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**Textainer Group Holdings Ltd.**  
Investor Presentation  
May 2021

# Forward Looking Statements



Certain information included in this presentation and other statements or materials published or to be published by Textainer Group Holdings Limited (“the Company”) are not historical facts but are forward-looking statements relating to such matters as anticipated financial performance, business prospects, technological developments, new and existing products, expectations for market segment and growth, and similar matters. In connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, the Company provides the following cautionary remarks regarding important factors which, among others, could cause the Company’s actual results and experience to differ materially from the anticipated results or other expectations expressed in the Company’s forward-looking statements. The risks and uncertainties that may affect the operations, performance, development, results of the Company’s business, and the other matters referred to above include, but are not limited to: (i) changes in the business environment in which the Company operates, including global GDP changes, the level of international trade, inflation and interest rates; (ii) changes in taxes, governmental laws, and regulations; (iii) competitive product and pricing activity; (iv) difficulties of managing growth profitably; and (v) the loss of one or more members of the Company’s management team.

As required by SEC rules, we have provided a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP measures in materials on our website at [www.textainer.com](http://www.textainer.com).



# Quarterly Earnings and Business Highlights

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# Overview of Quarterly Financial Results

## 1Q21 and % change from 4Q20

<b>Lease rental income</b>	<b>\$169M (5%)</b>
<b>Income from operations</b>	<b>\$92M (28%)</b>
<b>Net income</b>	<b>\$62M (40%)</b>
<b>Adjusted net income<sup>1</sup></b>	<b>\$59M (44%)</b>
<b>Adjusted EBITDA<sup>1</sup></b>	<b>\$153M (12%)</b>
<b>Annualized ROE</b>	<b>18% (39%)</b>

## Quarter Highlights

- Significant improvement in lease rental income due to unprecedented fleet growth. Our lease portfolio now consists of 88% long-term leases with an average remaining lease tenor of 6 years
- Reported record Income from Operations, Net Income, EBITDA and EPS
- Utilization averaged 99.6% for the quarter and currently at 99.7%
- Container investments of \$580M received during 1Q21 and additional investments of \$700M to be received through July 2021; virtually all containers already on, or committed to, attractive long-term leases
- Repurchased 546K shares of common stock at an average price of \$19.68 per share during the quarter. In May 2021, the Board of Directors authorized a \$50M increase to the share repurchase program
- In April 2021, completed a \$150M issuance of preference shares, providing a new and diversified source of perpetual capital. Combined with the leverage potential of our bank facilities, the preference shares will further lower our blended cost of capital

(1) Adjustments include items such as unrealized gains/losses on derivative instruments. See reconciliation in Appendix



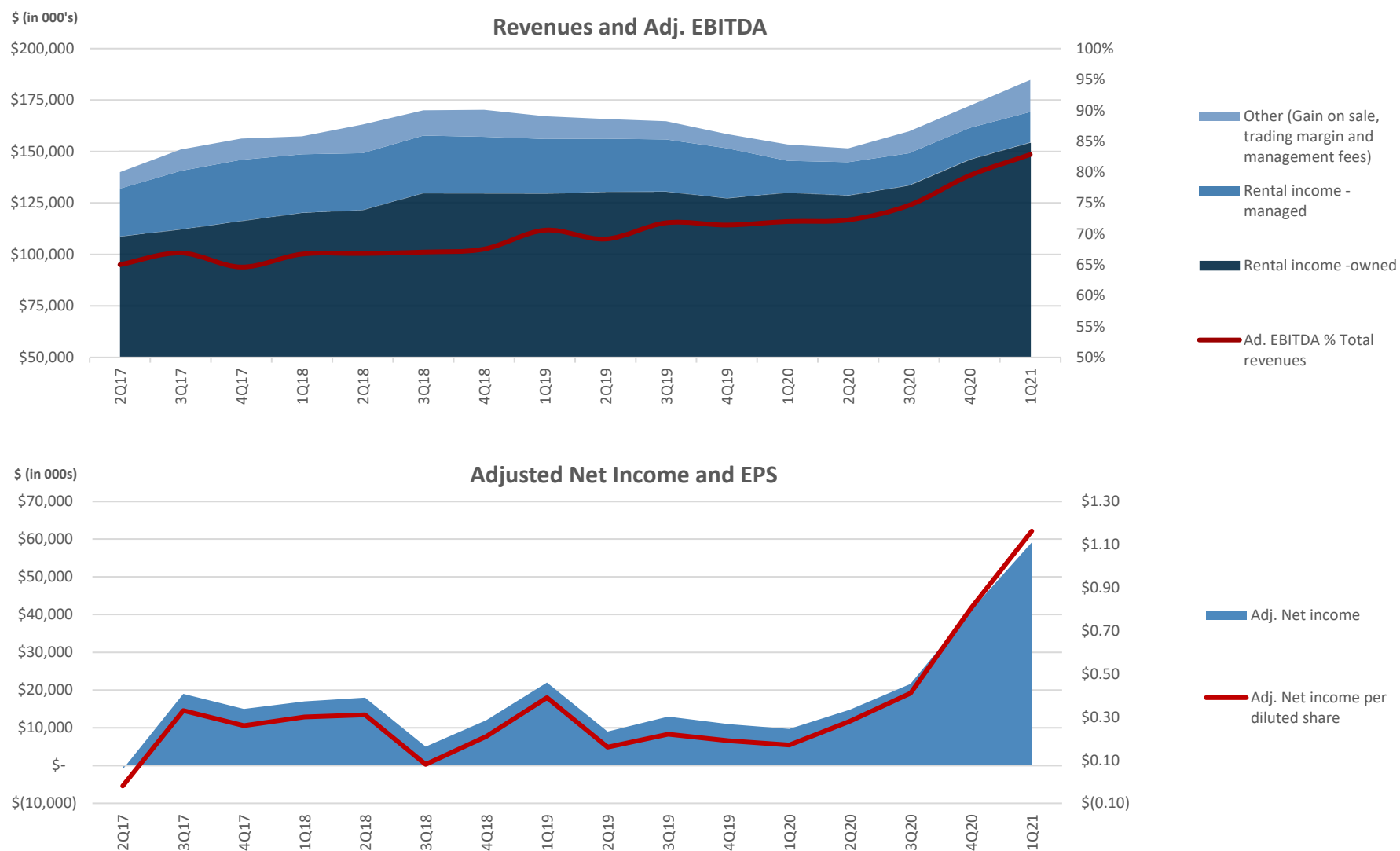
# Quarterly Financial and Business Highlights

(\$ in 000s, excluding per share amounts)	QTD vs Prior quarter				QTD vs Prior year			
	Q1 2021	Q4 2020	Change		Q1 2021	Q1 2020	Change	
Lease rental income	\$ 169,244	\$ 161,491	\$ 7,753	5%	\$ 169,244	\$ 145,478	\$ 23,766	16%
Gain on sale and Trading margin <sup>2</sup>	\$ 14,524	\$ 9,198	\$ 5,326	58%	\$ 14,524	\$ 6,443	\$ 8,081	125%
Income from operations	\$ 92,101	\$ 71,816	\$ 20,285	28%	\$ 92,101	\$ 46,409	\$ 45,692	98%
Net income (loss) to Textainer shareholders	\$ 62,050	\$ 44,260	\$ 17,790	40%	\$ 62,050	\$ (4,379)	\$ 66,429	-1517%
per diluted share	\$ 1.22	\$ 0.87	\$ 0.35	40%	\$ 1.22	\$ (0.08)	\$ 1.30	-1625%
Adjusted net income	\$ 59,152	\$ 41,147	\$ 18,005	44%	\$ 59,152	\$ 9,702	\$ 49,450	510%
per diluted share	\$ 1.16	\$ 0.81	\$ 0.35	43%	\$ 1.16	\$ 0.17	\$ 0.99	582%
Adjusted EBITDA	\$ 153,110	\$ 136,834	\$ 16,276	12%	\$ 153,110	\$ 110,439	\$ 42,671	39%
Cash, including restricted cash	\$ 212,621	\$ 205,165	\$ 7,456	4%	\$ 212,621	\$ 225,998	\$ (13,377)	-6%
Total "lease" container fleet <sup>3</sup>	\$ 5,850,382	\$ 5,368,880	\$ 481,502	9%	\$ 5,850,382	\$ 4,611,314	\$ 1,239,068	27%
Total "resale" container fleet <sup>4</sup>	\$ 16,280	\$ 25,004	\$ (8,724)	-35%	\$ 16,280	\$ 59,796	\$ (43,516)	-73%
Debt, net of deferred financing costs	\$ 4,294,426	\$ 4,115,344	\$ 179,082	4%	\$ 4,294,426	\$ 3,665,145	\$ 629,281	17%
Total equity	\$ 1,326,704	\$ 1,286,718	\$ 39,986	3%	\$ 1,326,704	\$ 1,256,349	\$ 70,355	6%
Average fleet utilization <sup>2</sup>	99.6%	98.5%	1.1%	1%	99.6%	96.2%	3.4%	4%
Total fleet size at end of period (TEU) <sup>2</sup>	3,961,491	3,774,053	187,438	5%	3,961,491	3,450,680	510,811	15%
Container capex <sup>1</sup>	\$ 580,000	\$ 470,000	\$ 110,000	23%	\$ 580,000	\$ 8,000	\$ 572,000	7150%
Shares repurchased	546,220	779,034			546,220	1,947,443		

- 1) Based on date added to the fleet (delivery date). Consists of all container purchases for both the owned and managed fleet. Does not reflect fleet moves between owned and managed
- 2) Combined total of Gain on sale of owned fleet containers, net, and Trading container margin

- 3) Combined total of Containers, net, Net investment in finance leases, and Container leaseback financing receivable
- 4) Combined total of Trading containers and Containers held for sale

# Revenue and Profitability Trends



# Current Market Environment and Outlook

## Favorable lease-out market

- Container demand remains elevated due to the prolonged surge in trade volumes
- Lease-out terms remain favorable, with improved lease rates, longer tenors, and focused returns in Asia
- The average tenure of leases concluded since the beginning of the year has further increased to 12 years

## Stable new container prices

- New container prices stable since the beginning of the year at \$3500-\$3600/CEU
- Resale prices continued to improve significantly due to container shortages, however resale volumes continue falling due to limited resale inventory
- Very low factory and depot inventory, especially as we approach the traditional peak season

## Strong customer performance

- Shipping lines reporting strong financial results and a favorable 2021 outlook driven by record freight rates and high volumes
- Improved profitability has translated into strong payment performance and has allowed carriers to shore up their balance sheets
- Shipping lines expected to continue to favor leasing over container ownership



**Favorable market conditions expected to remain through 2021 boosted by high trade volumes, re-stocking of currently very low inventory levels and likely amplified by the traditional peak season**

**Reduced credit risk of our customers should continue through 2022 as shipping lines are currently locking-in the high market rates with their annual contract renegotiations**

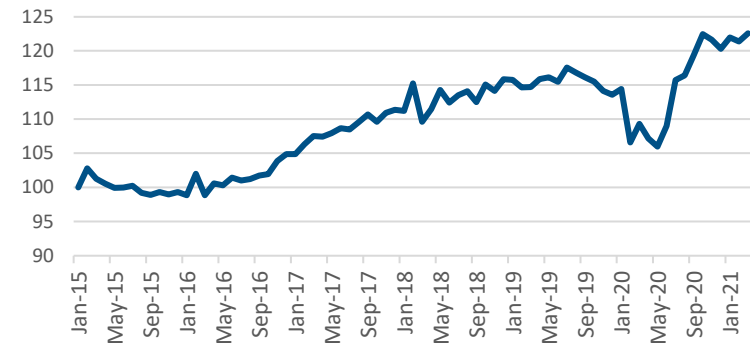
**High utilization rates and significant capex investments expected to drive further improvement to our revenues and profitability in 2Q 2021**

# Containerized Volumes and Freight Rates

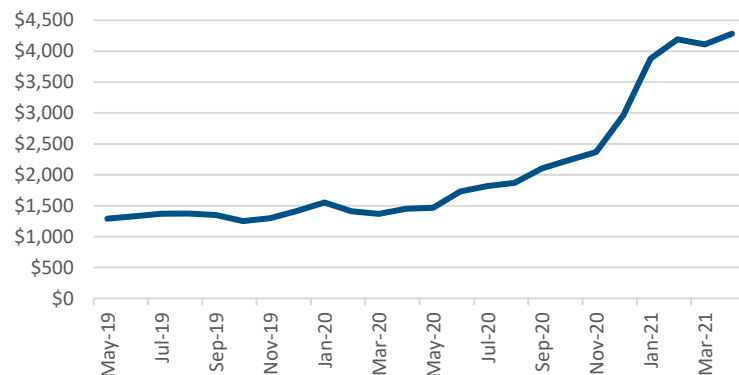
- After a strong 2020, shipping lines are expecting further improvements to financial performance in 2021 due to high trade volumes and freight rates
- The charts herein shows the significant increase in freight rates and container throughput volumes over the past year
  - Container trade volumes are expected to continue increasing through 2021, partly due to the restocking of historically low retail inventories in the US (see chart), strengthening economies and the traditional peak season
  - Shipping lines expected to benefit from high rates through 2022 as they've lock-in the current high rates in their annual contracts renegotiations

Container throughput index<sup>2</sup>

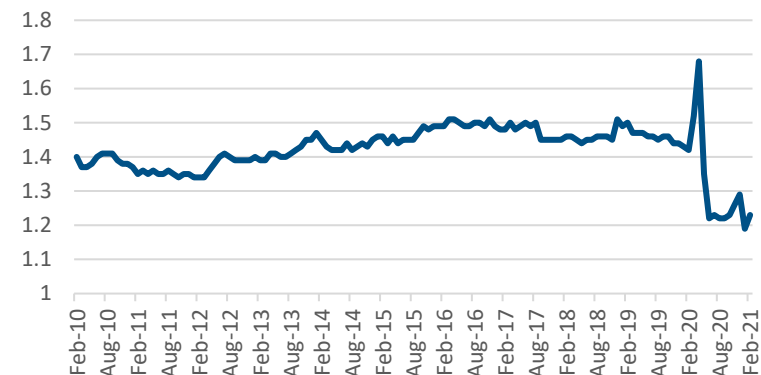
Seasonally adjusted (2015 = 100)



FBX freight rate index<sup>1</sup>



US retail inventory-to-sales ratio<sup>3</sup>

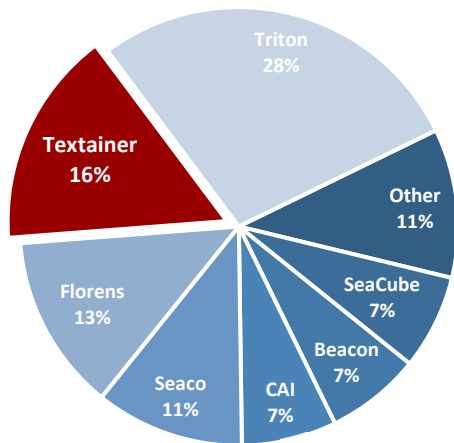


1) The Freight Baltic Container Index (FBX) reflects the container spot rates on 12 trade lanes, covering 80% of global container trade  
 2) The RWI/ISL container throughput index reflects the amount of container cargo handled by a selection of 91 international ports, representing 60% of global container traffic  
 3) The inventories-to-sales ratio from the US Census Bureau serves as an indications of the number of months of inventory that are on hand in relation to the sales for a month

# Textainer Fleet Overview

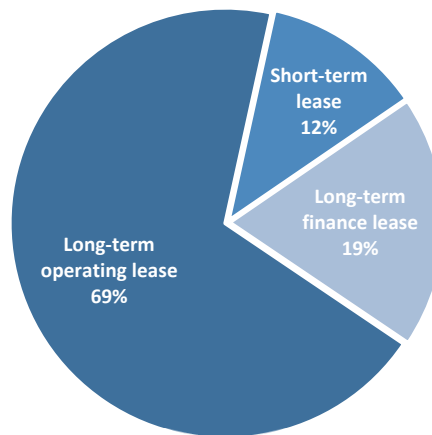


Fleet size<sup>1</sup> (CEU)



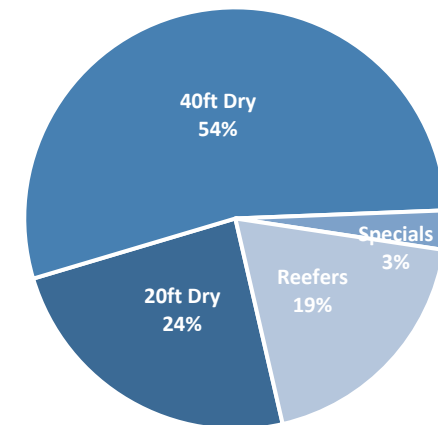
*Second largest lessor in the world, we generate stable cash-flows from a mix of 88% long-term leases*

Lease portfolio (CEU)



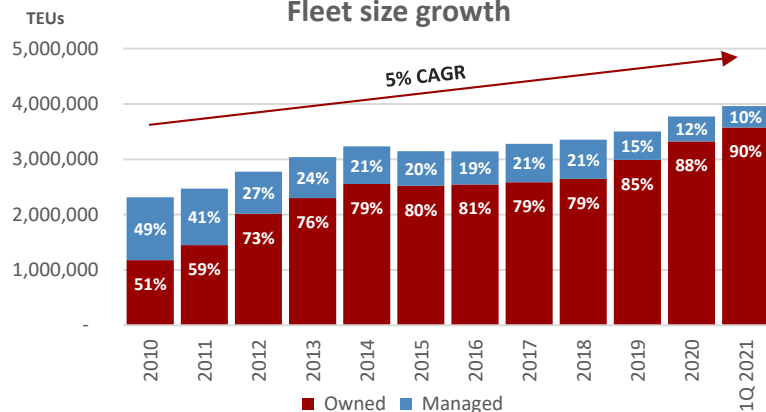
*Long-term leases (operating+finance) have an average remaining maturity of 6 years*

Equipment types (CEU)

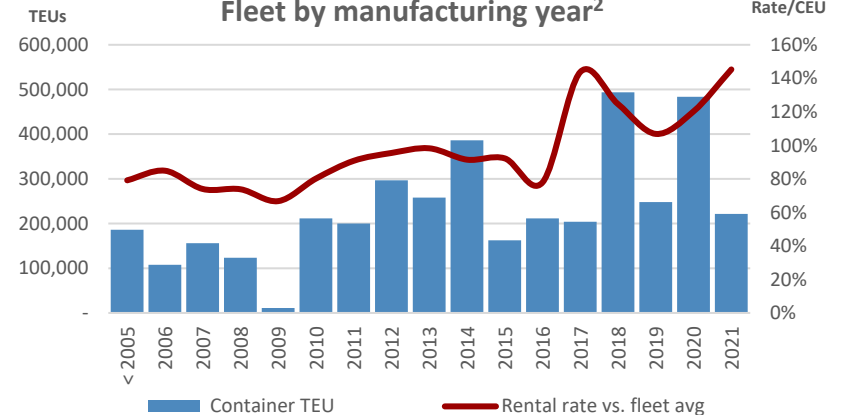


*We manage 10% of our fleet for third-party owners; providing additional, low-risk fee revenue, and future fleet purchase opportunities*

Fleet size growth



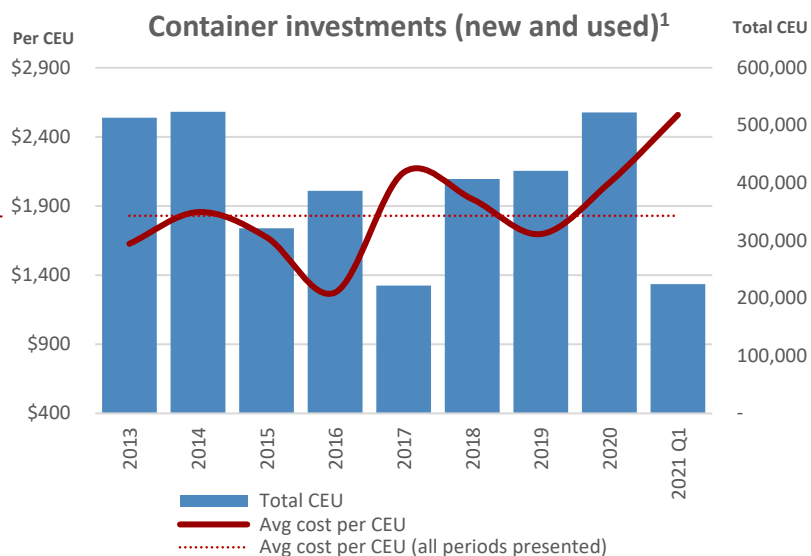
Fleet by manufacturing year<sup>2</sup>



- 1) Peer fleet size data sourced from public filings and Harrison Consulting
- 2) Rental rate per CEU calculated of operating long-term leases and is indexed to the fleetwide average

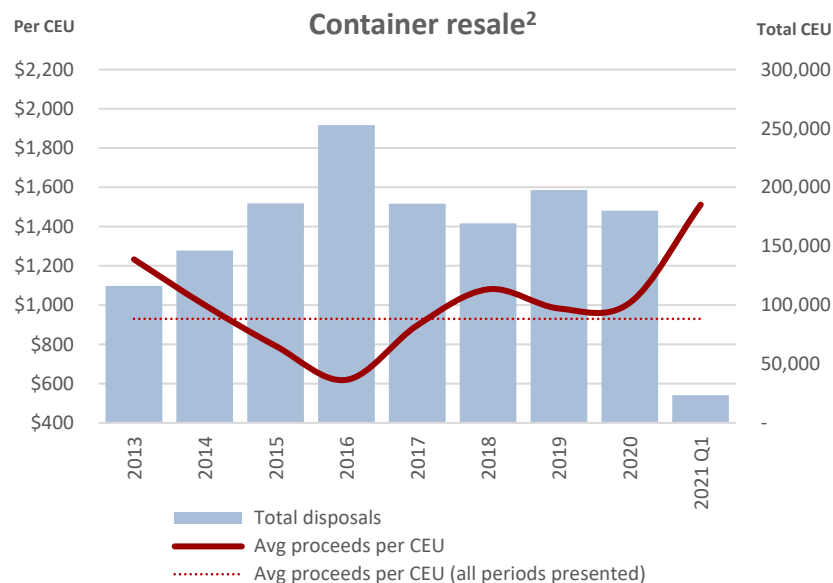


# Textainer Capex and Resale



Resale proceeds represent over 50% of the container acquisition cost (eight-year average)

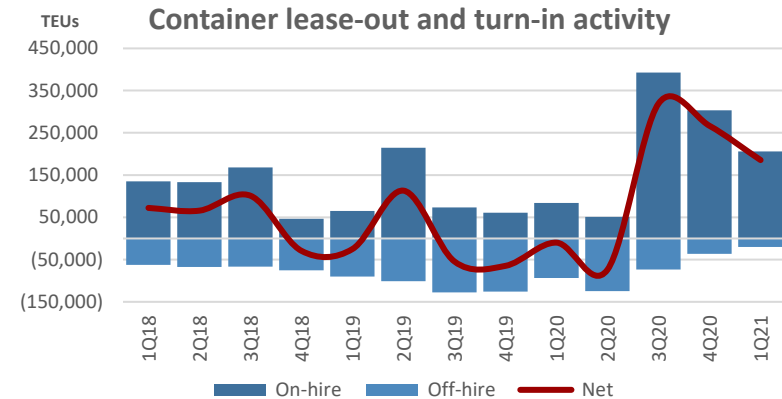
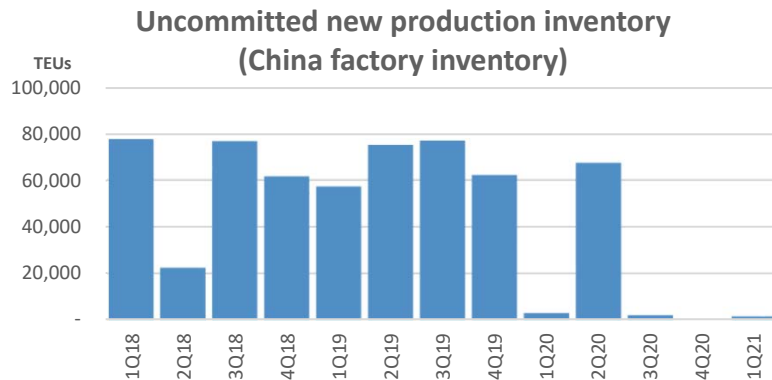
- Textainer has invested heavily through the current favorable market that started on July 2020, with capex totaling \$2.2B:
  - \$890M delivered during 3Q20-4Q20
  - \$580M delivered during 1Q21
  - \$700M to be received April-July 2021
- The \$2.2B investment represents 45% of Textainer's container asset value at the start of 3Q20. These new investments will have an average lease tenor in excess of 10 years, thus providing a stream of guaranteed cash flows over most of the economic life of the containers



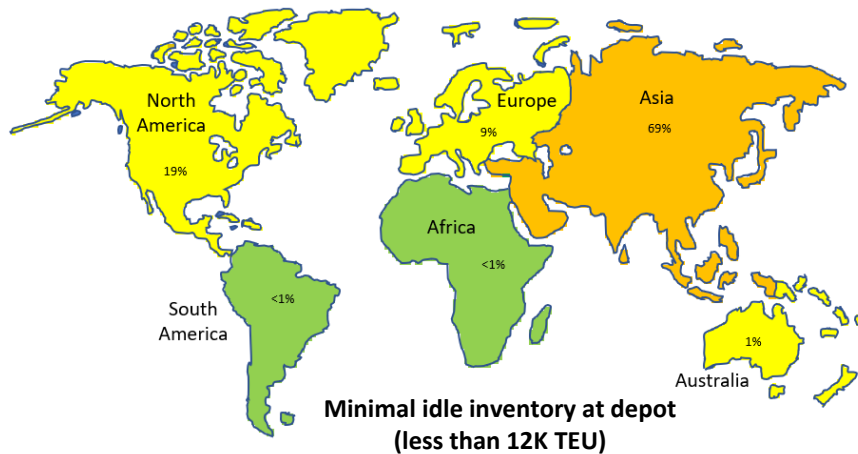
1) Total container purchases for both the owned and managed fleet, based on date added to the fleet (delivery date). Does not reflect fleet ownership changes between owned and managed  
 2) Resale of off-hired operating containers (i.e. held for sale depot containers). Does not include container trading activity (i.e. sale of new or old containers acquired exclusively for immediate resale). The average proceeds per CEU reflect total proceeds received

# Textainer Container Inventory

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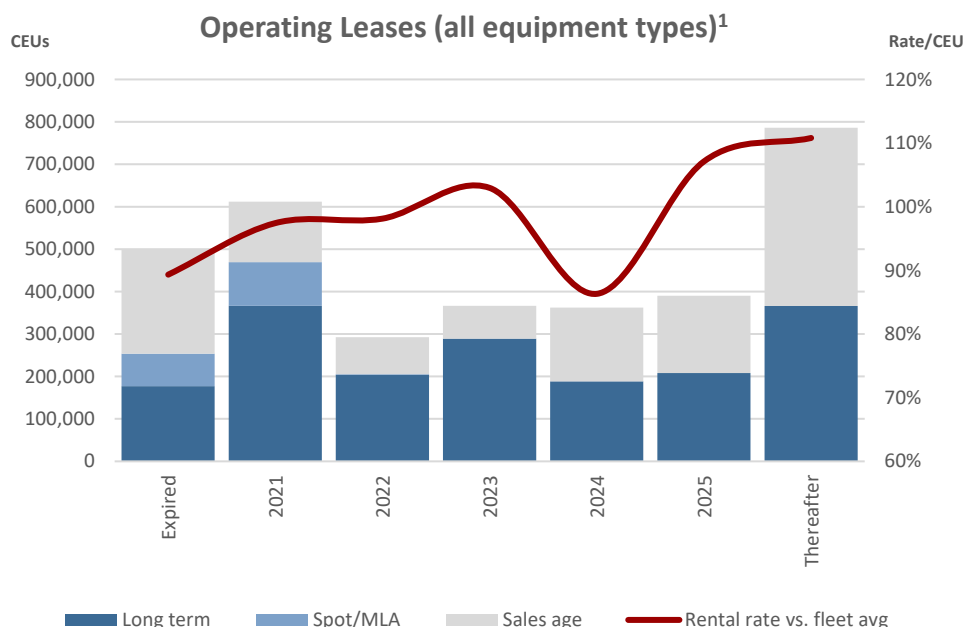
**Available depot inventory (non-factory inventory)**



Virtually all new production inventory at 1Q21 was pre-committed to a lease and on-hired within weeks of quarter-end

We experienced continued high lease-outs and low turn-ins during 1Q21, maintaining a utilization rate above 99%

# Textainer Long-term Lease Commitments



**“Sales Age” containers have exceeded their useful life at lease expiry and thus expected to be sold upon redelivery**

**Customers generally have a 6- to 12-month build-down period to return containers upon lease expiry**

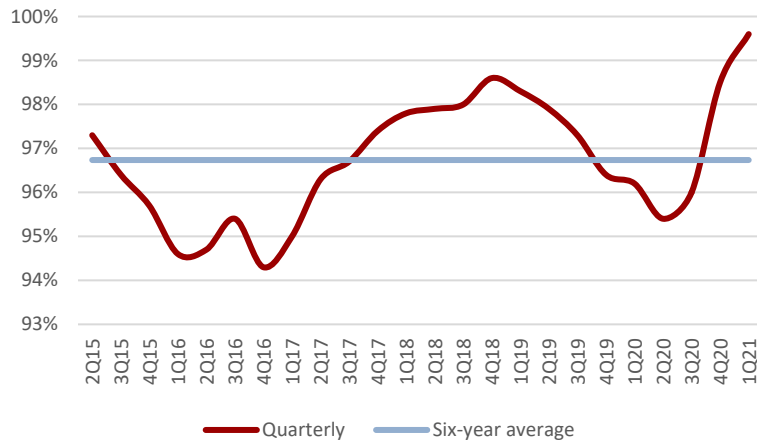
**On average, we successfully renew and extend about two thirds of expiring leases**

- Controlled levels of annual lease maturities guarantee stable cash flows
- Our operating leases have an average remaining lease term of 4 years (NBV weighted, excluding finance leases and sales age containers)
- Current lease market rates are significantly higher than our fleet average, providing an opportunity for higher yields as leases expire
- Current resale prices are well above our residual values, providing an opportunity for gains of sales age containers

<sup>1</sup>) Consists only of containers on operating leases (excludes finance leases, factory and depot). The average rental rate per CEU is indexed to the fleetwide average for all operating leases

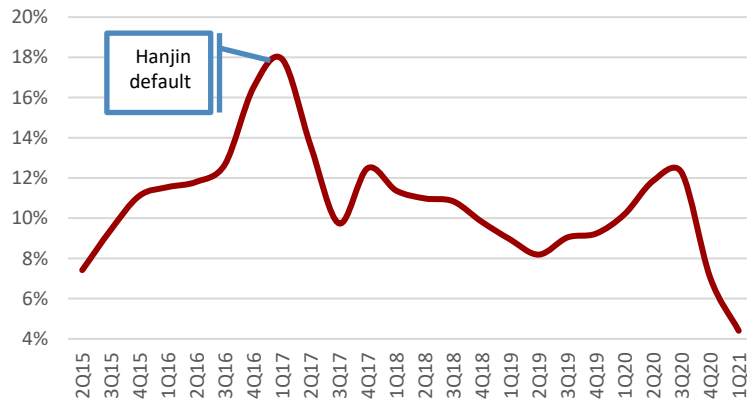
# Textainer Cost Management

Average fleet utilization

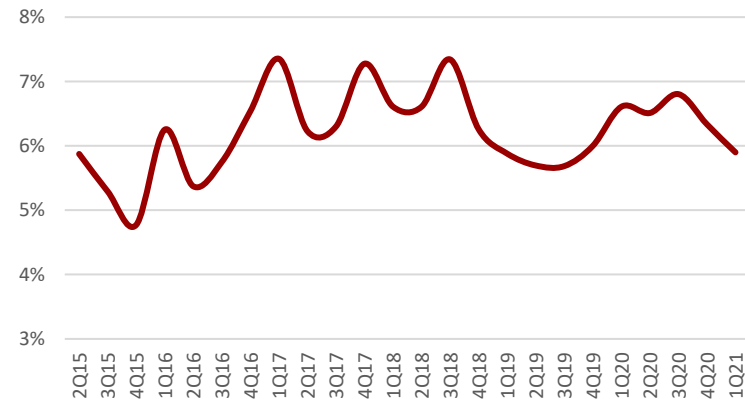


- Utilization averaged 99.6% during 1Q21 and currently stands at 99.7%
- Our economies of scale and cost control initiatives have resulted in low normalized operating costs

Direct container costs as % of rental income



SG&A as % of total revenues<sup>1</sup>

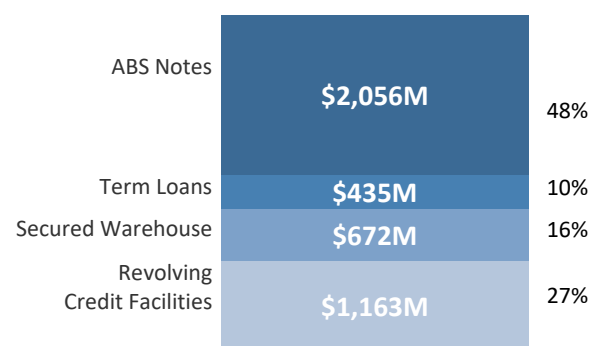


1) Total revenues consist of lease rental income, gain on sale, trading container margin, and management fee income

# Textainer Debt Financing

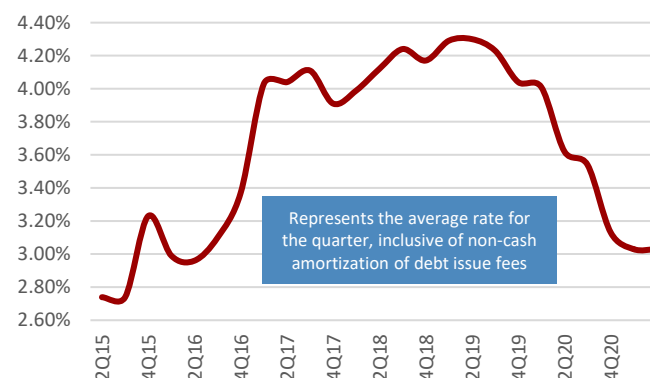
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Outstanding borrowings by source



**\$4,326M**

Avg. effective interest rate per quarter



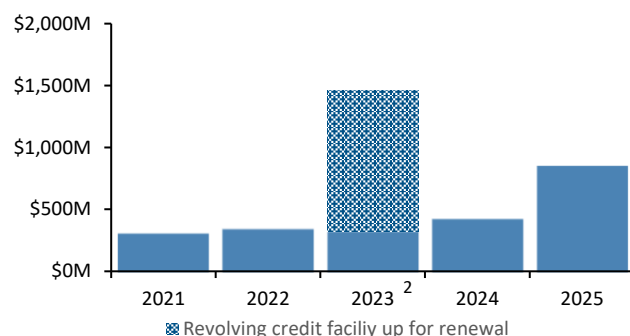
Effective interest rate (inclusive of non-cash amortization) lowered to 3.03% during 1Q21

Debt sourced from diversified sources and with staggered maturities

Stable financing costs; 84% of our debt is fixed-rate

Issued two fixed-rate ABS (\$550M in February and \$651M in April. With a combined average interest rate of 2.03%

Future debt repayments<sup>1</sup>



Floating vs. Fixed rate debt	% of total at period end	Remaining term (months)	Avg rate for the quarter	Spot rate at period end
Fixed rate debt	58%	53	2.92%	2.75%
Hedged floating rate debt (swaps)	26%	25	3.05%	3.03%
<b>Total fixed rate and hedged debt</b>	<b>84%</b>	<b>45</b>	<b>2.96%</b>	<b>2.84%</b>
Unhedged floating rate debt	16%		1.88%	1.71%
<b>Total debt</b>	<b>100%</b>		<b>2.81%</b>	<b>2.66%</b>
Non-cash amortization of debt issue fees			0.22%	0.22%
<b>Effective interest rate (all-in)</b>			<b>3.03%</b>	<b>2.88%</b>

- 1) Reflects contractual amortization of our notes, estimated repayments to maintain the maximum loan-to-value in our revolving facilities (based on the current existing fleet absent any future capex), and the contractual maturity of our existing revolving facilities (assuming no refinance/renewal)
- 2) Includes revolving credit facility debt maturing on 3Q23 which will be renewed and extended prior to maturity



# Conclusion

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- Continued improvement in financial performance during the first quarter, reporting a record adjusted Net Income, adjusted EBITDA, operating income and adjusted Net Income per diluted share
- Favorable market conditions continue, underpinned by high trade volumes, resulting in high container demand and prices, and attractive lease yields
- Significant revenue growth driven by investments in new containers on accretive long-term leases
- Invested heavily during the current favorable market, with \$2.2B of capex from July 2020 through July 2021. This capex represents 45% of our container asset value as of the beginning of this period and will lock-in a stable stream of attractive revenue for many years
- Continued commitment to a balanced capital allocation with \$11M of share buybacks in 1Q21 and a Board approved \$50M increase to the share repurchase program
- Issued \$150M in perpetual preference shares providing a new source of attractively priced capital
- Favorable market environment expected to continue through rest of 2021, driven by improved containerized trade volumes and container shortages





## Company Overview

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# Company Background



- Textainer has operated since 1979 and is one of the world's largest lessors of intermodal containers with a container fleet of 3.9 million TEU
- Textainer leases containers to approximately 250 customers, including all of the world's leading international shipping lines
- Textainer is also one of the largest sellers of new and used containers with average annual sales of 150,000 units over the last five years
- Textainer manages a diversified container fleet that consists of standard dry freight, dry freight specials, tanks, and refrigerated intermodal containers, mirroring the composition of the worldwide fleet



## Overview

- Headquartered in Bermuda
- Scalable network of 14 offices and around 400 depots
- Workforce of over 160 employees
- Publicly traded on both the New York (Ticker "TGH") and Johannesburg (Ticker "TXT") stock exchanges

## Summary performance

- Last twelve-month ("LTM") lease rental income of \$625 million
- LTM Adjusted Net Income<sup>1</sup> of \$137 million
- LTM Adjusted EBITDA<sup>1</sup> of \$519 million
- Average fleet age of 4.8 years (NBV weighted)

Note: TEU refers to Twenty-Foot Equivalent Unit, a unit of measurement based on the length of a container relative to a standard 20' dry freight container. CEU refers to a Cost Equivalent Unit, a unit of measurement based on the approximate cost of a container relative to the cost of a standard 20' dry freight container

(1) Adjustments include items such as unrealized gains/losses on derivative instruments. See reconciliation in Appendix

# Textainer Advantages

## Fleet size

- Our large fleet size is a competitive advantage, particularly in light of recent supplier and customer consolidation
- A large fleet size affords us meaningful economies of scale with one of the industry's lowest cost structure
- Our size allows us to hold sufficient idle inventory around the world to immediately meet any urgent demand requirements from our customers

## Infrastructure

- Experienced management team providing best-in-class service to our business partners
- Over 40 years of know-how to procure, inspect, market, repair, and resell containers, maximizing returns over the container's entire life-cycle
- Highly scalable and efficient IT infrastructure
- Expansive global footprint to service customers in all demand locations

## Diversified revenue

- Equipment type diversification provides exposure to industries with decoupled economic cycles
- Our dedicated international resale team is a leader in the field as one of the largest sellers of containers in the world, focused on maximizing resale proceeds
- We also purchase and resell containers from shipping lines, container traders and other sellers
- We manage containers on behalf of third-party owners, earning a steady stream of low-risk fee income using our existing platform

## Capital structure

- We maintain low-cost debt financing from diversified funding sources and with staggered maturities
- Most of our debt is fixed-rate, helping mitigate interest rate risk
- Active share buyback program to improve shareholder value

# Company Footprint

- Textainer operates through a network of 14 offices and 400 depots covering all time zones and major trading centers over the world. Our four regional offices form the backbone of our worldwide leasing, resale, and operations activities.





# Container Life Cycle Management

## Initial Lease



- Lease term generally five to seven years
- We place a significant focus on the off-hire provisions

**45% of total  
expected returns**

## Mid-Life



- Lease renewal or re-lease to different customers
- May be re-leased several times over useful life
- We leverage our global infrastructure and operational expertise

**30% of total  
expected returns**

## Disposition



- Sale generally for static storage or one-way cargo
- Resale market enjoys a different customer base
- Container residual values generally ~50% of current asset cost

**25% of total  
expected returns**

- With over 40 years of experience, Textainer maximizes returns throughout the entire container life cycle

Note: Expected returns are based on discounted estimated cash inflows of a container over its container useful life. Actual cash flows may vary from estimates

# Management Team



**Olivier Ghesquiere**

President & Chief Executive Officer

30 years of international asset management experience, including work at Ermewa Group as Chief Operating Officer and CEO, Eurotainer as Managing Director and Chairman, and Brambles Group under various management positions.

- *Joined in 2016*



**Michael Chan**

Executive VP & Chief Financial Officer

30 years of accounting and finance and 24 of international asset management experience, including work at Ygrene Energy Fund as CFO, Cronos Container Group as Sr. Director of Treasury, Chartres Lodging Group as CFO, and Price Waterhouse Coopers as audit manager.

- *Joined 1994 to 2006 and in 2017*

**Philippe Wendling**  
Senior VP, Marketing

15 years of transportation leasing and marketing experience  
*Joined in 2019*

**Vincent Mak**  
Regional VP, South Asia

43 years of intermodal and shipping industry experience  
*Joined in 1996*

**Charles Li**  
Regional VP, PRC and Korea

32 years of container leasing marketing experience  
*Joined in 1994*

**Michael Samsel**  
Regional VP, EMEA

28 years of container leasing marketing experience  
*Joined in 1998*

**John Simmons**  
Regional VP, Americas

30 years of intermodal industry experience  
*Joined in 2011*

**Alvin Chong**  
Global VP, Resale

25 years of resale and 30 years of intermodal industry experience  
*Joined in 1995*

**Gregory Coan**  
Senior VP, CIO

34 years of Information Technology and 27 years of intermodal industry experience  
*Joined in 1992*

**Daniel Cohen**  
VP, General Counsel

23 years of corporate, finance, and securities legal experience with international law firms and in-house  
*Joined in 2011*

**Jack Figueira**  
VP, Ops and Procurement

35 years of intermodal and shipping industry experience  
*Joined in 1990*

**Giancarlo Gennaro**  
VP, Finance

16 years of accounting and finance and 8 years of intermodal industry experience  
*Joined in 2017*

**Cannia Lo**  
VP, External Reporting and Consolidation

20 years of accounting and finance experience in the intermodal industry  
*Joined in 2001*

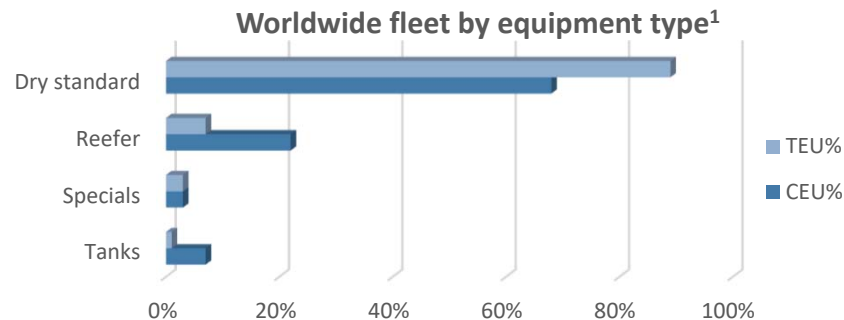


# Industry Overview

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# Container Types

- Containers are large steel boxes built to International Standardization Organization (“ISO”) norms and used for intermodal freight transportation. They are divided into four main categories



**Dry standard**

Fitted with steel roof, end and side panels, wooden floors and steel doors.

Used to carry a wide range of semi-finished and finished manufactured goods, raw materials and agricultural produce



**Refrigerated (“Reefer”)**

Steel cladding fitted with insulation and an externally mounted temperature-control unit to control internal temperature.

Used to carry frozen and temperature-sensitive goods such as meat, fish, fruit and vegetables



**Specials**

Similar to Dry standard, but designed specifically for the transportation of non-conforming cargoes.

Used to carry non-standard items such as sheet glass, large machinery, and vehicles



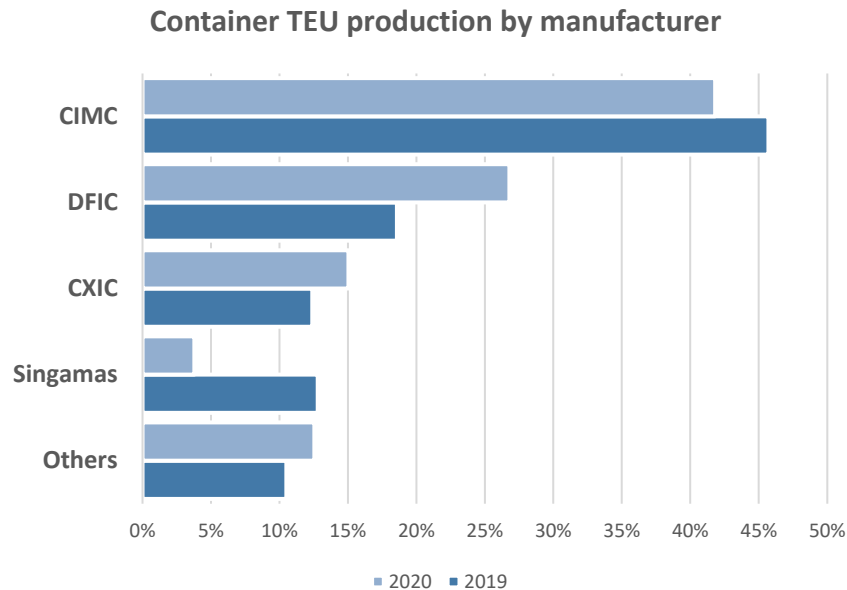
**Tanks**

Stainless steel cylinder set within an ISO steel frame.

Used mostly to carry industrial chemicals in liquid form and potable liquids such as fruit juices and wines

1) Source: Harrison Consulting

# Container Production



**After recent consolidation in 2019<sup>1</sup>, CIMC and DFIC have emerged as the dominant suppliers in terms of production capacity and market share**

- Containers are manufactured in China, a highly desirable on-hire location for our customers
- Lead times can be as short as 3 weeks (albeit longer during high-demand periods), allowing near “just-in-time” ordering, quickly adjusting to changes in market demand and reducing inventory risk
- Leased containers have a long economic life of 15+ years and little technological obsolescence
- At the end of their economic life, containers are sold on a secondary market to a different customer base for other uses such as static storage or one-way cargo moves



# Container Leasing

Leasing customers are primarily shipping lines which generally lease a large portion of their container fleet

Given recent consolidation, the top 10 shipping lines represent +80% market share

## Benefits to lessees

Flexibility to on-hire / off-hire<sup>1</sup> containers to optimize capacity to meet fluctuating demand requirements

Flexibility to on-hire / off-hire<sup>1</sup> containers at locations around the globe to alleviate trade imbalances

Conserves capital for significant cash requirements such as vessels, terminals, and fuel costs

Provides an alternate source of financing in a capital intensive business

## Benefits to lessors

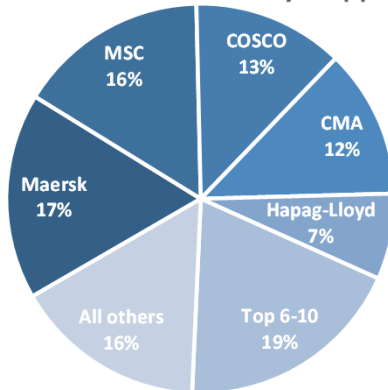
Leases are non-cancellable, with terms typically ranging 5-7yrs (initial lease) and 1-3yrs (renewals)

Long-term nature of leases offers stable and predictable cash flows with protection during economic down cycles

Leases are "triple-net" requiring the lessee to pay for all repairs in excess of normal wear and tear

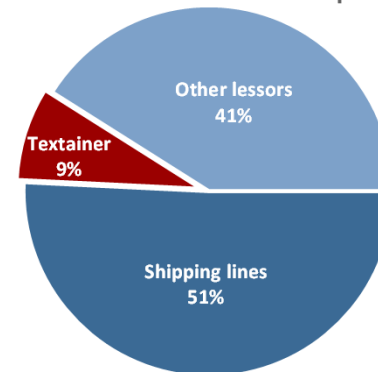
Lessees are incentivized to renew expiring leases to avoid repair costs and the logistical cost of the return

Container vessels slots by shipping line<sup>2</sup>



Worldwide total slots: 24M TEU

Container fleet ownership<sup>2</sup>

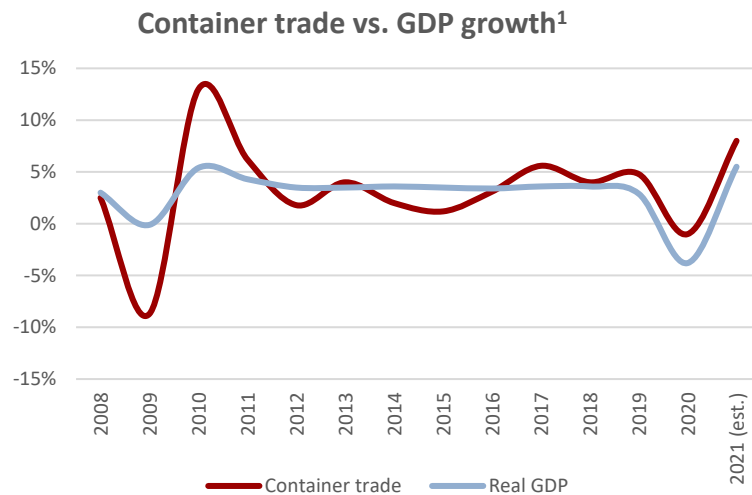


Worldwide total containers: 45M TEU

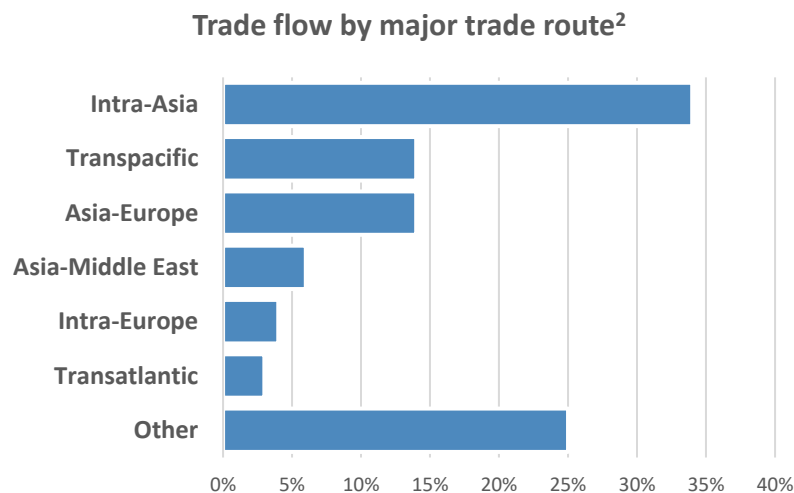
24M TEU vessel slots serviced by 45M TEU containers

1) Containers can only be off-hired at the termination of the contractual lease term and are subject to provisions that limit the amount and location of returning containers  
2) Source: Harrison Consulting

# World Container Trade

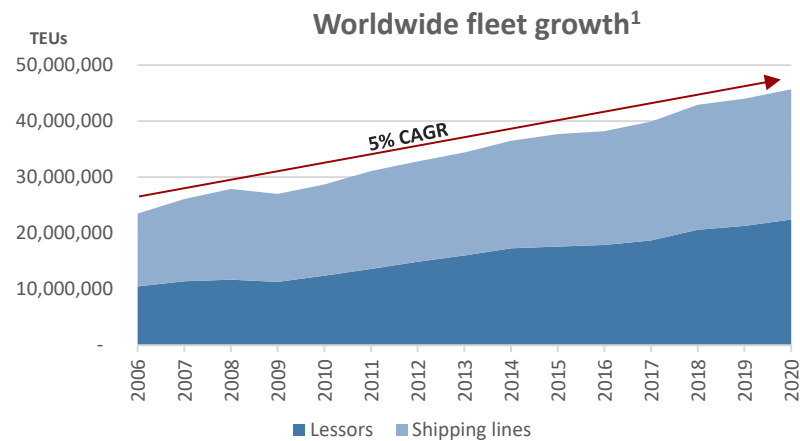
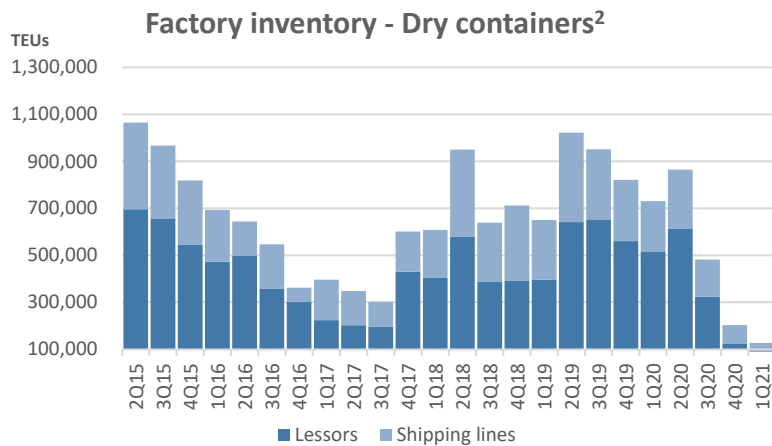
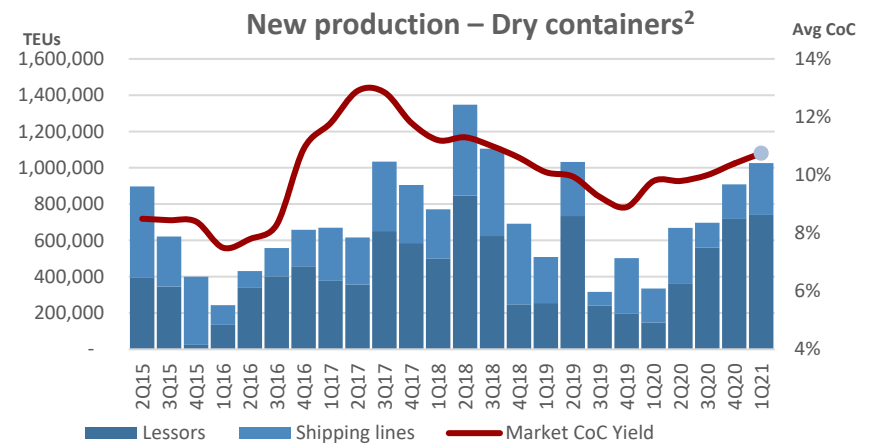
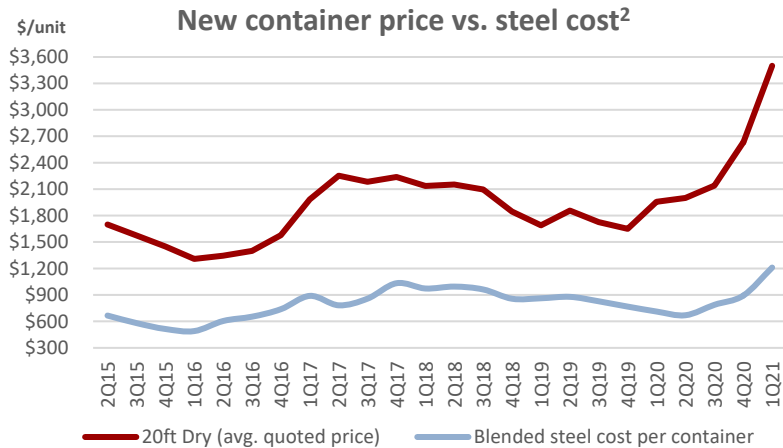


- Container demand is inherently tied to trade. Growth of the container fleet is normally expected to be in line with global GDP growth
- Containerized trade projections for 2021 are being revised upwards as the unprecedented surge in volumes continues, particularly with US imports



1) Source: GDP figures published by the IMF. Container trade figures are based on management estimates using various industry sources  
 2) Source: Harrison Consulting

# Historical Container Market Data



- 1) Source: Harrison Consulting
- 2) Source: figures based on management estimates using industry sources



# Appendix

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# Reconciliation of GAAP to Non-GAAP Items

	Three Months Ended, December 31,		
	March 31, 2021	2020	March 31, 2020
	(Dollars in thousands)		
	(Unaudited)		
<b>Reconciliation of adjusted net income:</b>			
Net income attributable to Textainer common shareholders	\$ 62,050	\$ 44,260	\$ (4,379)
Adjustments:			
Write-off of unamortized deferred debt issuance costs and bond discounts	267	—	122
Unrealized (gain) loss on derivative instruments, net	(3,192)	(3,390)	14,937
Impact of reconciling items on income tax (benefit) expense	27	37	(150)
Impact of reconciling items attributable to noncontrolling interest	-	240	(828)
<b>Adjusted net income</b>	<u>\$ 59,152</u>	<u>\$ 41,147</u>	<u>\$ 9,702</u>
<b>Adjusted net income per diluted common share</b>	<u>\$ 1.16</u>	<u>\$ 0.81</u>	<u>\$ 0.17</u>
<b>Reconciliation of adjusted EBITDA:</b>			
Net income attributable to Textainer common shareholders	\$ 62,050	\$ 44,260	\$ (4,379)
Adjustments:			
Interest income	(37)	(52)	(400)
Interest expense	29,106	27,973	36,112
Write-off of unamortized debt issuance costs and bond discounts	267	—	122
Realized loss (gain) on derivative instruments, net	2,956	3,395	1,526
Unrealized (gain) loss on derivative instruments, net	(3,192)	(3,390)	14,937
Income tax (benefit) expense	1,066	(463)	(833)
Net income (loss) attributable to the noncontrolling interest	—	778	(729)
Depreciation expense	65,806	65,609	66,834
Container recovery from lessee default, net	(5,712)	(122)	(1)
Amortization expense	800	806	564
Impact of reconciling items attributable to noncontrolling interest	—	(1,960)	(3,314)
<b>Adjusted EBITDA</b>	<u>\$ 153,110</u>	<u>\$ 136,834</u>	<u>\$ 110,439</u>



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