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## TRENCOR LIMITED 2015

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

To meet the many requirements of regulatory authorities, integrated annual reports have become lengthy, complex and very technical. To provide a convenient overview of the 2015 integrated 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 integrated annual report.

## Group chart

<b>Trencor</b>	Investment holding company listed on the JSE
48,3% <sup>1</sup> Textainer <sup>2</sup>	Listed on the New York Stock Exchange, the Textainer group owns, leases, manages and trades marine cargo containers worldwide
100% TAC <sup>2</sup>	Owning of marine cargo containers
100% Trencor Services	Corporate administration and financing
100% Trencor Containers	Collection of long-term receivables

<sup>1</sup> Reduced to 48,2% subsequent to the year-end following the issue by Textainer of restricted share units.

<sup>2</sup> Beneficiary interests through Halco Holdings Inc under the Halco Trust.

## Highlights

### Group

- **Trading profit** after net financing costs decreased by 20% from R2 001 million (restated) in 2014 to R1 608 million.
- **Headline earnings per share** (including the effect of net realised and unrealised foreign exchange translation gains) were 512,6 cents (2014: 547,9 cents – restated).
- **Adjusted headline earnings per share** (which excludes the effect of net unrealised foreign exchange translation gains) were 443,3 cents (2014: 520,7 cents – restated).
- Net unrealised foreign exchange gains arising on translation of net dollar receivables and the related valuation adjustments, not included in adjusted headline earnings, were R123 million or 69,3 cents per share (2014: R48 million or 27,2 cents per share).
- These various earnings are better reflected in tabular form:

	2015 Cents per share	Restated 2014 Cents per share
Basic (loss)/earnings per share	<b>(82,7)</b>	543,2
<b>Headline earnings per share</b>	<b>512,6</b>	547,9
Deduct:		
Net unrealised foreign exchange translation gains	<b>69,3</b>	27,2
<b>Adjusted headline earnings per share</b>	<b>443,3</b>	520,7
Year-end rate of exchange: SA rand to US dollar	<b>15,53</b>	11,54
Average rate of exchange for the year: SA rand to US dollar	<b>12,75</b>	10,78

- Consolidated gearing ratio at 31 December 2015 was 224% (2014: 210%).
- Based on the spot exchange rate of US\$1 = R15,53 and the price of Textainer's shares listed on the NYSE on 31 December 2015 (US\$14,11), the net asset value of Trencor at that date was as follows:

	R million	R per share
Beneficiary interest in Textainer	<b>5 977,6</b>	<b>33,75</b>
Beneficiary interest in TAC	<b>577,1</b>	<b>3,26</b>
Net interest in long-term receivables	<b>555,3</b>	<b>3,14</b>
Cash	<b>2 399,1</b>	<b>13,55</b>
Net liabilities	<b>(86,3)</b>	<b>(0,49)</b>
	<b>9 422,8</b>	<b>53,21</b>

- Final dividend of 220 cents per share declared, making a total of 300 cents per share for the year (2014: total 267 cents per share), an increase of 12% over the previous year.

## Textainer: 48,25% beneficiary interest at 31 December 2015 (2014: 47,97%)

- Net profit for the year in US GAAP was US\$106,9 million (2014: US\$189,4 million). Adjusted to conform with International Financial Reporting Standards, Textainer's net profit (before the impairment provision) was US\$107,2 million (2014: US\$171,1 million).
- Average fleet utilisation for the year was 96,8%, compared with 94,1% for 2014.
- Total expenditure for both the owned and managed fleets for lease-out in 2015 was US\$600 million for the year, and US\$228 million invested in the first four months of 2016 of which one-third was attributable to the purchase of leases from a financial investor.
- At 31 December 2015, Textainer owned 80,1% of the total fleet of 3 147 690 TEU; at 31 December 2014, it owned 78,9% of the then fleet of 3 233 364 TEU.
- Declared dividends totalling US\$1,65 per share in 2015 (2014: US\$1,88 per share).
- Textainer's results may be viewed on its website [www.textainer.com](http://www.textainer.com).

## Condensed financial statements

As virtually all of the group's consolidated revenue and assets and much of its expenditure are denominated in 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 2015

	2015	Restated 2014	2015	Restated 2014
	Rm	Rm	US\$m	US\$m
Trading profit from continuing operations before items listed below	2 784	3 063	218	284
Foreign exchange gains on translation of long-term receivables	278	98	2	–
Fair value adjustment on net long-term receivable	(77)	(36)	2	1
Other	(1 814)	(18)	(118)	(2)
<b>Operating profit before net finance expenses</b>	<b>1 171</b>	<b>3 107</b>	<b>104</b>	<b>283</b>
Net finance expenses	(1 176)	(1 062)	(92)	(98)
Share of profit of equity accounted investees	9	4	1	–
Profit before tax	4	2 049	13	185
(Loss)/Profit after tax	(57)	2 027	11	184
<b>(Loss)/Profit for the year attributable to equity holders of the company</b>	<b>(146)</b>	<b>962</b>	<b>(6,3)</b>	<b>85</b>
Basic (loss)/earnings per share (cents)	(82,7)	543,2	(3,6)	48,2
Headline earnings per share (cents)	512,6	547,9	35,0	48,6
Adjusted headline earnings per share (cents)	443,3	520,7	34,2	48,3
Year-end rate of exchange: SA rand to US dollar	15,53	11,54	15,53	11,54
Average rate of exchange for the year: SA rand to US dollar	12,75	10,78	12,75	10,78

### Condensed statements of financial position at 31 December 2015

	2015	Restated 2014	2015	Restated 2014
	Rm	Rm	US\$m	US\$m
<b>Assets</b>				
Property, plant and equipment	59 636	44 911	3 840	3 892
Long-term receivables	506	498	36	43
Other non-current assets	2 620	2 920	165	253
Current assets	7 829	5 728	504	496
Total assets	70 591	54 057	4 545	4 684
<b>Equity and liabilities</b>				
Total equity	21 259	16 916	1 369	1 465
Interest-bearing borrowings	46 006	32 373	2 962	2 806
Other non-current liabilities	422	373	27	32
Current liabilities	2 904	4 395	187	381
Total equity and liabilities	70 591	54 057	4 545	4 684
Net asset value per share (cents)	6 653	5 198	428	450
Ratio of interest-bearing borrowings to total equity	224%	210%	224%	210%

**(Loss)/Profit attributable to equity holders of the company from the various classes of businesses**  
for the year ended 31 December 2015

	2015 Rm	Restated 2014 Rm
Container operations		
Container finance	62	9
Textainer/TAC	(341)	934
Exchange translation gains	134	52
Net long-term receivable adjustment	11	(7)
Interest and other corporate items	(12)	(26)
	<b>(146)</b>	962

**Analysis of shareholders at 31 December 2015**

	Number of holders	%
Corporates	894	60
Retirement funds	211	28
Individuals	2 696	9
Other	283	3
Total	4 084	100

**Share information**

Share code: TRE

ISIN: ZAE000007506

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

Price (cents)	2015	2014
High	7 500	8 473
Low	3 370	6 150
Close	4 450	7 040

**Annual general meeting**

The annual general meeting will be held on Friday, 5 August 2016 at 15:00 at 13th Floor, The Towers South, Heerengracht, Cape Town.

**Directors**

Executive: NI Jowell <sup>1</sup> (Chairman) C Jowell <sup>1 7</sup> JE McQueen <sup>1 5 7</sup> (CEO) RA Sieni <sup>1</sup> (Financial) HR van der Merwe <sup>1</sup>

Non-Executive: JE Hoelster <sup>5</sup> (USA)

Independent Non-Executive: DM Nurek (Lead) <sup>3 4 5 6 7</sup> E Oblowitz <sup>2 5</sup> RJA Sparks <sup>2 3 4 5 6</sup> H Wessels <sup>2 4 5 6</sup>

<sup>1</sup> Executive Committee <sup>2</sup> Audit Committee <sup>3</sup> Remuneration Committee <sup>4</sup> Nomination Committee

<sup>5</sup> Risk Committee <sup>6</sup> Governance Committee <sup>7</sup> Social and Ethics Committee

**On behalf of the board**

NI Jowell            Chairman  
RA Sieni            Financial Director

20 June 2016

www.trencor.net