

Interim Results unaudited for the six months ended 30 June 2010 and declaration of cash dividends

Notes to the condensed consolidated annual financial statements for the six months ended 30 June 2010

1. These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) including IAS 34 *Interim Financial Reporting* and the Companies Act of South Africa. The accounting policies applied in the preparation of these consolidated condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2009.

	Trencor			Mobile		
	Unaudited 6 months ended 30 June 2010	Unaudited 6 months ended 30 June 2009	Audited Year ended 31 December 2009	Unaudited 6 months ended 30 June 2010	Unaudited 6 months ended 30 June 2009	Audited Year ended 31 December 2009
R Million						
2. Revenue						
Goods sold and services rendered	311	277	562			
Leasing income	806	854	1 596			
Management fees	100	108	210			
Finance income	15	20	32	0,2	0,4	0,6
	1 232	1 259	2 400	0,2	0,4	0,6
Realised and unrealised exchange differences	60	(358)	(442)			
	1 292	901	1 958	0,2	0,4	0,6
3. Net finance expenses/(income)						
Finance expenses	126	53	124			
Interest expense – Textainer	40	56	95			
Losses/(Gains) on derivative financial instruments	86	(3)	29			
Finance income	(7)	(187)	(195)			
Interest income – cash and cash equivalents	(7)	(12)	(20)			
Gain on early extinguishment of debt	–	(175)	(175)			
	119	(134)	(71)			
4. Headline earnings						
Profit attributable to equity holders of the company	225	146	259	102,9	66,0	118,1
Impairment of plant and equipment	5	9	16			
Net gain on disposal of available-for-sale financial asset transferred from equity	–	(7)	(7)			
Profit on disposal of discontinued operations	–	(27)	(26)			
Total tax effects of adjustments	–	1	(1)			
Total non-controlling interests' share of adjustments	(2)	7	12			
Net loss on dilution of investment in associate				–	0,8	0,6
Attributable share of headline earnings adjustments of associate				1,0	(7,8)	(2,9)
Headline earnings	228	129	253	103,9	59,0	115,8
Weighted average number of shares in issue (million)	187,5	187,4	187,4	1 068,0	1 068,0	1 068,0
Headline earnings per share (cents)	121,1	68,8	134,8	9,7	5,5	10,8
Diluted headline earnings per share (cents)	121,0	68,8	134,7	9,7	5,5	10,8
Adjusted headline earnings						
Headline earnings (as above)	228	129	253			
Gain on early extinguishment of debt	–	(175)	(175)			
Net (gain)/loss on translation of net US dollar receivables	(36)	235	298			
Total tax effects of adjustments	10	(61)	(79)			
Total non-controlling interests' share of adjustments	–	84	84			
Adjusted headline earnings	202	212	381			
Undiluted adjusted headline earnings per share (cents)	107,5	113,1	203,5			
Diluted adjusted headline earnings per share (cents)	107,4	113,0	203,3			
5. Segmental reporting						
Revenue						
Reportable segments						
Containers – finance (including exchange differences)	76	(337)	(410)			
Containers – owning, leasing, management and reselling	1 215	1 237	2 365			
	1 291	900	1 955			
Unallocated	1	1	3			
	1 292	901	1 958			
Profit						
Reportable segments						
Containers – finance	59	(217)	(286)			
Containers – owning, leasing, management and reselling	535	481	878			
	594	264	592			
Unallocated	(14)	(9)	(28)			
	580	255	564			

In order to provide a better appreciation of the results of the group's activities, a condensed consolidated income statement and a 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 2010

US\$ Million	Unaudited 6 months ended 30 June 2010	Unaudited 6 months ended 30 June 2009	Unaudited Year ended 31 December 2009
Revenue	282,2	133,8	282,2
Continuing operations			
Trading profit	71,6	54,1	106,1
Realised and unrealised exchange gains/(losses) arising on translation	0,5	(4,9)	(5,8)
Net long-term receivables fair value adjustment	2,2	(0,6)	(4,7)
Impairment of plant and equipment	(0,6)	(1,0)	(2,0)
Other	–	1,0	1,0
Profit from operations	73,7	48,6	94,6
Net finance (expenses)/income	(15,8)	15,2	7,0
Finance expense – Interest expense	(5,3)	(6,1)	(11,4)
– (Losses)/Gains on derivative financial instruments	(11,4)	0,4	(3,5)
Finance income – Interest income	0,9	1,4	2,4
– Gain on early extinguishment of debt	–	19,5	19,5
Profit before tax	57,9	63,8	101,6
Income tax expense	(7,3)	(4,2)	(3,5)
Profit after tax from continuing operations	50,6	59,6	98,1
Discontinued operations			
Profit for the period from discontinued operations (net of income tax)	–	3,3	3,1
Profit for the period	50,6	62,9	101,2
Attributable to:			
Equity holders of the company	27,3	31,5	49,8
Non-controlling interest	23,3	31,4	51,4
	50,6	62,9	101,2
Number of shares in issue (million)	187,5	187,5	187,5
Weighted average number of shares in issue (million)	187,5	187,4	187,4
Basic earnings per share (US cents)			
Entity as a whole	14,6	16,8	26,6
Continuing operations	14,6	15,8	26,1
Discontinued operations	–	1,0	0,5
Diluted earnings per share (US cents)			
Entity as a whole	14,5	16,8	26,6
Continuing operations	14,5	15,8	26,1
Discontinued operations	–	1,0	0,5
Headline earnings per share (US cents)	14,7	15,5	26,0
Diluted headline earnings per share (US cents)	14,7	15,5	26,0
Adjusted headline earnings per share (US cents)	14,5	12,3	23,2
Diluted adjusted headline earnings per share (US cents)	14,4	12,3	23,1
Period-end rate of exchange: SA rand to US dollar	7,63	7,74	7,35
Average rate of exchange for the period: SA rand to US dollar	7,50	9,07	8,33
Trading profit/(loss) from continuing operations comprises:			
Textainer	71,8	54,0	107,4
Other	(0,2)	0,1	(1,3)
	71,6	54,1	106,1

Unaudited Trencor condensed consolidated statement of financial position in US dollars at 30 June 2010

US\$ Million	Unaudited 30 June 2010	Unaudited 30 June 2009	Unaudited 31 December 2009
ASSETS			
Property, plant and equipment	1 122,3	932,4	1 069,1
Long-term receivables	109,7	135,0	114,0
Other non-current assets	182,4	197,6	186,0
Non-current assets	1 414,4	1 265,0	1 369,1
Current assets	238,5	252,4	257,5
Inventories	2,9	0,9	1,3
Trade and other receivables	88,8	88,9	104,4
Current tax assets	–	–	0,2
Assets classified as held for sale	–	17,4	1,5
Cash and cash equivalents	146,8	145,2	150,1
Total assets	1 652,9	1 517,4	1 626,6
Equity and liabilities			
Equity attributable to equity holders of the company	527,3	507,3	522,7
Non-controlling interest	277,7	253,7	259,1
Total equity	805,0	761,0	781,8
LIABILITIES			
Interest-bearing borrowings	593,3	573,7	617,4
Amounts attributable to third parties in respect of long-term receivables	25,2	30,7	27,8
Derivative financial instruments	14,6	11,3	9,0
Deferred income	6,6	2,5	11,3
Deferred tax liabilities	30,2	29,9	31,3
Total non-current liabilities	669,9	648,1	696,8
Current liabilities	178,0	108,3	148,0
Trade and other payables	97,0	31,2	53,9
Current tax liability	22,4	22,0	17,8
Current portion of interest-bearing borrowings	51,5	51,5	68,0
Current portion of deferred income	7,1	1,5	7,9
Liabilities classified as held for sale	–	2,1	0,4
Total liabilities	847,9	756,4	844,8
Total equity and liabilities	1 652,9	1 517,4	1 626,6
Ratio to aggregate of total equity:			
Total liabilities (%)	105,3	99,4	108,1
Interest-bearing debt (%)	80,1	82,2	87,7

These results can be viewed on the websites

www.trencor.net

www.mobile-industries.net