



Second Quarter 2009

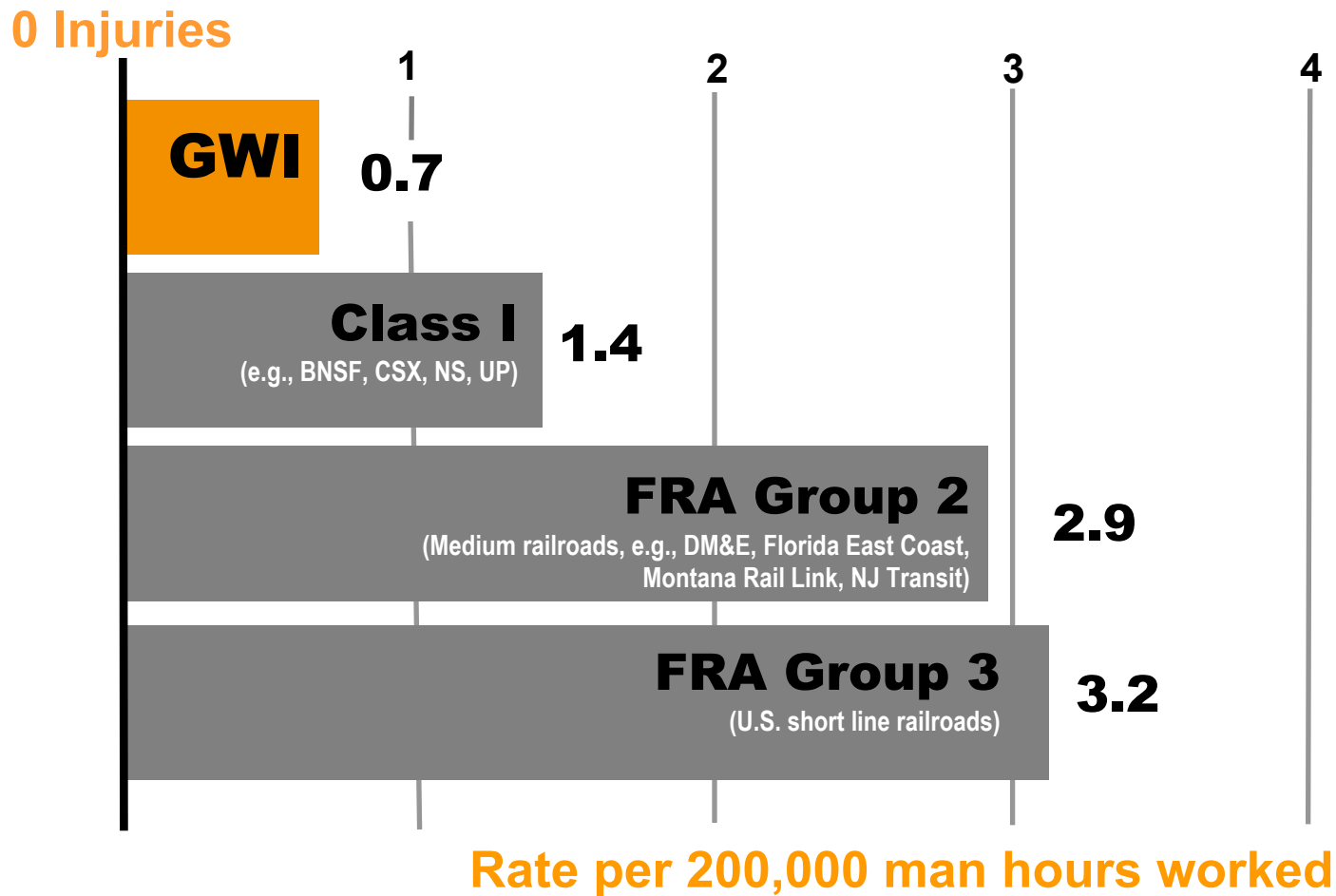
Earnings Call

July 30, 2009

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.



Injury Frequency Rate Year-to-Date 2009



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*GWI results through June; all others through April



Second Quarter Income and EPS

(\$ in millions, except per share amounts)	2Q 2009	2Q 2008		2Q09 Significant Items	After-Tax	EPS
					Impact	Impact
Income from Cont Ops	\$8.1	\$16.1		• HCRY impairment and restructuring and related charges	(\$5.4)	(\$0.15)
Diluted EPS from Cont Ops	\$0.22	\$0.44		• M&B legal expenses	(\$0.9)	(\$0.02)
				• Gain on the sale of assets and insurance recovery	\$1.5	\$0.04
Diluted Shares	36.9	36.4		2Q08 Significant Items	After-Tax	EPS
				• Gain on the sale of assets and insurance recovery	Impact	Impact
					\$1.6	\$0.04



Second Quarter Revenues

<i>(\$ in millions)</i>	2Q 2009	2Q 2008	Change	%
Revenues	\$130.1	\$152.7	(\$22.7)	(14.8%)
New Operations			\$15.1	
FX (Depreciation of A\$, C\$ and Euro)			(\$6.8)	
Third-Party Fuel Sales			(\$7.8)	
Same Railroad (Ex. Fuel Sales and FX)			(\$23.1)	(15.1%)



Second Quarter Freight Revenues

<i>(\$ in millions)</i>	2Q 2009	2Q 2008	Change	%
Freight Revenues	\$79.3	\$91.4	(\$12.1)	(13.3%)
New Operations			\$12.7	
FX (Depreciation of A\$ and C\$)			(\$3.3)	
Same Railroad (ex. FX)			(\$21.4)	(23.4%)

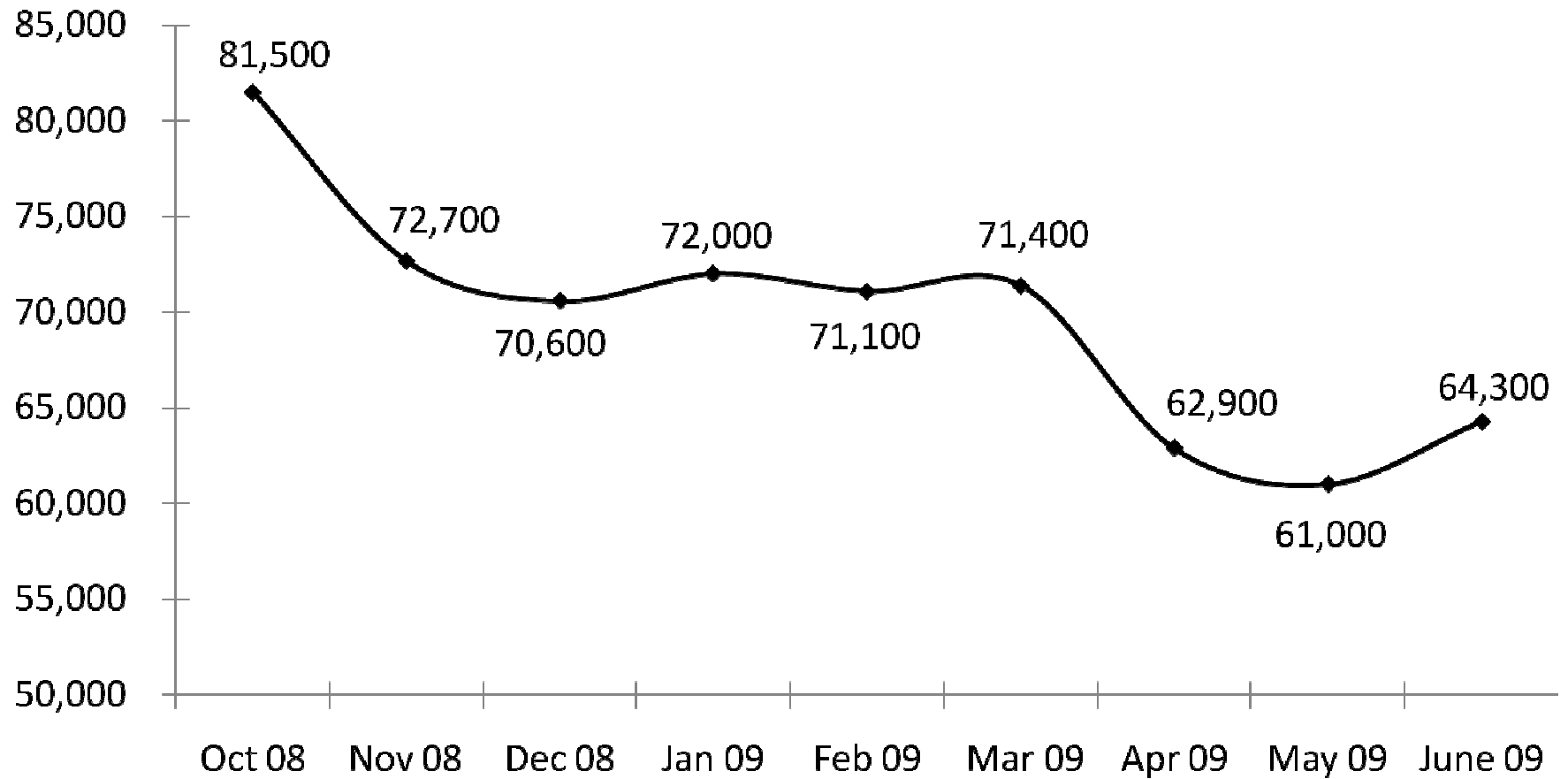


Same Railroad Carloads 2Q 2009 vs. 2Q 2008

Commodity	Change	%	Comment
Coal, Coke and Ores	(7,500)	(18%)	Mine Equipment/ Utility Maintenance/Demand
Pulp & Paper	(10,200)	(33%)	Paper/Packaging
Minerals and Stone	(5,700)	(15%)	Economy
Farm and Food	1,500	8%	Australian Grain Harvest
Chemicals and Plastics	(1,700)	(14%)	Auto/Paper/Mfg
Metals	(8,600)	(41%)	Steel/Scrap/Pipe
Lumber and Forest	(4,400)	(23%)	Housing
Petroleum Products	200	4%	Asphalt
Auto and Auto Parts	(1,400)	(40%)	Auto Industry
Other	(1,500)	(25%)	General Economy
Total	(39,300)	(20%)	



GWI Total Carloads



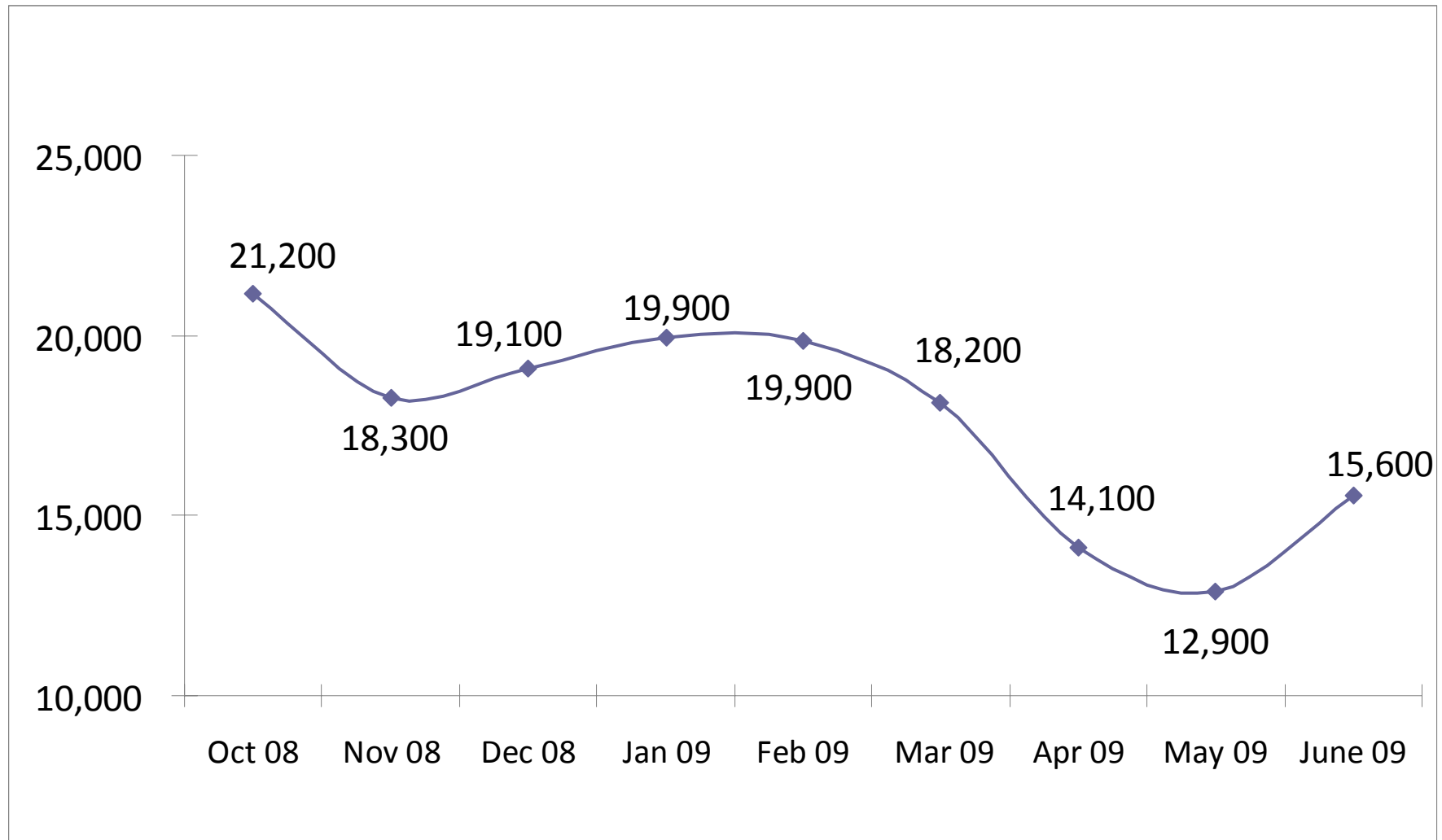
GWI Total Carloads

2Q 2009 vs. 1Q 2009

Commodity	Change	%	Comment
Coal, Coke and Ores	(15,300)	(27%)	Maintenance/Demand/Weather
Pulp & Paper	(2,200)	(9%)	Economy
Minerals and Stone	4,000	13%	Plant outage in 1Q09
Farm and Food	(4,100)	(15%)	Timing of Australian Harvest
Chemicals and Plastics	(600)	(5%)	Economy
Metals	(3,800)	(20%)	Closure of Facility in Buffalo
Lumber and Forest	500	3%	Customer Specific
Petroleum Products	(1,000)	(12%)	Economy
Auto and Auto Parts	300	20%	Customer Specific
Other	(4,100)	(23%)	Overhead Export Coal
Total	(26,300)	(12%)	



GWI Monthly Coal Carloads



Average Revenues Per Carload

<i>(\$ in millions)</i>	2Q 2009	2Q 2008	Change
Average Revenues Per Carload	\$421	\$465	(9.4%)
Same Railroad (Reported)			(8.9%)
FX (depreciation of C\$ & A\$)			(3.5%)
Fuel Surcharge			(6.0%)
Mix			(1.3%)
Average Revenue per Carload Increase (ex. Fuel, FX, Mix)			1.9%
U.S. & Canada Same Railroad (ex. Fuel, FX, Mix)			3.9% ^(a)

^(a) Impact of RCAF- related rate adjustments reduced average revenue per carloads by approximately 1%

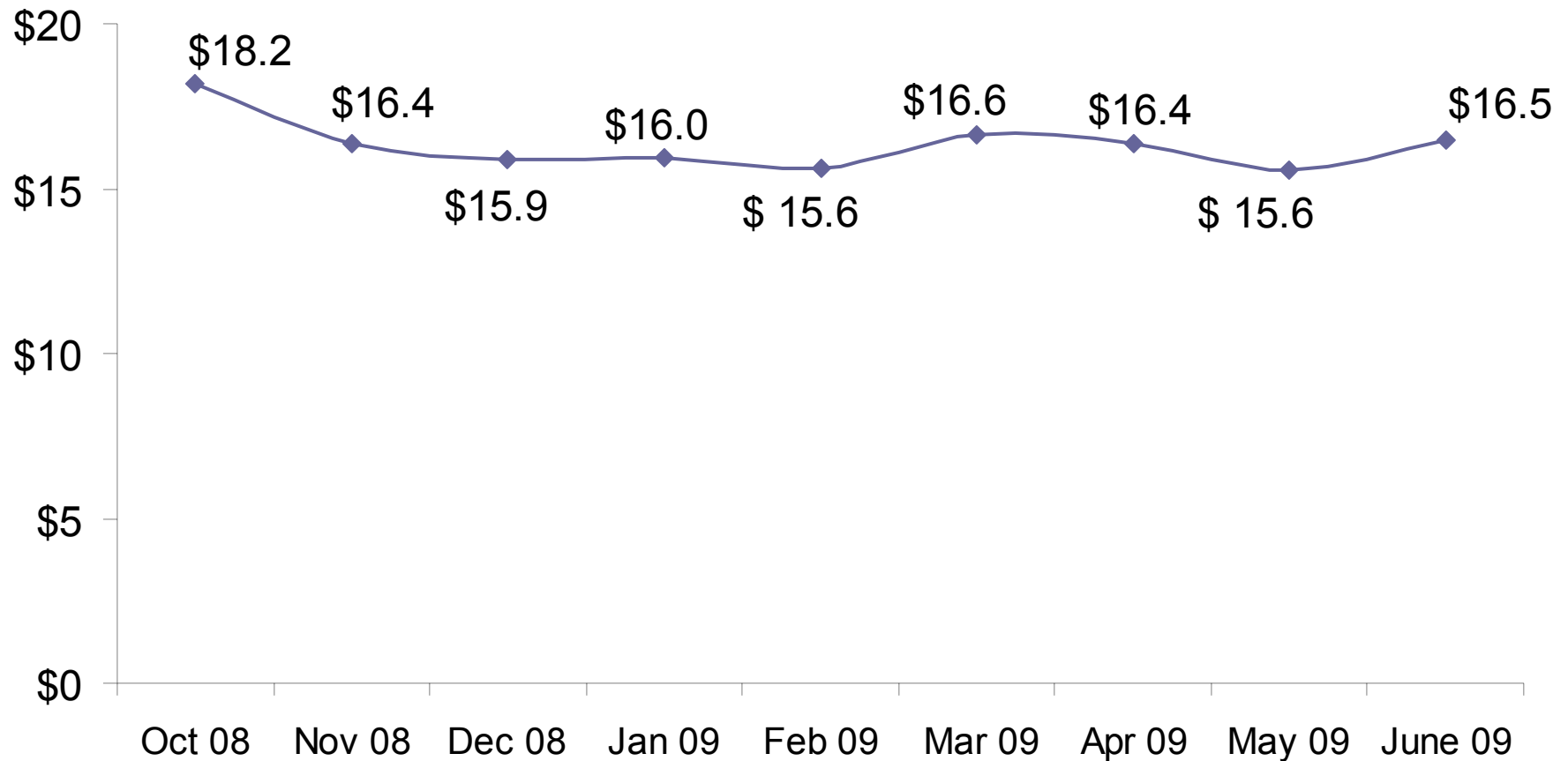


Second Quarter Non-Freight Revenues

<i>(\$ in millions)</i>	2Q 2009	2Q 2008	Change	%
Non-Freight Revenues	\$50.8	\$61.3	(\$10.5)	(17.2%)
New Operations			\$2.4	
FX (Depreciation of A\$, C\$ and Euros)			(\$3.5)	
Third-Party Fuel Sales			(\$7.8)	
All Other Same Railroad			(\$1.7)	(2.8%)



Adjusted Non-Freight Revenues (\$ millions)*



* Excluding Fuel Sales, Normalized for FX

** Adjusted non-freight revenues is a Non-GAAP financial measure. A Non-GAAP financial measure reconciliation is included at the end of this presentation.



Second Quarter Operating Income

(\$ in millions)	2Q 2009	2Q 2008	Change
Operating Income	\$14.6	\$29.7	(50.8%)
Operating Ratio	88.7%	80.6%	
HCRY Impairment and Related Charges	\$9.0	\$ -	
M&B Legal Expenses	\$1.4	\$ -	
Gain on the Sale of Assets and Insurance Recovery	(\$2.3)	(\$2.5)	
Adj. Operating Income*	\$22.7	\$27.2	(16.5%)
Adj. Operating Ratio*	82.5%	82.2%	

*Adjusted Operating Income and Adjusted Operating Ratio are Non-GAAP financial measures. A Non-GAAP financial measure reconciliation is included at the end of this presentation.



Adjusted Operating Expenses*

(\$ in thousands)	2009		2008		Variance
	Amount	% of Revenues	Amount	% of Revenues	
Labor and benefits	\$ 47,968	36.9%	\$ 46,294	30.3%	\$ (1,674)
Equipment rents	6,903	5.3%	8,760	5.7%	1,857
Purchased services	10,006	7.7%	12,790	8.4%	2,784
Depreciation and amortization	11,917	9.2%	9,453	6.2%	(2,464)
Diesel fuel used in operations	7,351	5.6%	17,578	11.5%	10,227
Diesel fuel sold to third parties	3,104	2.4%	10,379	6.8%	7,275
Casualties and insurance	2,880	2.2%	3,804	2.5%	924
Materials	5,748	4.4%	6,492	4.3%	744
Other expenses	11,424	8.8%	9,971	6.5%	(1,453)
Adj. Operating Expenses	\$ 107,301	82.5%	\$ 125,521	82.2%	\$ 18,220

*Note: OCR and Georgia Southwestern acquisitions are included in Q2 2009 but not in Q2 2008. CAGY acquisition included in Q2 2009 but not April and May of Q2 2008. Excludes HCRY impairment (\$9.0 million), M&B legal expenses (\$1.4 million) and gains on asset sales and insurance recoveries in 2009 and 2008 (\$2.3 million and \$2.5 million).

** Adjusting Operating Expenses is a Non-GAAP financial measure. A Non-GAAP financial measure reconciliation is included at the end of this presentation



Second Quarter Free Cash Flow

(\$ in millions)	Six Months Ended June 30,	
	2009	2008
Net cash provided by operating activities	\$ 44.1	\$ 37.6
Net cash used in investing activities	(26.1)	(116.7)
Net cash paid for acquisitions	5.8	97.6
Free cash flow*	<u>\$ 23.8</u>	<u>\$ 18.5</u>

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



Strong Balance Sheet

<i>\$ in millions</i>	June 30, 2009
Cash & Equivalents	\$ 62.4
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>	260.2
TOTAL LONG-TERM DEBT	\$ 460.2
Total Equity	\$ 632.8
TOTAL CAPITALIZATION	\$1,093.0
Total Debt/Total Capitalization	42.1%
Net Debt/Total Capitalization	36.4%



Updated 2009 Guidance

<i>(\$ in millions, except per share amounts)</i>	3Q 2009	FY 2009*
Revenues	\$130 - \$140	\$530 - \$540
Operating Ratio	~80%	80% - 81%
Tax Rate	24%	25%
EPS	\$0.38 - \$0.42	\$1.50 - \$1.60
Diluted shares (millions)	41.2	38.9
Free Cash Flow**		\$60 - \$65

* Excludes the \$5.4 million after-tax impact of HCRY impairment and related charges

** Free cash flow is a Non-GAAP financial measure.



2009 Free Cash Flow Guidance

(\$ in millions)

2009 Net Income	\$58 - \$63
Plus:	
Depreciation and amortization	48
Deferred taxes	8
Option and Restricted Stock expense	6
Operating cash flow	\$120 - \$125
Total Free Cash Flow	
Operating cash flow	\$120 - \$125
Less: 2009 Capital expenditures, net of government grants	(58)
Plus: Delayed 2008 grants	8
Less: Delayed 2009 grants (estimate)	(8)
Working Capital	TBD
2009 Total Free Cash Flow	\$62 - \$67

*Free cash flow is a Non-GAAP financial measure.







**Reconciliation of Non-GAAP Financial Measures
2nd Quarter 2009 Earnings Conference Call**

Non-GAAP Financial Measures Reconciliation

This earnings release contains adjusted non-freight revenues, adjusted operating ratios and free cash flow, 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.



Adjusted Non-Freight Revenues

Description and Discussion

Management views its Non-Freight Revenues as an important measure of GWI's operating performance. Because management believes this is useful for investors in assessing GWI's financial results over a period of time, Monthly Adjusted Non-Freight Revenues from October 2008 through June 2009, are presented excluding fuel sales and the impact of foreign exchange. The Adjusted Non-Freight Revenues presented excluding these effects are not intended to represent, and should not be considered more meaningful than, or as an alternative to, Non-Freight Revenues calculated using amounts in accordance with GAAP.



Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Non-Freight Revenues calculated using amounts determined in accordance with GAAP to the Monthly Adjusted Non-Freight Revenues described above (\$ in millions):

	October 2008	November 2008	December 2008	January 2009	February 2009	March 2009	April 2009	May 2009	June 2009
As Reported	\$ 19.9	\$ 17.5	\$ 16.6	\$ 16.5	\$ 15.9	\$ 16.8	\$ 16.8	\$ 16.5	\$ 17.4
Fuel Sales	(2.5)	(1.9)	(1.4)	(1.2)	(1.2)	(1.0)	(1.0)	(1.1)	(0.9)
Foreign Exchange *	0.8	0.8	0.7	0.7	0.9	0.8	0.6	0.2	-
Adjusted	\$ 18.2	\$ 16.4	\$ 15.9	\$ 16.0	\$ 15.6	\$ 16.6	\$ 16.4	\$ 15.6	\$ 16.5

* Assumes average exchange rate from June 2009.



Adjusted Operating Ratios

Description and Discussion

Management views its Operating Ratio, calculated as total Operating Expenses divided by total Revenues, as an important measure of GWI's operating performance. Because management believes that this is useful for investors in assessing GWI's financial results compared with the same period in the prior year, the Adjusted Operating Ratios for the three months ended June 30, 2009 and 2008, are presented excluding the Huron Central Railway Inc. (HCRY) impairment and restructuring and related charges, legal expenses associated with the resolution of the arbitration associated with the Meridian & Bigbee LLC (M&B) Haulage Agreement and net gain on sale of assets and insurance recovery. The Adjusted Operating Ratios presented excluding these effects are not intended to represent, and should not be considered more meaningful than, or as an alternative to, the Operating Ratios calculated using amounts in accordance with GAAP.



Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Operating Ratios calculated using amounts determined in accordance with GAAP to the Adjusted Operating Ratios described above for the three months ended June 30, 2009 and 2008 (\$ in millions):

	<u>Total Revenues</u>	<u>Total Operating Expenses</u>	<u>Operating Income</u>	<u>Operating Ratio</u>
2009				
As Reported	\$ 130.1	\$ 115.4	\$ 14.6	88.7%
HCRY impairment and restructuring and related charges	-	(9.0)	9.0	
M&B legal expenses	-	(1.4)	1.4	
Net gain on sale of assets	-	1.8	(1.8)	
Gain on insurance recovery	-	0.5	(0.5)	
Adjusted	<u>\$ 130.1</u>	<u>\$ 107.3</u>	<u>\$ 22.7</u>	82.5%

	<u>Total Revenues</u>	<u>Total Operating Expenses</u>	<u>Operating Income</u>	<u>Operating Ratio</u>
2008				
As Reported	\$ 152.7	\$ 123.0	\$ 29.7	80.6%
Net gain on sale of assets	-	2.1	(2.1)	
Gain on insurance recovery	-	0.4	(0.4)	
Adjusted	<u>\$ 152.7</u>	<u>\$ 125.5</u>	<u>\$ 27.2</u>	82.2%



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. 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):

	Six Months Ended June 30,	
	2009	2008
Net cash provided by operating activities from continuing operations	\$44.1	\$37.6
Net cash used in investing activities from continuing operations	(26.1)	(116.7)
Cash paid for acquisitions, net of cash acquired	5.8	97.6
Free cash flow	<u>\$23.8</u>	<u>\$18.5</u>



