



YOUR OPERATIONAL LEASING SOLUTION

REVENUE FROM ACTIVITIES 2019: +9.4%

- Increase of 22% in revenue¹ in Q4 2019 driven by growth in leasing revenue and sales of owned equipment
- Increase of 9.4% in revenue¹ for the 2019 financial year to €169 million (+6.3% at constant scope and currency²)
- Average continuous improvement in revenue of 10%³ which confirms the Group's strategic objectives

ANALYSIS OF REVENUE FROM ACTIVITIES

Q4 2019 revenue totalled €49.4 million compared with €40.5 million in Q4 2018, an increase of 22%.

Over the 2019 financial year, revenue from activities thus totalled €169 million (€164.2 million at constant scope and currency), up 6.3% compared to 2018.

This good performance was mainly driven by the 11.2% increase in leasing revenue on owned equipment (€50.2 million) and sales of equipment which stood at €32.2 million (€31 million at constant scope and currency), compared with €18.7 million in 2018, notably thanks to trading activity in new and used containers.

Syndication fees and capital gains not linked to recurring activities came to €1.9 million versus €1.3 million the previous year.

Revenue from activities (in € thousands)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	TOTAL	Q1 2018	Q2 2018	Q3 2018	Q4 2018	TOTAL
Leasing revenue on owned equipment ⁽¹⁾	11,641	12,243	13,008	13,319	50,211	11,525	11,171	10,474	11,975	45,145
Leasing revenue on managed equipment ⁽¹⁾	16,541	16,038	15,179	15,065	62,823	17,467	17,850	19,514	17,336	72,167
Ancillary services ⁽²⁾	4,594	4,876	5,726	6,615	21,811	3,474	3,678	4,724	5,352	17,228
Total leasing activity	32,776	33,157	33,913	34,999	134,845	32,466	32,699	34,712	34,663	134,540
Sales of owned equipment ⁽³⁾	3,271	6,925	4,604	12,548	27,348	3,247	4,475	4,284	5,214	17,220
Margins on sale of managed equipment ⁽³⁾	831	1,697	1,625	741	4,894	310	253	338	628	1,529
Total sales of equipment	4,102	8,622	6,229	13,289	32,242	3,557	4,728	4,622	5,842	18,749
Fees on syndication and Other capital gains on disposals ⁽³⁾	389	449	8	1,076	1,922	323	655	267	7	1,252
Total revenue from activities	37,267	42,228	40,150	49,364	169,009	36,346	38,082	39,601	40,512	154,541

(1) The implementation of the new IFRS 16 has no significant impact on the presentation of revenue from activities.

(2) Ancillary services include river barge freight activity and rebilling of expenses related to equipment leasing (transport, repairs).

(3) Sales of Group-owned equipment to end user customers are recognized fully in the Equipment sales line. The margin or capital gain generated is obtained by deducting the purchase cost from sales.

The margin (sale fee) on sales of equipment managed for third parties to end user customers is recognized in the Equipment sales line.

The other capital gains are capital gains not linked to recurring equipment sales.

¹ Revenue corresponds to revenue from activities that generate leasing revenue, sales of equipment, syndication fees and other capital gains.

² Based on a comparable structure and 2018 average exchange rates.

³ CQGR = 10%.

ANALYSIS OF THE CONTRIBUTION BY DIVISION

Revenue from the **Freight Railcars** division totalled €61.1 million, a 8.5% increase from €56.3 million the previous year.

- Leasing revenue was up 9.3% at €58.4 million over the period, thanks to an increase in leasing prices and in the utilization rate (88.7% on average versus 84.9% a year earlier).
- Sales of railcars were down, but syndication margins increased, mainly due to a railcar disposals during the 4th quarter to investors for which Touax maintains their management.

Revenue from the **River Barges** division came to €11.8 million compared to €14.5 million over 2018, during which barges were sold for €2.1 million. Leasing revenue fell to €11.7 million, mainly due to the temporary lacklustre market in South America.

Revenue from the **Containers** division totalled €81.8 million over 2019, an increase of 7.1%.

- The accretive and value-creating strategy of investments on the balance sheet made during the past 18 months boosted the growth of revenue from the leasing of Group-owned equipment which was up 53.5% to €7.6 million (+45.5% at constant currency). Revenue from investor-owned equipment was, as expected, down at €49 million (€46.4 million at constant currency) due to the temporary impact of the reduction in the fleet under management. The average utilisation rate over the period remained high at 97.1%, reflecting the good resilience of leasing businesses in a context of weaker global growth.
- The buoyant trading activity in new and used containers generated strong growth in container sales which reached €16.6 million at 31 December 2019 versus €8.1 million in 2018, i.e., an increase of 105.5%. Syndication fees were stable at €0.4 million.

Revenue from the sales of **modular buildings** in Africa presented under the “Miscellaneous” line more than doubled during 2019 to €13.9 million, highlighting the turnaround of the activity.

Revenue from activities <i>(in € thousands)</i>	Q1 2019	Q2 2019	Q3 2019	Q4 2019	TOTAL	Q1 2018	Q2 2018	Q3 2018	Q4 2018	TOTAL
Leasing revenue on owned equipment ⁽¹⁾	8,536	9,240	8,994	9,552	36,322	8,749	8,473	7,639	8,727	33,588
Leasing revenue on managed equipment ⁽¹⁾	3,422	3,507	3,453	3,460	13,842	2,462	2,410	4,169	3,534	12,575
Ancillary services ⁽²⁾	1,437	2,141	1,965	2,676	8,219	1,565	1,777	1,584	2,331	7,257
Total leasing activity	13,395	14,888	14,412	15,688	58,383	12,776	12,660	13,392	14,592	53,420
Sales of owned equipment ⁽³⁾	88	61	677	838	1,664	100	789	(229)	1,565	2,225
Total sales of equipment	88	61	677	838	1,664	100	789	(229)	1,565	2,225
Fees on syndication				1,076	1,076		662	25		687
Freight railcars	13,483	14,949	15,089	17,602	61,123	12,876	14,111	13,188	16,157	56,332
Leasing revenue on owned equipment ⁽¹⁾	1,523	1,650	1,644	1,410	6,227	1,833	1,658	1,504	1,483	6,478
Ancillary services ⁽²⁾	1,317	1,243	1,601	1,287	5,448	1,196	1,140	2,109	1,513	5,958
Total leasing activity	2,840	2,893	3,245	2,697	11,675	3,029	2,798	3,613	2,996	12,436
Sales of owned equipment ⁽³⁾	42			106	148	1,020		1,020	25	2,065
Total sales of equipment	42			106	148	1,020		1,020	25	2,065
River barges	2,882	2,893	3,245	2,803	11,823	4,049	2,798	4,633	3,021	14,501
Leasing revenue on owned equipment ⁽¹⁾	1,558	1,331	2,356	2,339	7,584	901	1,001	1,300	1,737	4,939
Leasing revenue on managed equipment ⁽¹⁾	13,119	12,531	11,726	11,605	48,981	15,005	15,440	15,345	13,802	59,592
Ancillary services ⁽²⁾	1,818	1,490	2,168	2,786	8,262	424	670	835	1,536	3,465
Total leasing activity	16,495	15,352	16,250	16,730	64,827	16,330	17,111	17,480	17,075	67,996
Sales of owned equipment ⁽³⁾	1,833	3,009	3,416	3,425	11,683	1,436	1,809	1,692	1,599	6,536
Margins on sales of managed equipment ⁽³⁾	831	1,697	1,625	741	4,894	310	253	338	628	1,529
Total sales of equipment	2,664	4,706	5,041	4,166	16,577	1,746	2,062	2,030	2,227	8,065
Fees on syndication and Other capital gains on disposals ⁽³⁾	389	(7)	8		390	309	5	9	(13)	310
Containers	19,548	20,051	21,299	20,896	81,794	18,385	19,178	19,519	19,289	76,371
Leasing revenue on owned equipment ⁽¹⁾	24	22	14	18	78	42	39	31	28	140
Ancillary services ⁽²⁾	22	2	(8)	(134)	(118)	289	91	196	(28)	548
Total leasing activity	46	24	6	(116)	(40)	331	130	227		688
Sales of owned equipment ⁽³⁾	1,308	3,855	511	8,179	13,853	691	1,877	1,801	2,025	6,394
Total sales of equipment	1,308	3,855	511	8,179	13,853	691	1,877	1,801	2,025	6,394
Other capital gains on disposal ⁽³⁾		456			456	14	(12)	233	20	255
Miscellaneous and eliminations	1,354	4,335	517	8,063	14,269	1,036	1,995	2,261	2,045	7,337
Total revenue from activities	37,267	42,228	40,150	49,364	169,009	36,346	38,082	39,601	40,512	154,541

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OUTLOOK

The strategic refocusing on the three long-term transport equipment leasing businesses is reaping rewards and business is continuing to grow.

Global economic growth remains positive at 3.3% in 2020* which should continue to support equipment transportation activities and equipment leasing demand.

It remains too early to determine the impact of the Coronavirus, although current analyses point to a weaker activity during the first quarter of 2020 followed by a recovery during the second half of the year. Long-term leasing activities are generally relatively unaffected by temporary fluctuations due to public health crisis.

*source IMF 20/01/2020.

UPCOMING EVENTS

- 25 March 2020: 2019 annual results – SFAF presentation
- 27 March 2020: Conference call to present annual results
- 15 May 2020: Q1 2020 Revenue from activities

TOUAX Group leases out tangible assets (freight railcars, river barges and containers) on a daily basis worldwide, both on its own account and for investors. With nearly €1.2bn in assets under management, TOUAX is one of the leading European players in the leasing of such equipment.

TOUAX SCA is listed on the EURONEXT stock market in Paris - Euronext Paris Compartment C (ISIN code: FR0000033003) - and is listed on the CAC® Small, CAC® Mid & Small and EnterNext®PEA-PME 150 indices.

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