UTAH MEDICAL PRODUCTS INC
Form DEF 14A
March 20, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

o	Preliminary Proxy Statement
o	Confidential, for Use of the Commission Only (as permitted by rule 14a-6(e)(2))
x	Definitive Proxy Statement
o	Definitive Additional Materials
o	Soliciting Material Pursuant to S240.14a-11(c) or S240.14a-12

UTAH MEDICAL PRODUCTS, INC.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filling Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):
x No fee required.

o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined).

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule, or Registration Statement No.:

3) Filing Party:

4) Date Filed:

March 17, 2009

Dear UTMD Shareholder:

You are cordially invited to attend the 2009 Annual Meeting of Shareholders of Utah Medical Products, Inc. (UTMD). The meeting will be held promptly at 12:00 noon (local time), on Friday, May 15, 2009, at the corporate offices of UTMD, 7043 South 300 West, Midvale, Utah USA. Please use the North Entrance.

Please note that attendance at the Annual Meeting will be limited to shareholders as of the record date (or their authorized representatives) and guests of the Company. Proof of ownership can be a copy of the enclosed proxy card. You may wish to refer to page one of this Proxy Statement for information about voting your proxy, including voting at the Annual Meeting.

At the Annual Meeting, we seek the approval of UTMD shareholders in electing two directors and considering other business. If you think you will be unable to attend the meeting, please complete your proxy and return it as soon as possible. If you decide later to attend the meeting, you may revoke the proxy and vote in person.

You have several options for obtaining UTMD's public announcements and other disclosures including financial information, such as SEC Forms 10-K and 10-Q. You can be added to the Company mail or fax lists by contacting Paul Richins with your mailing address or fax number, by sending an instruction letter to the corporate address, by calling (801-569-4200) with instructions, or by e-mailing your contact information to info@utahmed.com. As an alternative, you can view and print Company financial and other information directly from UTMD's website; http://www.utahmed.com.

Thank you for your ownership in UTMD!

/s/ Kevin L. Cornwell

Sincerely
Kevin L. Cornwell
Chairman & CEO

UTAH MEDICAL PRODUCTS, INC.
7043 South 300 West
Midvale, Utah 84047
(801) 566-1200

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 15, 2009

TO THE SHAREHOLDERS OF UTAH MEDICAL PRODUCTS, INC.

The Annual Meeting of Shareholders (the "Annual Meeting") of UTAH MEDICAL PRODUCTS, INC. (the "Company" or "UTMD"), will be held at the corporate offices of the Company, 7043 South 300 West, Midvale, Utah, on May 15, 2009, at 12:00 noon, local time, for the following purposes:

(1) To elect two directors to serve for terms expiring at the 2012 Annual Meeting and until successors are elected and qualified;

(2) To transact such other business as may properly come before the Annual Meeting.

UTMD's Board of Directors recommends a vote "FOR" the nominated directors, whose backgrounds are described in the accompanying Proxy Statement, and for the other proposal.

Only shareholders of record at the close of business on March 13, 2009 (the "Record Date"), are entitled to notice of and to vote at the Annual Meeting.

This Proxy Statement and form of proxy are being first furnished to shareholders of the Company on approximately April 1, 2009.

THE ATTENDANCE AT AND/OR VOTE OF EACH SHAREHOLDER AT THE ANNUAL MEETING IS IMPORTANT, AND EACH SHAREHOLDER IS ENCOURAGED TO ATTEND.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Kevin L. Cornwell

Kevin L. Cornwell, Secretary

Salt Lake City, Utah
Dated: March 17, 2009

PLEASE PROMPTLY FILL IN, SIGN, DATE AND RETURN THE ENCLOSED PROXY, WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING.

If your shares are held in the name of a third party brokerage firm, nominee, or other institution, only that third party can vote your shares. In that case, please promptly contact the third party responsible for your account and give instructions how your shares should be voted.

TABLE OF CONTENTS

UTAH MEDICAL PRODUCTS, INC.
PROXY STATEMENT

This Proxy Statement is furnished to shareholders of UTAH MEDICAL PRODUCTS, INC. (the "Company" or "UTMD") in connection with the Annual Meeting of Shareholders (the "Annual Meeting") to be held at the corporate offices of the Company, 7043 South 300 West, Midvale, Utah, on May 15, 2009, at 12:00 noon, local time, and any postponement or adjournment(s) thereof. The enclosed proxy, when properly executed and returned in a timely manner, will be voted at the Annual Meeting in accordance with the directions set forth thereon. If the enclosed proxy is signed and timely returned without specific instructions, it will be voted at the Annual Meeting:

(1) FOR the election of Kevin L. Cornwell and Paul O. Richins as directors; and

(2) IN accordance with the best judgment of the persons acting under the proxies on other matters presented for a vote.

The Board of Directors has approved the foregoing proposals and recommends that the shareholders vote in favor of each of the proposals. Proxies solicited by the Company will be voted FOR each of the proposals unless a vote against, or an abstention from, one or more of the proposals is specifically indicated on the proxy.

A proxy for the Annual Meeting is enclosed. It is important that each shareholder complete, sign, date and return the enclosed proxy promptly, whether or not she/he plans to attend the Annual Meeting. Any shareholder who executes and delivers a proxy has the right to revoke it at any time prior to its exercise by providing the Secretary of the Company with an instrument revoking the proxy or by providing the Secretary of the Company with a duly executed proxy bearing a later date. In addition, a shareholder may revoke her/his proxy by attending the Annual Meeting and electing to vote in person.

Proxies are being solicited by the Company. All costs and expenses incurred in connection with the solicitation will be paid by the Company. Proxies are being solicited by mail, but in certain circumstances, officers and directors of the Company may make further solicitation in person, by telephone, facsimile transmission, telegraph or overnight courier.

Only holders of the 3,608,000 shares of common stock, par value $0.01 per share, of the Company (the "Common Stock") issued and outstanding as of the close of business on March 13, 2009 (the "Record Date"), will be entitled to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote. Holders of at least a majority of the 3,608,000 shares of Common Stock outstanding on the Record Date must be represented at the Annual Meeting to constitute a quorum for conducting business.

All properly executed and returned proxies, as well as shares represented in person at the meeting, will be counted for purposes of determining if a quorum is present, whether or not the proxies are instructed to abstain from voting or consist of broker non-votes. Under the Utah Revised Business Corporation Act, matters other than the election of directors and certain specified extraordinary matters are approved if the number of votes cast FOR exceed the number of votes cast AGAINST. Directors are elected by a plurality of the votes cast. Abstentions and broker non-votes are not counted for purposes of determining whether a matter has been approved or a director has been elected.

Executive officers and directors holding an aggregate of 390,154 shares, or approximately 11%, of the issued and outstanding stock have indicated their intent to vote in favor of all proposals.

1

PROPOSAL NO. 1. ELECTION OF DIRECTORS

General

The Company's Articles of Incorporation provide that the Board of Directors is divided into three classes as nearly equal in size as possible, with the term of each director being three years and until such director's successor is elected and qualified. One class of the Board of Directors shall be elected each year at the annual meeting of the shareholders of the Company. The Board of Directors has nominated Mr. Kevin L. Cornwell and Mr. Paul O. Richins for election as directors, each for a three-year term expiring at the 2012 Annual Meeting.

It is intended that votes will be cast, pursuant to authority granted by the enclosed proxy, for the election of the nominee named above as director of the Company, except as otherwise specified in the proxy. In the event a nominee shall be unable to serve, votes will be cast, pursuant to authority granted by the enclosed proxy, for such other person as may be designated by the Board of Directors. The officers of the Company are elected to serve at the pleasure of the Board of Directors. The information concerning the nominee and other directors and their security holdings has been furnished by them to the Company. (See "PRINCIPAL SHAREHOLDERS" below.)

Directors and Nominees

The Board of Directors' nominees for election as directors of the Company at the Annual Meeting are Kevin L. Cornwell and Paul O. Richins. Other members of the Board of Directors were elected at the Company's 2007 and 2008 meetings for terms of three years, and therefore, are not standing for election at the Annual Meeting. The term of Dr. Payne expires at the 2010 Annual Meeting, and the terms of Mr. Hoyer and Dr. Beeson expire at the 2011 Annual Meeting. The Board of Directors has determined that Dr. Payne, Mr. Hoyer and Dr. Beeson are independent directors within the meaning of NASD Rule 4200(a)(15). Background information appears below with respect to the incumbent directors whose terms have not expired, as well as the directors standing for reelection to the Board.

Name	Age	Year First Elected	Business Experience during Past Five Years and Other Information
Kevin L. Cornwell	62	1993	Chairman of UTMD since 1996. President and CEO since December 1992; Secretary since 1993. Has served in various senior operating management positions in several technology-based companies over a 30-year time span, including as a director on seven other company boards. Received B.S. degree in Chemical Engineering from Stanford University, M.S. degree in Management Science from the Stanford Graduate School of Engineering, and M.B.A. degree specializing in Finance and Operations Management from the Stanford Graduate School of Business.
Ernst G. Hoyer	71	1996	Retired. Served fifteen years as General Manager of Petersen Precision Engineering Company, Redwood City, CA. Previously served in engineering and general management positions for four technology-based companies over a 30-year time span. Received B.S. degree in process engineering from the University of California, Berkeley, and M.B.A. degree from the University of Santa Clara.

Barbara A. Payne	62	1997	Retired. Served over eighteen years as corporate research scientist for a Fortune 50 firm, and environmental scientist for a national laboratory. Received B.A. degree in psychology from Stanford University, M.A. degree from Cornell University, and M.A. and Ph.D. degrees in sociology from Stanford University.

2

Name	Age	Year First Elected	Business Experience during Past Five Years and Other Information
James H. Beeson	67	2007	Professor and Past Chairman of The University of Oklahoma College of Medicine, Tulsa, Department of Obstetrics and Gynecology. Received B.S. degree in Chemistry from Indiana University in 1962, Ph.D. degree in Organic Chemistry from M.I.T. in 1966, MBA from Michigan State University in 1970, and M.D. from the University of Chicago Pritzker School of Medicine in 1976. Served four year residency in Ob/Gyn at Chicago Lying-In Hospital, and has actively practiced Obstetrics and Gynecology for over 30 years. Currently licensed to practice medicine in the states of Utah, Oklahoma and Texas. Has published numerous articles and other technical papers.
Paul O. Richins	48	1998	Chief Administrative Officer of UTMD since 1997. Treasurer and Assistant Secretary since 1994. Joined UTMD in 1990. Received B.S. degree in finance from Weber State University, and M.B.A. degree from Pepperdine University.

Code of Ethics

The Company has adopted a Code of Ethics specifically for its Board of Directors. The Company also has a Code of Conduct that applies to all of its employees, including its named executive officers, principal financial officer, and board of directors. The Code of Ethics and Code of Conduct are available on the Company's website, www.utahmed.com.

[remainder of page intentionally left blank]

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN PERSONS

The following table furnishes information concerning the ownership of the Company's Common Stock as of March 13, 2009, by the directors, the nominees for director, the executive officers named in the compensation tables on page 5, all directors and executive officers as a group, and those known by the Company to own beneficially more than 5% of the Company's outstanding Common Stock as of December 31, 2008.

Name	Nature of Ownership	Number of Shares Owned	Percent
Principal Shareholders			
FMR Corp 82 Devonshire Street Boston, Massachusetts 02109	Direct	460,000	12.8%
Bares Capital Management, Inc. 221 West 6th Street, Suite 1225 Austin, Texas 78701	Direct	268,523	7.4%
Ashford Capital Management, Inc. font-size:10pt;">	Direct	205,550	5.7%

2001

S. Theis Rice*

63

Senior Vice President and Chief Legal Officer

2002

Tammy D. Gilbert

53

Vice President, Information Technology

2012

Virginia C. Gray, Ph.D.

54

Vice President, Organizational Development

2007

Mary E. Henderson*

55

Vice President and Chief Accounting Officer

2009

John M. Lee

53

Vice President, Business Development

1994
Steven L. McDowell

52

Vice President and Chief Audit Executive

2013
Gail M. Peck

46

Vice President and Treasurer

2010
Heather Perttula Randall

40

Vice President, Legal Affairs and Government Relations

2011
Jared S. Richardson

41

Vice President, Associate General Counsel and Secretary

2010
Stephen W. Smith

64

Vice President and Chief Technical Officer

2012
C. Michael Williams

58

Vice President, Human Resources

2012

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

Ms. Gilbert joined Trinity in 2012 as Vice President, Information Technology. Prior to joining Trinity, she worked for Hewlett-Packard from 2006 to 2012, most recently serving as the America's Vice President, Transition, Transformation, and Project/Program Management. She has also held executive positions with Electronic Data Systems, Sabre Holdings, American Airlines, and Harris Methodist Hospital.

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 and Chief Accounting Officer.

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. In 2012, Mr. McWhirter was named Senior Vice President and Group President of the Construction Products, Energy Equipment, and Inland Barge Groups.

Mr. McDowell joined the Company in 2013 as Vice President and Chief Audit Executive. Prior to joining Trinity, he worked for Dean Foods from 2007 to 2013, where he held a variety of management positions and most recently served as Vice President, Internal Audit and Risk Management. Prior to his tenure at Dean Foods, he served as Vice President - Internal Audit at Centex Corporation.

Ms. Peck joined Trinity in 2010 as Treasurer and was appointed Vice President and Treasurer in 2011. Prior to joining Trinity, she worked for Centex Corporation from 2001 to 2009, most recently serving as Vice President and Treasurer since 2004.

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 and in 2011 was elected Senior Vice President and Chief Financial Officer.

Ms. Randall joined the Company in 2005 as Chief Counsel of TrinityRail. In 2006, she became Deputy General Counsel in charge of litigation for Trinity. In 2011, Ms. Randall was elected Vice President, Legal Affairs and Government Relations.

Mr. Rice joined the Company in 1991 and held various legal and business positions until 2005, when he was elected Vice President and Chief Legal Officer. He was named Senior Vice President, Human Resources and Chief Legal Officer in 2011 and was named Senior Vice President and Chief Legal Officer in 2013.

Mr. Richardson joined the Company in 2010 as Associate General Counsel and Secretary. In 2012, Mr. Richardson was elected Vice President, Associate General Counsel, and Secretary. From 2004 to 2009, he handled legal, 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.

Mr. Smith joined the Company in 1976 and held various engineering positions advancing to Senior Vice President Engineering for TrinityRail. In 2008, Mr. Smith was promoted to a corporate position and has served as an engineering and technical advisor to Trinity's Group Presidents and corporate officers. In 2012, Mr. Smith was elected Vice President and was named Chief Technical Officer in 2013.

Mr. Williams joined Trinity in 2012 as Vice President, Human Resources. Prior to joining Trinity, he was Vice President and Chief People Officer at Luminant, the power generation and mining subsidiary of Energy Future Holdings Corp from 2010 to 2012. He has also held human resources leadership positions at Safety-Kleen Systems, Inc., Service Master, Inc., and Waste Management, Inc.

Messrs. Wallace, Menzies, and Lee and Dr. Gray have been in full time employment of Trinity or its subsidiaries for more than five years and have performed essentially the same respective duties during such time.

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.

Volatility in the global financial markets may adversely affect our business and operating results. During periods of volatility in the global financial markets, certain of our customers could delay or otherwise reduce their purchases of railcars, barges, wind towers, and other products and services. If volatile conditions in the global credit markets prevent our customers' access to credit, product order volumes may decrease or customers may default on payments owed to us. Likewise, if our suppliers face challenges obtaining credit, selling their products to customers that require purchasing credit, or otherwise operating their businesses, the supply of materials we purchase from them to manufacture our products may be interrupted. Any of these conditions or events 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.

Our backlog is not necessarily indicative of the level of our future revenues. Our backlog represents future production and estimated potential revenue attributable to firm contracts with, or approved purchase orders from, our customers for delivery in various periods. Instability in the global economy, negative conditions in the global credit markets, volatility in the industries that our products serve, changes in legislative policy, adverse changes in the availability of raw materials and supplies, or adverse changes in the financial condition of our customers could lead to customers' requests for deferred deliveries of our backlog orders. Additionally such events could result in our customers' attempts to cancel orders in whole or in part or terminate firm contracts resulting in un-remedied contract breaches or purchase order breaches, and increased commercial litigation costs. Such occurrences could adversely affect our cash flows and results of operations.

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 sharp cyclical downturns and at such times operated with a minimal backlog.

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. Although we maintain reserves for our reasonably estimable liability, our reserves may be inadequate to cover our portion of claims or judgments after taking into consideration rights in indemnity and recourse to third parties. 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 could lower our margins and profitability. The principal material used in our manufacturing segments is steel. Market steel prices continue to exhibit short periods of volatility. Steel prices may experience further volatility as a result of scrap surcharges assessed by steel mills and other market factors. We often use contract-specific purchasing practices, existing supplier commitments, contractual price escalation provisions, and other arrangements with our customers to mitigate the effect of this volatility on our operating profits for the year. To the extent that we do not have such arrangements in place, an increase in steel prices could materially lower our margins and profitability. In addition, meeting production demands is dependent on our ability to obtain a sufficient amount of steel. An 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: (i) the release or discharge of materials into the environment at our facilities or with respect to our products while in operation; (ii) the management, use, processing, handling, storage, transport, and disposal of hazardous and non-hazardous waste and materials; and (iii) 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 involving 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. Although we regularly monitor and review our operations, procedures, and policies for compliance with our operating permits and related laws and regulations, the risk of environmental liability is inherent in the operation of our businesses, as it is with other companies operating under environmental permits.

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 the manufacture of our products and related business activities and properties, may give rise to additional compliance and other costs that could have a material adverse effect on our financial condition and operations.

In addition to environmental laws, the transportation of commodities by railcar or barge raises potential risks in the event of a derailment or other accident that results in the release of an environmentally sensitive substance. Generally, liability under existing law in the U.S. for a derailment or other accident depends upon causation analysis and the acts, errors, or omissions, if any, of a party involved in the transportation activity, including, but not limited to, the railroad, the shipper, the buyer and seller of the substances being transported, or the manufacturer of the barge, railcar, or its components. Under certain circumstances strict liability concepts may apply and if we are found liable in any such incident, it could have a material adverse effect on our financial condition, business, and operations.

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. In addition to price, we face competition in product performance and technological innovation, quality, reliability of delivery, customer service, and other factors. This competition is often intense, the effects of which could reduce our revenues and operating profits, limit our ability to grow, increase pricing pressure on our products, and otherwise affect our financial results.

The limited number of customers in certain of our businesses, the variable purchase patterns of our customers in all our segments, and the timing of completion, delivery, and customer acceptance of orders may cause our revenues and income from operations to vary substantially each quarter, which would result in significant fluctuations in our quarterly results. Some of the markets we serve are dominated by a limited number of customers. Customers in each of our business segments do not purchase a similar volume of products each year nor make purchases consistently from year-to-year. As a result, the order levels for our products

Table of Contents

have varied significantly from quarterly period to quarterly period in the past and may continue to vary significantly in the future. Therefore, our results of operations in any particular quarterly period may be significantly affected. As a result of these quarterly fluctuations, we believe that comparisons of our sales and operating results between quarterly periods may not be meaningful and should not be relied upon as indicators of future performance.

Access to capital due to deterioration of conditions in the global capital markets, weakening of macroeconomic conditions, and negative changes in credit ratings may be limited or unavailable. In general, the Company, and more specifically its leasing subsidiaries' operations, rely in large part upon banks and capital markets to fund its operations and contractual commitments and refinance existing debt. These markets can experience high levels of volatility and access to capital can be constrained for an extended period of time. In addition to conditions in the capital markets, a number of other factors could cause the Company to incur increased borrowing costs and to have greater difficulty accessing public and private markets for both secured and unsecured debt. These factors include the Company's financial performance and its credit ratings and rating outlook as determined primarily by rating agencies such as Standard & Poor's, Moody's, and Fitch's. If the Company is unable to secure financing on acceptable terms, the Company's other sources of funds, including available cash, bank facilities, and cash flow from operations may not be adequate to fund its operations and contractual commitments and refinance existing debt.

Lower demand for re-marketed railcars from expiring leases on favorable terms could result in lower lease utilization percentages and reduced revenues. The profitability of our railcar leasing business is partially dependent on our ability to re-lease railcars upon the expiration and non-renewal of existing leases, to sell railcars in the secondary market as part of our ongoing business activities, 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;
- the availability in the market generally of other used or new railcars;
- the degree of obsolescence of leased railcars, including railcars subject to expedited regulatory mandate;
- the prevailing market and economic conditions, including the availability of credit, interest rates, and inflation rates;
- the demand for refurbishment; and
- the volume and nature of railcar traffic and 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 price and supply of specialty and other component parts used in the production of our products could have a material adverse effect on our ability to cost-effectively manufacture and sell our products. In some instances, we rely on a limited number of suppliers for certain components needed in our production. A significant portion of our business depends on the adequate supply of numerous specialty and other 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. Our manufacturing operations partially depend on our ability to obtain timely deliveries of materials, parts, and components in acceptable quantities and quality from our suppliers. Certain parts and components of our products are currently available from a limited number of suppliers and, as a result, we may have limited control over pricing, availability, and delivery schedules. If we are unable to purchase a sufficient quantity of parts and components on a timely basis, we could face disruptions in our production and incur delays while we attempt to engage alternative suppliers. Fewer suppliers could result from unimproved or worsening economic or commercial conditions which could increase our rejections for poor quality and require us to source unknown and distant supply alternatives. Any such disruption or conditions could harm our business and adversely impact our results of operations.

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 U.S. 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 (including limitations imposed by increased regulation or restrictions on rail, road, and pipeline transportation of energy supplies) 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, parts, and components 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 price. 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 our customers use to transport hazardous, flammable, toxic, or explosive materials. 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 the reserves we maintain for the reasonably estimable liability in such claims or such number and severity of claims could expose us to uninsured damages if we were unable or elected not to insure against certain hazards because of high premiums or other reasons. While our liability insurance coverage is at or above levels based on commercial norms in our industries, an unusually large liability claim or a string of claims coupled with an unusually large damage award could exceed our liability insurance coverage. In addition, the availability of, and our ability to collect on, insurance coverage is often subject to factors beyond our control. If any of our third-party insurers fail, cancel our coverage, or otherwise are unable to provide us with adequate insurance coverage, then our overall risk exposure and our operational expenses would increase and the management of our business operations would be disrupted. Moreover, any accident or incident involving our industries in general or us or our products specifically, 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 U.S., particularly Mexico, could decrease our profitability. Our operations outside of the U.S. are subject to the risks associated with cross-border business transactions and activities. Political, legal, trade, economic change or instability, unrestrained criminal activities, or social unrest could limit or curtail our respective foreign business activities and operations, including the ability to hire and retain employees. Violence in Mexico associated with drug trafficking has not abated. We have not, to date, been materially affected by any of these risks, but we cannot predict the likelihood of future effects from such risks or any resulting adverse impact on our business, results of operations, or financial condition. Many items manufactured by us in Mexico are sold primarily in the U.S. and the transportation and import of such products may be disrupted. 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 laws, rules, and regulatory requirements; tariffs and other trade barriers, including regulatory initiatives for buying goods produced in America; more stringent or restrictive laws, rules, and regulations relating to labor or the environment; adverse tax consequences; and price exchange controls could limit operations affecting production throughput and making the manufacture and distribution of our products less timely or more difficult. Furthermore, any material change in the quotas, regulations, or duties on imports imposed by the U.S. 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 have operations outside the U.S., we could be adversely affected by final judgments of non-compliance with the U.S. Foreign Corrupt Practices Act or import/export rules and regulations and similar anti-corruption or import/export laws of other countries.

Equipment failures or extensive damage to our facilities, including as might occur as a result of natural disasters, could lead to production or service curtailments or shutdowns, loss of revenue or higher expenses. We operate a substantial amount of equipment at our production facilities, several of which are situated in tornado and hurricane zones and on navigable waterways in the U.S. An interruption in production capabilities or maintenance and repair capabilities at our facilities, as a result of equipment failure or acts of nature, including non-navigation orders resulting from low-water conditions issued from time to time by the U.S. Army Corps of Engineers on one or more U.S. rivers which serve our facilities, could reduce or prevent our production, service, or repair of our products and increase our costs and expenses. A halt of production at any of our manufacturing facilities could severely affect delivery times to our customers. 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, which may adversely affect our financial condition. Any significant delay in deliveries not otherwise contractually mitigated by favorable force majeure provisions could result in cancellation of all or a portion of our orders, cause us to lose future sales, and negatively affect our reputation and our results of operations.

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 largely 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 U.S. or its interests abroad may adversely affect the U.S. 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. Our railcar manufacturing and leasing businesses are regulated by multiple governmental regulatory agencies such as the U.S. Environmental Protection Agency; the U.S. Department of Transportation and the administrative agencies it oversees, including the Federal Railroad Administration, the Pipeline and Hazardous Materials Safety Administration, and the Research and Special Programs Administration; and industry authorities such as the Association of American Railroads. All such agencies and authorities promulgate rules, regulations, specifications, and operating standards affecting railcar design, configuration, and mechanics; maintenance, and rail-related safety standards for railroad equipment, tracks, and operations, including the packaging and transportation of hazardous or toxic materials. Future regulatory changes in the rail industry, including rules, regulations, and specifications mandating modified railcar designs, configurations, materials, and equipment could affect compliance costs and may have a material adverse effect on our financial condition and operations.

Our Inland Barge operations are subject to regulation by the U.S. Coast Guard; the U.S. National Transportation Safety Board; the U.S. Customs Service; the Maritime Administration of the U.S. 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.

Our Construction Products Group is subject to regulation by the U.S. Department of Transportation; the Federal Highway Administration; and state highway departments and administrative agencies. These organizations establish certain standards, specifications, and product testing criteria related to the manufacture of our highway products. If our products were found to be not in compliance with these standards, specifications, or product testing criteria, 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 U.S. Occupational Safety and Health Administration and the U.S. Mine Safety and Health Administration. Although we believe we employ appropriate precautions to protect our employees and others from workplace injuries and harmful exposure to materials handled and managed at our facilities, 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 U.S. 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.

Some of our customers place orders for our products in reliance on their ability to utilize tax benefits or tax credits such as accelerated depreciation or the production tax credit for renewable energy, or to recover the cost of products acquired to comply with federal requirements or standards. There is no assurance that the U.S. government will reauthorize, modify, or otherwise not allow the expiration of such tax benefits, tax credits, or reimbursement policies, and in cases where such subsidies and policies are materially modified to reduce the available benefit, credit, or reimbursement or are otherwise allowed to expire, the demand for our products could decrease, thereby creating the potential for a material adverse effect on our financial condition or results of operations.

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. 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. Under varying circumstances, we may seek to minimize these risks through the use of interest rate hedges and similar financial instruments and other activities, although these measures, if and when implemented, may not be 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 or the number of railcars needed to transport current or an increasing volume of goods may decline. Features and functionality specific to certain railcar types could result in those railcars becoming obsolete as customer requirements for freight delivery change or as regulatory mandates are promulgated that affect railcar design, configuration, and manufacture.

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. We have 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 railcars, while potential challenges could include decreased demand for certain types of railcars 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.

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 SEC, 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 difficult 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.

Shortages of skilled labor could adversely impact our operations. We depend on skilled labor in the manufacture, maintenance, and repair of our products. Some of our facilities are located in areas where demand for skilled laborers may exceed supply. Shortages of some types of skilled laborers, such as welders, could restrict our ability to maintain or increase production rates and could increase our labor costs.

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.

Table of Contents

From time to time we may take tax positions that the Internal Revenue Service or other taxing jurisdictions may contest. We have in the past and may in the future take tax positions that the Internal Revenue Service (“IRS”) or other taxing jurisdictions may challenge. We are required to disclose to the IRS as part of our tax returns particular tax positions in which we have a reasonable basis for the position but not a "more likely than not" chance of prevailing. If the IRS successfully contests a tax position that we take, we may be required to pay additional taxes or fines which may not have been previously accrued that may adversely affect our results of operations and financial position.

Our inability to produce and disseminate relevant and/or reliable data and information pertaining to our business in an efficient, cost-effective, secure, and well-controlled fashion may have significant negative impacts on confidentiality requirements and obligations and proprietary needs and expectations and, therefore, our future operations, profitability, and competitive position. Management relies on information technology infrastructure and architecture, including hardware, network, software, people, and processes to provide useful and confidential information to conduct our business in the ordinary course, including correspondence and commercial data and information interchange with customers, suppliers, legal counsel, governmental agencies, and financial institution consultants, and to support assessments and conclusions about future plans and initiatives pertaining to market demands, operating performance, and competitive positioning. In addition, any material failure, interruption of service, or compromised data security could adversely affect our relations with suppliers and customers, place us in violation of confidentiality and data protection laws, rules, and regulations, and result in negative impacts to our market share, operations, and profitability. Security breaches in our information technology could result in theft, destruction, loss, misappropriation, or release of confidential data or intellectual property which could adversely impact our future results.

Discord, conflict, and lack of compromise within and amongst the executive and legislative branches of the U.S. government relative to federal government budgeting, taxation policies, government expenditures, and U.S. borrowing/debt ceiling limits could adversely affect our business and operating results. The inability of the legislative and executive branches of the U.S. government to pass a federal government budget, address tax revenue requirements, control deficit spending, and effectively manage short and long term U.S. government borrowing, debt ratings, and debt ceiling adjustments, could negatively impact U.S. domestic and global financial markets thereby reducing demand by our customers for our products and services thereby reducing revenues. Similarly, 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.

The Company could potentially fail to successfully integrate new businesses or products into its current business. The Company routinely engages in the search for growth opportunities, including assessment of merger and acquisition prospects in new markets and/or products. Any merger or acquisition in which the Company becomes involved and ultimately concludes is subject to integration into the Company's businesses and culture. If such integration is unsuccessful to any material degree, such lack of success could have a material adverse effect on our business, operations, or overall financial condition.

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.

Table of Contents

Item 2. Properties.

We principally operate in various locations throughout the U.S. and in Mexico. Our facilities are considered to be in good condition, well maintained, and adequate for our purposes.

	Approximate Square Feet		Approximate Square Feet Located In	
	Owned	Leased	US	Mexico
Rail Group	5,797,300	99,500	3,820,000	2,076,800
Construction Products Group	1,770,200	102,400	1,841,500	31,100
Inland Barge Group	986,300	81,000	1,067,300	—
Energy Equipment Group	1,692,300	435,000	1,439,400	687,900
Executive Offices	231,200	3,100	211,000	23,300
	10,477,300	721,000	8,379,200	2,819,100

Our estimated weighted average production capacity utilization for the twelve month period ended December 31, 2013 is reflected by the following percentages:

	Production Capacity Utilized	
Rail Group	80	%
Construction Products Group	70	%
Inland Barge Group	85	%
Energy Equipment Group	85	%

Item 3. Legal Proceedings.

See Note 18 of the Notes to Consolidated Financial Statements.

Item 4. Mine Safety Disclosures

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this Form 10-K.

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, 2013 and 2012.

	Prices	
Year Ended December 31, 2013	High	Low
Quarter ended March 31, 2013	$45.39	$36.20
Quarter ended June 30, 2013	44.62	35.29
Quarter ended September 30, 2013	46.17	35.75
Quarter ended December 31, 2013	56.65	43.58
Year Ended December 31, 2012	High	Low
Quarter ended March 31, 2012	$35.93	$29.69
Quarter ended June 30, 2012	33.48	22.80

Quarter ended September 30, 2012	33.55	21.85
Quarter ended December 31, 2012	36.05	29.01

Our transfer agent and registrar as of December 31, 2013 was American Stock Transfer & Trust Company.

Table of Contents

Holders

At December 31, 2013, we had 1,822 record holders of common stock. The par value of the common stock is $1.00 per share.

Dividends

Trinity has paid 199 consecutive quarterly dividends. Quarterly dividends declared by Trinity for the years ended December 31, 2013 and 2012 are as follows:

	Year Ended December 31,	
	2013	2012
Quarter ended March 31,	$0.11	$0.09
Quarter ended June 30,	0.13	0.11
Quarter ended September 30,	0.15	0.11
Quarter ended December 31,	0.15	0.11
Total	$0.54	$0.42

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, 2013 with an overall stock market index (New York Stock Exchange Composite Index) and the Company's peer group index (Dow Jones US Commercial Vehicles & Trucks Index). The data in the graph assumes $100 was invested on December 31, 2008.

	2008	2009	2010	2011	2012	2013
Trinity Industries, Inc.	100	113	175	200	242	373
Dow Jones US Commercial Vehicles & Trucks Index	100	146	240	211	236	282
New York Stock Exchange Composite Index	100	129	146	141	164	208

Table of Contents

Issuer Purchases of Equity Securities N EED

This table provides information with respect to purchases by the Company of shares of its common stock during the quarter ended December 31, 2013:

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)
October 1, 2013 through October 31, 2013	357	$46.02	—	$126,211,453
November 1, 2013 through November 30, 2013	253,847	$53.07	240,000	$113,474,571
December 1, 2013 through December 31, 2013	399,065	$54.12	399,000	$91,880,173
Total	653,269	$53.71	639,000	$91,880,173

(1) These columns include the following transactions during the three months ended December 31, 2013: (i) the deemed surrender to the Company of 2,782 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 11,137 shares of common stock to satisfy tax withholding obligations in connection with the vesting of restricted stock issued to employees, (iii) the purchase of 350 shares of common stock by the Trustee for assets held in a non-qualified employee profit-sharing plan trust, and (iv) the purchase of 639,000 shares of common stock on the open market as part of the stock repurchase program.

(2) In September 2012, the Company's Board of Directors authorized a $200 million share repurchase program, effective October 1, 2012, which expires on December 31, 2014. During the three months ended December 31, 2013, the Company repurchased 639,000 shares under the program at a cost of approximately $34.3 million. Certain shares of stock repurchased during December 2013, totaling $5.0 million, were cash settled in January 2014 in accordance with normal settlement practices. The approximate dollar value of shares that were eligible to be repurchased under such share repurchase program is shown as of the end of such month or quarter.

Table of Contents

Item 6. Selected Financial Data.

The following financial information for the five years ended December 31, 2013 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.

	Year Ended December 31,				
	2013	2012	2011	2010	2009
	(in millions, except percent and per share data)				
Statement of Operations Data:					
Revenues	$4,365.3	$3,811.9	$2,938.3	$1,930.7	$2,162.9
Operating profit (loss)	772.9	574.8	426.8	294.2	(36.1)
Income (loss) from continuing operations	386.1	251.9	146.8	69.4	(140.8)
Gain on sale of discontinued operations, net of provision for income taxes of $5.4, $-, $-, $-, and $-	7.1	—	—	—	—
Income (loss) from discontinued operations, net of provision (benefit) for income taxes of $(0.8), $1.1, $(0.4), $3.6, and $2.0	(0.8)	1.8	(1.1)	6.0	3.1
Net income (loss)	$392.4	$253.7	$145.7	$75.4	$(137.7)
Net income (loss) attributable to Trinity Industries, Inc.	$375.5	$255.2	$142.2	$67.4	$(137.7)
Net income (loss) attributable to Trinity Industries, Inc. per common share:					
Basic:					
Continuing operations	$4.68	$3.18	$1.78	$0.77	$(1.85)
Discontinued operations	0.08	0.02	(0.01)	0.08	0.04
	$4.76	$3.20	$1.77	$0.85	$(1.81)
Diluted:					
Continuing operations	$4.67	$3.17	$1.78	$0.77	$(1.85)
Discontinued operations	0.08	0.02	(0.01)	0.08	0.04
	$4.75	$3.19	$1.77	$0.85	$(1.81)
Weighted average number of shares outstanding:					
Basic	76.4	77.3	77.5	76.8	76.4
Diluted	76.5	77.5	77.8	77.0	76.4
Dividends declared per common share	$0.54	$0.42	$0.35	$0.32	$0.32
Balance Sheet Data:					
Total assets	$7,313.4	$6,669.9	$6,121.0	$5,760.0	$4,656.4
Debt - recourse	$419.0	$458.1	$455.0	$449.4	$645.5
Debt - non-recourse	$2,570.8	$2,596.9	$2,517.2	$2,457.4	$1,199.1
Stockholders' equity	$2,749.1	$2,137.6	$1,948.3	$1,845.7	$1,806.3
Ratio of total debt to total capital	52.1 %	58.8 %	60.4 %	61.2 %	50.5 %
Book value per share	$35.52	$27.02	$24.29	$23.13	$22.81

Due to the adoption of Accounting Standards Codification ("ASC") 810-10, effective January 1, 2010, the Consolidated Balance Sheets as of December 31, 2013, 2012, 2011, and 2010, and the Consolidated Statements of Operations, Comprehensive Income, Cash Flows, and Stockholder's Equity for each of the years then ended include the financial position and results of operations of TRIP Holdings and its subsidiaries. Prior periods were not restated.

A goodwill impairment charge of $325.0 million was recorded in 2009 related to the Rail Group segment.

Table of Contents

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a reader of our financial statements with a narrative from the perspective of our management on our financial condition, results of operations, liquidity, and certain other factors that may affect our future results. Our MD&A is presented in the following sections:

- Company Overview
- Executive Summary
- Results of Operations
- Liquidity and Capital Resources
- Contractual Obligations and Commercial Commitments
- Critical Accounting Policies and Estimates
- Recent Accounting Pronouncements
- Forward-Looking Statements

Our MD&A should be read in conjunction with our Consolidated Financial Statements and related Notes in Item 8, Financial Statements and Supplementary Data, of this Annual Report on Form 10-K.

Company Overview

Trinity Industries, Inc., headquartered in Dallas, Texas, is a diversified industrial company that owns market-leading businesses providing products and services to the energy, transportation, chemical, and construction sectors. We operate in five distinct business groups which we report on a segment basis: the Rail Group, Construction Products Group, Inland Barge Group, Energy Equipment Group, and Railcar Leasing and Management Services Group. We also report the All Other segment which includes the Company's captive insurance and transportation companies; legal, environmental, and maintenance costs associated with non-operating facilities; and other peripheral businesses.

Our Rail and Inland Barge Groups and our structural wind towers and storage containers businesses operate in cyclical industries. Results in our Construction Products and Energy Equipment Groups are subject to seasonal fluctuations with the first quarter historically being the weakest quarter. Railcar sales from the lease fleet are the primary driver of fluctuations in results in the Railcar Leasing and Management Services Group.

Demand conditions and corresponding order levels for new railcars and barges are currently mixed. Demand conditions for railcars and tank barges serving the oil, gas, and chemicals industries continue to be favorable. Demand conditions and corresponding order levels in other markets, including coal and intermodal, are less favorable for railcars and are weak for hopper barges. Orders for structural wind towers increased in 2013 principally related to the January 2013 renewal of the Federal production tax credit. The slowdown in the commercial construction markets and budgetary constraints at the state level have negatively impacted the results of our Construction Products Group.

We continually assess our manufacturing capacity and take steps to align our production capacity with demand for our products. Rail Group operating results in 2012 included certain costs associated with the repositioning of a portion of the Company's production capacity to meet increased railcar demand. Due to improvements in demand for certain products, we have continued to increase production staff at certain facilities. We expect that facilities on non-operating status will be available for future operations to the extent that demand further increases.

Executive Summary

The Company's revenues for 2013 were $4.4 billion, representing an increase of $553.4 million or 14.5% over last year. Operating profit increased to $772.9 million compared to $574.8 million last year for an increase of 34.5%. Operating margin improved to 17.7% in 2013 from 15.1% in 2012. The largest contributors to the increase were our

Rail, Energy Equipment, and Construction Products Groups. The increase in revenues for 2013, when compared to the prior year, resulted primarily from higher shipment volumes and a more favorable product mix in our Rail Group combined with the effects of acquisition-related volumes in our Construction Products and Energy Equipment Groups. Our Leasing Group experienced higher leasing and management revenues from higher fleet additions and an increase in rental rates offset by lower revenues from external railcar sales. Lower shipment levels and a less favorable product mix led to lower overall revenues for our Inland Barge Group. Overall operating profit and margin grew for the year ended December 31, 2013 when compared with the prior year, primarily due to higher shipment levels and the effects of a more favorable product mix in our Rail Group and improved efficiencies in our Energy Equipment Group. Net income attributable to Trinity Industries, Inc. common stockholders for 2013 increased $120.3 million compared to last year.

As of December 31, 2013 and 2012 our backlog of firm and noncancellable orders was as follows:

	December 31, 2013	December 31, 2012
	(in millions)	
Rail Group		
External Customers	$4,189.6	$2,867.5
Leasing Group	827.0	834.7
	$5,016.6	$3,702.2
Inland Barge Group	$429.6	$564.1
Structural wind towers		
Not subject to ongoing litigation	$553.9	$267.8
Subject to ongoing litigation	—	412.5
	$553.9	$680.3

For the twelve months ended December 31, 2013, our rail manufacturing businesses received orders for 32,240 railcars. The increase in backlog as of December 31, 2013 reflects the value of orders taken during the year. Approximately 60% of the railcar backlog is expected to be delivered in the twelve months ending December 31, 2014 with the remainder to be delivered from 2015 through 2016. The orders in our backlog from the Leasing Group are supported by lease commitments with external customers. The final amount dedicated to the Leasing Group may vary by the time of delivery. All of our Inland Barge backlog is expected to be delivered in the twelve months ending December 31, 2014. Deliveries for multi-year barge agreements are included in the backlog when specific production quantities for future years have been determined. Approximately $412.5 million included in our backlog at December 31, 2012 is the subject of ongoing litigation with one of the Company's structural wind tower customers leaving a remainder of $267.8 million not subject to litigation. The Company has removed the amount subject to litigation from its wind tower backlog at December 31, 2013 due to the expectation that the purchases will not be made as contracted. The litigation, in which Trinity seeks damages for lost profits under the contract, is pending and is discussed in Note 18 of the Notes to the Consolidated Financial Statements under "Other Matters".

Capital expenditures for 2013 were $731.0 million with $581.1 million utilized for net lease fleet additions, including additions to RIV 2013, net of deferred profit of $135.4 million. Manufacturing and corporate capital expenditures for 2014 are projected to be between $200.0 million and $250.0 million. For 2014, we do not expect the net investment in new railcars to consume any cash after considering the expected proceeds received from railcar sales during the year.

In March 2013, the Company completed the sale of its remaining ready-mix concrete operations. The divestiture of our ready-mix concrete operations has been accounted for and reported as a discontinued operation. Assets and liabilities related to the discontinued operations have been classified as Assets/Liabilities Held for Sale and Discontinued Operations in the accompanying consolidated balance sheets.

In May 2013, Trinity increased its quarterly dividend by 18% to $0.13 per share

In May 2013, the Company sold an interest in TRIP Holdings to certain third-party investors for a net amount of $200.3 million. Proceeds from the sale along with an additional equity contribution by TILC, were primarily used to retire the TRIP Holdings senior secured notes in their entirety. Additionally, the remaining interests of certain other equity investors were repurchased by TRIP Holdings for $52.3 million. The Company formed RIV 2013, contributing its investment in TRL 2012 which had been formed in December 2012 as a wholly-owned railcar leasing subsidiary of TILC, and sold an interest in RIV 2013 to certain third-party investors for a net amount of $94.6 million.

In June 2013, the $475 million TILC warehouse loan facility was renewed and extended and now matures in June 2015. Amounts outstanding at maturity, absent renewal, will be payable in three installments in December 2015, June 2016, and December 2016.

In August 2013, TRL 2012 issued an additional $183.4 million in aggregate principal amount of Series 2013-1 Secured Railcar Equipment Notes pursuant to the Master Indenture between TRL 2012 and Wilmington Trust Company, as indenture trustee, of which $180.7 million was outstanding as of December 31, 2013. The 2013-1 Secured Railcar Equipment Notes bear interest at a fixed rate of 3.9%, are payable monthly, and have a stated final maturity date of July 15, 2043. The 2013-1 Secured Railcar Equipment Notes are obligations of TRL 2012 and are non-recourse to Trinity, TILC, and the other equity investors in RIV 2013. The obligations are secured by a portfolio of railcars and operating leases thereon, certain cash reserves, and all other assets acquired and owned by TRL 2012.

In September 2013, Trinity increased its quarterly dividend by 15% to $0.15 per share.

Table of Contents

In September 2013, the Pipeline and Hazardous Materials Safety Administration, a division of the U.S. Department of Transportation, published an Advance Notice of Proposed Rulemaking seeking interested party comments on potential regulatory initiatives pertaining to the transportation of flammable materials by rail. The Company is currently assessing its position with respect to this matter. See Item 1 Business - Governmental Regulation for further discussion.

In December 2013, the Company entered into a strategic alliance with Element Financial Corporation ("Element"), a major equipment finance company in North America, to develop a diversified portfolio of up to $2 billion of leased railcars. Element is expected to acquire a portfolio of leased railcars primarily consisting of new railcars manufactured by the Company's Rail Group, existing railcars from TILC, as well as secondary market purchases. TILC acts as servicer of the Element-owned leased railcar fleet and receives fees accordingly. The initial sale of leased railcars, with a total value of approximately $105.0 million closed in December 2013 with recorded revenue of $39.6 million, while the second closing, with a total value of approximately $396.0 million, occurred in January 2014 with recorded revenue of $173.5 million. Both sales consisted of railcars from the Company's wholly-owned lease fleet.

Table of Contents

Results of Operations

Years Ended December 31, 2013, 2012, and 2011

Overall Summary for Continuing Operations

Revenues

	Year Ended December 31, 2013			
	Revenues			Percent Change 2013 versus 2012
	External	Intersegment	Total	
	($ in millions)			
Rail Group	$2,093.5	$774.0	$2,867.5	42.4 %
Construction Products Group	508.6	16.4	525.0	8.5
Inland Barge Group	576.6	0.1	576.7	(14.6)
Energy Equipment Group	536.5	128.9	665.4	19.1
Railcar Leasing and Management Services Group	645.4	—	645.4	(0.3)
All Other	4.7	81.9	86.6	6.4
Segment Totals before Eliminations	4,365.3	1,001.3	5,366.6	20.4
Eliminations – Lease subsidiary	—	(756.5)	(756.5)	
Eliminations – Other	—	(244.8)	(244.8)	
Consolidated Total	$4,365.3	$—	$4,365.3	14.5

	Year Ended December 31, 2012			
	Revenues			Percent Change 2012 versus 2011
	External	Intersegment	Total	
	($ in millions)			
Rail Group	$1,512.1	$500.9	$2,013.0	57.9 %
Construction Products Group	461.2	22.5	483.7	6.7
Inland Barge Group	675.2	—	675.2	23.1
Energy Equipment Group	506.0	52.6	558.6	18.1
Railcar Leasing and Management Services Group	644.4	2.7	647.1	17.2
All Other	13.0	68.4	81.4	31.7
Segment Totals before Eliminations	3,811.9	647.1	4,459.0	32.6
Eliminations – Lease subsidiary	—	(485.9)	(485.9)	
Eliminations – Other	—	(161.2)	(161.2)	
Consolidated Total	$3,811.9	$—	$3,811.9	29.7

	Year Ended December 31, 2011		
	Revenues		
	External	Intersegment	Total
	($ in millions)		
Rail Group	$931.7	$343.0	$1,274.7
Construction Products Group	440.4	12.9	453.3
Inland Barge Group	548.5	—	548.5
Energy Equipment Group	454.8	18.0	472.8
Railcar Leasing and Management Services Group	551.4	0.6	552.0
All Other	11.5	50.3	61.8
Segment Totals before Eliminations	2,938.3	424.8	3,363.1
Eliminations – Lease subsidiary	—	(325.5)	(325.5)

Eliminations – Other	—	(99.3)	(99.3)
Consolidated Total	$2,938.3	$—	$2,938.3

Our revenues for the year ended December 31, 2013, increased by 14.5% from the previous year. The overall increase was primarily due to higher shipment volumes and a favorable change in product mix in our Rail Group, acquisition-related higher shipment volumes in the Aggregates and Other product lines of our Construction Products Group, and higher revenues in our Energy Equipment Group resulting primarily from increased demand for storage container vessels and other product lines. Lower revenues in our Inland Barge Group were due to lower volumes and a less favorable product mix change while revenues in our Railcar Leasing and Management Services Group were substantially unchanged as higher revenue from leasing and management were offset by lower revenues from railcar sales.

Table of Contents

Our revenues for the year ended December 31, 2012 increased from the previous year by 29.7% primarily due to higher shipment volumes in our Rail and Inland Barge Groups while our Leasing Group experienced increased revenues primarily due to higher railcar sales from the lease fleet, increased revenues from lease fleet additions, and higher rental rates.

Operating Costs

	Year Ended December 31,		
	2013	2012	2011
	(in millions)		
Rail Group	$2,377.8	$1,814.0	$1,197.4
Construction Products Group	472.4	438.9	398.4
Inland Barge Group	480.7	550.5	442.1
Energy Equipment Group	604.0	540.4	463.9
Railcar Leasing and Management Services Group	348.6	346.2	297.5
All Other	100.3	91.6	65.6
Segment Totals before Eliminations and Corporate Expenses	4,383.8	3,781.6	2,864.9
Corporate	73.4	51.5	43.6
Eliminations – lease subsidiary	(621.1)	(435.1)	(297.2)
Eliminations – other	(243.7)	(160.9)	(99.8)
Consolidated Total	$3,592.4	$3,237.1	$2,511.5

Operating costs for the year ended December 31, 2013, increased by 11.0% over the previous year primarily due to higher shipment levels in our Rail, Construction Products, and Energy Equipment Groups. Operating costs from our Inland Barge Group decreased due to lower shipment volumes and a change in the mix of barge types. For 2012, the 28.9% increase in operating costs was primarily volume-related and included certain repositioning costs from our Rail Group in 2012. Selling, engineering, and administrative expenses as a percentage of revenue increased to 6.7% for 2013 as compared to 5.9% for 2012 and 6.6% for 2011 due to compensation increases resulting from the Company's strong financial performance.

Operating Profit (Loss)

	Year Ended December 31,		
	2013	2012	2011
	(in millions)		
Rail Group	$489.7	$199.0	$77.3
Construction Products Group	52.6	44.8	54.9
Inland Barge Group	96.0	124.7	106.4
Energy Equipment Group	61.4	18.2	8.9
Railcar Leasing and Management Services Group	296.8	300.9	254.5
All Other	(13.7)	(10.2)	(3.8)
Segment Totals before Eliminations and Corporate Expenses	982.8	677.4	498.2
Corporate	(73.4)	(51.5)	(43.6)
Eliminations – lease subsidiary	(135.4)	(50.8)	(28.3)
Eliminations – other	(1.1)	(0.3)	0.5
Consolidated Total	$772.9	$574.8	$426.8

Our operating profit for the year ended December 31, 2013, increased primarily as a result of higher shipment levels in our Rail Group in addition to improved efficiencies in our Energy Equipment Group. Our operating profit for the year ended December 31, 2012 increased primarily as a result of higher shipment levels in our Rail and Inland Barge groups and from revenue growth and an increase in the net gain on the sales of railcars from our lease fleet in our Leasing Group. Operating profit in 2011 included flood-related gains of $15.5 million in our Inland Barge Group.

For a further discussion of revenues, costs, and the operating results of individual segments, see Segment Discussion below.

Table of Contents

Other Income and Expense. Other income and expense is summarized in the following table:

	Year Ended December 31,		
	2013	2012	2011
	(in millions)		
Interest income	$(2.1)	$(1.5)	$(1.5)
Interest expense	187.3	194.7	185.3
Other, net	(2.8)	(4.3)	4.0
Consolidated Total	$182.4	$188.9	$187.8

Interest expense in 2013 decreased $7.4 million over the prior year primarily due to the TRIP Holdings debt refinancing completed in May 2013. The decrease in Other, net income for the year ended December 31, 2013 was due to foreign currency translation gains in 2012 exceeding the gains recognized in 2013 from the change in fair value of certain equity repurchase agreements. The decrease in Other, net expense for the year ended December 31, 2012 was primarily due to higher foreign currency translation gains over the previous year.

Income Taxes. The provision for income taxes results in effective tax rates that differ from the statutory rates. The following is a reconciliation between the statutory U.S. Federal income tax rate and the Company's effective income tax rate on income from continuing operations:

	Year Ended December 31,		
	2013	2012	2011
Statutory rate	35.0 %	35.0 %	35.0 %
State taxes	2.1	2.0	2.1
Domestic production activities deduction	(1.4)	—	—
Noncontrolling interest in partially-owned subsidiaries	(0.9)	—	—
Tax assessments and settlements	—	(0.6)	—
Changes in valuation allowance and reserves	(0.8)	(1.4)	0.4
Other, net	0.6	(0.3)	1.1
Effective rate	34.6 %	34.7 %	38.6 %

Income from continuing operations before income taxes for the years ended December 31, 2013, 2012, and 2011 was $571.2 million, $376.3 million, and $225.9 million, respectively, for U.S. operations, and $19.3 million, $9.6 million, and $13.1 million, respectively, for foreign operations. The Company provides deferred income taxes on the un-repatriated earnings of its foreign operations where it results in a deferred tax liability. In May 2013, TRIP Holdings and RIV 2013 elected to be treated as partnerships for income tax purposes and consequently no income tax expense has been provided with respect to income earned after this election attributable to the noncontrolling interests. See Note 5 of the Notes to the Consolidated Financial Statements for a further explanation of activities with respect to TRIP Holdings and RIV 2013. See Note 13 of the Notes to the Consolidated Financial Statements for a further discussion of income taxes.

During the year ended December 31, 2013, the Company utilized $63.9 million in Federal consolidated net operating loss carryforwards and all of its foreign tax credit carryforwards of $42.2 million. As a result of a 2013 election to treat TRIP Holdings as a partnership for tax purposes, TRIP Holdings utilized its $439.7 million Federal tax operating loss carryforward during 2013. At December 31, 2013, the Company had $39.4 million of Federal consolidated net operating loss carryforwards and $5.2 million of tax-effected state loss carryforwards remaining. The majority of the Federal net operating loss carryforwards were acquired as part of an acquisition of a company in 2010 and are subject to limitations on the amount that can be utilized in any one tax year. The Federal net operating loss carryforwards are due to expire between 2028 and 2029. We have established a valuation allowance for Federal, state, and foreign tax operating losses and credits which we have estimated may not be realizable.

For the year ended December 31, 2013, net cash taxes paid as compared to our current provision are different based on the timing of when estimated tax payments are due as compared to when the income was earned, as well as changes in our uncertain tax positions that are reflected in current expense. At December 31, 2012, receivables included an income tax receivable of $5.2 million whereas at December 31, 2013, accrued liabilities included an income tax payable of $28.9 million for a net change of $34.1 million. For the year ended December 31, 2012, cash taxes were not substantially different than the current provision for income taxes. For the year ended December 31, 2011, the difference between cash taxes and the current tax provision was due to net refunds from prior years offset by additional accruals for uncertain tax positions.

The IRS field work for our 2006-2008 audit cycle has concluded and all issues, except for transfer pricing, have been agreed upon and tentatively settled. The transfer pricing issue has been appealed and we are working with both the U.S. and Mexican

Table of Contents

taxing authorities to coordinate taxation in a formal mutual agreement process (“MAP”). During 2013, we received the revenue agent report for the 2009-2011 audit cycle. All issues have been concluded and agreed to except for transfer pricing issues. These issues have been appealed and we have requested they be addressed in the same MAP of the 2006-2008 cycle. At this time, we cannot determine when the 2006-2008 or the 2009-2011 cycle will close and all issues formally settled.

Segment Discussion

Rail Group

	Year Ended December 31,			Percent Change	
	2013	2012	2011	2013 versus 2012	2012 versus 2011
	($ in millions)				
Revenues:					
Rail	$2,736.7	$1,850.5	$1,105.5	47.9 %	67.4 %
Components	130.8	162.5	169.2	(19.5)	(4.0)
Total revenues	2,867.5	2,013.0	1,274.7	42.4	57.9
Operating costs:					
Cost of revenues	2,330.8	1,773.9	1,167.3	31.4	52.0
Selling, engineering, and administrative costs	47.0	40.1	34.0	17.2	17.9
Property disposition gains	—	—	(3.9)		
Operating profit	$489.7	$199.0	$77.3		
Operating profit margin	17.1 %	9.9 %	6.1 %		

As of December 31, 2013, 2012, and 2011 our Rail Group backlog of railcars was as follows:

	Year Ended December 31,		
	2013	2012	2011
	(in millions)		
External Customers	$4,189.6	$2,867.5	$1,973.2
Leasing Group	827.0	834.7	621.9
Total	$5,016.6	$3,702.2	$2,595.1

The changes in the number of railcars in the Rail Group backlog are as follows:

	Year Ended December 31,		
	2013	2012	2011
Beginning balance	31,990	29,000	5,960
Orders received	32,240	22,350	37,105
Shipments	(24,335)	(19,360)	(14,065)
Ending balance	39,895	31,990	29,000

Revenues increased for the year ended December 31, 2013 by 42.4% when compared with the prior year with slightly more than half of the increase resulting from an increase in unit deliveries with the remainder of the increase due to improved pricing and product mix changes. Cost of revenues increased for the year ended December 31, 2013 by 31.4% when compared with the prior year with approximately 80% of the increase resulting from an increase in unit deliveries and the remainder arising from product mix changes.

Revenues increased for the year ended December 31, 2012 by 57.9% when compared to 2011 with slightly more than half of the increase resulting primarily from an increase in unit deliveries and the remainder arising from product mix changes. Cost of revenues increased for the year ended December 31, 2012 by 52.0% when compared with the prior year with 75% of the increase resulting primarily from higher unit deliveries and the remainder arising from product mix changes. Production efficiencies and costs were impacted by costs of $10.6 million incurred in 2012 to reposition a portion of the Company's production capacity to meet railcar demand. Additionally, the Company incurred capital expenditures of $10.0 million for the year ended December 31, 2012 related to these repositioning efforts.

Unit and price increases, as well as product mix change increased total backlog dollars 35.5% when comparing December 31, 2013 to the prior year. The average selling price in the backlog at December 31, 2013 increased as compared to the previous year due to higher demand and product mix. Backlog increased when comparing 2012 versus 2011 due to unit and price increases, as well as product mix change. The increase in backlog as of December 31, 2012 also reflects contractual pricing adjustments on long-term orders previously received. The backlog dedicated to the Leasing Group is supported by lease commitments with external customers. The final amount dedicated to the Leasing Group may vary by the time of delivery.

For the year ended December 31, 2013, railcar shipments included sales to the Leasing Group of $756.5 million compared to $485.9 million in the comparable period in 2012, with a deferred profit of $135.4 million compared to $50.8 million for the same period in 2012. Results for the year ended December 31, 2011, included $325.5 million in sales to the Leasing Group with a deferred profit of $28.3 million. Sales to the Leasing Group and related profits are included in the operating results of the Rail Group but are eliminated in consolidation.

The Leasing Group purchases a portion of our railcar production, financing a portion of the purchase price through a non-recourse warehouse loan facility or cash, and periodically refinances those borrowings through equipment financing transactions. In 2013, the Leasing Group purchased 27.2% of our railcar production compared to 28.0% in 2012. On a segment basis, sales to the Leasing Group and related profits are included in the operating results of our Rail Group but are eliminated in consolidation.

Construction Products Group

	Year Ended December 31,			Percent Change	
	2013	2012	2011	2013 versus 2012	2012 versus 2011
	($ in millions)				
Revenues:					
Highway Products	$335.9	$376.1	$377.0	(10.7)%	(0.2)%
Aggregates	112.7	65.1	45.5	73.1	43.1
Other	76.4	42.5	30.8	79.8	38.0
Total revenues	525.0				