



Reconciliation of Non-GAAP Financial Measures

Non-GAAP Financial Measures Reconciliation

This presentation contains adjusted operating income, adjusted operating ratio 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 measure.

Adjusted Operating Income and Adjusted Operating Ratios Description and Discussion

Management views its Operating Income, calculated as Operating Revenues less Operating Expenses, and its Operating Ratio, calculated as Operating Expenses divided by Operating Revenues, as important measures of GWI's operating performance. Because management believes this information is useful for investors in assessing GWI's financial results over a period of time, the Operating Income and Operating Ratios for the three months ended June 30, 2012 and 2011, used to calculate Adjusted Operating Income and Adjusted Operating Ratios, are presented excluding net gain on sale of assets, gain on insurance recoveries, business/corporate development expenses and the impact of Canadian Pacific Railway strike. The Adjusted Operating Income and 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 Income and Operating Ratios calculated using amounts in accordance with GAAP. Adjusted Operating Income and Adjusted Operating Ratios may be different from similarly-titled non-GAAP financial measures used by other companies.

Non-GAAP Financial Measure Reconciliation

The following table sets forth a reconciliation of GWI's Operating Income and Operating Ratios calculated using amounts determined in accordance with GAAP to Adjusted Operating Income and Operating Ratios as described above for the three months ended June 30, 2012 and 2011 (\$ in millions):

| | Q2 2012 | Q2 2011 |
|---|----------|----------|
| Operating revenues | \$ 217.4 | \$ 209.6 |
| Operating expenses | 154.9 | 158.4 |
| Operating income | \$ 62.5 | \$ 51.2 |
| Operating ratio | 71.3% | 75.6% |
| Operating revenues | \$ 217.4 | \$ 209.6 |
| Impact of Canadian Pacific Railway strike | 0.7 | - |
| Adjusted operating revenues | \$ 218.1 | \$ 209.6 |
| Operating expenses | \$ 154.9 | \$ 158.4 |
| Net gain on sale of assets | 6.2 | 1.1 |
| Gain on insurance recoveries | 5.2 | 1.0 |
| Business/corporate development expenses | (1.9) | (0.4) |
| Impact of Canadian Pacific Railway strike | 0.2 | - |
| Adjusted operating expenses | \$ 164.7 | \$ 160.1 |
| Adjusted operating income | \$ 53.4 | \$ 49.5 |
| Adjusted operating ratio | 75.5% | 76.4% |

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 Used in Investing Activities from Continuing Operations. 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. Free Cash Flow may be different from similarly-titled non-GAAP financial measures used by other companies.

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):

| | May 2012 Guidance | Updated 2012 Guidance |
|--|----------------------|--------------------------|
| Net cash provided by operating activities from continuing operations | \$243 - \$245 | \$247 - \$252 |
| Net cash used in investing activities from continuing operations | <u>(133)</u> | <u>(216)</u> |
| Free cash flow | \$110 - \$112 | \$31 - \$36 |

