

BNSF Railway

National Grain and Feed Association
March 14, 2011

Matthew K. Rose
Chairman and CEO

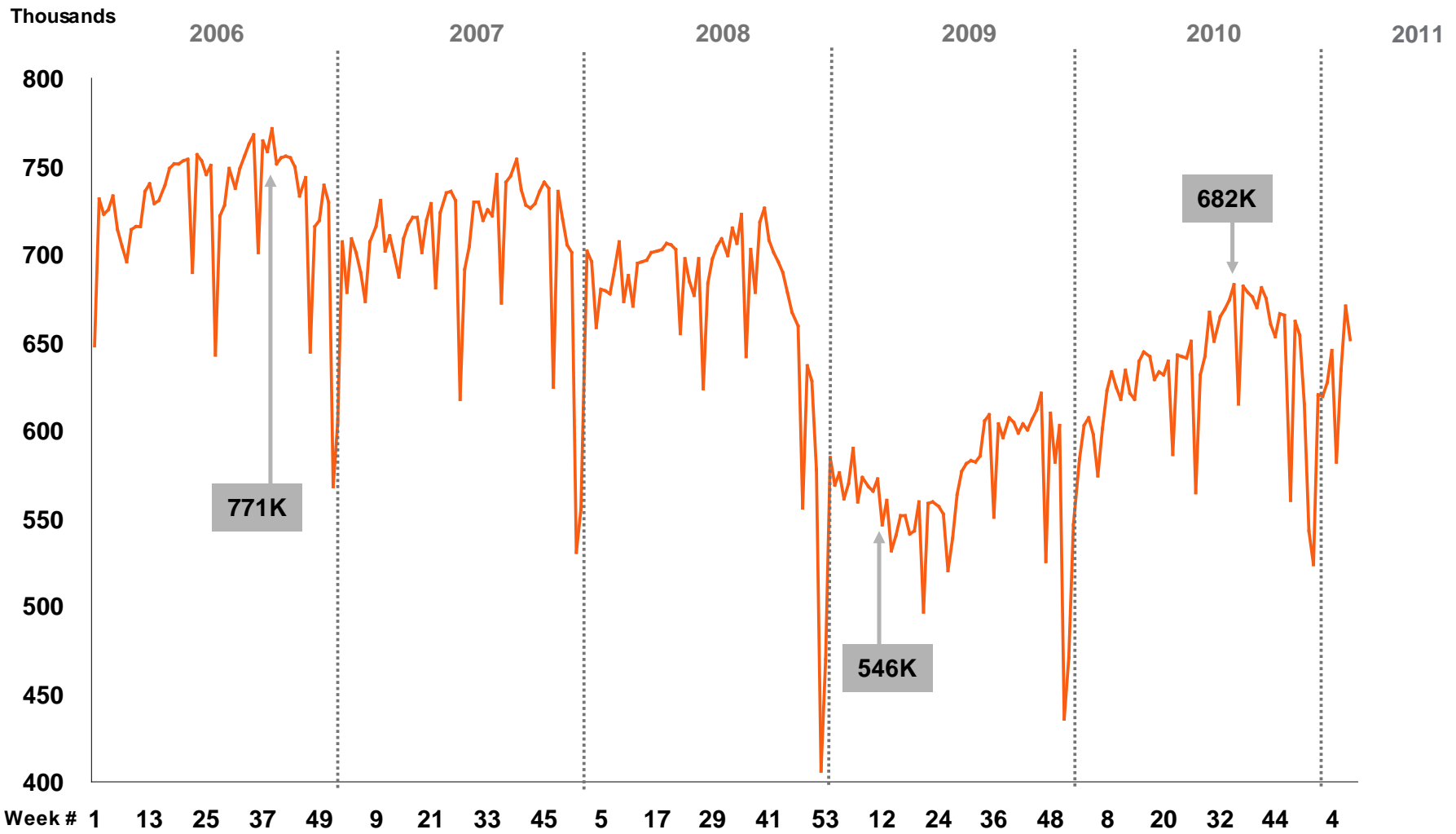


U.S. Rail Volumes

Weekly volumes reflect continued slow recovery: The 2010 peak was 682K in early September, 60% of the way back

U.S. Class I Railroad Units CS54

Thousands



Note: Peak of 771K occurred during the week ending 9/30/ 2006



Source: Association of American Railroads (AAR); CS54 Data thru 2/26/2011

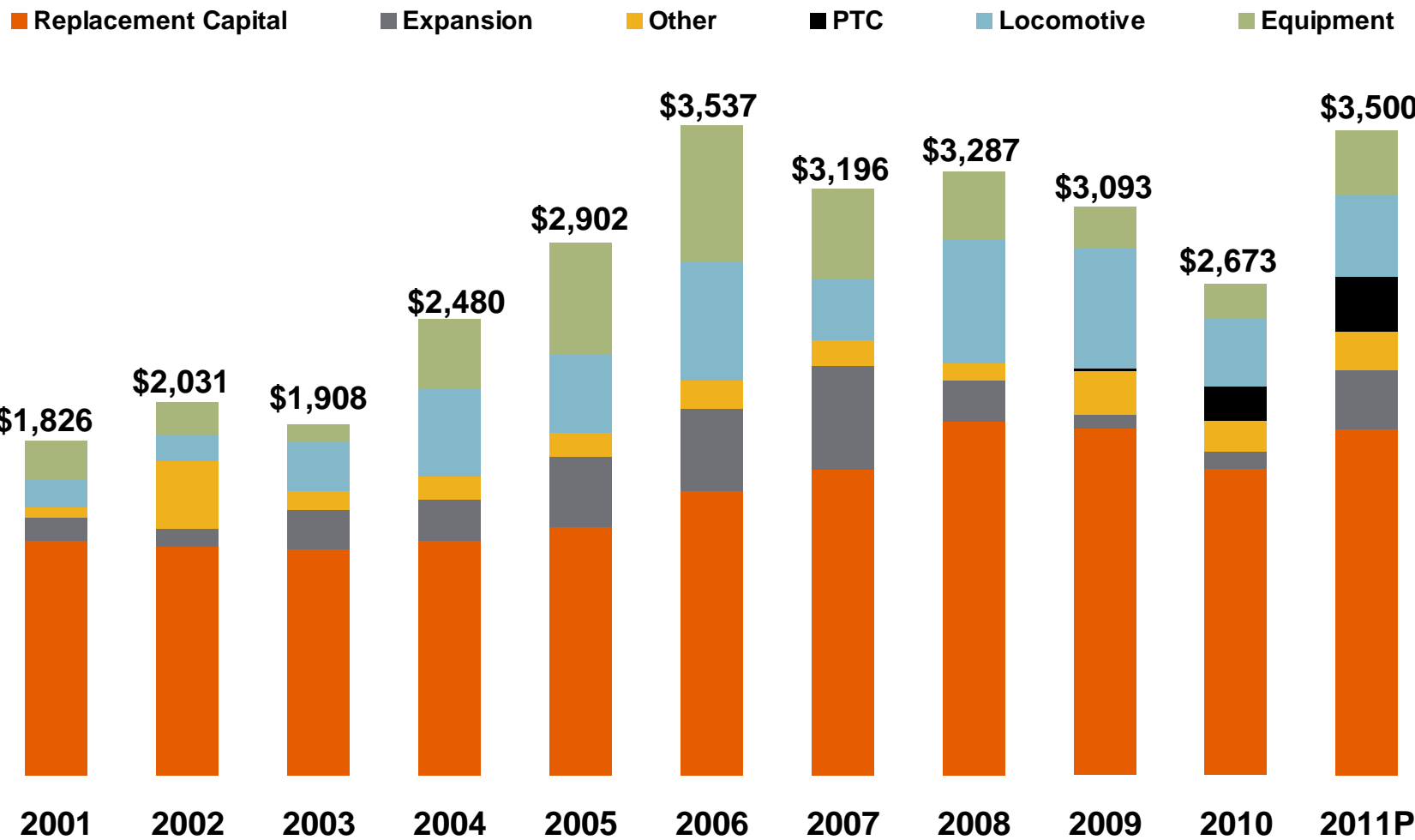






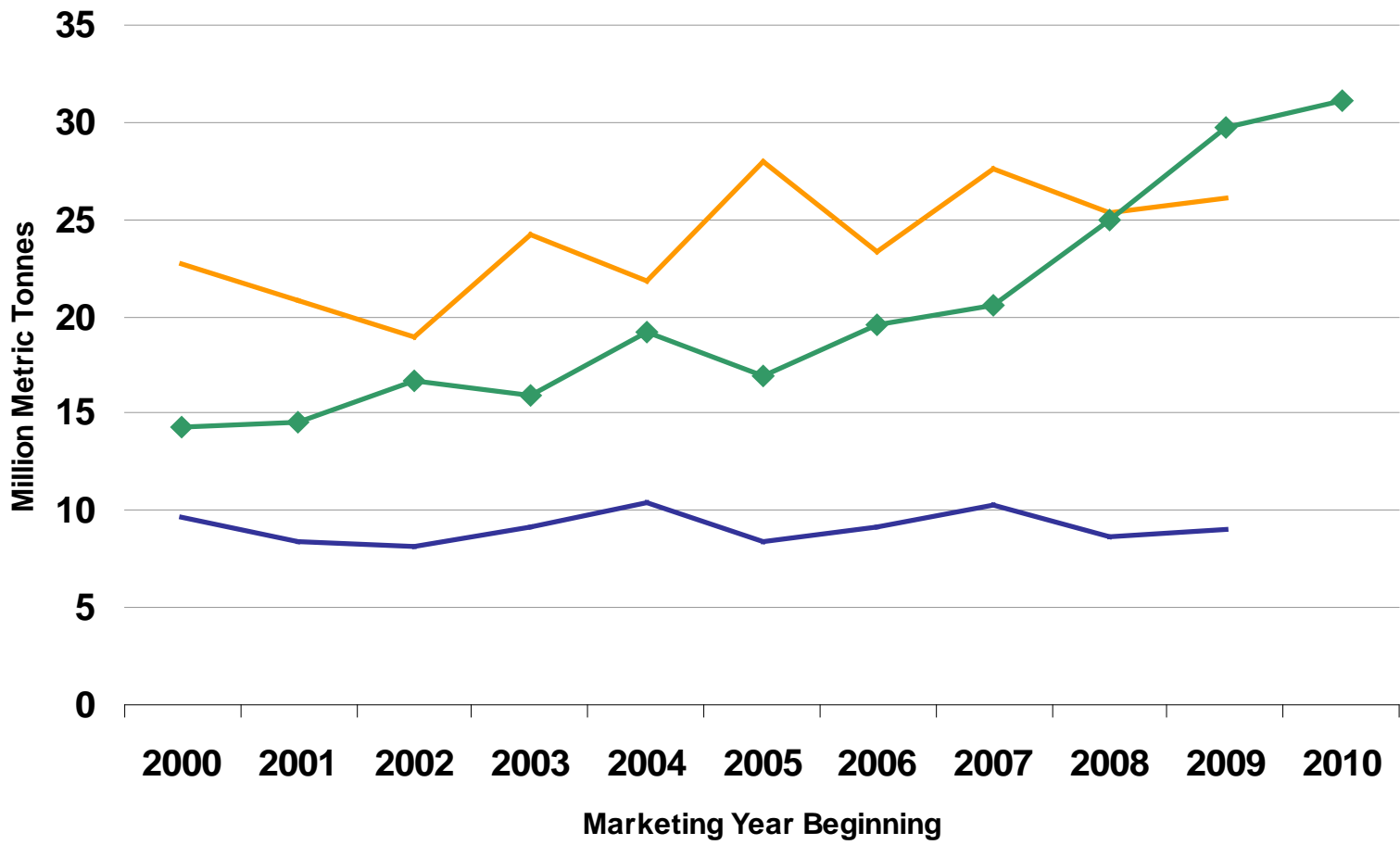
BNSF Capital Commitments

\$ Millions



Equipment commitments reflect full amount of acquisition cost in year acquired including where cost was financed over a number of years.

U.S Exports to Asia



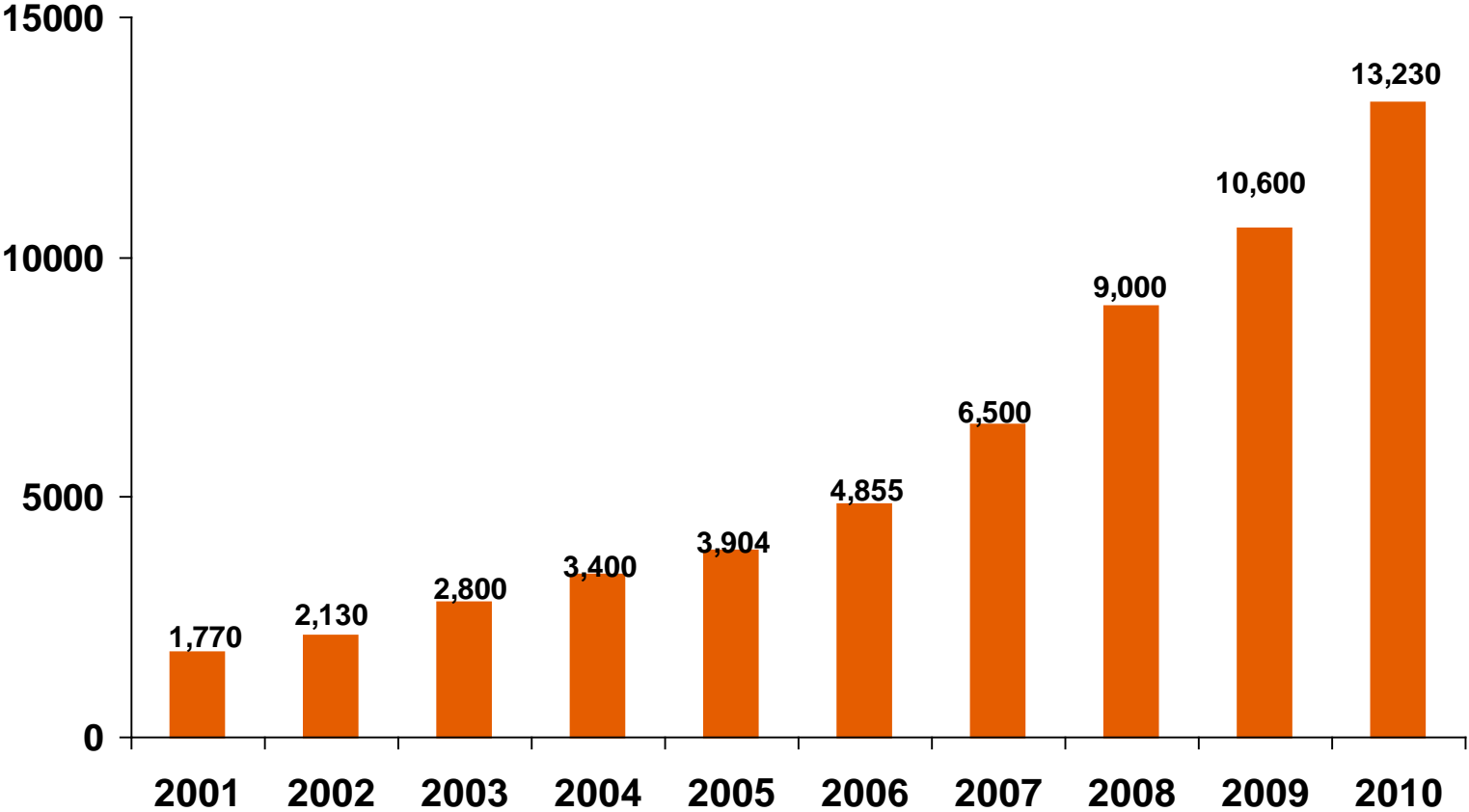
Updated: 03/10/2011

— Corn — Wheat —◆— Soybeans



Ethanol Production

Millions of Gallons



Source: Renewable Fuels Association



Outlook: Growth and Challenges

2030 Growth Projections

- Population to grow to 364 million
- VMT to grow by 150 percent
- Freight rail to increase by 92 percent



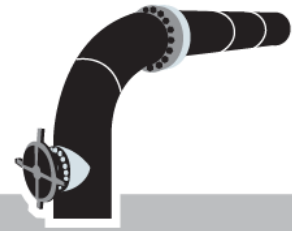
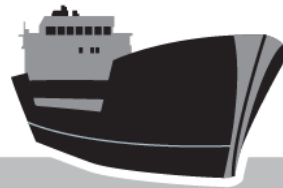
Challenges

- No national freight priority
- No Capacity growth
- Congestion- all modes
- Increasing fuel costs
- Lengthening supply chains
- Increased environmental requirements



Source: Global Insight, AASHTO, FHWA

U.S. Supply Chain



Freight Railroads

Trucking

Inland Coastal Waterways

Pipelines

Private Infrastructure

Public Infrastructure

Public Infrastructure

Private Infrastructure

140,000 Miles

160,000 Miles (NHS)

25,000 Miles

25,000 Miles

\$60 Billion annual revenue

\$700 Billion annual revenue

\$5 Billion annual revenue

\$10 Billion annual revenue

40% freight ton-miles

28% freight ton-miles

12% freight ton-miles

20% freight ton-miles

U.S. Infrastructure Needs Investment

America's Infrastructure Report Card

- **Aviation** **D**
- **Bridges** **C**
- **Rail** **C-**
- **Roads** **D-**
- **Transit** **D**

Source: American Society of Civil Engineers, 2009

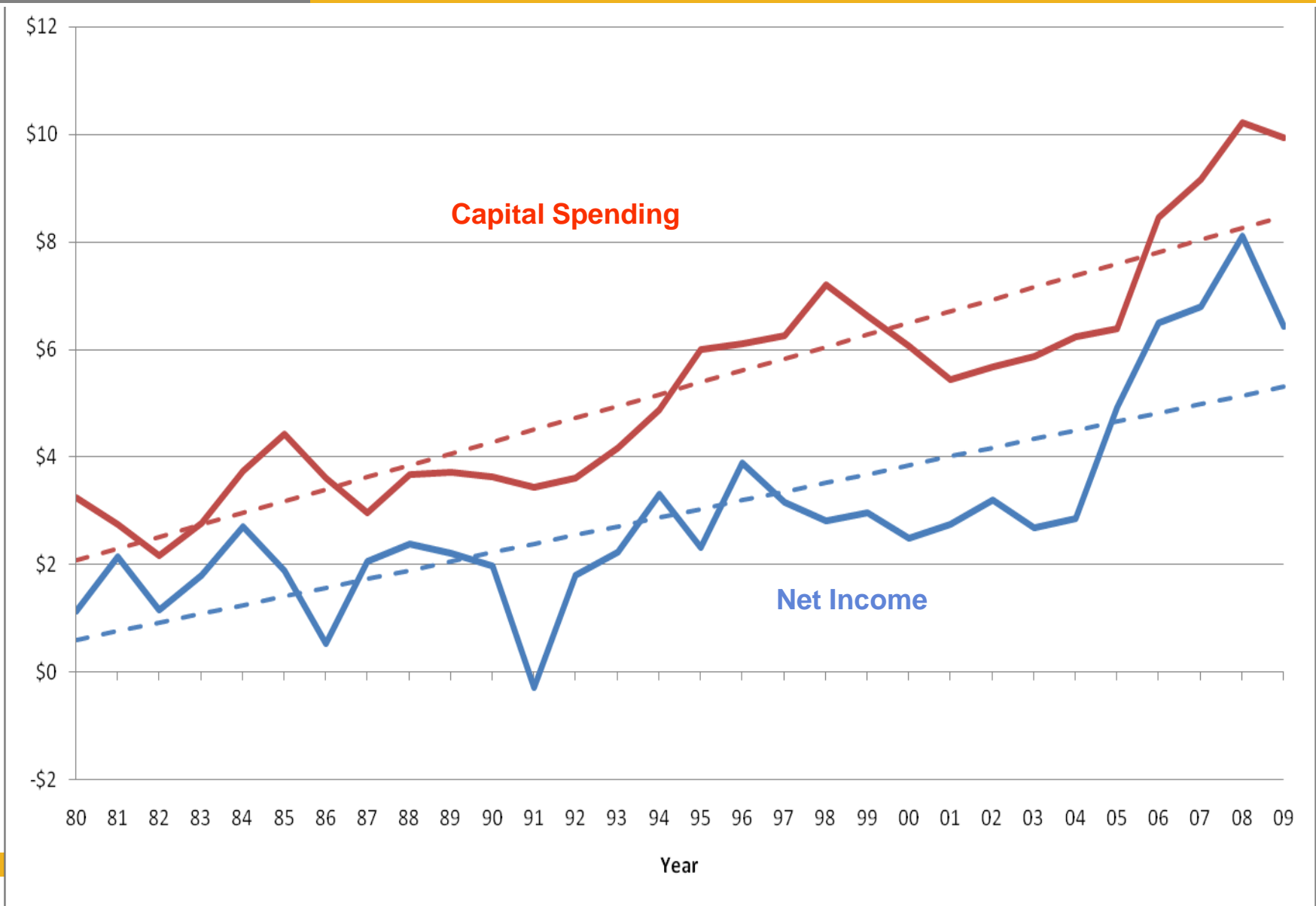
Decade of Regulatory Observations

- **Re-regulation**
- **Antitrust**
- **Positive Train Control**
- **Climate Change**
- **Rate Cases**

Rational Regulation



Class I Railroad Capital Spending vs. Net Income



BNSF
RAILWAY