



TRENCOR LIMITED 2009
(Incorporated in the Republic of South Africa – Registration No 1955/002869/06)

To meet the many requirements of regulatory authorities, annual reports have become lengthy, complex and very technical. To provide a convenient overview of the 2009 annual report of Trencor, this insert contains highlights from that report. It is not in substitution of the report, nor does it form part thereof. For a fully detailed appreciation of the company's activities and results, you are advised to read the annual report.

Group chart

Trencor		Investment holding company listed on the JSE
62,3%*	Textainer	Listed on the New York Stock Exchange, the Textainer group owns, leases, manages and resells marine cargo containers worldwide
100%	Trencor Services	Corporate administration and financing
100%	Trencor Containers	Collection of long-term receivables
44,3%	TAC	Owning of marine cargo containers

* Reduced to 62,1% on 2 January 2010 following the issue of restricted share units

Highlights

Group

- **Trading profit** from continuing operations net of financing costs (but excluding gains on the early extinguishment of debt in Textainer) declined by 4% to R781 million.
- **Adjusted headline earnings per share** best reflects Trencor's sustainable performance in that it excludes net unrealised foreign exchange losses and gains and excludes gains realised by Textainer on the repurchase and early extinguishment of portion of its own debt. In rand terms this declined 19% to 203,5 cents (2008: 251,9 cents).
- Net realised and unrealised foreign exchange losses arising on translation of net dollar receivables and the related valuation adjustments, included in headline earnings but not in adjusted headline earnings, were R298 million before tax or 115 cents per share (2008: profit R439 million before tax or 169 cents per share).
- The various measures of earnings are better reflected in tabular form:

	2009	2008
	Cents per share	Cents per share
Headline earnings	134,8	420,8
Add/(Deduct):		
Unrealised foreign exchange translation losses/(gains)	114,6	(168,9)
	249,4	251,9
Deduct:		
Gain realised on the repurchase and early extinguishment of debt by Textainer	(45,9)	–
Adjusted headline earnings	203,5	251,9

- Consolidated gearing ratio at 31 December 2009 was 88% (2008: 101%). All of the interest-bearing debt is in Textainer.
- Final dividend of 85 cents per share declared, making a total of 120 cents per share for the year (2008: total 110 cents per share), an increase of 9% over the previous year.

Textainer

- Textainer reported the second best net income attributable to its common shareholders in its 30-year history in 2009 of US\$76,6 million, excluding gains on the early extinguishment of debt (2008: US\$87,7 million excluding impairment of goodwill).
- Current fleet spot utilisation was 91,6% at the end of March 2010 compared to 85,7% in September 2009. For Textainer, based on existing fleet size and current lease rates, every 1% improvement in utilisation equates to approximately US\$4,4 million in annual pre-tax profit.
- Textainer expects to resume buying significant quantities of new standard dry freight containers in 2010.
- The proportion of the on-hire container fleet under management that is subject to long-term leases was 71,3% at 31 December 2009.

Prospects

The outlook for the container industry in 2010 is promising. Counterparty risk has declined following the recapitalisation of several major shipping lines and sales prices of old containers have been rising since mid-2009 while fleet utilisation has already increased as recorded above.

Our experienced management team has taken steps to improve our operations during the downturn and is well placed to maximise the group's performance in the year ahead.

Condensed financial statements

As virtually all of the group's revenue and assets and much of its expenditure are denominated in currencies other than rand (principally US dollars), condensed consolidated income statements and condensed consolidated statements of financial position are also presented in US dollars in order to provide a fuller appreciation of the group's results and financial position. The rand values have been extracted from the audited financial statements. The dollar statements have not been audited.

Condensed income statements for the year ended 31 December 2009

	2009 Rm	2008 Rm	2009 US\$m	2008 US\$m
Continuing operations:				
Trading profit from continuing operations before items listed below	885	1 143	106	142
Exchange (losses)/gains – net	(442)	630	(6)	10
Net long-term receivable fair value adjustment	130	(179)	(4)	2
Impairment of goodwill and other	(9)	(139)	(1)	(15)
Profit from operating activities	564	1 455	95	139
Net finance income/(expenses)	71	(333)	7	(41)
Profit before tax	635	1 122	102	98
Profit after tax	667	997	98	94
Net profit for the year attributable to equity holders of the company	259	663	50	51
Basic earnings per share (cents) – continuing operations	134,7	379,2	26,1	30,7
Headline earnings per share (cents)	134,8	420,8	26,0	35,2
Adjusted headline earnings per share (cents)	203,5	251,9	23,2	31,3
Year-end rate of exchange: SA rand to US dollar	7,35	9,27	7,35	9,27

Condensed statements of financial position as at 31 December 2009

	2009 Rm	2008 Rm	2009 US\$m	2008 US\$m
Assets				
Property, plant and equipment	7 858	9 198	1 069	992
Long-term receivables	838	1 339	114	145
Other non-current assets	1 366	1 477	186	159
Current assets	1 893	2 450	258	264
Total assets	11 955	14 464	1 627	1 560
Equity and liabilities				
Total equity	5 746	6 619	782	714
Interest-bearing borrowings	4 538	6 151	617	664
Other non-current liabilities	583	694	80	74
Current liabilities	1 088	1 000	148	108
Total equity and liabilities	11 955	14 464	1 627	1 560
Net asset value per share (cents)	2 049	2 402	279	259
Ratio to total equity: Interest-bearing borrowings	88%	101%	88%	101%

Profit attributable to equity holders of the company from the various classes of business

for the year ended 31 December 2009

	2009 Rm	2008 Rm
Container operations		
Container finance	19	53
Textainer	486	362
Exchange translation (losses)/gains	(215)	312
Net long-term receivable adjustment	(11)	–
Interest and other corporate items	(27)	(16)
Discontinued operations	7	(48)
	259	663

Analysis of shareholders at 31 December 2009

	Number of holders	% holding
Mobile Industries Ltd	1	46
Corporates	235	34
Retirement funds	116	18
Individuals	628	1
Other	146	1
Total	1 126	100

Share information

Share code: TRE

ISIN: ZAE000007506

Industry Classification Benchmark (ICB): Industrial/Industrial Goods & Services/Industrial Transportation/Transportation Services

Price (cents)	2009	2008
High	2700	2900
Low	1500	1750
Close	2625	1960

Annual general meeting

The annual general meeting will be held on Wednesday, 26 May 2010 at 15:00 at 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town.

Directors

Executive: N I Jowell^{1 3 4} (Chairman) H R van der Merwe¹ (Managing) J E McQueen^{1 5}

Non-executive: C Jowell^{1 4}

Independent non-executive: J E Hoelter^{2 5} (USA) D M Nurek (Lead)^{2 3 4 5 6} E Oblowitz^{2 5} R J A Sparks^{2 4 5 6}

¹ Executive Committee ² Audit Committee ³ Remuneration Committee ⁴ Nomination Committee ⁵ Risk Committee ⁶ Governance Committee

On behalf of the board

N I Jowell Chairman

J E McQueen Financial Director

16 April 2010

www.trencor.net