



TRINITY INDUSTRIES

ABOUT

Trinity Industries is a leading provider of rail transportation products and services in North America servicing its customers through a unique Integrated Rail Platform. Trinity's rail platform combines railcar leasing and management services and a flexible rail manufacturing footprint to provide industrial shippers with a single source for comprehensive rail transportation solutions.

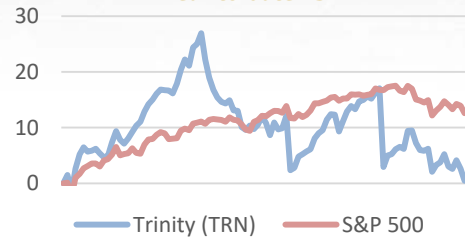
** The company completed a tax-free spin-off of other industrial manufacturing businesses in November 2018 to concentrate its resources and focus on the railcar leasing portfolio and integrated rail platform.

Compelling Post-Spin Investment Appeal

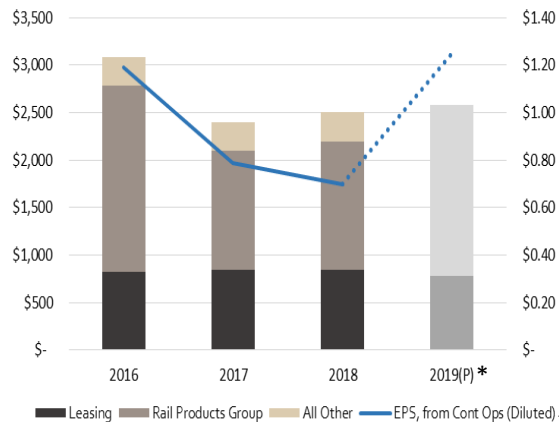
- Railcars are an **attractive long-term investment** in a tax-advantaged asset class and provide a sustainable, environmentally friendly way to transport goods and commodities across the North American supply chain
- Trinity's unique integrated rail platform comprises leading market positions that generate **recurring revenues, stable earnings, strong cash flows**, and enable distinct and sizeable opportunities for organic and transformative growth
- Heightened focus on **driving improvement in returns** through the use of various operational and financial levers
- **Disciplined capital allocation approach** for deploying an under levered leasing balance sheet with financial flexibility to drive value creation for shareholders
- **Experienced management team** and strong corporate culture aligned with shareholder interests

STOCK SNAPSHOT⁽¹⁾

Ticker: TRN (NYSE)
 Market Cap: \$2.6B
 Avg. Daily Volume (3-Mo): 1.5M
 Price-to-Book: 1.21x
 Dividend Yield: 3.2%
 Year-to-date TSR:



External Revenue by Business Group⁽³⁾

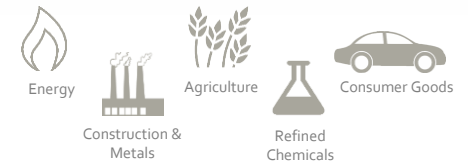


FAVORABLE MACRO ENVIRONMENT

- Railcar demand directly correlates with U.S. GDP and comprises a broad range of end markets
- 25% of U.S. freight ton miles moved via rail⁽²⁾
- Strong fleet utilization and healthy backlogs

DIVERSE END MARKET EXPOSURE

TRN's railcar portfolio reaches ~900 different commodities through ~270 railcar designs.



LEASE PORTFOLIO QUICK FACTS⁽⁴⁾

Large and Growing Railcar Portfolio

- Owned and partially-owned portfolio of over 100,000 leased railcars has outpaced industry growth since early 2000's

Railcar Fleet Net Book Value

- Approx. net PP&E of \$7.2 Billion (includes owned and partially-owned portfolio of leased railcars) with an additional \$1.2 Billion in backlog

Recurring Revenue Sources

- Leasing company generates stable recurring revenues as approximately 15% of portfolio renews each year

¹ All stock information based on closing price on 5/30/2019

² 2017 freight ton miles – FTR Associates 9/17/2018

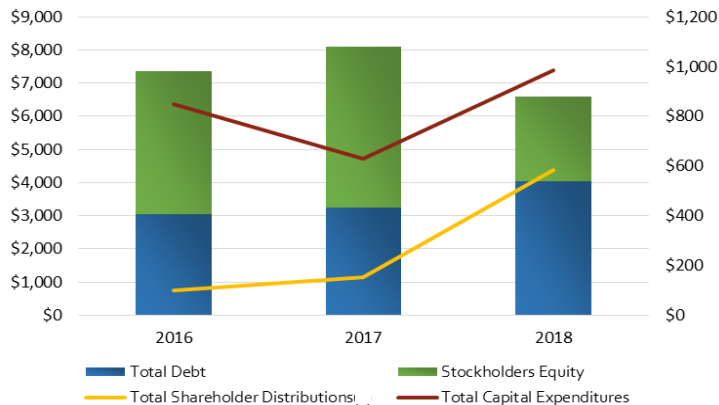
³ / * Intersegment Revenues are eliminated in consolidation. FY 2017 EPS excludes a \$3.06 non-cash benefit related to the effects of the Tax Cuts and Jobs Act. FY 2019 projections ("2019(P)") represent managements estimates as of 4/25/19. Any forward-looking statements made by the Company speak only as of the date on which they are made. Except as required by federal securities law, the Company is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise.

⁴ Statistics as of Company 3/31/19 financial filings

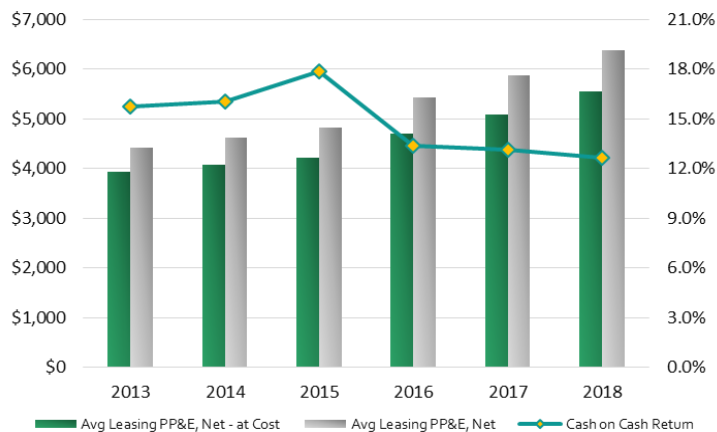
Well Positioned to Drive Financial Performance

- ✓ Solid Financial Performance with Multiple Sources of Revenue Across the Integrated Rail Platform
- ✓ Committed to Scaling the Lease Fleet and Doubling its Size over the Long Term
- ✓ Strong Cash Flow and Economic Profit from Lease Operations and Healthy Cash on Cash Returns from Young Lease Portfolio

Recapitalizing the Balance Sheet and Deploying Capital



Young Lease Fleet is Yielding Solid Cash on Cash Returns*



*See reconciliation on page 3

STRATEGIC PRIORITIES FOCUSED ON IMPROVING RETURNS



Financial Levers to Generate Improvement in Returns in the Near Term

- Reduce Trinity's cost of capital through a more optimized leasing company balance sheet
- Opportunistically deploy capital on accretive business investments to improve return on equity
- Return additional capital to shareholders through dividends and share repurchases



Operational Levers to Drive Greater Returns and Growth over the Longer Term

- Scale the lease fleet for transformative growth utilizing a prudent investment approach and innovative technology solutions
- Invest in the Maintenance Services business to reduce lease fleet maintenance and compliance expenses and capture third-party profit
- Align corporate overhead to go-forward Trinity business needs
- Leverage the integrated rail platform to deepen customer relationships and generate additional recurring sources of revenue

Lease Operations Cash on Cash Return Reconciliation

<u>Economic Profit Calculation</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Leasing & Mgmt Revenue	\$ 528.5	\$ 586.9	\$ 632.0	\$ 699.9	\$ 700.9	\$ 743.6	\$ 728.9
Leasing & Mgmt Profit	242.6	267.3	287.9	331.1	312.5	341.3	291.8
<i>OP Margin</i>	45.9%	45.5%	45.6%	47.3%	44.6%	45.9%	40.0%
(Less): Interest Expense	(174.3)	(157.3)	(153.3)	(138.8)	(125.2)	(125.8)	(142.3)
Profit Before Tax (Ex Railcar Sales)	\$ 68.3	\$ 110.0	\$ 134.6	\$ 192.3	\$ 187.3	\$ 215.5	\$ 149.5
<i>PBT Margin</i>	12.9%	18.7%	21.3%	27.5%	26.7%	29.0%	20.5%
(Add): Depreciation	120.5	129.0	130.0	142.3	156.2	172.3	196.6
Economic Profit (Ex Railcar Sales)	\$ 188.8	\$ 239.0	\$ 264.6	\$ 334.6	\$ 343.5	\$ 387.8	\$ 346.1
<u>Cash on Cash Return Calculation</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Economic ("Cash") Profit (from Lease Operations)	\$ 188.8	\$ 239.0	\$ 264.6	\$ 334.6	\$ 343.5	\$ 387.8	\$ 346.1
Net Leasing PP&E	\$ 4,205.9	\$ 4,649.7	\$ 4,599.1	\$ 5,064.9	\$ 5,803.2	\$ 5,962.7	\$ 6,791.2
Restricted Cash	\$ 223.2	\$ 260.7	\$ 234.7	\$ 195.8	\$ 178.1	\$ 195.1	\$ 171.5
Deferred Income Balance	\$ 446.2	\$ 549.7	\$ 557.2	\$ 674.0	\$ 798.1	\$ 800.7	\$ 827.7
Total Debt	\$ 2,691.3	\$ 2,613.0	\$ 2,729.8	\$ 2,394.4	\$ 2,238.0	\$ 2,403.9	\$ 3,631.8
Net Leasing PP&E (Avg Yr/Yr)	\$ 4,427.8	\$ 4,624.4	\$ 4,832.0	\$ 5,434.1	\$ 5,883.0	\$ 6,377.0	
Restricted Cash (Avg Yr/Yr)	\$ 242.0	\$ 247.7	\$ 215.3	\$ 187.0	\$ 186.6	\$ 183.3	
Less: Deferred Income Balance (Avg Yr/Yr)	\$ (498.0)	\$ (553.5)	\$ (615.6)	\$ (736.1)	\$ (799.4)	\$ (814.2)	
Less: Total Debt (Avg Yr/Yr)	\$ (2,652.2)	\$ (2,671.4)	\$ (2,562.1)	\$ (2,316.2)	\$ (2,321.0)	\$ (3,017.9)	
Equity/Cash Contribution Total	\$ 1,519.7	\$ 1,647.3	\$ 1,869.6	\$ 2,568.8	\$ 2,949.2	\$ 2,728.2	
Cash on Cash Return		15.7%	16.1%	17.9%	13.4%	13.1%	12.7%

Economic Profit is a non-GAAP financial measure derived from amounts included in our GAAP financial statements and is defined as Leasing and Management Operating Profit as computed in accordance with GAAP, adjusted to deduct interest expense and add back depreciation expense. This non-GAAP measure is reconciled to Operating Profit, the most directly comparable GAAP financial measure. Additionally, Cash on Cash Return is a Non-GAAP measure that is calculated using Economic Profit divided by the Company's cash investment in the Leasing Group's PP&E. Management believes these non-GAAP financial measures are useful to both management and investors in their analysis of investments for the Company's leasing business. Non-GAAP measures should not be considered in isolation or as a substitute for our reporting results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.