	31,293	232,270	59,324	193,945	1,479	518,311
Long-term financial assets	36	362	434	1,163	344	2,339
Investments in associates						
Other non-current assets	2,692	37	4,353			7,082
Deferred tax assets					494	494
TOTAL non-current assets	**34,221**	**261,634**	**64,451**	**200,898**	**2,565**	**563,769**
Inventory and work-in-progress	37,507	10,649	249	22,461		70,866
Accounts receivable	14,946	39,571	2,665	5,367	105	62,654
Other current assets	4,348	6,697	3,249	4,112	1,295	19,701
Cash and cash equivalents					59,144	59,144
TOTAL current assets	**56,801**	**56,917**	**6,163**	**31,940**	**60,544**	**212,365**
Assets intended for transfer						
TOTAL ASSETS						**776,134**
LIABILITIES						
Share capital					45,922	45,922
Reserves					93,910	93,910
Profit (loss) for the fiscal year, Group's share					9,146	9,146
Shareholders' equity of the Group					**148,978**	**148,978**
Minority interests		338	(2)	23,699		24,035
Consolidated shareholders' equity					**148,978**	**173,013**
Loans and borrowings					368,873	368,873
Deferred tax liabilities					5,658	5,658
Retirement benefits and similar benefits	25	131	5		198	359
Other long-term liabilities		1,102				1,102
TOTAL non-current liabilities	**25**	**1,233**	**5**		**374,729**	**375,992**
Provisions	4		200		362	566
Loans and current bank facilities					122,910	122,910
Trade accounts payable	13,544	19,295	1,145	4,152	999	39,135
Other current liabilities	25,937	25,301	10,162	463	2,655	64,518
TOTAL current liabilities	**39,485**	**44,596**	**11,507**	**4,615**	**126,926**	**227,129**
Liabilities intended for transfer						
TOTAL LIABILITIES						**776,134**
Tangible & intangible investments during the year	**9,615**	**21,538**	**16,042**	**17,311**	**179**	**64,685**
Workforce by business	**32**	**636**	**21**	**30**	**41**	**760**

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 year	**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 year	**1,608**	**31,342**	**923**	**3,608**	**124**	**37,604**
Workforce by business	**34**	**481**	**93**	**25**	**34**	**667**

note 3.3. Geographical segment reporting

(€ thousands)	International	Europe	Americas	Africa	Asia	**TOTAL**
2012						
Revenue	173,702	166,045	13,251	4,989		**357,987**
Tangible and intangible investments	9,605	33,789	20,522	40	729	**64,685**
Sectoral non-current assets	34,196	463,690	47,929	16,636	689	**563,140**
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**

NOTES REGARDING THE INCOME STATEMENT

note 4. Revenue from Ordinary Activities

Breakdown by type *(€ thousands)*	**2012**	2011	Variation 2012/2011		2010 restated(1)
Leasing revenue	219,034	221,419	(2,385)	-1.1%	207,787
Sales of new and second-hand equipment	138,952	114,395	24,557	21.5%	94,606
TOTAL	**357,986**	**335,814**	**22,172**	**6.6%**	**302,393**
Capital gain on disposal	(22)	212	(234)	-110.4%	5
TOTAL Income from ordinary activities	**357,964**	**336,026**	**21,938**	**6.5%**	**302,398**

(1): cf. note 1.1

The consolidated revenue for 2012 was €358 million compared to €335.8 million in 2011, i.e. an increase of 6.6% (+1% at constant exchange rates and excluding changes in the consolidation perimeter).

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.

In 2011, exceptional non-recurring invoices totalling €6 million were booked for disputes, which were fully written down.

Leasing revenues increased slightly due to restatement of these exceptional invoices for which full provision had been made.

It should be noted however that there was pressure on leasing prices and utilization rates, offset by growth in the fleet.

Sale of new and used equipment

Equipment sales mainly involve the sale of equipment to investors (syndication): the equipment is then managed by the Group under management programs. 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

(€ thousands)	**2012**	2011	Variation 2012/2011		2010 restated(1)	2010 published
Cost of sales	(118,830)	(94,500)	(24,330)	26%	(80,570)	(70,736)
Other external charges for services	(89,268)	(87,312)	(1,956)	2%	(82,971)	(82,971)
Taxes and duties	(1,043)	(668)	(375)	56%	(697)	(697)
TOTAL	**(209,141)**	**(182,480)**	**(26,661)**	**15%**	**(164,238)**	**(154,404)**

(1): cf. note 1.1

The change in purchases and other external charges is mainly due to changes in equipment sales.

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)	**2012**	2011	Variation 2012/2011		2010
Salaries & social security charges	(29,513)	(28,775)	(738)	3%	(26,539)
Workforce	**760**	**700**	**60**	**9%**	**667**

The increase in the workforce is mainly due to the integration of the new Moroccan companies within the Group's consolidation perimeter.

To enable the employees of the economic and social unit (which includes TOUAX Corporate, TOUAX Solutions Modulaires, TOUAX Container Services and TOUAX River Barges) and of TOUAX Construction Modulaire to share in the Group's performance, agreements were signed allowing amounts to be paid to employees which they can invest in the Company Savings Plan.

Compulsory profit-sharing agreement:

The formula adopted is the legal calculation formula. Half of the amount is distributed in proportion to attendance time in the company during the fiscal year, and half is distributed in proportion to the salary of each beneficiary during the fiscal year concerned.

Voluntary profit-sharing agreement:

The performance indicator applied is the net earnings per share and the average number of shares of the Group included in the consolidated financial statements (according to a specific calculation defined in the agreement).

No stock option plans were introduced in 2012.

note 7. Other operating income and expenses

(€ thousands)	**2012**	2011	Variation 2012/2011		2010
Other operating income	2,339	4,239	(1,900)	-45%	2,141
Other operating charges	(1,967)	(3,802)	1,835	-48%	(1,827)
TOTAL Other operating income and charges	**372**	**438**	**(66)**	**-15%**	**314**

Other operating revenues and expenses comprise income and expenses involved in current operations.

In 2012 the Group recovered about US$1 million of deposits made in connection with the TLR 2001 operation, following the purchase of its fleet of shipping containers and railcars. The impairment tests for financial assets conducted in 2009 resulted in the Group posting a loss for these deposits under other operating charges. Repayment of these deposits was recognized under other operating income in 2012.

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.

note 8. Operating provisions

(€ thousands)	**2012**	2011	Variation 2012/2011		2010
Reversals of operating provisions	5,332	3,803	1,530	40%	2,032
Allocation to operating provisions	(6,748)	(10,148)	3,400	-34%	(2,603)
TOTAL Operating provisions	**(1,416)**	**(6,346)**	**4,930**	**-78%**	**(571)**

Operating provisions and reversals correspond to provisions and reversals of provisions for doubtful debts.

In addition, reversals of operating provisions correspond to reversals of provisions included under balance sheet liabilities.

In 2011 a provision of €700,000 concerning a foreign subsidy was reversed and recognized as an expense under other operating charges.

note 9. Depreciation and impairment

(€ thousands)	**2012**	2011	Variation 2012/2011		2010
Straight-line depreciation	(23,609)	(18,059)	(5,550)	31%	(16,133)
Depreciation expense for leasing agreements	(8,499)	(8,119)	(380)	5%	(7,697)
Depreciation expense	**(32,108)**	**(26,178)**	**(5,929)**	**23%**	**(23,830)**
Impairment					
Other allocations to provisions	(50)	(89)	39		42
TOTAL	**(32,157)**	**(26,267)**	**(5,890)**	**22%**	**(23,788)**

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

Other provisions comprise solely provisions and reversals for pension obligations.

note 10. Net distributions to investors

Net distributions to investors are broken down by division as follows:

(€ thousands)	**2012**	2011	Variation 2012/2011		2010 restated (1)
Shipping Containers	(52,223)	(50,319)	(1,904)	4%	(46,938)
Modular Buildings	(1,947)	(2,008)	62	-3%	(3,065)
River Barges					(23)
Freight Railcars	(2,320)	(8,787)	6,466	-74%	(7,582)
TOTAL	**(56,490)**	**(61,114)**	**4,624**	**-8%**	**(57,608)**

(1): cf. note 1.1

The fall in net distributions to investors is due to the fact that SRF Railcar Leasing Ltd was fully consolidated, whereas it had been accounted for by the equity method in 2011.

Shipping Containers

On behalf of third parties, the Group manages 416,740 TEU in 2012, compared with 372,784 TEU in 2011. For the record, a TEU (Twenty foot Equivalent Unit) is a twenty foot long container.

Modular Buildings

On behalf of third-party owners, the Group manages 5,094 modular buildings in France, Germany and the Netherlands.

Freight Railcars

On behalf of third parties, the Group manages 4,210 railcars (equivalent to 4,714 platforms) in Europe and the United States in 2012, compared with 4,920 railcars (6,180 platforms) in 2011. This drop is due to the railcars of SRF Railcar Leasing Ltd which are now included on the Group's balance sheet.

note 11. Other operating revenues and expenses

In 2012, the other operating revenues and expenses correspond to registration fees for the acquisition of the Moroccan subsidiaries in the Modular Buildings business.

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

note 12. Financial result

	2012	2011	Variation		2010
(€ thousands)			2012/2011		
Income from cash and cash equivalents	**101**	**52**	**49**		**26**
Interest payable on financing transactions	(17,593)	(14,541)	(3,052)		(12,936)
Cost of gross financial debt	**(17,593)**	**(14,541)**	**(3,052)**		**(12,936)**
Cost of net financial debt	**(17,492)**	**(14,489)**	**(3,003)**	**21%**	**(12,910)**
Profit and loss on debt extinguishment	14	(274)	288		(28)
Dividends received					2
Financial income and charges from discounting	133	(23)	156		11
Other financial income and charges	(222)	352	(574)		210
Other financial income and charges	**(75)**	**55**	**(130)**		**195**

FINANCIAL RESULT	**(17,567)**
(14,434)	**(3,133)**
22%	**(12,715)**

note 13. Corporate income tax

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

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

The Group has opted for tax consolidation in the USA, France and the Netherlands and formed the following groups:

- TOUAX Corp., Gold Container Corp., Gold Container Finance Llc, TOUAX Finance Inc., TOUAX Container Lease Receivables Corp. and TOUAX Equipment Leasing Corp.: American tax group,
- TOUAX MODULAR BUILDING Llc and TOUAX LEASING CORP: American tax group,
- TOUAX SCA, TOUAX Solutions Modulaires SAS, TOUAX Construction Modulaire SAS, TOUAX Container Services SAS, TOUAX Corporate SAS, and TOUAX River Barges SAS: French tax group,
- TOUAX BV and TOUAX Asset BV: Dutch tax group,
- Eurobulk Transport Maatschappij BV and CS de Jonge BV: Dutch tax group.

note 13.1.1. Breakdown of the tax charge

The tax charge booked to the income statement amounts to €2.7 million (compared with €4.1 million in 2011 and €4 million in 2010). It breaks down as follows:

	2012			2011			2010		
(€ thousands)	Payable	Deferred	Total	Payable	Deferred	Total	Payable	Deferred	Total
Europe	(2,477)	385	(2,092)	(3,666)	(292)	(3,958)	(3,164)	(282)	(3,446)
USA		(346)	(346)		(8)	(8)	(986)	599	(387)
Others	(434)	123	(312)	(168)		(168)	(168)		(168)
TOTAL	**(2,911)**	**162**	**(2,749)**	**(3,835)**	**(300)**	**(4,135)**	**(4,318)**	**317**	**(4,001)**

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

Actually recognized

(€ thousands)	**2012**
Net profit (loss) from consolidated companies	8,726
Income taxes	(2,749)
CONSOLIDATED INCOME BEFORE TAX	**11,475**
Theoretical tax expense at 33.33%	(3,825)
Impact on theoretical tax of:	
Limitation of deferred taxes	(1,317)
Permanent differences and other elements	(826)
Deficits created in the fiscal year	(38)
Earnings deducted due to previous deficit	425
Difference in tax rates	2,832
EFFECTIVE INCOME TAX EXPENSE	**(2,749)**

Outstanding deferred tax assets in France not recognized in the accounts are estimated at €4 million. Outstanding deferred tax assets in the Netherlands not recognized in the accounts are estimated at €0.8 million.

The tax expense amounted to €2.7 million with a tax rate of 24%. The Group's tax rate is relatively 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)	2011	Changes by shareholders' equity	**2012**
Redeemable warrants	(54)		(54)
Swaps evaluation	102	297	399
Revaluation of net investments	500	(187)	313
TOTAL	**549**	**110**	**659**

note 13.3. Deferred tax assets and liabilities

The deferred tax position is as follows:

(€ thousands)	**2012**	2011	2010
Deferred tax asset	494	436	173
Deferred tax liability	(5,658)	(5,309)	(4,993)
TOTAL	**(5,164)**	**(4,873)**	**(4,820)**

Net deferred tax liabilities are broken down as follows:

(€ thousands)	**2012**
Depreciation of fixed assets	(16,085)
Leasing restatements in France	(11,883)
Unused tax losses	21,145
Discounting of financial assets	34
Provisions for doubtful accounts	628
Deferred income	773
Miscellaneous	224
NET BALANCE	**(5,164)**

note 14. Net income per share

Basic earnings per share are calculated by dividing the company's net income by the weighted average number of outstanding shares during the period. No adjustment was made for treasury shares in view of their insignificant number (0.09% of the share capital at December 31, 2012).

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, share subscription warrants (BSAs), and redeemable share subscription warrants (BSARs).

	2012	2011
Net consolidated net profit - group's share (€)	9,145,961	13,434,318
Outstanding shares at December 31	5,740,267	5,720,749
Weighted average number of outstanding ordinary shares	5,732,513	5,713,220
Potential number of shares		
- 2006 Stock options plan*		32,521
- 2007 exercisable/transferable equity warrant bonds**		
- 2008 stock warrants **		
WEIGHTED AVERAGE NUMBER OF SHARES FOR CALCULATION OF THE DILUTED EARNINGS PER SHARE	**5,732,513**	**5,745,741**
NET EARNINGS PER SHARE		
- basic	1.60	2.35
- diluted	1.60	2.34

** The market price at 31 december 2012 is lower than the exercise price of the warrants.*
*** 2006 stocks options have been exercised in 2012.*

NOTES CONCERNING THE BALANCE SHEET

ASSETS

note 15. Goodwill

Changes in goodwill were as follows:

(€ thousands)	2010	2011	Increase	Decrease	Translation adjustment	**2012**
Modular Buildings						
Siko Containerhandel Gmbh	1,583	1,583				1,583
Touax Sro - Touax SK Sro	16,470	16,009			403	16,411
Touax Modular Building USA, Llc	15	15				15
Sacmi/Ramco Sarl			10,675		21	10,675
River Barges						
Eurobulk Transport Maatschappij BV	221	221				221
CS de Jonge BV	91	91				91
Touax Rom SA	3	3				3
Freight Railcars						
SRF Railcar Leasing			547			547
Touax Rail Limited	4,554	4,554				4,554
TOTAL	**22,937**	**22,476**	**11,121**		**424**	**34,120**

In the 2012 fiscal year, the variation in goodwill is mainly due to the acquisition of Racmi/Ramco, two Moroccan entities that joined out Modular Buildings business.

On July 1, 2012, TOUAX and its financial partner ADP I (a fund specialized in investments in Africa and advised by DPI), acquired a 90% majority interest in SACMI, the Moroccan market leader for modular buildings, as well as a 100% interest in RAMCO, a leasing company.

SACMI manufactures sells and leases modular buildings in Morocco and in Africa. SACMI is the market leader in Morocco and has a varied range of products, such as administrative, industrial and worksite buildings, site facilities and telecom shelters. Its customers include local authorities and leading industrial companies, particularly in the telecom and construction sectors. The goodwill arising from the acquisition of SACMI/RAMCO mainly represents the potential of the African market where there are substantial requirements for modular buildings.

	SACMI		RAMCO	
	In Moroccan Dirham (MAD) thousands	€ thousands	In Moroccan Dirham (MAD) thousands	€ thousands
Payment at the closing	151,543	13,635	13,025	1,172
Loans and advances to customers	6,637	597		
Vendor credit (12 months)	40,174	3,615		
Price for 10% of the purchase option	23,362	2,102		
TOTAL ACQUISITION PRICE	**221,716**	**19,949**	**13,025**	**1,172**
Value accrued				
Intangible fixed assets	36	3	12	1
Tangible fixed assets	64,505	5,804	4,843	436
Long-term financial assets	125	11	49	4
Inventories	29,747	2,676	482	43
Loans and advances to customers	34,326	3,089	4,503	405
Other current assets	7,299	657	665	60
Cash and cash equivalents	28,756	2,587	2,133	192
Financial indebtedness	(23,908)	(2,151)	(776)	(70)
Deferred tax liabilities	(8,115)	(730)	(433)	(39)
Other current liabilities	(27,490)	(2,473)	(882)	(79)
Fair value of the net asset acquired	**105,282**	**9,473**	**10,595**	**953**
Provisional goodwill	**116,435**	**10,476**	**2,430**	**219**

Balance of the purchase price of the securities will be paid 12 months after the acquisition date, i.e. €3.6 million. The receivables included on SACMI's balance sheet on the acquisition date and recovered within 12 months of the acquisition will be paid to the vendor. These additional amounts are included in the purchase price. Moreover, the Group has an option to purchase the remaining minority stake. The price of this option is agreed contractually between the two parties based on a multiple of the management balance and the balance sheet, or a predefined amount if it is higher than the result of the formula. This option to purchase is included in the purchase price and is recognized under other current liabilities.

SRF Railcar Leasing Ltd is an investment company accounted for by the equity method in 2011. The Group took control of the company at the beginning of January 2012 and it is now fully consolidated. According to IFRS 3, takeover of a company previously accounted for by the equity method is equivalent to the sale and subsequent acquisition of the company. This transaction therefore generated goodwill of €547,000.

Impairment tests

Impairment tests have been carried out for each cash-generating unit (CGU) for which goodwill is recognized 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:

Cash-generating unit *(€ thousands)*	Value of associated goodwill	2012 discount rate	2012 Terminal growth rate	2011 discount rate	2011 Terminal growth rate
Modular Buildings	28,689	6.40%	2.00%	6.61%	2.00%
River Barges	330	8.05%	2.00%	8.27%	2.00%
Freight Railcars	5,101	6.84%	2.00%	7.21%	2.00%
TOTAL	**34,120**				

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 European Central Bank'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.

No impairment was recognized on 31 December 2012.

note 16. Intangible fixed assets

	2011	Purchases	Sales	Allocation for the fiscal year	Variation in conversion	Change in perimeter	Reclassification on and ultimate disposal	2012
Shipping Containers	240	87		(123)	(4)			200
Modular Buildings	379	68	(22)	(151)	1	4	(19)	261
River Barges							26	25
Freight Railcars		729			(40)			689
Corporate	251	49		(116)			64	248
	870	**932**	**(22)**	**(390)**	**(43)**	**4**	**71**	**1,423**

Intangible fixed assets mainly concern licences, software, development costs and pre-production tests of modular building prototypes. In 2012 the Group acquired an operating licence in India to enable it to develop a railcar leasing business there.

note 17. Tangible fixed assets

note 17.1. Breakdown by type

	2012			2011	2010
(€ thousands)	Gross value	Amort.	Net val.	Net val.	Net val.
Land and buildings	13,336	(2,142)	11,195	6,474	6,318
Equipment	620,435	(119,885)	500,551	353,016	322,825
Other tangible assets	13,856	(9,371)	4,486	5,009	3,094
Tangible assets in progress	2,081		2,080	1,018	2,735
TOTAL	**649,708**	**(131,397)**	**518,311**	**365,518**	**334,972**

note 17.2. Changes in gross value, by type

(€ thousands)	01.01.2012	Purchases	Sales	Variation in conversion	Reclassification and inclusion in the perimeter	31.12.2012
Land and buildings	7,918	121		88	5,209	13,336
Equipment	453,964	59,827	(23,606)	1,763	128,487	620,435
Other tangible assets	11,589	568	(181)	48	1,832	13,856
Tangible assets in progress	1,018	3,237		38	(2,212)	2,081
TOTAL	**474,489**	**63,753**	**(23,787)**	**1,937**	**133,314**	**649,708**

Equipment acquisitions comprise modular buildings for a total of €21.5 million, railcars for a total of €16.7 million, river barges for a total of €16 million and shipping containers for a total of €9.5 million.

Sales of fixed assets comprise river barges for a total of €10 million, modular buildings for a total of €7.9 million, and shipping containers for a total of €5.4 million.

Inclusion in the consolidation perimeter of SRF Railcar Leasing Ltd increased the value of the fixed assets by €82 million. Inclusion of Sacmi and Ramco in the consolidation perimeter increased the value of the fixed assets by €5.7 million.

Stocks transferred to tangible fixed assets relate to Shipping Containers activity for a total of €20 million and Freight Railcars activity for a total of €19.4 million.

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 articulated intermodal railcars. The unit values of river barges range from €150,000 for secondhand 1,700-ton barges, to over €1m for new 2,800-ton barges.

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. Gross value

Non-current financial assets

(€ thousands)	GROSS VALUE			DEPRECIATION CHARGE TO INCOME STATEMENT (accumulated)			NET VALUE			
							Long term financial assets		Other non-current assets	
	Securities available for sale	Loans and receivables		Securities available for sale	Loans and receivables		Securities available for sale	Loans and receivables		Financial assets at fair value
	Financial assets	Financial assets	Other non current assets	Financial assets	Financial assets	Other non current assets		Financial assets	Other non current assets	Non current derivatives
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)**		**18**	**10,527**	**9,061**	**1,029**
Changes in perimeter		16								
Increase		190	33					190	33	
Decrease	(2)	(581)	(6)				(2)	(581)	(6)	
Translation adjustments	(29)	10	(130)	29	(11)			(1)	(130)	
Variation in fair value		71						71		
Other activity		(11,019)	(1,876)						(1,876)	(1,029)
TO 31ST DECEMBER 2012	**1,500**	**5,794**	**7,082**	**(1,484)**	**(6,591)**		**16**	**(797)**	**7,082**	

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 was accounted for by the Group by the equity method from 2010. The Group took control of the company at the beginning of 2012 and it is now fully consolidated.

At December 31, 2012 there were no interests in associated companies.

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**

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, 2012 was €16,000.

Unlisted securities *(€ thousands)*	**2012**	2011	2010
Gross value	1,500	1,531	1,483
Loss in value	(1,484)	(1,513)	(1,464)
Net value of available-for-sale securities	**16**	**18**	**19**

Current financial assets

(€ 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 receivable	Trade and other accounts	Cash and cash equivalents
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**
Changes in perimeter	5,248		(580)		4,667	
Increase		27,696	(6,673)		(6,673)	27,696
Decrease	(3,338)		3,893		555	
Translation adjustments	(121)		34		(87)	
Variation in fair value						
Other activity	(155)		152		(3)	
TO 31ST DECEMBER 2012	**81,516**	**59,144**	**(18,862)**		**62,654**	**59,144**

Financial Assets are broken down as follows:

Loans and receivables comprise loans and deposits. This included deposits relating to Trust TLR 2001 and Modul Finance I EIG until December 31, 2010 (cf. notes to the consolidated financial statements note 29.1 and note 29.2). This item also includes trade accounts receivable.

All of the loan granted to SRF Railcar Leasing Ltd, i.e. €7.6 million was transferred to equity interests in consolidated companies when it was taken over in January 2012. This company was accounted for by the equity method until December 31, 2011 and is now fully consolidated.

€1.9 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 impact of financial instruments on net income is explained 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.

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, 2012, outstanding trade accounts receivable totalled €62.7 million on the balance sheet. This is a reasonable estimate of the fair value.

Mean aging of trade receivables is 79 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, 2012 the Group recognized net overdue receivables of €23.3 million, the vast majority of which is outstanding for less than three months.

2012 aged trial balance

(€ thousands)	Gross accounts receivable	Provisions	Accounts receivable
Not due	39,721	(377)	39,344
0-6 months	19,674	(2,533)	17,141
6-12 months	4,580	(4,133)	447
> 1 year	17,541	(11,818)	5,723
TOTAL	**81,516**	**(18,861)**	**62,655**

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 €8.5 million and a historical cost of €13.5 million.

(€ thousands)		Minimum future payments	Discounted minimum future payments
< 1 year (+)	2,463	1,423	
2 - 5 years (+)		8,647	6,482
> 5 years (+)	622	586	
TOTAL		**11,733**	**8,492**
Discounting of finance leases		(3,241)	
Discounted minimum future payments		**8,492**	**8,492**
Presentation in the balance sheet of finance lease receivables:			
Other current assets			1,423
Other non-current assets			7,069
TOTAL			**8,492**

The interest rate applied in each finance lease is determined on the day the contract is signed. The average rate of interest used was 12.92% on December 31, 2012. The interest income from finance leases is recorded under leasing revenue (€1.3 million in 2012 compared with €1.3 million in 2011).

The total amount of customer repayments of principal lent under finance leases (the principal appears as a net investment among Balance Sheet assets) was €1.5 million in 2012 (€2 million in 2011).

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	2012
EBITDA (gross margin)	64,426	31,366	7,218	15,024	233	118,267
Payments received of principal of finance lease receivables	816	27	618			1,461
Restated EBITDA	**65,241**	**31,392**	**7,837**	**15,024**	**233**	**119,727**
Net distribution to investors	(52,223)	(1,947)		(2,320)		(56,490)
EBITDA restated after distribution to investors	**13,019**	**29,445**	**7,837**	**12,704**	**233**	**63,238**

note 18.1.3. Cash and cash equivalents

(€ thousands)	2012	2011	2010
Investments less than three months	37,070	31,448	29,871
Of which marketable securities	35,623	29,559	29,870
Cash	22,073	12,811	9,229
TOTAL	**59,144**	**44,259**	**39,100**

The cash balances shown on the Group's balance sheet at December 31, 2012 include €12 million in cash that is not available for the Group's daily cash management. €6.7 million of this amount corresponds to contractual restrictions on liquidity transfers linked to bank covenants, and €5.3 million corresponds to the lack of shareholder authorization for using the cash of companies that are not wholly-owned.

note 18.2. Financial liabilities

Non-current and current financial liabilities correspond to loans and borrowings and current bank loans.

note 18.2.1. Analysis of financial liabilities by category

	2012			2011			2010		
(€ thousands)	Non-current	Current	Total	Non-current	Current	Total	Non-current	Current	Total
Bond issue	22,635		22,635	1,188	40,415	41,603	40,045		40,045
Medium/long-term loans with recourse	62,918	15,227	78,144	24,792	6,337	31,129	12,274	4,215	16,489
Finance lease commitments with recourse	83,295	21,972	105,267	94,115	19,664	113,779	96,251	18,270	114,521
Revolving lines of credit with recourse	69,275	25,666	94,941	52,137	17,233	69,370		57,549	57,549
Debt without recourse	130,750	48,172	178,923	75,513	22,839	98,353	79,310	10,210	89,520
Current bank accounts with recourse		8,730	8,730		9,694	9,694		13,151	13,151
Liabilities on derivatives		3,143	3,143		123	123		471	471
TOTAL FINANCIAL LIABILITIES	**368,873**	**122,910**	**491,783**	**247,746**	**116,304**	**364,050**	**227,880**	**103,866**	**331,746**

Debts "without recourse" concern:

- Financing of assets for which the debt must be serviced from income generated by the assets (both leasing revenue and proceeds from sale) which are not guaranteed by the parent company TOUAX SCA.
- Funding granted to subsidiaries that are fully integrated although they are not wholly-owned by the Group, which are not guaranteed by the parent company TOUAX SCA.

IFRS 7.8 defines the following categories of financial instruments:

At December 31, 2012

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	488,640	487,946	-0.14%	482,194	-1.18%
Financial liabilities valued at fair value	3,143	3,143	0.00%		0.00%
TOTAL	**491,783**	**491,088**	**-0.14%**	**482,194**	**-1.81%**

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%**

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

Applying the fair value principle would value the financial liabilities at €491.1 million, using closing prices at December 31, 2012.

- 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.

The OBSAR issued on March 8, 2007 was redeemed on March 8, 2012 for a total of €40.4 million:

note 18.2.2. Breakdown by due date of loans and payments at December 31, 2012

(€ thousands)	2013	2014	2015	2016	2017	> 5 years	**TOTAL**
Bond issues			991			21,644	22,635
Medium/long-term loans with recourse	15,227	16,390	11,721	15,610	8,019	11,178	78,144
Finance leasing commitments with recourse	21,972	21,189	19,548	16,338	10,876	15,344	105,267
Short-term loans with recourse	6,766	1,775		67,500			76,041
Debts without recourse	48,172	9,925	80,141	11,039	5,377	24,268	178,923
TOTAL capital flow on loans	**92,137**	**49,279**	**112,401**	**110,487**	**24,273**	**72,434**	**461,010**
Future interest flow on loans	14,271	11,934	8,535	5,741	4,099	4,081	48,659
TOTAL flow on loans	**106,408**	**61,212**	**120,935**	**116,227**	**28,372**	**76,515**	**509,670**

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, 2012.

note 18.2.3. Commitments and specific clauses of the loans

Some short and medium term bank loans include default clauses concerning failure to respect financial ratios (financial covenants). These clauses applied to debts totalling ¤315 million on December 31, 2012. They entitle banks to insist on early repayment if the terms of the covenant are not met.

The financial covenants calculated on the Group's consolidated financial statements are presented in the following table:

Borrower	Touax SCA	Touax SCA	Touax SCA	TOUAX Corp	TOUAX Leasing Corp/TOUAX Hydrovia Corp	Touax Container Services
Type of facility	Club deal	Club deal	Bond issue	Bilateral	Bilateral	Bilateral
Period and issue mode	5 year revolving credit in multiple currencies	5 year long-term debt	6 year with bullet payment	2 year revolving credit in USD	7 year long-term amortizable debt	2 year revolving credit in multiple currencies
Maximum amount	**€67,5 M**	**€43 M**	**€15 M**	**$10 M**	**$22,3 M**	**€10 M**
Outstanding liabilities 12/31/12	€67,5 M	€38,7 M	€15 M	$2,5 M	$11,2 M	€5 M
FINANCIAL RATIOS REQUIRED						
Scope of calculation	Consolidated financial statements TOUAX SCA	Consolidated financial statements TOUAX SCA	Consolidated financial statements TOUAX SCA	Consolidated financial statements TOUAX SCA	Consolidated financial statements TOUAX SCA	Consolidated financial statements TOUAX SCA
Leverage with recourse (net financial debt with recourse / EBITDA)	Below 4.25 until 30/06/14, then below 4	Below 4.25 until 30/06/14, then below 4	Below 4.5			Below 4.25
Gearing (net debt with recourse / Shareholders' equity)	Below 1,9	Below 1,9	Below 1,9	Below 1,9	Below 1,9	Below 1,9
Interest Coverage (EBITDA after distribution / net financial expenses)				Average of last 2 six month periods above 2		
EBIT after distribution/ net financial expenses					Greater than 1,5	
Calculation frequency	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual
Loan maturity date	04/14/2016	03/08/2017	12/14/2018	08/31/2014	12/31/2019	01/31/2013
OTHER CONDITIONS/CLAUSES						
Security	No	No	No	No	Security package	No
Cross-default clauses	Default on a debt greater than €5 million within the scope of calculation, excluding non recourse debts	Default on a debt greater than €5 million within the scope of calculation, excluding non recourse debts	Default on a debt greater than €5 million within the scope of calculation, excluding non recourse debts	Default on a debt greater than $5 million within the scope of calculation	Default on a debt greater than $5 million within the scope of calculation	Default on a debt greater than €10 million within the scope of calculation

Financing of assets and acquisitions borne by dedicated companies also include financial covenants that may result in compulsory prepayment of the loans concerned.

The financial covenants computed on the Group's consolidated financial statements were respected at December 31, 2012.

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)	**2012**	2011	2010
Financial liabilities	491,783	364,050	331,746
Derivative instruments asset		1,029	77
Marketable securities & other investments	37,070	31,448	29,871
Cash assets	22,073	12,811	9,229
CONSOLIDATED NET FINANCIAL INDEBTEDNESS	**432,639**	**318,762**	**292,569**
Non-recourse debt	178,923	98,353	89,520
FINANCIAL INDEBTEDNESS EXCLUDING NON-RECOURSE DEBT	**253,716**	**220,409**	**203,049**

From 2010, the value of derivative instrument assets is taken into account in the calculation of consolidated net financial debt.

Financial liabilities broken down by currency

(€ thousands)	**2012**	2011	2010
Euro (EUR)	407,266	311,038	291,058
US dollar (USD)	55,173	34,916	25,218
Polish zloty (PLN)	13,437	15,398	15,185
Others	15,907	3,698	285
TOTAL	**491,783**	**365,049**	**331,746**

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

(€ thousands)	**2012**	2011	2010
Fixed rate	309,034	171,450	167,202
Floating rate	182,748	192,600	164,544
TOTAL	**491,783**	**364,050**	**331,746**

Gross debt average rate per currency

	2012	2011	2010
Average debt rate in Euro (EUR)	3.42%	3.53%	3.51%
Average debt rate in US Dollar (USD)	4.26%	4.00%	4.62%
Average debt rate in Polish Zloty (PLN)	6.73%	7.02%	6.66%
Average debt rate in other currencies	5.21%	3.92%	6.59%
AVERAGE AVERALL NET DEBT RATE	**3.66%**	**3.73%**	**3.74%**

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	Instrument rate derivative	**2012**
Interest income						
Interest expense	196		(17,917)	(19)		(17,740)
Impact on income	**196**		**(17,917)**	**(19)**		**(17,740)**
Exchange gain or loss						14
Impact of discounting						71
Interest on cash						101
Miscellaneous						(13)
FINANCIAL RESULT						**(17,567)**

(€ thousands)	Available-for-sale securities	Loans and receivables	Instruments valued at amortized cost	Foreign exchange derivative	Instrument 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	Instrument 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)**

note 18.2.6. Trade payables

(€ thousands)	**2012**	2011	2010
Shipping Containers	13,543	2,539	14,962
Modular Buildings	19,295	17,146	13,681
River Barges	1,145	2,345	2,178
Freight Railcars	4,152	7,075	5,823
Miscellaneous	1,000	754	885
TOTAL	**39,135**	**29,860**	**37,529**

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.

		2012		2011	2010
(€ thousands)	Gross value	Prov.	Net val.	Net val.	Net val.
Equipment	59,892	(70)	59,821	56,783	63,922
Spare parts	11 045		11,045	12,563	9,730
Inventory of finished and semi-finished products					1,363
TOTAL	**70,936**	**(70)**	**70,866**	**69,347**	**75,015**

- The stock of shipping containers corresponds to about 24,204 TEU worth a total of €37.5 million.
- The stock of railcars includes 104 railcars or 208 platforms worth €14.2 million and spare parts worth about €7.9 million.
- Modular buildings include a merchandise inventory account totalling €6.9 million, work in process inventory totalling €0.8 million, and spare parts totalling €3.1 million.

note 20. Other current assets

(€ thousands)	**2012**	2011	2010
Sale of fixed assets	56	35	55
Prepaid expenses	4,412	4,052	3,248
Taxes and duties	10,847	7,157	10,105
Others	4,386	6,946	5,503
TOTAL	**19,702**	**18,190**	**18,911**

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

At December 31, 2012, "Others" comprised in particular the current component of financial receivables from finance leases (i.e. €1.4 million at December 31, 2012, 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 2012 totaling €2.9 million.
- 144 redeemable warrants (BSARs) were exercised in 2012, leading to the issue of 38 new shares. On December 31, 2012, of the 1,427,328 redeemable share subscription warrants (BSARs) issued in 2007, 1,395,292 remained to be exercised, i.e. a potential of 372,892 shares (4 BSARs for 1,069 shares).
- In 2012, 19,480 stock options were exercised, resulting in the issue of 19,480 new shares. The share subscription options or purchase options granted by TOUAX SCA are detailed in the table below, it being stated that the 2006 plan lapsed on August 7, 2012.

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	néant
– of which, members of the current Executive Committee	
Date of allotment	07.08.06
Exercise date	07.08.08
Expiration date	07.08.12
Exercise price	**€19.75**
Options exercised since allotment	**43,598**
– by members of the Executive Committee	15,770
Number of members of the Executive Committee who exercised options in 2012	1
Options null and void since allotment	9,276
Number of outstanding options at 31/12/2012	
– of which held by members of the current Executive Committee	

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)	**2012**	2011	2010
Net debt with recourse	253.7	220.4	203.0
Shareholders' equity	173.0	146.3	140.2
Debt ratio (excluding non-recourse debt)	1.47	1.50	1.45
Debt ratio of non-recourse debt	1.03	0.67	0.64
DEBT RATIO	**2.50**	**2.17**	**2.09**

note 22. Provisions

(€ thousands)	2011	Provision	Reversal	Unused reversal or loss	Exchange gain	**2012**
Disputes	43	75				118
Other risks	1,557		(885)	(241)	17	448
TOTAL	**1,600**	**75**	**(885)**	**(241)**	**17**	**566**

Other risks relate to a subsidy awarded abroad for a total of €0.7 million and a provision for tax risks totalling 9 pt0.4 million.

The subsidy was mainly dependent on making investments and creating jobs. A provision for this amount has been recognized in view of the uncertain economic outlook.

The variation in 2012 is due to the reversal of a provision for the subsidy obtained abroad. As not all of the conditions were met, all of this reversal was offset by a charge for a total of €0.7 million.

The provision for tax risks was reversed for a total of €0.2 million and offset by a charge.

note 23. Pension and similar liabilities

Changes in superannuation commitments can arise from:

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

(€ thousands)	2011	Provision	Reversal	**2012**
Shipping containers	18	24	(18)	24
Modular buildings	121	10		131
River barges	2	5	(2)	5
Corporate	166	198	(166)	198
TOTAL	**307**	**237**	**(186)**	**358**

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 2.69%,
- Pay rising at 1.2%,
- Retirement at age 65.

note 24. Other long-term liabilities

(€ thousands)	**2012**	2011	2010
Modular buildings	1,102	1,113	1,466
TOTAL	**1,102**	**1,113**	**1,466**

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.

note 25. Other current liabilities

(€ thousands)	**2012**	2011	2010
Capital creditors	12,259	4,563	256
Tax and social security liabilities	19,017	18,198	16,834
Accounts payable	21,445	23,576	25,482
Other current liabilities	6,885	8,790	5,939
Deferred revenue	4,913	2,914	923
TOTAL	**64,518**	**58,042**	**49,433**

Capital creditors comprise the purchase of barges for a total of €5 million, the vendor loan and additional price linked to the acquisition of the Moroccan companies for a total of €4.2 million, and the option to purchase the minority interests of SACMI for a total of €2.1 million.

Accounts payable mainly constitute income due to investors from the Shipping Containers, Freight Railcars and Modular Buildings businesses (€19.6 million at December 31, 2012 vs. €21.9 million at December 31, 2011).

Other current liabilities include the payment of an advance from ADPI (minority shareholder in TOUAX Africa) totalling €3 million to guarantee the vendor loan for the acquisition of the Moroccan subsidiaries.

note 26. Risk Management

26.1 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.

26.2 Credit Risk

Credit risk is described in note 18.1.1.

26.3 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 for pre-financing its assets, credit lines for asset finance leases, and bond issues 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 legal and financial 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 non-recourse revolving credit line for prefinancing railcars maturing in November 2013. The theoretical maturity dates in 2013 are presented below:

(€ millions)	
Repayment of medium/long-term credit	37.3
Repayment of confirmed short-term credit with recourse	6.6
Repayment of debts without recourse	48.2
Repayment of annual revolving credit	27.6
TOTAL	**119.7**
Estimated financial charges	22.0
TOTAL	**141.7**

At the end of December 2012, the Group's balance sheet showed €59 million in cash and cash equivalents, over €59 million in available lines of credit to meet its cash requirements, and €71 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.

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	2013	2014	2015	2016	2017	+ 5 years
Debts with recourse	**309.7**	71.6	39.3	32.2	99.4	18.8	48.5
Debts without recourse	**178.9**	48.2	9.9	80.1	11.0	5.4	24.3
TOTAL	**488.6**	**119.7**	**49.2**	**112.3**	**110.4**	**24.2**	**72.7**

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

The Group faces three major types of **counterparty risks:**

- cancellation of approved credit lines following the default of a lender
- counterparty default in the unwinding of an over-the-counter derivative
- non-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.

26.4 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 2012 the Group used new interest rate derivatives to cover the syndicated loan of €43 million finalized in April and a long-term loan for shipping containers totalling €12 million. At the end of 2012, fixed-rate debt represented 63% of total debt, compared to 49% at the end of 2011. Long term fixed-rate debt represented 93% of total long-term debt, compared to 73% at the end of 2011.

Hedging of Interest Rate Risk

The Group obtains financing at both variable and fixed rates, 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, 2012:

	Par value	Par value by maturity date			Valuation
(€ thousands)		< 1 year	1 - 5 years	> 5 years	at 31.12.12
Interest rate swaps borrower fixed rate / lender variable rate					
EUR Euribor / fixed rate	96,717	12,535	84,183		
USD Libor / fixed rate	9,119	960	3,839	4,319	
PLN Wibor / fixed rate	3,935	1,502	2,433		
TOTAL INTEREST RATE HEDGING	**109,771**	**14,996**	**90,455**	**4,319**	**(2,565)**

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)	before hedging	Impact of derivatives	after hedging
Euro at fixed rate	159,456	96,717	256,173
Euro at floating rate	247,809	(96,717)	151,092
Dollar à taux fixe	22,385	9,119	31,503
Dollar at floating rate	32,788	(9,119)	23,669
Zloty at fixed rate	3,305	3,935	7,240
Zloty at floating rate	10,133	(3,935)	6,198
Other currencies at fixed rate	14,118		14,118
Other currencies at floating rate	1,789		1,789
TOTAL debt at fixed rate	199,264	109,771	309,034
TOTAL debt at floating rate	292,519	(109,771)	182,748
TOTAL DEBT	**491,783**		**491,783**

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 €1.4 million at December 31, 2012, i.e. around 6.5% 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.

26.5 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, 2012.

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, 2012, 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, 2012 the Group did not have any hedging positions for its foreign currency results budgeted for in 2013.

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, CZK and PLN).

The following table shows the foreign currency forward exchange transactions portfolio at December 31, 2012:

(€ thousands)	Par value	Maximum due date
USD forward purchase portfolio	20,881	06/14/2013
CZK forward purchase portfolio	182	01/04/2013
TOTAL OF FORWARD PURCHASE PORTFOLIOS	**21,063**	
PLN forward purchase portfolio	4,225	02/27/2013
CZK forward purchase portfolio	398	01/04/2013
TOTAL OF FORWARD SALE PORTFOLIOS	**4,623**	

Fair value coverage

(€ thousands)	2012
Variation in fair value of the hedging instrument	1,513
Variation in fair value of the hedged item	(1,493)
NET IMPACT ON EARNINGS OF FAIR VALUE HEDGES	**20**

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 investors	Impact on shareholders' equity - (Group's share)
Fall of 10% in the US dollar	-6.14%	-4.10%
Fall of 10% in the Czech crown	-1.44%	-0.46%
Fall of 10% in the Zloty	-0.51%	-0.92%

The Modular Buildings division works mainly in euros, Czech crowns and 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.

26.6 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.

26.7 Raw material prices risk

This risk is explained in section 4.4.6.

26.8 Tax risk

The Group has noted a certain increase in the number of tax inspections over the past two years, particularly in France. In July 2012 TOUAX SCA and TOUAX Solutions Modulaires received proposed adjustments reclassifying service contracts as joint ventures. The Group considers that the position of the tax authorities is unfounded on the basis of an analysis of the contract and a ruling in a similar case which the authorities lost. The Group is currently defending itself by appealing to a higher authority. No formal notice has yet been received.

In addition, Touax SCA and its French subsidiaries were visited by the French tax authorities which carried out a seizure in July 2012, then TOUAX SCA received notice of a tax audit on December 27, 2012. The aim of the tax authorities is to prove that TOUAX Rail Ltd, a company incorporated in Ireland, has a permanent establishment in France, in order to tax the income of the company and its international business in France. By issuing formal notice, the French tax authorities have forced the Group to declare a permanent establishment in France. For this purpose the Group has filed, on a precautionary measure, tax returns for the French business of the Freight Railcars European technical office, which had already been declared. At present, the audit procedure has only just begun.

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 2012 for their 2011 compensation in accordance with the articles of association was €980,000.

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.

The compensation of the key management personnel embodies none of the five criteria set out in IAS 24.16: short-term employee benefits, post-employment benefits, other long-term benefits, termination benefits, and share-based payments. The officers receive none of these benefits. (cf. details in section 14 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 €1,158,000 per year.

The Group manages equipment with a gross value of €500,000 belonging to the Managing Partners, and of €2m belonging to the General Partners. These investments generated total income of approximately €64,000. 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 €952,200 in 2012.

The pension and supplementary pension commitments for members of the Executive Committee are immaterial (statutory retirement benefits). No stock options are granted to the company officers. They are granted to the other members of the Executive Committee since they no longer hold any stock options (cf. stock option table given in note 21 of the notes to the consolidated financial statements, page 84).

The compensation of members of the Supervisory Board is listed in section 14 page 41. It amounted to €63,000.

Relations between the parent company and its subsidiaries are explained in section 7.2 on page 35 of this reference document.

note 28. Off-balance sheet commitments

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

note 28.1. Non-capitalized operating leases

(€ thousands)	TOTAL	< 1 year	1 - 5 years	> 5 years
Operating leases with recourse	25,719	5,598	15,190	4,931
Operating leases without recourse against the Group	63,754	16,268	44,867	2,619
Of which, shipping containers	*60,456*	*13,729*	*44,109*	*2,619*
Of which, freight railcars	*3,298*	*2,539*	*758*	
TOTAL	**89,473**	**21,866**	**60,057**	**7,550**

Without recourse against the Group: the Group's obligation to pay lease payments to financial institutions is suspended if the sublessee customers default on their own contractual payment obligations.

note 28.2. Other commitments made

Bank guarantees issued on the Group's behalf at December 31, 2012

(€ thousands)	Amount	Maturity
Bank guarantee	**7,846**	
Modular buildings	7,034	2017
River barges	700	2013
Freight railcars	112	2013

Firm orders for equipment

Firm orders and investments at December 31, 2012 amounted to €26.7 million, including €2 million for railcars, €2.8 million for modular buildings, €8.37 million for river barges and €13.35 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 €264 million.

(€ thousands)	Shipping Containers	Modular Buildings	River Barges	Freight Railcars	**2012**
0-6 months	26,903	9,728	2,956	11,929	51,516
6 months - 1 year	21,467	5,230	2,722	9,419	38,837
Between 1 and 5 years	102,745	6,970	17,414	14,377	141,505
More than 5 years	18,859	2	13,071		31,933
TOTAL MINIMUM OPERATIONAL RENTS	**169,974**	**21,929**	**36,162**	**35,725**	**263,791**

(€ 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**

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 12/31/2012	1 year	1 to 5 years	+5 years
Shipping containers	61,647	14,137	44,870	2,639
Freight railcars	3,605	2,736	869	
TOTAL	**65,252**	**16,873**	**45,739**	**2,639**

(€ thousands)	Rents for receipt on 12/31/2011	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 12/31/2010	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**

note 28.4. Secured debt provided

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

			Decembre 31, 2012		
(€ thousands)	Commencement	Maturity	Asset pledged (gross value)	Balance Sheet item gross value	%
Mortgages (river barges)					
	2005	2014	5,230		
	2005	2015	785		
	2012	2019	8,458		
	2012	2020	4,320		
TOTAL			**18,793**	**76,254**	**24.6%**
Tangible assets pledged					
Modular Buildings				317,266	
	2009	2014	5,020		
	2005	2016	5,086		
	2011	2016	2,925		
	2010	2017	3,000		
	2011	2020	7,246		
	2012	2020	3,753		
Shipping Containers				72,868	
	2012	2015	49,530		
	2008	2016	3,790		
	2012	2019	14,628		
Freight Railcars				238,742	
	2010	2013	48,167		
	2006	2016	14,530		
	2008	2018	34,269		
	2011	2021	16,343		
	2012	2015	91,848		
TOTAL			**300,135**	**628,876**	**47.7%**

The security interests granted (mortgages, pledges and other guarantees) can be redeemed by repayment of the borrowings. No other special conditions apply.

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)	< 1 year	1 - 5 years	> 5 years	TOTAL
Guarantees given to banks in return for loans used by subsidiaries	27,526	148,226	98,732	274,484

Outstanding loans in respect of these commitments granted to subsidiaries totalled €160,444,000 at December 31, 2012.

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

note 28.6. Additional information on capitalized finance leases

(€ thousands)	Lease equipment	**2012**
ORIGINAL VALUE	191,114	183,431
Amortization for the period	8,499	8,119
CUMULATIVE AMORTIZATION	39,762	29,513
NET BOOK VALUE	**151,352**	**151,352**

	Future payments (min.)				
(€ thousands)	Leasing equipment	**TOTAL 2012**	Interest	Present value of future payments	Residual value
2013	26,703	26,703	4,684	22,019	52
2014	24,788	24,788	3,568	21,220	137
2015	22,161	22,161	2,538	19,623	122
2016	17,970	17,970	1,629	16,342	580
2017	11,851	11,851	975	10,876	116
> 5 years	16,219	16,219	876	15,344	556
TOTAL	**119,692**	**119,692**	**14,269**	**105,423**	**1,563**
AMOUNT CHARGED TO INCOME STATEMENT (amortization & financial charges)	25,596				

note 29. Other information

note 29.1. 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 an Economic Interest Grouping (EIG) registered in France by the name of "Modul Finance I EIG". Investors belonging to the EIG initially held a 90% interest and the Group held the remaining 10%.

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

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

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

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

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:

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

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

The security deposits for EIG Modul Finance I EIG were fully written down for a total of €1.9m at December 31, 2006. As a result the same amount of commission deferred at the time of the creation of Modul Finance I EIG (€1.9m), which had been booked as a non-current liability, was cancelled. In 2007, part of the Group's deferred income from the EIG was written down by €0.3m. In 2009, the Group's deferred income from the EIG was written down again by €1m.

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 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 29.2. 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 $46.5m.

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

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

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
Leasing revenues from equipment belonging to Trust 01	1,815	2,405
Revenues from equipment sold belonging to Trust 01	219	3,548
Recognized in Consolidated Revenues	**2,034**	**5,951**
Operational expenditure for equipment belonging to the Trust (1)	(276)	(551)
Recognized in Consolidated Purchases and Other External Expenses		(551)
Distributions to the Trust(2) in respect of leasing income	(1,375)	(1,658)
Distributions to the Trust (2) in respect of equipment sold belonging to Trust 2001	(186)	(3,571)
Recognized in Consolidated Leasing Income Due to Investors	**(1,561)**	**(5,229)**
TOTAL MANAGEMENT COMMISSION DUE TO THE GROUP (3)	**198**	**171**

(1) Operational expenditure corresponds to storage and maintenance costs, payment of the network of agents, and all operating expenses in general which are contractually deducted from the net income distributable to the Trust.

(2) Distributions to the Trust correspond to the net revenues from operating the containers after deducting Gold Container Corp.'s management fee which totalled €1,561,000 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 had 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
Liquidity reserve [4]	402	389
Recognized in Consolidated Financial Fixed Assets	**402**	**389**
Other trade receivables [5]	4	4
RECOGNIZED IN CONSOLIDATED ASSETS	**406**	**393**
In other long-term financial liabilities		
Leasing income due to the Trust [6]	397	497
Revenues from total loss due to the Trust	37	78
Revenues from sales of Trust containers [7]	53	1,233
Recognized in Consolidated Operating Liabilities	**487**	**1,808**
RECOGNIZED IN CONSOLIDATED LIABILITIES	**487**	**1,808**

(4) Following the creation of Trust 2001, the security deposits provided on behalf of Trust 2000 were repaid in 2002. The security deposits provided for Trust 2001 Trust amount to €2.1m discounted ($3m undiscounted). This security deposit was written down in full at December 31, 2009 in view of the discounting of future cash flows. The other long-term liabilities were written down by the same amount.

This item also includes the letter of credit for a total of €402,000 ($520,000, undiscounted) which TOUAX SCA issued to Trust 2001, guaranteed by a bank deposit which is refundable on expiry of the Trust. This letter of credit was repaid at the beginning of 2012 when the Group bought the Trust's fleet.

(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 paid 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 consolidated financial statements are presented in section 20.1 page 48.

20.3. AUDITORSHIP

20.3.1. Statutory Auditors' report on the consolidated financial statements

Financial year ended 31 December 2012

To the Shareholders,

In accordance with our appointment as statutory auditors at your Annual General Meeting, we hereby report to you for the year ended December 31, 2012 on:

- the audit of the accompanying consolidated financial statements of Touax,
- the justification of our assessments,
- the specific procedures and disclosures required by law.

These consolidated financial statements have been approved by the Management. Our role is to express an opinion on these financial statements, based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those 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, using sample testing techniques or other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, 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 opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2012 and of the results of its operations for the year then ended in accordance with the IFRSs as adopted by the European Union.

II. Justification of assessments

Pursuant to Article L. 823-9 of the French Commercial Code relating to the justification of our assessments, we hereby inform you that the assessments that we carried out related to the appropriateness of the accounting policies adopted and bring to your attention the following matters:

- Notes 1.6, 1.8, 1.9 and 1.18 to the consolidated financial statements specify the valuation methods, key assumptions and assessments made by Management concerning the main long-term assets. We have examined the process used by Management to determine the assumptions used and their implementation as well as the disclosure provided in the notes.

These assessments were performed as part of our audit approach for the consolidated financial statements taken as a whole and contributed to the expression of the opinion in the first part of this report.

III. Specific verification

In accordance with professional standards applicable in France and as required by law, we also verified the Group information presented in the management report.

We have no matters to report as to its fair presentation and consistency with the consolidated financial statements.

Paris and Neuilly-sur-Seine, March 29, 2013

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 2012

To the shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on related-party agreements and commitments.

It is our responsibility to report to you, based on the information provided to us, on the main terms and conditions of agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under the provisions of Article R.226-2 of the French Commercial Code, it is the responsibility of the shareholders to determine whether the agreements and commitments are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.226-2 of the French Commercial Code in relation to the implementation during the year of agreements and commitments already approved by the Shareholders’ Meeting.

We performed the procedures that we deemed necessary in accordance with the professional guidance issued by the French national auditing body *(Compagnie Nationale des Commissaires aux Comptes)* for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements and commitments sumbitted to the approval of the shareholders’ meeting

Pursuant to Article L.226-10 of the French Commercial Code, we hereby inform you that we have not been advised of any agreement or commitment authorized during the year that was subject to the approval of the Shareholders’ Meeting.

Agreements and commitments already approved by the shareholders’ meeting

Agreements and commitments approved during previous years with continuing effect during the year

Pursuant to Article R.226-2 of the French Commercial Code, we have been advised that the following agreements and commitments, already approved by the Shareholders’ Meeting in previous years, have had continuing effect during the year.

Lease agreement

Your Company entered into a commercial lease with the real estate investment company, SCI FRANKLIN, concerning the lease for its corporate headquarters as well as an archives room and eight parking spaces. The annual rent of €390, excluding taxes and charges per square meter, follows the INSEE construction index, but an increase is limited contractually to 3%. For fiscal year 2012, expenses totaled €1,179,910, and included provisions for occupancy expenses.

Tax consolidation agreement

A tax consolidation agreement was entered into 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 records its income tax expense in its accounts as if it were taxed separately.
- The parent company, Touax SCA records in expense or income the difference between the Group income tax liability and the total income tax expense recorded by its subsidiaries.

For fiscal year 2012, the total amounted to €216,433. Since there was no Group income tax liability under the tax consolidation agreement, tax income for this amount was recorded in the accounts of the parent company, Touax S.C.A.

Paris and Neuilly-sur-Seine, March 29, 2013

The Statutory Auditor

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

20.3.3. Fees of the statutaory auditors

	Deloitte & Associés				Leguide Naïm & Associés				Autres réseaux			
	Amount		%		Amount		%		Amount		%	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
AUDIT												
Auditorship, certification, inspection of individual and consolidated financial statements	**419**	**361**	**97%**	**99%**	**106**	**101**	**100%**	**100%**	**68**	**60**	**99%**	**88%**
TOUAX SCA	43	41	10%	11%	43	41	41%	41%				
Consolidated subsidiaries (1)	376	320	87%	88%	63	60	59%	59%	68	60	99%	88%
Other controls and services directly connected with the audit engagement	**15**	**2**	**3%**	**1%**					**1**	**8**	**1%**	**12%**
TOUAX SCA												
Consolidated subsidiaries	15	2							1	8		
Subtotal	434	363	94%	93%	106	101	100%	100%	69	68	72%	68%
OTHER SERVICES PROVIDED BY AUDIT FIRMS TO FULLY CONSOLIDATED SUBSIDIARIES												
- Legal, tax & social security services	16	20	62%	77%					21	18	78%	56%
- Other services	10	6	38%	23%					6	14	22%	44%
Subtotal	26	26	6%	7%					27	32	28%	32%
TOTAL	**460**	**389**	**100%**	**100%**	**106**	**101**	**100%**	**100%**	**96**	**100**	**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, 2012.

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 11 January 2013 the company paid an interim dividend of €0.50 per share. The Managing Partners will ask the General Meeting of June 11, 2013 to approve a dividend of €0.50 per share for the 2012 fiscal year.

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 euro)*	Date of payment	General partners's statutory compensation	Dividend per share	Number of dividend-bearing shares	Total of the distibution
2010	11 January 2011		0.50	5,691,522	2,845,761
2010	08 July 2011	935,798	0.50	5,697,901	3,784,749
TOTAL 2010			**1.00**		**6,630,510**
2011	10 January 2012		0.50	5,714,500	2,857,250
2011	09 July 2012	980,515	0.50	5,712,507	3,836,769
TOTAL 2011			**1.00**		**6,694,019**
2012	10 January 2013		0.50	5,712,505	2,856,253
2012	05 July 2013	892,151			892,151
TOTAL 2012			**0.50**		**3,748,403**

20.7. LEGAL AND ARBITRATION PROCEEDINGS

No governmental, legal or arbitration proceedings (including all proceedings that the Group is aware of that are pending or with which it is threatened) have had or could have material effects on the financial situation or profitability of the Group in the last twelve months apart from the proceedings mentioned in note 26.8 page 90.

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, 2012

Year	Share capital (€)	Issue premium (€)	Accumulated number of shares	Par value	Transactions
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
2012	45,921,832	232,123	5,740,229	€8	Exercise of 19,480 stock options
	45,922,136	870	5,740,267	€8	Issue of 38 shares following exercise of 144 redeemable stock warrants

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 authorized [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 2012	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 résolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2012	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 capital

There are no securities not representing capital.

21.1.3. Composition of the capital

At December 31, 2012 the capital comprised 5,740,267 fully paid-up shares with a par value of €8, representing 6,413,763 voting rights. A breakdown of TOUAX SCA's capital and voting rights is detailed in section 18.1 page 44.

21.1.4. Potential capital

The stock options and stock warrants granted by TOUAX SCA are detailed in section 17.2 page 43 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 99.

21.2. SHARE PRICE DATA

21.2.1. Share price history

On May 7, 1906 TOUAX shares were listed on the Paris Stock Exchange on the spot market. 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 2012 the TOUAX share was worth €21.71, down 0.41% compared with the price on December 31, 2011 (€21.80). The highest price of the year was €26.80 on October 1, 2012 and the lowest price was €19.19 on November 21, 2012.

The Group's market capitalization on December 31, 2012 was €124,621,197 compared with shareholders' equity of €173 million at the same date.

(in euro)	**2012**	2011	2010	2009	2008
Consolidated figures					
Net dividend per share distributed during the year	1.00	1.00	1.00	1.00	1.00
Total dividend distributed during the year	5,713,503	5,694,712	5,683,097	4,675,703 (1)	3,892,987
Dividend increase	0.33%	0.20%	22%	20%	34%
Total number of shares at December 31	5,740,267	5,720,749	5,695,651	5,687,826	4,682,971
Share price ratios					
Net earnings per share	1.6	2.35	2.33	2.73	3.72
P/E ratio (2)	13.63	9.28	12.64	8.94	4.79
Total return on the share (3)	4.61%	4.59%	3.39%	4.48%	5.80%
Share price data					
Maximum share price	26.15	32.99	29.49	24.97	40.60
Minimum share price	19.19	19.60	17.13	14.45	16.63
Share price at December 31	21.71	21.80	29.49	22.30	17.25
Market capitalization at December 31 (€m)	124.62	124.71	167.82	126.84	80.78
Average daily volume of transactions (€ thousands)	86.52	116.73	99.01	97.60	158.76
Average daily number of shares traded	3,771	4,177	4,115	5,002	4,968

(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 11 June 2013 to confirm the dividend of €0.5 per share, already distributed in January 2013.

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 euro)	Highest price	Lowest price	Last price	Number of securities traded	Amount of capital traded (€ thousands)
September 2011	23.00	21.15	22.00	113,213	2,492.92
October 2011	24.18	21.47	23.86	34,775	792.11
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	89,291	2,127.99
March 2012	25.73	23.34	25.16	41,248	1,023.86
April 2012	25.98	23.54	23.60	67,699	1,676.18
May 2012	23.70	22.02	23.35	60,289	1,367.60
June 2012	23.49	22.00	22.20	28,517	646.05
July 2012	22.35	21.75	22.20	48,515	1,070.59
August 2012	23.92	21.97	23.46	86,427	2,002.39
September 2012	25.45	23.45	25.40	157,783	3,811.51
October 2012	26.15	23.65	25.00	62,693	1,570.49
November 2012	25.05	19.19	21.31	147,217	3,092;31
December 2012	22.00	20.49	21.71	107,161	2,274.27
January 2013	22.00	21.46	21.64	70,496	1,532.74
February 2013	21.90	18.00	18.52	129,894	2,629.47

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 101.

21.2.6. Provisions restricting change of control

Cf. paragraph 21.3 page 101.

21.2.7. Crossing of thresholds

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

21.2.8. Strict provisions restricting changes in the share capital

Not applicable.

21.3. PROVISIONS OF THE ARTICLES OF ASSOCIATION (EXTRACTS)

Form (Article 1)

The joint-stock company named "TOUAX SGTR-CITE-SGT-CMTE-TAF-SLM Touage Investissement réunies", was converted into a partnership limited by shares, by decision of the Extraordinary General Meeting of June 30, 2005.

The partners are as follows:

- Firstly, the General Partner(s) named in 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), with share capital of €7,271,010, whose head 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.
- And secondly, the holders of shares currently in existence or that may be created in future, having the capacity of limited partners, who are referred to in the current Articles of Association as "the shareholders" or "the limited partners", and who are only liable for the partnership's debts up to the amount of their capital contribution.

Object of the partnership (Article 2)

The object of the partnership is in particular, in all countries:

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

Partner's rights over the profits (extract from Article 20)

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

- a sum shall be deducted from the profit for the financial year, less any losses brought forward, and allocated to the legal reserve. After this deduction, a sum shall be allocated to the General Partners equal to a share of the consolidated net earnings (Group's share) of the partnership, calculated according to the formula specified in Article 15.5 of the Articles of Association.
- The remainder of the profit after the above deductions shall either be distributed as a dividend on all shares or allocated to one or more non-interest-bearing extraordinary, general or special reserve funds, as decided by the General Meeting on the proposal of the management.

The General Meeting may also decide to distribute any amount from the reserves at its disposal, expressly indicating which reserves the withdrawals are made from.

General Partners' entitlement to profits (Article 15.5)

In view of their unlimited liability, the General Partners are entitled to compensation paid out of the partnership's net income after taxes, shared equally between them. From 2005, this compensation shall be 3% of the consolidated net income after taxes (Group's share). From 2007, the amount deducted from the partnership's earnings and allocated as compensation to the General Partners shall be increased by an amount equal to 1% of the consolidated EBITDA of the TOUAX Group, after deducting the leasing income due to investors. The EBITDA is the consolidated gross operating margin after deducting net operating provisions. This compensation shall be payable at the same time as the dividend paid to shareholders, or failing that, within sixty (60) days of the General Meeting called to approve the financial statements.

Members of the Supervisory Board (extract from Article 12 "Supervisory Board")

The members of the Supervisory Board are appointed by the Ordinary General Meeting for a period of one year (Article 12.1).

Each member of the Supervisory Board must own at least 250 of the partnership's shares (Article 12.2).

General Meetings (extract from Article 18 "Meetings of limited partner shareholders")

The provisions applicable to meetings of limited partner shareholders shall be those provided for by the law for joint-stock companies.

General meetings shall be convened (at the registered office or such other place as indicated in the convening notice) 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, regardless of the number of shares held, 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: 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 or in bearer form, at the discretion of the shareholder, subject to legal or regulatory provisions in force; in particular, the form of shares belonging to members of the Supervisory Board and Managing Partners is specified 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, TOUAX SCA.

In 2012, Article 6 "Share capital" of the articles of association was modified after the exercise of redeemable share subscription warrants and stock-options.

Crossing of thresholds

Only the legal thresholds must be complied with.

22. SIGNIFICANT CONTRACTS

There are no significant contracts other than those entered into in the normal course of business.

There are no contracts other than those entered into in the normal course of business, concluded by 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 EXPERTS

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).

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 subsidiary, GOLD Container Investment Ltd, a company incorporated in Hong Kong. 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 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):

- shipping containers with a fleet of about 565,000 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 – 2012/13),
- 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 51,000 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 9,100 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 joint 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 on December 31, 1898 and has been listed on the Paris Stock Exchange since 1906.

International Financial Reporting Standards (IFRS)

The 2012 consolidated financial statements and comparatives have been prepared according to IFRS, in accordance with the regulations in force.

Changes in the scope of consolidation

The TOUAX Group includes nine new companies in its consolidation perimeter, while one company was removed from the consolidation perimeter.

Presentation of the Group's 2012 business activity

A complete list of the companies controlled by TOUAX is given in note 2.2 page 64.

The consolidated revenue for 2012 was €358 million compared to €336 million in 2011, i.e. an increase of 7% (+1% at constant exchange rates and excluding changes in the consolidation perimeter).

General analysis

Operating revenue by type *(€ thousands)*	**2012**	2011	Variation 2012/ 2011	 %
Leasing revenues	219,034	221,419	(2,385)	-1%
Sales of equipment and misc.	138,952	114,395	24,557	21%
TOTAL	**357,986**	**335,814**	**22,172**	**6.6%**

Analysis by business

Operating revenue by business *(€ thousands)*	**2012**	2011	Variation 2012/ 2011	 %
Shipping Containers	**173,702**	**126,399**	**47,303**	**37%**
Leasing revenues	87,344	76,937	10,407	14%
Sales of equipment	86,358	49,462	36,896	75%
Modular Buildings	**116,611**	**111,836**	**4,775**	**4%**
Leasing revenues	78,885	82,090	(3,205)	-4%
Sales of equipment	37,726	29,746	7,980	27%
River Barges	**25,834**	**23,540**	**2,294**	**10%**
Leasing revenues and transport	14,715	20,370	(5,655)	-28%
Sales of equipment	11,119	3,170	7,949	251%
Freight Railcars	**41,626**	**73,955**	**(32,329)**	**-44%**
Leasing revenues	37,877	41,938	(4,061)	-10%
Sales of equipment	3,749	32,017	(28,268)	-88%
Other (sundries and eliminations)	**214**	**84**	**130**	**155%**
TOTAL	**357,987**	**335,814**	**22,173**	**6.6%**

Analysis by geographical area

Operating revenues by geographical zone *(€ thousands)*	**2012**	2011	Variation 2012/ 2011	 %
International	173,702	126,399	47,303	37%
Europe	166,045	201,953	(35,908)	-18%
Africa	4,989		4,989	
Americas	13,251	7,462	5,789	78%
TOTAL	**357,987**	**335,814**	**22,173**	**6.6%**

For the Modular Building, River Barges, and 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 €22.2 million increase in revenues (+6.6%) has the following breakdown:

Shipping Containers

Constant growth in the emerging markets continued to dynamize the market for shipping containers in 2012. This dynamism encouraged new investments. Revenue for the division increased by 37% (27% in constant dollars). The container fleet increased by 14% compared to the end of December 2011, and the leasing revenue increased by €10.4 million in 2012. Leasing prices decreased slightly but the utilization rates remained high at 95%. Sales amounted to €86 million compared with €49 million in 2011.

Modular Buildings

The economic situation in Europe in 2012 had a negative impact on the market for modular buildings and the division's profitability. The leasing revenue fell by 4% (i.e. €3.2 million) while sales increased by 27% to €38 million in 2012. The first results will be felt in 2013 of the division's establishment in Africa, with the acquisition in July 2012 of the Moroccan leader for modular buildings.

River Barges

The River Barges business continued to establish its new positioning. The discontinuation of the transport business frees assets which are put up for lease or sale. Consequently the leasing revenue, which includes transport revenue, fell by €6 million, but sales increased by €8 million. As a result, the division's revenue increased by 10%. At the end of the year, the utilization rates were nearly 90%. In 2012 there was new momentum in the River Barges business with new investments in South America and the development of trade in river assets.

Freight Railcars

Rail freight transport in Europe declined in 2012, negatively impacting the Railcars leasing business and the division's profitability. Selective investments were made, but in view of the smaller volumes there were no sales to investors, resulting in a fall in sales of €23.6 million in the final quarter of 2012. In the United States, business remained good with utilization rates that were still high.

Results

(€ thousands)	**2012**	2011	Variations 2012/ 2011
SHIPPING CONTAINERS			
Gross operating margin (EBITDA)	64,426	57,322	7,104
Segment result before distribution to investors	61,891	56,208	5,683
Leasing income due to investors	(52,223)	(50,319)	(1,904)
Segment current operating income	9,668	5,889	3,779
MODULAR BUILDINGS			
Gross operating margin (EBITDA)	31,366	38,410	(7,044)
Segment result before distribution to investors	12,437	19,925	(7,488)
Leasing income due to investors	(1,947)	(2,008)	61
Segment current operating income	10,491	17,917	(7,426)
RIVER BARGES			
Gross operating margin (EBITDA)	7,218	6,388	830
Segment result before distribution to investors	4,182	3,266	916
Leasing income due to investors			
Segment current operating income	4,182	3,266	916
FREIGHT RAILCARS			
Gross operating margin (EBITDA)	15,024	16,238	(1,214)
Segment result before distribution to investors	7,868	13,122	(5,254)
Leasing income due to investors	(2,320)	(8,787)	6,467
Segment current operating income	5,548	4,335	1,213
TOTAL			
Gross operating margin (EBITDA)	118,034	118,358	(324)
Segment result before distribution to investors	86,378	92,596	(6,218)
Leasing income due to investors	(56,490)	(61,114)	4,624
Segment current operating income	29,889	31,408	(1,519)
Other operating revenues and expenses	**(269)**	**74**	**(343)**
Operating result	**29,043**	**31,482**	**(2,439)**
Financial result	(17,568)	(14,434)	(3,134)
Shares for profit/(loss) of associates		37	(37)
Profit before tax and extraordinary items	**11,475**	**17,085**	**(5,610)**
Taxes	(2,749)	(4,135)	1,386
CONSOLIDATED NET INCOME	**8,726**	**12,950**	**(4,224)**
Minority interests	420	485	(65)
NET INCOME (GROUP'S SHARE)	**9,146**	**13,435**	**(4,289)**

Shipping Containers Division

At December 31, 2012 the Shipping Containers division showed an increase of €7.1 million (+12.4%) in its gross operating margin (EBITDA) and 64.2% in its sector-based operating income before tax and extraordinary items. This variation is due to an improvement in the leasing margin due to acquisitions of proprietary fleets.

Modular Buildings Division

The gross operating margin of the Modular Buildings division fell by €7 million in 2012 (i.e. -18.3%).and the sector-based operating income before tax and extraordinary items fell by €7.4 million. This was the result of a decline in the profitability of the division's businesses due to the fall in the utilization rate and leasing prices.

River Barges Division

The gross margin of the River Barges division increased by €0.8 million (i.e. 13%) in 2012 and the sector-based operating income before tax and extraordinary items rose by €0.9 million (i.e. 28%). These increases were mainly due to the sales achieved by the division.

Freight Railcars Division

The gross operating margin of the Freight Railcars division dropped €1.2 million (i.e. 7%) in 2012. This drop was due to high operating expenses compared to revenues due to the lack of leasing of some equipment in Europe. The operating income before tax and extraordinary items increased by €1.2 million due to the inclusion of SRF Railcar Leasing Ltd in the consolidation perimeter and the corresponding reduction in the distribution to investors.

Distribution to investors

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

the distribution to investors).

Distributions to investors totalled €56.5 million (compared with €61.1 million in 2011), broken down as follows:

- €52.2 million for the Shipping Containers Division,
- €1.9 million for the Modular Buildings Division,
- €2.3 million for the Freight Railcars Division.

The overall reduction in distributions to investors (-8%) is mainly due to the inclusion in the consolidation perimeter of SRF Railcar Leasing Ltd, which was previously considered as an investor. For the Shipping Containers business, distributions to investors increased due to new syndication agreements concluded in 2012.

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 2012 the Group increased the amount of proprietary equipment, in particular for freight railcars, leading to a reduction in leasing revenues received on behalf of third parties. As a result there was a reduction in distributions to investors.

It should be noted that in 2012 the Group managed equipment worth almost €1.6 billion, 55% of which belonged to third parties. In 2011 the Group managed equipment worth €1.5 billion, of which 63% belonged to third parties. The percentage of total leasing revenues distributed to investors decreased from 27.6% in 2011 to 25.8% in 2012.

Operating income before tax and extraordinary items

Operating income before tax and extraordinary items was down 6% compared with 2011.

This decrease is mainly due to a decline in the utilization rates and/or leasing prices in most of the divisions in spite of the good level of sales of equipment to investors by the Shipping Containers division as well as to end customers by the Modular Buildings and River Barges divisions. The increase in operating expenses and general operating expenses centrally-managed costs is in line with the rise in revenue.

Financial result

The financial result showed a loss of €17.6 million. The gross financial debt at December 31, 2012 amounted to €491.6 million with an average interest rate of 3.66%. The gross financial debt at December 31, 2011 amounted to €364 million with an average interest rate of 3.73%.

Net income, Group's share

The tax expense amounted to €2.7 million in 2012 compared with €4.1 million in 2011 with a tax rate of 24%. The effective tax rate in 2012 was stable at 24% compared with 24.2% in 2011. 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 €9.1 million, down 32% compared with the profit for 2011 (€13.4 million).

Net earnings per share amounted to €1.60 (compared with €2.35 in 2011), for a weighted average number of shares of 5,732,513 in 2012.

Group consolidated balance sheet

The consolidated balance sheet totalled €776 million in 2012 compared with €606.6 million in 2011.

Non-current assets totalled €564 million compared with €411 million in 2011, and the Group's share of shareholders' equity totalled €149 million compared with €147 million. The increase in non-current assets is due to partly self-financed proprietary acquisitions of new equipment, the remainder being financed by bank loans, as well as the inclusion of SRF Railcar Leasing Ltd in the consolidation perimeter.

Non-current liabilities amounted to €376 million, up €122 million compared with €254 million in 2011. Consolidated net financial indebtedness (after deducting cash and marketable securities) amounted to €433 million in 2012 compared with €320 million in 2011. The debt, as well as the cash flows generated by the businesses made it possible to finance new investments totalling €130.1 million. The increase in financial indebtedness is also due to the inclusion of SRF Railcar Leasing Ltd in the consolidation perimeter.

Foreseeable changes

Shipping Containers: the latest studies by Clarkson Research in January 2013 forecast growth in containerized traffic of 6.1% in 2013 and 6.8% in 2014, after an increase of 3.7% in 2012. The dynamism of the leasing business and sales of shipping containers should continue, in particular thanks to its geographic positioning (over 50 % of its leasing revenues come from Asian customers).

Modular Buildings: the division's current base which achieves almost 95% of its business in Europe makes it impossible to avoid the economic crisis there, and the profitability of the business will continue to be temporarily affected.

To deal with this situation, the Group launched an action plan in 2013 aimed at strengthening its development while reducing its costs, with in particular:

- optimization of plants to increase productivity and reduce the break-even points to increase flexibility,
- rationalization of the network of agencies to share resources and optimize operating costs,
- sale of used equipment to improve utilization rates,
- launch of new "low-cost" products and development in new market segments to increase sales margins,
- creation of an "Eastern Europe" cluster to increase synergies and strengthen our development in that zone, to increase sales volumes.

In addition, TOUAX is continuing its international expansion and the recent acquisition of the Moroccan leader in the modular buildings sector offers it strong potential for growth in Africa, which will account for over 10% of the division's revenue in 2013. In 2013 the division will continue its growth in other emerging countries.

River Barges: the new positioning of the business will result in the development of the leasing business in Europe and South America, and the development of new services, including trade in river assets in Europe, South America and Africa.

Freight Railcars: rail freight transport does not show any improvement in the short term in Europe and consequently the Group does not anticipate an improvement in profitability in 2013. To deal with this situation, the following measures are being implemented:

- slowdown in investments in Europe and highly selective new investments,
- optimization of management and maintenance costs in partnership with the railway workshops,
- personalized commercial approach giving priority to relocating existing equipment,
- development of new leasing service offers (sale & lease back, technical management of fleets belonging to user customers, trading in new and used railcars).

The production of new railcars will be well below the structural replacement level in Europe for the fifth consecutive year. We therefore anticipate a recovery in the market and in d-emand for railway equipment in Europe from 2014. In addition the division is continuing its geographic diversification by establishing a presence in Asia, where the outlook remains very good. 2013 should be marked by the first investments in this zone for which specific announcements will be made. The Group also intends to take advantage of the recovery in the US economy by producing new railcars through its joint venture Cfcl-TOUAX.

In general, 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, 2013 is provided in section 28.3 page 142.

Post-balance sheet events

TOUAX paid an interim dividend totalling €2.87 million on 11 January 2013.

Research and development activity

During the 2012 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 €0.3m, were capitalized in 2007, in accordance with the regulations in force.

Use of financial instruments by the Group

Some of the Group's operations are financed by variable-rate loans, some of which are hedged by interest rate derivatives, in order to reduce the Group's 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 €2.3 million in 2012 compared with €2.7 million in 2011. Consultancy services provided by TOUAX to its subsidiaries decreased slightly 2012. The net return amounted to €5 million compared with €4.6 million in 2011. Its income mainly comprised dividends received from subsidiaries which amounted to €5 million, and financial revenue generated by the loans granted to its subsidiaries. The balance sheet of TOUAX SCA totalled €279 million compared with €261.2 million in 2011. 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 €230,000. These expenses mainly correspond to exchange gains (€58,000) and a reserve for foreign exchange losses (€130,000).

The company does not have R&D business activities.

The main business of TOUAX SCA is to provide consultancy services to its subsidiaries. The management anticipates a difficult year for the Group in 2013, which will probably have a negative impact on the business of TOUAX SCA.

The financial debt of TOUAX SCA amounted to €182.4 million, including bond issues totalling €22 million, compared with €158.5 million at December 31, 2011.

The businesses of the company's main subsidiaries are detailed in the reference document in sections 6.1.1 page 31 and 7.2 page 35. TOUAX SCA indirectly acquired stakes in several companies in 2012, all of which were included in the consolidation perimeter, as described in the notes to the consolidated financial statements.

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 11, 2013.

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 98 of the reference document.

Fiscal year *(in euro)*	Date of payment	General partners' statutory compensation	Dividend per share	Number of shares (excluding treasury shares)	Total of the distribution
2010	11 January 2011		0.50	5,691,522	2,845,761
2010	08 July 2011	935,798	0.50	5,697,901	3,784,749
TOTAL 2010			**1.00**		**6,630,510**
2011	10 January 2012		0.50	5,714,500	2,857,250
2011	09 July 2012	980,515	0.50	5,712,507	3,836,769
TOTAL 2011			**1.00**		**6,694,019**
2012	11 January 2013		0.50	5,735,033	2,867,517
2012	05 July 2013	892,151			892,151
TOTAL 2012			**0.50**		**3,759,667**

Post-balance sheet events

The company paid an interim dividend totalling €2.87 million on January 11, 2013.

Appropriation of the result

The management will propose the following appropriation of the result to the next General Meeting on June 11, 2013:

Net profit of the 2012 fiscal year	€5,000,534.09
Less General Partners' statutory compensation	€-892,150.59
Less the allocation for the legal reserve	€-250,026.70
Increased by the positive retained earnings	€215,067.00
For a total of distributable profit of	**€4,073,423.80**
Distribution of a dividend of €0.5 per share, for a total of already paid out in January 2013 as an interim dividend	€2,867,516.50
to allocate the balance to the retained earnings	€1,205,907.30

The General Meeting sets the net dividend for the 2012 fiscal year at €0.50 per share. In view of the interim dividend of €0.50 net per share paid on January 11, 2013 to be deducted from the dividend for the 2012 fiscal year, no final dividend will be paid.

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)*	**2012**	2011
TOTAL of the non past due trade receivable	**405**	**195**
- including Group trade payable	208	174
TOTAL of the past due trade receivable	**128**	**155**
- including trade receivable < 60 days	20	52
- including trade receivable > 60 days	108	103
- including Group trade receivable		42
- including non-Group trade receivable	128	113
TOTAL	**533**	**350**

The trade accounts payable of €533,000 are included under accounts payable.

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

	(€ thousands)	**2012**	2011	2010	2009	2008
I	SHARE CAPITAL AT YEAR END					
	a) Share capital	45,922,136	45,765,992	45,565,208	45,502,608	37,463,768
	b) Number of existing ordinary shares	5,740,267	5,720,749	5,695,651	5,687,826	4,682,971
II	OPERATIONS AND RESULTS FOR THE YEAR					
	a) Revenue excluding taxes	2,306,593	2,662,895	1,705,053	1,793,708	3,198,103
	b) Earnings before tax, depreciation, amortization and provisions	5,046,735	5,338,903	5,626,848	1,866,924	2,987,900
	c) Corporation tax	(216,433)	(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	5,000,534	4,589,885	5,328,102	2,055,054	2,847,190
	f) Distributed income	2,867,517	3,251,499	4,158,030	3,253,436	4,682,971
III	EARNINGS PER SHARE					
	a) Earnings after tax but before depreciation, amortization and provisions	0.88	0.93	1.02	0.42	0.65
	b) Earnings after tax and depreciation, amortization and provisions	0.87	0.80	0.94	0.36	0.61
	c) Net dividend per share	0.5	1	1	1	1
			(1)	(2)		
IV	WORKFORCE					
	a) Average number of employees during the year	2	2	2	2	2
	b) Total payroll for the year	39,825	765,140	730,189	681,705	549,314
	c) Total social security benefits for the year (social security, welfare benefits etc.)	15,699	242,720	234,417	234,438	208,427

(1) Of which €0.45 a has been paid out of the share premium.

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

III. Corporate, environmental and social information (CSR)

The new statutory provisions resulting from Article 225 of the Grenelle 2 Act published in April 2012 and codified in Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code, require the Group to publish from 2012 onwards, a certain amount of extra-financial (quantitative and qualitative) corporate, environmental and social information in its annual report.

3.1. CORPORATE INFORMATION

3.1.1. Employment

Total workforce and breakdown of employees by sex, age and geographic zone

The Group had a workforce of 760 employees throughout the world at December 31, 2012 compared with 700 employees at the end of 2011. The Group increased its workforce by 8.6%.

30% of the workforce is located in France, 54% elsewhere in Europe (outside France), 12% in Africa, 3% in North and South America and 1% in Asia. The breakdown of the workforce by geographic location and business segment as of December 31, 2012 is as follows:

Staff numbers	Shipping Containers		Modular Buildings		River Barges		Freight Railcars		Central services		**TOTAL**	
	2012	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Europe	**21**	20	**528**	543	**20**	52	**30**	27	**38**	30	**637**	672
Asia	**7**	6									**7**	6
Africa			**92**								**92**	
Américas	**4**	3	**16**	15	**1**				**3**	4	**24**	22
TOTAL	**32**	29	**636**	558	**21**	52	**30**	27	**41**	34	**760**	700

On the whole the age pyramid and breakdown by category remained stable:

	2012	2011
Geographic breakdown		
France	30%	33%
International	70%	67%
Breakdown by type		
Male	76%	72%
Female	24%	28%
Breakdown by category		
Managers	21%	22%
Employees	79%	78%
Age pyramid		
Under 26	6%	5%
26 - 40 years	51%	52%
41 - 50 years	30%	30%
51 or over	13%	13%
Length of service		
< 1 year	13%	18%
1 - 5 years	61%	53%
6 - 10 years	13%	13%
> 10 years	13%	16%
Type of contract		
Number of employees with fixed-term contracts	4%	np
Number of employees with permanent contracts	96%	np

**np: not published*

Appointments and dismissals

There were the following appointments and dismissals in 2012:

	2012	2011
Total number of departures during the year	188	np*
Total number of new appointments during the year (1)	248	np*
Staff turnover (en %)	26%	26%
Percentage of external recruitments with permanent contracts	83%	np*
Number of departures due to the employer	31	np*

**np: not published*
(1) This figure includes companies acquired in 2012.

In France the Group introduced a recruitment procedure, the main aims of which are to:

- Define the recruitment requirements as clearly as possible (level, qualifications, skills, experience etc.) in order to find the most suitable candidates for the vacancy,
- Validate the expense commitment,
- Clarify the roles of each participant, the resources to be implemented and the recruitment process.

This procedure applies to all recruitments (permanent contracts, fixed-term contracts and temporary work) apart from trainees, for which the procedure is specified on a separate form.

The various recruitment stages at TOUAX are:

- Definition of the need,
- Verification of the allocated budget,
- Search for candidates,
- Selection of the candidate,
- Drawing up of the employment contract, and
- Welcome and integration of the employee.

Salaries and salary rises

In the 2012 fiscal year, the Group's payroll totalled €29,512,541, compared with €28,775,404 for the previous fiscal year.

The gross average annual salary of the TOUAX Group was €24,808 in 2012.

Average compensation in euros (gross salaries)	2012	2011
Geographic breakdown		
France	43,263	np*
Outside France	16,634	np*
Breakdown by category		
Managers	64,342	np*
Employees	14,768	np*

*np: not published

For the Group as a whole, 38% of employees received a variable component (performance-related bonus and/or commission).

3.1.2. Organization of work

Organization of working hours

At December 31, 2012, 2.11% of the Group's employees worked part time.

Working hours are organized differently depending on the country. The French entities can be distinguished from the rest of the world.

In France, the working hours are displayed and are visible on the compulsory notice board. The reference working hours within the TOUAX economic and social unit (such as it is defined in section 3.1.3 below) are as follows:

- Monday to Thursday: 8.45 am to 12 noon and 1.15 pm to 5.45 pm, with a 75-minute lunch break,
- Friday: 8.45 am to 12 noon and 1.15 pm to 4.15 pm, with a 75-minute lunch break.

The working week comprises 37.25 hours (37 hours and 15 minutes). The difference between the working hours of 37 hours and 15 minutes and the legal limit of 35 working hours is offset by days' leave for the reduction of working hours.

In 2012 there were 14 days' leave due to the reduction of working hours for all employees of the TOUAX economic and social unit, and 11 days' leave due to the reduction of working hours for TOUAX Construction Modulaire (not included in the economic and social unit).

For our foreign entities, a 40-hour working week generally applies. Each subsidiary has the power and flexibility to set its working hours according to its constraints and local culture.

Absenteeism

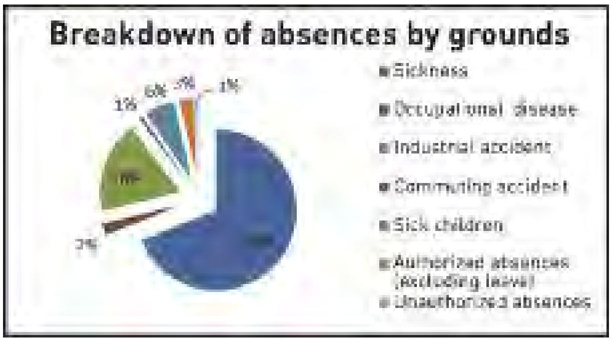
The total absenteeism rate for the TOUAX Group was 5.78% in 2012, representing a total of 10,930 working days of absence.

The following table gives a breakdown of days of absence by grounds:

Breakdown of absences by grounds (in working days)	2012	2011
Sickness	7,529	np*
Occupational disease	262	np*
Industrial accident	2,004	np*
Commuting accident	85	np*
Sick children	675	np*
Authorized absences (excluding leave)	301	np*
Unauthorized absences	75	np*

np: not published

Sickness is the main cause of absenteeism in the Group. This type of absence constitutes 69% of the total number of days of absence. The following graph shows the percentage of the different grounds for absence.



3.1.3. Labour relations

Organization of social dialogue, in particular procedures for informing and consulting employees and negotiating with them

- *Organization of social dialogue in France*

An economic and social unit was created in 2007 comprising TOUAX Corporate, TOUAX Solutions Modulaires, TOUAX Container Services and TOUAX River Barges. Elections to the works council of the economic and social unit are held every four years.

In 2008 a works council was also set up in TOUAX Construction Modulaire. Elections are held every three years.

The elected members have the remit of the works council and of staff representatives. It is possible to have a single representative body for employees of the economic and social unit and for the works council of TOUAX Construction Modulaire since its workforce is less than 199 employees.

The staff representatives are informed and consulted, on an ad hoc basis and periodically (according to a projected schedule), in particular concerning the organization and running of the company, the workforce, working time and training.

Minutes are drawn up at the end of each meeting of the works council and passed on to all employees of the economic and social unit or members of the works council of TOUAX Construction Modulaire.

- *Organization of social dialogue in our foreign entities*

Strictly speaking, the organization of social dialogue is not as structured abroad as it is in France, particularly since local labour law does not require companies to set up specific structures.

Our main entity in Morocco (SACMI) is nevertheless different from the other foreign entities. It has five staff representatives elected by all employees. Elections are held every six years, supervised by the senior management and the labour inspectorate.

These representatives attend meetings of the works council with the senior management. The main topics dealt with are social issues concerning the company, such as private health insurance or the organization of working time.

In general, social dialogue takes place at individual and/or collective meetings between the employees and the management.

Assessment of the collective agreements

• Assessment of the collective agreements in France

To enable the employees of the economic and social unit and of TOUAX Construction Modulaire to share in the Group's performance, agreements were signed allowing amounts to be paid to employees which they can invest in the Company Savings Plan (PEE).

Two compulsory profit-sharing agreements were signed, one for the economic and social unit and one for TOUAX Construction Modulaire. The formula adopted is the legal calculation formula. Half of the amount is distributed in proportion to attendance time in the company during the fiscal year, and half is distributed in proportion to the salary of each beneficiary during the fiscal year concerned.

Two voluntary profit-sharing agreements were signed, one for the economic and social unit and one for TOUAX Construction Modulaire. The performance indicator applied is the net earnings per share and the average number of shares of the Group included in the consolidated financial statements (according to a specific calculation defined in the agreement).

• Assessment of the collective agreements in our foreign entities

No collective agreement was signed by the foreign entities in 2012.

3.1.4. Health and safety

Health and safety conditions at work

• Health and safety conditions at work in France

TOUAX Construction Modulaire set up a health, safety and working conditions committee (CHSCT) in September 2010. A CHSCT was set up for the TOUAX economic and social unit in December 2011.

The members of the CHSCT are appointed every two years by the incumbent members of the works council and the incumbent staff representatives. The members have received specific training in these topics. The CHSCT is chaired by the Human Resources Director.

The CHSCT meets once each quarter (or more often if there is an exceptional request or serious accident) at the request of its Chairman who draws up the agenda with the CHSCT secretary.

The role of the CHSCT is to help to protect the physical and mental health and the safety of workers, and to improve their working conditions. It can propose preventive measures and seek the assistance of an expert in certain circumstances. It should be noted that at the head office of the French entities, all of which are located in the Tour Franklin, the company doctor, the head of safety in the Tour Franklin, the labour inspector and the representative of the regional health insurance fund (CRAMIF) are invited to these meetings.

The TOUAX Group meets its legal obligations regarding health and safety at work, for example:

- By updating the single document,
- By planning medical examinations for employees,
- By organizing safety training according to the type of work (e.g.: safe driving certificate (CACS) for handling equipment drivers),
- By using personal protective equipment in the factory production workshop (gloves, protective goggles, safety footware etc.).

In addition to its legal obligations, for several years the Group has implemented initiatives concerning emergency aid by training certain employees as First Aid Officers. Thanks to this training course they are taught to use defibrillators by the French Red Cross.

• Health and safety conditions at work outside France

The size of the structure and the activity of the entities often determine the level of requirements for health and safety at work. As a result, the Group's industrial entities in the modular buildings sector located in Morocco and the Czech Republic have much stricter requirements than the other entities.

In Morocco, the main operating company has a health and safety committee comprising five coordinators, whose role is to:

- give feedback on existing failings regarding safety to the safety manager, in order to take corrective action,
- to take initial action where required (use of fire extinguisher in case of fire) and secondary action (apply the alert procedure according to the instructions of the safety manager, use the first aid hose system etc.),
- rescue and provide first aid for victims, free and evacuate injured persons in favourable conditions.

The company benefits from the services of a company doctor linked to the state health scheme who is present twice a week (Monday and Thursday). Health and safety procedures exist within the company and posters make it possible to raise the awareness of all employees. A safety manager is appointed to ensure that the instructions are respected.

In the Czech Republic the company organizes a half-day safety training course for all employees once a year. There are also training courses in fire safety and protection against harmful substances that are dangerous for health.

In Germany and Poland our companies use external consultants to ensure that local rules are respected regarding health and safety at work (first aid equipment, wearing of personal protective equipment etc.).

Assessment of the agreements signed with the trade unions or staff representatives regarding health and safety at work

• Assessment of the agreements signed in France

An agreement on health and safety at work regarding work hardness was negotiated in 2012 in TOUAX Constructions Modulaires, which assembles modular buildings, but had not been signed by the trade unions at December 31, 2012. The agreement involves identifying potential risks linked to the business (ambient noise, repetitive movements, handling of heavy loads, strenuous postures etc.). If the trade unions do not sign the agreement, an action plan will be rapidly introduced.

• Assessment of the agreements signed in abroad

No agreements concerning health and safety at work were signed by the foreign entities in 2012.

Industrial accidents, in particular their frequency and seriousness, and occupational diseases

	2012	2011
Number of industrial accidents with sick leave	50	np*
Industrial accident frequency rate	37.77	67.42
Number of working days of sick leave following industrial accidents	1,954	948
Industrial accident severity rate	1.48	2.66
Number of fatal industrial accidents		np*
Number of occupational diseases declared	1	np*

np*: not published

3.1.5. Training

Training policies implemented

• Policies implemented in France

A communication campaign was carried out in November 2012 concerning mid-term interviews and training interviews by the Human Resources Department. This campaign concerned the development, improvement and formalization of the practices of the Human Resources Department in France.

The Senior Management approved the introduction of mid-term interviews and training interviews. They provide a further opportunity for employees to express their wishes for professional development and make it possible to anticipate, plan and carry out training programmes approved by the management throughout the year, thanks to the projected training plan drawn up at these interviews.

• Policies implemented abroad

In general, there is no common training policy. Each entity has the power to manage its own training budget.

The two main types are:

- compulsory training imposed by local regulations in particular regarding safety at work,
- training aimed at developing employees' skills approved by the local management during an interview between the employee and his line manager.

The human resources procedures at our companies in Morocco are more formalized than in the other foreign entities. An annual training plan to improve skills is drawn up in January and submitted to the training office by April 30 each year at the latest.

Total number of training hours

In 2012 the TOUAX Group spent €275,688 on training courses at the global level, representing 2,792 training hours. The Group trained 151 employees during the year, i.e. 37.6% of the average workforce during the year.

3.1.6. Equal treatment

Measures taken to promote equality between men and women

In the Group's workforce as a whole at December 31, 2012, 19.9% of managers were women, and 16.8% of women were managers.

Ratio: (Average gross salary of women in 2012 in euros)/(Average gross salary of men in 2012 in euros) = 0.92.

Measures taken to promote the employment and integration of disabled workers

In France, the number of disabled workers (in proportion to the number of days' presence) increased by 2.7 in 2011 to 3.32 in 2012, showing that the Group is endeavouring to promote the integration of disabled workers as far as possible. Taking into account all group entities, the figure rises to 9.32.

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

Since 2007, in France 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. In 2012, 80% of the apprenticeship tax was paid to these centres.

Anti-discrimination policy

All TOUAX Group companies respect local regulations regarding discrimination and comply with the law.

In 2011 the Group introduced an ethical charter which was given to all French employees and translated and passed on to all foreign entities. The charter has a section that deals with the issue of "respect for employees and industrial relations".

It is specified that all employees must *"refrain from all forms of discrimination in particular on the grounds of sex, handicap, marital status, sexual orientation, age, political opinion, religious beliefs, trade union activity or race..."*. It is also specified that "these commitments apply at the time of recruitment, but also to all decisions regarding training, promotion, continuation in employment and working conditions".

This charter makes it possible to increase employees' awareness of discriminatory practices and prevent as far as possible this type of inappropriate behaviour. It should be noted that, due to its international nature, the Group welcomes numerous different cultures and nationalities within the various French entities.

3.1.7. Promotion of and respect for the fundamental conventions of the International Labour Organization

Respect for freedom of association and the right to collective bargaining

The TOUAX Group respects the principles of freedom of association and the right to collective bargaining. For example, the French trade union "Force Ouvrière" is represented within TOUAX Construction Modulaire.

Furthermore, the ethical charter specifies that all employees must *"refrain from all forms of discrimination on the grounds of trade union activity"* and that *"these commitments apply at the time of recruitment, but also to all decisions regarding training, promotion, continuation in employment and working conditions"*.

Elimination of discrimination regarding employment and profession

The ethical charter has a section presenting the anti-discrimination policy.

Elimination of forced or compulsory labour and effective abolition of child labour

The ethical charter does not expressly deal with this issue, but does deal with the choice and fair treatment of suppliers. All employees must *"be extremely vigilant with regard to suppliers that do not respect the Group's ethics, the labour laws in force in the countries concerned, or the health, safety and environmental protection regulations".*

The TOUAX Group informs its employees of the ethical issues involved when choosing suppliers.

3.1.8. Appendix to the corporate information

Methodological note

• Note concerning calculation of the workforce

This includes all employees who have a fixed-term or permanent employment contract with the TOUAX Group at December 31, 2012. It therefore also includes employees whose employment contract has been suspended (paid leave, sickness, maternity leave, parental leave, sabbatical leave, individual training leave etc.), trainees, and apprentices who receive a pay slip. Expatriates are included in the workforce of the company where their mission is performed on the basis of the local contract. Temporary workers are not included in the calculation of the workforce.

• Group consolidation perimeter applied

The consolidation perimeter for the corporate information includes all TOUAX Group entities that employ staff. This includes the following entities:

Business	Company
Shipping Containers	
	Touax Container Services
	Gold Container Corp.
	Gold Container Leasing Pte Ltd
	Gold Container Investment Ltd
	Gold Container Investment Ltd
Modular Buildings	
	Touax NV
	Touax BV
	Touax Espana SA
	Touax Construction Modulaire
	Touax Solutions Modulaires
	SIKO Container handel Gmbh
	Touax Sp.zo.o
	Touax Modular Building Llc
	Sacmi et Ramco
	Touax s.r.o
River Barges	
	Touax River Barges
	Eurobulk Transport Maatschappij BV
	Touax Hydrovia Corp.
	Touax Rom SA
Freight Railcars	
	Touax Corporate
	Touax Rail Limited
Central Services	
	Touax Corporate
	Touax Corp

The consolidation perimeter for corporate indicators therefore corresponds to the whole of the TOUAX Group workforce.

The consolidation perimeter is reviewed and updated after each internal or external growth operation communicated by the management.

For some indicators, the data was not available for all subsidiaries. The consolidation perimeter for each indicator is specified in the following section, "Coverage rate of the indicators published".

• Note concerning the notion of manager and employee categories

We have decided to introduce manager and employee categories throughout the Group.

According to the definition adopted, a manager is a person who supervises at least two people. At the French level, managers have the following statuses: senior executive, executive and executive equivalent. All other statuses are included in the employee category.

• *Note concerning the calculation of length of service*

Length of service is calculated from the date of the first contract signed by the employee with a company belonging to the TOUAX Group, and does not take into account changes of position within the Group.

• *Note concerning calculation of staff turnover*

This refers to the total number of departures during the year divided by the average workforce during the year. The average workforce is calculated by dividing by two the sum of the workforce at the start of the year and the workforce at the end of the year.

• *Note concerning the calculation of the number of departures due to the employer*

This indicator is the sum of the number of dismissals and the number of redundancies.

• *Note concerning calculation of the rate of absenteeism*

This indicator is calculated by dividing the total number of working days of absence during the year, as described in section 3.1.2 above, by the number of days worked during the year.

NB: the number of days of absence due to industrial accidents indicated in the absenteeism section 3.1.2 is different from the number of working days of sick leave following industrial accidents indicated in section 3.1.4. The latter figure does not include the day when the accident occurred in the number of days of sick leave, whereas all days are included in the calculation of the absenteeism rate (even if the accident took place during the day).

Coverage rate of the indicators published

The Group selected the consolidation perimeter for which the indicators have been published.

The coverage rate is the ratio for each indicator between the perimeter actually concerned and the Group perimeter adopted. This rate is calculated in relation to the total workforce of the Group at the end of the year.

TOUAX undertakes to increase as far as possible its coverage rate each year. Apart from what is indicated in the table below, the indicators published cover 100% of the Group consolidation perimeter.

Indicators	Coverage rate in 2012	Coverage rate in 2011	Subsidiaries for which source data could not be collected in 2012	Subsidiaries excluded in 2011
Absenteeism (sickness, occupational disease, industrial accidents, commuting accidents, sick children, authorized absences excluding leave, unauthorized absences)	98.95%	not published	Touax Hydrovia Corp, Gold Container Investment et Gold Container Leasing	
Number of accidents with sick leave and frequency rate, number of days' sick leave and severity rate	95.92%	not published	Touax Hydrovia Corp, Gold Container Investment Gold Container Leasing, Gold Container Corp, Touax Modular Building et Touax Corp	
Total training expenses during the year (in EUR) Number of training hours provided during the year	57.11%	32,43 %	Touax Hydrovia Corp, Gold Container Investment Gold Container Leasing, Gold Container Corp, Touax Modular Building, Touax Corp, Touax Rail Ltd, Eurobulk et Touax s.r.o	All subsidiaries excluding France
Number of employees trained during the year and ratio	57.11%	not published	Touax Hydrovia Corp, Gold Container Investment Gold Container Leasing, Gold Container Corp, Touax Modular Building, Touax Corp, Touax Rail Ltd, Eurobulk et Touax s.r.o	
Number of disabled workers	95.26%	32,43%	Touax Hydrovia Corp, Gold Container Investment Gold Container Leasing, Gold Container Corp, Touax Modular Building, Touax Corp et Eurobulk	All subsidiaries excluding France

3.2. ENVIRONMENTAL INFORMATION

3.2.1. General environmental policy

Organization of the company to take into account environmental issues and, where appropriate, the environmental assessment or certification procedures

Section 2.5 of the TOUAX ethical charter emphasizes "environmental responsibility" and raises the awareness of all employees to this issue. Employees must ensure that they:

- contribute to the TOUAX environmental initiatives,
- think about their behaviour, in all areas of activity that have an impact on the environment, in order to minimize the impact whenever possible (number of trips, saving energy, saving water, reducing waste), and
- immediately inform their line manager of any unusual discharge or emission into the ground, air or water.

Each of the Group's businesses involves different environmental issues, which we will present separately.

• Shipping Containers

Shipping containers can only be loaded and transported on ships designed for that purpose, called container carriers. Most current container carriers have a container capacity of 500 to 3,000 TEU. Even though the business only makes containers available to its customers, it indirectly contributes to sustainable development by promoting soft transport of goods which emits less CO2 per tonne-kilometre.

A typical container in the Group's fleet is made of 80% steel, 15% wood and 5% miscellaneous products (paint, joints etc.). The business has no constraints regarding recycling of materials since the containers are sold before the end of their lifecycle. It is nevertheless easy to recycle containers at the end of their life given the large amount of steel that they comprise.

In addition, the business supports research into technical solutions (through the Institute of International Container Lessors - IICL) for developing environmentally friendly components for manufacturing containers (e.g. combination of wood and steel for the floor, use of bamboo etc.).

• Modular Buildings

The Modular Buildings division endeavours to develop increasingly eco-friendly products and processes, and especially to minimize the energy consumption of the buildings it produces, well beyond the statutory requirements.

The module assembly process on the customer's site is a dry process which does not consume water on site or pollute the soil, and limits all of the nuisances of traditional construction.

Unlike traditional construction, the modules are solutions that can be quickly and easily moved from one site to another, with less environmental impact.

The Czech entity has performed particularly well, obtaining the ISO 14001 2005 Environmental Management certification in September 2011, valid for a period of three years.

• River Barges

The River Barges business uses existing and natural waterways. It is a safe, low-polluting method of transport. A barge can transport far more goods than a truck or a railcar. For example, a convoy of 12 barges transports on average the equivalent of 1,100 trucks. This business helps to promote sustainable development by emitting comparatively less CO2 than other more conventional methods of freight transport such as road transport, according to a comparative study of CO2 emissions by different methods of freight transport by the French Environment and Energy Management Agency (ADEME).

It should be noted that the general insurance policy of the European fleet covers risks of pollution. The leases require the lessees to comply with navigation rules and expressly mention the ban on transporting radioactive products and waste.

To improve its understanding of the environmental advantages of river transport, the River Barges division is currently carrying out a comparative study of greenhouse gas emissions by river transport and other methods of transport.

• Freight Railcars

The Freight Railcars business contributes to sustainable development through its soft method of transport, in the same way as the River Barges and Shipping Containers divisions. According to a study by the French Environment and Energy Management Agency (ADEME), in France, rail freight transport is the method of transport that emits the lowest level of CO2, at 5.75 grammes per tonne-kilometre. Next comes water transport (applicable to river barges) with 37.68 grammes, then road transport with 133.11 grammes.

As a member of trade associations such as UIP, VPI, AFWP, TOUAX Rail Ltd helps to promote and defend rail freight transport among government and European organizations. It helps to promote combined rail transport and consequently contributes directly to sustainable development and the quality of the environment at European level.

The division was also awarded Entity in Charge of Maintenance (ECM) status in December 2011. Some of the partner workshops to which maintenance of the railcar fleet is subcontracted have ISO 14001 certification, but this is not a requirement within the rail sector. In addition, the railcar maintenance workshops and railcar manufacturers comply with the local environmental standards in force.

Training and information provided for employees regarding environmental protection

In 2012 the TOUAX Group enabled some of its employees from the Modular Buildings division to receive a total of 258 training hours in environmental protection. In France, two employees from the engineering and design department received eight hours of training in the 2012 Thermal Regulations (RT2012). In the Czech Republic, 250 training hours were provided for several employees on protecting surface water and underground water, and managing waste and chemicals.

Information campaigns were conducted in the Modular Buildings division. For example, TOUAX Construction Modulaire organized a meeting with its supplier PAPREC (specialized in waste collection and sorting) for all operators and forklift truck operators, to raise awareness of sorting waste in the production department. The welcome booklet for the French plant also contains a procedure for sorting waste. For its part, TOUAX Solutions Modulaires has informed its employees about the new standards imposed by the Grenelle Environment Round Table applicable to its sector (RT 2012).

Finally, the ISO 14001 certification obtained by the Czech entity made it possible to produce documents and videos on environmental management. Employees are periodically shown information videos.

Means devoted to preventing environmental risks and pollution

In 2012, through its Czech subsidiary the Modular Buildings division spent €41,197 on preventing environmental risks and pollution. This amount was used as follows:

- Eco-friendly disposal of waste (80%),
- Air protection (10%), and
- Water protection (10%).

The amount of provisions and guarantees for environmental risks, provided that this information is not likely to cause serious harm to the company in a current dispute

In 2012 there were no provisions or guarantees for environmental risks within the TOUAX Group. The environmental risks likely to affect the company's assets or income are insignificant, since the Group is mainly a service provider. These risks are presented in the risk factors in section 4.3.8 page 24.

3.2.2. Pollution and waste management

The measures for preventing, reducing and correcting discharges into the air, water and soil that have a serious environmental impact

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

The means implemented are in particular:

- Regular inspection of road transport vehicles, forklift trucks, rail-cars and pushboats,
- Subcontracting of transport to specialized companies and/or
- Rationalization of deliveries/returns in order to avoid unnecessary travel.

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

- *Shipping Containers and Freight Railcars*

There is no policy for discharges in these divisions which do not represent any specific risk in this regard, since TOUAX does not manufacture containers or freight railcars.

Nevertheless, the Freight Railcars Division makes sure that its equipment is kept in good condition through the services of about thirty certified maintenance workshops.

Each railcar normally has between two and six axles, given that an axle comprises a central pin and two wheels, one at each end. Work on the railcars in the maintenance workshops is divided into two separate flows:

- a flow for the axles, and
- a flow for the railcars.

Like the vehicles, railcars are serviced approximately every three years in the workshops. In 2012 800 railcars were serviced.

- *Modular Buildings*

This division does not produce significant levels of polluting emissions. Nevertheless, investments were made in the assembly plants in France and the Czech Republic to further reduce the emissions identified.

The French plant invested €90,000 in a high-solid paint system (30% solvent) and in an electrostatic application increasing the transfer rate by 20%. This helps to reduce discharge of organic compounds volatile in air. Furthermore, the annual maintenance contract of the spray-painting booth ensures that the volatile organic compounds filtering system always functions correctly.

In August 2011 the Czech plant invested in its module spray-painting booth, installing an incinerator for volatile organic compounds. Emissions decreased from 9.53 tonnes in 2010 to 8.16 tonnes in 2011 and should be between 4 and 5 tonnes in 2012.

- *River Barges*

All motorized and non-motorized units comply with the standards for registration (registration, flag, measurement) and safety for each river basin. They are registered with the waterway administration that issues registration and navigation certificates. These certificates are issued after inspection by an approved company and renewed at regular intervals, generally every five years, with an intermediate inspection every two and a half years. To renew the certificate, it may be necessary to dry-dock the barge for inspection and repair work.

All boats are therefore monitored and maintained in good condition in order to meet environmental and safety standards for their respective basin. If necessary, for example in case of an oil leak, the dirty water in the engine room of the boat is pumped out by a truck or tanker and then taken to a sewage treatment plant to be reprocessed.

Preventive, recycling and waste disposal measures

- *Shipping Containers*

The service life of a shipping container is 15 years and the service life of a storage container varies between 20 and 40 years.

At the end of the lifecycle, used containers are sold on the aftermarket for many uses (transport, storage, processing, spare parts). Consequently they are never scrapped by the TOUAX Group.

The division endeavours as far as possible to replace its fleet with increasingly eco-friendly containers. It is currently working on a solution to replace the silicone joints of containers (chemical products) with water-based joints.

- *Modular Buildings*

The service life of a module is about 20 years. In general the modules in the French agencies' rental fleet are reconditioned when they are no longer used by the plant. The reconditioning operations are intended to extend the service life of the product, retaining the steel structure and covering the module with new components such as panels.

When the modules cannot be reconditioned, the agencies dismantle the different components of the module and sort them. For modules that have reached the end of their life and cannot be reconditioned or sold, the components are sorted and then collected by recycling professionals.

The industrial sites of the modular buildings business produce waste during the module production process. The French plant produced a total of 335.41 tonnes of waste in 2012, with the following breakdown:

- 11.5 tonnes of recycled cardboard,
- 98.5 tonnes of recycled wood,
- 222 tonnes of recycled ordinary industrial waste,
- 0.29 tonnes of aerosols (hazardous waste),
- 3.12 tonnes of paint and diluent (hazardous waste).

Hazardous industrial waste amounted to 3.41 tonnes in France in 2012, i.e. 1% of the total amount of industrial waste produced.

• River Barges

The actual service life of a barge is 30 to 50 years, even though the depreciation period is 30 years.

At the end of their lifecycle, the barges are cleaned, dismantled and scrapped (i.e. taken apart) by authorized companies. The steel (scrap metal) is resold and reused. A scrapping certificate is issued by the contractor and makes it possible to obtain a scrapping and deregistration certificate from the waterway administration.

Consequently, at the end of their life barges are never abandoned or dumped, but are always dismantled and recycled as described above. In 2012 none of the division's barges were sent for recycling.

• Freight Railcars

The service life of a railcar varies between 30 and 50 years. At the end of their lifecycle, railcars are never dumped. All railcars that are no longer used are either sold or scrapped (process similar to the barge recycling process).

A railcar comprises:

- 99.5% recyclable metals, and
- 0.5% spare parts (rubber tightness seals in the braking system, rubber buffer in the shock and traction systems) and liquid waste (axle grease).

The axle grease is cleaned with detergents in the maintenance workshops and then all the parts are recycled in accordance with local regulations for the workshop.

After recovering the spare parts, all scrapped railcars are recycled. In 2012 only three railcars were scrapped in this way.

Procedures for dealing with noise disturbance and all other forms of pollution specific to an activity

The Group's businesses have the advantage of producing very little noise disturbance. Analyses have been conducted on the Group's industrial sites that are potentially the most exposed to this risk, to determine the level of such disturbance.

In the Modular Buildings business, the French plant carried out an analysis of the noise level at its site in November 2010. The results showed that the sound level in the autonomous paint and welding production unit (UAP1) was higher than the exposure limit values. The autonomous production unit UAP2 (assembly) showed compliant values on the whole. Corrective action was immediately taken, requiring ear plugs to be worn in UAP1 and making ear plugs available for operators in UAP2 if required.

Moreover, no complaints from residents were received by the Group's three industrial sites in 2012.

Regarding the Freight Railcars business, since 2010 the Group has bought railcars equipped with brake head wear plates making it possible to reduce the noise level.

3.2.3. Sustainable use of resources

Water consumption and supply according to local constraints

By their nature, the TOUAX Group's businesses do not consume water. Consequently in 2012 the water consumption of the Group's industrial sites, for the three modular building assembly plants, totalled 4,237 m^3 with the following breakdown:

- Moroccan assembly plant: 1,237 m^3,
- French assembly plant: 1,200 m^3,
- Czech assembly plant: 1,800 m^3.

Consumption of raw materials and measures taken to improve efficiency of use

• Shipping Containers

	2012
Number of containers bought (in TEU*)	83,000
Number of containers sold (in TEU*)	4,475
Managed container fleet at December 31 (in TEU*)	564,866
Steel equivalent of the containers bought (in tonnes)	140,000
Quantity of wood for floors of the containers bought (in tonnes) achetés (en tonnes)	23,000

**TEU: Twenty foot Equivalent Unit*

• Modular Buildings

The managed fleet at December 31, 2012 totalled 51,177 modules. The division produced 5,835 modules in 2012. Based on an average weight of 1,050 kg (internal operating data) of steel per module, production of modules consumed the equivalent of 6,127 tonnes of steel.

• River Barges

	2012
Number of barges bought (excluding service boats and pushboats)	20
Number of barges sold (excluding service boats and pushboats)	34
Managed fleet of boats at December 31	152
Steel equivalent of the barges bought in tonnes (excluding service boats and pushboats)	9,750

• Freight Railcars

	2012
Number of railcars bought	127
Number of railcars sold	60
Railcar fleet at December 31	9,119
Steel equivalent of the railcars bought (in tonnes)	2,982

Energy consumption and measures taken to improve energy efficiency and use of renewable energy

In France, the aim of the 2012 Thermal Regulations (RT2012) imposed by the Grenelle Environment Round Table is to reduce the energy consumption of new buildings by setting a maximum limit for consumption of heating, ventilation, air-conditioning, domestic hot water production and lighting.

The Modular Buildings division is subject to these regulations and took steps to meet the new requirements. Its continuous search for solutions for low energy consumption has enabled it to develop an efficient insulating jacket system in order to meet the latest thermal standards.

The fuel consumption of our modular building plants linked to logistics (lift trucks) was 40,646 litres in 2012. The energy consumption of these sites is shown below:

	French entity	Czech entity	Moroccan entity	Total for industrial sites
Electricity consumption in GWh in 2012	0.52352	1.00500	0.34651	1.87503
Gas consumption in GWh in 2012	1.37645	2.15500	Not obtained	3.53145
TOTAL CONSUMPTION IN 2012 IN GWH	**1.89997**	**3.16000**	**0.34651**	**5.40648**

Land use

In view of our various businesses, this information is not applicable.

It should be noted however that the Group has a Sevesco-classified plot which is not used. This plot is currently being sold.

3.2.4. Climate change

Greenhouse gas emissions

The Group's various businesses are low polluting and emit very little greenhouse gas, since the Group's main activity is as a leasing company. The issue of emissions may arise at the level of our stakeholders, such as:

- our customers who transport goods using the barges, containers and railcars that we make available to them, and
- our suppliers who produce our products and who may emit greenhouse gas during the production processes.

Through its Shipping Containers, Freight Railcars and River Barges businesses, TOUAX helps to develop alternatives to road transport. A calculation tool has been provided for measuring reductions in CO2 emissions on the website www.ecotransit.org. Our customers are asked to compare their CO2 emissions based on their traffic and tonnes transported, with the CO2 emissions if they had used road transport. Thanks to the equipment leased by TOUAX, customers achieve significant reductions in CO2 emissions that they can measure effectively.

The River Barges division helps to achieve this target of reducing greenhouse gas, and awareness campaigns are currently under study, in particular with the possibility of making donations to Amazon rainforest reforestation associations.

Adapting to the consequences of climate change

- *Shipping Containers*

This business is dependent on world trade. Any impact of climate change on world trade would have an impact on this business. For example, the rise in temperature could make new trade routes accessible in the North Pole, which would reduce the number of containers required for trade between Asia and Europe.

- *Modular Buildings*

This business has not identified possible consequences of climate change on the modules.

- *River Barges*

Climatic incidents occur frequently, but it is not possible to determine whether their frequency is due to climate change. Our customers are directly affected by of the hazards of navigation, such as drought, floods or ice sheets. In 2012 the flooding of the Mississippi and the ice sheets on the Danube disrupted navigation.

- *Freight Railcars*

In theory, climate change, and in particular the rise in temperatures favours this business by replacing polluting methods of transport (road) with cleaner methods such as rail.

3.2.5. Protection of biodiversity

Measures taken to protect or develop biodiversity

Out of concern for the future of the planet, the TOUAX Group decided to introduce a system for collecting documents (newspapers, magazines, paper, cardboard) and computer media (CDs, DVDs, hard drives and diskettes) at the head office in La Défense. Shred-it containers are provided for employees near the printers.

These highly efficient machines shred documents, computer media and cardboard boxes which are then squashed into bundles and directly sent for recycling to be made into second grade paper (toilet paper, kitchen paper etc.). Shred-it, which provides this service, gives us an environmental certificate at the start of each calendar year showing the number of trees saved thanks to our contribution. In 2012, 44 trees were saved.

More generally, the businesses of the TOUAX Group do not have a direct impact on biodiversity. Consequently, no concrete measures were taken to protect or develop biodiversity in 2012. Studies are however under way in the River Barges division to protect the flora and fauna by providing compensation in the form of donations to Amazon rainforest reforestation associations.

3.2.6. Appendix to the environmental section

Methodological note

- *Group consolidation perimeter applied*

The quality information published concerns all of the TOUAX Group entities that employ personnel. The consolidation perimeter is the same as that used in section 3.1.8 above, page 115.

- *Note concerning calculation of the steel equivalent of railcars bought*

This calculation is based the average weight of an empty railcar of 23.6 tonnes, of which on average 99.5% is made of steel. The average weight was calculated by the TOUAX technical department based on the technical data for each railcar (including the tare) in our information system. The calculation is the ratio between the sum of the unladen weights of all of the railcars in the fleet, and the number of railcars in the fleet at a given date.

- *Note concerning the calculation of the steel equivalent of barges bought (excluding service boats and pushboats)*

The weight of the steel of each barge bought is known to the nearest kilogramme, which makes it possible to calculate the total steel equivalent of all of the barges bought.

Coverage rate of the indicators published

This section specifies the consolidation perimeter for which the indicators have been published.

The coverage rate is the ratio for each indicator between the perimeter actually concerned and the perimeter adopted (business, Group, industrial sites etc.). This rate is calculated in relation to the total workforce of the Group at the end of the year. TOUAX undertakes to increase as far as possible its coverage rate each year.

Due to the diversity of the TOUAX Group's businesses and the current organization of reporting, the indicators (except for the provisions and resources devoted to environmental protection) are not consolidated at Group level but by business. The consolidation perimeter of each indicator is specified in the text. When the indicators are consolidated by business, the contributing entities are those presented in the table concerning the scope of the data. However, since some data is not accessible, the reporting perimeters may not cover all of the Group's businesses as specified below:

Name of the indicator	Basis for calculating the coverage rate	Coverage rate in 2012	Coverage rate in 2011	Subsidiaries for which source data could not be collected in 2012
Number of training hours in environmental protection (scope: permanent contracts/ fixed-term contracts and apprenticeships)	Group	98%	not published	Touax Modular Building
Amounts invested to prevent environmental risks and pollution in euros	Group	98%	not published	Touax Modular Building
Amount of provisions and guarantees for environmental risks in euros	Group	98%	not published	Touax Modular Building
Number of complaints from residents of industrial sites	Modular buildings plants	100%	not published	

3.3. SOCIAL INFORMATION

3.3.1. Information regarding the social commitments to promote sustainable development

Regarding employment and regional development

The TOUAX Group's three industrial sites for the Modular Buildings business employed 57.5% of the total workforce at December 31, 2012. Most of the employees who work there come from the vicinity of the companies. The plants dynamize their respective local labour market areas.

For example, the Czech plant is located in Supikovice, which lies in a labour market area that historically has an unemployment rate higher than the national average.

Regarding surrounding or local communities

The Group is in partnership with the association ZYVA, 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"*.

Zy'va is involved in providing social support and promoting school attendance of children and adolescents in the heart of the Cité des Pâquerettes housing estate, one of the poorest districts of Nanterre, France. Every weekday, it offers in particular:

- Homework help, remedial and literacy classes,
- Cultural events: theatre, dancing, films etc.,
- A library, a computer room.

To help it with its work, 10% of the apprenticeship tax was paid to the association in 2012 as well as an additional subsidy.

Furthermore, the Modular Buildings division provides buildings for the local authorities and institutions (nursery schools, hospitals etc.) and by the very nature of its business helps to create local services for the surrounding communities.

3.3.2. Relations with people and organizations concerned by the company's business, in particular associations that promote integration, teaching institutions, environmental associations, consumers associations and the surrounding communities

Conditions for dialogue with these people and organizations

In general, all of the people and organizations concerned by the company's business can obtain general information about the TOUAX Group by visiting our website.

TOUAX River Barges is a member of the association "Entreprendre pour le Fluvial", which helps to promote the river transport sector, and the association "Fluvial Initiative" whose aim is to facilitate access to funding for river transport companies.

Partnerships and sponsorships

Section 2.4 of the ethical charter, "Charitable activities and sponsorship" specifies that the TOUAX Group "authorizes sponsorships and contributions to charitable activities provided that they are in the general interest and contribute effectively to the social action specified by the Group. These actions or contributions are subject to the prior written approval of the director of the division concerned, the Managing Partners and the Human Resources Department. They are duly listed to ensure the coherence of the Group's general humanitarian policy."

The TOUAX Group helped to provide support to humanitarian projects through well-known NGOs, in particular following the earthquake in Haiti. The Group supplied shipping containers.

Initiatives are taken by the Group's subsidiaries abroad. In Morocco for example, our entity made a donation in 2012 to a Moroccan actor providing drama lessons for the children of employees and of the surrounding communities. In Poland our entity made donations to orphanages and hospitals.

3.3.3. Subcontracting and suppliers

Consideration of environmental and social issues in the purchasing policy

Section 3.4 of the ethical charter addresses the issue of the choice and fair treatment of suppliers. It stipulates that all employees in contact with suppliers must *"be extremely vigilant with regard to suppliers who do not respect the Group's ethics, the labour laws in force in the countries concerned, or the health, safety and environmental protection regulations."*

The TOUAX Group informs its employees of the ethical issues involved when choosing suppliers. At present there are no clauses concerning social and environmental criteria in our purchasing policy.

A study is under way with the manufacturers in order to include social and environment issues in purchasing agreements within the Shipping Containers division.

The importance of subcontracting and consideration of social and environmental responsibility in relations with suppliers and subcontractors

The TOUAX Group undertakes to conduct a study in the next few years and introduce initiatives to give greater consideration to its social and environmental responsibility in its relations with suppliers and subcontractors.

3.3.4. Loyalty

Action taken to prevent corruption

The TOUAX Group ethical charter has several sections on preventing corruption. Section 1.5 deals with gifts and invitations, section 1.6 deals with corruption and section 1.7 deals with conflicts of interests. Each section provides recommended ethical behaviour to be adopted in these situations. Measures are therefore taken to increase the awareness of Group employees of the fight against corruption.

Measures to promote consumer health and safety

- *Modular Buildings*

Customer specifications may include numerous options to improve safety for users, such as firefighting systems (smoke detectors, fire hoses, alarms etc.).

- *River Barges*

All our barges comply with safety standards. All persons on board must comply with the safety standards (life jacket, safety footware and hard hat where appropriate).

In 2012 the division had three barges built. The decks of the barges are covered in anti-slip metal sheets and the hold is equipped with a handrail to improve user safety.

- *Freight Railcars*

User manuals and maintenance guides are provided for each customer to improve user safety.

Other action to promote human rights

To date, the TOUAX Group has not subscribed to the international standards concerning the respect for human rights. Nevertheless, the ethical charter makes employees aware of this issue.

3.3.5. Appendix to the social section

The social section provides comprehensive data. For this purpose a register was sent to the different divisions to enable them to collect information and provide answers. All of the Group's entities took part in this survey apart from the US entity TOUAX Modular Building Llc.

IV. 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.

Statutory employee participation in the company's share capital at December 31, 2012

There was no statutory employee participation in the company's share capital at December 31, 2012.

Cross-shareholdinge

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

At December 31, 2012 the company held 5,265 of its own shares. These shares were acquired following the stock buyback programme approved by the Combined General Meeting of June 15, 2012. The history of the treasury shares held by TOUAX is detailed in Section 18 of the reference document.

Compensation of corporate officers

The total compensation received by the corporate officers of TOUAX SCA amounted to €952,200 in 2012. This remuneration is detailed in the reference document, section 14 page 41.

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 2012 the General Partners received 3% of the 2011 net income plus 1% of the Group's consolidated EBITDA after deducting the leasing income due to investors, i.e. a total of €981,000. 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 indicates the terms of office and duties of the corporate officers. This report is included in the reference document, 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 2012, partly deducted from the issue premium, for a total of €0.45 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 were adjusted accordingly, i.e.:

- the price of a stock option was reduced to €19.75,
- four 2007 redeemable share subscription warrants give the right subscribe to 1.069 TOUAX share;
- one 2008 share subscription warrant gives the right subscribe to 1.049 TOUAX share.

At December 31, 2012 there were no longer any stock option plans in force, and there were 22,500 BSAs issued in 2008 and 1,395,292 BSARs issued in 2007 still to be exercised. At the date this report was drawn up, the BSAs and BSARs were not in the money.

Powers delegated 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 authorized [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 résolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2012	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 résolution)	27 August 2013	Maximal nominal amount of the share capital that could be realized immediately or in the future: **€20 million**	unused in 2012	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 18.2 page 46.

Bonus shares

None

Injunctions or sanctions for anti-competitive practices

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 99. At December 31, 2012 there were no stock option plans in progress.

Dealings in securities carried out by the management

To the company's knowledge, the following securities transactions were carried out in 2012 by the managers and the General Partners:

- Société Holding de Gestion et de Participation, General Partner, acquired 1,000 shares in TOUAX SCA on November 20, 2012;
- Société Holding de Gestion et de Location, General Partner, acquired 2,000 shares in TOUAX SCA on November 21, 2012.

Shareholders and breakdown of voting rights

A list of the shareholders, the percentage of shares and voting rights held, and the thresholds crossed are presented in the reference document in section 18 page 44. There are no categories of shares or securities which do not represent capital. As a highlight, it should be noted that a shareholder, Sofina, increased its interest in the company at the beginning of 2013 to 23.22% of the capital.

Employee shareholding

None

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.

Regulated agreements

The following related party agreements concluded by TOUAX SCA remained in force during the 2012 fiscal year:

Companies concerned	Related party agreement
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
SCI FRANKLIN LOCATION	Offices lease contract

The tax consolidation agreements that expired at the end of 2012 were renewed.

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 104. 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.

- *Environmental and market risks*

These risks are in particular economic and geopolitical risks and risk of exposure to sustained competition.

- *Risks linked to the business*

These are mainly business risk, customer counterparty risk, risk of dependence on a customer or supplier, supplier risk, technical risk, subcontractor risk and management risk.

- *Financial risks*

These are market risks (interest rate and foreign exchange risk), liquidity risk, equity price risk, counterparty risk for financial institutions, and risk of raw material price volatility.

- *Insurance – coverage of the risks*

The Group has a systematic policy of insuring its tangible assets and its general risks.

V. Other resolutions submitted to the shareholders

Renewal of the terms of office of the members of the Supervisory Board (8th to 13th resolutions) and setting of the director's fees (7th 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, 2012.

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 2013:

- 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.

A detailed presentation of the six members whose terms of office you are asked to renew is given in section 1.5 page 132 of the report of the Chairman of the Supervisory Board.

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 15, 2012 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;
- 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;
- cancel the shares to the extent of the vote of the 20th resolution.

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, 2012 the company held 5,265 of its own shares, it being stated that during the 2012 fiscal year it bought 128,495 shares and sold 130,004 shares under the liquidity agreement, the sole purpose of which was market making and ensuring the liquidity of the TOUAX share.

The transactions are summarized in the following table:

Declaration by TOUAX SCA of transactions in own shares on February 28, 2013	
Percentage of the share capital held directly or indirectly	0.34%
Number of shares cancelled during the past 24 months	
Number of securities held in the portfolio	9,422
Book value of the portfolio (€)	190,312.94
Market value of the portfolio (€)	174,495.44

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 11, 2013 (14th resolution). The General Meeting will also discuss the authorization to cancel shares (20th resolution).

Our company wants to implement this stock redemption programme with the same aims as those adopted by the General Meeting of June 15, 2012.

Regarding the aim of stabilizing the share price, 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: €40
- Maximum amount: €22,961,068
- Length of the programme: 18 months from the authorization granted by the Ordinary General Meeting on June 11, 2013, i.e. until December 10, 2014.

Resolutions to be submitted to the extraordinary shareholders' meeting shall be detailed in a separate management report.

We ask you to approve the draft resolutions which are submitted for your approval.

La Défense, March 27, 2013

Fabrice and Raphaël WALEWSKI

The Managing Partners

26.2. SPECIAL REPORT OF THE MANAGING PARTNERS CONCERNING STOCK OPTIONS

2012 fiscal year

As required under Art. L.225-184 of the French Commercial Code, shareholders are informed that 19,480 stock options were exercised in the course of the 2012 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 expired on August 7, 2012. In 2012, 2,319 stock options lapsed and 19,480 options were exercised. There were therefore no more stock options to be exercised at December 31, 2012.

The Group has not put in place any other stock option plans.

La Défense, March 27, 2013

Fabrice and Raphaël WALEWSKI

The 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 2012 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 27, 2013, the Supervisory Board, preceded by the Audit Committee, examined the individual and consolidated financial statements for the fiscal year to December 31, 2012.

The Managing Partners' report and the financial statements provided to you show the developments in the Group's business and results during the 2012 fiscal year. The Statutory Auditors have reported the findings of their audits.

2012 was marked by a 7% increase in revenues (slight fall in leasing revenue of 1.1% and rise in sales of 21.5%) and by a fall in the operating income before tax and extraordinary items (-7%). The net result (Group's share) was down 32% compared with 2011, at €9.1 million.

The highlights of 2012 were a significant increase in the proportion of proprietary assets held (capital assets and inventory) of €169 million due to the inclusion in the consolidation perimeter of SFR Railcar Leasing Ltd as well as the external growth operation in Africa in the Modular Buildings business.

The Managing Partners and Supervisory Board of your company propose to the General Meeting to allocate a dividend of €0.50 per share, given that an interim dividend of that amount was paid in January 2013. The amount distributed represents about 32 % of the consolidated earnings, while the average of the amounts distributed for the last five fiscal years represents about 35 % of earnings. In order to reward the loyalty of the shareholders who support the Group in its growth policy, the management proposes to allocate free shares by means of a capital increase by incorporation of the issue premium, which the Supervisory Board also recommends.

The banking ratios ratios computed on the Group's consolidated financial statements were respected. The bank gearing ratio (debt with recourse/equity capital) stood at 1.47 at the end of 2012 compared with 1.51 at the end of 2011. The bank leverage ratio, which indicates the ability to repay financial debts (net indebtedness with recourse/EBITDA), increased with a ratio of 4 years in 2012 compared with 3.7 years in 2011. The bank leverage ratio was respected.

Taking into account the total debt (with and without recourse) the gearing was 2.5, which is within the internal limit of 2.8 recommended by the Supervisory Board. On the other hand, at 6.8 years, the leverage ratio was higher than the internal limit of 5 years recommended by the Supervisory Board. This limit was not temporarily respected due to the impact of the economic crisis on the Group's profitability since 2009 in particular in Europe and the investments made in emerging countries as well as the development on these zones.

The Group's balance sheet was sound at the end of 2012. The consolidated balance sheet totalled €776.1 million in 2012 compared with €607 million in 2011. Against net debts of €433 million, the Group has in particular (i) net tangible fixed assets, stocks and equipment rented out to customers under finance leases totalling €589 million, (ii) goodwill totalling €34 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 a total of €1.6 billion, including €871 million on behalf of third party investors.

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, the one concerning renewal of the stock redemption programme, as well as those concerning the authorization to increase the capital and cancel shares acquired under the stock redemption programme.

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 27, 2013

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 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 Senior Management of the Group, and was discussed and approved at the meeting of the Supervisory Board of March 27, 2013.

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 France.

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 14 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 put to the vote of the shareholders at the Combined General Meeting of June 15, 2012.

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 2011 fiscal year, in 2012 it amounted to €490,300 for Société Holding de Gestion et de Participation and €490,300 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 about €2 million in assets managed by the Group. These investments are governed by a Code of Practice which has been approved by the Supervisory Board. The General Partners receive the same 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 11 times in 2012. The main purpose of these meetings was:

- payment of an interim dividend;
- closing of the annual individual and consolidated financial statements and closing of the consolidated half-year financial statements;
- authorization of financing of assets;
- authorization to issue bonds;
- recognition of the 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 14 of the reference document, it being stated that the compensation of the Managing Partners amounted to €862,200 in 2012.

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 gross 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 TOIJAX 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 €2 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 managers receive the same conditions for management of their assets as those offered to third party investors. The revenues from such managed assets are not guaranteed by the Group; the management fees charged by the Group are the same as those charged on the market, and the assets are managed indiscriminately in existing equipment pools. In 2012, 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. On December 31, 2012 the Managing Partners still own these assets.

1.2.1. Current terms of office of Raphaël WALEWSKI

- Commencement date: 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: 46,
- A 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, TOUAX Modular Building USA Llc, SIKO Containerhandel GmbH, TOUAX Sp.zo.o., TOUAX Sk, TOUAX Sro, TOUAX BV, TOUAX Africa, TOUAX Maroc Capital, SACMI, RAMCO, TOUAX Capital SA, TOUAX CONTAINER Lease Receivables Corporation, TOUAX Corporate SAS, TOUAX Corporation, TOUAX Lease SAS, TOUAX Equipment Leasing Corporation, TOUAX Espana SA, TOUAX Finance Inc., TOUAX Assets BV, 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 Texmaco Railcar Leasing Private Ltd.

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

Raphaël WALEWSKI did not directly hold any shares in TOUAX SCA at December 31, 2012.

1.2.2. Current terms of office of Fabrice WALEWSKI

- Commencement date: 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: 44,
- A 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, TOUAX Modular Building USA Llc, 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 Llc, TOUAX Rom SA, TOUAX Hydrovia, TOUAX Texmaco Railcar Leasing Private Ltd.

He is also Chairman of Société Holding de Gestion et de Participation and Managing Partner of SCI Franklin Location. He also holds duties in Dunavagon Sro and DV01 Zrt. Fabrice WALEWSKI did not directly hold any shares in TOUAX SCA at December 31, 2012.

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 ....Managing Partner
....(assumption of duties June 1994)

Fabrice WALEWSKI ....Managing Partner
....(assumption of duties June 1994)

Stephen PONAK........Managing Director – Asset Management
....(assumption of duties January 1998)

Thierry SCHMIDT de La BRÉLIE ....Administration
............and Finance Officer (assumption of duties March 2005)

1.3.2. 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 20 times during 2012, and all of the members attended each meeting.

Financial committee meetings of a technical nature are also held 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 €1,264,900 in 2012.

1.3.4. Stock options and stock warrants allotted to the members of the Executive Committee

Only one stock option plan remained, which was issued in 2006 and expired on August 7, 2012. 15,770 options were allotted to certain members of the Executive Committee, of which 7,885 were exercised in 2012 by one of the members of the Executive Committee. At December 31, 2012 there were no remaining stock options for the members of the Executive Committee.

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. At the present date, the 22,500 BSAs have lapsed.

On February 2, 2007 the Management Board issued bonds with redeemable equity warrants (OBSARs). At December 31, 2012, to the best of the company's knowledge none of the members of the Executive Committee held any BSARs. It is stated that BSARs were sold in 2010 by Raphaël WALEWSKI to Société Holding de Gestion et de Location and, in 2011 by Fabrice WALEWSKI to Société Holding de Gestion et de Participation. The BSARs were not in the money when this report was drawn up.

1.4. The 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, all of whom were re-elected in 2012 for one year.

The status of independent member of the Supervisory Board was discussed by the Supervisory Board before publication of the annual report. In March 2013 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. The criteria adopted for deciding that two of the members are not independent are explained in section 1.5.

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. Organization of the Supervisory Board

In accordance with legal provisions and the Articles of Association, the Supervisory Board continually monitors the management of the company.

The work of the Board is organized by its Chairman. Meetings of the Board are held to inspect and control the management and the sincerity of the annual and half-year financial statements closed by the Managing Partners, 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 2012 were: presentation of the Modular Buildings business, renewal of related party agreements, 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 departments under the authority of the Managing Partners;
- organizes and manages the work of the Supervisory Board;
- ensures that the members of the Board are able to perform their mission, and in particular makes sure that they have the information and documents needed to carry out their mission.

The Supervisory Board is assisted by an Audit Committee, which 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 2012 fiscal year. The average attendance rate was almost 92%, given that at two of the four meetings all members were present, and at the two other meetings, one member was absent.

Participation of the members of the Supervisory Board at Board meetings in 2012:

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

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 were able to improve their knowledge of the Modular Buildings business thanks to a presentation by the director.

1.4.5. Assessment of the functioning of the Supervisory Board

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 and suggested improvements. In 2012 an assessment was carried out using the same method.

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 2011. 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 concerning presentations to be made in turn by the managers of the functional departments, and the length of the meetings which will be extended to allow more in-depth discussions.

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 2012 fiscal year, in accordance with the level of directors' fees set by the Extraordinary General Meeting of June 15, 2012.

The Ordinary General Meeting of June 11, 2013 will be invited to approve compensation of €63,000 for the 2013 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 attendance fees. Directors' 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

Alexandre WALEWSKI	
Date of first appointment within TOUAX	• Director from 1977 to June 30, 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 September 29, 2005
Expiry of term of office as member of the Supervisory Board	General Meeting of June 11, 2013 called to approve the financial statements for the 2012 fiscal year. That meeting will be asked to renew the term of office for a further year.
Independent director	No • Family relationship with the Managing Partners • Holds almost 9% of the capital of TOUAX SCA and 15% of the voting rights
Member of a Committee	Chairman of the Audit Committee
Mini CV	Alexandre WALEWSKI was the manager of the Group for 20 years.
Age	79 years
Nationality	French
Number of TOUAX shares held at December 31, 2012	532,787 shares
Directorships, managerial or supervisory positions held in the last five years in other companies (outside the TOUAX Group)	None

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

Jérôme BETHBEZE	
Date of first appointment within TOUAX	• Director from June 28, 2004 to June 30, 2005 • Member of the Supervisory Board since June 30, 2005
Expiry of term of office as member of the Supervisory Board	General Meeting of June 11, 2013 called to approve the financial statements for the 2012fiscal year. That meeting will be asked to renew the term of office for a further year.
Independent director	Yes
Member of a Committee	Member of the Audit Committee
Mini CV	Jérôme Bethbèze has gained financial expertise, thanks to over 25 years' experience working in financial institutions. For about twenty years he has carried out various management duties in the Quilvest group.
Age	51 years
Nationality	French
Number of TOUAX shares held at December 31, 2012	350 shares
Directorships, managerial or supervisory positions held in the last five years in other companies (outside the TOUAX Group)	2008: Chairman of the Board of Directors, Quilvest Gestion Privée 2009: Chairman of the Board of Directors of Quilvest Gestion Privée, member of the French Society of Financial Analysts (SFAF) 2010: Chairman of the Board of Directors of Quilvest Gestion Privée, member of the French Society of Financial Analysts (SFAF) 2011: CEO of Quilvest Family Office, member of the French Society of Financial Analysts (SFAF). 2012: CEO of Quilvest Family Office, member of the French Society of Financial Analysts (SFAF).

1.5.3. Jean-Jacques OGIER – member of the Supervisory Board

Jean-Jacques OGIER	
Date of first appointment within TOUAX	• As permanent representative of SALVEPAR from June 29, 2007 to June 9, 2009. • Member of the Supervisory Board since June 10, 2009.
Expiry of term of office as member of the Supervisory Board	General Meeting of June 11, 2013 called to approve the financial statements for the 2012 fiscal year. That meeting will be asked to renew the term of office for a further year.
Independent director	Yes
Member of a Committee	No
Mini CV	Jean-Jacques Ogier spent his career at Société Générale, mainly in overseas management positions (Morocco, Hong Kong, Americas), in both the retail bank and the investment bank. For two years, Jean-Jacques Ogier has been the organizational and financial consultant for a project in Russia.
Age	65 years
Nationality	French
Number of TOUAX shares held at December 31, 2012	250 shares
Directorships, managerial or supervisory positions held in the last five years in other companies (outside the TOUAX Group)	None

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

François SOULET DE BRUGIERE	
Date of first appointment within TOUAX	As permanent representative of SALVEPAR from June 29, 2007 to June 9, 2009.
Expiry of term of office as member of the Supervisory Board	General Meeting of June 11, 2013 called to approve the financial statements for the 2012 fiscal year. That meeting will be asked to renew the term of office for a further year.
Independent director	Yes
Member of a Committee	No
Mini CV	François Soulet de Brugière has spent almost all his career in the shipping industry, and has very extensive knowledge of the issues in this sector. He has also held management positions for very many years.
Age	59 years
Nationality	French
Number of TOUAX shares held at December 31, 2012	412 shares
Directorships, managerial or supervisory positions held in the last five years in other companies (outside the TOUAX Group)	2008: Vice-Chairman of the Supervisory Board of the Dunkirk Major Sea Port and Director of the La Rochelle Business School group. 2009: 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). 2010: 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). 2011: 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). 2012: Vice-Chairman of the Supervisory Board of the Dunkirk Major Sea Port; Director of the La Rochelle Business School group, and Vice-President of the French Ports Association (UPF).

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

Sophie DEFFOREY-CREPET	
Date of first appointment within TOUAX	As permanent representative of AQUASOURCA since June 18, 2008.
Expiry of term of office as member of the Supervisory Board	General Meeting of June 11, 2013 called to approve the financial statements for the 2012 fiscal year. That meeting will be asked to renew the term of office for a further year.
Independent director	Yes
Member of a Committee	No
Mini CV	Sophie Defforey-Crepet worked for almost ten years in advertising at the communications agency RSCG, before joining Valon. In 1998 she set up Aquasourca. She has been the treasurer of the Lyon Chamber of Commerce since 2010.
Age	58 years
Nationality	French
Number of TOUAX shares held at December 31, 2012	87,425 shares held by AQUASOURCA
Directorships, managerial or supervisory positions held in the last five years in other companies (outside the TOUAX Group)	2008: Chairwoman of Aquasourca and director of GL Events, Chapoutier and Emin Leydier. 2009: Chairwoman of Aquasourça and director of GL Events and Chapoutier 2010: Chairwoman of Aquasourça and director of GL Events and Chapoutier 2011: Chairwoman of Aquasourça and director of GL Events and Chapoutier 2012: Chairwoman of Aquasourça and director of GL Events and Chapoutier

1.5.6. Sophie SERVATY, member of the Supervisory Board

Sophie SERVATY	
Date of first appointment within TOUAX	Member of the Supervisory Board since June 10, 2010.
Expiry of term of office as member of the Supervisory Board	General Meeting of June 11, 2013 called to approve the financial statements for the 2012 fiscal year. That meeting will be asked to renew the term of office for a further year.
Independent director	No • linked to the SOFINA group, shareholder holding over 20% of the capital and voting rights of the company
Member of a Committee	No
Mini CV	Sophie Servaty has worked for Deloitte Corporate Finance in Brussels on numerous due diligence investigations, asset valuations and specific projects. Since 2004 Sophie Servaty has held the position of Senior Investment Manager at Sofina, a financial holding company.
Age	40 years
Nationality	Belgian
Number of TOUAX shares held at December 31, 2012	250 shares
Directorships, managerial or supervisory positions held in the last five years in other companies (outside the TOUAX Group)	2008: director of Sylve Invest SA, Vives SA, Capital-E NV and Capital-E Arkiv NV 2009: director of Sylve Invest SA, Vives SA, Capital-E NV and Capital-E Arkiv NV 2010: director of Sylve Invest SA, Vives SA, Capital-E NV and Capital-E Arkiv NV 2011: director of Capital-E NV, Capital-E Arkiv NV and Vives SA 2012: director of Capital-E NV

1.5.7. Proportion of women on the Supervisory Board

At December 31, 2012 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, as well as with the law of January 27, 2011 on representation of women in boards of directors and supervisory boards, which requires at least 20% of women on these boards from 2014.

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 2012. 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 2012 fiscal year;
- checking that the accounting and financial reporting process complies with legal and statutory requirements;
- 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.

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 TOUAX SCA legal department. If, however, this admission card is not received in time, holders of bearer shares may nevertheless attend the meeting provided that they present a certificate of shareholder status issued by the intermediary holding the account within the three days preceding the General Meeting;
- by giving proxy to the chairman of the General Meeting;
- by giving proxy to the person of their choice (spouse, partner with whom a civil solidarity pact has been concluded, another TOIJAX 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 instructions and business policies set by the senior management,
- proper functioning of the company's internal processes, particularly those helping to safeguard its assets,
- that financial information is reliable,

and 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 Board informs the Supervisory Board of any important matters.

The Supervisory Board

It is the responsibility of the Management Board 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.

The internal audit department helps the Management Board and the Supervisory Board to implement the Group's internal control system. A summary report that includes recommendations is systematically drawn up for internal audit missions. Action plans to improve internal control are implemented by the business departments following these missions.

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,
- to secure the Group's decision making and procedures,
- to encourage actions that are consistent with the Group's values,
- to mobilize the Group's employees around a common vision of the main risks.

These risks are identified in section 4 "Risk factors" page 5 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.

Internal risk mapping is also carried out and monitored, with the aim of organizing risk control within the Group. Risk mapping is provided by the Group's finance department with the help of the Managing Partners, the business directors and the internal audit department.

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. They are managed by the Group's Administration and Finance Department.

The aim of the Administration and Finance Department is to rapidly produce accounting and financial information that is reliable and pertinent, pass on this information, monitor risk, in particular financial, operational and counterparty risks, put in place administrative, accounting and financial procedures, provide legal and fiscal monitoring of the Group, consolidate the accounts and respect the accounting environment, implement the Group's financial policy and provide cash management.

Managing financial risk is an integral part of managing the Group. 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 freight railcars) and 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.

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 Group's Administration and Finance Department and the internal audit department are 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 systems, 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 the finance departments

One of the missions of the operational finance departments (shipping containers, modular buildings, freight railcars and river barges) and the corporate finance departments (holding company, financing etc.) is to monitor risk mapping, manage administrative and accounting procedures, and periodically produce financial information.

The role of the internal audit department is part of a process of continuous improvement of internal control and mainly involves auditing the processes in place, checking the implementation of the Group's internal control standards and recommending improvements for reducing risks.

The internal audit department complies with current professional standards (of the French Institute of Auditing and Internal Control - IFACI) and its approach is governed by an internal audit charter.

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.

The company periodically conducts inventories in collaboration with the operational departments and the administrative and finance 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 recognized meet the objectives regarding the true and fair nature of the annual financial statements. These procedures are an integral part of the internal control system described above.

These control procedures 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 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 and financial communications departments produce the information needed for financial communications.

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 2012.

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. Actions plans to reduce risks have been drawn up for the risks identified during these assessments, and these risks will be audited again in 2013.

La Défense, March 27, 2013

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 2012

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, 2012.

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.

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, 29 March 2013

The Statutory Auditors

LEGUIDE NAÏM & ASSOCIES	DELOITTE & ASSOCIES
Charles LEGUIDE	Alain PENANGUER

28. RECENTLY RELEASED INFORMATION

28.1. PRESS RELEASE OF FEBRUARY 26, 2013

2012 revenue: up 7% at €358 million

The consolidated revenue for 2012 was 358 million Euros compared to 336 million Euros for 2011, an increase of 7% (+1% at constant exchange rates and for a comparable scope of consolidation).

Unaudited consolidated data *(€ thousands)*	Q1 2012	Q2 2012	Q3 2012	Q4 2012	**TOTAL**	Q1 2011	Q2 2011	Q3 2011	Q4 2011	**TOTAL**
Leasing revenue (1)	51,349	55,973	57,682	54,030	**219,034**	51,621	54,364	55,613	59,821	221,419
Sales of equipment	31,783	48,130	15,474	43,565	**138,952**	13,708	30,406	13,565	56,716	114,395
Consolidated revenue	**83,132**	**104,103**	**73,157**	**97,594**	**357,986**	**65,329**	**84,770**	**69,178**	**116,537**	**335,814**

(1) Leasing revenue presented here includes ancillary services.

Leasing revenue decreased by 1% to €219 million in 2012 compared with €221 million in 2011, but sales revenue increased by 21% to €139 million in 2012 compared with €114 million.

The leasing revenue was affected by the discontinuation of river transportation and by a temporary drop in the utilisation rate of the modular buildings and railcars activities, caused by the weak European economy which was particularly pronounced in the second semester of 2012. However, this drop is limited to 1% due to the increase of the international leasing activities in the shipping containers.

The increase in sales revenue by 21% corresponds to a rise of syndications of shipping containers to investors and sales of modular buildings and river barges. Sales of shipping containers increased due to the dynamism of their market in a context of growth in global flows. Sales of modular building and river barges corresponds to new market shares won in Europe and to the Group's new presence in Africa.

Analysis of the contribution of the four Group divisions

Unaudited consolidated data *(€ thousands)*	Q1 2012	Q2 2012	Q3 2012	Q4 2012	**TOTAL**	Q1 2011	Q2 2011	Q3 2011	Q4 2011	**TOTAL**
Leasing revenue (1)	20,222	21,518	23,323	22,281	**87,344**	19,037	18,873	19,335	19,692	**76,937**
Sales of equipment	22,466	27,749	3,990	32,153	**86,358**	7,523	22,482	844	18,613	**49,462**
Shipping containers	**42,688**	**49,268**	**27,312**	**54,434**	**173,702**	**26,560**	**41,355**	**20,179**	**38,305**	**126,399**
Leasing revenue (1)	17,844	21,015	21,203	18,823	**78,885**	18,301	20,754	22,701	20,334	**82,090**
Sales of equipment	9,125	9,810	9,463	9,329	**37,727**	4,682	4,526	6,895	13,644	**29,746**
Modular buildings	**26,969**	**30,825**	**30,666**	**28,152**	**116,611**	**22,983**	**25,282**	**29,595**	**33,976**	**111,836**
Leasing revenue (1)	4,104	3,585	3,517	3,509	**14,715**	5,597	5,669	4,555	4,549	**20,370**
Sales of equipment	2	8,151	1,718	1,248	**11,119**	2	3,166		2	**3,170**
River barges	**4,106**	**11,736**	**5,235**	**4,757**	**25,834**	**5,599**	**8,835**	**4,555**	**4,551**	**23,540**
Leasing revenue (1)	9,158	9,826	9,614	9,279	**37,877**	8,686	9,067	9,022	15,163	**41,938**
Sales of equipment and misc.	210	2,450	330	971	**3,962**	1,501	230	5,827	24,543	**32,101**
Freight railcars	**9,368**	**12,275**	**9,944**	**10,251**	**41,839**	**10,187**	**9,297**	**14,849**	**39,706**	**74,039**
CONSOLIDATED REVENUE	83,132	104,103	73,157	97,594	357,986	65,329	84,770	69,178	116,537	335,814

(1) Leasing revenue presented here includes ancillary services.

The steady growth of emerging markets has continued to boost the Shipping Container market in 2012. This activity has supported new investments. Revenue for the division increased by 37% (27% in constant dollars). The container fleet increased by 14% compared to the end of December 2011, and the leasing revenue increased by €10.4 million in 2012. Leasing rates decreased slightly but the utilization rates remained high at 95%. Sales rose to €86 million compared with €49 million in 2011.

The economic situation in Europe in 2012 had a negative impact on the market for Modular Buildings and the division's profitability. The leasing revenue fell be 4% (i.e. €3.2 million) while sales increased by 27% to €38 million in 2012. Further to the acquisition in July 2012 of the Moroccan leader for modular buildings, the first results of the division's establishment in Africa will be felt in 2013.

Rail freight transport in Europe declined in 2012, negatively impacting the Freight Railcars leasing business and the division's profitability. Selective investments were made, but in view of the smaller volumes there were no sales to investors, resulting in a fall in sales of €23.6 million in Q4 2012. In the United States, business remained good with utilization rates that remain high.

The River Barges business continues to deploy its new strategy. The discontinuation of the transport business frees assets which are put up for lease or sale. Consequently the leasing revenue, which includes transport revenue, fell by €6 million, but sales increased by €8 million. The division's revenue increased by 10%. At the end of the year, the utilization rates were nearly 90%. 2012 marks a new momentum in the River Barges business with new investments in South America and the development of trade in river assets.

• Outlook

Shipping Containers: The latest studies by Clarkson Research in January 2013 forecast growth in containerized traffic of 6.1% in 2013 and 6.8% in 2014, after a rise of 3.7% in 2012. The dynamism of the leasing business and sales of shipping containers should continue, in particular thanks to its geographic positioning (over 50% of its leasing revenues come from Asian customers).

Modular Buildings: The division's current base with 95% of its activity in Europe makes it impossible to avoid the economic crisis there, and the profitability of the business will continue to be affected.

To rise up to this challenging situation, in 2013 the Group launched an action plan which aims to strengthen its development and reduce its costs, particularly by:

- optimising factories to increase productivity and lower break even points to increase flexibility;
- rationalising the network of agencies to share resources and optimise operational costs;
- sales of second-hand equipment to improve utilisation rates;
- the launch of new "low cost" products and the development of new market segments to increase sales margins;
- creation of an "Eastern Europe" cluster to increase synergies and strengthen our development in this area to increase sales volumes.

Touax is also continuing to develop internationally and the recent acquisition of the Moroccan leader in modular buildings has opened a strong growth potential in Africa, which will contribute over 10% of the department turnover in 2013. In 2013, the division will continue growing in emerging countries.

Freight Railcars: Rail freight transport does not show any improvement in the short term in Europe and therefore the group does not expect any improvement in profitability in 2013. Faced with this situation, the following measures will be implemented:

- slowing down of investments in Europe by being highly selective of new investments,
- optimising management and maintenance costs in partnership with rail workshops,
- tailored marketing strategy that gives priority to re-leasing existing equipment,
- development of a new range of services focusing on leasing (sale & lease back, technical management of fleets belonging to end users, trade of new and second-hand railcars).

The manufacturing of new railcars will be far below the structural replacement threshold for the fifth consecutive year in Europe. We therefore expect a recovery of the market and demand for rail equipment in Europe as from 2014. The division has continued to diversify geographically, by setting up business in Asia, with very promising forecasts. 2013 should be marked by the first investment in this area, which will be the subject of specific announcements. The Group also intends to profit from the recovery of the American economy by starting new investments in railcars through CFCL-Touax our U.S. rail joint-venture.

River Barges: The new positioning of the business will result in the development of the leasing business in Europe and South America, and the development of new services, including trade in river assets in Europe, South America and Africa.

The Group's EBITDA after distribution to investors (as defined in the reference document), is forecast (before audit) to rise by 7%, nearing 62 million € in 2012, and the net group share result is approximately 9 million €, dropping compared to 2011 (13 million €). The Group expects an activity in Europe still weak in 2013 and an improvement from 2014.

Fabrice and Raphaël WALEWSKI, the managers of TOUAX have added: "despite the weak European economy, the Group is still making a profit. We are actively working towards recovery in this area as forecasts show an improvement in 2014, and we are continuing our international growth strategy by diversifying in the emerging Asian, South American and African economies."

TOUAX distributed an interim dividend, similar as the previous year, of €0.50 per share on 11 January 2013.

28.2. PRESS RELEASE OF MARCH 27, 2013

Group share of net results for 2012: €9.1m

Main consolidated figures *(in €million - IFRS)*	2012	2011	variation 2012-2011
Revenue	358.0	335.8	6.6%
including Shipping containers	173.7	126.4	37.4%
Modular buildings	116.6	111.8	4.3%
River barges	25.8	23.5	9.7%
Freight railcars	41.8	74.0	-43.5%
Gross operating margin (EBITDA) [1]	**118.3**	**118.9**	**-0.5%**
EBITDA after distribution to investors	61.8	57.7	7.0%
Operating income	29.0	31.5	-7.7%
Consolidated net attributable income	9.1	13.4	-31.9%
Net earnings per share (€)	1.60	2.35	-31.9%
Total non-current assets	**563.8**	**410.6**	**37.3%**
TOTAL ASSETS	**776.1**	**606.6**	**27.9%**
Total shareholders' equity	173.0	146.3	18.2%
Net bank borrowing [2]	432.6	318.8	35.7%

(1) EBITDA (earnings before interest taxes depreciation and amortization) calculated by the Group corresponds to the current operating income plus allowances for depreciation and provisions for fixed assets.

(2) Including €178.9 million in debt without recourse in 2012.

The consolidated accounts on 31 December 2012 were approved by the Management Board on 27 March 2013 and were audited by the statutory auditors. The audit reports are in the process of being issued.

- *2012 fiscal year*

The consolidated revenue for 2012 was 358 million Euros compared to 336 million Euros for 2011, an increase of 7% (+1% at constant exchange rates and for a comparable scope of consolidation).

The Group has recorded a rise in international leasing of shipping containers, boosted by the dynamism of the sector in a context of increased global traffic.

The increase in sales of modular buildings and river barges corresponds to the acquisition of market shares in Europe and in the modular building business, to the Group's new presence in Africa.

At constant parity, assets managed rose by 9%. Overall, the Group managed 1.6 billion euros in assets at the end of 2012 (shipping containers, modular buildings, freight railcars and river barges), which it rents out to over 5,000 clients. The share of assets owned increased and now constitutes 45% of all assets managed.

EBITDA before distribution to investors is stable and EBITDA after distribution to investors rose 7% to 61.8 million euros.

Operating income was 29 million euros on 31 December 2012 as against 31.5 million euros in 2011.

Net income for the Group was 9.1 million euros for 2012, down from the 13.4 million euros recorded in 2011. This drop was due to the worsening economic situation in Europe, which is yet to be compensated for by the Group's international activities.

- *Analysis of the contribution of the four divisions of the Group*

Shipping containers: The division benefited from a booming global trade sector in 2012. Demand for shipping containers remained strong and utilization rates remained high. The Group increased its fleet under management by 14% compared with 2011, thus bolstering revenue by 37%. 50% of the revenue is generated with Asian clients.

Modular buildings: The slowdown in European economic activity has had an impact on the division's profitability and results. To counter this situation, the Group took measures which aim to reduce its costs and optimise its organisation. TOUAUX also gained a foothold in the African market via the acquisition of the leading name in the Moroccan modular building market, consolidating its diversification into emerging countries.

River barges: The Group has accelerated its presence in South America and continues to develop new services in most of the regions in which it is present, thereby generating a 10% increase in revenue.

Freight railcars: The economic slowdown in Europe triggered a drop in investment and thus of railcar sales in 2012, leading to a drop in revenue to 41.8 million euros.

- *Financial situation under control*

The Group's net indebtedness amounted 432.6 million euros compared with 318.8 million euros in 2011. This increase is due partly to the incorporation of SRF Railcar Leasing Ltd in the consolidation of the Group, and the remainder is largely due to the financing of the purchase of new equipment and the Group's development in Africa.

In 2012 TOUAX made net investments for in own behalf of 103.9 million euros and incorporated almost 80 million euros' worth of additional assets via the acquisition of SRF Railcar Leasing Ltd. The average rate of the gross financial debt as at 31 December 2012 was lower than for 2011 at 3.66% (3.73% at 31 December 2011). TOUAX had 59 million euros' worth of lines of credit available on 31 December 2012.

The Group's consolidated equity capital went from 146.5 million euros to 173 million euros.

In 2012, the Group diversified its sources of financing, issuing

22 million euros in bonds, 11 million in disintermediated asset financing and 10 million dollars in financing for development projects with minority partners.

The gearing with recourse ratio (financial debt with recourse / shareholders' equity) was 1.47. The leverage with recourse ratio (financial debt with recourse / annual EBITDA) was 4.01.

• *Proposed dividend: €0.50 per share and distribution of free shares*

The Management Board has decided to propose to the General Meeting of Shareholders to be held on June 11, allocation of a dividend of €0.5 per share for 2012. Given that an interim dividend of the same amount was paid in January 2013, no further amount will be paid.

To remunerate its shareholders, the Management Board has decided to propose to the General Meeting of Shareholders a distribution of free shares for an amount equivalent to €0.5 per share via a capital increase through the incorporation of reserves.

• *Outlook*

Shipping containers: In light of the Group's purely international orientation, it should benefit from a favourable environment for growth. In the wake of a 3.7% rise in 2012, the latest growth forecasts for container traffic from Clarkson Research Services Ltd are 6.1% for 2013 and 6.8% for 2014.

Modular buildings: Given its European localisation, the division is not expected to enjoy a favourable economic environment in 2013. To tackle this situation, the Group intends to pursue its installation in Africa and shore up its competitiveness in Europe.

Freight railcars: Rail transport of goods in Europe is not expected to improve in 2013 but demand for freight railcars could grow significantly in 2014, given the low level of investments made by the industry since 2009.

River barges: The structural recovery of river transport in Europe and the USA as well as the high needs in terms of transporting raw materials in South America, should promote growth in both leasing and sales of river barges businesses.

Raphaël and Fabrice WALEWSKI, Managing Partners, are expecting "European business to stagnate, leading to a weak first half of 2013, and thus no change from the second half of 2012. On the other hand, revenue is expected to rise in 2013 and 2014 in light of growth and investments in emerging countries".

• *Strengths of TOUAX*

The TOUAX Group's value creation strategy is chiefly based on recurring revenues (70% of leasing revenue – excluding services – comes from multi-year contracts), diversifying its business and an international development strategy:

- Diversification in our leasing and sales businesses covering four types of assets (shipping containers, modular buildings, river barges and freight railcars) and two types of management (management for our own and for third parties).
- A structurally buoyant demand on assets: growth forecasts for global trade (+3.5%, IMF January 2013) and transport are positive, which is favorable for the leasing of shipping containers; the need for flexibility, short delivery times and cost effectiveness favours modular buildings over traditional construction; environmental awareness, the increase in transport of raw materials and agricultural goods, and the liberalisation of rail freight transport in many countries all promote the leasing of river barges and railcars internationally.
- Owned fleet of assets (710 million euros of assets owned) of standardised and mobile equipment, with a long lifespan of between 15 and 50 years, makes it possible to achieve a recurring revenue streams via long-term contracts. These assets show low obsolescence, which constitutes a potential source of value for the Group over time by providing opportunities for capital gains.
- Assets managed on behalf of third parties (871 million euros of assets managed for third parties under long-term management contracts) to improve the Group's profitability of equity capital without tying up capital, accompany the Group's growth and demand from clients.
- A development policy with a strong international focus in order to benefit from global exchanges and new growth zones (over 50% of the revenue was generated outside Europe as at 31 December 2012). TOUAX is present on all five continents.

28.3. PRESENTATION OF THE OUTLOOK GIVEN AT THE SFAF MEETING ON APRIL 2, 2013

Section 6 Business Overview, section 12.2 of section 11 Known Trends, and expected changes described in the management report on page 40 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 2012, the Group increased its managed fleet by 14% compared with the end of December 2011, and will continue to invest in 2013, on its own behalf and on behalf of investors, and through sale and leaseback or trading;
- by developing new products for responding to the potential for growth in certain markets and by exploiting opportunities in emerging countries, and in particular in Africa, thanks to the acquisition of SACMI. In Europe, the Group has taken measures to adjust to the economic situation and with the aim, in particular, of lowering the break-even point of two assembly centres, restructuring the agency network, launching new products ranges in certain countries, developing offers relating to second-hand assets ;
- and growing in South America and Africa. The Group is positioning itself in long-term leasing agreements with leading global industrials and will continue to grow its sales and trading in inland waterway assets;
- and, in relation to freight wagons, by making selective investments in Europe, in preparation for the upturn anticipated in 2014, and in the United States of America, pending the upsurge of the energy sector and agricultural products market. The Group anticipates that its initial investments in Asia will take place in the second half of 2013. In Europe, the Group has taken measures to overcome the economic situation.

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 3.6% to 7%, with a fleet under management of 800,000 containers compared with about 565,000 at the end of 2012. In a context of growth of global trade of 3.5 % in 2013 estimated by IMF, of which 5.5% by the emerging and developing countries. 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 a strengthening in Eastern Europe. The Group expects to increase its sales revenue to €150 million within five years compared with €37.7 million in 2012. The development of the Group in Africa as well as in South America will help to meet this objective. The Group is not expecting an upturn in Europe although there is strong demand in Africa for portacabins, low-cost accommodation and modular buildings for companies and local authorities.
- The objective of the River Barges division is to develop new markets, particularly in South America and Africa. High demand from emerging countries for raw materials and agricultural products and the needs of renewal of old fleet in Europe or the new of new equipments in Africa, confirm the Group's aims to double its fleet in particular in South America and to triple its revenue linked with leasing;
- The objective of the Freight Railcars division is to expand in order to manage more than 15,000 railcars with 10,000 in Europe and 5,000 in Asia and the USA. The European average age of the fleet being old, there is a market need for replacement of 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 11 JUNE 2013

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 2012)

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, 2012, hereby approves the annual financial statements for the fiscal year ended December 31, 2012, as presented to the Meeting, showing a net income of €5,000,534.09.

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 €19,536, as well as a tax saving of €216,433 resulting from the fiscal integration.

SECOND RESOLUTION

(approval of the consolidated statement of the fiscal year 2012)

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, 2012, as presented to the Meeting, as well as the transactions reflected in these statements showing a Group's profit of €9,145,954.

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 2012 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 2012 fiscal year	5,000,534.09 €
Less General Partners' statutory compensation	-892,150.59 €
Less the allocation for the legal reserve	-250,026.70 €
Increased by the positive retained earnings	215,067.00 €
For a total of distributable profit of	**4,073,423.80 €**
Distribution of a dividend of €0.5 per share, for a total of	2,867,516.50 €
Already paid out in January 2013 as an interim dividend	
To allocate the balance to the retained earnings	1,205,907.30 €

The General Meeting sets the net dividend for the 2012 fiscal year at €0.5 per share. As a result of the distribution of an interim dividend of €0.5 per share on January 11, 2013, no further dividend will be paid out.

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.

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 euro)*	General partners's statutory compensation	Nature of the dividend*	Dividend per share	Number of dividend-bearing shares	Total of the distibution
2010		interim	0.50	5,691,522	2,845,761
	935,798	balance	0.50	5,697,901	3,784,749
TOTAL			**1.00**		**6,630,510**
2011		interim	0.50	5,735,033	2,867,517
	935,798	balance	0.50	5,712,507	3,792,052
TOTAL			**1.00**		**6,659,568**
2012		interim	0.50	5,735,033	2,867,517
	892,151				892,151
TOTAL			**0.50**		**3,759,667**

** 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.*

FIFTH RESOLUTION

(option for the payment of interim dividends in cash or in shares)

The General Meeting, after taking note of the Management Board report and in accordance with article 20.1 of the articles of association, noting that the capital is fully paid-up, decides to grant each shareholder for each interim dividend which could be decided by the Management Board, in accordance with article L.232-12 of the French Commercial Code, the possibility of opting for the payment in shares of all or part of the amount of the interim dividend net of any mandatory deduction due for the shares they own.

In accordance with article L.232-19 of the Commercial Code, in the event of this option being exercised, new shares will be issued at a price equal to 100% of the average of the opening price of the Company's share on the NYSE Euronext Paris market during the twenty stock market sessions preceding the day of the decision to distribute the interim dividend minus the amount net of the interim dividend.

Each shareholder will be able to opt for one of the two payment methods for each interim dividend.

If the amount of the interim net dividend for which the shareholder has exercised the option does not correspond to a whole number of shares, the shareholder will be able to:

- either obtain the whole number of shares immediately below, plus a balancing cash amount on the date of the exercise of the option,
- or obtain the number of shares immediately above, by paying the difference in cash.

The shareholders who would like to opt for the payment of the interim dividend in shares have a maximum of 2 months after the decision to distribute each interim dividend to make the request with the registered financial intermediaries. Consequently, any shareholder who has not opted in favour of the payment in shares by the end of the period will receive the interim dividend payment in cash.

For shareholders who opt for a payment in cash, the sums due to them will be paid after the aforementioned time-frame and set by the Management Board. The delivery of the new shares for the shareholders who have opted for the payment of the interim dividend in shares will occur after the aforementioned time-frame and on the date set by the Management Board.

The General Meeting gives the Management Board all powers to implement this resolution, with the power to delegate under statutory conditions, with the effect of setting the shareholders' decision period, taking all measures and carrying out all operations linked to or following the exercise of the option, carrying out any formalities related to the issue and listing of the shares, for ensuring successful completion and the financial servicing of the shares, for registering the number of shares issued, for carrying out the capital increase, consequently modifying the articles of association and carrying out communication formalities.

SIXTH 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, takes notes of the report and approved the regulated party agreements decribed in the said report.

SEVENTH 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.

EIGHTH RESOLUTION

(renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. Alexandre WALEWSKI's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2013.

NINETH RESOLUTION

(renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. Jean-Jacques OGIER's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2013.

TENTH RESOLUTION

(renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. Jérôme BETHBEZE's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2013.

ELEVENTH RESOLUTION

(renewal of a member of the Supervisory Board)

The General Meeting, noting that Mr. François SOULET de BRUGIERE's membership of the Supervisory Board expires at the end of the current General Meeting, renews him for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2013.

TWELFTH RESOLUTION

(renewal of a member of the Supervisory Board)

The General Meeting, noting that the term of office of AQUASOURCA, represented by Ms. Sophie Defforey-Crepet, as member of the Supervisory Board expires at the end of the current General Meeting, renews it for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2013.

THIRTEENTH RESOLUTION

(renewal of a member of the Supervisory Board)

The General Meeting, noting that Mrs Sophie Servaty's term of office as member of the Supervisory Board expires at the end of the current General Meeting, renews her for one year, i.e. until the end of the General Meeting called to approve the financial statements for 2013.

FOURTEENTH 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 on one or more occasions and at such times as it may deem fit, shares representing up to 10% of the share capital, subject to the following conditions:

Maximum purchase price per share:	€40
Maximum amount:	€22,961,068

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.

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.:

- supporting the secondary market and ensuring the liquidity of the TOUAX SCA share through a liquidity agreement with an investment services provider acting independently, in accordance with the AMAFI 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 as well as any allocatinf of shares as any employee savings plan or of the French statutory profit-sharing scheme and/or any other forms of allocating shares to employees and/or company officers (Corporate ou executive officers) ;
- 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 20th 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 AMAFI 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 13th resolution of the Ordinary General Meeting of June 15, 2012.

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.

FIFTEENTH RESOLUTION

(capital increase through incorporation of the issue premium and corresponding modifications of the articles of association)

The General Meeting, held under the conditions of quorum and majority of ordinary general meetings, after having heard the report from the Management Board, and in accordance with article L. 225-130 of the Commercial Code:

1) decides to increase the share capital currently standing at €45,922,136 and divided into 5,740,267 nominal shares of €8, by €1,148,048 to €47,070,184 euros by the direct incorporation into the capital of this sum taken from the "issue premium" account,

2) decides that this capital increase be carried out through the creation of 143,506 new nominal shares of €8, awarded free to shareholders on an exchange ratio of one (1) new share for 40 old shares,

3) decides that the new shares will be, as soon as they are created, identical in all respects to the existing shares, with double voting rights being granted, from their issue, to the registered shares attributed free of charge to a shareholder in the proportion of the existing shares which benefit from this right,

4) decides that the entitlements forming fractional lots shall not be negotiable or transferable, that the shares corresponding to all of the fractional lots will be sold on the market and that the proceeds of the sale will be allocated to the owners of the fractional lots in proportion to their rights thirty days at the latest after registration under their account of the whole number of attributed shares,

5) notes the definitive realisation, from this days onwards, of the aforementioned capital increase and grants all powers to the Management Board to take all the necessary measures, particularly measures to protect holders of securities giving access to the capital, and in general to take necessary steps,

6) decides, as a consequence of the above, to modify article 6 of the articles of association in the following way:

"The share capital is set at forty seven million, seventy thousand, one hundred and eighty four euros (€47,070,184) and is divided into five million, eight hundred and eighty three thousand, seven hundred and seventy three (5,883,773) shares with a nominal value of eight (8) euros each". The rest of the article remains unchanged.

SIXTEENTH RESOLUTION

(delegation of authority to be granted to the Management Board in order to increase the share capital with preferential subscription rights)

The General Meeting, after examining the report of the Management Board and the special report of the Statutory Auditors, in accordance with Articles L. 229-129, L. 225-129-2 and L. 228-92 of the French Commercial Code, hereby:

1) delegates its authority to the Management Board to proceed with the issue, on one or more occasions, in such amounts and at such times as it may deem fit, on the French and/or international market, whether denominated in euros or in any other currency or accounting unit based on a basket of currencies, with preferential subscription rights for existing shareholders, of ordinary shares, and/or debt instrument and/or more generally of securities composite or not, including subscription or acquisition warrants issued on a standalone basis, giving either immediate or future access, at any time or on a predetermined date, to the Company's share capital or conferring entitlement to debt securities, by subscription, whether in cash or by offset of payable liquid debt, conversion, exchange, redemption, presentation of a warrant or in any other, and it being specified that the issuance of preference shares is excluded from the scope of this delegation.

   In accordance with article L 228-93 of the Commercial Code, the securities to be issued can give access to ordinary shares in any company directly or indirectly owning more than half of the capital or of which it directly or indirectly owns more than half of the capital;

2) decides that the total nominal amount of capital increases that may be carried out, whether immediately or over time, may not exceed twenty (20) million euros, subject to the provisions of the 18th resolution. To this ceiling shall be added, where applicable, the nominal amount of the shares to be issued in the event of further financial transactions carried out, as provided by law, regulation or by contractual provisions, to protect the rights of holders of securities giving access to the share capital;

3) decides, should the Management Board uses this delegation, that the Management Board shall decide a reductible subscription rights if the subscription on an irreductible basis have not absorbed the entre securities or share issuance. The Management Board may have recourse, subject to the terms set forth by law and in the order it shall determine, to any of the options provided for by Article L. 225-134 of the French Commercial Code, and in particular may freely distribute all or part of the unsubscribed securities, offer to the general public all or a portion of the unsubscribed shares and/or securities and/or limit the issuance to the actual amount of subscription, provided chat such amount represent at least 3/4 of the approved issuance;

4) takes note that the decision to issue securities giving access to the Company's share capital shall entail, in favor of the holders of the issued securities, the express waiver by shareholders of their preferential right to subscribe to the shares to which the securities so issued shall give access;

5) grants all necessary powers to the Management Board in order to proceed with one or several capital increases that may deem necessary:

- to set the conditions of issuance(s), and, in particular, the forms and characteristics of shares and/or securities, to determine the amount to be issued within the limits set out above, the issuance price and the value of the share premium, set the starting and closing dates of the subscriptions;
- to record the completion of the capital increases and to make the corresponding changes in the articles of association;
- to calculate, on its own initiative, the capital increase costs on the amount of associated premiums and deduct from this amount the sums required to bring the legal reserve to one tenth of the new capital following each increase; and
- in general, to take any measures, pass any agreements, and carry out any formalities useful to the issue, the listing of

securities, the successful outcome and financial service of securities issued under this delegation.

This authorization is granted for a period of 26 months. It cancels and replaces the authorization granted by the 18th resolution of the General Meeting of June 27, 2011.

SEVENTEENTH RESOLUTION

(delegation of authority in order to increase the share capital without preferential subscription rights through a public offering and with a priority delay for the existing shareholders)

The General Meeting, after examining the report of the Management Board and the special report of the Statutory Auditors, recognizing that the capital is fully paid, and pursuant to Articles L. 225-129-2, L. 225-135, L. 225-136, L. 225-91 and L. 228-92 of the French Commercial Code, hereby:

1) delegates its authority to the Management Board, to proceed with the issue, on one or more occasions, in such amounts and at such times as it may deem fit, on the French and/or international market, by way of a public offering, either in euros or in any other currency or accounting unit based on a basket of currencies, of ordinary shares and more generally of any other securities, composite or not, including subscription or acquisition warrants issued on a standalone basis, giving either immediate or future access, at any time or on a predetermined date, to the Company's share capital or conferring entitlement to debt securities, by subscription, whether in cash or by offset of payable liquid debt, conversion, exchange, redemption, presentation of a warrant or in any other, and it being specified that the issuance of preference shares is excluded from the scope of this delegation;

2) decides that the total nominal amount of capital increases that may be carried out under this delegation, whether immediately or over time, may not exceed twenty (20) million euros, subject to the provisions of the 18th resolution, given that the total nominal amount of capital that may be carried out pursuant this delegation will court toward the overall ceiling provided for in the 16th resolution. To this ceiling shall be added, where applicable, the nominal amount of the shares to be issued in the event of further financial transactions carried out, as provided by law or contractual provisions, to protect the rights of holders of securities giving access to the Company's share capital;

3) decides to replace the shareholders preferential subscription right of in the context of the issues set out under this delegation with a priority period for shareholders to subscribe to the said shares and, to this purpose, cancel shareholders' preferential subscription right to ordinary shares and securities to be issued, it being understood that the Management Board should grant shareholders the right to priority subscription to all said issues for a period of time and according to the terms that it sets out. This priority subscription will not allow the creation of negotiable priority subscription right, and may involve subscription to shares as of right or, potentially, to excess shares;

4) decides that the issuance price for equity securities will be at least equal to the minimum price as required by the legal and regulatory provisions applicable on the day the price is set;

The issuance price for securities giving access to company capital will be such that the sum received immediately by the company, plus, as the case may be, the sum to be received eventually, is, for each share issued as a result of the issuance of these securities, at least equal to the issuance price set out in the previous paragraph;

5) resolves that if shareholder or public subscriptions have not absorbed the entire issue of shares or securities set out above, the Management Board can, in the order it sees fit, use one and/or other of the following powers pursuant to Article L225-134 of the French Commercial Code: (i) unsubscribed shares or securities may be fully or partly distributed by the Management Board to such persons as it chooses, in accordance with the legal and regulatory provisions currently in force, (ii) said shares or securities may be offered to the public, or (iii) the issue may be limited to the quantity of subscriptions actually received, provided these amount to at least three quarters of the issue originally decided on;

6) takes note that the decision to issue securities giving access to the Company's share capital shall entail, in favor of the holders of the issued securities, the express waiver by shareholders of their preferential right to subscribe to the shares to which the securities so issued shall give access;

7) grants all necessary powers to the Management Board in order to proceed with one or several capital increases that may deem necessary:

- to set the conditions of issuance(s), and, in particular, the forms and characteristics of shares and/or securities, to determine the amount to be issued within the limits set out above, the issuance price and the value of the share premium, set the starting and closing dates of the subscriptions;
- to record the completion of the capital increases and to make the corresponding changes in the articles of association;
- to make any adjustments to take into account the impact of the operation on the company's capital and decide the terms for ensuring the preservation of rights of holders of securities eventually giving access to company capital in accordance with the applicable legal and regulatory provisions, and, where necessary, contractual agreements, allowing for other adjustments;
- to calculate, on its own initiative, the capital increase costs on the amount of associated premiums and deduct from this amount the sums required to bring the legal reserve to one tenth of the new capital following each increase; and
- in general, to take any measures, pass any agreements, and carry out any formalities useful to the issue, the listing of securities, the successful outcome and financial service of securities issued under this delegation.

It is hereby stipulated that the Management Board may, within the context of the implementation of this delegation, modify, during the lifetime of the securities concerned, the terms given above, in accordance with applicable formalities.

This authorization is granted for a period of 26 months as from the present General Meeting. It cancels and replaces the authorization granted by the 19th resolution of the General Meeting of June 27, 2011.

EIGHTEENTH RESOLUTION

(delegation of authority to be granted to the Management board in order to increase the number of shares to be issued for issues that are oversubscribed)

The General Meeting, after examining the report of the Management Board and the special report of the Statutory Auditors, and ruling in accordance with articles L.225-135-1 of the French commercial code, authorizes the Management Board to decide, within the time periods and limits required by the legal and regulatory provisions applicable on the day of issuance (currently, within 30 days of the closure of the subscription, with a limit of 15% of the initial issue and at the same price as that used for the initial issue), for each issue decided on in application of the 15th and 16th resolutions, to increase the number of securities to issue, subject to compliance with the upper limit set out in the resolution in application of which the issue is decided.

This authorization is granted for a period of twenty-six months from this General Meeting.

NINETEENTH RESOLUTION

(delegation of authority to the Management Board to increase the capital reserved for Group's employees without preferential subscription rights)

The General Meeting, after examining the Management Board report and the special report of the Statutory Auditors, pursuant to Articles L.3332-18 to 3332-24 of the French Labour Code and Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code:

1) delegates its authority to the Management Board, to proceed, on one or more occasions, subject to the conditions provided for in Art. L. 3332-18 of the Labour Code, an increase of capital up to a maximum of €600,000, and to restrict this increase to the company's employees and to the associated companies pursuant to article L225-180 of the Commercial Code and investing in a company saving plan;

2) granted this delegation for a period of twenty-six months from today;

3) decides that the total quantity of shares that may be subscribed by employees may not exceed 3% of the amount of share capital on the date of the Management Board's decision, this amount being independent and separate from any ather ceilings provided for under authorisations to increase the share capital;

4) decides that the subscription price of the shares shall be set as provided for in Art. L.3332-18 of the Labour Code;

5) grants the Management Board full powers to implement the present authorization and, to that purpose,

- to set the number of new shares to be issued and the vesting date;
- to set the issuance price for the new shares, having considered the special report of the Statutory Auditors; and to set the deadlines for employees to exercise their rights;
- to decide when and how the new shares shall be paid out;
- to record the corresponding capital increase(s), and to amend the Articles of Association accordingly;
- to complete all necessary transactions and formalities entailed by the capital increase(s).

This authorization shall also constitute the existing shareholders' express waiver of their right of first refusal to the shares to be issued, in favour of the above employees.

TWENTIETH RESOLUTION

(authorization to reduce the share capital through cancellation of treasury stock in accordance with Article L. 225-209 of the French Commercial Code)

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 15th resolution of the Extraordinary General Meeting of June 15, 2012.

TWENTY FIRST RESOLUTION

(amendment of the articles of association)

The General Meeting, having made itself familiar with the Management Board report, decides to modify article 2 corporate purpose and to add a penultimate paragraph as follows:

"The Company's purpose, in all countries:

[...]

- the possibility of carrying out services of all kinds with regard to the Touax group, which can relate to the purposes stated above and to all similar or related purposes and which may aid the development of the company's business and that of its subsidiaries,

[...]".

TWENTY SECOND 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 9, 2013:

- 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;
- the reference document for the fiscal year ended December 31, 2011, submitted on April 5, 2012 under reference number D.12-0294.

31. GLOSSARY

River barge:

non-motorized metallic flat-bottomed vessel used to transport goods by river.

Shipping container:

standard sized metallic freight container.

Modular building:

building made of standard elements (modules), installed unmodified at a site by stacking and/or juxtaposition.

EBITDA :

Earnings Before Interest, Tax, Depreciation and Amortization. The EBITDA used by the Group is the current operating income (operating result after distribution to investors) restated to include depreciation and provisions for fixed assets.

EVP (Equivalent vingt pieds) : see TEU

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.

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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 website of the French Financial Markets Authority (AMF).

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