



UNION PACIFIC CORPORATION

SECOND QUARTER 2025 EARNINGS

JULY 24, 2025



EXECUTIVE SUMMARY SECOND QUARTER 2025

Jim Vena

Chief Executive Officer



Second Quarter Highlights & Executive Summary

Reported:	2Q	YoY %
Earnings per Share	\$3.15	▲ 15%
Operating Income	\$2.5B	▲ 5%
Net Income	\$1.9B	▲ 12%
Operating Ratio	59.0%	▼ (1.0)
Freight Car Velocity	221	▲ 10%
Workforce Productivity	1,124	▲ 9%

Second Quarter Executive Summary:

- Adjusted Earnings Per Share* of \$3.03, up 12%
- Adjusted Operating Ratio* of 58.1%, an improvement of 230 basis points
- Record Second Quarter financial results driven by core pricing gains, 4% volume growth, and productivity
- Business development and robust service supports growth in Coal, Intermodal, Grain & Grain Products, and Industrial Chemicals
- Improved network fluidity generates solid efficiency gains and enhanced service product while handling continued volume growth

SAFETY + SERVICE & OPERATIONAL EXCELLENCE

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



FINANCIAL REVIEW SECOND QUARTER 2025

Jennifer Hamann

Executive Vice President & Chief Financial Officer

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Second Quarter Income Statement

Reported	2025	2024	Variance	
Freight Revenue Ex. Fuel	\$ 5,274	\$ 4,969	6	
Fuel Surcharge	569	669	(15)	
Freight Revenue	5,843	5,638	4	
Other Revenue	311	369	(16)	
Operating Revenue	6,154	6,007	2	
Operating Expenses	3,629	3,607	1	
Operating Income	\$ 2,525	\$ 2,400	5	%
Other Income	123	103	19	
Interest Expense	(335)	(319)	5	
Income Taxes	(437)	(511)	(14)	
Net Income	\$ 1,876	\$ 1,673	12	%
Weight Average Diluted Shares	594.8	610.3	(3)	
Diluted EPS	\$ 3.15	\$ 2.74	15	
Operating Ratio	59.0%	60.0%	(1.0)	pts

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Freight Revenue Drivers:

- + Volume 3.75%
- + Price/Mix 2.00%
- Fuel Surcharge (2.25%)

Operating Expense Drivers:

- Volume-Related Costs
- Inflationary Pressure
- Crew Staffing Ratification Charge
- + Productivity
- + Lower Fuel Prices



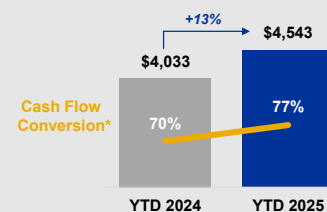
Delivering Strong Cash Returns to Shareholders

Year to Date Results

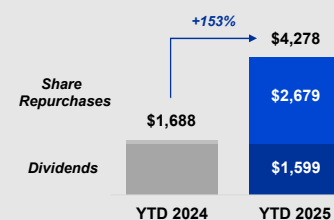
- Generated \$4.5 Billion in Cash From Operations
- Returned \$4.3 Billion to Shareholders
- Free Cash Flow* of \$1.1 Billion
- Adjusted Debt / EBITDA* of 2.8x
 - “A” rated by Moody’s, S&P, and Fitch

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

Cash From Operations (\$ in millions)



Cash Returns to Shareholders (\$ in millions)



On Track With Investor Day Targets

Affirming 2025 Outlook:

- Well-Positioned to Meet Customer Demand; Challenging International Intermodal Comparison
- 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
 - Third Quarter 2025 Dividend Increase of 3%

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MARKETING & SALES REVIEW SECOND QUARTER 2025

Kenny Rucker

Executive Vice President – Marketing & Sales

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Second Quarter Commodity Review

Commodity	Revenue (Millions)	Volume (Thousands)	ARC
Bulk <small>vs. 2Q'24</small>	\$ 1,901 ▲ 10%	519 ▲ 11%	\$ 3,659 ▼ 1%
Industrial <small>vs. 2Q'24</small>	\$ 2,212 ▲ 4%	569 ▲ 3%	\$ 3,885 ▲ 2%
Premium <small>vs. 2Q'24</small>	\$ 1,730 ▼ 4%	1,026 ▲ 1%	\$ 1,688 ▼ 4%
Total <small>vs. 2Q'24</small>	\$ 5,843 ▲ 4%	2,114 ▲ 4%	\$ 2,764 Flat

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Second Half 2025 Volume Outlook

Commodity	Business Line	Outlook
Bulk	+ Coal & Renewables	Natural Gas Prices; New Contract Win
	↔ Grain & Grain Products	Q4 Grain Export Risk; New & Expanding Grain Products Facilities
Industrial	+ Industrial Chemicals & Plastics	Business Development Wins; Plant Expansions
	↔ Metals & Minerals	Construction Strength in the South; Tariff-Driven Impacts on Metal Shipments
	- Energy & Specialized Markets	Petroleum Business Shifts
Premium	- Intermodal	Strong 2 nd Half Comparisons; Shifts from West Coast Ports
	- Automotive	Softer Vehicle Sales

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OPERATIONS REVIEW SECOND QUARTER 2025

Eric Gehringer

Executive Vice President – Operations

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SECOND QUARTER 2025

Key Performance Metrics

Freight Car
Velocity

221

▲ 10%

Intermodal Service
Performance Index

99

▲ 6 pts

Manifest Service
Performance Index

97

▲ 13 pts

Quarterly Drivers

Lower Freight
Car Dwell

Supporting International
Intermodal Growth

Reduced
Car Touches

12 Year-over-year change in metrics.



SECOND QUARTER 2025

Key Efficiency Metrics

Locomotive
Productivity

141

▲ 5%

Workforce
Productivity

1,124

▲ 9%

Train
Length

9,689

▲ 2%

Quarterly Drivers

Improved Network
Fluidity

Lower Workforce
Levels

Optimizing
Transportation Plan

13 Year-over-year change in metrics.



HOW WE WIN SECOND 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

JULY 24, 2025



APPENDIX



Second Quarter 2025 Operating Ratio and EPS

Favorable / (Unfavorable)

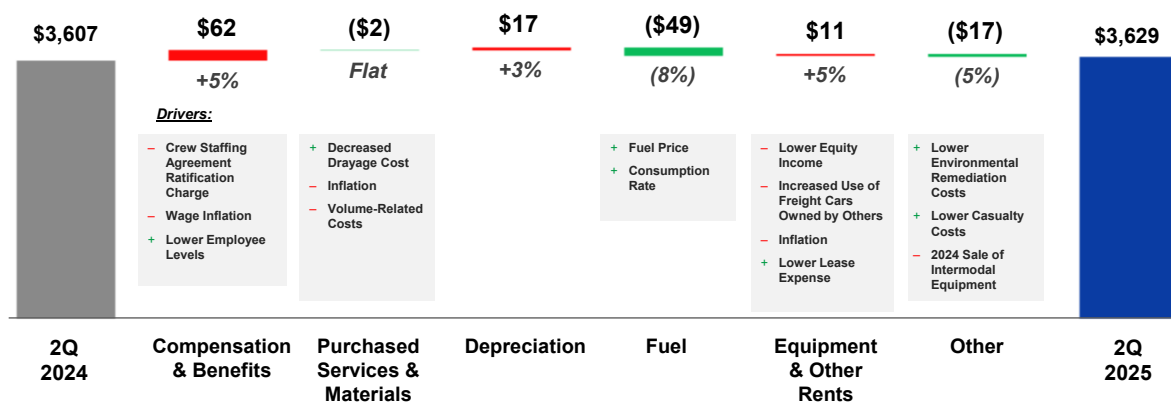
	Operating Ratio	EPS
Reported Second Quarter 2024	60.0%	\$2.74
Fuel Price (net)	-	(\$0.07)
2024 Adjustments	(0.4) pts	(\$0.03)
2025 Adjustments	(0.9) pts	\$0.12
Core Results	2.3 pts	\$0.39
Reported Second Quarter 2025	59.0%	\$3.15

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Volume-Related Expenses, Inflation & Ratification Charge Partially Offset by Productivity & Lower Fuel Prices

Reported Operating Expenses \$ in Millions



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