

UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES*Non-GAAP Measures Reconciliation to GAAP (unaudited)***Free cash flow***

<i>Millions, for the three months ended March 31,</i>	2025	2024
Cash provided by operating activities	\$ 2,210	\$ 2,122
Cash used in investing activities	(938)	(802)
Dividends paid	(804)	(795)
Free cash flow	\$ 468	\$ 525

Cash flow conversion rate*

<i>Millions, except percentages, for the three months ended March 31,</i>	2025	2024
Cash provided by operating activities	\$ 2,210	\$ 2,122
Cash used in capital investments	(906)	(797)
Total (a)	1,304	1,325
Net income (b)	\$ 1,626	\$ 1,641
Cash flow conversion rate (a/b)	80%	81%

* Free cash flow is defined as cash provided by operating activities less cash used in investing activities and dividends paid. Cash flow conversion rate is cash provided by operating activities less cash used for capital investments as a ratio of net income. Free cash flow and cash flow conversion rate are considered non-GAAP financial measures by SEC Regulation G and Item 10 of SEC Regulation S-K and may not be defined and calculated by other companies in the same manner. We believe free cash flow and cash flow conversion rate are important to management and investors in evaluating our financial performance and measures our ability to generate cash without additional external financing. Free cash flow and cash flow conversion rate should be considered in addition to, rather than as a substitute for, cash provided by operating activities.

UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES

Non-GAAP Measures Reconciliation to GAAP (unaudited)

Debt / net income

<i>Millions, except ratios for the trailing twelve months ended [1]</i>	Mar. 31, 2025	<i>Dec. 31, 2024</i>
Debt	\$ 32,842	\$ 31,192
Net income	6,732	6,747
Debt / net income	4.9	4.6

Adjusted debt / adjusted EBITDA*

<i>Millions, except ratios for the trailing twelve months ended [1]</i>	Mar. 31, 2025	<i>Dec. 31, 2024</i>
Net income	\$ 6,732	\$ 6,747
Add:		
Income tax expense	2,049	2,047
Depreciation	2,414	2,398
Interest expense	1,267	1,269
EBITDA	\$ 12,462	\$ 12,461
Adjustments:		
Other income, net	(336)	\$ (350)
Interest on operating lease liabilities [2]	40	\$ 48
Adjusted EBITDA (a)	\$ 12,166	\$ 12,159
Debt	\$ 32,842	\$ 31,192
Operating lease liabilities	1,062	1,271
Adjusted debt (b)	\$ 33,904	\$ 32,463
Adjusted debt / adjusted EBITDA (b/a)	2.8	2.7

[1] The trailing twelve months income statement information ended March 31, 2025, is recalculated by taking the twelve months ended December 31, 2024, subtracting the three months ended March 31, 2024, and adding the three months ended March 31, 2025.

[2] Represents the hypothetical interest expense we would incur (using the incremental borrowing rate) if the property under our operating leases were owned or accounted for as finance leases.

* Adjusted debt (total debt plus operating lease liabilities plus after-tax unfunded pension and OPEB (other post-retirement benefit) obligations) to adjusted EBITDA (earnings before interest, taxes, depreciation, amortization, and adjustments for other income and interest on present value of operating leases) is considered a non-GAAP financial measure by SEC Regulation G and Item 10 of SEC Regulation S-K and may not be defined and calculated by other companies in the same manner. We believe this measure is important to management and investors in evaluating the Company's ability to sustain given debt levels (including leases) with the cash generated from operations. In addition, a comparable measure is used by rating agencies when reviewing the Company's credit rating. Adjusted debt to adjusted EBITDA should be considered in addition to, rather than as a substitute for, other information provided in accordance with GAAP. The most comparable GAAP measure is debt to net income ratio. The tables above provide reconciliations from net income to adjusted EBITDA, debt to adjusted debt, and debt to net income to adjusted debt to adjusted EBITDA. At both March 31, 2025, and December 31, 2024, the incremental borrowing rate on operating leases was 3.8%. Pension and OPEB were funded at March 31, 2025, and December 31, 2024.