



The Institute of International Container Lessors 40 Years of Service

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Container Leasing-Investing in Support of Intermodal Transportation

The Container Leasing Industry continues purchases of new containers after 2010's record investment of more than \$4 billion, in support of global containerized cargo trade.

Washington, D.C. – “2010 was a year of recovery for the global containerized cargo industry” said Steven R. Blust, President of the Institute of International Container Lessors (IICL). “While many of the ocean carriers, the primary providers of containers in international trades, were concentrating their efforts on their core service activities, they turned to the international container leasing companies to source a significant portion of their container needs,” explained Blust.

Lessors purchased more than 1.6 million teus of containers in 2010, comprised of standard, refrigerated and other special container types, with an estimated purchase cost of \$4 billion. The new containers were then leased to ocean carriers and other parties for use in international trade around the world. “This investment, exhibits the container leasing companies’ continued support of international trade,” said Mr. Blust. In 2007, in which a record 4.2 million teus were manufactured, leasing companies were contracted to supply a similar 1.6 million teus.

Ocean carriers, the primary service providers utilizing intermodal containers in global international trade, have historically sourced more than half of their container fleets through direct purchases from container manufacturers, and the balance from container leasing companies. But as many ocean carriers were focused on their core activities in 2010, they contracted with container leasing companies to source a majority of the 2.75 million teus that were added to the world container fleet.

In 2011, according to Containerization International (CI), up to 3.5 million teus of containers are expected to be constructed to meet ocean carrier growth requirements and to replace equipment that will be retired by ocean carriers, container leasing companies and other owners. Ocean carriers are expected to contract with container leasing companies to source container volumes that will likely exceed 2010 teu levels. Record capital expenditures could result as lessors continue their investments in equipment to support global international trade.

2012 is likely to be a record year for container manufacturing output with CI reporting, in their most recent Container Leasing Market Report, that 4.3 million teus could be manufactured during the year.

The container and chassis leasing industry was established nearly 50 years ago to support containerized trade by offering quality equipment to ocean carriers and other parties participating in international transportation. Today, according to CI, this leased fleet has a replacement value of approximately \$32 billion for the more than 11 million teus of containers and 375,000 chassis owned or managed by leasing companies.

With growth in international commerce expected to continue for the foreseeable future, opportunities remain for container leasing companies to reinvest earnings and attract new investment to help meet the equipment requirements of container-operating ocean carriers and other parties that utilize the equipment in the containerized ocean transportation system.

The Institute of International Container Lessors, Ltd. (IICL) is a trade association, organized in 1971, representing lessors of maritime containers and intermodal chassis. Its member companies are Beacon Intermodal Leasing, LLC; CAI International, Inc.; Cronos Ltd.; Flexi-Van Leasing, Inc.; Florens Container Services Company Ltd.; GE SeaCO Services Ltd.; Gold Container Corporation; SeaCube Containers LLC; TAL International Container Corporation; Textainer Equipment Management (U.S.) Ltd.; TRAC Intermodal; Triton Container International Limited. IICL members own or manage approximately 90 percent of the global leased container fleet, representing nearly half of the world container fleet and half of the U.S. chassis fleet operated by ocean carriers, railroads, and other companies. The IICL is active in governmental, regulatory, educational, technological, environmental and security issues. Besides its widely accepted publications and annual inspector certification examinations, the IICL offers a wide range of educational training courses.

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For more information, contact IICL at telephone 202 223-9800.

1990 M ST NW, SUITE 650, WASHINGTON, DC 20036-3417 USA
TELEPHONE: 202 223-9800 FAX: 202 223-9810 WEBSITE: www.iicl.org