



**Reconciliation of Non-GAAP Financial Measures  
1<sup>st</sup> Quarter 2009 Earnings Conference Call**

# Non-GAAP Financial Measures Reconciliation

**This earnings release contains free cash flow, adjusted operating income, labor and benefits as a percentage of adjusted operating revenues, adjusted same railroad operating expenses, and adjusted diluted earnings per common share from continuing operations, 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. 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,	
	2009	2008
Net cash provided by operating activities from continuing operations	\$25.5	\$8.1
Net cash used in investing activities from continuing operations	(19.1)	(7.0)
Cash paid for acquisitions, net of cash acquired	5.8	3.6
Free cash flow	\$12.2	\$4.7



# Adjusted Operating Income Description and Discussion

Management views its Operating Income 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, Operating Income for the three months ended March 31, 2009 and 2008, is presented excluding the impact of Net Gain on Sale of Assets. The Adjusted Operating Income presented excluding these effects is not intended to represent, and should not be considered more meaningful than, or as an alternative to, the Operating Income calculated using amounts determined in accordance with GAAP.



# Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Operating Income calculated using amounts determined in accordance with GAAP to the Adjusted Operating Income described above for the three months ended March 31, 2009 and 2008 (\$ in millions):

	<u>2009</u>	<u>2008</u>	<u>% Increase</u>
Operating Income - As Reported	\$ 26.1	\$ 21.3	22.5%
Net Gain on Sale of Assets	(0.2)	(0.6)	
Adjusted Operating Income	<u>\$ 25.9</u>	<u>\$ 20.7</u>	25.1%



# Adjusted Same Railroad Operating Expenses Description and Discussion

Management views its Adjusted Same Railroad Operating Expenses as an important measure of GWI's operating performance. Because management believes it is useful for investors in assessing GWI's financial results compared with the same period in the prior year, Same Railroad Operating Expenses for the three months ended March 31, 2009 and 2008, are presented excluding the impacts of Currency and Diesel Fuel Sold to Third Parties. The Adjusted Same Railroad Operating Expenses presented excluding these effects is not intended to represent, and should not be considered more meaningful than, or as an alternative to, the Operating Expenses calculated using amounts determined in accordance with GAAP.



# Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Adjusted Same Railroad Operating Expenses calculated using amounts determined in accordance with GAAP as described above for the three months ended March 31, 2009 and 2008 (\$ in millions):

	<u>2009</u>	<u>2008</u>	<u>Change</u>
Operating Expenses - As Reported	\$ 112.4	\$ 119.4	\$ (7.0)
Acquisitions	(15.0)	-	
Same Railroad Operating Expenses	<u>\$ 97.4</u>	<u>\$ 119.4</u>	(22.0)
Currency Impact	6.1	-	
Diesel Fuel Sold to Third Parties	(3.4)	(8.6)	
Adjusted Same Railroad Operating Expenses	<u>\$ 100.1</u>	<u>\$ 110.8</u>	\$ (10.7)





# Adjusted Diluted Earnings Per Common Share from Continuing Operations Description and Discussion

Management views its Adjusted Diluted Earnings Per Common Share from Continuing Operations 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, Diluted Earnings Per Common Share from Continuing Operations for the three months ended March 31, 2009 and 2008, is presented excluding the positive impact of the Short Line Tax Credit. The Adjusted Diluted Earnings Per Common Share from Continuing Operations presented excluding this effect is not intended to represent, and should not be considered more meaningful than, or as an alternative to, Diluted Earnings Per Common Share from Continuing Operations calculated using amounts determined in accordance with GAAP.



# Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Adjusted Diluted Earnings Per Common Share from Continuing Operations calculated using amounts determined in accordance with GAAP as described above for the three months ended March 31, 2009 and 2008 (\$ in millions):

	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Income from continuing operations, net of tax	\$ 14.0	\$ 11.2	
Short line tax credit	(2.0)	-	
Adjusted income from continuing Operations, net of tax	<u>\$ 12.0</u>	<u>\$ 11.2</u>	
 Diluted earnings per common share from continuing operations	 \$ 0.33	 \$ 0.31	 6%

