ARCOSA

MOVING
INFRASTRUCTURE
FORWARD

Overview of Cherry Acquisition

December 12, 2019

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Forward-Looking Statements

Some statements in this presentation, which are not historical facts, are “forward-looking statements” as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements about Arcosa, Inc.’s (“Arcosa” or the “Company”) estimates, expectations, beliefs, intentions or strategies for the future. Arcosa uses the words “anticipates,” “assumes,” “believes,” “estimates,” “expects,” “intends,” “forecasts,” “may,” “will,” “should,” “guidance,” “outlook,” “vision,” and similar expressions to identify these forward-looking statements. Forward-looking statements speak only as of the date of this presentation, and Arcosa expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, except as required by federal securities laws.

Forward-looking statements are based on management’s current views and assumptions and involve risks and uncertainties that could cause actual results to differ materially from historical experience or our present expectations, including but not limited to assumptions, risks and uncertainties regarding achievement of the expected benefits of Arcosa’s separation from Trinity Industries, Inc. (“Trinity”; NYSE:TRN); tax treatment of the separation; failure to successfully close or integrate the Cherry acquisition, or failure to achieve the expected benefits of the acquisition; market conditions and customer demand for Arcosa’s business products and services; the cyclical nature of, and seasonal or weather impact on, the industries in which Arcosa competes; competition and other competitive factors; governmental and regulatory factors; changing technologies; availability of growth opportunities; market recovery; improving margins; and Arcosa’s ability to execute its long-term strategy, and such forward-looking statements are not guarantees of future performance. For further discussion of such risks and uncertainties, see “Risk Factors” and the “Forward-Looking Statements” section of “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Arcosa’s Form 10-K for the year ended December 31, 2018, as may be revised and updated by Arcosa’s Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Non-GAAP Financial Measures

This presentation contains financial measures that have not been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). Reconciliations of non-GAAP financial measures to the closest GAAP measure are provided in the Appendix.

Presentation of Financials

The spin-off of the Company by Trinity was completed on November 1, 2018. The Company’s financial statements for periods prior to November 1, 2018 were presented on a “carve-out” basis. The carve-out financials of the Company are not necessarily representative of the amounts that would have been reflected in the financial statements had the Company been an independent company during the applicable periods.

Executive Summary

- On December 12th, we announced an agreement to acquire the Cherry Companies (“Cherry”) for $298M
- Cherry is a leading provider of natural and recycled aggregates in greater Houston, with 12 locations in the area. Cherry had trailing 12 month revenues of $176M and EBITDA of ~$37M as of 09/30/2019, implying an ~8x EBITDA multiple
- The acquisition is a strong strategic fit for several reasons:
  - Expands Arcosa’s aggregates business into the greater Houston market, a key gap in our current Texas network
  - Builds leadership position in recycled aggregates, a growing product category due to resource scarcity and ESG benefits
  - Provides platform to replicate Cherry’s natural and recycled aggregates offering in additional geographies
  - Accelerates Arcosa’s overall portfolio shift into Construction Products, a key Stage 1 Initiative
- We expect to fund the transaction with a combination of cash on-hand and advances under our credit facility, and expect to close the acquisition in Q1 2020

Cherry Companies Highlights

$176M
Revenue

$37M
EBITDA

6M+
Tons Produced Annually

12
Houston Locations

Natural Aggregates


- Mining and processing of sand, including processing into stabilized materials by mixing with cement

Recycled Aggregates


- Crushing and recycling concrete to re-use as aggregates

Strategic Rationale

- Expands aggregates business into the greater Houston market, a key gap in our current Texas network
- Builds leadership position in recycled aggregates, a growing product category due to resource scarcity and ESG benefits
- Provides platform to replicate Cherry's natural and recycled aggregates offering in new geographies
- Accelerates Arcosa's overall portfolio shift into Construction Products

Note: Revenue and EBITDA are TTM as of 09/30/19

Broad Construction Materials Product Offering

Cherry produces and sells a range of construction materials used in infrastructure

Materials[1]: ~95% of EBITDA

Natural Aggregates/Stabilized Sand


- Mining of sand from owned and leased reserves, including processing into stabilized sand, a mixture of sand, cement, and water
- Stabilized sand is primarily used for backfill, bedding, and site preparation (e.g., underground utilities, pipeline support, retaining walls)

Recycled Aggregate Products


- Variety of material types derived from crushed concrete, ranging from screened rock to stabilized crushed concrete
- Used in diverse applications, including road base, backfill, ballast, and erosion control

Demolition Services: ~5% of EBITDA

- Road/bridge, commercial/ industrial, and other demolition, primarily to provide raw material for recycled aggregates products
- Demolition has declined in strategic importance over time, and Cherry now buys ~40% of raw material for recycled aggregates from 3rd parties

Provides raw material for recycled aggregates products

1 Freight is included in materials EBITDA. TTM as of 09/30/19

Unique Platform with Sustainable Competitive Advantages

Cherry’s competitive advantages have helped it build a market-leading platform that generates attractive financial returns

Cherry’s Competitive Advantages

- Network of strategically located facilities and reserve positions
- Access to critical raw products, both internally and externally
- Long-term customer and supplier relationships
- Comprehensive solution offering to serve range of customers
- Top-tier management team with deep Houston expertise; strong cultural fit with Arcosa
- Technical expertise in concrete recycling and repurposing

Attractive Financial Returns

- Demonstrated history of revenue and EBITDA growth
- EBITDA margins of ~21%
- Broad base of construction-related customers, with Top 10 customers accounting for only 24% of 2018 revenues
- Stable platform expected to produce high returns on capital through a cycle

Attractive Houston Market

Transaction expands Arcosa's aggregates business into greater Houston market, a key gap in our current Texas network

Houston's end market fundamentals suggest continued growth…

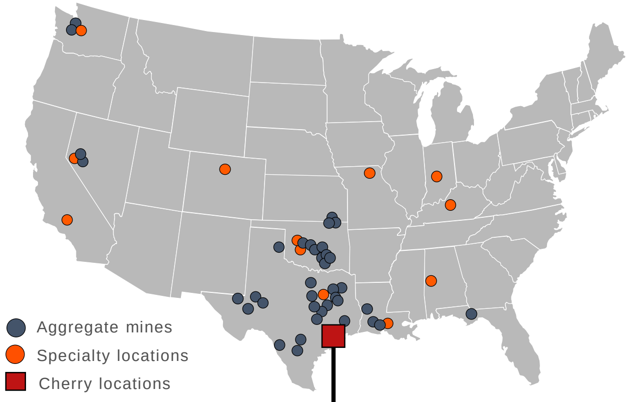
Population growth

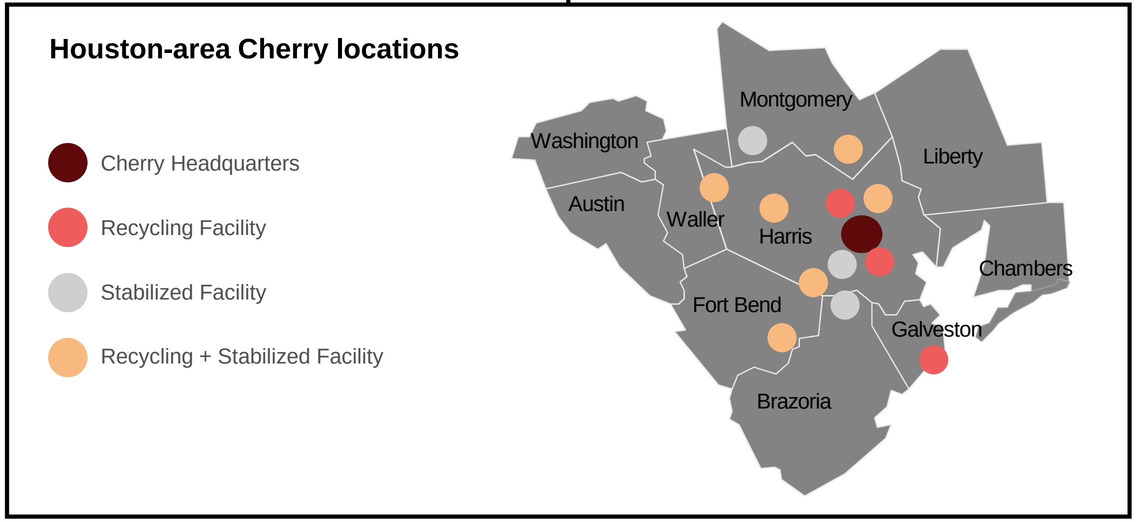
- Annual 2.6% population growth from 2008-2018 was >3x the US average
- Houston metro area had second highest total growth in the US from 2010-2018, behind only Dallas-Fort Worth

Major infrastructure investments

- ~$11B long term TxDOT plan to enhance Houston's highway system; major projects include I-45, I-10, and US 59
- Traffic named as the "biggest problem facing people in Houston today"

…and Cherry's platform fills in a key gap in our current Texas/Gulf Coast network





Sources: Rice University / Kinder Institute of Urban Research, US Census Bureau, TxDOT Unified Transportation Program (2020)

Recycled Aggregates: A Platform for Growth

Acquisition builds leadership position in recycled aggregates, a growing product category due to resource scarcity and ESG benefits

Demand drivers	Description
Resource scarcity	▪ Virgin natural aggregates are becoming more scarce near established metropolitan areas, as decades of growth and development have depleted reserves. Scarcity is most pronounced in areas that lack coarse aggregates (e.g., TX coastal areas) ▪ Permitting challenges are likely to push quarries further from dense, urban centers
Environmental benefits	▪ Recycling of demolished aggregates reduces landfill use ▪ Shortening length of freight hauls reduces GHG emissions and road congestion
Increased product acceptance	▪ As part of "Road to Recycling" initiative, TxDOT has prioritized using recycled aggregates where possible: "Natural resources are conserved, waste disposal is reduced, and air quality is improved due to reduced haul distances and reduced energy consumption"
Increased focus on erosion / flood control	▪ Particularly in Houston and other areas with adverse weather events, recycled aggregates are a cost-competitive material to meet increased demand for erosion and flood control projects

Cherry was listed as the largest recycled aggregates producer in the US, ahead of several large aggregates players and a number of independent players

Source: Construction & Demolition Recycling (March 2019); TxDOT

Accelerates Arcosa's portfolio shift into Construction Products

The acquisition is consistent with our strategy to grow Construction Products and reduce the cyclicality of our overall portfolio

Arcosa Construction Materials Platform

Aggregates

- Natural aggregates (CHERRY)
- Recycled aggregates (CHERRY)

Specialty Materials

- Lightweight aggregates
- Building products
- Agricultural and other specialty materials

Infrastructure-related End Markets

Public Infrastructure

- Highways
- Buildings
- Non-Highway infrastructure

Private Infrastructure

- Residential
- Commercial
- Industrial

Other Markets (Industrial, Agricultural, Oil & Gas)

Transaction and Financing Overview

Financing	• Purchase price of ~$298M, pending customary working capital or post-closing adjustments • At of the end of Q3-19, we reported $389M of liquidity and a net cash position • We expect to fund the transaction with a combination of cash on-hand and advances under our credit facility; currently in the process of upsizing our credit facility to supplement remaining liquidity • **Pro forma net debt to Adjusted EBITDA would be approximately 1x following the acquisition**
Expected closing	• Subject to customary closing conditions and regulatory provisions under the Hart-Scott-Rodino Act • Expected closing in Q1 2020
Accretion	• Transaction is expected to be accretive to earnings in 2020, following completion • We expect to provide overall Company guidance for full year 2020 when we release fourth quarter and full year 2019 results in late February 2020

1 Proforma Q3-19, (Purchase Price of $298M minus cash of $128 plus existing debt of $108M divided by TTM Adjusted EBITDA of $233M + $37M Cherry EBITDA)

Investment Highlights

Grows Arcosa's construction materials presence in attractive Houston market

Cherry's unique platform of stabilized sand, recycled aggregates, and services creates sustainable competitive advantage

Recycled Aggregates positioned to grow as a category due to resource scarcity and ESG benefits

Provides platform to replicate Cherry's natural and recycled aggregates offering in new geographies

Accelerates Arcosa's overall portfolio shift into Construction Products

Appendix

EBITDA Reconciliation

$ Millions (For the Trailing Twelve Months Ended September 30, 2019)

Net income	$28.5
Add:	
Interest expense	0.1
Provision for income taxes	1.2
Depreciation & amortization expense	7.1
EBITDA	$36.9

“EBITDA” is defined as Cherry’s net income plus interest expense, income taxes, depreciation and amortization. EBITDA is not a calculation based on generally accepted accounting principles. The amounts included in the EBITDA calculation, however, are derived from amounts included in the historical statements of operations data. In addition, EBITDA should not be considered as an alternative to net income or operating income as an indicator of Cherry’s operating performance, or as an alternative to operating cash flows as a measure of liquidity. We believe EBITDA assists investors in comparing a company’s performance on a consistent basis without regard to depreciation and amortization and other expenses, which can vary significantly depending upon many factors.