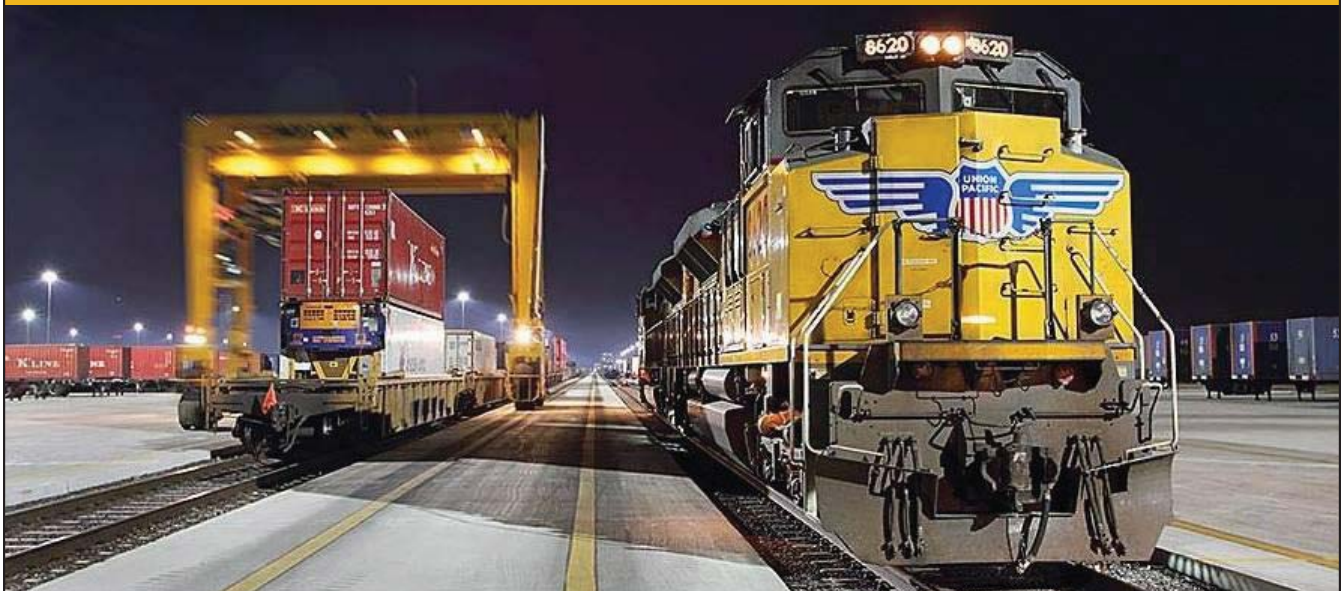


Coal

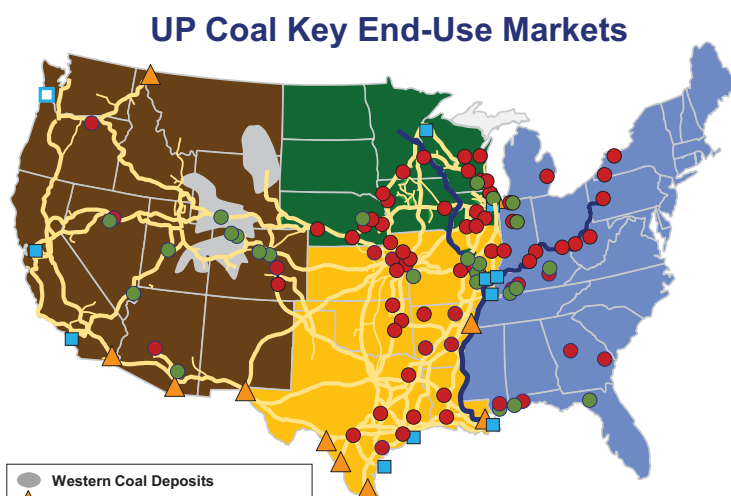
Doug Glass, VP & General Manager



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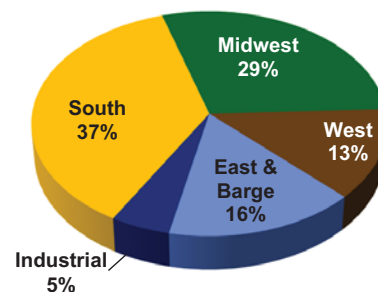
Coal

\$3.0 Billion Revenue as of 9/30/14

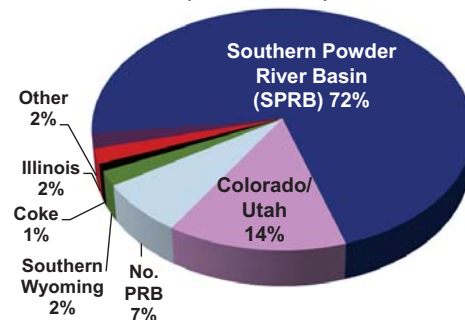


- Western Coal Deposits
 - ▲ Interchange/Gateway
 - Water Terminal
 - Water Terminal Under Development
 - PRB Coal Utility Plant*
 - Other Coal Utility Plant*
- *Directly or indirectly served by UP

Key End-Use Markets (% of Volume)



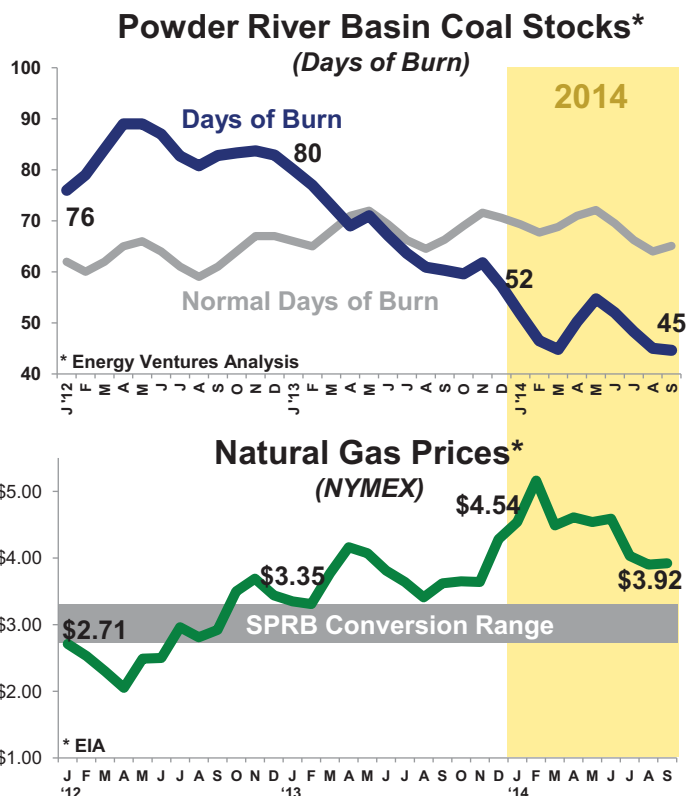
Origin Mix (% of Volume)



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Current Coal Demand Drivers

- Colder than Normal '13-14 Winter
- Low Coal Stockpiles
- Gas Above Conversion Range
- Eastern Conversion
- 5-Year Average PRB Inventory Shortfall at 25mm Tons



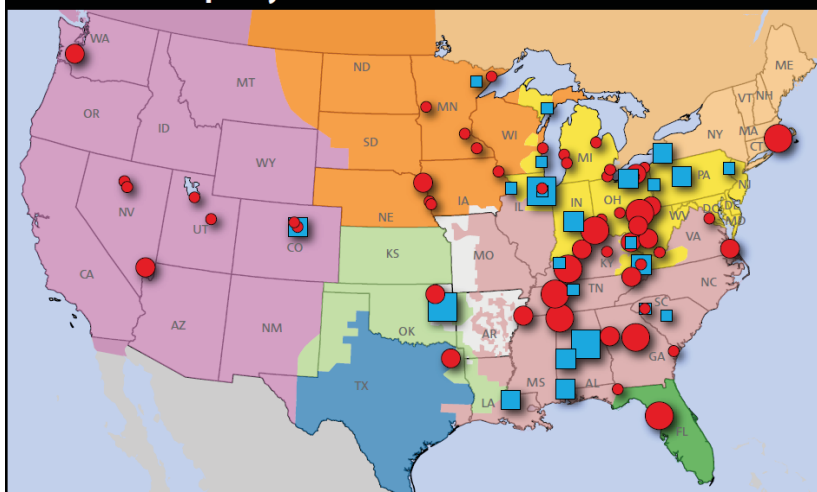
3



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Regulatory Impact Still Uncertain

Planned coal capacity retirements and conversions 2014-2022



Status	Capacity (MW)	NERC region
Converting	3 - 350	TRE
Retiring	351 - 800	FRCC
	801 - 1,425	MRO
		NPCC
		RFC
		SERC
		SPP
		WECC

As of Oct. 7, 2014.
Includes operating and out of service units with a primary fuel group of coal.
Includes fuel conversions at plants tracked by SNL beginning in January 2011.
Source: SNL Energy
Map credit: Whit Varner

SNLFinancial

- Mercury and Air Toxics Standards Implementation Underway
- Impact Concentrated in the East
- Clean Power Plan Implementation Uncertain
- Potential 5-7% Impact

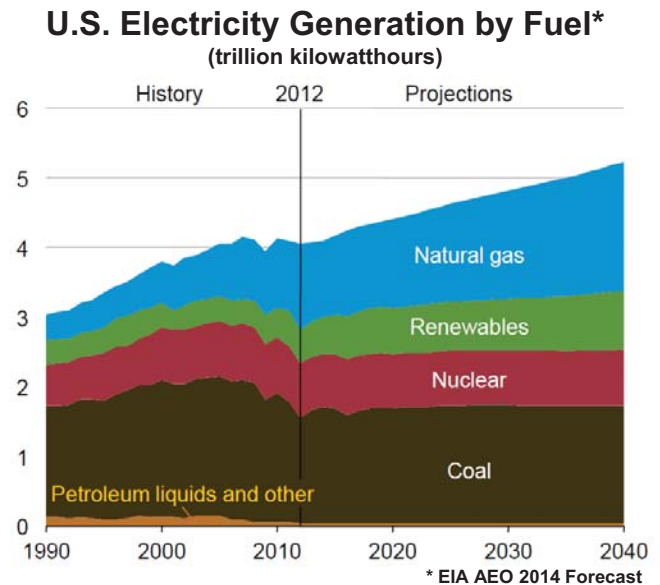
4



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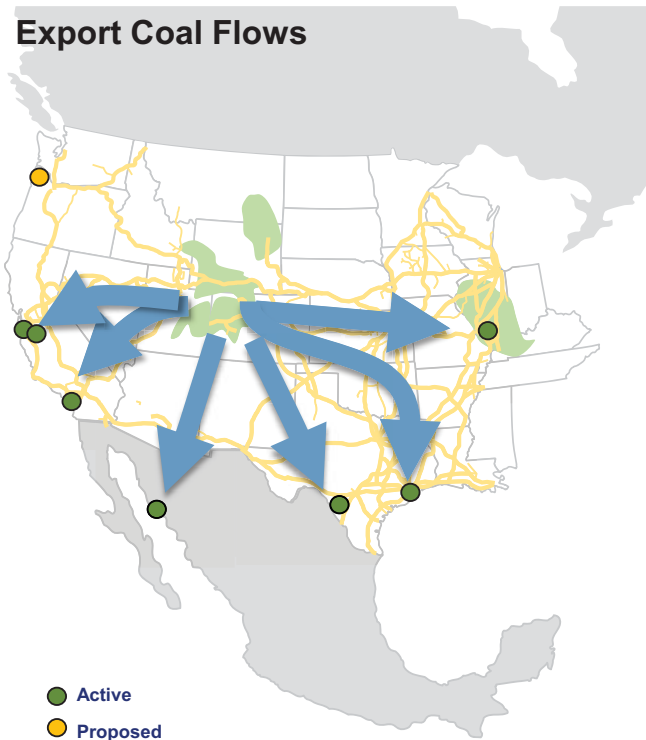
Stabilizing Domestic Coal Market, But Opportunities Remain for SPRB

- Increasing Capacity Utilization at Remaining Plants Replaces Retiring Plant Generation
- Regulations Spur Eastern Plant Conversions to Western Coal
- High Cost Mine Conversions to SPRB

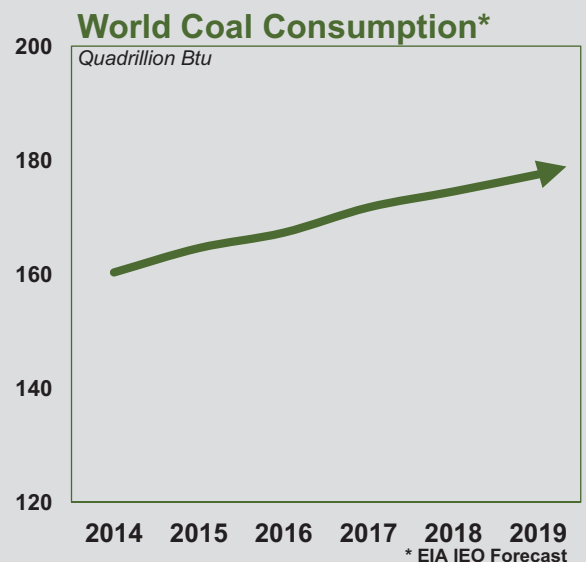


Positioning UPRR for International Growth

Export Coal Flows



Global Demand Drives UP Growth



Coal Outlook

Domestic

- + PRB Conversions
- + Other Domestic Opportunities
- ? Source Competition
- Environmental Regulation

International

- + Long-term Demand Growth
- ? West and Gulf Coast Terminal Capacity

