2019 Annual Results

Financial analyst meeting,
25 March 2020

Disclaimer

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy TOUAX SCA ("Company") shares.

It may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding the Company's results or any other performance indicator, but rather trends or targets, as the case may be.

Such documents are by nature subject to risks and uncertainties as described in the Registration Document filed with the French financial market authority (Autorité des Marchés Financiers - AMF) on 12 April 2019 under number D.19-0329.

This document contains summary information only and must be read in conjunction with the Company's Registration Document, the consolidated financial statements and the 2018 activity report.

More comprehensive information about TOUAX SCA may be obtained on the Group website (www.touax.com), under Investors Relations.

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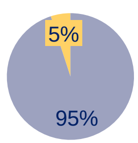
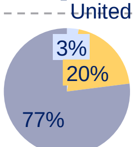
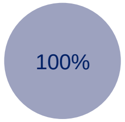
TOUAX
Your leasing solution for sustainable transportation

	Freight railcars	River barges	Containers
			
Market position	2 Intermodal wagons | *Europe*	1 *Europe* | 1 *South Am.*	1 *Europe* | 3 *Asset management World*
Description	**Activity** • Operating lease & financial lease solutions • Management on behalf of third parties • Sales (new and used) **Assets under management**[1] • 11,078 platforms • €292m in owned assets • €133m in assets managed for third parties • Average age: 20.8 years	**Activity** • Operating lease & financial lease solutions • Sales (new and used) **Assets under management**[1] • 97 barges • €74m in owned assets • €10m in assets managed for third parties • Average age: 13.6 years	**Activity** • Operating lease & financial lease solutions • Resale and trading (new and used) • Management on behalf of third parties **Assets under management**[1] • 434,816 TEU containers • €74m in owned assets • €589m in assets managed for third parties • Average age: 10.1 years
Key figures[2]	**36 %** *of revenue* | **63 %** *of EBITDA*	**7 %** *of revenue* | **9 %** *of EBITDA*	**48 %** *of revenue* | **24 %** *of EBITDA*
Breakdown of revenue by geographic area	see below	see below	see below





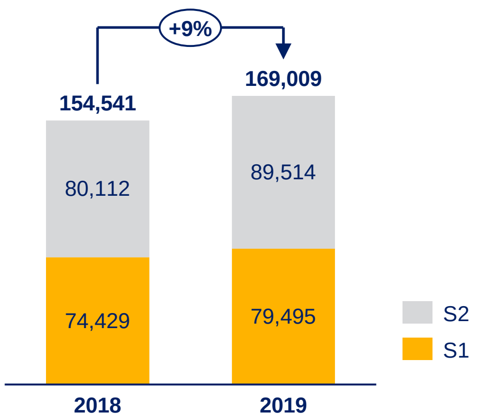


Notes
1 Historical value at 31 December 2019
2 The numbers for 2019 include Modular Building Africa (a joint venture owned with DPI, 51% owned by Touax) and the Corporate division

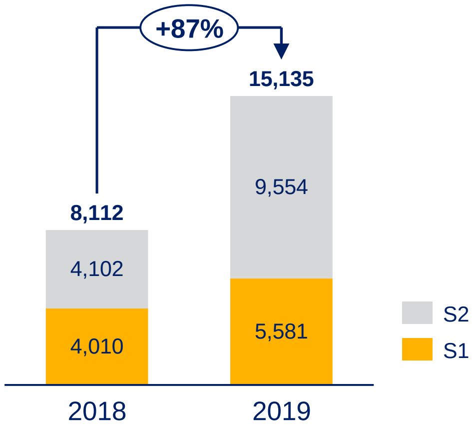
2019 Results

A strategic approach confirmed by a sharp improvement in the results

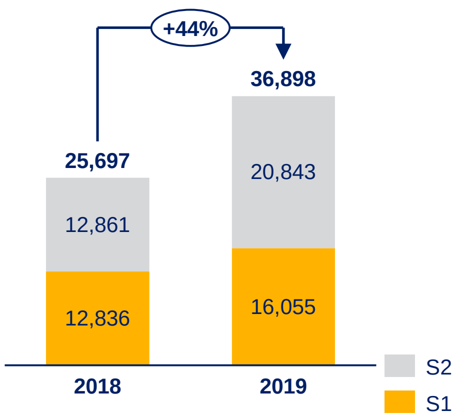
REVENUE FROM ACTIVITIES in thousands of euros



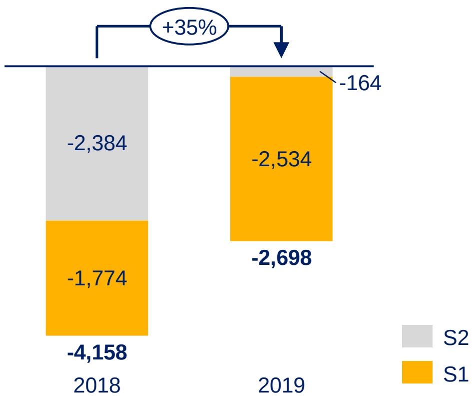
OPERATING INCOME in thousands of euros



EBITDA in thousands of euros



NET ATTRIBUTABLE INCOME in thousands of euros



Highlights in 2019

Return to positive net income before tax

- Successful refocus on its transportation equipment leasing activities
- Significant improvement in operating performance (Ebitda +44% and operating income +87% at end-December 2019), accompanied by a recovery in investment
- Revenue from activities up 9.4% to €169 million
- Positive net profit before tax of €0.7 million
- Successful refinancing with fund raising of €40m, issuance of a €10 million bond as part of a Euro PP, and syndication of €37.5 million of equipment to investors
- A loan-to-value ratio of 54%, giving the Group solid capacity for development

Operational strategy

Improvement in performance and profitability

Sustainable transportation leasing services: Organic and selective growth

Freight railcars

- Organic growth with investments in Europe and Asia financed by Touax (**maintenance investment**) and third party investors
- Increase in revenue thanks to **an increase in utilisation rates and leasing**

Barges

- **Selective investment** (investment in the renewal of owned assets)
- Start of an increase in the Touax-managed fleet financed by its partners to bolster management fees alongside income from owned assets.

Containers

- **New investment** (dry, refrigerated and special containers) with a higher share of **owned assets** to improve profitability and sustainability
- Increase in sales volumes (trading of new and used containers) in addition to recurrent leasing activities

Sustainable transportation leasing services: Improvement in margins

- **Ongoing improvement programme** and simplified processes at Group level
- **New fleet management organisation** in the freight railcars activity to improve quality and customer satisfaction and manage growth: increase in revenue in 2019 thanks to an increase in utilisation rates and leasing
- **Optimisation of costs**, maintain three flexible and progressive management platforms. Economies of scale achieved in 2019 with a €1.3 million reduction in general and administrative expenses

Modular building in Africa: increase in the value of our stake

- Strategy to improve volumes and margins. Focus on the education sector. Signature of major contracts (deliveries of schools, colleges and student residences) in Morocco and Ivory Coast for more than €34 million).
- Positive EBITDA target in 2020-2021, leading to an increase in the value of our 51% stake in Touax Africa

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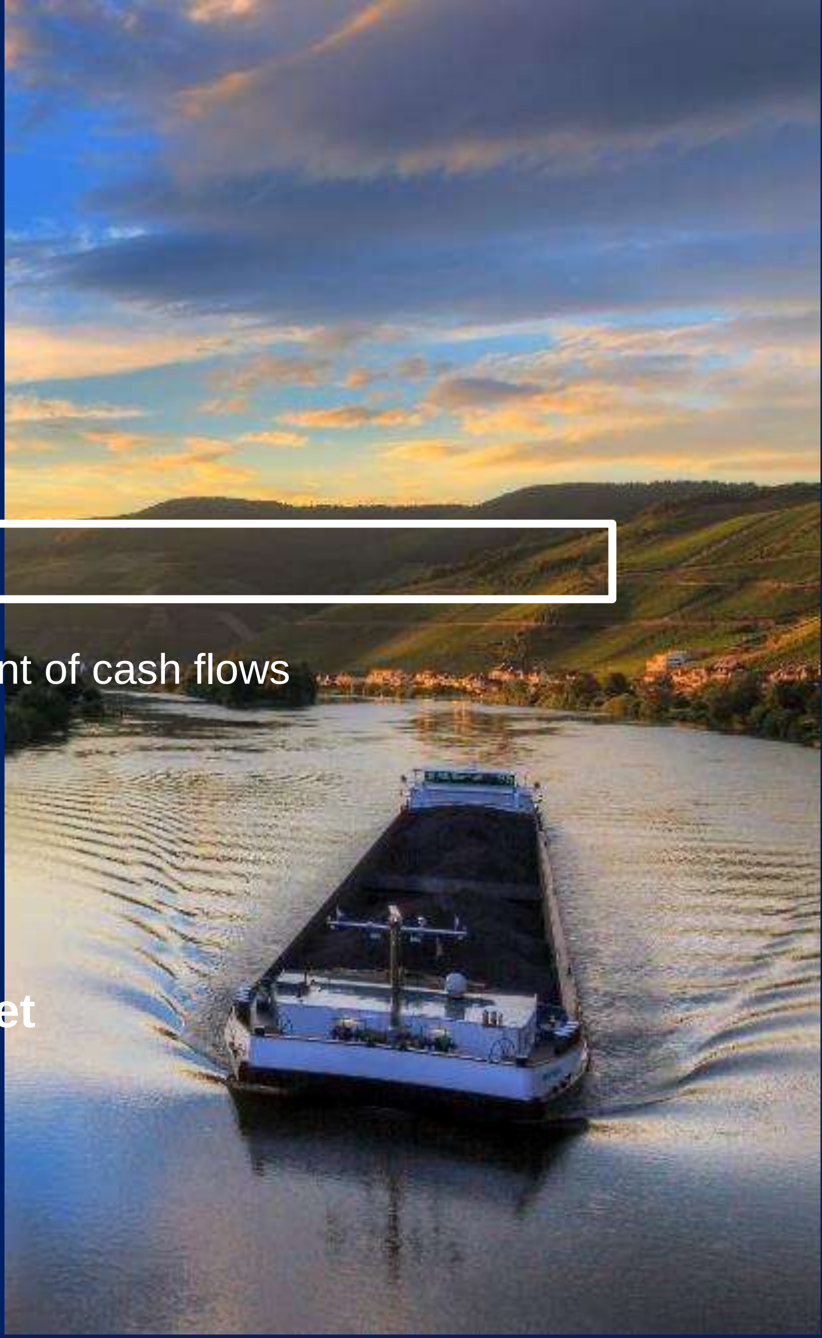


Income statement

In thousands of euros	2018	**2019**
Leasing activity	134,540	134,845
Sales of equipment activity	18,749	32,242
Fees on syndication and capital gains on disposals	1,252	1,922
REVENUE FROM ACTIVITY	**154,541**	**169,009**
Cost of sales of equipment	-13,644	-22,644
Operating expenses	-33,955	-33,873
General and administrative expenses	-23,842	-22,202
Net distributions to investors	-57,403	-53,392
EBITDA	**25,697**	**36,898**
Depreciation, amortization and impairments	-17,741	-21,763
CURRENT OPERATING INCOME	**7,956**	**15,135**
Other operating income and expenses	156	
OPERATING INCOME	**8,112**	**15,135**
Financial result & Profit (loss) of investments in associates	-10,243	-14,449
Income tax expense	-475	-1,485
Earnings from discontinued operations	-955	-741
NET INCOME	**-3,561**	**-1,540**
Attributable to Owners of the Parent	-4,158	-2,698
Attributable to Non Controlling Interests	597	1,158
Net earnings per share	**-0.59**	**-0.39**

IFRS16 impacts: EBITDA : +€1.3M; Net result: +€0.3M - see slide 20

Income Statement
Key points

- REVENUE FROM ACTIVITIES: +9.4% to €169 million (€164.2 million at constant scope and exchange rates) compared with €154.5 million in 2018.
  - Leasing revenue came to €134.8 million versus €134.5 million in 2018, with an increase in freight railcars (utilisation rate and leasing), a decrease in river barges (South America) and a decrease in containers (reduction of the managed fleet while leasing revenue on owned equipment increased by +53.5%).
  - Sales reached €32.2 million versus €18.7 million in 2018, thanks notably to trading in new and used containers.
  - Syndication fees and capital gains increased to €1.9 million versus €1.3 million in 2018.

- EBITDA came to €36.9 million, an increase of 44%, with a sharp improvement in the performance of the containers division while the railcar division was in line with 2018.

- CURRENT OPERATING INCOME came out at €15.1 million, an increase of 90.2% compared with 2018 (€8.0 million).
  - Operating expenses of €33.9 million versus €34 million in 2018: increase in the freight railcar division notably due to the cost of repairing and servicing railcars for leasing, which was offset by a reduction in containers (reduction of the fleet - end of finance-lease contracts).
  - A decrease in general and administrative expenses to €22.2 million. A decrease in general and central expenses.
  - An increase in amortisation and depreciation (+23%): mainly relating to the railcar division (+€2.1 million) and the impact of IFRS16 (+€1.6 million)
  - Distribution to investors decreased mainly as a result of the sales of used containers on behalf of third parties.

- NET FINANCIAL EXPENSE of €14.4 million compared with €10.2 million in 2018, due to the combined effects of the following:
  - An increase in interest expense: an increase in the drawdown on the revolving asset financing line of the containers division to finance investments and new financing within the corporate division.
  - The net financial expense incorporates a non-recurring exceptional foreign exchange loss of €1.2 million on intra-group loans in USD, which was not offset by the hedging of foreign exchange risk with Monex Europe Markets Limited, a UK broker accredited and regulated by the FCA.
  - Impact of IFRS16: €0.4 million.

- PROFIT BEFORE TAXES of €0.7 million compared with -€2.1 million in 2018. Corporate income tax amounted to €1.5 million, broken down into deferred tax of -€0.6 million and a current tax charge of -€0.9 million.

- NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT came out at -€2.7 million versus -€4.2 million in 2018, of which:
  - -€0.6 million relating to the Modular Building Africa activity (EBITDA at breakeven). A residual loss on discontinued activities: -€0.7 million. A non-recurring foreign exchange loss: -€1.2 million.

Income Statement
EBITDA

In € million	2019			2018	
	EBITDAR (before distribution to investors)	Distribution to investors	EBITDA (after distribution to investors)	EBITDA (after distribution to investors)	VARIATION 2019-2018
Freight railcars	28.6	-5.6	23.1	22.9	0.2
River barges	3.5		3.5	4.5	-1
Containers	56.7	-47.8	8.8	2.2	6.6
Other *	1.5		1.5	-3.9	5.4
31/12/2019	**90.3**	**-53.4**	**36.9**	**25.7**	**11.2**
31/12/2018	83.1	-57.4	25.7		

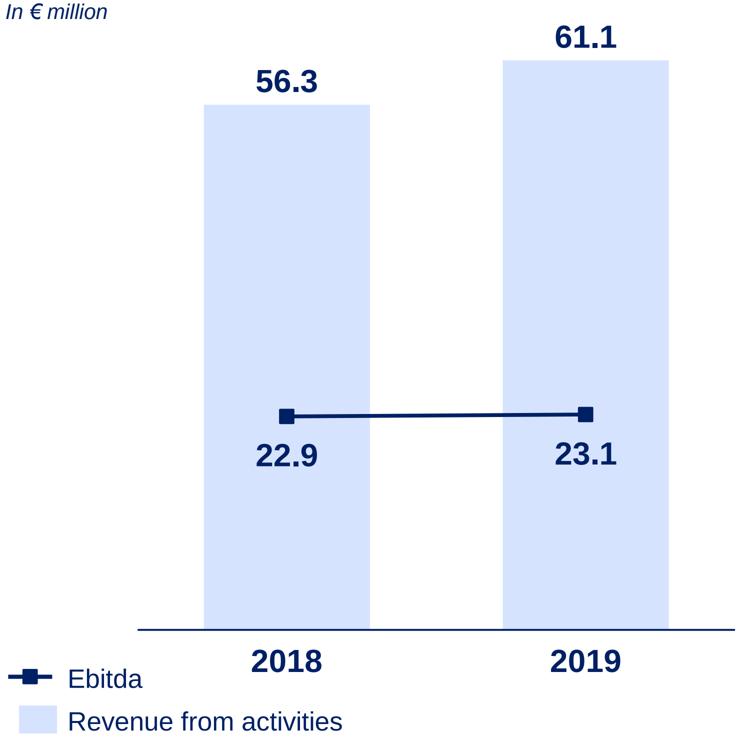
* Modular Building activity in Africa and corporate expenses

- The Modular Building activity in Africa improved thanks to an increase in its order book.

Performance analysis - Freight railcars

Revenue from activities and EBITDA

In € million

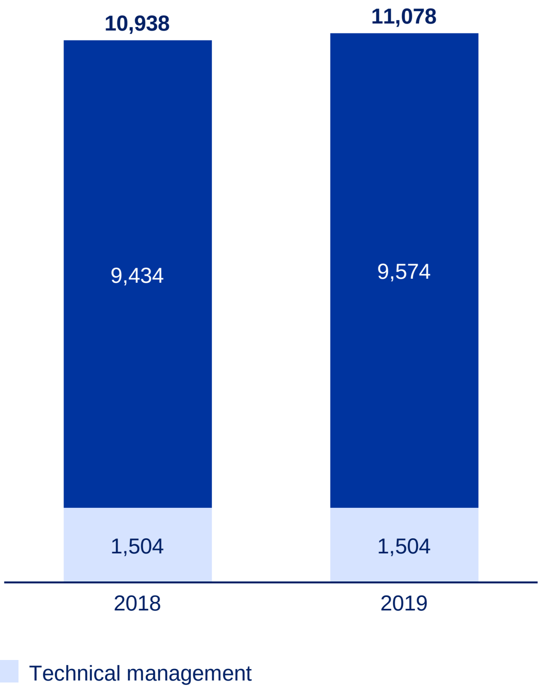


Key points

- Leasing revenue up by 9.3%:
  - increase in the average utilisation rate: 88.7% (89.5% in December 2019) versus 84.9% in 2018
  - increase in the leasing rates in renewed contracts
- Increase in syndication margins of 56.6% to €1.1 million
- Operating expenses: +€2.8 million
  - mainly due to the cost of repairing and servicing railcars for leasing
- EBITDA stable at €23.1 million

A tangible asset base - Freight railcars

Number of freight railcars (platform equivalent)



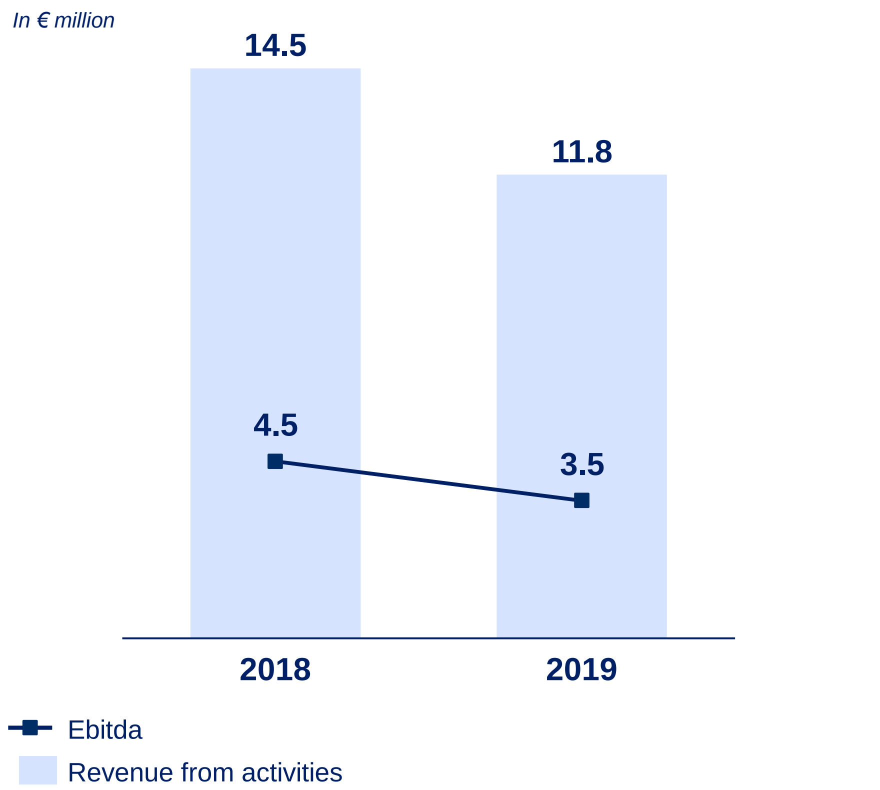
A recent high-quality fleet

	Dec. 2018	Dec. 2019
Average age of the fleet	20.4 years	20.8 years
Average utilisation rate	84.9%	**88.7%**
Average leasing period	3.8 years	2.8 years

Economic lifespan	30 to 50 years
Depreciation	36 years

Performance analysis - River barges

Revenue from activities and EBITDA



Key points

- Decrease in leasing revenue due to a lack of momentum on the South American market
- No barge sales in 2019, unlike 2018
- EBITDA of €3.5 million versus €4.5 million in 2018
- Investment: 1 barge (€1.3 million) over the year
- Financing and refinancing of seven barges and financing of three new barges in February 2019; refinancing of 14 barges in December (finance lease and operating lease)

A tangible asset base - River barges

97 river barges

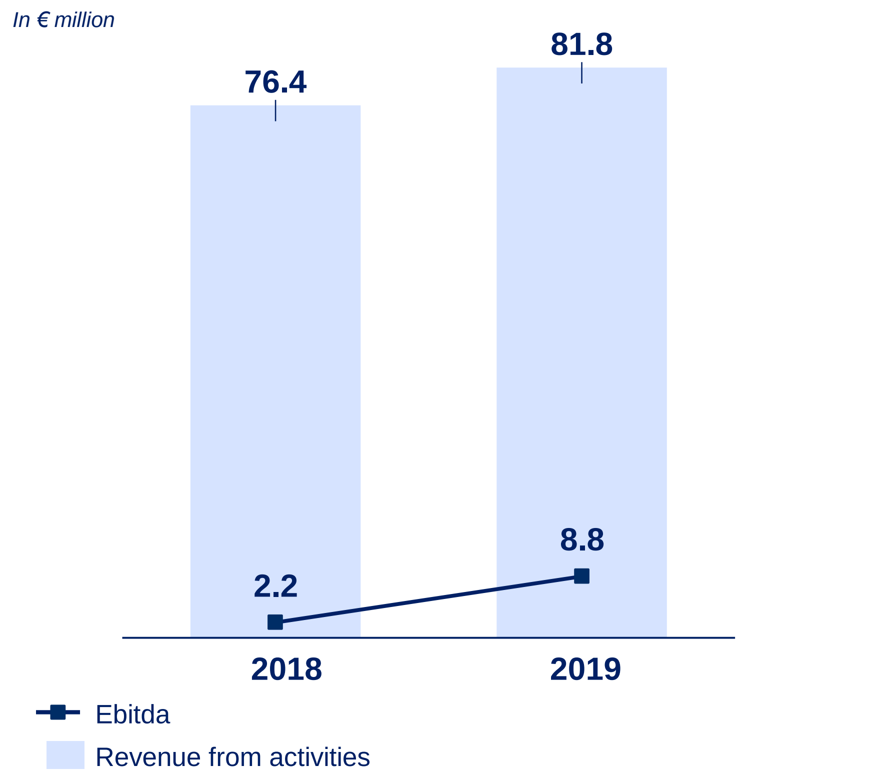
51% in Europe and 39% in South America

	Dec. 2018	Dec. 2019
Average age of the fleet	13.7 years	13.6 years
Average utilisation rate	90.3%	**90.5%**
Average leasing period	5.4 years	5.8 years

Economic lifespan	30 to 50 years
Depreciation	30 years

Performance analysis - Containers

Revenue from activities and EBITDA

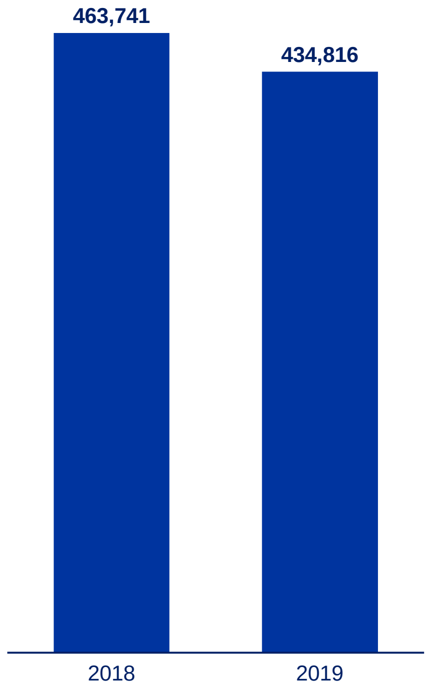


Key points

- Over the last 24 months, $33.2 million was invested in owned containers
- Increase in leasing revenue on owned equipment of +53.6% to €7.6 million (+45.6% at constant exchange rates)
- Decrease in revenue on investor-owned equipment to €49 million due to the temporary effect of the reduction in the managed fleet.
- Good momentum in the trading of new and used containers: +105.5% to €16.6 million in 2019 versus €8.1 million in 2018
- Significant increase in EBITDA to €8.8 million

A tangible asset base - Containers

Number of containers (TEU)



A high quality fleet (standard dry 20 and 40-foot containers)

	Dec. 2018	Dec. 2019
Average age of the fleet	9.5 years	10.1 years
Average utilisation rate	98.7%	97.1%
Average leasing period	6.5 years	6.6 years
% of leasing contract (3-7 years)	88.9%	89.5%
Economic lifespan		
Seagoing		15 years
Land		20 years
Depreciation		13 years
Residual value of between $1,000 and $1,400		

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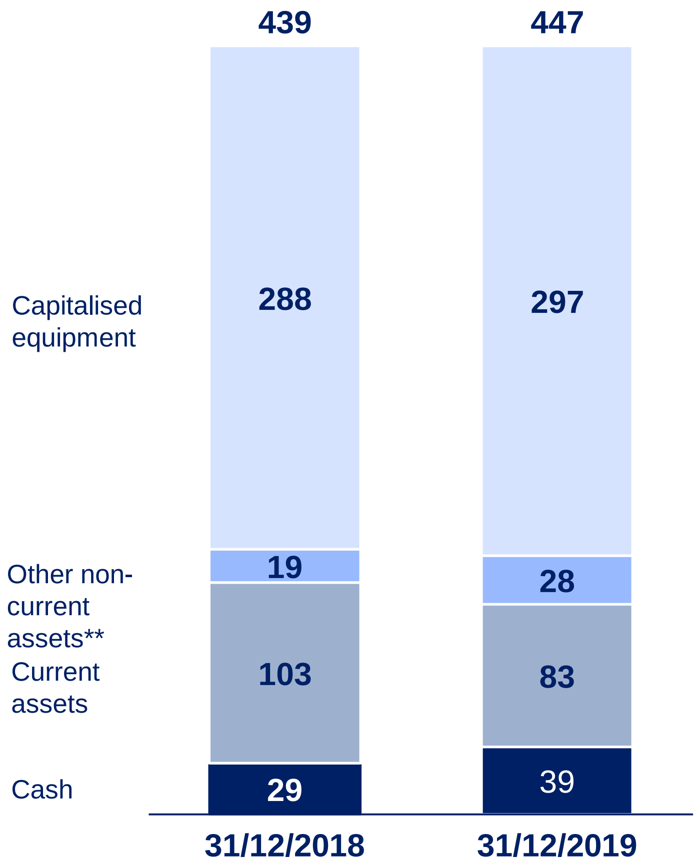
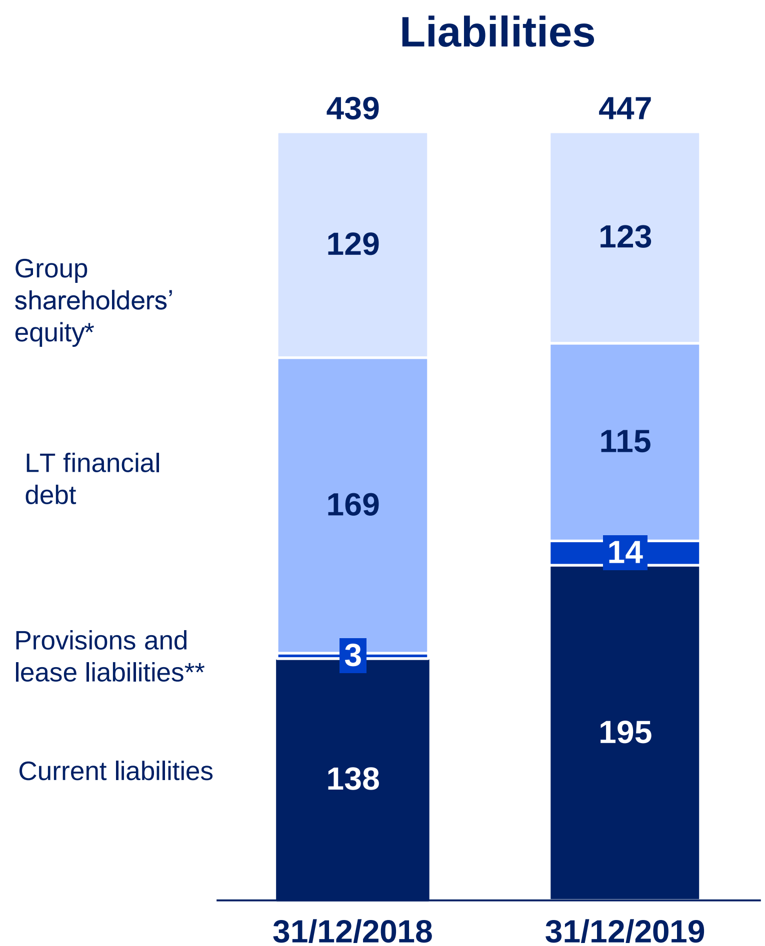
Balance Sheet

Comparative summary balance sheet

In € million





** of which right of use of €16 million – pursuant to IFRS 16

* of which €50.2 million in undated super subordinated notes

*** of which €11.1 million in long term lease liabilities

Balance sheet & Income statement

Impact of IFRS 16

- On the balance sheet
  - Under assets, creation of a “Right of use” line item under which the capitalisation of lease contracts is recognised in the amount of €16.1 million (of which €13.4 million related to finance leases on barges, previously recognised under “tangible assets”, and €2.7 million of right of use on operating leases of the head office notably).
  - Recognition of offsetting lease liabilities of €13 million in separate lines under financial debt.

- In the income statement
  - No impact on the 2018 comparative statement (simplified retroactive approach). Impact on 2019 income statement:
    - Elimination of lease expenses of €1.3 million (impact on EBITDA)
    - Amortisation of right of use -€1.6 million (impact excluding finance leases -€0.9 million)
    - Recognition of financial expenses on lease liabilities in the amount of -€0.4 million (impact excluding finance leases of -€0.1 million)

- In summary, the application of IFRS 16 at this point is an increase in the balance sheet assets/liabilities of €3 million, in EBITDA of +€1.3 million and in net income of +€0.3 million

Balance sheet
Key points

- **Capitalised equipment** €297 million, +€9 million versus 2018: slight increase in the owned fleet

- **Other non-current assets:** mainly include goodwill (€5.1 million), right of use (IFRS 16 for €16 million, of which €13 million relating to barges) and tax certificates (€3.6 million)

- **Current assets** (excluding cash and cash equivalents) of €83 million versus €103 million
  - Inventory of €43.7 million (-€23.5 million, of which -€28.4 million relating to the containers division in 2019 (acquisitions in 2019 net of sales and the reclassification of 2018 investments under fixed assets)
    - +€5.9 million relating to the freight railcars division (spare parts)
  - Trade receivables €28.5 million, no change
  - Other €10.3 million, of which escrow account €3.3 million

- **Shareholders' equity** €123.1 million versus €129.1 million (of which non-controlling interests of €25.3 million and €24.1 million respectively)

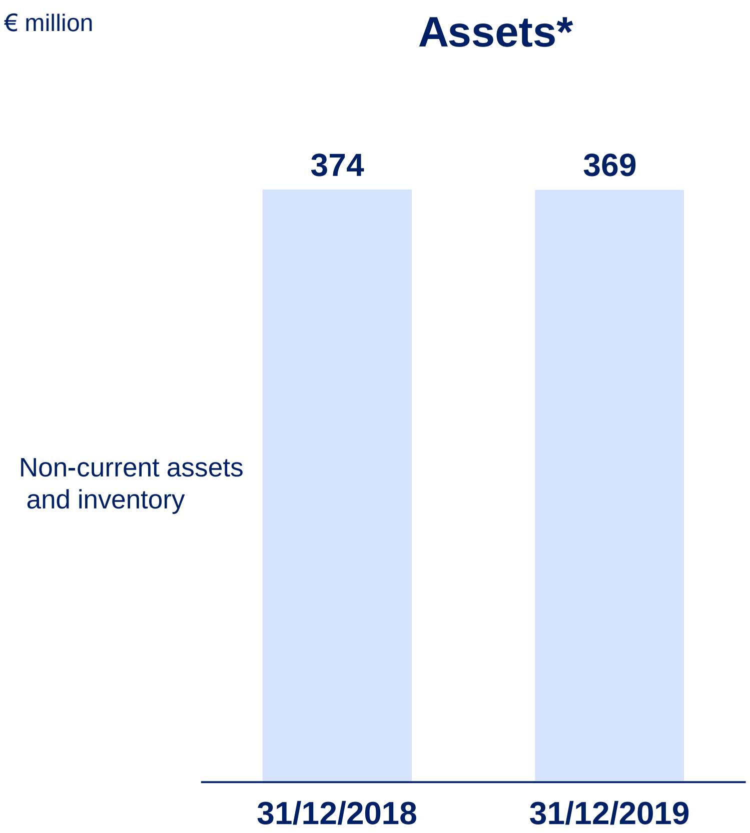
- **LT financial debt** of €115 million versus €169 million (-€54 million)
  - LT debt taken out in 2019 of €50 million (Euro PP August 2019 €10 million + Loan of €40 million in June 2019)
  - LT financial debt maturing in 2020 → ST

- **Current liabilities** €194.6 million versus €138.3 million (+€56.3 million)
  - Short term financial liabilities: €123.6 million (balloon €108.1 million, natural amortisation €11.2 million, overdraft and liabilities on derivatives €4.3 million)
  - Trade payables: €16.1 million
  - Other liabilities: €52.9 million (€8.9 million relating to the purchase of containers and for the railcars division, €25 million paid out to investors)

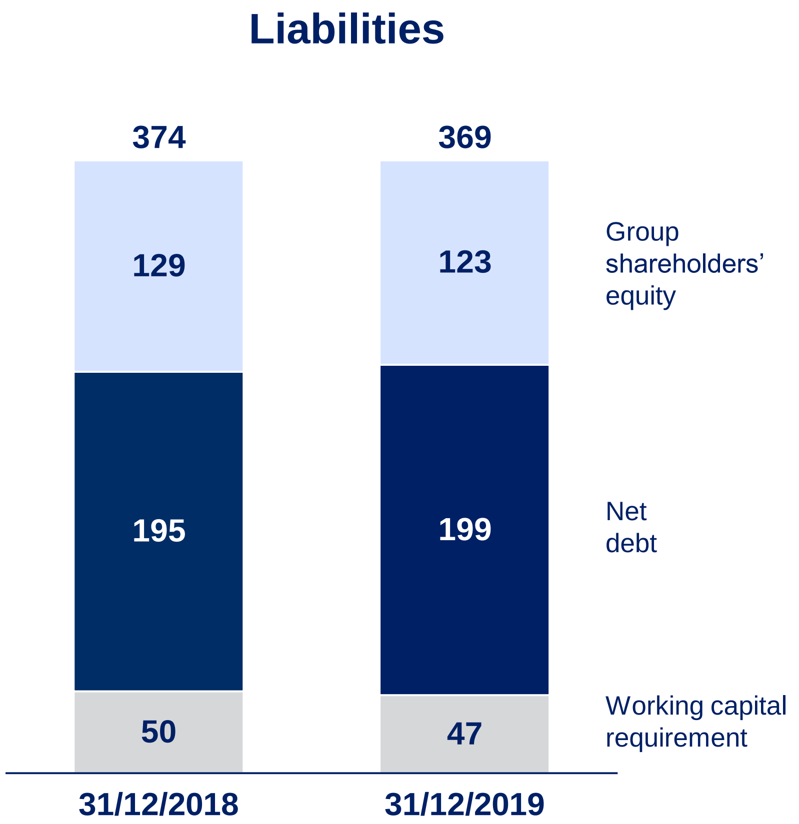
Balance Sheet

Economic balance sheet

In € million



** Of which goodwill €5 million*



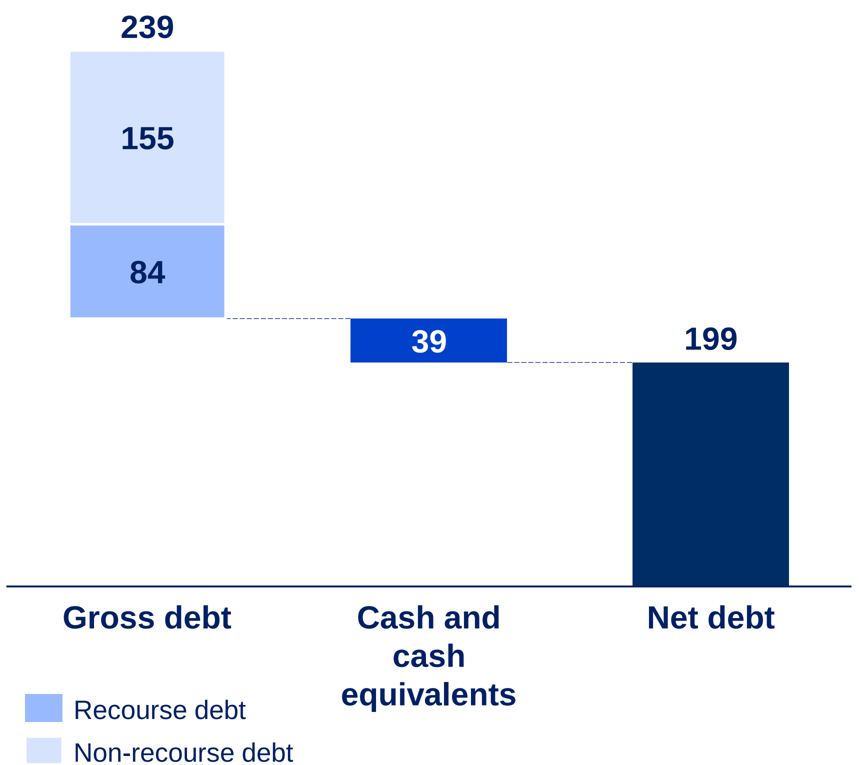
Net debt (€199 million) financing tangible assets (€364 million)

Balance sheet

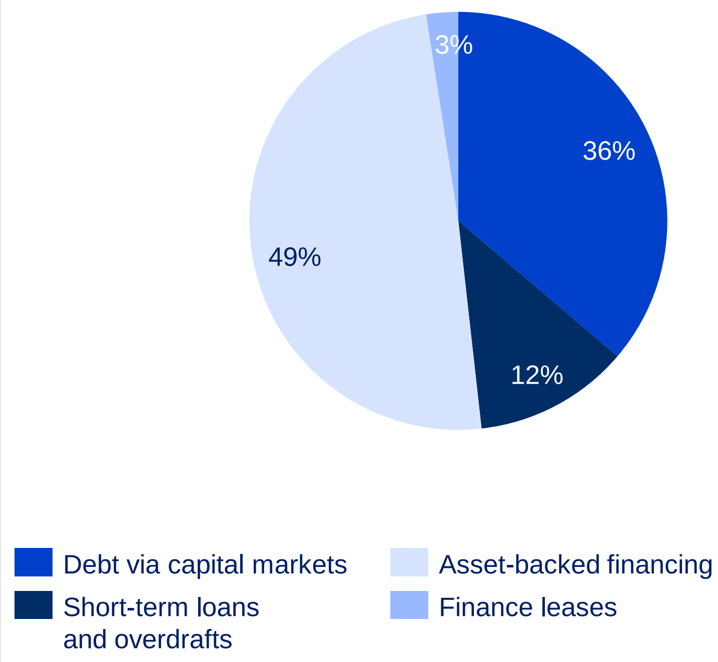
Debt – 65% of debt is non-recourse debt

From gross debt of €239 million to net debt of €199 million

In € million



Diversified sources of funding



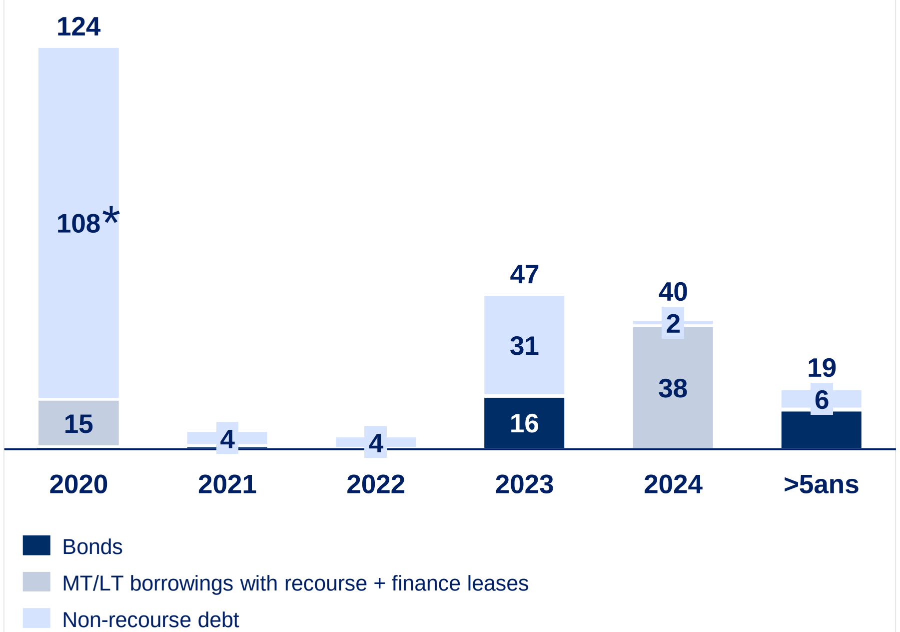
Average total gross debt 4.66%
[€: 4.27%; $: 4.91 %; GBP: 3.98%]

Balance sheet

Debt – debt taken out to underpin the investment programme

Maturity schedule

In € million



* Asset-backed financing: of which €66 million for freight railcars and €39 million for containers

Key points

- **Signature of a senior secured loan of €40 million with an institutional investor, maturing in five years – June 2019 – Touax SCA**
  - Reimbursement of the €23 million convertible bond on 1 August 2019
  - Approximately €15 million of new money (net of fees) allocated to capex
- **Successful issuance of a €10 million bond as part of a Euro PP**
  - €10 million bond via a Euro PP, maturing in 5.5 years, to finance capex
- **Financing of barges**
  - Financing of new barges (€3.9 million)
  - Refinancing of assets (€4.2 million)

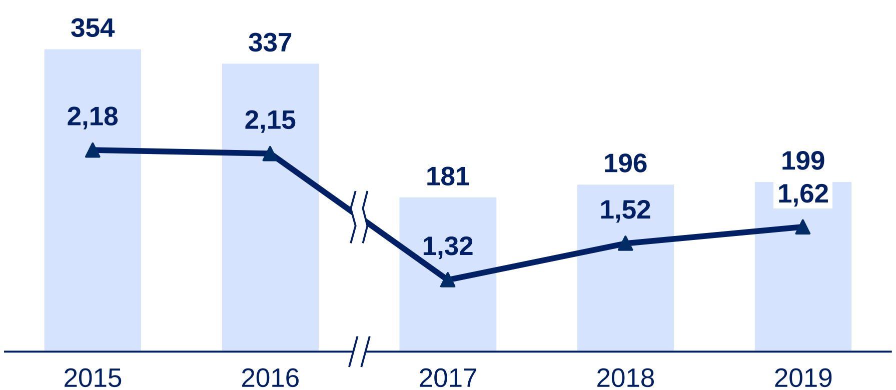
- In 2020 Current asset refinancing programme

Improvement in the credit profile

Compliance with all contractual ratios at end-December 2019

Net gearing

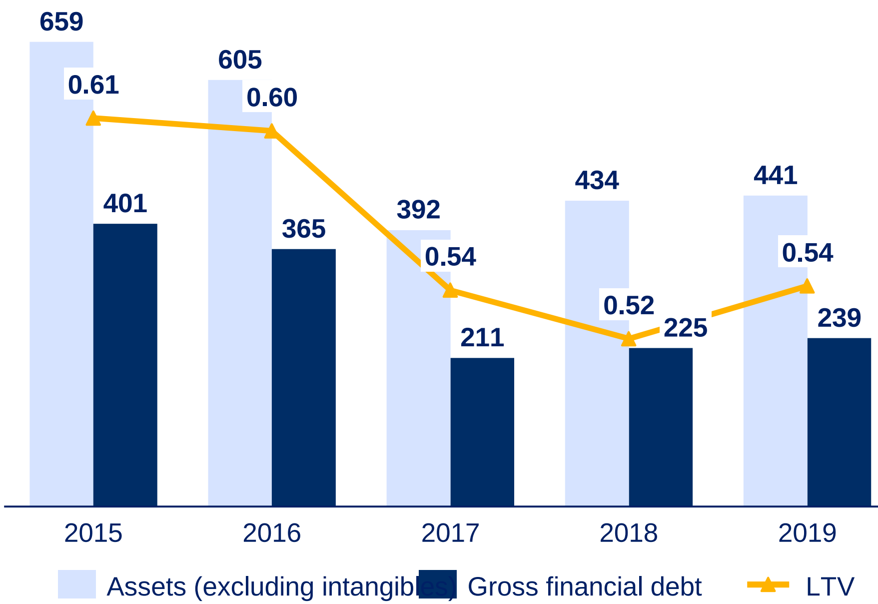
In € million



- Net financial debt of €199 million
- Net gearing (net debt over shareholders' equity) of x1.62

Loan-to-value

In € million



- LTV (*loan-to-value) of 54%
- ICR (Interest coverage ratio)** 3.14

  - *Ratio between consolidated gross financial debt and (ii) total assets less goodwill and fixed assets*

*** Restated Ebitda / Net cost of financial debt*

Cash Flow Statement

In € million	2018	**2019**
Operating activities excluding WCR	23.8	31.7
WCR (excluding inventory)	10.8	4.5
Net purchase of equipment and change in inventory	-29.9	-27.9
Operating activities	**4.7**	**8.3**
Investing activities	**-1.4**	**3.0**
Financing activities	**-5.2**	**0.3**
Exchange rate variation	0.1	0.1
CHANGE IN NET CASH POSITION	**-1.9**	**11.7**

- Free cash flow on operating activities stands at a positive €8.3 million with positive operating cash of €31.7 million, a change in working capital requirement of €4.5 million and net equipment purchases and change in inventory of -€27.9 million.

- Financing flows mainly comprise two new financing facilities for the corporate division and debt repayments (including the ORNANE).

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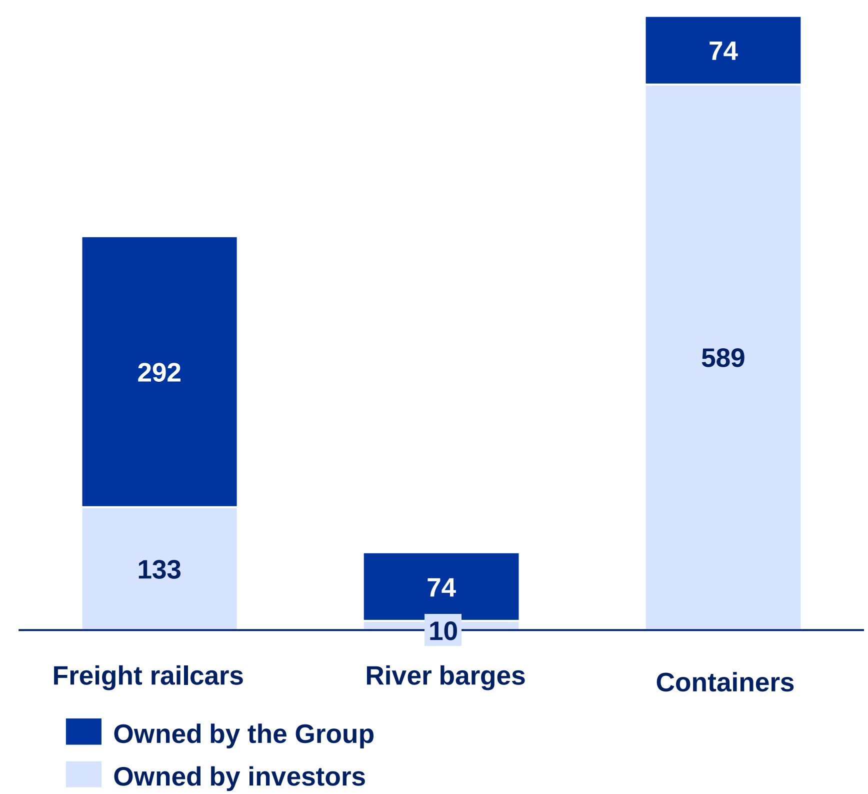
Asset management model

Syndication to enable fleet expansion and generate additional income without increasing gearing levels

Assets (historical gross value)



Main characteristics

- Assets organised in portfolios and syndicated to investors
- Managed assets are owned by third-party qualified investors
- Essentially family offices and institutional investors, either directly or through a Luxembourg fund.
- Syndication involves sales and management agreements
- Long-term management agreements (12-15 years)
- No minimum return guaranteed to investors
- Owned and managed assets pooled to align interests

Asset management model

Syndication to enable fleet expansion and generate additional income without increasing gearing levels

Recurring asset management fees

Initial syndication

Asset management

Second-hand sales

Syndication fee

Management fee
+ incentive fee on targeted returns on investment

Marketing fee

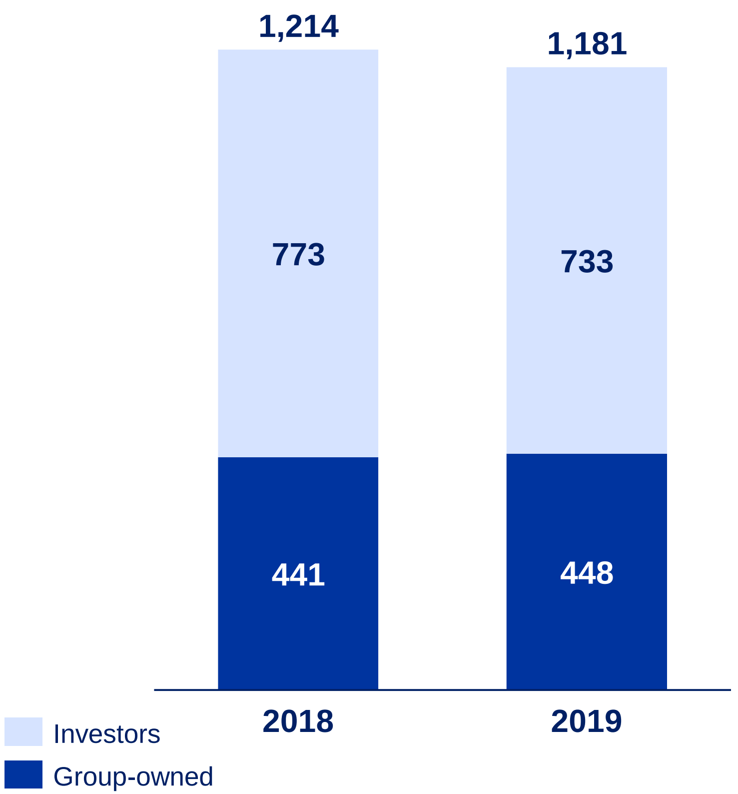
Asset management agreement > 10 years

Asset management

Breakdown of total assets under management by year (pursuant to IFRS 5)

Breakdown of total assets under management

In € million



Investor profiles and strategies

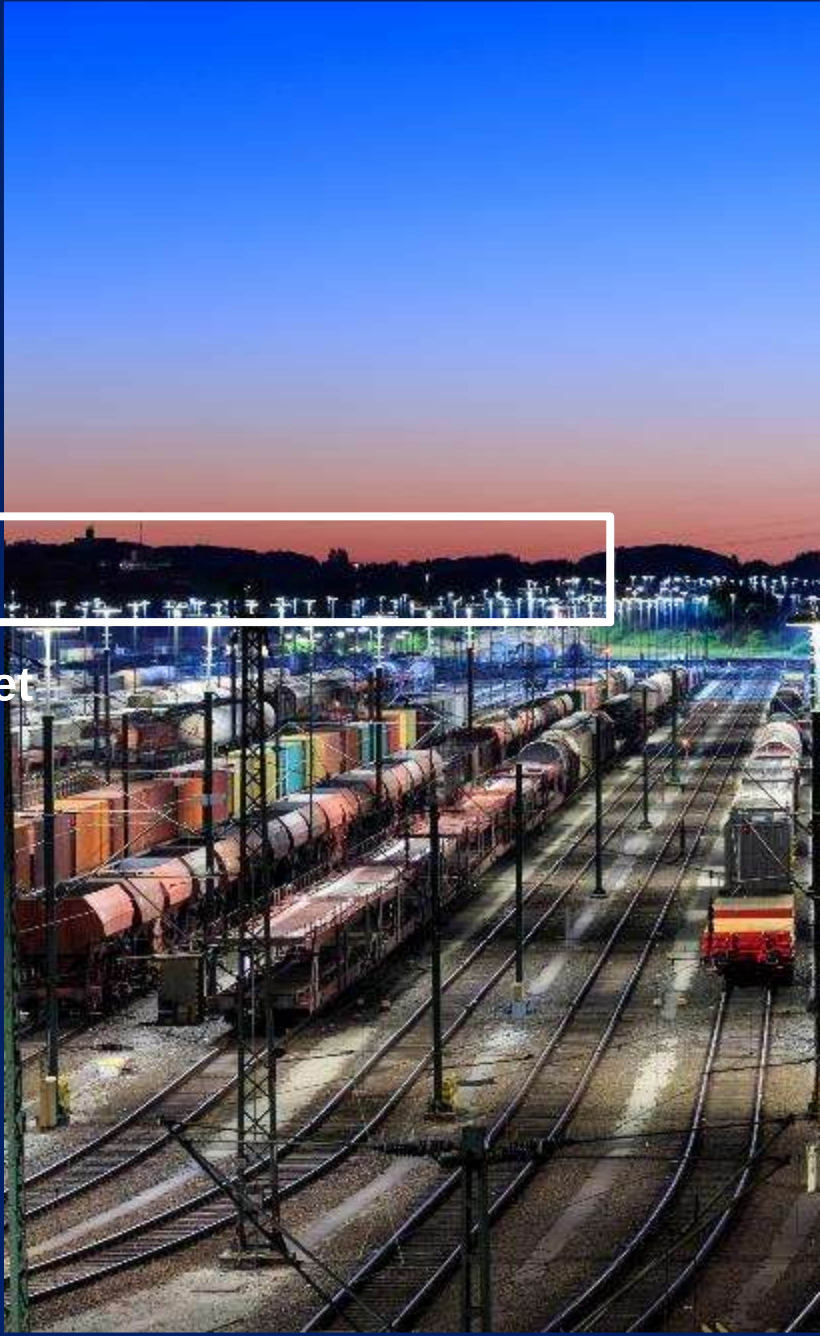
- €733 million in assets managed for third parties
- Investors with diverse profiles
  - family offices, financial companies, investment companies, corporates, etc.
- Investors seek:
  - a diversification strategy
  - with recurring yields
  - on real and tangible assets with a long useful life

Asset management
Strategy and performance analysis

- Investment through funds:
  - Touax is the exclusive operating partner of two sub-funds of a regulated Luxembourg alternative investment fund (Real Asset Income Fund S.C.A. SICAV-SIF) managed by Quamvest (AIF manager and risk management agent). Société Générale Bank & Trust S.A. acts as depositary, paying agent, central administrative agent and domiciliation and transfer agent, while Deloitte acts as auditor.
  - The Fund provides a European regulated fund structure with good legal protection, independent governance with delegated AIF management, structured leverage, organised liquidity after three years and an independent valuation process.
  - “Touax Transportation Asset Income EUR Sub Fund I” was launched in July 2016, and has more than 50 investors (family offices and institutional investors). In December 2019, it had holdings in two Irish SPVs with a portfolio of 3,453 freight railcars with a combined market value above €150 million, representing no change in relation to 2018.
  - “Touax Transportation Asset Income USD Sub Fund I” was launched in 2018. In December 2019, it raised equity of $9 million from nine investors and had holdings in an Irish SPV with a portfolio of 7,162 containers (Ceus).

- Direct investments / managed accounts:
  - Touax works directly with infrastructure funds and institutional investors that invest directly in tangible assets managed by Touax Group.
  - Syndication of $28 million was established in 2019 in respect of containers and we have obtained commitments in principle for the investment of $50 million in 2020. In freight railcars, syndication of €12 million was established, and purchasing commitments have been signed for €45 million between now and 2022, of which €7 million anticipated in 2020.

Contents



Freight railcars

Medium-term outlook: growth in total managed assets: 15,000 railcars, including 12,000 in Europe and 3,000 in Asia

€50 billion
Freight railcars in circulation in Europe

Market

Europe

- Recovery of rail traffic in Europe since 2013, with average annual growth of 1.3%
- Growth in the utilisation rates of existing railcar fleets and increase in the manufacture of new railcars from 7,000 to 12,000 railcars per year to offset low investment in the past
- Growth in the market share of lessors from 20% in 2004 to 30% in 2019 (source UIP)

Asia

- Need for innovative railcars to increase load capacity, optimise traffic and reduce congestion on routes
- New infrastructure projects favouring rail and container traffic: Development of the silk roads between China and Europe and new DFC (dedicated freight corridor) in India

Touax's ambitions

Europe

- Better use of the existing fleet (>90%) and growth in profitability
- Increase in the managed railcar fleet through organic growth in close collaboration with third party investors (infrastructure funds notably)

Asia

- Maintain a utilisation rate of 100%
- Increase the railcar fleet in line with growth in our client base and in rail traffic

River barges

Medium-term outlook: Selective investment in the Seine, the Rhine and the Mississippi

€15 billion
River barges in Europe and the Americas

Market

Europe:

- Market growth in France (transportation of aggregates for building works in Greater Paris) and on the Rhine (transportation of grains and biomass).
- Greater awareness among European and government bodies around the ecological advantages of river transport.
- Significant public and institutional investment to boost the sector.

A stable market in the **United States** (fall in coal transport partly offset by increases in grain transport).

Gradual improvement in the market in **South America** (increase in grain transport but transport of iron ore still at a low level).

Touax's ambitions

Europe:

- Projects to invest in new barges on the Rhine and the Seine with a view to becoming the preferred operator of industrial groups and obtaining support from governments to revive river transport in Europe (lease offering of large barges).
- Participation in several innovative studies (Novimar (automatic barges on convoy), Multiregio (Canal Seine Nord), etc.
- Touax becoming the operational partner of major institutional investors and infrastructure funds looking to invest in the sector: third party investment project (€120 million over four years).

Limited growth anticipated in the short term in South America and the United States: A project involving ten new barges on the Mississippi currently under study.

Containers

Medium-term outlook: gradually increase the proportion of owned assets

$80 billion
Containers worldwide

Market

- Fleet of 40(1) million dry TEU containers at end-2019 with the need to replace 5% per year ($4.5 billion); increase in the price of new containers given the limited production capacity in China (Corona virus and new 1-5-10 rule).
- After growth in the container business of 1.7% in 2019 (impact of price wars), we currently forecast growth of 2.1% (including the initial estimates of the impact of the current health crisis due to the Corona virus)(2).
- Downward revision of global GDP growth by the OECD to 2.4% (-0.5% versus forecast of November 2019) and by Moody's to 2.1% (versus 2.4%)
- Increase in the market share of lessors from 40% to 52% over the last decade(3). The current uncertainties around growth are increasing the need for flexibility and the market share of lessors.
- In an environment of weaker growth, the utilisation rate of the container fleet remains high worldwide (>96%), indicating that global traffic levels have not contracted (taking all areas into account)

Touax's ambitions

Improvement in profitability in a stable market:

- Since the sale of the modular building activity, strategic decision to gradually increase the ownership ratio of containers from 8% to over 20% in 2022 (more in line with the average Group ratio): significant accretive effect on EBITDA. Sharp increase in earnings on a like-for-like basis: +287% at end-December 2019.
- Growth in the trading activity for new and used containers, which significantly complements the leasing activity. The rise in price of new containers is underpinning activity.
- Development of leasing and sale of refrigerated containers.
- Development of management for third parties

(1) Review of Maritime Transport 2019
(2) Clarksons, February 2020 report
(3) Drewry Maritime Research (Container Insight Q4 2018)

Sustainable development
a growth driver underpinning our operations

Structural trends that favour sustainable modes of transport

- Governments are encouraging sustainable modes of transport: the launch of major infrastructure projects offering opportunities for Touax: Canal Seine-Nord (2025), Grand Paris Express (2022), the Ceneri Base Tunnel (2020) involving completion of the rail link under the Alpes, Rail Baltica (2026) linking Europe and Poland with Finland via Lithuania, Latvia and Estonia over 870km, High Speed 2 in the UK linking London-Birmingham-Manchester-Leeds, etc.

- Major companies have announced plans to reduce their carbon emissions and favour rail, river and intermodal transport; for example:
  - Solvay aims to reduce its carbon emissions by 1 million tonnes by 2025
  - Danone has committed to achieving zero net emissions by 2050
  - Arcelor Mittal has announced a plan to reduce its emissions by 30% by 2050

- Clear benefits for river(1), maritime and rail(2) transport
  - Low energy consumption, low pollution and carbon emission levels
  - A substitute for traditional road transport for a significant share of merchandise
  - Containers can be transported in ships, river barges and intermodal wagons
  - Currently only 25% of the Rhine's capacity is being used

Sources: (1) (2) www.ecotransit.org

Our commitment to sustainable modes of transport

Example: in addition to the recognised ecological and economic benefits of rail transport, TOUAX RAIL has been selected by the European Union to develop low noise methods of rail transport.

- Touax Rail is heading up one of eight consortia that were selected for financing by the EU in September 2019 to help reduce noise pollution in rail freight transport and improve wagon braking systems.

- Quieter and more efficient brakes: improved energy performance of trains and living conditions of those living in proximity to rail routes.

Structural prospects

Despite a chaotic economic environment

In a very uncertain economic environment in the short term:

- **Resilience of Touax's business model** as it has strategically focused on **long term leasing** in sustainable transportation (rail, river and intermodal)
- **Slowdown of logistical chains, transfer of routes to rail and a need for storage** all favour an increase in the use of container, wagon and barge transport equipment
- As at 1 January 2020, 76% of the leasing revenue generated in 2019 had already been renewed in 2020 as part of long-term contracts.

Structurally,

- Green transport will benefit from **strong support from consumers and public authorities** for a reduction in CO_2 emissions,
- Significant investment is needed in freight railcars, river barges and containers to replace old fleets.
- The deregulation of rail freight and the trend towards outsourcing by clients should continue to underpin leasing and investment in our assets

Touax is well placed to:

- **increase its profitability** gradually by reconstituting its base of owned assets and generating economies of scale
- **continue growing structurally** in renewal markets

Special information on COVID-19

Source: Internet, Press (week of 16 March 2020)

Two potential future scenarios: a baseline scenario and worst-case scenario

- **Baseline scenario: Deferred recovery**: The virus will continue to spread in the Middle East, Europe and the United States until the middle of the second quarter of 2020, and then will contract due to the change of season and significant measures by the public health authorities.
- **Worst-case scenario: Continued contraction**: The virus will continue to spread worldwide and will not decline due to the change of season, creating a demand shock that will last until the second quarter of 2021. Health systems in several countries are stretched beyond their means, particularly in less developed countries, with a huge human and economic impact.

Baseline scenario

Segment affecting Touax: Automotive, Household goods, Electronics

Industries	Tourism	Aviation	Oil	Automotive	Household goods	Electronics	Healthcare
Duration of the impact							
Resumption	Q4	End Q3/ Q4	Q3	End Q2/Q3	Q2	Q2	Q2
Disruption of demand	Strong	Strong	Moderate	Moderate	Moderate	Slight	Slight
	Severe impact even in unaffected regions	Headwinds for long-haul carriers	Low level of activity in factories	Break in supply of spare parts and raw materials	Moderate fall in consumption (strong growth in online activity)	Supply and labour problems	Difficulty getting drugs to chronic patients

COVID-19

Touax's response

- **Protection of our teams**
  - All our teams are working from home with the exception of the plant in Morocco where the teams are rotated every 15 days.
- **Enhanced supervision of the potential impacts**
  - payments, recovery of equipment, change in prices, availability of the offering, change in demand, logistical disruption, etc.
- **Cash management**
  - Monitoring of client payments and maturities
  - Monitoring of daily liquidity and three-month projections
  - Extension of debt maturities in parallel with refinancing efforts
- **Client commitment**
  - Business continuity plan to fulfil our commitments to our clients
- **Stabilisation of the logistics supply chain**
  - Monitoring of rail projects
  - Increase in strategic inventory for modular building to three months of production
- **Financial stress tests**
  - Review of lease contract schedules and underlying industrial segments
  - Implementation of scenarios

Contents

Asset valuation at 31 December 2019

Net Asset Value per share at 31 December 2019: €13.23(4)

	Touax-owned fleet of assets	
	Net book value (5)	**Market value[2]**
Freight railcars	• Europe and US: €129.2 million • India: €7.1 million	• Europe and US: €157.7 million • India: €7.1 million[3]
River barges	€49.9 million	€60.2 million
Containers[1]	€67.2 million	€73.6 million
Management fees[1]	-	€28.8 million
Total	**€253.4 million**	**€327.3 million**

Notes

1 Exchange rate €1=$1.1234
2 Fair value method: freight railcars: 50% replacement value and 50% earning rate valuation (Railistics report); barges: 100% replacement value (external reports) with the exception of a long-term lease contract in South America (value in use); containers: 100% earning rate valuation (Harrison report)
3 NBV = FMV
4 Excluding non-controlling interests in the freight railcar entities and excluding the present value of management fees in the container activity.
5 Group share of net book value of assets

TOUAX and the Stock Market

Share data

TOUP LISTED EURONEXT

	2018	2019
Number of shares (in thousands)	7,011	7,011
Market capitalization (in €m)	34.22	37.16
Consolidated shareholders'Group equity (€m)	105.06	97.76
Price to Book Ratio (excluding hybrid capital)	0.62	0.78
Annualiazed net earnings per share (€)	(0.59)	(0.39)
Highest share price (€)	12.40	6.48
Lowest share price (€)	4.26	4.03
Average daily trading volume (in number of shares)	5,218	635
Closing price	€4.88	€5.30

The 2019 closing price was €5.30
The book price per share was €6.79 (excluding hybrid capital)
The net asset value per share stood at €13.23

Contents

Touax, global player in the leasing of transportation equipment

- One business line: the operational leasing of transportation equipment and its associated services, unique experience since 1853, more than €1.2bn of assets under management, 236 employees, a fully international group (98% of revenue outside France) and listed in Paris
- Focused on three standardized and long-life assets (freight railcars, river barges and containers) leased on long-term contracts
- Major markets ($80bn in containers in service worldwide, €15bn in river barges in Europe and the Americas, €50bn in railcars in circulation in Europe) with recurring replacement and development needs driven by growth in environmentally friendly means of transportation and international trade


A stable business model

A diversified and blue-chip customer base with long-standing relationships

Freight railcars	River barges	Containers
HUPAC, LINEAS, BASF, DB, SNCF, Volkswagen, SBB CFF FFS, Rail Cargo Austria	ArcelorMittal, Miller, LafargeHolcim, CEMEX, ADM, Imperial logistics, CHIMPEX, Rederij de Jong, P&O	MSC, MAERSK, COSCO SHIPPING, CMA CGM, ONE, ZIM, EVERGREEN, YANG MING, Hapag-Lloyd
>10 years	>10 years	>30 years


Thank
you !