tex

Textainer Group Holdings Ltd.

Investor Presentation

August 2020

Forward Looking Statements

Certain information included in this presentation and other statements or materials published or to be published by 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.

Company Overview

Company Background

- Textainer has operated since 1979 and is one of the world's largest lessor of intermodal containers with a container fleet of 3.5 million TEU
- Textainer leases containers to over 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 annual sales in excess of 140,000 units
- 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 over 500 depots
- Workforce of over 160 employees
- Publicly traded in both the New York (Ticker "TGH") and Johannesburg (Ticker "TXT") stock exchanges

Summary performance

- Last twelve-month ("LTM") lease rental income of $598 million
- LTM Adjusted Net Income[1] of $48 million
- LTM Adjusted EBITDA[1] of $452 million
- Average fleet age of 5.7 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
- We carry insurance to protect against losses in the event of a customer default

Infrastructure

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

Diversified revenue

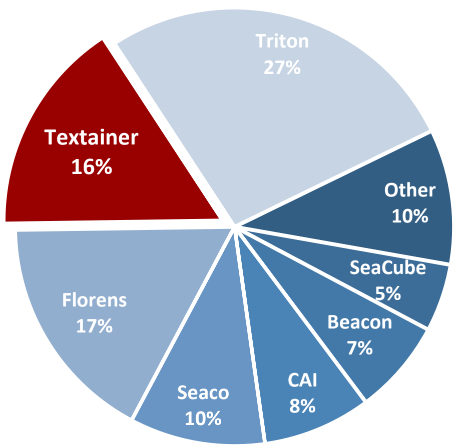
- Equipment type diversification provides exposure to industries with decoupled economic cycles
- Our dedicated international resale team is a leader in the field as one of the largest sellers of containers in the world, focused on maximizing resale proceeds
- We also purchase and resell containers from shipping lines, container traders and other sellers
- We manage containers on behalf of 3rd party owners, earning a steady stream of low-risk fee income using our existing platform

Capital structure

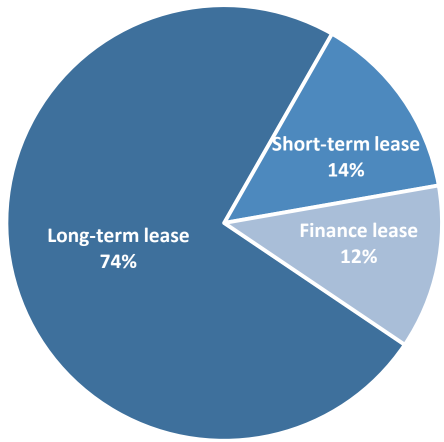
- We maintain low cost debt financing from diversified funding sources and with staggered maturities
- Most of our debt is fixed-rate, helping mitigate interest rate risk
- Active share buyback program to improve shareholder value

Textainer Fleet Overview

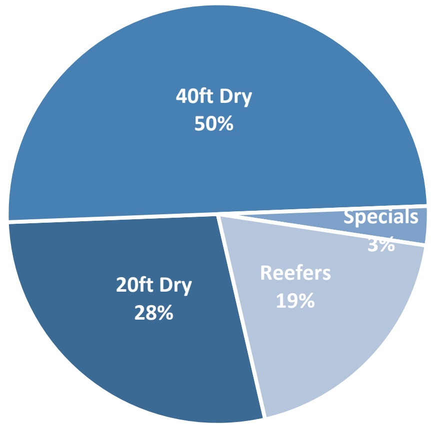
Fleet size[1] (TEU)



Lease portfolio (TEU)

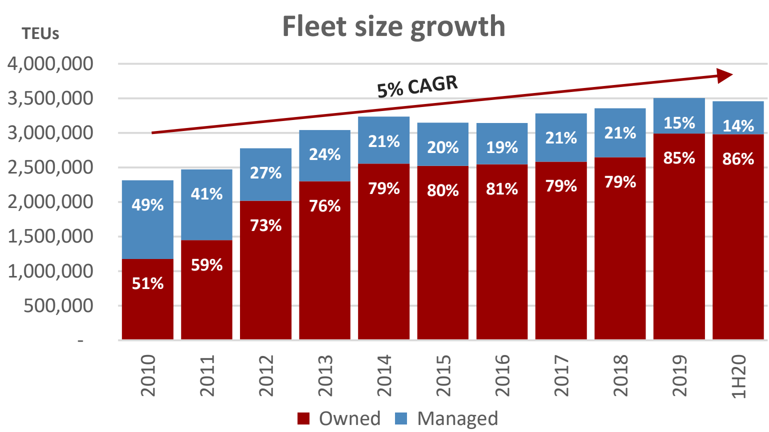


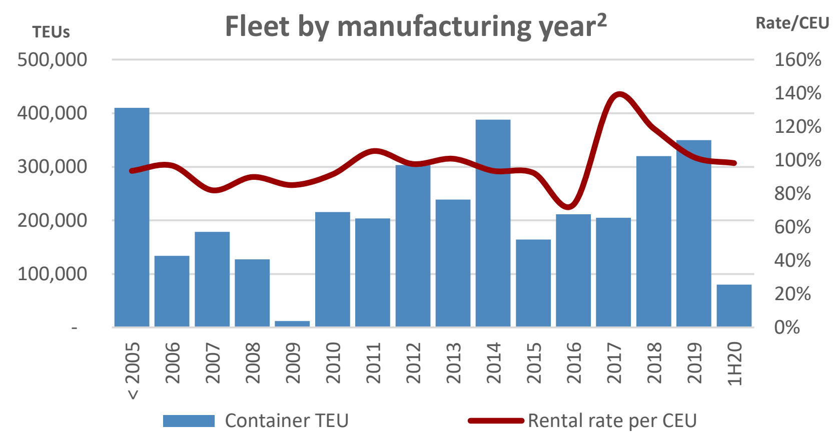
Equipment types (CEU)



One of the largest lessors in the world, we generate stable cash-flows from a mix of 86% long-term leases

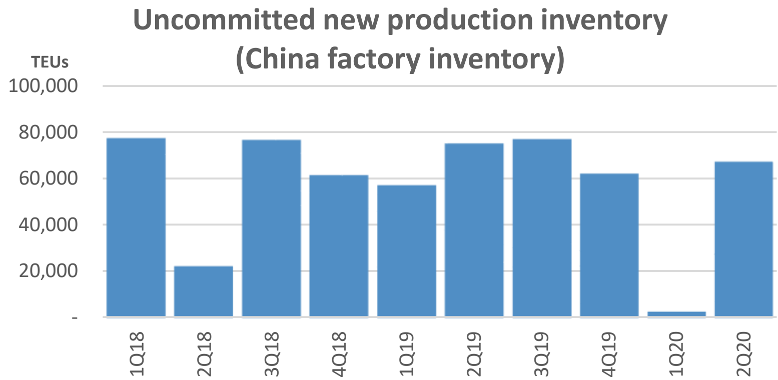
We manage 14% of our fleet for 3rd party owners; providing additional, low-risk fee revenue, and future fleet purchase opportunities

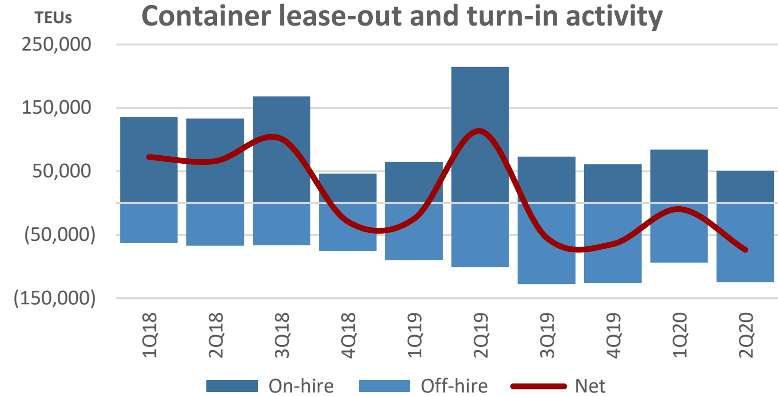




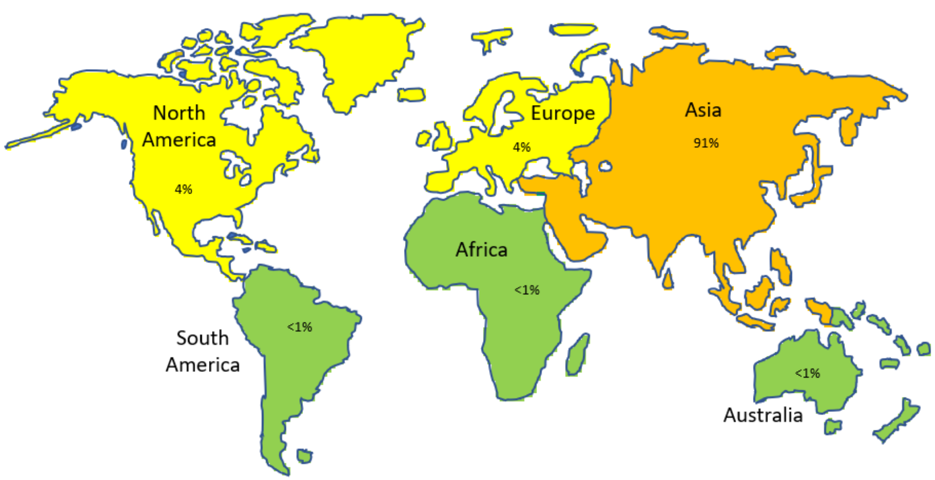
1) Peer fleet size data sourced from Harrison Consulting
2) Rental rate per CEU calculated of operating long-term leases and is indexed to the fleetwide average

Textainer Container Inventory





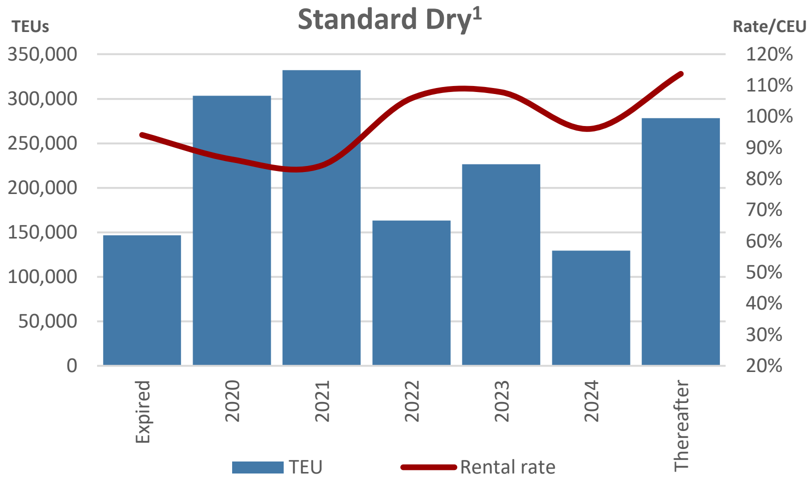
Available depot inventory (non-factory inventory)

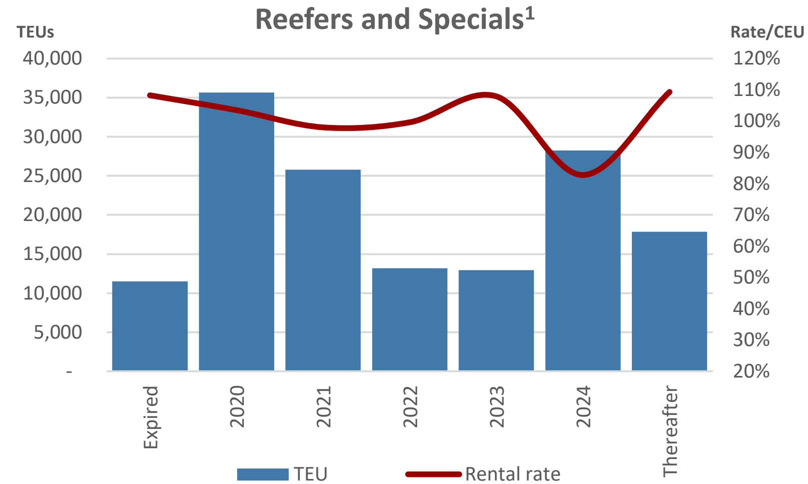


Optimized inventory supply to meet the immediate needs of our customers

Our depot inventory is well positioned across the globe according to lease-out demand

Textainer Lease Expiration





Operating leases have an average remaining lease term of 2.8 years (NBV weighted)

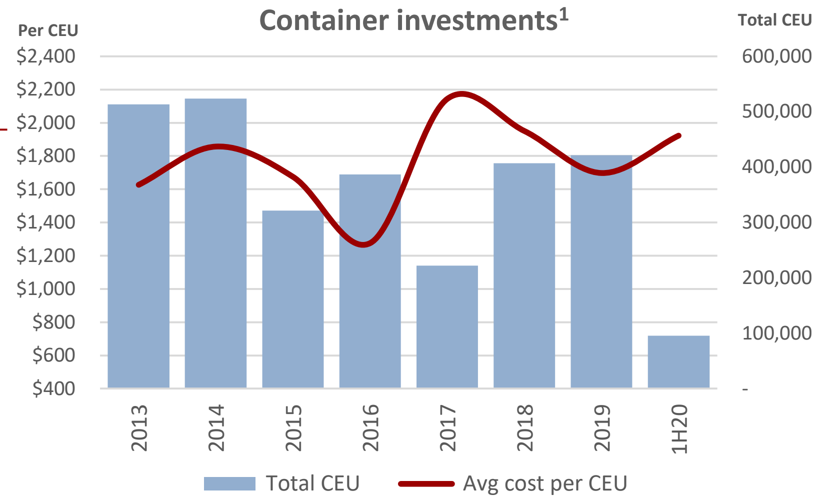
Operating long-term leases expiring in 2020 represent 12% of FY19 lease rental income

On average, lessees retain containers 1yr past the lease expiration date

Note: Lease expiry data includes only our long-term operating leases. It excludes short-term (master and spot leases), life-cycle and finance leases

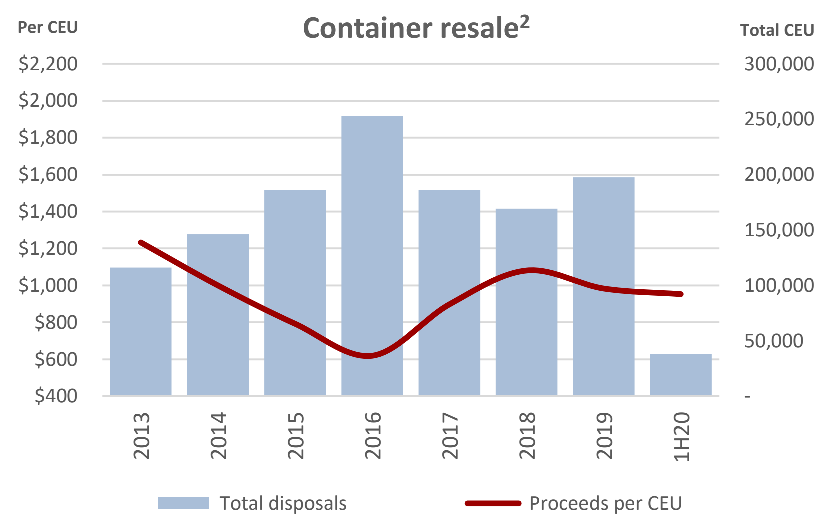
1) Consists only of our operating long-term leases. The average rental rate per CEU is indexed to the fleetwide average

Textainer Capex and Resale



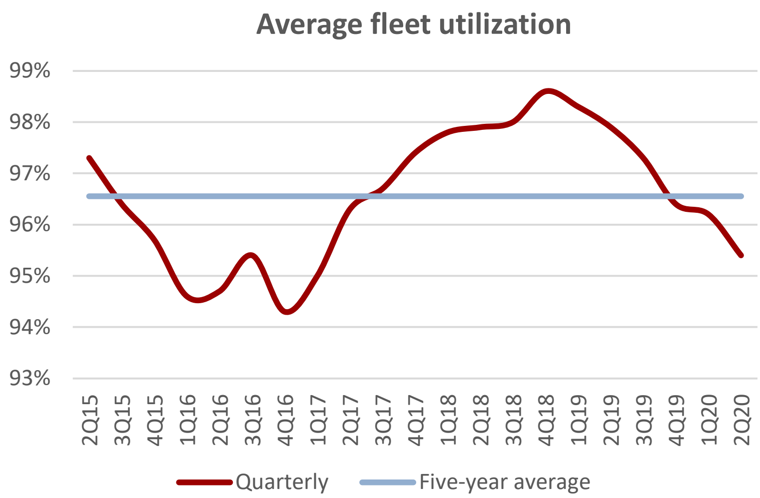
- We remain focused on capex with double-digit returns and accretive to our financial performance
- Prices for new and used containers remained relatively stable during 2Q, mostly driven by pricing discipline and reduction in production capacity implemented by the factories
- Decreased volume of container capex and resale during 1H 2020 driven by a slowdown in trade activity from the COVID crisis

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



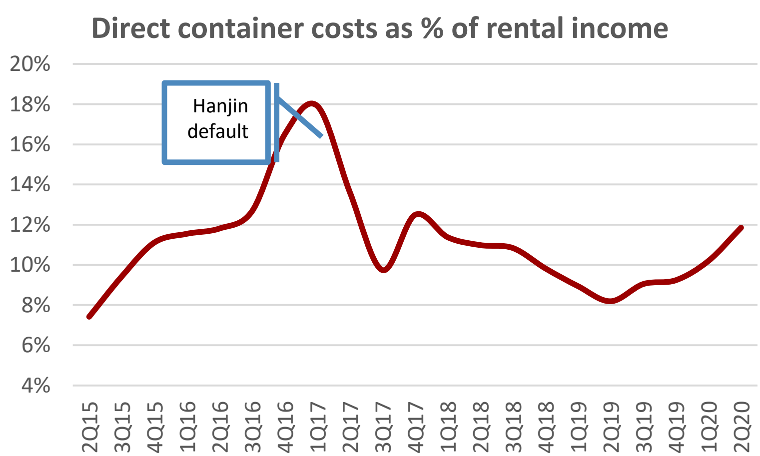
1) Total container purchases for both the owned and managed fleet, based on date added to the fleet (delivery date). Does not reflect fleet ownership changes between owned and managed
2) Resale of off-hired operating containers (i.e. held for sale depot containers). Does not include container trading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

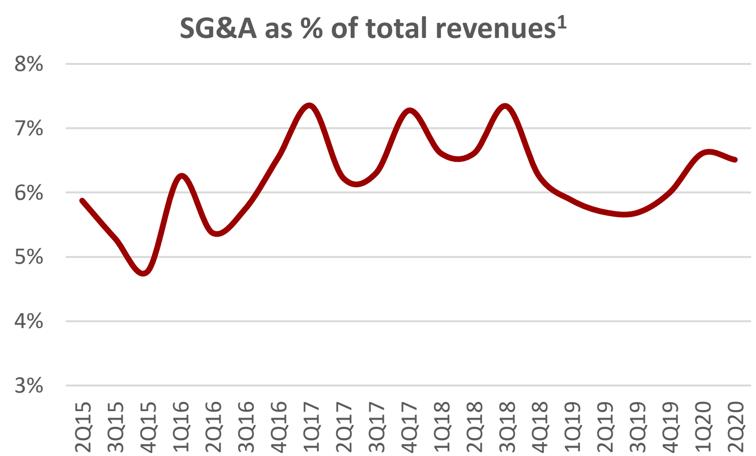
Textainer Cost Management



- Strong fleet utilization, with adequate levels of depot inventory to service all customer requirements

- Our economies of scale and cost control initiatives have resulted in low normalized operating costs

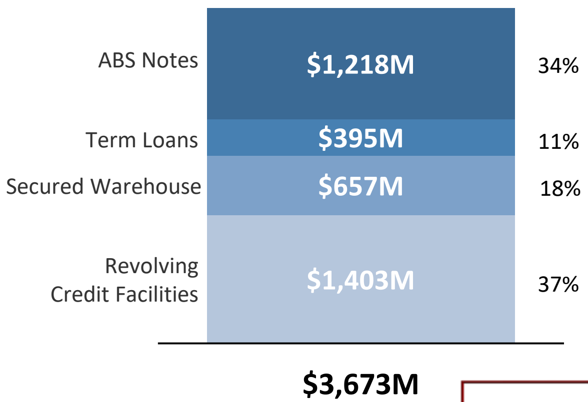




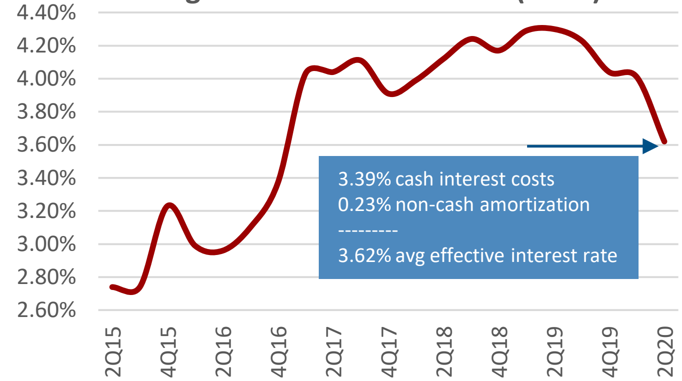
1) Total revenues consist of lease rental income, gain on sale, trading container margin, and management fee income

Textainer Debt Financing

Outstanding borrowings by source



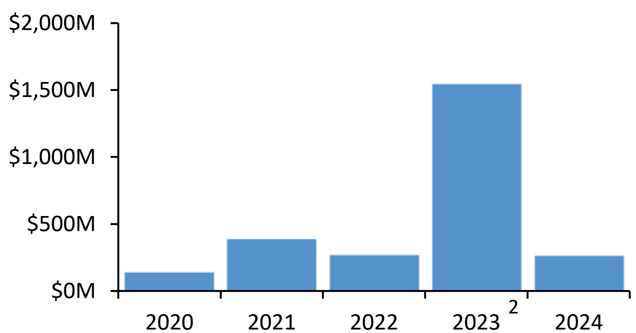
Average effective interest rate (all-in)



No debt maturities or refinancing requirements during 2020

Properly hedged debt from diversified sources and with staggered maturities

Future debt repayments[1]



Floating vs. Fixed rate debt	% of Total	Remaining term (months)	Spot coupon at period end
Fixed rate debt	44%	44	3.94%
Hedged floating rate debt (swaps)	38%	33	3.28%
Total fixed rate and hedged debt	**82%**	**39**	**3.57%**
Unhedged floating rate debt	18%		1.70%
Total debt	**100%**		**3.29%**

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 $1,258M from our revolving credit facility that matures on September 2023 and will be refinanced/renewed prior to maturity

Company Footprint

- Textainer operates through a network of 14 offices and 500 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
- Achieved container residual values of ~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

25 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, Asia

43 years of intermodal and shipping industry experience
Joined in 1996

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 experience
Joined in 1990

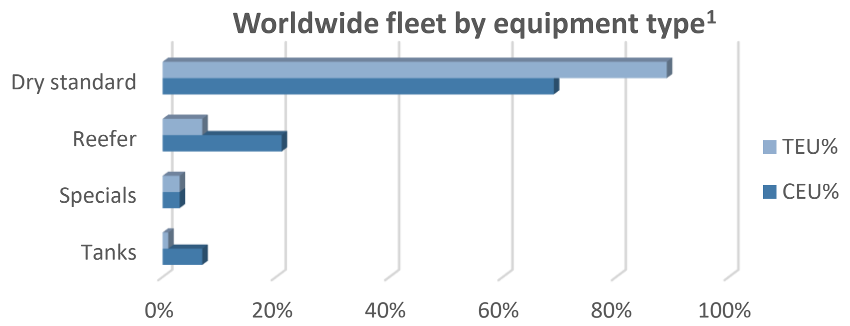
Giancarlo Gennaro
VP, Finance

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

Industry Overview

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

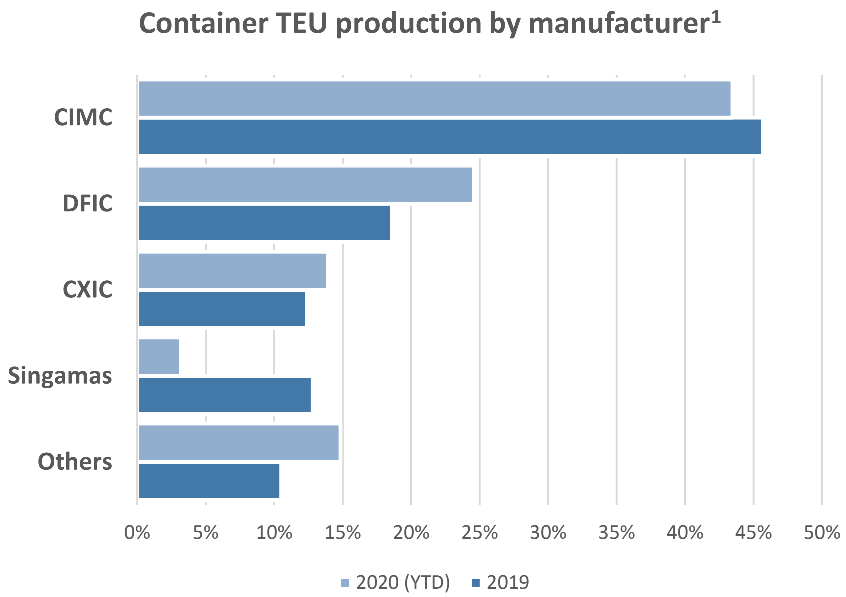
Tanks

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, 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, 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

Note: During August 2019, Singamas (a subsidiary of PIL) sold three of its manufacturing facilities to DFIC (a subsidiary of COSCO)
1) Figures based on management estimates using industry sources

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

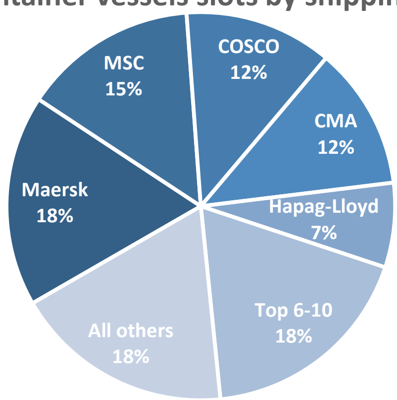
Benefits to lessees

- Flexibility to on-hire / off-hire[1] containers to optimize capacity to meet fluctuating demand requirements
- Flexibility to on-hire / off-hire[1] 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

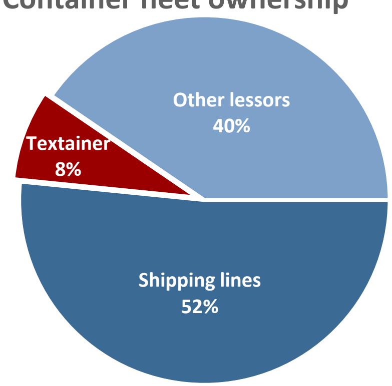
Container vessels slots by shipping line[2]



Worldwide total slots: 23M TEU

23M TEU vessel slots serviced by 44M TEU containers

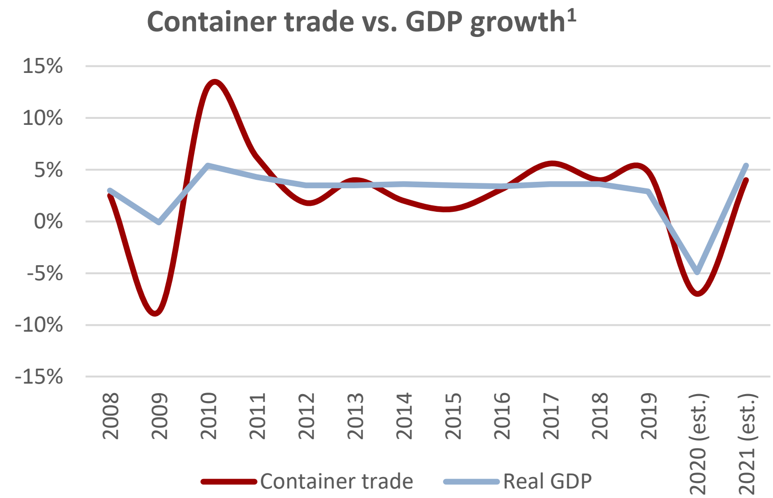
Container fleet ownership[2]

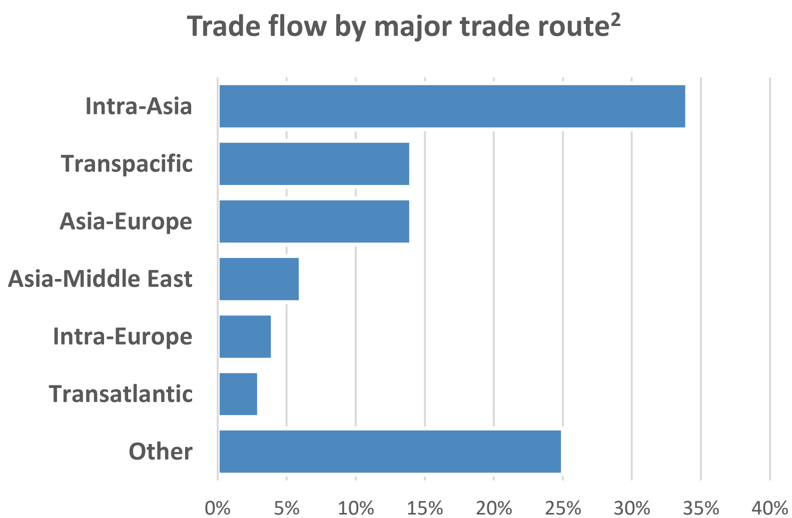


Worldwide total containers: 44M TEU

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

World Container Trade



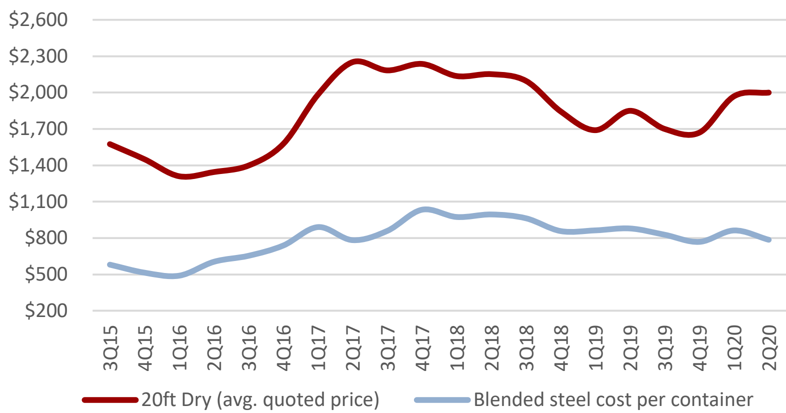


- Container demand is inherently tied to trade. Growth of the container fleet is normally expected to be in line with global GDP growth
- At the end of their economic life, containers are sold on a secondary market to a different customer base for other uses such as static storage or one-way cargo moves
- Quarantine measures implemented across the world in 1H 2020 have caused a significant decline in the expected trade volumes and GDP growth during 2020

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

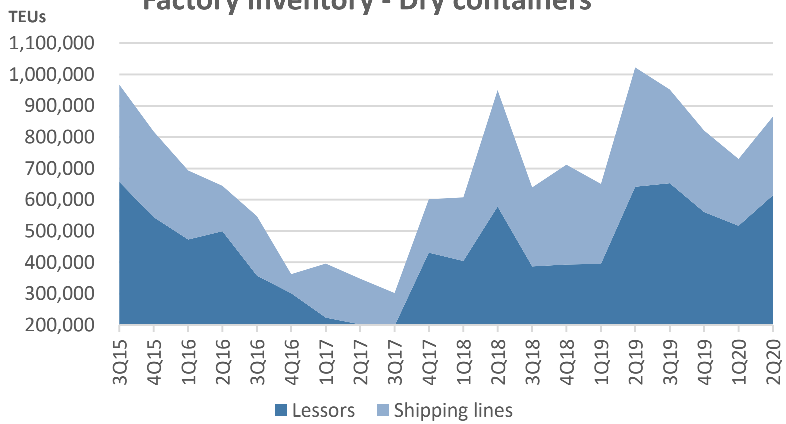
Historical Container Market Data

New container price vs. steel cost[2]

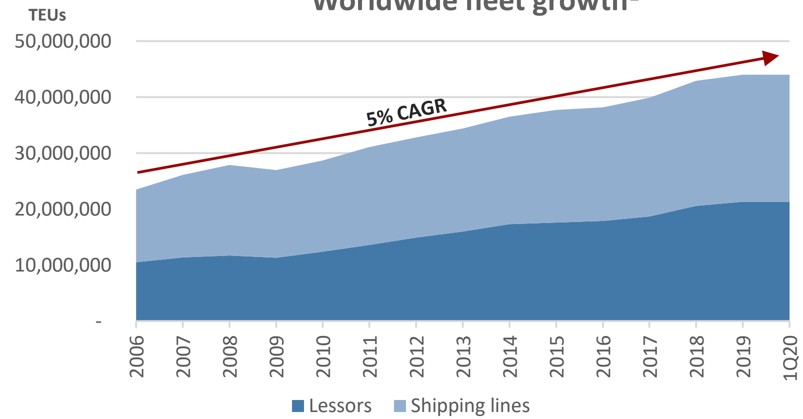


New production – Dry containers[2]

Factory inventory - Dry containers[2]



Worldwide fleet growth[1]



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

Quarterly Earnings

Overview of Quarterly Financial Results

	2Q20 and % change from 1Q20
Lease rental income	• $145M (0%)
Income from operations	• $49M (6%)
Net income	• $16M (465%)
Adjusted net income[1]	• $15M (52%)
Adjusted EBITDA[1]	• $110M (0%)

Quarter Highlights

- Stable revenue and EBITDA in spite of COVID-related disruptions to global trade, driven by our portfolio of 86% long-term leases and strong container return provisions
- Average utilization decreased slightly due to limited lease-out demand, driving a $2M increase in direct costs
- Depreciation expense decreased $3M due to improved mark-to-market adjustments on containers held for sale
- Interest expense, net of hedging, decreased $4M due to lower rates
- No notable credit issues and improved collections. The elevated credit risk from our customers, caused by COVID trade disruptions, has mostly moderated in line with their improved financial performance
- Repurchased 1.63M shares under the share buyback program at an average price of $8.33 per share. Have $12M remaining buyback authority at the end of 2Q20
- Strong balance sheet with stable cash balance of $281M and ample availability in our debt facilities

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

Current Market Environment and Outlook

Favorable lease-out market

- Container demand has rebounded since July due to:
  - Traditional seasonal increase in trade to Europe and North America
  - Increased trade to restock inventories after easing of quarantine measures
  - Supply-chain disruptions (favorable to container demand)
  - Limited container investments by shipping lines over previous 6 quarters

Increasing container prices and rates

- Container prices were relatively stable in 1H 2020 and now improving in 3Q20
- New container prices at $2100, driven by disciplined production levels by manufacturers and increased container demand
- Factory inventory is mostly committed
- Resale prices improving in line with higher new container prices
- Rental rates and yields on new and depot inventory improving due to the increased container demand

Strong customer performance

- Shipping lines reporting stronger than expected financial performance
- Shipping lines efficiently cut their cargo capacity driving a significant increase to their freight rates, while also benefiting from lower fuel costs
- Elevated credit risk of our customers, driven by the COVID-related disruptions, has subsided

Recent improvements in trade volumes and container lease-outs expected to continue through the end of summer. Less visibility thereafter and greatly dependent on COVID-related developments

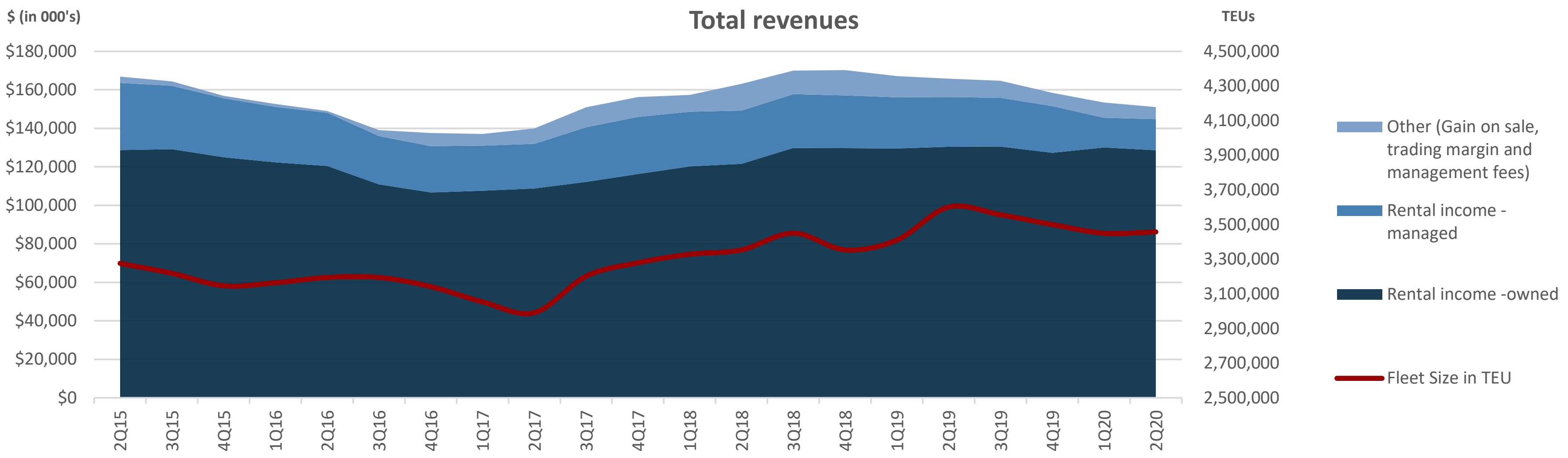
Our utilization and revenue expected to increase over 2H 2020 due to the increased container demand. Container prices and rental rates expected to remain favorable through at least 3Q20

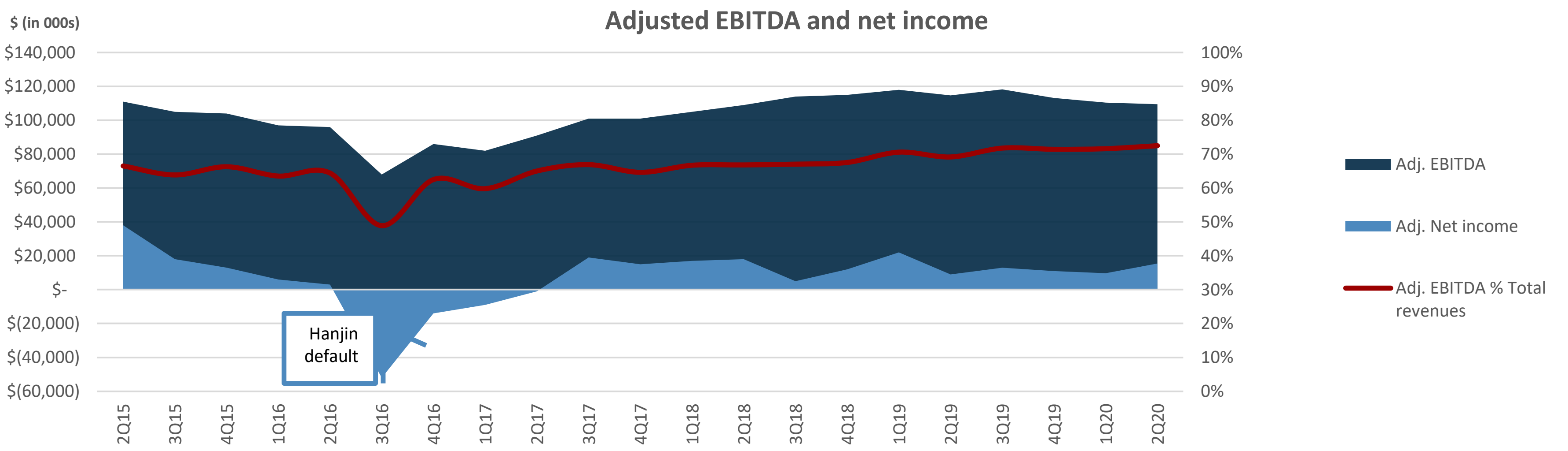
Summary Financial and Business Highlights

($ in 000s, excluding per share amounts)	QTD vs. prior quarter				QTD vs. prior year			
	2Q 2020	**1Q 2020**	**Change**		**2Q 2020**	**2Q 2019**	**Change**	
Lease rental income	$144,774	$145,478	-$704	0%	$144,774	$156,243	-$11,469	-7%
Gains on sale and Trading margin [2]	$6,211	$6,443	-$232	-4%	$6,211	$7,628	-$1,417	19%
Income from operations	$49,265	$46,409	$2,856	6%	$49,265	$45,918	$3,347	7%
Net income (loss) to Textainer shareholders	$15,989	-$4,379	$20,368	-465%	$15,989	$314	$15,675	4,992%
per diluted share	$0.30	-$0.08	$0.38	-475%	$0.30	$0.01	$0.29	2,900%
Adjusted net income	$14,794	$9,702	$5,092	52%	$14,794	$9,006	$5,788	64%
per diluted share	$0.28	$0.17	$0.11	65%	$0.28	$ 0.16	$0.12	75%
Adjusted EBITDA	$109,977	$110,439	-$462	-0%	$109,513	$114,745	-$5,232	-5%
Cash, including restricted cash	$280,977	$225,998	$54,979	24%	$280,977	$244,004	$36,973	15%
Total "lease" container fleet [3]	$4,681,643	$4,611,314	$70,329	2%	$4,681,643	$4,699,454	-$17,811	0%
Total "resale" container fleet [4]	$59,562	$59,796	-$234	0%	$59,562	$53,857	$5,705	11%
Debt, net of deferred financing costs	$3,647,993	$3,665,145	-$17,152	0%	$3,647,993	$3,487,463	$160,530	5%
Total equity	$1,256,312	$1,256,349	-$37	0%	$1,256,312	$1,252,328	$3,983	0%
Average fleet utilization	95.4%	96.2%	-0.08%	-0%	95.4%	97.9%	-2.1%	-2%
Total fleet size at end of period (TEU)	3,458,080	3,450,680	7,400	0%	3,458,080	3,601,681	39,970	1%
Container capex [1]	$182,000	$8,000			$182,000	$440,000		
Shares repurchased	1,633,794	1,947,000			1,633,794	-		

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

Financial Performance Trends





Conclusion

- Delivered stable results in spite of the challenges from the COVID-19 pandemic. Our container portfolio benefits from the stability of its mix of mostly long-term leases with strong container return provisions
- Container demand has rebounded since July, driven by improved trade activity and the impact of supply-chain disruptions. This has been amplified by limited investments in containers by shipping lines over the past 6 quarters
- Container prices and rental rates have been increasing along with the increased container demand
- Elevated credit risk of our customers from COVID has moderated and their financial performance continues to improve
- Actively repurchasing shares under our buy-back program with 1.6M shares purchased during 2Q20
- Strong balance sheet with $281M in cash and ample available borrowing capacity in our facilities
- We remain focused on improving profitability and maintaining a strong balance sheet to better serve our customers and take advantage of future opportunities


tex
TGHU 995372 0
45R1
tex
TGHU 180770 9
22G1
MAX. WT. 30,480 KGS
67,200 LBS
TARE WT. 2,180 KGS
4,810 LBS
PAYLOAD 28,300 KGS
62,390 LBS
CU. CAP. 33.2 CU.M.
1,170 CU.FT.

Appendix

Reconciliation of GAAP to Non-GAAP Items

t e x

	Three Months Ended, June 30, 2020	Three Months Ended, March 31, 2020	Three Months Ended, June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
	(Dollars in thousands) (Unaudited)			(Dollars in thousands) (Unaudited)	
Reconciliation of adjusted net income:					
Net income (loss) attributable to Textainer common shareholders	$ 15,989	$ (4,379)	$ 314	$ 11,610	$ 17,364
Adjustments:					
Write-off of unamortized deferred debt issuance costs	—	122	—	122	—
Unrealized (gain) loss on derivative instruments, net	(1,342)	14,937	10,099	13,595	15,837
Gain on insurance recovery and legal settlement	—	—	(841)	—	(841)
Impact of reconciling items on income tax expense (benefit)	13	(150)	(89)	(137)	(146)
Impact of reconciling items attributable to the noncontrolling interest	134	(828)	(477)	(694)	(765)
Adjusted net income	$ 14,794	$ 9,702	$ 9,006	$ 24,496	$ 31,449
Adjusted net income per diluted common share	$ 0.28	$ 0.17	$ 0.16	$ 0.44	$ 0.55
Reconciliation of adjusted EBITDA:					
Net income (loss) attributable to Textainer common shareholders	$ 15,989	$ (4,379)	$ 314	$ 11,610	$ 17,364
Adjustments:					
Interest income	(56)	(400)	(729)	(456)	(1,367)
Interest expense	30,022	36,112	38,213	66,134	75,729
Write-off of unamortized deferred debt issuance costs	—	122	—	122	—
Realized loss (gain) on derivative instruments, net	3,267	1,526	(1,095)	4,793	(2,539)
Unrealized (gain) loss on derivative instruments, net	(1,342)	14,937	10,099	13,595	15,837
Gain on insurance recovery and legal settlement	—	—	(841)	—	(841)
Income tax expense (benefit)	1,074	(833)	(221)	241	152
Net income (loss) attributable to the noncontrolling interest	308	(729)	(663)	(421)	(558)
Depreciation expense	63,848	66,834	64,135	130,682	126,599
Container (recovery) write-off from lessee default, net	(1,557)	(1)	8,450	(1,558)	7,730
Amortization expense	557	564	493	1,121	1,095
Impact of reconciling items attributable to the noncontrolling interest	(2,133)	(3,314)	(3,410)	(5,447)	(6,327)
Adjusted EBITDA	$ 109,977	$ 110,439	$ 114,745	$ 220,416	$ 232,874

tex