INTERPOOL INC
Form S-1/A
July 08, 2002

As filed with the Securities and Exchange Commission on July 8, 2002

Registration No. 333-86370

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 3
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Interpool, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**7359, 6159**	**13-3467669**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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211 College Road East
Princeton, New Jersey 08540
(609) 452-8900
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Martin Tuchman
Chairman and Chief Executive Officer
Interpool, Inc.
211 College Road East
Princeton, New Jersey 08540
(609) 452-8900
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)
Copies to:
Stroock & Stroock & Lavan LLP
180 Maiden Lane
New York, New York 10038
Attn: Jeffrey S. Lowenthal
(212) 806-5400

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. [X]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. [ ]

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED(1)	OFFERING PRICE PER SECURITY	MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT O REGISTRATION
Subscription Rights to purchase Debentures	1,258,617	--	--	--
9.25% Convertible Redeemable Subordinated Debentures	1,258,617	$25.00	$31,465,425	$2,895(3
Common Stock issuable upon conversion or special redemption of the Debentures	(2)	(2)	(2)	(2)

(1) Includes a maximum of 164,167 additional debentures issuable pursuant to the registrant's option to increase the maximum size of the offering.

(2) This registration statement covers all common stock into which the Debentures will be convertible.

(3) Previously paid.

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell and it is not soliciting an offer to buy these securities in any state where an offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 8, 2002

P R O S P E C T U S

$27,361,250
Interpool, Inc.
9.25% Convertible Redeemable Subordinated Debentures
(Principal Amount $25.00 per Debenture)

ISSUABLE UPON EXERCISE OF SUBSCRIPTION RIGHTS

THE RIGHTS OFFERING

We are distributing to our stockholders of record as of the close of business on July 8, 2002 subscription rights to purchase our 9.25% Convertible Redeemable Subordinated Debentures at a price of $25.00 per Debenture.

You will receive one (1) subscription right for every twenty-five (25) shares of Interpool s common stock that you own and for each subscription right that you receive you will be entitled to purchase one (1) Debenture. The subscription rights will not be transferable.

If you exercise all of your subscription rights, you will also have the right to oversubscribe for additional Debentures not purchased by other stockholders.

Interpool s common stock is traded on the New York Stock Exchange under the symbol IPX and the last reported sales price of Interpool s common stock on the New York Stock Exchange on July 3, 2002 was $17.34 per share. The Debentures will not be listed to trade.

The subscription rights are exercisable beginning on the date of this prospectus and will expire at 5:00 p.m., New York City time, on August 8, 2002, unless we extend the expiration date. We will not extend the expiration date, in any event, beyond September 30, 2002.

Your exercise of subscription rights is irrevocable. If this offering is terminated or if you oversubscribe for more Debentures than are available, your funds will be returned to you promptly, with interest if you subscribed using immediately available funds.

Martin Tuchman, our Chairman and Chief Executive Officer, Raoul J. Witteveen, our President and Chief Operating Officer, and Warren L. Serenbetz, a significant stockholder, beneficially own an aggregate of approximately 51.8% of Interpool s common stock. They have informed us that they intend to exercise basic subscription rights to purchase Debentures in an aggregate principal amount of at least $5,000,000.

We may, in our discretion, seek and accept offers from standby purchasers to purchase Debentures not subscribed for and purchased by stockholders in the Rights Offering. Standby purchasers need not be stockholders.

THE DEBENTURES

We are offering 1,094,450 Debentures in an aggregate principal amount of $27,361,250 (subject to our right to increase the principal amount of Debentures offered by up to $4,104,175).

No public market exists for the Debentures.

The Debentures will be convertible at the option of the holder into shares of our common stock.

We will have the right to redeem the Debentures at any time after the third anniversary of issuance for cash. In addition, under certain limited circumstances we may redeem the Debentures by issuing shares of our common stock.

Investing in our Debentures involves risks. See "Risk Factors" beginning on page 8.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus is July 8, 2002.

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted.

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SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including "Risk Factors" and our financial statements and related notes, before making an investment decision. Unless otherwise noted, references to "Interpool," refer to Interpool, Inc., a Delaware corporation. References to "we," "our" and "us" refer collectively to Interpool and its subsidiaries.

Interpool, Inc.

We are the largest lessor of intermodal chassis in the United States and one of the world's leading lessors of intermodal dry freight standard containers. At March 31, 2002, our chassis fleet totaled approximately 202,000 chassis and our container fleet totaled approximately 716,000 twenty-foot equivalent units. From 1996 to 2001, we increased the size of our chassis fleet at a compound annual rate of 27% and our container fleet at a compound annual rate of 19%.

We concentrate on leasing equipment to our customers on a long-term basis. Substantially all of our new equipment is initially leased for terms of five to eight years and approximately 74% of our total fleet of chassis and 82% of our total fleet of containers are currently on long-term lease. We believe our focus on long-term leasing has enabled us to:

- maintain high utilization rates of our equipment, which over the last five years averaged 98%;
- achieve more stable and predictable earnings;
- concentrate on the expansion of our asset base through the purchase and lease of new equipment to fulfill specific orders for new long-term leases; and
- operate with low overhead and staff levels.

Approximately 26% of our chassis are currently leased on a short-term basis to satisfy customers' peak or seasonal requirements, generally at higher rates than under long-term leases. For customers who require daily or weekly chassis rentals, we operate chassis pools at major domestic shipping ports and terminals. These chassis pools consist of our chassis as well as those of our customers.

Approximately 18% of our containers are currently leased on a short-term basis. Our 50%-owned affiliate, Container Applications International, Inc., markets our containers available for short-term leasing as part of its fleet, facilitating redeployment of our containers at the end of long-term leases. Our relationship with CAI maximizes utilization of our container fleet, and increases our leverage in the marketplace by giving us the world's third largest container lessor fleet on a combined basis.

In October 2000, we firmly established our position as the largest chassis lessor in the United States by acquiring approximately 73,000 chassis through the acquisition of the North American Intermodal Division of Transamerica Leasing, Inc. for approximately $672 million. Over the last three years, our intermodal transportation equipment asset mix has shifted from 38% chassis and 62% containers in 1998 to 56% chassis and 44% containers in 2001. A significant benefit of the change in asset mix is that chassis have a longer average useful life than containers.

Interpool and its predecessors have been involved in the leasing of chassis since 1976 and containers since 1968. We lease our chassis and containers to a diversified customer base of over 400 customers, including all of the world's 20 largest international container shipping lines and major North American railroads. We provide customer service and market to our customers through a worldwide network of offices, agents and marketing representatives. We believe one of the key factors in our ability to compete effectively has been the long-standing relationships that our management and marketing representatives have established with most of the world's large shipping lines and major North American railroads. As a result of these relationships, 7 of our top 10 customers have been customers for at least 10 years.

The efficiencies and cost savings inherent in intermodal transportation of containerized cargo have facilitated the dramatic growth of international trade and domestic commerce. The domestic chassis fleet and container traffic have grown steadily through business cycles.

Our Strategy

Our objective is to continue to expand on our market position as a leading long-term lessor of intermodal transportation equipment. To achieve this objective, we intend to continue to:

- focus on our core business of domestic chassis and international marine container leasing;
- concentrate on long-term leasing to achieve high utilization rates and more stable and predictable earnings;
- be a low cost provider of intermodal equipment;
- purchase chassis and containers to fulfill specific customer orders; and
- make strategic acquisitions of complementary businesses and asset portfolios on an opportunistic and financially disciplined basis.

Corporate Information

Our executive offices are located at 211 College Road East, Princeton, New Jersey 08540. Our main telephone number is (609) 452-8900. We were incorporated in the State of Delaware in 1988. Our principal website is located at www.interpool.com. The information contained on that website, as well as any of our other websites, is not part of this prospectus.

THE RIGHTS OFFERING

The Rights Offering	We are offering to sell 1,094,450 Debentures in an aggregate principal amount of $27,361,250 upon the exercise of non-transferable subscription rights. The subscription rights will be distributed by first class mail on or about July 10, 2002 to the record holders of our common stock as of the July 8, 2002 record date.
Record Date	July 8, 2002
Subscription Price	$25.00 per Debenture.
Basic Subscription Right	We are granting each person who was a record holder of our common stock at the close of business on the record date, one (1) subscription right for every twenty-five (25) shares of common stock held at that date. To exercise your subscription rights, you must deliver one (1) subscription right for each Debenture for which you subscribe. There is no minimum amount of Debentures you must purchase, but you may not purchase fractional Debentures. You will receive a subscription rights certificate evidencing your subscription rights. When determining the number of subscription rights you will receive, divide the number of shares of our common stock you own by twenty-five (25) and round down to the next whole number. For example, if you own 120 shares of common stock, you will receive four (4) subscription rights (120 shares / 25 = 4.8, rounded down to 4 subscription

	rights, the next whole number) which will entitle you to subscribe for up to four (4) Debentures under your basic subscription right.
Oversubscription Right	If you fully exercise your subscription rights by subscribing for the maximum number of whole Debentures you may purchase based upon the number of subscription rights you receive, and other stockholders do not fully exercise their subscription rights, you may elect to purchase additional Debentures. We cannot assure you that any additional Debentures will be available for purchase. Any amounts tendered by you not used to purchase additional Debentures will be promptly refunded to you, with interest if you subscribed using immediately available funds. See "The Rights Offering - Interest on Subscription Funds". If Debentures are available for purchase pursuant to this oversubscription right, but the number of Debentures is not sufficient to satisfy in full all oversubscriptions received by us, the Debentures available will be allocated on a pro rata basis based upon the number of basic subscription rights exercised by each person seeking to oversubscribe as of the final expiration date of the offering.
Option to Increase Offering	We may, in our sole discretion, increase the amount of Debentures offered by up to 164,167 additional Debentures in an aggregate principal amount of $4,104,175.
Offers from Standby Purchasers	We may, in our discretion, seek and accept offers from standby purchasers to purchase Debentures not subscribed for and purchased by stockholders in the Rights Offering. Standby purchasers need not be stockholders. We reserve the right to accept or reject any offer from a standby purchaser. In connection with this offering, we may agree to pay commissions to certain broker-dealers that are members of the National Association of Securities Dealers for arranging introductions to new investors purchasing Debentures, either pursuant to the exercise of subscription rights or as standby purchasers.
Expiration Date	The subscription rights will expire on August 8, 2002 at 5:00 p.m., New York City time, unless we decide, in our sole discretion, to extend the expiration date. We will not extend the expiration date, in any event, beyond September 30, 2002.
Termination	We may cancel this offering at any time, in which case we will promptly return your subscription payment to you, with interest if you subscribed using immediately available funds. See "The Rights Offering - Interest on Subscription Funds".
Exercise of Rights by Certain Persons	Martin Tuchman, our Chairman and Chief Executive Officer, Raoul J. Witteveen, our President and Chief Operating Officer, and Warren L. Serenbetz, a significant stockholder, each of whom are members of our Board of Directors, are the beneficial owners of an aggregate of approximately 51.8% of Interpool s common stock. They have informed us that they intend to exercise basic subscription rights to purchase Debentures in an aggregate principal amount of at least $5,000,000.

Exercising your Rights	Your subscription rights will be evidenced by a subscription rights certificate which will be distributed to stockholders of record as of the close of business on the record date. You may exercise your subscription rights by properly completing and signing the subscription rights certificate and returning it, with full payment for the Debentures you are subscribing for, to the subscription agent by the expiration date. You may elect to exercise your basic subscription right in whole or in part, and if you exercise your basic subscription rights in full, you may exercise your oversubscription rights. See "The Rights Offering - Subscription Payments" for details about delivery and payment. Rights not exercised by the expiration date will be null and void after the expiration date. You will receive all Debentures for which you subscribe pursuant to your basic subscription rights. If your requested oversubscription is not completely filled, we will send you a refund check for the purchase price of any Debentures we were unable to allocate to you. Interest will be paid on returned subscription funds if you subscribed using immediately available funds. YOUR SUBSCRIPTION IS IRREVOCABLE AFTER YOU SUBMIT THE SUBSCRIPTION DOCUMENTS.
Non-Transferability of Rights	You may not sell or otherwise transfer any of your basic subscription rights or oversubscription rights. You may choose to have the Debentures issued in the name of an affiliate or related party. See "The Rights Offering - Restriction on Transferring Rights" and "- Issuing Debentures in the Name of an Affiliate or Related Party."
Subscription Procedures	You may exercise your basic subscription rights and, if you elect to do so as well, your oversubscription rights by properly completing and signing the subscription rights certificate which accompanies this prospectus. You must then return the completed and signed subscription rights certificate with full payment for the total number of Debentures you are subscribing for to American Stock Transfer & Trust Company, our Subscription Agent. Your payment may be made by personal check, bank certified check, cashier's check or wire transfer. See "The Rights Offering--Subscription Procedures" and "--Subscription Payments."
Subscription Agent	American Stock Transfer & Trust Company.
Information Agent	The Altman Group.
Certificates	Certificates representing Debentures will be delivered to subscribers with respect to the exercise of both basic subscription rights and oversubscription rights promptly after the expiration date.
Federal Income Tax Consequences	Your receipt or exercise of subscription rights should not be treated as a taxable event for United States federal income tax purposes. Please see Certain Federal Income Tax Consequences for a description of the tax consequences of owning, converting or disposing of the Debentures and/or the common stock received upon conversion of the Debentures.
Questions	If you have any questions about the subscription rights offering, including questions about subscription procedures and requests for additional copies of

this prospectus or other documents, please contact the information agent, The Altman Group, at (800) 206-0007.

Risk Factors	An investment in the Debentures involves risk. Please see "Risk Factors."

THE DEBENTURES

Securities Offered	9.25% Convertible Redeemable Subordinated Debentures
Offering Amount	$27,361,250 principal amount of Debentures will be offered to our existing stockholders in a subscription rights offering. We may increase this amount by up to 15% if the offering is oversubscribed by rights holders or standby purchasers.
Interest	Interest at the annual rate of 9.25% will accrue from the date of consummation of the subscription rights offering. Interest will be payable on the first day of each calendar month. We will have the right to defer payment of interest for up to 5 years.
Redemption Amount	$25 per Debenture, plus any accrued and unpaid interest.
Optional Conversion	Holders of the Debentures will have the right, at any time, to convert principal and accrued interest on the Debentures into our common stock at a conversion price for each share of common stock equal to the greater of (a) $25.00 or (b) 135% of the average closing price of our common stock for the five consecutive trading days ending on the Expiration Date, subject to certain conversion price adjustments. See "Description of Debentures - Conversion Rights."
Optional Redemption; Special Redemption	The Debentures are not redeemable prior to the third anniversary of the date of issuance. After the third anniversary of the date of issuance, we may redeem the Debentures (in whole or in part on a pro rata basis) at any time for cash at 100% of their redemption amount (the Optional Redemption). In addition, between the fourth anniversary of the date of issuance and the fifth anniversary of the date of issuance, if the average closing price of our common stock for any five consecutive trading days is equal to or greater than the greater of (a) $25.50 or (b) 140% of the average closing price of our common stock for the five consecutive trading days ending on the Expiration Date (the Special Redemption Price), then we may redeem (Special Redemption) the Debentures (in whole but not in part) by issuing Interpool common stock with an aggregate value (based on a per share value equal to the Special Redemption Price) equal to the principal amount of the Debentures plus accrued and unpaid interest. We will give notice of a Special Redemption within two business days following the end of such five consecutive trading day period. We may amend the Indenture, at any time, without the consent of any holders of the Debentures, to delete our right to call a Special Redemption of the Debentures.
Mandatory Redemption	Any outstanding Debentures not previously redeemed by Interpool or converted into Interpool common stock must be redeemed by Interpool for

	cash at their redemption amount (1) on the 20th anniversary of the date of issuance or (2) upon the occurrence of a "change in control." See "Description of Debentures - Mandatory Redemption."
Voting Rights	The holders of Debentures will have no voting or consent rights.
Transferability	The Debentures will be freely transferable.
Listing	Interpool's common stock is quoted on the New York State Exchange under the symbol "IPX". The Debentures will not be listed on any securities exchange.

Summary Consolidated Historical Financial and Operating Data

The following table sets forth Interpool's summary consolidated historical financial and operating data for the periods and at the dates indicated. The historical financial data for each of the five years in the period ended December 31, 2001 are derived from and qualified by reference to the historical consolidated financial statements that have been audited and reported upon by Arthur Andersen LLP, independent public accountants. The historical financial data for the three months ended March 31, 2001 and 2002 and as of March 31, 2002 are derived from our unaudited financial statements. In our opinion, this unaudited information has been prepared on a basis consistent with the audited consolidated historical financial statements appearing elsewhere in this prospectus and includes all adjustments, consisting only of normal recurring accruals, that we consider necessary for a fair presentation of our financial position and results of operations for these periods. This information should be read in conjunction with our historical consolidated financial statements and the notes thereto. The historical results presented are not necessarily indicative of future results.

	Year Ended December 31, (1)					Th Ende	
	1997(2)	1998(3)	1999(4)	2000(5)	2001(6)	2001	2
	(in thousands, except per share amounts)						(una
Income Statement Data:							
Revenues.....................	$155,309	$174,241	$189,788	$242,255	$305,133	$76,468	$
Earnings before interest and taxes.......................	85,210	94,640	76,105	118,060	135,367	35,825	
Income from continuing operations before results from discontinued operations, cumulative effect of change in accounting principle and extraordinary items.......	32,897	37,270	20,925	41,800	42,998	13,915	
Net income..................	27,663	37,614	22,611	44,456	42,480	11,835	
Income per share from continuing operations before results from discontinued operations, cumulative effect of change in accounting principle and extraordinary items:							
Basic....................	$1.16	$1.35	$0.76	$1.52	$1.57	$0.40	
Diluted..................	1.12	1.30	0.74	1.50	1.48	0.38	
Net income per share:							
Basic....................	0.73	1.36	0.82	1.62	1.55	0.43	
Diluted..................	0.71	1.31	0.80	1.60	1.47	0.41	

Weighted average shares outstanding:						
Basic	27,552	27,561	27,571	27,421	27,417	27,421
Diluted	29,370	28,615	28,234	27,834	28,965	29,122
Cash dividends declared per common share	$0.15	$0.15	$0.15	$0.15	$0.1925	$0.0375
Ratio of earnings to fixed charges	1.7 to 1	1.7 to 1	1.4 to 1	1.6 to 1	1.5 to 1	1.5 to 1

	As of March 31, 2002	
	Actual	As Adjusted(7)
	(in thousands) (unaudited)	
Balance Sheet Data:		
Cash, short-term investments and marketable securities	$ 171,392	$ 171,392
Total assets	2,046,670	2,047,070
Debt and capital lease obligations	1,454,135	1,454,535
Stockholders' equity	377,142	377,142

	As of December 31,					As of
	1997	1998	1999	2000	2001	March 31, 200
Fleet Data:						
Chassis:						
Chassis units	63,000	76,000	90,000	175,000	190,000	202,000
Utilization rate	96%	96%	95%	97%	92%	92%
Containers:						
Containers (TEUs)	426,000	500,000	575,000	650,000	703,000	716,000
Utilization rate	98%	99%	99%	99%	96%	98%

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(1) All prior year financial information has been adjusted to reflect the operations of Personal Computer Rentals (PCR) and Microtech Leasing Corporation (Microtech) as discontinued operations.

(2) The 1997 net income includes a net of tax extraordinary loss of $5,428,000 resulting from the retirement of debt and $194,000 in income from discontinued operations net of tax expense.

(3) The 1998 net income includes income from discontinued operations of $344,000, net of tax expense.

(4) The 1999 net income includes a net of tax extraordinary gain of $740,000 resulting from the retirement of debt, and $946,000 in income from discontinued operations, net of tax.

(5) The 2000 net income includes net of tax extraordinary gains of $840,000 resulting from the retirement of debt, $660,000 resulting from the cumulative effect of change in accounting principle, and $1,156,000 in income from discontinued operations, net of tax. The 2000 results include contributions from the Transamerica assets which we acquired on October 24, 2000, with an effective date of October 1, 2000. The 2000 results include only the chassis acquired from Transamerica, as the acquired rail trailers and domestic containers were identified as assets held for sale at the time of purchase.

(6) The 2001 net income includes net of tax extraordinary gains of $558,000 resulting from the retirement of debt, $833,000 resulting from the cumulative effect of change in accounting principle and a loss, net of tax, of

$1,909,000 from discontinued operations.

(7) Assumes the sale of 1,094,450 Debentures in an aggregate principal amount of $27,361,250 at an aggregate purchase price of $27,361,250.

RISK FACTORS

You should carefully consider the risks described below before buying Debentures in this offering. Investing in the Debentures involves risk. Any of the following risks could materially adversely affect our business, financial condition or results of operations. In that case, the trading price of our Debentures and common stock could decline, and you could lose some or all of your investment.

Risks Relating to the Debentures

The Debentures are unsecured and subordinated.

The Debentures are unsecured and rank subordinate and junior in right of payment to all of our present and future Senior Indebtedness and will rank equally with obligations to our other general unsecured creditors. This means that there will be no collateral for our obligations to you. It also means that if we become bankrupt, many of our other liabilities will be paid before you are. As of March 31, 2002, Senior Indebtedness of Interpool aggregated $1,454.1 million.

Interpool's operations are largely conducted by its subsidiaries. At March 31, 2002, such subsidiaries had total indebtedness to third parties of $515.4 million (which represents 35.4% of the Senior Indebtedness of Interpool at that date). The Debentures will be effectively subordinated to all existing and future liabilities of Interpool's subsidiaries. There are no terms in the Debentures that limit our ability to incur additional indebtedness, including indebtedness that ranks senior to or equally with the Debentures, or the ability of our subsidiaries to incur additional indebtedness. See "Description of Debentures--Subordination."

The deferral of interest payments has adverse tax and market price consequences.

So long as no Debenture Event of Default shall have occurred and be continuing, we will have the right to defer payments of interest on the Debentures at any time up to 60 consecutive monthly periods, provided that no deferral may extend beyond the Stated Maturity Date.

During a deferral period, your interest payments will continue to accrue, and interest on the unpaid interest payments will compound monthly.

Upon the termination of any Extension Period (including any extension thereof) and the payment of all interest then accrued and unpaid on the Debentures, we may elect to begin a new Extension Period, subject to the above requirements. There is no limitation on the number of times that we may elect to begin an Extension Period. See "Description of Debentures--Option to Extend Interest Payment Date."

If we defer payments of interest on the Debentures, you will be required to accrue income for United States federal income tax purposes, even if you are a cash basis taxpayer. As a result, you will recognize income for United States federal income tax purposes even though cash corresponding to that income will not be distributed to you at that time. Further, you may not receive the cash related to such income from us if you dispose of the Debentures prior to the record date for the payment of interest after the Extension Period. See "Certain Federal Income Tax Consequences--Interest Income and Original Issue Discount".

If we defer payments of interest on the Debentures, the market price of the Debentures is likely to be affected (to the extent a market has developed). Therefore, if you dispose of your Debentures during an Extension Period, you might not receive the same return on your investment as you would if you continued to hold your Debentures. In addition, the mere existence of our right to defer payments of interest on the Debentures may cause the market price of the Debentures to be more volatile than the market prices of other securities that are not subject to such deferrals.

We may cause a redemption at any time after three years.

At any time from and after the third anniversary of the date of issuance we may redeem the Debentures in whole or in part at 100% of their outstanding principal amount plus accrued interest. Under certain circumstances we may redeem the Debentures by issuing shares of Common Stock. See "Description of Debentures - Optional Redemption" and "-Special Redemption."

Potential tax law changes may adversely affect the Debentures.

From time to time, the IRS has challenged taxpayers' treatment as indebtedness of securities issued with certain characteristics similar to the Debentures. There is no assurance that an IRS challenge or a subsequent change in the tax laws would not affect the classification of the Debentures as indebtedness. See "Certain Federal Income Tax Consequences - Classification of the Debentures."

There may not be a trading market for the Debentures.

There is no existing market for the Debentures and the Debentures will not be listed on any securities exchange. Accordingly, we can give no assurance about the liquidity of any market that may develop for the Debentures, your ability to sell your Debentures or at what price you will be able to sell your Debentures. Future trading prices of the Debentures will depend on many factors including, among other things, prevailing interest rates, our operating results, the trading price of our common stock, and the market for similar securities.

We cannot predict market prices for the Debentures.

To the extent a trading market develops for the Debentures, we cannot predict the market prices for such securities. Accordingly, the Debentures may trade at a discount from the price that you paid to purchase the Debentures.

Risks Relating to Our Business and Operations

We are subject to the cyclicality of world trade which may impair demand for our chassis and containers.

The demand for our chassis and containers primarily depends upon levels of world trade of finished goods and component parts. Recessionary business cycles, political conditions, the status of trade agreements and international conflicts may have an impact on our operating results. The demand for leased chassis also depends upon domestic economic conditions and volumes of exports to the United States which are likely to be adversely affected if the value of the United States dollar declines. When the volume of world trade decreases, our business of leasing chassis and containers may be adversely affected as the demand for chassis and containers is reduced. A substantial decline in world trade may also adversely affect our customers, leading to possible defaults and the return of equipment prior to the end of a lease term.

We operate in a highly competitive industry, which may adversely affect our results of operations or ability to expand our business.

The transportation equipment leasing industry is highly competitive. We compete with numerous domestic and foreign leasing companies, some of which have greater financial resources and access to capital than we do. Some of our competitors have large underutilized inventories of chassis and containers, which could lead to significant downward pressure on pricing and margins. In addition, if the available supply of intermodal transportation equipment were to increase significantly as a result of, among other factors, new companies entering the business of leasing and selling intermodal transportation equipment, our competitive position could be adversely affected.

Potential customers may decide to buy rather than lease chassis and containers.

We, like other suppliers of leased chassis and containers, are dependent upon decisions by shipping lines and other transportation companies to lease rather than buy their equipment. In addition, our ability to achieve our strategy of expanding our business in response to customer demand for long term leasing would be adversely affected if our customers shifted to more short-term leasing over long-term leasing. Most of the factors affecting the decisions of our customers are outside our control. Operating costs such as storage and repair and maintenance costs also increase as utilization decreases.

Sustained Asian economic instability could reduce demand for leasing.

A number of the shipping lines to which we lease containers are entities domiciled in several Asian countries. In addition, many of our customers are substantially dependent upon shipments of goods exported from Asia. From time to time there have been economic disruptions, financial turmoil and political instability in this region. If these events were to occur in the future, they could adversely affect these customers and lead to a reduced demand for leasing of our containers or otherwise adversely affect us.

Defaults by our customers could adversely affect our business by decreasing revenues and increasing storage, collection and recovery expenses.

We are dependent upon our lessees continuing to make lease payments for our equipment. A default by a lessee may cause us to lose revenues for past services and incur expenses for storage, collection and recovery. Repossession from defaulting lessees may be difficult and more expensive in jurisdictions whose laws do not confer the same security interests and rights to creditors and lessors as those in the United States and in jurisdictions where recovery of equipment from the defaulting lessors is more cumbersome.

If a long-term lessee defaults, we may be unable to re-lease recovered equipment for comparable rates or terms. Our reserves for anticipated losses may increase over historical levels or not be sufficient to cover actual losses, or our earnings may be adversely affected by customer defaults.

Our insurance coverage, which reduced our exposure to credit risk, expired on January 31, 2002. Failure to replace such coverage could increase our costs in the event a customer defaults.

We have in the past sought to reduce our credit risk by maintaining insurance coverage against lessee defaults. Our insurance policy covering such credit risks expired on January 31, 2002. We do not know whether replacement coverage can be obtained upon terms acceptable to the Company. If replacement coverage is obtainable we expect that premium rates and deductibles will increase as a result of general rate increases for this type of insurance as well as our historical claim experience and that of our competitors in the industry. If such insurance coverage is not obtained, it could adversely affect our business by increasing our costs in the event a customer defaults.

Changes in market price, availability or transportation costs of containers in China could adversely affect our ability to maintain our supply of containers.

China is currently the largest container producing nation in the world and we currently purchase substantially all of our containers from manufacturers in China. In the event that it were to become more expensive for us to procure containers in China or to transport these containers at a low cost from China to the locations where they are needed by customers, either because of increased tariffs imposed by the United States or other governments or for any other reason, we would have to seek alternative sources of supply. We may not be able to make alternative arrangements quickly enough to meet our equipment needs, and the alternative arrangements may increase our costs.

We are controlled by a limited number of stockholders; this concentrated ownership could discourage acquisition bids for us that are not supported by our majority stockholders or limit the price investors will be willing to pay in the future for shares of our common stock.

Approximately 68% of our common stock is beneficially owned, directly or indirectly, in the aggregate by Warren L. Serenbetz, Martin Tuchman, Raoul J. Witteveen and Arthur L. Burns, each of whom is our director and/or either an executive officer or consultant, and certain members of their immediate families. These individuals, either directly or indirectly, have the ability to elect all of the members of our Board of Directors and to control the outcome of all matters submitted to a vote of our stockholders. Messrs. Serenbetz, Tuchman, Witteveen and Burns, as well as certain family members and affiliated entities, are parties to a Stockholders' Agreement that imposes restrictions on their ability to dispose of their shares of our common stock and requires them to vote for the re-election of Messrs. Serenbetz, Tuchman, Witteveen and Burns as our directors. Our concentrated ownership may discourage acquisition bids for us that are not supported by our majority stockholders. This could limit the price that investors might be willing to pay in the future for shares of our common stock.

We have relationships with and have entered into transactions with members of our management and affiliated entities which may involve inherent conflicts of interest.

Various relationships exist and various transactions have been entered into between or among us, on the one hand, and members of our management and affiliated entities, on the other hand. Some of these relationships and transactions may involve inherent conflicts of interest.

We are dependent on the knowledge and experience of members of our senior management; loss of these members could adversely affect our ability to formulate and achieve our strategy and pursue new business initiatives.

Our growth and continued profitability are dependent upon, among other factors, the abilities, experience and continued service of certain members of our senior management, including Martin Tuchman, our Chairman and Chief Executive Officer, and Raoul J. Witteveen, our President and Chief Operating Officer. Each of Messrs. Tuchman and Witteveen holds, either directly or indirectly, a substantial equity interest in Interpool and also is a director of Interpool. Additionally, members of our senior management possess knowledge of, and extensive experience in, the intermodal transportation industry. We rely on this knowledge and experience in our strategic planning and in our day-to-day business operations. If one or more members of our senior management were to resign or otherwise be unavailable to serve us, the loss could adversely affect our ability to formulate and achieve our strategy and pursue new business initiatives. In addition, we do not currently have employment agreements with our chief financial officer and several of our other executive officers.

The volatility of the residual value of chassis and containers upon expiration of their leases could adversely affect our operating results.

Although our operating results primarily depend upon equipment leasing, our profitability is also affected by the residual values (either for sale or continued operation) of our chassis and containers upon expiration of their leases. These values, which can vary substantially, depend upon, among other factors:

the maintenance standards observed by lessees;

the need for refurbishment;

our ability to remarket equipment;

the cost of comparable new equipment;

the availability of used equipment;

rates of inflation;

market conditions;

the costs of materials and labor; and

the obsolescence of the equipment.

Most of these factors are outside of our control. Operating leases, which represent the predominant form of lease in our portfolio, are subject to greater residual risk than direct finance leases.

Loss of our eligibility for tax benefits under the U.S.-Barbados tax treaty could increase our tax liability.

We currently receive tax benefits under an income tax convention between the United States and Barbados, the jurisdiction in which our subsidiary Interpool Limited, which operates our container business, is incorporated. Specifically, under that income tax convention, any profits of Interpool Limited from leasing of containers used in international trade generally are taxable only in Barbados and not in the United States. At some future date the tax convention could be modified in a manner adverse to us or repealed in its entirety, or we might not continue to be eligible for these tax benefits.

Our use of indebtedness may adversely affect our results of operations.

We currently make use of indebtedness to finance our equipment leasing activities and for other general corporate purposes. As of March 31, 2002 our total outstanding indebtedness was approximately $1,454.1 million (not including $147.1 million available but unborrowed under our credit facilities) and our debt-to-equity ratio was approximately 3.2 to 1. We anticipate that we will incur additional indebtedness in the future. We are required to dedicate a substantial portion of our cash flow to payments on our indebtedness, thereby reducing the amount of cash flow available to fund working capital, capital expenditures, including for fleet growth, and other corporate requirements. Our debt service for the year 2001 and the first quarter of 2002 was $130.5 million and $16.4 million, respectively. Should our cash flow be insufficient to service our debt obligations, we would be required to seek additional funds to meet our obligations. Additional funds, if needed, might not be available to us or, if available, might not be made available on terms acceptable to us.

We may need additional capital in the future and adequate financing may not be available to us on acceptable terms, or at all.

Our business is highly dependent upon the availability of capital. In particular, the growth of our fleet through new equipment purchases or acquisitions, as well as the refinancing of our existing debt, will require further debt or equity financings. Additional financing might not be available to us on acceptable terms, or at all. We may not have sufficient unencumbered assets to pledge as security for new indebtedness. If we raise additional funds by issuing equity securities, further dilution to the existing stockholders may result.

Risks Relating to Our Offering

You may not revoke your subscription exercise.

Once you have exercised your subscription rights, you may not revoke your exercise unless we amend the offering, in which event you will have the right to cancel your subscription and promptly receive back any funds you have delivered, with interest if you subscribed using immediately available funds, or to reaffirm your exercise of your subscription rights under the terms of the offering, as so amended.

Because we may terminate the offering at any time, your participation in the offering is not assured.

Once you exercise your subscription rights, you may not revoke the exercise for any reason unless we amend the offering. We may terminate the offering at any time. If we decide to terminate the offering, we will not have any obligation with respect to the subscription rights except to return any subscription payments, with interest if you subscribed using immediately available funds. See "The Rights Offering -- Interest on Subscription Funds".

We have broad discretion in how we use the proceeds from this offering and may use them in ways with which you disagree.

We have not allocated specific amounts of the net proceeds to any particular growth plans. Accordingly, our management will have significant flexibility in applying the net proceeds of this offering. The failure of management to use such funds effectively could have a material adverse effect on our financial position, liquidity and results of operations by reducing or eliminating our net income from operations.

The price of our common stock could continue to fluctuate.

The market price for our common stock has fluctuated in the past, and several factors could cause the price to fluctuate substantially in the future. These factors include:

- announcements of developments related to our business;
- fluctuations in our quarterly results of operations;
- sales of substantial amounts of our shares into the marketplace;
- general conditions in our industry or the worldwide economy;
- a shortfall in revenues or earnings compared to securities analysts' expectations;
- changes in analysts' recommendations or projections;
- announcements of new acquisitions; and
- an outbreak of war or hostilities.

The current market price of our common stock may not be indicative of future market prices.

If our stockholders sell substantial amounts of our common stock after this offering, the market price of our common stock may fall.

Sales of a substantial number of shares of our common stock in the public market by our stockholders, or the perception that these sales may occur, could adversely affect the price of our common stock. We have outstanding an aggregate of 27,361,252 shares of common stock, of which:

8,738,061 shares are freely tradable;

18,623,191 shares are held by our "affiliates" and other holders of our restricted securities within the meaning of Rule 144 under the Securities Act and may only be sold in compliance with Rule 144; and

no shares are covered by registration rights agreements.

Our charter documents and Delaware law may inhibit a takeover and limit our growth opportunities, which could cause the market price of our shares to decline.

Our Restated Certificate of Incorporation and Amended and Restated By-laws, as well as Delaware corporate law, contain provisions that could delay or prevent a change of control or changes in our management that a stockholder might consider favorable. These provisions apply even if the change may be considered beneficial by some stockholders. If a change of control or change in management is delayed or prevented, the market price of our shares could decline. In addition, our Restated Certificate of Incorporation and Amended and Restated By-laws contain provisions that may discourage acquisition bids for Interpool.

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus contain "forward-looking statements" within the meaning of the securities laws. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control. All statements other than statements of historical facts included or incorporated by reference in this prospectus, including the statements under "Summary," "Risk Factors," "Management Discussion and Analysis of Financial Condition and Results of Operations," "Business" and elsewhere in this prospectus regarding our strategy, future operations, financial position, estimated revenues, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this prospectus, the words "will," "believe," "anticipate," "intend," "estimate," "expect," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. All forward-looking statements speak only as of the date of this prospectus. We do not undertake any obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this prospectus are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved. The cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

USE OF PROCEEDS

The net proceeds from the sale of Debentures in this offering will depend upon the amount of Debentures purchased. Assuming the sale of all 1,094,450 Debentures offered, the net proceeds will be approximately $26,961,250 (approximately $31,065,425 if we fully exercise our right to increase the offering), at a price of $25.00 per Debenture, after deducting our estimated offering expenses. We anticipate using substantially all the net proceeds of this offering to pay down our revolving credit facility. Such reduction in our revolving credit facility may be temporary as we may choose to re-borrow under the revolving credit facility in the future for general corporate purposes, which may include future equipment purchases or the expansion of our business through acquisitions. We are not currently engaged in discussions with respect to any potential acquisition that have progressed beyond the preliminary stage, but we will consider any acquisition opportunity that may arise.

PRICE RANGE OF COMMON STOCK

Our common stock is traded on the New York Stock Exchange under the symbol "IPX." The following table sets forth for the periods indicated, the high and low last reported sale prices for the common stock on the New York Stock Exchange. All share and per share data have been rounded to the nearest cent.

	High	Low
Year ended December 31, 1999		
First Quarter................................	$16.75	$12.44
Second Quarter...............................	15.25	10.50
Third Quarter................................	13.50	7.50
Fourth Quarter...............................	9.13	6.88
Year ended December 31, 2000		
First Quarter................................	8.00	5.25
Second Quarter...............................	9.75	5.31
Third Quarter................................	13.63	8.31
Fourth Quarter...............................	17.63	11.56
Year ended December 31, 2001		
First Quarter................................	18.44	12.56
Second Quarter...............................	17.00	13.55
Third Quarter................................	19.45	14.60
Fourth Quarter...............................	19.25	11.65
Year ended December 31, 2002		
First Quarter................................	19.90	14.61
Second Quarter...............................	24.02	17.26
Third Quarter (through July 3)...............	17.34	16.68

As of July 3, 2002, there were approximately 72 record holders of our common stock. On July 3, 2002, the last reported sale price of Interpool common stock on the New York Stock Exchange was $17.34 per share.

DIVIDEND POLICY

Effective January 2002, the quarterly dividend rate was increased to $0.055 per share. We paid a quarterly dividend in the amount of $0.05 per share on our common stock in July and October 2001. Prior to July 1, 2001, we had paid a quarterly dividend of $0.0375 per share on our common stock for the prior 17 quarters.

The Board of Directors has instituted a dividend reinvestment plan, which went into effect at the end of 2001. The plan is non-dilutive; shares required for the plan will be acquired on the open market by an independent third party plan administrator and not through the issuance of additional shares by us.

THE RIGHTS OFFERING

The Subscription Rights

We are offering our stockholders the right to subscribe for and purchase 1,094,450 Debentures at a purchase price of $25.00 per debenture. Only those stockholders of record who own Interpool common stock at the close of business on July 8, 2002 will receive subscription rights from us to purchase Debentures in the rights offering. The subscription rights are not transferable. You are a record holder for this purpose only if your name is registered as a stockholder of Interpool common stock with our transfer agent, American Stock Transfer & Trust Company, as of the July 8, 2002 record date. Each stockholder of record will receive a subscription rights certificate. The subscription rights certificate will be individually numbered and evidence how many subscription rights you hold on the July 8, 2002 record date. If you execute and return the subscription rights certificate you are agreeing that your exercise of subscription rights is on the terms and subject to the conditions specified in this prospectus.

Basic Subscription Right

We are distributing to each record holder one subscription right for every twenty-five (25) shares of Interpool common stock held on the close of business on the July 8, 2002 record date. If you receive subscription rights, you may purchase one Debenture for each whole subscription right that you receive. There is no minimum number of Debentures you must purchase upon the exercise of your subscription rights, but you may not purchase fractional Debentures.

When determining the maximum number of subscription rights you will receive, divide the number of shares of common stock you own on the record date by twenty-five (25) and round down to the next whole number. For example, if you own 120 share of common stock, you will receive four (4) subscription rights (120 shares of common stock / 25 = 4.8, rounded down to 4 subscription rights, the next whole number) which will entitle you to subscribe for up to four (4) Debentures under your Basic Subscription Right. We will not pay cash for or issue fractional subscription rights. You may not divide a subscription rights certificate in such a way as to permit you to receive a greater number of subscription rights than you are otherwise entitled to receive. However, a depository, bank, trust company or securities broker or dealer holding shares of our common stock for more than one beneficial owner, may, upon proper showing to the Subscription Agent, exchange its subscription rights certificate to obtain several subscription rights certificates for the number of subscription rights to which all such beneficial owners in the aggregate would have been entitled had each beneficial owner been a holder of record. This is your Basic Subscription Right. If you subscribe for Debentures by tendering immediately available funds, you will receive interest on your subscription funds as described below under "The Rights Offering -- Interest on Subscription Funds".

Oversubscription Right

If you fully exercise your Basic Subscription Right with respect to all the subscription rights you receive, you may subscribe for additional Debentures. This Oversubscription Right will be available to the extent that other subscription rights holders do not exercise their Basic Subscription Right in full or that we determine to offer additional Debentures as part of our option to increase the offering. If you wish to exercise your Oversubscription Right, you must specify the maximum number of additional Debentures you want to purchase, and you must submit the full subscription price for those Debentures to the Subscription Agent. If you wish to exercise your Oversubscription Right, you must do so at the same time you fully exercise your Basic Subscription Right.

If we receive subscriptions, including oversubscriptions, for more than the 1,094,450 Debentures offered hereby (plus any Debentures offered pursuant to our option to increase the offering), then we will allocate the available Debentures as follows:

first, subscribing rights holders who exercise their Basic Subscription Rights, in whole or in part, will receive the Debentures to which they have subscribed, and

second, subscribing rights holders who exercise their Oversubscription Rights, will receive Debentures in proportion to the number of Debentures each such holder has purchased pursuant to their Basic Subscription Rights, subject to the elimination of fractional Debentures. If you are not allocated the full amount of Debentures that you subscribed for pursuant to your Oversubscription Right, you will receive a refund (with interest if you subscribed with immediately available funds) of the subscription price that you delivered for those Debentures that are not allocated to you. The Subscription Agent will mail refunds after the expiration of the offering.

For purposes of determining whether you have exercised your Basic Subscription Right in full, only Basic Subscription Rights held by you in the same capacity will be considered. For example, if you hold shares of our common stock as an individual and you exercise your Basic Subscription Right in full with respect to those shares, you may exercise your Oversubscription Right with respect to those shares, even if you do not exercise your Basic Subscription Right with respect to shares held jointly with your spouse or shares in a retirement account.

In order to exercise the Oversubscription Right, banks, brokers and other nominee subscription rights holders who exercise the Oversubscription Right on behalf of beneficial owners must certify to the Subscription Agent and to us with respect to each beneficial owner:

(1) the number of shares held on the July 8, 2002 record date;

(2) the number of subscription rights exercised pursuant to the Basic Subscription Right;

(3) that the holder has exercised its Basic Subscription Right in full; and

(4) the number of Debentures subscribed for pursuant to the Oversubscription Right.

Option to Increase Offering

If we receive subscriptions, including oversubscriptions or standby purchaser subscriptions, for more than the 1,094,450 Debentures offered hereby, then we may, in our sole discretion, increase the amount of Debentures to be offered by up to 164,167 additional Debentures (or an additional $4,104,175 in principal amount of Debentures).

Subscription Price

The subscription price in the rights offering is $25.00 per Debenture, payable in cash. If this offering is terminated or if you oversubscribe for more Debentures than are available, your funds will be returned to you promptly, with interest if you subscribed using immediately available funds.

Determination of the Subscription Price

The subscription price represents 100% of the principal amount of a Debenture. The offering price was determined by our Board of Directors and bears no relationship to the value of our assets, financial condition, or other established criteria for value.

Expiration Time and Date

The subscription offering will expire at 5:00 p.m., New York City time, on August 8, 2002, unless we extend the offering. We will not extend the expiration date, in any event, beyond September 30, 2002. If we extend the expiration date, we will issue a press release on the first day the New York Stock Exchange is open for trading after the most recent expiration date. After the expiration of the offering, all unexercised subscription rights will be null and void. We will not be obligated to honor any purported exercise of subscription rights which the Subscription Agent received after the expiration of the offering, regardless of when you sent the documents relating to that exercise, unless you used the guaranteed delivery procedures described below.

Plan of Distribution

The subscription rights will be distributed to our holders of record as of the July 8, 2002 record date, by mail, on or about July 10, 2002. It is our expectation that holders of record which hold shares of Interpool common stock for beneficial owners will forward a copy of this prospectus and the related subscription information and forms to those beneficial holders in adequate time to permit beneficial holders to complete and deliver the Form of Instructions by Beneficial Owners to Brokers or Other Nominees as to their investment decisions. We have engaged American Stock Transfer & Trust Company as our Subscription Agent to assist in the distribution of the subscription rights and of this prospectus and the related subscription information and forms. American Stock Transfer & Trust Company, as our Subscription Agent, will process all subscription rights certificates from our holders of record and will distribute certificates representing the Debentures purchased by each holder of record upon the expiration of this offering. See "The Rights Offering--Issuance of the Debentures."

We have not engaged an underwriter to conduct a distribution of Debentures not purchased upon the exercise of the subscription rights we are distributing, nor have we engaged a standby purchaser to acquire such unpurchased Debentures. However, we may, in our discretion, seek and accept offers from standby purchasers to purchase Debentures not subscribed for and purchased by stockholders in the Rights Offering. See "The Rights Offering - Offers from Standby Purchasers."

Certain Stockholders

Martin Tuchman, our Chairman and Chief Executive Officer, Raoul J. Witteveen, our President and Chief Operating Officer, and Warren L. Serenbetz, a significant stockholder, each of whom is a member of our Board of Directors, beneficially own an aggregate of approximately 51.8% of Interpool's outstanding common stock. Messrs. Tuchman, Witteveen and Serenbetz have informed us that they intend to exercise basic subscription rights to purchase Debentures in an aggregate principal amount of at least $5,000,000.

Subscription Procedures

In order to exercise subscription rights, you must:

(1) complete and sign your subscription rights certificate (with any signatures guaranteed if required, as described below); and

(2) deliver the completed and signed subscription rights certificate, together with payment in full of the subscription price for each Debenture for which you subscribe (See The Rights Offering--Subscription Payments) to the Subscription Agent before the expiration of the offering, unless delivery of the subscription rights certificate is effected pursuant to the guaranteed delivery procedures described below.

If you do not indicate the number of Debentures to be subscribed for on your subscription rights certificate or guarantee notice (as applicable), or if you indicate a number of Debentures that does not agree with the aggregate subscription price payment you delivered, you will be deemed to have subscribed for the maximum number of whole Debentures that may be subscribed for, under both the Basic Subscription Right and the Oversubscription Right for the aggregate purchase price you delivered.

If you subscribe for fewer than all of the Debentures represented by your subscription rights certificate, the unexercised subscription rights will become null and void on the expiration date.

Your signature on each subscription rights certificate you deliver must be guaranteed by a bank, broker, dealer, credit union, national securities exchange, registered securities association, clearing agency or savings association, unless:

(1) the Debentures to be issued are to be issued to the registered holder of the subscription rights, as indicated on the subscription rights certificate; or

(2) the subscription rights certificate is submitted for the account of a member firm of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office or correspondent in the United States exercising for your account.

If you hold shares of Interpool common stock for the account of others, you should contact the respective beneficial owners of those shares as soon as possible to receive their investment decision and to obtain instructions and certifications with respect to their subscription rights. If you are so instructed by a beneficial owner, you should complete the appropriate subscription rights certificate and, if the beneficial holder wishes to exercise the Oversubscription Right, the related nominee holder certification, a form of which is included in the instructions distributed with the subscription rights certificates. You should submit these to the Subscription Agent with the proper payment.

If you are a beneficial owner whose shares of our common stock are held for your account by another, you should give your instructions regarding your investment decision as to the subscription rights attached to those shares to that holder.

You should carefully read the instructions accompanying the subscription rights certificate and follow them closely. You should send your subscription rights certificate, with any payment, to the Subscription Agent. DO NOT SEND YOUR SUBSCRIPTION RIGHTS CERTIFICATES OR PAYMENT TO US.

The method of delivery of the subscription rights certificate and the payment of the subscription price to the Subscription Agent is at your election and risk. If you send your subscription rights certificate and payments by mail, they should be sent by registered mail, properly insured. You should also allow sufficient time to ensure delivery to the Subscription Agent and clearance of payment prior to the expiration time.

We will determine all questions concerning the timeliness, validity, form and eligibility of any exercise of subscription rights, which determinations will be final and binding. In our sole discretion, we may waive any defect or irregularity, or permit a defect or irregularity to be corrected, or reject the purported exercise of any subscription right because of any defect or irregularity. Neither the Subscription Agent nor we are under any duty to notify you of any such defect or irregularity, and will not be held liable for any failure to notify you of any such defect or irregularity. We also reserve the right to reject any exercise if it is not in accordance with the terms of this offering, not in proper form or if it could be deemed unlawful or materially burdensome. See "The Rights Offering--Regulatory Limitation" below.

You should direct any questions or requests for assistance concerning the method of exercising subscription rights, or requests for additional copies of this prospectus, the instructions or the notice of guaranteed delivery, to the Information Agent, The Altman Group, 60 East 42nd Street, New York, New York 10165, (telephone: (800) 206-0007).

If you do not exercise your subscription rights prior to 5:00 p.m., New York City time, on the August 8, 2002 expiration date, as that date may be extended, they will expire and be null and void. See "The Rights Offering -- Expiration Date" above.

Subscription Payments

You must pay for all Debentures you subscribe for by:

(1) check or bank draft drawn upon a United States bank, or postal, telegraphic or express money order, payable to American Stock Transfer & Trust Company as Subscription Agent; or

(2) by wire traq nsfer of funds to the account which the Subscription Agent maintains for this purpose at American Stock Transfer & Trust Company, Subscription Agent, JP Morgan Chase Bank WIRE CLEARING ACCOUNT, ABA #021000021, Account # 323890121, Attention: Reorg. Dept.

The subscription price will be considered received by the Subscription Agent only upon:

(1) clearance of an uncertified check;

(2) receipt by the Subscription Agent of a certified or cashier s check or bank draft drawn upon a United States bank or of a postal, telegraphic or express money order; or

(3) receipt of funds wired to the Subscription Agent's account designated above.

Funds paid by uncertified personal check may take several business days to clear. Accordingly, if you wish to pay the subscription price by uncertified personal check, you should make payment sufficiently in advance of the expiration date to ensure its receipt and clearance by that time. To avoid disappointment caused by a failure of your subscription due to your payment not clearing prior to the expiration date, we urge you to consider payment by means of certified or cashier's check, money order or wire transfer of funds. We highly recommend that if you intend on paying the subscription price by personal check, your subscription payment must be received by the Subscription Agent no later than seven (7) business days prior to the expiration date, as extended. If your check does not clear before the expiration date, as extended, you will not receive any Debentures, and our only obligation will be to return your subscription payment, without interest.

Interest on Subscription Funds

We have entered into an agreement with the Subscription Agent that will permit interest to be paid to subscribing holders of the subscription rights, subject to the limitations described in this section of the prospectus. The Subscription Agent will pay interest on immediately available funds tendered in connection with the exercise of Basic Subscription Rights and Oversubscription Rights. Immediately available funds for this purpose are funds tendered by you in the form of:

certified or cashier's check or bank draft drawn upon a United States bank,

United States postal, telegraphic or express money order, or

wire transfer to the Subscription Agent's account designated above.

Subscription funds tendered by uncertified personal check will not accrue interest and no interest will be paid on those funds.

Interest will accrue on immediately available funds beginning upon the date of their receipt by the Subscription Agent, through the day prior to the day on which funds are delivered to us following the expiration date of this offering, or the termination date if we terminate the offering. Interest accrued, less a service fee charged pro rata to all immediately available funds tendered, will be disbursed by the Subscription Agent promptly after the expiration date. No assurance can be given as to the effective interest rate which will be earned on subscription funds which are immediately available funds, as the effective interest rate will be affected by the amount of the service fee and the service fee will be the sum of a fixed amount and a percentage of all interest earned.

Notice of Guaranteed Delivery

If you wish to exercise your subscription rights, but you will not be able to deliver your subscription rights certificate to the Subscription Agent prior to the expiration of the offering, you may nevertheless exercise the subscription rights if:

(1) before the expiration of the offering, the Subscription Agent receives:

   (a) payment for each Debenture you subscribe for pursuant to your Basic Subscription Right and, if applicable, your Oversubscription Right and;

   (b) a guarantee notice from a member firm of a registered national securities exchange or a member of the National Association of Securities Dealers, Inc. or from a commercial bank or trust company having an office or correspondent in the United States, guaranteeing the delivery to the Subscription Agent of the subscription rights certificate evidencing the subscription rights to be exercised within three (3) NYSE trading days following the date of that notice; and

(2) within this three (3) NYSE trading day period, the Subscription Agent receives the properly completed subscription rights certificate with any signatures guaranteed as required.

You may deliver the guarantee notice referred to above to the Subscription Agent in the same manner as you would deliver the subscription rights certificate. Eligible institutions may deliver the notice of guaranteed delivery by telegram or facsimile transmission (telecopier no. (718) 234-5001). To confirm facsimile deliveries, please call (800) 937-5449. You should refer to the form titled "Notice of Guaranteed Delivery," which is provided with the "Instructions as to Use of Subscription Rights Certificates" distributed with the subscription rights certificate for the information and representations required in the guarantee notice.

No Revocation

Once you have exercised your Basic Subscription Right and, if you so elect, your Oversubscription Right, you may not revoke that exercise unless we elect to amend the offering. If we elect to amend the offering, you will have the right to cancel your subscription and promptly receive back any funds you have delivered, with interest if you subscribed using immediately available funds, or to reaffirm your exercise of your subscription rights under the terms of the offering as so amended.

Restriction on Transferring Rights

The subscription rights will not be transferable.

Issuing Debentures in the Name of an Affiliate or Related Party

If you exercise your subscription rights, you may choose to have the Debentures issued in whole or in part in the name of an affiliate or related party designee. We define an affiliate as a person, company, trust, partnership, limited partnership, limited liability company, corporation or other business entity that directly, or indirectly, through one or more intermediaries, controls you, is controlled by you, or with whom you are under common control. A related party includes:

- any member of your immediate family, which includes your spouse, children, siblings and parents;
- an entity owned or controlled by you or a member of your immediate family;

any limited or general partner of a holder which is a general or limited partnership;

any member of a holder which is a limited liability company;

a trust settled by you or a member of your immediate family, or whose beneficiaries include you or a member of your immediate family; or

if the holder is a trust, the settlor or any beneficiary of such trust.

You may designate that all or a portion of the Debentures subscribed for, but not fractional Debentures, be issued in the name of your designee by delivering to the Subscription Agent a subscription rights certificate and an Affiliate and/or Related Party Certification properly completed, with instructions to register and issue that portion of the Debentures indicated in the name of the designee. You will be required to certify to us and the Subscription Agent that the designee is either an affiliate or related party of yours.

The provisions of the Internal Revenue Code may impose restrictions on the ability of a holder of subscription rights to designate a tax-qualified benefit plan to receive Debentures as well as on the ability of a tax-qualified benefit plan holding subscription rights to designate another person to receive Debentures. For additional information about these restrictions, see "Certain Federal Income Tax Consequences - Certain Tax-Qualified Plan Considerations".

Subscription Agent

The Subscription Agent is American Stock Transfer & Trust Company. The Subscription Agent's address, to which you must make any required deliveries, is:

If by mail:	If by hand or overnight courier:
American Stock Transfer & Trust Company 59 Maiden Lane, Plaza Entrance New York, New York 10038	American Stock Transfer & Trust Company 59 Maiden Lane, Plaza Entrance New York, New York 10038

Facsimiles to the Subscription Agent should be sent to (718) 234-5001. If you send a facsimile to the Subscription Agent, you should confirm that your facsimile has been received by contacting the Subscription Agent. The telephone number to confirm receipt of facsimiles is (800) 937-5449.

We will pay the fees and expense of the Subscription Agent (except for fees and expenses relating to the calculation, allocation and delivery of interest on immediately available funds), and have agreed to indemnify the Subscription Agent against certain liabilities that it may incur in connection with this offering.

Foreign Stockholders; Stockholders With APO or FPO Addresses; Unknown Addresses

If you are a holder of record and your address is outside the United States, or if you have an APO or FPO address, or if your address is unknown, a subscription rights certificate will not be mailed to you. Instead, the rights certificate will be held by the Subscription Agent for your account. To exercise your subscription rights, you must notify the Subscription Agent prior to 5:00 p.m., New York City time, on the tenth business day prior to the August 8, 2002 expiration date. Following receipt of such notice, the Subscription Agent may require additional information from the holder prior to accepting the exercise. If no notice is received by such time, the subscription rights represented thereby will expire.

Regulatory Limitation

We will not be required to issue Debentures pursuant to this offering to anyone who, in our opinion, would be required to obtain prior clearance or approval from any federal, state or foreign regulatory authorities to acquire, own or control Debentures if such clearance or approval has not been obtained at the expiration of this offering.

Withdrawal of This Offering

We reserve the right to withdraw this offering for any reason and at any time prior to 5:00 p.m. New York City time, on the August 8, 2002 expiration date (as it may be extended), in which event we will cause all funds received to be promptly returned, with interest if you subscribed using immediately available funds.

Issuance of the Debentures

The Subscription Agent will issue to you the Debentures purchased in the subscription offering as soon as reasonably practicable after the expiration date. The date as of which the Debentures are issued will be considered the consummation date of the subscription offering. Certificates representing the Debentures will be delivered to you with respect to the exercise of both basic subscription rights and oversubscription rights promptly after the consummation date. The Subscription Agent will retain all funds delivered to it in payment of the subscription price until such certificates are issued. If you are allocated less than all the Debentures for which you subscribed, the Subscription Agent will return excess funds to you, with interest if you subscribed using immediately available funds, as soon as practicable after the Expiration Date. You will have no rights with respect to Debentures subscribed for until the certificates are issued.

No Board Recommendation

In making any investment decision to exercise subscription rights, you must consider your own best interests. None of the members of our board of directors makes any recommendation as to whether you should exercise your subscription rights.

Offers from Standby Purchasers

We may, in our discretion, seek and accept offers from standby purchasers to purchase Debentures not subscribed for and purchased by stockholders in the Rights Offering pursuant to either Basic Subscription Rights or Oversubscription Rights. Offers from standby purchasers may be made by completing, signing and delivering to Interpool or the subscription agent the form of subscription agreement that is available from the Company. The deadline for any such offers will be 30 days after the expiration date of the subscription offering. Full payment for the Debentures requested to be purchased by any standby purchasers whose offers are accepted by the Company will be required to be made within two (2) business days after such acceptance. Any Debentures which are so purchased by standby purchasers will be purchased at a price of $25.00 per Debenture plus any accrued interest from the date of consummation of the subscription rights offering and otherwise on the same terms as the Debentures sold to stockholders pursuant to the exercise of Rights. Standby purchasers need not be stockholders. If Debentures are available for purchase by standby purchasers, but the number of Debentures is not sufficient to satisfy in full all offers received by us from standby purchasers, the Debentures available will be allocated at our discretion. We reserve the right to accept or reject any offer from a standby purchaser. In connection with this offering, we may agree to pay commissions to certain broker-dealers that are members of the National Association of Securities Dealers for arranging introductions to new investors purchasing Debentures, either pursuant to the exercise of subscription rights or as standby purchasers.

CAPITALIZATION

The following table sets forth our short-term debt and capitalization as of March 31, 2002. Our short-term debt and capitalization is presented:

on an actual basis; and

on an as adjusted basis to reflect the receipt and application of the estimated net proceeds from the sale of 1,094,450 Debentures in this offering in an aggregate principal amount of $27,361,250.

You should read the information in this table together with our consolidated financial statements and the related notes and with "Selected Consolidated Historical Financial and Operating Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

	Actual	As Adjusted (2)
	(in thousands)	
Short-term debt obligations (including current portion of long-term debt and capital lease obligations).	$ 148,197	$ 121,236
Long-term debt and capital obligations (less current portion)......................................	1,305,938	1,333,299
Minority interest in equity of subsidiaries.........	26,332	26,332
Stockholders' equity:		
Preferred stock, par value $.001 per share, 1,000,000 authorized, none issued..........................	--	--
Common stock, par value $.001 per share, 100,000,000 shares authorized, 27,579,952 shares issued and outstanding......................................	28	28
Additional paid-in capital..........................	124,184	124,184
Treasury stock, at cost, 218,700 shares..............	(2,139)	(2,139)
Retained earnings...................................	264,339	264,339
Accumulated other comprehensive income (loss), net of taxes..	---------------	(9,270)
	(9,270)	
Total stockholders' equity..................	377,142	377,142
Total capitalization........................	$2,046,670	$2,546,570

(1) In October 2000, the Financial Accounting Standards Board ("FASB") released its exposure draft "Accounting for Financial Instruments with Characteristics of Liabilities, Equity, or Both" (the "Exposure Draft"). This Exposure Draft addresses potential changes in the way a company will account for debt and equity instruments. The Exposure Draft, if adopted by FASB in its current form, would result in Interpool having to change its accounting for the 9.25% Convertible Redeemable Subordinated Debentures (the "Convertible Debentures") being offered as a part of this registration statement and its accounting for the $75 million of 9-7/8% company obligated mandatorily redeemable preferred securities in subsidiary grantor trusts (the "Redeemable Preferred Securities"), which were issued by Interpool in January 1997. These changes in accounting would require us to estimate the value, at the date of issuance of the Convertible Debentures, of our obligation to permit proposed holders of the Convertible Debentures to convert the Convertible Debentures into common stock (the "Conversion Option Value"). The Company would be required to reclassify the Conversion Option Value from debt to a component of stockholder's equity in our financial statements, upon adoption of the new proposed accounting standard. The resulting discount on the debt component would then be adjusted, as a retroactive

restatement, to its appropriate amortized balance. The remaining unamortized discount of the Convertible Debentures would be amortized into interest expense over the remaining term of the Convertible Debentures. In addition, the $75 million of Redeemable Preferred Securities, which are currently classified by us as mezzanine debt, would be reclassified as a debt obligation and included in total liabilities. The Exposure Draft would require us to adopt these new accounting requirements effective January 1, 2003. All prior transactions and financial statements would be restated. The changes in the accounting requirements and the date of adoption of their adoption as described in the Exposure Draft are subject to change by the FASB.

(2) Does not give effect to any possible conversion of the Debentures.

SELECTED CONSOLIDATED HISTORICAL FINANCIAL AND OPERATING DATA

The following table sets forth our selected consolidated historical financial and operating data for the periods and at the dates indicated. The historical financial data for each of the five years in the period ended December 31, 2001, and at December 31, 1997, 1998, 1999, 2000 and 2001, are derived from and qualified by reference to the historical consolidated financial statements that have been audited and reported upon by Arthur Andersen LLP, independent public accountants. The historical financial data for the three months ended March 31, 2001 and 2002 and as of March 31, 2002 are derived from our unaudited financial statements. In our opinion, this unaudited information has been prepared on a basis consistent with the audited consolidated historical financial statements appearing elsewhere in this prospectus and includes all adjustments, consisting only of normal recurring accruals, that we consider necessary for a fair presentation of our financial position and results of operations for these periods. This information should be read in conjunction with our "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical consolidated financial statements and the notes thereto. The historical results presented are not necessarily indicative of future results.

	Year Ended December 31,(1)					Ended M
	1997	1998	1999	2000	2001	2001
	(in thousands, except per share amounts)					(un
Income Statement Data:						
Revenues...........................	$155,309	$174,241	$189,788	$242,255	$305,133	$76,468
Costs and expenses:						
Lease operating expenses.........	23,080	24,734	28,391	36,865	63,870	15,492
Administrative expenses..........	13,183	16,424	19,910	21,862	26,170	6,413
Provision for doubtful accounts..	1,507	1,680	6,925	2,192	2,302	713
Market value adjustment for derivative instruments.........	----	-----	-----	-----	2,647	870
Depreciation and amortization of leasing equipment.............	32,710	38,714	55,635	60,767	74,311	18,769
Other (income)/expense, net......	(380)	(1,951)	2,822	2,509	466	(1,614)
Interest expense................	53,132	62,846	64,429	84,596	95,044	24,589
Interest income.................	(4,993)	(11,060)	(12,049)	(16,511)	(9,400)	(2,679)
Income from continuing operations before provision for income taxes, results from discontinued operations, cumulative effect of change in accounting principle and extraordinary items.............	37,070	42,854	23,725	49,975	49,723	13,915
Provision for income taxes.........	4,173	5,584	2,800	8,175	6,725	2,880
Income from continuing operations before results from discontinued						

operations, cumulative effect of change in accounting principle and extraordinary items..............	32,897	37,270	20,925	41,800	42,998	11,035
(Loss) income from discontinued operations, net of applicable taxes of $327, $216, $600, $450, $29, $20 and $472................	194	344	946	1,156	(1,909)	(33)
Gain (loss) from disposal of discontinued operations..........	-----	-----	-----	-----	-----	-----
Cumulative effect of change in accounting principle, net of applicable taxes of $440, $44 and $44.............................	-----	-----	-----	660	833	833
Extraordinary gain (loss) on debt retirement, net of applicable taxes of ($1,825), $494, $560 and $372............................	(5,428)	-----	740	840	558	-----
Net income.......................	$27,663	$37,614	$22,611	$44,456	$42,480	11,835
Income per share from continuing operations before results from discontinued operations, cumulative effect of change in accounting principle and extraordinary items:						
Basic..........................	$1.16	$1.35	$0.76	$1.52	$1.57	$0.40
Diluted........................	$1.12	$1.30	$0.74	$1.50	$1.48	$0.38
(Loss) income from discontinued operations:						
Basic..........................	$0.01	$0.01	$0.03	$0.04	($0.07)	$0.00
Diluted........................	$0.01	$0.01	$0.03	$0.04	($0.06)	$0.00
Cumulative effect of change						