Rail Energy Transportation Advisory Committee

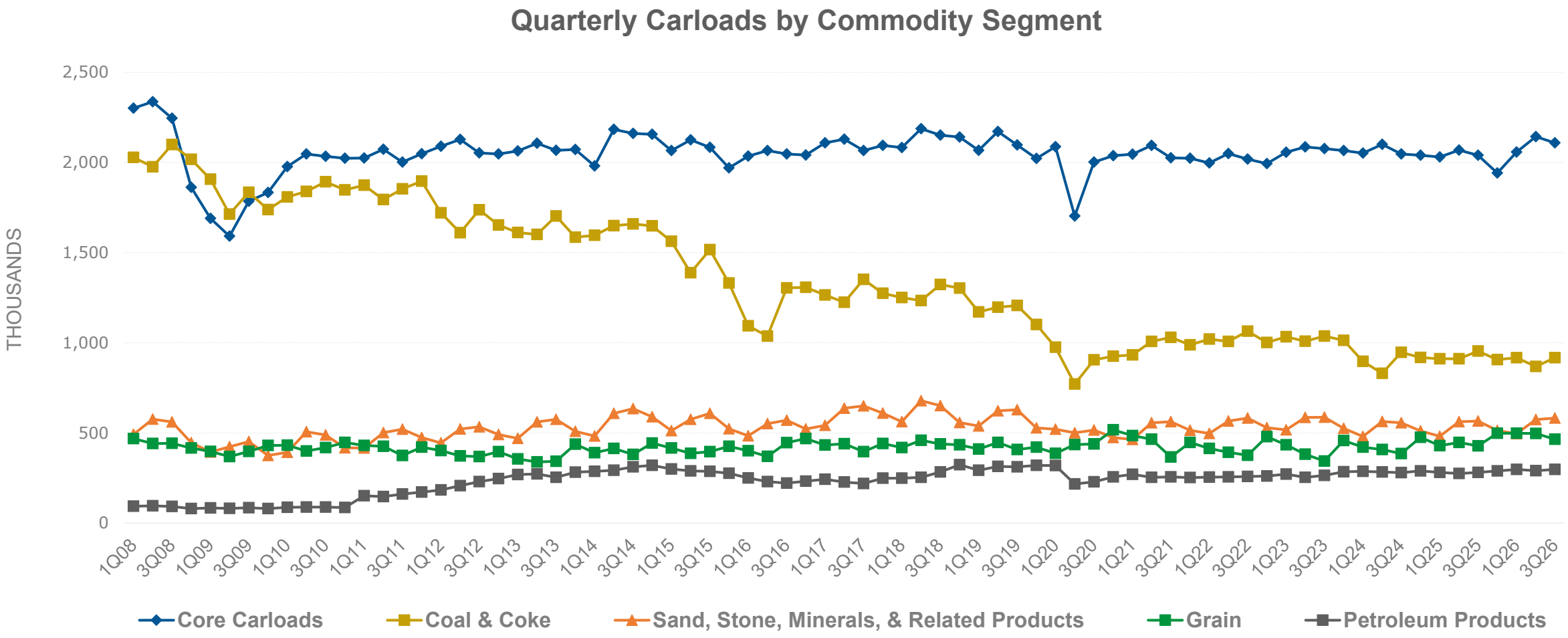
STB Rail Car Update: October 2026

The information in this presentation and the accompanying views and analysis are based on publicly-available industry sources and do not necessarily represent the proprietary information, analysis, or outlook of GATX.



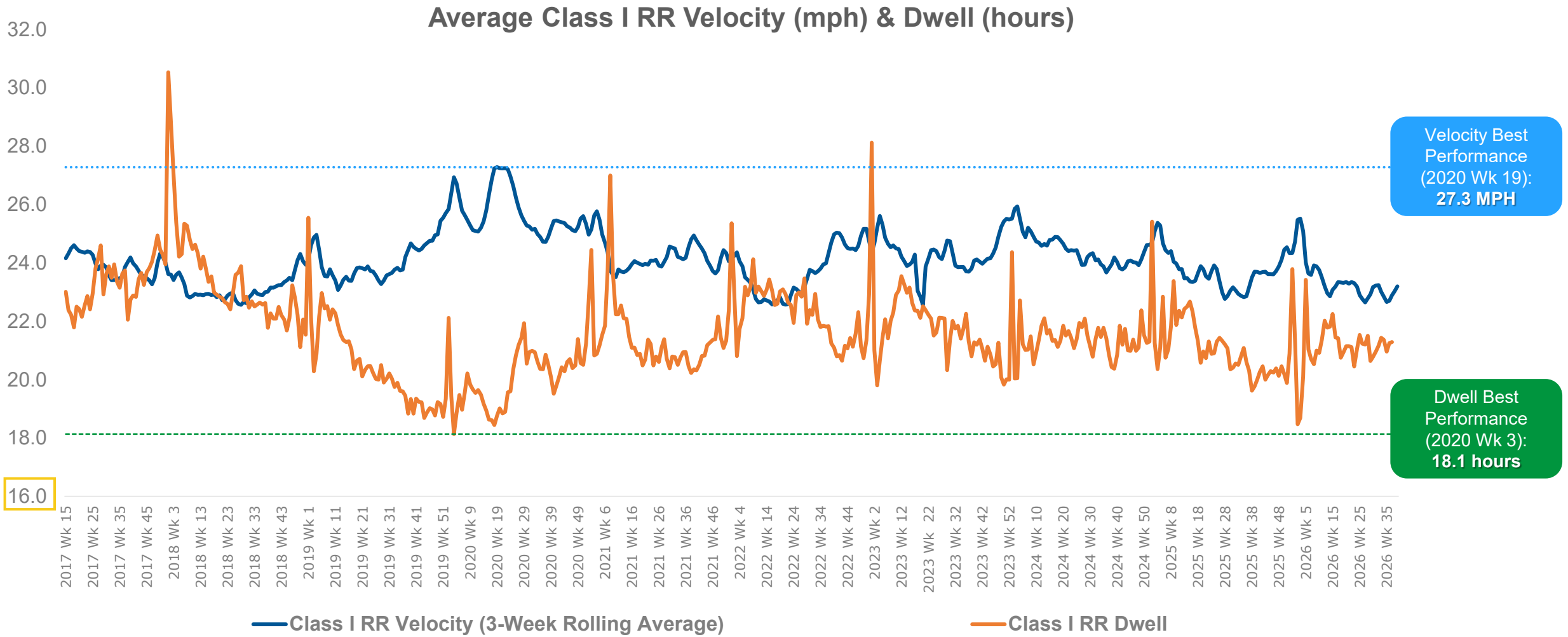
RAILCAR MARKET OVERVIEW

North American Carloads



Source: Association of American Railroads

Velocity Down and Dwell Up YoY



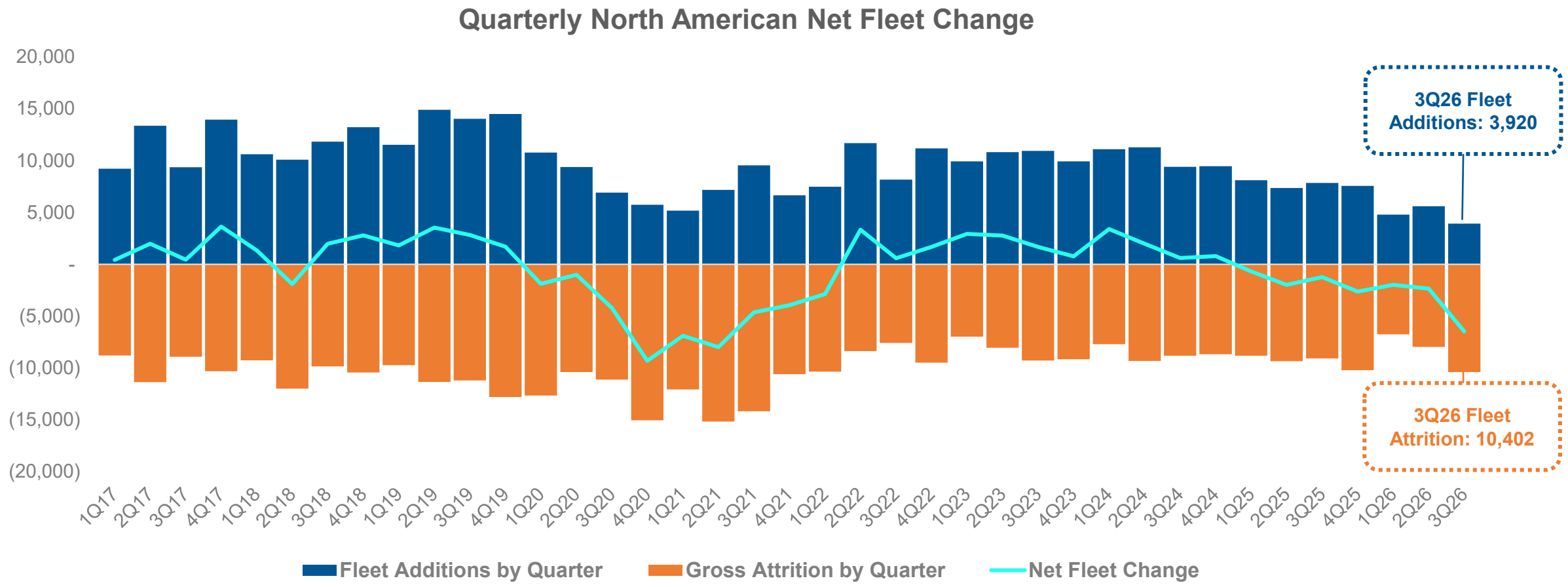
Velocity Best Performance (2020 Wk 19): **27.3 MPH**

Dwell Best Performance (2020 Wk 3): **18.1 hours**

Source: Surface Transportation Board as of October 2026

Fleet Growth and Utilization

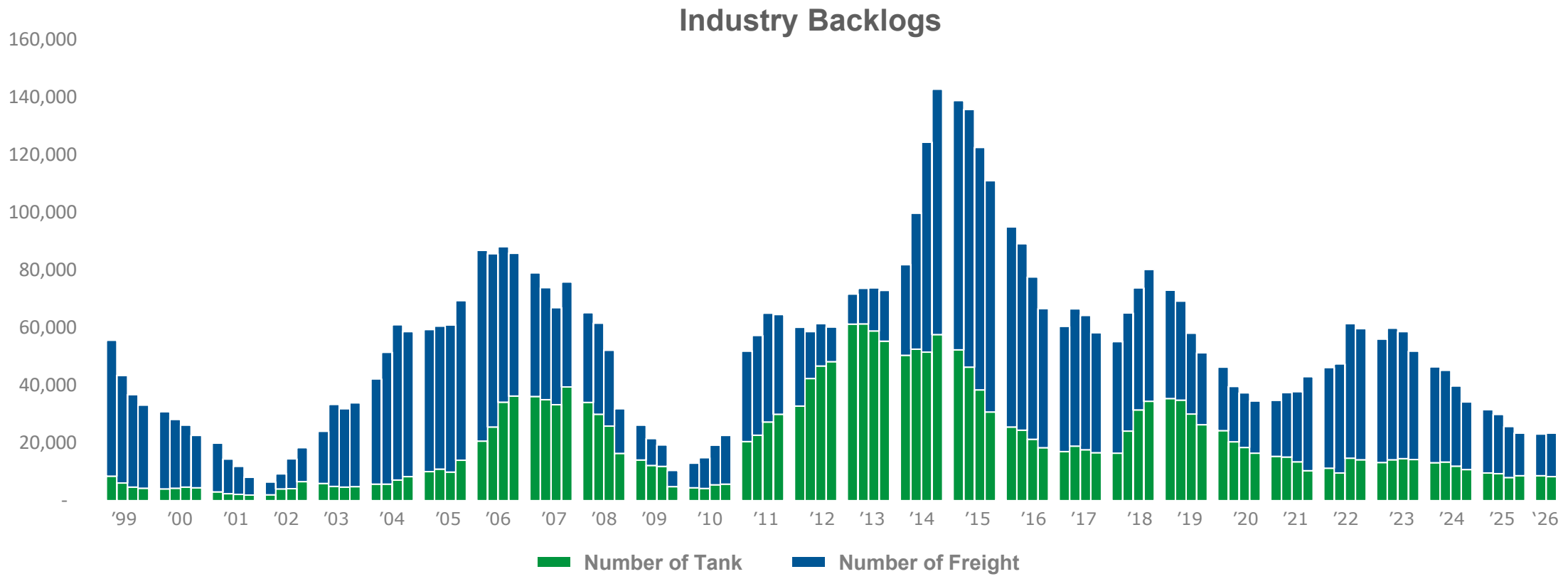
Recent fleet growth slowing despite high fleet utilization



Sources: Umler, GATX analysis; Note: Umler-derived data; Fleet additions may not match exactly with ARCI data due to timing

Industry Backlog: North America

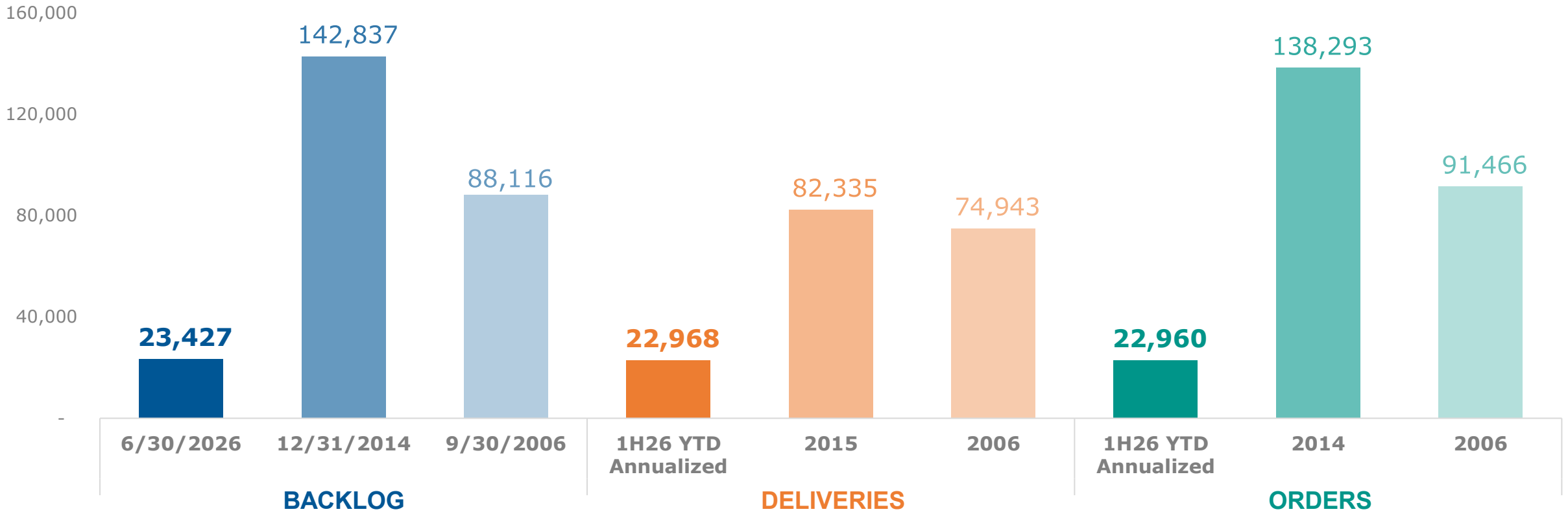
2Q26 industry backlog increased modestly, but recent levels remain close to those last seen in 2010



Source: Railway Supply Institute as of July 2026

Muted Railcar Production

Recent railcar production metrics are muted compared to the prior two production peaks



Source: Railway Supply Institute as of July 2026

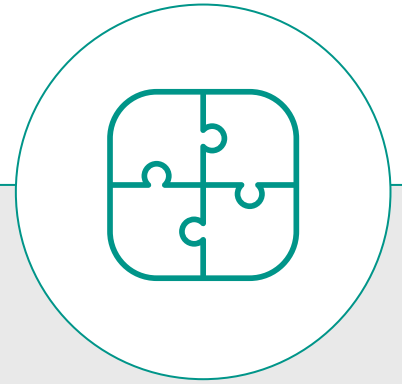
Tight Fleet Dynamics Likely To Continue



Recent acceleration in scrapping, which continues to outpace build activity



Storage counts for almost all car types are coming down, and significantly for several car types

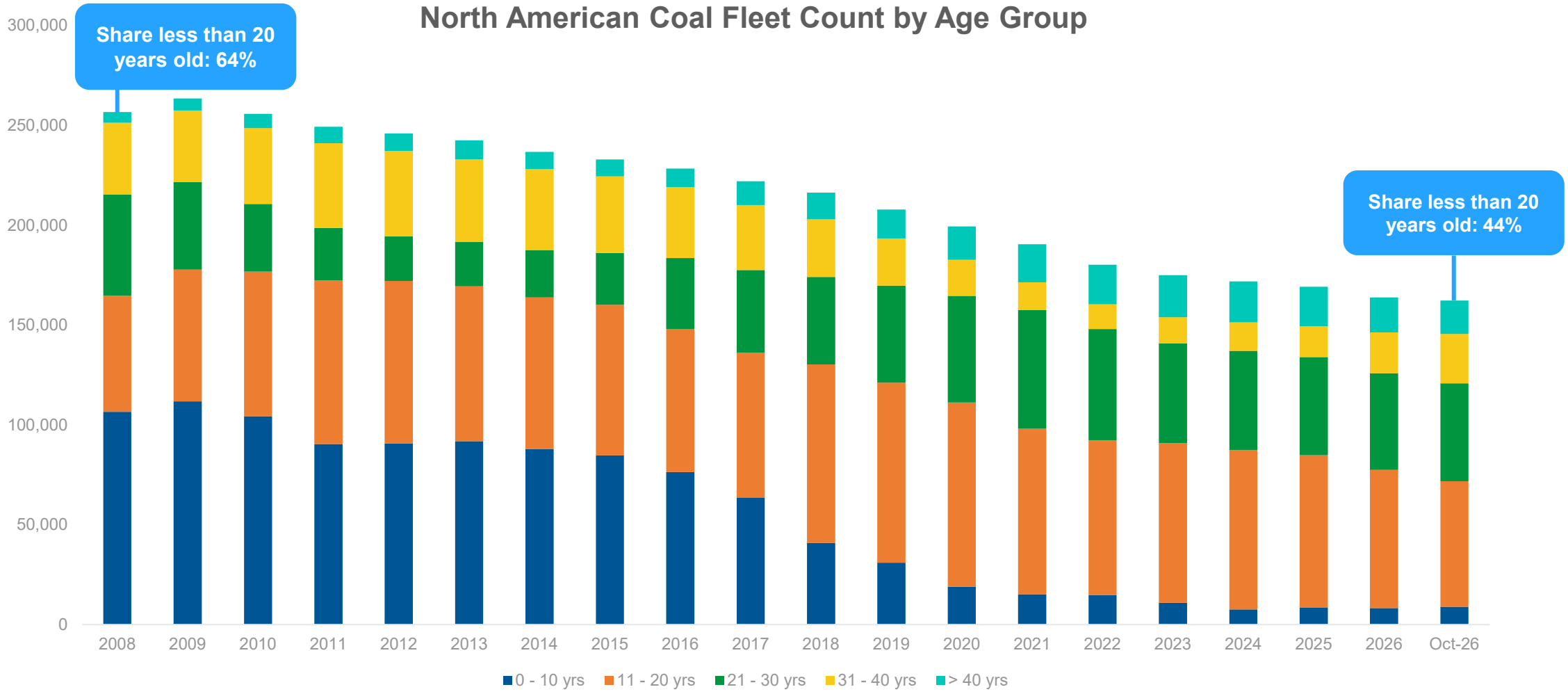


Broad carload growth, limited existing and new build railcar supply



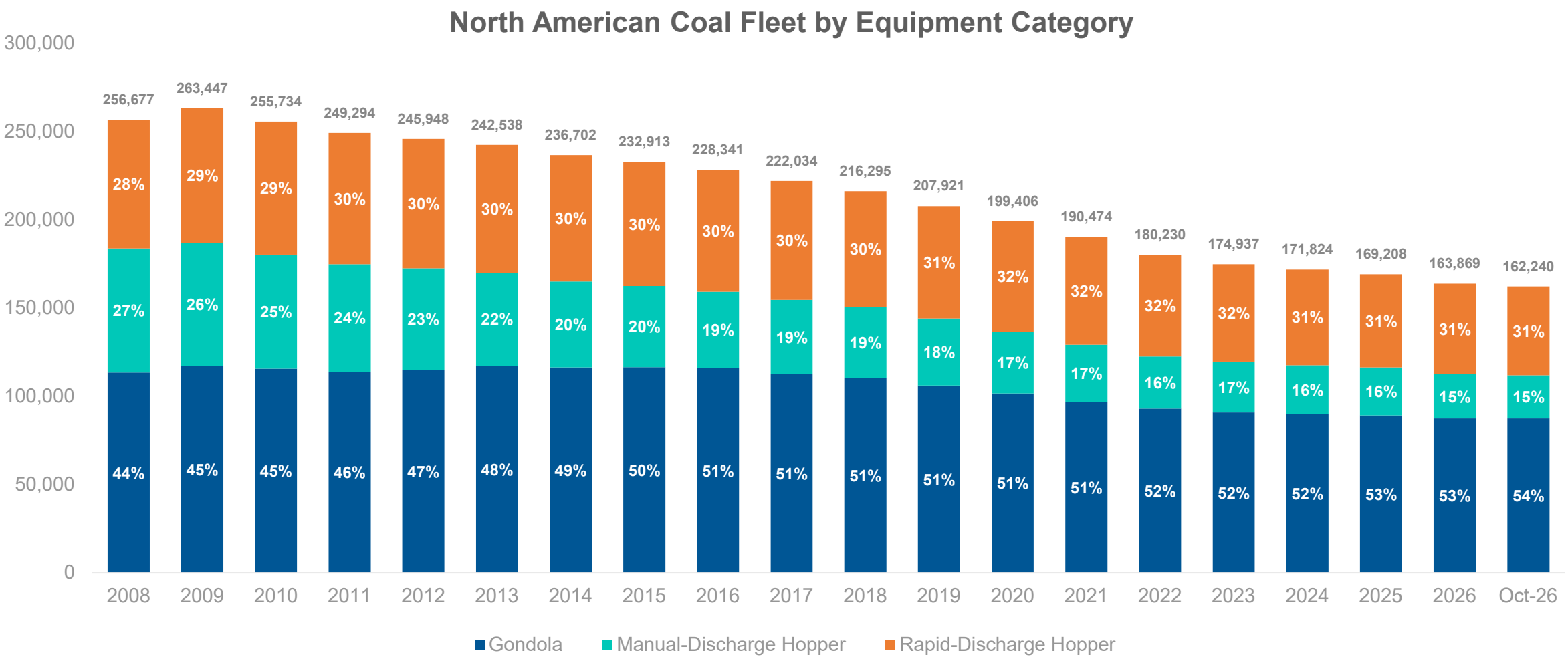
INDUSTRY EQUIPMENT OVERVIEW

North American Coal Fleet Age



Source: Umler as of January of respective year except October 2026

North American Coal Fleet



Source: Umler as of January of respective year except October 2026

Coal Market Decline May Be Stabilizing

**Recent volumes impacted by low natural gas costs,
but Class I railroads more optimistic about coal than they've been in the past**

Factors Contributing to Coal's Recent Relevance:

1 Growing electricity demand

- Driver of thermal coal demand
- **Related risk:** Reduction in data center-related electricity demand

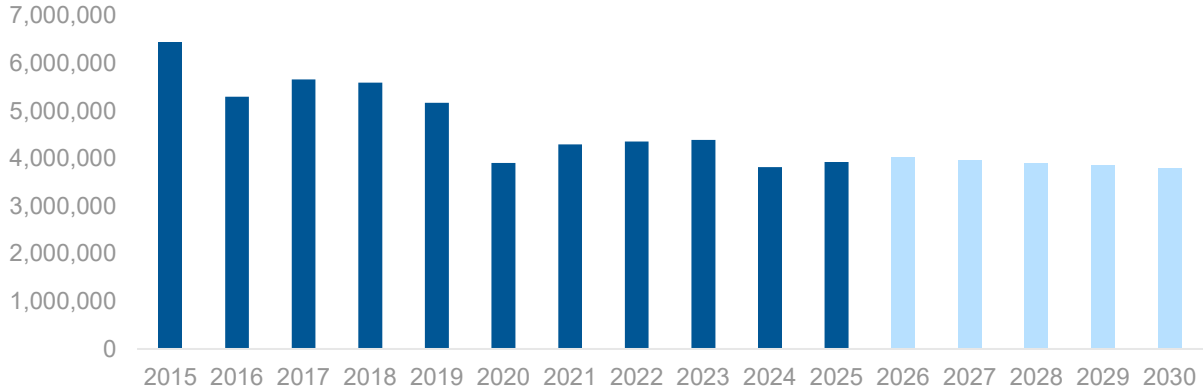
2 Met coal exports

- Per White House, China has agreed to purchase more coal from the United States; however, the promised amount is relatively small
- **Related risk:** China may not ultimately purchase expected volume

3 Policy support

- Reduction in regulations, postponement of plant retirements
- Related risk: EPA milestones, plant retirement forecasts, etc. point to 2029 as a year in which demand may drop

North American Coal Rail Carloads



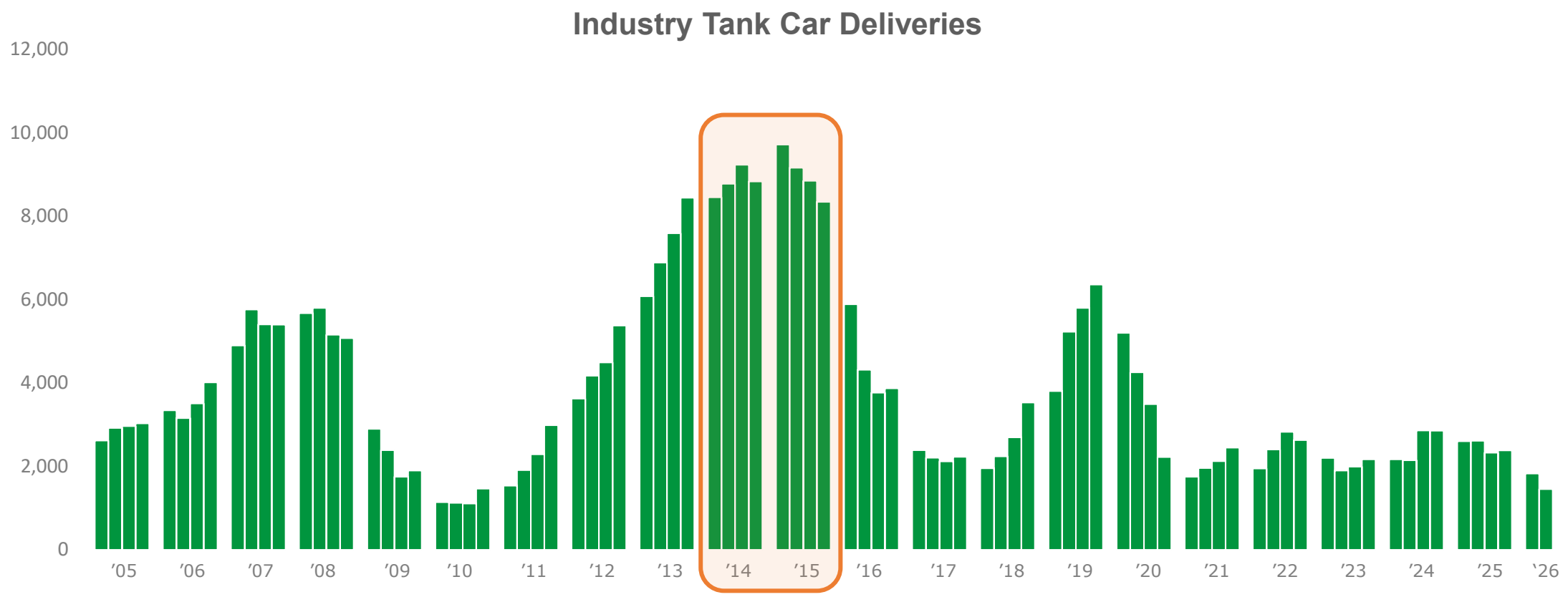
Source: FTR Rail Equipment Outlook 3Q26

New Equipment Demand Factors to Watch

- Resolution of aluminum tariffs
- Coal car lease rates
- Coal car storage levels
- Global steel demand
- Utility actions
- Coal plant retirements
- Data center construction

North American Tank Car Deliveries

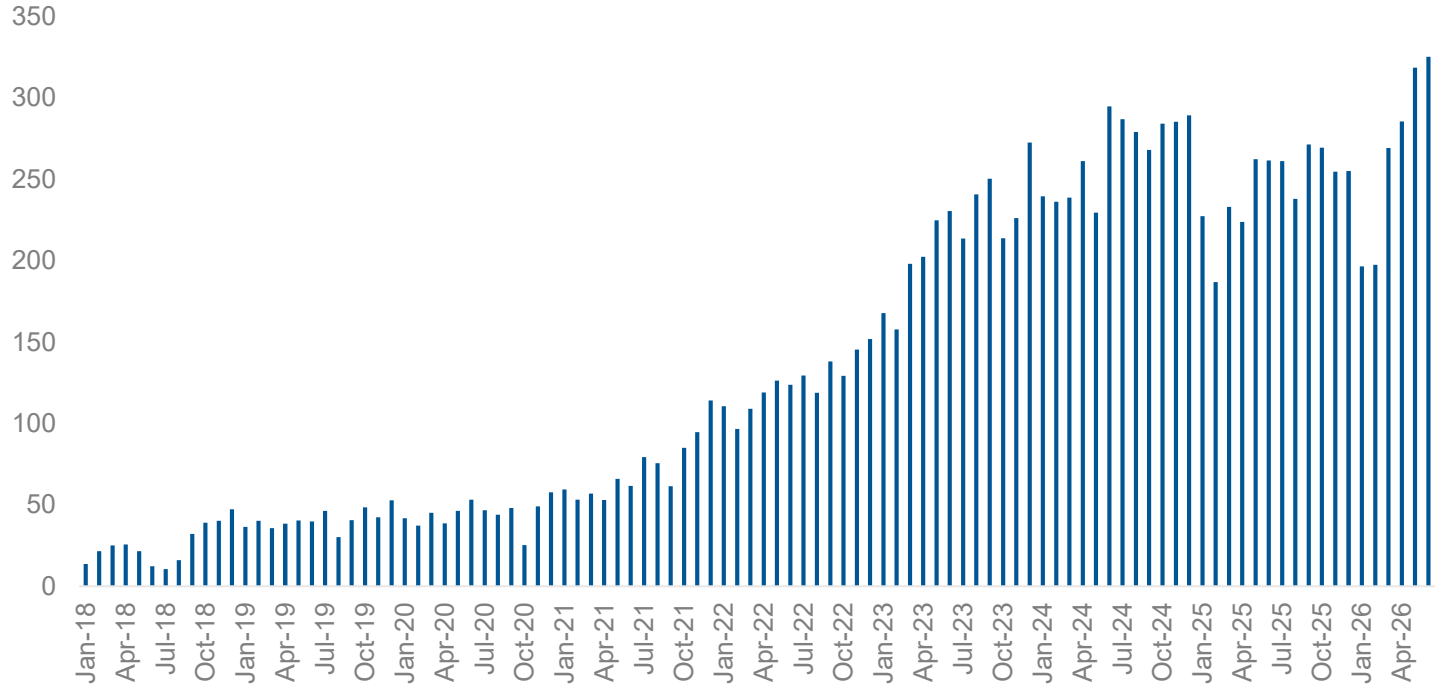
Tank car deliveries stepped down in 1H26 relative to 1H25

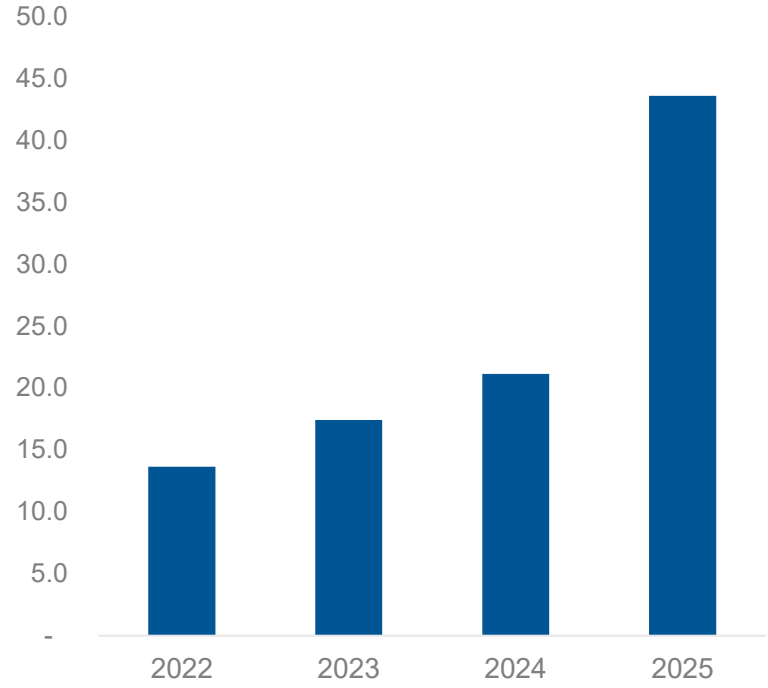


Source: Railway Supply Institute as of July 2026

Renewable Fuels/Feedstocks and Potential for Tank Carload Growth

As the industry is still in its early stages, data is limited but promising

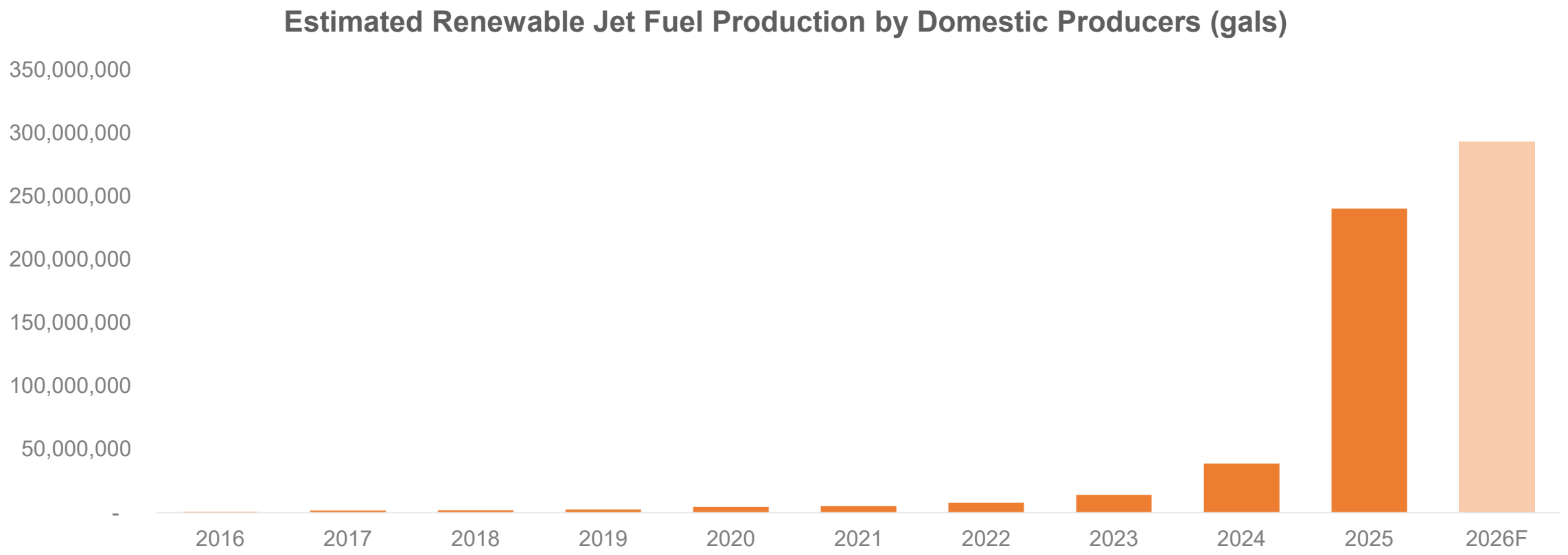




Sources: U.S. Energy Information Administration, September 2026

Renewable Fuels/Feedstocks and Potential for Tank Carload Growth

Data related to sustainable aviation fuel (SAF) is even more limited and must be approximated



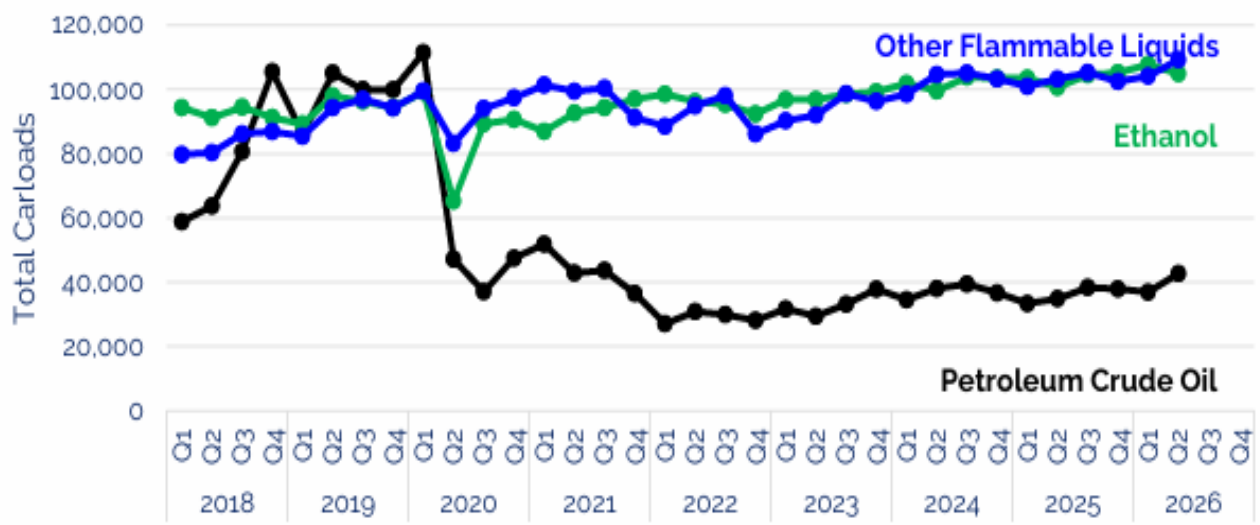
Note: 2026 renewable jet fuel production based on annualized August 2026 YTD data
Sources: RINS Generation Summary Report, U.S. Environmental Protection Agency

Loading/Shipments for Tank/Energy

U.S. and Canadian Flammable Liquid Shipments*

Q2 2026	Petroleum Crude Oil	Ethanol	Other Flammable Liquids	TOTAL
U.S.	42,689	104,142	73,944	220,775
Canada	3,271	7,934	46,106	57,311
TOTAL	**42,691**	**104,873**	**109,260**	**256,824**

Quarterly U.S. and Canadian Flammable Liquid Shipments



**Note: The sum of the U.S. and Canada shipments are more than the total shipments as shown in the table as the country groups both contain the transborder shipments between the U.S. and Canada*
Source: 2Q26 Status Report, Association of American Railroads, August 2026

Railcar Regulatory Update

Tank Car Regulation Timeline

ETHANOL

Retrofit to DOT 117R or replaced with DOT 105, 112, 114, 115, 117, or 120

MAY 1, 2025
Jacketed CPC 1232

CRUDE OIL, ETHANOL OR PACKING GROUP I

Retrofit to DOT 117R or replaced with DOT 105, 112, 114, 115, 117, or 120

MAY 1, 2025
DOT 111
Jacketed CPC 1232

FLAMMABLE LIQUIDS PACKING GROUP II OR III

Retrofit to DOT 117R or replaced with DOT 105, 112, 114, 115, 117, or 120

MAY 1, 2025
Canada

MAY 1, 2029
U.S.

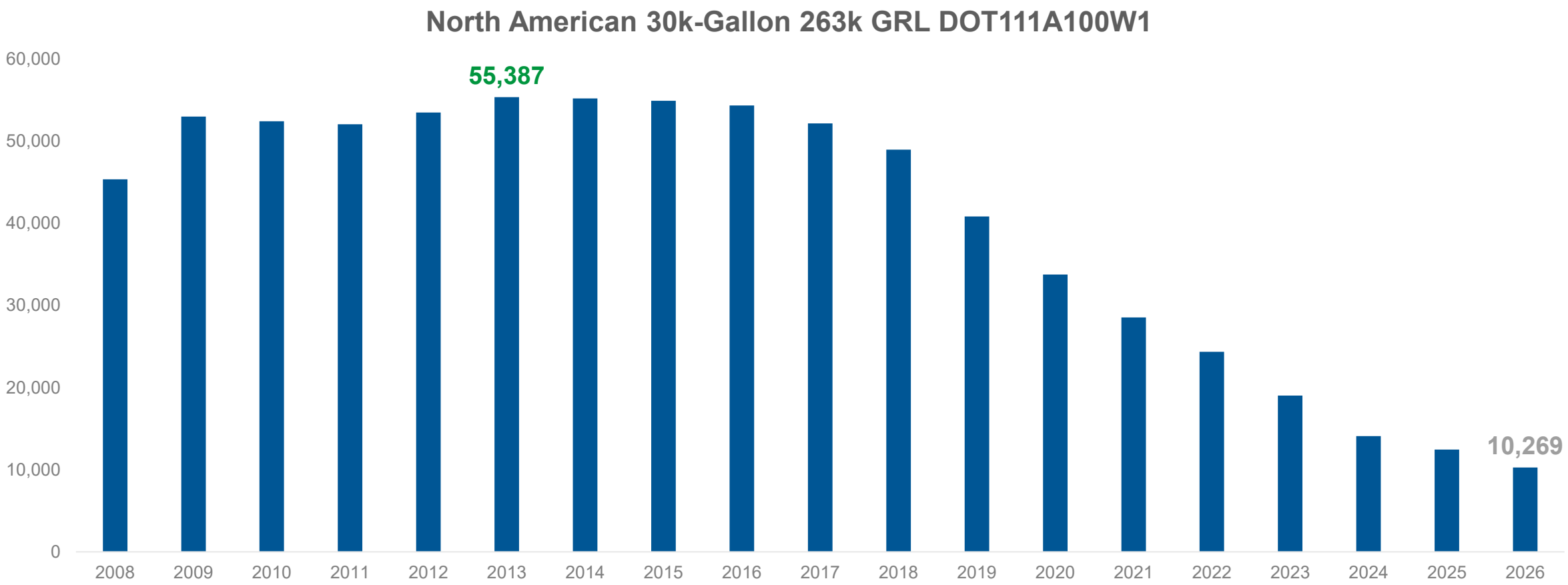
House version of the Surface Transportation Reauthorization proposes to move the deadline to December 2028

Additional Items of Interest

- **FRA 50-Year Railcar Life:** FRA removed federal 50-year special-approval requirement
- **EI-0047 Wheelset Recall:** Inspections and repairs continue under a recall due to quality concerns; Initial Class I embargoes have been lifted
- **4-Port Compliance:** As of July 1, 2025, AAR requires railcars due for air brake testing to use a 4-port adapter; With limited exceptions, cars without an adapter must be retrofitted; Approximately 80% of the North American fleet is now compliant with 4-port adapter requirement
- **Midland Vacuum Relief Valve:** AAR Tank Car Committee has ordered removal and replacement of certain Midland Vacuum Relief Valves on or before 5/18/2031 due to exceptions taken with service trial
- **Potash in Unit Train Service:** Potash has been added to commodity list requiring replacement of service and emergency air brake portions at 14 years for railcars in unit train service operating north of 37th parallel

Legacy 30k-Gallon 263k GRL DOT111A100W1 Attrition

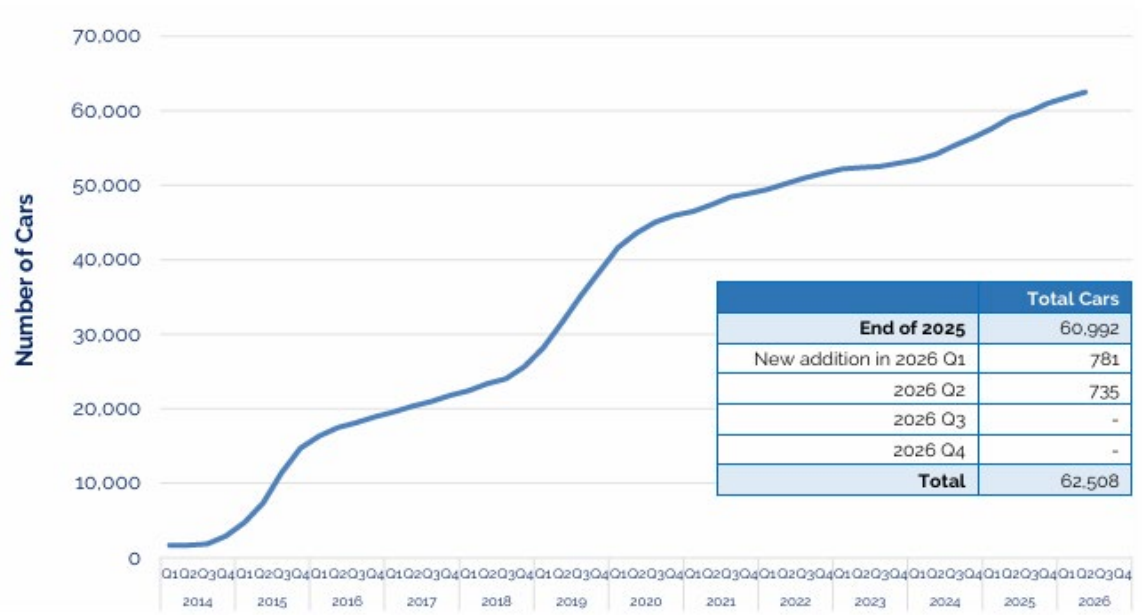
Fleet totaled 9,226 as of October 2026



Source: Umler; Fleet as January of respective year

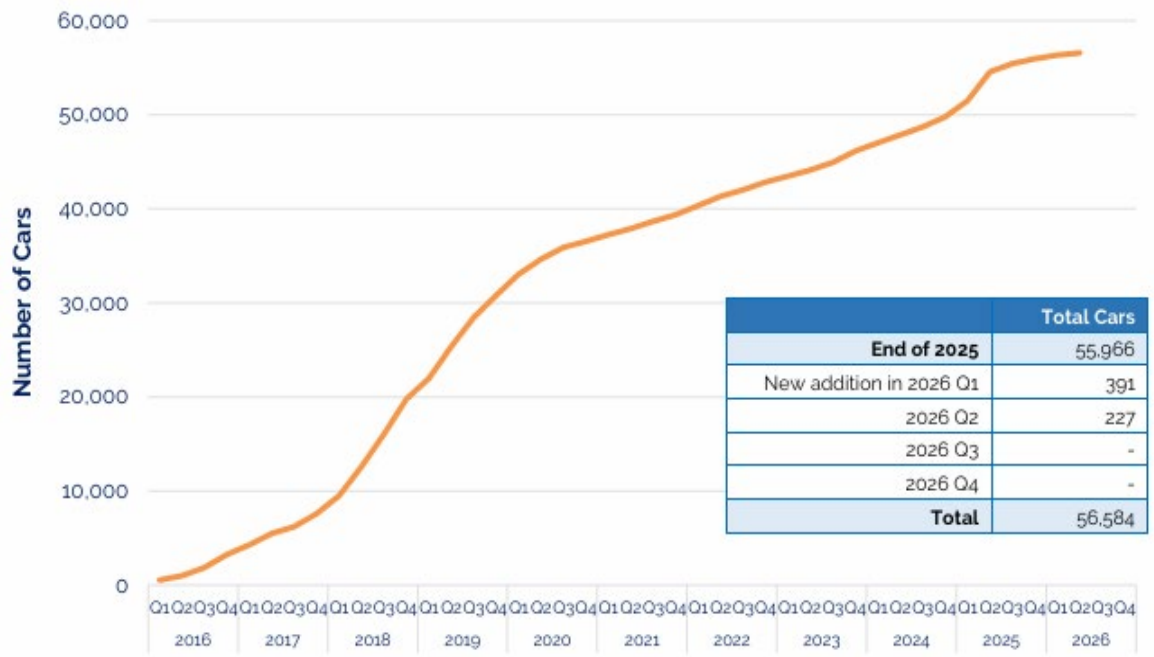
DOT117/120 Fleet Growth

Growth in DOT-117J/P and DOT-120 Tank Car Fleet (as of end of 2Q26)



	Total Cars
End of 2025	60,992
New addition in 2026 Q1	781
2026 Q2	735
2026 Q3	-
2026 Q4	-
Total	62,508

Growth in DOT-117R Tank Car Fleet (as of end of 2Q26)



	Total Cars
End of 2025	55,966
New addition in 2026 Q1	391
2026 Q2	227
2026 Q3	-
2026 Q4	-
Total	56,584

Source: 2Q26 Status Report, Association of American Railroads, August 2026

SUMMARY OF CURRENT CONDITIONS

Current Railcar Market Conditions

1. Railcar market more self-correcting than in previous cycles due to disciplined new-build activity, an aging fleet, and elevated scrapping

2. Rail benefitting from some high fuel prices and driver shortages which are accelerating truck to rail conversions in some markets

3. Impacts of trade and economic policies vary by industry, causing variation in conditions across railcar types

Thank you!

Questions?