




UNION PACIFIC CORPORATION

THIRD QUARTER 2024 EARNINGS

OCTOBER 24, 2024


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EXECUTIVE SUMMARY THIRD QUARTER 2024

Jim Vena
Chief Executive Officer

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Third Quarter Highlights & Executive Summary

Highlights

- ▲ \$2.75 Earnings per Share
- ▲ \$6.1B Operating Revenue
- ▲ \$2.4B Operating Income
- ▼ 60.3% Operating Ratio
- ▲ Freight Car Velocity up 5%
- ▲ Workforce Productivity up 12%

Executive Summary

- Quarterly results demonstrate strategic success
- Financial performance driven by increased revenue and improved operational efficiency
- Volume growth led by strength in International Intermodal, Grain and Industrial Chemicals
- Generated solid service and operational efficiency gains while effectively leveraging buffer of resources to handle 6% volume growth

SAFETY + SERVICE & OPERATIONAL EXCELLENCE

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FINANCIAL REVIEW THIRD QUARTER 2024

Jennifer Hamann

Executive Vice President & Chief Financial Officer

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Third Quarter Income Statement

	2024	2023	Variance
Freight Revenue Ex. Fuel	\$ 5,133	\$ 4,908	5
Fuel Surcharge	635	637	-
Freight Revenue	5,768	5,545	4
Other Revenue	323	396	(18)
Operating Revenue	6,091	5,941	3
Operating Expenses	3,675	3,764	(2)
Operating Income	\$ 2,416	\$ 2,177	11 %
Other Income	87	106	(18)
Interest Expense	(314)	(334)	(6)
Income Taxes	(518)	(421)	23
Net Income	\$ 1,671	\$ 1,528	9 %
Weight Average Diluted Shares	608.6	609.8	-
Diluted EPS	\$ 2.75	\$ 2.51	10
Operating Ratio	60.3%	63.4%	(3.1) pts

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Freight Revenue Drivers:

- + Volume 5.50%
- Price/Mix (0.75%)
- Fuel Surcharge (0.75%)

Operating Expense Drivers:

- + Productivity
- + Lower Fuel Prices
- + 2023 Write-offs
- Inflationary Pressure
- Volume-Related Expenses
- Depreciation



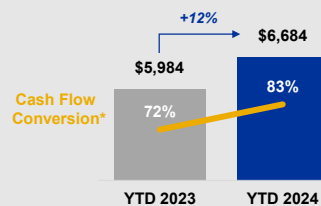
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Driving Strong Cash & Returns to Shareholders

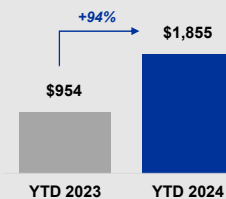
Year to Date Results

- Generated \$6.7 Billion in Cash From Operations
- Returned \$3.2 Billion to Shareholders
- Free Cash Flow* of \$1.9 Billion
- Adjusted Debt / EBITDA* of 2.7x
 - "A" rated by Moody's, S&P, and Fitch

Cash From Operations (\$ in millions)



Free Cash Flow* (\$ in millions)



6 *See Union Pacific website under Investors for a reconciliation to GAAP.



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Current 2024 Outlook

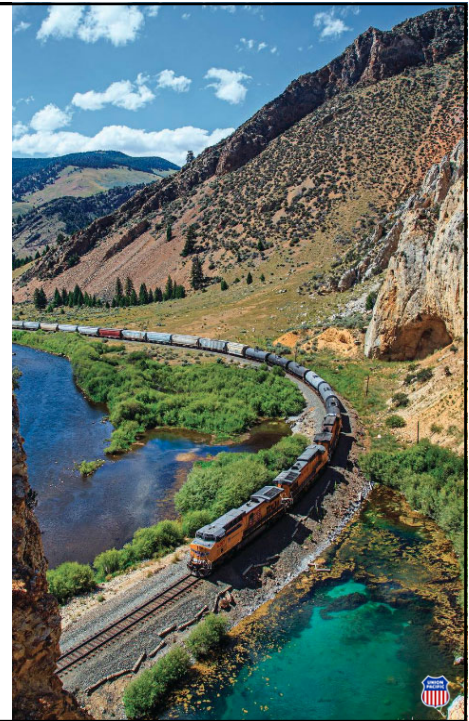
Updated

- Fourth Quarter Results Expected to be Consistent Sequentially From Third Quarter While Improving Year-Over-Year Versus the Fourth Quarter 2023

Affirmed

- Profitability Outlook Continues Positive Momentum With Strong Service Product, Improving Network Efficiency, and Solid Pricing
- Share Repurchases of ~\$1.5 Billion in 2024
- Pricing Dollars in Excess of Inflation Dollars
- No Change to Long-Term Capital Allocation Strategy
 - Capital Plan of \$3.4 Billion

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MARKETING & SALES REVIEW THIRD QUARTER 2024

Kenny Rocker

Executive Vice President – Marketing & Sales

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Third Quarter Commodity Review

Commodity	Revenue (Millions)	Volume (Thousands)	ARC	Quarterly Drivers
Bulk <small>vs. 3Q'23</small>	\$1,805 ▲ 2%	496 ▼ 3%	\$3,641 ▲ 5%	<ul style="list-style-type: none"> • High Coal Inventories and Natural Gas Competition • Strong Grain Products Market Demand & New Business Wins • Heavy Export Grain Shipments
Industrial <small>vs. 3Q'23</small>	\$2,121 ▲ 3%	560 ▼ 2%	\$3,791 ▲ 5%	<ul style="list-style-type: none"> • Strong Core Pricing Gains & Positive Business Mix • Business Development wins in Petroleum and Petrochemicals • Softer Demand for Rock
Premium <small>vs. 3Q'23</small>	\$1,842 ▲ 7%	1,111 ▲ 14%	\$1,657 ▼ 6%	<ul style="list-style-type: none"> • Strength in International West Coast Imports • Domestic Intermodal Growth Driven by Business Development • Automotive Weakness Due to Unplanned Production Downtime Partially Offset by Business Wins
Total <small>vs. 3Q'23</small>	\$5,768 ▲ 4%	2,167 ▲ 6%	\$2,662 ▼ 1%	<div style="border: 1px solid #ccc; padding: 5px; background-color: #f0f0f0;"> Freight Revenue Excluding Fuel Surcharge Up 5% </div>

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2024 Fourth Quarter Volume Outlook

Commodity	Outlook	2024 Volume Drivers
Bulk	↓	<ul style="list-style-type: none"> ⊖ Coal ⊕ Grain ⊕ Grain Products
Industrial	↓	<ul style="list-style-type: none"> ⊖ Rock ↔ Petroleum ⊕ Petrochemical
Premium	↑	<ul style="list-style-type: none"> ⊕ International Intermodal ⊕ Domestic Intermodal ↔ Automotive

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OPERATIONS REVIEW

THIRD QUARTER 2024

Eric Gehringer
Executive Vice President – Operations

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THIRD QUARTER 2024

Key Performance Metrics

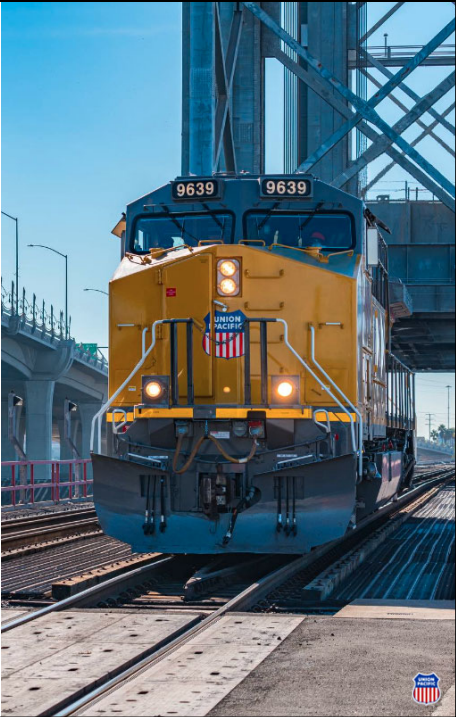

YTD Reportable Personal Injury and Derailment Rates Improved

<p>Freight Car Velocity</p> <div style="border: 1px solid gray; border-radius: 50%; width: 100px; height: 100px; display: flex; flex-direction: column; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: blue;">210</div> <div style="font-size: 1.5em; color: green; margin-top: 5px;">▲ 5%</div> </div>	<p>Intermodal Service Performance Index</p> <div style="border: 1px solid gray; border-radius: 50%; width: 100px; height: 100px; display: flex; flex-direction: column; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: blue;">86</div> <div style="font-size: 1.5em; color: green; margin-top: 5px;">▲ 1 pts</div> </div>	<p>Manifest/Auto Service Performance Index</p> <div style="border: 1px solid gray; border-radius: 50%; width: 100px; height: 100px; display: flex; flex-direction: column; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: blue;">89</div> <div style="font-size: 1.5em; color: green; margin-top: 5px;">▲ 5 pts</div> </div>
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————— Quarterly Drivers —————

Lower Freight Car Dwell	Balancing International Intermodal Growth	Reduced Car Touches
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12 Year-over-year change in metrics.

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THIRD QUARTER 2024

Key Efficiency Metrics

Locomotive
Productivity

135

▲ 5%

Workforce
Productivity

1,102

▲ 12%

Train
Length

9,580

Flat

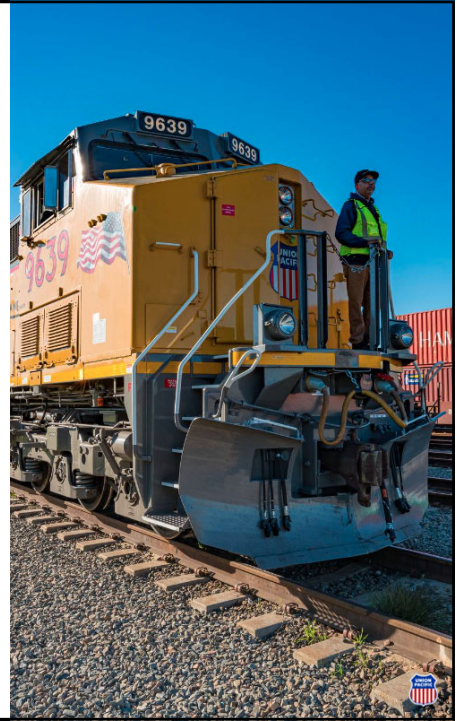
Quarterly Drivers

Reduced Locomotive
Dwell

Lower Workforce
Levels

Optimizing
Transportation Plan

13 Year-over-year change in metrics.



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HOW WE WIN THIRD QUARTER 2024

Jim Vena

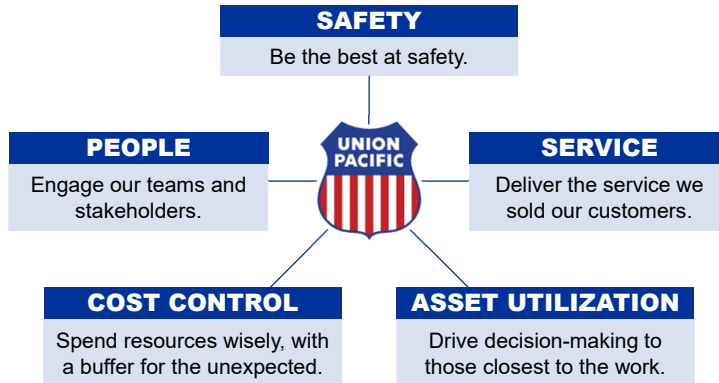
Chief Executive Officer

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Safety, Service and Operational Excellence = Growth



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This presentation and related materials contain statements about the Company's future that are not statements of historical fact, including specifically the statements regarding the Company's expectations with respect to economic conditions and demand levels, its ability to improve network performance (including those in response to increased traffic), its results of operations, and potential impacts of public health crises, including pandemics, epidemics or the outbreak of other contagious diseases, such as coronavirus and its variants (COVID), and the Russia-Ukraine and Israel-Hamas wars and other geopolitical tensions in the middle east. These statements are, or will be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements also generally include, without limitation, information or statements regarding: projections, predictions, expectations, estimates or forecasts as to the Company's and its subsidiaries' business, financial, and operational results, and future economic performance; and management's beliefs, expectations, goals, and objectives and other similar expressions concerning matters that are not historical facts.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will be achieved. Forward-looking information, including expectations regarding operational and financial improvements and the Company's future performance or results are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statement. Important factors, including risk factors, could affect the Company's and its subsidiaries' future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements. Information regarding risk factors and other cautionary information are available in the Company's Annual Report on Form 10-K for 2023, which was filed with the SEC on February 9, 2024. The Company updates information regarding risk factors if circumstances require such updates in its periodic reports on Form 10-Q and its subsequent Annual Reports on Form 10-K (or such other reports that may be filed with the SEC).

Forward-looking statements speak only as of, and are based only upon information available on, the date the statements were made. The Company assumes no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. If the Company does update one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect thereto or with respect to other forward-looking statements. References to our website are provided for convenience and, therefore, information on or available through the website is not, and should not be deemed to be, incorporated by reference herein.

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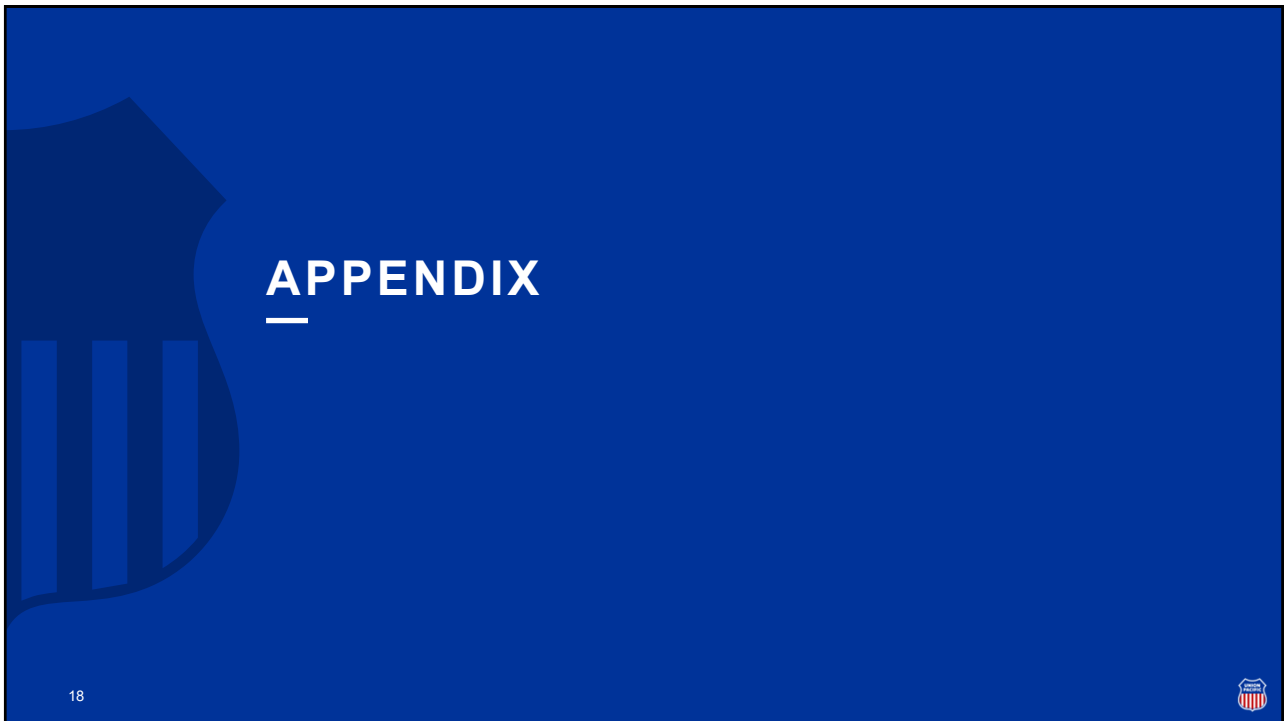
UNION PACIFIC CORPORATION

QUESTION & ANSWER

OCTOBER 24, 2024



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Third Quarter 2024 Operating Ratio and EPS

Favorable / (Unfavorable)

	Operating Ratio	EPS
Third Quarter 2023	63.4%	\$2.51
Fuel Price (net)	1.2 pts	\$0.05
2023 Write-offs	0.5 pts	\$0.04
2023 State Income Tax Benefit	-	(\$0.07)
Core Results	1.4 pts	\$0.22
Third Quarter 2024	60.3%	\$2.75

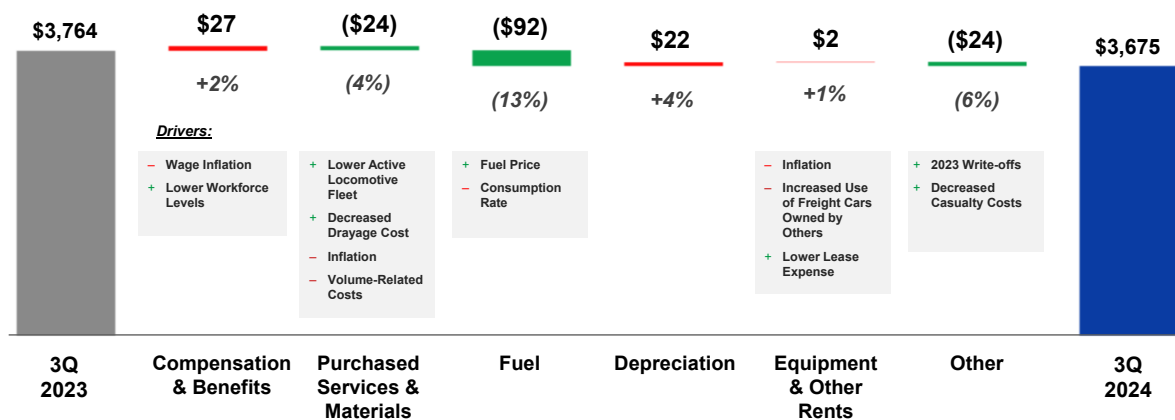
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Productivity & Lower Fuel Prices More Than Offset Volume-Related Expenses

Operating Expenses \$ in Millions



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