

TRINITY INDUSTRIES INC

Form 10-K

February 17, 2011

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2010

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 1-6903

Trinity Industries, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

75-0225040

(I.R.S. Employer Identification No.)

**2525 Stemmons Freeway,
Dallas, Texas**

(Address of principal executive offices)

75207-2401
(Zip Code)

Registrant's telephone number, including area code: **(214) 631-4420**
Securities Registered Pursuant to Section 12(b) of the Act

Title of each class

**Name of each exchange
on which registered**

Common Stock (\$1.00 par value)

**New York Stock Exchange,
Inc.**

Securities registered Pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold as of the last business day of the Registrant's most recently completed second fiscal quarter (June 30, 2010) was \$1,374.4 million.

At January 31, 2011 the number of shares of common stock outstanding was 79,765,319.

The information required by Part III of this report, to the extent not set forth herein, is incorporated by reference from the Registrant's definitive 2011 Proxy Statement.

TRINITY INDUSTRIES, INC.

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PART I

Item 1. *Business.*

General Development of Business. Trinity Industries, Inc. and its consolidated subsidiaries, (Trinity , Company , we , or our) headquartered in Dallas, Texas, is a multi-industry company that owns a variety of market-leading businesses which provide products and services to the industrial, energy, transportation, and construction sectors. Trinity was incorporated in 1933.

Trinity became a Delaware Corporation in 1987. Our principal executive offices are located at 2525 Stemmons Freeway, Dallas, Texas 75207-2401, our telephone number is 214-631-4420, and our Internet website address is www.trin.net.

Financial Information About Industry Segments. Financial information about our industry segments for the years ended December 31, 2010, 2009, and 2008 is presented in Part II, Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations.

Narrative Description of Business. We manufacture and sell railcars and railcar parts in addition to leasing railcars to our customers through our integrated business model, which includes a captive leasing business, Trinity Industries Leasing Company (TILC). We also manufacture and sell inland barges, structural wind towers, concrete and aggregates, highway products, tank containers, and a variety of steel parts and components.

We serve our customers through the following five business groups:

Rail Group. Through wholly-owned subsidiaries, our Rail Group is the leading freight railcar manufacturer in North America (Trinity Rail Group or Rail Group). We provide a full complement of railcars used for transporting a wide variety of liquids, gases, and dry cargo.

Trinity Rail Group offers a complete array of railcar solutions to our customers. We manufacture a full line of railcars, including:

Auto Carrier Cars Auto carrier cars transport automobiles and a variety of other vehicles.

Box Cars Box cars transport products such as food products, auto parts, wood products, and paper.

Gondola Cars Rotary gondola cars are primarily used for coal service. Top-loading gondola cars transport a variety of other heavy bulk commodities such as scrap metals and steel products.

Hopper Cars Covered hopper cars carry cargo such as grain, distillers dried grain, dry fertilizer, plastic, cement, and sand. Open-top hoppers are most often used to haul coal and aggregates.

Intermodal Cars Intermodal cars transport intermodal containers and trailers, which are generally interchangeable among railcars, trucks, and ships.

Specialty Cars Specialty cars are designed to address the special needs of a particular industry or customer, such as waste-hauling gondolas, side dump cars, and pressure differential cars used to haul fine grain food products such as starch and flour.

Tank Cars Tank cars transport products such as liquefied petroleum products, alcohol and renewable fuels, liquid fertilizer, and food and grain products such as vegetable oil and corn syrup.

We produce the widest range of railcars in the industry allowing us to capitalize on changing industry trends and developing market opportunities. We also provide a variety of railcar components primarily for the North American market from our plants in the United States and Mexico. We manufacture and sell railcar parts used in manufacturing and repairing railcars, such as couplers, axles, and other devices. We also have two repair and coating facilities located in Texas.

Our customers include railroads, leasing companies, and industrial shippers of products, such as utilities, petrochemical companies, grain shippers, agricultural product companies, and major construction and industrial companies. We compete against five major railcar manufacturers in the North American market.

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For the year ended December 31, 2010, we shipped approximately 4,750 railcars, or approximately 29% of total North American railcar shipments. As of December 31, 2010, our Rail Group backlog was approximately \$457.6 million consisting of approximately 5,960 railcars, including \$111.0 million in orders from the Railcar Leasing and Management Services Group (Leasing Group). The total amount of orders in our backlog dedicated to the Leasing Group was supported by lease commitments with external customers.

We hold patents of varying duration for use in our manufacture of railcars and components. We believe patents offer a marketing advantage in certain circumstances. No material revenues are received from licensing of these patents.

Railcar Leasing and Management Services Group. Through wholly-owned subsidiaries, primarily TILC, and a majority owned subsidiary, TRIP Rail Holdings LLC (TRIP Holdings), we provide operating leases for tank cars and freight cars. As a provider of leasing and management services, our Leasing Group is an important strategic resource that uniquely links our Rail Group with our customers. Trinity's Rail Group and TILC coordinate sales and marketing activities under the registered trade name *TrinityRail*[®], thereby providing a single point of contact for railroads and shippers seeking solutions to their rail equipment and service needs.

Our railcars are leased to industrial shippers and railroads. These companies operate in the petroleum, chemical, agricultural, and energy industries, among others. Substantially all of our railcars are manufactured by our Rail Group. The terms of our railcar leases generally vary from one to twenty years and provide for fixed monthly rentals. A small percentage of our fleet is leased on a per diem basis. As of December 31, 2010, the lease fleet of our wholly-owned subsidiaries included approximately 51,910 owned or leased railcars that were 99.3% utilized. Of this total, approximately 40,690 railcars were owned by TILC and approximately 11,220 railcars were financed in sale leaseback transactions. TRIP Holdings' lease fleet included approximately 14,700 owned railcars that were 99.9% utilized as of December 31, 2010.

In addition, we manage railcar fleets on behalf of third parties. We believe our railcar fleet management services complement our leasing business by generating stable fee income, strengthening customer relationships, and enhancing the view of Trinity as a leading provider of railcar products and services.

Our railcar leasing business competes against a number of well-established entities that are also in the business of leasing railcars.

Construction Products Group. Through wholly-owned subsidiaries, our Construction Products Group produces concrete and aggregates and manufactures highway products as well as other steel products for infrastructure related projects. Many of these lines of business are seasonal and revenues are impacted by weather conditions.

We are a leader in the supply of ready mix concrete in certain areas of Texas with additional plant locations in Arkansas. Our customers for concrete include contractors and subcontractors in the construction and foundation industry who are located near our plant locations. We also distribute construction aggregates, such as crushed stone, sand and gravel, asphalt rock, and recycled concrete in several regions of Texas as well as smaller operations in Arkansas and Louisiana. Our aggregates customers are primarily other concrete producers and paving contractors. We compete with ready mix concrete producers and aggregate producers located in the regions where we operate.

Our highway products business is the leading full line producer of guardrails, crash cushions, and other protective barriers that dissipate the force of impact in collisions between vehicles and fixed roadside objects in North America. Based on revenues, we believe we are the largest highway guardrail manufacturer in the United States, with a comprehensive nationwide guardrail supply network. The Federal Highway Administration, which determines which products are eligible for federal funds for highway projects, has approved most of our products as acceptable permanent and construction zone highway hardware according to requirements of the National Cooperative Highway

Research Program.

Our crash cushions and other protective barriers include multiple proprietary products manufactured through various product license agreements with certain public and private research organizations and inventors. We hold patents and are a licensee for certain of our guardrail and end-treatment products which enhances our competitive position for these products.

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We sell highway products in Canada, Mexico, and all 50 of the United States. We compete against several national and regional guardrail manufacturers. We also export our proprietary highway products to more than 50 countries worldwide.

Inland Barge Group. Through wholly-owned subsidiaries, our Inland Barge Group is the leading manufacturer of inland barges in the United States and the largest manufacturer of fiberglass barge covers. We manufacture a variety of dry cargo barges, such as deck barges, and open or covered hopper barges that transport various commodities, such as grain, coal, and aggregates. We also manufacture tank barges used to transport liquid products. Our fiberglass reinforced lift covers are used primarily for grain barges. Our four barge manufacturing facilities are located along the United States inland river systems, allowing for rapid delivery to our customers. Our Inland Barge Group backlog as of December 31, 2010 was approximately \$508.0 million.

Our primary Inland Barge customers are commercial marine transportation companies. Many companies have the capability to enter into, and from time to time do enter into, the inland barge manufacturing business. We strive to compete through operational efficiency, timely delivery, and quality products.

Energy Equipment Group. Through wholly-owned subsidiaries, our Energy Equipment Group manufactures structural wind towers, tank containers and tank heads for pressure vessels, tank heads for non-pressure vessels, propane tanks, and utility, traffic, and lighting structures, along with power transmission poles.

We are a leading manufacturer of structural wind towers in North America for use in the wind energy market. These towers are manufactured in the United States and Mexico to customer specifications and installed by our customers. Our customers are generally turbine producers. Our structural wind towers backlog as of December 31, 2010 was approximately \$1.0 billion.

We are a leading manufacturer of tank containers and tank heads for pressure and non-pressure vessels. We manufacture tanks in the United States and Mexico. We market a portion of our products in Mexico under the brand name of TATSA®.

We manufacture tank heads, which are pressed metal components used in the manufacturing of many of our finished products as well as pressure rated or non-pressure rated tank heads, depending on their intended use. We use a significant portion of the tank heads we manufacture in the production of our tank cars and containers. We also sell our tank heads to a broad range of other manufacturers. There is strong competition in the tank heads business.

We manufacture propane tanks that are used by industrial plants, utilities, residences, and small businesses in suburban and rural areas. We also manufacture fertilizer containers for bulk storage, farm storage, and the application and distribution of anhydrous ammonia. Our propane tank products range from nine-gallon tanks for motor fuel use to 1,800,000-gallon bulk storage spheres. We sell our propane tanks to propane dealers and large industrial users. In the United States we generally deliver the containers to our customers who install and fill the containers. Our competitors include large and small manufacturers of tanks.

We manufacture utility, traffic, and lighting structures, which are used principally by municipalities, and various other local and state governmental entities. We also manufacture transmission structures to be used in the erection of private and public electric transmission lines. These structures are manufactured in the United States and Mexico to customer specifications and installed by our customers.

There are a number of well-established entities that actively compete with us in the business of manufacturing energy equipment including several domestic and foreign manufacturers of structural wind towers for the North American market.

All Other. All Other includes our captive insurance and transportation companies; legal, environmental, and upkeep costs associated with non-operating facilities; other peripheral businesses; and the change in market valuation related to ineffective commodity hedges.

Foreign Operations. Trinity's foreign operations are primarily located in Mexico. Continuing operations included sales to foreign customers, primarily in Mexico, which represented 6.4%, 4.4%, and 3.7% of our consolidated revenues for the years ended December 31, 2010, 2009, and 2008, respectively. As of December 31,

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2010 and 2009, we had approximately 3.5% and 5.1%, respectively, of our long-lived assets not held for sale located outside the United States.

We manufacture railcars, propane tank containers, tank heads, structural wind towers, and other parts at our Mexico facilities for local consumption as well as for export to the United States and other countries. Any material change in the quotas, regulations, or duties on imports imposed by the United States government and its agencies or on exports imposed by the government of Mexico or its agencies could adversely affect our operations in Mexico. Our foreign activities are also subject to various other risks of doing business in foreign countries, including currency fluctuations, political changes, changes in laws and regulations, social unrest, and economic instability. Although our operations have not been materially affected by any of these factors to date, any substantial disruption of business as it is currently conducted could adversely affect our operations at least in the short term.

Backlog. As of December 31, 2010 and 2009, our backlog was approximately as follows:

	2010	As of December 31, (in millions)	2009
Rail Group			
External Customers	\$	346.6	\$ 75.6
Leasing Group		111.0	119.8
	\$	457.6	\$ 195.4
Inland Barge	\$	508.0	\$ 318.8
Structural wind towers	\$	1,000.0	\$ 1,100.0

The total amount of orders in our backlog dedicated to the Leasing Group was supported by lease commitments with external customers.

Approximately 85% of our railcar backlog is expected to be delivered in the 12 months ending December 31, 2011 with the remainder in 2012. The majority of our backlog for barges is expected to be delivered in the 12 months ending December 31, 2011. For multi-year barge orders, the deliveries for 2011 are included in the backlog at this time; deliveries beyond 2011 are not included in the backlog if specific production quantities for future years have not been determined. Approximately 25% of our backlog for structural wind towers is expected to be delivered in 2011 with the remainder to be delivered evenly over 2012 and 2013.

Marketing. We sell substantially all of our products and services through our own sales personnel operating from offices in multiple locations in the United States as well as Canada, Mexico, the United Kingdom, Singapore, and Sweden. We also use independent sales representatives to a limited extent.

Raw Materials and Suppliers.

Railcar Specialty Components and Steel. Products manufactured at our railcar manufacturing facilities require a significant supply of raw materials such as steel, as well as numerous specialty components such as brakes, wheels, axles, side frames, bolsters, and bearings. Specialty components and steel purchased from third parties comprise approximately 60% of the production cost of each railcar. Although the number of alternative suppliers of specialty components has declined in recent years, at least two suppliers continue to produce most components. However, any unanticipated interruption in the supply chain of specialty components would have an impact on both our margins and

production schedules.

The principal material used in our Rail, Inland Barge, and Energy Equipment Groups is steel. During 2010, the supply of steel was sufficient to support our manufacturing requirements. Market steel prices continue to exhibit short periods of volatility and ended 2010 significantly higher than 2009. Generally, we are able to mitigate a majority of this volatility through contract-specific purchasing practices and existing supplier commitments. Steel prices may continue to be volatile in part as a result of scrap surcharges assessed by steel mills and other market factors. We often use contractual price escalation provisions and other arrangements with our customers to reduce the impact of this volatility, thus minimizing the effect on our operating margins for the year.

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In general, we believe there is enough capacity in the supply industry to meet current production levels. We believe the existing contracts and other relationships we have in place will meet our current production forecasts. However, any unanticipated interruption in our supply chain could have an adverse impact on both our margins and production schedules.

Aggregates. Aggregates can be found throughout the United States, and many producers exist nationwide. However, as a general rule, shipments from an individual quarry are limited in geographic scope because the cost of transporting processed aggregates to customers is high in relation to the value of the product itself. We operate 13 mining facilities strategically located in Texas, Arkansas, and Louisiana to fulfill some of our needs for aggregates.

Cement. Cement required for the concrete and aggregates business is received primarily from Texas and overseas. In 2010, the supply of cement was sufficient in our markets to meet demand. We have not experienced difficulties supplying concrete to our customers.

Employees. The following table presents the approximate headcount breakdown of employees by business group:

Business Group	December 31, 2010
Rail Group	2,610
Construction Products Group	1,710
Inland Barge Group	1,730
Energy Equipment Group	2,590
Railcar Leasing and Management Services Group	100
All Other	290
Corporate	240
	9,270

As of December 31, 2010, approximately 6,310 employees were employed in the United States and approximately 2,960 employees were employed in Mexico.

Acquisitions and Divestitures. See Note 2 of the Notes to Consolidated Financial Statements.

Environmental Matters. We are subject to comprehensive federal, state, local, and foreign environmental laws and regulations relating to the release or discharge of materials into the environment; the management, use, processing, handling, storage, transport, and disposal of hazardous and non-hazardous waste and materials; and other activities relating to the protection of human health and the environment. Such laws and regulations not only expose us to liability for our own acts, but also may expose us to liability for the acts of others or for our actions which were in compliance with all applicable laws at the time these actions were taken. In addition, such laws may require significant expenditures to achieve compliance, and are frequently modified or revised to impose new obligations. Civil and criminal fines and penalties may be imposed for non-compliance with these environmental laws and regulations. Our operations that involve hazardous materials also raise potential risks of liability under common law.

Environmental operating permits are, or may be, required for our operations under these laws and regulations. These operating permits are subject to modification, renewal, and revocation. We regularly monitor and review our operations, procedures, and policies for compliance with our operating permits and related laws and regulations.

Despite these compliance efforts, risk of environmental liability is inherent in the operation of our businesses, as it is with other companies engaged in similar businesses. We believe that our operations and facilities, whether owned, managed, or leased, are in substantial compliance with applicable environmental laws and regulations and that any non-compliance is not likely to have a material adverse effect on our operations or financial condition.

However, future events, such as changes in, or modified interpretations of, existing environmental laws and regulations or enforcement policies, or further investigation or evaluation of the potential health hazards associated with our products, business activities, or properties, may give rise to additional compliance and other costs that could have a material adverse effect on our financial condition and operations.

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In addition to environmental laws, the transportation of commodities by railcar or barge raises potential risks in the event of a derailment, spill, or other accident. Generally, liability under existing law in the United States for a derailment, spill, or other accident depends on the negligence of the party, such as the railroad, the shipper, or the manufacturer of the barge, railcar, or its components. However, under certain circumstances strict liability concepts may apply.

Governmental Regulation.

Railcar Industry. The primary regulatory and industry authorities involved in the regulation of the railcar industry are the United States Environmental Protection Agency; the Research and Special Programs Administration and the Federal Railroad Administration, both divisions of the United States Department of Transportation; and the Association of American Railroads.

These organizations establish rules and regulations for the railcar industry and rail interchange, including construction specifications and standards for the design and manufacture of railcars and railcar parts; mechanical, maintenance, and related standards for railcars; safety of railroad equipment, tracks, and operations; and packaging and transportation of hazardous or toxic materials.

We believe that our operations are in substantial compliance with these regulations. We cannot predict whether any future changes in these rules and regulations could cause added compliance costs that could have a material adverse effect on our financial condition or operations.

Inland Barge Industry. The primary regulatory and industry authorities involved in the regulation of the inland barge industry are the United States Coast Guard; the United States National Transportation Safety Board; the United States Customs Service; the Maritime Administration of the United States Department of Transportation; and private industry organizations such as the American Bureau of Shipping. These organizations establish safety criteria, investigate vessel accidents, and recommend improved safety standards. Violations of these laws and related regulations can result in substantial civil and criminal penalties as well as injunctions curtailing operations.

We believe that our operations are in substantial compliance with applicable laws and regulations. We cannot predict whether future changes that affect compliance costs would have a material adverse effect on our financial condition and operations.

Highway Products. The primary regulatory and industry authorities involved in the regulation of highway products business are the United States Department of Transportation, the Federal Highway Administration, and various state highway departments.

These organizations establish certain standards and specifications related to the manufacture of our highway products. If our products were found not to be in compliance with these standards and specifications, we would be required to re-qualify our products for installation on state and national highways.

We believe that our highway products are in substantial compliance with all applicable standards and specifications. We cannot predict whether future changes in these standards and specifications would have a material adverse effect on our financial condition and operations.

Occupational Safety and Health Administration and Similar Regulations. Our operations are subject to regulation of health and safety matters by the United States Occupational Safety and Health Administration and the United States Mine Safety and Health Administration. We believe that we employ appropriate precautions to protect our employees and others from workplace injuries and harmful exposure to materials handled and managed at our facilities. However,

claims that may be asserted against us for work-related illnesses or injury and the further adoption of occupational and mine safety and health regulations in the United States or in foreign jurisdictions in which we operate could increase our operating costs. While we do not anticipate having to make material expenditures in order to remain in substantial compliance with health and safety laws and regulations, we are unable to predict the ultimate cost of compliance. Accordingly, there can be no assurance that we will not become involved in future litigation or other proceedings or if we were found to be responsible or liable in any litigation or proceeding, that such costs would not be material to us.

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Other Matters. To date, we have not suffered any material shortages with respect to obtaining sufficient energy supplies to operate our various plant facilities or transportation vehicles. Future limitations on the availability or consumption of petroleum products, particularly natural gas for plant operations and diesel fuel for vehicles, could have a material adverse effect upon our ability to conduct our business. The likelihood of such an occurrence or its duration, and its ultimate effect on our operations, cannot be reasonably predicted at this time.

Executive Officers of the Company.

The following table sets forth the names and ages of all of our executive officers and other corporate officers, their positions and offices presently held by them, the year each person first became an officer, and the term of each person's office:

Name(1)	Age	Office	Officer Since	Term Expires
Timothy R. Wallace*	57	Chairman, Chief Executive Officer, and President	1985	May 2011
James E. Perry*	39	Vice President and Chief Financial Officer	2005	May 2011
William A. McWhirter II*	46	Senior Vice President and Group President	2005	May 2011
D. Stephen Menzies*	55	Senior Vice President and Group President	2001	May 2011
Antonio Carrillo*	44	Vice President and Group President	2010	May 2011
Madhuri A. Andrews	44	Vice President, Information Technology	2008	May 2011
Donald G. Collum	62	Vice President and Chief Audit Executive	2005	May 2011
Andrea F. Cowan	48	Vice President	2001	May 2011
Virginia C. Gray, Ph.D.	51	Vice President, Organizational Development	2007	May 2011
Mary E. Henderson*	52	Vice President, Chief Accounting Officer, and Controller	2009	May 2011
John M. Lee	50	Vice President, Business Development	1994	May 2011
S. Theis Rice*	60	Vice President, Human Resources and Chief Legal Officer	2002	May 2011
Gail M. Peck	43	Treasurer	2010	May 2011
Jared S. Richardson	38	Associate General Counsel and Secretary	2010	May 2011

* Executive officer subject to reporting requirements under Section 16 of the Securities Exchange Act of 1934.

Ms. Andrews joined Trinity in 2008 as Vice President, Information Technology. Since January 2002, she led the information technology organization for Maxim Integrated Products, Inc., a major semiconductor design and manufacturing company.

Dr. Gray joined Trinity in 2007 and was appointed Vice President, Organizational Development. Prior to that, she was President of Vehicles of Change, a consulting firm focused on improving organizational effectiveness.

Ms. Peck joined Trinity in 2010 as Treasurer. Prior to joining Trinity, she worked for Centex Corporation, one of the nation's largest publicly-traded homebuilders, from 2001 to 2009, most recently serving as Vice President and Treasurer since 2004.

Mr. Richardson joined the Company in 2010 as Associate General Counsel and Secretary. From 2004 to 2009, he handled corporate governance and secretary matters for Energy Future Holdings Corp. (formerly TXU Corp.), a

company engaged in the generation, sale, transmission, and distribution of electricity.

All of the other above-mentioned officers have been in full time employment of Trinity or its subsidiaries for more than five years. Although the titles of certain such officers have changed during the past five years, all have performed essentially the same duties during such period of time with the exception of Mr. Carrillo, Mr. McWhirter, Mr. Menzies, Mr. Perry, and Ms. Henderson as more fully described below:

Mr. Perry joined Trinity in 2004 and was appointed Treasurer in April 2005. Mr. Perry was named a Vice President of Trinity in 2006 and appointed its Vice President, Finance in 2007. In 2010, Mr. Perry was appointed Chief Financial Officer.

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Mr. McWhirter joined the Company in 1985 and held various accounting positions until 1992, when he became a business group officer. In 1999, he was elected to a corporate position as Vice President for Mergers and Acquisitions. In 2001, he was named Executive Vice President of a business group. In March 2005, he became Vice President and Chief Financial Officer and in 2006, Senior Vice President and Chief Financial Officer. In 2010, Mr. McWhirter was named Senior Vice President and Group President of the Construction Products and Inland Barge Groups.

Mr. Menzies joined Trinity in 2001 as President of Trinity Industries Leasing Company. In 2006, he became Senior Vice President and Group President for *TrinityRail*[®].

Mr. Carrillo joined Trinity in 1996 as Vice President of Operations of Trinity Industries de Mexico and in 1999 became the President of Trinity Industries de Mexico. In 2005, he was named President of Trinity's Energy Equipment Group, which includes the Company's structural wind towers business as well as businesses that manufacture tank containers, tank heads, propane tanks, and utility, traffic, and lighting structures. In 2009, Mr. Carrillo was named Group President of the Energy Equipment Group and in 2010 was named Vice President. Mr. Carrillo retains responsibility for Trinity's operations in Mexico.

Ms. Henderson joined the Company in 2003 as Director of Financial Reporting. She was named Assistant Controller in 2005 and Controller in 2009. In 2010, Ms. Henderson was elected Vice President, Chief Accounting Officer, and Controller.

Item 1A. Risk Factors.

There are risks and uncertainties that could cause our actual results to be materially different from those mentioned in forward-looking statements that we make from time to time in filings with the Securities and Exchange Commission (SEC), news releases, reports, proxy statements, registration statements, and other written communications, as well as oral forward-looking statements made from time to time by representatives of our Company. All known material risks and uncertainties are described below. The cautionary statements below discuss important factors that could cause our business, financial condition, operating results, and cash flows to be materially adversely affected. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements contained herein. We undertake no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

Negative global economic conditions could cause a decrease in our revenues or an increase in our operating costs, which could adversely affect our business and operating results. If global economic conditions experience a downturn, many of our customers may delay or otherwise reduce their purchases of railcars, barges, wind towers, and other products and services. If negative conditions in the global credit markets prevent our customers' access to credit, product order volumes may decrease which could result in lower revenues. Likewise, if our suppliers face challenges in obtaining credit, in selling their products, or otherwise in operating their businesses, they may become unable to continue to offer the materials we purchase from them to manufacture our products. These actions could result in reductions in our revenues, increased price competition, or increased operating costs, which could adversely affect our business results of operations and financial condition.

Negative global economic conditions may lead to cancellations or delays in our backlog. The lack of stability in the global economy, prevailing conditions in the global credit markets, volatility in the ethanol industry, changes in legislative policy, and/or adverse changes in the financial condition of certain third party lessees could possibly lead to cancellations or delays of backlog orders.

The cyclical nature of our business results in lower revenues during economic downturns. We operate in cyclical industries. Downturns in overall economic conditions usually have a significant adverse effect on cyclical industries

due to decreased demand for new and replacement products. Decreased demand could result in lower sales volumes, lower prices, and/or a loss of profits. The railcar, barge, and wind energy industries have previously experienced deep down cycles and at such times operated with a minimal backlog.

The economic and financial crisis experienced by the United States economy since 2008 has impacted our businesses. New orders for railcars and barges dropped significantly in 2009 as the transportation industry experienced a significant decline in the shipment of freight. The transportation industry experienced weakness

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throughout 2009 and began to improve in 2010. Orders and deliveries for structural wind towers have been slow since mid-2008 when green energy companies encountered tightened credit markets coupled with lower prices for electricity and natural gas sales. The slowdown in the residential and commercial construction markets impacted our Construction Products Group as well. We continually assess our manufacturing capacity and take steps to align our production capacity with demand for our products. As a result of our assessment, we have adapted to the rapid decline in market conditions by reducing our production footprint and staffing levels and by causing certain facilities to be on non-operating status. To the extent that demand for our products increases, non-operating facilities are available for future operations.

Litigation claims could increase our costs and weaken our financial condition. We are currently, and may from time to time be, involved in various claims or legal proceedings arising out of our operations. Adverse outcomes in some or all of these matters could result in judgments against us for significant monetary damages that could increase our costs and weaken our financial condition. We seek contractual recourse and indemnification in the ordinary course of business, maintain reserves for reasonably estimable liability, and purchase liability insurance at coverage levels based upon commercial norms in our industries in an effort to mitigate our liability exposures. Nevertheless, our reserves may be inadequate to cover the uninsured portion of claims or judgments. Any such claims or judgments could have a material adverse effect on our business, operations, or overall financial condition.

Increases in the price and demand for steel and other component parts could lower our margins and profitability. The principal material used in our Rail, Inland Barge, and Energy Equipment Groups is steel. During 2010, the supply of steel was sufficient to support our manufacturing requirements. Market steel prices continue to exhibit short periods of volatility and ended 2010 significantly higher than 2009. We were able to mitigate the majority of this volatility through contract-specific purchasing practices and existing supplier commitments. Steel prices may continue to be volatile in part as a result of scrap surcharges assessed by steel mills and other market factors. We often use contractual price escalation provisions and other arrangements with our customers to reduce the impact of this volatility, thus minimizing the effect on our operating margins for the year.

In general, we believe there is enough capacity in our supply chain to meet current production level demands. We believe our existing contracts and commercial relationships will supply our current production forecasts. However, any unanticipated interruption in our supply chain could have an adverse impact on both our margins and production schedules.

We have potential exposure to environmental liabilities, which may increase costs and lower profitability. We are subject to comprehensive federal, state, local, and foreign environmental laws and regulations relating to the release or discharge of materials into the environment; the management, use, processing, handling, storage, transport, and disposal of hazardous and non-hazardous waste and materials; and other activities relating to the protection of human health and the environment. Such laws and regulations not only expose us to liability for our own acts, but also may expose us to liability for the acts of others or for our actions which were in compliance with all applicable laws at the time these actions were taken. In addition, such laws may require significant expenditures to achieve compliance, and are frequently modified or revised to impose new obligations. Civil and criminal fines and penalties may be imposed for non-compliance with these environmental laws and regulations. Our operations that involve hazardous materials also raise potential risks of liability under common law.

Environmental operating permits are, or may be, required for our operations under these laws and regulations. These operating permits are subject to modification, renewal, and revocation. We regularly monitor and review our operations, procedures, and policies for compliance with our operating permits and related laws and regulations. Despite these compliance efforts, risk of environmental liability is inherent in the operation of our businesses, as it is with other companies engaged in similar businesses. We believe that our operations and facilities, whether owned, managed, or leased, are in substantial compliance with applicable environmental laws and regulations and that any

non-compliance is not likely to have a material adverse effect on our operations or financial condition.

However, future events, such as changes in, or modified interpretations of, existing environmental laws and regulations or enforcement policies, or further investigation or evaluation of the potential health hazards associated with our products, business activities, or properties, may give rise to additional compliance and other costs that could have a material adverse effect on our financial condition and operations.

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In addition to environmental laws, the transportation of commodities by railcar or barge raises potential risks in the event of a derailment, spill, or other accident. Generally, liability under existing law in the United States for a derailment, spill, or other accident depends on the negligence, if any, of the party, such as the railroad, the shipper, or the manufacturer of the barge, railcar, or its components. However, under certain circumstances strict liability concepts may apply.

We operate in highly competitive industries. We may not be able to sustain our market leadership positions which may impact our financial results. We face aggressive competition in all geographic markets and each industry sector in which we operate. As a result, competition on pricing, product performance and service is often intense. The effect of this competition could reduce our revenues and operating profits, limit our ability to grow, increase pricing pressure on our products, and otherwise affect our financial results.

If we are unable to obtain refinancing for existing debt as it matures or if our railcar leasing subsidiaries are unable to obtain acceptable long-term financing of their railcar lease fleet, our lenders may foreclose on the portion of our lease fleet that secures our warehouse facilities. In general, the ability to refinance maturing debt is significant to our leasing group's operations. TILC, our wholly-owned captive leasing subsidiary, uses borrowings under a non-recourse warehouse facility to initially finance the railcars it purchases from our rail manufacturing business. Trinity Rail Leasing Warehouse Trust (TRLWT), a qualified subsidiary of TILC, is the borrower under the warehouse facility. Borrowings under the warehouse facility are available through February 2013, and, unless, renewed, any amounts outstanding would be payable in three equal installments in August 2013, February 2014, and August 2014.

TRIP Holdings' wholly-owned subsidiary, TRIP Rail Leasing LLC (TRIP Leasing), entered into a \$1.19 billion warehouse loan agreement, which is non-recourse to Trinity, to finance the purchase of its railcar fleet. This warehouse loan had a two year revolving availability period which ended in June 2009. Under the agreement a majority of the lenders have the right to compel TRIP Leasing to commence repayment of its outstanding borrowings in four quarterly installments commencing June 2011 and ending March 2012. In the event such action is taken, it is not expected that TRIP Leasing will be able to make such payments from its anticipated cash balances and net cash flow from operations prior to the initial installment due date. TRIP Leasing is considering a number of financing alternatives to address these quarterly installments. If TRIP Leasing is unable to achieve such alternatives to the satisfaction of the TRIP Warehouse Loan's lenders, the Company's investment in TRIP Holdings may become impaired. See Note 6 Investment in TRIP Holdings in the Notes to Consolidated Financial Statements.

Borrowings under these warehouse loan agreements are secured by the specific railcars financed by such borrowings and the underlying leases. A decline in the value of the railcars respectively securing borrowings under these warehouse loan agreements or in the creditworthiness of the lessees under the associated leases could reduce TRLWT's or TRIP Leasing's (leasing subsidiaries) ability to obtain long-term financing for such railcars. Additionally, fluctuations in interest rates from the time the leasing subsidiaries purchase railcars with short-term borrowings under their respective warehouse loan agreements and the time they obtain permanent financing for such railcars could decrease our profitability on the leasing of the railcars and could have an adverse impact on our financial results. If either or both of these leasing subsidiaries are unable to obtain long-term financing to replace borrowings under their respective warehouse loan agreements, the lenders under the warehouse loan agreement may foreclose on the portion of such leasing subsidiaries' lease fleet pledged to secure its loan facility or Trinity may decide to take such actions as might be necessary to resolve such financing issues. As of December 31, 2010 there was \$80.2 million of indebtedness outstanding and \$394.8 million was available under the TILC warehouse loan facility and \$1.0 billion outstanding under the TRIP Leasing warehouse loan agreement.

We may be unable to re-market railcars from expiring leases on favorable terms, which could result in lower lease utilization percentages and reduced revenues. The profitability of our railcar leasing business is dependent in part on our ability to re-lease or sell railcars we own upon the expiration of existing lease terms, or upon lease defaults or

bankruptcy filings by third party lessees. Our ability to re-lease or sell leased railcars profitably is dependent upon several factors, including, among others:

the cost of and demand for leases or ownership of newer or specific use models;

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- the availability in the market generally of other used or new railcars;
- the degree of obsolescence of leased railcars;
- the prevailing market and economic conditions, including the availability of credit, interest rates, and inflation rates;
- the demand for refurbishment;
- the cost of materials and labor;
- the volume of railcar traffic; and
- the volume and nature of railcar loadings.

A downturn in the industries in which our lessees operate and decreased demand for railcars could also increase our exposure to re-marketing risk because lessees may demand shorter lease terms or newer railcars, requiring us to re-market leased railcars more frequently. Furthermore, the resale market for previously leased railcars has a limited number of potential buyers. Our inability to re-lease or sell leased railcars on favorable terms could result in lower lease rates, lower lease utilization percentages and reduced revenues.

Fluctuations in the supply of component parts used in the production of our railcar-related and structural wind towers products could have a material adverse effect on our ability to cost-effectively manufacture and sell our products. A significant portion of our business depends on the adequate supply of numerous specialty parts and components at competitive prices such as brakes, wheels, side frames, bolsters, and bearings for the railcar business, as well as flanges for the wind towers business. We depend on third-party suppliers for a significant portion of our parts and component needs. Specialty parts and components comprise a significant portion of the production cost of each railcar we manufacture. Due to consolidations and challenging industry conditions, the number of alternative suppliers of specialty parts and components has declined in recent years, though generally a minimum of two suppliers continue to produce the parts and components we use in our products. While we endeavor to be diligent in contractual relationships with our suppliers, a significant decrease in the availability of specialty parts and components could materially increase our cost of goods sold or prevent us from manufacturing our products on a timely basis.

Reductions in the availability of energy supplies or an increase in energy costs may increase our operating costs. We use various gases, including natural gas, at our manufacturing facilities and use diesel fuel in vehicles to transport our products to customers and to operate our plant equipment. An outbreak or escalation of hostilities between the United States and any foreign power and, in particular, prolonged conflicts could result in a real or perceived shortage of petroleum and/or natural gas, which could result in an increase in the cost of natural gas or energy in general. Hurricanes or other natural disasters could result in a real or perceived shortage of petroleum and/or natural gas potentially resulting in an increase in natural gas prices or general energy costs. Speculative trading in energy futures in the world markets could also result in an increase in natural gas and general energy cost. Future limitations on the availability or consumption of petroleum products and/or an increase in energy costs, particularly natural gas for plant operations and diesel fuel for vehicles and plant equipment, could have an adverse effect upon our ability to conduct our business cost effectively.

Our manufacturer's warranties expose us to product replacement and repair claims. Depending on the product, we warrant against manufacturing defects due to our workmanship and certain materials pursuant to express limited contractual warranties. Accordingly, we may be subject to significant warranty claims in the future such as multiple

claims based on one defect repeated throughout our production process or claims for which the cost of repairing or replacing the defective part, component or material is highly disproportionate to the original cost. These types of warranty claims could result in costly product recalls, significant repair or replacement costs, and damage to our reputation.

Increasing insurance claims and expenses could lower profitability and increase business risk. The nature of our business subjects us to product liability, property damage, and personal injury claims, especially in connection with the repair and manufacture of products that transport hazardous, toxic, or volatile materials. We maintain reserves for reasonably estimable liability claims and liability insurance coverage at levels based upon commercial

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norms in the industries in which we operate and our historical claims experience. Over the last several years, insurance carriers have raised premiums for many companies operating in our industries. Increased premiums may further increase our insurance expense as coverage expires or otherwise cause us to raise our self-insured retention. If the number or severity of claims within our self-insured retention increases, we could suffer costs in excess of our reserves. An unusually large liability claim or a string of claims based on a failure repeated throughout our production process may exceed our insurance coverage or expose us to the entire damages judgment if we were unable or elected not to insure against certain hazards because of high premiums or other reasons. In addition, the availability of, and our ability to collect on, insurance coverage is often subject to factors beyond our control. Moreover, any accident or incident involving us, even if we are fully insured, contractually indemnified, or not held to be liable, could negatively affect our reputation among customers and the public, thereby making it more difficult for us to compete effectively, and could significantly affect the cost and availability of insurance in the future.

Risks related to our operations outside of the United States could decrease our profitability. Our operations outside of the United States are subject to the risks associated with cross-border business transactions and activities. Political, legal, trade, economic changes or instability, or social unrest could limit or curtail our respective foreign business activities and operations. Some foreign countries where we operate have regulatory authorities that regulate railroad safety, railcar and railcar component part design, performance, and manufacture of equipment used on their railroad systems. If we fail to obtain and maintain certifications of our railcars and railcar parts and components within the various foreign countries where we operate, we may be unable to market and sell our railcars, parts, and components in those countries. In addition, unexpected changes in regulatory requirements, tariffs and other trade barriers, more stringent rules relating to labor or the environment, adverse tax consequences, and price exchange controls could limit operations and make the manufacture and distribution of our products difficult. Furthermore, any material change in the quotas, regulations, or duties on imports imposed by the United States government and agencies, or on exports by the government of Mexico or its agencies, could affect our ability to export products that we manufacture in Mexico.

Because we do not have employment contracts with our key management employees, we may not be able to retain their services in the future. Our success depends on the continued services of our key management employees, none of whom currently have an employment agreement with us. Although we have historically been successful in retaining the services of our key management, we may not be able to do so in the future. The loss of the services of one or more key members of our management team could result in increased costs associated with attracting and retaining a replacement and could disrupt our operations and result in a loss of revenues.

Repercussions from terrorist activities or armed conflict could harm our business. Terrorist activities, anti-terrorist efforts, and other armed conflict involving the United States or its interests abroad may adversely affect the United States and global economies, potentially preventing us from meeting our financial and other obligations. In particular, the negative impacts of these events may affect the industries in which we operate. This could result in delays in or cancellations of the purchase of our products or shortages in raw materials, parts, or components. Any of these occurrences could have a material adverse impact on our operating results, revenues, and costs.

Violations of or changes in the regulatory requirements applicable to the industries in which we operate may increase our operating costs. We are subject to extensive regulation by governmental regulatory and industry authorities. Our railcar operations are subject to regulation by the United States Environmental Protection Agency; the Research and Special Programs Administration and the Federal Railroad Administration, both divisions of the United States Department of Transportation; and the Association of American Railroads. These organizations establish rules and regulations for the railcar industry and rail interchange, including construction specifications and standards for the design and manufacture of railcars; mechanical, maintenance, and related standards for railcars; safety of railroad equipment, tracks, and operations; and packaging and transportation of hazardous or toxic materials. Future changes that affect compliance costs may have a material adverse effect on our financial condition and operations.

Our Inland Barge operations are subject to regulation by the United States Coast Guard; the United States National Transportation Safety Board; the United States Customs Service; the Maritime Administration of the United States Department of Transportation; and private industry organizations such as the American Bureau of Shipping. These organizations establish safety criteria, investigate vessel accidents and recommend improved

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safety standards. Violations of these laws and related regulations can result in substantial civil and criminal penalties as well as injunctions curtailing operations.

Our Construction Products Group business is subject to regulation by the United States Department of Transportation, the Federal Highway Administration, and various state highway departments. These organizations establish certain standards and specifications related to the manufacture of our highway products. If our products were found to be not in compliance with these standards and specifications, we would be required to re-qualify our products for installation on state and national highways.

Our operations are also subject to regulation of health and safety matters by the United States Occupational Safety and Health Administration and the United States Mine Safety and Health Administration. We believe that we employ appropriate precautions to protect our employees and others from workplace injuries and harmful exposure to materials handled and managed at our facilities. However, claims that may be asserted against us for work-related illnesses or injury, and the further adoption of occupational and mine safety and health regulations in the United States or in foreign jurisdictions in which we operate could increase our operating costs. We are unable to predict the ultimate cost of compliance with these health and safety laws and regulations. Accordingly, there can be no assurance that we will not become involved in future litigation, investigations, or other proceedings or if we were found to be responsible or liable in any litigation, investigations, or proceedings, that such costs would not be material to us.

We may be required to reduce the value of our long-lived assets and/or goodwill, which would weaken our financial results. We periodically evaluate for potential impairment the carrying values of our long-lived assets to be held and used. The carrying value of a long-lived asset to be held and used is considered impaired when the carrying value is not recoverable through undiscounted future cash flows and the fair value of the asset is less than the carrying value. Fair value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risks involved or market quotes as available. Impairment losses on long-lived assets held for sale are determined in a similar manner, except that fair values are reduced commensurate with the estimated cost to dispose of the assets. In addition, goodwill is required to be tested for impairment annually, or on an interim basis, whenever events or circumstances change, indicating that the carrying amount of the goodwill might be impaired. Due to an overall market decline for products in the Rail Group during the second quarter of 2009, we recorded a goodwill impairment charge of \$325.0 million. Impairment losses related to reductions in the value of our long-lived assets or our goodwill could weaken our financial condition and results of operations.

We may incur increased costs due to fluctuations in interest rates and foreign currency exchange rates. We are exposed to risks associated with fluctuations in interest rates and changes in foreign currency exchange rates. We seek to minimize these risks, when considered appropriate, through the use of interest rate hedges and similar financial instruments and other activities, although these measures may not be implemented or effective. Any material and untimely changes in interest rates or exchange rates could result in significant losses to us.

Railcars as a significant mode of transporting freight could decline, become more efficient over time, experience a shift in types of modal transportation, and/or certain railcar types could become obsolete. As the freight transportation markets we serve continue to evolve and become more efficient, the use of railcars may decline in favor of other more economic transportation modalities. Features and functionality specific to certain railcar types could result in those railcars becoming obsolete as customer requirements for freight delivery change.

Business, regulatory, and legal developments regarding climate change may affect the demand for our products or the ability of our critical suppliers to meet our needs. The Company has followed the current debate over climate change in general, and the related science, policy discussion, and prospective legislation. Additionally, the potential challenges and opportunities for the Company that climate change policy and legislation may pose have been reviewed. However, any such challenges or opportunities are heavily dependent on the nature and degree of climate

change legislation and the extent to which it applies to our industries. At this time, the Company cannot predict the ultimate impact of climate change and climate change legislation on the Company's operations or opportunities. Potential opportunities could include greater demand for wind towers and certain types of rail cars, while potential challenges could include decreased demand for certain types of rail cars and higher energy costs. Further, when or if these impacts may occur cannot be assessed until scientific analysis and legislative policy are more developed and specific legislative proposals begin to take shape.

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Changes in accounting standards or inaccurate estimates or assumptions in the application of accounting policies could adversely affect our financial results. Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. Some of these policies require use of estimates and assumptions that may affect the reported value of our assets or liabilities and financial results and are critical because they require management to make difficult, subjective, and complex judgments about matters that are inherently uncertain. Accounting standard setters and those who interpret the accounting standards (such as the Financial Accounting Standards Board, the Securities and Exchange Commission, and our independent registered public accounting firm) may amend or even reverse their previous interpretations or positions on how these standards should be applied. These changes can be hard to predict and can materially impact how we record and report our financial condition and results of operations. In some cases, we could be required to apply a new or revised standard retroactively, resulting in the restatement of prior period financial statements. For a further discussion of some of our critical accounting policies and standards and recent accounting changes, see Critical Accounting Policies and Estimates in Management's Discussion and Analysis of Financial Condition and Results of Operations and Note 1 Summary of Significant Accounting Policies of the Notes to Consolidated Financial Statements.

Some of our employees belong to labor unions and strikes or work stoppages could adversely affect our operations. We are a party to collective bargaining agreements with various labor unions at some of our operations in the U.S. and all of our operations in Mexico. Disputes with regard to the terms of these agreements or our potential inability to negotiate acceptable contracts with these unions in the future could result in, among other things, strikes, work stoppages or other slowdowns by the affected workers. We cannot be assured that our relations with our workforce will remain positive or that union organizers will not be successful in future attempts to organize at some of our facilities. If our workers were to engage in a strike, work stoppage or other slowdown, or other employees were to become unionized, or the terms and conditions in future labor agreements were renegotiated, we could experience a significant disruption of our operations and higher ongoing labor costs. In addition, we could face higher labor costs in the future as a result of severance or other charges associated with lay-offs, shutdowns or reductions in the size and scope of our operations or difficulties of restarting our operations that have been temporarily shuttered.

Natural disasters could disrupt our business and result in loss of revenue or in higher expenses. Any serious disruption at any of our facilities due to hurricane, earthquake, flood, or any other natural disaster could impair our ability to use our facilities and have a material adverse impact on our revenues and increase our costs and expenses. If there is a natural disaster or other serious disruption at any of our facilities, it could impair our ability to adequately supply our customers and negatively impact our operating results. While we maintain business recovery plans that are intended to allow us to recover from natural disasters that could disrupt our business, we cannot provide assurances that our plans would fully protect us from the effects of all such disasters. In addition, insurance may not adequately compensate us for any losses incurred as a result of natural or other disasters.

Additional Information. Our Internet website address is www.trin.net. Information on the website is available free of charge. We make available on our website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments thereto, as soon as reasonably practicable after such material is filed with, or furnished to, the SEC. The contents of our website are not intended to be incorporated by reference into this report or in any other report or document we file and any reference to our website is intended to be an inactive textual reference only.

Item 1B. Unresolved Staff Comments.

None.

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We principally operate in various locations throughout the United States and in Mexico. Our facilities are considered to be in good condition, well maintained, and adequate for our purposes. The productive capacity utilized represents the percentage for all of 2010.

	Approximate Square Feet		Productive Capacity Utilized
	Owned	Leased	
Rail Group	5,108,773	32,016	24%
Construction Products Group	1,349,000	21,000	74%
Inland Barge Group	915,300	81,000	72%
Energy Equipment Group	1,511,575	261,060	54%
Executive Offices	173,000		N/A
	9,057,648	395,076	

Item 3. *Legal Proceedings.*

See Note 18 of the Notes to Consolidated Financial Statements.

Table of Contents**PART II****Item 5. *Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.***

Our common stock is traded on the New York Stock Exchange under the ticker symbol TRN. The following table shows the closing price range of our common stock by quarter for the years ended December 31, 2010 and 2009.

Year Ended December 31, 2010	Prices	
	High	Low
Quarter ended March 31, 2010	\$ 20.58	\$ 15.22
Quarter ended June 30, 2010	26.46	17.72
Quarter ended September 30, 2010	22.27	16.45
Quarter ended December 31, 2010	26.68	22.01
Year Ended December 31, 2009	High	Low
Quarter ended March 31, 2009	\$ 17.90	\$ 6.47
Quarter ended June 30, 2009	16.95	9.57
Quarter ended September 30, 2009	19.07	12.01
Quarter ended December 31, 2009	19.45	16.35

Our transfer agent and registrar as of December 31, 2010 was American Stock Transfer & Trust Company.

Holders

At December 31, 2010, we had approximately 1,894 record holders of common stock. The par value of the common stock is \$1.00 per share.

Dividends

Trinity has paid 187 consecutive quarterly dividends. Quarterly dividends declared by Trinity for the years ended December 31, 2010 and 2009 are as follows:

	Year Ended December 31,	
	2010	2009
Quarter ended March 31,	\$ 0.08	\$ 0.08
Quarter ended June 30,	0.08	0.08
Quarter ended September 30,	0.08	0.08
Quarter ended December 31,	0.08	0.08
Total	\$ 0.32	\$ 0.32

Recent Sales of Unregistered Securities

None.

Table of Contents**Performance Graph**

The following Performance Graph and related information shall not be deemed soliciting material or to be filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or Securities Exchange Act of 1934, each as amended, except to the extent that the Company specifically incorporates it by reference into such filing.

The following graph compares the Company's cumulative total stockholder return (assuming reinvestment of dividends) during the five-year period ended December 31, 2010 with an overall stock market index (New York Stock Exchange index) and the Company's peer group index (Dow Jones Commercial Vehicles & Trucks Index). The data in the graph assumes \$100 was invested on January 1, 2006.

COMPARISON OF CUMULATIVE TOTAL RETURN

ASSUMES \$100 INVESTED ON Jan. 01, 2006
ASSUMES DIVIDEND REINVESTED
FISCAL YEAR ENDING DEC. 31, 2010

	2005	2006	2007	2008	2009	2010
Trinity Industries, Inc.	100	120	96	55	62	96
Dow Jones Commercial Vehicles & Trucks Index	100	128	186	89	130	214
New York Stock Exchange Index	100	120	131	80	102	116

Table of Contents**Issuer Purchases of Equity Securities**

This table provides information with respect to purchases by the Company of shares of its common stock during the quarter ended December 31, 2010:

Period	Number of Shares Purchased (1)	Average Price Paid per Share (1)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (2, 3)
October 1, 2010 through October 31, 2010		\$		\$ 132,536,481
November 1, 2010 through November 30, 2010	3,339	\$ 24.60		\$ 132,536,481
December 1, 2010 through December 31, 2010	7,143	\$ 24.99		\$ 0
Total	10,482	\$ 24.87		\$ 0

- (1) These columns include the following transactions during the three months ended December 31, 2010: (i) the deemed surrender to the Company of 4,712 shares of common stock to pay the exercise price and satisfy tax withholding in connection with the exercise of employee stock options; (ii) the surrender to the Company of 5,332 shares of common stock to satisfy tax withholding obligations in connection with the vesting of restricted stock issued to employees; and (iii) the purchase of 438 shares of common stock by the Trustee for assets held in a non-qualified employee profit sharing plan trust.
- (2) The Company's share repurchase program which commenced in 2007 with an authorization of \$200 million expired on December 31, 2010. No shares were repurchased under the program for the three months ended December 31, 2010. From inception through December 31, 2010, the Company repurchased a total of 3,532,728 shares at a cost of approximately \$67.5 million.
- (3) On December 9, 2010, the Company's Board of Directors authorized a new \$200 million share repurchase program, effective January 1, 2011. This program replaces the Company's previous share repurchase program and expires December 31, 2012.

Table of Contents**Item 6. Selected Financial Data.**

The following financial information for the five years ended December 31, 2010 has been derived from our audited consolidated financial statements. This information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto included elsewhere herein.

(in millions, except percent and per share data)	Year Ended December 31,				
	2010	2009	2008	2007	2006
Statement of Operations Data:					
Revenues	\$ 2,189.1	\$ 2,575.2	\$ 3,882.8	\$ 3,832.8	\$ 3,218.9
Operating profit (loss)	304.0	(30.7)	559.5	529.8	396.0
Income (loss) from continuing operations	75.6	(137.5)	282.4	289.8	212.6
Discontinued operations:					
Gain on sales of discontinued operations, net of provision for income taxes of \$12.2					20.4
Loss from discontinued operations, net of benefit for income taxes of \$(0.0), \$(0.0), \$(0.0), \$(0.2), and \$(1.7)	(0.2)	(0.2)	(1.5)	(0.7)	(5.8)
Net income (loss)	\$ 75.4	\$ (137.7)	\$ 280.9	\$ 289.1	\$ 227.2
Net income (loss) attributable to Trinity Industries, Inc.	\$ 67.4	\$ (137.7)	\$ 280.9	\$ 289.1	\$ 227.2
Net income (loss) attributable to Trinity Industries, Inc. per common share:					
Basic:					
Continuing operations	\$ 0.85	\$ (1.81)	\$ 3.49	\$ 3.58	\$ 2.69
Discontinued operations	(0.00)	(0.00)	(0.02)	(0.01)	0.19
	\$ 0.85	\$ (1.81)	\$ 3.47	\$ 3.57	\$ 2.88
Diluted:					
Continuing operations	\$ 0.85	\$ (1.81)	\$ 3.47	\$ 3.55	\$ 2.64
Discontinued operations	(0.00)	(0.00)	(0.02)	(0.01)	0.18
	\$ 0.85	\$ (1.81)	\$ 3.45	\$ 3.54	\$ 2.82
Weighted average number of shares outstanding:					
Basic	76.8	76.4	78.4	78.7	76.9
Diluted	77.0	76.4	78.8	79.4	78.5
Dividends declared per common share	\$ 0.32	\$ 0.32	\$ 0.31	\$ 0.26	\$ 0.21
Balance Sheet Data:					
Total assets	\$ 5,760.0	\$ 4,656.4	\$ 4,911.6	\$ 4,039.7	\$ 3,422.3
Debt recourse	450.3	646.0	584.4	590.3	624.3

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Debt non-recourse	2,457.4	1,199.1	1,190.3	643.9	426.5
Stockholders equity	\$ 1,845.7	\$ 1,806.3	\$ 1,912.3	\$ 1,812.7	\$ 1,493.5
Ratio of total debt to total capital	61.2%	50.5%	48.1%	40.5%	41.3