SOUTH JERSEY INDUSTRIES INC
Form SC 13G/A
January 15, 2015

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No: 5)

SOUTH JERSEY INDUSTRIES INC

(Name of Issuer)

Common Stock

(Title of Class of Securities)

838518108

(CUSIP Number)

December 31, 2014

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

[X] Rule 13d-1(b)
[ ] Rule 13d-1(c)
[ ] Rule 13d-1(d)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 838518108

(1)Names of reporting persons. BlackRock, Inc.

(2) Check the appropriate box if a member of a group
(a) [ ]

(b) [X]

(3) SEC use only

(4) Citizenship or place of organization

Delaware

Number of shares beneficially owned by each reporting person with:

(5) Sole voting power

3122527

(6) Shared voting power

NONE

(7) Sole dispositive power

3201312

(8) Shared dispositive power

NONE

(9) Aggregate amount beneficially owned by each reporting person

3201312

(10) Check if the aggregate amount in Row (9) excludes certain shares

(11) Percent of class represented by amount in Row 9

9.5%

(12) Type of reporting person

HC

Item 1.

Item 1(a) Name of issuer:

SOUTH JERSEY INDUSTRIES INC

Item 1(b) Address of issuer's principal executive offices:
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1 South Jersey Plaza Route 54
Folsom NJ 08037

Item 2.

2(a) Name of person filing:

BlackRock, Inc.

2(b) Address or principal business office or, if none, residence:

BlackRock Inc.
55 East 52nd Street
New York, NY 10022

2(c) Citizenship:

See Item 4 of Cover Page

2(d) Title of class of securities:

Common Stock

2(e) CUSIP No.:
See Cover Page

Item 3.

If this statement is filed pursuant to Rules 13d-1(b), or 13d-2(b) or (c), check whether the person filing is a:
[ ] Broker or dealer registered under Section 15 of the Act;
[ ] Bank as defined in Section 3(a)(6) of the Act;
[ ] Insurance company as defined in Section 3(a)(19) of the Act;
[ ] Investment company registered under Section 8 of the Investment Company Act of 1940;
[ ] An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
[ ] An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);
[X] A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);
[ ] A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);
[ ] A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940;
[ ] A non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J);
[ ] Group, in accordance with Rule 240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with Rule 240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

Amount beneficially owned:

3201312

Percent of class

9.5%

Number of shares as to which such person has:

Sole power to vote or to direct the vote

3122527

Shared power to vote or to direct the vote

NONE

Sole power to dispose or to direct the disposition of

3201312

Shared power to dispose or to direct the disposition of

NONE

Item 5.

Ownership of 5 Percent or Less of a Class. If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following [ ].

Item 6. Ownership of More than 5 Percent on Behalf of Another Person

If any other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities, a statement to that effect should be included in response to this item and, if such interest relates to more than 5 percent of the class, such person should be identified. A listing of the shareholders of an investment company registered under the Investment Company Act of 1940 or the beneficiaries of employee benefit plan, pension fund or endowment fund is not required.

Various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of the common stock of
SOUTH JERSEY INDUSTRIES INC.
No one person's interest in the common stock of
SOUTH JERSEY INDUSTRIES INC
is more than five percent of the total outstanding common shares.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

See Exhibit A

Item 8. Identification and Classification of Members of the Group

If a group has filed this schedule pursuant to Rule 13d-1(b)(ii)(J), so indicate under Item 3(j) and attach an exhibit stating the identity and Item 3 classification of each member of the group. If a group has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identity of each member of the group.

Item 9. Notice of Dissolution of Group

Notice of dissolution of a group may be furnished as an exhibit stating the date of the dissolution and that all further filings with respect to transactions in the security reported on will be filed, if required, by members of the group, in their individual capacity.

See Item 5.

Item 10. Certifications
By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Signature.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 12, 2015
BlackRock, Inc.

Signature: Matthew J. Fitzgerald

Name/Title Attorney-In-Fact

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative other than an executive officer or general partner of the filing person, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement, provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

Exhibit A

Subsidiary

BlackRock Advisors (UK) Limited
BlackRock Advisors, LLC
BlackRock Asset Management Canada Limited
BlackRock Asset Management Ireland Limited
BlackRock Fund Advisors*
BlackRock Institutional Trust Company, N.A.
BlackRock Investment Management (Australia) Limited
BlackRock Investment Management (UK) Ltd
BlackRock Investment Management, LLC
BlackRock Japan Co Ltd

*Entity beneficially owns 5% or greater of the outstanding shares of the security class being reported on this Schedule 13G.

Exhibit B

POWER OF ATTORNEY

The undersigned, BLACKROCK, INC., a corporation duly organized under the laws of the State of Delaware, United States (the "Company"), does hereby make, constitute and appoint each of Matthew Mallow, Howard Surloff, Herm Howerton, Bartholomew Battista, Dan Waltcher, Karen Clark, Daniel Ronnen, John Stelley, Brian Kindelan, Matthew Fitzgerald, Charles Park, Carsten Otto and Con Tzatzakis acting severally, as its true and lawful attorneys-in-fact, for the purpose of, from time to time, executing in its name and on its behalf, whether the Company is acting individually or as representative of others, any and all documents, certificates, instruments, statements, other filings and amendments to the foregoing (collectively, "documents") determined by such person to be necessary or appropriate to comply with ownership or control-person reporting requirements imposed by any United States or non-United States governmental or regulatory authority, including without limitation Forms 3, 4, 5, 13D, 13F, 13G and 13H and any amendments to any of the foregoing as may be required to be filed with the Securities and Exchange Commission, and delivering, furnishing or filing any such documents with the appropriate governmental, regulatory authority or other person, and giving and granting to each such attorney-in-fact power and authority to act in the premises as fully and to all intents and purposes as the Company might or could do if personally present by one of its authorized signatories, hereby ratifying and confirming all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof. Any such determination by an attorney-in-fact named herein shall be conclusively evidenced by such person's execution, delivery, furnishing or filing of the applicable document.

This power of attorney shall expressly revoke the power of attorney dated 10th day of July,2012 in respect of the subject matter hereof, shall be valid from the date hereof and shall remain in full force and effect until either revoked in writing by the Company, or, in respect of any attorney-in-fact named herein, until such person ceases to be an employee of the Company or one of its affiliates.

IN WITNESS WHEREOF, the undersigned has caused this power of attorney to be executed as of this 28th day of July, 2014.

BLACKROCK, INC.

By:_ /s/ Chris Jones
Name: Chris Jones
Title: Chief Investment Officer

td>

2015

$

136,751

2016

116,874

2017

92,394

2018

72,712

2019

35,733

2020 and thereafter

44,841

$

499,305

See Note 4 for contractual maturities of the Company’s gross finance lease receivables.

(7)Debt and Capital Lease Obligations

Debt

Details of the Company’s debt as of December 31, 2014 and 2013 were as follows (dollars in thousands):

		December 31, 2014			December 31, 2013			
		Outstanding		Average	Outstanding		Average	Agreement
Reference		Current	Long-term	Interest	Current	Long-term	Interest	Terminates
(a)(i)	Revolving credit facility	$ -	$ 289,000	1.9%	$ -	$ 235,000	1.9%	March 2018
(a)(ii)	Revolving credit facility - Rail	-	61,769	1.9%	-	54,469	2.4%	July 2019
(b)(i)	Term loan	1,800	25,500	2.2%	8,400	27,300	2.3%	April 2018
(b)(ii)	Term loan	9,000	138,750	1.8%	7,500	111,875	2.5%	October 2019
(b)(iii)	Term loan	9,940	109,380	1.9%	9,940	119,320	2.2%	April 2017
(c)		8,240	78,280	4.9%	8,240	86,520	4.9%	

	Senior secured notes									September 2022
(d)	Asset backed notes		40,000		282,875	3.4%	40,000	322,875	3.4%	March 2028
(e)	Collateralized financing obligations		57,390		65,184	0.8%	-	101,269	1.0%	June 2019
(f)	Term loans held by VIE		1,829		8,016	2.6%	-	-	-	June 2019
(g)	Short-term line of credit		75,000		-	1.5%	-	-	-	May 2015
	Total Debt	$	203,199	$	1,058,754		$ 74,080	$ 1,058,628		

(a) Revolving Credit Facilities
Revolving credit facilities consist of the following:

(i) On March 15, 2013, the Company entered into a Third Amended and Restated Revolving Credit Agreement with a syndicate of banks to finance the acquisition of container rental equipment and for general working capital purposes. The Third Amended and Restated Revolving Credit Agreement refinanced the Company’s prior revolving credit facility to reduce the interest rate, increase the facility commitment and revise certain covenants to provide the Company with additional flexibility. As of December 31, 2014, the maximum commitment under the revolving credit facility was $760.0 million, which may be increased to a maximum of $960.0 million, under certain conditions described in the agreement. There is a commitment fee on the unused amount of the total commitment, payable quarterly in arrears. The agreement provides that swing line loans (short-term borrowings of up to $10.0 million in the aggregate that are payable within 10 business days or at maturity date, whichever comes earlier) and standby letters of credit (up to $15.0 million in the aggregate) will be available to the Company. These credit commitments are part of, and not in addition to, the total commitment provided under the agreement. Borrowings under this credit facility bear interest at a variable rate. The interest rates vary depending upon whether the loans are characterized as Base Rate loans or Eurodollar rate loans, as defined in the revolving credit agreement. Interest rates are based on LIBOR for Eurodollar loans, and Base Rate for Based Rate loans. In addition to various financial and other covenants, the Company’s revolving credit facility also includes certain restrictions on the Company’s ability to incur other indebtedness or pay dividends to stockholders. As of December 31, 2014, the Company was in compliance with the terms of the revolving credit facility.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

As of December 31, 2014, the Company had $470.9 million in availability under the revolving credit facility (net of $0.1 million in letters of credit) subject to its ability to meet the collateral requirements under the agreement governing the facility. The entire amount of the facility drawn at any time plus accrued interest and fees is callable on demand in the event of certain specified events of default.

The Company's revolving credit facility, including any amounts drawn on the facility, is secured by substantially all of the assets of the Company (not otherwise used as security for its other credit facilities) including containers owned by the Company, which had a net book value of $565.3 million as of December 31, 2014, the underlying leases thereon and the Company's interest in any money received under such contracts.

On January 30, 2015, the Company entered into an amendment to the Third Amended and Restated Revolving Credit Agreement with a consortium of banks, pursuant to which the prior revolving credit facility was refinanced. The agreement was amended to extend the maturity date to March 15, 2020, reduce the interest rate, increase the commitment level from $760.0 million to $775.0 million, and revise certain of the covenants and restrictions under the prior facility to provide the Company with additional flexibility.

(ii) On July 25, 2014, the Company and CAI Rail Inc. (CAI Rail), a wholly-owned subsidiary of the Company, entered into an Amended and Restated Revolving Credit Agreement with a consortium of banks to finance the acquisition of railcars. As of December 31, 2014, the maximum credit commitment under the revolving line of credit was $250.0 million. CAI Rail's revolving credit facility may be increased up to a maximum of $325.0 million, in accordance with the terms of the agreement, subject to certain conditions.

Borrowings under the credit facility bear interest at a variable rate. The interest rates vary depending upon whether the loans are characterized as Base Rate loans or Eurodollar rate loans, as defined in the revolving credit agreement. Interest rates are based on LIBOR for Eurodollar loans, and Base Rate for Base Rate loans.

As of December 31, 2014, CAI Rail had $188.2 million in availability under the revolving credit facility, subject to its ability to meet the collateral requirements under the agreement governing the facility. The entire amount of the facility drawn at any time plus accrued interest and fees is callable on demand in the event of certain specified events of default.

The agreement governing CAI Rail's revolving credit facility contains various financial and other covenants. As of December 31, 2014, CAI Rail was in compliance with the terms of the revolving credit facility. CAI Rail's revolving credit facility, including any amounts drawn on the facility, is secured by all of the assets of CAI Rail, which had a net book value of $83.7 million as of December 31, 2014, and is guaranteed by the Company.

(b) Term Loans

Term loans consist of the following:

(i) On March 22, 2013, the Company entered into a $30.0 million five-year loan agreement with Development Bank of Japan (DBJ). The loan is payable in 19 quarterly installments of $0.5 million starting July 31, 2013 and a final payment of $21.5 million on April 30, 2018. The loan bears interest at variable rates based on LIBOR. As of December 31, 2014, the loan has a balance of $27.3 million.

The following are the estimated future principal and interest payments under these loans as of December 31, 2014 (in thousands). The payments were calculated assuming the interest rate remains 2.2% through maturity of the loan.

2015	$ 2,403
2016	2,363
2017	2,321
2018	22,143
	29,230
Less: Amount representing interest	(1,930)
Term loan	$ 27,300

(ii) On December 20, 2010, the Company entered into a term loan agreement with a consortium of banks. Under this loan agreement, the Company was eligible to borrow up to $300.0 million, subject to certain borrowing conditions, which amount is secured by certain assets of the Company's wholly-owned foreign subsidiaries. The loan agreement is an amortizing facility with a term of six years. The interest rates vary depending upon whether the loans are characterized as Base Rate loans or Eurodollar rate loans, as defined in the term loan agreement. The loan bears a variable interest rate based on LIBOR for Eurodollar loans, and Base Rate for Base Rate loans.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

On March 28, 2013, the term loan agreement was amended which reduced the principal balance of the loan from $249.4 million to $125.0 million through payment of $124.4 million from the proceeds of the $229.0 million fixed-rate asset-backed notes issued by the Company's indirect wholly-owned subsidiary, CAL Funding II Limited (see paragraph (d) Asset-Backed Notes below).

On October 1, 2014, the Company entered into an Amended and Restated Term Loan Agreement with a consortium of banks, pursuant to which the prior loan agreement was refinanced. The amended and restated term loan agreement, which contains similar terms to the prior loan agreement, was amended to, among other things: (a) reduce the borrowing rates from LIBOR plus 2.25% to LIBOR plus 1.6% (per annum) for Eurodollar loans, (b) increase the outstanding loan commitment from $115.0 million to $150.0 million, (c) extend the maturity to October 1, 2019, and (d) revise certain of the covenants and restrictions under the prior loan agreement to provide the Company with additional flexibility. As of December 31, 2014, the term loan had a balance of $147.8 million.

The following are the estimated future principal and interest payments under this loan as of December 31, 2014 (in thousands). The payments were calculated assuming the interest rate remains 1.8% through maturity of the loan.

2015	$ 11,688
2016	11,542
2017	11,367
2018	11,198
2019	113,350
	159,145
Less: Amount representing interest	(11,395)
Term loan	$ 147,750

(iii) On April 11, 2012, the Company entered into a term loan agreement with a consortium of banks. The agreement, which was amended on August 31, 2012, May 30, 2013, and July 25, 2014, provides for a five year term loan of up to $142.0 million, subject to certain borrowing conditions, which amount is secured by certain assets of the Company. The commitment under the loan may be increased to a maximum of $200.0 million under certain conditions described in the agreement. The outstanding principal amounts under the term loan bear interest based on LIBOR, amortized quarterly, and require quarterly payments equal to 1.75% multiplied by the outstanding principal amount at such time. The facility contains various financial and other covenants. The full $142.0 million has been drawn and was primarily used to repay outstanding amounts under the revolving credit facility. All unpaid amounts then outstanding are due and payable on April 11, 2017. As of December 31, 2014, the loan had a balance of $119.3 million.

The following are the estimated future principal and interest payments under this loan as of December 31, 2014 (in thousands). The payments were calculated assuming the interest rate remains 1.9% through maturity of the loan.

2015	$ 12,112
2016	11,932
2017	100,361
	124,405
Less: Amount representing interest	(5,085)
Term loan	$ 119,320

The Company's term loans are secured by rental equipment owned by the Company, which had a net book value of $357.3 million as of December 31, 2014.

(c) Senior Secured Notes

On September 13, 2012, Container Applications Limited (CAL), a wholly-owned subsidiary of the Company, entered into a Note Purchase Agreement with certain institutional investors, pursuant to which CAL issued $103.0 million of its 4.90% Senior Secured Notes due September 13, 2022 (the Notes) to the investors. The Notes are guaranteed by the Company and secured by certain assets of CAL and the Company.

The Notes bear interest at 4.9% per annum, due and payable semiannually on March 13 and September 13 of each year, commencing on March 13, 2013. In addition, CAL is required to make certain principal payments on March 13 and September 13 of each year, commencing on March 13, 2013. Any unpaid principal and interest is due and payable on September 13, 2022. The Note Purchase Agreement provides that CAL may prepay at any time all or any part of the Notes in an amount not less than 10% of the aggregate principal amount of the Notes then outstanding. As of December 31, 2014, the Notes had a balance of $86.5 million.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

The following are the estimated future principal and interest payments under the Notes as of December 31, 2014 (in thousands). The payments were calculated based on the fixed interest rate of 4.9%.

2015	$ 12,379
2016	10,910
2017	9,519
2018	9,220
2019	8,921
2020 and thereafter	59,410
	110,359
Less: Amount representing interest	(23,839)
Senior secured notes	$ 86,520

The Company's senior secured notes are secured by rental equipment owned by the Company, which had a net book value of $109.2 million as of December 31, 2014.

(d) Asset-Backed Notes
On October 18, 2012, CAL Funding II Limited (CAL II), a wholly-owned indirect subsidiary of CAI, issued $171.0 million of 3.47% fixed rate asset-backed notes (Series 2012-1 Asset-Backed Notes). Principal and interest on the Series 2012-1 Asset-Backed Notes is payable monthly commencing on November 26, 2012, and the Series 2012-1 Asset-Backed Notes mature in October 2027. The proceeds from the Series 2012-1 Asset-Backed Notes were used to repay part of the Company’s borrowings under its revolving credit facility. As of December 31, 2014, the Series 2012-1 Asset-Backed Notes had a balance of $134.0 million.

On March 28, 2013, CAL II issued $229.0 million of 3.35% fixed rate asset-backed notes (Series 2013-1 Asset-Backed Notes). Principal and interest on the Series 2013-1 Asset-Backed Notes is payable monthly commencing on April 25, 2013, and the Series 2013-1 Asset-Backed Notes mature in March 2028. The proceeds from the Series 2013-1 Asset-Backed Notes were used partly to reduce the balance of the Company’s term loan as described in Note 7 (b)(ii) above, and to partially pay down the Company’s senior revolving credit facility. The Series 2013-1 Asset-Backed Notes had a balance of $188.9 million as of December 31, 2014.

The following are the estimated future principal and interest payments under the Asset-Backed Notes as of December 31, 2014 (in thousands). The payments were calculated based on the weighted average fixed interest rate of 3.4%.

2015	$ 50,353
2016	48,993
2017	47,632
2018	46,272
2019	44,911
2020 and thereafter	129,482
	367,643
Less: Amount representing interest	(44,768)
Asset-backed notes	$ 322,875

The Company's asset-backed notes are secured by rental equipment owned by the Company, which had a net book value of $411.4 million as of December 31, 2014.

(e) Collateralized Financing Obligations

As of December 31, 2014, the Company had collateralized financing obligations of $122.6 million (see Note 3). The obligations had an average interest rate of 0.8% as of December 31, 2014 with maturity dates between June 2015 and June 2019. The debt is secured by a pool of containers covered under the financing arrangements.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

The following are the estimated future principal and interest payments under the Company's collateralized financing obligations as of December 31, 2014 (in thousands). The payments were calculated assuming an average interest rate of 0.8% through maturity of the obligations.

2015	$ 58,846
2016	37,622
2017	18,656
2018	-
2019	10,880
	126,004
Less: Amount representing interest	(3,430)
Collateralized financing obligations	$ 122,574

(f) Term Loans Held by VIE

On June 25, 2014, one of the Japanese investor funds that is consolidated by the Company as a VIE (see Note 3) entered into a term loan agreement with a bank. Under the terms of the agreement, the Japanese investor fund entered into two loans; a five year, amortizing loan of $9.2 million at a fixed interest rate of 2.7%, and a five year, non-amortizing loan of $1.6 million at a variable interest rate based on LIBOR. The debt is secured by assets of the Japanese investor fund, and is subject to certain borrowing conditions set out in the loan agreement. As of December 31, 2014, the term loans held by the Japanese investor fund totaled $9.8 million and had an average interest rate of 2.6%.

The following are the estimated future principal and interest payments under this loan as of December 31, 2014 (in thousands). The payments were calculated assuming the interest rate remains 2.6% through maturity of the loan.

2015	$ 2,076
2016	2,029
2017	1,982
2018	1,935
2019	2,577
	10,599
Less: Amount representing interest	(754)
Term loans held by VIE	$ 9,845

The Company's term loans held by VIE are secured by rental equipment owned by the Company, which had a net book value of $20.1 million as of December 31, 2014.

(g)Short Term Line of Credit

On May 8, 2014, CAL entered into a short term uncommitted line of credit agreement. Under this credit agreement, CAL is eligible to borrow up to $75.0 million, subject to certain borrowing conditions. Loans made under the line of credit are repayable on the earlier of (a) 3 months after the loan is made, and (b) the facility termination date of May 8, 2015. Outstanding loans bear a variable interest rate based on LIBOR. The full $75.0 million has been drawn and was primarily used to repay outstanding amounts under the Company's senior revolving credit facility. As of December 31, 2014, the loan had a balance of $75.0 million, which is due and payable on March 24, 2015. The Company intends to renew the loan upon its maturity dates. Interest is charged on the outstanding loan at an annual rate of 1.5%.

The agreements relating to all of the Company's debt contain various financial and other covenants. As of December 31, 2014, the Company was in compliance with all of its debt covenants.

Capital Lease Obligations

As of December 31, 2014, the Company had capital lease obligations of $2.6 million. The underlying obligations are denominated in U.S. Dollars and Euros at floating interest rates averaging 2.3% as of December 31, 2014 with maturity dates between March 2015 and June 2019. The loans are secured by containers covered by the lease obligations, which had a net book value of $4.3 million as of December 31, 2014.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

The following are the estimated future principal and interest payments under capital lease obligations as of December 31, 2014 (in thousands). The payments were calculated assuming the interest rate remains 2.3% through maturity of the loans.

2015	$ 1,065
2016	623
2017	537
2018	364
2019	98
	2,687
Less: Amount representing interest	(104)
Capital lease obligations	$ 2,583

(8)Stock–Based Compensation Plan

Stock Options

The Company grants stock options to certain employees and independent directors pursuant to its 2007 Equity Incentive Plan (Plan) which was adopted on April 23, 2007 and amended on June 5, 2009, June 3, 2011 and June 8, 2012. Under the Plan, a maximum of 1,721,980 share awards may be granted.

All of our stock options have a contractual term of ten years and vest over four years for the employees and one year for the independent directors.

The following table summarizes the activity in the Company's stock option plan for the three years ended December 31, 2014:

	Weighted	Weighted Average Remaining	Aggregate

	Number of Shares	Average Exercise Price	Contractual Term (in years)	Intrinsic Value (in thousands)
Options outstanding, December 31, 2011	1,192,680	$ 12.89		
Options granted - employees	111,000	$ 17.77		
Options granted - directors	40,000	$ 17.77		
Options forfeited - employees	(8,000)	$ 17.77		
Options outstanding, December 31, 2012	1,335,680	$ 13.41		
Options granted - employees	51,300	$ 26.41		
Options granted - directors	40,000	$ 26.41		
Options forfeited - employees	(3,501)	$ 14.87		
Options exercised - employees	(159,994)	$ 9.53		
Options outstanding, December 31, 2013	1,263,485	$ 14.84		
Options granted - employees	120,000	$ 22.09		
Options granted - directors	50,000	$ 22.09		
Options forfeited - employees	(5,417)	$ 22.55		
Options exercised - employees	(7,319)	$ 15.60		
Options outstanding, December 31, 2014	1,420,749	$ 15.67	5.4	$ 11,270
Options exercisable at December 31, 2014	1,169,312	$ 14.28	4.6	$ 10,887
Expected to vest after December 31, 2014	251,437	$ 22.16	8.9	$ 382

The aggregate intrinsic value represents the value by which the Company’s closing stock price of $23.20 per share on the last trading day of the year ended December 31, 2014 exceeds the exercise price of the stock multiplied by the number of options outstanding or exercisable, excluding options that have a zero or negative intrinsic value. The aggregate intrinsic value of options exercised during 2014 and 2013, based on the closing share price on the date each option was exercised, was less than $0.1 million and $2.3 million, respectively.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

The total fair value of stock options granted to the Company's employees and independent directors at the time of grant was approximately $1.9 million, or $11.02 per share, $1.3 million, or $14.10 per share, and $1.3 million, or $8.36 per share for the years ended December 31, 2014, 2013 and 2012, respectively, calculated using the Black-Scholes-Merton pricing model under the following weighted average assumptions:

	2014		2013		2012	
Stock price	$ 22.09		$ 26.41		$ 17.77	
Exercise price	$ 22.09		$ 26.41		$ 17.77	
Expected term:						
Employees	6.25 years		6.25 years		6.25 years	
Directors	5.5 years		5.5 years		5.5 years	
Expected volatility:						
Employees	53.50	%	56.70	%	49.50	%
Directors	44.80	%	58.60	%	50.20	%
Dividend yield	-	%	-	%	-	%
Risk free rate:						
Employees	1.98	%	1.35	%	0.75	%
Directors	1.79	%	1.16	%	0.75	%

The expected option term is calculated using the simplified method in accordance with SEC guidance. Prior to 2013, in the absence of sufficient historical data, 50% of the assumed volatility was derived from the average volatility of common shares for similar companies over a period approximating the expected term of the options. The remaining 50% of the expected volatility was derived from the average volatility of the Company's common shares since their initial public offering in 2007. Stock options granted since 2013 use 100% of the average volatility of the Company's stock over a period approximating the expected term of the options. The risk-free rate is based on daily U.S. Treasury yield curve with a term approximating the expected term of the option. No forfeiture was estimated on all options granted during the years ended December 31, 2014, 2013 and 2012 as management believes that none of the grantees will leave the Company within the option vesting period.

The Company recorded stock-based compensation expense of $1.6 million, $1.4 million and $1.3 million relating to stock options for the years ended December 31, 2014, 2013 and 2012, respectively. As of December 31, 2014, the remaining unamortized stock-based compensation cost relating to stock options granted to the Company's employees and independent directors was approximately $2.3 million which is to be recognized over the remaining average vesting period of 2.5 years.

Restricted Stock

The Company grants restricted stock to certain employees pursuant to the Company's Plan. The restricted stock is valued based on the closing price of the Company's stock on the date of grant and has a vesting period of four years. The following table summarizes the activity of restricted stock under the Company's Plan:

	Restricted Share Units	Weighted Average Grant Date Fair Value
Share units outstanding, December 31, 2012	-	$ -
Share units granted	28,150	$ 26.11
Share units outstanding, December 31, 2013	28,150	$ 26.11
Share units granted	23,500	$ 22.09
Share units vested	(7,648)	$ 26.13
Share units forfeited	(1,500)	$ 26.41
Share units outstanding, December 31, 2014	42,502	$ 23.87

The Company recognized $0.3 million and $0.1 million of stock compensation expense relating to restricted stock for the years ended December 31, 2014 and 2013, respectively, and none for the year ended December 31, 2012. Unamortized stock compensation expense relating to restricted stock as of December 31, 2014 was $0.8 million to be recognized over the remaining average vesting period of 2.9 years.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

Stock-based compensation expense is recorded as a component of marketing, general and administrative expenses in the Company’s consolidated statements of income with a corresponding credit to additional paid-in capital in the Company’s consolidated balance sheets.

(9)Income Taxes

For the years ended December 31, 2014, 2013 and 2012, net income before income taxes and non-controlling interest consisted of the following (in thousands):

	Year Ended December 31,		
	2014	2013	2012
U.S. operations	$ 7,853	$ 9,225	$ 15,595
Foreign operations	59,723	62,352	58,504
	$ 67,576	$ 71,577	$ 74,099

Income tax expense (benefit) attributable to income from operations consisted of (in thousands):

	Year Ended December 31,		
	2014	2013	2012
Current			
Federal	$ 3,005	$ 2,032	$ 1,557
State	62	37	38
Foreign	1,954	1,783	2,209
	5,021	3,852	3,804
Deferred			
Federal	930	2,777	5,297
State	247	(469)	(257)
Foreign	993	897	974
	2,170	3,205	6,014
Income tax expense	$ 7,191	$ 7,057	$ 9,818

The reconciliations between the Company's income tax expense and the amounts computed by applying the U.S. federal income tax rate of 35.0% for the years ended December 31, 2014, 2013 and 2012 are as follows (in thousands):

	Year Ended December 31,		
	2014	2013	2012
Computed expected tax expense	$ 23,651	$ 25,052	$ 25,935
Increase (decrease) in income taxes resulting from:			
Foreign tax differential	(17,955)	(19,046)	(17,294)
State income tax expense, net of federal income tax benefit	55	(514)	(66)
Subpart F income	1,106	1,255	1,404
Increase (decrease) in uncertain tax positions	38	124	(78)
Non-deductible stock-based compensation	112	92	86
Change in valuation allowance	167	-	-
Other	17	94	(169)
	$ 7,191	$ 7,057	$ 9,818

As of December 31, 2014, the Company had $72.6 million and $7.7 million of net operating loss (NOL) carry forwards available to offset future foreign and state taxable income, respectively. The NOL carry forwards will begin to expire in 2019 and 2029 for foreign and state income tax purposes, respectively.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities as of December 31, 2014 and 2013 are presented below (in thousands):

	Year Ended December 31, 2014	2013
Deferred tax assets:		
Accounts receivable (owned fleet)	$ 63	$ 44
Accrued expenses and other current liabilities	114	105
Unearned revenue	209	190
Stock-based compensation	2,174	1,777
Other	36	13
Net operating loss carry forwards	2,602	1,488
Gross deferred tax assets	5,198	3,617
Valuation allowance	(167)	-
Net deferred tax assets	5,031	3,617
Deferred tax liabilities:		
Intangible assets	68	112
Depreciation and amortization	40,015	37,131
Foreign deferred tax liabilities	2,953	3,325
Deferred subpart F income	5,193	4,087
Unrealized gain	39	29
Gross deferred tax liabilities	48,268	44,684
Net deferred tax liability	$ 43,237	$ 41,067

The realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The Company's management considers the projected future taxable income for making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, the Company's management believes it is more likely than not the Company will realize the benefits of the deductible differences noted above.

Deferred income taxes have not been provided on the undistributed earnings of foreign subsidiaries. As of December 31, 2014, the amount of such earnings totaled approximately $247.4 million. These earnings have been permanently reinvested and the Company does not plan to initiate any action that would precipitate the payment of income taxes thereon. The amount of income taxes that would have resulted had such earnings been repatriated is not practically determinable.

The Company is required to recognize in the financial statements the impact of a tax position, if that position is more likely than not of being sustained on audit, based on the technical merits of the position. The Company has elected to record penalties and interest associated with uncertain tax position within income tax expense. The Company accrues for unrecognized tax benefits based upon its best estimate of the additional taxes to be paid. These estimates are updated over time as more definitive information becomes available from taxing authorities, completion of tax examinations, expiration of statute of limitations, or upon occurrence of other events.

The following table summarizes the activity related to the Company’s unrecognized tax benefits (in thousands):

Balance at January 1, 2013	$ 182
Increases related to prior year tax positions	116
Increases related to current year tax positions	19
Decreases related to lapsing of statute	(9)
Decreases related to settlement	(168)
Balance at December 31, 2013	140
Increases related to prior year tax positions	13
Increases related to current year tax positions	35
Balance at December 31, 2014	$ 188

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

The unrecognized tax benefits of approximately $0.2 million at December 31, 2014, if recognized, would reduce the Company’s effective tax rate. The Company accrued potential interest and penalties of less than $0.1 million related to unrecognized tax benefits for each of the years ended December 31, 2014 and 2013. The Company does not believe the total amount of unrecognized tax benefit as of December 31, 2014 will increase or decrease significantly in the next twelve months.

The Company is subject to taxation in the U.S. and various states and foreign jurisdictions. With few exceptions, as of December 31, 2014, the Company is no longer subject to U.S. federal, state, local or foreign examinations by tax authorities for years before 2010. In June 2013, the Company received notification from the IRS that they had completed their examination for both 2008 and 2009, making changes to taxable income for those years. The changes did not materially alter the Company’s income tax for those years.

(10)Fair Value of Financial Instruments

The carrying amounts reported in the consolidated balance sheets for cash, accounts receivable and accounts payable approximate fair value because of the immediate or short-term maturity of these financial instruments. The Company’s collateralized financing obligations of $122.6 million as of December 31, 2014 were estimated to have fair values of approximately $120.4 million based on the fair value of estimated future payments calculated using the prevailing interest rates. The fair value of these financial instruments would be categorized as Level 3 of the fair value hierarchy. Management believes that the balances of the Company’s revolving credit facilities of $350.8 million, term loans totaling $294.4 million, senior secured notes of $86.5 million, asset-backed notes of $322.9 million, term loans held by VIE of $9.8 million, capital lease obligations of $2.6 million and net investment in direct finance leases of $95.0 million approximate their fair values as of December 31, 2014. The fair value of these financial instruments would be categorized as Level 3 of the fair value hierarchy.

(11)Commitments and Contingencies

The Company utilizes certain office facilities and office equipment under non-cancelable operating lease agreements which generally have original terms of up to five years. Future minimum lease payments required under non-cancellable operating leases having an original term of more than one year as of December 31, 2014 are as follows (in thousands):

Office
Facilities
and

	Equipment
Year ending December 31:	
2015	$ 1,431
2016	1,174
2017	967
2018	104
2019	48
	$ 3,724

Office facility expense was $1.5 million for the year ended December 31, 2014 and $1.4 million for the years ended December 31, 2013 and 2012, and was included in marketing, general and administrative expense in the consolidated statements of income.

As of December 31, 2014 and 2013, the Company had one outstanding letter of credit of $0.1 million. The letter of credit guarantees the Company's obligations under certain operating lease agreements.

In addition to the rental equipment payable of $7.4 million, the Company had commitments to purchase approximately $122.5 million of container equipment as of December 31, 2014.

In the ordinary course of business, the Company executes contracts involving indemnifications standard in the industry and indemnifications specific to a transaction such as an assignment and assumption agreement. These indemnifications might include claims related to tax matters, governmental regulations, and contractual relationships. Performance under these indemnities would generally be triggered by a breach of terms of a contract or by a third-party claim. The Company regularly evaluates the probability of having to incur costs associated with these indemnifications and as of December 31, 2014 there were no claims outstanding under such indemnifications and the Company believes that no claims are probable of occurring in the future.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

(12)Related Party Transactions

The Company has transferred legal ownership of certain containers to Japanese container funds which were established by Japan Investment Adviser Co., Ltd. (JIA) and CAIJ, Inc. (CAIJ). CAIJ is an 80%-owned subsidiary of CAI with the remaining 20% owned by JIA. Prior to September 30, 2013, JIA was owned and controlled by the Managing Director of CAIJ. Prior to the transfer of containers from the Company, the container funds received contributions from unrelated Japanese investors, under separate Japanese investment agreements allowed under Japanese commercial laws. The contributions were used to purchase container equipment from the Company. Under the terms of the agreements, the CAI-related Japanese entities manage the activities of certain Japanese entities but may outsource all or part of each operation to a third party. Pursuant to its services agreements with investors, the Japanese container funds have outsourced the general management of their operations to CAIJ. The Japanese container funds have also entered into equipment management service agreements and financing arrangements whereby the Company manages the leasing activity of containers owned by the Japanese container funds.

As described in Note 3, the Japanese managed container funds and financing arrangements are considered VIEs. However, with the exception of two specific Japanese funds and the financing arrangements described in Note 3, the Company does not consider its interest in the managed Japanese container funds to be a variable interest. As such, the Company did not consolidate the assets and liabilities, results of operations or cash flows in its consolidated financial statements. The sale of containers to the unconsolidated Japanese VIEs has been recorded on the Company’s books as a sale in the ordinary course of business.

As described in Note 3, the Company has included in its consolidated financial statements, the assets and liabilities, results of operations, and cash flows of the financing arrangements, in accordance with ASC 810, Consolidation. The Company has also included the results of operations and cash flows of the two specific Japanese container funds up to the date of their deconsolidation, in accordance with ASC 810.

During the year ended December 31, 2014, the Company purchased, and subsequently cancelled, 400,000 shares of the Company’s common stock from Mr. Hiromitsu Ogawa, the Chairman of the Board of Directors, pursuant to the Company’s share repurchase plan authorized by the Board of Directors on February 27, 2014. The shares were purchased for proceeds totaling $8.8 million, at an average price of $21.92, which represented a modest discount to the closing share price on the dates of purchase.

(13)Capital Stock

On April 29, 2014, the Company filed a universal shelf registration statement on Form S-3 with the SEC which was declared effective by the SEC on June 19, 2014. Under this shelf registration statement, the Company may sell various debt and equity securities, or a combination thereof, to be offered from time-to-time up to an aggregate offering price of $300.0 million for all securities, and the selling stockholders may sell up to 3,000,000 shares of common stock in one or more offerings. Pursuant to a previously filed registration statement on Form S-3, the Company sold 2,757,170 shares of its common stock in December 2012 at $19.85 per share. The Company received $51.5 million (net of commissions and other expenses related to the offering) from the sale of its common stock.

(14)401(k) Savings Plan

The Company established a 401(k) plan in January 1995 for certain eligible employees. Company contribution to this plan was entirely at the Company's discretion. On October 1, 2007, the Company enhanced the plan to cover all of its U.S. employees. Under the enhanced provisions of the plan, an employee may contribute up to the statutory limit of his or her salary into the plan. The Company matches employee contributions up to 4% of qualified compensation. The Company's contribution vests immediately. Company contribution to the plan was $0.2 million for the years ended December 31, 2014, 2013 and 2012.

(15)Segment and Geographic Information

The Company operates in one industry segment, equipment leasing. Prior to the year ended December 31, 2014, the Company had two reportable business segments, equipment leasing and equipment management. The Company determined that equipment management no longer meets the requirements of a reportable segment and, as such, no longer discloses separate segments.

Geographic Data

The Company earns its revenue from international containers which are deployed by its customers in a wide variety of global trade routes. Virtually all of the Company's containers are used internationally and typically no container is domiciled in one particular place for a prolonged period of time. As such, substantially all of the Company's container assets are considered to be international with no single country of use.

The Company's railcars, with a net book value of $84.0 million as of December 31, 2014, are used primarily to transport cargo within North America.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

(16)Revenue Concentration

Revenue from the Company's ten largest lessees represented 55.4%, 56.6% and 54.0% of total revenue for the years ended December 31, 2014, 2013 and 2012, respectively. Revenue from the Company's single largest lessee accounted for 11.4%, or $25.9 million, 11.2 %, or $23.8 million, and 11.7%, or $20.3 million, of total revenue for the years ended December 31, 2014, 2013 and 2012, respectively. The largest lessees of the Company's owned fleet are often among the largest lessees of its managed fleet. The largest lessees of our managed fleet are responsible for a significant portion of the billings that generate our management fee revenue.

(17)Earnings per Share

Basic earnings per share is computed by dividing income attributable to CAI common stockholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised or converted into common stock; however, potential common equivalent shares are excluded if their effect is anti-dilutive.

The following table sets forth the reconciliation of basic and diluted net income per share for the years ended December 31, 2014, 2013 and 2012 (in thousands, except per share data):

	Year Ended December 31,		
	2014	2013	2012
Numerator			
Net income attributable to CAI common stockholders used in the calculation of basic and diluted earnings per share	$ 60,274	$ 63,926	$ 63,465
Denominator			
Weighted-average shares used in the calculation of basic earnings per share	20,732	22,157	19,495
Effect of dilutive securities:			
Stock options and restricted stock	423	515	450
Weighted-average shares used in the calculation of diluted earnings per share	21,155	22,672	19,945
Net income per share attributable to CAI common stockholders:			
Basic	$ 2.91	$ 2.89	$ 3.26
Diluted	$ 2.85	$ 2.82	$ 3.18

The denominator used in the calculation of diluted income per share for the years ended December 31, 2014, 2013 and 2012 excluded options for 600,450 shares, 271,300 shares and 363,000 shares, respectively, of common stock granted to employees and directors because their effect would have been antidilutive.

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CAI INTERNATIONAL, INC.

Notes to Consolidated Financial Statements (continued)

(18)Selected Quarterly Financial Data (Unaudited)

The following table sets forth key interim financial information for the years ended December 31, 2014 and 2013 (in thousands, except per share amount):

	2014 Quarters Ended				2013 Quarters Ended			
	Dec. 31	Sept. 30	June 30	Mar. 31	Dec. 31	Sept. 30	June 30	Mar. 31
Revenue	$ 58,810	$ 59,203	$ 55,312	$ 54,264	$ 54,561	$ 53,898	$ 52,987	$ 50,959
Operating expenses	31,575	32,024	30,968	29,835	27,770	27,695	25,144	23,111
Operating income	27,235	27,179	24,344	24,429	26,791	26,203	27,843	27,848
Net income attributable to CAI common stockholders	16,162	16,395	13,446	14,271	15,591	15,337	16,931	16,067
Basic and diluted earnings per share available to CAI common stockholders:								
Basic:	$ 0.78	$ 0.78	$ 0.61	$ 0.64	$ 0.70	$ 0.69	$ 0.76	$ 0.73
Diluted:	$ 0.76	$ 0.77	$ 0.60	$ 0.63	$ 0.69	$ 0.68	$ 0.75	$ 0.71

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Schedule II

Valuation Accounts

(In thousands)

	Balance at Beginning of Period	Net Additions (Reductions) to Expense	(Deductions)*	Balance at End of Period
December 31, 2012				
Accounts receivable, allowance for doubtful accounts	$ 819	$ 29	$ (54)	$ 794
December 31, 2013				
Accounts receivable, allowance for doubtful accounts	$ 794	$ (227)	$ (64)	$ 503
December 31, 2014				
Accounts receivable, allowance for doubtful accounts	$ 503	$ 248	$ (71)	$ 680

*Primarily consists of write-offs, net of recoveries and other adjustments

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EXHIBIT INDEX

Exhibit

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation of CAI International, Inc. (incorporated by reference to Exhibit 3.1 of our Registration Statement on Form S-1, as amended, File No. 333-140496, filed on April 24, 2007).
3.2	Amended and Restated Bylaws of CAI International, Inc. (incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K, filed on March 10, 2009).
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 of our Registration Statement on Form S-1, as amended, File No. 333-140496, filed on April 24, 2007).
4.2	Indenture, dated October 18, 2012, between CAL Funding II Limited and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K, filed on October 23, 2012).
4.3	Series 2012-1 Supplement, dated October 18, 2012, to Indenture dated October 18, 2012, between CAL Funding II Limited and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.2 of our Current Report on Form 8-K, filed on October 23, 2012).
4.4	Series 2013-1 Supplement, dated March 28, 2013, to Indenture dated October 18, 2012, between CAL Funding II Limited and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 4.1 of our Current Report on Form 8-K, filed on April 3, 2013).
4.5	Note Purchase Agreement, dated March 21, 2013, among CAL Funding II Limited, Container Applications Limited, Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Santander Investment Securities Inc. (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, filed on April 3, 2013).
10.1	Amended and Restated Registration Rights Agreement, dated February 16, 2007, among CAI International, Inc., Hiromitsu Ogawa, Ogawa Family Trust dated 7/06/98, Ogawa Family Limited Partnership and DBJ Value Up Fund (incorporated by reference to Exhibit 10.7 of our Registration Statement on Form S-1, as amended, File No. 333-140496, filed on March 21, 2007).

10.2*	Form of Indemnification Agreement between CAI International, Inc. and each of its current executive officers and directors (incorporated by reference to Exhibit 10.8 of our Registration Statement on Form S-1, as amended, File No. 333-140496, filed on April 24, 2007).
10.3*	2007 Equity Incentive Plan, as amended (incorporated by reference to Appendix A of our Definitive Proxy Statement on Schedule 14A, filed on April 27, 2012).
10.4‡‡	P&R Management Agreement, dated March 14, 2006, among Container Applications International, Inc., P&R Equipment & Finance Corporation and Interpool Containers Limited (incorporated by reference to Exhibit 10.12 of our Registration Statement on Form S-1, as amended, File No. 333-140496, filed on March 27, 2007).
10.5	Third Amended and Restated Revolving Credit Agreement, dated March 15, 2013, by and among CAI International, Inc., Container Applications Limited, the lending institutions listed on Schedule I thereto, Bank of America, N.A., as administrative agent, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Union Bank, N.A. and Wells Fargo Bank, N.A., as syndication agents, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Union Bank, N.A. and Wells Fargo Securities, LLC, as joint lead arrangers and book managers, and Bank of Montreal (Chicago Branch), JPMorgan Chase Bank, N.A. and Sovereign Bank, N.A., as co-agents (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, filed on March 21, 2013).

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10.6 Amendment No. 1 to Third Amended and Restated Revolving Credit Agreement, dated October 1, 2013, by and among CAI International, Inc., Container Applications Limited, Bank of America, N.A. and other lending institutions from time to time party to the Third Amended and Restated Revolving Credit Agreement, Bank of America, N.A., as administrative agent, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Union Bank, N.A. and Wells Fargo Bank, N.A., as syndication agents, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Union Bank, N.A. and Wells Fargo Securities, LLC, as joint lead arrangers and book managers, and Bank of Montreal (Chicago Branch), JP Morgan Chase Bank, N.A. and Sovereign Bank, N.A., as co-agents.

10.7 Amendment No. 2 to Third Amended and Restated Revolving Credit Agreement, dated August 15, 2014, by and among CAI International, Inc., Container Applications Limited, Bank of America, N.A. and other lending institutions from time to time party to the Third Amended and Restated Revolving Credit Agreement, Bank of America, N.A., as administrative agent, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Union Bank, N.A. and Wells Fargo Bank, N.A., as syndication agents, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Union Bank, N.A. and Wells Fargo Securities, LLC, as joint lead arrangers and book managers, and Bank of Montreal (Chicago Branch), JP Morgan Chase Bank, N.A. and Santander Bank, N.A., as co-agents.

10.8 Amendment No. 3 to Third Amended and Restated Revolving Credit Agreement, dated January 30, 2015, by and among CAI International, Inc., Container Applications Limited, Bank of America, N.A. and other lending institutions from time to time party to the Third Amended and Restated Revolving Credit Agreement, Bank of America, N.A., as administrative agent, Merrill Lynch, Pierce, Fenner & Smith Incorporated, MUFG Union Bank, N.A. and Wells Fargo Bank, N.A., as syndication agents, Merrill Lynch, Pierce, Fenner & Smith Incorporated, MUFG Union Bank, N.A. and Wells Fargo Securities, LLC, as joint lead arrangers and book managers, and Bank of Montreal (Chicago Branch), JP Morgan Chase Bank, N.A. and Santander Bank, N.A., as co-agents (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, filed on February 5, 2015).

10.9 Amended and Restated Term Loan Agreement, dated October 1, 2014, among Container Applications Limited, CAI International, Inc., the lending institutions from time to time listed on Schedule I thereto, ING Bank N.V. and ING Bank, branch of ING-DIBA AG (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, filed on October 7, 2014).

10.10 Fourth Amendment to the Term Loan Agreement, dated March 28, 2013, among Container Applications Limited, CAI International, Inc., the other guarantors listed on the signature pages thereto, the lending institutions listed on the signature pages thereto, and ING Bank N.V. (incorporated by reference to Exhibit 99.2 of our Current Report on Form 8-K, filed on April 3, 2013).

10.11 Term Loan Agreement, dated April 11, 2012, among Container Applications Limited, CAI International, Inc., the Lenders listed on Schedule I thereto, SunTrust Bank and SunTrust Robinson Humphrey, Inc. (incorporated by reference to Exhibit 99.2 of our Current Report on Form 8-K, filed on April 16, 2012).

10.12 First Amendment to Term Loan Agreement, dated August 31, 2012, among Container Applications Limited, CAI International, Inc., the Lenders listed on Schedule I thereto, SunTrust Bank and SunTrust Robinson Humphrey, Inc. (incorporated by reference to Exhibit 99.3 of our Current Report on Form 8-K, filed on September 4, 2012).

10.13 Amended and Restated Revolving Credit Agreement, dated July 25, 2014, among CAI Rail, Inc., CAI International, Inc., the lenders listed on Schedule I thereto, MUFG Union Bank, N.A. ad administrative agent, ING Bank, branch of ING-Diba AG, as syndication agent, and the Huntington National Bank, as documentation agent (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K filed on July 31, 2014).

10.14 Contribution and Sale Agreement, dated October 18, 2012, between Container Applications Limited and CAL Funding II Limited (incorporated by reference to Exhibit 99.2 of our Current Report on Form 8-K, filed on October 23, 2012).

10.15 Performance Guaranty, dated October 18, 2012, made by CAI International, Inc. for the benefit of Wells Fargo Bank, National Association (incorporated by reference to Exhibit 99.3 of our Current Report on Form 8-K, filed on October 23, 2012).

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10.16*	Amended and Restated Employment Agreement, dated April 29, 2011, between CAI International, Inc. and Victor Garcia (incorporated by reference to Exhibit 10.1 of our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2011, filed on May 6, 2011).
10.17*	Employment Agreement, dated August 20, 2013, between CAI International, Inc. and Timothy B. Page (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, filed on August 23, 2013).
10.18*	Service Agreement, dated August 20, 2013, between Container Applications International (UK) Limited and Daniel Hallahan (incorporated by reference to Exhibit 99.2 of our Current Report on Form 8-K, filed on August 23, 2013).
10.19*	Chairman of the Board Compensation Agreement, dated June 5, 2009, between CAI International, Inc. and Hiromitsu Ogawa (incorporated by reference to Exhibit 10.1 of Amendment No. 1 to our Quarterly Report on Form 10-Q/A for the fiscal quarter ended June 30, 2009, filed on September 21, 2009).
10.20*	Continuing Services Agreement, dated April 29, 2011, between Masaaki Nishibori and CAI International, Inc. (incorporated by reference to Exhibit 10.3 of our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2011, filed on May 6, 2011).
10.21	Stock Purchase Agreement, dated May 1, 2014, among CAI International, Inc., Hiromitsu Ogawa and the Ogawa Family Limited Partnership (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, file on May 2, 2014).
10.22	Stock Purchase Agreement, dated June 12, 2014, among CAI International, Inc., Hiromitsu Ogawa (incorporated by reference to Exhibit 99.1 of our Current Report on Form 8-K, file on June 13, 2014).
21.1	Subsidiaries of CAI International, Inc.
23.1	Consent of KPMG LLP.
31.1	Certification of Chief Executive Officer Pursuant to Exchange Act Rule 13a-14(a).
31.2	Certification of Chief Financial Officer Pursuant to Exchange Act Rule 13a-14(a).
32.1	Certification of Chief Executive Officer Furnished Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer Furnished Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements, formatted in XBRL: (i) Consolidated Balance Sheets as of December 31, 2014 and 2013, (ii) Consolidated Statements of Income for the years ended December 31, 2014, 2013 and 2012; (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2014, 2013 and 2012; (iv) Consolidated Statements of Stockholders' Equity for the years ended December 31, 2014, 2013 and 2012; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2014, 2013 and 2012; and (vi) Notes to Consolidated Financial Statements.

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* Management contract or compensatory plan.

‡‡ Confidential treatment requested as to portions of this exhibit. Confidential information has been omitted and filed separately with the Securities and Exchange Commission.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 27, 2015 CAI International, Inc.

By: /s/ VICTOR M. GARCIA
Victor M. Garcia
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant, in the capacities indicated, on the 27th day of February, 2015.

Signature	Title(s)
/s/ HIROMITSU OGAWA Hiromitsu Ogawa	Chairman of the Board of Directors
/s/ VICTOR M. GARCIA Victor M. Garcia	President and Chief Executive Officer, Director (Principal Executive Officer)
/s/ TIMOTHY B. PAGE Timothy B. Page	Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ MASAAKI (JOHN) NISHIBORI Masaaki (John) Nishibori	Director
/s/ GARY M. SAWKA Gary M. Sawka	Director
/s/ MARVIN DENNIS Marvin Dennis	Director
/s/ WILLIAM W. LIEBECK William W. Liebeck	Director
/s/ DAVID G. REMINGTON	Director

David G. Remington