

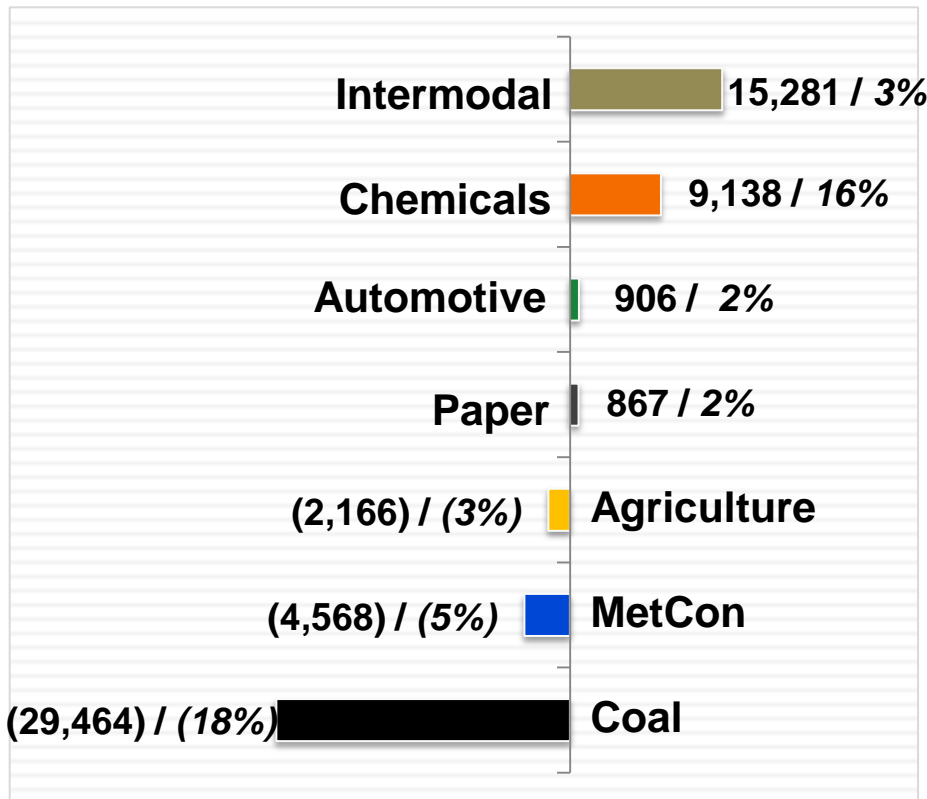


8th Annual Wolfe Research Global Transportation Conference

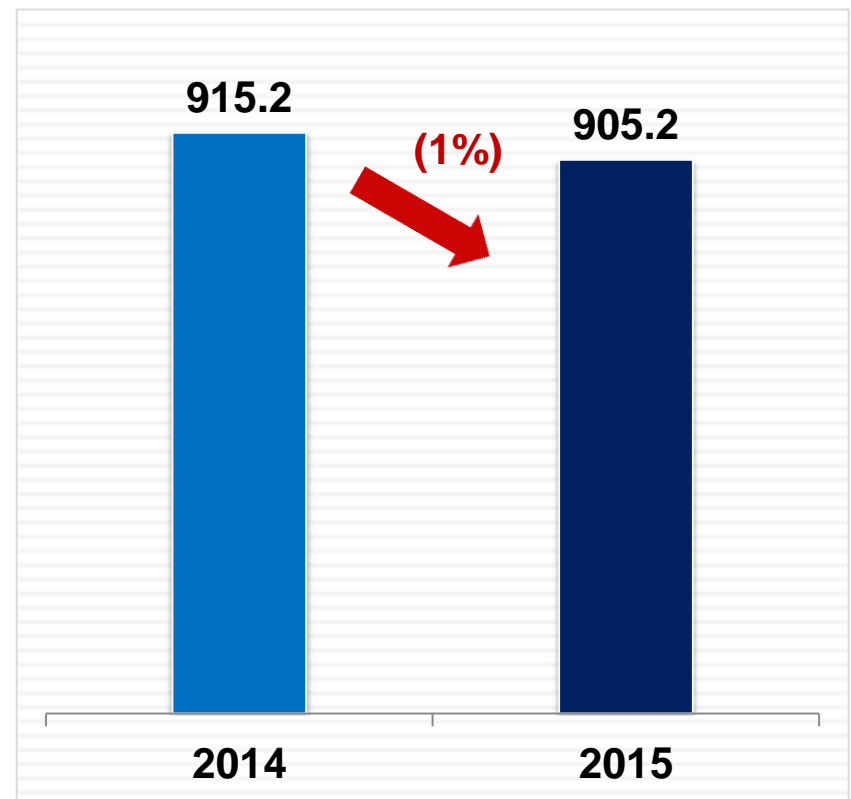
*Marta R. Stewart
Executive Vice President Finance
And Chief Financial Officer*

Current Railway Volume

Second Quarter through Week 19 (May 16, 2015)



Change in Units
2QTD 2015 vs. 2014



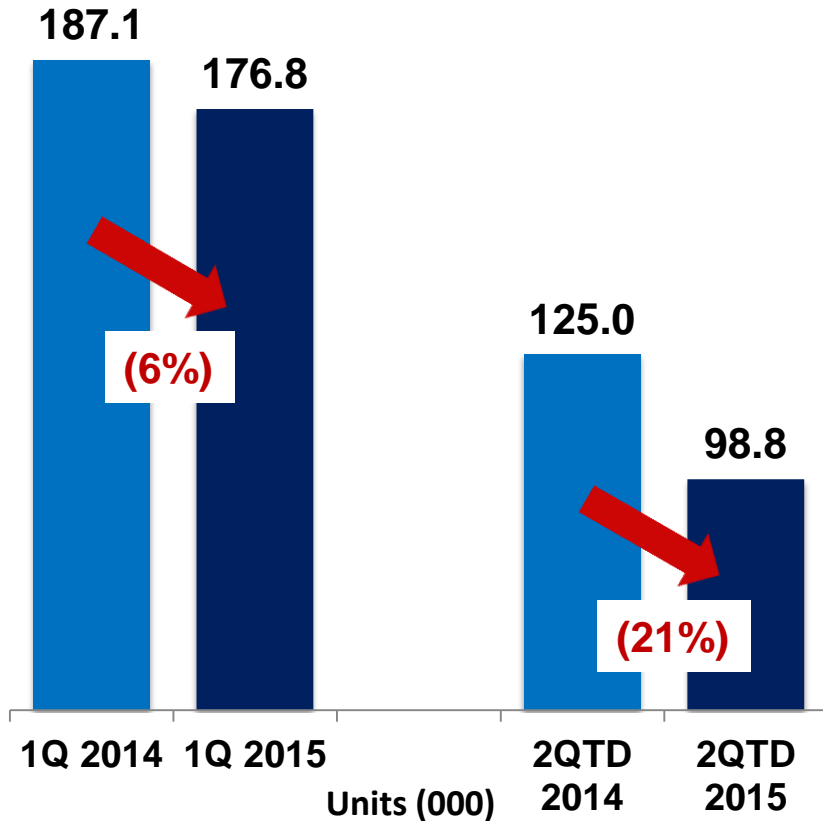
Units (000)

Coal Volumes

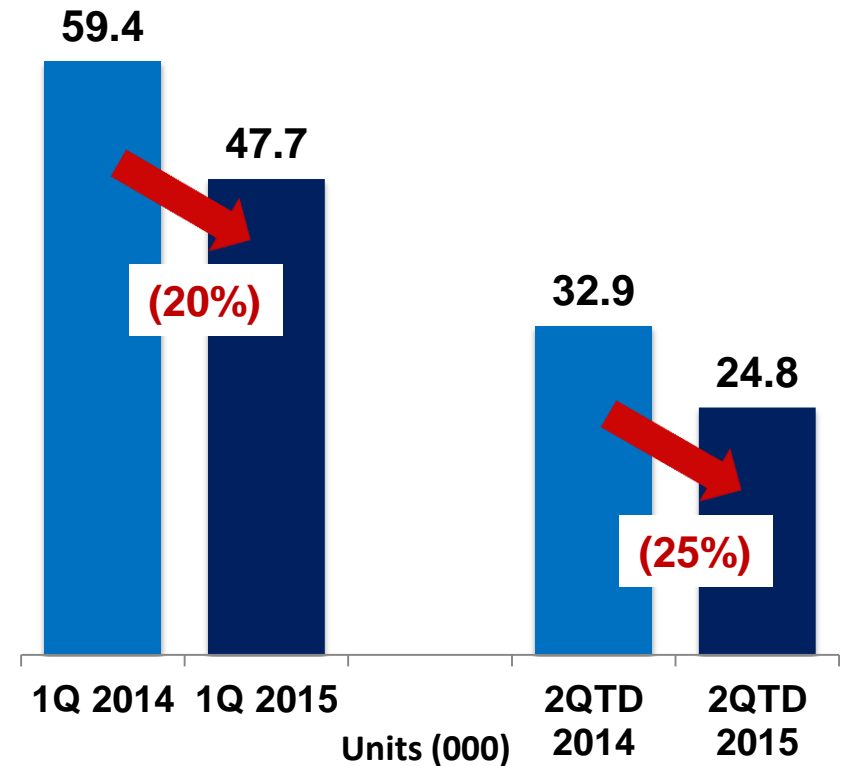
Second quarter through Week 19 (May 16, 2015)

Excess global supply and low natural gas prices.

Utility

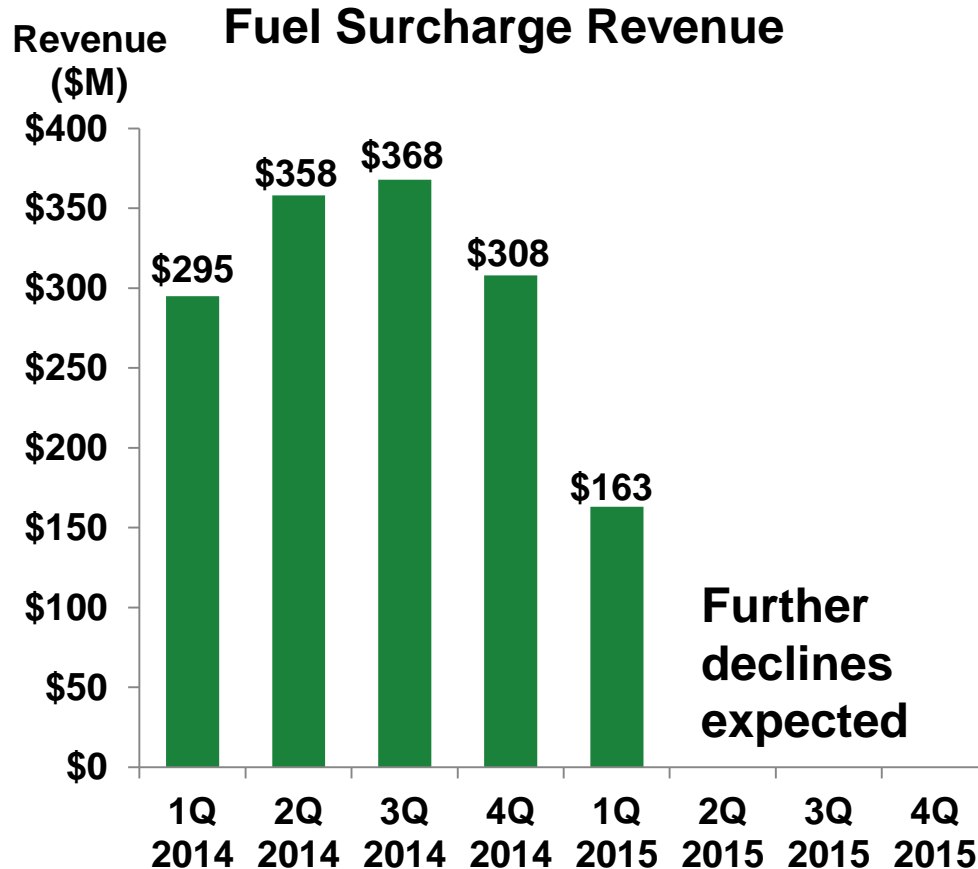


Export



FSC Revenue

Declining fuel surcharges.



- Further declines expected in fuel surcharge revenue as billed WTI basis is down 50% in 2Q15 vs. 2Q14 (\$51 vs. \$101 per barrel)
- 1Q15 included favorable \$24M lag benefit
- 2Q15 unfavorable lag is expected

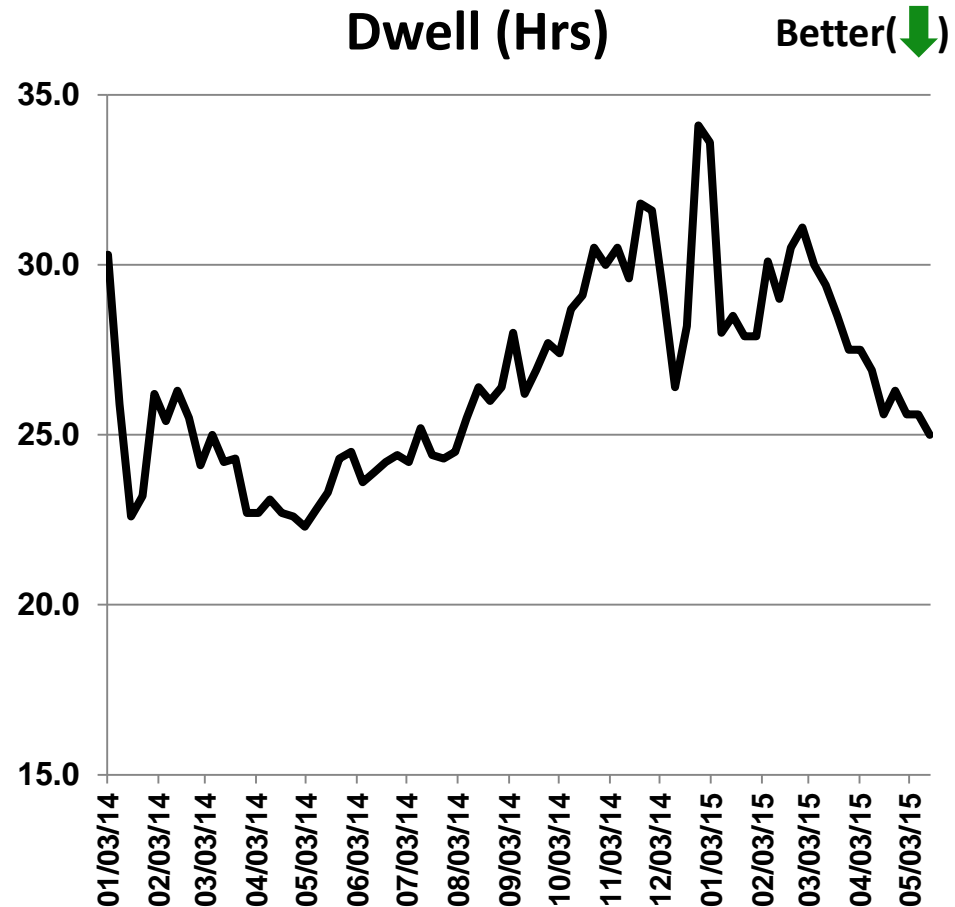
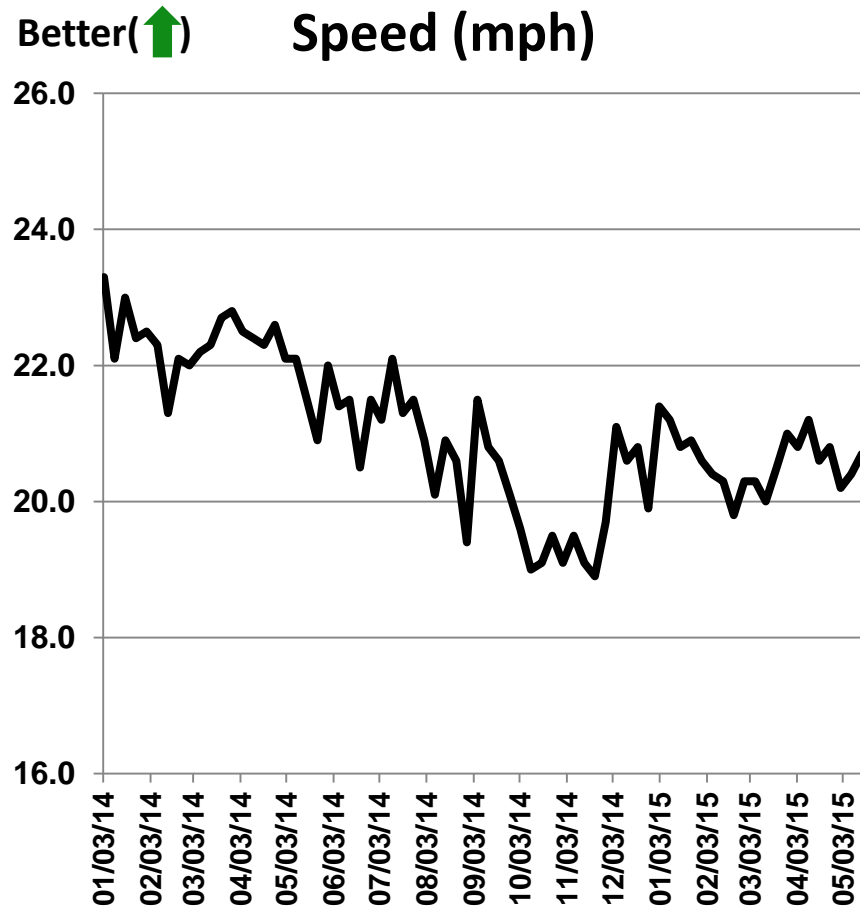
Expense Headwinds

- **Wage increases and payroll tax rates**
- **Service recovery costs**
- **Roanoke relocation costs**

Train Speed & Terminal Dwell

2014 – 2nd QTR-to-Date 2015

Recovery in Train Speed and Dwell indicates the effects of winter have abated.



Business Outlook

Volume

Growth in most markets.



- Opportunities for highway conversions
- Growth with strategic corridor projects
- West Coast port disruptions
- Growth of natural gas liquids
- Crude oil shipments to East Coast refiners
- Increased consumer spending
- Strength in automotive production and sales
- Improved construction activity
- Growth in ethanol and soybean exports

- Softening steel production
- Coal burn rate impacted by lower natural gas prices
- High coal stockpiles
- Strong competition in global coal markets