



# STEPHENS NON-DEAL ROADSHOW PREP PACKET

GATX Corp. (GATX) – Virtual NDR

June 10, 2020

## GATX Corp. (GATX) – Virtual Non-Deal Roadshow

### Questions/Topics of Discussion:

- Where are current tank car lease rates and freight car lease rates relative to 1) prior trough levels and 2) normalized levels?
- What are your expectations on how term length could trend going forward? Are you shortening term across the board?
- Whenever rail volumes start to recover sequentially, do you expect lease rates to improve simultaneously?
- How much of the spike in the railcars in storage data last month was “one-time” due to shutdowns? Expectations going forward?
- What inning do you think we are in for the PSR impact to the broader railcar market?
- Beyond 2020, should we be expecting an acceleration of tank cars coming up for renewal from leases signed during the peak?
- How should we be thinking about re-marketing income in North America going forward? Could we see it go close to zero?
- Update on the European railcar market? How does the lease rate / demand environment compare to North American?
- What is your opportunity to reduce SG&A in this environment? Are there any structural cost reductions that can occur?
- Have you seen more distressed sellers come to market? Are sellers more weighted towards energy and/or coal?
- Valuation trends for deals in the market? Have multiples started to come down to more reasonable levels?
- Is there a way to think about the downside risk of RRPf in this recession? Should we expect any remarketing income?
- If we see less airline travel for an extended period of time (years), how should we think about RRPf’s normalized contribution?
- Can you talk about how a deal could be structured with a financial investor that wants you to just manage a fleet they own?
- View on the long term return profile of your business? How do you think that compares to the industry average?

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### Stephens GATX Reports:

[1Q20 Recap: Lease Rates & RRPf Headwinds on Horizon; Waiting for Opps to Invest](#)

[RRPF: A Look Back at the Historical Contribution & Thoughts Around the NT Risk](#)

[Stephens Quarterly Railcar Update - 1Q20](#)

### Stephens GATX Model:

[Click Here to View Model](#)

### Companies Mentioned (as of 6/8/2020):

GATX Corp. (GATX - \$68.99)

Stephens Inc. working model and published research report attached.  
For current disclosures on this company, please access the attached research report.

## OTHER DISCLOSURES

Note: The purpose of this document is to suggest questions investors might like to ask company management and to help investors develop their own questions. This document is not intended to express any opinion or investment recommendation.

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