



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



