

TRENCOR LIMITED
Incorporated in the Republic of South Africa
(Registration Number 1955/002869/06)
Share code: TRE
ISIN: ZAE000007506
("Trencor")

**SPECIFIC SHARE REPURCHASE OF TRENCOR SHARES AND WITHDRAWAL OF
CAUTIONARY ANNOUNCEMENT**

1. Introduction

Trencor shareholders ("**Shareholders**") are referred to the cautionary announcement of 18 October 2010 wherein it was announced that Trencor had entered into discussions in terms of which, subject to the unbundling by Mobile Industries Limited ("**Mobile**") of its 46,25% shareholding in Trencor ("**the Unbundling**") becoming unconditional and being implemented, Trencor will acquire approximately 50% of the Trencor shares that will be held post the Unbundling by Trusts ("**the Trusts**"), which are related to Neil Jowell and Cecil Jowell ("**the Jowells**"), at a price of R38,61 per Trencor share ("**the Specific Share Repurchase**").

The purpose of this announcement is to provide more detailed information relating to:

- the terms and anticipated timetable of the Specific Share Repurchase; and
- the conditions to be fulfilled before the Specific Share Repurchase will be effected.

2. Details of the Specific Share Repurchase

2.1. Terms of the Specific Share Repurchase

Subject to the fulfilment of the conditions precedent set out in paragraph 4 below, and in accordance with the salient dates and times set out in paragraph 3 below, Trencor will repurchase 10 800 881 Trencor shares ("**Repurchased Shares**") from the Trusts at a price of R38,61 per Trencor share, being the intrinsic value of Trencor's shares on the date Trencor's advisors commenced discussions with Shareholders. The Specific Share Repurchase will take place on a date to be agreed in writing by the Trusts and Trencor, but which date shall not be before Tuesday, 1 March 2011 and shall not be later than Monday, 4 April 2011 ("**the Implementation Date**").

The consideration for the Specific Share Repurchase, which is approximately R417 million, will be discharged by Trencor from existing cash resources, thus no disposal of shares in Textainer Group Holdings Limited ("**Textainer**") or any other assets will be required for this purpose.

The Repurchased Shares will be cancelled as issued shares and will revert to authorised but unissued share capital. The Specific Share Repurchase will be in terms of section 85 of the Companies Act and section 5.69 of the Listings Requirements of the JSE Limited ("**JSE**") ("**the Listing Requirements**").

The Jowells are non-executive Mobile directors and executive Trencor directors. Accordingly, the Trusts, of which the Jowells are, directly or indirectly, among the beneficiaries, are related parties to Trencor and a fairness opinion as required in terms of the Listings Requirements has been prepared for the purposes of the Specific Share Repurchase by PricewaterhouseCoopers Corporate Finance (Proprietary) Limited, being an independent JSE accredited expert, in terms of which the Specific Share Repurchase was determined to be fair to Trencor Shareholders. Furthermore the Jowells have recused themselves from the decision-making process in respect of the

Unbundling and Specific Share Repurchase by the Mobile Board and Trenchor Board, respectively.

2.2. Rationale for the Specific Share Repurchase

Trenchor believes that the Specific Share Repurchase is in the best interests of Shareholders given it achieves the following:

- Trenchor undertaking to effect the Specific Share Repurchase facilitates the requisite shareholder support for the Unbundling which itself will result in the following key benefits:
 - increased liquidity and tradability for all Trenchor and Mobile shareholders (in the case of the latter, through their unbundled Trenchor shares) and a potential significant value unlock;
 - a simplified group structure, eliminating the “pyramid” structure and reducing the number of listed entry points from 3 to 2 (namely Trenchor listed on the JSE and Textainer listed on the New York Stock Exchange);
 - retains Trenchor’s beneficial position as a locally listed company with exposure to Textainer as a New York Stock Exchange listed company and United States dollar earnings stream. Trenchor enables South African investors to effectively invest in Textainer without having to make use of foreign investment allowances;
 - any discount in the Mobile share price as a result of the “pyramid” structure, which has been as much as 20% over the past year, is eliminated permanently;
 - retains stability of Trenchor and of Textainer and its management team as:
 - the Jowells will remain actively involved as directors of Trenchor (which holds a 61,74% indirect beneficial interest in Textainer) for another 3 to 5 years; and
 - the Trusts have signed a lock-up agreement agreeing not to dispose of the balance of their unbundled Trenchor shares post the Specific Share Repurchase for a period of 2 years from the Implementation Date of the Specific Share Repurchase. This ensures that the Jowells remain committed as shareholders in addition to being directors. The lock-up agreement expires immediately should:
 - the Jowells cease to be directors on the Trenchor Board of directors through no fault of their own. Should this apply in respect of only one of the Jowells, then the lock-up agreement will only expire in respect of 50% of the remaining unbundled Trenchor shares; and / or
 - an offer for a change in control (greater than 35%) of Trenchor or a section 228 disposal by Trenchor in terms of the Companies Act become unconditional; and / or
 - a simple majority of Shareholders, other than the Trusts, for any reason whatsoever agree to the expiry of the lock-up agreement;
- enables orderly handover of part of the Jowells’ shareholding in Trenchor after the Unbundling takes place at fair value;
- minimises a potential share overhang in Trenchor; and
- enables collapse of the “pyramid” structure in an efficient manner.

3. Salient dates and times

The salient dates and times of the Specific Share Repurchase are as follows:

	2010
Terms announcement released on Securities Exchange News Service (" SENS ")	Monday, 22 November
Circular posted to Shareholders	Monday, 22 November
Terms announcement published in the South African press	Tuesday, 23 November
Last day for the receipt of forms of proxy for the general meeting of Shareholders (" General Meeting ") by 10:15	Monday, 13 December
General meeting to be held at 1313 Main Tower, Standard Bank Centre, Heerengracht, Cape Town, at 10:15 or so soon thereafter as the General Meeting of Mobile shareholders to be held at 10:00 on the same date, is concluded, if later	Tuesday, 14 December
Results of the General Meeting announced on SENS	Tuesday, 14 December
Results of the General Meeting published in the South African press	Wednesday, 15 December

	2011
Anticipated Implementation Date of the Specific Share Repurchase to occur between	Tuesday, 1 March, and Monday, 4 April

Notes:

1. All times given in this announcement are local times in South Africa.
2. These dates and times are subject to amendment, and any such amendment will be announced on SENS and published in the South African press.

4. Conditions precedent

The Specific Share Repurchase is conditional upon the fulfilment of the following conditions precedent:

- the approval by Shareholders of the special and ordinary resolutions required to implement the Specific Share Repurchase;
- the registration of the special resolution by the Companies and Intellectual Property Registration Office;
- the receipt by Trencor of the requisite regulatory approvals; and
- the Unbundling becoming unconditional and being implemented according to its terms. In this regard Shareholders are referred to the announcement by Mobile to Mobile shareholders on 22 November 2010 and available from that date on the Mobile website (www.mobile-industries.net).

5. Financial effects

The table below sets out the unaudited *pro forma* financial effects of the Specific Share Repurchase on Trencor's earnings per share ("**EPS**"), headline EPS ("**HEPS**"), net asset value ("**NAV**") and tangible NAV ("**TNAV**").

The unaudited *pro forma* financial effects have been prepared using accounting policies that comply with International Financial Reporting Standards and that are consistent with those applied in the unaudited group interim results for the six months ended 30 June 2010 as well as the audited group results of Trenchor for the 12 months ended 31 December 2009.

The unaudited *pro forma* financial effects, which are the responsibility of the Trenchor Board, are provided for illustrative purposes only and, because of their *pro forma* nature, may not fairly present Trenchor's financial position, changes in equity, results of operations or cash flow.

	Before ¹ (cents)	After (cents)	Change (%)
EPS ^{2,4}	120,0	121,8	2%
HEPS ^{2,4}	121,1	123,0	2%
NAV ^{3,5}	2 147,0	2	(5%)
TNAV ^{3,5}	1 985,9	1	(6%)
Weighted average number of Trenchor shares in issue (000's)	187 469	176	
Number of Trenchor shares in issue (000's)	187 469	176	

Notes and assumptions:

1. The Trenchor financial information reflected in the "Before" column has been calculated from the most recent published unaudited group interim results of Trenchor (six months ended 30 June 2010) which were prepared using accounting policies that comply with International Financial Reporting Standards and are consistent with those applied in the audited group results of Trenchor for the 12 months ended 31 December 2009.
2. The *pro forma* adjustments to the unaudited condensed consolidated statement of comprehensive income have been calculated on the assumption that the Specific Share Repurchase was implemented on 1 January 2010.
3. The *pro forma* adjustments to the unaudited condensed consolidated statement of financial position have been calculated on the assumption that the Specific Share Repurchase was implemented on 30 June 2010.
4. In the unaudited condensed consolidated statement of comprehensive income all adjustments are considered to have a continuing effect, except for the adjustment detailed in note 7.
5. The share repurchase consideration has been removed from cash and cash equivalents.
6. The effective interest rate of 1%, calculated using average cash balances and interest earned on cash and cash equivalents for the six month period, has been used net of income tax at a rate of 28% to determine the interest adjustment in the statement of comprehensive income if it is assumed that the Specific Share Repurchase was implemented on 1 January 2010.
7. Transaction costs of R7,8 million, which are non-deductible for income tax purposes have been expensed to the statement of comprehensive income.

6. Documentation

A circular providing information on the Specific Share Repurchase and incorporating a notice convening the General Meeting as well as a circular by Mobile to Mobile shareholders providing information on the Unbundling will be posted to Shareholders on Monday, 22 November 2010. Both circulars will also be available on Trenchor's website www.trenchor.net, after they have been posted.

7. Undertakings

Commitments to vote in favour of the Specific Share Repurchase have been secured from Shareholders holding 65% of the issued shares of Tencor that are entitled to vote.

Shareholder	Number of shares	Percentage of shareholding entitled to vote
Coronation Fund Managers (Proprietary) Limited	32 197 738	31,95%
Old Mutual Investment Group (South Africa) (Proprietary) Limited	17 678 327	17,54%
Abax Investments (Proprietary) Limited	16 002 141	15,88%
Total	65 878 206	65,37%

The JSE has ruled that Mobile is an associate of the Trusts in terms of the Listings Requirements and therefore may not vote on the specific share repurchase.

Mobile disagrees with this ruling and has indicated that it reserves its right to pursue this matter further in order to protect its shareholder rights.

8. Withdrawal of cautionary announcement

Shareholders are referred to the cautionary announcement of 18 October 2010 and are advised that it is hereby withdrawn.

By order of the board of directors

Cape Town
22 November 2010

Investment bank and transaction sponsor:
Investec Bank Limited

Corporate law adviser:
Edward Nathan Sonnenbergs Inc.

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