TEXTAINER GROUP HOLDINGS LTD
Form 424B7
September 10, 2012
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File No. 333-171410

Subject to Completion

Preliminary Prospectus Supplement dated September 10, 2012

PROSPECTUS SUPPLEMENT

(To prospectus dated August 17, 2012)

7,500,000 Shares

Textainer Group Holdings Limited

Common Shares

We are selling 5,000,000 of our common shares, and the selling shareholder identified in this prospectus supplement is selling 2,500,000 of our common shares. We will not receive any proceeds from the sale of common shares by the selling shareholder.

Our common shares trade on the New York Stock Exchange under the symbol TGH. On September 7, 2012, the last sale price of our common shares as reported on the New York Stock Exchange was $35.44 per share.

Investing in our common shares involves risks that are described in the Risk Factors section beginning on page S-13 of this prospectus supplement.

	Per Share	Total
Public offering price	$	$
Underwriting discount	$	$
Proceeds, before expenses, to us	$	$
Proceeds, before expenses, to the selling shareholder	$	$

The underwriters may also exercise their option to purchase up to an additional 1,125,000 common shares from us, at the public offering price less the underwriting discount, for 30 days after the date of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2012.

Joint Book-Running Managers

BofA Merrill Lynch **Wells Fargo Securities** **Credit Suisse**

The date of this prospectus supplement is , 2012.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the terms of this offering of common shares. The second part is the accompanying prospectus, which provides more general information. Generally, when we refer to this prospectus , we are referring to both parts of this document combined. If the information varies between the prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. This prospectus supplement contains information about our common shares offered in this offering and may add, update or change information in the accompanying prospectus. Before you invest in our common shares, you should carefully read this prospectus supplement, along with the accompanying prospectus, in addition to the information contained in the documents we refer to under the headings Information Incorporated by Reference and Where You Can Find More Information.

Neither we, the selling shareholder nor the underwriters have authorized anyone to provide you with any information or to make any representation not contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus or included in any free writing prospectus that we may file with the Securities and Exchange Commission, or the SEC, in connection with this offering. We do not, and the selling shareholder and the underwriters do not, take any responsibility for, and can provide no assurances as to, the reliability of any information that others may provide you. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein or therein or any free writing prospectus prepared by us is accurate as of any date other than the date of the respective document. Our business, financial condition, results of operations and prospects may have changed since that date.

Industry data and other statistical information used in this prospectus, any related free writing prospectus and any document incorporated by reference into this prospectus are based on independent publications, reports by market research firms or other published independent sources. Some data are also based on our good faith estimates, derived from our review of internal surveys and the independent sources listed above. Although we believe these sources are reliable, we have not independently verified the information.

In this prospectus, unless otherwise specified, all monetary amounts are in U.S. dollars. To the extent that any monetary amounts are not denominated in U.S. dollars, they have been translated into U.S. dollars in accordance with our accounting policies as described in our consolidated financial statements incorporated by reference into this prospectus.

Neither we, the selling shareholder, nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted.

Consent under the Exchange Control Act 1972 (and its related regulations) has been given by the Bermuda Monetary Authority for the issue and transfer of our securities other than Equity Securities to and between non-residents of Bermuda for exchange control purposes and for the issue and transfer of our Equity Securities to and between non-residents of Bermuda for exchange control purposes provided our common shares are and remain listed on an appointed stock exchange, which includes the New York Stock Exchange, or the NYSE. This prospectus may be filed with the Registrar of Companies in Bermuda in accordance with Bermuda law. In granting such consent and in accepting this prospectus for filing, neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda accepts any responsibility for our financial soundness, the correctness of any of the statements made or opinions expressed in this prospectus.

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INFORMATION REGARDING FORWARD LOOKING STATEMENTS; CAUTIONARY LANGUAGE

This prospectus supplement, the accompanying prospectus, any related free writing prospectus supplement and any document incorporated by reference into this prospectus contain, or will contain, forward-looking statements within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995, or the PSLRA. In addition, we, or our executive officers on our behalf, may from time to time make forward-looking statements in reports and other documents we file with the SEC or in connection with oral statements made to the press, potential investors or others. Forward-looking statements include all statements that are not statements of historical facts and may relate to, but are not limited to, expectations or estimates of future operating results or financial performance, capital expenditures, regulatory compliance, plans for growth and future operations, as well as assumptions relating to the foregoing. In some cases, you can identify forward-looking statements by terminology such as may, will, should, could, expect, plan, anticipate, believe, estimate, predict continue or the negative of these terms or other similar terminology. Although we do not make forward-looking statements unless we believe we have a reasonable basis for doing so, we cannot guarantee their accuracy, and actual results may differ materially from those we anticipated due to a number of uncertainties, many of which cannot be foreseen.

Forward looking statements include, among others, statements regarding (i) our belief that refrigerated containers represent a very attractive market, (ii) our belief that our existing liquidity, long-term lease portfolio, upside market exposure and presence of both owned and managed containers will provide us with a more predictable source of revenues and operating cash flow, higher operating margins over time and allow is to continue to pay a sustainable dividend as we expand our container fleet and grow our business effectively over time, (iii) our beliefs and expectations with respect to growth in containerized trade, favorable container supply dynamics, the increasing reliance on container lessors and prevalence of long-term leases will translate into continued excellent returns for our industry, (iv) our expectation that we will continue to identify and acquire attractive portfolios of containers, (v) our belief the consolidation trend in the industry and ongoing downturn in the world s major economies will result in potential acquisition opportunities, (vi) our expectation that we will target high utilization rates and attractive returns on our assets though our focus on disciplined portfolio management, (vii) our expectations with respect to the refinancing of our existing revolving credit facility and (viii) our expectations with respect to our purchase of a total of approximately 52,000 TEU from our managed fleet. Similarly, forward-looking statements regarding our present expectations for operating results and cash flow involve risks and uncertainties related to factors such as utilization rates, per diem rates, container prices, demand for containers by container shipping lines, supply and other factors described in the section entitled Risk Factors in this prospectus supplement, which would also cause actual results to differ from present plans. Such differences could be material.

All future written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Forward-looking statements speak only as of the date the statements are made. New risks and uncertainties arise from time to time, and we cannot predict those events or how they may affect us. We assume no obligation to, and do not plan to, update any forward-looking statements as a result of new information, future events or developments, except as required by U.S. federal securities laws. You should read this prospectus supplement, the accompanying prospectus, any related free writing prospectus and any document incorporated by reference into this prospectus with the understanding that we cannot guarantee future results, levels of activity, performance or achievements and that actual results may differ materially from what we expect.

Before you invest in our securities, you should be aware that the occurrence of these risks and uncertainties could negatively impact, among other things, our business, cash flows, results of operations, financial condition and share price. Potential investors should not place undue reliance on our forward-looking statements.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about us. This summary does not contain all of the information that may be important to you or that you should consider before deciding to invest in our common shares. You should read carefully this entire prospectus supplement, the accompanying prospectus and the information incorporated by reference herein, including the risk factors and our consolidated financial statements and the related notes before investing in our common shares. In this prospectus supplement, unless indicated otherwise, references to: (1) Textainer, TGH, the Company, we, us and our refer, as the context requires, to Textainer Group Holdings Limited, or Textainer Group Holdings Limited and its subsidiaries; (2) TEU refers to a Twenty-Foot Equivalent Unit, which is a unit of measurement used in the container shipping industry to compare shipping containers of various lengths to a standard 20 dry freight container, thus a 20 container is one TEU and a 40 container is two TEU; (3) CEU refers to a Cost Equivalent Unit, which is a unit of measurement based on the approximate cost of a container relative to the cost of a standard 20 dry freight container, so the cost of a standard 20 dry freight container is one CEU; the cost of a 40 dry freight container is 1.6 CEU; and the cost of a 40 high cube dry freight container (9 6 high) is 1.7 CEU; (4) our owned fleet means the containers we own; (5) our managed fleet means the containers we manage that are owned by other container investors; (6) our fleet and our total fleet mean our owned fleet plus our managed fleet plus any containers we lease from other lessors; and (7) container investors means the owners of the containers in our managed fleet.

Our Company

Textainer is the world s largest lessor of intermodal containers based on fleet size, with a total fleet of more than 1.7 million containers, representing over 2.6 million TEU, as of June 30, 2012. Containers are an integral component of intermodal trade, providing a secure and cost-effective method of transportation because they can be used to transport freight by ship, rail or truck, making it possible to move cargo from point of origin to final destination without repeated unpacking and repacking.

We lease containers to approximately 400 shipping lines and other lessees, including each of the world s top 20 container lines, as measured by the total TEU capacity of their container vessels. We believe that our scale, global presence, access to capital, customer service, market knowledge and long history with customers have made us one of the most reliable suppliers of leased containers. We have a long track record in the industry, operating since 1979, and have developed long-standing relationships with key industry participants. Our top 25 customers, as measured by revenues, have leased containers from us for an average of over 24 years.

Our total revenues primarily consist of leasing revenues derived from the lease of our owned containers and, to a lesser extent, fees received for managing containers owned by third parties and from the sale of containers. The key drivers of our revenues are fleet size, rental rates, utilization and realized residual values. For the six months ended June 30, 2012, 56% of our total operating lease revenues based on lessee domicile originated in the Asia Pacific region, 32% in Europe, 8% in the Americas and 4% in the Middle East and Africa.

Our operating model focuses on generating attractive returns from our container assets over their economic useful lives, and we proactively manage the acquisition, leasing, re-leasing and sale of the containers in our portfolio. Our profitability depends on not only favorable initial long-term leases for new containers, but also maximizing the returns generated by these containers throughout their useful life in marine service and their ultimate sale into the secondary market (resale). We believe that our scale, global presence and relationships with approximately 400 container lessees and more than 1,100 resale buyers provide us a competitive advantage in acquiring containers as well as in leasing, re-leasing and selling our containers.

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The largest portion of our fleet is comprised of dry freight containers, which are by far the most common type of intermodal containers. Dry freight intermodal containers are large, standardized steel boxes used to carry general cargo, such as manufactured component parts, consumer staples, electronics and apparel. Our fleet also consists of specialized containers, including flat-rack and open-top containers that are generally used to transport heavy or oversized cargo and refrigerated containers, which have integral refrigeration units on one end that plug into an outside power source and are generally used to transport perishable and frozen goods. We believe that refrigerated containers represent a very attractive market, and we have continued to invest in growing our refrigerated container fleet in addition to our dry freight container fleet.

We lease containers primarily under four different types of leases.

- Term leases, which provide customers with a specified number of containers for a specified period of time, typically ranging from three to eight years, with an associated set of pick-up and drop-off conditions, represented approximately 75% of our total on hire fleet as of June 30, 2012.

- Master leases, which provide a framework of terms and conditions valid for a specified period of time, typically one year, give customers greater flexibility than is typical in term leases and represented approximately 17% of our total on hire fleet as of June 30, 2012.

- Finance leases, which provide customers an alternative means for purchasing containers, represented approximately 5% of our total on hire fleet as of June 30, 2012.

- Spot leases, which provide customers with containers for a relatively short lease period and with fixed pick-up and drop-off locations, represented approximately 3% of our total on hire fleet as of June 30, 2012.

As of June 30, 2012, approximately 75% of our on-hire fleet was on long-term leases with an average remaining lease term of approximately 40 months. When initial term leases expire, we focus on renewing or extending leases beyond their expiration date. We focus on negotiating favorable return provisions, maintain an active presence in the master and spot lease markets, and work to increase our options for disposing of off-lease containers so that we have attractive alternatives if it is not possible to achieve reasonable renewal or extension of terms with the current lessee. During the twelve month period ending June 30, 2012, the average utilization of our owned fleet was 98.4%.

We successfully completed our initial public offering in the United States on October 9, 2007, and our common shares trade on the New York Stock Exchange under the symbol TGH . Trencor Ltd. (Trencor), a company publicly traded on the JSE Limited (the JSE) in Johannesburg, South Africa, and its affiliates currently have a beneficiary interest through Halco Holdings Inc (Halco) in 60.01% of our issued and outstanding common shares.

We have demonstrated a track record of growth. Since our initial public offering, we have grown net income available to our shareholders from $67.7 million in 2007 to $189.6 million in 2011, and our total fleet from approximately 2.0 million TEUs as of December 31, 2007 to approximately 2.4 million TEUs as of December 31, 2011, and over 2.6 million as of June 30, 2012. We have been one of the largest buyers of new containers, acquiring an average of more than 141,000 TEU of new containers per year for the last five years. We have grown our owned fleet from 0.8 million TEU (40% of the total fleet) to 1.4 million TEU (59% of the total fleet) from December 31, 2007 to December 31, 2011. We have grown our owned refrigerated fleet from 6,641 TEU as of December 31, 2008 to 31,640 TEU as of December 31, 2011, which represents a compounded annual growth rate (CAGR) of over 68%. We are also one of the largest sellers of used containers, having sold an average of more than 80,000 containers per year for the last five years.

Net Income Available to TGH Shareholders	**Total Container Fleet**
(in millions)	**(thousands of TEUs, at year end)**

We have paid a cash dividend in every quarter since our initial October 2007 public offering and, including our time as a privately held entity, we have paid stable or increasing dividends for 23 consecutive years. Our dividend has been increased 13 times since our initial public offering, including in each of the last 10 quarters, and we maintained our dividend during the 2008-2009 economic downturn. Our dividend strategy is to provide our shareholders with a sustainable dividend while maintaining capital to invest and grow our business. We believe that our existing liquidity, long-term lease portfolio and upside market exposure will allow us to continue to pay a sustainable dividend as we expand our container fleet. However, the declaration and payment of dividends, if any, will always be subject to the discretion of our board of directors and will depend on, among other things: (i) our earnings, financial condition and available sources of liquidity, (ii) decisions in relation to our growth strategies, (iii) provisions of Bermuda law governing the payment of dividends, (iv) restrictive covenants in our existing and future debt instruments, and (v) global financial conditions. We can give no assurance that dividends will be paid in the future.

Market Opportunity

Intermodal containers are a large, global asset class comprised of approximately 31.3 million TEU at the end of 2011. Containers are built in accordance with standard dimensions and weight specifications established by the International Organization for Standardization (ISO).

While the useful economic life of containers varies based upon the damage and normal wear and tear suffered by the container, we estimate that the useful economic life for a standard dry freight container used in intermodal transportation is on average 12 years. Some shipping lines have recently indicated that they intend to keep their containers for longer than 12 years.

According to World Cargo News, an industry publication, container lessors owned approximately 45% of the total worldwide container fleet and shipping lines own almost all the balance of the container fleet.

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According to World Cargo News, intermodal leasing companies, as ranked by total TEU at January 2012, are as follows:

Company	TEU (1)
Textainer	2,470
Triton Container	1,855
Florens Container (2)	1,775
TAL International	1,625
Seaco	990
CAI	930
SeaCube Containers	930
Cronos Group	725
Touax (Gold Container)	505
Dong Fang International	495
Beacon Intermodal	375
UES International HK	290
Other	985
Grand Total	**13,950**

(1) TEU numbers in thousands.

(2) Includes containers leased to Cosco Container Lines.

We believe that the following factors create opportunities for us to successfully grow our business:

Continued Growth in Containerized Trade. Containers are the primary means by which products are shipped internationally. Over the last decade, containerized trade has grown at a rate greater than that of general worldwide economic growth. According to Drewry Shipping Consultants, Ltd. (Drewry), an independent global maritime consulting and publishing firm, worldwide containerized annual port throughput increased at a CAGR of 8.6% from 2000 to 2011. This growth has been due to several factors, including the continued integration of developing high growth economies into global trade patterns, the shift in global manufacturing capacity to lower labor cost areas such as China and Southeast Asia, and the continued conversion of cargo from bulk shipping into containers. As depicted below, this growth is expected to continue with an estimated CAGR of approximately 6.3% from 2011 through 2015.

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Containerized Port Throughput

(thousands of TEUs)

Source: Drewry.

Favorable Container Supply Dynamics. Lead times for delivery of new container orders are typically one to three months, a period of time which is significantly shorter than the two to four year delivery lead time associated with other types of transportation assets, such as containerships or aircraft. As a result, the historical production of containers has generally been quicker to adjust to changing market conditions, limiting the size of the idle container fleet and helping preserve a favorable supply and demand balance. For example, during the global financial crisis and recession in the second half of 2008 orders and construction of new dry cargo boxes came to a virtual halt until container manufacturers began to slowly restart production in the last few months of 2009. We estimate that the world container fleet declined by approximately 4% in 2009 as a result of the continued retirement of older containers in the ordinary course and lack of new container production.

Increasing Reliance on Container Lessors. We believe that the increasing reliance of container shipping lines on leasing companies to provide containers represents a very positive secular trend. The percentage of the global container fleet owned by container lessors has increased since 2009 and is currently 45%, according to World Cargo News. Since 2010, we believe leasing companies have purchased more than half of all new container production and we estimate they have purchased 60% or more of container production to date in 2012, or 75% after deducting purchases by Maersk, the largest shipping line buyer. We expect that the percentage of new containers purchased by lessors will continue to increase in the next few years, given limited access to credit and competing needs for capital expenditures by shipping lines. We believe the ownership of containers is no longer a core use of capital expenditures for the container shipping lines, who are focused on growing their containership fleets, investing in larger more fuel-efficient vessels and investing in container terminals and other infrastructure. Given the uncertainty and variability of export volumes and the fact that shipping lines have difficulty in accurately forecasting their container requirements at different ports, the availability of containers for lease significantly reduces a shipping line s need to purchase and maintain excess container inventory, and increases its ability to meet peak demand requirements.

We believe that the expected continued growth in containerized trade, the favorable container supply dynamics, the increasing reliance on container lessors and prevalence of long-term leases will translate into continued excellent returns for our industry.

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Competitive Strengths

We believe that we possess a number of strengths that provide us with a competitive advantage, including:

Largest Container Lessor in the Industry. We operate the world s largest fleet of leased intermodal containers by fleet size, with a total fleet of more than 1.7 million containers, representing over 2.6 million TEU, as of June 30, 2012. We provide our services worldwide via a network of regional and area offices and independent depots. We have been one of the largest buyers of new containers purchasing an average of more than 141,000 TEU per year for the last five years and are also one of the largest sellers of used containers, selling an average of more than 80,000 containers per year for the last five years. Our consistent presence in the market buying and selling containers provides us with broad market intelligence, and valuable insight into the demand patterns of our shipping line customers and resale container buyers.

Proven Ability to Grow Our Fleet. Our ability to invest in our fleet on a consistent basis has allowed us to become the world s largest container lessor. We have demonstrated our ability to increase the size of our container fleet by purchasing containers from manufacturers and by acquiring existing container fleets or their management rights. Since 1999, we have acquired the rights to manage approximately 1,380,000 TEU from former competitors and we have acquired approximately 480,000 TEU of containers from our managed fleet. This experience provides us with a competitive advantage over other lessors who are less experienced in assuming ownership or management of other container fleets. As one of the container leasing industry s largest buyer of new containers, we have developed strong relationships with container manufacturers. These relationships, along with our large volume buying power and solid financial structure, enable us to reliably purchase containers during periods of high demand.

Ability to Generate Attractive Returns Throughout the Container Life-Cycle. One of our major strengths is our demonstrated ability to generate attractive revenue streams throughout the economic life of a container in marine service and upon resale of the container at the end of its marine service life. At the end of a lease, we generally have the ability to either negotiate an extension of the lease term or to take back the container and re-lease or sell it maximizing the container s return. This flexibility, coupled with our international coverage, organization and resources, allows us to deploy containers to those markets where we can re-lease or sell them on comparatively attractive terms, thereby optimizing our returns and the residual value of our fleet.

Strong Long-Standing Relationships with Customers. Our scale, long presence in the business and reliability as a supplier of containers has resulted in strong relationships with our customers. We lease containers to approximately 400 shipping lines and other lessees, including each of the world s top 20 container lines, as measured by vessel fleet size in TEU and we sell containers to over 1,100 resale customers. We believe our ability to consistently supply containers in locations where our customers need them makes us one of the most reliable lessors of containers. Our top 25 customers, as measured by revenues, have leased containers from us for an average of over 24 years.

Strategic Management of Container Portfolio. We believe that the long-term nature of our lease portfolio, as well as the presence of both owned and managed containers in our fleet, provides us with a more predictable source of revenues and operating cash flow and higher operating margins over time, enabling us to manage and grow our business more effectively. We derive revenues from leasing our owned containers, managing containers owned by third parties, buying and selling containers and supplying leased containers to the U.S. military. These multiple revenue streams provide for a diverse income base, mitigate the effects of our cyclical industry on profitability and allow us to optimize our use of capital.

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Experienced Management Team. Our senior management has a long history in the industry. Our senior management have an average of over 18 years of service with us. The management team has extensive experience in sourcing, leasing, financing, selling, trading and managing containers, as well as a long track record of successfully acquiring and selling container assets.

Business Strategies

We intend to grow our business profitably by pursuing the following strategies:

Leverage Our Status as the Largest Container Lessor and Consistent Purchaser and Seller of Containers. We maintain a young fleet age profile by making regular purchases of available containers to replace older containers and increase the size of our fleet. We believe that this consistent purchasing behavior and the resulting scale and young fleet age profile provides us with a competitive advantage in maintaining strong relationships with manufacturers and growing our market share with our existing customers.

Pursue Attractive Container Fleet Acquisition Opportunities. We will continue to seek to identify and acquire attractive portfolios of containers, both on an owned and on a managed basis, to allow us to grow our fleet profitably. We believe that the consolidation trend in our industry will continue and will likely offer us future growth opportunities. We also believe that the ongoing downturn in the world s major economies and the constraints in the credit markets may also result in potential acquisition opportunities, including through the purchase and leaseback of customer-owned containers. Purchase and leaseback transactions can be attractive to our customers because they free up cash for other capital needs, and these transactions enable us to buy attractively priced containers and at the same time place them on leases for the remainder of their marine service lives.

Continue to Focus on Maintaining High Levels of Utilization and Operating Efficiency. We will continue to target high utilization rates and attractive returns on our assets through our focus on longer-term leases and disciplined portfolio management. As of June 30, 2012, approximately 75% of our total on hire fleet (based on total TEU) was on long-term leases, compared to approximately 58% ten years ago. We also drive operating efficiency by maintaining a low cost structure, having brought down our fleet management cost per CEU per day by approximately 50% and grown the number of CEU per employee by over 215%, in each case over the 10 years ended December 31, 2011. Our management cost per CEU per day and CEU per employee metrics are significantly better than all three of the other container leasing companies publicly traded in the U.S. Furthermore, we believe that we can continue to grow our fleet without a proportionate increase in our headcount, thereby continuing to improve profitability by spreading our operating expenses over a larger revenue base.

Maintain Access to Diverse Sources of Capital. We have successfully utilized a wide variety of financing alternatives to fund our growth, including secured debt financings, bank financing, and equity from third party investors in containers. We believe this diversity of funding, combined with our access to the public equity markets, provides us with an advantage in terms of both cost and availability of capital, versus our smaller competitors and also our shipping line customers.

Recent Developments

On September 10, 2012 we announced that we entered into two separate agreements to acquire approximately 52,000 TEU from our managed fleet for approximately $66 million with the transfer of ownership rights effective as of August 1, 2012. The purchase of approximately 4,300 TEU was completed on August 1, 2012 and the purchase of approximately 47,800 TEU is expected to close by the end of September 2012. The two acquired fleets consist of standard dry freight containers and the purchases increase the percentage of Textainer s owned fleet from 61% as of July 31, 2012 to 63% as of the August 1, 2012 effective date for the ownership rights transfer.

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We are currently in discussions with potential lenders regarding the refinancing of our existing $205 million revolving credit facility of our wholly-owned subsidiary Textainer Limited with a new credit facility. The current facility is scheduled to mature in April 2013. As of September 4, 2012, $188.5 million is outstanding under this facility. We have not obtained a commitment for the full amount of the new credit facility or finalized the credit documentation governing the new credit facility. We currently expect to close the refinancing by the end of September 2012. The closing of this offering of is not conditioned on the refinancing of Textainer Limited s existing credit facility, and we cannot assure you that Textainer Limited will enter into a new credit facility on the schedule anticipated, or at all.

Corporate Information

Our corporate headquarters are located at Century House 16 Par-La-Ville Road, Hamilton HM 08, Bermuda, and our telephone number is (441) 296-2500. Our web site address is www.textainer.com. Information contained on, or that can be accessed through, our website is not a part of this prospectus.

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The Offering

Common shares offered:	
By the Company	5,000,000 shares
By the selling shareholder	2,500,000 shares
Total	7,500,000 shares
Common shares to be issued and outstanding after this offering	54,624,085 shares
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting the underwriting discount and estimated expenses payable by us, will be approximately $169.6 million (or $207.9 million if the underwriters exercise their option to purchase additional common shares in full). We intend to use all of our net proceeds from this offering for capital expenditures and general corporate purposes. We will not receive any of the proceeds from the sale of common shares by the selling shareholder. See Use of Proceeds.
Option to purchase additional common shares	We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus supplement, to purchase up to 1,125,000 additional common shares at the public offering price, less the underwriting discount.
Principal Shareholder	Upon consummation of this offering, Halco, the selling shareholder, will beneficially own approximately 49.9% of our issued and outstanding common shares (48.9% if the underwriters exercise their option to purchase additional common shares in full).
Risk factors	See Risk Factors beginning on page S-13 of this prospectus supplement for a discussion of specific risks you should consider before purchasing our common shares.
Conflicts of Interest	An affiliate of Wells Fargo Securities, LLC beneficially owns 75% of a joint venture with a wholly-owned subsidiary of the Company, which beneficially owns 25% of the joint venture. Because an affiliate of the Company is controlled by an affiliate of Wells Fargo Securities, LLC, Wells Fargo Securities, LLC may be deemed to have a conflict of interest under Rule 5121 (Rule 5121) of the Financial Industry Regulatory Authority (FINRA). Pursuant to Rule 5121, the appointment of a qualified independent underwriter is not necessary in connection with this offering because the securities offered have a bona fide public market, as defined by Rule 5121. This offering is being conducted in accordance with the applicable provisions of Rule 5121. For more information, see Underwriting Other Relationships (Conflicts of Interest).

New York Stock Exchange symbol	TGH

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The number of common shares to be issued and outstanding after this offering is based on 49,624,085 common shares issued and outstanding as of September 4, 2012 and, unless otherwise indicated, excludes:

- 779,189 common shares issuable upon exercise of outstanding options under our share incentive plan at a weighted average exercise price of $20.29 per share;
- 819,049 common shares issuable under unvested restricted share units;
- 1,463,590 common shares reserved for future issuance under our share incentive plan.

Unless otherwise indicated, all information in this prospectus supplement assumes no exercise by the underwriters of their option to purchase up to 1,125,000 additional common shares from us.

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SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA

The following table sets forth certain summary consolidated financial and other data for the Company as of and for the years ended December 31, 2011, 2010 and 2009 and as of and for the six months ended June 30, 2012 and 2011. The summary historical consolidated financial information as of and for the years ended December 31, 2011, 2010 and 2009 has been derived from the Company s audited consolidated financial statements. The summary historical consolidated financial information as of and for the six months ended June 30, 2012 and 2011 has been derived from the Company s condensed unaudited consolidated financial statements. In the opinion of management, the condensed unaudited financial statements contain all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of our financial position and results of operations as of the dates and for the periods presented. Our interim results of operations are not necessarily indicative of the results to be expected for a full year. The summary historical financial data set forth below should be read in conjunction with the Operating and Financial Review and Prospects and the financial statements, and the accompanying notes thereto, incorporated by reference into this prospectus.

	Six Months Ended June 30,		Fiscal Years Ended December 31,		
	2012	2011	2011	2010	2009
	(in thousands, except per share and TEU amounts)				
Statement of Income Data:					
Revenues:					
Lease rental income	$ 179,679	$ 155,480	$ 327,627	$ 235,827	$ 189,779
Management fees	14,094	15,299	29,324	29,137	25,228
Trading container sales proceeds	24,281	10,420	34,214	11,291	11,843
Gains on sale of containers, net	19,451	15,811	31,631	27,624	12,111
Total revenues	237,505	196,938	422,796	303,879	238,961
Operating expenses:					
Direct container expense	12,164	8,273	18,307	25,542	39,062
Cost of trading containers sold	21,132	9,190	29,456	9,046	9,721
Depreciation expense	44,381	42,867	83,177	58,972	48,473
Amortization expense	2,605	3,332	6,110	6,544	7,080
General and administrative expense	11,545	12,241	23,495		