TRINITY INDUSTRIES, INC.

Q2 2022 – Earnings Conference Call Supplemental Materials

July 27, 2022 – *based on financial results as of June 30, 2022*

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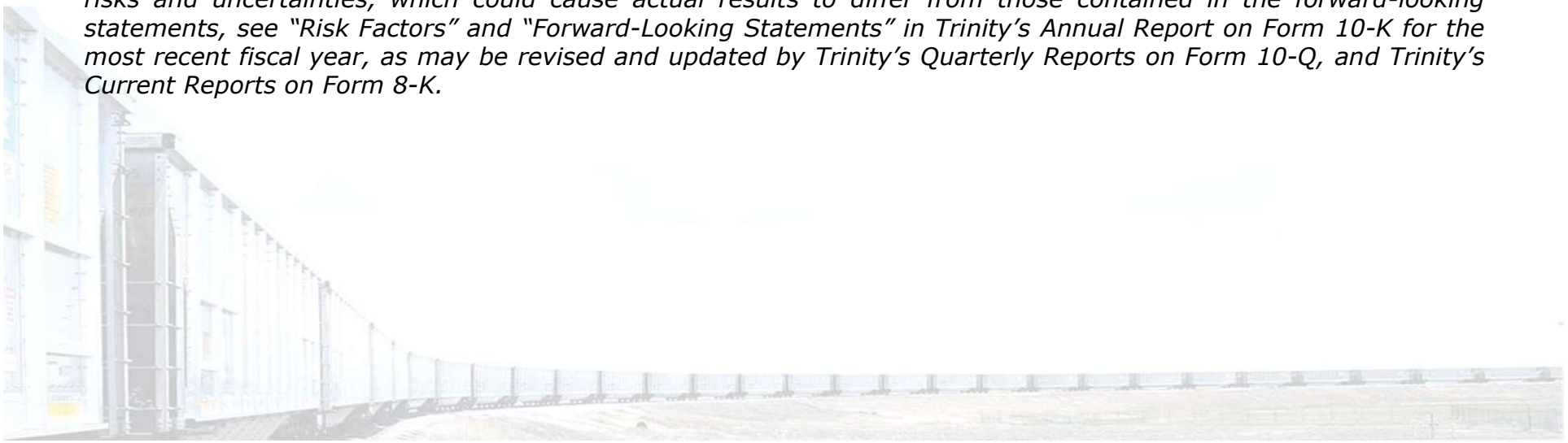
DELIVERING GOODS *for* THE GOOD *of* ALL

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, including the potential financial and operational impacts of the COVID-19 pandemic. 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 release, 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.

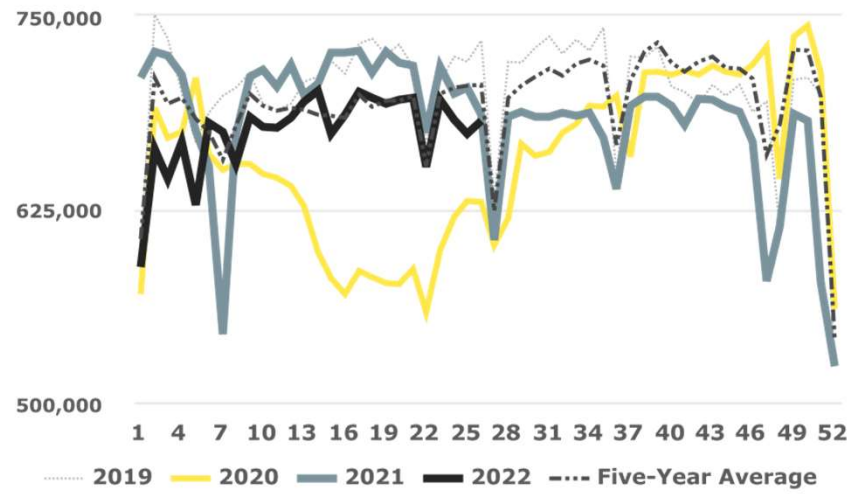


Key Messages from Q2-22 Conference Call

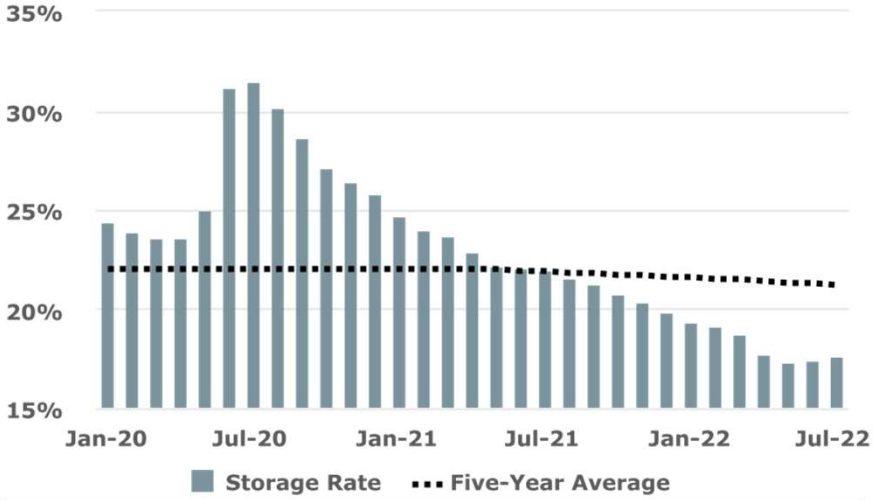
- EPS from continuing operations of $0.14, up $0.11 sequentially and $0.06 year over year on an adjusted basis
- FLRD improves to a positive 14.7%; utilization up to 97.2%
- Results reflect our ability to execute in a challenging operating environment
- Raising adjusted full year EPS guidance to a range of $0.90 to $1.10

Rail Market Update and Commercial Overview

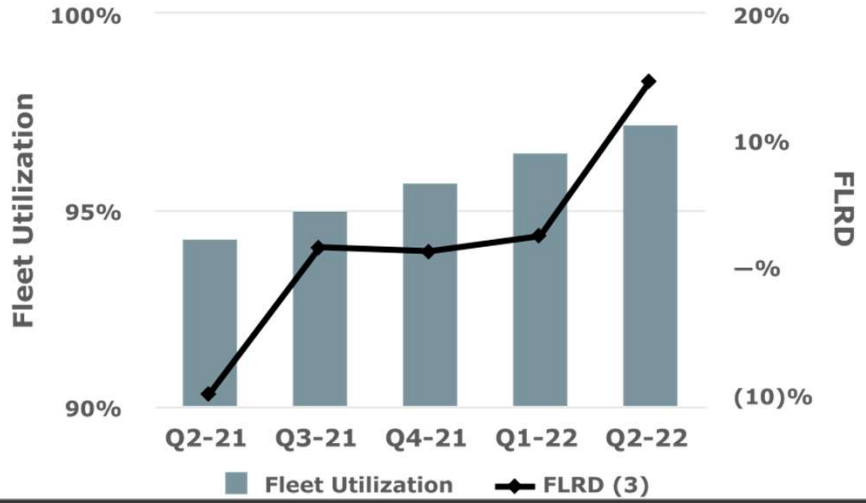
Rail Traffic Impacted by Labor Shortages (1)



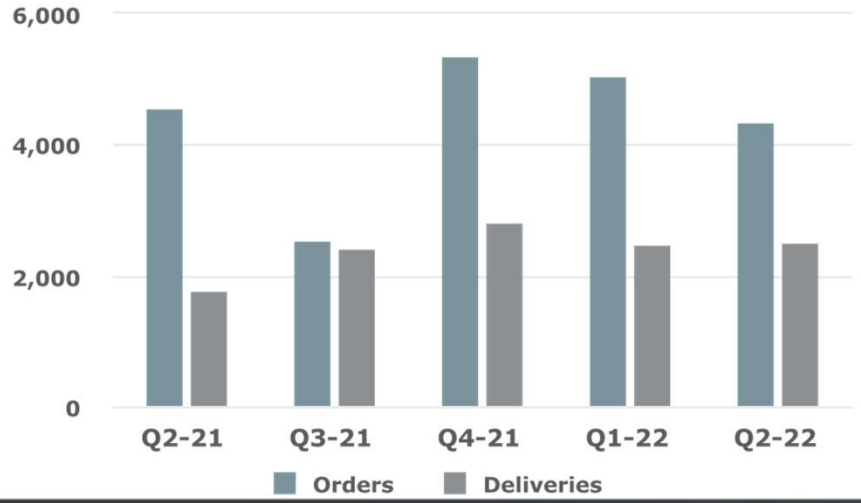
Railcar Storage Levels Remain Low (2)



FLRD and Utilization are Improving



Railcar Orders Slightly Down Year over Year



Q2-22 Financial Results Summary – Year over Year



Q2-22 Revenue

$417M

+42%

Q2-22 Cash Flow, Continuing Ops

$(90)M

-135%





Q2-22 EPS, Adjusted*

$0.14

$+0.06

Q2-22 Free Cash Flow*

$(5)M

-102%



Trinity Business Segment Performance Trends

Leasing Segment Revenue Drivers

- Improved utilization, renewal rates +13.2% over expiring rates
- Renewal success rate of 82%
- FLRD improved to positive 14.7%

Leasing Margin Performance Drivers

- Margin improved sequentially on lower fleet operating costs
- Accelerated depreciation for sustainable railcar conversions

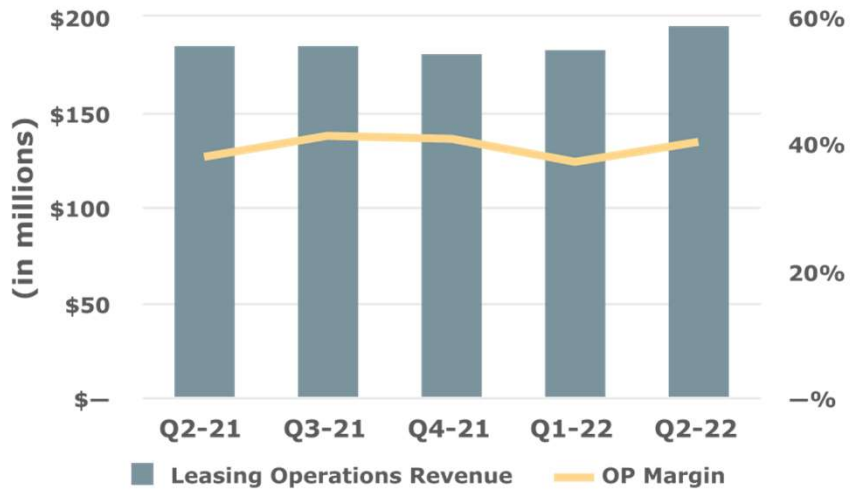
Rail Products Segment Revenue Drivers

- Quarterly revenue improved sequentially on slightly higher deliveries, price escalation provisions, and HM-251 modifications driving up Maintenance Services revenues

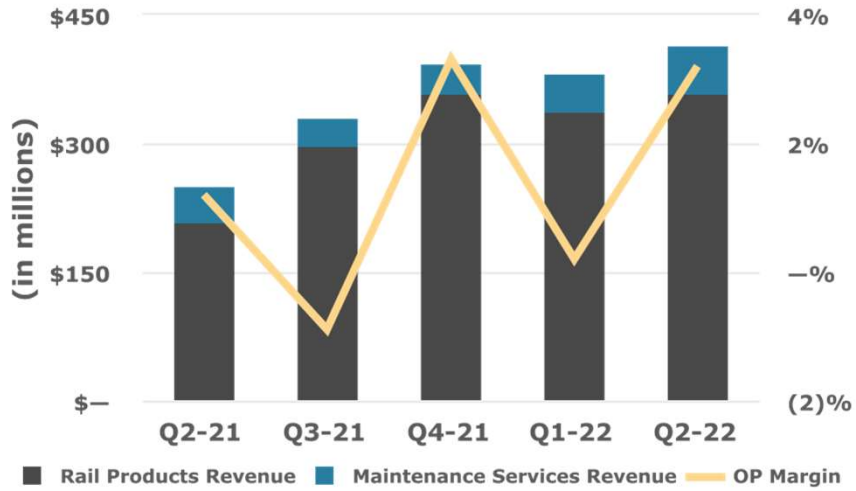
Rail Products Margin Performance Drivers

- Margins improved on better pricing but are negatively impacted by delivery of orders taken at the bottom of the cycle
  - Operating margin of 3.2% in the quarter
  - Segment margin includes gains from insurance recoveries in Q3 2021, Q4 2021, and Q1 2022

Leasing Operations Revenue and Operating Profit Margin (1)



Rail Products Segment Revenue and Operating Profit Margin



See appendix for footnotes

Executing on Strategic Initiatives to Improve Pre-Tax ROE

Lower Cost of Capital | **Reduce** Cyclicality | **Improve** Rail Supply Chain

Balance Sheet Optimization

Closed 2 ABS transactions: TRL-2022 ($245 million) and Tribute Rail ($327 million) both collateralized with existing railcar assets

LTV(1) of **67.3%**

Capital Allocation Execution

Completed ASR with $25.0M share repurchase

Open market repurchases in the quarter of **$25.3M**

Manufacturing Cost Improvement

Continued focus on lower breakeven points

Enhance value of outsourced fabrication activities

Lease Fleet Optimization

YTD net investment in lease fleet of **$199M** including significant railcar purchases and sales in Q2

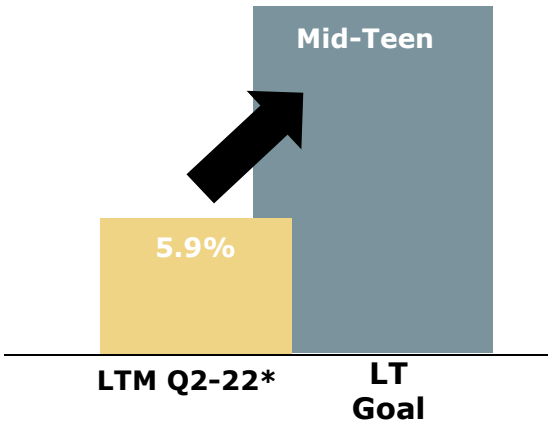
Fleet utilization of **97.2%** at pre-pandemic levels

New Products & Services Initiatives

2,350 **sustainable railcar conversions** in backlog

Acquired **Quasar Platform** in Q2 to enhance digital product portfolio

Pre-Tax ROE Goal



*See appendix for footnotes and reconciliation of non-GAAP measures

Trinity is Leading the Rail Industry Digital Transformation with Quasar Acquisition as it Helps Expand RailPulse's reach

Expanding and Enhancing Trinsight™

Our Trinsight™ product is a next-gen digital platform that monitors railcars and their freight in real time, from origin to destination providing fleet protection, fleet optimization, and a more reliable supply chain for our customers

Growing our Digital Services with Quasar

In the second quarter, we acquired Quasar Platform to enhance our digital logistics services with new capabilities, like yard management, and access new customers

RailPulse adds Union Pacific in Q2

We played a key role in onboarding Union Pacific to RailPulse. RailPulse is a coalition of railcar owners formed to establish the technological infrastructure and standards that will accelerate the adoption of GPS and other telematics technology in rail to increase visibility, safety, and efficiency.

Strong Performance Trends and Key Highlights

Q2 2022 Financial Summary:

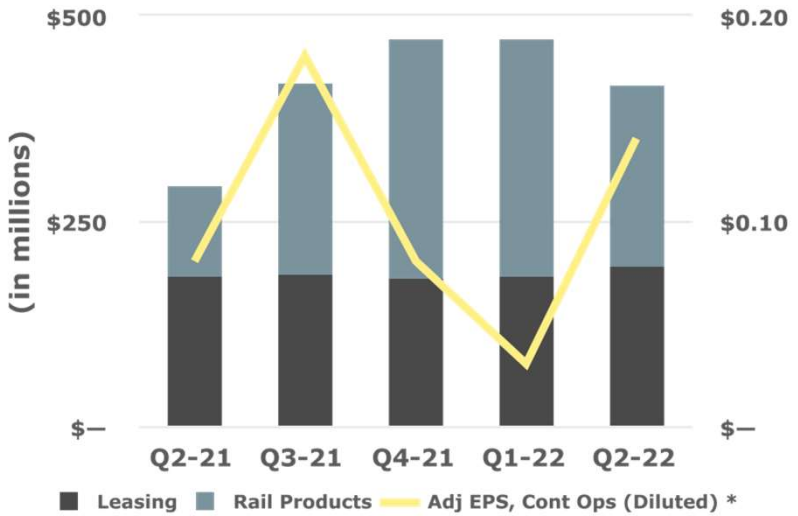
Income Statement:

- Total revenues of $417M reflect higher railcar deliveries year-over-year
- Earnings from continuing operations of $0.14
  - Adjusted EPS of $0.14*
- Benefited from $144M in lease portfolio sales

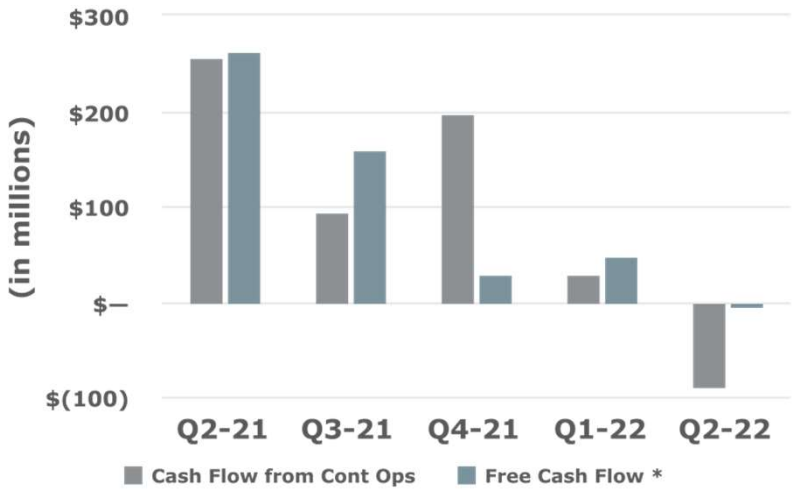
Year-to-date Cash Flow:

- Cash flow from continuing operations of $(61)M
- Investment of $414M in leasing capex
- Investment of $19M in manufacturing and general capex
- Free cash flow after investments and dividends of $43M*
- Shareholder returns of $90M through share repurchases and dividends paid

EPS Growth Reflects Improving Operations



Cash Flow Reflects Supply Chain Challenges and Timing



* See appendix for reconciliation of non-GAAP measures

Healthy Balance Sheet Strategically Positioned for Opportunistic Deployment and Value Creation

LIQUIDITY

Cash & Equivalents
$50M

Revolver Availability
$124M

Warehouse Availability
$246M

Solid Liquidity of $420M(1)

DEBT STRUCTURE

Recourse Debt
$519M @ 4.0%(1)

Non-recourse Debt
$5.0B @ ~3.3%(1)

- Low-cost funds
- Flexible term structures
- No maturities until 2024

Attractive Debt Structures

CAPITAL LEVERS

Unencumbered Railcars
$579M

- Pledge to warehouse
- Additional assets can be sold or financed
- LTV of 67.3% for the wholly-owned lease portfolio as of Q2-22(2)

Conservative Capitalization

See appendix for footnotes

Management Outlook for Business Performance

	FY 2022	Summary Detail
Industry Deliveries	40K – 50K railcars	Does not include sustainable railcar conversions
Net Fleet Investment	$425M — $475M	Assumes meaningful secondary market purchases
Manufacturing and General Capital Expenditures	$35M – $45M	Investments in safety, efficiency, and automation
EPS from Continuing Operations	$0.90 - $1.10	Excludes gains on insurance recoveries and other items outside of our normal business operations Expect results to improve in the second half of the year

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.

Key Messages from Q2-22 Conference Call



- EPS from continuing operations of $0.14, up $0.11 sequentially and $0.06 year over year on an adjusted basis
- FLRD improves to a positive 14.7%; utilization up to 97.2%
- Results reflect our ability to execute in a challenging operating environment
- Raising adjusted full year EPS guidance to a range of $0.90 to $1.10

Trinity Q2-22 Earnings Conference Call

Q&A



Reconciliation: Adjusted Operating Results

	Three Months Ended June 30, 2022 (in millions, except per share amounts)			
	GAAP	Restructuring activities, net	Interest expense, net [1]	Adjusted
Operating profit	$ 73.0	$ 1.0	$ —	$ 74.0
Income (loss) from continuing operations before income taxes	$ 22.3	$ 1.0	$ (0.4)	$ 22.9
Provision (benefit) for income taxes	$ 5.8	$ 0.3	$ (0.1)	$ 6.0
Income (loss) from continuing operations	$ 16.5	$ 0.7	$ (0.3)	$ 16.9
Net income from continuing operations attributable to Trinity Industries, Inc.	$ 11.7	$ 0.7	$ (0.3)	$ 12.1
Diluted weighted average shares outstanding	84.4			84.4
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	$ 0.14			$ 0.14

(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 (loss) from continuing operations before income taxes, provision (benefit) for income taxes, income (loss) 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 restructuring activities, interest expense, net, and certain other transactions or events (as applicable). 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 reporting 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

	Six Months Ended June 30, 2022 (in millions, except per share amounts)				
	GAAP	Gains on dispositions of property – other [1]	Restructuring activities, net	Interest expense, net [2]	Adjusted
Operating profit	$ 127.8	$ (6.4)	$ 1.0	$ —	$ 122.4
Income (loss) from continuing operations before income taxes	$ 35.2	$ (6.4)	$ 1.0	$ (0.7)	$ 29.1
Provision (benefit) for income taxes	$ 8.8	$ (1.6)	$ 0.3	$ (0.2)	$ 7.3
Income (loss) from continuing operations	$ 26.4	$ (4.8)	$ 0.7	$ (0.5)	$ 21.8
Net income from continuing operations attributable to Trinity Industries, Inc.	$ 19.0	$ (4.8)	$ 0.7	$ (0.5)	$ 14.4
Diluted weighted average shares outstanding	84.9				84.9
Diluted income from continuing operations per common share attributable to Trinity Industries, Inc.	$ 0.23				$ 0.17

(1) 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.
(2) 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 (loss) from continuing operations before income taxes, provision (benefit) for income taxes, income (loss) 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 gains on dispositions of other property, restructuring activities, interest expense, net, and certain other transactions or events (as applicable).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 reporting results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.

Reconciliation: *Walking FCF Beyond Lease Investment*

	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22
			(in millions)		
Net cash provided by (used in) operating activities – continuing operations	$ 255.6	$ 93.9	$ 196.8	$ 28.5	$ (89.8)
Proceeds from lease portfolio sales	71.5	315.7	49.8	71.1	144.1
Adjusted Net Cash Provided by Operating Activities	327.1	409.6	246.6	99.6	54.3
Capital expenditures – manufacturing and other	(6.9)	(2.6)	(6.7)	(2.3)	(16.5)
Dividends paid to common shareholders	(24.2)	(21.1)	(20.0)	(19.1)	(20.2)
Free Cash Flow (before Capital expenditures – leasing)	296.0	385.9	219.9	78.2	17.6
Equity CapEx for leased railcars (*from table below*)	(34.7)	(226.8)	(191.9)	(30.4)	(22.9)
Total Free Cash Flow After Investments and Dividends	**$ 261.3**	**$ 159.1**	**$ 28.0**	**$ 47.8**	**$ (5.3)**
Capital expenditures – leasing	$ 143.8	$ 112.2	$ 183.3	$ 84.6	$ 329.5
Less:					
Payments to retire debt	(1,739.9)	(331.6)	(59.0)	(73.0)	(760.3)
Proceeds from issuance of debt	1,849.0	217.0	50.4	127.2	1,066.9
Net proceeds from (repayments of) debt	109.1	(114.6)	(8.6)	54.2	306.6
Equity CapEx for leased railcars	$ 34.7	$ 226.8	$ 191.9	$ 30.4	$ 22.9

Total Free Cash Flow After Investments and Dividends ("Free Cash Flow") is a non-GAAP financial measure. Free Cash Flow is defined as net cash provided by (used in) operating activities from continuing operations as computed in accordance with GAAP, plus cash proceeds from lease portfolio sales, less capital expenditures for manufacturing, dividends paid, and Equity CapEx for leased railcars. Equity CapEx for leased railcars is defined as leasing capital expenditures, adjusted to exclude net proceeds from (repayments of) debt.

We believe Free Cash Flow is useful to both management and investors as it provides a relevant measure of liquidity and a useful basis for assessing our ability to fund our operations and repay our debt. Free Cash Flow is reconciled to net cash provided by (used in) 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 reporting results prepared in accordance with GAAP and, as calculated, may not be comparable to other similarly titled measures for other companies.

Reconciliation: Total Company Pre-Tax ROE

	LTM June 30, 2022	December 31, 2021	December 31, 2020
		($ in millions)	
Numerator:			
Income (loss) from continuing operations	$ 73.5	$ 39.3	$ (250.5)
Provision (benefit) for income taxes	23.6	15.9	(274.1)
Income (loss) from continuing operations before income taxes	97.1	55.2	(524.6)
Net (income) loss attributable to noncontrolling interest	(17.1)	0.2	78.9
Adjustments:			
Gains on dispositions of property – other [1]	(14.2)	(7.8)	—
Impairment of long-lived assets – controlling interest [2]	—	—	315.1
Restructuring activities, net	(1.7)	(3.7)	10.9
Loss on extinguishment of debt – controlling interest [3]	—	4.6	5.0
Interest expense, net [4]	(0.7)	—	—
Pension plan settlement	(2.8)	(0.6)	151.5
Adjusted Profit Before Tax	$ 60.6	$ 47.9	$ 36.8
Denominator:			
Total stockholders' equity	$ 1,256.2	$ 1,296.8	$ 2,016.0
Noncontrolling interest	(258.6)	(267.0)	(277.2)
Accumulated other comprehensive (income) loss	(6.4)	17.0	30.9
Adjusted Stockholders' Equity	$ 991.2	$ 1,046.8	$ 1,769.7
Average total stockholders' equity	$ 1,276.5	$ 1,656.4	$ 2,197.5
Return on Equity [5]	5.8 %	2.4 %	(11.4) %
Average Adjusted Stockholders' Equity	$ 1,019.0	$ 1,408.3	$ 1,976.5
Pre-Tax Return on Equity [6]	5.9 %	3.4 %	1.9 %

(1) 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.
(2) Excludes $81.3 million of non-cash impairment of long-lived asset charges associated with the noncontrolling interest recorded in the second quarter of 2020.
(3) Excludes $7.1 million of loss on extinguishment of debt associated with the noncontrolling interest recorded in the second quarter of 2021.
(4) Represents interest income accretion related to a seller-financing agreement associated with the sale of certain non-operating assets.
(5) Return on Equity is calculated as income (loss) from continuing operations divided by average total stockholders' equity.
(6) Pre-Tax Return on Equity is calculated as adjusted profit before tax divided by average adjusted stockholders' equity, each as defined and reconciled above.

Pre-Tax Return on Equity ("Pre-Tax ROE") is a non-GAAP measure that is derived from amounts included in our GAAP financial statements. We define Pre-Tax ROE as a ratio for which (i) the numerator is calculated as income or loss from continuing operations, adjusted to exclude the effects of the provision or benefit for income taxes, net income or loss attributable to noncontrolling interest, and certain other adjustments, which include gains on dispositions of other property, the controlling interest portion of impairment of long-lived assets and loss on extinguishment of debt, restructuring activities, interest expense, net, and pension plan settlement; and (ii) the denominator is calculated as average stockholders' equity (which excludes noncontrolling interest), adjusted to exclude accumulated other comprehensive income or loss.

In the table above, the numerator and denominator of our Pre-Tax 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 Pre-Tax 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. Pre-Tax ROE is used in consideration of the Company's expected tax position in the near-term. 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.

Footnotes and Reconciliations

Slide 4 - Rail Market Update and Commercial Overview
(1) Association of American Railroads (AAR) Weekly Railcar Loadings
(2) AAR Rail Time Indicators – July 1, 2022
(3) Future Lease Rate Differential (FLRD) calculates the implied change in revenue for railcar leases expiring over the next four quarters, assuming they were renewed at the most recent quarterly transacted lease rates for each railcar type.

$$\frac{\text{(New Lease Rates — Expiring Lease Rates) x Expiring Railcar Leases}}{\text{(Expiring Lease Rates x Expiring Railcar Leases)}}$$

Slide 6 - Trinity Business Segment Performance Trends
(1) Leasing Operations Profit Margin calculated using only revenues and operating profit from Leasing Operations including partially-owned subsidiaries and excluding lease portfolio sales. Leasing Operations is specific to revenue and operating profit reported under "Leasing and management" within the Railcar Leasing and Management Services Group.

Slide 7 - Executing on Strategic Initiatives to Improve Pre-Tax ROE
(1) Includes corporate revolving credit facility as part of the short-term financing structure

Slide 9 - Strong Performance Trends and Key Highlights
Adjusted EPS includes the following adjustments reported by the Company (each per common diluted share):

- Reported Q2-21 GAAP EPS was $0.05; Adjusted EPS excludes $0.03 related to the loss on extinguishment of high coupon debt.
- Reported Q3-21 GAAP EPS was $0.22; Adjusted EPS excludes $0.04 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 Q4-21 GAAP EPS was $0.16; Adjusted EPS excludes $0.03 related to the pension plan settlement refund, $0.02 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, $0.02 related to restructuring activities, and $0.01 related to prior year carryback claims as permitted under recent tax legislation.
- Reported Q1-22 GAAP EPS was $0.09; Adjusted EPS excludes $0.06 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 Q2-22 GAAP EPS and Adjusted EPS was $0.14.

Slide 10 - Healthy Balance Sheet Strategically Positioned for Opportunistic Deployment and Value Creation
(1) Balances and blended average interest rate as of June 30, 2022
(2) Includes corporate revolving credit facility as part of the short-term financing structure