



UNION PACIFIC CORPORATION

FIRST QUARTER 2025 EARNINGS

APRIL 24, 2025

EXECUTIVE SUMMARY FIRST QUARTER 2025

Jim Vena

Chief Executive Officer



First Quarter Highlights & Executive Summary

Highlights

- ▲ \$2.70 Earnings per Share
- \$2.4B Operating Income
- ▼ \$1.6B Net Income
- 60.7% Operating Ratio
- ▲ Freight Car Velocity up 6%
- ▲ Workforce Productivity up 9%

Executive Summary

- Quarterly results demonstrate success of strategic focus
- Record First Quarter Freight Revenue supported by strong volume growth and core pricing gains despite mix, fuel, and leap year headwinds
- Service and business development support demand for Intermodal, Coal, and Industrial Chemicals
- Record First Quarter operating performance delivered by running a fluid and efficient network

SAFETY + SERVICE & OPERATIONAL EXCELLENCE

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FINANCIAL REVIEW FIRST QUARTER 2025

Jennifer Hamann

Executive Vice President & Chief Financial Officer

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First Quarter Income Statement

	2025	2024	Variance
Freight Revenue Ex. Fuel	\$ 5,126	\$ 4,951	4
Fuel Surcharge	565	665	(15)
Freight Revenue	5,691	5,616	1
Other Revenue	336	415	(19)
Operating Revenue	6,027	6,031	-
Operating Expenses	3,656	3,659	-
Operating Income	\$ 2,371	\$ 2,372	- %
Other Income	78	92	(15)
Interest Expense	(322)	(324)	(1)
Income Taxes	(501)	(499)	-
Net Income	\$ 1,626	\$ 1,641	(1) %
Weight Average Diluted Shares	601.9	610.2	(1)
Diluted EPS	\$ 2.70	\$ 2.69	-
Operating Ratio	60.7%	60.7%	- pts

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Freight Revenue Drivers:

- + Volume 6.50%
- Fuel Surcharge (2.75%)
- Price/Mix (2.50%)

Operating Expense Drivers:

- + Productivity
- + Lower Fuel Prices
- Volume-Related Costs
- Inflationary Pressure
- Higher Depreciation

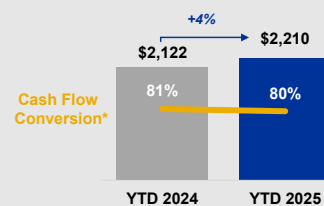


Delivering Strong Cash Returns to Shareholders

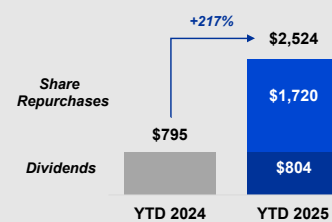
Year to Date Results

- Generated \$2.2 Billion in Cash From Operations
- Returned \$2.5 Billion to Shareholders
- Free Cash Flow* of \$468 Million
- Adjusted Debt / EBITDA* of 2.8x
 - Net Total Debt Increased \$1.7 Billion
 - "A" rated by Moody's, S&P, and Fitch

Cash From Operations (\$ in millions)



Cash Returns to Shareholders (\$ in millions)



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



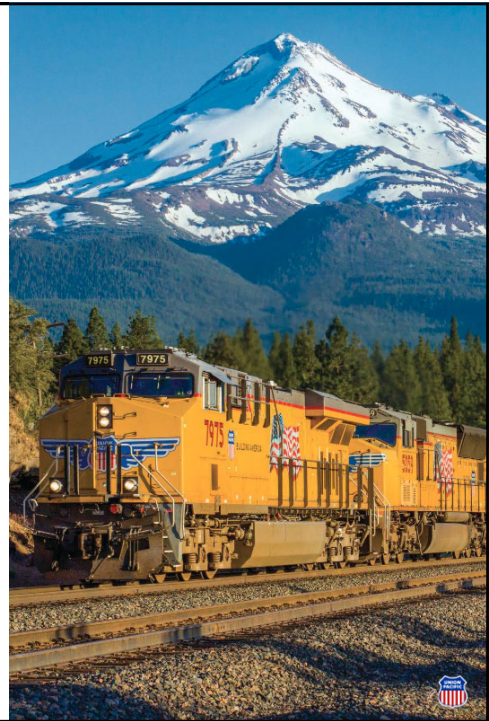
On Track With Investor Day Targets

Focused on Our Strategy Amid Uncertain Macro Environment

Affirming 2025 Outlook:

- Volume Impacted by Mixed Economic Backdrop, Coal Demand, and Challenging Year-over-Year International Intermodal Comparisons
- Pricing Dollars Accretive to Operating Ratio
- EPS Growth Consistent with Attaining the 3-Year CAGR Target of High-Single to Low-Double Digit
- Industry-Leading Operating Ratio and Return on Invested Capital
- No Change to Long-Term Capital Allocation Strategy
 - Capital Plan of \$3.4 Billion
 - Share Repurchases of \$4.0 to \$4.5 Billion

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MARKETING & SALES REVIEW FIRST QUARTER 2025

Kenny Rocker

Executive Vice President – Marketing & Sales

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First Quarter Commodity Review

Commodity	Revenue (Millions)	Volume (Thousands)	ARC	Quarterly Drivers
Bulk <i>vs. 1Q'24</i>	\$ 1,836 ▲ 1%	491 ▲ 2%	\$ 3,744 ▼ 1%	<ul style="list-style-type: none"> Favorable Natural Gas Prices Drove Higher Coal Demand New UP Facilities & High Demand for Grain Products Decreased Food & Beverage Shipments
Industrial <i>vs. 1Q'24</i>	\$ 2,082 ▼ 1%	537 ▼ 1%	\$ 3,877 Flat	<ul style="list-style-type: none"> Lower Petroleum Shipments Driven by Business Shifts Weaker Global Soda Ash Market Strong Rock Shipments
Premium <i>vs. 1Q'24</i>	\$ 1,773 ▲ 5%	1,069 ▲ 13%	\$ 1,658 ▼ 7%	<ul style="list-style-type: none"> Continued Strength in International West Coast Imports Domestic Intermodal Growth Driven by Business Development Automotive Down Due to Reduced OEM Production
Total <i>vs. 1Q'24</i>	\$ 5,691 ▲ 1%	2,097 ▲ 7%	\$ 2,714 ▼ 5%	<p>Freight Revenue Excluding Fuel Surcharge Up 4%</p>

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2025 Volume Outlook

Bulk	Industrial	Premium
		
<ul style="list-style-type: none"> – Food & Beverage ↔ Coal + Grain & Grain Products 	<ul style="list-style-type: none"> – Petroleum + Industrial Chemicals + Plastics 	<ul style="list-style-type: none"> – Automotive – International Intermodal + Domestic Intermodal

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OPERATIONS REVIEW FIRST QUARTER 2025

Eric Gehringer

Executive Vice President – Operations



FIRST QUARTER 2025

Key Performance Metrics

Freight Car
Velocity

215

▲ 6%

Intermodal Service
Performance Index

94

▼ 1 pts

Manifest Service
Performance Index

93

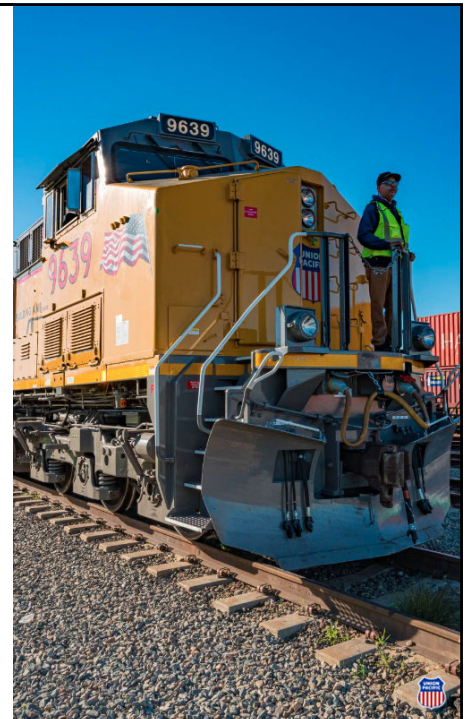
▲ 6 pts

Quarterly Drivers

Lower Freight
Car Dwell

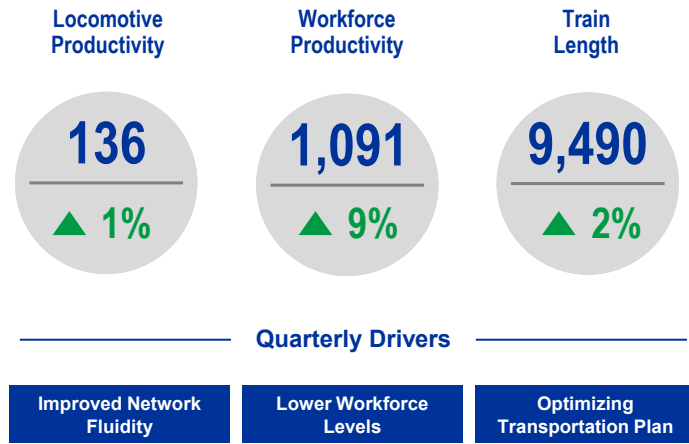
Supporting International
Intermodal Growth

Reduced
Car Touches

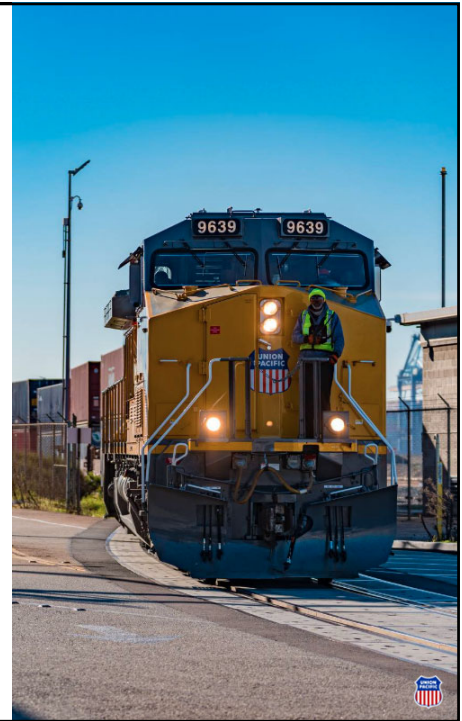


FIRST QUARTER 2025

Key Efficiency Metrics



13 Year-over-year change in metrics.



HOW WE WIN FIRST QUARTER 2025

Jim Vena

Chief Executive Officer



Safety, Service & Operational Excellence = Growth



SAFETY	SERVICE	ASSET UTILIZATION	COST CONTROL	PEOPLE
Be the best at safety.	Deliver the service we sold our customers.	Drive decision-making to those closest to the work.	Spend resources wisely, with a buffer for the unexpected.	Engage our teams and stakeholders.



Cautionary Information

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 2024, which was filed with the SEC on February 7, 2025. 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.





UNION PACIFIC CORPORATION

QUESTION & ANSWER

APRIL 24, 2025

APPENDIX



First Quarter 2025 Operating Ratio and EPS

Favorable / (Unfavorable)

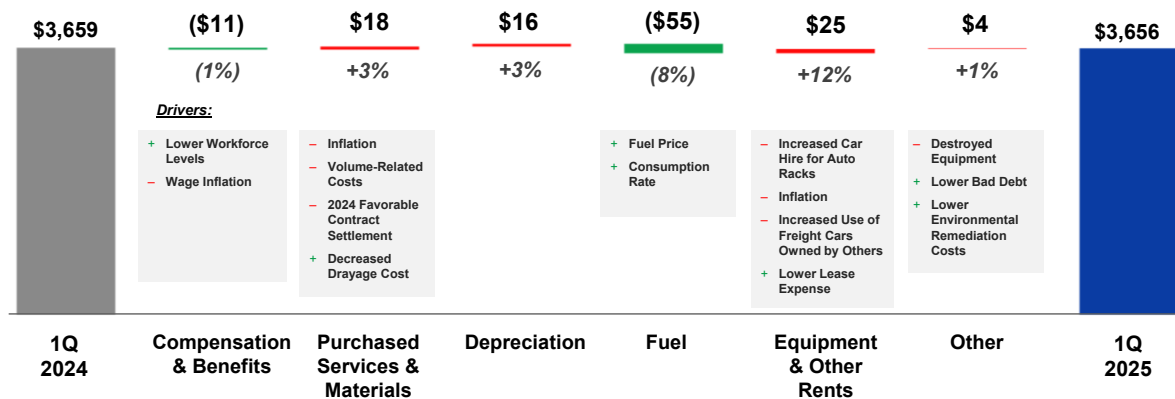
	Operating Ratio	EPS
First Quarter 2024	60.7%	\$2.69
Fuel Price (net)	(0.5) pts	(\$0.12)
Leap Year Impact	(0.4) pts	(\$0.07)
Core Results	0.9 pts	\$0.20
First Quarter 2025	60.7%	\$2.70

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Lower Fuel Prices & Productivity Offset Volume-Related Expenses & Inflation

Operating Expenses \$ in Millions



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