

Highlights

TRENCOR: GROUP

- Trading profit** from continuing operations after net financing costs (but excluding unrealised gains on interest rate swaps and gains on early extinguishment of debt in Textainer) decreased by 26% from R932 million in 2008 to R688 million. After accounting for the unrealised gains on these derivatives, the decrease was 4% from R810 million in 2008 to R781 million in 2009. The gains or losses on derivatives are non-cash, non-operating items and Textainer intends to hold its interest rate swaps until maturity. Over the life of an interest rate swap held to maturity the unrealised gains or losses will net to zero.
- Headline earnings per share** which includes net unrealised foreign exchange losses and gains as well as the group's attributable share of unrealised gains on interest rate swaps in Textainer were 134,8 cents (2008: 420,8 cents).
- Adjusted headline earnings per share**, which is the more appropriate measure of Trencor's financial 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, were down 19% at 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).
- These different earnings are better reflected in tabular form:

	2009 Cents per share	2008 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 cancellation 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: 62,3% interest

- Net profit for the year excluding net unrealised gains and losses on interest rate swaps and, in 2008, impairment of goodwill was US\$82,8 million, a 17% decrease from the US\$99,8 million earned in 2008. Unrealised gains and losses on these interest rate swaps net out to zero over a

period of time, if held to maturity as intended, and have no effect on cash flow. Net profit for the year, including net gains on repurchase and extinguishment of debt amounting to US\$15,3 million was US\$92,0 million (2008: US\$87,7 million).

- Current fleet utilisation is 91%, compared to 86% at 30 June 2009. For Textainer, based on existing fleet size and current lease rates, every 1% change in utilisation equates to approximately US\$4,4 million change in annual pre-tax profit.
- Textainer expects to resume buying significant quantities of new standard dry freight containers in 2010 and has already ordered 33 370 TEU (20 foot equivalent units) for delivery by May 2010.
- The proportion of the total container fleet under management that is subject to long-term leases remains above 70%.
- Textainer's results may be viewed on its website, www.textainer.com.

Declaration of cash dividends

Final cash dividends in respect of the year ended 31 December 2009 have been declared as follows:

Trencor	No 88	85,0 cents per share
Mobile	No 73	6,9 cents per share

The salient dates pertaining to the cash dividend payments are as follows:

Last day to trade cum the dividend	Thursday, 18 March 2010
Trading commences ex the dividend	Friday, 19 March 2010
Record date	Friday, 26 March 2010
Payment date	Monday, 29 March 2010

Share certificates may not be dematerialised or rematerialised between Friday, 19 March 2010 and Friday, 26 March 2010, both days inclusive.

Review opinion

These results, other than the figures stated in US dollars, have been reviewed by the independent auditors, KPMG Inc, and their unmodified review reports are available for inspection at the registered office.

On behalf of the boards

NI Jowell Chairman Trencor Limited
C Jowell Chairman Mobile Industries Limited
18 February 2010

Directors:

Trencor: NI Jowell* (Chairman), HR van der Merwe* (Managing), JE Hoelter (USA), C Jowell, JE McQueen*, DM Nurek, E Oblowitz, RJA Sparks (* executive)
Mobile: C Jowell (Chairman), NI Jowell, DM Nurek, E Oblowitz (all non-executive)

Secretaries to Trencor and Mobile: 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)

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

Condensed consolidated statements of comprehensive income for the year ended 31 December 2009

R Million	Trencor		Mobile	
	Reviewed 2009	Restated* 2008	Reviewed 2009	Audited 2008
Revenue (including exchange differences) (Note 2)	1 958	3 299	0,6	0,9
Continuing operations				
Trading profit/(loss)	885	1 143	(1,1)	(0,9)
Realised and unrealised exchange (losses)/gains on translation of long-term receivables, included in revenue, excluding fair value adjustment	(442)	630		
Net long-term receivable fair value adjustment	130	(179)		
Impairment of goodwill	–	(135)		
Impairment of plant and equipment	(16)	(4)		
Net gain on disposal of available-for-sale financial asset transferred from equity	7	–		
Other			(0,6)	(0,6)
Profit/(Loss) from operations	564	1 455	(1,7)	(1,5)
Net finance income/(costs) (Note 3)	71	(333)		
Finance expense – Interest expense	(95)	(211)		
– Losses on derivative financial instruments	(29)	(171)		
Finance income – Interest income	20	49		
– Gain on extinguishment of debt	175	–		
Share of profit of associate			119,7	306,6
Profit before tax	635	1 122	118,0	305,1
Income tax credit/(expense)	32	(125)	0,1	(0,1)
Profit after tax from continuing operations	667	997	118,1	305,0
Discontinued operations				
Profit/(Loss) for the year from discontinued operations (net of income tax) (Note 4)	24	(81)		
Profit for the year	691	916	118,1	305,0
Other comprehensive (loss)/income	(1 205)	1 345	(336,7)	368,4
Foreign currency translation differences	(1 196)	1 344		
Net change in fair value of available-for-sale financial asset	(2)	1		
Net change in fair value of available-for-sale financial asset transferred to profit or loss	(7)	–		
Share of other comprehensive (loss)/income of associate			(336,7)	368,4
Total comprehensive (loss)/income for the year	(514)	2 261	(218,6)	673,4
Total comprehensive income for the year attributable to:				
Equity holders of the company	(471)	1 459	(218,6)	673,4
Non-controlling interest	(43)	802		
	(514)	2 261	(218,6)	673,4
Profit attributable to:				
Equity holders of the company	259	663	118,1	305,0
Non-controlling interest	432	253		
	691	916	118,1	305,0
Basic earnings/(loss) per share (cents)				
Entity as a whole	138,1	353,8		
Continuing operations	134,7	379,2	11,1	28,6
Discontinued operations	3,4	(25,4)		
Diluted earnings/(loss) per share (cents)				
Entity as a whole	138,0	353,2		
Continuing operations	134,6	378,6	11,1	28,6
Discontinued operations	3,4	(25,4)		
Number of shares in issue (million)	187,5	187,4	1 068,0	1 068,0
Weighted average number of shares in issue (million)	187,4	187,3	1 068,0	1 068,0
Year-end rate of exchange: SA rand to US dollar	7,35	9,27		
Average rate of exchange for the year: SA rand to US dollar	8,33	8,12		

Condensed consolidated statements of cash flows for the year ended 31 December 2009

R Million	Trencor		Mobile	
	Reviewed 2009	Restated* 2008	Reviewed 2009	Audited 2008
Cash generated from/(utilised by) operations	1 701	1 837	(2,2)	(2,0)
Acquisition of container leasing equipment	(1 359)	(2 550)		
Finance income received	20	51	0,6	0,9
Dividends received			95,4	80,6
Finance expenses paid	(199)	(248)		
Dividends paid to equity holders of the company	(206)	(174)	(94,5)	(80,1)
Dividends paid to non-controlling interest	(139)	(132)		
Taxation paid	(82)	(69)	(0,4)	(0,5)
Net cash outflow from operating activities	(264)	(1 285)	(1,1)	(1,1)
Cash inflow/(outflow) from investing activities	36	368	–	(0,2)
Cash inflow from financing activities	70	1 339		
Net (decrease)/increase in cash and cash equivalents before exchange rate changes	(158)	422	(1,1)	(1,3)
Net cash and cash equivalents at the beginning of the year	1 526	808	8,0	9,3
Effects of exchange rate changes on cash and cash equivalents	(253)	296		
Net cash and cash equivalents at the end of the year	1 115	1 526	6,9	8,0

* These amounts have previously been audited, but have been restated due to the amendments to IFRS (Note 1).

Condensed consolidated statements of financial position at 31 December 2009

R Million	Trencor		Mobile	
	Reviewed 2009	Audited 2008	Reviewed 2009	Audited 2008
ASSETS				
Property, plant and equipment	7 858	9 198		
Goodwill			–	0,2
Intangible assets	493	591		
Investment in associate			2 036,0	2 342,2
Investments	272	33		
Net investment in finance leases	447	698		
Participation in export partnerships			2,0	2,2
Long-term receivables	838	1 339		
Deferred tax assets	101	6		
Derivative financial instruments	5	–		
Restricted cash	48	149		
Total non-current assets	10 062	12 014	2 038,0	2 344,6
Inventories	9	15		
Trade and other receivables	767	849	0,4	0,5
Current tax assets	2	2		
Assets classified as held for sale (Note 7)	11	139		
Cash and cash equivalents	1 104	1 445	6,9	8,0
Current assets	1 893	2 450	7,3	8,5
Total assets	11 955	14 464	2 045,3	2 353,1
EQUITY				
Share capital and premium	457	456	192,7	192,7
Reserves	3 384	4 046	1 849,7	2 156,0
Equity attributable to equity holders of the company	3 841	4 502	2 042,4	2 348,7
Non-controlling interest	1 905	2 117		
Total equity	5 746	6 619	2 042,4	2 348,7
LIABILITIES				
Interest-bearing borrowings	4 538	6 151		
Amounts attributable to third parties in respect of long-term receivables	204	243		
Derivative financial instruments	66	180		
Deferred income	83	–		
Deferred tax liabilities	230	271	2,0	2,2
Total non-current liabilities	5 121	6 845	2,0	2,2
Trade and other payables	389	274	0,9	0,7
Current tax liability	138	164	–	0,3
Current portion of interest-bearing borrowings	500	538		
Deferred income	58	–		
Amount due to subsidiary of associate			–	1,2
Liabilities classified as held for sale (Note 8)	3	24		
Current liabilities	1 088	1 000	0,9	2,2
Total liabilities	6 209	7 845	2,9	4,4
Total equity and liabilities	11 955	14 464	2 045,3	2 353,1
Capital expenditure incurred during the year	1 496	1 946		
Capital expenditure committed and authorised, but not yet incurred	62	–		
Market value of listed investments	–	15	2 275,8	1 699,2
Directors' valuation of unlisted investments	272	18		
Ratio to aggregate of total equity:				
Total liabilities (%)	108,1	118,5		
Interest-bearing debt (%)	87,7	101,1		

Condensed consolidated statements of changes in equity for the year ended 31 December 2009

R Million	Trencor		Mobile	
	Reviewed 2009	Audited 2008	Reviewed 2009	Audited 2008
Balance at the beginning of the year	4 502	3 186	2 348,7	1 741,2
Total comprehensive (loss)/income for the year	(471)	1 459	(218,6)	673,4
Profit for the year	259	663	118,1	305,0
Share of other comprehensive (loss)/income of associate			(336,7)	368,4
Foreign currency translation differences	(721)	795		
Net change in fair value of available-for-sale financial asset	(2)	1		
Net gain on disposal of available-for-sale financial asset transferred to profit or loss	(7)	–		
Dividends paid	(206)	(174)	(94,5)	(80,1)
Share of net increase in non-distributable reserves of associate			6,8	14,2
Share-based payments	25	31		
Change in holding in subsidiary	(10)	–		
Shares issued	1	–		
Shareholders' interest	3 841	4 502	2 042,4	2 348,7
Non-controlling interest in subsidiaries	1 905	2 117		
Balance at the beginning of the year	2 117	1 429		
Total comprehensive (loss)/income for the year	(43)	802		
Profit for the year	432	253		
Foreign currency translation differences	(475)	549		
Dividends paid to non-controlling interest	(139)	(132)		
Share-based payments	15	18		
Liquidation dividend paid by subsidiary company	(55)	–		
Change in holding in subsidiary	10	–		
Equity	5 746	6 619	2 042,4	2 348,7

Reviewed Results

for the year ended 31 December 2009 and declaration of cash dividends

Notes to the condensed consolidated annual financial statements for the year ended 31 December 2009

1. These condensed consolidated annual financial statements have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS), and the presentation and disclosure requirements of IAS 34 *Interim Financial Reporting*. Except as stated below 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 2008.

Trencor

The group applied IFRS 8 *Operating Segments* and the revised IAS 1 *Presentation of Financial Statements* which became effective for the first time on 1 January 2009. The application of these amendments to IFRS did not significantly impact the group's financial results.

As a result of adopting *Improvements to IFRS*, containers in the leasing fleet are transferred to inventory at their carrying amounts when they cease to be rented or become held for sale. Proceeds on the sale of these assets are recognised in revenue in accordance with IAS 18 *Revenue*. Profits or losses arising from the sale of these assets are included in headline earnings for the first time during the current year. Due to the change in accounting policy, cash flows resulting from the purchase and sale of containers are disclosed as cash flows from operating activities instead of cash flows from investing activities. Comparative amounts have been restated to account for these changes.

The group has chosen to early adopt the requirements of the amendments to IAS 27 *Consolidated and Separate Financial Statements* effective 1 January 2009. As a result, changes in any group entity's ownership interest in a subsidiary after control is obtained are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). Accordingly, gains or losses which arise from acquisitions or disposals of additional non-controlling interests are accounted for as equity transactions provided control is retained after the conclusion of such transactions. As a result of early adopting IAS 27, the group has early adopted the requirements of IFRS 3 *Business Combinations*. The application of these amendments did not impact the group's financial results.

Mobile

The group applied the revised IAS 1 *Presentation of Financial Statements* which became effective for the first time on 1 January 2009. The application of this amendment to IFRS did not significantly impact the group's financial results.

As a result of Trencor adopting *Improvements to IFRS*, the calculation of headline earnings has been adjusted accordingly.

R Million	Trencor		Mobile	
	Reviewed 2009	Audited 2008	Reviewed 2009	Audited 2008
2. Revenue				
Goods sold and services rendered	562	773		
Leasing income	1 596	1 622		
Management fees	210	232		
Finance income	32	42	0,6	0,9
	2 400	2 669	0,6	0,9
Realised and unrealised exchange differences	(442)	630		
	1 958	3 299	0,6	0,9

3. Net finance (income)/costs

Finance expenses	124	382		
Interest expense	95	211		
Losses on derivative financial instruments	29	171		
Finance income	(195)	(49)		
Interest income	(20)	(49)		
Gain on extinguishment of debt	(175)	–		
	(71)	333		

The gain on extinguishment of debt arose as a result of Textainer repurchasing R358 million of its issued bonds.

4. Discontinued operations

The discontinued operations relate to the mobile asset ownership and management businesses exited by the group during 2007 and the sale of the plant and equipment of the tank manufacturing business which was discontinued during 2003.

Results of discontinued operations:

Revenue	–	20		
Expenses	(4)	(30)		
Profit on disposal of discontinued operations	26	21		
Profit from operations	22	11		
Finance expenses	–	(8)		
Finance income	2	2		
Profit before tax	24	5		
Income tax expense	–	(86)		
Profit/(Loss) for the year	24	(81)		
Attributable to:				
Equity holders of the company	7	(48)		
Non-controlling interest	17	(33)		
	24	(81)		

5. Headline earnings

Profit attributable to equity holders of the company	259	663	118,1	305,0
Impairment of goodwill	–	135		
Impairment of plant and equipment	16	4		
Net gain on disposal of available-for-sale financial asset transferred from equity	(7)	–		
Profit on disposal of discontinued operations	(26)	(21)		
Total tax effects of adjustments	(1)	86		
Total non-controlling interests' share of adjustments	12	(79)		
Net loss on dilution of investment in associate			0,6	0,6
Attributable share of headline earnings adjustments of associate			(2,9)	58,1
Headline earnings	253	788	115,8	363,7
Weighted average number of shares in issue (million)	187,4	187,3	1 068,0	1 068,0
Headline earnings per share (cents)	134,8	420,8	10,8	34,1
Diluted headline earnings per share (cents)	134,7	420,1	10,8	34,1
Adjusted headline earnings				
Headline earnings (as above)	253	788		
Gain on extinguishment of debt	(175)	–		
Net loss/(gain) on translation of net US dollar receivables	298	(439)		
Total tax effects of adjustments	(79)	123		
Total non-controlling interests' share of adjustments	84	–		
Adjusted headline earnings	381	472		
Undiluted adjusted headline earnings per share (cents)	203,5	251,9		
Diluted adjusted headline earnings per share (cents)	203,3	251,5		

6. Segmental reporting

Revenue				
Continuing operations				
Containers – finance (including exchange differences)	(409)	672		
Containers – owning, leasing, management and reselling	2 365	2 625		
Other	2	2		
	1 958	3 299		
Segment result				
Profit from operations				
Continuing operations				
Containers – finance	(286)	489		
Containers – owning, leasing, management and reselling	878	999		
Profit before goodwill impairment	878	1 134		
Goodwill impairment	–	(135)		
Other	(28)	(33)		
	564	1 455		

7. Assets classified as held for sale

Cash and cash equivalents	11	81		
Investments	–	47		
Restricted cash	–	2		
Trade and other receivables	–	9		
	11	139		

8. Liabilities classified as held for sale

Derivative financial instruments	3	4		
Trade and other payables	–	9		
Provisions	–	11		
	3	24		

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

Unreviewed Trencor condensed consolidated income statement in US dollars for the year ended 31 December 2009

US\$ Million	Unaudited 2009	Unaudited 2008
Revenue	282,2	278,5
Continuing operations		
Trading profit	106,1	141,3
Unrealised exchange losses arising on translation	(5,8)	–
Net long-term receivables fair value adjustment	(4,7)	12,3
Impairment of goodwill	–	(14,5)
Impairment of plant and equipment	(2,0)	(0,5)
Other	1,0	–
Profit from operations	94,6	138,6
Net finance costs	7,0	(41,0)
Finance expense – Interest expense	(11,4)	(26,0)
– Losses on derivative financial instruments	(3,5)	(21,1)
Finance income – Interest income	2,4	–
– Gain on extinguishment of debt	19,5	6,1
Profit before tax	101,6	97,6
Income tax expense	(3,5)	(3,9)
Profit after tax from continuing operations	98,1	93,7
Discontinued operations		
Profit/(Loss) for the year from discontinued operations (net of income tax)	3,1	(10,6)
Profit for the year	101,2	83,1
Attributable to:		
Equity holders of the company	49,8	51,4
Non-controlling interest	51,4	31,7
	101,2	83,1
Number of shares in issue (million)	187,5	187,4
Weighted average number of shares in issue (million)	187,4	187,3
Basic earnings/(loss) per share (US cents)		
Entity as a whole	26,6	27,4
Continuing operations	26,1	30,7
Discontinued operations	0,5	(3,3)
Diluted earnings/(loss) per share (US cents)		
Entity as a whole	26,6	27,4
Continuing operations	26,1	30,7
Discontinued operations	0,5	(3,3)
Headline earnings per share (US cents)	26,0	35,2
Diluted headline earnings per share (US cents)	26,0	35,1
Adjusted headline earnings per share (US cents)	23,2	31,3
Diluted adjusted headline earnings per share (US cents)	23,1	31,2
Year-end rate of exchange: SA rand to US dollar	7,35	9,27
Average rate of exchange for the year: SA rand to US dollar	8,33	8,12
Trading profit from continuing operations comprises:		
Textainer	107,4	140,1
Other	(1,3)	1,2
	106,1	141,3

Unreviewed Trencor condensed consolidated statement of financial position in US dollars at 31 December 2009

US\$ Million	Unaudited 2009	Unaudited 2008
ASSETS		
Property, plant and equipment	1 069,1	992,3
Long-term receivables	114,0	144,5
Other non-current assets	186,0	159,4
Non-current assets	1 369,1	1 296,2
Current assets	257,5	264,3
Inventories	1,3	1,6
Trade and other receivables	104,4	91,6
Current tax assets	0,2	0,2
Assets classified as held for sale	1,5	15,0
Cash and cash equivalents	150,1	155,9
Total assets	1 626,6	1 560,5
Equity and liabilities		
Equity attributable to equity holders of the company	522,7	485,7
Non-controlling interest	259,1	228,4
Total equity	781,8	714,1
Liabilities		
Interest-bearing borrowings	617,4	663,6
Amounts attributable to third parties in respect of long-term receivables	27,8	26,2
Derivative financial instruments	9,0	19,4
Deferred income	11,3	–
Deferred tax liabilities	31,3	29,2
Total non-current liabilities	696,8	738,4
Current liabilities	148,0	108,0
Trade and other payables	53,9	29,6
Current tax liability	17,8	17,7
Current portion of interest-bearing borrowings	68,0	58,0
Deferred income	7,9	–
Liabilities classified as held for sale	0,4	2,7
Total liabilities	844,8	846,4
Total equity and liabilities	1 626,6	1 560,5
Ratio to aggregate of total equity:		
Total liabilities (%)	108,1	118,5
Interest-bearing debt (%)	87,7	101,1

These results can be viewed on the websites

www.trencor.net

www.mobile-industries.net