



May 15, 2018

Bank of America Merrill Lynch 2018 Transportation Conference

Lance Fritz
Chairman, President & CEO

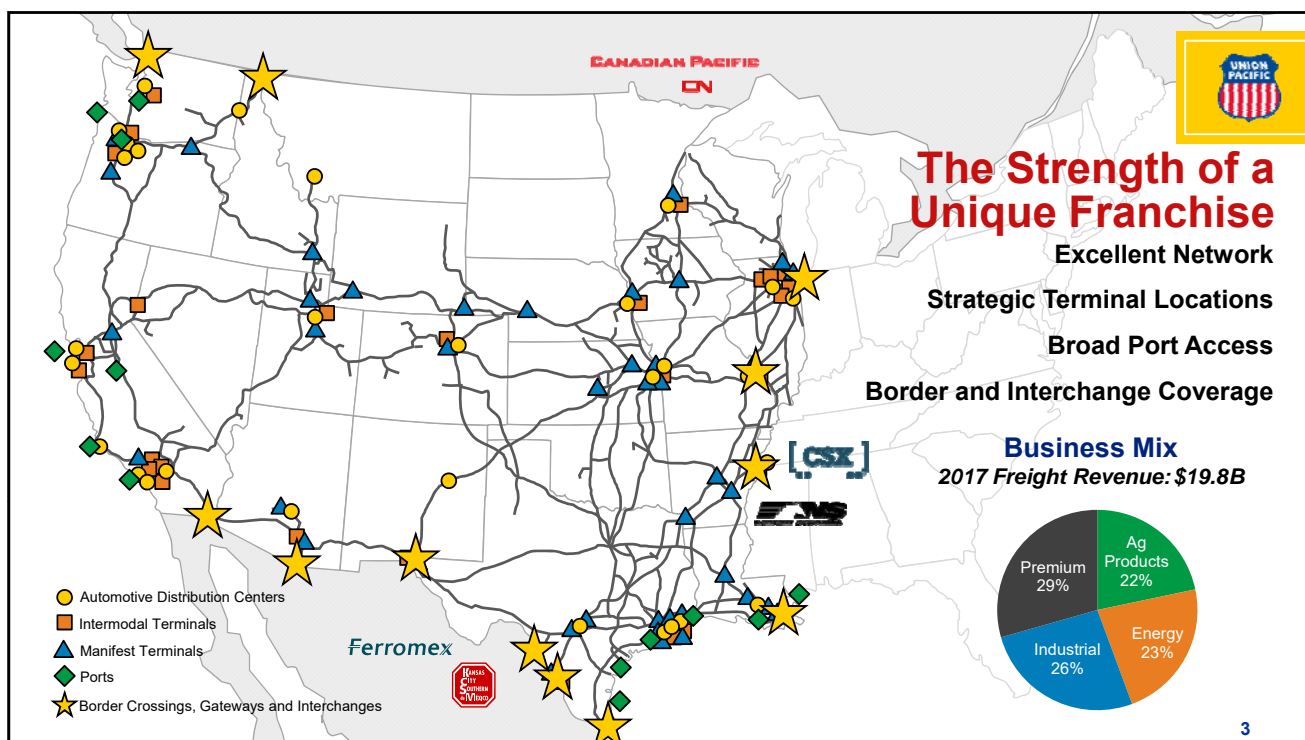
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This presentation and related materials contain statements about the Company's future that are not statements of historical fact, including specifically the statements regarding the Company's expectations with respect to economic conditions; its ability 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.

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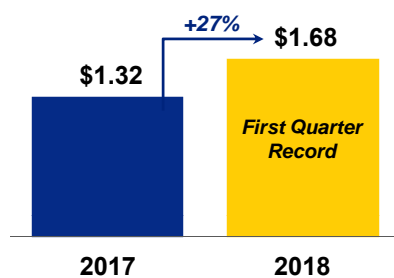
Forward-looking statements speak only as of, and are based only upon information available on, the date the statements were made. The Company assumes no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking 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.



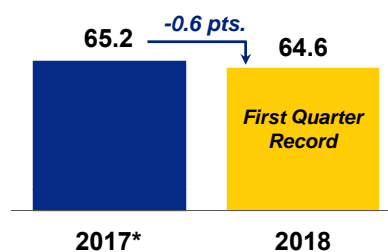
3

First Quarter 2018 Results

Earnings Per Share First Quarter



Operating Ratio First Quarter

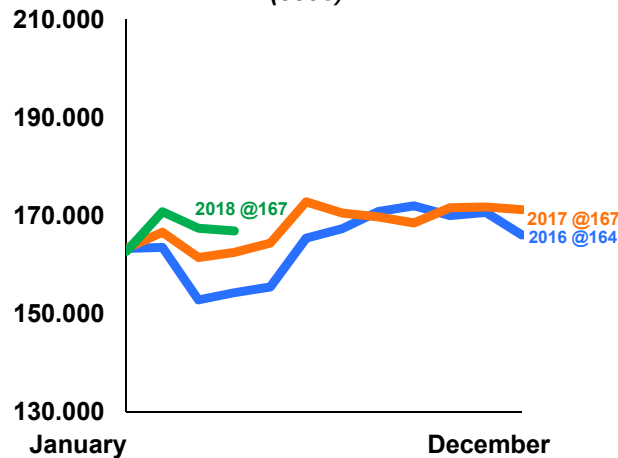


* Certain prior period amounts have been adjusted for the retrospective adoption of Accounting Standard Update 2017-07 related to the presentation of the components of net periodic pension and other postretirement benefit costs. See Union Pacific website under Investors for the adoption impact.

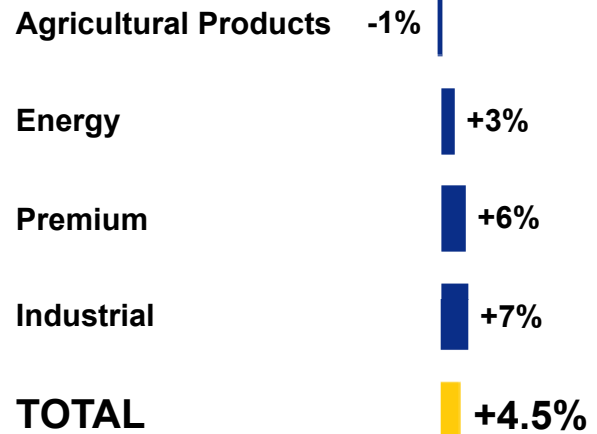
4

2018 Business Trends

7-Day Monthly Carloadings (000s)



2018 2QTD Volumes* (vs 2017)



*Through May 12, 2018

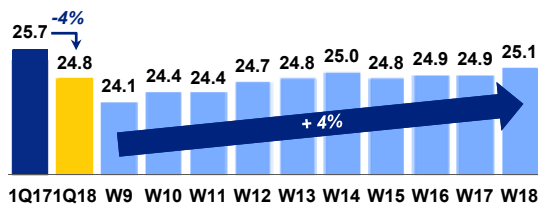
5

Network Performance

Velocity

(As Reported to the AAR, in mph)

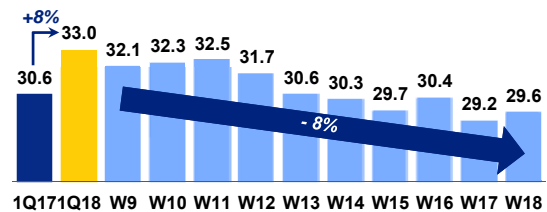
Good ↑



Terminal Dwell

(As Reported to the AAR, in hours)

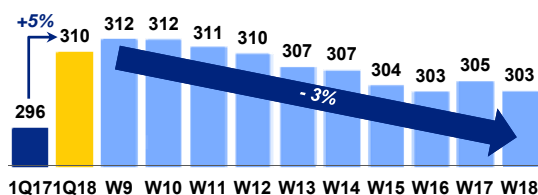
Good ↓



Freight Car Inventory

(As Reported to the STB, cars in thousands)

Good ↓



- Record Southern Region Manifest Volumes
- Performance Metrics Improving

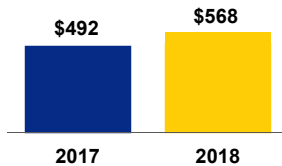
6

Delivering Value to Shareholders

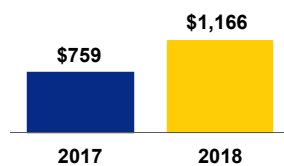
\$ In Millions



Dividends



Share Repurchases

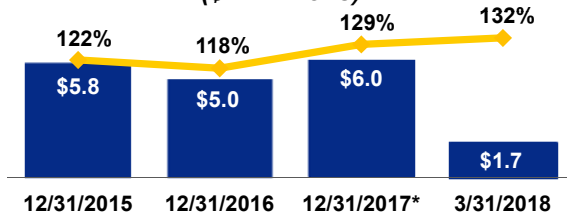


- Repurchased 9.3 Million Shares Totaling ~\$1.2 Billion in 1Q 2018

- Increased 53% from 2017

Cash Returned to Shareholders

(\$ In Billions)



— Cash Returned as % of Net Income

- 2018 Cash Returns to Shareholders: 132% of Net Income

* Adjusted to exclude the 2017 impact of Corporate Tax Reform

7

2018 Outlook



Full Year

- Low Single Digit Volume Growth
- Price Above Inflation
- Goal is an Improved Operating Ratio

Continued Focus on G55+0



8