

# TRIGANO

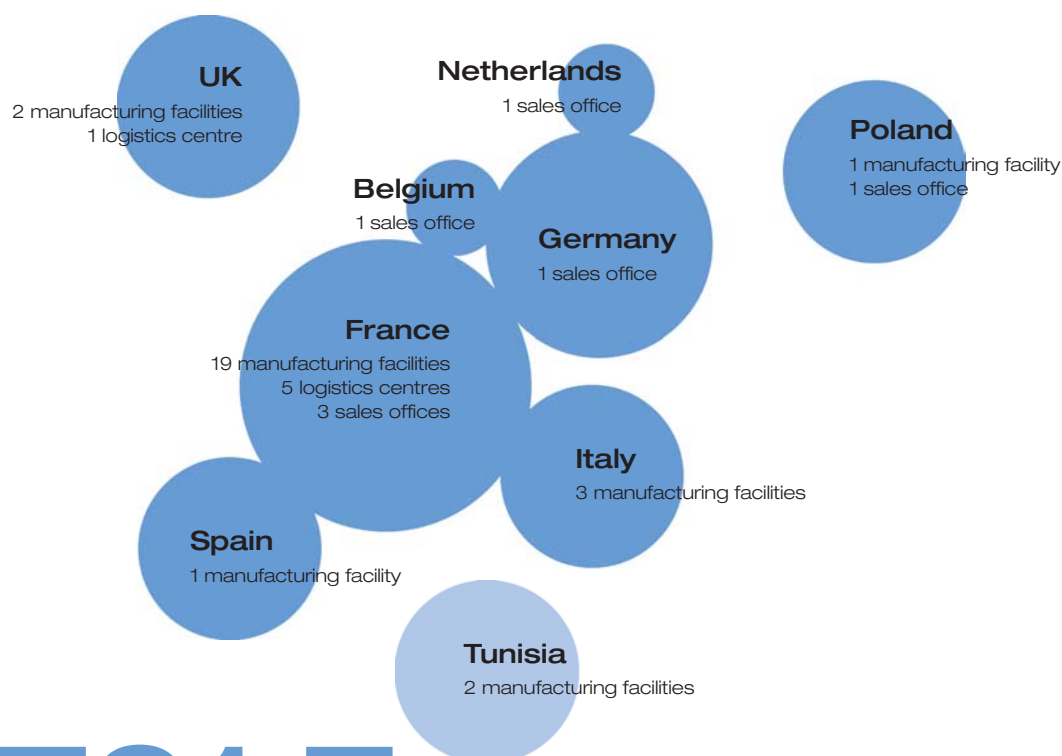


2004 annual report

# TRIGANO

2003 - 2004

## Europe our territory



**€701.7<sub>m</sub>** **+7.1%**

2004 sales

**€47.6<sub>m</sub>** **+27.6%**

2004 net income (Group share) before goodwill amortisation

**No. 1** European manufacturer of **motor caravans**

**+17.4%**

Average annual increase in sales  
between 1995 and 2004

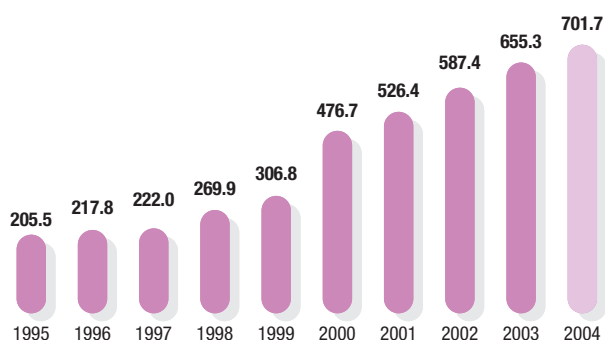
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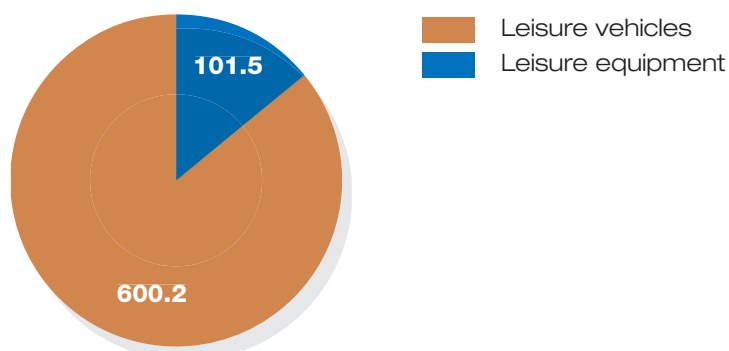
# Strong growth over the long-term

Sales\* (€M)

+7.1%



Sales by activity (€M)



\* Change compared with 2002/03

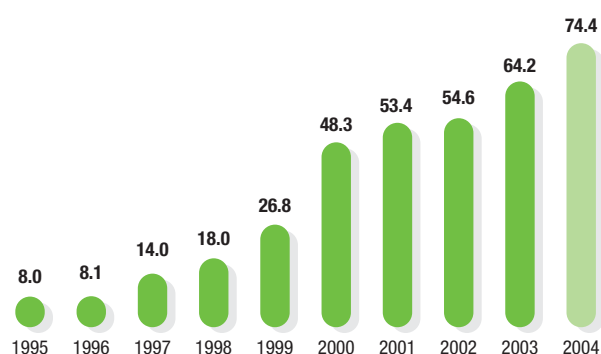
## Summary balance sheet

Year ended on 31 August (€m)	2004	2003	2002
Goodwill	32.6	32.1	32.2
Fixed assets	64.8	63.5	64.9
Inventories	146.9	135.2	137.9
Trade receivables	158.2	147.4	139.7
Cash	44.5	37.9	33.0
<b>TOTAL ASSETS</b>	<b>447.0</b>	<b>416.1</b>	<b>407.7</b>
Shareholders' equity – Group share	214.9	175.0	147.4
Minority interests	1.7	2.3	2.3
Provisions for liabilities and charges	11.5	10.8	10.1
Financial debt	64.8	87.1	95.5
Trade payables	154.1	140.9	152.4
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>447.0</b>	<b>416.1</b>	<b>407.7</b>

# TRIGANO

Operating profit\* (€M)

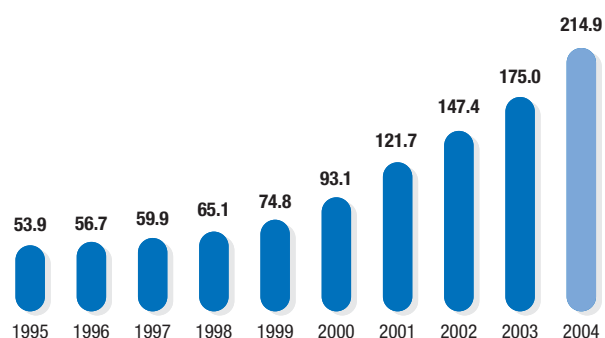
**+15.9%**



Shareholders' equity \*(€M)

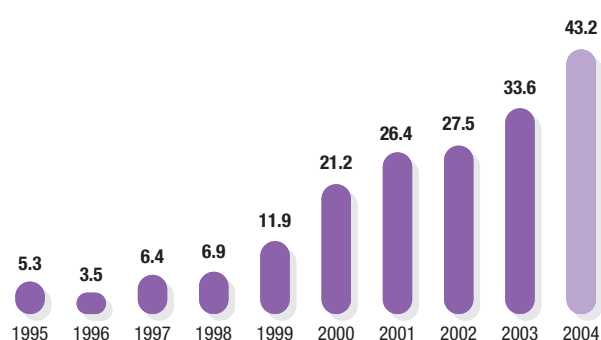
Group share

**+22.8%**



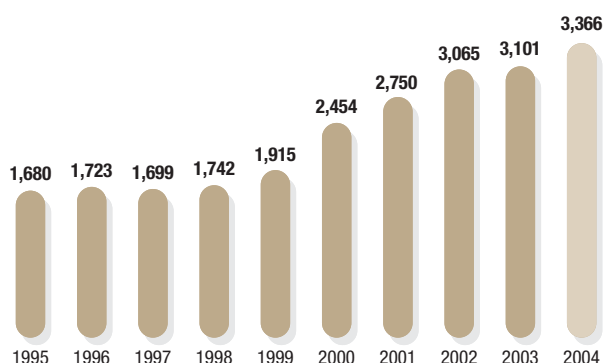
Net income\* (€M)

**+28.4%**



Workforce\*

**+8.5%**



## Income statement

Year ended on 31 August (€m)	2004	2003	2002
<b>Sales</b>	<b>701.7</b>	<b>655.3</b>	<b>587.4</b>
Change in inventories of finish goods	7.3	(10.5)	5.8
Purchases consumed	(521.1)	(480.3)	(443.0)
Payroll costs	(98.9)	(93.1)	(85.5)
Other income and charges	(14.6)	(7.2)	(10.1)
<b>Operating profit</b>	<b>74.4</b>	<b>64.2</b>	<b>54.6</b>
Net financial income (expense)	(3.9)	(5.1)	(6.0)
Net exceptional income (expense)	(0.3)	0.3	0.3
Corporation tax	(23.0)	(22.0)	(18.3)
Share of income from equity-accounted companies	0.9	0.8	0.9
Goodwill amortisation	(4.9)	(4.6)	(4.0)
<b>Net income</b>	<b>43.2</b>	<b>33.6</b>	<b>27.5</b>
Minority interests	(0.5)	(0.9)	(1.6)
Net income – Group share	42.7	32.7	25.9

# TRIGANO: the European leisure equipment specialist

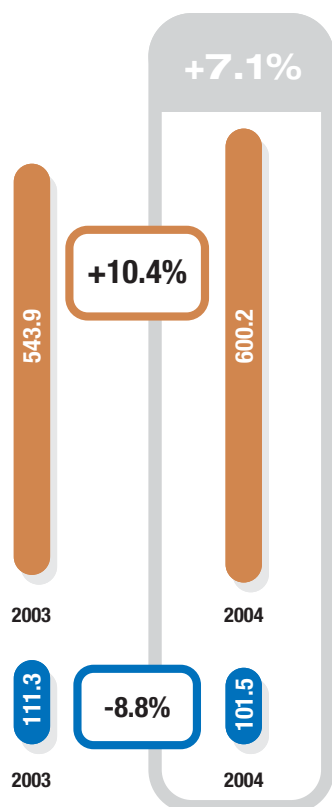
## A core business

85.5% of consolidated sales



### Leisure vehicles

Distribution is provided by a network of professional, loyal and highly motivated dealers that perform comprehensive and ever greater coverage.



- Motor caravans
- Caravans
- Static caravans
- Accessories and spare parts
- Rentals
- Financing

- Trailers
- Camping equipment
- Garden equipment

## A complementary activity

14.5% of consolidated sales



### Leisure equipment

A distribution through department stores and sales to central and local authorities.

## Interview with François Feuillet Chairman and CEO



“Trigano keeps its promises in terms of improving its operating profitability and strengthening its financial structure.”

### 2003/04 - a good performance for Trigano!

**Yes**, in an environment that remains difficult, as illustrated by stagnation or even a recession in the car market, the leisure vehicles market has continued to grow, as we had expected.

**Yes**, Trigano is pushing ahead with its European expansion in key markets such as the UK, Italy and Northern Europe.

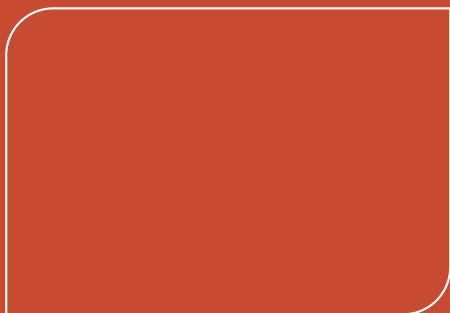
**Yes**, Trigano is keeping its promises in terms of improving its operating profitability and strengthening its financial structure.

### Has Trigano's development not been impeded this year by specific problems?

During the year, Trigano has in fact successfully dealt with a combination of adverse factors:

- in Italy, strikes substantially reduced production capacity at our San Gimignano facility for almost six months;
- competition from low labour-cost countries producing garden equipment coupled with a certain slump in the distribution of DIY and garden products;
- the expected contraction in public sector orders.

Given the above, the 2004 results are all the more commendable.



### Are the fundamentals of the leisure vehicles market as strong as before?

They are good from a long-term perspective and the road ahead looks clear. In fact, Trigano is expected to benefit from demographic growth in the 55-65 year age group in Europe through to 2015. In addition, the underlying values of alternative leisure activities are showing steady growth. Lastly, the quest for freedom can only be positive for motor caravans. To sum up, Trigano's customer base will increase and have access to the necessary income levels and physical well-being that bode well for the purchase of leisure vehicles.

### What are Trigano's medium-term objectives?

#### **Growth, visibility and profitability.**

**Growth:** organic growth, of course, as well as through acquisitions.

**Visibility:** thanks to the loyalty fostered among its ever stronger distribution networks, to which Trigano has long contributed its solidity and its faithfulness.

**Profitability:** because Trigano is continually seeking out or inventing the means to remain independent and relatively immune to local and economic fluctuations in its markets, to raw material prices and to its environment in general.

### You appear to be particularly confident regarding Trigano's capacity to push ahead with its development.

With average annual growth of 17.4% in sales and more than 26% in earnings over the last 10 years, Trigano has become Europe's leading manufacturer of motor caravans. It now has the financial means to make investments in order to increase its production capacity and to therefore keep pace with the sharp increase in demand and to actively pursue its acquisition policy. These strengths should enable Trigano to consolidate its position and to further improve its results during the coming years. The objectives we have set ourselves for the medium term involve increasing our average operating margin by approximately 0.5% per annum.



# Corporate governance



Michel Freiche, François Feuillet, Marie-Hélène Feuillet

## Decision-making

Management decisions are taken by senior management in the form of a Management Committee.

### The Management Committee comprises:

- François Feuillet, CEO;
- Michel Freiche, Deputy CEO – Finance and IT;
- Marie-Hélène Feuillet, Deputy CEO – Legal, Human Resources, Insurance, the Environment and Property;
- Jean Legrand (w.e.f. December 2004), Industrial Development Director – Production, Ongoing Improvements, Purchases and Benchmarking.

For each of the two divisions, Leisure Vehicles and Leisure Equipment, the Management Committee also comprises some heads of business units.

An Executive Committee comprising 18 members meets before any major decisions are taken that have a general impact on Trigano.

## Board of Directors

The Board of Directors comprises five members:

### Two representatives of the majority shareholder

- François Feuillet, age 56, French business school graduate (HEC), has managed Trigano since 1981 after gaining experience in audit (KPMG), financial management and general management (Singer group and Compagnie Française du Meuble).
- Marie-Hélène Feuillet, age 55, French business school graduate (HECJF), joined Trigano in 1994 after pursuing a banking career with the Banques Populaires group.

### Two independent board members

- Jean Ducroux, age 61, political sciences graduate (IEP), MBA (University of Minnesota), manages Electra, a private equity specialist, having started his career in the world of banking;
- François Baleyrier, age 60, French business school graduate (HEC), has held various financial roles in the civil engineering sector (Entrepose and Bachy), both in France and abroad.

### A suitably qualified member

- Michel Barbier, age 71, engineer, held technical roles in Allis Chalmers, Singer and Skis Rossignol, before managing Trigano VDL from 1987 to 1999.

### Two committees have been established:

- the Compensation and Appointments Committee, and
- the Audit and Accounts Committee

The two board members representing the majority shareholder do not take part in these committees. The members of these committees are in a position to directly contact Trigano's operational managers.

## Internal Control

A monthly reporting mechanism provides the management bodies with in-depth and continuous knowledge of changes in the operations of each business unit.

Formal procedures aimed at protecting the assets have been established and are regularly audited and checked.



# Sustainable development

Trigano's development policy incorporates a prudent approach to risk and is aimed at best preserving the environment, the interests of the group's employees and business partners and its shareholders' assets.

## Risk management

In order to promote its growth in a multicultural environment, Trigano has for several years been organised around a highly decentralised structure. Within the framework of the delegation of authority granted to them, the managers of the various business units benefit from a large degree of autonomy for defining and putting into place action plans aimed at identifying, preventing and handling the main operational risks. Financial, legal and environmental risks are handled at Senior Management level.

## Protection of the environment

Trigano pays particularly close attention to the impact on the environment of its activity and of the use of its products. Audits covering compliance with environmental regulations are conducted regularly at each of its production and storage sites. In 2004, the ISO 14000 certification for its San Gimignano plant was renewed. In addition, Trigano played a key role in the drafting and distribution of a "motor caravan social awareness" guide presenting the rights and duties of motor caravan users and good practices for respecting the environment.



*Motor caravan social awareness*



## Business ethics

In developing its business, Trigano has always endeavoured to avoid granting excessive advantages to intermediaries, financing political organisations and making payments to market decision-makers.



Trigano's management play a substantial role in the supervision of the business units. This constitutes a real source of progress for the company and its entire staff

Shane Devoy, Finance Director for the Grimsby business unit (UK)

# Active leisure pursuits

## A buoyant long-term market

Fuelled by fundamental sociological and economic changes, the market for active leisure pursuits and related equipment, notably leisure vehicles, has posted strong, steady growth in Europe over the last ten years.

Trigano, a specialist and European number one in motor caravans, has benefited from this momentum and expects to maintain its growth rate in coming years.

### Good health – high income levels – free time

Trigano's key target group comprises individuals ranging from 55 to 65 years of age. In most European countries, this age group will continue to grow through to 2015.

These people have comfortable income levels, often above those of other age groups, and are in good health.

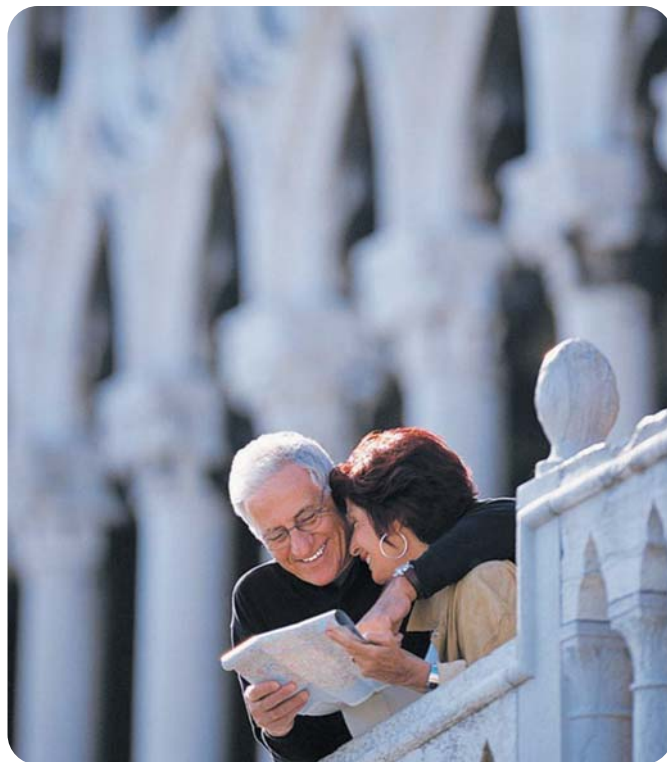
Enlightened consumers, they spend freely and use their resources to the full.

Advocates of "intelligent" tourism, they often travel out of season, in search of cultural, natural and gastronomic heritage.

Offering complete freedom, leisure vehicles provide such people with the means to get away more frequently.

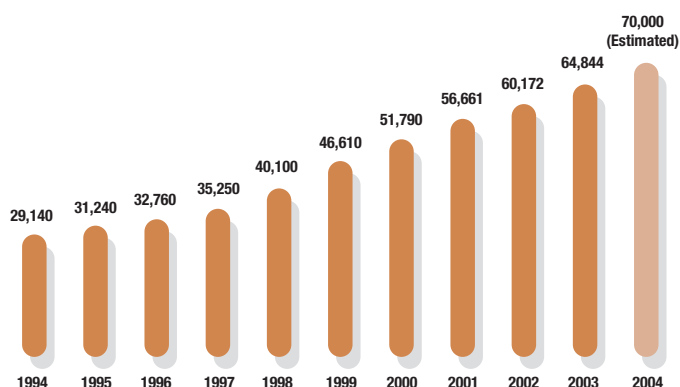
### A diversified solution

Depending on their personal preferences, members of this age group can opt for freedom with a motor caravan or access to caravanning facilities with a caravan or static caravan. Trigano's products are updated regularly to keep pace with the increasing need for comfort and offer new functionality, e.g. a large "garage" storage area is integrated into many motor caravan models.



*The good health, physical fitness and high income levels of the 55-65 year age group have contributed to the growth of the leisure vehicles market.*

Registrations of motor caravans in Europe  
Average growth of 9.3% per annum between 1994 and 2004



# Leisure vehicles

85.5% of sales

Trigano's strength lies in the high quality of its distribution networks.

Year after year, a relationship of mutual trust is established, resulting in a highly stable commercial network. Customers, dealers and manufacturers form part of this win/win partnership in which the points of reference are constantly marked out.

Trigano provides its networks with virtually all the products and services they need to conduct their business, thereby generating excellent visibility in terms of sales.

## Sales by product type

€M	2004	2003	Change (in %)
Motor caravans	456.5	408.7	+11.7
Touring caravans	47.3	45.2	+4.6
Residential caravans	5.9	5.7	+3.5
Folding campers and trailer tents	11.5	10.4	+10.6
Static caravans	9.7	9.4	+3.2
<b>Total vehicles</b>	<b>530.9</b>	<b>479.4</b>	<b>+10.8</b>
Leisure vehicle accessories	65.6	62.1	+5.6
Other	3.7	2.4	n/a
<b>Total Leisure Vehicle</b>	<b>600.2</b>	<b>543.9</b>	<b>+10.4</b>



**To remain a market leader, you must be close to your customers.**

Trigano's decentralised organisation structure, which preserves the identity of each of the business units, promotes a flexible attitude to market changes and facilitates a personalised approach among the dealers networks.

Franco Barducci, Head of the San Gimignano (Italy) business unit

# Leisure vehicles division

## Motor caravans: 65.1% of consolidated sales

In a European market totalling 69,134 vehicles, an increase of 7.8% over 2003, Trigano has consolidated its positions in the main European countries, notably through marked growth in its sales in the van segment. With almost 15,000 motor caravans sold, the Group's overall market share reached 21.6%, up from 21.3% in 2003.

### Motor caravans

**TRIGANO**

**ARCA**

**AUTOSTAR**

**Auto Trail**

**benimar**

**challenger**

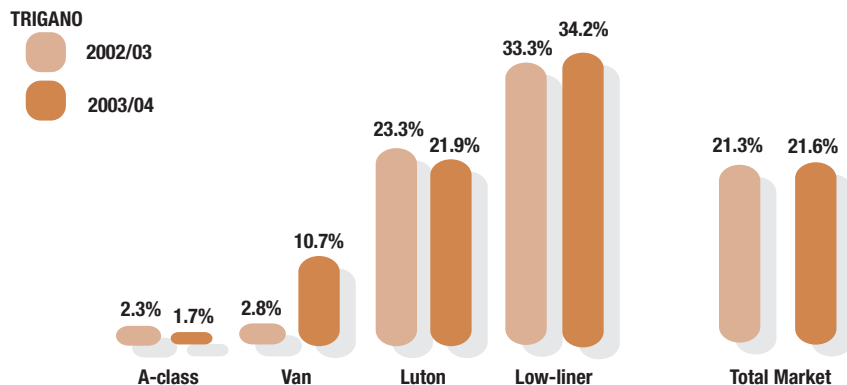
**CHAUSSON**

**ci**

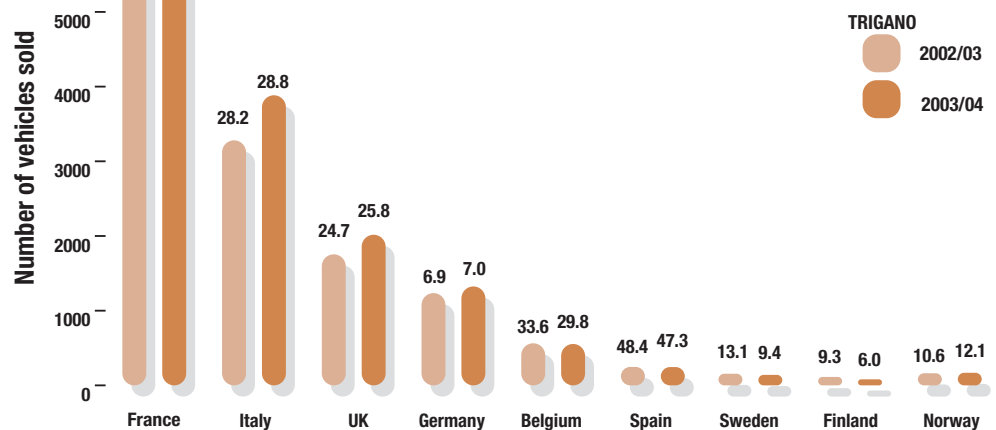
**FONT VENDOME**

**ROLLER TEAM**

### Market share by segment (in %)



### Market share by country (in %)



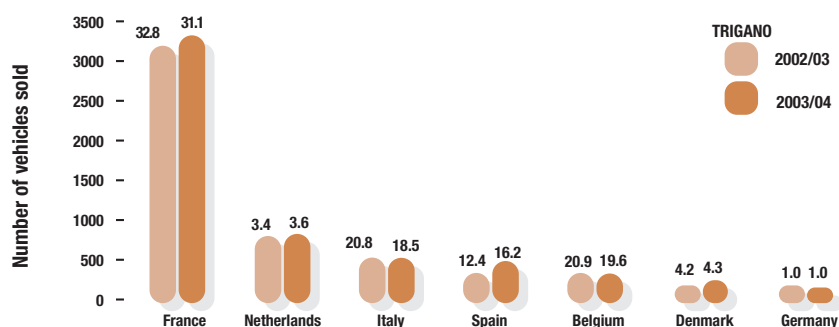
Trigano has always sought to offer the best equipment/price ratio for its leisure vehicles. Changes are made to its ranges to closely follow the market, but the number of its products remains limited in order to provide better profitability for its distribution networks

Jean-Paul Fassinotti, Chairman of the Motor Caravan Coordination Committee

## Caravans: 9.2% of consolidated sales

Thanks to strong growth in the UK market, the number of caravans registered in Europe increased by 6.4% in 2004. Trigano, whose sales are concentrated in Southern Europe, benefited only marginally from this growth. With 6,600 caravans sold (up 2.4%), its market share in Europe was eroded a little to 5.3% from 5.5% in 2003.

Market share by country



## Accessories and spare parts: 9.4% of consolidated sales

The growth in the market is linked to the increase in the number of leisure vehicles in use.

The growth in sales (up 5.6% in 2004) reflects the commitment of the dealers' networks to the high service quality provided by Trigano's logistics centres.

The "service rates" achieved are very close to the norms in the automotive industry.

## Static caravans: 1.4% of consolidated sales

In a market that has become highly competitive, Trigano is developing joint product offers for campsite managers. These offers comprise product sales, product financing and, upon request, product rental to end users via its subsidiary Mistercamp.

## Services: purchase drivers

Intended to facilitate the purchase decisions of potential customers, rental and financing facilities complement the Trigano product offer.

- **Trois Soleils**, a partner of Hertz, has a fleet of more than 500 motor caravans available for rental. This fleet is renewed annually and covers some 60 towns and cities in France, Germany, Italy and Spain.
- **Tri Ma**, a company run in partnership with Maggiore, complements the motor caravan rental activity in Italy.
- **Loisirs Finance** offers end users and sector professionals a comprehensive range of specific financial products. Almost €80 million of new loans were granted during the year, while the total amount financed reached €180 million.

### Caravans and Static caravans

TRIGANO

CARAVELAIR

LA MANCELLE

Sterckeman

R  
RACLET

### Accessories

TRIGANO

Clairval

CMC  
ACCESSOIRES

E.T.R.

EURO ACCESSOIRES

EUROVENT

RULQUIN

### Services

LOISIRS  
FINANCE

mistercamp

TROIS SOLEILS  
Hertz



## Trailers

ECIM

ERKA

FRANC

MAÎTRE



RULQUIN

SOREL

TRELGO

# Leisure equipment division

14.5% of sales

## Sales by product type

€M	2004	2003	Change
Trailers	48.3	46.8	+3.2%
Camping equipment	14.8	20.3	-27.0%
Garden equipment	37.2	42.8	-13.1%
Other	1.2	1.4	n/a
<b>Total Leisure Equipment</b>	<b>101.5</b>	<b>111.3</b>	<b>-8.8%</b>

## Trailers: 6.9% of consolidated sales

An increase in the number of houses, regulations concerning the collection of all types of waste and growth in active leisure pursuits (DIY, buying/selling of secondhand goods, hunting, etc.) have all contributed to growth in the trailer market.

The increase in this activity in 2004 was due mainly to the significant upturn in sales of trailers to the professional segment.

Thanks to the acquisition of Mecanorem at the end of the financial year, Trigano supplemented its product offer with a range of boat trailers.

## Camping and garden equipment

TRIGANO

ABAK

AMCA

artix

JAMET

PLISSON

RACLET

yardmaster

## Camping equipment: 2.1% of consolidated sales

In 2004, this long-standing activity was hit by a contraction in the orders of army tents, which had in fact been anticipated by Trigano.

The main production sites concerned by the decline in activity benefited from the continuation of programmes to move towards subcontracting for leisure vehicle components. This policy avoids the need for any distressing redundancy plans and also enables Trigano to improve its competitiveness.

## Garden equipment: 5.3% of consolidated sales

Volatile household consumer spending and competitive pressure from products manufactured in Southeast Asia dampened this activity's sales.

Trigano structures its commercial product offer to meet changes in the market and is examining the possibility of partially redirecting its production facilities, in line with changes already made in the camping equipment activity.



Thanks to the competitiveness of its production facilities, particularly in Poland, Trigano has substantial room for growth across the entire European market.

Christian Lafuge, member of the Leisure Equipment Management Committee

# Strengths and outlook

Trigano benefits from significant strengths, actively cultivated and developed in order to enable it to continue to lead the way in Europe:

- A buoyant long-term market for leisure vehicles and trailers;
- True and loyal distribution networks;
- A lean and flexible organisation structure, led by experienced managers;
- Strong purchasing power due to its status as a market leader, enabling it to withstand changes brought about by higher raw material costs;
- A programme of ongoing improvements, now extended to cover all sites, enabling the Group to gradually reduce its manufacturing costs;
- A capital expenditure programme aimed at increasing motor caravan production capacity from 2005. More specifically, two new assembly sites are currently being established:
  - a site for the production of one thousand vans per annum is already up and running in Atessa in Italy,
  - a plant at Sablé-sur-Sarthe that will ultimately produce between two and three thousand motor caravans each year;
- Sites impacted by the contraction in sales of garden and camping equipment are moving towards internal subcontracting;
- A strong financial structure that enables the Group to achieve growth both organically and through acquisitions.

These strengths enable Trigano to set clear and ambitious objectives for 2005:

- To step up its development outside France for leisure vehicles, trailers and accessories;
- To maintain overall growth in activity at a rate higher than that of the market;
- To continue efforts to improve its operating margin (10.6% in 2003/04) with an average annual increase of 0.5 points in coming years.



*The San Gimignano and Tournon-sur-Rhône sites are the two largest motor caravan manufacturing plants in Europe.*





# Shareholder information

## Trend in share price and volumes traded

Year to 31 August	2004	2003	2002	2001	2000	1999	1998
Total volumes traded	<b>3,290,770</b>	3,439,816	3,847,770	3,205,280	3,153,600	1,994,535	1,667,545
Max. price (€)	<b>45.80</b>	35.50	44.25	54.75	29.50	8.51	7.20
Min. price (€)	<b>30.55</b>	15.04	16.60	23.51	7.99	4.63	5.79

## Stock-market history

**March 1998:** Listed on the Second Market of the Paris Bourse. Initial listing price: FRF 190, i.e. equivalent to 5.79 after adjusting to take into account the fivefold increase in the number of shares in 2000.

**November 2000:** Eligible for "monthly settlement", a forerunner of SRD, the French deferred settlement mechanism.

**December 2000:** Included in the Next 150 index.

**March 2001:** Included in the SBF 250 index.

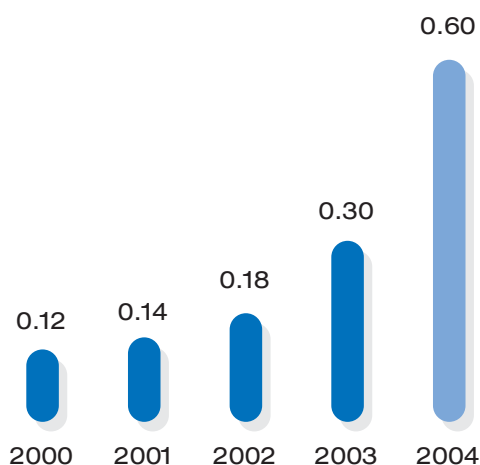
**December 2001:** Becomes part of the Next Prime segment of Euronext.

**April 2002:** Included in the MIDCAC index.

**November 2003:** Included in the SBF 120 index.

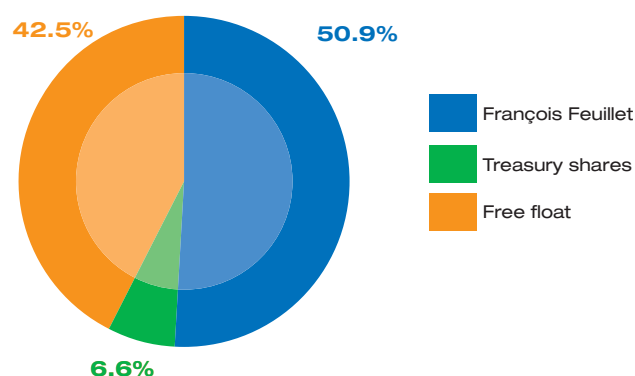
**February 2005:** Included in the CAC Mid 100 and CAC Mid & Small 190 index.

### Dividend history (in €) excluding tax credit



Trigano has implemented the means to enhance the visibility and liquidity of its share, which is tracked by many securities research houses and is a component of a number of indices.

## Shareholder analysis



## Share information at 10 December 2004

<b>Number of shares</b>	11,321,067
<b>Share price</b>	€54.05
<b>High/low since 2 January 2004</b>	
High (29 November 2004)	€54.90
Low (2 January 2004)	€37.80
<b>Change since 1 January 2004</b>	
Trigano	+42.99%
CAC 40	+5.92%
<b>Market capitalisation</b> (€ m)	612
<b>Sector of activity</b>	Leisure, leisure equipment
<b>Main index</b>	SBF 120
<b>Market</b>	Second market
<b>Listing</b>	Euronext Paris (France)
<b>Code or symbol</b>	TRI
<b>ISIN code</b>	FR0005691656
<b>Eligible for PEA/SRD*</b>	Yes/Yes
<b>Last dividend (excl. tax credit)</b>	€0.60 (gross)

\* PEA = Plan d'Epargne en Actions (French personal equity plan)

\* SRD = Service de Règlement Différé (French deferred settlement service)

## 2005 provisional timetable

### 7 January

2003/04 General Meeting  
First-quarter sales  
Press release

### 29 March\*

First-half sales  
Press release

### 29 April\*

2004/05 first-half results  
Press release  
Analysts' briefing

### 28 September\*

2004/05 sales  
Press release

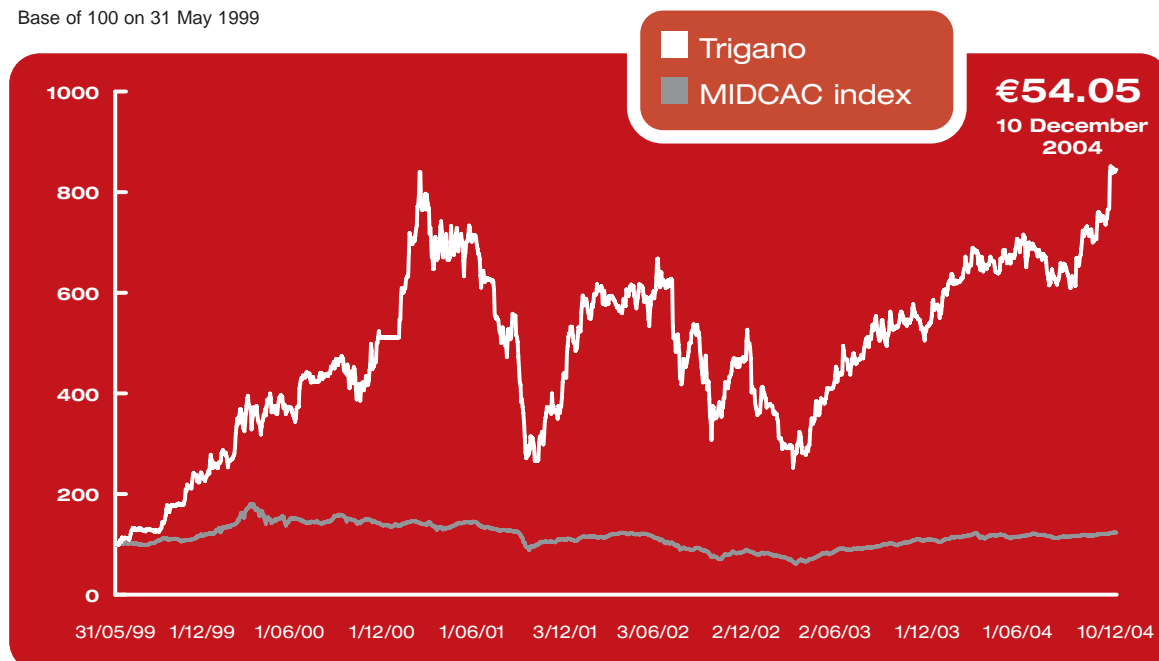
### 30 November\*

2004/05 financial statements  
Press release  
Analysts' briefing

\* indicative dates

## Share price performance

Base of 100 on 31 May 1999





[www.trigano.fr](http://www.trigano.fr)