Unaudited Interim Consolidated Financial Statements

Algeco Scotsman Global S.à r.l.
Three Months Ended March 31, 2013 and 2012

Algeco Scotsman Global S.à r.l.

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Algeco Scotsman Global S.à r.l.
Unaudited Interim Consolidated Statements of Comprehensive Income
(amounts in thousands, unless stated otherwise)

	Notes	Three Months ended March 31, 2013	2012
		(Unaudited)	
Revenues			
Leasing and services revenue:			
Modular space		€ 197,467	€ 180,916
Remote accommodations		30,254	–
Sales:			
New units		78,977	37,460
Rental units		8,257	9,358
Total revenues	5	314,955	227,734
Cost of revenues			
Cost of revenues, excluding depreciation on rental equipment		(156,586)	(103,093)
Depreciation on rental equipment	9	(46,575)	(42,046)
Total cost of revenues		(203,161)	(145,139)
Gross profit		111,794	82,595
Selling, general and administrative expense		(108,633)	(70,184)
Other depreciation and amortization		(12,973)	(7,804)
Restructuring costs		(2,631)	(317)
Other expense, net		(990)	(980)
Operating profit (loss)		(13,433)	3,310
Net finance expense			
Interest income		146	588
Interest expense		(47,428)	(50,434)
Currency gains / (losses), net		(27,885)	9,803
Other finance income (expense)		(1,286)	4,288
Net finance expense	7	(76,453)	(35,755)
Loss before income tax		(89,886)	(32,445)
Income tax benefit	8	9,286	3,082
Loss for the period		(80,600)	(29,363)
Other comprehensive income			
Foreign currency translation		26,452	12,338
Other comprehensive income, net of tax		26,452	12,338
Total comprehensive loss		€ (54,148)	€ (17,025)

See the accompanying notes which are an integral part of these interim consolidated financial statements.

Algeco Scotsman Global S.à r.l.
Unaudited Interim Consolidated Statements of Financial Position
(amounts in thousands, unless stated otherwise)

	Notes	March 31, 2013 (Unaudited)	December 31, 2012
Assets			
Current assets			
Cash and cash equivalents	12	€ 41,190	€ 78,882
Trade receivables		288,986	302,116
Receivables under finance leases		1,956	2,001
Inventories		49,058	52,120
Short-term financial assets	11	6,034	–
Prepaid expenses and other current assets		42,293	34,768
Current tax assets		1,333	887
Total current assets		430,850	470,774
Non-current assets			
Rental equipment, net	9	1,525,824	1,421,507
Other property, plant and equipment, net		211,979	201,267
Investment property		341	331
Goodwill	10	903,173	716,636
Other intangible assets		217,623	218,582
Receivables under finance leases		1,741	1,990
Long-term financial assets	11	23,557	23,589
Deferred tax assets		1,625	2,264
Total non-current assets		2,885,863	2,586,166
Total assets		€ 3,316,713	€ 3,056,940
Liabilities			
Current liabilities			
Trade and other payables		203,342	230,877
Deferred revenue and customer deposits		49,341	33,632
Provisions		17,056	15,300
Loans and borrowings	13	46,543	3,984
Short-term financial liabilities	11	7,590	6,620
Current tax liabilities		16,231	9,519
Accrued interest		78,566	38,290
Total current liabilities		418,669	338,222
Non-current liabilities			
Deferred revenue and customer deposits		9,715	–
Provisions		83,144	30,490
Loans and borrowings	13	2,297,459	2,203,307
Employee benefits		57,264	31,804
Deferred tax liabilities		147,197	165,591
Total non-current liabilities		2,594,779	2,431,192
Total liabilities		3,013,448	2,769,414
Equity			
Share capital		583,289	583,289
Share premium		1,147,572	1,077,659
Non-controlling interests		1,292	1,229
Accumulated other comprehensive gain (loss)		17,049	(9,314)
Accumulated deficit		(1,445,937)	(1,365,337)
Total equity		303,265	287,526
Total liabilities and equity		€ 3,316,713	€ 3,056,940

See the accompanying notes which are an integral part of these interim consolidated financial statements.

Algeco Scotsman Global S.à r.l.
Unaudited Interim Consolidated Statements of Changes in Equity
(amounts in thousands, unless stated otherwise)
(unaudited)

	Share capital	Share premium	Actuarial losses	Foreign currency translation	Legal	Non-controlling interests	Accumulated deficit	Total equity (deficit)
Balance at December 31, 2011	€ 460,759	€ 286,577	€ (129)	€ 44,690	€ 1	€ –	€ (1,216,910)	€ (425,012)
Loss for the period	–	–	–	–	–		(29,363)	(29,363)
Other comprehensive income	–	–	–	12,338	–		–	12,338
Total comprehensive loss								(17,025)
Balance at March 31, 2012	€ 460,759	€ 286,577	€ (129)	€ 57,028	€ 1	€ –	€ (1,246,273)	€ (442,037)
Balance at December 31, 2012	€ 583,289	€ 1,077,659	€ (1,839)	€ (7,476)	€ 1	€ 1,229	€ (1,365,337)	€ 287,526
Loss for the period	–	–	–	–	–		(80,600)	(80,600)
Other comprehensive income	–	–	–	26,363	–	89	–	26,452
Total comprehensive loss	–	–	–	–	–	–	–	(54,148)
Capital contribution (Note 4)	–	69,333	–	–	–	–	–	69,333
Other transactions with Parent	–	580	–	–	–	–	–	580
Share based payment	–		–	–	–	(26)	–	(26)
Balance at March 31, 2013	€ 583,289	€ 1,147,572	€ (1,839)	€ 18,887	€ 1	€ 1,292	€ (1,445,937)	€ 303,265

See the accompanying notes which are an integral part of these interim consolidated financial statements.

Algeco Scotsman Global S.à r.l.
Unaudited Interim Consolidated Statements of Cash Flows
(amounts in thousands, unless stated otherwise)
(unaudited)

	Notes	Three months ended March 31, 2013	2012
Cash flows from operating activities			
Loss for the period		€ (80,600)	€ (29,363)
Adjustments for:			
Depreciation		52,037	45,895
Amortization of intangible assets		7,511	3,955
Impairment losses		917	1,057
Purchase of rental equipment		(44,007)	(30,594)
Proceeds from sale of rental equipment	5	8,257	9,358
Gain on sale of rental equipment		(2,915)	(3,097)
Loss on disposal of property, plant and equipment		80	107
Net finance expense	7	76,453	35,755
Income tax benefit	8	(9,286)	(3,082)
Other non-cash items		–	52
Working capital adjustments:			
Changes in inventory		3,220	(7,828)
Changes in financial assets		(702)	(150)
Changes in trade and other receivables		24,689	25,723
Changes in prepaid expenses and other current assets		(6,708)	(4,589)
Changes in trade and other payables		(37,910)	(14,483)
Changes in deferred revenue and customer deposits		2,359	2,222
Changes in employee benefits and provisions		26,038	(429)
Cash provided by operating activities		19,433	30,509
Interest paid		(7,165)	(28,725)
Interest received		119	12
Income tax paid		(6,094)	(5,986)
Net cash provided by (used in) operating activities		6,293	(4,190)
Cash flows from investing activities			
Proceeds from the sale of property, plant and equipment		53	48
Acquisition of businesses, net of cash acquired		(63,656)	(49,715)
Acquisition of property, plant and equipment and other intangible assets		(6,350)	(3,396)
Net cash used in investing activities		(69,953)	(53,063)
Cash flows from financing activities			
Receipts from borrowings		102,952	–
Payment of transaction costs		(1,228)	–
Repayment of borrowings		(76,529)	(1,083)
Payment of finance lease liabilities		(576)	(1,222)
Net cash provided by (used in) financing activities		24,619	(2,305)
Net decrease in cash and cash equivalents		(39,041)	(59,558)
Cash and cash equivalents at beginning of period		75,312	87,097
Effect of exchange rate fluctuations on cash held		328	1,626
Cash and cash equivalents at end of period		€ 36,599	€ 29,165
Cash and cash equivalents, Statement of Financial Position		€ 41,190	€ 34,303
Bank overdrafts	11	(4,591)	(5,138)
Cash and cash equivalents, Statement of Cash Flows		€ 36,599	€ 29,165

See the accompanying notes which are an integral part of these interim consolidated financial statements.

1. Reporting entity

Algeco Scotsman Global S.à r.l. (further referred to as the "Company" or together with its subsidiaries "the Group") is a limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg on July 6, 2007 under the name Ristretto Group S.à r.l. The Company changed its name in July 2012 to conform with the worldwide branding used by the Group's operating subsidiaries. The main activity of the Company is to carry out all transactions pertaining directly or indirectly to the acquisition of participating interests as well as the financing of subsidiary companies. The Group, through its operating subsidiaries, engages in the leasing and sale of mobile offices, modular buildings and storage products and their delivery and installation throughout Europe, North America, South America and beginning in October 2012, Asia Pacific. The Group also provides full-service remote workforce accommodation solutions.

The registered office of the Company is at 20, rue Eugène Ruppert, L-2453 Luxembourg.

The Group carries out its business activities principally trading under the names Williams Scotsman and Target Logistics in North America, Algeco in Europe, Elliott in the United Kingdom, Eurobras in Brazil, Ausco in Australia and Portacom in New Zealand. The Group's ultimate parent is Algeco/Scotsman Holding S.à r.l. ("Holdings"), a limited liability company incorporated under the laws of Luxembourg, principally owned by a group of investment funds managed by TDR Capital LLP ("TDR"), CMI Luxembourg S.à r.l. ("CMI") and certain former and current lenders.

2. Basis of preparation

The interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, and accordingly do not contain all the disclosures required for annual financial statements. These interim consolidated financial statements should be read in conjunction with the Group's Consolidated Financial Statements for the year ended December 31, 2012.

These consolidated financial statements are presented in Euro (EUR).

3. Significant accounting policies

The accounting policies adopted in the interim consolidated financial statements are consistent with those followed in the Group's Consolidated Financial Statements for the year ended December 31, 2012, except as noted below.

Income taxes – For interim reporting purposes, the Group applies its estimated annual effective tax rate by jurisdiction to the interim period. Changes in the estimated annual effective tax rate by jurisdiction are reflected in the period that the change in estimate is made. Discrete items such as the tax effect of significant transactions, accruals for or reversals of uncertain tax positions, changes in the estimates of deferred tax assets to be realized and changes in tax rates are reflected in the period in which they occur. The Group recognized the tax effect of goodwill impairments and adjustments to uncertain tax positions in the fourth quarter of 2012.

The tax effect of these items is not considered in the effective tax rate utilized in the three months ended March 31, 2012.

Incentive compensation – For interim reporting purposes, the Company estimates the full year payout based on current assumptions as to targets to be achieved and records a ratable portion of this amount in the interim period. Changes in estimates of the targets to be achieved and therefore the amount of incentive compensation to be paid are reflected in the period of the change in estimate.

Deferred revenue – The Company requires advance deposits on certain long-term contracts. These advances are non-refundable and are earned over the term of the contract. Amounts to be earned in the next fiscal year are classified as a current liability in the accompanying Consolidated Statement of Financial Position with those advances that extend beyond one year classified as a non-current liability.

Change in Statement of Financial Position classification – The following accounts were reclassified in the Statement of Financial Position at December 31, 2012 to conform to the current presentation. Current deferred revenue of €26,605 at December 31, 2012 was reclassified from Trade and other payables to current deferred revenue and customer deposits. Current customer deposit liabilities of €7,027 at December 31, 2012 were reclassified from Trade and other payables to current deferred revenue and customer deposits.

IAS 19 Employee Benefits - The IASB has issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism and the concept of expected returns on plan assets to simple clarifications and re-wording. The Group retrospectively applied the amendments to IAS 19 and recorded an increase in employee benefit liability of €526 and a corresponding decrease in accumulated deficit of €526 as of January 1, 2012. The retrospective application of the amendments to IAS 19 did not have a material impact on the Consolidated Statement of Comprehensive Income for the three months ended March 31, 2012.

4. Acquisitions

Acquisitions in 2013

In February 2013, the Group acquired 100% of the membership interests in Target Logistics Management LLC ("Target"). Target is a leading provider of full-service remote workforce accommodation solutions primarily in the United States and facilitates the Group's continued strategic expansion in the remote accommodation segment.

The initial purchase price for Target is comprised of €64 million in cash, 6,749,269 shares of Holdings valued at €69 million, and €77 million of assumed indebtedness. The Group incurred €44 million of borrowings under the ABL Revolver as partial funding of the cash payment. In addition, the purchase agreement contains provisions for additional payments dependent on the future earnings of Target (the "Earnout Agreement"). Under the Earnout Agreement, former owners can earn up to €49 million if Target achieves certain performance objectives in 2013 which, if earned, would be paid equally in cash and shares in early 2014. In addition, the Earnout Agreement has a provision for cumulative value creation to be

achieved over the subsequent years and payable based on events to occur in the future. The maximum amount of cash that can be paid under the Earnout Agreement (including the 2013 performance earnout, if any) is €87 million. The value of shares which could be transferred is not limited. The Group has completed an initial valuation of the Earnout Agreement and has recorded and estimated €51 million in purchase price contingent consideration. Subsequent changes in the estimated fair value of this contingent consideration will be recorded in the Group's Consolidated Statement of Comprehensive Income.

The value of the ordinary shares of Holdings issued was based upon the total implied equity determined by fair value less cost to sell using the guideline public company method. The assumption regarding EBITDA, EBITDA multiple and costs to sell described in Note 14 were utilized in this determination.

The Target Earnout is based on the future values of EBITDA, capital expenditures and the future EBITDA exit multiple value of Target or the Group at an exit event defined in the Earnout agreement (the "Exit"). A Monte Carlo Simulation approach under a risk-neutral framework is used to simulate the future values of EBITDA, which are then combined with a series of exit event scenarios to estimate the final payout of the Earnout. For each Exit event scenario estimated, future EBITDA values are simulated using the following assumptions:

1. **Term (t)** – The respective term until a specific payment trigger date (including an Exit) where EBITDA must be calculated.
2. **Starting Value (S)** – Financial projections were used for the Earnout periods and discounted (or "calibrated") to a valuation date using the weighted average cost of capital (WACC) of Target implied by the acquisition. A mid-year convention was used to calibrate EBITDA. To corroborate the calculated WACC, an internal rate of return (IRR) analysis was also performed.
3. **Drift Rate (r)** – Term-specific risk-free rate plus the implied year over year EBITDA growth rate for each fiscal year.
4. **Volatility (σ)** – Quarterly and annual EBITDA volatilities based on the comparable companies for Target were calculated (over 5 years).
5. **Discount Rate –** Present-value of the expected Earnout was discounted using the risk-free rate plus the credit spread of the Group.

The contingent consideration liability was is the weighted average Earnout payout of the scenarios developed using the above assumptions. At the acquisition date, the following key assumptions, which represent unobservable inputs, were utilized in developing the contingent consideration liability:

Unobservable Inputs	Range
EBITDA volatility	37.0%
Discount rate	25.7%
Exit multiple	11.7x
Estimated years (Term) to exit	0.75 – 2.75

The above assumptions represent management's best estimate at the acquisition date, but are still under review and may be refined as the determination of the purchase accounting is finalized. Further, management has estimated that no significant changes occurred in these assumptions through March 31, 2013. The contingent consideration liability will be revalued at each reporting date with all key assumptions updated for the current assumptions. Future changes in the contingent consideration liability due to future changes in assumptions will be recorded in the applicable period's net income or loss.

The assets and liabilities of Target have initially been recorded at carrying value as the Group has not completed its determination of the fair value of the net assets acquired, primarily the fair value of deferred revenue and certain intangibles such as customer relationships and trade names. In addition, the Group is evaluating the book and tax differences for the assets and liabilities acquired from Target, including the deductibility of goodwill for tax purposes. The finalization of the purchase price allocation may result in values assigned to certain assets and liabilities that are different than that presented below. Such differences may impact the amount of rental income, depreciation or amortization of related assets recognized in future periods and such impact may be material. The Group expects to finalize the purchase price allocation in 2013 and the information presented herein if materially different will be revised based upon the final purchase price allocation.

The preliminary estimates of the fair value of the identifiable assets and liabilities for Target are as follows:

Fair value recognized on acquisition	
Assets	
Cash and cash equivalents	€ 402
Trade receivables	7,834
Short-term financial assets	4,256
Prepaid expenses and other current assets	478
Rental equipment	93,923
Other property, plant and equipment	6,636
Other intangible assets	143
	113,672
Liabilities	
Trade and other payables	8,766
Current taxes payable	128
Deferred revenue and customer deposits	23,064
Loans and borrowings	58,927
	90,885
Total identifiable net assets at fair value	22,787
Goodwill arising on acquisition	161,530
Total purchase price	€ 184,317

The preliminary goodwill of €161,530 is attributable to the Group's expansion of its presence in the United States through entering the remote accommodations market.

The loans and borrowings of €58,927 is primarily finance leases assumed upon acquisition that expire within three years.

If the Target acquisition had taken place at the beginning of the year, revenue from continuing operations of the Group for the three months ended March 31, 2013 would have been €327,920, expenses of the Group would have been €405,361 and the net loss for the year for the Group would have been €77,441. The Consolidated Statement of Comprehensive Income includes revenue from continuing operations of €12,938, expenses of €11,143 and net profit for the year of €1,795 related to Target.

Transaction costs of the Target acquisition (included in selling, general and administrative expenses on the Consolidated Statements of Comprehensive Income and in the cash flows from operating activities on the Consolidated Statements of Cash Flows) were €3,591. Additionally, the Group incurred €1,286 in financing fees to amend the Group's multicurrency asset-based revolving credit facility agreement "ABL Revolver" to facilitate the Target acquisition.

Acquisitions in 2012

Ausco acquisition

On October 11, 2012, the Group completed a refinancing of its loans and obligations (the "2012 Refinancing"). As part of the 2012 Refinancing, the Group (i) issued €1.7 billion senior secured and senior unsecured notes; (ii) entered into a five year multicurrency asset–based revolving credit facility with a maximum availability of the equivalent of €933.0 million and borrowed the equivalent of €554.0 million under the ABL Revolver (iii) repaid €1.8 billion of secured bank facilities (iv) exchanged shares of Holdings to extinguish €559.0 million principal of secured bank facilities and Senior B3 debt; and (v) terminated existing interest rate swap agreements for a cash payment of €61.3 million. Substantially concurrent with the 2012 Refinancing, the Group completed the acquisition of 100% of the ownership of Ausco Holding S.à r.l. and its subsidiaries ("Ausco"), the leading provider of modular space in Australia and New Zealand from TDR in exchange for shares of Holdings. At the time of the acquisition of Ausco, €277 million of Ausco debt was also repaid. In addition, certain other indebtedness with related parties was eliminated through the contribution of the entities holding this debt to the Group by Holdings. Where shares of Holdings were used to effect the above transactions, Holdings further contributed the debt or asset to the Group through the Group's share capital. For further discussion of the 2012 Refinancing, see Note 19 of the Group's Consolidated Financial Statements for the year ended December 31, 2012.

The acquisition of Ausco from TDR is a transaction among entities under common control. TDR had previously acquired Ausco on June 29, 2011 for cash consideration of €481.3 million. The Group's acquisition of Ausco is part of its strategy to grow the business through expansion into new geographic territories. The Group has elected to account for this acquisition under the pooling of interest method as permitted by IFRS prospectively from the date on which the Group took control. Under the pooling of interest method, the assets and liabilities of the combined entities are reflected at their respective carrying values, which reflect a step-up in the basis of the Ausco assets and liabilities to fair value as of the date of acquisition by TDR, and no new identifiable intangible assets or goodwill are recorded. The statement of comprehensive income reflects the income and expenses of the combined entity from October 11, 2012.

The carrying value of the identifiable assets and liabilities of Ausco acquired on October 11, 2012 were comprised of the following:

Cash and cash equivalents	€	21,092
Trade receivables		57,766
Inventories		11,059
Rental equipment, net		214,757
Other property, plant and equipment, net		40,028
Goodwill		300,969
Customer relationships		13,014
Trade name		17,285
Total assets		675,970
Trade and other payables		65,041
Current tax payable		12,501
Employee benefits		4,087
Provisions		5,039
Loans and borrowings		564,827
Derivative liabilities		7,858
Deferred tax liabilities		6,413
Total liabilities		665,766
Non-controlling interests		1,229
Net equity	€	8,975

The Group acquired €13,014 of customer relationships in the Ausco acquisition with a weighted average remaining useful life of 1.2 years. A €17,285 trade name was also acquired which the Group determined to be an indefinite useful life intangible asset.

The loans and borrowings of €564,827 includes external debt that was repaid by the Group and Ausco notes that were contributed to Holdings by TDR as part of the 2012 Refinancing. The Ausco notes were contributed by Holdings to the Group in exchange for equity and are now eliminated within the Group.

Eurobras acquisition

In December of 2011, the Group completed the first part of a two phased acquisition plan to acquire the equity interests of several Brazilian entities (collectively, "the Eurobras Entities"). In January 2012, the Group completed the second phase of the acquisition of the Eurobras Entities. The combined purchase price of the Eurobras Entities was €73.3 million. The Group placed €22.1 million of the total purchase price in an escrow account pursuant to the purchase agreement. These funds will either be used to pay certain pre-acquisition liabilities for which the seller is responsible, or if such claims do not arise, will be paid directly to the sellers. As such, a corresponding liability was also recorded by the Group for this amount. During the fourth quarter of 2012, the Group finalized the purchase price allocation for the Eurobras entities and recorded a customer relationship intangible of €13,540 and an increase in the value of rental fleet of €5,562

with corresponding reductions in goodwill. The resulting change to amortization and depreciation expense was not material.

The fair value of the identifiable assets and liabilities for the Eurobras Entities were:

Fair value recognized on acquisition		
Assets		
Cash and cash equivalents	€	1,042
Trade receivables		3,755
Inventories		1,271
Prepaid expenses and other current assets		3,291
Rental equipment		12,847
Other property, plant and equipment		3,840
Other intangible assets		13,540
Deferred tax assets		524
		40,110
Liabilities		
Trade and other payables		1,867
Current taxes payable		1,901
Loans and borrowings		1,655
		5,423
Total identifiable net assets at fair value		34,687
Goodwill arising on acquisition		38,645
Purchase consideration transferred	€	73,332

The goodwill of €38,645 primarily comprises the value of assembled workforce in a geographic location where the Group had previously not operated which is not separately recognized.

5. Revenue

	Three months ended March 31,			
	2013		2012	
Leasing and services revenue:				
Modular space:				
Rental income	€	156,079	€	142,119
Services (principally delivery and installation)		41,388		38,797
Total modular space		197,467		180,916
Remote accommodations		30,254		–
Sales:				
New units		78,977		37,460
Rental units		8,257		9,358
	€	314,955	€	227,734

6. Personnel expenses

	Three months ended March 31,			
	2013		2012	
Wages and salaries	€	56,358	€	48,477
Compulsory social security contributions		6,984		6,384
Defined benefit plans		1,109		896
Share-based payment expense		25,930		(198)
Defined contribution and profit-sharing plans		683		751
	€	91,064	€	56,310

7. Finance income and expense

	Three months ended March 31,			
	2013		2012	
Interest income on bank deposits	€	146	€	588
Foreign exchange gains		15,948		21,277
Change in fair value of interest rate swap derivatives		–		4,288
Finance income		16,094		26,153
Interest expense on financial liabilities measured at amortized cost		(47,428)		(40,793)
Interest expense on interest rate swap derivatives		–		(9,641)
Foreign exchange losses		(43,833)		(11,474)
Other finance expense		(1,286)		–
Finance expense		(92,547)		(61,908)
Net finance expense recognized in profit or loss	€	(76,453)	€	(35,755)

8. Income taxes

Income tax benefit for the interim periods is based on the Company's expected annual effective tax rate.

	Three months ended March 31,			
	2013		2012	
Current tax benefit (expense)	€	(10,840)	€	(3,329)
Deferred tax benefit		20,126		6,411
Total income tax benefit	€	9,286	€	3,082

The principal differences between the tax benefit that would be derived from the application of the statutory rates to the net operating loss and the actual income tax benefit for the three months ended March 31, 2013 and 2012 results from interest and other expenses which are deemed not deductible for income tax purposes, the inability to recognize the benefit of net operating losses in certain jurisdictions that are in a cumulative net operating loss position and the impact related to taxes provided for repatriation of earnings from the Group's Canadian subsidiary.

9. Rental equipment

	Cost	Accumulated depreciation	Carrying amount
Balance at January 1, 2012	€ 1,982,057	€ (683,571)	€ 1,298,486
Acquisitions through business combinations	8,216	–	8,216
Depreciation charge for the period	–	(42,046)	(42,046)
Additions	31,405	–	31,405
Disposals	(15,889)	8,441	(7,448)
Impairment losses	–	(370)	(370)
Effect of movements in foreign exchange rates	(15,981)	1,545	(14,436)
Other movements	779	(552)	227
Balance at March 31, 2012	1,990,587	(716,553)	1,274,034
Acquisitions through business combinations	245,296	(26,463)	218,833
Depreciation charge for the period	–	(142,855)	(142,855)
Additions	134,655	–	134,655
Disposals	(94,989)	68,655	(26,334)
Impairment losses	–	(28,489)	(28,489)
Effect of movements in foreign exchange rates	15,278	(3,703)	11,575
Other movements	(18,554)	(1,358)	(19,912)
Balance at December 31, 2012	2,272,273	(850,766)	1,421,507
Acquisitions through business combinations	93,923	–	93,923
Depreciation charge for the period	–	(46,575)	(46,575)
Additions	44,007	–	44,007
Disposals	(17,813)	12,431	(5,382)
Impairment losses	–	(140)	(140)
Effect of movements in foreign exchange rates	20,374	1,598	21,972
Other movements	(4,599)	1,111	(3,488)
Balance at March 31, 2013	€ 2,408,165	€ (882,341)	€ 1,525,824

10. Goodwill

	Cost	Accumulated impairment losses	Carrying amount
Balance at January 1, 2012	€ 1,136,439	€ (535,154)	€ 601,285
Acquisitions through business combinations	32,326	–	32,326
Effect of movements in foreign exchange rates	(21,552)	12,458	(9,094)
Balance at March 31, 2012	1,147,213	(522,696)	624,517
Acquisitions through business combinations	287,130	–	287,130
Impairment losses	–	(195,600)	(195,600)
Effect of movements in foreign exchange rates	4,039	(3,450)	589
Balance at December 31, 2012	1,438,382	(721,746)	716,636
Acquisitions through business combinations	161,530	–	161,530
Effect of movements in foreign exchange rates	39,071	(14,064)	25,007
Balance at March 31, 2013	€ 1,638,983	€ (735,810)	€ 903,173

The Company performs its annual impairment test for goodwill on October 1 of each year and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on the market approach and value in use calculations that use a discounted cash flow model. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual financial statements for the year ended December 31, 2012. Management believes that there were no impairment indicators that required an interim impairment test at March 31, 2013.

11. Financial assets and liabilities

	March 31, 2013		December 31, 2012	
Current assets				
At amortized cost:				
Restricted cash	€	6,034	€	–
	€	6,034	€	–
Non-current assets				
At amortized cost:				
Loans and receivables	€	4,625	€	5,457
Escrow related to acquisition of Eurobras Entities		18,932		18,132
	€	23,557	€	23,589
Current liabilities				
At amortized cost:				
Bank overdrafts	€	4,591	€	3,570
Loans and payables due to Affiliates		2,999		3,050
	€	7,590	€	6,620

The restricted cash of €6.0 million relates to cash held in bank accounts under the Group's name, but for which the Group does not have access to the cash to use in funding day-to-day operations as part of an agreement with a lessor.

12. Cash and cash equivalents

	March 31, 2013		December 31, 2012	
Cash and cash equivalents per the Statement of Financial Position	€	41,190	€	78,882
Bank overdrafts used for cash management purposes		(4,591)		(3,570)
Cash and cash equivalents per the Statement of Cash Flows	€	36,599	€	75,312

13. Loans and borrowings

Debt outstanding – the carrying amount includes accrued interest and deferred financing fees

			March 31, 2013		December 31, 2012	
Debt Description	**Nominal Interest Rate**	**Year of Maturity**	**Principal**	**Carrying Amount**	**Principal**	**Carrying Amount**
Senior secured notes – USD	8.50%	2018	€ 838,468	€ 862,853	€ 815,076	€ 820,939
Senior secured notes – EUR	9.00%	2018	275,000	283,641	275,000	277,297
Senior unsecured notes – USD	10.75%	2019	581,078	608,893	564,866	576,695
ABL facility - USD	varies	2017	349,282	342,585	290,493	284,136
ABL facility – CAD	varies	2017	31,858	29,777	53,431	51,638
ABL facility – GBP	varies	2017	138,714	136,271	141,031	137,840
ABL facility – EUR	varies	2017	1,269	1,287	4,045	4,076
ABL facility - AUD	varies	2017	88,115	85,716	88,523	86,094
Other debt			6,769	6,769	2,183	2,183
Finance lease liabilities			64,776	64,776	4,683	4,683
Total loans and borrowings			€ 2,375,329	€ 2,422,568	€ 2,239,331	€ 2,245,581

Classification - loans and borrowings:	**Current**	**Non-current**	**Current**	**Non-current**
Senior secured notes	€ –	€ 1,100,618	€ –	€ 1,076,817
Senior unsecured notes	–	579,048	–	562,864
ABL facility	–	593,218	–	560,744
Other debt	5,079	1,263	740	1,443
Finance lease liabilities	41,464	23,312	3,244	1,439
Total loans and borrowings	€ 46,543	€ 2,297,459	€ 3,984	€ 2,203,307

During the 2012 Refinancing, the Group, through a newly formed subsidiary, issued USD $1,075 million (the "USD tranche") and €275 million (the "EURO tranche") of senior secured notes due October 15, 2018 (the "Senior Secured Notes"). The USD tranche of the Senior Secured Notes bears interest payable semi-annually at 8.5% and the EURO tranche bears interest payable semi-annually at 9.0%. The Group, through the newly formed subsidiary, issued USD $745 million of senior unsecured notes due October 15, 2019 (the "Senior Unsecured Notes"). The Senior Unsecured Notes bear interest payable semi-annually at 10.75%. Certain of the Company's subsidiaries organized in Australia, Canada, Hungary, New Zealand, the United Kingdom, the United States, France, Germany, Luxembourg and Spain guarantee the notes.

Certain subsidiaries of the Group in the United States, Canada, the United Kingdom, Australia and New Zealand are borrowers under the ABL Revolver. The amount which the Group can borrow is based on a defined formula of available assets, principally tangible assets calculated monthly (the "borrowing base"). The ABL is secured by a first lien on these tangible assets which comprise substantially all rental equipment, property, plant and equipment and trade receivables in the United States, Canada, the United Kingdom, Australia and New Zealand. The borrowing base at March 31, 2013 was the equivalent of €874.6 million. The ABL Revolver includes certain financial covenants, a leverage ratio and a fixed charge coverage ratio, calculated on a Group level, as defined in the agreement. These financial covenants are only subject to monitoring by the debt holders in the event that the Group's borrowings under the ABL have exceeded 90% of the available facility. Remaining availability under the ABL

Revolver was €226.5 million prior to consideration of the 90% covenant threshold and €132.9 million after consideration of the 90% covenant threshold at March 31, 2013. The Group expects to have greater than 10% availability under the borrowing base in 2013; as such, the Group does not expect to be subject to these financial covenants. Borrowings under the ABL Revolver bear interest payable on the first day of each quarter for the preceding quarter at a variable rate based on LIBOR or another applicable regional bank rate plus a margin. The margin varies based on the amount of total borrowings under the ABL Revolver with the margin increasing as borrowings increase. At March 31, 2013, the weighted average interest rate for borrowings under the ABL Revolver was 3.51%. The ABL Revolver requires the payment of an annual commitment fee on the unused available borrowings of between 0.25% and 0.5% per annum. At March 31, 2013, the Group had issued letters of credit under the ABL Revolver in the amount of €38.9 million in support of insurance programs in the United States and performance guarantees in Australia and in the United Kingdom. Letters of credit and bank guarantees carry fees of 2.625% of the outstanding balance and reduce the amount of available borrowings.

14. Share-based payments

The Group maintains a shared based long term incentive plan (“LTIP”) for certain management employees. Participants in the LTIP received shares of Algeco Scotsman Management S.C.A. (“ASM”), a subsidiary of Algeco/Scotsman Holding S.à r.l. outside of the Group. Employees who participated in a previous plan converted the shares they received in the previous plan into shares in ASM. New participants (“Joiners”) made a cash investment to purchase shares of ASM.

Participants in the LTIP are entitled to a payout, the amount of which depends on the Enterprise Value (“EV”) of the Group at Exit, as defined in the Subscription and Shareholders Deed (“Shareholder Agreement”). Exit is defined as a change of control in the Group. The payout increases as the EV increases and is payable in either cash or shares depending on the level of EV. The Group has concluded that the most likely payout will be principally in cash and that this payout will most likely be made directly by the Group. Therefore, the share-based payment awards under the LTIP are considered to be cash-settled awards of the Group.

The fair value of the share-based payment liability is determined using a Monte Carlo simulation (a Level 3 technique) to estimate the EV upon Exit and therefore the amount of the payout. The EV upon Exit is based on the total implied equity of the group at the measurement date determined by the fair value less cost to sell using the guideline public company method projected forward to an estimated Exit date.

The EBITDA multiple calculated is based upon market participant comparables with derived multiples of EBITDA. EBITDA multiples were calculated by deriving and averaging the current year observed multiple, the 2013 forward multiple and the 2014 forward multiple of market participant comparables. The calculated multiples of 11.7, 10.6 and 9.7 were applied to the actual trailing twelve months EBITDA at March 31, 2013, 2013 projected EBITDA and 2014 projected EBITDA, respectively and weighted. Other key estimates in the determination of the fair value of the share-based payment awards at each measurement date are estimated time to Exit, discounts or premiums for lack of transferability, forfeitures for employees who leave the Group and discounts for time value.

Participants who converted from a previous plan vest in their benefit over three years beginning January 1, 2010. Joiners vest over four years beginning January 1, 2010 or from the date of employment or promotion. Other than the payout, holders of shares of ASM have no rights and all shares of ASM are cancelled upon payout. At each reporting date, the estimated fair value of the awards is determined. Expense for the period is comprised of the amortization of the initial expense for current period vesting and adjustments to previously recorded expense for changes in the estimate of the fair value of the award. While expense will primarily be recognized over the vesting period, the estimate of the fair value of the awards will be updated at each reporting date until payout. Changes in the estimate of the fair value will result in changes to the cumulative expense recognized subsequent to the vesting dates.

Fair value of the New Plan using the Monte Carlo simulation was calculated using a range of key assumptions as follows:

	March 31, 2013				December 31, 2012	
Expected time to Exit	1.50 years	1.75 years	2.25 years	2.75 years	1.5 years	3.0 years
Expected volatility	19.3%	20.8%	20.2%	20.2%	20.9%	20.0%
Expected dividend yield	0%	0%	0%	0%	0%	0%
Risk free rate (EUR)	0.10%	0.11%	0.16%	0.21%	0.05%	0.11%
Discount for lack of transferability	10.56%	12.33%	13.56%	14.98%	13.61%	18.27%

Expected volatility was determined by reference to the historical volatility of a comparable peer group. Expected life is management's estimate of time to exit at the grant date.

The total estimated fair value of the awards under the LTIP was €42.4 million at March 31, 2013 and €17.5 million at December 31, 2012. For the three months ended March 31, 2013, the Group recorded expense of €25.9 million compared to a reduction of expense of €0.2 million for the three months ended March 31, 2012. The LTIP charge recorded represents the portion of total estimated fair value attributed to service rendered during the three months ended March 31, 2013 of €0.9 million and €0.5 million for the three months ended March 31, 2012. In the three months ended March 31, 2013, the Group recorded expense of €25.0 related to the increase in estimated fair value of the awards. In the three months ended March 31, 2012, the Group recorded a reduction of expense of €0.7 million related to the decrease in estimated fair value and to an agreement reached between the Group and an employee to pay out this individual's LTIP at an amount different than the current fair value in connection with separation from the Group. The Group has recorded a liability of €39.1 million at March 31, 2013 and €16.0 million at December 31, 2012 representing the vested amount of the award.

15. Credit risk

During the three months ended March 31, 2013, the Group collected €2.7 million in trade receivables from public administration customers in Spain. As of March 31, 2013, the Group had €15.8 million remaining in trade receivables with public administration customers (comprised principally of governmental and pseudo-governmental agencies) in Spain of which €8.5 million were over 90 days and €1.4 million were over 360 days. We do not maintain a provision for impairment on public administration customers.

16. Related parties

During the three months ended March 31, 2013 and 2012, TDR charged the Group €1.9 million and €1.0 million, respectively, for consulting and management advisory services.

17. Subsequent events

Holdings PIK Debt

On May 1, 2013, Holdings, through a newly formed wholly-owned subsidiary, Algeco Scotsman PIK S.A. ("AS PIK"), entered into a $400 million payment-in-kind debt ("PIK Debt") loan agreement intended to fund a partial redemption of capital, net of transaction fees and expenses, to Holdings' shareholders. Funding occurred on May 14, 2013. The PIK Debt will bear interest at a rate equal to 15.75% per annum, or 15.00% per annum to the extent paid in cash, mature in May 2018, and will be mandatorily pre-payable with the proceeds of certain offerings or other sales of equity and upon the occurrence of a change of control transaction. Neither the Company nor any of its subsidiaries, which comprise the entire restricted group under the existing bond and bank facilities, will be obligors or guarantors under the PIK Debt. To secure the obligations of AS PIK under the PIK Debt, Holdings and certain of its subsidiaries granted a pledge over all of the issued and outstanding shares of the Company.

Chinese Joint Venture

On April 11, 2013, the Company signed a joint venture agreement with Beijing Chengdong International Modular Housing Company, Ltd. Subject to Chinese regulatory approvals, the joint venture will produce, lease and sell modular space solutions under the brand name Algeco Chengdong. The Company is required to make an initial contribution in the Euro-equivalent amount of RMB 15,300 (as of March 31, 2013 approximately €1,905), representing a 51% equity interest in the joint venture and, within twelve months following the joint venture's establishment, the Company will be required to contribute an amount equal to the Euro-equivalent of RMB 29,000 (as of March 31, 2013 approximately €3,611) and the Company's equity interest will be increased to 60%. Within thirty months following the joint venture's establishment, the Company will be required to contribute an amount equal to the Euro-equivalent of RMB 41,000 (as of March 31, 2013 approximately €5,105) and the Company's equity interest will be increased to 65%.