



In order to provide a better appreciation of the results of the group's activities, a condensed consolidated income statement and a condensed consolidated statement of financial position are also presented in US dollars, as virtually all of the group's revenue and assets and much of its expenditure are denominated in that currency. The amounts stated in US dollars have been prepared by management and are unaudited.

UNAUDITED TRENCOR CONDENSED CONSOLIDATED  
INCOME STATEMENT IN US DOLLARS for the six months  
ended 30 June 2013

	Unaudited Six months ended 30 June 2013	Unaudited 30 June 2012	Unaudited Year ended 31 December 2012
US\$ million			
Revenue	303,9	269,2	620,5
Trading profit before items listed below	147,7	132,1	272,8
Realised and unrealised exchange gains on translation of long-term receivables	(0,7)	0,6	0,4
Net long-term receivable fair value adjustment	1,8	4,6	11,0
Impairment of plant and equipment	(1,4)	(0,3)	(0,8)
Bargain purchase gain	–	–	9,4
Profit from operations	147,4	137,0	292,8
Net finance expenses	(38,5)	(33,8)	(72,2)
Finance expense	(40,8)	(31,7)	(70,0)
Interest expense			
Gains/(Losses) on derivative financial instruments	1,0	(2,8)	(4,2)
Finance income	1,3	0,7	2,0
Interest income			
Share of profit/(loss) of equity accounted investees (net of tax)	0,9	(0,1)	0,3
Profit before tax	109,8	103,1	220,9
Income tax expense	(3,8)	(6,5)	(6,4)
Profit for the period	106,0	96,6	214,5
Attributable to:			
Equity holders of the company	52,0	57,9	123,3
Non-controlling interests	54,0	38,7	91,2
	106,0	96,6	214,5
Number of shares in issue (million)	177,1	177,1	177,1
Weighted average number of shares in issue (million)	177,1	177,1	177,1
Basic earnings per share (US cents)	29,4	32,7	69,6
Diluted earnings per share (US cents)	29,4	32,7	69,6
Headline earnings per share (US cents)	29,8	32,8	67,3
Diluted headline earnings per share (US cents)	29,8	32,8	67,3
Adjusted headline earnings per share (US cents)	28,6	32,7	67,0
Diluted adjusted headline earnings per share (US cents)	28,6	32,7	67,0
Period-end rate of exchange: SA rand to US dollar	9,95	8,24	8,48
Average rate of exchange for the period: SA rand to US dollar	9,24	7,89	8,16
Trading profit from operations comprises:			
Textainer	147,9	134,4	276,5
Other	(0,2)	(2,3)	(3,7)
	147,7	132,1	272,8

UNAUDITED TRENCOR CONDENSED CONSOLIDATED  
STATEMENT OF FINANCIAL POSITION IN US DOLLARS  
at 30 June 2013

	Unaudited 30 June 2013	Unaudited 30 June 2012	Audited 31 December 2012
US\$ million			
ASSETS			
Property, plant and equipment	3 028,0	2 320,4	2 924,3
Long-term receivables	75,8	82,3	82,5
Other non-current assets	205,1	153,0	174,9
Total non-current assets	3 308,9	2 555,7	3 181,7
Total current assets	410,0	353,4	463,3
Inventories	46,7	24,3	23,0
Trade and other receivables	100,6	100,0	104,4
Current portion of long-term receivables	14,4	31,0	15,7
Current portion of net investment in finance leases	36,3	20,0	23,7
Current tax assets	–	–	0,2
Cash and cash equivalents	212,0	178,1	296,3
Total assets	3 718,9	2 909,1	3 645,0
Equity and liabilities			
Equity attributable to equity holders of the company	702,1	620,4	756,3
Non-controlling interests	581,6	302,6	545,7
Total equity	1 283,7	923,0	1 302,0
LIABILITIES			
Interest-bearing borrowings	2 188,2	1 389,9	2 017,4
Amounts attributable to third parties in respect of long-term receivables	14,1	19,2	18,4
Derivative financial instruments	5,2	13,9	10,5
Deferred revenue	3,3	0,1	3,2
Deferred tax liabilities	31,7	25,2	25,7
Total non-current liabilities	2 242,5	1 448,3	2 075,2
Total current liabilities	192,7	537,8	267,8
Trade and other payables	54,0	261,9	121,3
Current tax liability	4,1	12,4	9,8
Current portion of amounts attributable to third parties in respect of long-term receivables	2,7	5,9	3,5
Current portion of interest-bearing borrowings	131,5	255,0	131,5
Current portion of deferred revenue	0,4	2,6	1,7
Total liabilities	2 435,2	1 986,1	2 343,0
Total equity and liabilities	3 718,9	2 909,1	3 645,0
Ratio to total equity:			
Total liabilities (%)	189,7	215,2	179,9
Interest-bearing debt (%)	180,7	178,2	165,0



# Unaudited Interim Results

and declaration of cash dividend  
for the six months ended 30 June 2013

Trencor Limited  
(Incorporated in the Republic of South Africa)

Registration No. 1955/002869/06 | Share code: TRE | ISIN: ZAE000007506 | ('the company' or 'Trencor')

## COMMENTARY

### GROUP

- Trading profit, which is earned mainly in US dollars, after net financing costs, increased by 29,7% from R777 million in 2012 to R1 008 million during the period under review.
- Headline earnings per share (including the effect of realised and unrealised foreign exchange translation gains and losses were 318,1 cents (2012: 262,3 cents), an increase of 21,3%.
- Adjusted headline earnings per share (which excludes the effect of net unrealised foreign exchange translation gains and losses) were 264,5 cents (2012: 256,7 cents), an increase of 3,0%.
- These various earnings are better presented in tabular form:

	Six months ended 30 June 2013 Cents per share	Year ended 31 December 2012 Cents per share	2012 Cents per share
Headline earnings	318,1	262,3	559,6
Deduct: Unrealised foreign exchange translation gains and losses	53,6	5,6	13,5
Adjusted headline earnings	264,5	256,7	546,1

- Based on the spot exchange rate of US\$1 = R9,95 and the price of Textainer's shares listed on the NYSE on 28 June 2013 (US\$38,44), the net asset value of Trencor at that date was as follows:

	R million	Rand per share
Net interest in Textainer	10 434	58,92
Net interest in long-term receivables	732	4,13
Cash	1 214	6,86
Net liabilities (mainly deferred tax)	(122)	(0,69)
	12 258	69,22

- Consolidated gearing ratio at 30 June 2013 was 181% (2012: 178%).
- On 29 April 2013 a special gross cash dividend of 360 cents per share was paid.
- Interim gross cash dividend of 72 cents per share declared (2012: 65 cents per share).

### TEXTAINER (NYSE: TGH): 48,4% beneficiary interest at 30 June 2013

- Net profit for the half year in US GAAP was US\$97,1 million (2012: US\$95,7 million). Adjusted to conform with International Financial Reporting Standards, Textainer's net profit was US\$100,8 million (2012: US\$97,3 million).

- Average fleet utilisation to 30 June 2013 was 95,1% (2012: 97,2%).
- Textainer acquired more than US\$494 million in new and used containers during the period under review.
- Total fleet under management at 30 June 2013 was 2 860 000 (2012: 2 615 000) twenty foot equivalent units of which Textainer itself owned 74,0% (2012: 60,4%).
- Announced a collaboration with Trifleet allowing expansion into tank container leasing with one of the leaders in the industry.
- Reduced average interest rate by 132 basis points over the past twelve months while increasing the size of several financing facilities.
- Textainer declared dividends of US\$0,46 and US\$0,47 per share in respect of quarters 1 and 2 of 2013 respectively.
- Textainer's results may be viewed on its website [www.textainer.com](http://www.textainer.com).

### PREPARATION OF FINANCIAL STATEMENTS

These unaudited interim condensed consolidated financial statements have been prepared by management under the supervision of the Financial Director and have not been audited or reviewed by Trencor's independent auditors.

### DECLARATION OF CASH DIVIDEND

The board has declared an interim gross cash dividend (number 96) of 72,00 cents per share out of distributable reserves in respect of the six months ended 30 June 2013.

The salient dates pertaining to the dividend payment are as follows:

Last day to trade cum the dividend	Friday, 6 September 2013
Trading commences ex the dividend	Monday, 9 September 2013
Record date	Friday, 13 September 2013
Payment date	Monday, 16 September 2013

Share certificates may not be dematerialised or rematerialised between Monday, 9 September 2013 and Friday, 13 September 2013, both days inclusive.

Note that:

- As no secondary tax on companies' credits are available, dividend withholding tax at the rate of 15% will be applicable to shareholders who are not exempt, which will result in a net dividend of 61,20 cents per share to such shareholders;
- Trencor's tax reference number is 9676002711; and
- Trencor's issued share capital at the declaration date is R885 340 (177 068 011 ordinary shares of 0,5 cent each).

On behalf of the board  
**Ni Jowell** Chairman  
16 August 2013

### Directors:

Ni Jowell\* (Chairman), JE Hoelter (USA), C Jowell\*, JE McQueen\* (Financial), DM Nurek, E Oblowitz, RJA Sparks, HR van der Merwe\*, H Wessels (\*executive)

Secretaries: Trencor Services (Pty) Ltd

Registered Office: 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town 8001

Transfer Secretaries: Computershare Investor Services (Pty) Ltd, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107)

Sponsor: Rand Merchant Bank (A division of FirstRand Bank Ltd)



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION at 30 June 2013

R million	Unaudited 30 June 2013	Unaudited 30 June 2012	Audited 31 December 2012
ASSETS			
Property, plant and equipment	30 128	19 120	24 798
Intangible assets	311	361	283
Investment in equity accounted investees	61	16	40
Other investments	66	14	66
Long-term receivables	755	678	699
Net investment in finance leases	1 151	474	627
Deferred tax assets	23	20	20
Restricted cash	429	376	448
Total non-current assets	32 924	21 059	26 981
Inventories	465	200	195
Trade and other receivables	1 000	820	885
Current portion of long-term receivables	144	256	133
Current portion of net investment in finance leases	361	168	201
Current tax assets	–	–	2
Cash and cash equivalents	2 109	1 468	2 513
Total current assets	4 079	2 912	3 929
Total assets	37 003	23 971	30 910
EQUITY			
Share capital and premium	44	44	44
Reserves	6 942	5 069	6 370
Total equity attributable to equity holders of the company	6 986	5 113	6 414
Non-controlling interests	5 787	2 493	4 628
Total equity	12 773	7 606	11 042
LIABILITIES			
Interest-bearing borrowings	21 773	11 453	17 107
Amounts attributable to third parties in respect of long-term receivables	140	158	156
Derivative financial instruments	52	114	89
Deferred revenue	33	1	27
Deferred tax liabilities	315	208	218
Total non-current liabilities	22 313	11 934	17 597
Trade and other payables	538	2 158	1 029
Current tax liabilities	40	103	83
Current portion of interest-bearing borrowings	1 308	2 101	1 115
Current portion of amounts attributable to third parties in respect of long-term receivables	27	48	30
Current portion of deferred revenue	4	21	14
Total current liabilities	1 917	4 431	2 271
Total liabilities	24 230	16 365	19 868
Total equity and liabilities	37 003	23 971	30 910
Capital expenditure incurred during the period	2 765	3 875	8 647
Capital expenditure committed and authorised, but not yet incurred	302	1 503	193
Directors' valuation of unlisted investments	66	14	66
Ratio to total equity:			
Total liabilities (%)	189,7	215,2	179,9
Interest-bearing debt (%)	180,7	178,2	165,0

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the six months ended 30 June 2013

R million	Unaudited Six months ended 30 June 2013	Unaudited 30 June 2012	Audited Year ended 31 December 2012
Revenue (Note 2)	2 982	2 138	4 553
Trading profit before items listed below	1 364	1 043	2 225
Realised and unrealised exchange gains on translation of long-term receivables, excluding fair value adjustment	170	18	54
Net long-term receivable fair value adjustment	(51)	30	68
Impairment of plant and equipment	(13)	(3)	(6)
Bargain purchase gain	–	–	80
Profit from operations	1 470	1 088	2 421
Net finance expenses (Note 3)	(356)	(266)	(589)
Finance expenses – Interest expense	(377)	(250)	(571)
– Gains/(Losses) on derivative financial instruments	10	(22)	(34)
Finance income – Interest income	11	6	16
Share of profit/(loss) of equity accounted investees (net of tax)	9	(1)	2
Profit before tax	1 123	821	1 834
Income tax expense	(66)	(53)	(61)
Profit for the period	1 057	768	1 773
Other comprehensive income			
Foreign currency translation differences	1 767	111	389
Change in fair value of available-for-sale financial asset	–	–	52
Income tax expense on other comprehensive income	–	–	(10)
Total comprehensive income for the period	2 824	879	2 204
Total comprehensive income for the period attributable to:			
Equity holders of the company	1 489	529	1 282
Non-controlling interests	1 335	350	922
	2 824	879	2 204
Profit attributable to:			
Equity holders of the company	557	463	1 027
Non-controlling interests	500	305	746
	1 057	768	1 773
Basic earnings per share (cents)	314,7	261,5	579,9
Diluted earnings per share (cents)	314,7	261,5	579,9
Number of shares in issue (million)	177,1	177,1	177,1
Weighted average number of shares in issue (million)	177,1	177,1	177,1
Period-end rate of exchange: SA rand to US dollar	9,95	8,24	8,48
Average rate of exchange for the period: SA rand to US dollar	9,24	7,89	8,16

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2013

R million	Unaudited Six months ended 30 June 2013	Unaudited 30 June 2012	Audited Year ended 31 December 2012
Cash generated from operations	2 197	1 521	3 510
Increase in container leasing equipment	(3 326)	(2 229)	(8 036)
Finance income received	11	6	16
Finance expenses paid	(360)	(241)	(559)
Dividends paid to equity holders of the company	(903)	(221)	(336)
Dividends paid to non-controlling interest	(250)	(121)	(302)
Income tax paid	(26)	(27)	(64)
Net cash outflow from operating activities	(2 657)	(1 312)	(5 771)
Cash inflow from investing activities	298	97	614
Cash inflow from financing activities	1 618	1 334	6 253
Net (decrease)/increase in cash and cash equivalents before exchange rate fluctuations	(741)	119	1 096
Net cash and cash equivalents at the beginning of the period	2 513	1 333	1 333
Effects of exchange rate fluctuations on cash and cash equivalents	337	16	84
Net cash and cash equivalents at the end of the period	2 109	1 468	2 513

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2013

R million	Unaudited Six months ended 30 June 2013	Unaudited 30 June 2012	Audited Year ended 31 December 2012
Balance at the beginning of the period	6 414	4 794	4 794
Total comprehensive income for the period	1 489	529	1 282
Profit for the period	557	463	1 027
Foreign currency translation differences	932	66	213
Net change in fair value of available-for-sale financial asset	–	–	42
Dividends paid	(903)	(221)	(336)
Share-based payments	20	35	52
Changes in ownership interests in subsidiary	(34)	(24)	330
Sale of shares in subsidiary to non-controlling interest without a change in control	–	–	292
Shareholders' interest	6 986	5 113	6 414
Non-controlling interests in subsidiaries	5 787	2 493	4 628
Balance at the beginning of the period	4 628	2 188	2 188
Total comprehensive income for the period	1 335	350	922
Profit for the period	500	305	746
Foreign currency translation differences	835	45	176
Dividends paid to non-controlling interest	(250)	(121)	(302)
Share-based payments	21	23	36
Shares issued by subsidiary	19	29	1 556
Sale of shares in subsidiary to non-controlling interest without a change in control	–	–	324
Acquisition of subsidiary non-controlling interests	–	–	234
Changes in ownership interests in subsidiary	34	24	(330)
Equity	12 773	7 606	11 042

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS for the six months ended 30 June 2013

1. These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting pronouncements as issued by the Financial Reporting Council and the requirements of the Companies Act, 2008. Except as stated below the accounting policies applied in the preparation of these condensed consolidated financial statements comply with IFRS and are consistent with those used in the annual financial statements for the year ended 31 December 2012.

The group applied IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interests in Other Entities, IAS 27 Separate Financial Statements, IAS 28 Investments in Associates and Joint Ventures (2011) and IFRS 13 Fair Value Measurement, as well as amendments to IFRS 7 Financial Instruments: Disclosures: Offsetting Financial Assets and Financial Liabilities. The application of these standards and amendments to IFRS has had no impact the group's financial results.

	Unaudited Six months ended 30 June 2013	Unaudited 30 June 2012	Audited Year ended 31 December 2012
2. <b>R million</b>			
<b>Revenue</b>			
Goods sold and services rendered	608	580	1 134
Leasing income	2 089	1 420	3 130
Management fees	96	114	221
Finance income	19	6	14
	2 812	2 120	4 499
Realised and unrealised exchange differences	170	18	54
	2 982	2 138	4 553
3. <b>Net finance expenses</b>			
Finance expenses	367	272	605
Interest expense – Textainer (Gains)/Losses on derivative financial instruments – Textainer	377	250	571
	(10)	22	34
Finance income			
Interest income – cash and cash equivalents	(11)	(6)	(16)
	356	266	589
4. <b>Headline earnings</b>			
Profit attributable to equity holders of the company	557	463	1 027
Impairment of property, plant and equipment	13	3	6
Bargain purchase gain	–	–	(80)
Total tax effects of adjustments	(1)	–	–
Total non-controlling interests' share of adjustments	(6)	(1)	38
Headline earnings	563	465	991
Weighted average number of shares in issue (million)	177,1	177,1	177,1
Headline earnings per share (cents)	318,1	262,3	559,6
Diluted headline earnings per share (cents)	318,1	262,3	559,6
Adjusted headline earnings			
Headline earnings (as above)	563	465	991
Net gain on translation of net US dollar receivables	(132)	(14)	(33)
Total tax effects of adjustments	37	4	9
Adjusted headline earnings	468	455	967
Undiluted adjusted headline earnings per share (cents)	264,5	256,7	546,1
Diluted adjusted headline earnings per share (cents)	264,5	256,7	546,1
5. <b>Segmental reporting</b>			
Revenue			
Reportable segments			
Containers – finance (including exchange differences)	190	25	70
Containers – owning, leasing, management and resale	2 792	2 113	4 483
	2 982	2 138	4 553
Profit from operations			
Reportable segments			
Containers – finance	136	50	130
Containers – owning, leasing, management and resale	1 354	1 058	2 330*
	1 490	1 108	2 460
Unallocated	(20)	(20)	(39)
	1 470	1 088	2 421
Profit before tax			
Reportable segments			
Containers – finance	136	50	130
Containers – owning, leasing, management and resale	996	786	1 728*
	1 132	836	1 858
Unallocated	(9)	(15)	(24)
	1 123	821	1 834
* Includes R80 million – bargain purchase gain			
Assets			
Capital expenditure incurred by the container owning, leasing, management and resale segment	2 765	3 875	8 646

6. **Financial instruments**

The carrying amounts and fair values of financial assets and financial liabilities are as follows:

R million	Carrying amount	Fair value
Assets		
Other investments – Equity securities – available-for-sale	66	66
Long-term receivables – designated at fair value through profit or loss	899	899
Net investment in finance leases – other	1 512	1 453
Restricted cash – loans and receivables	429	429
Trade and other receivables – loans and receivables	969	969
Cash and cash equivalents – loans and receivables	2 109	2 109
	5 984	5 925
Liabilities		
Interest-bearing borrowings – liabilities at amortised cost (excluding debt issuance costs)	23 319	23 388
Amounts attributable to third parties in respect of long-term receivables – designated at fair value through profit or loss	167	167
Derivative financial instruments – held for trading	52	52
Trade and other payables – liabilities at amortised cost	538	538
	24 076	24 145

Financial instruments carried at fair value

Fair value hierarchy

The table below analyses the recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at measurement date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

	Level 1	Level 2	Level 3	Total
Assets				
Other investments – Equity securities – available-for-sale	–	66	–	66
Long-term receivables – designated at fair value through profit or loss	–	–	899	899
	–	66	899	965
Liabilities				
Amounts attributable to third parties in respect of long-term receivables – designated at fair value through profit or loss	–	–	167	167
Derivative financial instruments – held for trading	–	52	–	52
	–	52	167	219

Details of the determination of Level 3 fair value measurements during the six months ended 30 June 2013 are set out below:

Long-term receivables and amounts due to third parties in respect of long-term receivables are valued by discounting future cash flows. The discount rate applied to the long-term receivables (denominated in US\$) is 8,5% p.a., and amounts attributable to third parties in respect of long-term receivables is 10% p.a. An appropriate fair value adjustment is made to the net investment for the estimated timing of receipt and the possible non-collectability of these receivables, and the related effect on the payment to third parties. The net present value of the long-term receivables and the related fair value adjustment were translated into SA rand at US\$1 = R9,95.

The following table shows a reconciliation from the opening balances to the closing balances for fair value measurements in Level 3 of the fair value hierarchy:

	Long-term receivables	Amounts attributable to third parties in respect of long-term receivables	Total
Balance at the beginning of the period	832	(186)	646
Total gains/(losses in profit or loss)	162	(1)	161
Settlements	(95)	20	(75)
Balance at the end of the period	899	(167)	732

Total gains or losses included in profit or loss for the period in the above table are presented in the statement of comprehensive income as follows:

Total gains or losses included in profit or loss for the period

Operating profit	162	(3)	159
Associate tax credit	–	2	2

Total gains or losses for the year included in profit or loss for assets and liabilities held at the end of the year

Operating profit	140	2	142
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Although the group believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurement in Level 3 of the fair value hierarchy, changing one or more of the unobservable inputs used, to reasonably possible alternative assumptions, would have the following effects:

	Increase/ (Decrease) in unobservable inputs	Favourable/ (Unfavourable) impact on profit or loss
Interest rates – discount rate:		
Long-term receivables	100 basis points (100) basis points	(1) 1
Amounts attributable to third parties in respect of long-term receivables	100 basis points (100) basis points	1 (1)
Exchange rates:		
Long-term receivables	1% (1%)	6 (6)