



Investment in transport & logistics infrastructure

Assets which helps reduce CO2 emission

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Private and Confidential



Who is Touax ?

A global player in the leasing of equipment for sustainable transportation

- ▶ **One business: operational leasing of transportation equipment and related services;**
 - A unique business in operation since 1853,
 - Listed on Paris Stock exchange since 1906
 - More than €1.2bn in assets under management,
 - Almost 250 employees worldwide,
 - An international group (98% of revenue outside France)

- ▶ An activity based on **3 standardised sustainable transport assets (freight railcars, river barges and containers) leased under long-term contracts**



Who is Touax ?

A global player in the leasing of equipment for sustainable transportation

Freight railcars



River barges



Containers



Market position



Description

Activity

- Rental, leasing, maintenance
- Sales (new and used)
- Management on behalf of third parties

Assets under management¹

- 12,110 platforms
- €359m in Group-owned assets
- €163m in assets managed on behalf of third parties
- Weighted average age²: 17.2 years

Activity

- Rental, leasing, chartering
- Sales (new and used)
- Management on behalf of third parties

Assets under management¹

- 99 barges
- €79m in Group-owned assets
- €3m in assets managed on behalf of third parties
- Weighted average age²: 13.2 years

Activity

- Rental, leasing
- Sales (new and used)
- Management on behalf of third parties

Assets under management¹

- 393,064 containers (TEU)
- €134m in Group-owned assets
- €477m in assets managed on behalf of third parties
- Weighted average age²: 10.8 years

Key figures³



Revenue by geographical region



1. Historical value at 31 December 2021
 2. By the gross value of the assets
 3. The figures for 2021 include the Modular Buildings activity in Africa (a joint venture owned with an investment fund, DPI, 51% owned by Touax) and Corporate expenses

Who is Touax ?

A strong & diversified client data base

Freight railcars



>10 years

River barges



>10 years

Containers



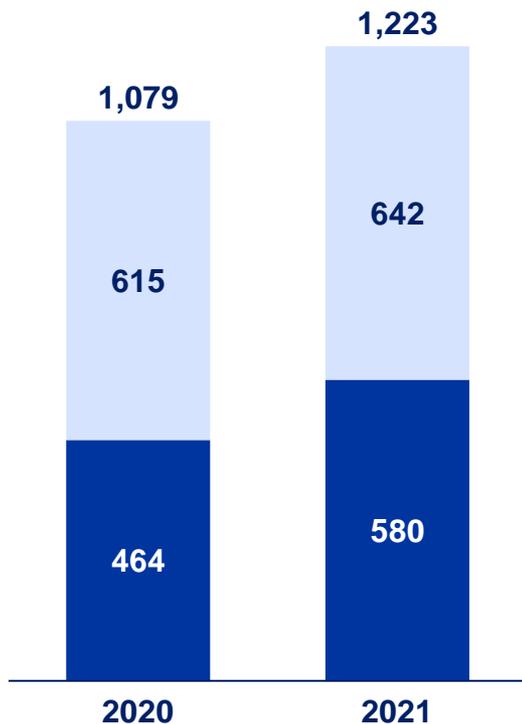
>30 years

Who is Touax ?

An Asset Manager

Breakdown of total assets under management

In million euros



Investors
Group-owned

Included under Group-owned: €8m relating to the modular buildings activity

- ▶ Touax started to invite third party investors to co invest in the early 90's
- ▶ Yearly investments programs through direct or indirect investments.
- ▶ More than 50% of Assets owned by third party investors (€642m)
- ▶ Investors with diverse profiles:
 - Institutional investors (banks, insurance companies, pension funds), family offices, financial companies, investment firms, infrastructure funds, corporates, etc.
- ▶ We are, for example, the operating Partner of the new fund Advisors & Partners (sponsor of this event) is launching with EIB as anchor investor

Why is there an increasing demand of investors to invest in Real Assets and Infrastructure projects?

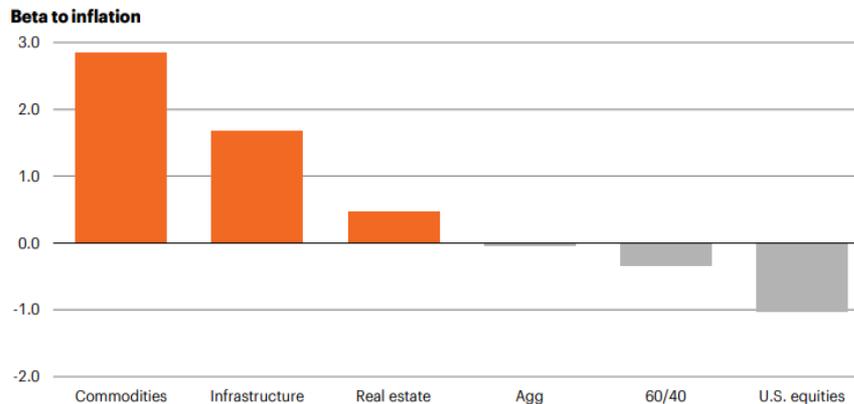
Inflation:	With recent inflation, renewed attention has been placed on real assets
	Flows in and out of real asset funds tend to be highly influenced by inflation expectations. As inflation concerns rise, flows into real asset funds increase and vice versa
Income yield:	More & more investors prefer regular income yield. Real Assets and Infrastructure projects benefit from predictable cash flows.
Diversification from traditional investments:	Real assets have historically exhibited relatively low correlation to traditional stocks and bonds, making them attractive portfolio diversifiers over time
Potential for low volatility:	Real asset investments are generally less exposed to market speculation
Future interest rate rises:	Fixed income and high yielding equities are vulnerable to price volatility
Environmental, social and governance (ESG) investing:	Demand is stronger for Real assets carrying sustainable and environmental components.

Why Transport & Logistics Infrastructure (Containers, railcars, & river barges)?

- Backbone of global & regional trade : Intermodal Logistic Containers move 52% of the cargo around the world (in value)
- Major markets:
 - \$173bn for containers in service worldwide
 - €30bn for river barges in Europe and the Americas
 - €60bn for railcars in circulation in Europe
- Structurally :
 - Expansion of e-commerce and intermodal logistics; Infrastructure development (favoring container, rail and river transport).
 - Trend towards client outsourcing that favors leasing and the development of private investments
 - Strong support of consumers, the public authorities and financial players for green transport

Why investing in Real Assets is a hedge against inflation ?

- ▶ Real assets often have an explicit link to inflation as rents, tolls and other sources of contractual revenue which may be indexed to or increase in proportion to rising inflation
- ▶ Long-lived assets that generate cash flows, **like Intermodal Logistic Containers, Freight Railcars, and Inland River Barges**, are leased on long-term contracts that can at times include inflation escalators. They are also made of raw materials / commodities (in this case steel) which as inflationary pressures increase, it also pushes up residual values
- ▶ This high degree of inflation sensitivity has resulted in strong outperformance versus a traditional portfolio of stocks and bonds during periods of rising prices



Source: <https://fsinvestments.com/fs-insights/modern-approach-to-real-asset-investing/>

Graphs: Bloomberg LP, FS Investments. December 31, 1998–June 30, 2021. Commodities represented by Bloomberg Commodities Index, Infrastructure represented by MSCI World Infrastructure Index, Real estate represented by NCREIF ODCE, Agg refers to Bloomberg Barclays US Aggregate Bond Index, 60/40 is a portfolio comprised of 60% S&P 500 Index and 40% Barclays Agg. U.S. equities represented by S&P 500

Why is it an Environmentally-friendly asset class ?

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An example: transportation of 100t from Constanta to Rotterdam

▶ EcoTransIT World platform

Used to calculate the energy consumption and emissions produced by the transport of merchandise

For 100 tonnes of merchandise transported from Constanta in Romania to Rotterdam in Holland, the greenhouse gas emissions varied according to the method of transport:



- ▶ **CO₂ emissions from transport by train were 4 times lower than by road**
- ▶ **CO₂ emissions from transport by river and container were 2 times lower than by road**

* Well-To-Wheel: assessment system aims to evaluate the level of greenhouse gas emissions from fuel and engines

**The European Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities



Thank
you!