

HIGHLIGHTS

TRENCOR: GROUP

- **Headline earnings per share** (including unrealised foreign exchange gains and losses) were 262,3 cents (2004: 78,3 cents). In US dollar terms, headline earnings were 33,1 US cents per share (2004: 21,9 US cents per share).
- **Adjusted headline earnings per share** were 266,7 cents (2004: 72,5 cents), which include gains and losses arising on the disposal of containers from Textainer's leasing fleet, consistent with prior years, but exclude the effects of the non-cash adjustments made to Textainer's earnings arising from accounting for derivatives (refer note 10).
- **Trading profit after net interest expense** increased by 31% from R366 million in 2004 to R480 million.
- Net realised and unrealised exchange gains arising on translation of net dollar receivables and the related provisions were R187 million (2004: net loss R232 million).
- Valuation provision against long-term receivables reduced by a net R67 million in recognition of the improved outlook for collectability and timing of receipts.
- Consolidated gearing ratio was 169% (2004: 187%).
- Final dividend of 30 cents per share declared, making a total of 40 cents per share for the year (2004: total 12 cents per share).

TEXTAINER

- Net income for the year, excluding the adjustment for derivatives (refer note 10), was US\$56,9 million (2004: US\$46,4 million).
- Average utilisation of the container fleet under management for the year was 91,9% (2004: 93,2%). Currently, utilisation is 89,1%.
- 68,4% of the 1 155 000 twenty foot equivalent units (TEUs) under management are on long-term lease.
- Gearing at 31 December 2005 was 203% (2004: 269%).
- Equipment purchases during the year amounted to 78 454 TEUs, which was significantly below expectation.

TRENSTAR INC

- Revenue for the year was US\$56,0 million (2004: US\$51,0 million).
- Net loss for the year was US\$9,9 million (2004: net loss US\$13,8 million).
- Trencor (US\$7 million) and the Carlyle Group (US\$3 million) committed a further US\$10 million of additional equity to TrenStar, of which US\$2,1 million had been invested by Trencor and US\$0,9 million by the Carlyle Group by the end of December 2005.
- During the second half of the year, the TrenStar board implemented certain management changes which included the replacement of Gregory Cronin as CEO with Alex M Brown as Chief Executive.

TRENSTAR SA

- Performed well and made a positive contribution to earnings.

CONDENSED INCOME STATEMENTS for the year ended 31 December 2005

	TRENCOR		MOBILE	
	2005	2004 RESTATED	2005	2004 RESTATED
R MILLION				
Revenue (including exchange differences) (Note 2)	2 099,6	1 119,9	8,0	8,6
Continuing operations				
Trading profit before items listed below:	749,6	551,4	6,7	11,1
Realised and unrealised exchange gains/(losses)	260,5	(372,5)		
Translation of long-term receivables, included in revenue, excluding valuation adjustment	272,1	(393,7)		
Translation of borrowings	(11,6)	21,2		
Net long-term receivable valuation adjustment	(18,1)	316,9		
(Increase)/Reduction due to translation of dollar amount	(85,0)	161,9		
Reduction in valuation adjustment	66,9	155,0		
Change in discount rate relating to amount attributable to third parties in respect of long-term receivables	-	(42,2)		
Fair value adjustment – convertible debentures			72,8	53,5
Realised and unrealised gains/(losses) on derivative instruments	28,7	(5,7)		
Impairment of plant and equipment	(3,1)	-		
Impairment of goodwill	-	(4,1)		
Profit from operations	1 017,6	443,8	79,5	64,6
Net interest expense (Note 4)	(269,5)	(185,7)		
Interest expense	(300,2)	(195,1)	(7,7)	(7,8)
Interest income	30,7	9,4		
Share of profit of associate company	-	3,2	204,4	40,6
Exceptional items (Note 5)	(4,5)	(39,7)	1,8	(0,1)
Profit before taxation	743,6	221,6	278,0	97,3
Income tax	112,0	(5,1)	0,3	3,6
Profit after tax from continuing operations	631,6	226,7	277,7	93,7
Discontinued operations				
Profit/(Loss) for the year from discontinued operations (Note 3)	5,3	(0,2)	-	-
Profit for the year	636,9	226,5	277,7	93,7
Attributable to:				
Equity holders of the parent	434,1	86,1	277,7	93,6
Minority interest	202,8	140,4	-	0,1
	636,9	226,5	277,7	93,7
Number of shares in issue (million)	155,6	154,3	897,8	897,8
Weighted average number of shares in issue (million)	155,0	153,8	897,8	897,8
Basic earnings/(loss) per share (cents)				
Continuing operations	276,6	56,1	30,9	10,4
Discontinued operations	3,4	(0,1)		
Diluted earnings/(loss) per share (cents)				
Continuing operations	235,6	56,1	26,5	9,3
Discontinued operations	2,8	(0,1)		
Headline earnings per share (cents) (Note 6)	262,3	78,3	29,3	12,2
Diluted headline earnings per share (cents)	223,9	78,3	25,1	10,8
Adjusted undiluted headline earnings per share (cents) (Note 6)	266,7	72,5	29,7	11,8
Year-end rate of exchange: SA rand to US dollar	6,310	5,610		
Average rate of exchange for the year: SA rand to US dollar	6,325	6,360		

CONDENSED BALANCE SHEETS at 31 December 2005

	TRENCOR		MOBILE	
	2005	2004 RESTATED	2005	2004 RESTATED
R MILLION				
Assets				
Non-current assets				
Property, plant and equipment	6 315,2	5 596,1		
Intangible assets and goodwill	44,6	31,9		
Investment in associate	0,3	0,3	1 204,6	895,4
Other investments	30,4	22,3		
Long-term loans	24,6	24,4		
Net investment in direct finance leases	180,4	19,0		
Participation in export partnerships			4,2	5,6
Long-term receivables	1 240,5	1 250,6		
Deferred taxation	151,7	257,1		
Derivative instruments	28,8	-		
	8 016,5	7 201,7	1 208,8	901,0
Current assets (Note 8)	1 366,1	995,6	8,9	9,5
Total assets	9 382,6	8 197,3	1 217,7	910,5
Equity and liabilities				
Equity				
Share capital and premium	179,2	170,8	66,5	66,5
Reserves	1 810,3	1 311,4	1 017,6	708,3
Equity attributable to equity holders of the parent	1 989,5	1 482,2	1 084,1	774,8
Minority interest	824,4	553,2	-	-
Total equity	2 813,9	2 035,4	1 084,1	774,8
Non-current liabilities				
Convertible debentures	260,5	260,5	127,6	127,6
Interest-bearing borrowings	4 661,5	3 947,5		
Amounts attributable to third parties in respect of long-term receivables	258,5	347,2		
Derivative instruments	2,6	25,4		
Deferred taxation	296,6	295,7	3,4	5,6
	8 293,6	6 911,7	1 215,1	908,0
Current liabilities (Note 9)	1 089,0	1 285,6	2,6	2,5
Total equity and liabilities	9 382,6	8 197,3	1 217,7	910,5
Capital expenditure incurred during the year	816,4	2 206,5		
Capital expenditure committed and authorised, but not yet incurred	3,2	126,4		
Market value of listed investments	10,8	6,2	1 804,1	1 257,1
Directors' valuation of unlisted investments	19,6	16,1		
Ratio to aggregate of total equity and convertible debentures:				
Total liabilities excluding convertible debentures (%)	205,2	257,1		
Interest-bearing debt excluding convertible debentures (%)	168,5	187,1		

DECLARATION OF DIVIDENDS

Final dividends in respect of the year ended 31 December 2005 have been declared as follows:

TRENCOR	NO 80	30,0 CENTS PER SHARE
MOBILE	NO 65	2,3 CENTS PER SHARE

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

Last day to trade cum the dividend	Friday, 31 March 2006
Trading commences ex the distribution	Monday, 3 April 2006
Record date	Friday, 7 April 2006
Payment date	Monday, 10 April 2006

Share certificates may not be dematerialised or rematerialised between Monday, 3 April 2006 and Friday, 7 April 2006, both days inclusive.

REVIEW OPINION

These results, other than the figures stated in US dollars, have been reviewed by the 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
27 FEBRUARY 2006

Directors:

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

Secretaries to Trencor and Mobile: Trencor Services (Pty) Ltd

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

Transfer Secretaries: Computershare Investor Services 2004 (Pty) Ltd, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107)

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

THESE RESULTS CAN BE VIEWED ON THE WEBSITES: WWW.TRENCOR.NET AND WWW.MOBILE-INDUSTRIES.NET

CONDENSED CASH FLOW STATEMENTS for the year ended 31 December 2005

	TRENCOR		MOBILE	
	2005	2004 RESTATED	2005	2004 RESTATED
R MILLION				
Cash generated from/(utilised by) operations	1022,0	838,2	(6,6)	11,7
Interest received	30,7	9,4	8,0	7,5
Dividends received			16,1	-
Interest paid	(301,3)	(192,7)	(7,7)	(7,8)
Dividends paid	(34,1)	-	(14,8)	-
Dividends paid to minorities	(46,5)	(36,2)	-	(3,1)
Taxation paid	(39,9)	(70,2)	(3,3)	(3,3)
Net cash inflow/(outflow) from operating activities	630,9	548,5	(8,3)	5,0
Net cash flows from investing activities	(1 173,9)	(1 146,8)	-	(5,3)
Net cash flows from financing activities	767,9	769,4	-	-
Net increase/(decrease) in cash and cash equivalents before exchange rate changes	224,9	171,1	(8,3)	(0,3)
Net cash and cash equivalents at the beginning of the year	439,7	330,5	9,3	9,6
Effects of exchange rate changes on cash and cash equivalents	45,5	(61,9)		
Net cash and cash equivalents at the end of the year	710,1	439,7	1,0	9,3

CONDENSED STATEMENTS OF CHANGES IN EQUITY for the year ended 31 December 2005

	TRENCOR		MOBILE	
	2005	2004 RESTATED	2005	2004 RESTATED
R MILLION				
Balance at the beginning of the year	2 035,4	2 028,3	774,8	717,7
Proceeds on issue of shares	8,4	2,1		
Movements in distributable reserves	396,4	36,1	259,4	90,7
Net profit for the year	434,1	86,1	277,7	93,6
As previously reported				
IFRS adjustments		59,1		27,3
Goodwill		1,5		0,7
Share-based payments		(1,7)		(0,8)
Fair value adjustment – convertible debentures				53,5
Change in accounting treatment of derivative instruments in Textainer		27,2		12,9
Adjustments to opening balance				
Share-based payments		(1,4)		(0,6)
Change in accounting treatment of derivative instruments in Textainer		(40,9)		(19,4)
Fair value adjustment - convertible debentures				20,6
Dividend paid	(34,1)	-	(14,8)	-
Transfers to non-distributable reserve				
Gain on dilution of interest in subsidiaries	(3,6)	(7,7)		
Gain on dilution of interest in associate			(1,8)	0,1
Gain on dilution of associate company's interest in subsidiaries			(1,7)	(3,6)
Movements in non-distributable reserves	102,5	(62,2)	49,9	(29,5)
Currency translation differences	88,7	(120,9)		
Fair value adjustment – available-for-sale investments	8,4	0,2		
Transfer from distributable reserves (see above)	3,6	7,7	3,5	3,5
Impairment of available-for-sale investment transferred to income statement	-	8,5		
Share-based payments – current year	1,8	1,7		
Adjustment to opening balance				
Share-based payments		1,4		0,6
Change in accounting treatment of derivative instruments in Textainer		39,2		18,6
Share of net increase/(decrease) in non-distributable reserves of associate company			46,4	(52,2)
Movements in minority interest	271,2	31,1	-	(4,1)
Share of profit for the year	202,8	140,4		0,1
As previously reported				
Adjustments		111,5		0,1
Change in accounting treatment of derivative instruments in Textainer		30,1		
Share-based payments		(1,2)		
Increase in minority investment in subsidiary	42,4	27,0		
Currency translation differences	63,6	(95,0)		
Adjustment to opening minority interest in respect of share-based payments		(1,2)		
Allocation of share-based payment reserve	0,9	2,4		
Amount arising on changes in shareholding	8,0	(6,3)		
Dividend	(46,5)	(36,2)	-	(3,1)
Acquisition of minority interest in subsidiary			-	(1,1)
Balance at the end of the year	2 813,9	2 035,4	1 084,1	774,8

for the year ended 31 December 2005

TRENCOR
50.75

FIFTY YEARS SINCE LISTING
ON THE JOHANNESBURG STOCK
EXCHANGE

SEVENTY-FIVE YEARS SINCE
STARTING BUSINESS AS JD DU PLESSIS
AND COMPANY

NOTES TO THE CONDENSED FINANCIAL STATEMENTS for the year ended 31 December 2005

1. These consolidated condensed annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) for the first time. Other than for the treatment of goodwill, share options granted to employees and the convertible debentures held by Mobile in Trencor, the accounting policies used in the preparation of the financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2004. In terms of IFRS 3: Business combinations, goodwill may not be amortised. Share options granted to employees have been accounted for in terms of IFRS 2: Share-based payment. The accounting treatment of the derivative instruments taken out by Textainer to hedge economic risk has also been changed (refer note 10).

R MILLION	TRENCOR		MOBILE	
	2005	2004 RESTATE	2005	2004 RESTATE
2. Revenue				
Invoiced sales – goods and services	126,9	60,1		
Leasing income	1 552,9	1 210,3		
Management fees	97,9	193,2		
Finance income	49,8	6,9	8,0	8,6
	1 827,5	1 470,5	8,0	8,6
Discontinued operations – container manufacturing	–	43,1		
	1 827,5	1 513,6	8,0	8,6
Realised and unrealised exchange differences	272,1	(393,7)		
	2 099,6	1 119,9	8,0	8,6
3. Discontinued operations – container manufacturing				
Profit	6,2	7,2		
Interest expense	–	0,4		
Profit before taxation	6,2	6,8		
Income tax	0,9	7,0		
Net profit/(loss) after taxation	5,3	(0,2)		
4. Net interest expense				
Interest expense	300,2	195,1		
– Textainer	176,6	85,9		
– TrenStar	103,8	85,4		
– Other	19,8	23,8	7,7	7,8
Interest income	(30,7)	(9,4)		
– Textainer	(6,9)	(2,5)		
– Other	(23,8)	(6,9)		
	269,5	185,7	7,7	7,8
5. Exceptional items				
Loss on sale of investment properties	–	(2,2)		
Net gain on dilution of interest in subsidiaries	3,6	9,1		
Premium paid on shares acquired from minorities	(8,3)	–		
Profit on disposal of investment	0,2	–		
Loss on sale of interest in associate	–	(38,1)		
Impairment of available-for-sale investment	–	(8,5)		
Gain/(Loss) on dilution of interest in associate company	–	–	1,8	(0,1)
	(4,5)	(39,7)	1,8	(0,1)
6. Headline earnings				
Profit attributable to ordinary equity holders of the parent entity	434,1	86,1	277,7	93,6
Impairment of goodwill	–	1,9		
Impairment of plant and equipment	2,3	–		
Profit on sale of property, plant and equipment	(26,8)	(9,0)		
Exceptional items (Note 5)	4,5	39,7	(1,8)	0,1
Discontinued operations (Note 3)	(5,3)	0,2		
Minority share of exceptional items	(2,3)	1,6		
Attributable share of headline earnings adjustments of associate company			(13,0)	16,2
Headline earnings	406,5	120,5	262,9	109,9
Weighted average number of shares in issue (million)	155,0	153,8	897,8	897,8
Headline earnings per share (cents)	262,3	78,3	29,3	12,2
Adjusted undiluted headline earnings				
Circular 07/02 issued by The South African Institute of Chartered Accountants requires that profits and losses on the sale of property, plant and equipment be excluded from the calculation of headline earnings. The directors consider that, given the nature of Textainer's business model, this treatment of profits and losses on sales of containers from its leasing fleet is not appropriate for a proper understanding of the results of the group. Accordingly, adjusted undiluted headline earnings per share, which includes profits and losses on the sale of containers, is also presented for information.				
Headline earnings (as above)	406,5	120,5	262,9	109,9
Profit on sale of containers	29,5	18,2	13,9	8,6
Adjustment for unrealised gain on derivative instruments in Textainer (Note 10)	(22,6)	(27,2)	(10,6)	(12,9)
Adjusted undiluted headline earnings	413,4	111,5	266,2	105,6
Adjusted undiluted headline earnings per share (cents)	266,7	72,5	29,7	11,8

In order to provide a better appreciation of the results of the group's activities, condensed income statements and balance sheets 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 INCOME STATEMENT IN US DOLLARS for the year ended 31 December 2005

US\$ MILLION	UNAUDITED	UNAUDITED
	2005	2004 RESTATE
Revenue	305,6	243,1
Continuing operations		
Trading profit before items listed below:	117,9	85,7
Exchange gains/(losses) arising on translation	12,0	(12,0)
Net long-term receivable valuation adjustment	9,0	25,0
Change in discount rate relating to amount attributable to third parties in respect of long-term receivables	–	(6,0)
Realised and unrealised gains/(losses) on derivative instruments	4,5	(0,9)
Impairment of plant and equipment	(0,5)	–
Impairment of goodwill	–	(0,8)
Profit from operations	142,9	91,0
Net interest expense	(42,6)	(29,2)
Interest expense	(47,5)	(30,7)
Interest income	4,9	1,5
Share of profit of associate company	–	0,5
Exceptional items	(0,7)	(4,9)
Profit before taxation	99,6	57,4
Income tax expense	12,7	4,9
Profit after tax from continuing operations	86,9	52,5
Discontinued operations	0,9	–
Profit for the year	87,8	52,5
Attributable to:		
Equity holders of the parent	55,7	30,3
Minority interest	32,1	22,2
	87,8	52,5
Number of shares in issue (million)	155,6	154,3
Weighted average number of shares in issue (million)	155,0	153,8
Basic earnings per share (continuing operations) (US cents)	35,4	19,7
Diluted earnings per share (continuing operations) (US cents)	30,3	20,5
Headline earnings per share (US cents)	33,1	21,9
Diluted headline earnings per share (US cents)	28,4	22,6
Adjusted undiluted headline earnings per share (US cents)	36,1	23,8
Year-end rate of exchange: SA rand to US dollar	6,310	5,610
Average rate of exchange for the year: SA rand to US dollar	6,325	6,360
Trading profit/(loss) from continuing operations comprises:		
Textainer	109,1	84,7
TrenStar	6,9	(0,7)
Other	1,9	1,7
	117,9	85,7

R MILLION	TRENCOR		MOBILE	
	2005	2004 RESTATE	2005	2004 RESTATE
7. Segmental reporting				
Revenue				
Continuing operations				
Containers – finance (including exchange differences)	292,6	(387,3)		
Containers – owning, leasing and management	1 394,2	1 103,6		
Mobile asset management services	411,5	358,9		
Other	1,3	1,6		
	2 099,6	1 076,8		
Discontinued operations	–	43,1		
	2 099,6	1 119,9		
Profit from operations				
Continuing operations				
Containers – finance	283,2	(82,6)		
Containers – owning, leasing and management	715,4	532,9		
Mobile asset management services	43,8	(13,7)		
Other	(24,8)	7,2		
	1 017,6	443,8		
Discontinued operations	6,2	7,2		
	1 023,8	451,0		
8. Current assets				
Inventories	29,6	9,3		
Trade and other receivables	610,3	546,6	0,6	0,2
Taxation prepaid	16,1	–		
Amount owing by affiliated company			7,3	–
Cash and cash equivalents	710,1	439,7	1,0	9,3
Restricted cash balances	214,3	156,8		
Unrestricted cash balances	495,8	282,9	1,0	9,3
	1 366,1	995,6	8,9	9,5
9. Current liabilities				
Trade and other payables	424,4	834,7	1,9	1,0
Provisions	58,6	42,4		
Taxation	60,9	37,9	0,7	1,5
Current portion of interest-bearing borrowings	506,3	347,5		
Deferred income	25,4	23,1		
Short-term borrowings	13,4	–		
	1 089,0	1 285,6	2,6	2,5
10. Reporting changes				

Textainer, 73% owned by Trencor, has determined that under the stricter application of International Accounting Standard 39, it may not use hedge accounting for certain interest rate swaps taken out to hedge economic risk, notwithstanding that the swaps were economically effective. It is therefore required to account on the basis that the net result of the marked-to-market valuation of these instruments is flowed through the income statement. In the past, these adjustments have been charged or credited direct to equity in accordance with the principles of hedge accounting. The net result of this non-cash change is an increase in Textainer's 2004 earnings of US\$5,8 million, with a corresponding reduction in the derivative reserve previously recorded in equity. The effect on Trencor is to increase undiluted headline earnings per share in 2004 by 17,6 cents from 60,7 cents to 78,3 cents. Comparative figures for 2004 have been amended accordingly. No changes were required to Trencor's 2004 net asset position. The unrealised gain reported in Textainer on marking these instruments to market at 31 December 2005 is US\$4,9 million.

Comparative information has been restated for the effects of adopting IFRS and the above change in derivative accounting. The aggregate effect of the restatements is as follows:

	TRENCOR			MOBILE		
	PREVIOUSLY STATED	ADJUSTMENT	RESTATE	PREVIOUSLY STATED	ADJUSTMENT	RESTATE
As at 31 December 2003						
Retained earnings	1 293,6	(42,3)	1 251,3	136,5	0,6	137,1
Non-distributable reserves	43,9	40,6	84,5	510,5	19,2	529,7
Investment in associate				829,5	19,8	849,3
Deferred taxation	276,8	1,7	278,5			
As at 31 December 2004						
Intangible assets and goodwill	30,4	1,5	31,9			
Retained earnings	1 345,0	(15,3)	1 329,7	160,4	66,9	227,3
Non-distributable reserves	(34,5)	16,2	(18,3)	473,3	7,7	481,0
Investment in associate				820,8	74,6	895,4
Deferred taxation	295,1	0,6	295,7			
Other changes to comparatives as at 31 December 2004						
Other investments	38,4	(16,1)	22,3			
Long-term loans	8,3	16,1	24,4			

UNAUDITED TRENCOR CONDENSED BALANCE SHEET IN US DOLLARS at 31 December 2005

US\$ MILLION	UNAUDITED	UNAUDITED
	2005	2004 RESTATE
Assets		
Non-current assets		
Property, plant and equipment	1 000,8	997,5
Long-term receivables	196,6	222,9
Other non-current assets	73,0	63,3
	1 270,4	1 283,7
Current assets	216,5	177,5
Inventories	4,7	1,7
Trade and other receivables	99,3	97,4
Cash and cash equivalents	112,5	78,4
Total assets	1 486,9	1 461,2
Equity and liabilities		
Equity attributable to equity holders of the parent	315,4	264,3
Minority interest	130,6	98,7
Total equity	446,0	363,0
Non-current liabilities		
Convertible debentures	41,3	46,4
Interest-bearing borrowings	738,7	703,7
Amounts attributable to third parties in respect of long-term receivables	41,0	61,9
Derivative instruments	0,4	4,5
Deferred taxation	47,0	52,6
	1 314,4	1 232,1
Current liabilities	172,5	229,1
Trade and other payables	86,2	163,1
Current portion of interest-bearing borrowings	80,2	61,9
Short-term borrowings	2,1	–
Deferred income	4,0	4,1
Total equity and liabilities	1 486,9	1 461,2
Ratio to aggregate of total equity and convertible debentures:		
Total liabilities excluding convertible debentures (%)	205,1	256,9
Interest-bearing debt excluding convertible debentures (%)	168,5	187,0