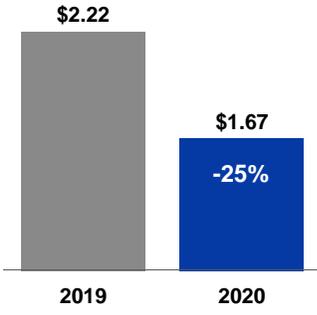


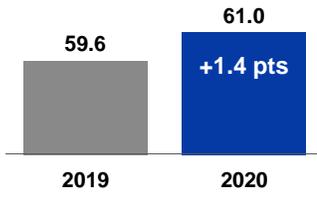


Second Quarter 2020 Results

Earnings Per Share



Operating Ratio



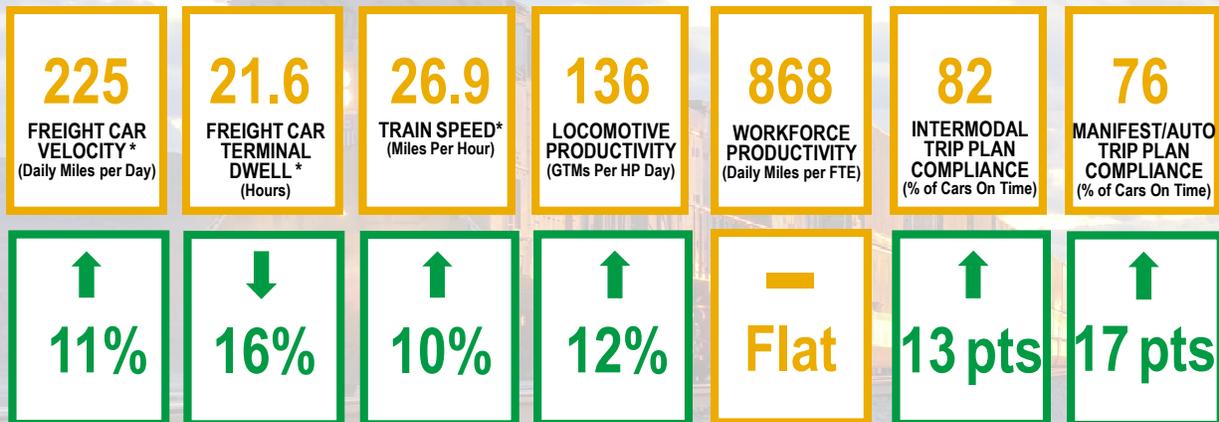
SECOND QUARTER 2020 OPERATIONS REVIEW

Jim Vena
Chief Operating Officer



Unified Plan 2020

Key Performance Metrics – 2Q 2020 vs. 2Q 2019



4 *Prior years have been recast to conform to the current year presentation which reflects minor refinements.

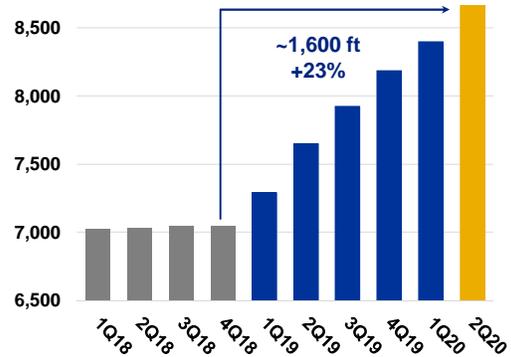


Unified Plan 2020 Update

Terminal Rationalization & Network Changes

- Completed Sixteen 15,000 Foot Sidings
- Redesigning Yard and Local Transportation Plan
- Intermodal Network Changes
 - Chicago Global 3
 - Houston Settegast
- Initiated Construction of Englewood Yard Improvements

Train Length
(Max on Route, in Feet)



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Operating Outlook

- Safety First
- Adjusting Resources for Volume
- Continue Unified Plan 2020 Implementation
- Drive Service Improvements
- Focus on Asset Utilization and Network Efficiency



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SECOND QUARTER 2020 MARKETING & SALES REVIEW

Kenny Rocker

Executive Vice President – Marketing & Sales

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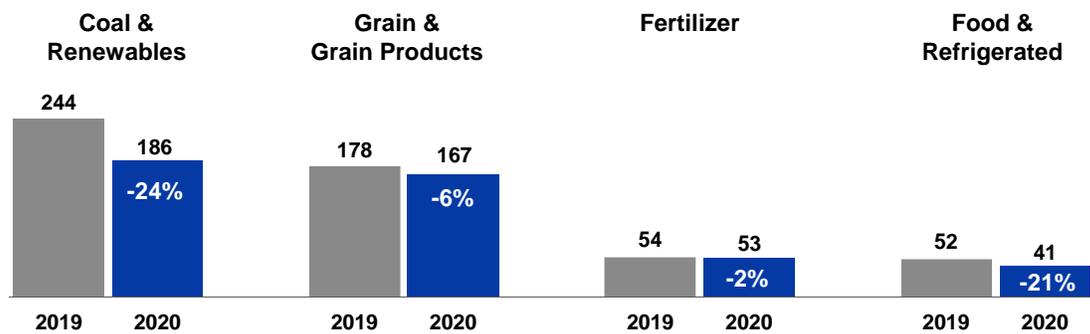


Bulk

Revenue \$1,386M (-17%)

Volume 447K (-15%)

ARC \$3,099 (-3%)



Quarterly Drivers

Continued Coal Challenges

Strength in Export Grain

COVID-19 Related Impacts

8 Volume in thousands of carloads.

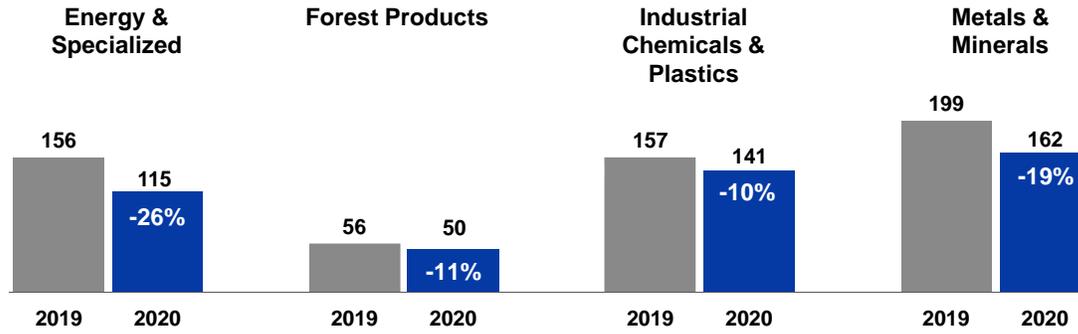


Industrial

Revenue \$1,500M (-23%)

Volume 468K (-18%)

ARC \$3,201 (-6%)



Quarterly Drivers

Reduced Sand, Petroleum, & Industrial Chemicals Shipments

Economic Shutdown Impacts on Demand

Energy Market Challenges

⁹ Volume in thousands of carloads.

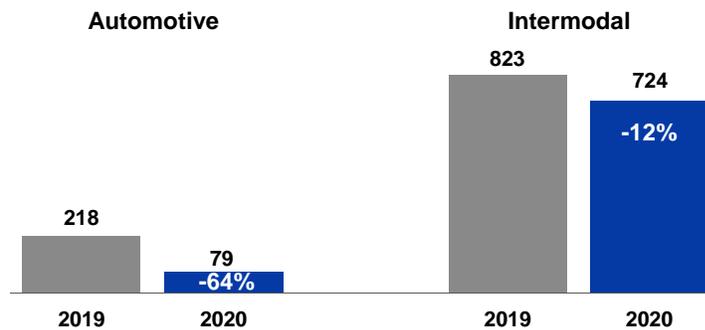


Premium

Revenue \$1,086M (-33%)

Volume 803K (-23%)

ARC \$1,354 (-13%)



Quarterly Drivers

Automotive Manufacturing Suspension and Resumption

Temporary Retail Store Closings

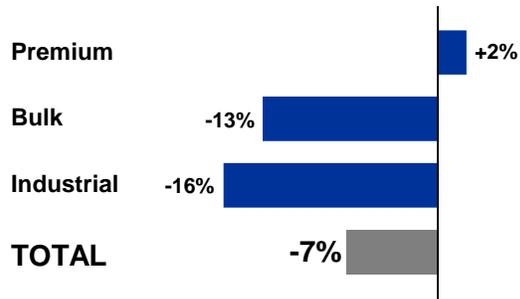
E-Commerce Strength

¹⁰ Volume in thousands of carloads.

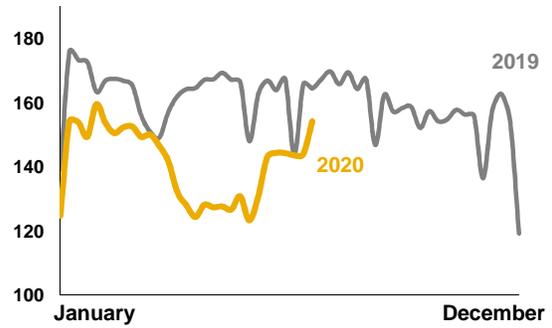


Third Quarter Volume & Outlook

Third Quarter Volume To Date*



7-Day Weekly Carloadings (000s)



11 * Volume through July 21



SECOND QUARTER 2020 FINANCIAL REVIEW

Jennifer Hamann

Executive Vice President & Chief Financial Officer

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Second Quarter Operating Ratio and EPS

Favorable / (Unfavorable)

	Operating Ratio	EPS
Second Quarter 2019	59.6%	\$2.22
2019 Weather / Insurance Recovery	0.9 pts	\$0.05
2019 Payroll Tax Refund	(0.7) pts	(\$0.04)
Fuel Price Impact	2.7 pts	\$0.09
Core Results	(4.3) pts	(\$0.72)
Illinois Tollway Real Estate Sale	N/A	\$0.07
Second Quarter 2020	61.0%	\$1.67

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Second Quarter Income Statement

\$ in Millions (except EPS)

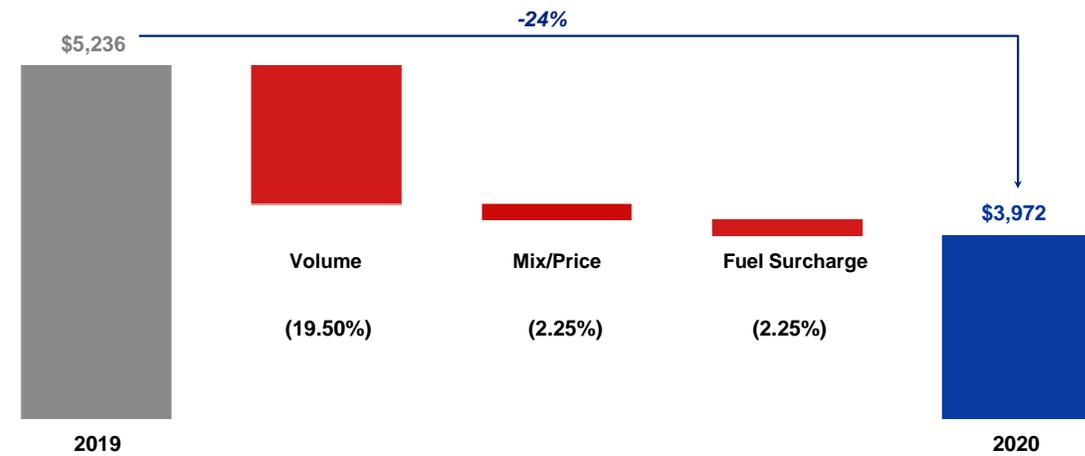
	2020	2019	%
Operating Revenues	\$4,244	\$5,596	(24)
Operating Expenses	2,590	3,336	(22)
Operating Income	1,654	2,260	(27)
Other Income	131	57	F
Interest Expense	(289)	(259)	12
Income Taxes	(364)	(488)	(25)
Net Income	\$1,132	\$1,570	(28)
Weighted Average Diluted Shares	679.2	708.0	(4)
Diluted EPS	\$1.67	\$2.22	(25)

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Second Quarter Freight Revenue

\$ in Millions

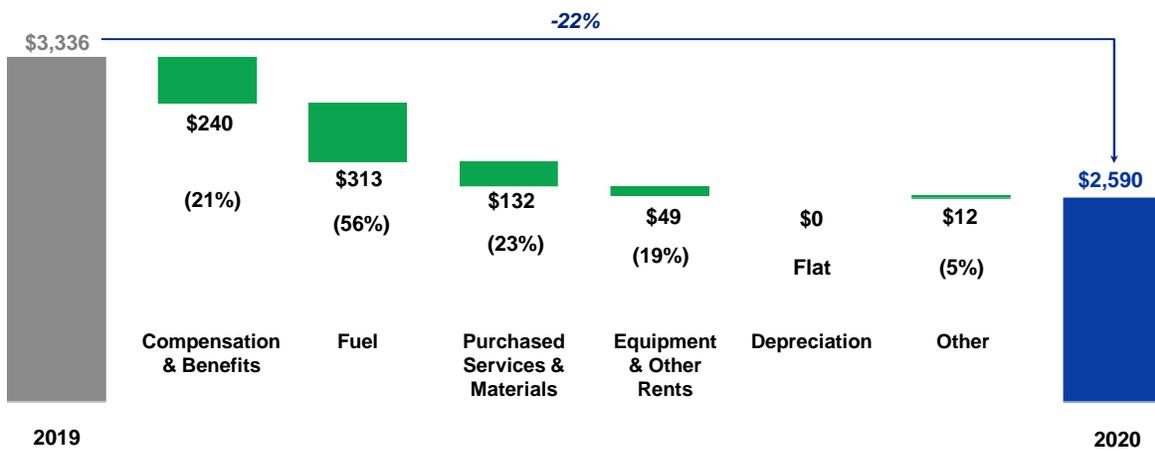


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Second Quarter Operating Expenses

\$ in Millions

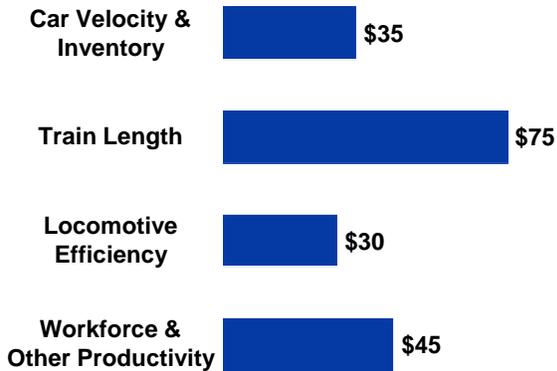


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Productivity Results

Net Productivity of \$185 Million



Productivity Trend (\$ in millions)

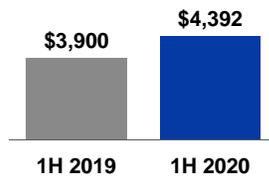


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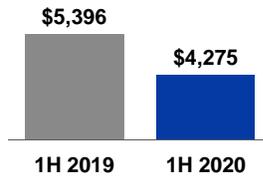


Cash Generation & Liquidity

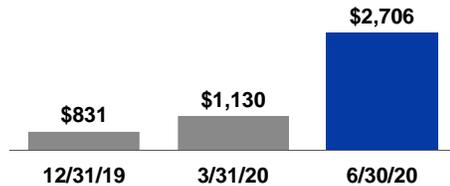
Cash From Ops (\$ in millions)



Cash to Shareholders (\$ in millions)



Cash Balance (\$ in millions)



1st Half Year-to-Date

- Cash Flow Conversion Rate Equal to 107% of Net Income*
- Adjusted Debt Increased \$3 Billion since Year-End 2019
- Adjusted Debt / EBITDA of 2.9x*
- Repurchased 14 million Shares for a 4% Reduction in the Average Share Balance

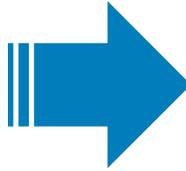
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* See Union Pacific website under Investors for a reconciliation to GAAP



Updated 2020 Guidance

- Volume Down 10% or so for Full Year 2020
- Productivity Exceeding \$500 Million
- Pricing Gains in Excess of Inflation Dollars



Full Year
Operating Ratio
Improvement

-
- Strong Cash Generation and Cash Conversion Expected
 - Capital Spend of ~\$2.9 Billion
 - Maintain Dividend



SECOND QUARTER 2020

—
Lance Fritz

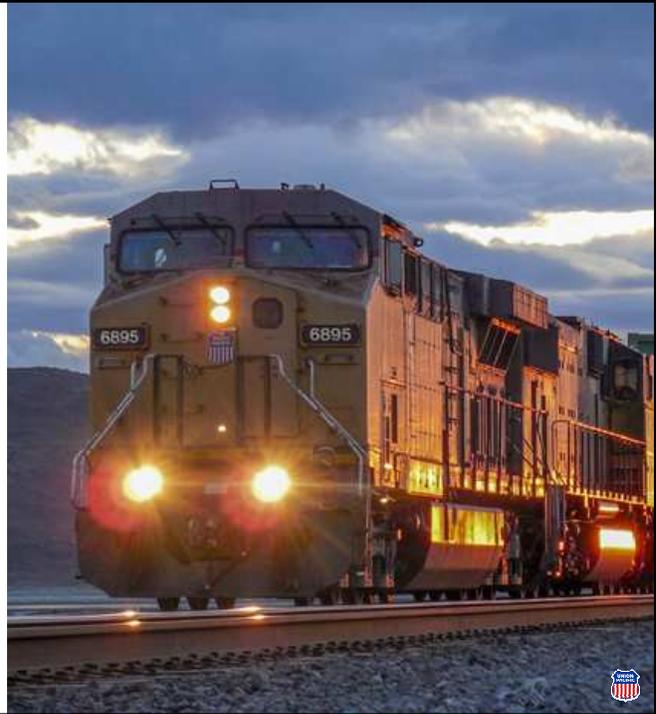
Chairman, President & CEO



Looking Ahead

- Committed to Employee Safety & Health
- Deliver a Highly Consistent and Reliable Service Product
- Strong Balance Sheet & Liquidity
- Continued Unified Plan 2020 Implementation

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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, its results of operations, and potential impacts of the Covid-19 pandemic. 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 2019, which was filed with the SEC on February 7, 2020 and the Company's Quarterly Report on Form 10-Q which was filed with the SEC on April 23, 2020. 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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Question & Answer Session

