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## CAI International Q4 2007 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

Thank you sir. (Operator instructions)We will take our first question from Bob Napoli with Piper Jaffray.

**Bob Napoli – Piper Jaffray**

Thank you good afternoon. Congratulations on the great quarter.

**Victor Garcia**

Thank you Bob, thank you.

**Bob Napoli – Piper Jaffray**

The question I guess on how -- what was the dollar amount. Looks like your gain on the container that you sold this quarter was a lot higher \$229 per TEU, I just wondered what was the dollar amount of containers that you sold this quarter into the funds?

**Victor Garcia**

The total proceeds that we received were \$30 million 068 for this quarter.

**Bob Napoli – Piper Jaffray**

Okay. So the cost would be just that left again.

**Victor Garcia**

Yeah.

**Bob Napoli – Piper Jaffray**

Okay, the outlook for 2008, just trying to understand a little bit on when you reduced your -- you've been reducing your managed portfolio as a percentage of the total and it seems like -- it doesn't seem like it's because the height of demand given the gain, very high gains your getting. So it seems like your trying to look for a more predictable revenue stream, is that kind of what you are doing and what is -- in 2008 broadly, what you expect, what percentage, what would the mix of containers own versus managed kind of gravity to.

**Victor Garcia**

I think you're absolutely right. That is our intention. It is a trade off between predictability versus profitability with volatility and now that we have the funds from our IPO, we can afford to give a more balanced composition between managed and owned. As of December of 2006, our owned units comprised only 28% of our total portfolio. That increased as of December 2007 to 34% in terms of TEU's from 186,000 TEU's to 254,000 TEU's which the 37% increased and this increase does represent the added predictability of our revenue stream. Going forward by the end of 2008, we are shooting for -- going a little higher than 34% and in the long run targeting at this time of about 40% owned and 60% managed.

**Bob Napoli – Piper Jaffray**

Okay and last question. I'll let others ask questions. On the tax rate, the 28 -- what would the tax rate be in the back half of the year? So you're saying that there are full tax rate in the first two quarters.

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