

TRENCOR

TRENCOR LIMITED REG NO 1955/002869/06

 SHARE CODE: ISIN:
 TRE ZAE000007506
 TED2 ZAE000007282

MOBILE

MOBILE INDUSTRIES LIMITED REG NO 1968/014997/06

 SHARE CODE: ISIN:
 MOB ZAE000004602
 MBN ZAE000012274
 MOBD ZAE000004610

Abridged income statements

| R Million | TRENCOR | | | MOBILE | | |
|---|------------------------|---------|----------------------------------|------------------------|-------|----------------------------------|
| | Unaudited | | Audited | Unaudited | | Audited |
| | 6 months ended 30 June | 2001 | 18 months ended 31 December 2001 | 6 months ended 30 June | 2001 | 18 months ended 31 December 2001 |
| REVENUE (INCLUDING EXCHANGE DIFFERENCES) (NOTE 2) | 267,9 | 911,0 | 4 436,1 | 11,0 | 17,8 | 49,5 |
| TRADING INCOME BEFORE ITEMS LISTED BELOW: | 261,3 | 162,2 | 516,8 | 9,8 | 10,5 | 42,5 |
| EXCHANGE (LOSSES)/GAINS INCLUDED IN REVENUE | (663,8) | 215,1 | 2 120,8 | - | - | - |
| NET LONG-TERM RECEIVABLE REVALUATION ADJUSTMENT | 270,0 | (102,0) | (1 075,2) | - | - | - |
| (LOSS)/INCOME FROM OPERATIONS | (132,5) | 275,3 | 1 562,4 | 9,8 | 10,5 | 42,5 |
| NET INTEREST EXPENSE – TEXTAINER | (117,1) | (71,2) | (286,8) | - | - | - |
| – OTHER | (46,2) | (56,3) | (187,6) | (8,8) | (8,7) | (38,7) |
| | (295,8) | 147,8 | 1 088,0 | 1,0 | 1,8 | 3,8 |
| ATTRIBUTABLE INCOME/(LOSS) OF ASSOCIATE COMPANY | 1,1 | (9,6) | (15,5) | (103,2) | 46,9 | 344,2 |
| (LOSS)/INCOME BEFORE ABNORMAL ITEMS | (294,7) | 138,2 | 1 072,5 | (102,2) | 48,7 | 348,0 |
| ABNORMAL ITEMS (NOTE 3) | 5,3 | 59,8 | 79,0 | 2,5 | 30,3 | 37,1 |
| (LOSS)/INCOME BEFORE TAXATION | (289,4) | 198,0 | 1 151,5 | (99,7) | 79,0 | 385,1 |
| TAXATION | (99,4) | 17,8 | 269,3 | 0,3 | 0,6 | 1,9 |
| (LOSS)/INCOME AFTER TAXATION | (190,0) | 180,2 | 882,2 | (100,0) | 78,4 | 383,2 |
| OUTSIDE SHAREHOLDERS' INTEREST | 22,6 | 17,2 | 77,2 | 0,2 | 0,3 | 0,6 |
| NET (LOSS)/INCOME ATTRIBUTABLE TO SHAREHOLDERS | (212,6) | 163,0 | 805,0 | (100,2) | 78,1 | 382,6 |
| NUMBER OF SHARES IN ISSUE (MILLION) | 152,8 | 152,8 | 152,8 | 897,8 | 879,8 | 897,8 |
| UNDILUTED (LOSS)/EARNINGS PER SHARE (CENTS) | (139,1) | 106,6 | 526,7 | (11,2) | 8,9 | 42,6 |
| DILUTED EARNINGS PER SHARE (CENTS) (NOTE 4) | - | 89,9 | 452,6 | - | 7,3 | 36,6 |
| UNDILUTED HEADLINE (LOSS)/EARNINGS PER SHARE (CENTS) (NOTE 4) | (141,2) | 66,7 | 471,9 | (11,3) | 5,3 | 38,4 |
| DILUTED HEADLINE EARNINGS PER SHARE (CENTS) (NOTE 4) | - | 56,2 | 406,5 | - | 4,1 | 33,0 |
| PERIOD-END RATE OF EXCHANGE: SA RAND TO US DOLLAR | 10,36 | 8,07 | 12,06 | - | - | - |

Notes to the abridged financial statements

1. These consolidated abridged interim financial statements are prepared in accordance with South African Statements of Generally Accepted Accounting Practice. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the 18 months ended 31 December 2001.

| 2. REVENUE | TRENCOR | | | MOBILE | | |
|---|------------------------|--------|----------------------------------|------------------------|-------|----------------------------------|
| | Unaudited | | Audited | Unaudited | | Audited |
| | 6 months ended 30 June | 2001 | 18 months ended 31 December 2001 | 6 months ended 30 June | 2001 | 18 months ended 31 December 2001 |
| INVOICED SALES – GOODS AND SERVICES | 180,4 | 248,7 | 756,8 | - | - | - |
| LEASING INCOME | 539,6 | 325,0 | 1 168,1 | - | - | - |
| MANAGEMENT FEES | 82,1 | 58,1 | 219,3 | - | - | - |
| FINANCE INCOME | 129,6 | 64,1 | 171,1 | 11,0 | 17,8 | 49,5 |
| REALISED AND UNREALISED EXCHANGE DIFFERENCES | (663,8) | 215,1 | 2 120,8 | - | - | - |
| | 267,9 | 911,0 | 4 436,1 | 11,0 | 17,8 | 49,5 |
| 3. ABNORMAL ITEMS | | | | | | |
| PROFIT ON SALE OF INVESTMENTS | - | 76,1 | 163,1 | - | 36,0 | 77,3 |
| PROFIT ON SALE OF PROPERTY | - | 1,3 | 1,2 | - | 0,6 | 0,6 |
| PREMIUM PAID ON ACQUISITION OF SHARES FROM OUTSIDE SHAREHOLDERS | - | (13,4) | (13,4) | - | (6,3) | (11,2) |
| IMPAIRMENT OF GOODWILL | - | - | (10,3) | - | - | - |
| AMORTISATION OF GOODWILL | (2,0) | - | - | (1,0) | - | - |
| DISCONTINUED OPERATIONS | 7,3 | (4,2) | 2,8 | 3,5 | - | 0,9 |
| WRITE-OFF OF INVESTMENT | - | - | (0,5) | - | - | (0,2) |
| WRITE DOWN OF PROPERTIES TO OPEN MARKET VALUE | - | - | (8,6) | - | - | (4,1) |
| IMPAIRMENT OF PLANT | - | - | (17,5) | - | - | (8,3) |
| IMPAIRMENT OF INVESTMENT | - | - | (37,8) | - | - | (17,9) |
| | 5,3 | 59,8 | 79,0 | 2,5 | 30,3 | 37,1 |

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INTERIM RESULTS

for the 6 months ended 30 June 2002

Note: Following a change in the financial year-ends from 30 June to 31 December, the comparative figures are for the 6 months ended 30 June 2001 and 18 months ended 31 December 2001.

Abridged balance sheets

| | TRENCOR | | | MOBILE | | |
|---|------------------------------|-------------------|--------------------------------|------------------------------|-------------------|--------------------------------|
| | Unaudited 30 June 2002 | Unaudited 2001 | Audited 31 December 2001 | Unaudited 30 June 2002 | Unaudited 2001 | Audited 31 December 2001 |
| ASSETS | | | | | | |
| NON-CURRENT ASSETS | | | | | | |
| PROPERTY, PLANT AND EQUIPMENT | 6 297,0 | 3 190,0 | 6 112,6 | - | - | - |
| INTANGIBLE ASSETS AND GOODWILL | 30,0 | - | 35,6 | - | - | - |
| INVESTMENTS | 108,4 | 114,6 | 141,9 | 1 054,1 | 964,9 | 1 217,8 |
| LONG-TERM LOANS | 31,6 | 37,8 | 29,5 | - | - | - |
| NET INVESTMENT IN DIRECT FINANCE LEASES | 94,2 | 30,8 | 70,9 | - | - | - |
| PARTICIPATION IN EXPORT PARTNERSHIPS | - | - | - | 6,7 | 7,9 | 7,0 |
| LONG-TERM RECEIVABLES | 2 449,0 | 2 417,6 | 2 900,4 | 41,8 | 97,5 | 57,2 |
| | 9 010,2 | 5 790,8 | 9 290,9 | 1 102,9 | 1 070,3 | 1 282,0 |
| CURRENT ASSETS (NOTE 6) | 1 076,6 | 835,7 | 1 115,4 | 25,8 | 88,0 | 75,5 |
| TOTAL ASSETS | 10 086,8 | 6 626,5 | 10 406,3 | 1 128,7 | 1 158,3 | 1 357,5 |
| EQUITY AND LIABILITIES | | | | | | |
| CAPITAL AND RESERVES | | | | | | |
| SHARE CAPITAL AND PREMIUM | 164,5 | 164,5 | 164,5 | 66,5 | 66,5 | 66,5 |
| RESERVES | 1 814,2 | 1 625,3 | 2 159,4 | 873,9 | 784,6 | 1 036,9 |
| SHAREHOLDERS' EQUITY | 1 978,7 | 1 789,8 | 2 323,9 | 940,4 | 851,1 | 1 103,4 |
| INTEREST OF OUTSIDE SHAREHOLDERS IN SUBSIDIARIES | 526,7 | 224,2 | 635,0 | 3,7 | 3,6 | 3,5 |
| TOTAL SHAREHOLDERS' FUNDS | 2 505,4 | 2 014,0 | 2 958,9 | 944,1 | 854,7 | 1 106,9 |
| CONVERTIBLE DEBENTURES | 260,5 | 260,5 | 260,5 | 127,6 | 127,6 | 127,6 |
| OTHER NON-CURRENT LIABILITIES | | | | | | |
| INTEREST-BEARING BORROWINGS | 5 206,2 | 2 757,1 | 4 763,9 | 26,1 | 80,8 | 51,9 |
| AMOUNTS ATTRIBUTABLE TO THIRD PARTIES IN RESPECT OF LONG-TERM RECEIVABLES | 408,2 | 480,0 | 431,6 | - | - | - |
| DERIVATIVE INSTRUMENTS | 131,0 | 39,3 | 130,9 | - | - | - |
| DEFERRED TAXATION | 469,6 | 319,0 | 594,2 | 5,9 | 7,1 | 6,2 |
| | 8 980,9 | 5 869,9 | 9 140,0 | 1 103,7 | 1 070,2 | 1 292,6 |
| CURRENT LIABILITIES (NOTE 7) | 1 105,9 | 756,6 | 1 266,3 | 25,0 | 88,1 | 65,0 |
| TOTAL EQUITY AND LIABILITIES | 10 086,8 | 6 626,5 | 10 406,3 | 1 128,7 | 1 158,3 | 1 357,6 |
| CAPITAL EXPENDITURE INCURRED | 1 336,6 | 355,3 | 1 467,5 | - | - | - |
| CAPITAL EXPENDITURE COMMITTED AND AUTHORISED, BUT NOT YET INCURRED | 56,1 | 37,0 | 7,8 | - | - | - |
| MARKET VALUE OF LISTED INVESTMENTS | 17,2 | 86,9 | 49,1 | 752,3 | 452,8 | 881,8 |
| DIRECTORS' VALUATION OF UNLISTED INVESTMENTS | 91,2 | 27,7 | 92,8 | - | - | - |
| RATIO TO AGGREGATE OF TOTAL SHAREHOLDERS' FUNDS AND CONVERTIBLE DEBENTURES: | | | | | | |
| TOTAL LIABILITIES EXCLUDING CONVERTIBLE DEBENTURES (%) | 264,7 | 191,3 | 223,2 | 5,3 | 17,9 | 10,0 |
| INTEREST-BEARING DEBT EXCLUDING CONVERTIBLE DEBENTURES (%) | 210,4 | 138,3 | 172,9 | 4,6 | 15,5 | 8,6 |

Abridged cash flow statements

| | TRENCOR | | | MOBILE | | |
|---|---|-------------------|--|---|-------------------|--|
| | Unaudited 6 months ended 30 June 2002 | Unaudited 2001 | Audited 18 months ended 31 December 2001 | Unaudited 6 months ended 30 June 2002 | Unaudited 2001 | Audited 18 months ended 31 December 2001 |
| CASH GENERATED FROM OPERATIONS | 338,6 | 107,6 | 656,1 | 57,8 | 6,8 | 119,1 |
| INTEREST RECEIVED | 11,0 | 17,2 | 28,7 | 4,4 | 5,5 | 14,7 |
| INTEREST PAID | (173,8) | (144,7) | (502,8) | (8,8) | (14,4) | (38,7) |
| DIVIDENDS RECEIVED | - | - | 0,1 | - | - | - |
| DIVIDENDS PAID TO OUTSIDE SHAREHOLDERS | (20,9) | (23,6) | (23,4) | - | - | - |
| TAXATION PAID | (1,6) | (7,2) | (24,6) | (5,7) | (0,1) | (0,7) |
| NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | 153,3 | (50,7) | 134,1 | 47,7 | (2,2) | 94,4 |
| CASH FLOWS FROM INVESTING ACTIVITIES | (1 346,8) | (80,2) | (1 216,4) | - | 18,6 | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | 1 439,7 | (110,3) | 962,0 | (56,5) | (10,1) | (83,9) |

| | | | | | | |
|---|----------------|--------|---------|----------------|--------|--------|
| IMPAIRMENT OF INVESTMENT | – | – | (37,8) | – | – | (17,9) |
| | 5,3 | 59,8 | 79,0 | 2,5 | 30,3 | 37,1 |
| 4. HEADLINE (LOSS)/EARNINGS | | | | | | |
| (LOSS)/EARNINGS | (212,6) | 163,0 | 805,0 | (100,2) | 78,1 | 382,6 |
| DISCONTINUING OPERATIONS | (5,1) | 2,9 | (2,0) | (2,4) | 0,5 | (0,9) |
| LOSSES INCURRED UP TO DATE OF DISCONTINUANCE | – | – | (1,6) | – | (0,8) | (0,8) |
| ABNORMAL ITEMS (EXCLUDING DISCONTINUED OPERATIONS) | 2,0 | (64,0) | (76,3) | 1,0 | (30,5) | (36,1) |
| TAX ON ABNORMAL ITEMS | – | – | (4,1) | – | – | – |
| HEADLINE (LOSS)/EARNINGS | (215,7) | 101,9 | 721,0 | (101,6) | 47,3 | 344,8 |
| NUMBER OF SHARES IN ISSUE (MILLION) | 152,8 | 152,8 | 152,8 | 897,8 | 897,8 | 897,8 |
| HEADLINE (LOSS)/EARNINGS PER SHARE (CENTS) | (141,2) | 66,7 | 471,9 | (11,3) | 5,3 | 38,4 |
| The dilution arises as a result of any future conversion of convertible debentures. The directors are of the opinion that the debentures will not be converted in the foreseeable future and therefore no dilution is anticipated for the foreseeable future. No dilutive effect has been presented in respect of the current period as this would be antidilutive. | | | | | | |
| 5. SEGMENTAL REPORTING | | | | | | |
| REVENUE | | | | | | |
| CONTAINER OPERATIONS – SALES AND FINANCE | (534,4) | 278,0 | 2 279,7 | | | |
| CONTAINER OPERATIONS – OWNING, LEASING-OUT AND MANAGEMENT | 636,9 | 423,8 | 1 497,8 | | | |
| CONTAINER OPERATIONS – MANUFACTURING | 38,0 | 24,2 | 153,6 | | | |
| SUPPLY CHAIN MANAGEMENT | 124,9 | 13,9 | 59,5 | | | |
| TRAILERS | – | 158,1 | 434,2 | | | |
| OTHER | 2,5 | 13,0 | 11,3 | | | |
| | 267,9 | 911,0 | 4 436,1 | | | |
| OPERATING INCOME | | | | | | |
| CONTAINER OPERATIONS – SALES AND FINANCE | (270,3) | 179,5 | 1 192,6 | | | |
| CONTAINER OPERATIONS – OWNING, LEASING-OUT AND MANAGEMENT | 188,6 | 139,7 | 553,4 | | | |
| CONTAINER OPERATIONS – MANUFACTURING | (6,6) | (9,3) | 14,2 | | | |
| SUPPLY CHAIN MANAGEMENT | (8,7) | (5,7) | (38,2) | | | |
| TRAILERS | – | (12,3) | (38,4) | | | |
| OTHER | (35,5) | (16,6) | (121,2) | | | |
| | (132,5) | 275,3 | 1 562,4 | | | |
| 6. CURRENT ASSETS | | | | | | |
| INVENTORIES | 89,5 | 109,9 | 93,9 | – | – | – |
| ACCOUNTS RECEIVABLE | 650,1 | 549,3 | 714,1 | 22,0 | 65,4 | 58,2 |
| AMOUNT OWING BY AFFILIATED COMPANY | – | – | – | 3,8 | 13,6 | 8,7 |
| CASH AND CASH EQUIVALENTS | 337,0 | 176,5 | 307,4 | – | 9,0 | 8,6 |
| | 1 076,6 | 835,7 | 1 115,4 | 25,8 | 88,0 | 75,5 |
| 7. CURRENT LIABILITIES | | | | | | |
| ACCOUNTS PAYABLE | 384,1 | 303,8 | 359,2 | 0,5 | 13,5 | 4,5 |
| PROVISIONS | 75,3 | 60,9 | 76,1 | – | – | – |
| TAXATION | 10,6 | 2,6 | 9,0 | 1,3 | 3,0 | 6,7 |
| BANK OVERDRAFTS AND SHORT-TERM LOANS | 2,9 | 134,3 | 179,4 | 0,1 | – | – |
| CURRENT PORTION OF INTEREST-BEARING BORROWINGS | 610,9 | 255,0 | 623,5 | 23,1 | 71,6 | 53,8 |
| DEFERRED INCOME | 22,1 | – | 19,1 | – | – | – |
| | 1 105,9 | 756,6 | 1 266,3 | 25,0 | 88,1 | 65,0 |

Abridged statements of changes in shareholders' funds

| | | | | | | |
|--|----------------|---------|---------|----------------|-------|---------|
| BALANCE AT THE BEGINNING OF THE PERIOD | 2 323,9 | 1 602,3 | 1 312,9 | 1 103,4 | 761,4 | 645,0 |
| MOVEMENTS IN DISTRIBUTABLE RESERVES | (212,6) | 163,0 | 805,8 | (100,2) | 78,1 | 382,6 |
| NET (LOSS)/INCOME FOR THE PERIOD | (212,6) | 163,0 | 805,0 | (100,2) | 78,1 | 382,6 |
| TRANSFER FROM NON-DISTRIBUTABLE RESERVES | – | – | 0,8 | – | – | – |
| MOVEMENTS IN NON-DISTRIBUTABLE RESERVES | (132,6) | 24,5 | 205,2 | (62,8) | 11,6 | 75,8 |
| CURRENCY TRANSLATION DIFFERENCES | (94,6) | 29,5 | 275,5 | – | – | – |
| REVALUATION OF FIXED ASSETS | – | – | (1,7) | – | – | – |
| REALISATION ON SALE OF PROPERTY | – | 2,2 | 2,2 | – | – | – |
| UNRECOGNISED LOSS ON DERIVATIVE INSTRUMENTS (IN TEXTAINER) | | | | | | |
| CUMULATIVE EFFECT DUE TO CHANGE IN ACCOUNTING POLICY | – | – | (21,9) | – | – | – |
| NET CHANGE IN UNRECOGNISED LOSS – CURRENT PERIOD | (13,0) | (7,2) | (48,1) | – | – | – |
| FAIR VALUE ADJUSTMENT – INVESTMENT | (25,0) | – | – | – | – | – |
| RESERVES OF ASSOCIATE COMPANIES | – | – | (0,8) | (62,8) | 11,6 | 75,8 |
| BALANCE AT THE END OF THE PERIOD | 1 978,7 | 1 789,8 | 2 323,9 | 940,4 | 851,1 | 1 103,4 |

| | | | | | | |
|---|-----------|---------|-----------|--------|--------|--------|
| NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES | 133,5 | (90,1) | 134,1 | 41,1 | (2,2) | 94,4 |
| CASH FLOWS FROM INVESTING ACTIVITIES | (1 346,8) | (80,2) | (1 216,4) | - | 18,6 | - |
| CASH FLOWS FROM FINANCING ACTIVITIES | 1 439,7 | (110,3) | 962,0 | (56,5) | (10,1) | (83,9) |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EXCHANGE RATE CHANGES | 246,2 | (241,2) | (120,3) | (8,8) | 6,3 | 10,5 |
| NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 128,1 | 270,4 | 67,0 | 8,7 | 2,7 | (1,8) |
| EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | (40,2) | 13,0 | 181,4 | - | - | - |
| NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 334,1 | 42,2 | 128,1 | (0,1) | 9,0 | 8,7 |

Comments

Holders of securities in Trecor and Mobile are reminded that the previous financial period was for the eighteen months ended 31 December 2001. These interim results are unaudited and cover the six months to 30 June 2002; the comparative figures are for the six months ended 30 June 2001 and eighteen months ended 31 December 2001, as applicable.

TRENCOR

Trading income for the six months ended 30 June 2002 increased by 61% to R261 million from R162 million for the same period last year. Due however to the strengthening of the Rand, the aggregate loss before tax for the six months under review was R289 million (30 June 2001: profit R198 million) and the undiluted headline loss per share was 141,2 cents (30 June 2001: headline earnings of 66,7 cents).

The main factor giving rise to the loss for the period was a net downward adjustment in the translation of the present value of the dollar denominated long-term receivables amounting to R394 million flowing from the appreciation of the rand during the period from US\$1 = R12,06 to R10,36. Portion of the exchange gains recognised last year in the translation of the net receivables have now been reversed, resulting in a loss of R664 million, while the rand equivalent of the net dollar denominated provision has been reduced by R270 million (the provision in dollars remains unchanged).

Trading

Textainer's fleet utilisation has been improving steadily from a low point of just under 71% in March and is currently over 80%. During the period under review Textainer incurred significant costs in repositioning empty containers into areas of demand, but the benefits of this will mainly be felt in the second half of the financial year. Textainer's contribution to earnings in the period under review amounted to R36 million compared to R49 million in the same period last year.

TrenStar Inc, Trecor's 61% owned US subsidiary which offers services and returnable packaging assets for the supply chain, made excellent progress during the review period. It achieved a breakthrough when it acquired, for some R1 billion, the entire beer keg fleet of Scottish Courage, a major UK brewer, through its 75% owned subsidiary, Brewers Logistics International Limited ("BLI"). TrenStar will now make available and manage the fleet of 1,9 million kegs under a 15-year container services agreement with Scottish Courage. Negotiations with a second large brewer to enter into a similar transaction in respect of another substantial fleet of kegs should be concluded soon. In both instances, the purchase of the kegs is 100% funded by UK banks. These transactions will not contribute materially to earnings in the current year. TrenStar also succeeded in securing new contracts with major companies in the food and automotive industries in the US.

Trecor Solutions, which is engaged in activities in South Africa similar to those of TrenStar, is approaching breakeven. It is anticipated that this trend will continue during the balance of the year.

The order intake for our stainless steel tank container manufacturing facility at Parow, near Cape Town, has improved and there appear to be signs of an improvement in trading conditions in this industry.

The trailer business, in which the group has a 40% interest, traded satisfactorily during the period under review and made a positive contribution to group earnings.

Finance

As reported on 10 May 2002, Trecor elected, in terms of the arrangements with its South African and foreign bankers, to procure a draw down under the US dollar denominated letter of credit provided by its two foreign banks and, from the proceeds, repaid its financial indebtedness to its South African banks in full. The combined effects of the changing value of the rand against the dollar and the current interest rate profiles in South Africa and the US respectively made it beneficial for Trecor to have these borrowings in US dollars.

An amount of US\$56 385 000 was drawn down under the facility on 9 May 2002. The amount drawn down is repayable in fourteen quarterly instalments of US\$4 027 500 each, which commenced on 20 July 2002 with the final instalment payable on 20 October 2005. The outstanding balance bears interest at LIBOR plus 1,825% per annum; the current effective rate payable on the loan is 3,68% per annum.

Pursuant to the acquisition of the beer keg fleet of Scottish Courage Limited by BLI, the financial statements of BLI have been consolidated into those of Trecor. As is the case with the borrowings of Textainer, all of the borrowings of BLI are ring-fenced and without recourse to Trecor, or to TrenStar.

The ratio of Trecor's consolidated interest-bearing debt to permanent capital, being the sum of total shareholders' funds and the convertible debentures, increased from 173% at 31 December 2001 to 210% at 30 June 2002. However, with Textainer and BLI notionally equity accounted (the debt of these companies is without recourse to Trecor), this ratio was 44,3% compared to 41,3% at 31 December 2001 and 37% at 30 June 2001.

Tax queries

The enquiry by the South African Revenue Service ("SARS") into the tax treatment of the group's export partners' participation in the export of cargo containers (in respect of transactions entered into in prior years) continues into its fourth year. It is not possible to anticipate when it will be concluded.

As previously reported, a successful challenge by SARS, which we believe is unlikely, may result in the acceleration of the payment of a portion of the amounts attributable to third parties (i.e. our export partners) which are carried at their net present values, and which would otherwise be paid over periods of up to thirteen years.

Dividend

The board of directors does not recommend the payment of an interim dividend.

MOBILE

Following the merger of Trecor's trailer division into a new entity, in which Trecor has a 40% interest, effective 1 December 2001, the Mobile Industries' subsidiaries, Mobile Acceptances and Transport Acceptances, ceased writing new business and are now just collecting the outstanding debtors book. As Mobile Industries derives virtually all of its income from dividends it receives from Trecor, Mobile will not declare dividends unless and until Trecor does.

ON BEHALF OF THE BOARDS

NI JOWELL
C JOWELL

CHAIRMAN TRENCOR LIMITED
CHAIRMAN MOBILE INDUSTRIES LIMITED

22 AUGUST 2002

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Standard Bank Centre
Heerengracht
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THESE RESULTS ARE AVAILABLE ON THE WEBSITES:
HTTP://WWW.TRENCOR.NET AND HTTP://WWW.MOBILE-INDUSTRIES.NET