



First Quarter 2010

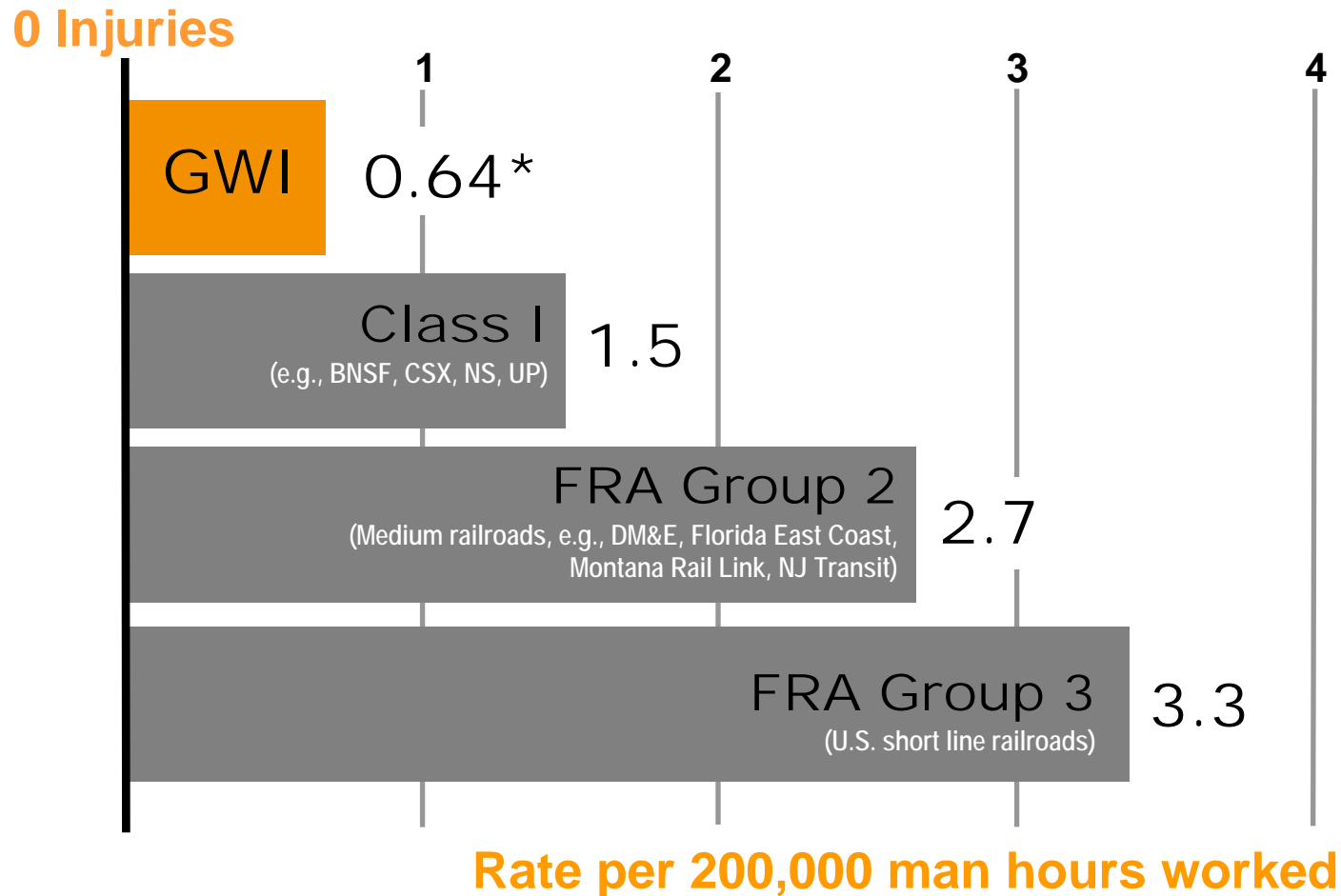
Earnings Call

April 29, 2010

Forward-looking Statements This presentation contains forward-looking statements regarding future events and the future performance of Genesee & Wyoming Inc. that involve risks and uncertainties that could cause actual results to differ materially, including, but not limited to, economic conditions, customer demand, increased competition in the relevant market and others. The Company refers you to the documents that it files from time to time with the Securities and Exchange Commission, such as the Company's Forms 10-Q and 10-K, which contain additional important factors that could cause its actual results to differ from its current expectations and from the forward-looking statements discussed during this presentation. Genesee & Wyoming Inc. disclaims any obligation to update the forward-looking statements contained in this presentation.



2010 Injury Frequency Rate



* GWI results through March; all others through January



First Quarter Income and EPS

| <i>(\$ in millions, except per share amounts)</i> | Q1 2010 | Q1 2009 |
|---|---------|---------|
| Income from Cont Ops | \$16.0 | \$14.0 |
| Diluted EPS from Cont Ops | \$0.39 | \$0.38 |
| Diluted Shares | 41.4 | 36.4 |

| Q1 09 Significant Items | Pre-Tax Impact | After-Tax Impact | EPS Impact |
|-------------------------|----------------|------------------|------------|
| • Short-Line tax credit | - | \$2.0 | \$0.05 |



First Quarter Summary

■ Revenues

- Total Revenues up 5.1% versus Q12009
(Revenues flat excluding currency)
- Significant increase in traffic from late February through March
- Late quarter improvements in carload traffic were broad-based by geography

■ Operating Income

- Operating income increased 15%
- Operating ratio of 79.3% in Q12010 was a first quarter record for GWI

■ Free Cash Flow*

- \$30 million in Q1 2010

• Free cash flow is a non-GAAP financial measure. A non-GAAP financial measure reconciliation is included at the end of this presentation.



First Quarter Revenues

| <i>(\$ in millions)</i> | Q1 2010 | Q1 2009 | Change | % |
|-------------------------------------|---------|---------|---------|--------|
| Revenues | \$145.6 | \$138.5 | \$7.1 | 5.1% |
| FX (appreciation of A\$, C\$ and €) | | | \$8.4 | |
| Total Revenues (ex. FX) | | | (\$1.3) | (0.9%) |



First Quarter Freight Revenues

| <i>(\$ in millions)</i> | Q1 2010 | Q1 2009 | Change | % |
|--|---------|---------|---------|--------|
| Freight Revenues | \$89.6 | \$89.2 | \$0.4 | 0.4% |
| FX (appreciation of A\$ and C\$) | | | \$4.3 | |
| Total Freight Revenues (ex. FX) | | | (\$3.9) | (4.4%) |



GWI Total Adjusted Carloads*

Q1 2010 vs. Q1 2009

| Commodity | Change | % | Comment |
|--------------------------------|----------------|-------------|--|
| Coal, Coke and Ores | (5,800) | (10%) | High Utility Coal Inventories |
| Pulp & Paper | (3,000) | (13%) | Canada/Truck Competition |
| Minerals and Stone | (130) | (<1%) | |
| Farm and Food | (1,500) | (6%) | Australia Timing/Canada to West |
| Chemicals and Plastics | (70) | (<1%) | |
| Metals | 1,900 | 11% | Economic Recovery |
| Lumber and Forest | 180 | 1% | |
| Petroleum Products | (150) | (2%) | |
| Auto and Auto Parts | 970 | 57% | Economic Recovery |
| Other | (770) | (4%) | |
| Total Adjusted Carloads | (8,370) | (4%) | Excludes 3,707 HCRY carloads from 1Q 2009 |

⁷ • Total 2009 Adjusted Carloads is a non-GAAP financial measure. A non-GAAP financial measure reconciliation is included at the end of this presentation.



Average Revenues Per Carload

| <i>(\$ in millions)</i> | Q1 2010 | Q1 2009 | Change |
|--|---------|---------|--------|
| Average Revenues Per Carload | \$443 | \$416 | 6.5% |
| FX (appreciation of C\$ & A\$) | | | 4.9% |
| Fuel Surcharge | | | 0.1% |
| Average Revenues per Carload (ex. fuel, FX)* | | | 1.4% |

*Significant impact of intra-commodity mix



First Quarter Non-Freight Revenues

| <i>(\$ in millions)</i> | Q1 2010 | Q1 2009 | Change | % |
|--|---------|---------|--------|-------|
| Non-Freight Revenues | \$56.0 | \$49.3 | \$6.7 | 13.6% |
| FX (appreciation of A\$, C\$ and €) | | | \$4.1 | |
| Total Non-Freight (ex. FX) | | | \$2.6 | 5.3% |



First Quarter Operating Income

| <i>(\$ in millions)</i> | Q1 2010 | Q1 2009 | \$ Change | % Change |
|-------------------------|---------|---------|--------------|-------------|
| Operating Income | \$30.1 | \$26.1 | \$4.0 | 15.3% |
| Operating Ratio | 79.3% | 81.1% | | 1.8% |



Adjusted Operating Expenses*

| <u>Natural Classification</u> | 1Q 2010 Amount | 1Q 2009 Amount | \$ Variance |
|--------------------------------|-------------------|-------------------|-------------|
| Labor and benefits | \$ 47,151 | \$ 49,998 | \$ 2,847 |
| Equipment rents | 7,112 | 7,890 | 778 |
| Purchased services | 8,936 | 9,311 | 375 |
| Depreciation and amortization | 11,808 | 11,506 | (302) |
| Diesel fuel used in operations | 11,037 | 8,993 | (2,044) |
| Casualties and insurance | 3,785 | 3,584 | (201) |
| Materials | 5,242 | 5,603 | 361 |
| Other expenses | 10,529 | 12,323 | 1,794 |
| | <hr/> | <hr/> | <hr/> |
| Total operating expenses | \$ 105,600 | \$ 109,208 | \$ 3,608 |

*Adjusted for changes in foreign exchange rates, gains on asset sales and the exclusion of third party fuel sales. Adjusted Operating Expenses is a non-GAAP financial measure. A non-GAAP financial measure reconciliation is included at the end of this presentation.



2010 Guidance

| <i>(\$ in millions, except per share amounts)</i> | Original 2010 | Updated 2010 |
|---|--------------------------|-------------------------|
| Date Guidance Provided | 2/08/10 | 4/29/10 |
| Revenues | \$580-\$600 | \$590-\$600 |
| Operating Ratio | ~80% | 78%-79% |
| Tax Rate | ~38% | ~37% |
| EPS | \$1.50 | \$1.65 |
| Total Free Cash Flow* | \$80-\$85 | \$85-\$90 |

- Total free cash flow is a non-GAAP financial measure.



2010 Guidance – Second Quarter

| <i>(\$ in millions, except per share amounts)</i> | Q1 2010 | Q2 2010 |
|---|---------|-----------------|
| Revenues | \$145.6 | \$150 - \$153 |
| Operating Ratio | 79.3% | 78%-79% |
| Net Interest Expense | (\$4.9) | (\$4.5) |
| Effective Tax Rate | 37.6% | ~37% |
| Diluted EPS | \$0.39 | \$0.41 - \$0.44 |



Strong Balance Sheet

\$ in millions

March 31, 2010

| | |
|--|-----------|
| Cash & Equivalents | \$ 133.4 |
| Debt: | |
| 4.85% Senior Notes, <i>due November 2011</i> | \$ 75.0 |
| 5.36% Senior Notes, <i>due August 2015</i> | 100.0 |
| Floating Rate Senior Notes, <i>due August 2012</i> | 25.0 |
| Other Long-Term Debt, <i>due October 2013</i> | 243.7 |
| TOTAL LONG-TERM DEBT | \$ 443.7 |
| Total Equity | \$ 712.0 |
| TOTAL CAPITALIZATION | \$1,155.7 |
| Total Debt/Total Capitalization | 38.4% |
| Net Debt/Total Capitalization | 26.8% |





Reconciliation of Non-GAAP Financial Measures

Non-GAAP Financial Measures Reconciliation

This presentation contains free cash flow, total adjusted carloads and adjusted operating expenses, which are “Non-GAAP financial measures” as this term is defined in Regulation G of the Securities Exchange Act of 1934. In accordance with Regulation G, GWI has reconciled these non-GAAP financial measures to their most directly comparable U.S. GAAP measures.



Free Cash Flow Description and Discussion

Management views Free Cash Flow as an important financial measure of how well GWI is managing its assets. Subject to the limitations discussed below, Free Cash Flow is a useful indicator of cash flow that may be available for discretionary use by GWI. Free Cash Flow is defined as Net Cash Provided by Operating Activities from Continuing Operations less Net Cash Provided by Investing Activities from Continuing Operations, excluding the cost of acquisitions and proceeds from divestitures. Key limitations of the Free Cash Flow measure include the assumptions that GWI will be able to refinance its existing debt when it matures and meet other cash flow obligations from financing activities, such as principal payments on debt. Free Cash Flow is not intended to represent, and should not be considered more meaningful than, or as an alternative to, measures of cash flow determined in accordance with GAAP.



Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Net Cash Provided by Operating Activities from Continuing Operations to GWI's Free Cash Flow (\$ in millions):

| | Three Months Ended March 31, | |
|--|---------------------------------|----------------|
| | 2010 | 2009 |
| Net cash provided by operating activities from continuing operations | \$ 33.6 | \$ 25.5 |
| Net cash used in investing activities from continuing operations | (3.3) | (19.1) |
| Net cash (received)/paid for divestitures/acquisitions | (0.2) | 5.8 |
| Free cash flow | <u>\$ 30.2</u> | <u>\$ 12.2</u> |



Adjusted Q1 2009 Carloads Description and Discussion

Management views its Total Carloads as an important measure of GWI's operating performance. Because management believes this is useful for investors in assessing GWI's financial results compared with the same period in the prior year, the Total Carloads for the three months ended March 31, 2009, used to calculate Adjusted Q1 2009 Carloads, is presented excluding the carloads from the Huron Central Railway (HCRY) as a result of GWI's announcement to discontinue service on the HCRY on June 15, 2009. GWI now operates HCRY under a temporary service contract through August 14, 2010. The Adjusted Q1 2009 Carloads presented excluding these carloads is not intended to represent, and should not be considered more meaningful than, or as an alternative to, the Total Carloads in accordance with GAAP.



Non-GAAP Financial Measures Reconciliations

The following table sets forth a reconciliation of GWI's Total Carloads calculated using amounts determined in accordance with GAAP to Adjusted Q1 2009 Carloads:

| | Q1 2010 As Reported | Q1 2009 As Reported | HCRY | Q1 2009 As Adjusted | Change As Reported | % Change As Reported | Change As Adjusted | % Change As Adjusted |
|--------------------------|---------------------------|---------------------------|----------------|---------------------------|--------------------------|----------------------------|--------------------------|----------------------------|
| Coal, Coke and Ores | 52,154 | 57,946 | - | 57,946 | (5,792) | (10.0%) | (5,792) | (10.0%) |
| Pulp & Paper | 20,306 | 24,086 | (794) | 23,292 | (3,780) | (15.7%) | (2,986) | (12.8%) |
| Minerals and Stone | 30,786 | 31,250 | (336) | 30,914 | (464) | (1.5%) | (128) | (0.4%) |
| Farm and Food Products | 24,895 | 26,392 | - | 26,392 | (1,497) | (5.7%) | (1,497) | (5.7%) |
| Chemicals - Plastics | 12,631 | 12,808 | (106) | 12,702 | (177) | (1.4%) | (71) | (0.6%) |
| Metals | 19,295 | 19,338 | (1,924) | 17,414 | (43) | (0.2%) | 1,881 | 10.8% |
| Lumber & Forest Products | 14,658 | 14,715 | (238) | 14,477 | (57) | (0.4%) | 181 | 1.3% |
| Petroleum Products | 7,451 | 7,887 | (287) | 7,600 | (436) | (5.5%) | (149) | (2.0%) |
| Auto and Auto Parts | 2,679 | 1,708 | - | 1,708 | 971 | 56.9% | 971 | 56.9% |
| Other | 17,513 | 18,309 | (22) | 18,287 | (796) | (4.3%) | (774) | (4.2%) |
| Total | 202,368 | 214,439 | (3,707) | 210,732 | (12,071) | (5.6%) | (8,364) | (4.0%) |



Adjusted Operating Expenses Description and Discussion

Management views its Operating Expenses as an important measure of GWI's operating performance. Because management believes this is useful for investors in assessing GWI's financial results compared with the same period in the prior year, the Operating Expenses for the three months ended March 31, 2010 and 2009, used to calculate Adjusted Operating Expenses, are presented excluding: 1) changes in foreign exchange rates; 2) net gain on sale of assets and 3) diesel fuel sold to third parties. The Adjusted Operating Expenses presented excluding these effects are not intended to represent, and should not be considered more meaningful than, or as an alternative to, the Operating Expenses calculated using amounts in accordance with GAAP.



Non-GAAP Financial Measures Reconciliations

The following table sets forth a reconciliation of GWI's Operating Expenses calculated using amounts determined in accordance with GAAP to Adjusted Operating Expenses (\$ in millions):

| | Q1 2010 | | | Q1 2009 | | | \$ Variance | \$ Variance |
|-----------------------------------|------------------|-------------------|------------------|------------------|-------------------|------------------|-------------------|-----------------|
| | As Reported | Adjustments | As Adjusted | As Reported | Adjustments | As Adjusted | As Reported | As Adjusted |
| <u>Natural Classification</u> | | | | | | | | |
| Labor and benefits | \$ 50,188 | \$ (3,037) | \$ 47,151 | \$ 49,998 | \$ - | \$ 49,998 | \$ (190) | \$ 2,847 |
| Equipment rents | 7,649 | (537) | 7,112 | 7,890 | - | 7,890 | 241 | 778 |
| Purchased services | 10,397 | (1,461) | 8,936 | 9,311 | - | 9,311 | (1,086) | 375 |
| Depreciation and amortization | 12,448 | (640) | 11,808 | 11,506 | - | 11,506 | (942) | (302) |
| Diesel fuel used in operations | 11,037 | - | 11,037 | 8,993 | - | 8,993 | (2,044) | (2,044) |
| Diesel fuel sold to third parties | 3,793 | (3,793) | - | 3,389 | (3,389) | - | (404) | - |
| Casualties and insurance | 3,904 | (119) | 3,785 | 3,584 | - | 3,584 | (320) | (201) |
| Materials | 5,477 | (235) | 5,242 | 5,603 | - | 5,603 | 126 | 361 |
| Net gain on sale of assets | (449) | 449 | - | (239) | 239 | - | 210 | - |
| Other expenses | 11,029 | (500) | 10,529 | 12,323 | - | 12,323 | 1,294 | 1,794 |
| Total operating expenses | \$115,473 | \$ (9,873) | \$105,600 | \$112,358 | \$ (3,150) | \$109,208 | \$ (3,115) | \$ 3,608 |



