



TRINITY INDUSTRIES

Q3 2024 Investor Presentation

October 31, 2024 — *based on financial results as of September 30, 2024*



Forward Looking Statements

Some statements in this presentation, which are not historical facts, are “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about Trinity's estimates, expectations, beliefs, intentions or strategies for the future, and the assumptions underlying these forward-looking statements, including, but not limited to, future financial and operating performance, future opportunities and any other statements regarding events or developments that Trinity believes or anticipates will or may occur in the future. Trinity uses the words “anticipates,” “assumes,” “believes,” “estimates,” “expects,” “intends,” “forecasts,” “may,” “will,” “should,” “guidance,” “projected,” “outlook,” and similar expressions to identify these forward-looking statements. Forward-looking statements speak only as of the date of this material, and Trinity expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in Trinity’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, except as required by federal securities laws. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from historical experience or our present expectations, including but not limited to risks and uncertainties regarding economic, competitive, governmental, and technological factors affecting Trinity’s operations, markets, products, services and prices, and such forward-looking statements are not guarantees of future performance. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” and “Forward-Looking Statements” in Trinity’s Annual Report on Form 10-K for the most recent fiscal year, as may be revised and updated by Trinity’s Quarterly Reports on Form 10-Q, and Trinity’s Current Reports on Form 8-K.

This presentation also includes references to calculations that are not based on generally accepted accounting principles (“GAAP”). Reconciliations of each of these non-GAAP measures to the most directly comparable GAAP measures have been included in the Appendix. When forward-looking non-GAAP measures are provided, Trinity does not provide quantitative reconciliations of forward-looking non-GAAP measures to the most directly comparable GAAP measures because it cannot, without unreasonable effort, predict the timing and amounts of certain items included in the computations of each of these measures. These factors include, but are not limited to: the product mix of expected railcar deliveries; the timing and amount of significant transactions and investments, such as lease portfolio sales, capital expenditures, and returns of capital to shareholders; and the amount and timing of certain other items outside the normal course of our core business operations.

**Except where noted, financial data is presented as of the Company’s most recent fiscal quarter ending September 30, 2024.
“LTM” represents Last Twelve Months⁽¹⁾ financial information from October 1, 2023 to September 30, 2024.**



Investor Presentation – Q3 2024

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Quarter Results

Key Takeaways from Q3 2024

Third quarter adjusted EPS from continuing operations of \$0.43*, up \$0.17 year over year on an adjusted basis; quarterly operating profit up 22% year over year

Continued strength in lease rates; FLRD +28.4%, utilization 96.6%

LTM Adjusted Return on Equity (ROE) of 18.3%*

Updating 2024 EPS guidance to a range of \$1.70 to \$1.80 based on YTD improvement



Financial Results Highlights

Q3 2024 – Year over Year



Revenues

\$799M

(3)%



Adjusted EPS*

\$0.43

\$+0.17



**Cash Flow from
Cont. Operations**

\$84M

\$+8M

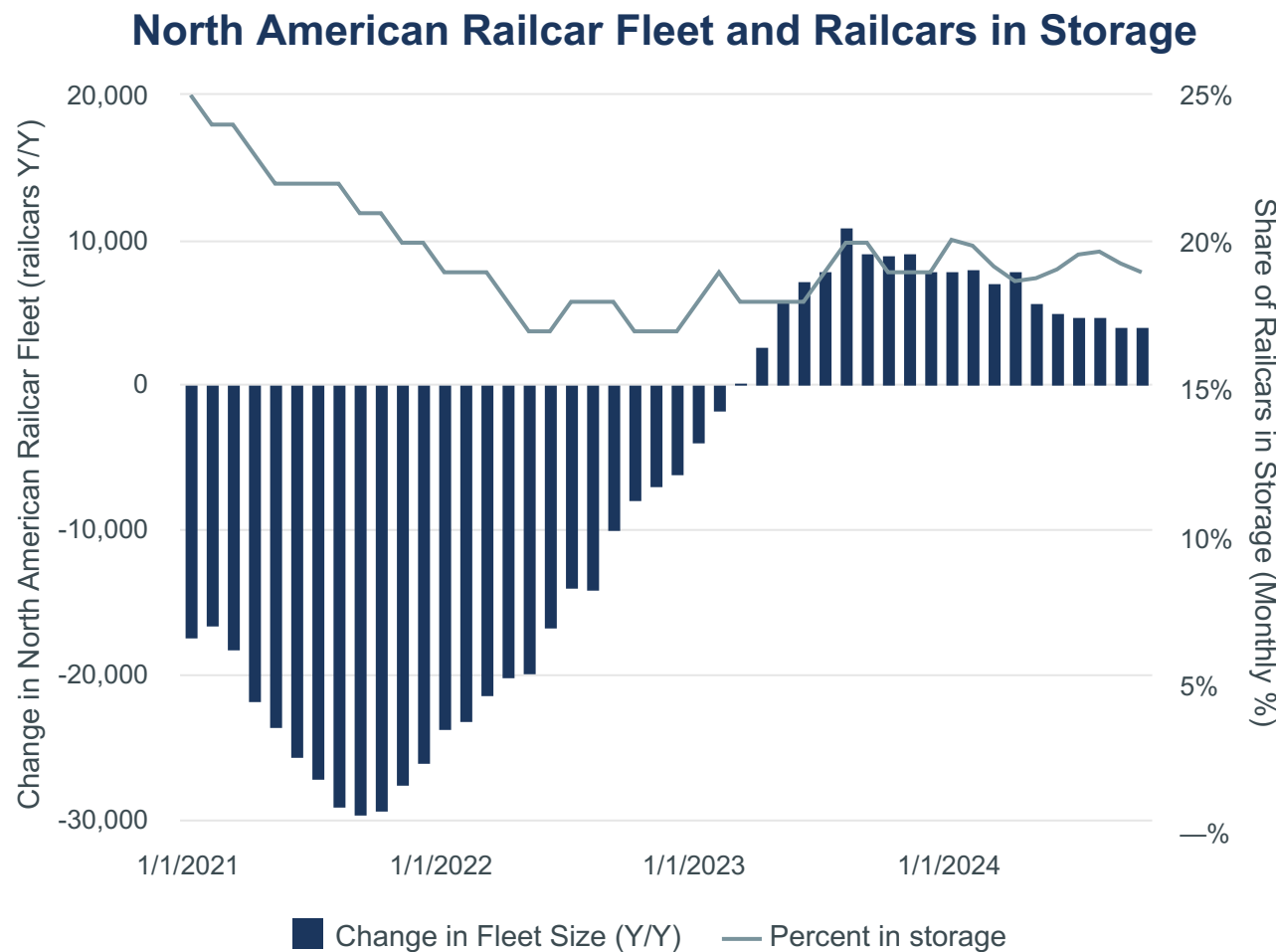


Adjusted ROE*

18.3%

LTM Q3-24

North American Railcar Market In Balance



Source: Association of American Railroads ("AAR")

RAILCAR FLEET

The industry fleet continues to expand, but the rate of expansion has slowed. Industry deliveries expected to be ~40K for 2024, offset by attrition to keep fleet at replacement level. Fleet expansion and railroad service improvements have been key themes in 2024.

RAILCARS IN STORAGE

Industry storage rates have dropped to ~19% in Q3 and stable service metrics allow railroads to operate more efficiently with fewer railcars, providing longer term incentive for shippers to switch to rail.

Segment Performance: Railcar Leasing & Services Group

Leasing & Services Segment Revenue Drivers

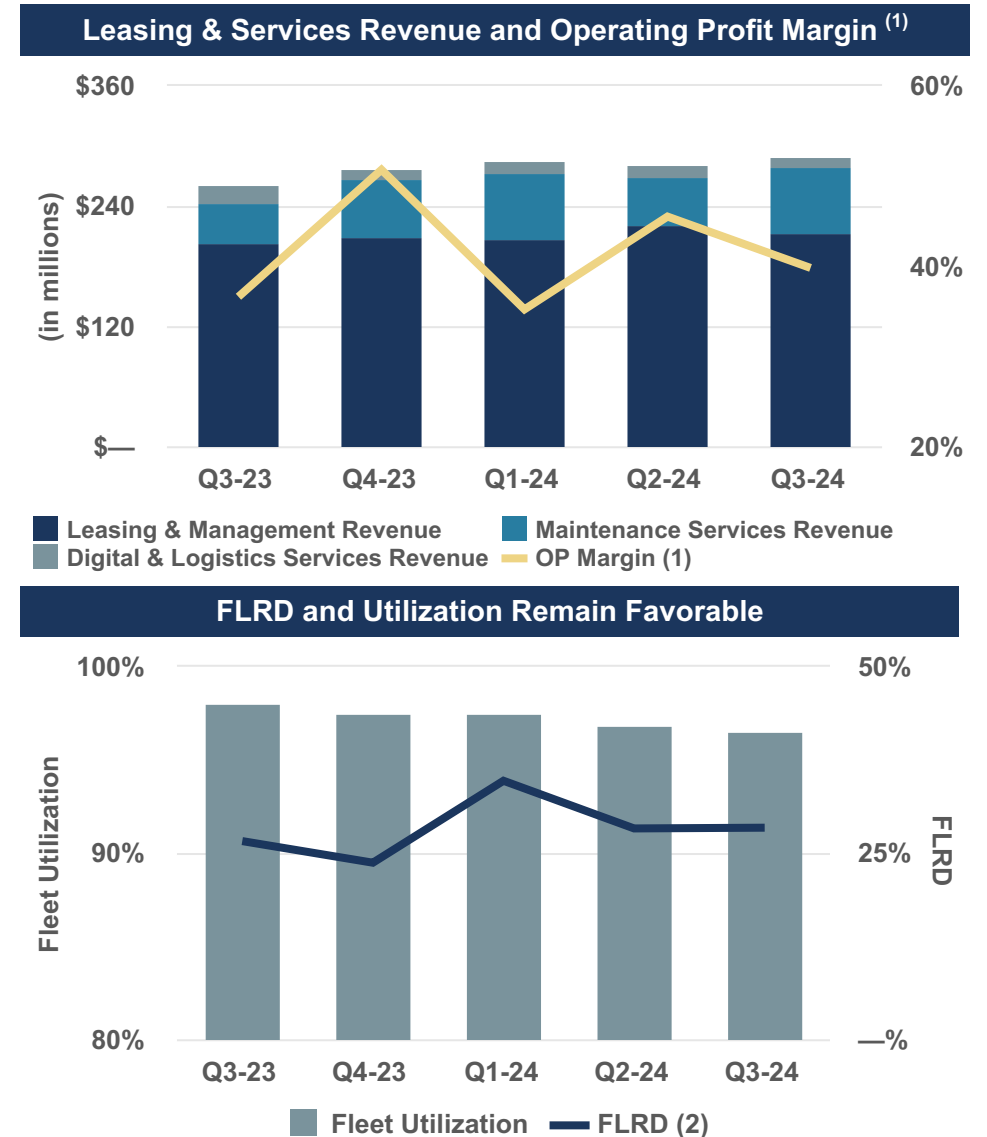
- Revenue higher year over year due to favorable pricing and a higher volume of external repairs, as well as improved lease rates and net additions to the lease fleet

Leasing & Services Margin Performance Drivers

- Margin up year over year due to improved lease rates and net additions to the lease fleet, higher gains on lease portfolio sales, as well as favorable pricing and a higher volume of external repairs
- Completed \$67M of lease portfolio sales in the quarter, resulting in gains of \$11M
- Segment margin includes gains from insurance recoveries in Q3 2023 and Q4 2023

Leasing & Services Business Highlights

- Quarterly net fleet investment of \$41 million
- Owned fleet of 109,555 railcars
- Total owned and investor-owned fleet of 143,840 railcars
- Fleet utilization of 96.6%
- Renewal success rate of 78% for Q3 2024
- FLRD remains strong at +28.4%



Segment Performance: Rail Products Group

Rail Products Segment Revenue Drivers

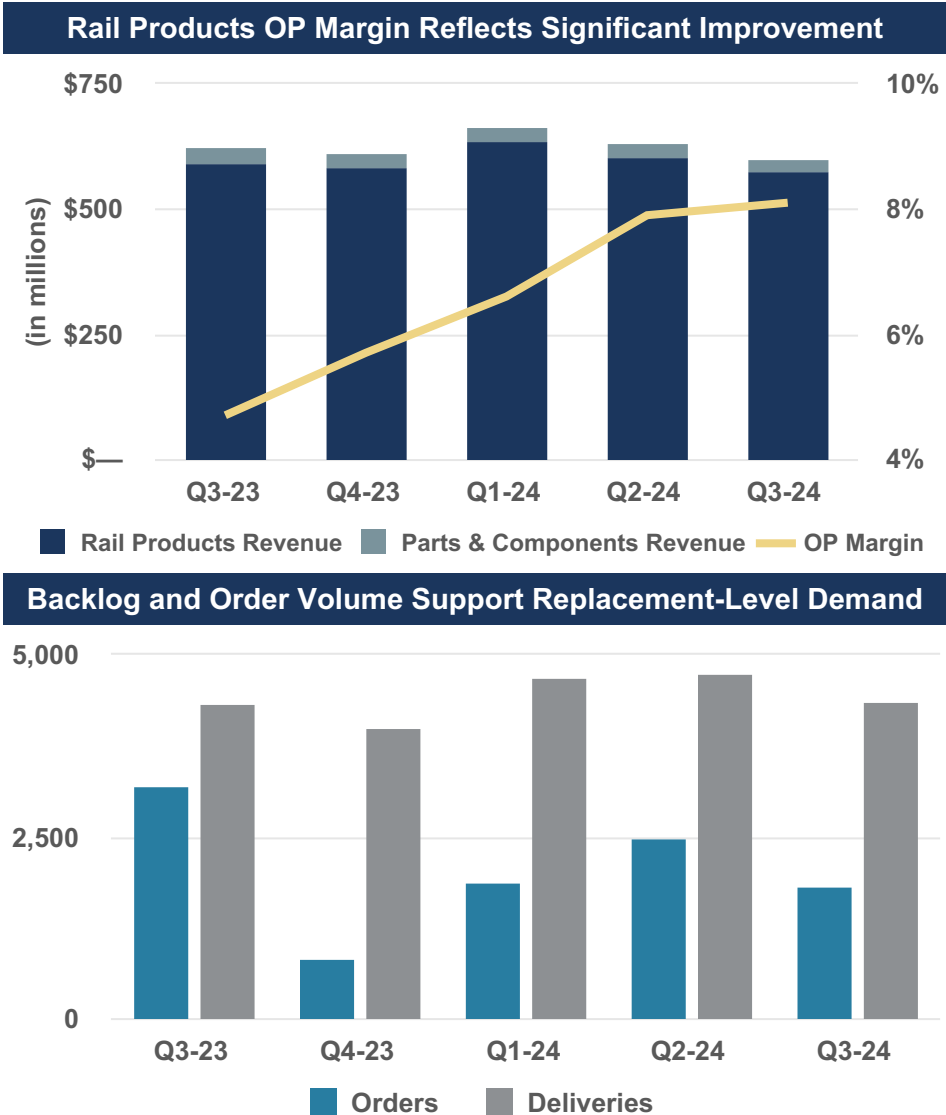
- Quarterly revenue down year over year due to a lower volume of sustainable railcar conversions, partially offset by the mix of railcars sold

Rail Products Margin Performance Drivers

- Operating margin of 8.1% in the quarter reflects year over year improvement in labor and operational efficiencies and the mix of railcars sold

Rail Products Business Highlights

- 1,810 new railcar orders in the quarter and 4,360 new railcar deliveries in the quarter
- Backlog of \$2.4 billion at quarter-end



Total Company Results

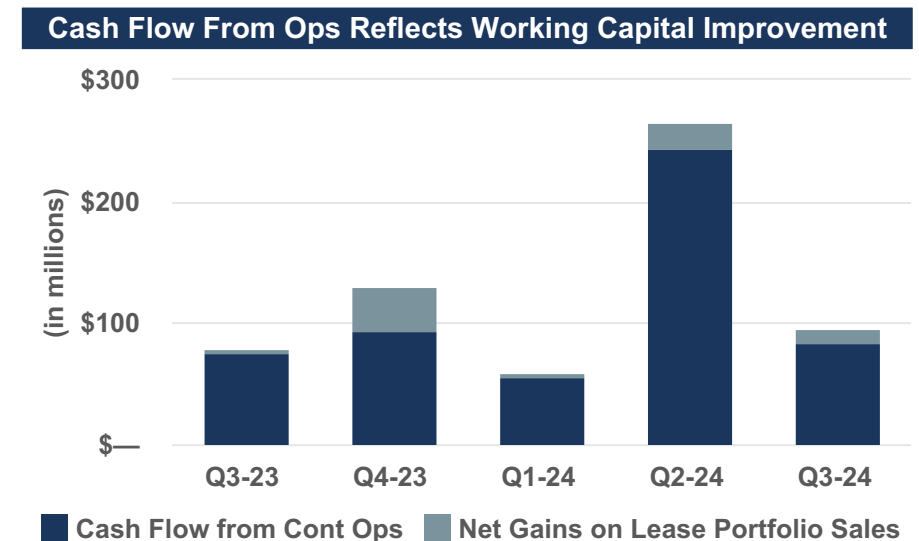
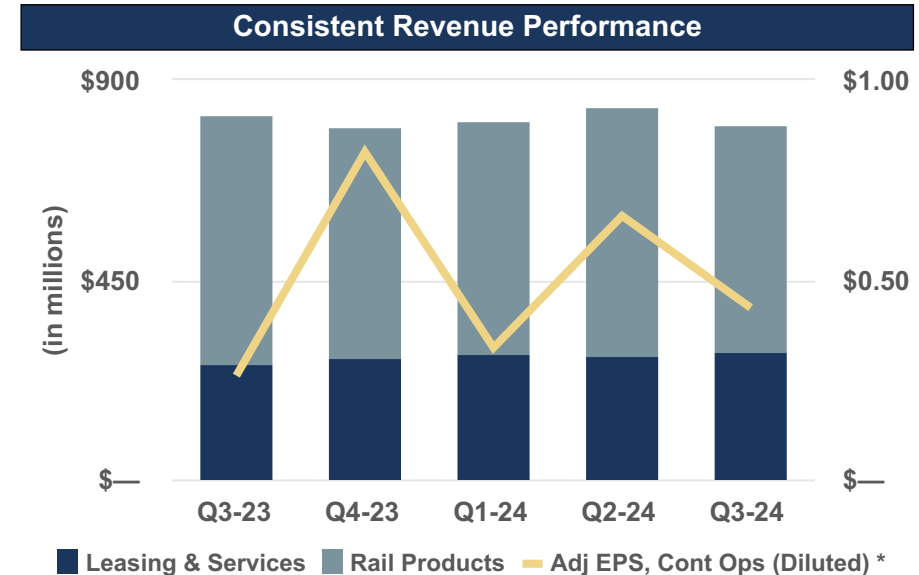
Q3 2024 Financial Summary:

Income Statement:

- Total revenues of \$799M reflect lower external deliveries in the Rail Products Group, partially offset by favorable pricing and a higher volume of external repairs, as well as improved lease rates and net additions to the lease fleet in the Leasing Group
- GAAP EPS from continuing operations of \$0.44
- Adjusted EPS of \$0.43*
- Lease portfolio sales proceeds of \$67M in the quarter

Year-to-Date Cash Flow:

- Cash flow from continuing operations of \$384M
- Net gains on lease portfolio sales of \$36M
- Net fleet investment of \$87M
- Investment of \$32M in operating and administrative capex
- Shareholder returns of \$77M through dividends paid and share repurchases



Balance Sheet Positioning

Strategically Positioned for Value Creation

LIQUIDITY

Cash & Equivalents
\$222M

Revolver Availability
\$596M

Warehouse Availability
\$106M

Solid Liquidity of \$924M⁽¹⁾

DEBT STRUCTURE

Recourse Debt
\$598M @ ~7.8%⁽¹⁾

Non-recourse Debt
\$5.1B @ ~4.3%⁽¹⁾

Favorable average cost of debt with flexible term structures

Attractive Debt Structures

CAPITAL LEVERS

Unencumbered Railcars
\$291M

LTV of **68.2%** for the wholly-owned lease portfolio as of Q3-24

Pledge to warehouse and additional assets can be sold or financed

Conservative Capitalization

Management Outlook for Business Performance

		FY 2024	Summary Detail
	Industry Deliveries	Approximately 40K	Does not include sustainable railcar conversions
	Net Fleet Investment	\$200M — \$300M	Includes deliveries to our lease fleet, sustainable railcar conversions, railcar modifications and betterments, and secondary market purchases; offset by proceeds from lease portfolio sales
	Operating and Administrative Capital Expenditures	\$50M — \$60M	Investments in automation, technology, and modernization of facilities and processes
	EPS from Continuing Operations	\$1.70 — \$1.80	Excludes items outside of our normal business operations

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 update or alter its forward-looking statements, whether as a result of new information, subsequent events or otherwise.

Company Overview

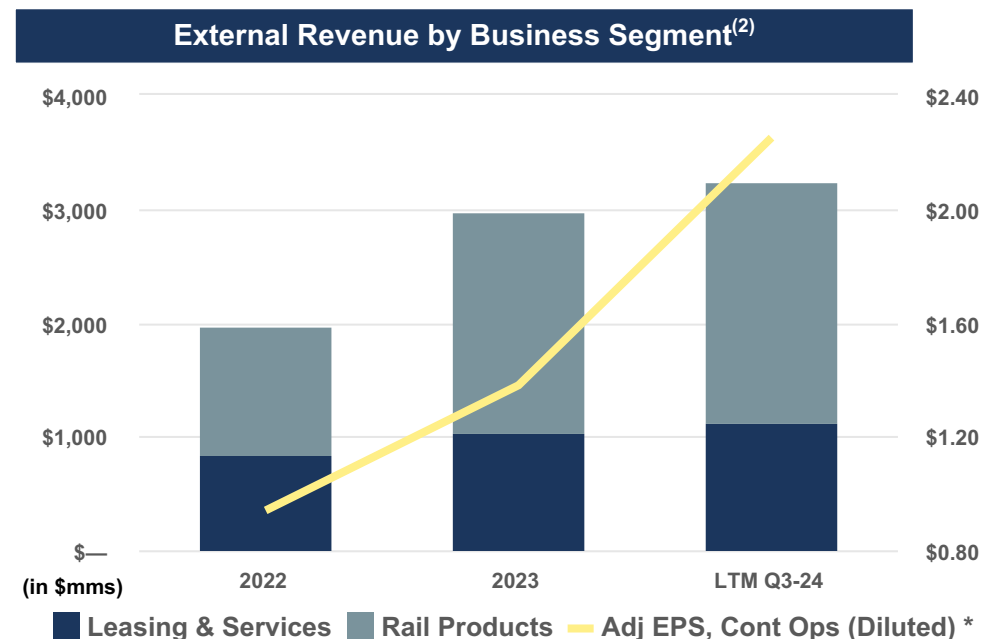
Trinity Industries, Inc. Overview

Trinity Industries, Inc. is a market leading railcar leasing business that provides rail transportation products and services in North America

- Top 5 Leasing company
 - ~ 109,555 railcars under ownership
 - ~ 34,285 additional investor-owned railcars
- Leading railcar manufacturer with 37% of industry deliveries in FY 2023
- Railcar maintenance network and growing railcar logistics products and services

Unique rail platform provides single source for comprehensive rail transportation solutions

- LTM Q3-24 total revenues of \$3.2 billion
- LTM Q3-24 Adjusted EBITDA* of \$837 million
- Current dividend yield of 3.2%⁽¹⁾
 - 242 consecutive quarterly dividend payments



\$8.3 billion*
Enterprise Value

\$2.9 billion*
Market Cap

\$477 million*
LTM Q3-24 Cash Flow
from Cont. Ops

\$99 million*
LTM Q3-24
Stockholder Returns

Trinity's Platform Built for Superior Performance

Create an unmatched rail platform that provides a full suite of customer solutions to make a Trinity leased railcar the “railcar of choice” for our shipper customers for higher fleet utilization, more value streams per railcar, and higher shareholder returns

Optimize customers' ownership and usage of railcar equipment



Cross-sell to deliver innovative solutions and differentiated experience



Platform Capabilities Support Optimized Lease Fleet Returns

Fee income from Rail Investment Vehicle partnerships worth an average of 100bp to Adjusted ROE over last 5 years

Captive maintenance and Mobile Repair Units allow for more time on rent

Parts and services reduce cyclicalities of earnings stream and enhance customer experience



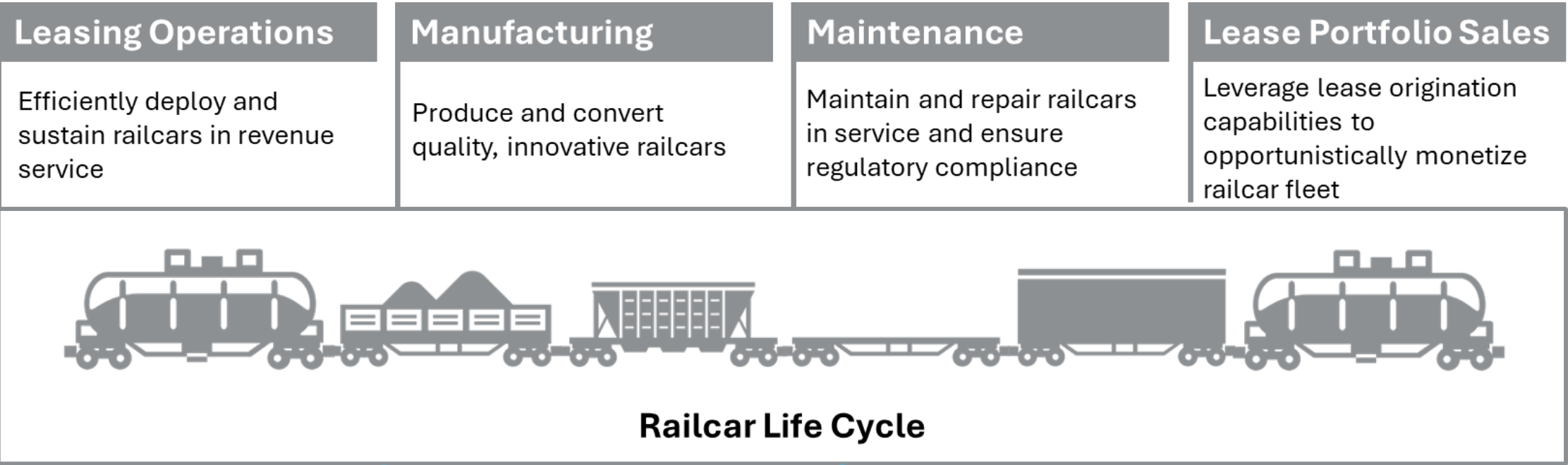
Lease origination capabilities give customer flexibility and unlock multiple monetization options for each asset

Complementary lines of business give us a broad industry view and early visibility to industry trends

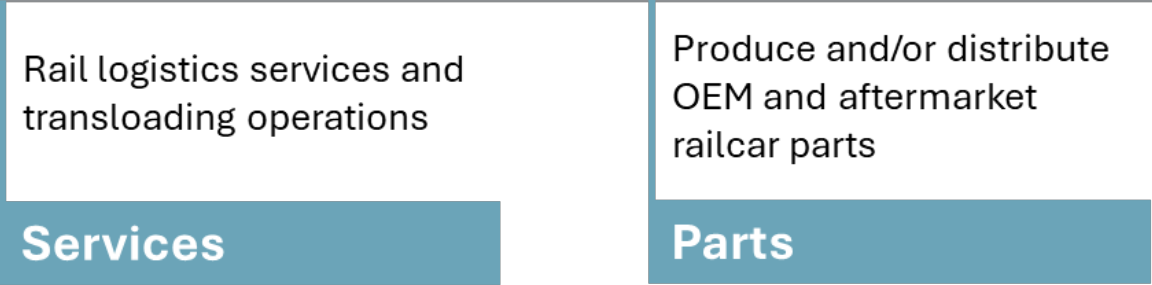
Dual role as owner and builder creates a feedback loop reinforcing asset differentiation

Establishing New Value Streams Across Railcar Life Cycle

Core



Growth



Diversified Portfolio of Railcar Equipment

~ 900 Different Commodities

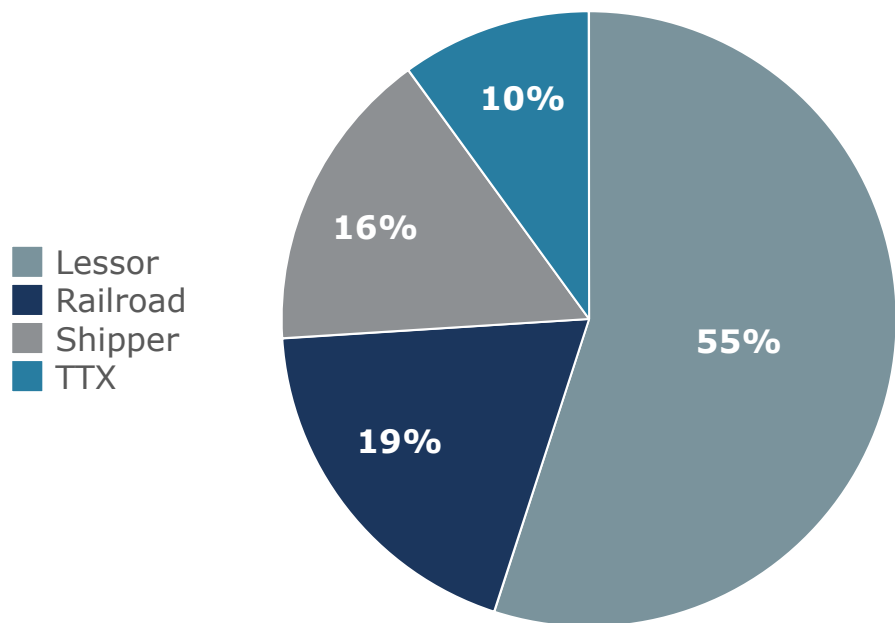
~ 270 Different Railcar Designs

Commercial End Markets / Commodities								
		Refined Products & Chemicals	Energy	Agriculture	Construction & Metals	Consumer Products		
Major Railcar Category	Freight Cars 53%	Open Hoppers & Gondolas		Coal		Aggregates, Steel and Metals		11%
		Small Covered Hopper (< 5k cu/ft)		Frac Sand	Fertilizer	Cement, Construction Materials, Steel and Metals		12%
		Large Covered Hopper (> 5k cu/ft)	Other Chemical (Soda Ash)		DDG and Feeds, Grain Mill Products, Grains, Food and Other Ag, Fertilizer	Lumber (Wood Chips)		12%
		Specialty Covered Hopper	Plastics	Coal (Fly Ash)	Grain Mill Products	Aggregates, Cement		7%
		Other Freight	Other Chemicals		Food	Lumber, Steel and Metals, Cement	Autos, Paper, Intermodal	11%
	Tank Cars 47%	Pressure Tank Cars	NGL, Chlor Alkali, Petrochemical, Other Chemicals		Fertilizer			9%
		Gen. Service Tank Cars (< 20k. Gal)	Sulfur Products, Chlor Alkali, Other Chemicals		Grain Mill Products	Aggregates (Clay Slurry)		3%
		Gen. Service Tank Cars (20k. - 25k Gal.)	Refined Products, Petrochemicals, Other Chemicals		Fertilizer, Food, Animal Feed			5%
		Gen. Service Tank Cars (25k. - 30k Gal.)	Refined Products, Petrochemicals, Other Chemicals	Crude Oil, Biofuels	Grain Mill Products, Food			12%
		Gen. Service Tank Cars (> 30k. Gal)	Refined Products, Petrochemicals, Other Chemicals, NGL's	Biofuels, Crude Oil				13%
		Specialty Tank	Chlor Alkali, Other Chemicals, Sulfur Products		Fertilizer			5%
			34%	27%	20%	10%	9%	

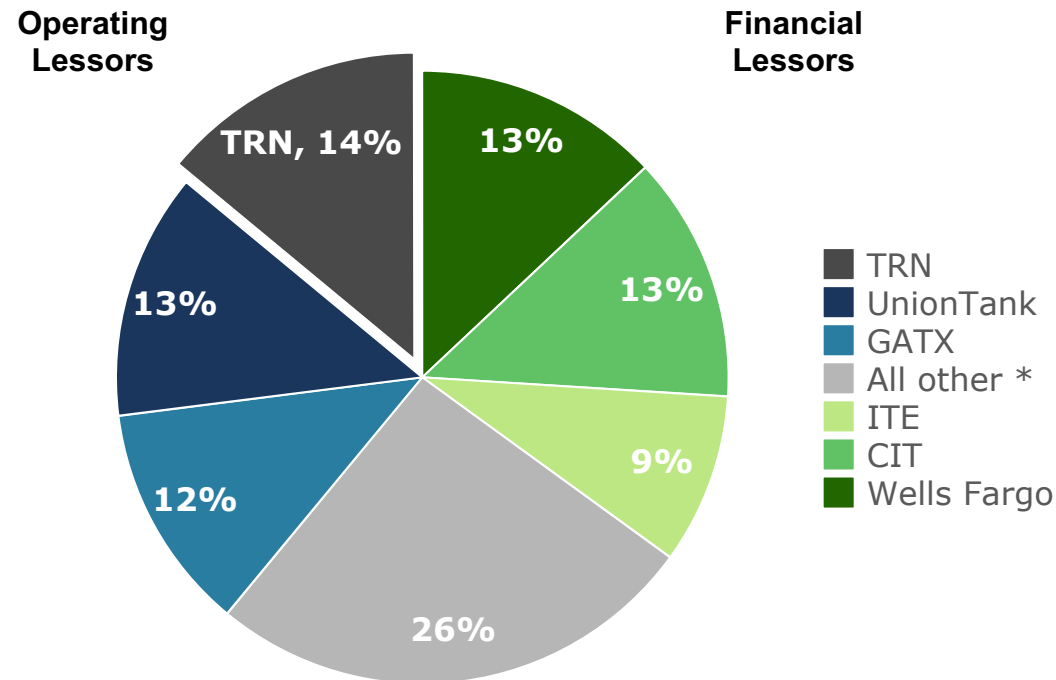


Capitalizing on Structural Change in the Rail Market

Lessors Make Up A Growing Share of the North American Fleet



Railcar Lessor Ownership Profile Presents Consolidation Opportunity



The *TrinityRail* platform has grown at a 11% CAGR since 2003

**Over 100 lessors own 242K railcars in "All other"*

Commitment to Premier Performance and Sustainability

Environmental Commitment

Operating our business in a way that minimizes impact on natural resources and the environment

- Leveraged Green Financing Framework, for financing of green-eligible railcars assets, supported by Sustainalytics
- Sustainable railcar conversions allow for re-use of railcar components while still addressing a changing demand environment
- Innovative products and services that enhance the rail modal supply chain advantage and reduce GHG emissions

Social Responsibility

Attracting and retaining a diverse and empowered workforce

- Fostering an inclusive and collaborative workplace
- Hiring and retaining the best talent and providing opportunities for continuing professional development
- Improving the well being of our employees and stakeholders
- Contributing to the communities in which we operate

Governance Excellence

Promoting the long-term interests of stakeholders, strengthening accountability and inspiring trust

- Independent Chairman and Board of Directors with diverse backgrounds and experienced oversight
- Incentive compensation programs aligned with shareholder interests
- Board of Directors and Executive Leadership Team oversight of ESG initiatives

Risk Management

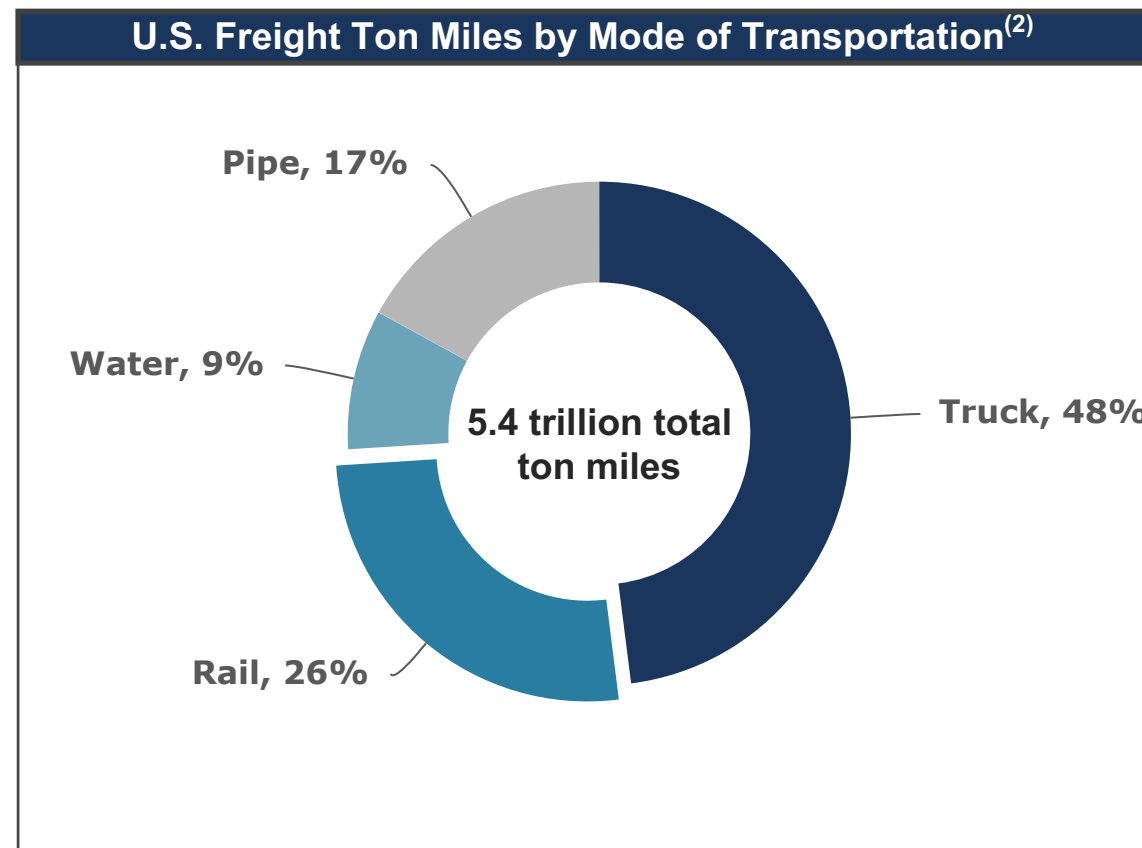
Strong track record of operational excellence

- All Trinity Rail manufacturing facilities and Trinity HQ achieved ISO 14001 (Environmental) and ISO 45001 (Safety) certification, the only railcar manufacturer in North America certified to both rigorous standards
- Actively engage stakeholders in environmental, health, and safety (EHS) initiatives and continually improve EHS processes, practices, and operational performance

Integral Part of North American Supply Chain

26% of U.S. Freight Ton Miles move by rail

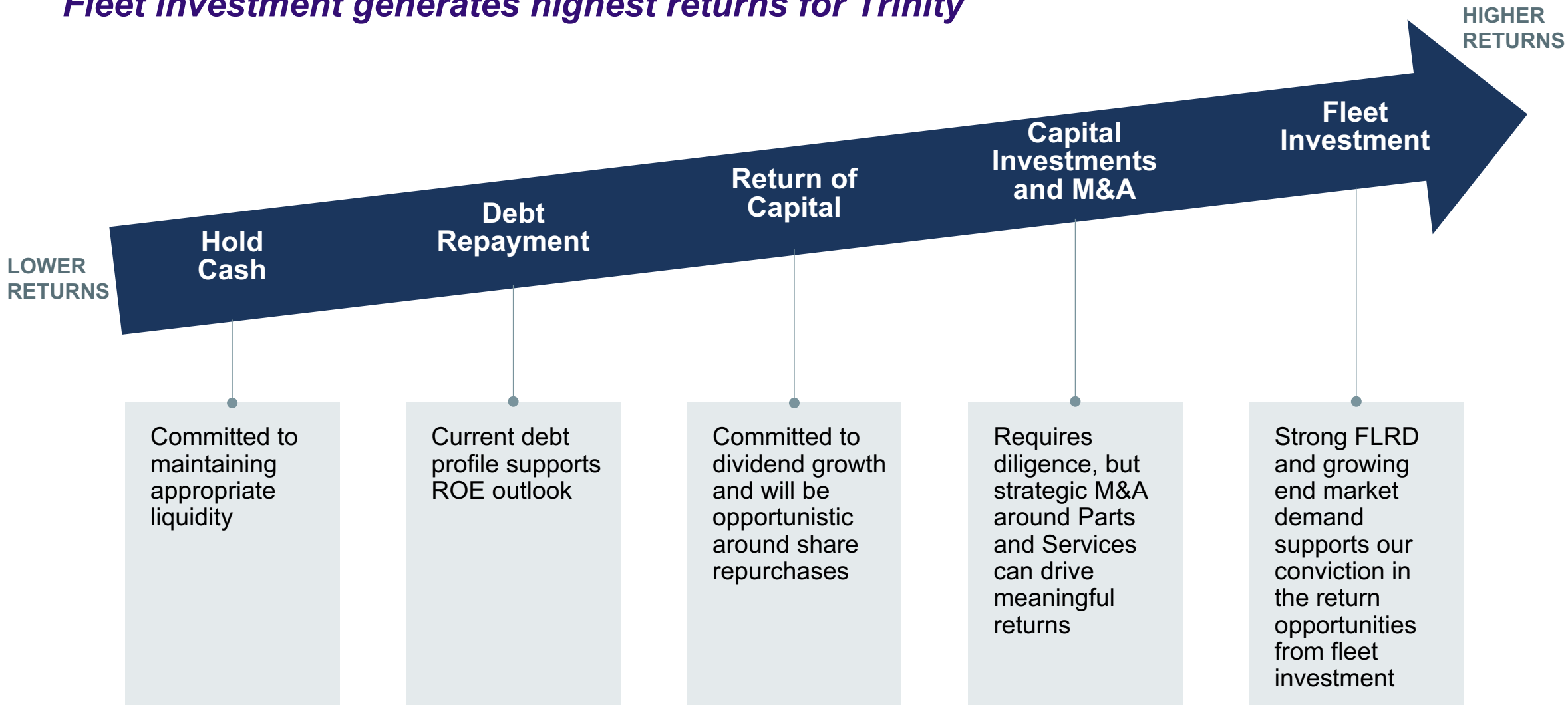
- **1.7 million railcars** in North America⁽¹⁾
- **1.4 trillion ton miles** moved by rail in 2023⁽²⁾
- **3,500+ commodities** moved by rail⁽³⁾
- **Annual railcar loadings of 17 million in 2023⁽⁴⁾**, highly correlated to U.S. GDP



Financial Positioning and Strategic Initiatives

Capital Allocation Strategy Focused on Returns

Fleet investment generates highest returns for Trinity



Railcars are Sustainable Long-Term Investments

Stable and Predictable Cash Flows

- Long-term leases
- High renewal success rates
- Low credit defaults and bad debt expense
- Active secondary market

Natural Interest Rate Hedge

- Rent yields highly correlate to interest rates

Tax-advantaged Investment

- Accelerated depreciation for tax purposes
- Bonus depreciation allowed under current tax law
- Superior risk-adjusted returns

Strong Correlation with GDP

- Integral component of North American supply chain
- Multiple market sectors with varying demand drivers

Hard Asset Value with Inflation Benefits

- 35-50 year useful life
- Positive yield relationship to inflation
- Low volatility for residuals
- Low technological obsolescence

Environmental Profile*

- Accounts for 1/3 of U.S. freight, but only 0.5% of greenhouse emissions
- Up to 95% recyclable through scrap and salvage

Trinity's Operating Model and Company Purpose

● Purpose

● Strategy

● Business

● Values

**DELIVERING
GOODS FOR THE
GOOD OF ALL**

CUSTOMERS | SHAREHOLDERS | EMPLOYEES

RETURNS-FOCUSED

OPTIMIZATION | INNOVATION | CUSTOMER EXPERIENCE | SUSTAINABILITY

LEASING | MANUFACTURING | MAINTENANCE | SERVICES

INTEGRITY | DIVERSITY, EQUITY, AND INCLUSION
COMMITMENT | EXCELLENCE | INNOVATION



Appendix

Reconciliation: *Adjusted Operating Results*

	Three Months Ended September 30, 2024		
	(in millions, except per share amounts)		
	GAAP	Interest expense, net ⁽¹⁾	Adjusted
Operating profit	\$ 122.4	\$ —	\$ 122.4
Income from continuing operations before income taxes	\$ 56.4	\$ (0.4)	\$ 56.0
Provision (benefit) for income taxes	\$ 15.6	\$ (0.1)	\$ 15.5
Income from continuing operations	\$ 40.8	\$ (0.3)	\$ 40.5
Net income from continuing operations attributable to Trinity Industries, Inc.	\$ 36.7	\$ (0.3)	\$ 36.4
Diluted weighted average shares outstanding	84.1		84.1
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	\$ 0.44		\$ 0.43

(1) Represents interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.

We have supplemented the presentation of our reported GAAP operating profit, income from continuing operations before income taxes, provision (benefit) for income taxes, income from continuing operations, net income from continuing operations attributable to Trinity Industries, Inc., and diluted income from continuing operations per common share attributable to Trinity Industries, Inc. with non-GAAP measures that adjust the GAAP measures to exclude the impact of certain interest expense, net; and certain other transactions or events (as applicable), described in the footnotes to the table above. These non-GAAP measures are derived from amounts included in our GAAP financial statements and are reconciled to the most directly comparable GAAP financial measures in the table above. Management believes that these measures are useful to both management and investors for analyzing the performance of our business without the impact of certain items that are not indicative of our normal business operations. Non-GAAP measures should not be considered in isolation or as a substitute for our reported results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.



Reconciliation: *Adjusted Operating Results*

	Nine Months Ended September 30, 2024		
	(in millions, except per share amounts)		
	GAAP	Interest expense, net ⁽¹⁾	Adjusted
Operating profit	\$ 379.5	\$ —	\$ 379.5
Income from continuing operations before income taxes	\$ 174.3	\$ (1.2)	\$ 173.1
Provision (benefit) for income taxes	\$ 43.7	\$ (0.3)	\$ 43.4
Income from continuing operations	\$ 130.6	\$ (0.9)	\$ 129.7
Net income from continuing operations attributable to Trinity Industries, Inc.	\$ 120.8	\$ (0.9)	\$ 119.9
Diluted weighted average shares outstanding	83.9		83.9
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	\$ 1.44		\$ 1.43

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Reconciliation: *Adjusted Operating Results*

Nine Months Ended September 30, 2023

(in millions, except per share amounts)

	GAAP	Selling, engineering, and administrative expenses ⁽¹⁾	Gains on dispositions of property – other ⁽²⁾	Restructuring activities, net	Interest expense, net ⁽³⁾	Adjusted
Operating profit	\$ 268.3	\$ 2.0	\$ (4.9)	\$ (2.2)	\$ —	\$ 263.2
Income from continuing operations before income taxes	\$ 68.5	\$ 2.0	\$ (4.9)	\$ (2.2)	\$ (1.1)	\$ 62.3
Provision (benefit) for income taxes	\$ 1.9	\$ 0.5	\$ (1.2)	\$ (0.6)	\$ (0.3)	\$ 0.3
Income from continuing operations	\$ 66.6	\$ 1.5	\$ (3.7)	\$ (1.6)	\$ (0.8)	\$ 62.0
Net income from continuing operations attributable to Trinity Industries, Inc.	\$ 51.3	\$ 1.5	\$ (3.7)	\$ (1.6)	\$ (0.8)	\$ 46.7
Diluted weighted average shares outstanding	83.5					83.5
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	\$ 0.62					\$ 0.56

(1) Represents the change in estimated fair value of additional contingent consideration associated with an acquisition.

(2) Represents insurance recoveries in excess of net book value for assets damaged by a tornado at the Company's rail maintenance facility in Cartersville, Georgia in the first quarter of 2021.

(3) Represents interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.

We have supplemented the presentation of our reported GAAP operating profit, income from continuing operations before income taxes, provision (benefit) for income taxes, income from continuing operations, net income from continuing operations attributable to Trinity Industries, Inc., and diluted income from continuing operations per common share attributable to Trinity Industries, Inc. with non-GAAP measures that adjust the GAAP measures to exclude the impact of certain selling, engineering, and administrative expenses; gains on dispositions of other property; restructuring activities, net; interest expense, net; and certain other transactions or events (as applicable), described in the footnotes to the table above. These non-GAAP measures are derived from amounts included in our GAAP financial statements and are reconciled to the most directly comparable GAAP financial measures in the table above. Management believes that these measures are useful to both management and investors for analyzing the performance of our business without the impact of certain items that are not indicative of our normal business operations. Non-GAAP measures should not be considered in isolation or as a substitute for our reported results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.



Reconciliation: *Adjusted Operating Results*

Year Ended December 31, 2023						
(in millions, except per share amounts)						
	GAAP	Selling, engineering, and administrative expenses ⁽¹⁾	Gains on dispositions of property – other ⁽²⁾	Restructuring activities, net	Interest expense, net ⁽³⁾	Adjusted
Operating profit	\$ 417.0	\$ 4.0	\$ (6.3)	\$ (2.2)	\$ —	\$ 412.5
Income from continuing operations before income taxes	\$ 149.0	\$ 4.0	\$ (6.3)	\$ (2.2)	\$ (1.5)	\$ 143.0
Provision (benefit) for income taxes	\$ 9.0	\$ 1.0	\$ (1.6)	\$ (0.6)	\$ (0.4)	\$ 7.4
Income from continuing operations	\$ 140.0	\$ 3.0	\$ (4.7)	\$ (1.6)	\$ (1.1)	\$ 135.6
Net income from continuing operations attributable to Trinity Industries, Inc.	\$ 119.4	\$ 3.0	\$ (4.7)	\$ (1.6)	\$ (1.1)	\$ 115.0
Diluted weighted average shares outstanding	83.4					83.4
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	\$ 1.43					\$ 1.38

(1) Represents the change in estimated fair value of additional contingent consideration associated with an acquisition.

(2) Represents insurance recoveries in excess of net book value for assets damaged by a tornado at the Company's rail maintenance facility in Cartersville, Georgia in the first quarter of 2021.

(3) Represents interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.

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Reconciliation: *Adjusted Operating Results*

Year Ended December 31, 2022						
(in millions, except per share amounts)						
	GAAP	Gains on dispositions of property – other ⁽¹⁾⁽²⁾	Restructuring activities, net ⁽¹⁾	Interest expense, net ⁽¹⁾⁽³⁾	Income tax effect of CARES Act	Adjusted
Operating profit	\$ 334.0	\$ (7.5)	\$ 1.0	\$ —	\$ —	\$ 327.5
Income (loss) from continuing operations before income taxes	\$ 126.5	\$ (7.5)	\$ 1.0	\$ (1.4)	\$ —	\$ 118.6
Provision (benefit) for income taxes	\$ 27.6	\$ (1.9)	\$ 0.3	\$ (0.3)	\$ 0.6	\$ 26.3
Income (loss) from continuing operations	\$ 98.9	\$ (5.6)	\$ 0.7	\$ (1.1)	\$ (0.6)	\$ 92.3
Net income from continuing operations attributable to Trinity Industries, Inc.	\$ 86.1	\$ (5.6)	\$ 0.7	\$ (1.1)	\$ (0.6)	\$ 79.5
Diluted weighted average shares outstanding	84.2					84.2
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	\$ 1.02					\$ 0.94

(1) The effective tax rate for gains on dispositions of other property; restructuring activities, net; and interest expense, net is before consideration of the CARES Act.

(2) Represents insurance recoveries in excess of net book value for assets damaged by a tornado at the Company's rail maintenance facility in Cartersville, Georgia in the first quarter of 2021.

(3) Represents interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.

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Reconciliation:

Cash Flow from Operations with Net Gains on Lease Portfolio Sales

	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24
	(in millions)				
Net cash provided by operating activities – continuing operations	\$ 75.5	\$ 93.2	\$ 56.5	\$ 243.2	\$ 83.8
Net gains on lease portfolio sales	3.1	36.4	2.1	22.7	11.4
Cash flow from operations with net gains on lease portfolio sales	\$ 78.6	\$ 129.6	\$ 58.6	\$ 265.9	\$ 95.2

Cash flow from operations with net gains on lease portfolio sales is a non-GAAP financial measure. We believe this measure is useful to both management and investors as it provides a relevant measure of liquidity and a useful basis for assessing the breadth of the cash flow generation capabilities across our operating platform, as well as our ability to fund our operations and repay our debt. This measure is defined as net cash provided by operating activities from continuing operations as computed in accordance with GAAP, plus net gains on lease portfolio sales and is reconciled to net cash provided by operating activities from continuing operations, the most directly comparable GAAP financial measure, in the table above. Non-GAAP measures should not be considered in isolation or as a substitute for our reported results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.

Reconciliation: *Adjusted Return on Equity*

	LTM September 30, 2024	September 30, 2023
	(\$ in millions)	
Numerator:		
Income from continuing operations	\$ 204.0	
Net income attributable to noncontrolling interest	(15.1)	
Net income from continuing operations attributable to Trinity Industries, Inc.	188.9	
Adjustments (net of income taxes):		
Selling, engineering, and administrative expenses ⁽¹⁾	1.5	
Gains on dispositions of property – other ⁽²⁾	(1.0)	
Interest expense, net ⁽³⁾	(1.2)	
Adjusted Net Income	<u>\$ 188.2</u>	
Denominator:		
Total stockholders' equity	\$ 1,298.5	\$ 1,253.4
Noncontrolling interest	(241.1)	(252.6)
Trinity stockholders' equity	<u>\$ 1,057.4</u>	<u>\$ 1,000.8</u>
Average total stockholders' equity	\$ 1,276.0	
Return on Equity ⁽⁴⁾	16.0 %	
Average Trinity stockholders' equity	\$ 1,029.1	
Adjusted Return on Equity ⁽⁵⁾	18.3 %	

(1) Represents the change in estimated fair value of additional contingent consideration associated with an acquisition.

(2) Represents insurance recoveries in excess of net book value for assets damaged by a tornado at the Company's rail maintenance facility in Cartersville, Georgia in the first quarter of 2021.

(3) Represents interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.

(4) Return on Equity is calculated as income from continuing operations divided by average total stockholders' equity.

(5) Adjusted Return on Equity is calculated as adjusted net income divided by average Trinity stockholders' equity, each as defined below and reconciled above.

Adjusted Return on Equity ("Adjusted ROE") is a non-GAAP measure that is derived from amounts included in our GAAP financial statements. We define Adjusted ROE as a ratio for which (i) the numerator is calculated as income or loss from continuing operations, adjusted to exclude the effects of net income or loss attributable to noncontrolling interest, and certain other adjustments (net of income taxes), described in the footnotes to the table above, which include certain selling, engineering, and administrative expenses; gains on dispositions of other property; and interest expense, net; and (ii) the denominator is calculated as average Trinity stockholders' equity (which excludes noncontrolling interest).

In the table above, the numerator and denominator of our Adjusted ROE calculation are reconciled to income from continuing operations and total stockholders' equity, respectively, which are the GAAP financial measures used in the computation of ROE. Management believes that Adjusted ROE is a useful measure to both management and investors as it provides an indication of the economic return on the Company's investments over time. Non-GAAP measures should not be considered in isolation or as a substitute for our reported results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.



Reconciliation: *EBITDA and Adjusted EBITDA*

	LTM September 30, 2024
	(\$ in millions)
Net income	\$ 187.4
Less: Loss from discontinued operations, net of income taxes	(16.6)
Income from continuing operations	204.0
Interest expense	289.9
Provision (benefit) for income taxes	50.8
Depreciation and amortization expense	293.5
EBITDA	838.2
Selling, engineering, and administrative expenses	2.0
Gains on dispositions of property – other	(1.4)
Interest income	(1.6)
Adjusted EBITDA	\$ 837.2

“EBITDA” is defined as income from continuing operations plus interest expense, income taxes, and depreciation and amortization expense. Adjusted EBITDA is defined as EBITDA plus certain selling, engineering, and administrative expenses; gains on dispositions of other property; and interest income. EBITDA and Adjusted EBITDA are non-GAAP financial measures; however, the amounts included in these calculations are derived from amounts included in our GAAP financial statements. EBITDA and Adjusted EBITDA are reconciled to net income, the most directly comparable GAAP financial measure, in the table above. This information is provided to assist management and investors in making meaningful comparisons of our operating performance between periods. We believe EBITDA is a useful measure for analyzing the performance of our business. We also believe that EBITDA is commonly reported and widely used by investors and other interested parties as a measure of a company's operating performance and debt servicing ability because it assists in comparing performance on a consistent basis without regard to capital structure, depreciation or amortization (which can vary significantly depending on many factors). EBITDA and Adjusted EBITDA should not be considered as alternatives to net income as indicators of our operating performance, or as alternatives to operating cash flows as measures of liquidity. Non-GAAP measures should not be considered in isolation or as a substitute for our reported results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.



Presentation Footnotes

Slide 2 – Forward Looking Statements

(1) LTM is calculated as the year ended December 31, 2023, less the nine months ended September 30, 2023, plus the nine months ended September 30, 2024, representing the financial information from October 1, 2023 to September 30, 2024.

Slide 8 – Segment Performance: Railcar Leasing & Services Group

(1) OP margin for the Railcar Leasing and Services Group includes gains from insurance recoveries of \$3.7M in Q3-23 and \$1.4M in Q4-23.

(2) Future Lease Rate Differential (FLRD) calculates the implied change in lease rates for railcar leases expiring over the next four quarters. The FLRD assumes that these expiring leases will be renewed at the most recent quarterly transacted lease rates for each railcar type. We believe the FLRD is useful to both management and investors as it provides insight into the near-term trend in lease rates. The FLRD is calculated as follows:

$$\frac{(\text{New Lease Rates} - \text{Expiring Lease Rates}) \times \text{Expiring Railcar Leases}}{(\text{Expiring Lease Rates} \times \text{Expiring Railcar Leases})}$$

Slide 10 – Total Company Results

Adjusted EPS includes the following adjustments reported by the Company (each per common diluted share):

- Reported Q3-23 GAAP EPS was \$0.29; Adjusted EPS excludes \$0.03 related to the insurance recoveries in excess of net book value for assets damaged by a tornado at the Company's rail maintenance facility in Cartersville, Georgia in the first quarter of 2021.
- Reported Q4-23 GAAP EPS was \$0.81; Adjusted EPS excludes \$0.02 related to the change in estimated fair value of additional contingent consideration associated with an acquisition and \$0.01 related to the insurance recoveries in excess of net book value for assets damaged by a tornado at the Company's rail maintenance facility in Cartersville, Georgia in the first quarter of 2021.
- Reported Q1-24 GAAP EPS and Adjusted EPS were both \$0.33.
- Reported Q2-24 GAAP EPS was \$0.67; Adjusted EPS excludes \$0.01 related to interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.
- Reported Q3-24 GAAP EPS was \$0.44; Adjusted EPS excludes \$0.01 related to interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.

Slide 11 – Balance Sheet Positioning

(1) Balances and blended average interest rate (including the effect of interest rate hedges, as applicable) as of September 30, 2024

Slide 14 – Trinity Industries, Inc. Overview

(1) Current dividend yield represents the Company's most recent quarterly dividend, annualized, and the stock price (NYSE: TRN) as of September 30, 2024.

(2) Intersegment revenues are eliminated.

Slide 19 – Capitalizing on Structural Change in the Rail Market

Umler® North American fleet ownership data as of January 1, 2024

Slide 21 – Integral Part of North American Supply Chain

(1) Umler® source data, January 1, 2024 report

(2) FTR Associates 12/31/2023

(3) Association of American Railroads ("AAR"), accessed on March 1, 2022 with data as of February 20, 2022

(4) Association of American Railroads ("AAR") 12/31/2023

Slide 24 – Railcars are Sustainable Long-Term Investments

<https://www.aar.org/wp-content/uploads/2023/06/AAR-Climate-Change-Fact-Sheet.pdf>



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