



March 6, 2019

Raymond James 40th Annual Institutional Investors Conference

Rob Knight
CFO

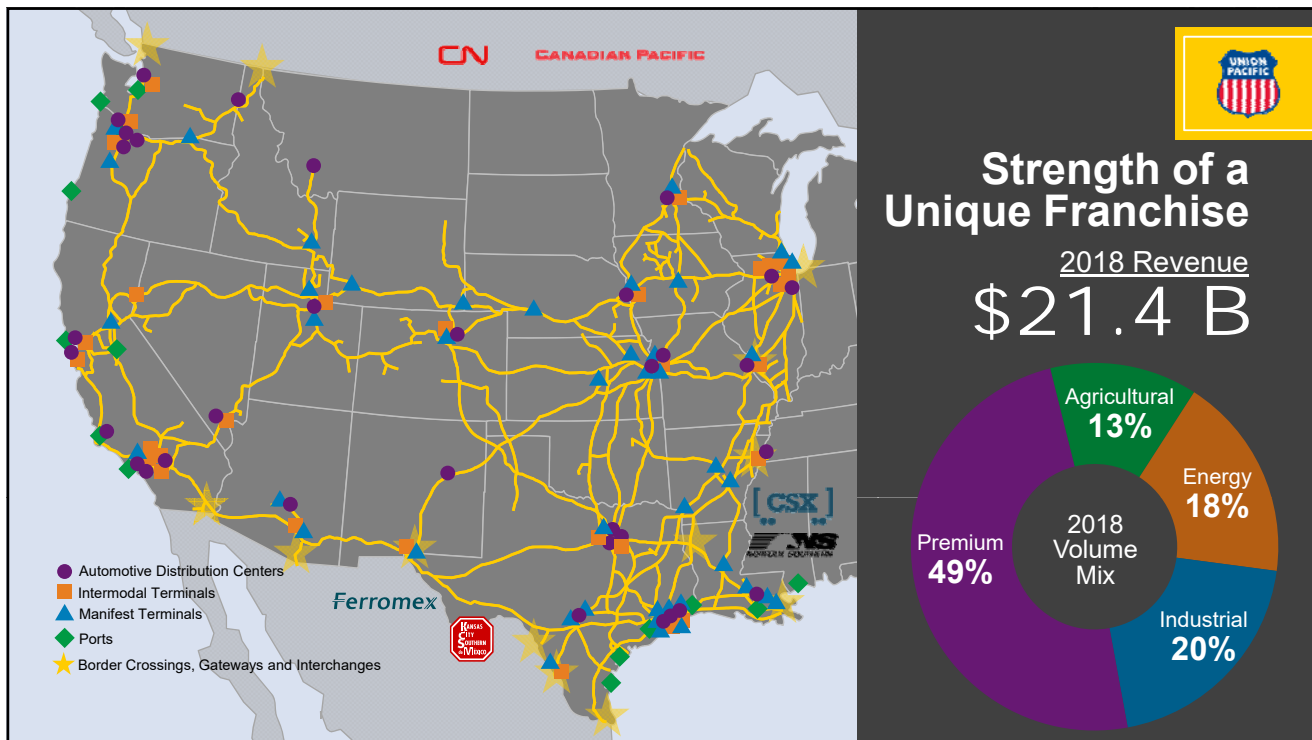
Cautionary Information



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; its ability to generate financial returns, improve resource productivity and use innovation to enhance customer experience; implementing corporate strategies; and providing excellent service to its customers and returns to its shareholders. These statements are, or will be, forward-looking statements as defined by the Securities Act of 1933 and 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.

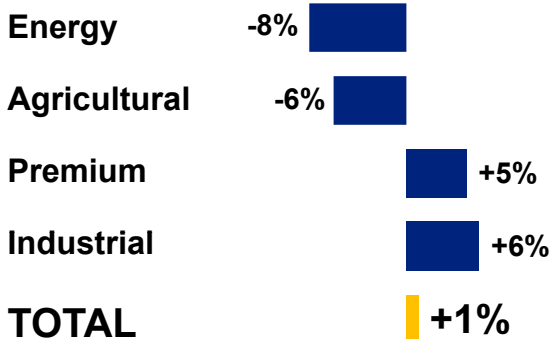
Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will be achieved. Forward-looking information, including expectations regarding operational and financial 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 2018, which was filed with the SEC on February 8, 2019. 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.

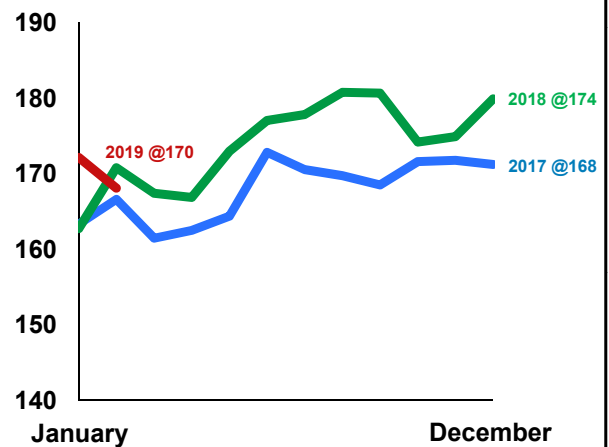


2019 Business Trends

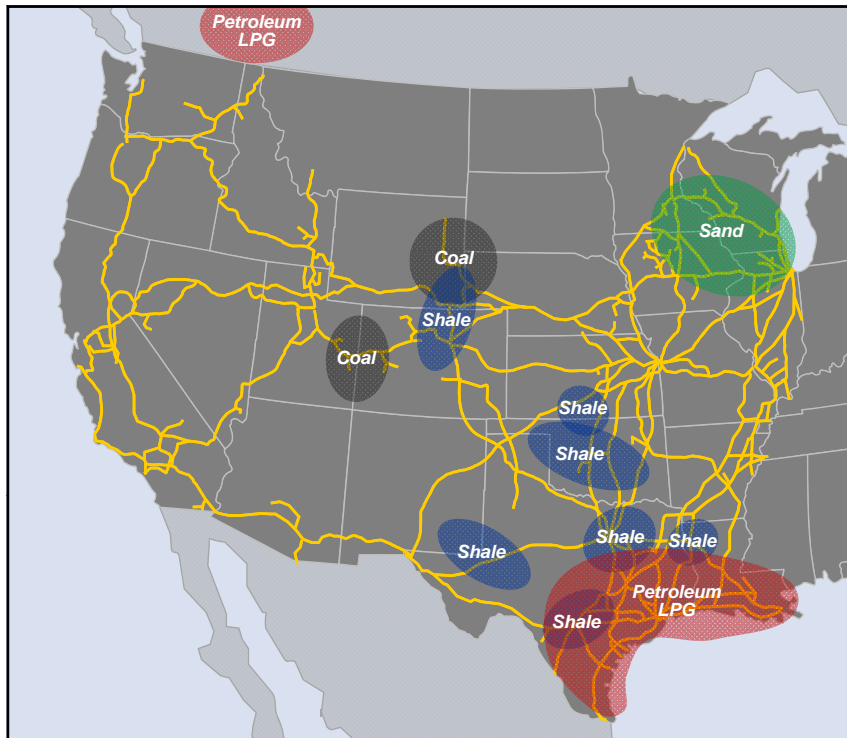
2019 1QTD Volumes* (vs 2018)



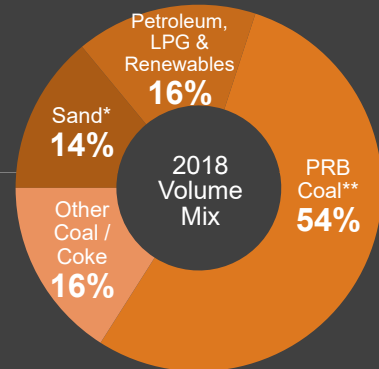
7-Day Monthly Carloadings (000s)



* Through March 4, 2019

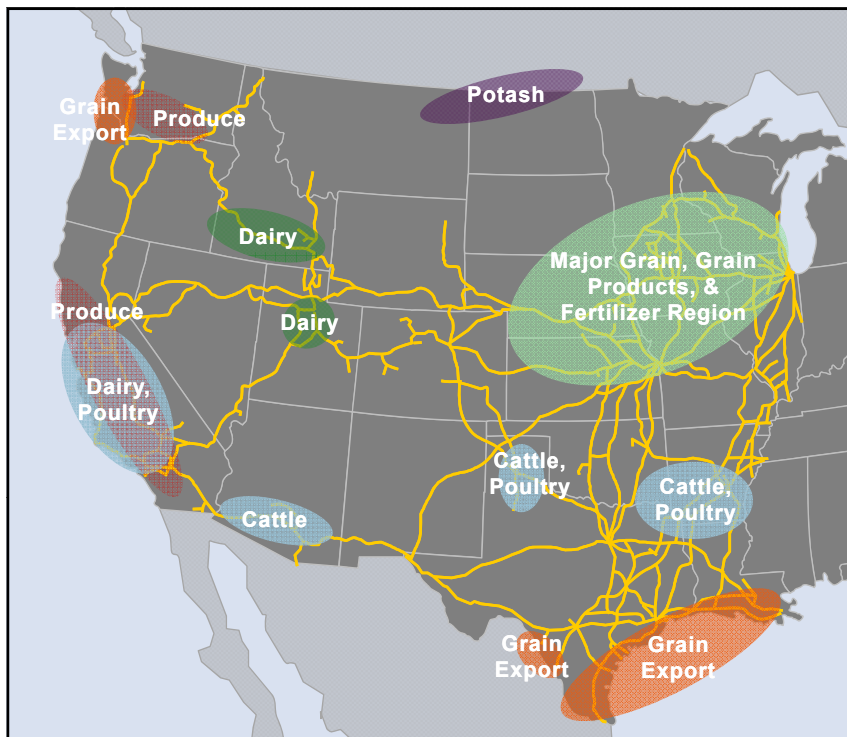


Energy
2018 Revenue
\$4.6 B

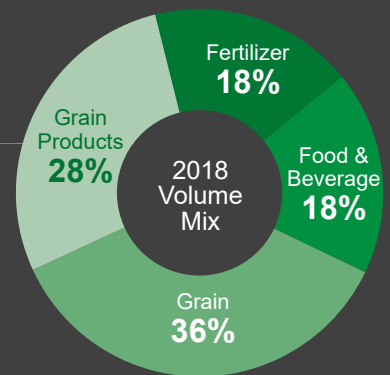


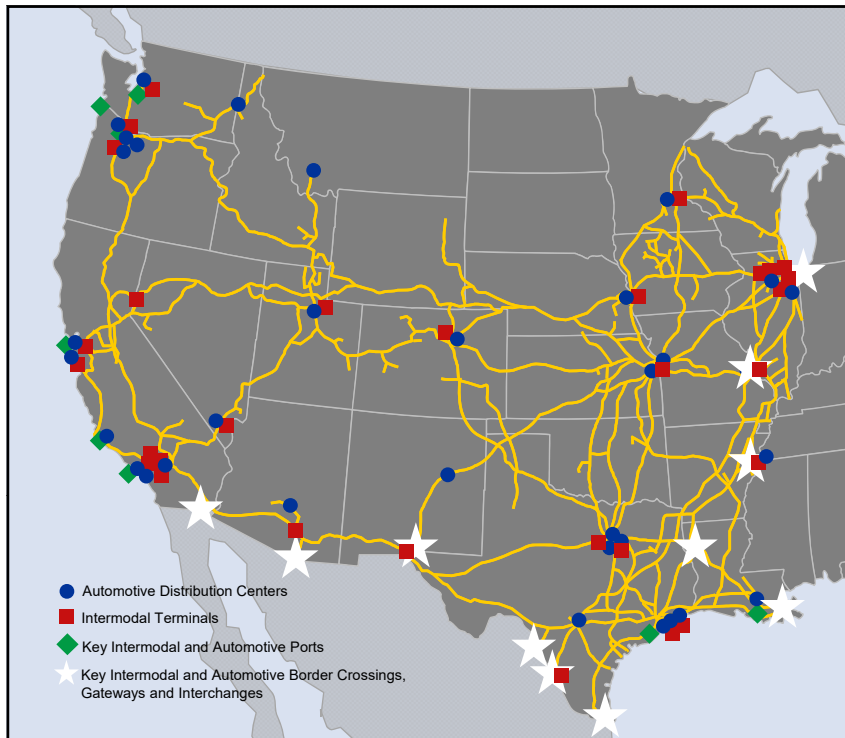
* Sand includes Barites

** PRB includes SPRB and NPRB

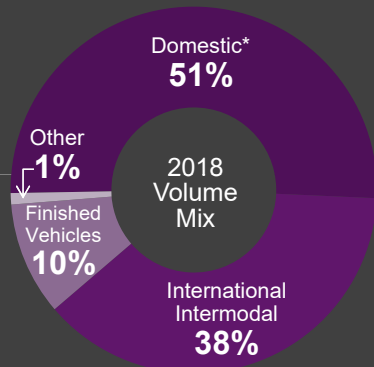


Agricultural Products
2018 Revenue
\$4.5 B

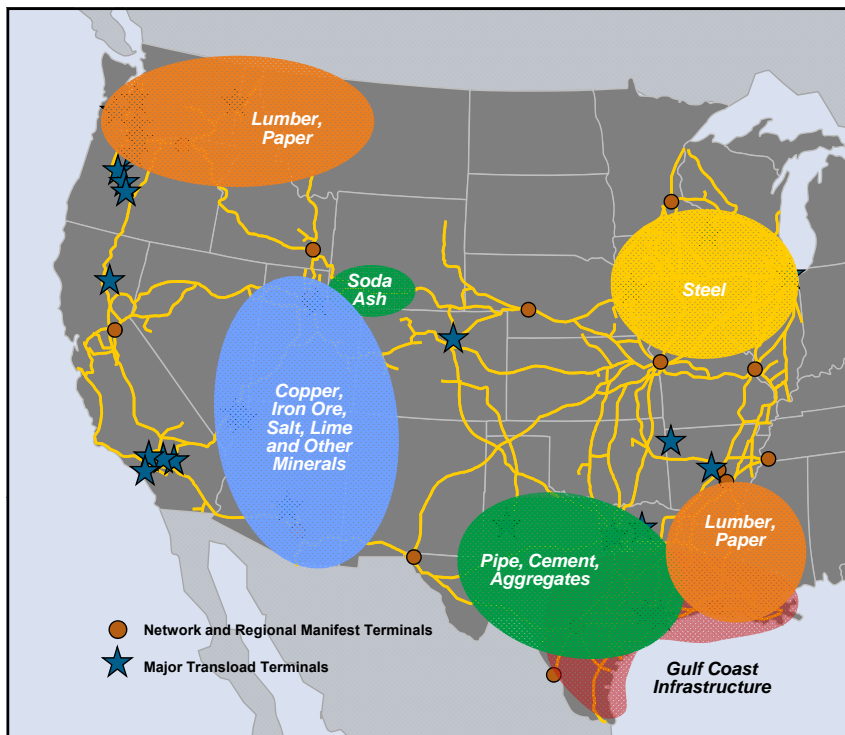




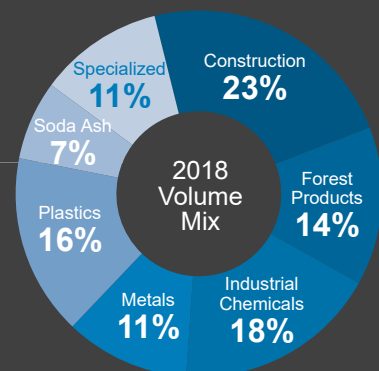
Premium
 2018 Revenue
\$6.6 B

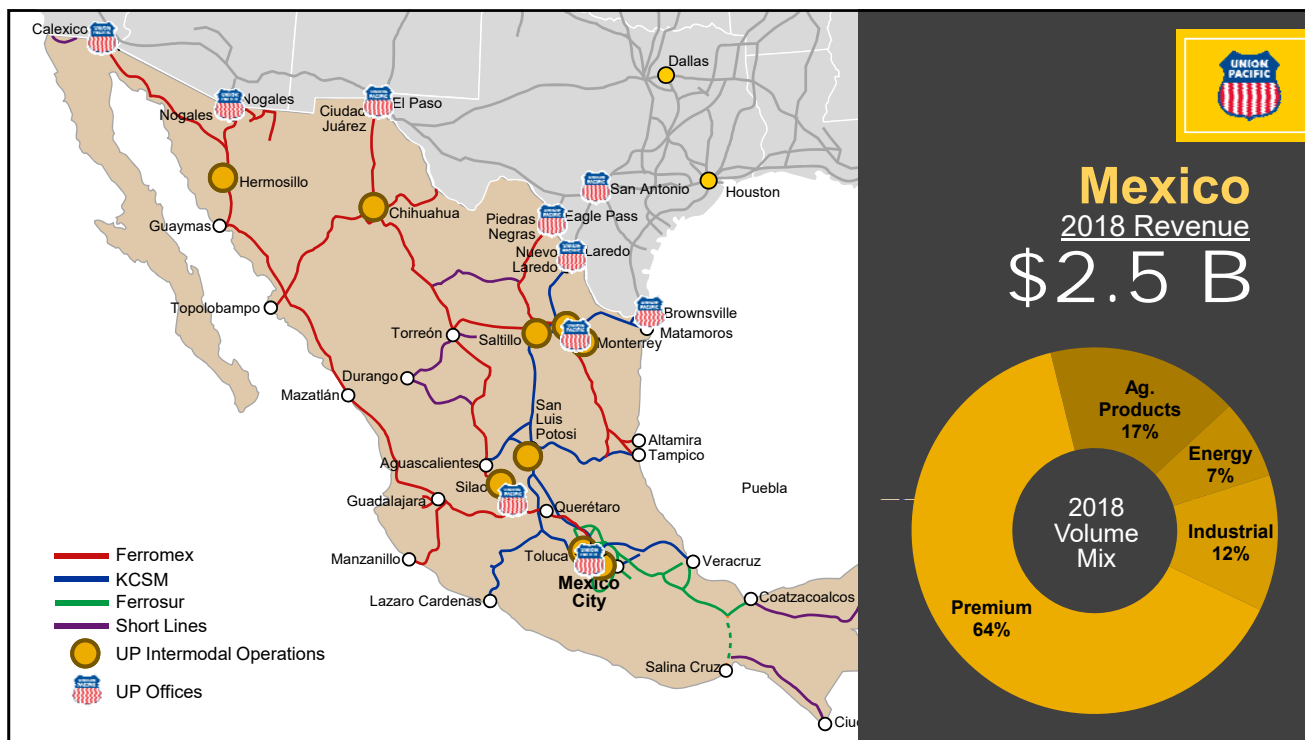


* Domestic includes domestic intermodal and auto parts moved in intermodal containers



Industrial
 2018 Revenue
\$5.7 B

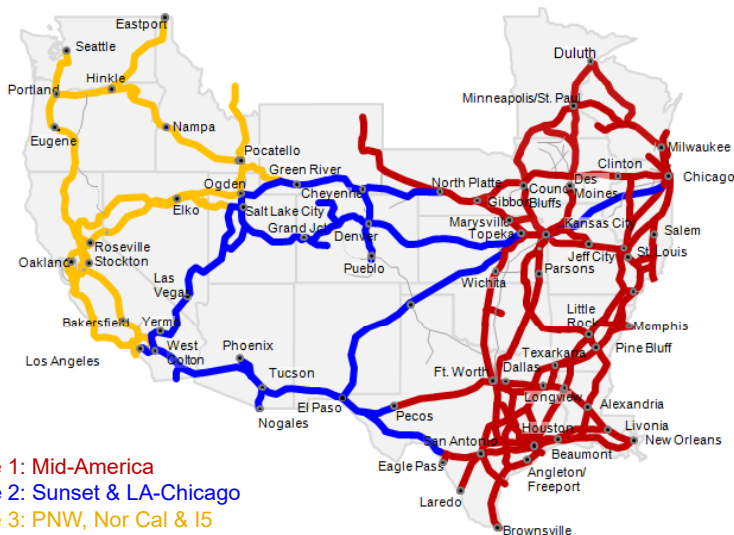




Unified Plan 2020 Update

- Implementation Began October 2018
- Phase 1 and 2 Complete
- Phase 3 Well Underway
- Full Implementation by Mid-2019
- Severe Winter Weather Impact

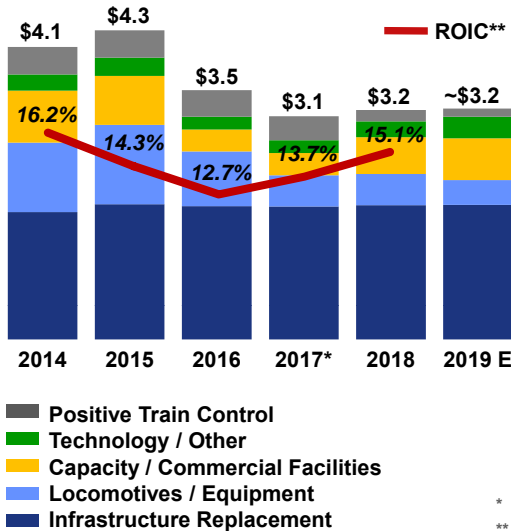
Unified Plan 2020 Phases



Strengthening the Franchise



Capital Spending & Returns



- Return-Focused Capital Program
- Productivity Through G55+0 Initiatives
- Capex Less than 15% of Revenue Longer-Term

* Adjusted to exclude the impact of Corporate Tax Reform.

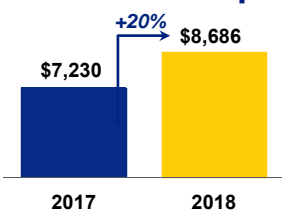
** See Union Pacific website under Investors for a reconciliation to GAAP.

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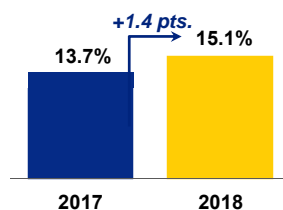
Cash Flow & Debt

\$ In Millions

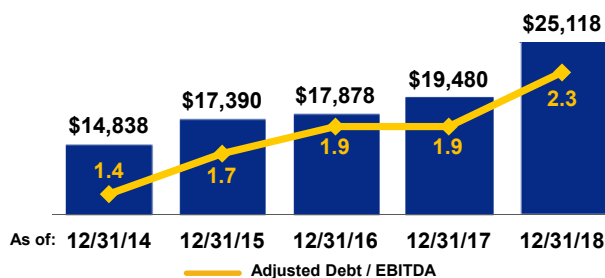
Cash From Ops



ROIC*



Adjusted Debt*



- Higher Net Income, Lower Federal Tax Payments
- Improved ROIC
- Increased Adj. Debt \$5.6 Billion
- Adj Debt / EBITDA of 2.3

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

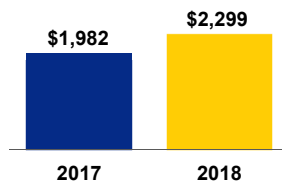
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Delivering Value to Shareholders

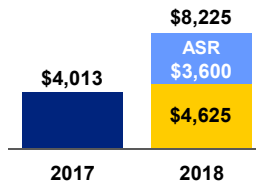
\$ In Millions



Dividends



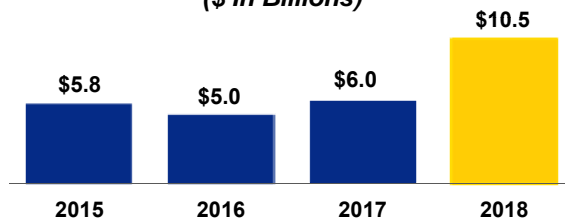
Share Repurchases



2018 Cash Returned to Shareholders

- **Dividends:**
 - \$2.3 Billion
 - Two, 10% dividend increases in 2018
- **Share Repurchases:**
 - \$4.6 Billion of Open Market Purchases
 - \$3.6 Billion Accelerated Share Repurchase Program

Cash Returned to Shareholders (\$ In Billions)



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2019 Financial Outlook



First Quarter Activity

- 10% Dividend Increase for 1Q19
- \$3 Billion Bond Offering
- \$2.5 Billion Accelerated Share Repurchase Program
- New Share Repurchase Authorization of up to 150 Million Shares by March 31, 2022
- Partial Payroll Tax Refund in 1Q19
 - Remainder Expected Later in 2019

Full Year

- Volume Up Low Single Digits
- Pricing Will Exceed Inflation Dollars
- Significant Benefits from G55 + 0, Including Unified Plan 2020
 - At Least \$500 Million of Productivity in 2019
- Operating Ratio Guidance:
 - Sub-61% in 2019
 - Below 60% by 2020
- Capex of ~\$3.2 Billion in 2019; Less than 15% of Revenue Going Forward

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UNION PACIFIC

