HISTORY OF THE TOUAX GROUP

This was written in November 2003 by Alexandre Walewski from the minutes from the boards of directors of the companies, *Société Générale de Touage* (SGTR), *Touage Investissement*, Touax SA, several principal subsidiaries of the Touax Group, and his observations in the field for more than 43 years. Alexandre Walewski also made use of written and oral remarks from many of his predecessors and group executives.

<u>1853</u>
Léon Molinos is the originator and founder of the group's first company, *"Compagnie de Touage de la Basse Seine et de l'Oise"* (TBSO). The French word *"TOUAGE"* is derived from the Scandinavian and Frankish words, "*Taorn"* and "*Taga"*, meaning to pull and to tow. The English word, "tow", has the same origin.

The following imperial decree signed by Napoleon III on 6 April 1854 allows its creation:

"By the grace of God and the will of the nation, Emperor of the French, to all present and coming, greetings. Based on the report by our Minister Secretary of State with the Department of Agriculture, Trade and Public Works; In view of the request made by Mr. Godeaux (Eugène the younger, seeking the authorization to establish a towage service using submerged chain on the Seine and the Oise, between the Monnaie lock, on the Seine and the Pontoise lock, on the Oise; In view of the materials of investigations opened concerning this request in Paris, Rouen and Compiègne; In view of the recommendation of the Paris Chamber of Commerce dated 16 September 1853; In view of the recommendation of the Rouen Chamber of Commerce of 30 December 1853; in view of the letter from the chief commissioner of the Paris police, dated 26 December 1853; in light of the recommendation of the General Council of Highways dated 16 March 1854; have decreed and decree the following:
Art 1. Mr. Godeaux (Eugène) the younger is authorized to establish at his expense, risk and peril, between the Monnaie lock, on the Seine, and the Pontoise lock, on the Oise, a submerged chain towage service to tow boats that sail between these two locks, everything in accordance with the clauses and conditions of the specifications formulated on 4 April 1854 by our Minister of Agriculture, Trade and Public Works.

These specifications will remain appended hereto.

Art 2. Our Minister of Agriculture, Trade and Public Works is responsible for executing this order, which will be included in the law bulletin."

Drawn up at the *Palais des Tuileries* on 6 April 1854"

Signed NAPOLEON

<u>1854</u>
Preparation of the second imperial decree, which will be signed on 14 July 1855 and which will authorize the creation of the company, *"Compagnie du Touage de la Basse Seine et de l'Oise"* (TBSO), which acquires Eugène Godeaux's equipment. Towage with continuous chain submerged at the bottom of the river is made up of towboats equipped with coal boilers creating steam, which activates a piston engine, which in turn activates gears around which the chain is wound, moving the boat.

The towboat's energy is used efficiently, because it is supported by the fixed point that is the continuous chain submerged in the river.

Towboats tow long lines of lighters and barges, which supply economic hubs with coal, grains, sugar, beets, cement, and sand, etc.

The founder, Léon Molinos, enters the *Ecole des Arts et Manufactures* (central school) and finishes head of his class in 1851. He is the inventor and pioneer of magnetic adhesion mountain railways. He builds the metal bridge in Asnières while he is working for the railroad of St. Germain. Together with his central school classmate, Pronnier, Molinos invents a new type of traditional boiler, called Molinos and Pronnier, which is very successful. They publish the first French work on metal bridges together, and, still with Pronnier, in 1853, Molinos completes his *Touage* (towage) project with submerged chain featuring mechanical adhesion and which, fortunately, is complemented in 1884 through the use of magnetic adhesion (Molinos de Bovet system), which improves operations significantly.

In 1860, Molinos builds the first funicular railway for travelers in France, and, using magnetic adhesion, that of the Croix Rousse in Lyon. After 1862, he builds simultaneously again two other mountain railway lines, in Ciudad real in Badajoz and Pontsericout.

In 1881, Molinos founds, with *Mirabaud et Cie*, the *Sté Française d'Etudes d'Entreprises* (SFEE), on which he draws a lot, as well as a dozen companies, including several which still continue and in which he still takes only small financial interest. He is also the forebear of the Colonna Walewski family (current leader of the Touax Group, in its fifth generation).

<u>1855</u>
Text of the imperial decree authorizing the creation of the TBSO:
NAPOLEON,
By the grace of God and the will of the nation, Emperor of the French, to all present and coming, greetings.
Based on the report of our Minister Secretary of State with the Department of Agriculture, Trade and Public Works;
In view of articles 24 and 37, 40 and 45, of the commercial code;
Having listened to our Council of State:
Have decreed and decree the following:
Article 1. The company formed in Paris under the name *Compagnie de Touage et de la Basse Seine et de l'Oise* is authorized.
The statutes of said Company are approved, as they are contained in the deed executed on 4 July 1855 before Mr. Bazin Esq. and his colleague, lawyers in Paris; this deed will remain appended hereto.
Article 2. This authorization may be revoked in the event of a breach or non-fulfillment of the statutes approved without prejudice to the rights of third parties.
Article 3. Every six months, the Company will be required to submit an extract of its progress report to the Minister of Agriculture, Trade and Public Works, Chamber of Commerce, and the commercial court registry in Paris.
Article 4. Our Minister Secretary of State with the Department of Agriculture, Trade and Public Works is responsible for executing this order, which will be published in the law bulletin included in the Monitor and in a newspaper with judicial announcements for the

Seine department, and registered with the memorandum of association in the Seine commercial court registry.

Drawn up at the *Palais des Tuileries* on 14 July 1855
Signed: NAPOLEON
By the Emperor
The Minister Secretary of State with the Department of Agriculture, Trade and Public Works,
Signed: E. Rouher
For exemplification: the Secretary General, signed: Boureuille

The first three towboats are built in Hull in England, Malakoff – Napoleon – Seine

<u>1856</u> - The Oise towboat is built in Hull

<u>1857</u> – The towboats, Crimée, Monitor, and Charleroi, are built in Hull. All of these towboats have a seven-man crew and 100 HP steam engine.

<u>1882</u>
In Rouen, the brothers Frédéric and Gustave Williams, founders of *Société de Touage et de Remorquage sur la Seine et sur l'Oise* (TRSO), lease and purchase the first "*guêpe*" tugs. At this time, one to ten 75 horsepower "*guêpes*" are ordered from worksites in Nantes, intended for the Oise.

<u>1884</u>
Four "*Guêpes*" operate on the Seine.

<u>1885</u>
TRSO, which operates the towage service from Conflans to Paris, has four magnetic propeller towboats built: Arago, Ampère, Paris and Conflans.

<u>1895</u>
TBSO and TRSO merge their operations.

<u>1898</u>
"*Société Générale de Touage et de Remorquage*" (SGTR) is created through the merger of "*Compagnie du Touage de la Basse Seine et de l'Oise*" and "*Société de Touage et de Remorquage de l'Oise"* (TBSO and TRSO).

SGTR's first board of directors is made up of Messrs. Molinos, de Bovet, Chandora, Guitton, Meyer, and F Williams. Léon Molinos, Chairman of the *Compagnie des Forges et Aciéries de Marine Homécourt* (one of France's first steel groups) is elected chairman again.

The board appoints F. Williams and A. de Bovet as managing directors. Mr. G. Williams is appointed director, Mr. Lavaud, a central school graduate, is appointed chief engineer and Mr. Avril is appointed engineer.

The company's financial landscape is made up of the Molinos, Hottinguer, de Bovet, Chandora, Guitton (shipowning family in Nantes) Meyer Borel and Williams families. The three principal banks will be Mirabaud, Meyer Borel and Crédit Lyonnais.

The company sets up its headquarters and offices at 19 rue d'Athènes in the ninth district in Paris and purchases land in Andresy at the junction of the Seine and the Oise to set up offices and workshops there.

The company operates propeller tugs and towboats that all move via steam on the Seine and the Oise. The standard tug costs FRF 50,000 to build. The company consumes 30,000 T to 40,000 T of coal a year.

The big towboats tow 10 to 20 boats at a speed of 3.5 km per hour. The towboats tow two to ten boats with the water current.

Tonnage to tow is growing. In 1898, SGTR tows 7,152 boats (4,384 by towboat and 2,768 by tug) on the Seine out of a total of 9,586 boats, i.e. 74.6% of the traffic.
SGTR tows 13,286 boats on the Oise, out of a total of 19,691, i.e. 67.47%.

Sales for financial year 1898 stand at FRF 2,030,680 and net profit is FRF 593,618.

<u>1899</u>
SGTR possesses 37 *"guêpes"*.

<u>1900</u>
Profit for the financial year stands at FRF 600,000, despite a sharp increase in the price of coal.

<u>1902</u>
Mr. André Colonna Walewski, son-in-law of Mr. Léon Molinos, Chairman of SGTR, is elected administrator. He started out with a military career, leaving as an officer with the St Maixent infantry school.

<u>1904</u>
The competition that existed in towing with the *"Compagnie du Touage de Conflans à la Mer*" and the "*Société des Remorquages Fluviaux*" increases with the acquisition of the equipment of these two companies by the shipping company, HPLM, which creates the company, *"Les Remorqueurs"*.

In order to fend off this competition, a contract is considered with the transport firm, Sénécaux, Patin and Delquigny.

<u>1905</u>
An agreement is reached between our company, the *"Seine",* "*Union Normande*" and Messrs. Sénécaux, Patin and Delquigny, with the aim of organizing transport on the Seine between Rouen and Paris and regulating towing conditions over this same route.

Lacking transport resources, the Sénécaux firm asks SGTR to loan it FRF 300,000 in order to keep its transport commitments and to buy boats. SGTR agrees to a loan of FRF 100,000 with 4% interest, enabling Sénécaux to acquire17 boats and bring the fleet to 80 units.

But this number is not enough, and the need to increase this fleet to 150 boats soon must be considered, in order to be able to meet transport needs on the Seine.

SGTR makes a loan agreement for a maximum of FRF 300,000 to buy these boats, which will then be sold by installment to bargemen, who will pay the price through leasing arrangements made with the transport department.

SGTR makes an agreement with the French company, "*Les Remorqueurs*", with a view to an agreement on the two companies' towing services.

1906
The board decides to build 15 wooden lighters carrying 550 T for FRF 21,000 per unit with an additional option for 15 at the same price and that will be leased to Messrs. Sénécaux Patin and Delquigny. SGTR possesses 50 *"guêpes"* and obtains the official listing of its 40,000 shares at FRF 100 and 9,000 founders' shares on the exchange agents' trading floor of the Paris Bourse. A bond issue is launched to keep up with Sénécaux's transport needs.

1907
A competing towing company, *"La Pénichienne",* is created by a Mr. Chavonin, which the company has had to take to court several times for abuse and defamation. It operates five tugs leased to a Belgian. SGTR orders six 350 T wooden lighters and two tugs, the steam engines of which will be built in SGTR workshops in Creil, and launches the construction of the first ten 500 T lighters in riveted steel. Another bond issue is launched worth FRF 1,000,000.

1908
A commercial agreement for joint operation of their transport equipment is signed between SGTR and Messrs. Sénécaux, Patin and Delquigny. After this agreement, SGTR must, as from 1 January 1909, make available the participation of lighter equipment with total capacity of 24,000 T. This equipment would comprise:

Twenty 300 T wooden lighters = 6,000 Tons
Fifteen 500 T wooden lighters = 7,500 Tons
Ten 500 T steel lighters = 5,000 T
Eight 700 T steel lighters = 5,600 T

Total: 24,100 Tons

A large portion of this equipment is already delivered or has been ordered – the final eight 700 Ton steel lighters remain, which the board decides to order from the Rousseau construction site in Rouen at the price of 36,000 per unit.

The company wins its case prepared for defamation against the company, Chavonin, and *Groupement Général de la Batellerie*, which must pay it FRF 10,000 in damages and include the ruling in three newspapers.

Mr. Albert Mirabaud hands in his resignation and his son, Jacques, is co-opted by the board of directors.

Chairman Léon Molinos is concerned about the decreased traffic observed on the Oise, with signatory contracts with bargemen towing with *"guêpes"* having decreased constantly since 1904, when they reached 7,010, falling to 5,111 at the end of 1907.

Mr. de Bovet, managing director of the company since its creation in 1898, dies.

Messrs. Frédéric Williams, managing director, Gustave Williams, director, and Charles Lavaud assistant director, are appointed representatives of the company with the board of management of participation with Messrs. Sénécaux, Patin and Delguigny, which will apply as of 1 January 1909.

<u>1909</u>

A contract is signed between SGTR and the principal chartering firms in the north and Pas de Calais with the intention of fighting the competition to which the Oise departments are subject – the effect of this competition is to entice the company's clientele away. The objective is to get them to agree to a right of first refusal – for a remuneration – for chartering their boats, to bargemen who have signed towing contracts with SGTR.

Each year, the services have to suffer high water, low-water levels, fog or ice for several weeks. An adapted ice plow on the front of a tug is build using the plans of Mr. Lavaud in the company's workshops.

The equity participation of Sénécaux, Patin Delguigny is set by mutual agreement at FRF 250,000, 150,000 of which is to be supplied by SGTR, and FRF 100,000 by Messrs. Sénécaux, Patin and Delguigny.

<u>1910</u>

From November to March, exceptionally high rises in the water level stop boat traffic. At this time, SGTR agrees to free advances to the company's signatory bargemen or those who would agree to become the company's signatory bargemen.

A credit authorization of FRF 60,000 is agreed to for a five-year period for Messrs. Vahé, Delegrange, in Douai.

The accounts for financial year 1909 show the following profits:

Operations:	Towage:	126,055.98
	Tug:	518,507.39
Equipment leasing		19,414.55
Service of the Oise's lateral canal		11,611.80
Workshop profits		14,483.26
Discount interest		35,335.79
Participation on transport		311,943.84
Total:		FRF 1,037,352.61

From which the following must be deducted:	
General operating expenses	103,438.98
General administration expenses	91,598.89
Board of directors and delegation	38,000.00
Bond interest	95,745.00
Accident insurance	25,434.05
Help and incentives (reserve)	54,630.85
Total:	FRF 408,867.77

Net profit for financial year 1909	FRF 628,484.84
These are distributed as follows:	
Legal reserve:	FRF 31,424.24
Share interest at 5%	FRF 200,000
Extraordinary reserve:	FRF 308,171.17

Of the surplus:

10% board of directors	FRF 8,888.94
45% shares	FRF 40,000
45% founders' shares	FRF 40,000

Amount equal to the profit of financial year 1909: FRF 628,484.85

A new order for ten 700 T lighters, made out of steel with refined shapes, which proved to be big savers in terms of towing, is placed to be given as rentals to the participation of Sénécaux, Patin, and Delquigny. The order is placed with the Rousseau construction site for the price of FRF 34,000 per unit.
Another order for twenty 380 T lighters is placed: 12 by SGTR and eight by Sénécaux, Patin Delquigny.

1911
The shipping company's current equipment comprises:

Twenty 370 T small wooden lighters	7,400 T
Fifteen 550 T large wooden lighters	8,250 T
Ten 550 T steel lighters	5,500 T
Fourteen 700 T steel lighters	9,800 T
Total:	30,950 T

Orders under way for release before October 1912:

Ten 700 T steel lighters	7,000 T
Twelve 370 T small wooden lighters	4,440 T
Aggregate tonnage in October 1912 will be	49,390 T

In 1903, Count André Walewski, along with *Mirabaud et Cie*, founds *Société des Automobiles de Place G7* (biggest taxi company in the world) and will become chairman of *Société Française des Carburants* and Vice-Chairman of *Forges et Aciéries de Marine Homécourt* (metallurgy and mechanics), after the death of Frédéric Williams, taking on the general management of the company. Competition is fierce with *"Les Remorqueurs"* and *"Les Bateaux Parisiens"*.

An additional series of ten 700 T iron lighters is launched.

1912
Mr. Léon Molinos resigns. Mr. Lafargue is elected Chairman and Mr. Meyer Borel is elected Vice-Chairman.

1913
The company, Sénécaux, Patin Delquigny (SPD), in which SGTR owned shares of interest, becomes the company, "*Société Générale de Transports*" (SGT), in which SGTR holds majority interest.

1914

War between France and Germany until 1918.
Léon Molinos, founder of TBSO and SGTR, dies.

A large portion of the board members are in the army, Mr. Lafargue is re-elected Chairman and more powers are given to Mr. Gustave Williams, director.
Twenty refined lighters are built, divided evenly between SGTR and SGT. These boats are markedly more profitable in terms of towing than the barges with more rounded shapes and that carry much less.

Traffic on the Seine is extremely active, whereas traffic on the Oise is completely disrupted because of the war.
The French government requisitions some of the 54 *"guêpe"* tugs.

1917

There are major difficulties during the war in terms of the supply of briquettes intended for steam towboats and tugs. Traffic is disrupted many times because of a lack of fuel.

1918
Mr. Lafargue dies and Mr. Meyer Borel is appointed Chairman. After having spent four and a half years serving the army, Mr. André Walewski is wounded and promoted to Chevalier of the Legion of Honor as a soldier, and returns to his position as administrator and his function as managing director for SGTR.

Mr. Eugène Mirabaud is called on to succeed his brother, Jacques Mirabaud, who has died from his war wounds; *Mirabaud et Cie* has a great deal of interest in the matter. Because of his technical knowledge and the experience he acquired in the US, Mr. Vandevelde, Director of *Compagnie Française des Automobiles de Place G7,* is also appointed administrator.

During the war, the price of charcoal briquettes and salaries have increased enormously.

The company consumes 30,000 T of briquettes per year. Salaries have increased consistently, but the prices of towing have been set by the administration, often behind the price increases. The workers at the St Denis workshop go on strike for almost a month, after wage demands are not met. Mr. Maurice Sénécaux is appointed assistant to Mr. Williams for operations.

Employees are granted eight days of annual leave. The length of the workday is set at 9 to 11 hours, depending on the season. The company pays capital or a pension to some of its old servants who are forced to retire because of age or illness.

War damages are demanded. The company has lost two towboats and one tug. There are general shipping strikes.

1919 – The diesel engine becomes more competitive than the coal engine.

1920 – There is considerable competition from the railroad for the Rouen-Paris connection.

1921

Tonnage to transport drops sharply and the company lays off many crewmen and demotes the youngest captains in terms of their jobs and salaries. The company cuts the conditions of the equipment that it leases to SGT.

1922
SGTR purchases eight Sulzer 420 HP diesel lighters from the *Office National de la Navigation* (ONN) for a total of FRF 3,360,000, and, led by André Walewski, will also, in a few years, buy several major client companies that possess lighters and barges towed by *"guêpe"* tugs: *Compagnie de Transport par Eaux* (CITE), *Delegrange et Messager*, *Bateaux Fournier, Société Générale de Transports* (SGT), *Société Maritime de Charbonnage* (SMC), *Compagnie de Matériels et de Transports par Eaux* (CMTE) (42% of the capital in 1950 etc.).

All of these companies possess several dozen towed boats, built first out of wood, then, at the beginning of 1900, out of riveted steel. Very well-known river-shipping families, such as Flechet, Sénécaux, De Baillencourt, and others, have been managing these fleets totaling more than 500 units for decades, 500 T to 1,000 T lighters, 250 T to 400 T barges, *flûtes, gabares*, etc. All of these boats have two- to four-person crews who live on board.

1925
Creation with several inland shipping lines of *Compagnie de Gérance et d'Armement Fluvial* (CGAF). The chairmanship rotates, and Alexandre Walewski will be the last chairman from 1966 to 1969, the date of dissolution at the request of Sanara. The Company is responsible for regulating the use of almost all of the lighters on the Seine, getting rid of boats when necessary, following a ratio proportional to the fleet of each inland shipping line.

1926
SGTR leases 90 lighters to SGT.

1928
The board of the SGTR launches the study and construction of a dozen barges motorized by diesel engines (self-propelled barges). Several tugs are leased out.

1929
The shortage of employees is felt in terms of fitting out tug, and loans are made to several staff members to try and secure their loyalty.

The economic crisis that began in the US will affect France deeply around the years 1931 to 1939. Equipment is stopped; lighter leasing will save the group for many years. The first lighters and barges motorized by small diesel engines (40 to 70 HP) appear.

Fifteen iron lighters and ten iron barges are ordered.

1930
Mr. Antoine Walewski, who graduated from the *Ecole Supérieure d'Electricité,* is appointed Secretary of the Board.

1931
The towage concession ends. The Towage chain is removed from the bottom of the Seine and sold. Mr. Charles de Bailliencourt, representative of *Mines de Lens* (coal), shareholder and client, is appointed administrator at SGTR.

1932

The major economic crisis lasting, the salaries of the company's employees are reduced, lighters are dismantled, and a tax on diesel is instituted, penalizing operations sharply, while drops in towing are agreed to.

The tonnages to tow are reduced and the competition of motorized barges (self-propelled barges) and diesel trucks is increasing. Decrees limit shipping with foreign boats.

1933

Count André Walewski is appointed Chairman of SGTR, after the death of Mr. Meyer Borel, Chairman since 1918 (*Banque Meyer Borel*). Mr. Patin is appointed Vice Chairman. "*Essor Fluvial"* merges with "*Bateaux Fournier*". SGTR's annual coupon is sharply reduced.

1934

Salaries are reduced again for all employees.

1935

Mr. Patin, Vice Chairman, dies and is replaced by Mr. Sénécaux, Assistant Director, in the position of administrator. This latter will be appointed Vice Chairman a few months later.
The fleet of approximately 200 boats is acquired from *Poliet et Chausson*, and the *Compagnie Internationale de Transport par Eau* (CITE) is created, in association with *Poliet et Chausson* and *Fléchet Frères*. A lighter is converted into a fuel oil barge, which will be operated by SGT.

1936

The company's expenses increase sharply: salaries are increased 15%, paid leave, 40-hour workweek.

1937

Mr. Antoine Walewski is appointed to the position of administrator of SGTR. Because of the application of the 40-hour workweek law, equipment turnaround is almost double what it was previously.

1939-1945

In 1940, SGTR and its subsidiaries are operating 550 boats.
World War II creates major upheaval with the increase and decrease of certain types of traffic, but 26 tugs are destroyed, most of which had been requisitioned by German Occupation troops.

In 1939 Mr. Lamy is appointed Assistant Director General, and in 1940, Mr. Charles Lavaud, Director General, dies after 44 years of service with the company.
Fuel is limited and several steam tugs are brought back into service. Allied bombing destroys locks, making shipping difficult.
Several boat crews are killed or wounded in gunfire.

Many worksites maintaining the group's equipment – Andrésy, Joinville, Creil, Maurecourt, Pont de l'Arche, Thourotte, Marseille les Aubigny, etc. – are damaged or destroyed. Most of the boats sunk are raised and repaired in a few years at the group's worksites, which are cleaned up and employ several hundred people.

By the end of the war, barges are built out of welded steel, and not riveted steel any longer, boasting better watertightness.

1950

The last wooden boats are sold. The company receives several 38.50 m x 5.50 m welded steel barges capable of transporting 400 T instead of the traditional 38 m x 5 m barges that transport only 300-350 T for war damages. SGTR's tugs tow from 30 to 40% of all of the goods on the Seine and the Oise.

1952

Mr. Serge Beaucamps is elected to the Board of *Compagnie de Matériel et de Transport par Eau* (CMTE) after Emile, his grandfather, co-founder of CMTE, and Henry Beaucamps, his deceased father. He will become administrator of Touax in 1986 after the final merger of TAF at this time.

1954

Count André Walewski dies at 84 years of age, after 42 years of distinguished service to SGTR. His son, Antoine Walewski, an engineer, administrator of Marine Homécourt (third generation in the steel group), and Chairman of subsidiaries of the same group, is appointed Chairman of SGTR by the Board of Directors. Mr. Emile Lamy is Chief Executive Officer and has been an employee of SGTR since 1927. Mr. Charles de Baillencourt, administrator of SGTR since 1931, resigns for health reasons.

1955

The group's first hopper cars are ordered and will be operated by SGW and *Compagnie Européenne de Transports* (CET). Railcars quickly become more profitable than towing, which is declining, a casualty of the growing number of self-propelled barges (motorized barges and lighters). The sale of all steam engine coal *"guêpes"* continues.

Mr. Van de Velde, former director of *Automobiles de Place G7* and administrator of SGTR for 36 years, dies.

Following Maurice Edmond Sénécaux's fraud (son of Sénécaux), he hands in his resignation. The subsidiary SGT submits its balance sheet and benefits from the court-ordered liquidation.

1956

The motorization of improved towed boats will become more and more extensive; these will become autonomous self-propelled barges that can sometimes push another boat and will be equipped with Deutz, Renault, Berliet, Bolinder's and Volvo engines. This motorization will be carried out at three of the group’s worksites: Thourotte, Marseilles les Aubigny, and Pont de l’Arche.

1960

Count Alexandre Walewski, with a business (Cambridge University – EDC) and technical (Bourges auto and armored equipment military school, 27 months of service in the Army equipment department) education and work experience in the G7 maintenance shops, joins the group. The group transports more than 30% of the tonnage of coal transported by water in France.

SGTR equips two micro-power stations: la Grènerie and Saint Saury in southwestern France.

The company, *Transports Dameron*, which operates ten tractor trailers in Grand Quevilly, near Rouen, and which will grow to a certain extent with the establishment of several bases in France and reach 139 registrations (dumpsters, gas, tanks), is acquired.
Towing activity on the Seine and the Oise falls sharply in five years, due to the motorization of many barges that belong to private owners, and a few lighters, and the chronic shortage of staff employed by the companies.

The group owns 60 self-propelled barges and 150 towed barges and lighters.
Seven “*Guêpe*” tugs, out of 26 with diesel engines, are sold to *Compagnie Générale de Traction sur les Voies Navigables* (CGTVN), and all towing activity on the Oise is abandoned. Only eight tugs remain in service at SGTR.

1962

There is a severe drought during the summer months and starting in December, the winter is very harsh.

1963

From December 1962 to 15 March 1963, many boats have been blocked by ice. A river tourism company, *“Société de Tourisme Nautique”* (lease of small sailboats), is created. North American in origin, the boat-pushing technique arrives in France through fleets transporting sand and gravel (CSS and Morillon Corvol) on the Seine. SGTR transforms tugs into push boats (a technique that requires fewer employees on board the push boats and no more at all on pushed barges) and barges and lighters into pushed barges.

There is a considerable shortage of professional crews; these people are now recruited only from the families of the bargemen living on board a unit and whose children want to pursue this line of work.
When they can, bargemen prefer to be self-employed, own a motorized barge or lighter, and register as private owners with the apportionment office, which assures them a minimum annual income without having to look for business.

1964

A pushing company, CGPVN, is created with several inland shipping lines, with the essential purpose of supplying France’s power plants (EDF) with coal. The group takes 14% of the capital and for 17 years of operations will become the biggest supplier in terms of 2,500 ton barges with ten barges. Operations of the EDF II association created on 15 July 1966 will end on 31 December 1986, after the supply of coal is stopped for the Porcheville and Vitry power plants.

Alexandre Walewski merges the group's main river transport companies that generate weak cash flow less than the many taxes charged for this activity and manage even more than 200 boats and 600 people, *Société Générale de Transport* (SGT), *Compagnie Internationale de Transport par Eau* (CITE), *Compagnie de Matériel de Transport par Eau* (CMTE) into one entity, *Transports Fluviaux* (TAF). Alexandre Walewski (Chairman) and Antoine de Bailliencourt (Chief Executive Officer) apply themselves immediately to selling old barges and lighters, replacing them by building an entirely new fleet of large barges and push boats which make it possible to supply the big industrial transport contracts handled concurrently in France.

These multi-year industrial contracts progressively replace the spot transport of traditional boats, contracted at the very harmful apportionment exchange site, and, with the railcars leased, will give considerable impetus to the group.

The barges and lighters that will not be sold will be equipped with a high-performance diesel engine and will be able to sail autonomously, sometimes pushing another boat, until they are then sold a few years later to private barge owners, who will generally pay for them on credit, spread out over several years.

Alexandre Walewski restructures the many river chartering agencies in France and several hundred bargemen and employees who no longer have jobs are dismissed.

TAF, which will undergo a certain boom with barge pushing and leasing large barges, which will replace the traditional fleet, will make it possible to save the group's river branch.

<u>1965</u>
Count Florian Walewski (HEC–INSEAD), son of the Chairman, joins the Board of Directors of SGTR.
It is decided that the construction of the TAF 103 barge will be launched, the first of a series of ten large barges (2,500 tons), which will be put into operation for transporting coal at CGPVN in 1967.

<u>1966</u>
As Assistant Director to Mr. Emile Lamy, Mr. Alexandre Walewski receives all of the powers concerning correspondence and banking documents and is appointed administrator of SGTR.

<u>1968</u>
Mr. Emile Lamy stops working as Chief Executive Officer of SGTR, where he has worked for 41 years, including 28 years as Chief Executive Officer.
Florian Walewski becomes Chief Executive Officer of SGTR.
SGTR keeps only one tug after selling nine units.

Alexandre Walewski is a member of the *Conseil National de la Navigation* and a full member of the *Commission Consultative Relative aux Affaires Sociales de la Navigation Fluviale* in Brussels. In France, he is involved in implementing the collective agreement on inland navigation.

<u>1969</u>
Florian Walewski asks the Board to take an interest in river tourism.

1970
Minority holdings are acquired in the railcar-leasing companies, CET and SATI.

1971
Major work making the Seine, Dunkerque-Valenciennes, Moselle and Rhône suitable for large barges (4,000 T) has been undertaken on the waterways, but with no spirit of continuity from the different governments of the Republic. The basins are not connected to each other for navigation by large push boats and, because of this, remain marginal internationally. The Freycinet network, on which 38.5 m self-propelled barges sail, is maintained, but these latter lose tonnage to trucks and railcars with large capacities and automatic unloading.

1972
Navidor (nautical tourism) and Bazerque (catering for outside events) are created. The first oil crisis, which will be followed by many others (sharp price increase, rationing), occurs.

1973
Quiztour (river tourism) is created and Lazy Dolphin (self-propelled barge equipped with several sleeper cabins for several dozen passengers) becomes operational.
A portion of the SGTR stock market portfolio, which had been put aside for many years, is transferred.
The company, *"Ostra"* (truck, storage), a subsidiary of the British group, TDG, in which *Touage* takes 17%, and which will be led by Florian Walewski, is created.
"Naviloire" and *"Navisomme"* (nautical tourism) are created.

Antoine and Alexandre Walewski share their concern about seeing many businesses created in the area of river tourism before establishing an initial financial return therefrom.

Florian Walewski leaves his position of Chairman of *Transports Dameron* (truck leasing). Alexandre is elected by the Board to take over from him.

The subsidiary, *Transports et Affrètements Fluviaux* (TAF), which was created from a grouping of river subsidiaries, with the long-term lease of 13 large barges and 80 railcars, shows a satisfactory cash flow.
Minority holdings are acquired in the railcar-leasing company, *Bonnaud,* in Marseilles, and the company, *Malfroid,* in Belgium, which is active in road transport.

The company, *Navidor,* shows considerable losses. Alexandre Walewski makes the strategic decision, which will be followed subsequently by the two boards of directors, to study the merger of SGTR and TAF, and to refocus on the two activities of long-term leasing, railcars, and barges, which require significant capital.

The first investment in wooden huts, managed by Allomat for leasing, is made.

1974
The fuel **crisis,** which penalizes our truck leasing company, Dameron, after the war between Arab countries and Israel, hits.
Bank loans are strongly subject to quotas.
The company, *Transports Dameron,* absorbs the company, Calland, in Gisors (trucks).

Faced with the major losses of nautical tourism companies, the Board decides to try and sell its holdings in these businesses.
The fleet of 272 railcars gives satisfactory results.
As the company, Bazerque, shows major losses, the Board decides to separate from it.

1975

Alexandre Walewski moves ahead with the merger of the three river navigation and services companies (crane operation and storage), group subsidiaries: *Bateaux Fournier, Société Générale de Manutention et de Transport* (SGMT) and *Société Maritime de Charbonnage* (SMC). The company takes the name, SGMT, and is headed by Antoine de Baillencourt, who is also Chief Executive Officer of *Transports et Affrètements Fluviaux* (TAF).

Through the *Office National de la Navigation* (ONN), the Transport Ministry places the river profession under total and costly administrative supervision, because, in addition to the obligation to the apportionment office for traditional boats (from 150 to 1,200 tons), with imposed freight price-setting, quotas are strongly fixed for the hold of large Seine barges (from 2,000 to 2,500 tons), and access to business contracts is also regulated. The ONN institutes interventionist and distributionist commissions, with bargemen's and employers' unions.

From 6 October to 12 November 1975, there is a hardline employees' strike at *Transports Dameron's* (trucks) Petit Quevilly and Vernon bases, resulting in part from the inflexibility of Chief Executive Officer Vallée (who will be dismissed in 1977 for receiving personal commissions on orders for new trucks). During this strike, Alexandre Walewski, Chairman of Dameron, intervenes to calm people down, and is detained by the drivers employed there.

Shipping containers appear in the group with the purchase of equipment managed by Eurotainer.

The group attempts to disengage itself from micro-electric power generation stations in Saint Saury and La Grainerie on the Cère, as equipping micro-stations on rivers (the only ones authorized by the administration because of the government monopoly of *Electricité de France* – EDF) does not have a sufficiently recurring industrial nature in new installations.

1976

Mr. Serre, Director of TAF, designs and perfects a drainage system for TAF's large barges, which will be used extensively in the transport of aggregates.
First investments in Ergé modules managed by SLM.
First investments in 20' dry shipping containers managed by the California-based company, TOL.
TAF builds the TAF 50 Roro-lolo heavy lift barge, which will transport all of the atomic tanks and reactors for EDF and turbines for Alstom for many years on the Rhône.

1977

On 28 April 1977, Alexandre Walewski is appointed Chairman of SGTR (group's holding company) by the Board of Directors, replacing his father, Antoine Walewski, who has reached the maximum age of 73 years. Florian Walewski remains Director and Emile Lamy remains Vice-Chairman.

The group's strategic direction is clearly defined to refocus on four industrial activities (with high potential for recurrent investments, with standardized equipment, based on long-term contracts: lease of large industrial barges for dry goods, railcars (hopper, pulverulent and tanks), containers (dry, open top, refrigerated, tanks), modular buildings (axles or units). This equipment is managed by our management companies or outside companies with competitive bidding.

In 1977, the group's fleets leased out remain modest: 245 railcars, seventeen 2,800 ton barges, 427 containers, 125 wooden huts.

The group employs about 100 workers, employees and executives. There is no net indebtedness.

In 1977, the group's cash flow exceeds FRF 9,360,100, against FRF 1,780,356 in 1967. However, during this period, the purchase cost inflation for our equipment was approximately 300%.

<u>1978</u>
Société d'Investissement de Matériels (SIM) is created in Geneva (management of equipment belonging to third parties).

<u>1979</u>
The last operation participating in building construction in the Paris area ends with the Rue Mouffetard. Business proved to be insufficiently profitable and regular to be pursued.

The acquisition or equity participation in a railcar company is sought. SPEI group's (Reille family) *Compagnie Européenne de Transport* (CET) shows interest with its SNCF agreement for the operation of hopper cars and tanks and its major railcar quotas with subsidiaries of SNCF, *Société Nationale des Chemins de Fer Français*: CNC – EVS – STVA – SGW. It manages 1,917 railcars, including 501 directly, leased to industrial clients; the others are leased to subsidiaries of SNCF.

Still for sale, *Transports Dameron* presents sharply growing results, thanks to long-term oil and gas contracts.
The administration and the *Office de la Navigation Fluviale* (ONN) want to have a portion of the tonnage freely contracted by the rare surviving or merged river companies retroceded to private barge owners.

SGTR seeks to acquire *Société de Location de Matériel* (SLM) (lease of worksite huts), in which Alexandre Walewski is the biggest private investor without being a shareholder. Acquisition talks with Mr. de Vieil Castel start, but do not succeed until later.
Société d'Investissement de Matériel France (SIM France) is created, and Jean Serrurier becomes the manager.

After a portion of the Andrésy land (acquired in 1898 at the confluence of the Seine and the Oise) is divided into 33 plots of land, the company still owns a 8,857 m^2 plot containing office and workshop buildings with a lifting frame on the Seine and staff quarters. Several houses on this plot of land will be sold to private parties.

SGTR's self-financing margin for financial year 1979, thanks to investments, containers, mobile constructions, railcars and the disappearance of unprofitable activities, is up 41.86% compared with the previous financial year. Profit increases 28.13%.
All of the group's subsidiaries show a profit.

SGTR sells the "*Patache*" tourism boat to the company, Quiztour, in which Florian Walewski and Claude Rousselle have interests.

<u>1980</u>
10% of the shareholding is acquired in CET; Alexandre WALEWSKI becomes Chief Executive Officer of the company, replacing Christian D'Aramon, who has died prematurely, and will be appointed administrator or technical advisor of several SNCF subsidiaries.

<u>1981</u>
Activities develop significantly at the international level.
Created in Delaware in the United States, Touax Corporation is an American holding company for the group that aims to have access to the American financial market, which is broader and often less expensive than the European market, and to develop the group's four activities on this continent: river, railcars, containers, modules (which, in time, are going to evolve toward the concept of a box for dry goods without any sophisticated mechanics).
General inflation in France exceeds 14%, which is very high in a time of peace, but resulting from periods of economic crisis and sharp increases in petroleum products (oil crises).

<u>1982</u>
The group's first consolidated balance sheet is established (for the year 1982), but is not yet made obligatory by the *Commission des opérations de Bourse* (COB) (French equivalent of the American Securities and Exchange Commission (SEC)). The group's debt is less than one year of cash flow, a cautious ratio defined by Management.
Société de Location de Matériel (SLM), which manages 400 worksite huts, is purchased for FRF 20,000. This company will develop significantly.
In the face of inflation and the economic crisis, the French government freezes prices. The Bank of France institutes the obligation to seek authorization to export capital converted into investment out of France.

Several of the Company's subsidiaries merge**:** *Société Générale de Manutention et de Transport* (SGMT), *Société d'Investissement de Matériel* (SIM France) and *Société de Location de Matériel* (SLM). The new company is named SLM and is headed by Jean-Louis Leclerc, an accountant by training.

<u>1984</u>
The company, Navidor, is bought out.
Touax Corp. makes its first investment in 20' bulk containers in Gold Corp. (created by Mr. Philippe Lentz the year before in San Francisco).
The company, Misseine, is created in the USA for barge leasing. A first investment of five barges on the Mississippi is made.

Gold Prestige is created in California and Gepac is created in Geneva for luxury car leasing with the participation of Philippe Lentz, who becomes Director of the company.

Florian Walewski devotes himself entirely to the company, “Ostra”, which he created in 1973, a subsidiary of Britain’s Transport Development Group (TDG), in which SGTR retains only a very minority interest, as it has not subscribed to capital increases. As for several years, Florian Walewski has devoted most of his time to the TDG group and the river tourism branch that he bought in part from the group, leaves all his positions at SGTR and remains administrator.

The Transport Ministry (ONN) refuses to grant visas to TAF for the new contracts negotiated with coal and grain clientele, which is seriously damaging to the proper use of TAF’s barges.

After all expenses, taxes and coupons are deduced, the following net profitability on total investments calculated in old francs for financial year 1984 remains:

- 17.10% for S.G.T.R.
- 11.40% for TAF
- 13.70% for Dameron

1985

The group acquires the majority of Gold Container Corp., which leases dry shipping containers, and in which it had been involved as one of the first investors, from Philippe Lentz. This company will develop considerably. In return, Philippe Lentz takes over the entire luxury car operations managed by Gold Prestige, as this line of work is more appropriate for a private individual than a company.

SLM acquires SIGMA’s business, made up of the management of containers belonging to more than 3,000 private investors.
As the ONN wants to leave more work for private barge owners, it no longer grants its visa to grain transport contracts negotiated by TAF, causing ten 2,500 ton barges out of a total of 17 barges to remain idle.

All of our forced-air railcars managed by the EVS pool are nationalized through a buyout of the SNCF.
The banks allow us limited quotas to loan demands for investment.

All of these measures that limit our activities are due to the left-wing government teams that have returned to lead French business in 1981 with the election via universal suffrage of French President François Mitterand.

The fleet of containers managed by companies outside the group is increasing, but requires competitive bidding from these latter, and suffers from the sharp drop in the US dollar.

1986

The name, “*Touage Investissement Touax*”, is adopted, following the takeover of the subsidiary, “*Transport et Affrètement Fluviaux*” (TAF), through the contribution of all the assets with the exception of the river asset given to SLM. The group’s barges all maintain the acronym, TAF, which the clients appreciate.
The private barge owners oppose any loading of grains into industrial barges and at this time vandalize barge and pusher boat equipment belonging to our main competitor, SOGESTRAN.
Although it has been immobilized for several months, the TAF 32 grain barge is sabotaged several times while docked.

The river branch suffers from the shortage of work combined with the terrorism of the past months, as clients do not want to take the risk of loading barges. Only seven out of 17 large barges remain in service on the Seine and the Oise.
The complete halt of CGPVN, because of a shortage of coal on the Seine and the Oise, is not favorable to our activity, but will make it possible to revive the direct operation of barges and pusher boats within our group and to maintain the river business in France.

The net indebtedness on the balance sheet still corresponds to less than one year of consolidated net self-financing.

TAF buys out the company, SAFEM, which operates one pusher boat on the Rhône and one pusher boat and two barges on the Garonne.

Mr. Alexandre Walewski remains Chairman of SGTR and Jean-Louis Leclercq is appointed Assistant Director General.

Revenue from the container sector has become widely predominant in the company. The railcar and mobile construction lines of business remain favorable. The road branch shows improvement.

The *Touage Investissement* security soars on the stock market.

<u>1987</u>
The balance sheet shows a situation of net indebtedness greater than one year.

The group buys out three small river companies, Socma, Nogemat, and Robat, with a total fleet of 13,180 tons and several old pusher boats transporting several hundreds of thousands of tons of aggregate on the Seine and the Oise for major industrial clients.

Dimat, which manufactures concrete blocks in the Paris region, is a subsidiary of Socma.

<u>1988</u>
After waiting for several years, our companies receives approval from the SNCF to register railcars in its name, which makes it possible to lease railcars under the Touax acronym directly to users, without having to resort to the management of outside companies. This authorization will subsequently allow for railcar leasing to really take off.

The two Misseine Touax and Touax KRS partnerships lease barges on the Mississippi. This activity will grow to a certain extent later with the Touax Corp., leasing barges under the TAF acronym.

<u>1989</u>
Several companies, including Eurobulk (river company on the Rhine) and Workspace + (leasing of modular buildings in Florida, USA) are purchased.
Raphaël Walewski, who has studied business (INSEC), joins the group in August 1989.

The holding company, *Financière Touax*, held 100% by Alexandre Walewski, possesses 51% of the capital of *Touage Investissement*.
The *Touage Investissement* securities held by *Financière Touax* have all been bought on the stock market by Alexandre Walewski over the past 27 years, in addition to a supplement

bought from Antoine and Florian Walewski**.** The founder, Mr. Léon Molinos, and his son-in-law, Count André Walewski, held only a small minority share in the company.

Touax Corp. acquires the company, Marsten THG Modular Leasing Corp., in Florida, which acquires the company, Jiffy Jones of Dade County, operating 690 mobile washroom facilities for lease.

The company, Marsten, will acquire a certain size by becoming Workspace +.
The companies, KRS and Touax KRS, lease barges on the Mississippi and replace the company, Misseine, created in 1984.

The company, Gold Container GmbH, subsidiary of Touax Corp., is created in Hamburg with a view to leasing storage modules and containers.

The general economic situation is good for all activities. The group's cash flow has increased sharply in recent years, as has debt.

Consolidated self-financing resources stand at:

- 1987: FRF 29,020 K
- 1988: FRF 39,444 K
- 1989: FRF 52,569 K

Net indebtedness for these same years evolves between 13 and 18 months of annual self-financing resources.
The total of the consolidated balance sheet grows from FRF 197,540,572 in 1988 to FRF 261,882,667 in 1989.
Total shareholders' equity grows from FRF 73,911,000 in 1988 to FRF 86,894,000 in 1989. Consolidated net profits move from FRF 3,618,816 in 1988 to FRF 5,319,234 in 1989.

There is a high rate of industrial depreciation of equipment.

<u>1990</u>
Fabrice Walewski, who has also studied business (ESLSCA), joins the group in April 1990. Count Antoine Walewski, administrator since 1937 and former Chairman from 1954 to 1977, dies.

The purchase of the Rotterdam-based company, Eurobulk, which operates 110 large barges and 25 pusher boats chartered by contract on the navigable network of the Delta between Gand and Amsterdam, is finalized. This fleet, which is reunited under the Eurobulk flag, is the biggest fleet in the Rhineland's network, but for the most part is not owned by the company, Eurobulk, as the boats belong to private individuals.

Dimat buys out its competitor, Prébloc, which manufactures concrete blocks in Gennevilliers. The company, Integrated Offshore Venture (IOV), is created in Paraguay with a view to river operations in South America, which will post the group's best return on investment for about a decade.

After the Iraqi invasion of Kuwait, the Gulf War entered into by the American, British and French allies creates serious disruptions in economies and finance.

Next, the economic situation declined markedly, with a fall in residential construction hitting concrete block manufacturers Dimat and Prébloc hard.

All of the group's activities are affected to a greater or lesser extent. Investments drop because of the economic situation and the group's relatively high indebtedness.

1991
Recovery is favorable to several of the group's activities. The self-financing resources before taxes and financial results more than doubled in five years, moving from FRF 34,756,000 in 1987 to FRF 72,377,000 in 1991, while the consolidated operational self-financing capacity after taxes and financial expenses moves from FRF 22,833,000 to FRF 33,754,000 with identical group shareholders' equity not subject to cash input.

1992
The group manages 52 pusher boats and 700,000 tons of large barges, including many that have TAF or EURO TAF registrations, on several international networks.
The group has more than 3,000 small private investors that have financed more than 20,000 TEU containers and a few mobile structures and river barges.

To follow the group's sustained investments over the past three years representing FRF 164.5 million, 112,553 share dividends at FRF 100 face value are issued with a transfer from reserves, and 112,553 new shares are issued at FRF 130 per share, i.e. a total of FRF 14,631,890 subscribed for its majority share by *Financière Touax*, the Walewski family's holding company.

Share capital is brought to FRF 56,276,600, divided into 562,760 shares of FRF 100 face value.

Financière Touax holds 53% of *Touage Investissement*. As Alexandre Walewski made a gift by will to his three sons, Raphaël and Fabrice Walewski possess 69% of *Financière Touax*.

The economic situation is very bearish in Europe, while there is a positive turnaround in the North and South American sectors.

The policy is to transfer equipment not managed directly by the group and the company, Dameron (road transport), which is evolving in a waning economic situation, and the company, Dimat, because of a drop of more than 40% in concrete block sales in the Paris region.

1993
It is ascertained that approximately FRF 36 million in losses (group's share) have been made over the past three financial years, mainly for the companies, Préblocs, Dimat, Workspace Plus and Eurobulk. Dimat (manufacture of cement blocks) is transferred, with significant losses: in addition to the waning economic situation in its business sector, this latter company never managed to perfect a new cement block manufacturing machine.

1994
After the company, SLM, is taken over by *Touage Investissement Touax*, the name, Touax SA, is adopted. Railcars will be registered under the Touax acronym and SLM modules will be managed progressively under the Touax acronym. A new capital increase in cash brings

this latter from FRF 56,276,600 to FRF 68,782,400 divided into 687,824 shares of FRF 100 face value.

<u>1995</u>
Raphaël and Fabrice Walewski are appointed chief executive officers.

The first big trust of $42 million, financed through securitization by the American "Teachers" pension fund for Gold Container Corp., is created. Several trusts will be created after this to finance container, module and railcar activities in the US and Europe.

Many companies are set up or acquired abroad with more than 40 subsidiaries that manage the four activities of industrial transport and leasing, including the company, Interfeeder, in Rotterdam, which transports sea containers on the Rhine and the Rhine delta and that is acquiring an important position by transporting more than 100,000 containers each year.

Funding comes from the group, pension and institutional or outside private investor funds that invest through investment programs.
The group's sales grow considerably following an increase in the fleets, operated for either outside investors or financed on its behalf by resorting to indebtedness.

Business is good in North America and South America, whereas the economic situation remains mediocre on the continent of Europe. Order books are full at river boat construction sites in Eastern Europe, with an increase in steel reaching $1.30/kg in the Romanian worksites

The group orders seven large barges from a Chinese worksite.

<u>1996</u>
A second securitization of $37.5 million in containers.
In order to achieve economies of scale with limited overall costs, the group's objective is to significantly increase the fleets managed within two to five years in the following manner:

Increase of 60 barges to reach more than 160 barges
Increase of 5,000 modules to reach more than 10,000 modules
Increase of 70,000 TEUs to reach more than 100,000 TEUs
Increase in the railcar fleet.
The acquisition of rival companies will be studied in the four sectors.

<u>1997</u>
A securitization of EUR 32.8 million in modules.
In December 1997, Alexandre Walewski, nearing 64 years of age, retires from the group and relinquishes the chairmanship of Touax SA, while maintaining his position of administrator and his mandates as chairman for the principal foreign subsidiaries. The board of directors elects his two sons, Raphaël and Fabrice, co-chairmen of Touax SA, assuming their duties on 1 January 1998.

Raphaël takes charge of river and module activities and Fabrice takes charge of container and railcar activities.

The Touax head office set up in Marshall of Saxony’s mansion at 5 quai Malaquais (SGT occupied this space since 1913) is transferred to the Tour Arago in Puteaux La Défense after 585 m^2 of usable space in this tower is acquired.

The company, Siko, which manages 1,500 modules in Hamburg, Germany, is acquired.

Dutch company, Ducotra, conducting river transport of containers on the Rhine and between Antwerp and Rotterdam, is purchased; this is a major transporter in its business sector that will be merged with Interfeeder.

The group shows strong growth in 1997. The consolidated balance sheet as of 31 December 1997 is FRF 568,008,000 against FRF 309,434,000 in 1996, i.e. an increase of 83.5%.
At the end of 1997, net fixed assets stand at FRF 239,275,000 against FRF 198,695,000 at the end of 1996 (+20.4 %).
Available funds and investments stand at FRF 124,563,000, up sharply at the end of 1997.
The group’s shareholders’ equity stands at FRF 178,286,000, up 64.7%.

The consolidated income statement on 31 December 1997 shows total operating revenue of FRF 342,178,000 against FRF 228,495,000 in 1996, i.e. growth of 50%.

The gross operating margin or EBITDA stands at 59.6 million in 1997 against 40 million in 1996 (+49%).
Operating results stand at 39.4 million in 1997 against 25 million in 1996
(+57%).

Pre-tax profit/loss stands at FRF 26.3 million in 1997 against FRF 16.8 million in 1996 (+55%).

The group’s share of consolidated net earnings stands at FRF 68.5 million in 1997 against FRF 16.8 million in 1996 (+408%), after capital gains, in particular.

The group’s total consolidated self-financing resources stand at FRF 197 million in 1997.

Shareholders will be paid a coupon up 50% compared with 1996.

1998
Second securitization of EUR 32.8 million modules.
Touax Rom is set up in Romania, in order to operate several river convoys on the Danube, and to be established at both ends of the Rhine-Main-Danube axis.
In the US, the rise in the dollar and the Asian crisis do not encourage exports.
In South America, the convoy activities of IOV and Touax LPG in Paraguay are excellent.

In Germany, Siko integrates the fleet of Gold GmbH modules and the public works and engineering sector enters a crisis following the German government’s marked reduction in public spending.
Siko Polska, a subsidiary of Siko in Germany, is set up in the modular building sector.

Touax Cabin, a subsidiary of Touax BV, is set up in the Netherlands.

Development is continued in the US with Workspace +, with four bases in Florida.

The company, Gold Container, enjoys a sound economic situation and plans to reach 100,000 TEUs within two years.

Simotra-Secam's fleet of containers is acquired and is leased principally to the French armed forces.
The first contract for container railcars is signed with CNC. This activity is guaranteed to have a big future.

Financière Touax and Touax SA merge, keeping the name, Touax SA, and this latter's stock market quotation.

1999
Securitization of $46.5 million in containers.

The events in Kosovo stop river navigation on the Danube following the allies' bombing of several bridges.

The company, Almafin, operating under Belgian law, subsidiary of the Almanij group, acquires significant holdings of 6.02%, in the capital of Touax SA through a reserved capital increase and obtains a position on the board of directors, represented by Mr. Hugo Vanderpooten. This latter has many years of experience in leasing and financing transport equipment.

For the fourth year in a row, the Touax group posts strong growth in an international context that is on the whole favorable, except for the Serbian embargo and a major drought in Latin America.

EBITDA grows 31% to FRF 93 million.
Consolidated net earnings grow 24% to FRF 39 million.
Shareholders' equity reaches FRF 336 million against 244 million and net bank indebtedness increases to 301 million against 130 million the previous year.
Managed fleets have increased in the four business sectors: river, modular buildings, shipping containers, and railcars.
A first stock option and BSA (stock purchase warrants) program is set up for the group's co-chairmen and principal employees.

2000
Touax Leasing acquires 50 new 14-foot, 2,100-ton-capacity barges in the US, increasing our fleet on the Mississippi to 77 barges. Fourteen-foot barges are paid more than the traditional 12-foot barges.

A module-leasing agency is opened in Belgium.

Mr. Thomas Haythe, who has many years of experience as a trial lawyer in New York and who helped us set up the first container trust in the US in1995, is elected administrator of Touax SA.

Ten barges manufactured in China are sent to the Netherlands and France. Chinese equipment is markedly less expensive than and of equal quality as barges manufactured in Europe.

2001

Touax SA incorporates reserves into the capital and allots 473,021 share dividends. Total shares reach 2,838,127 at a face value of FRF 52,476 per share. During the financial year, the new amount of capital is converted into Euros and reaches EUR 22,705,016 divided into 2,838,127 shares with face value of EUR 8. For several years, the European authorities in Brussels had pegged the price of the Euro compared with the French Franc, with EUR 1 worth FRF 6.56.

Two Dublin-based companies that will operate all of the group's railcar assets are set up.

Touax SA holds 51% and Almafin holds 49% of Touax Rail limited.
Touax SA holds 49% and Almafin holds 51% of Almafin Rail limited.
All of the group's railcars are transferred to Touax Rail limited.

A trust funded by securitization with US companies, Gold Container and CFCL-Touax LLC, which are both subsidiaries wholly-owned by Touax for a total of $48,418,225 for the containers and $8,919,375 for the railcars, is set up.
EUR 11.4 million railcar management program.
$13.9 million container management program.

2002

EUR 25 million container and EUR 5 million module management program.

2003

Managed fleets are managed for the most part by companies that are wholly-owned by Touax. Their significance is as follows:

River: First in Europe and fifth or sixth in the world.	
With 192 TAF dry bulk barges:	462,910 deadweight tons
And 150 Rhine or Danube self-propelled barges:	200,000 deadweight tons
Containers: Second in Europe – tenth in the world:	199,665 Gold TEU
Modules: Third in Europe – fifth in the world:	19,443 Touax modules
Railcars: Second in Europe for intermodal railcars:	1,736 railcars

The consolidation or merger of companies in our business sectors is very advanced in the US and leaves few options. On the other hand, consolidation in Western Europe is at a less advanced stage and, in accordance with the group's funds, will still make it possible to carry out several acquisitions or partnerships.

The goal is to always remain one of the top ten countries in the world for each activity, or to better the positioning and increase our market share, in order to have even better chances for longevity in the future.

The two currencies used primarily by the group's companies are the US dollar and the euro. Although they are the most stable currencies in the world, these two currencies nonetheless have major exchange rate fluctuations between them. Operations carried out in dollars are on the way to becoming the majority in the group.

The group manages the financing and construction, in keeping with the group's standards, of equipment, in outside international worksites (Asia, Europe, US), the placement of equipment through long-term contracts with major industrial clients, the maintenance in its outside worksites or workshops, leasing, and the definitive transfer of equipment.

The group's concept is to provide clients with equipment…

- that is new, facilitating placement,
- that is mobile, facilitating the optimization of the utilization rate,
- that is sturdy, reducing its maintenance costs,
- that is standardized, featuring simplicity of operation,
- that has little risk of obsolescence and a long service life.

This equipment allows for very fast placement.

Financing the fleets of the four activities managed by the group has become an activity in its own right that is just as important as the technical and commercial aspects, IT management, accounting and tax management, and human resources management, etc.

The funds managed by the group are close to EUR 550,000,000 and have been increasing regularly for several years. Approximately 25% are the group's property. Financing through management programs replaces financing through trusts, which have become difficult to create and costly. The programs are even easier to place with investors as they involve leased equipment with long-term contracts and showing stable profitability often greater than financial and stock market investments.

Competition that has become truly global in our service activities and the years of a mediocre economic situation since 2001 in the US and Europe prompt us to rethink our direction, again affirmed in terms of the long-term lease of equipment, or the transport and storage of goods with multiyear contracts, and reduced general and committed expenses. These measures, combined with economies of scale that are feasible as the managed fleets are developed, seem to be the only ones that allow for an acceptable financial return and recurrent off-balance sheet refinancing.

The creation of four economic and geographical centers is being considered in the group, with the following holding companies:

- Eurobulk – river activities – the Netherlands
- Touax BV – modules – the Netherlands
- Touax Corp. (including Gold Container Corp.) - USA
- Touax Rail – railcars – Ireland

The group's head office is still in Tour Arago at Puteaux La Défense, and the group is still listed on the Second Market of the Paris Bourse.

Ever since its foundation in 1898, the Touax security has issued its shareholders an annual dividend without a single break.

Management program: containers at EUR 51.2 million, modules at EUR 7.2 million, and railcars at EUR 1.9 million.

2004

The group's sales continue to grow. The shipping container and railcar sectors are buoyed by a favorable economic situation, while the river and module sectors evolve in a mediocre economic situation.
Mr. Jérôme Betbèze is co-opted as administrator.

Management program: containers at EUR 57.5 million, modules at EUR 14.2 million, and railcars at EUR 6.4 million.

2005

The situation of the river sector has in particular recovered in the US and on the Danube. The module sector continues to suffer, while railcars continue to grow, and containers reach a short-term stage.
On 28 July, the company gets rid of the status of corporation (*société anonyme*) that it has had since 1898, to take on that of limited partnership with shares (*société en commandite par actions*, SCA).
Messrs. Raphaël Walewski and Fabrice Walewski, former co-chairmen, become general partners of the SCA. Alexandre Walewski is appointed chairman of the Board of Trustees.
This change in status will make it possible to carry out increases in cash capital to continue the group's strong development, while maintaining the Walewski family's control.

In November and December, a capital increase of three new shares for seven old shares is carried out at a price of €20.73 for a net amount of €18,089,000.
926,792 new shares are created at a face value of €8, bringing the share total to 3,764,919 and shareholders' equity to approximately €56,222,000.

Fleets are financed through management programs funded by third parties and by shareholders' equity. A new management program is created, including containers at EUR 69.4 million, modules at EUR 5.7 million, and railcars at EUR 24.4 million.

Touax SCA buys out the 49% stake that Almafin held in the capital of Touax Rail, thereby holding 100% of the capital.

2006

The economic situation is expanding on every continent for the group's activities. International trade grows 10% and is favorable to three transport activities – rail, containers and barges – which boast growing results. After several difficult years, the river branch finishes its recovery and prepares for a significant upturn in investments, thanks to transport and lease contracts.
The module branch is also recovering strongly. The group's investments reach EUR 182 million, of which EUR 66.7 million are carried by the balance sheet.
The group's net income is up 76%, and reaches EUR 7,200,000.
Interfeeder, which transports containers by barge on the Rhine network, is sold to the Rhenus group after several difficult financial years.
Baron Philippe Reille, who worked for many years with Alexandre Walewski at *Cie Européenne de Transport* (CET), hands in his resignation, moving to Brussels.

2007

Mr. Thomas Haythe, who had helped the group carry out its first securitization operation, resigns from the Board of Trustees, and Mr. Jean-Jacques Ogier is appointed to replace Mr. Yves Claude Abescat, a permanent representative for the company, Salvepar, company shareholder.

The group's consolidated accounts show a net profit of EUR 11,720,567 for the group's share, up 62%. Earnings per share reach EUR 3.01. Consolidated sales reach EUR 278,160,000, up 10%.

The year's milestones are: the issue of an OBSAR for EUR 40.30 million, the acquisition of a producer and lessor of modular buildings, Warex, in the Czech Republic and Slovakia and its leasing subsidiary in Germany, the creation of a modular building assembly unit in France, near Chartres, in Mignières, the legal restructuring of the group by activity, as well as the increased investment in new equipment, reaching EUR 222.9 million, of which EUR 114.2 million is kept in shareholders' equity. An increase in investments and profits is forecast for 2008, with the markets in the equipment sectors remaining structurally positive, despite a major crisis hitting many financial sectors. Long-term equipment lease and transport contracts still attract a great deal of funding.

The expansion in world trade increases demand for shipping containers. The group's fleet reaches 438,195 TEU, up 19%.

Infrastructure needs in Europe, Central and Eastern Europe in particular, favor the development of fleets of modular buildings. The fleet reaches 30,477 units, up 25%.

The need to replace river fleets in Europe and the US, the world energy crisis with the sharp increase in the cost of fuel, the expansion of Eastern Europe, the strong activity in South America, and the fight against pollution through CO2 emissions support the river sector and again allow for investments with 52 barges ordered in 2007, to be delivered in 2008 and 2009. The fleet stands at 155 barges and 332,599 tons in the hold.

The deregulation of railway freight, the need to replace very old fleets in Europe, the expansion of Eastern Europe, and the search for environmentally-friendly transport give the freight railcar lease division attractive prospects.
The railcar fleet has grown 29%, standing at 5,424 units, made up primarily of container cars, auto transporters and hopper cars.

The price of manufacturing steel-based equipment has increased noticeably over the past fours years; the increase affects barges manufactured in Europe and Asia and railcars manufactured in Europe, in particular.

2008

The consolidated financial statements showed group net income of €16,838,932, up 44% on 2007.

Earnings per share were €3.72, as compared with €3.05 in 2007.

Total consolidated balance sheet assets stood at €501.5 million, as compared with €377.9 million in 2007.

The total number of shares at end 2008 was 4,682,971.

A €23 million new equity issue was carried out in March to secure over €100 million in property investment and stabilise the balance sheet structure.

The company’s total number of maritime containers exceeded 500,000 TEUs (twenty foot equivalent units), enabling the group to maintain its position as the leading player in continental Europe and number eight in the world.

Its stock of modular buildings reached 38,000 units, making the group the second largest rental company of this type of structure in continental Europe and the fourth- or fifth-largest in the world.

The available tonnage of inland barges used for rental and shipping dry bulk cargo in Europe, the United States and South America reached 375,000 tonnes, made up of 172 units: barges, self-propelled barges and pusher tugs. Touax ranked as Europe's leading inland shipping company.

Thanks to its fleet of 6,700 flat trucks, vehicle transporters and hoppers registered in Europe and the United States, the group was able to consolidate its position as Europe's second-largest container carrier rental company.

As a result of a major financial crisis in the course of the year, leading to a worldwide fall in activity that disrupted the group's business from the second half onwards, the share price fell from €40.60 on 2 January to end the year at €16.63 on 24 December 2008, in spite of the very strong results achieved.

The P/E ratio fell to 4.75 at the year-end.

On 31 December 2008, the group's market capitalisation stood at the exceptionally low level of €80.78 million.

2009

The year unfolded in an atmosphere of international crisis, with various consequences for the group: there was a fall in investment and equipment syndication, and both fleet usage and equipment transport and rental prices fell after several years of strong growth and the introduction of significant quantities of new equipment in all four of the group’s business sectors. In order to maintain investment capacity and seize any opportunities the crisis may offer, a new equity issue was carried out in June, bringing in net new capital of €17.683 million.

However, while consolidated net income for the year fell 16% to €14.2 million, EBITDA was maintained at a respectable €48.9 million (down 8.5%) as a result of significant balance sheet investment over the past few years, much of which has been allocated to long-term usage agreements.

The modules sector held up nicely and began selling products manufactured by the company's two plants in order to generate additional margin to supplement rental income without any additional capital requirement.

With global trade falling by more than 12% in 2009, the maritime container business suffered; however, its positioning as a manager with few of its own containers and as a long-term renter enabled it to continue to operate profitably.

Although the inland barge business put in a respectable performance for the year, both volumes and prices began to fall on the Rhine and the Danube in late 2009.

While operational activity deteriorated, the truck rental business posted a strong performance, partly attributable to a write-back of provisions.

The first business area to show signs of recovery was the maritime containers sector at the end of 2009.

As in the previous year, a €1 coupon was paid on each company share.

The market capitalisation had improved to €126.8 million at the end of the year; this figure was still very low, reflecting the economic crisis.

2010

Activity benefited from a vigorous general recovery in the maritime container division and moderate in the other three activities.

The river division progressively converted to barge leasing and the modular division continued to intensify its implantation in Eastern Europe and emerging countries leasing and selling its own products. The rail branch benefited from the recovery managing a fleet of diversified freight cars located in Eastern Europe.

The leased fleet owned by the Group reached €500 million. The leased fleet managed on behalf of third parties under long-term management contracts reached €875 million.

Group Touax achieved 87% of its sales outside of France in 2010. Net profits reached €13.3 million, down 6% compared to 2009.

Restating 2009's net profit with the exceptional provision reversal posted to the freight car activity in the amount of €2.8 million after tax, would place net profits up 16%. Profits for 2011 could return to or exceed the pre-crisis levels of the last three years.

2011

The Touax Group's sales increased by 11.1% to 336 000 000 Euros, of which 85% were earned outside France.

The EBITDA after distribution to investors increased by 7.4% to reach 58 000 000 Euros.

The rental fleet of the 4 activity branches reached almost 1.5 billion Euros.

The Containers activity signed new syndication contracts for 55 million dollars and its load factor remained high at 97%.

Modular Constructions rentals increased by 12% and sales increased by 30%. Large rental contracts were processed.

The number of wagons in the Freight Wagons fleet managed in Europe and in the United States increased by 6% to 8700 wagons and the activity obtained ISO 9001 certification and the Entity in Charge of Maintenance (ECM) Certificate, necessary for maintenance of all freight wagon fleets.

The River Barges activity continued its strategy for change by abandoning its transport activities and concentrating on rental, sales and trading.

The group faced difficulties in Europe, and continued its diversification in countries with stronger growth.

The group's sales increased by a factor of 2.3 in 10 years and the net result was multiplied by 5.3 during this period.

<u>2012</u>
The Group's sales increased by 7% to 358 million Euros, of which 85% were earned outside France.

The EBITDA after distribution to investors outside the group holding equipment also increased by 7% to reach 61.8 million Euros.

Assets under management grew by 9% to reach a total of 1.6 billion Euros.

Growth in balance sheet assets was even stronger and reached 776 million Euros financed largely by an increase in debt of 121 million Euros and equity of 27 million Euros.

The group employs 760 persons and has more than 5000 customers on five continents.

The economic context is still difficult in Europe, particularly for the Wagons and Modular Constructions activities and is essentially the reason for the reduction in the group's result to 9 146 000 Euros compared with 13 434 000 Euros in 2011, giving a net result per share of 1.60 Euros in 2012 compared with 2.35 Euros in 2011.

The Sea Containers activity remained satisfactory with an average load factor of 96% and growth in its fleet was 14% to reach 565 000 TEUs and results were good. The residual selling value of equipment reached a new record.

The Rail activity manages a wide variety of more than 9 100 freight wagons including inter-mode wagons (transport of containers and swap bodies), car carriers, coil carriers (transport of steel coils), pallet carriers (transport of products on pallets), hopper cars and silo cars for the transport of heavy products (cement, cereals, etc.).

A freight wagon rental entity was created in Asia and a wagon rental license was acquired in India, anticipating demand for the next few years.

The River Barges activity continued its conversion towards rental and new investments were made on the Idrovia network (Parana) to bring the total number of barges to 50. The activity now manages a total fleet of 139 wide-gauge barges representing 349 289 tonnes of cargo. The barges keep a high end of life selling value (at 30 to 50 years) usually creating financial added values.

Touax is still the largest barge rental company in Europe and South America, and is well positioned with customers and river shipping companies.

An action plan has been undertaken for the Modular Constructions branch in order to drastically reduce costs faced with disappointing results and increasing debt.

However, the Modular Constructions rental activity in Germany remains satisfactory.

This equipment is rented in nine countries. A majority holding has been acquired in SACMI, the largest operator and manufacturer of modular constructions in Morocco, opening up markets in North Africa and West Africa.

The total fleet of this equipment managed by the group is 51 000 units, with 750 000 m2 of installed offices and facilities.

<u>2013</u>

In 2013, the amount of TOUAX's total sales was 350 million Euros, 2.4% less than in 2012 and the net result was -15.3 million Euros compared with 9.1 million Euros in 2012, After adjustments due to exceptional elements (reorganisation costs, depreciation of assets and goodwill), the net result before tax is slightly positive and is equal to three hundred thousand Euros.

In 2013, TOUAX consolidated its balance sheet with 185 million Euros of equity (+7%) while reducing its net debt (-8%) and it has sufficient financial resources with third party investors to finance its growth. The total of assets under management is equal to 1.6 billion Euros, which is 3% higher for comparable currency.

The year 2013 was marked by a strong disparity in the situation between Europe where the Modular Constructions rental and sales activity was particularly difficult, and all international activities (outside Europe) such as the Shipping Containers activity, for which the year was excellent. The Rail activity in Europe was also weak.

Several measures have been taken to adapt to the economic situation and to recreate a sound basis in Europe, particularly including stopping production of new modular constructions in France and reducing the break-even point of the production site in the Czech republic. This reorganisation largely explains the exceptional expenses incurred in 2013.

In terms of prospects, TOUAX continued developments that are expected to bear fruit.

The Group delivered its first modular constructions in Brazil, Russia, Algeria, Ghana, Gabon, Mauritania, Guinea, Togo and Burkina Faso. Modular construction needs in these zones are very high and the Group intends to take advantage of this market.

For the River Barges rental activity that now has a fleet of 136 units, its installation in South America is continuing by providing operational rental solutions for river barges on the Paraná river in Paraguay. At the same time, TOUAX is developing partnerships with large industrial customers in Europe in order to put itself in a good all-round position providing consultancy services and supervision of construction projects and barge sale and financing solutions.

The Sea Containers activity now manages more than 600 000 TEUs after 22% growth in the fleet in 2 years, including many sale & lease back operations with shipping customers. The activity has consolidated its presence in Asia and is developing trading of used containers.

The Freight Wagons activity is suffering from insufficient load factor and rental rates, but it has successfully broadened its industrial customer base and confirmed an order for 300 new wagons for which delivery will begin at the end of 2014.

Nevertheless, recovery in the Group's result will be progressive and the Modular Constructions activity will remain below its break-even point in 2014.

The cash situation is very different. Considering the strong demand for tangible assets from institutional and private investors, TOUAX's growth in 2014 will be financed mainly by third party investors, which will have the automatic effect of limiting internal investments and reducing debt.

These measures, together with transfers of non-strategic or non-rented assets, the expected progressive improvement in the load factor and rental rates in Europe and cost reductions will continue to improve the free cash-flow, which improved from -22.6 million Euros in 2012 to +25.3 million Euros in 2013.

<u>2014</u>

Consolidated revenue for the year 2014 increased by €29.4 million (8.4%) from €349.3 million in 2013 to €378.7 million in 2014. The increase in sales of shipping containers to customers and investors as well as the sale of railcars in the United States account for most of this variation.

The momentum of the leasing and sale of transport equipment (containers, railcars and barges) which have a positive operating result, did not offset the activity of Modular Buildings still marked by weak economic conditions in Europe. The strategy to reduce the company's own investments, the sale of non-strategic or non-leased assets and growth financing by third party investors have brought results with an increase in operating cash flows that has reduced the Group's net debt.

The decline in EBITDAR of €7.6 million (-7.4%) taking it from €102.5 million in 2013 to €94.9 million in 2014 was mainly due to the weakness of the Modular Building business and the margins on lower sales in 2014 compared to an exceptional year in 2013 in the Shipping Container business. The EBITDAR of the River Barge business activity is stable and that of the Freight Railcar business activity is increasing. The EBITDAR reflects the performance of our business activities and all the assets managed by the Group. Overall, the Group manages €1.7 billion of (patrimonial) long life assets, 41% of which are owned by the Group. At constant exchange rates, managed assets have increased by 1% compared to the end of 2013. To be noted is the increase in assets managed on behalf of third parties which increased by €149 million in 2014 and reached one billion Euros for the first time.

The EBITDA decreased by €10.9 million from €50.9 million in 2013 to €40 million in 2014. This decrease was a result of the decline in EBITDAR mentioned above and the increase in distributions to investors.

Overall, operating income decreased by €3.2 million moving from €7.3 million in 2013 to €4.1 million in 2014. This difference is explained by the decrease in EBITDA offset by a reduction of the amount of depreciation due to a lower impairment of assets in 2014 than in 2013.

The profit before tax decreased by €0.6 million from -€13 million in 2013 to -€13.6 million in 2014, The decrease in net debt and lower interest rates have reduced the weight of the Group's financial burden, which partially offset the decline in operating income.

Net loss attributable to the Group decreased by €2.4 million (-15.7%) moving from -€15.3 million in 2013 to -€12.9 million in 2014, with the burden of tax being lower in 2014.

<u>2015</u>

Consolidated revenue for the year 2015 reached €348.2 million compared with €378.7 million in 2014. Despite an increase in the Modular Buildings business, lower investor syndications in the Shipping Containers business explain most of this variation.

The Modular Buildings leasing and sales business grew strongly in 2015 resulting in a significant increase in utilisation rates but also generating additional preparation costs. The leasing and sales business for transportation equipment (containers, railcars and barges) posted a positive operating result in 2015 which did not offset the loss of Modular Buildings business.

In 2015, the Group recorded €11.6 million of exceptional impairment, of which €10.8 million related to Modular Buildings in order to accelerate the assets rationalization in France and the United States.

The strategy to reduce the company’s own investments, the sale of non-strategic or non-leased assets and financing growth through third party investors have created positive operating cash flows that ensure the objective of reducing the Group's net debt to be achieved.

The €1.8 million increase in the EBITDAR to reach €96.7 million in 2015 is related to the growth in the Shipping Containers business which is marked by the rising US dollar. The EBITDAR reflects the performance of our business activities and all the assets managed by the Group. Overall, the Group manages €1.8 billion of assets, 41% of which are owned by the Group. At constant exchange rates, managed assets were stable.

The EBITDA decreased by €3.8 million, from €40 million in 2014 to €36.2 million in 2015. Restated for non-recurring items (€0.7 million of impairment for assets, €1.3 million of contingency provision and €1.6 million of additional costs for asset preparation linked to both re-leasing of modular assets and rising utilisation rates in 2015 and €2 million of extraordinary income in 2014), the EBITDA rose by €1.9 million to €39.9 million, reflecting the Modular Buildings business recovery.

Distributions to investors increased due to the Euro-Dollar exchange rate effect.

Overall, operating income decreased by €17.2 million reaching -€13.1 million in 2015. This difference is mainly explained by the year's exceptional impairment and expenses. Restated for exceptional items in 2014 and 2015, operating income was stable (€3.7 million in 2015 compared to €3.8 million in 2014).

Lower average net debt and interest rates have reduced the weight of the Group's financial burden.

The current profit before tax amounted to -€28.4 million in 2015.

Restated for non-recurring items, the current profit before tax increased in line with the recovery of the Modular Buildings business. The non-recurring items include €11.6 million of impairment for assets, €1.3 million of contingency provision, €1.6 million of additional costs for asset preparation related to both re-leasing of modular assets and rising utilisation rates, €2.4 million of exceptional refinancing costs reduced by €0.7 million for the "mark to market" value accounting of the Redeemable Bonds issued in July 2015 and €2 million of extraordinary income reduced by €1.7 million of impairment for assets in 2014.

Net loss attributable to the Group increased by €11 million reaching -€24 million in 2015. The result is mainly affected by the €16.1 million of non-recurring items detailed above.

<u>2016</u>

The year 2016 marked a general turnaround with growth across all operational indicators. Consolidated revenue increased, EBITDAR and EBITDA are improving. Operating income is increasing and positive. The Group's loss decreased.

The Modular Buildings and Freight Railcars activities play a particularly strong part in this recovery.

Sales of modular buildings are significantly up, driven by the German refugee market. The Modular Buildings Leasing activity has been strong in Germany and Poland and started to recover at the end of the year in France with projects for the construction sites related to the "Greater Paris" infrastructure project.

Freight railcar leasing continues to improve in Europe and is growing in Asia.

Leasing of river barges suffered a slight drop in activity in Europe mainly in chartering on the Rhine.

The market for Shipping Containers was contrasted with a decline in leasing rates generated by a deflation of steel and the price of new containers in the first part of the year. The Group has successfully implemented a strategy of used container sales to decrease operational expenses and increase utilisation rates to 94% at the end of 2016. The market turned around at the end of the year with inflationary pressure again on the purchase price of new containers and leasing rates.

The positive operational cash flows generated by the strategy of reduction of its own investments, the sale of non-strategic or non-leased assets and growth financing by third party investors have improved the key balance sheet ratios and achieved a loan to value ratio of 60%.

The consolidated revenue in the year 2016 reached €362.9 million compared with €348.2 million in 2015 supported by the Modular Buildings and Freight Railcars activities.

This increase is reflected in EBITDAR with an increase of €5.8 million to reach €102.5 million in 2016. The EBITDAR reflects the performance of our business activities and all the assets managed by the Group. Overall, the Group manages €1.8 billion of assets, 40% of which are owned by the Group. At constant exchange rates, managed assets fell slightly.

The EBITDA also increased by €7.9 million, from €36.2 million in 2015 to €44.1 million in 2016. The EBITDA adjusted for non-recurring items amounted to €45.2 million. Significant costs for strategic review projects of activities and financing impacted the Group's EBITDA for a total of -€1.1 million.

Operating income increased by €17.5 million to reach €4.4 million in 2016. The 2016 operating income was impacted by the goodwill impairment of our subsidiary in Africa for a total of -€2.5 million.

The profit before tax increased by €17.2 million from -€28.4 million in 2015 to -€11.2 million in 2016. The profit before tax records the accounting expense of valuing financial instruments (convertible bonds and interest rate swap for a total of -€1.3 million. The profit before tax adjusted for these exceptional items amounted to -€6.3 million, up by €6 million.

The group's income therefore improved by €12.4 million with a loss of -€11.6 million in 2016.

<u>2017</u>

The year 2017 marks the Group's refocusing on the leasing of transport equipment (freight railcars, river barges and shipping containers) with the transfer of modular buildings activities in the United States on 2 November 2017 and in Europe on 8 December 2017. The sale of these businesses led to a significant debt reduction by the Group, with debt down 46% following the value of these disposals totalling approximately €170 million.

The profitability of leased transport equipment rose in the year 2017 with an increase in demand and utilisation rates. This increase translates into lower operating expenses, mainly relating to storage costs.

TOUAX nevertheless retains a modular business in Morocco in partnership with a specialised investment fund in Africa, a business whose goodwill has been fully depreciated.

Consolidated revenues for the year 2017 amounted to €211.9 million compared to €232.7 million in 2016, a decrease of 8.9%, due to a drop in sales of Shipping Containers, in part offset by higher sales of Freight Railcars to investors outside the Group.

The EBITDAR reflects the performance of our business activities and all the assets managed by the Group. It increased by €7.6 million to €88.7 million due to improved profitability of equipment due to improved utilisation rates.

The EBITDA also increased by €3.6 million from €23.2 million in 2016 to €26.9 million in 2017, reflecting an increase in the number of owned railcars.

Current operating income increased accordingly by 34% to €7.6 million, mainly driven by the Freight Railcar and River Barge activities, with volumes being lower in Shipping Containers.

Current income records the total impairment of goodwill (-€8.3 million) on the Modular Buildings activity in Morocco.

Net income in 2017 amounted to -€18 million, including a loss of €12.7 million for discontinued operations, a loss of €5.9 million for the residual modular buildings activity in Morocco (including -€4.2 million of the group's share of impairment of goodwill) and a profit of €0.5 million for continuing operations excluding Morocco.

Overall, TOUAX manages €1.2 billion of property assets, 33% of which are owned by the Group. TOUAX is registering more owned equipment, particularly in the Freight Railcars activity.

The Group's net bank debt fell to €181.1 million compared to €336.8 million at the end of December 2016. Financial ratios improved with a Loan to Value ratio ("LTV") of 54% compared to 60% and a gearing (net debt/equity) of 1.32 compared to 2.15.

The resumption of investments in the remaining three transport equipment leasing activities is mainly financed by third-party investors (infrastructure funds, SICAVs, etc.). Third-party asset management will further increase the fleet managed by the Group. This strategy will contribute to an improvement in operating revenue proportional to the amounts of financing found and leases allowing the use of these funds at a profit. At the end of the financial year, the economic recovery remained fairly favourable in all three of the Group's activities.

<u>2018</u>

During 2018, revenue from operations increased with each quarter (average quarterly growth rate: +3.5%) to reach €154.5 million and €158.4 million at constant scope and exchange rates, compared to €169.7 million in 2017, equal to a decrease of 6.6%. This decrease is related to the decline in container fleets under management and has no impact on the profitability of the group, which has improved.

EBITDA reached €25.7 million, relatively stable compared to the €26.9 million recorded a year earlier. The operational profitability of transport activities improved.

The Freight Railcars activity is the Group's leading contributor to EBITDA, with a majority of its assets being owned, while the contribution of the container division is low due to the preponderance of assets managed on behalf of third parties.

EBITDA in the freight railcar division rose by €2.6 million over the year, thanks in particular to a higher utilisation rate (+3 points over the year, standing at an average of 84.9% over 2018 and reaching 86.9% in December 2018). In a context of a growing market driven by the need to replace fleets, the Group has initiated leasing rate increases.

EBITDA in the container division rose to €2.2 million, thanks to investments being restarted in the second half of 2018 (under ownership and on behalf of third parties) and to the growth in new container trading.

Excluding non-recurring income related to the resolution of a dispute in South America (€1.2 million) from which the business benefited in 2017, EBITDA in the River Barges activity is stable.

EBITDA for other activities was down €3.8 million, mainly impacted by the modular division in Africa, and overhead costs previously allocated to the modular division transferred in December 2017.

The operating result amounted to €8.1 million, an increase of €7.2 million.

Group share of net income was -€4.2 million compared to -€18 million one year earlier. Net income from transport activities is positive, totalling +€1.4million. The accounting loss is mainly due to the residual activities or costs related to the modular activities: net income from discontinued operations was negative, totalling -€1 million. That of the modular activity in Africa is negative, at -€2.1 million (nevertheless, the actions to transform the activity in Africa have progressed and will make it possible to better value the Group's investment). In addition, the central costs incurred, not allocated following the transfer of modular buildings activities in Europe and in the US in December 2017, amounted to €2.5 million. Cost reduction measures were completed in 2018 and are visible from 2019.

The evolution of the Group can be envisaged as follows:

The growth in revenues throughout the year shows a positive trend in the activity. A trend expected to continue in 2019.

Indeed, the demand for rail freight transport continues to grow in Europe, thus pushing demand for the leasing of freight railcars, particularly in the intermodal transport segment, of which Touax is the second largest player in Europe, and the demand for containers remains strong with expected global GDP growth of 3.5%.

The Group is therefore feeling confident about its objective of returning the transport activities to profitability, from one financial year to the next, already visible in the improvement of leasing revenues since the beginning of the year.

Major economies, including emerging markets, continue to drive growth in rail, inland waterway and intermodal trade, with the latter emitting less CO_2 and being more economical over long distances. The underlying markets for the leasing of transport equipment are therefore positively oriented with an increasing trend towards outsourcing (more leasing vs less ownership).

The demand for freight rail transportation continues to grow in Europe, driven by the recovery of private sector demand following the deregulation of rail freight. Fleet replacement needs are significant with chronic underinvestment over the last decade.

The river transport market in Europe is driven by rising construction, biomass and grain transportation. The South American market remains stable.

Container demand remains buoyant with replacement needs estimated at more than two million TEUs per year and expected growth in global GDP and trade, as long as these are not overly affected by the trade negotiations that are starting, mainly between the United States and China.

The Group will continue to focus on improving its profitability supported by the continuous improvement program (”CIP”) in place since early 2018, continue to gradually build its own investments, and develop the management of assets on behalf of third parties.

<u>2019</u>
The accounts on 31 December 2019 relating to the retained activities show that:

- The group share of net profit was -2.7 million euros, an improvement of 35% compared to -4.2 million euros a year earlier. It includes (i) -€0.6M of residual loss on the modular construction activity in Africa, (ii) -€0.7M of residual loss on discontinued activities (modular construction in Europe and the USA), (iii) -1€.2M on the exceptional exchange rate loss mentioned above, and (iv) taxes €1.5M higher than the current result before tax of +€0.7 million which breaks down into a deferred tax of -€0.6 million and a current tax charge of - €0.9 million taken into account. The importance of the tax charge is explained by the recognition of a tax for companies with a positive tax result (12.4 million euros) which is not offset by a tax income for companies with a negative tax result (- €12 million). The recognition of deferred tax assets (tax credit offset tax income) is limited to deferred tax liabilities (tax debt).

- Revenue from operations increased by 9.4% to €169 million (€164.2 million at constant currency and scope) compared to €154.5 million in 2018. Leasing revenues stood at €134.8 million compared to €134.5 million in 2018, an increase in freight railcars, a decrease in barges (South America), and a decrease in containers (reduction of the fleet under management while leasing revenues turnover from owned equipment increased by +53.5%). Sales totalled €32.2 million, compared to €18.7 million in 2018, mainly as a result of the trading of new and used containers. Syndication fees and capital gains increased to €1.9 million compared to €1.3 million in 2018.

- EBITDA totalled €36.9 million, an improvement of 44% compared to the previous year.

The EBITDA of the Freight Railcar division stood at €23.1 million compared to €22.9 million in 2018, with an increasing utilisation rate (88.7% on average in 2019: +3.8 points compared to 2018). In a growing market context driven by the need to replace fleets, the division is continuing to invest and is benefiting from a gradual increase in leasing rates.

The River Barges division recorded an EBITDA of €3.5 million over the year compared to 4.5 million in 2018, mainly due to a lack of dynamism in the South American market and the absence of any disposals on 2019.

The EBITDA of the Containers division increased significantly to €8.8 million due to the recovery of investments and the increased trading in new and used containers. The strategy of increasing the share of owned assets stimulates profitability, which quadrupled in 2019 compared to 2018. The utilisation rate is resilient at 97.1% on average over the year (98.7% in 2018).

The EBITDA of the other activities stood at €1.5 million, up sharply (+5.4 million euros) compared to 2018 with the Modular Buildings activity in Africa which is recovering thanks to an increase in its order book. The total impact of the implementation of IFRS 16 on leases is €1.3 million on the EBITDA.

- The operating result totalled €15.1 million euros, +86.6% compared to 2018 (€8.1 million).

- Shareholders' equity on 31 December 2019 totalled €123.1 million compared to €129.1 million on 31 December 2018.

The Key events in 2019 are:

Increase in operating profit (+87%) to €15.1 million

Increase in the Ebitda (+44%) to €36.9 million

Net profit before tax positive at 0.7 million

<u>2020</u>

In a complex international health context, the Group has continued to grow. It has continued to capitalise on the strategic, operational and financial measures taken in recent years allowing a return to profitability in 2020, while improving its financial position and making new long-term investments.

"The Touax Group's strategy of refocusing on its three long-term equipment leasing businesses for sustainable transport, bore fruit in 2020. Despite the extraordinary environment linked to the Covid-19 pandemic, the Group has demonstrated strong resilience in all of its activities, leading to improved results" explained Fabrice and Raphael Walewski, managing partners of TOUAX SCA.

Touax returned to profitability in 2020 with a Group Share of Net Income of +€5.9 million, and noted an increase in all of its operational performance indicators, accompanied by continued investments.

The utilisation rates at the end of December 2020 for Freight Railcars (83.6%), Containers (99.4%) and River Barges (92.0%) are at a high level despite the health crisis.

Touax Rail's capital increase (€81.9 million) with the arrival of DIF Core Infrastructure Fund II managed by DIF Capital Partners strengthens the equity of the Group and its Railcars division.

The purchase of €24.2 million of Undated Super Subordinated Notes (TSSDI) last November optimises the cost of long-term financial resources.

The refinancing of assets of the Containers division ($75 million) and of the Rail division (€180 million) significantly lengthen the maturity of financial debts and attest to the confidence of the financial community by supporting the growth strategy of the Group.

<u>RESILIENCE OF THE ACTIVITY IN 2020</u>

For the full year 2020, the cumulative income from activities amounted to €163.4 million (€166.0 million at constant scope and currencies), a slight decrease of 3.3% compared to 2019.

This change is explained by a significant drop in leasing revenues from equipment owned by investors (-20.8% in 2020), mainly from sales of equipment belonging to third-party investors and the effect of new management contracts. According to IFRS accounting standards and given the type of new management contracts signed since 2019, Touax in fact acts as an agent and no longer as a principal. As a result, the leasing revenues from equipment managed under these new management contracts is no longer recognised, but only the management fee is recorded, with no impact on the results.

This decrease is partially offset by a 3.3% increase in leasing revenues from own equipment (€52.3 million) and by the dynamism of the equipment sales activity which stood at €40.5 million compared to €32.2 million in 2019.

Syndication fees and capital gains unrelated to recurring activities were up to €2.3 million from €1.9 million a year earlier.

ANALYSIS OF THE CONTRIBUTION BY DIVISION

Revenues for the Freight Railcars division amounted to €60.0 million in 2020, down 1.9%.

- Income from leasing activity fell by 2.9% to €56.7 million over the period; this decrease is mainly attributable to the decrease in ancillary services (-€1.4 million) correlated with the lower maintenance costs.

- Railcar sales as well as syndication fees increased in 2020.

The revenues in the River Barges division remained stable at €11.8 million in 2020 with an average utilisation rate over the period increasing to 95.1% (compared to 90.5% in 2019).

The revenues from the Containers division amounted to €78.9 million at the end of December 2020, down 3.5%. This variation is explained by the decrease in the leasing activity attributable to the decrease in the management fleet partially offset by an increase in the sale of equipment activity. The average utilisation rate over the period was 96.4%, which demonstrates the good resilience of the activity.

- The container investment strategy initiated over the past two years has resulted in 26% growth in owned leasing revenues to €9.5 million. As expected, the revenues from equipment held by investors was down at €36.2 million under the effect of equipment disposals.

- The dynamism of trading operations generated growth in container sales, which amounted to €25.4 million as of 31 December 2020 (+53.1%).

Finally, the turnover of the Modular Buildings activity in Africa presented in the "miscellaneous" line decreased slightly over the period to reach €13.0 million under the effect of the health crisis but was strongly offset by an improvement in margins.

A SOLID OPERATIONAL PERFORMANCE

EBITDA reached €46.8 million, up by 27%.

The EBITDA of the **Freight Railcar** division stood at €26.5 million compared to €23.1 million in 2019, with a slightly lower utilisation rate (84.4% on average in 2020). In a context of a contracting market linked to the Covid-19 pandemic but expected to grow over the medium term, the division is continuing its investments and benefiting from an increase in sales and syndications. It also benefits from the reduction in operational expenses.

The **River Barges** division recorded an EBITDA of €5.2 million over the year, up €1.7 million mainly with the completion of its first syndication, generating a syndication fee.

The EBITDA in the **Containers** division increased significantly (+31%) to €11.6 million due to the increase in container trading. The strategy of increasing the share of own assets optimises profitability and the utilisation rate is resilient (99.4% in December 2020). The significant drop in distributions (-€13.0 million) has a favourable effect on EBITDA.

EBITDA from other activities increased strongly to €3.5 million (+€2.1 million), in particular with the Modular Buildings activity in Africa, whose profitability rose sharply thanks to its strategic orientation towards turnkey products with higher added value, and with a reduction in central costs.

Operating income totalled €23.2 million euros, +53% compared to 2019.

The **Financial profit** or loss is -€13.2 million compared to -€14.4 million in 2019. This improvement of €1.2 million euros is partly explained by a decrease in the cost of net financial debt of €0.4 million.

The **Net current income before tax** is €10.0 million compared to €0.7 million in 2019. Taxes amount to €1.0 million and break down into deferred tax of €0.9 million and a current tax charge of €0.1 million.

The **Group share of net income** amounted to +€5.9 million, a marked improvement compared to 2019 (-€2.7 million). All of the Group's operating divisions make a positive contribution to the overall consolidated net income.

A STRENGTHENED FINANCIAL STRUCTURE

The balance sheet shows a total of €474 million on 31 December 2020, compared to €447 million on 31 December 2019.

Tangible assets amount to €364 million.

Property, plant and equipment amounted to €308 million compared to €297 million in December 2019, mainly thanks to investments in the Freight Railcars and Containers divisions.

Operating cash flows amounted to -€1.2 million due to numerous acquisitions of equipment for €31.5 million euros (for the record, investments are classified as operating flows for the operational lessors of assets)

Gross debt is €252 million, 68% of which is non-recourse. The Group's net debt totalled €190 million.

The “Loan to Value” ratio remains stable at 54%.

MAJOR FINANCING OPERATIONS

In September 2020, the Rail division carried out a capital increase of €81.9 million and welcomed DIF Capital Partners as a shareholder with 49% of its capital.

In November 2020, the purchase of €24.2 million of Undated Super Subordinated Notes enabled Touax SCA to optimise its capital structure and reduce the level of related cash outflows.

In November 2020, asset financings within the Containers division were signed for a total of

$75 million.

In December 2020, asset financings within the Rail division were signed for a total of €180 million.

A SUCCESSFUL REFOCUSING STRATEGY AND CONFIDENCE FOR THE YEARS TO COME

The 2020 results confirm the relevance of the strategy for refocusing the Touax Group on its three long-term equipment leasing businesses serving sustainable transport.

The **Freight Railcars market** contracted over 2020. Over the medium term, demand for freight railcars in Europe is expected to grow: The European "Green Deal" favours modal shift towards Rail, and the trend towards outsourcing continues.

In Asia, demand for innovative freight railcars remains strong. Many infrastructure projects promote rail and containerised traffic, such as the development of the Silk Routes between China and Europe and the new freight corridor in India.

In the **Containers sector**, we note the recovery of the Asian market since the summer of 2020 and a strong discipline of the main operators in relation to production and investment capacities. This demonstrates the resilience of containerised and intermodal freight transport driven by the rise of e-commerce.

Over the year 2020, utilisation rates in the Containers activity evolved to record levels. The Group wishes to continue its property investment strategy while continuing its management activity on behalf of third-party investors.

The **River Barges sector** was little impacted in 2020, with demand remaining mainly linked to long-term infrastructure projects and grain transport, particularly in the United States and South America. For Touax, investments will resume with the production of two new barges in Europe. Several syndications should also take place over the course of 2021.

In the Modular Buildings activity **in Africa**, the Group wishes to enhance its stake by pursuing its strategy of improving volumes and margins with a strong focus on development of turnkey products with added value.

In the short term, the Group remains cautious in view of the exceptional COVID context, but is confident for the years to come, particularly in the context of a European "Green Deal", with various recovery plans announced by governments in relation to infrastructure and a trend towards outsourcing, which should continue to support investments in our asset categories.

Europe has declared 2021 to be the year of Rail with a market share target of 30% in 2030. Touax is joined up to this vision and will continue to support the development of rail, intermodal and river transport across the 5 continents.

2021

Starting in 2021, the history of the group has been written by Raphael Walewski.

In 2021, Touax demonstrated strong resilience and continued to grow despite global challenges posed by the pandemic. The year was marked by a 13% increase in EBITDA, reaching €53.1 million, and a significant rise in net profit attributable to the group, which climbed to €12.6 million. The net asset value per share surged to €22.22 (+42%).

Freight Railcars Division: The utilization rate of railcars gradually recovered to 89%, supported by increased demand in Europe.

Containers Division: The division maintained a record utilization rate of 99.6%, driven by the recovery in international trade and a container shortage. The trading of new containers grew significantly, with the division's EBITDA increasing by 54.1%.

River Barges Division: The utilization rate remained high at 97%, alongside a recovery in investments.

Managed Asset Portfolio in 2021:

- 393,064 containers (TEU
- 12,110 freight railcars
- 99 river barges

Touax pursued its strategy of sustainable asset management and expansion while remaining focused on operational improvements and customer satisfaction.

<u>2022</u>

The group delivered solid financial results in 2022, with EBITDA increasing to €57.9 million, operating income reaching €31.1 million, and net profit attributable to the group at €7.5 million. The decline in net profit was due to the refinancing of hybrid capital (TSSDI) with bank debt.

The book value per share increased to €12.94 from €11.70 in 2021, while the net asset value per share stood at €21.95 as of December 31, 2022. These results allowed Touax to resume its tradition of dividend distribution, which had been suspended between 2015 and 2022.

The year was marked by significant economic and geopolitical challenges, including the war in Ukraine, inflation, and rising interest rates. Despite these disruptions, Touax maintained a respectable performance. The Russo-Ukrainian conflict had no direct impact on the group, as it had no subsidiaries or clients in the region. Nevertheless, the group adapted quickly to the new economic and geopolitical landscape, as well as the ongoing logistics congestion due to the gradual lifting of COVID-19 restrictions.

All business activities performed relatively well in 2022. Touax's rental income increased due to investments made in 2021 in asset ownership and management, as well as the expansion of services, particularly container trading. These investments in high-quality, long-term leased assets are expected to sustain the group's revenue over several years and mitigate future economic cycles.

Touax also continued training all its employees in "Lean Six Sigma" continuous improvement methodologies to enhance customer satisfaction, loyalty, and operational excellence.

In terms of corporate social responsibility (CSR), Touax intensified its efforts in 2022, initiating a carbon footprint assessment and obtaining an ESG (Environmental, Social, and Governance) rating.

On the financial front, Touax redeemed its hybrid capital (TSSDI) in 2022, reducing the cost of its financial resources. As of December 31, 2022, the group managed €1.3 billion worth of transportation equipment, 49% of which it owned, while 51% was managed on behalf of third-party investors.

Managed Asset Portfolio in 2022:

- 385,141 containers (TEU)
- 105 river barges (270,000 tons of capacity)
- 12,249 freight railcars

Average utilization rates in 2022:

- 87.6% for railcars
- 96.2% for barges
- 97.7% for containers

2023
In 2023, Touax celebrated two major anniversaries: its 170th year as a company and the 40th anniversary of its container management platform. Founded in 1853 as the "Compagnie de Touage de la Basse Seine et de l'Oise," the group has reinvented itself over the decades. Established in San Francisco in 1983, the container management platform now oversees a fleet of approximately 327,900 containers with more than 1,000 clients in leasing and trading.

At the end of 2023, the group managed €1.2 billion in transportation assets, with 52% owned and 48% managed on behalf of third-party investors. Financial performance for the year showed an EBITDA of €55.3 million and a net profit attributable to the group of €3.6 million, impacted by financial expenses and a slowdown in Europe during the second half of the year. The net asset value per share was €20.59 as of December 31, 2023, reflecting the intrinsic value of the group's owned assets.

Managed Asset Portfolio in 2023:

- € 1.226 billion of assets under management:
- €640 million owned assets
- €586 million managed for third-party investors
- 13,191 freight railcars
- 327,922 containers (TEU)
- 107 river barges (268,000 tons of capacity)

End-of-year utilization rates id 2023:

- 97% for containers
- 88% for railcars
- 100% for barges

Containerized traffic normalized in 2023. While the EBITDA of the container division declined, other divisions experienced growth.

The modular construction business in Africa saw a notable recovery after a slowdown in 2022 due to the pandemic. Touax produced and delivered significant orders, including site camps for infrastructure projects, schools, and emergency buildings in response to the September 2023 earthquake in Morocco. Although a secondary activity compared to its core transportation business, modular construction showed promising momentum for 2024.

2023 also saw significant financing operations, including the repayment of the Euro-PP bond maturing in July 2023 and the refinancing of a €40 million disintermediated loan, extended to June 2024 through a club-deal arrangement. In addition, divisions benefited from green financing structures, including the renewal of freight railcar financing lines and an increased revolving credit line for containers.

Touax gained the confidence of lenders (banks and investors), with new financial partners such as Credit Agricole d'Ile-de-France, Banque Internationale à Luxembourg, La Banque Postale, and Banque Palatine. The group also improved its debt profile by extending financing maturities through key operations, including the repayment of a €15 million Euro-PP 2023 bond and the issuance of €5 million on the 2022 sustainability-linked Euro-PP bond (maturing in June 2027).

Additionally, exclusive agreements were signed with funds specializing in tangible and infrastructure assets, committing over €100 million in equity alongside Touax and increasing the group's investment capacity to more than €250 million.

2024

In 2024, the Touax group confirmed the solidity of its business model, characterised by a diversified product offering, a strong presence in complementary business segments spread across varied geographies, recurring revenues and selective investment in high-quality logistics assets. The year was marked by growth in business volume and in operating profitability, in an environment nonetheless constrained by a slowdown in European intermodal rail transport and by the first geopolitical and customs tensions worldwide.

At the end of 2024, the Touax group managed EUR 1.3 billion of transport equipment, split between 54% owned assets (EUR 698 million) and 46% managed on behalf of third-party investors (EUR 589 million). Financial performance for the year showed restated revenues from operations of EUR 165.0 million, up EUR 7.9 million (+5%), operating EBITDA of EUR 59.0 million (compared with EUR 55.3 million in 2023, i.e. +7%), driven by the strong momentum of the asset management activities, and net income, group share, of EUR 3.9 million, against EUR 3.6 million in 2023. The EBITDA margin remained stable at 35.7%. Net book value per share stood at EUR 11.63 at 31 December 2024, up 6% year on year. The managers proposed to the Annual General Meeting of 12 June 2025 a dividend of EUR 0.15 per share, an increase of 25%, corresponding to approximately 27% of net income, group share.

At the end of 2024, the group comprised:

- EUR 1.287 billion of assets under management
- EUR 698 million of owned assets and EUR 589 million managed on behalf of third parties
- 12,122 freight wagons (platforms under management)
- 337,715 containers (TEU)
- 107 river barges (including 11 managed on behalf of third parties)

Despite geopolitical turbulence, average utilisation rates for 2024 remained high, reaching 96.8% for containers, 97.9% for river barges and 86.2% for freight wagons.

Performance was satisfactory across the business lines. The Freight Wagons division remained stable at EUR 58.1 million of revenues (-0.3%), with operating EBITDA slightly higher at EUR 32.1 million (+EUR 0.7 million), supported by lower maintenance expenditure; the European intermodal rail market weakened under the effect of increased competition and the industrial slowdown, a phenomenon partly offset by strong growth in the Indian market, where Touax Rail has been present since 2011. The River Barges division, at EUR 14.8 million (-EUR 0.2 million), saw its operating EBITDA improve markedly to EUR 6.9 million (+EUR 1.6 million, i.e. +31%), thanks to the expansion of the management activity and a lower volume of chartering. The Containers division grew by 6% to EUR 70.9 million, driven by leasing revenues (+EUR 1.5 million) and trading (+EUR 2.8 million), but its operating EBITDA fell by EUR 0.8 million (-5%), owing to higher operating expenses including provisions for customer risk. Lastly, the Modular Buildings sales activity in Africa continued to grow, reaching EUR 21.1 million (+EUR 4.2 million), with operating EBITDA of EUR 5.017 million, up EUR 0.9 million.

Current operating income came to EUR 26.2 million (+EUR 0.3 million), after depreciation and amortisation charges up EUR

3.4 million in connection with new investments. Net financial expense amounted to EUR 21.9 million (against EUR 21.0 million in 2023), reflecting the average rise in interest rates and the increase in the indebtedness of the Freight Wagons division in India. Non-recurring items of EUR 1.9 million were recognised: the payment of an earn-out of EUR 1.5 million relating to the 2017 disposal of the European Modular Buildings leasing business, and the favourable settlement of a long-standing dispute in the United States for EUR 0.4 million.

2024 was marked by an increase in net investment (+EUR 39.4 million of property, plant and equipment and inventories compared with the end of 2023). The balance sheet remained solid, with a Loan to Value ratio of 59.0% at the end of 2024 (against 59.1% a year earlier). Total equity increased to EUR 153.3 million, supported by net income and positive translation differences, while net financial debt stood at EUR 304.7 million, of which EUR 262.1 million non-recourse (74% of the debt). Consolidated cash remained comfortable at EUR 48.9 million, up EUR 9.9 million over the year. The overall weighted interest rate stood at 5.43% at 31 December 2024.

The third-party asset management activity had a particularly dynamic year, with EUR 90 million of syndications completed with investors across the three business lines, including the replacement of a minority investor in an SPV of the Real Asset Income Fund and the buy-back by Touax of assets held by investors. Assets under management reached EUR 589 million, backed by 38 investors (insurance companies, pension funds, family offices, infrastructure funds) and two dedicated vehicles: the Real Asset Income Fund S.C.A. and the SETEF fund supported by the EIB (EUR 240 million to be invested over four years).

Finally, the group's commitment to social and environmental responsibility reached a new milestone, with the strengthening of governance (establishment of a CSR Committee, Environmental and Responsible Purchasing policies, overhaul of the Code of Ethics, signature of the Diversity Charter), the roll-out of structured actions (first Communication on Progress to the United Nations, purchase of voluntary carbon credits) and a sustainable financing strategy that brought 75% of the group's financing under a sustainable framework, including a long-term financing agreement with the EIB for the Freight Wagons business. These efforts were rewarded with a second consecutive EcoVadis gold medal (79/100, +7 points, top 2%) and a first EthiFinance Ratings gold medal (75/100, +5 points), placing Touax at the head of the Industry sector / Transport sub-sector.

2025

In 2025, in a particularly unstable geopolitical and economic environment — described by the group as "VUCA" (volatile, uncertain, complex and ambiguous) — Touax confirmed the resilience of its model and its capacity to adapt. Outside Europe, demand for mobile assets linked to transport infrastructure remained buoyant, and the diversification of activities, of long-term contracts and of geographies enabled the group to navigate tense economic conditions while limiting volatility. The year was nonetheless strongly marked by the fall of the dollar against the euro (from EUR 1 = USD 1.039 to EUR 1 = USD 1.175, i.e. -13%), whose accounting impact of EUR -11.0 million on equity accounts for most of the decline in net asset value per share.

At the end of 2025, the Touax group managed EUR 1.2 billion of transport equipment, split between 56% owned assets (EUR 670 million) and 44% managed on behalf of third-party investors (EUR 517 million). Financial performance for the year showed restated revenues from operations of EUR 156.1 million, down 5.4%, operating EBITDA of EUR 52.7 million (against EUR 59.0 million in 2024) and net income, group share, of EUR 1.7 million, against EUR 3.9 million in 2024. This result benefited from a tax credit of EUR 2.5 million arising from the settlement of a USD 4.0 million tax dispute in the Containers division. Net book value per share stood at EUR 9.96 at 31 December 2025, down 14% year on year, essentially attributable to the adverse currency effect. The managers proposed to the Annual General Meeting of 10 June 2026 the payment of a dividend of EUR 0.10 per share.

At the end of 2025, the group comprised:

- EUR 1.187 billion of assets under management
- EUR 670 million of owned assets and EUR 517 million managed on behalf of third parties
- 13,239 freight wagons (+9% versus the end of 2024)
- 305,135 containers (TEU)
- 114 river barges (including 14 managed on behalf of third parties)

Despite geopolitical turbulence, year-end 2025 utilisation rates remained high, reaching 95.3% for containers, 98.9% for river barges and 80.5% for freight wagons — the latter affected by the slowdown in the European intermodal market observed since mid-2024.

Performance was mixed across the business lines. The Freight Wagons division saw revenues fall by 4.5% to EUR 55.5 million, with operating EBITDA of EUR 30.4 million (-EUR 1.7 million), under the effect of the sluggishness of the intermodal segment in Europe; the group nonetheless benefited from the buoyancy of the Indian market, where the local utilisation rate remained at 100%, driven by the ramp-up of the new freight corridors. The River Barges division grew by 6% to EUR 15.7 million, supported by chartering in the Rhine basin, with operating EBITDA of EUR 5.1 million (-EUR 1.8 million, owing to an unfavourable base effect on the management activity). The Containers division demonstrated its resilience with revenues up 1% at EUR 72.0 million and operating EBITDA up 10% at EUR 15.9 million, supported by the strong momentum of new container trading and of pick-up charges. Lastly, the Modular Buildings sales activity in Africa, weaker at EUR 12.7 million after a particularly high 2024, saw its EBITDA decline to EUR 1.212 million, while continuing to develop "turnkey" solutions (hospitals, schools, life bases).

The year was also marked by proactive management of financing. The group signed a long-term financing agreement with the European Investment Bank, the "climate bank", put in place new Green Loans with commercial banks (Freight Wagons), a corporate Green Loan, and earmarked financing aligned with the European taxonomy for the acquisition of assets (River Barges). Net financial debt stood at EUR 310.0 million, of which EUR 258.6 million non-recourse (i.e. 72% of the debt), for a contained Loan to Value ratio of 64% and an overall weighted interest rate of 5.40%. Consolidated cash remained comfortable at EUR 47.6 million.

The third-party asset management activity continued to expand, with EUR 34 million of syndications completed with investors across the three business lines and assets under management of EUR 517 million, relying on some thirty investors (insurance companies, pension funds, family offices, infrastructure funds) and two dedicated vehicles: the Real Asset Income Fund S.C.A. and the SETEF fund supported by the EIB.

Finally, the group's commitment to social and environmental responsibility was once again rewarded: Touax obtained a third consecutive EcoVadis gold medal with a score of 81/100 (+2 points), placing it in the top 3% of companies assessed, together with an EthiFinance Ratings score of 79/100 (gold medal, +4 points), ranking second in the Industry sector / Transport sub-sector. Over the year 2024, the group's River Barges and Freight Wagons activities avoided the emission of 1,374,000 tonnes of CO_2 compared with road transport, i.e. nearly 7 times the group's own carbon emissions.