



**TRINITYRAIL**

BUILT TO DELIVER®

# **National Grain Car Council**

## **Railcar Market Update**

26 August 2021

# Discussion Outline

1 *TrinityRail* Overview

3 Railcars in Storage

2 North American Railcar Fleet

4 Railcar Orders, Deliveries,  
and Backlog

*Disclaimer: The information in this presentation and the accompanying views and analysis are based on publicly-available industry sources and do not necessarily represent the proprietary information, analysis, or outlook of Trinity Industries, Inc.*



# TrinityRail Overview

# Our Focus



**Customer  
Experience**



**Innovation**



**Platform  
Efficiency**



**People**

DELIVERING GOODS FOR THE GOOD OF ALL



# Our Platform

Our platform includes a broad portfolio of products and services that work together to deliver innovative solutions that meet our customers' unique railcar needs.



# Our Innovation

## 5459

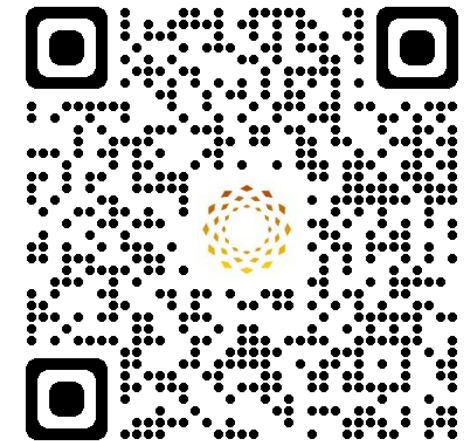
The 5459 cubic foot Covered Hopper is a high-capacity, through-sill car designed expressly for efficient shipment of grain and other dry bulk products

The 5459 optimizes your fleet... and your bottom line. That's efficiency in motion.



Trinsight™ is a next-gen digital platform that monitors sensor-equipped cars and their freight in real time, from origin to destination.

The result: You protect your freight, optimize your fleet, maximize working capital, and streamline your supply chain.





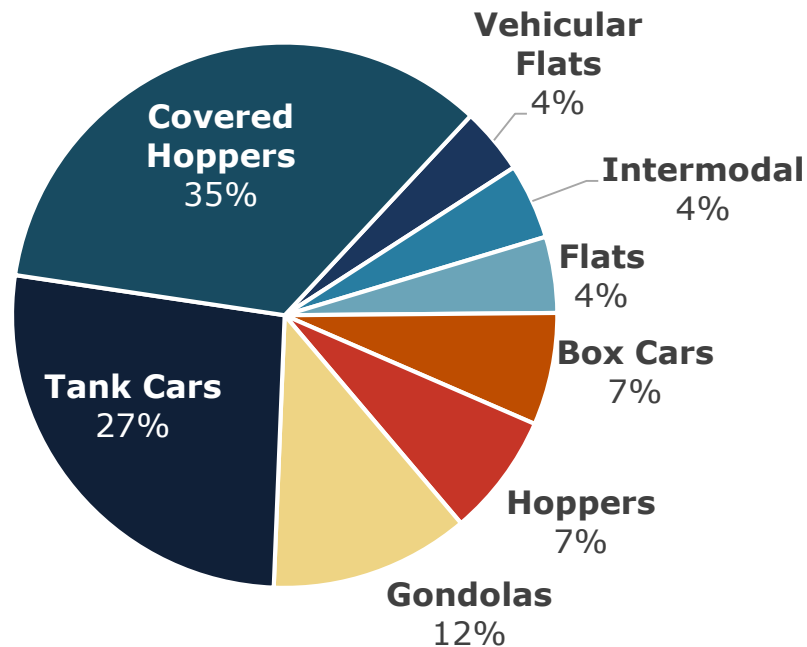


# North American Railcar Fleet

# Covered Hoppers are a third of the North American Fleet

## North American Railcar Fleet by Car Type

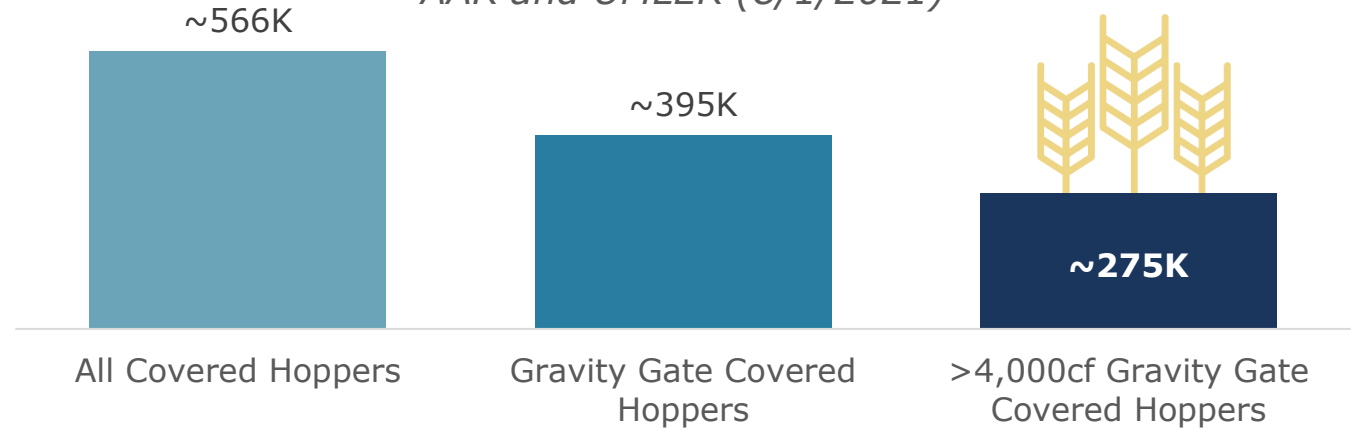
AAR 8/1/2021



- About 70% of the covered hopper fleet is equipped with gravity gates.
- Of the gravity gate covered hopper fleet, about 70% are over 4,000cf in capacity. These are suited for grain shipment.

## Estimated Covered Hopper Fleet Breakdown

AAR and UMLER (8/1/2021)

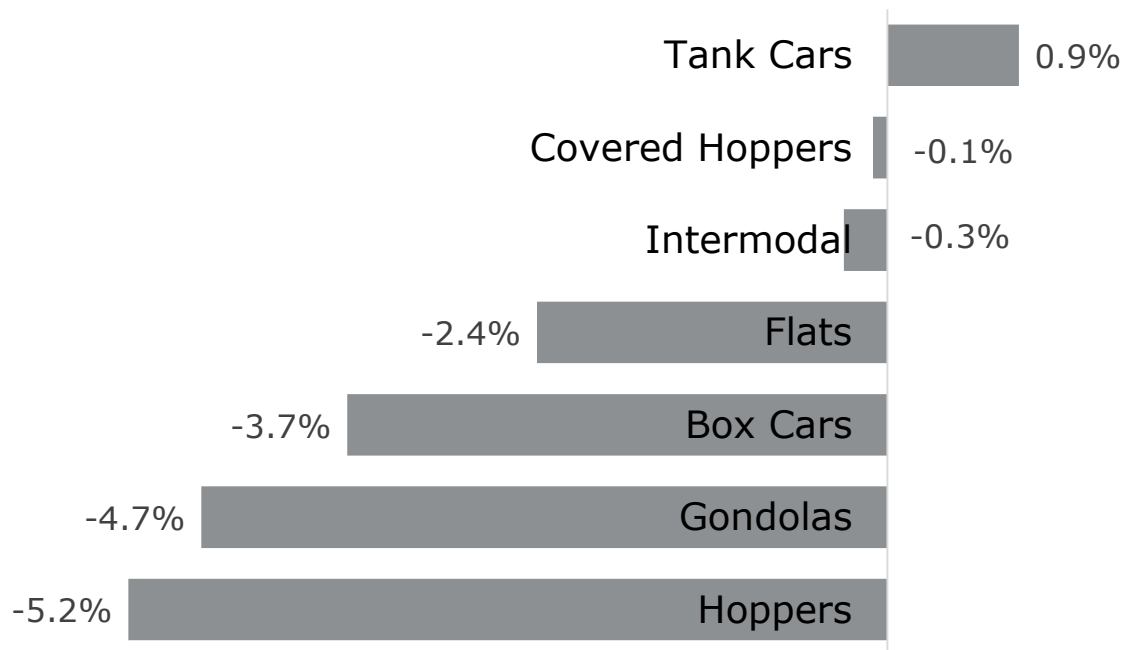




# Most railcar fleets contracted in 2020; Covered Hopper fleet was nearly steady

## Change in North American Revenue-Earning Fleet Size

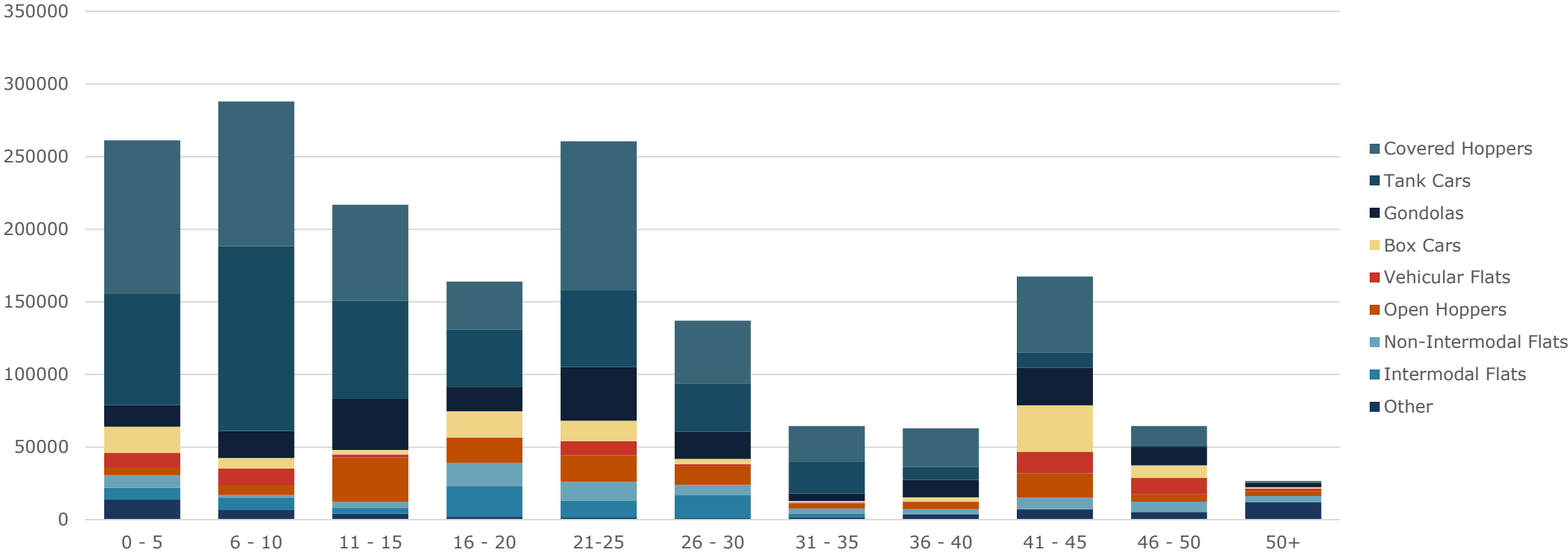
2020 v. 2019  
*Railinc (5/3/2021)*



- The overall revenue-earning fleet shrank for the first time since the end of the Great Recession.
- Coal-dependent fleets (i.e., hoppers and gondolas) saw the greatest contraction.
- The tank car fleet was the only fleet to increase.
- The covered hopper fleet remained nearly unchanged.
  - Strong plastic pellet demand
  - Grain car replacement

# There are large populations of Covered Hoppers and Box Cars >40 years of age

**North American Railcar Fleet by Estimated Age and Car Type**  
*UMLER and TrinityRail Analysis*

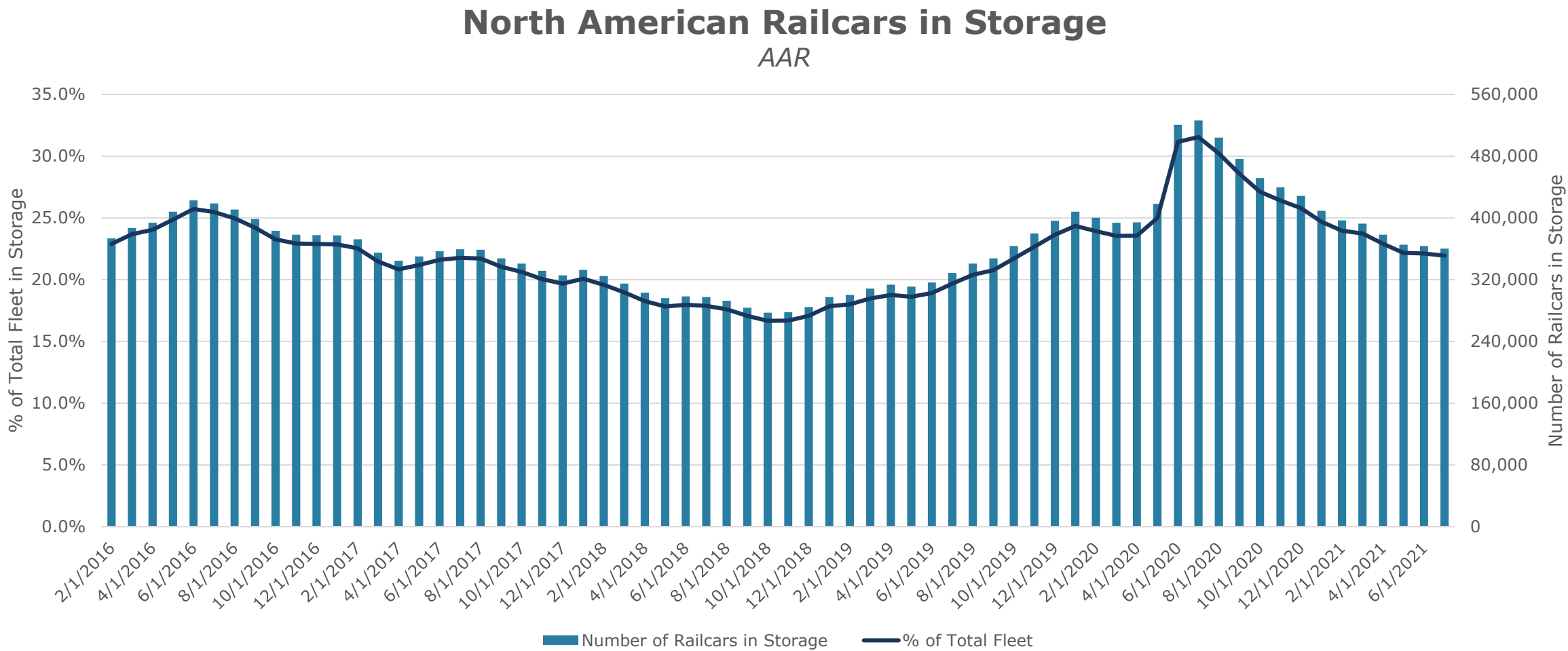




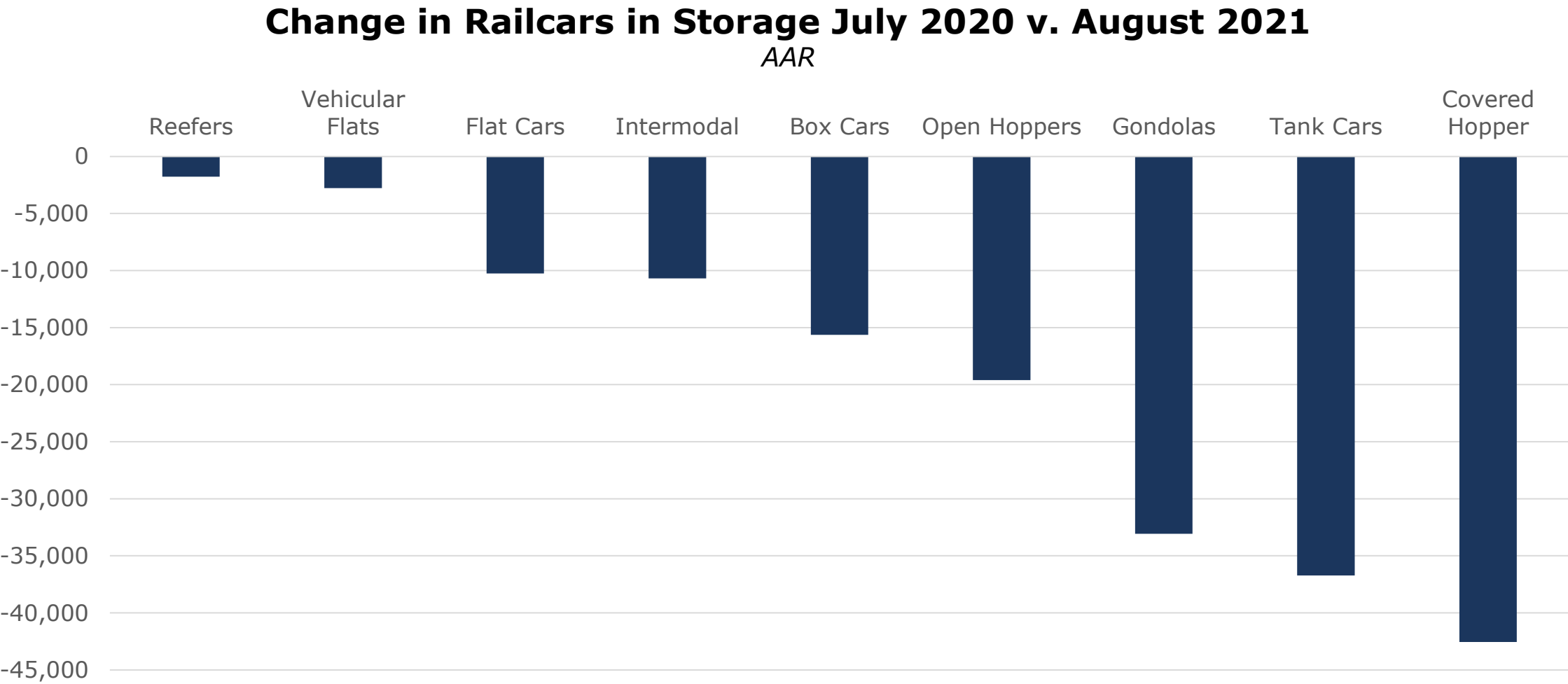
# Railcars in Storage



# Railcars are going back into service

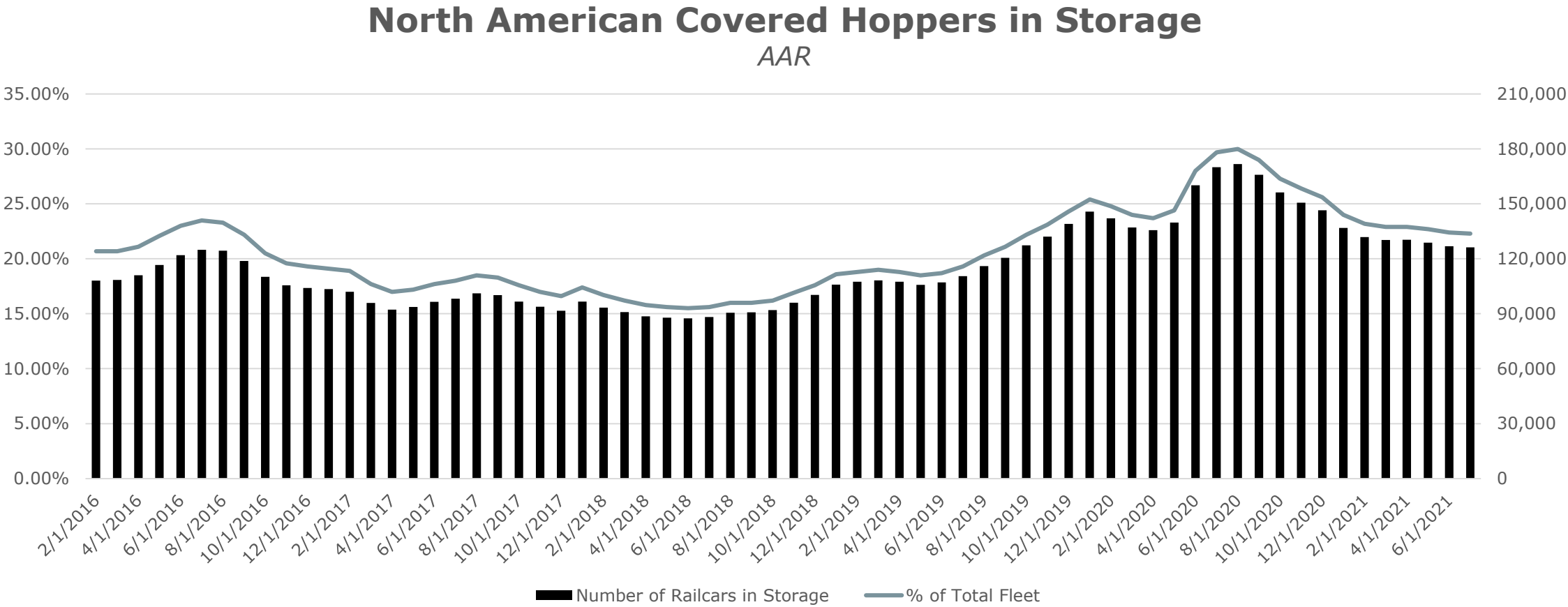


# Covered Hoppers in storage have fallen quickly



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# The total of Covered Hoppers in storage has declined but remains elevated



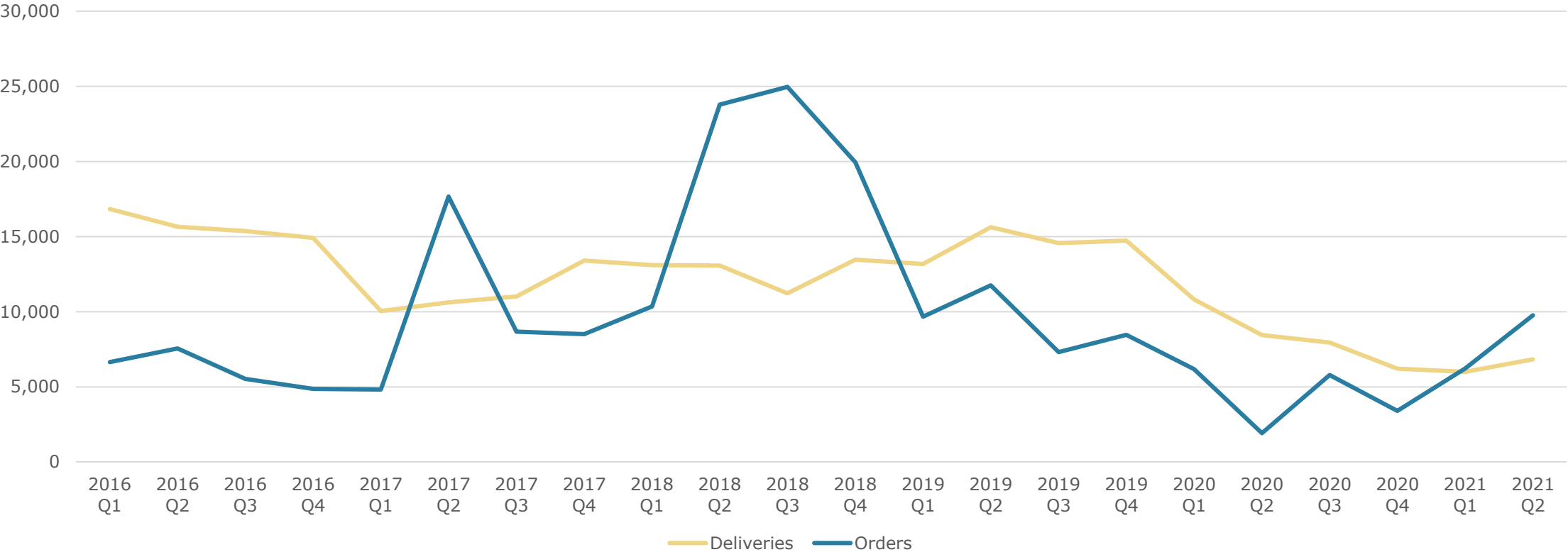




# Railcar Orders, Deliveries, and Backlog

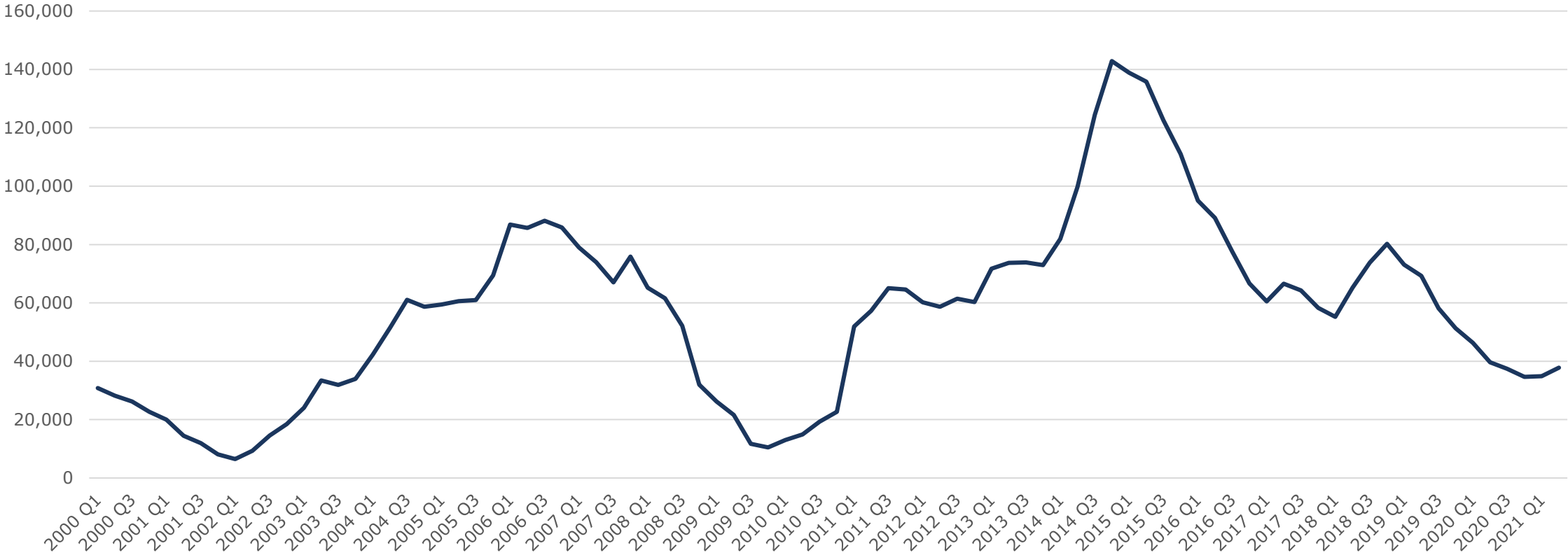
# Orders and deliveries have been improving so far in 2021

North American Railcar Orders and Deliveries 2016-2021  
*ARCI*



# The industry railcar backlog started 2021 at its lowest level since 2010

North American Railcar Manufacturer Backlog 2000-2021  
*ARCI*







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