

TEXTAINER GROUP HOLDINGS LTD

Form 6-K

November 14, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K
REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO
RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

For the three months ended September 30, 2011

Commission File Number 001-33725

Textainer Group Holdings Limited

(Translation of registrant's name into English)

Century House

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Hamilton HM 08

Bermuda

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(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

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This report contains the quarterly report of Textainer Group Holdings Limited for the three months ended September 30, 2011.

1. Quarterly Report of Textainer Group Holdings Limited for the Three Months Ended September 30, 2011
- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF XBRL Taxonomy Definition Linkbase Document
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

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Exhibit 1

TEXTAINER GROUP HOLDINGS LIMITED

Quarterly Report on Form 6-K for the Three Months Ended September 30, 2011

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INFORMATION REGARDING FORWARD-LOOKING STATEMENTS; CAUTIONARY LANGUAGE

This Quarterly Report on Form 6-K, including the section entitled Item 2, *Management's Discussion and Analysis of Financial Condition and Results of Operations*, contains forward-looking statements within the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. 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 and application of significant accounting policies, as well as assumptions and estimates relating to the foregoing. In some cases, you can identify forward-looking statements by terminology such as may, will, could, expect, believe, estimate, predict, intend, potential, continue, future or the negative or similar terminology. The forward-looking statements contained in this Quarterly Report on Form 6-K include, but are not limited to, statements regarding (i) future debt repayment amounts and timing, (ii) expectations regarding future new equipment prices, related trends in container resale prices and affected accounting estimates, (iii) factors that are likely to continue to affect our performance, (iv) our belief that our liquidity has not been materially impacted by the current credit environment and (v) our belief that, assuming that our lenders remain solvent, our cash flow from operations, proceeds from the sale of containers and borrowing availability under our debt facilities are sufficient to meet our liquidity needs, including for the payment of dividends, for the next twelve months. 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. Our actual results could differ materially from those anticipated in these forward-looking statements for many reasons, including, among others, the risks we face that are described in the section entitled Item 3, *Key Information -- Risk Factors* included in our Annual Report on Form 20-F for the fiscal year ended December 31, 2010 filed with the U.S. Securities and Exchange Commission (the SEC) on March 18, 2011 (our 2010 Form 20-F), and any risks described in Item 4, *Risk Factors* set forth in this Quarterly Report on Form 6-K.

We believe that it is important to communicate our expectations about the future to existing and potential investors. However, there may be events in the future that we are not able to accurately predict or control and that may cause actual events or results to differ materially from the expectations expressed in or implied by our forward-looking statements. The risk factors listed in Item 3, *Key Information -- Risk Factors* included in our 2010 Form 20-F, as well as any cautionary language and risk factors in this Quarterly Report on Form 6-K, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. Before you decide to buy, hold or sell our common shares, you should be aware that the occurrence of the events or risks described in Item 3, *Key Information -- Risk Factors* included in our 2010 Form 20-F and elsewhere in this Quarterly Report on Form 6-K could negatively impact our business, cash flows, results of operations, financial condition and share price. Readers are cautioned not to place undue reliance on our forward-looking statements.

Any forward-looking statements regarding our present plans or expectations for container purchases and orders, sources and availability of financing, and future operating performance involve risks and uncertainties relative to return expectations and related allocation of resources, and changing economic or competitive conditions, which could cause actual results to differ from present plans or expectations, and such differences could be material. Similarly, any forward-looking statements with regard to our present expectations for operating results and cash flows 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 discussed under Item 3, *Key Information -- Risk Factors* included in our 2010 Form 20-F or elsewhere in this Quarterly Report on Form 6-K, which could also cause actual results to differ from present expectations. 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. New risks and uncertainties arise from time to time, and we cannot predict those events or how they may affect us. The forward-looking statements contained in this Quarterly Report on Form 6-K speak only as of, and are based on

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information available to us on, the date of the filing of this Quarterly Report on Form 6-K. We assume no obligation to, and do not plan to, update any forward-looking statements after the date of this Quarterly Report on Form 6-K as a result of new information, future events or developments, except as expressly required by U.S. federal securities laws. You should read this Quarterly Report on Form 6-K and any documents that we reference and/or have furnished as exhibits 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.

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 significant accounting policies as described in Item 18, *Financial Statements* included in our 2010 Form 20-F.

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Condensed Consolidated Balance Sheets

September 30, 2011 and December 31, 2010

(Unaudited)

(All currency expressed in United States dollars in thousands)

	2011	2010
Assets		
Current assets:		
Cash and cash equivalents	\$ 73,349	\$ 57,081
Accounts receivable, net of allowance for doubtful accounts of \$7,063 and \$8,653 in 2011 and 2010, respectively	78,984	63,511
Net investment in direct financing and sales-type leases	23,618	19,117
Trading containers	13,139	404
Containers held for sale	3,914	2,883
Prepaid expenses	9,961	8,603
Deferred taxes	1,890	1,895
Due from affiliates, net	9	-
Total current assets	204,864	153,494
Restricted cash	42,065	15,034
Containers, net of accumulated depreciation of \$398,576 and \$361,791 at 2011 and 2010, respectively	1,888,515	1,437,259
Net investment in direct financing and sales-type leases	78,591	72,224
Fixed assets, net of accumulated depreciation of \$9,355 and \$8,820 at 2011 and 2010, respectively	1,870	1,804
Intangible assets, net of accumulated amortization of \$32,063 and \$27,441 at 2011 and 2010, respectively	48,054	60,122
Interest rate swaps	-	1,320
Other assets	7,653	5,950
Total assets	\$ 2,271,612	\$ 1,747,207
Liabilities and Equity		
Current liabilities:		
Accounts payable	\$ 6,974	\$ 6,296
Accrued expenses	13,898	11,988
Container contracts payable	19,499	98,731
Deferred revenue	8,301	6,855
Due to owners, net	18,962	17,545
Secured debt facility	19,893	-
Bonds payable	91,500	51,500
Total current liabilities	179,027	192,915
Revolving credit facility	136,000	104,000
Secured debt facility	775,503	558,127
Bonds payable	487,066	175,570
Deferred revenue	1,962	2,994
Interest rate swaps	18,019	13,581
Income tax payable	21,982	20,821
Deferred taxes	7,278	8,632
Total liabilities	1,626,837	1,076,640

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Equity:

Textainer Group Holdings Limited shareholders' equity:			
Common shares, \$0.01 par value. Authorized 140,000,000 shares; issued and outstanding 48,936,405 and 48,318,058 at 2011 and 2010, respectively		489	483
Additional paid-in capital		152,580	181,602
Accumulated other comprehensive income (loss)		137	(52)
Retained earnings		491,115	401,849
Total Textainer Group Holdings Limited shareholders' equity		644,321	583,882
Noncontrolling interest		454	86,685
Total equity		644,775	670,567
Total liabilities and equity	\$	2,271,612	\$ 1,747,207

See accompanying notes to condensed consolidated financial statements.

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Condensed Consolidated Statements of Income

Three and nine months ended September 30, 2011 and 2010

(Unaudited)

(All currency expressed in United States dollars in thousands, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30, 2011	September 30, 2010	September 30, 2011	September 30, 2010
Revenues:				
Lease rental income	\$ 85,147	\$ 61,268	\$ 240,555	\$ 167,590
Management fees	7,397	7,760	22,696	21,065
Trading container sales proceeds	9,024	2,211	19,444	9,846
Gains on sale of containers, net	7,913	4,389	23,724	21,379
Total revenues	109,481	75,628	306,419	219,880
Operating expenses (income):				
Direct container expense	4,480	4,107	12,753	21,448
Cost of trading containers sold	8,047	1,819	17,237	7,900
Depreciation expense	18,809	14,891	61,676	40,922
Amortization expense	1,443	1,636	4,775	4,788
General and administrative expense	5,801	5,146	18,042	16,095
Short-term incentive compensation expense	1,259	1,347	3,712	3,463
Long-term incentive compensation expense	1,356	1,062	4,464	4,200
Bad debt expense (recovery), net	1,681	227	2,225	(254)
Gain on sale of containers to noncontrolling interest	-	-	(19,773)	-
Total operating expenses, net	42,876	30,235	105,111	98,562
Income from operations	66,605	45,393	201,308	121,318
Other income (expense):				
Interest expense	(13,708)	(6,058)	(30,242)	(11,493)
Interest income	6	8	20	14
Realized losses on interest rate swaps and caps, net	(2,763)	(2,292)	(8,170)	(7,399)
Unrealized losses on interest rate swaps, net	(3,516)	(3,188)	(5,758)	(9,516)
Other, net	12	(492)	(118)	(829)
Other expense, net	(19,969)	(12,022)	(44,268)	(29,223)
Income before income tax and noncontrolling interest	46,636	33,371	157,040	92,095
Income tax (expense) benefit	(1,131)	49	(7,511)	(3,219)

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Net income	45,505	33,420	149,529	88,876
Net loss (income) attributable to the noncontrolling interest	295	(2,752)	(14,842)	(8,892)