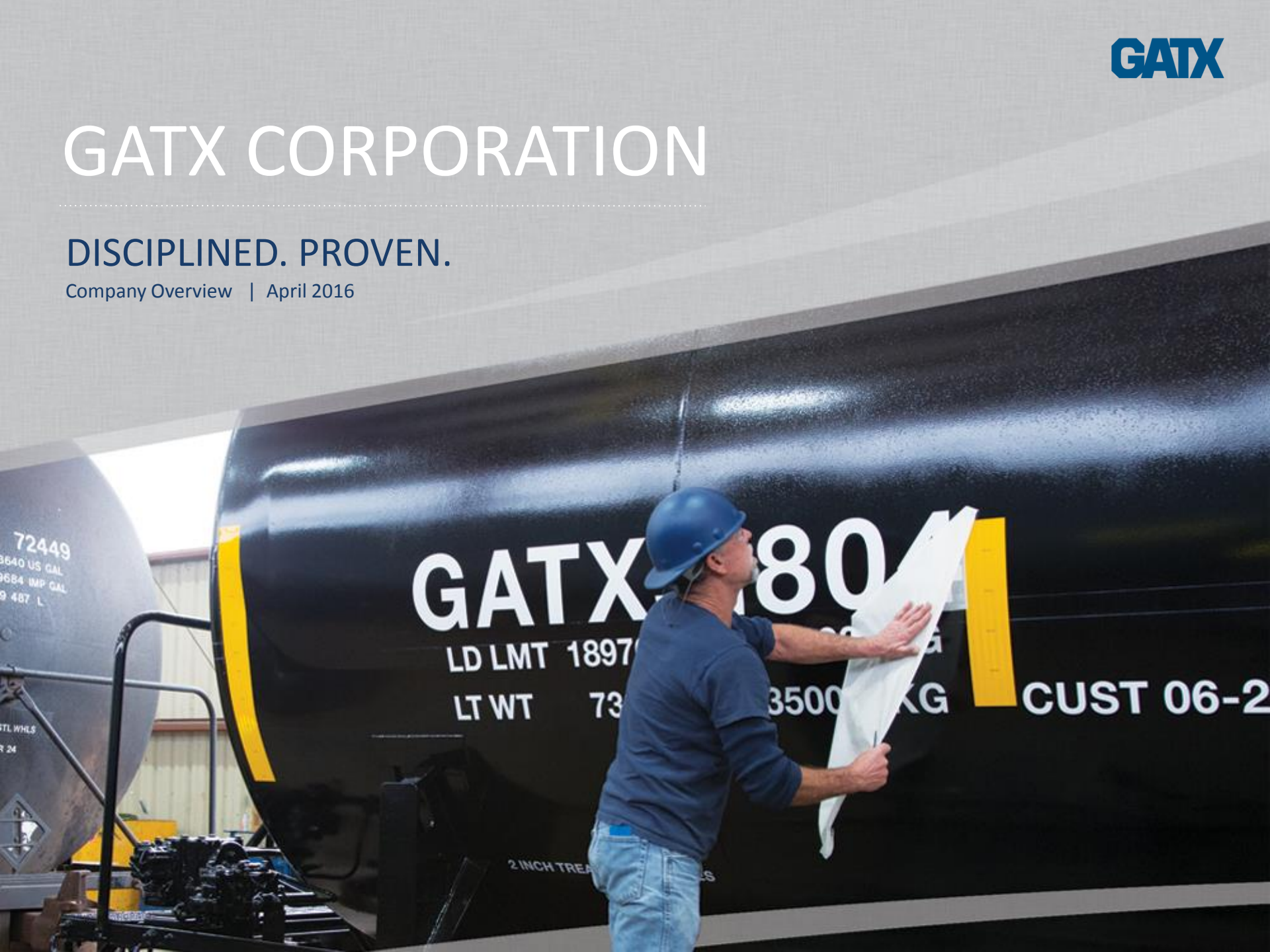
GATX CORPORATION

DISCIPLINED. PROVEN.

Company Overview | April 2016



Forward Looking Statement

Forward-looking statements in this presentation that are not historical facts are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These include statements that reflect our current views with respect to, among other things, future events, financial performance and market conditions. In some cases, forward-looking statements can be identified by the use of words such as “may,” “could,” “expect,” “intend,” “plan,” “seek,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue,” “likely,” “will,” “would,” and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Specific risks and uncertainties include, but are not limited to, (1) inability to maintain our assets on lease at satisfactory rates; (2) weak economic conditions, financial market volatility, and other factors that may decrease demand for our assets and services; (3) decreased demand for portions of our railcar fleet due to adverse changes in commodity prices, including, but not limited to, sustained low crude oil prices; (4) events having an adverse impact on assets, customers, or regions where we have a large investment; (5) operational disruption and increased costs associated with increased railcar assignments following non-renewal of leases, compliance maintenance programs, and other maintenance initiatives; (6) financial and operational risks associated with long-term railcar purchase commitments; (7) reduced opportunities to generate asset remarketing income; (8) changes in railroad efficiency that could decrease demand for railcars; (9) operational and financial risks related to our affiliate investments, including the RRPF affiliates; (10) fluctuations in foreign exchange rates; (11) failure to successfully negotiate collective bargaining agreements with the unions representing a substantial portion of our employees; (12) the impact of new regulatory requirements for tank cars carrying crude, ethanol, and other flammable liquids; (13) deterioration of conditions in the capital markets, reductions in our credit ratings, or increases in our financing costs; (14) asset impairment charges we may be required to recognize; (15) competitive factors in our primary markets; (16) risks related to international operations and expansion into new geographic markets; (17) exposure to damages, fines, and civil and criminal penalties arising from a negative outcome in our pending or threatened litigation; (18) changes in or failure to comply with laws, rules, and regulations; (19) inability to obtain cost-effective insurance; (20) environmental remediation costs; (21) inadequate allowances to cover credit losses in our portfolio, and (22) other risks discussed in our filings with the US Securities and Exchange Commission (SEC), including our Form 10-K for the year ended December 31, 2015, and our subsequently filed Form 10-Q reports, all of which are available on the SEC’s website (www.sec.gov).

Investors should not place undue reliance on forward-looking statements, which speak only as of the date they are made, and are not guarantees of future performance. The Company undertakes no obligation to publicly update or revise these forward-looking statements.

Investor, corporate, financial, historical financial, photographic and news release information may be found at www.gatx.com.

HISTORY & BUSINESS OVERVIEW

GATX's 117 Year History

1898
Established as railcar lessor with 28 railcars

1919
Initiated quarterly dividend

1936
Rail Operations in Canada

1973
GATX acquired American Steamship Company (ASC)

1994
Rail Operations in Europe & Mexico

1996
Locomotive Operations

1998
Rolls-Royce Partners and Finance (RRPF) Affiliates formed

2012
Rail Operations in India

2016
$7.4 billion* in assets and an interest in more than 151,000 railcars worldwide

Assets on- and off-balance sheet as of 12/31/15

GATX Today – Business Segments



RAIL NORTH AMERICA

- One of the largest railcar lessors
- Diversified fleet of nearly 125,000 wholly owned railcars and more than 600 locomotives
- Strong customer credit quality, diversification in car type and commodities carried



RAIL INTERNATIONAL

- GATX Rail Europe (GRE) is one of the largest European tank car lessors
- Strong customer credit quality, diversification in car types, geography and commodities carried
- Largest railcar lessor in India



AMERICAN STEAMSHIP COMPANY

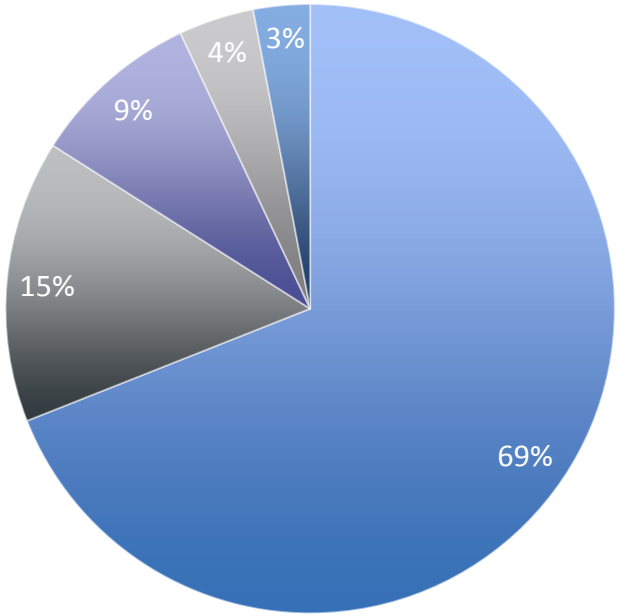
- Largest US-flagged vessel operator on the Great Lakes
- Operates a fleet of efficient self-unloading ships
- Exceptional safety record and leader in Great Lakes environmental matters



PORTFOLIO MANAGEMENT

- RRPF affiliates is the largest lessor of Rolls-Royce aircraft spare engines worldwide

NET BOOK VALUE OF ASSETS



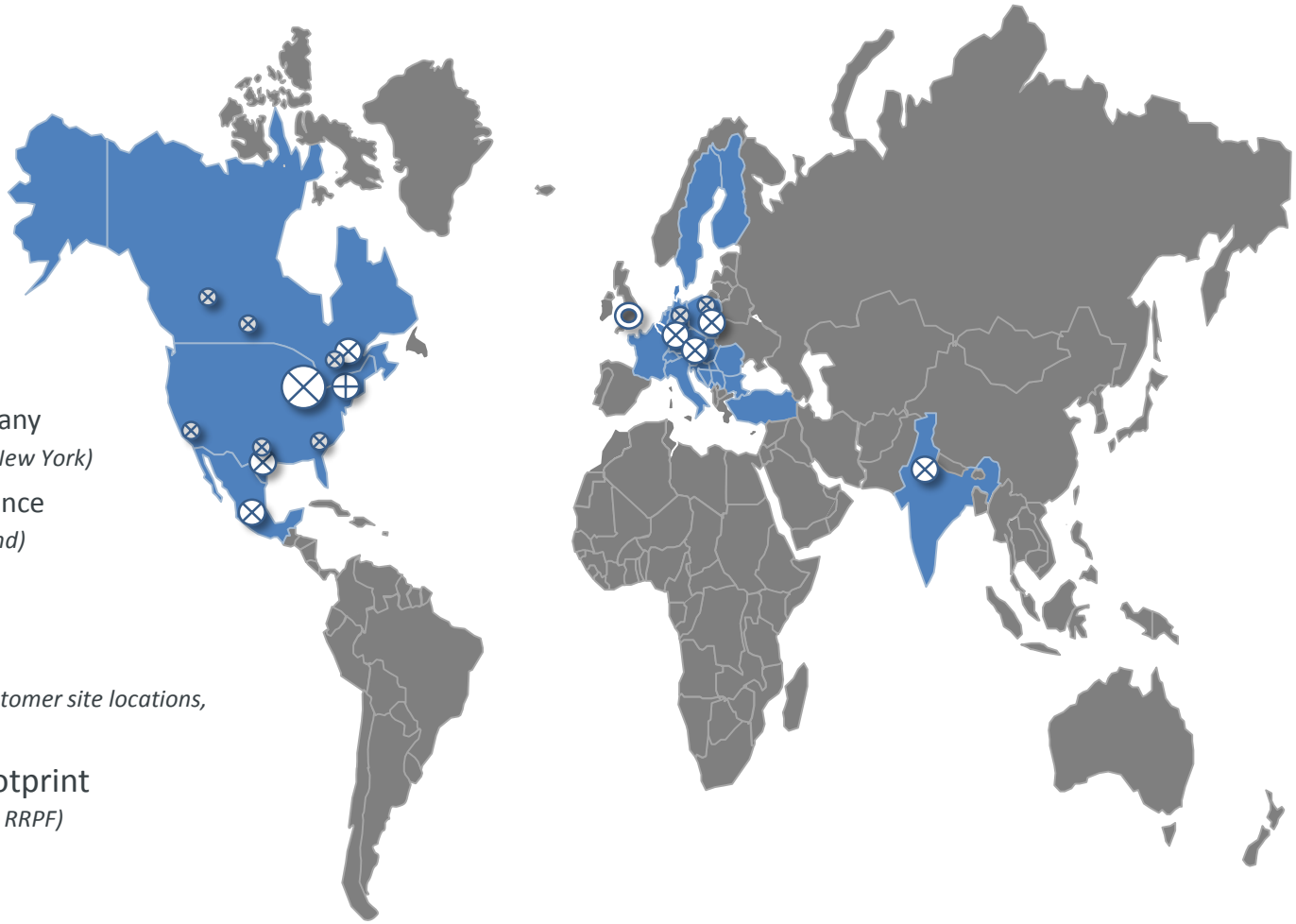
$7.4 billion NBV*

- 69% Rail North America
- 15% Rail International
- 9% Portfolio Management
- 4% ASC
- 3% Other

**Assets on- and off-balance sheet as of 12/31/15*

GATX's Strong Global Presence

GATX owns, manages, or has an interest in more than 151,000 railcars, over 600 locomotives, 17 vessels on the Great Lakes, and approximately 435 aircraft spare engines.



GATX

- GATX Headquarters *(Chicago, IL)*
- American Steamship Company Headquarters *(Williamsville, New York)*
- Rolls-Royce & Partners Finance Headquarters *(London, England)*
- Major Business Office *(excludes sales offices)*
- Major Maintenance Facility *(excludes field repair centers, customer site locations, & mobile units)*
- GATX Rail Operations Footprint *(Map excludes leasing footprint for RRPF)*

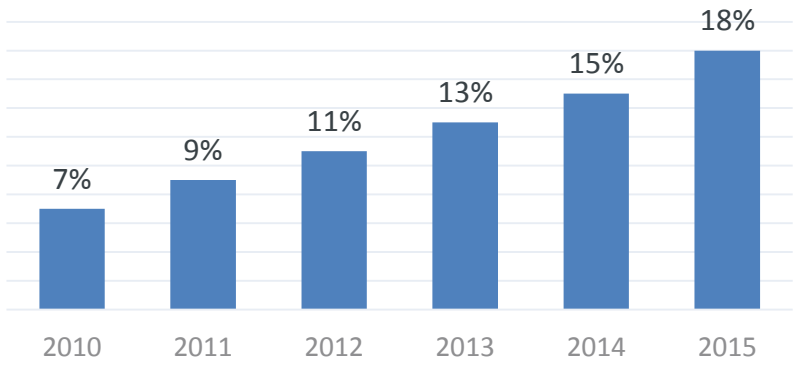
As of 12/31/2015

GATX Financial Highlights

EPS



ROE



INVESTMENT VOLUME



Graph displays Diluted EPS
Diluted EPS & ROE exclude Tax Adjustments and Other Items. See the Appendix for a reconciliation of these non-GAAP measures.

Disciplined and Proven

VISION

We strive to be recognized as the **finest railcar leasing company** in the world by our **customers**, our **shareholders**, our **employees** and the **communities** where we operate.

DISCIPLINED



BUSINESS APPROACH

+

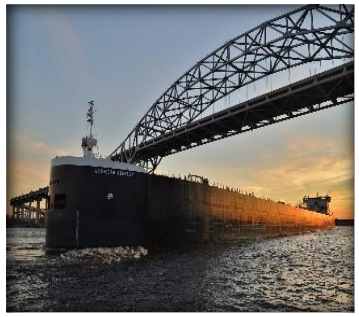
DISCIPLINED



CAPITAL ALLOCATION APPROACH

=

PROVEN



RETURNS TO SHAREHOLDERS



DISCIPLINED BUSINESS APPROACH

Straightforward and Proven Business Model

Railcar leasing is our core.

BUY
the railcar at an economically attractive and competitively advantaged price



LEASE
the railcar to a quality customer at an attractive rate for a term that reflects the business cycle



SERVICE
the railcar in a manner that maximizes safety, in-use time and customer satisfaction



MAXIMIZE
the value of the railcar by selling or scrapping at the optimal time



Business Model: **BUY**

EXPERIENCED INTERNAL CAPABILITIES

GATX's engineering team customizes railcar specifications to meet customer needs

GATX's quality team performs car inspections and quality control during the manufacturing process

DISCIPLINED INVESTMENT APPROACH

GATX recognizes that railcars are long-lived assets and that each investment is measured over decades

GATX avoids chasing short-term, unsustainable market trends

GATX ADVANTAGE

COMPETITIVE ASSET COST

GATX achieves lower new car cost by placing large orders at appropriate points in the business cycle

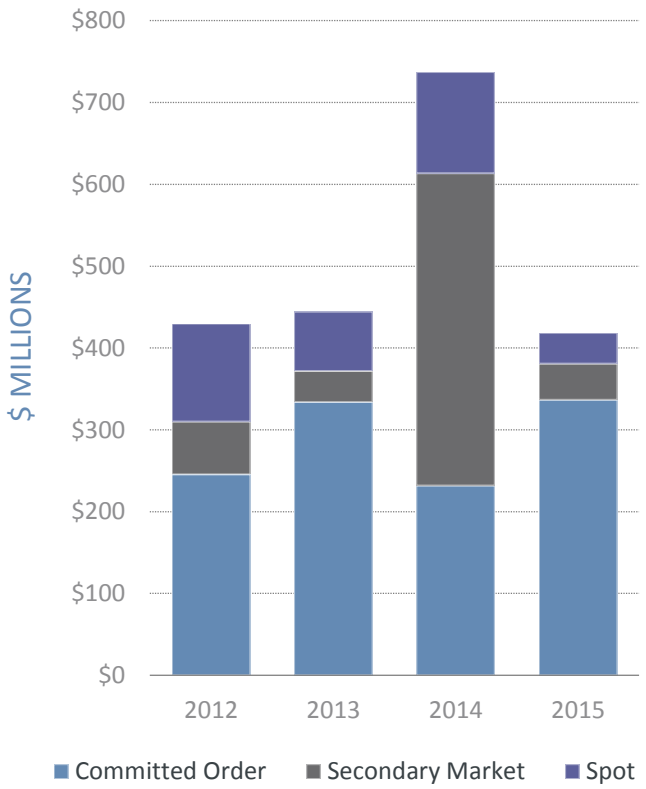
GATX focuses on achieving economically attractive and competitively advantaged new car costs

OPPORTUNISTIC INVESTMENT

GATX consistently identifies attractive opportunities across the business cycle

GATX acquires railcars from the secondary market in North America, Europe, and India on an opportunistic basis

GATX RAIL NORTH AMERICA RAILCAR ACQUISITION SOURCES



As of 12/31/2015

Business Model: **LEASE**

GATX's premium service to top-tier customers results in high fleet utilization, strong lease renewal success and customer satisfaction across the globe.

CUSTOMER VALUE

DELIVERY

- Develop lease structures that fit customers' needs
- New Car Inspection Group ensures railcars meet GATX and customers' specifications before acceptance

CAR AVAILABILITY

- Utilize multi-year committed orders with railcar manufacturers to maintain a steady-stream of new car deliveries
- Meet customers' demands with large, diverse fleet

TIME-IN-SERVICE

- Assure maintenance capacity for railcar repairs
- Minimize railcar issues and unexpected downtime
- Assist customers in managing complex railcar regulatory environment

CUSTOMER SERVICE

- Responsive service representatives
- Reduce administrative burden of railcar operations and handle complicated situations for our customers
- MyGATXRail.com provides customer self-service, allowing instant access to fleet information

Business Model: **SERVICE**

GATX has built a strong market position by focusing on full-service leasing in North America and Europe.



MAINTENANCE

- Customers rely on GATX to manage the complex process of maintaining railcars
- Extensive maintenance network: more than 30 maintenance locations in North America and Europe
- In 2015, GATX performed an aggregate of approximately 100,000 maintenance events in its owned and third-party maintenance network in North America and Europe



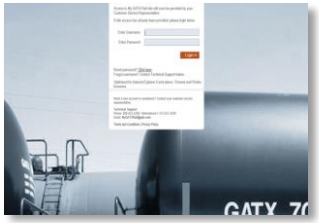
ENGINEERING

- GATX's engineering team consists of mechanical, structural, and chemical engineers
- GATX's engineers tailor railcar solutions to meet customers' needs, taking into consideration commodity carried, location, and layout of facilities
- Develop railcar modification programs



TRAINING

- GATX provides important training to customers and first responders
- GATX offers training at its headquarters, at customer sites, and through its TankTrainer™ mobile classroom



TECHNOLOGY

- MyGATXRail.com provides real-time fleet management capability and maintenance data to customers
- Shop Portal provides GATX personnel with state-of-the-art technology for car inspection, maintenance instructions and reporting in real-time from the shop floor



REGULATORY

- As a full-service railcar lessor, GATX takes an active leadership role in the complex regulatory landscape
- GATX participates in several industry groups and agencies in North America and Europe

As of 12/31/2015

Business Model: **MAXIMIZE VALUE**

GATX's fleet of well-maintained, modern railcars leased to quality customers allows us to realize significant remarketing income when we decide to offer cars in the secondary market. We also generate scrapping gains at the end of a railcar's useful life.

REMARKETING INCOME (Income from sale of owned assets)

- Capitalize on market peaks
- Helps to maintain a diversified, high-performing railcar fleet
- Over the last 10 years, GATX Rail North America generated an average of approximately $37 million of remarketing income per year

Rail North America	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Approximate # of railcars sold	2,200	1,600	2,800	700	1,400	1,800	2,000	3,700	2,700	3,900
Remarketing income ($ millions)	$19.7	$32.2	$31.4	$13.8	$17.4	$27.4	$45.7	$54.5	$62.6	$67.4

SCRAPPING GAINS

- GATX typically realizes gains when railcars are scrapped at the end of useful lives
- Over the last 10 years, GATX Rail North America and Rail International generated an average of approximately $18 million of scrapping gains per year

Rail North America and Rail International	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Approximate # of railcars scrapped	2,700	2,500	4,300	4,400	3,700	3,700	2,700	3,100	3,200	2,600
Scrapping gains ($ millions)	$14.4	$15.4	$29.4	$9.7	$18.0	$27.0	$19.2	$20.7	$16.1	$9.5

GATX Rail North America Overview

2015 OVERVIEW

WHOLLY OWNED FLEET COUNT
125,000

CAR TYPE COUNT
160

AVERAGE FLEET AGE
20 YEARS

LOCOMOTIVE COUNT
600+

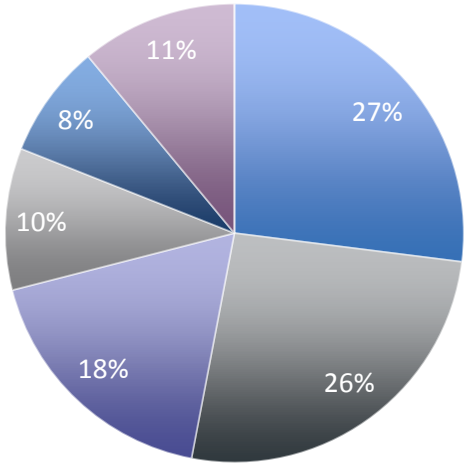
NUMBER OF CUSTOMERS
800+

COUNTRIES OF OPERATIONS
US, Canada, & Mexico



As of 12/31/2015

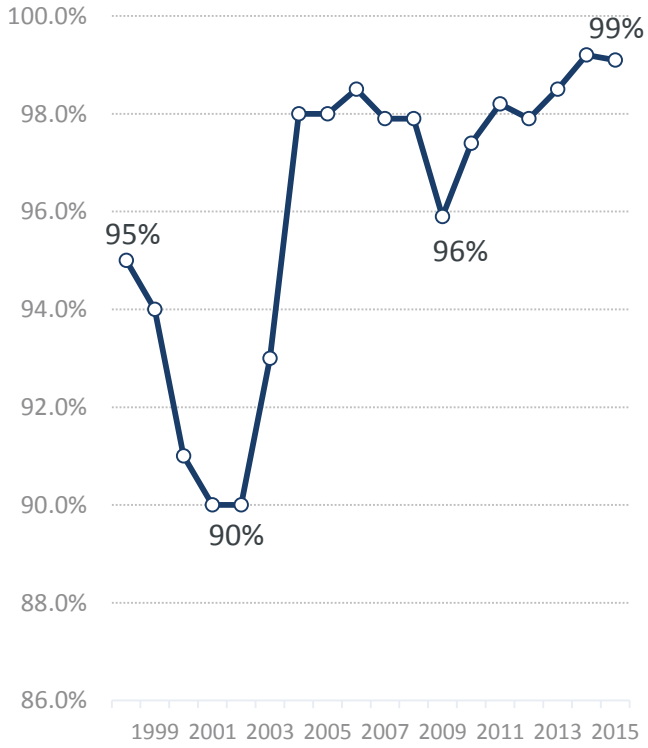
INDUSTRIES SERVED



- 27% Chemical
- 26% Refiners & Other Petroleum
- 18% Railroads & Other Transportation
- 10% Food & Agriculture
- 8% Mining, Minerals & Aggregates
- 11% Other

Based on 2015 Rail North America Revenue

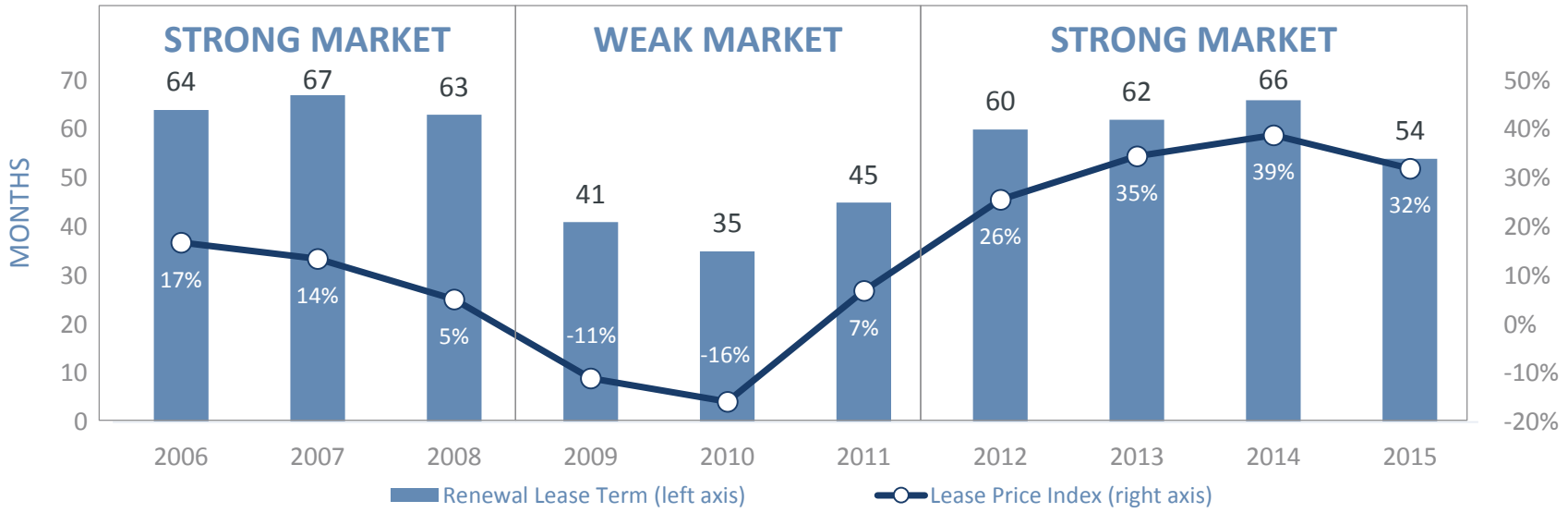
UTILIZATION*



**Excludes boxcar fleet*

Managing Through Cycles

GATX quickly adapts to changing market conditions. In a strong market, GATX increases lease rates and stretches lease terms. In a weak market, GATX shortens lease terms and lowers lease rates to maintain utilization.



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Approximate # of railcars scheduled for renewal	20,000	20,000	17,500	15,000	17,000	21,000	20,000	21,000	20,000	17,000
Renewal Success Rate	77%	73%	60%	54%	62%	77%	82%	81%	86%	81%

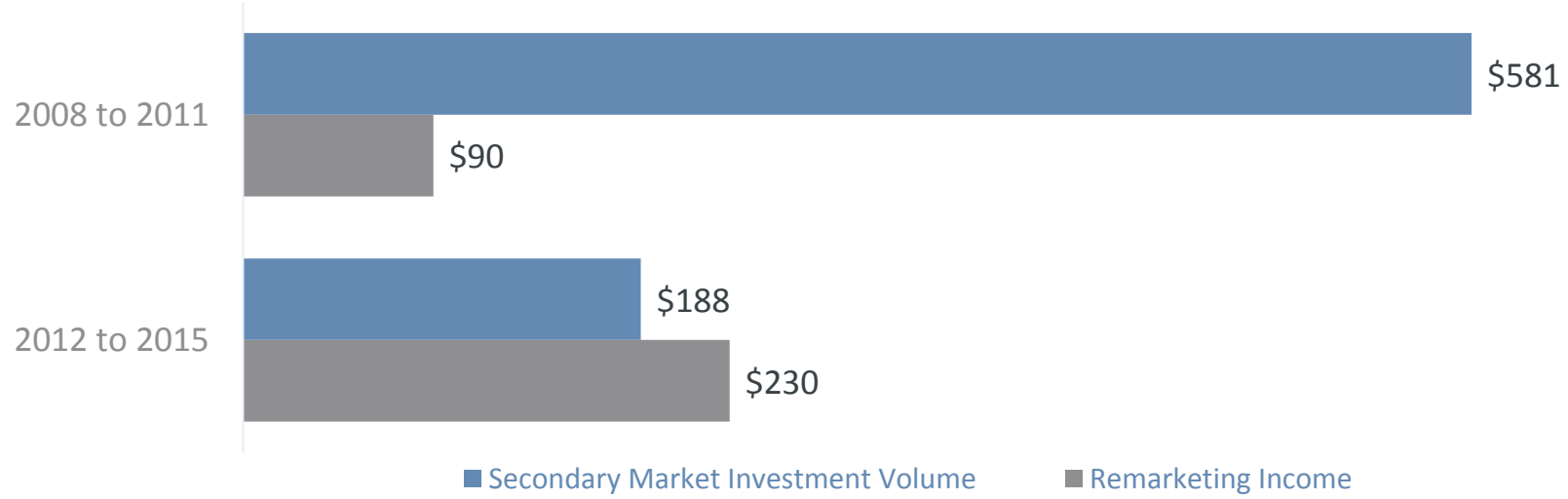
As of 12/31/15

LPI = Lease Price Index: The average renewal lease rate change is reported as the percent-change between the average renewal lease rate and the average expiring lease rate, weighted by GATX's North American fleet composition, excluding boxcars.

Managing Through Cycles

GATX optimizes its fleet composition. In a strong market, GATX increases remarketing activity to take advantage of railcar demand and railcar valuations. In a weak market, GATX seeks out attractive secondary market investment opportunities.

GATX RAIL NORTH AMERCA ($ MILLIONS)

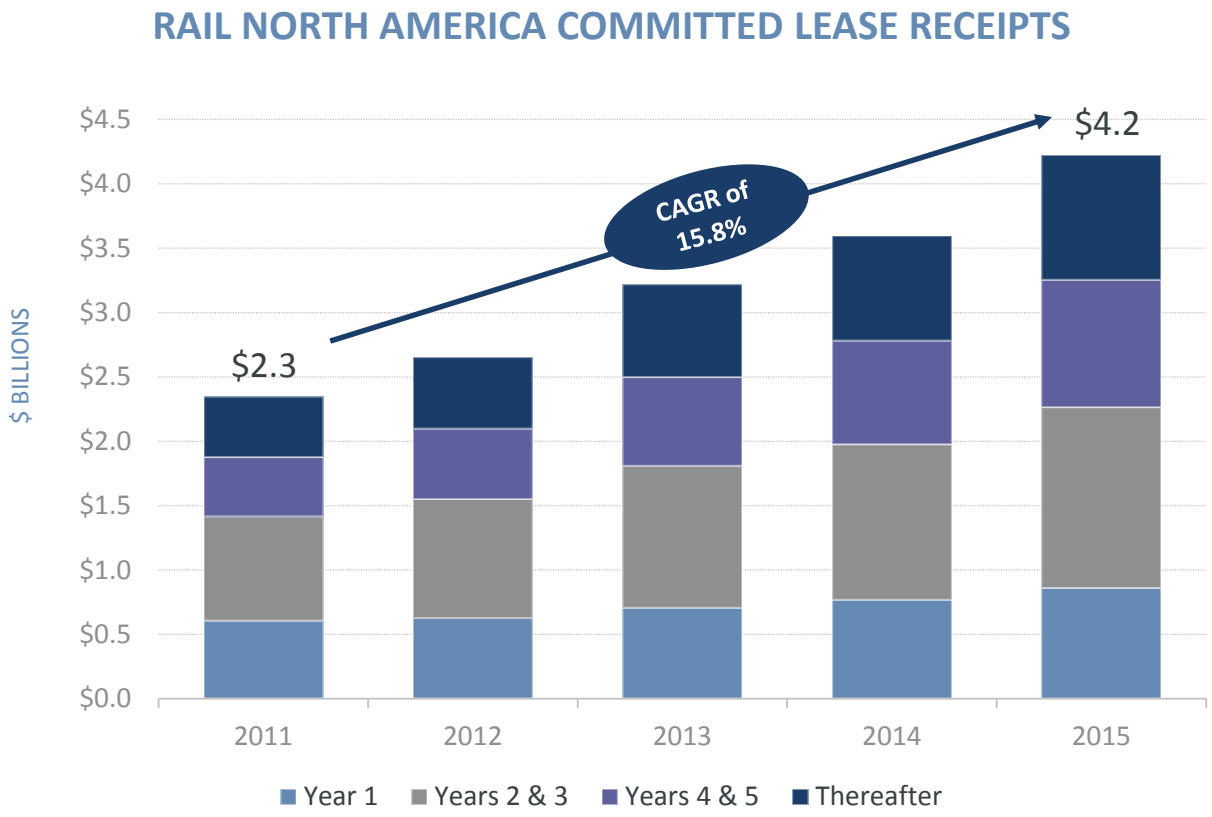


Note: In 2014, GATX acquired 18,500 boxcars for $340 million. This acquisition was a niche opportunity outside of cyclical norms and, therefore, was omitted from the '2012 to 2015 Secondary Market Volume' presented above.

As of 12/31/2015

GATX's Excellent Visibility into Future Cash Flow

Raising lease rates and extending lease terms have resulted in committed lease receipts in Rail North America increasing by 17% to over $4.2 billion in 2015.



- Predominantly fixed leases without early termination options
- Committed Lease Receipts have grown at a steady rate
- Average remaining lease term of Rail North America's fleet has increased to approximately 4 years

As of 12/31 for each year

GATX Rail International Overview

2015 OVERVIEW

FLEET COUNT
23,000+ in Europe
750+ in India

CAR TYPE COUNT
38+

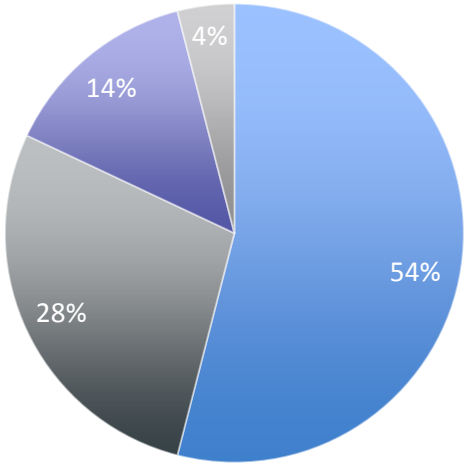
AVERAGE FLEET AGE
18 Years

NUMBER OF CUSTOMERS
250+

MAJOR COUNTRIES OF OPERATIONS
Germany, Poland, Austria, The Netherlands, Hungary, Czech Republic, Slovakia and India



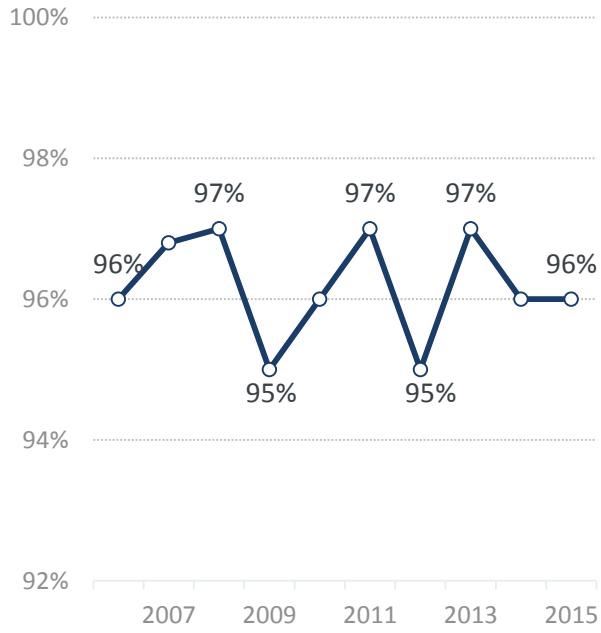
INDUSTRIES SERVED BY GRE



- 54% Refiners & Other Petroleum
- 14% Railroads & Other Transports
- 28% Mining, Minerals & Aggregates, Chemistry
- 4% Other

Based on 2015 GRE Revenue

GRE FLEET UTILIZATION





As of 12/31/2015

American Steamship Company Overview

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Total Net Tons Carried by ASC (in millions)	37.2	37.3	35.7	21.2	28.0	28.4	29.7	28.8	30.5	26.5
ASC Vessels Operated	18	18	18	12	13	14	14	13	15	13

2015 OVERVIEW

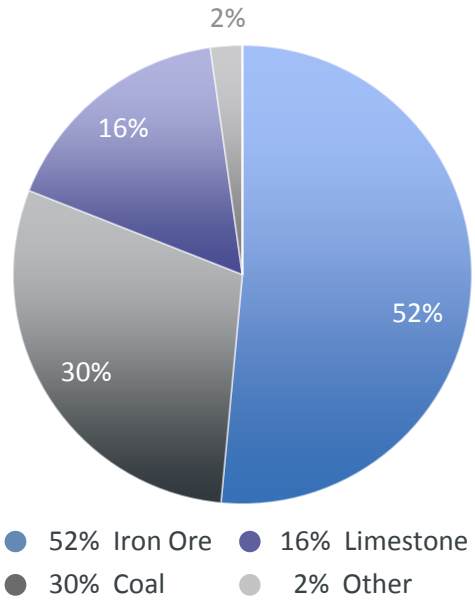
VESSEL COUNT
17

AVERAGE DIESEL POWERED FLEET AGE
38 Years

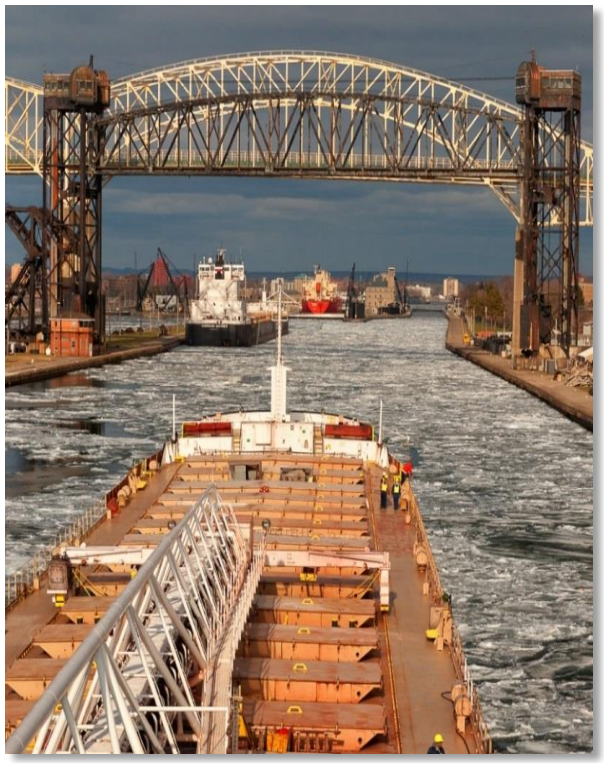
CUSTOMER BASE
26

MAJOR COMMODITIES CARRIED
Iron Ore, Coal and Limestone

ASC COMMODITIES SERVED



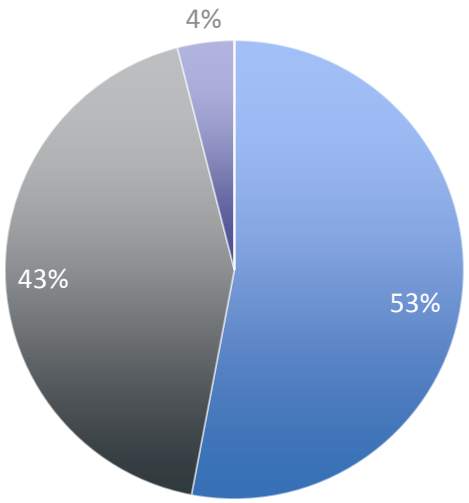
Based on 2015 ASC volume of 26.5 million net tons



As of 12/31/2015

Portfolio Management Overview

OWNED PORTFOLIO



- 53% Aircraft Spare Engine Leasing Affiliates
- 43% Marine Equipment
- 4% Other

$636.5 million NBV as of 12/31/15

2015 RRPF OVERVIEW

SPARE ENGINE COUNT

435+

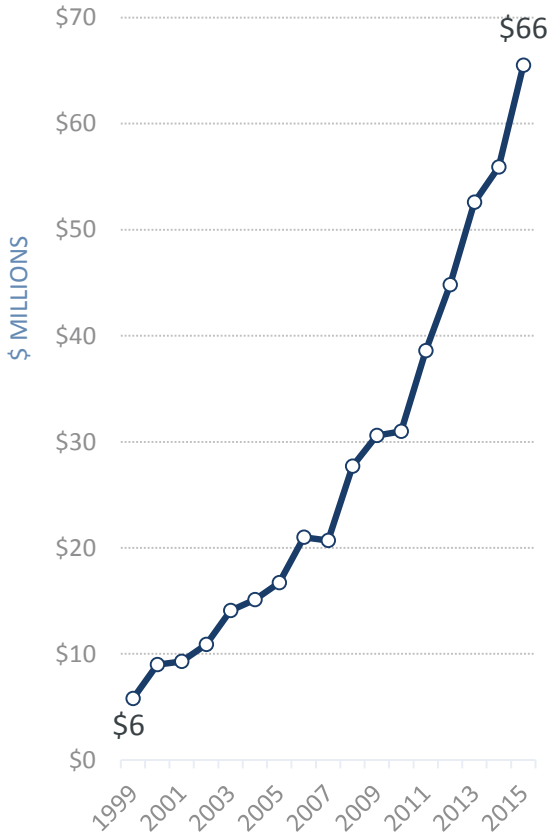
AVERAGE FLEET AGE

11 Years



RRPF JV PRE-TAX INCOME

(GATX's SHARE)



BUSINESS SEGMENTS


RAIL
NORTH
AMERICA
DOT 111A100W5
TANK QUALIFICATION
THICKNESS TEST
SERVICE EQUIPMENT
PRD: VALVE 75 PSI
LINING:
B.B.2 INSPECTION
STUB SILL INSPECTION
GACA
QUALIFIED
DUE
2008
2018
PP
NONE
DB 10
DB 20
BLT-08-93 REBLT-
PAINT
SHERWIN WILLIAMS
GACA - 2008
LINING
PLASITE 3070L
GATX - 10/02
2 INCH HF COMP SHOES
GATX 60164
CAPY 133539 US GAL
CAPY 11523 IMP GAL
GATX6016
LD LMT 204700 LBS 92850
LT WT 58300 LBS 26450

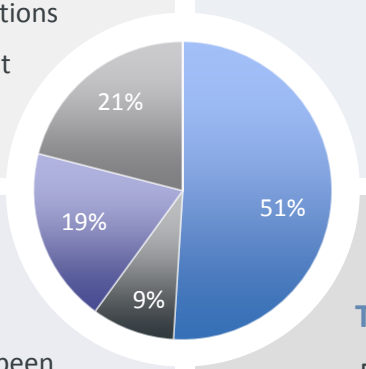
North America – Industry Railcar Ownership

RAILROADS (21%)

- Ownership of railcars has been declining
- In 2000, 53% of railcars were owned by railroads
- Virtually no tank car ownership due to complexities and regulations
- Focus of capital investment on infrastructure

LESSORS (51%)

- Shift from railroad and shipper owned railcars to lessor market share
- Lessors dominate the tank car segment due to complex services and compliance requirements



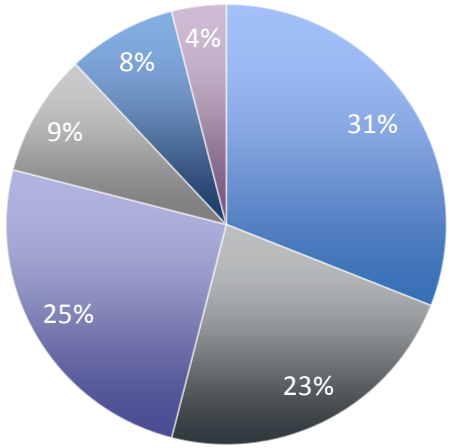
SHIPPERS (19%)

- Shipper market share has been relatively constant since 2008 at ~19%
- Alternative focus of capital on core business versus railcar investments

TTX (9%)

- Fleet is predominantly focused on intermodal, flat cars, and boxcars
- Overall market share has remained steady since 2008 at ~10% of the North American fleet

NORTH AMERICAN FLEET BY CAR TYPE



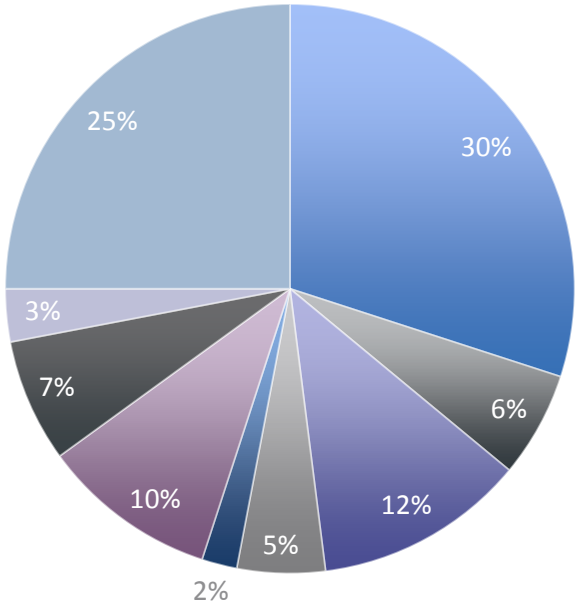
- 31% Covered Hopper
- 23% Open Top
- 25% Tank
- 9% Flat
- 8% Boxcar
- 4% Intermodal

Approximately 1.6 million railcars

UMLER as of January 2016

North America – Industry Shipments & Carloadings

INDUSTRY SHIPMENT COMPOSITION



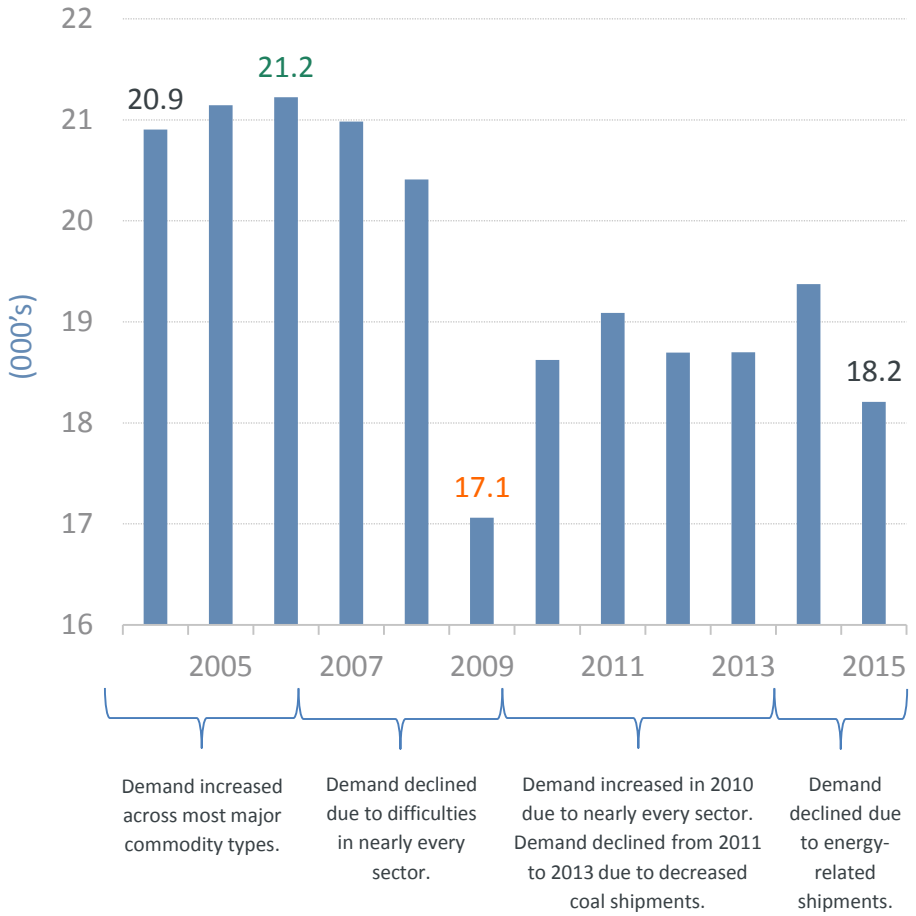
- 30% Coal
- 6% Petroleum Products
- 12% Chemical
- 5% Forest & Paper Products
- 2% Food / Kindred
- 10% Farm Products
- 7% Auto
- 3% Metals
- 25% All Other

Based on 2015 carloads of approximately 18.2 million

Association of American Railroads as of 12/31/15

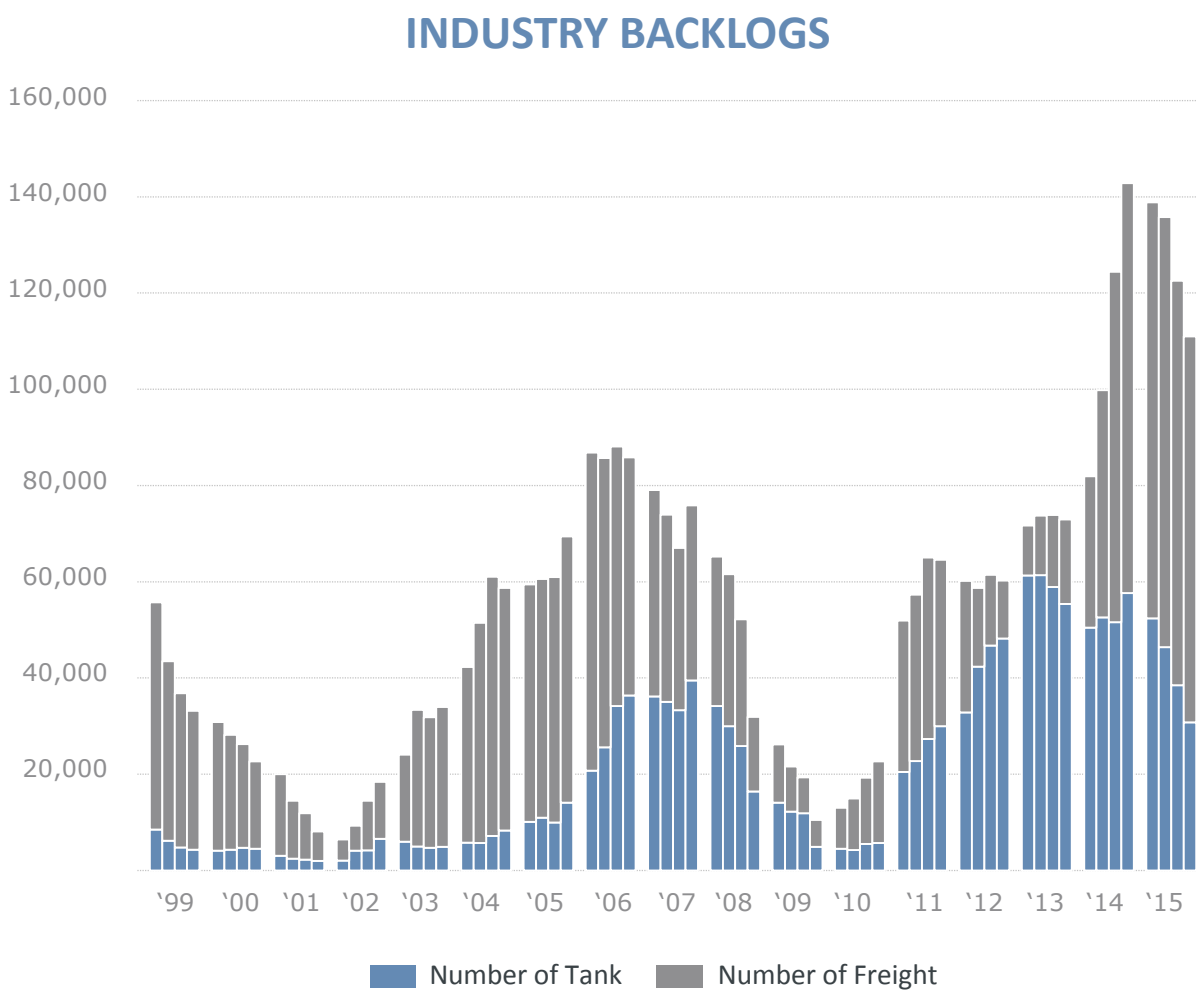
CARLOADS ORIGINATED

(United States and Canada)



Railway Supply Institute as of January 2016

North America – Industry Backlogs



- Cyclicality of the industry is illustrated by the backlog of orders at the railcar manufacturers
- The recent trends in tank car backlog are primarily due to energy markets
- Deep backlogs are generally positive for existing lessors' fleets
  – Customers' alternative of buying has long lead times
  – Access to new cars is limited
- Current backlogs are unevenly weighted toward small cube covered hoppers and tank cars targeted for the energy sector

Railway Supply Institute as of January 2016

North America – Lessor Market Share

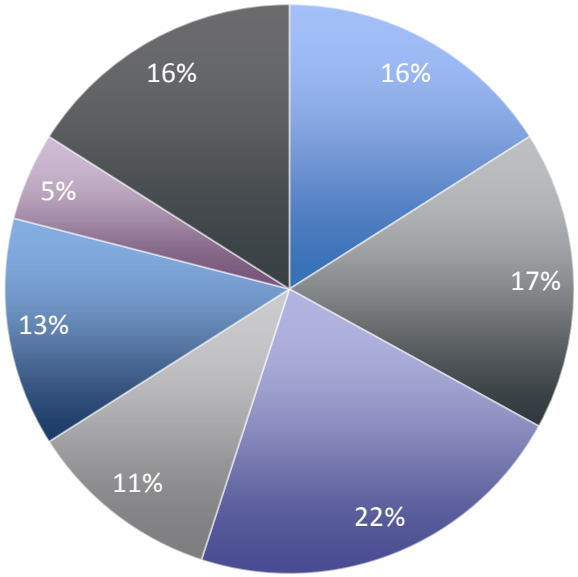
LESSOR TANK CARS

- Approximately 396,000 tank cars in North America
  - About 80% of tank cars are owned by lessors, with the balance owned by shippers
- GATX is the second largest tank car lessor

LESSOR FREIGHT CARS

- Approximately 1.2 million freight cars in North America
  - Ownership is more balanced across owner types than tank
- 42% lessors, 27% railroads, 18% shippers, and 13% TTX

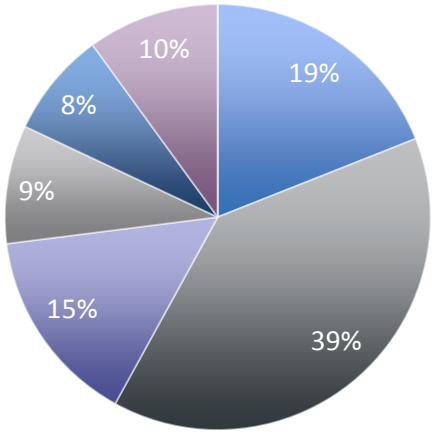
NORTH AMERICAN LEASING SHARE



16% GATX
17% Union Tank Car
22% Wells Fargo
11% Trinity
13% CIT
5% ARL
16% Other

Based on more than 810,300 lessor-owned railcars

NORTH AMERICAN TANK CAR LEASING SHARE



19% GATX
39% Union Tank Car
15% Trinity
9% CIT
8% ARL
10% Other

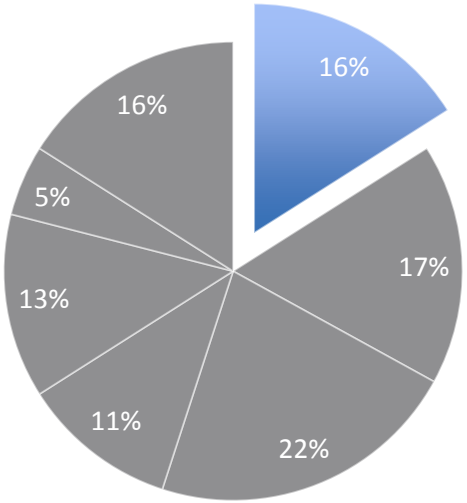
Based on approximately 313,300 lessor-owned tank cars

UMLER as of January 2016

GATX

GATX Rail North America

NORTH AMERICAN LEASING SHARE



- **16% GATX**
- 17% Union Tank Car
- 22% Wells Fargo
- 11% Trinity
- 13% CIT
- 5% ARI
- 16% Other

Based on more than 810,300 lessor-owned railcars

GATX RAIL NORTH AMERICA

Diverse customer portfolio, with **strong credit profiles**

Diverse fleet with approximately **160 car types** serving more than **550 commodities**

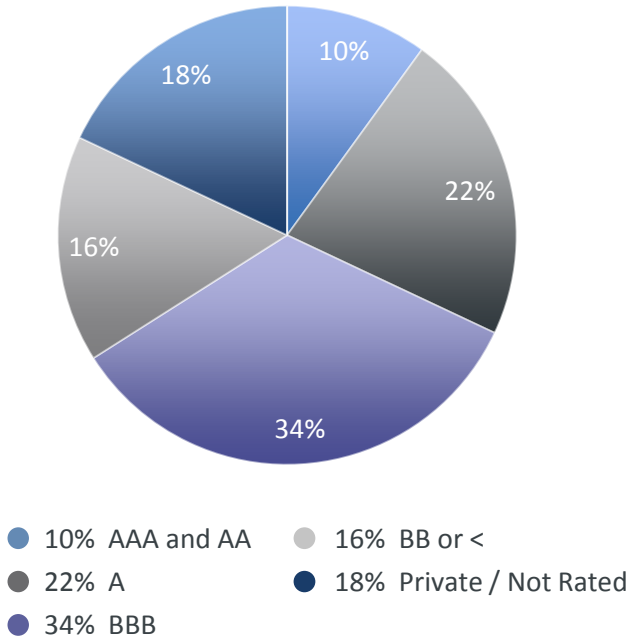
Extensive maintenance network, with **highly competitive** safety, quality, delivery times, and cost metrics

Broad range of **value offerings**: training, engineering support, regulatory assistance and other services

UMLER as of January 2016

GATX Rail North America's Diverse Customer Portfolio

CREDIT RATINGS OF TOP 50 CUSTOMER FAMILIES



GATX serves more than **800 customers**

Largest customer represents **less than 5.5%** of total lease income

Average relationship tenure of top ten customers is **43 years**

Top 20 customers account for **36% of lease income**

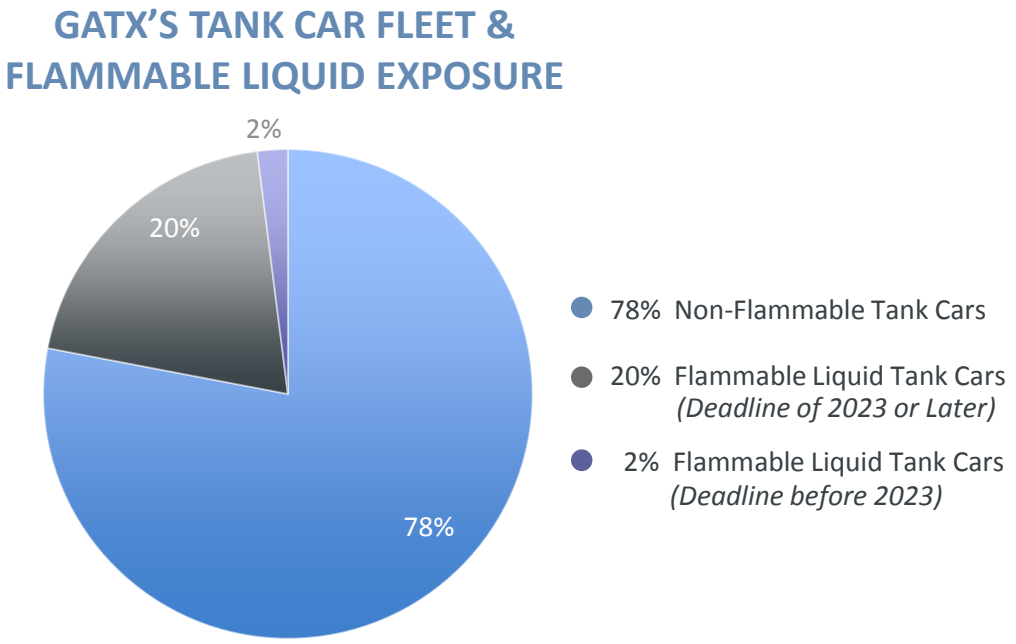
12/31/15 Customer families sometimes include more than one customer account, therefore the S&P or equivalent ratings noted generally reflect the credit quality of the rated parent entity. Lease obligations of subsidiaries are not necessarily guaranteed by the rated parent entity.

GATX Rail North America's Fleet Breakdown

	CAR TYPE	COMMODITIES CARRIED	% OF GATX'S FLEET
TANK CARS (49% of Fleet)	General Service Tank Cars: 20k-25k gallon	Liquid fertilizers, Fuel oils, Asphalt, Food-grade oils, Chemicals (styrene, glycols, etc.)	15%
	General Service Tank Cars: >25k gallon	Ethanol & methanol, Food-grade oils, Lubricating oils, Light chemicals (solvents, isopentane, alkylates, etc.), Light petroleum products (crude oil, fuel oils, diesels, gasoline, etc.)	12%
	High-Pressure Tank Cars	LPG, VCM, Propylene, Carbon dioxide	10%
	General Service Tank Cars: 13k-19k gallon	Molten sulfur, Clay slurry, Caustic soda, Corn syrup	6%
	Other Specialty Tank Cars	Acids (sulfuric, hydrochloric, phosphoric, acetic, nitric, etc.), Coal tar pitch, Dyes and inks, Specialty chemicals	4%
FREIGHT CARS (51% of Fleet)	Boxcars	Paper products, Lumber, Canned goods, Food and beverages	15%
	Open-top Cars	Aggregates, Coal, Coke, Woodchips, Scrap metal, Steel coils	10%
	Gravity Covered Hoppers: >4k cubic feet	Grain, Sugar, Fertilizer, Lime, Soda ash, Bentonite	8%
	Pneumatic Covered Hoppers	Plastic pellets	7%
	Gravity Covered Hoppers: <4k cubic feet	Sand, Cement, Roofing granules, Fly ash, Dry chemicals	5%
	Specialty Covered Hoppers	Flour, Corn starch, Mineral powder, Lime, Clay, Cement	3%
	Other	Flat cars (lumber and steel), Intermodal (containerized goods), Automotive (finished vehicles)	5%

GATX Rail North America – Flammable Liquids Rulemaking

Final flammables liquids rules were codified in 2015 for both US and Canada. GATX's flammables fleet is relatively small and is well-positioned with respect to the new rules.



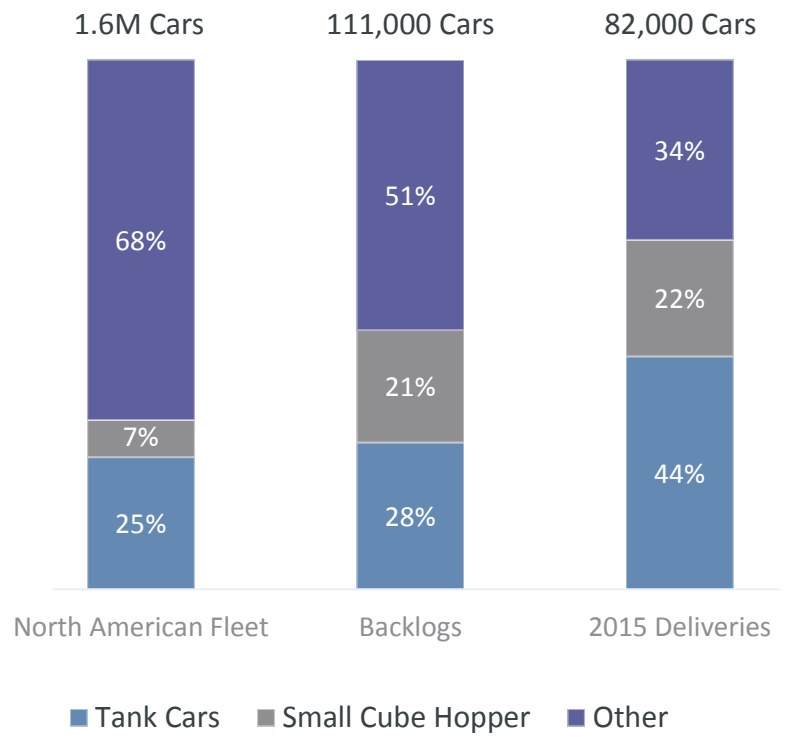
Fewer than 13,900 Flammable Liquid Tank Cars out of more than 61,000 Tank Cars in GATX's fleet

As of 12/31/2015

GATX Rail North America's Limited Crude Oil and Frac Sand Exposure

INDUSTRY

Crude-by-rail and frac sand markets drove robust railcar growth and suppliers responded with record production



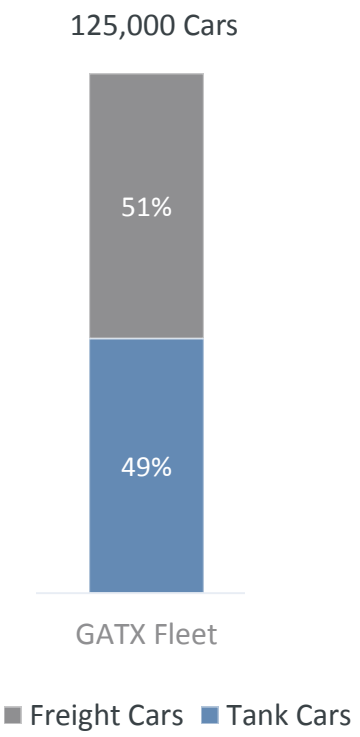
GATX

Deliberately took small crude-by-rail and frac sand positions and maintained balance of tank and freight

GATX's railcars serving crude oil and frac sand customers are on long-term leases

Only 2.1% of GATX's total fleet is in **crude oil service**

Only 2.1% of GATX's total fleet is in **frac sand service**



North American Fleet Data: UMLER as of January 2016
Backlogs and Deliveries Data: Railway Supply Institute as of January 2016

GATX Rail North America's Maintenance Network

GATX is known for the integrity, safety, and quality of our operations and superior execution.

EXTENSIVE MAINTENANCE NETWORK

- Six major maintenance facilities
- Five field maintenance facilities
- Twenty mobile unit locations
- Six customer site locations
- Third-party maintenance facilities

CUSTOMERS RELY ON GATX MAINTENANCE

- In 2015, GATX Rail North America performed an aggregate of nearly 79,000 maintenance events in its owned and third-party maintenance network
- Using Continuous Improvement, we constantly identify and evaluate opportunities to increase maintenance efficiency to minimize the time our customers are without their railcars



Services range from routine maintenance and regulatory programs to car modifications and rebuilds, including: All mechanical repairs, interior cleaning, interior/exterior blasting, interior/exterior coatings, valve maintenance and qualification, and more.

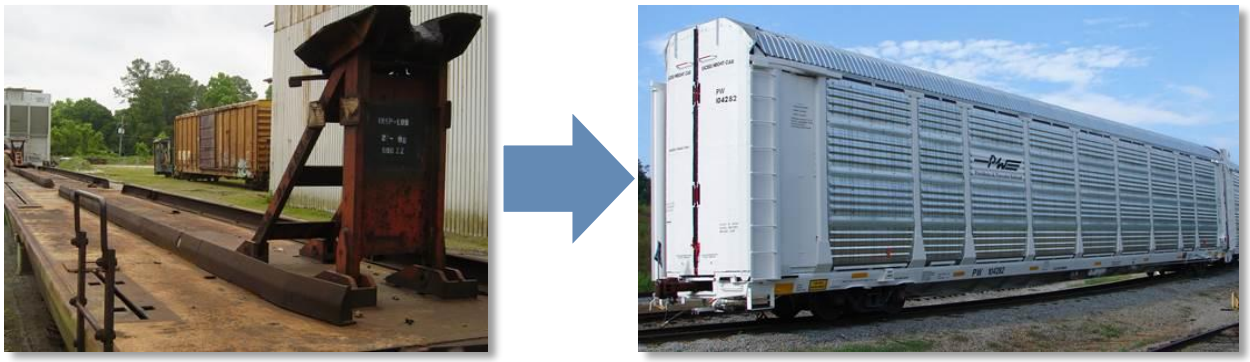
GATX Rail North America's Engineering Expertise

GATX's engineering team, including experienced mechanical, structural, and chemical engineers, communicates regularly with customers and tailors solutions to meet their needs.

Examples of engineering support include: Preventative maintenance, Inspection plans, Car design / specifications, Chemical engineering, and Customer-specific enhancements

AUTO CARRIER CONVERSION PROJECT

- GATX engineering successfully converted older flatcars to auto carriers. Some of these flatcars were originally designed to carry over-the-road trailers and others were designed to carry standard containers (ISO containers). This was an extensive end-to-end engineering project that repositioned these cars into a more attractive market while also increasing their statutory lives from 50 years to 65 years.



INCREASED GROSS RAIL LOAD PROJECTS

- These projects entail structural modifications to increase the gross rail load for existing, low capacity cars. Doing so allows these cars to haul heavier loads and improves their marketability and acceptance by shippers/customers.

GATX Rail North America Training Programs

GATX's commitment to provide safe, reliable assets goes beyond maintenance and engineering.



GATX PROVIDES CRITICAL TRAINING AT ITS HEADQUARTERS, CUSTOMER SITES AND THROUGH ITS TANKTRAINER™ MOBILE CLASSROOM

- GATX has offered the TankTrainer™ program since 1993, providing a unique learning experience to more than 21,000 first responders, customers, and rail industry participants.









GATX Rail North America's Technology & Custom Applications

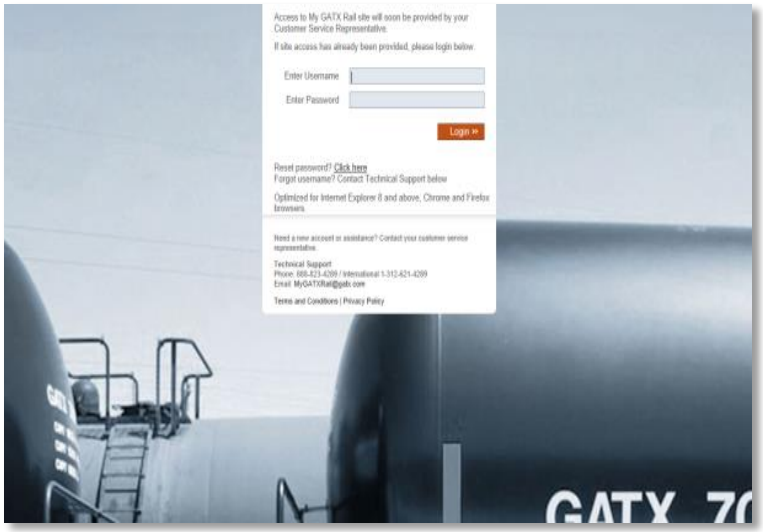
GATX continues to innovate for our customers.

SHOP PORTAL

- Provides repair instructions to maintenance network shops
- Provides car and event-specific forms to assure that required inspection points and mandatory repair items are documented and addressed

MyGATXRail.com

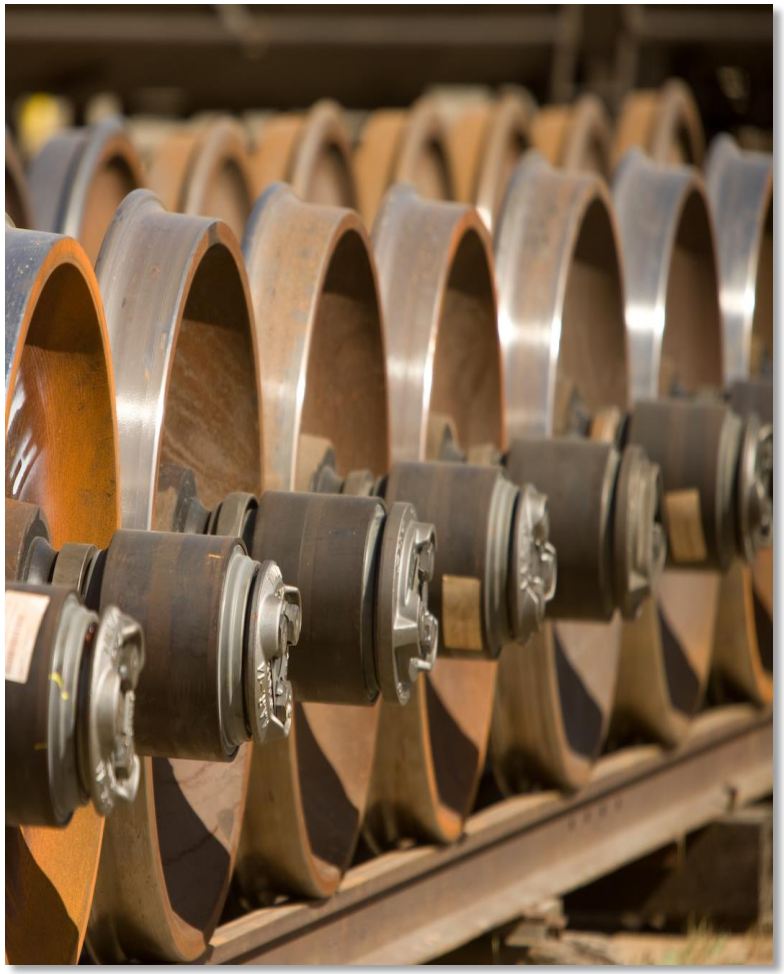
- Provides real-time maintenance data and fleet-management capability to our customers



GATX Rail North America Participates in Regulatory Environment

GATX actively participates in or interacts with numerous committees within various industry groups in the United States.

- Participation allows GATX to stay current on developments, guide decisions, and communicate information to customers
- GATX employees have roles on 12 boards and committees within the Association of American Railroads (AAR), including:
  - Associates Advisory Board, Advanced Safety & Efficiency Committee, Equipment Assets Committee, Equipment Health Monitoring Committee, Tank Car Committee, and the UMLER Committee
- GATX employees are involved with 10 Trade and Supplier Associations, including:
  - The American Chemistry Council, American Petroleum Institute, Equipment Leasing & Finance Association, North American Freight Car Association and Railway Supply Institute



GATX Rail North America's Locomotive Leasing

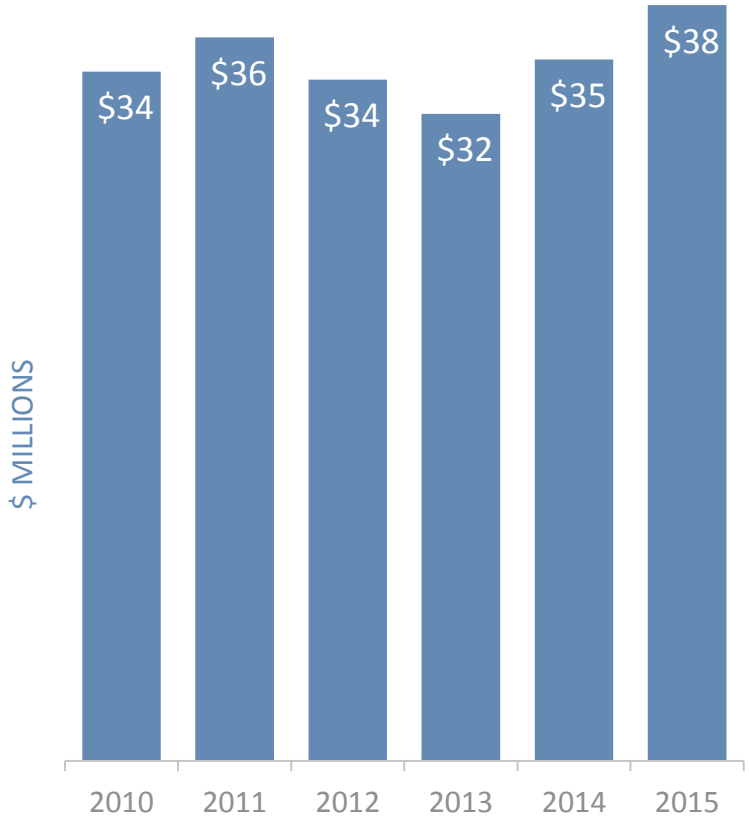
GATX OWNS, MANAGES OR HAS AN INTEREST IN MORE THAN 600 LOCOMOTIVES



96% are four-axle locomotives leased to:

- Regional and short-line railroads
- Industrial users
- Class I railroads

LOCOMOTIVE LEASE REVENUE

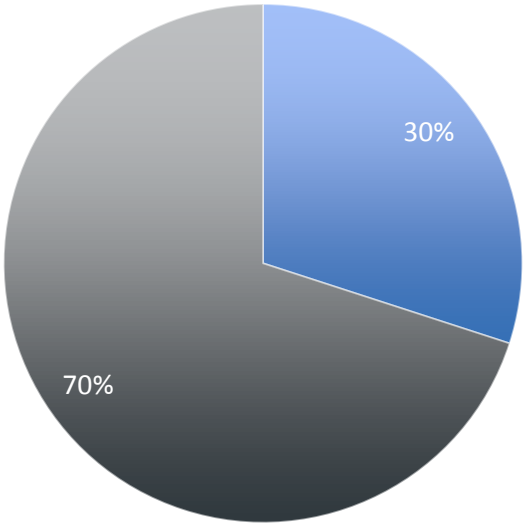


As of 12/31/2015


RAIL
INTERNATIONAL
GATX
GATX
GATX
GATX
GATX
GATX
GATX

International – European Industry Snapshot

RAILCAR OWNERSHIP



Approximately 705,000 railcars in standard-gauge countries

- Lease rate volatility is lower relative to North American market
- Key segments continue to demonstrate need to replace aging equipment for regulatory reasons
- Eastern European fleets include many older, smaller tank cars
- Increasingly difficult for smaller lessors to obtain financing and meet required regulatory standards in a cost-effective manner



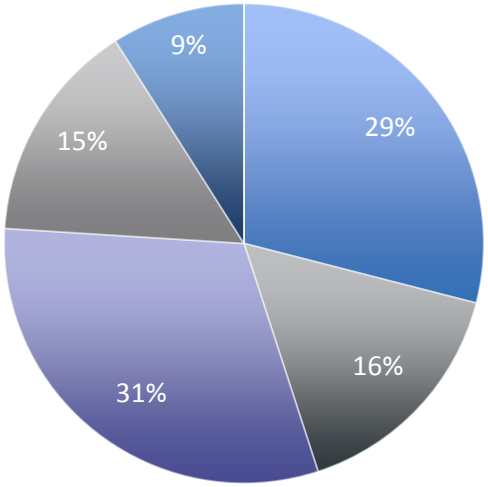
GATX management estimates as of 12/31/15

International – European Industry Snapshot

THE STRUCTURE OF THE TANK CAR LEASING MARKET IN EUROPE IS SIMILAR TO NORTH AMERICA'S

- Lessors own the majority of the tank cars in Europe – approximately 68%
- A few large leasing companies lead the market

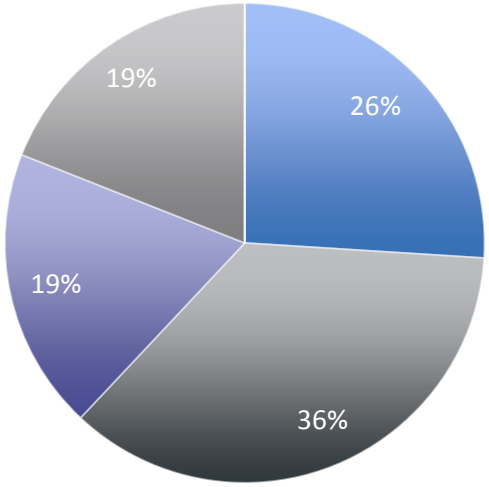
INDUSTRY CAR TYPES



29% Flat Wagons
15% Covered Wagons
16% Tank Wagons
9% Other
31% Dry Bulk Wagons

Approximately 705,000 railcars in standard-gauge countries

TANK CAR LEASING MARKET



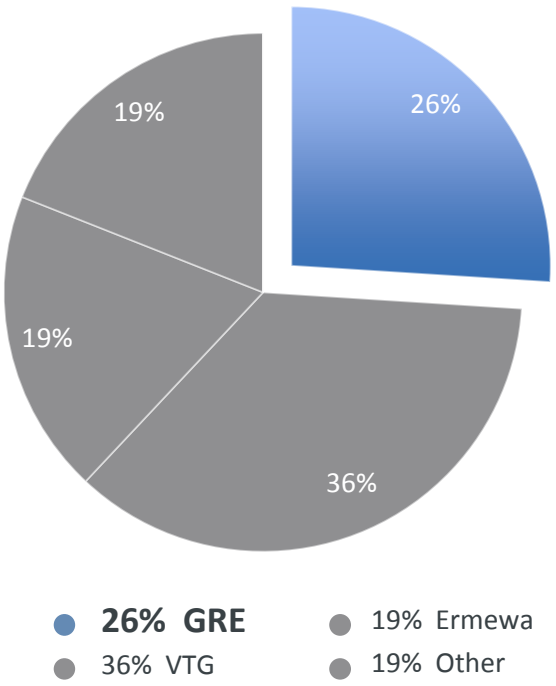
26% GATX Rail Europe
19% Ermewa
36% VTG
19% Other

Approximately 77,000 tank cars

GATX management estimates as of 12/31/15

GATX Rail Europe

TANK CAR LEASING MARKET



Approximately 77,000 tank cars

GATX RAIL EUROPE

Diverse customer portfolio, with **strong credit** profiles

Operations in the **major rail markets** across Europe

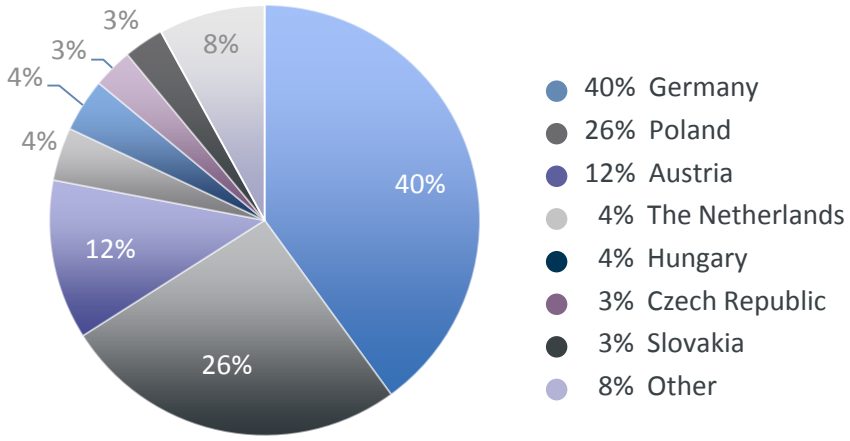
Broad range of value offerings: maintenance, training, engineering support, regulatory assistance and other services

GATX management estimates as of 12/31/15

GRE Geographies and Fleet Structure

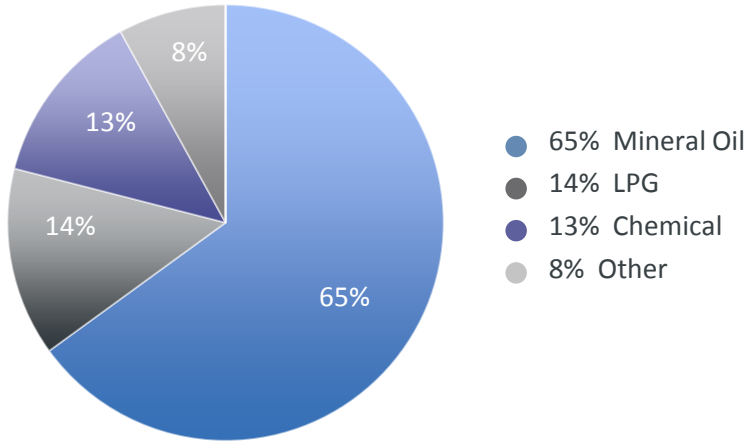
Nearly 80% of GRE's revenue is generated in Germany, Poland, and Austria – strong rail freight transport economies.

GEOGRAPHIES SERVED



Based on 2015 GRE Revenues

FLEET STRUCTURE



Approximately 23,000 railcars as of 12/31/15

CAR TYPE	COMMODITIES CARRIED
Mineral Oil	Light mineral oil (gasoline, jet fuel, diesel oils, light heating oils), Dark mineral oil (heavy heating oils, lubricating oils, coal tar, bitumen, asphalt), crude oil
LPG	Propane, Butane, Propylene, Butadiene, Light carbohydrate fractions, Cooling gas mixtures
Chemical	Liquid fertilizers, Acids (Hydrochloric, Sulphur, Phosphoric, etc.), Bases (Carbohydrates, Solutions, Soda lye, Sodium Hypochlorite, etc.), Aromas (Benzene, Toluene, Xylenes, Phenol, etc.), Liquid sulphur, Hydrogen peroxide, Resins and glues, Solvents
Freight/Powder	Lime, Cement, Coal, Coke, Gravel, Sand, Silica sand

GRE's Customer Base

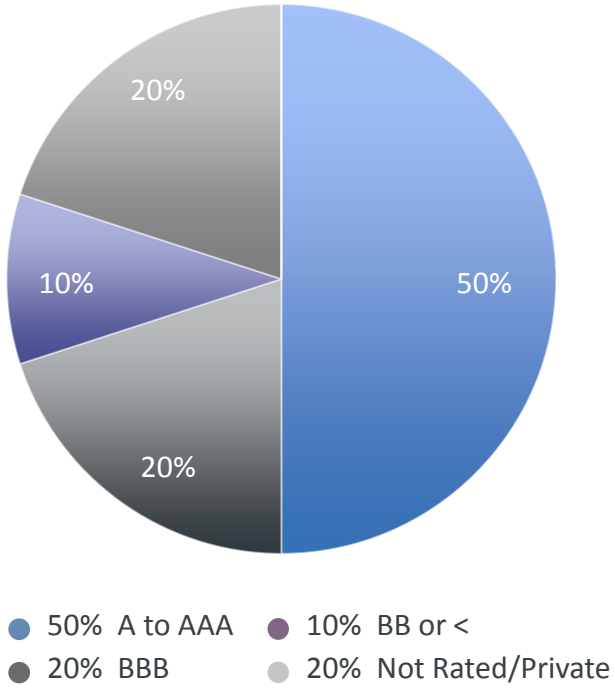
GRE's newer and higher capacity fleet attracts top tier customers.

GRE HAS INVESTED MORE THAN $1 BILLION OVER THE LAST 10 YEARS RESULTING IN A NEWER AND HIGHER CAPACITY FLEET TO SERVE ITS CUSTOMERS

- Today, the average lease term for GRE is 2 years; however, renewal success rates tend to be high
  - GRE's top 19 customers by revenue have done business with us for at least 15 years

	2005	2015
GRE Car Count	18,900	23,000
GRE Average Fleet Age (years)	24	18
GRE Average Fleet Capacity (million m^3)	1,337	1,865

TOP 10 CUSTOMER CREDIT RATING



Top 10 customers based on 2015 revenue.
S&P Credit rating of the parent company.

GRE's Service Offerings



MAINTENANCE

- GRE's goal is to ensure maximum railcar availability
- A network of owned workshops and certified contract partners
- GRE arranges for the cleaning of tanks and railcars combined with scheduled repairs to reduce downtime



ENGINEERING

- Decades of engineering experience
- Project Development department can adapt special railcars in own workshop to meet exact customer needs
- GRE controls entire process - from the conceptual design to construction through to the delivery of new and modernized railcars



ASSEMBLY

- GRE's own production facility combined with extensive modernization expertise guarantee the highest standards in safety and quality
- Tailored solutions



SUPPORT

- Comprehensive customer service
- Deep industry-specific know-how combined with understanding of individual transportation needs



MODERNIZATION

- With an average age of 18 years, GRE has one of the youngest and most modern railcar fleets in Europe
- Customer-specific adaptations and additional equipment can be implemented in many railcar types

GRE's Maintenance Network

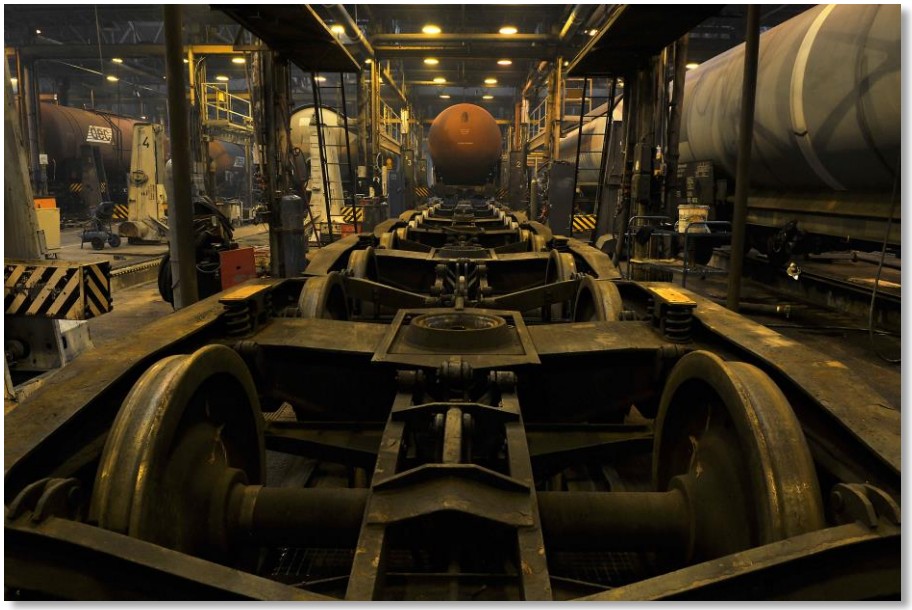
JUNGENTHAL FACILITY (HANNOVER, GERMANY)

- Main tasks are revisions, cleaning, and sandblasting
- Modern infrastructure with approximately 70 employees

OSTRODA FACILITY (OSTRODA, POLAND)

- Main tasks are revisions, new railcar assembly, and reconditioning of components
- Modern infrastructure with approximately 320 employees



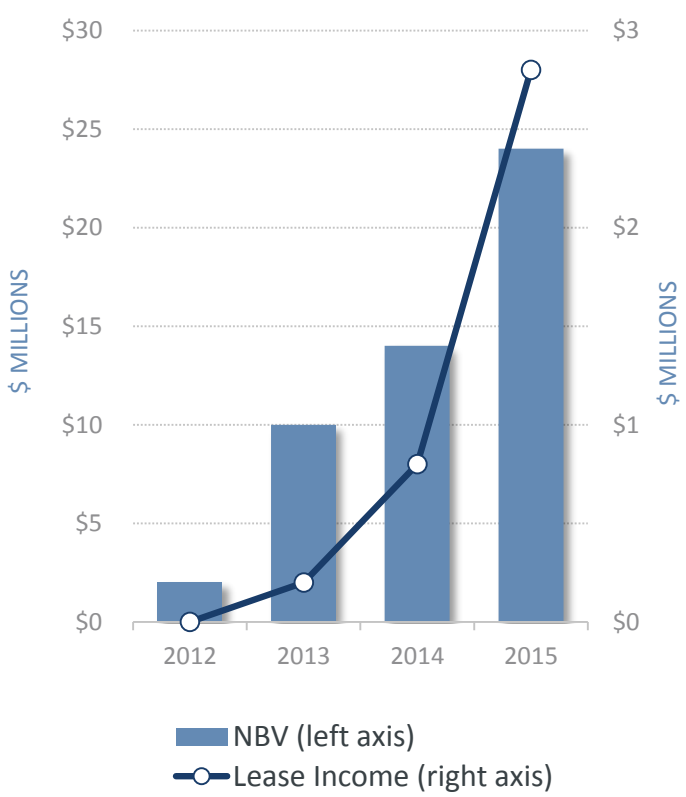


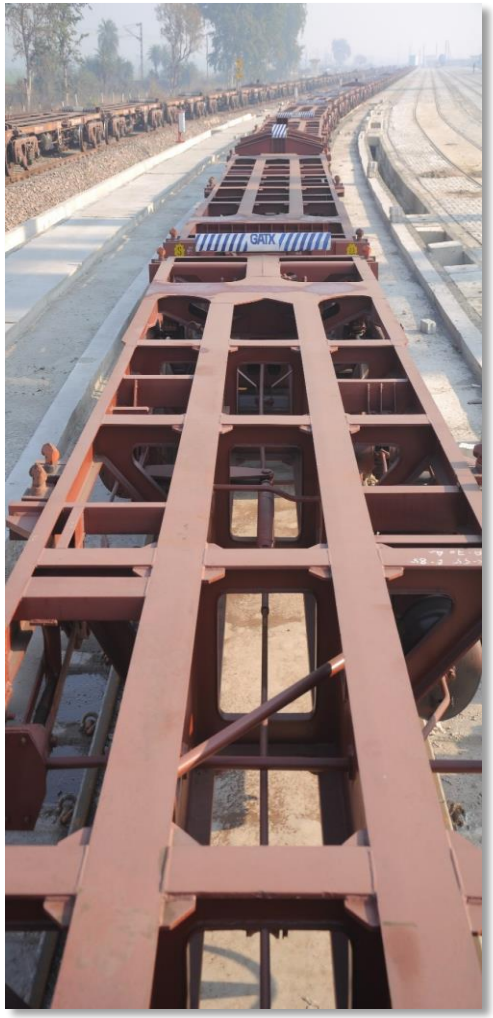
GATX India Private Limited

GATX OBTAINED THE FIRST EVER WAGON LEASING LICENSE IN 2012

- GATX is the market leader in railcar leasing
  - Owns fleet of approximately 800 container flat wagons
  - Actively seeks attractive investment opportunities to grow the fleet
  - Recognized as a key rail industry stakeholder
- Leverages GATX North America and GRE's engineering, services, and fleet management expertise to generate competitive advantages and premium customer services

GATX's GROWTH IN INDIA



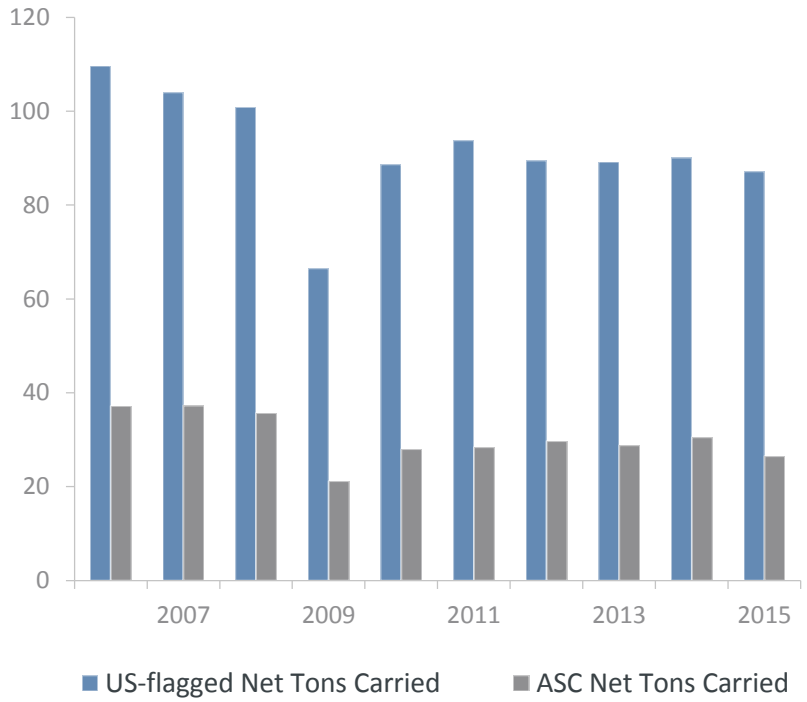


As of 12/31/15

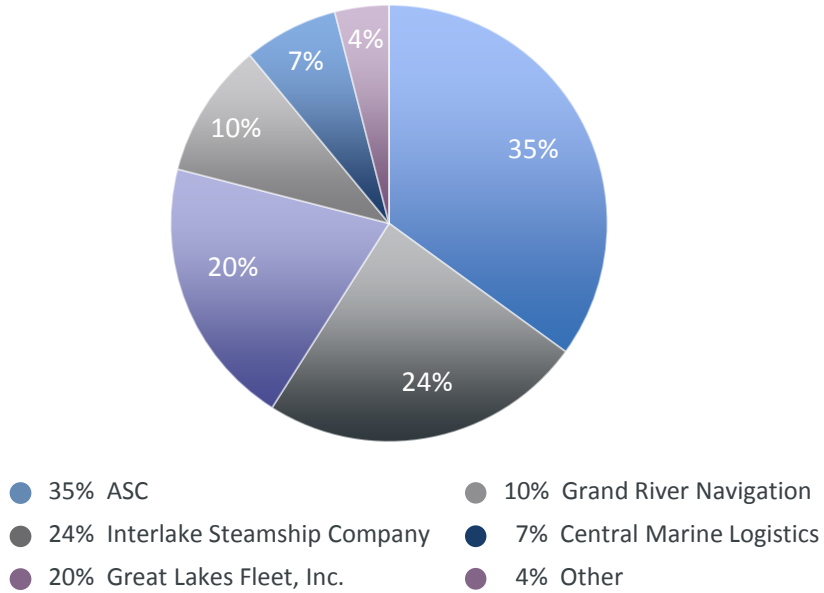

AMERICAN
STEAMSHIP
COMPANY
BUFFALO
WILMINGTON DE.
BUFFALO

Great Lakes Industry Overview

US-FLAG DRY BULK CARGO CARRIAGE



CAPACITY OF US-FLAG VESSEL OPERATORS



Total annual industry capacity 104 million net tons

SAILING SEASON GENERALLY RUNS FROM LATE MARCH THROUGH THE END OF DECEMBER

- Weather conditions and water levels impact operating efficiencies, especially early spring and early winter

SHIPPING INDUSTRY ON THE GREAT LAKES IS MATURE WITH HIGH BARRIERS TO ENTRY

- U.S. new-build vessel costs have risen sharply
- Jones Act protects U.S. Flag operators
- Concentrated customer base

Lake Carriers' Association as of 12/31/15

GATX/ASC management estimates as of 12/31/15

ASC Business Overview

BUSINESS OVERVIEW

- ASC provides transportation of dry bulk commodities across the Great Lakes and St. Lawrence Seaway
- ASC joined GATX in 1973 and has been in operation over 100 years
- ASC operates with significant emphasis on safety and environmental stewardship

FLEET OVERVIEW

- Fleet of 17 self-unloading vessels
  - No shore-side assistance required
  - Operates 24-hours a day, seven days a week (March-January)
- Fresh-water vessels are long-lived
  - ASC operates the youngest US-flagged fleet
- Composition of fleet meets varying levels of demand and operational metrics (Range in length from 635' to 1,000')

CUSTOMER OVERVIEW

- ASC served 26 customers in 2015
- Top five customers composed 85% of ASC's total revenue in 2015
- Excellent customer relationships
- Innovative and solution driven

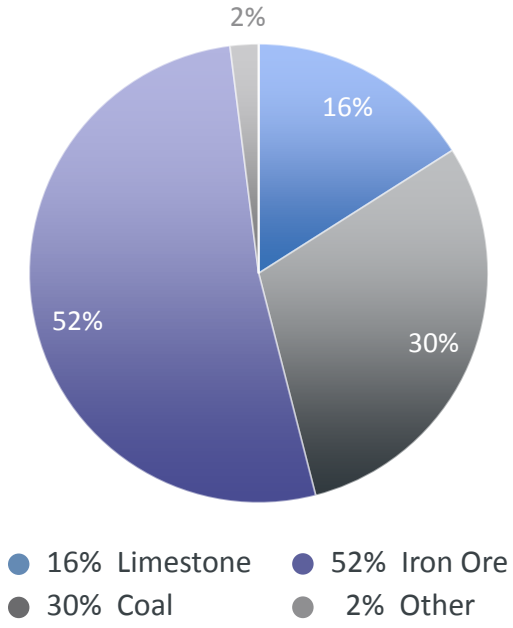




As of 12/31/2015

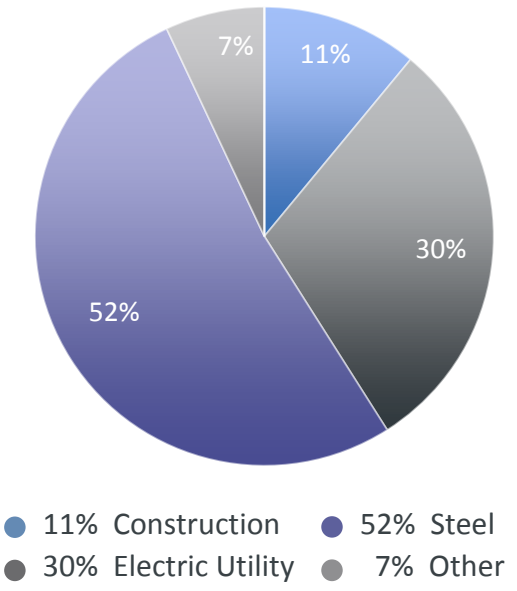
ASC Commodities Carried & Industries Served

COMMODITIES CARRIED BY ASC



Based on 2015 ASC volume 26.5 million net tons

INDUSTRIES SERVED BY ASC



Based on 2015 ASC revenue of approximately $170.2 million

IRON ORE accounts for the largest cargos carried by US-flag Great Lakes vessels

COAL is transported to power generating facilities along the Lakes

LIMESTONE is used by the steel and construction industries



PORTFOLIO MANAGEMENT

Aircraft Spare Engine Leasing Industry Overview

GROWTH IN AIR TRAVEL

- Air travel has doubled every 15 years since 1980
- Expected to grow at 4.6% annually until 2035

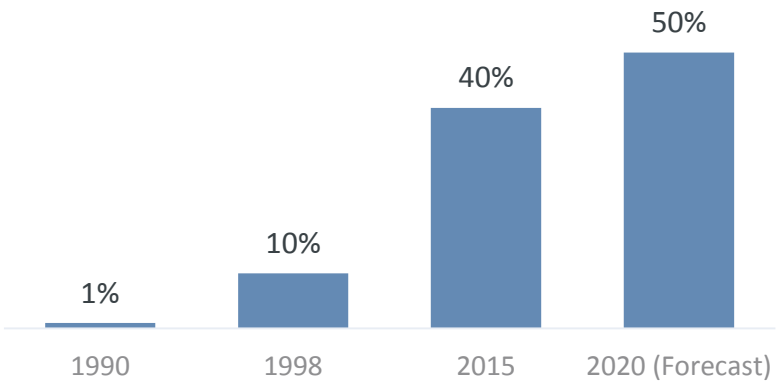
GROWTH OF AIRCRAFT SERVICE EVENTS

- 36,000 new aircraft in the next 20 years
  - Resulting in 74,000 engines
    - Resulting in 5,200 spare engines
    - Estimated value of approximately $66 billion

GROWTH OF SPARE AIRCRAFT ENGINES

- Greater spare engine demand and continued switching to spare engine leasing by airlines

PERCENT OF INDUSTRY'S SPARE ENGINES LEASED



MAINTENANCE SPARE ENGINE OVERVIEW

- Engines are very attractive and reliable leasing assets
  - Robust residual value characteristics
  - Retain value better over the long term compared to aircraft
- Aircraft engines need regular scheduled maintenance (3-5 year intervals) which take between 90 and 120 days
  - Correct level of spare engines are maintained to ensure the fleet remains operationally undisrupted
  - Spare engine ratio to engines installed on aircraft recommended by manufacturers
    - 8% narrow body
    - 10-15% wide body



Growth Estimates: RRPF management estimate as of 12/31/15

RRPF Affiliates Overview

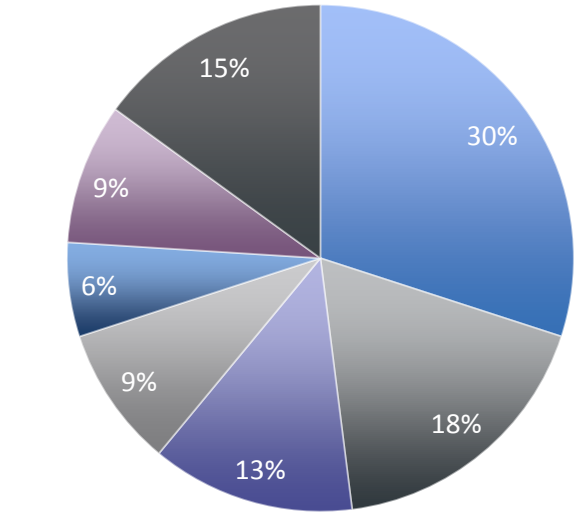
The RRPF portfolio has committed future lease receipts of more than $1.6 billion.



RRPF OVERVIEW

- GATX established its first partnership with Rolls-Royce plc in 1998
- Total NBV of engines upon RRPF establishment was $350 million; today the NBV is approximately $3 billion
- RRPF affiliates contribute meaningfully to GATX's financial results
- Lease spare aircraft engines to commercial airlines and Rolls-Royce plc
  - The largest Rolls-Royce spare aircraft engine portfolio in the industry, with more than 435 engines

RRPF ENGINE TYPES



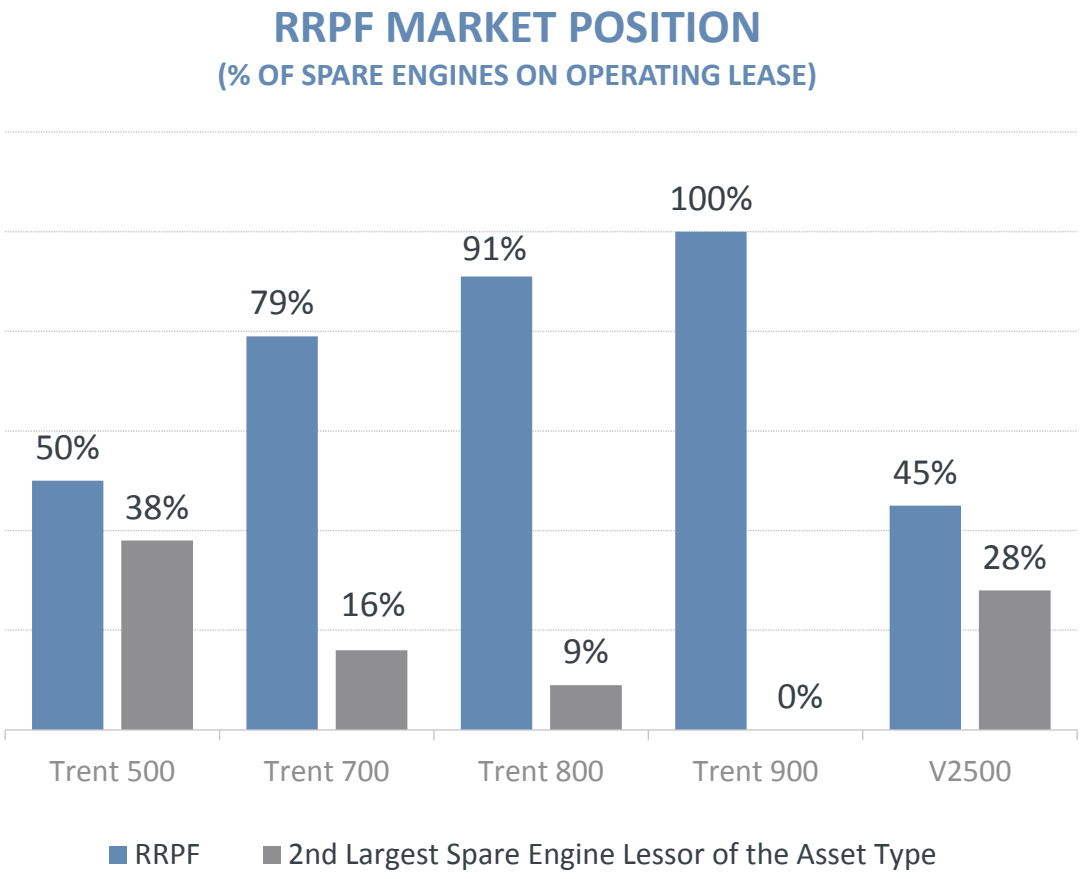
- 30% Trent 700 (A330)
- 18% V2500 (A320)
- 13% Trent 900 (A380)
- 9% Trent 800 (B777)
- 6% Trent 500 (A340 - 500/600)
- 9% XWB (A350)
- 15% Other

Based on NBV of approximately $3 billion.
100% of RRPF's portfolio as of 12/31/15.

As of 12/31/15

RRPF Affiliates Market Leadership

RRPF enjoys leading market position in each targeted asset type.





RRPF management estimates as of 12/31/15



DISCIPLINED CAPITAL ALLOCATION APPROACH

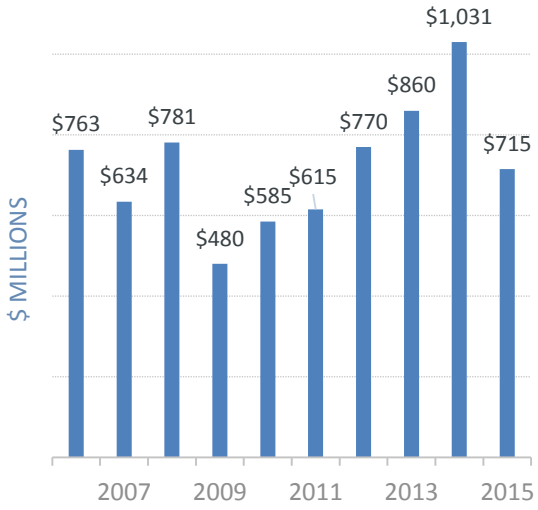
GATX

Capital Allocation Framework

PRIORITY 1

- Invest in value-creating assets whereby GATX can leverage strengths to maximize shareholder value
- $7.2 billion* of investments over the period shown

INVESTMENT VOLUME



Investment Volume and Noncash Items

PRIORITY 2

- Manage the balance sheet
- Maintain a solid investment grade rating of BBB/Baa2
- Maintain capacity for opportunistic investments

LEVERAGE*
(Recourse Debt/Equity)

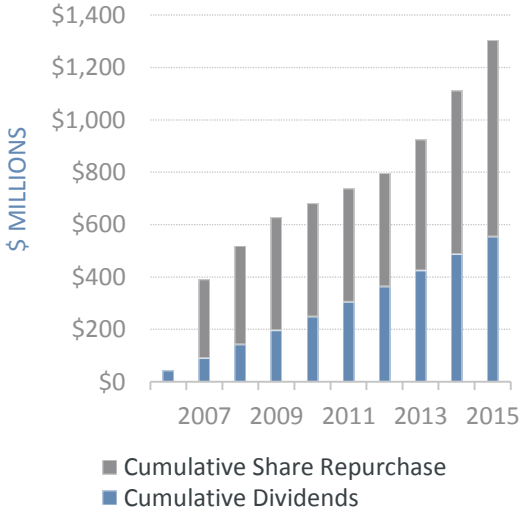


*Total Recourse Debt = On-Balance-Sheet Recourse Debt + Off Balance-Sheet Recourse Debt + Capital Lease Obligations + Commercial Paper and Bank Credit Facilities, Net of Unrestricted Cash

PRIORITY 3

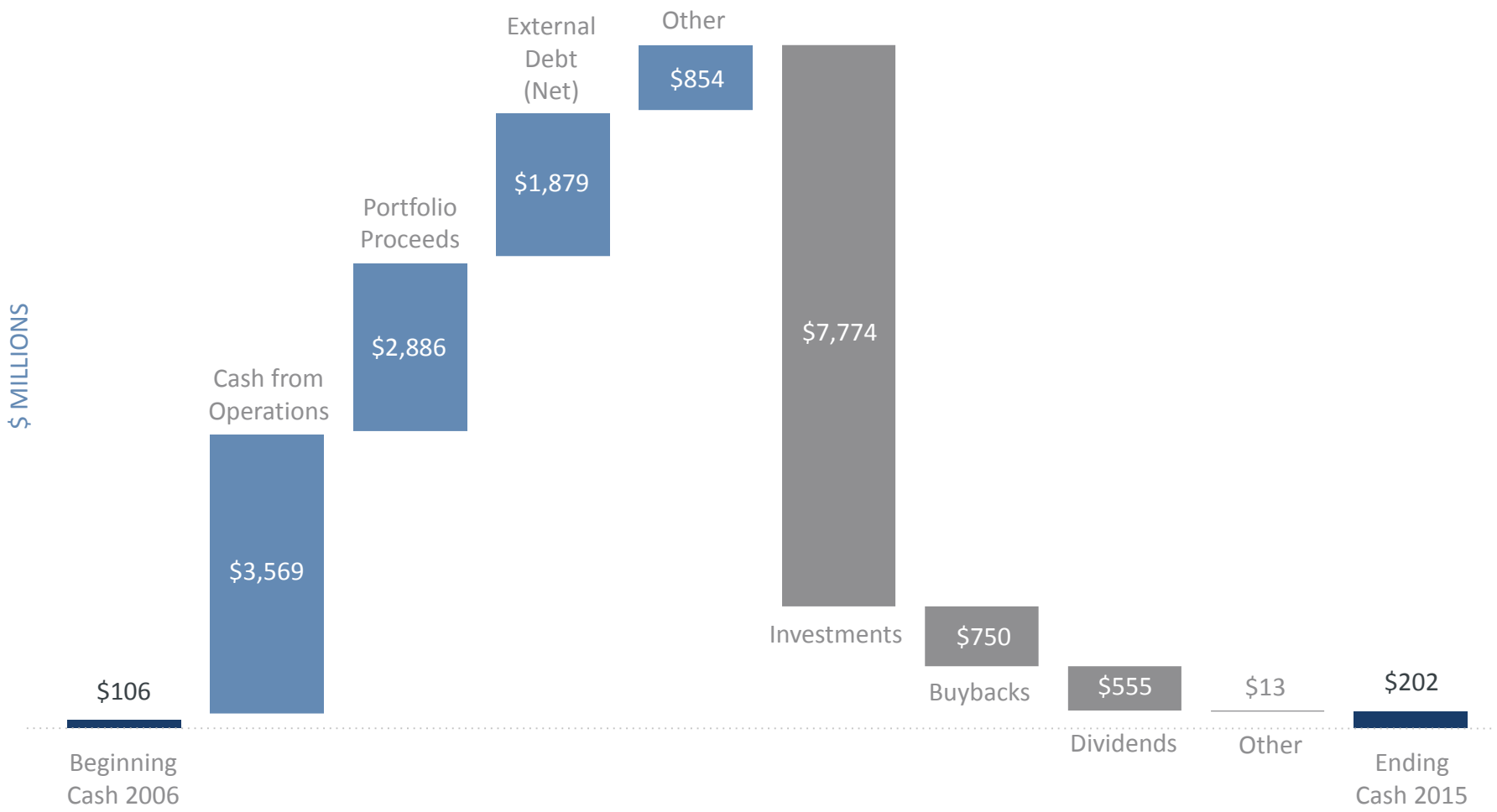
- In lockstep with Priorities 1 and 2, return cash to shareholders
- Over the period shown below, $750 million of share repurchase and $555 million paid to shareholders in dividends

CASH RETURNED TO SHAREHOLDERS



As of 12/31/2015

Sources and Uses of Cash (2006-2015)



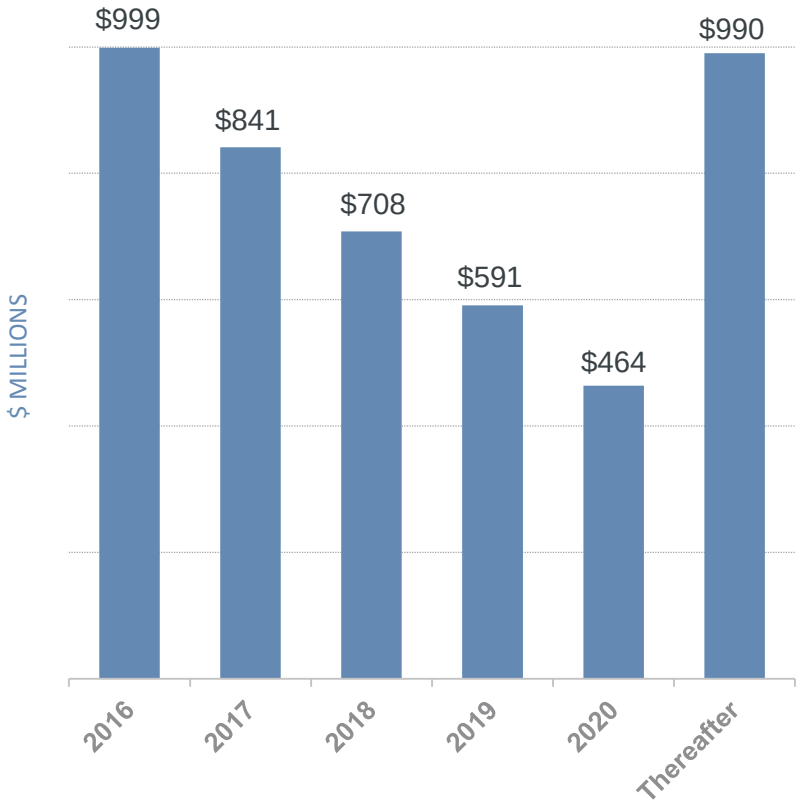
As of 12/31/2015

FINANCIAL HIGHLIGHTS

Financial Highlights – Cash Flow and Lease Receipts

GATX has nearly $4.6 billion in committed future lease receipts.

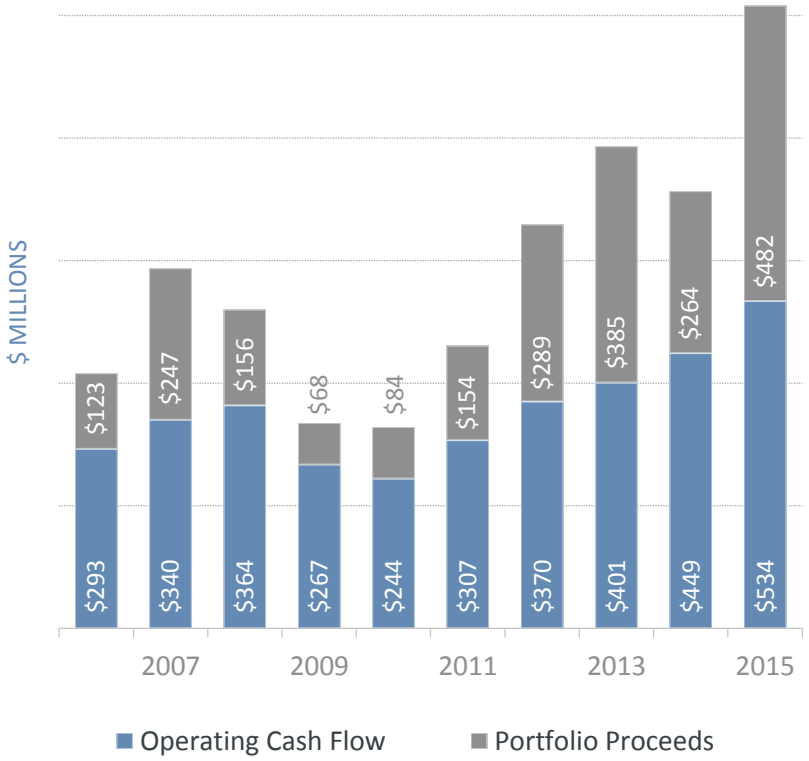
GATX COMMITTED FUTURE LEASE RECEIPTS



As of 12/31/15

OPERATING CASH FLOW & PORTFOLIO PROCEEDS

(Continuing Operations)

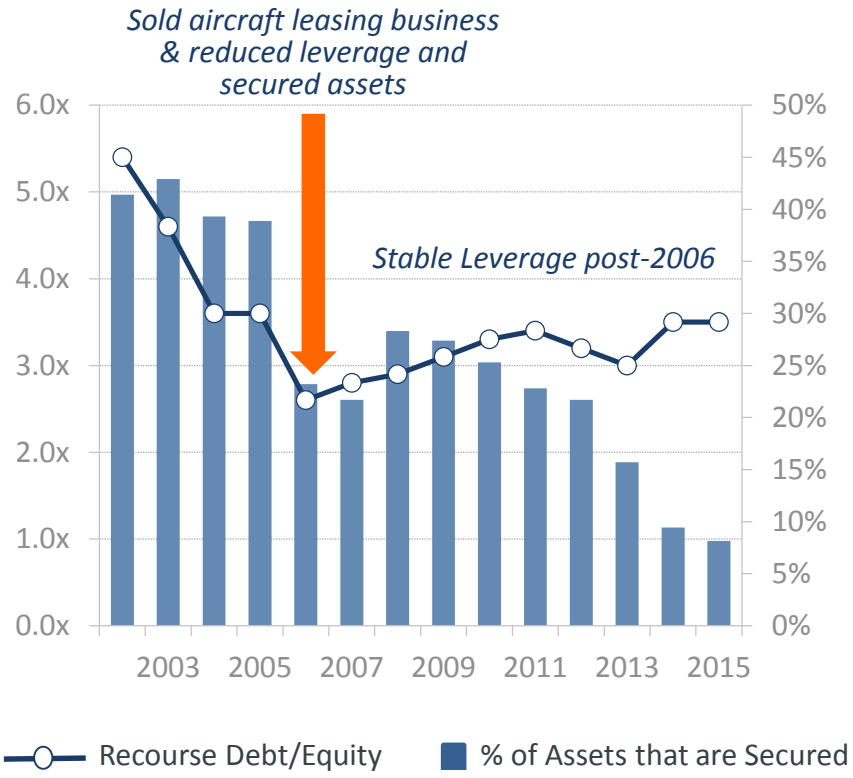


As of 12/31/2015

Financial Highlights – Strong Balance Sheet

GATX primarily issues unsecured debt (leaving assets largely unencumbered), manages leverage, and balances debt maturity schedules.

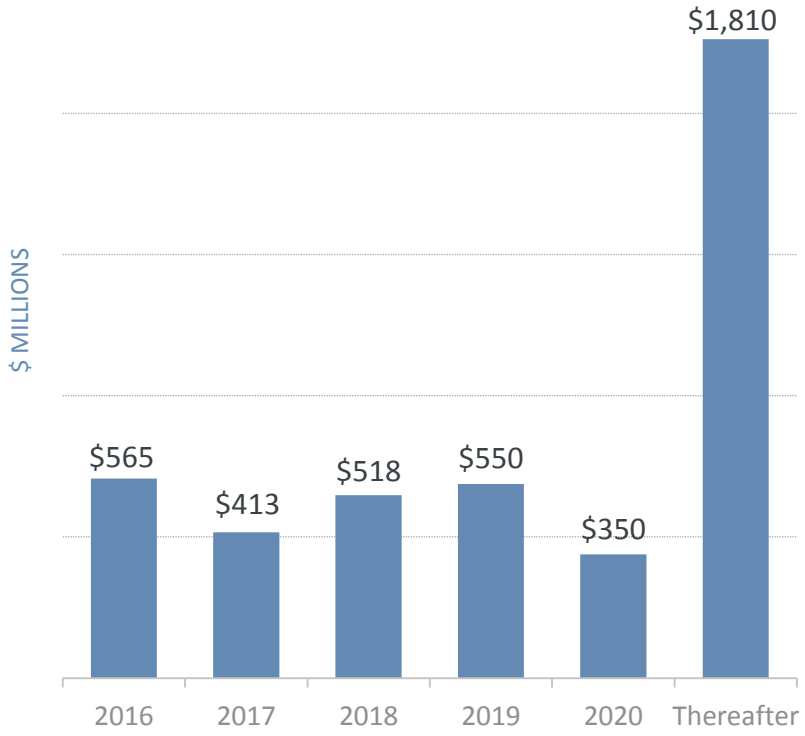
LEVERAGE & REDUCTION OF SECURED ASSETS



As of 12/31/15

Total Recourse Debt = On-Balance-Sheet Recourse Debt + Off-Balance-Sheet Recourse Debt + Capital Lease Obligations + Commercial Paper and Bank Credit Facilities, Net of Unrestricted Cash

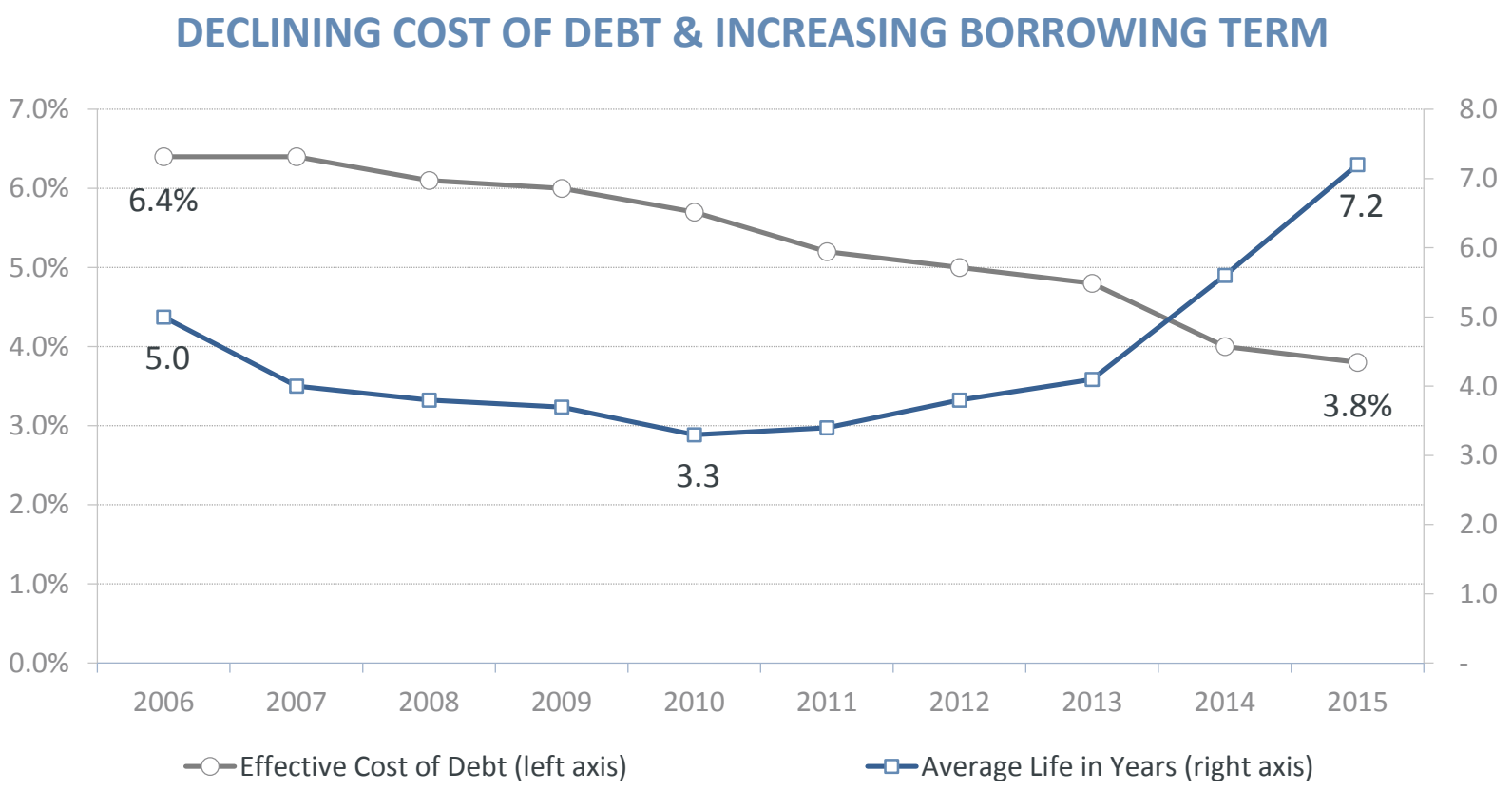
FUTURE DEBT OBLIGATIONS



As of 12/31/2015

Financial Highlights – Strong Balance Sheet

GATX has decreased borrowing costs and increased borrowing term. GATX issued more than $650 million of public unsecured debt in 2015.



As of 12/31/15

Financial Highlights – Access to Capital

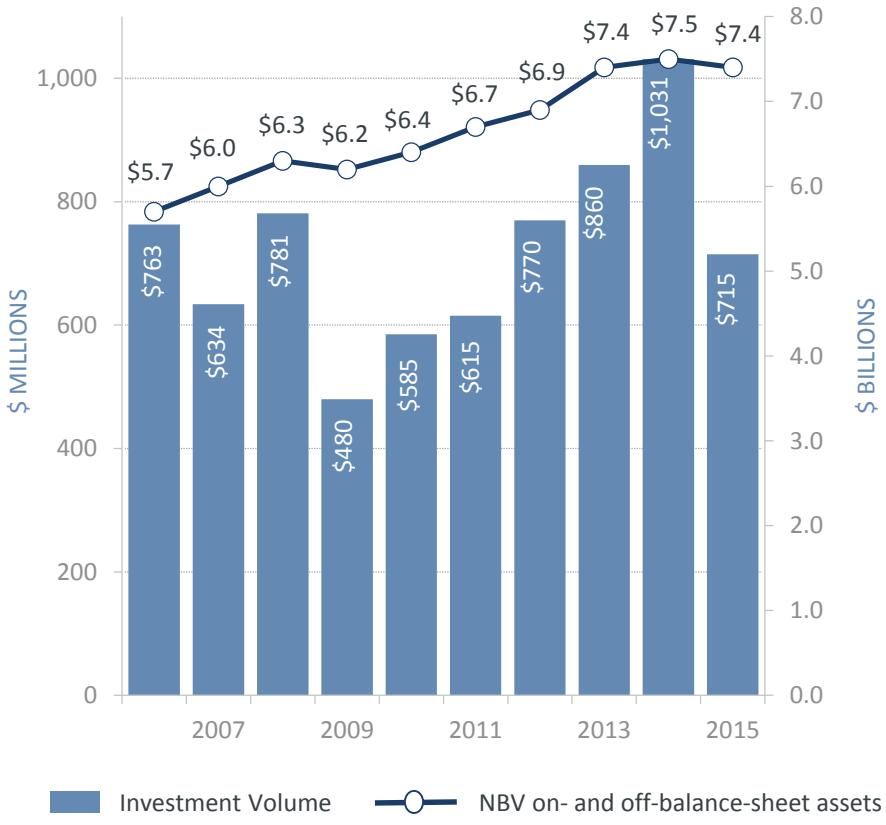


- GATX issued $2.6 billion of long-term debt in the public market during the last 3-years (2013-2015)
- GATX efficiently accessed capital in difficult markets
  - Raised $250 million of debt financing during the depth of the financial crisis in late 2008
  - Raised $300 million of debt in February 2009
  - Raised $300 million of debt in September 2009

Financial Highlights – Capital Deployment

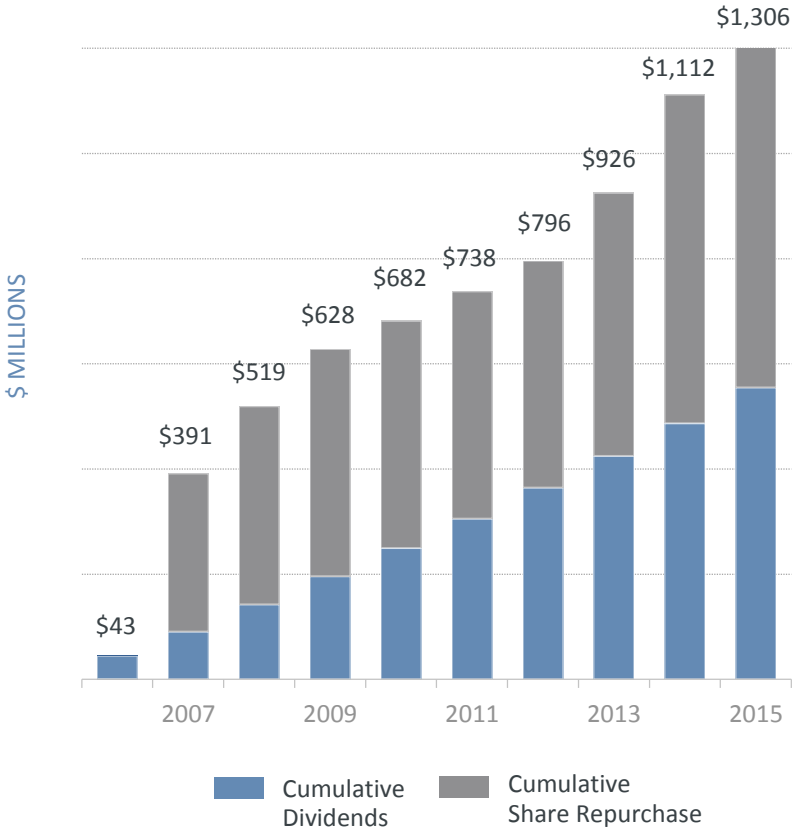
GATX has shown strong investment activity with over $7.2 billion of investments since 2006. Over the same time period, GATX has returned more than $1.3 billion to shareholders in dividends and stock repurchase.

INVESTMENT VOLUME



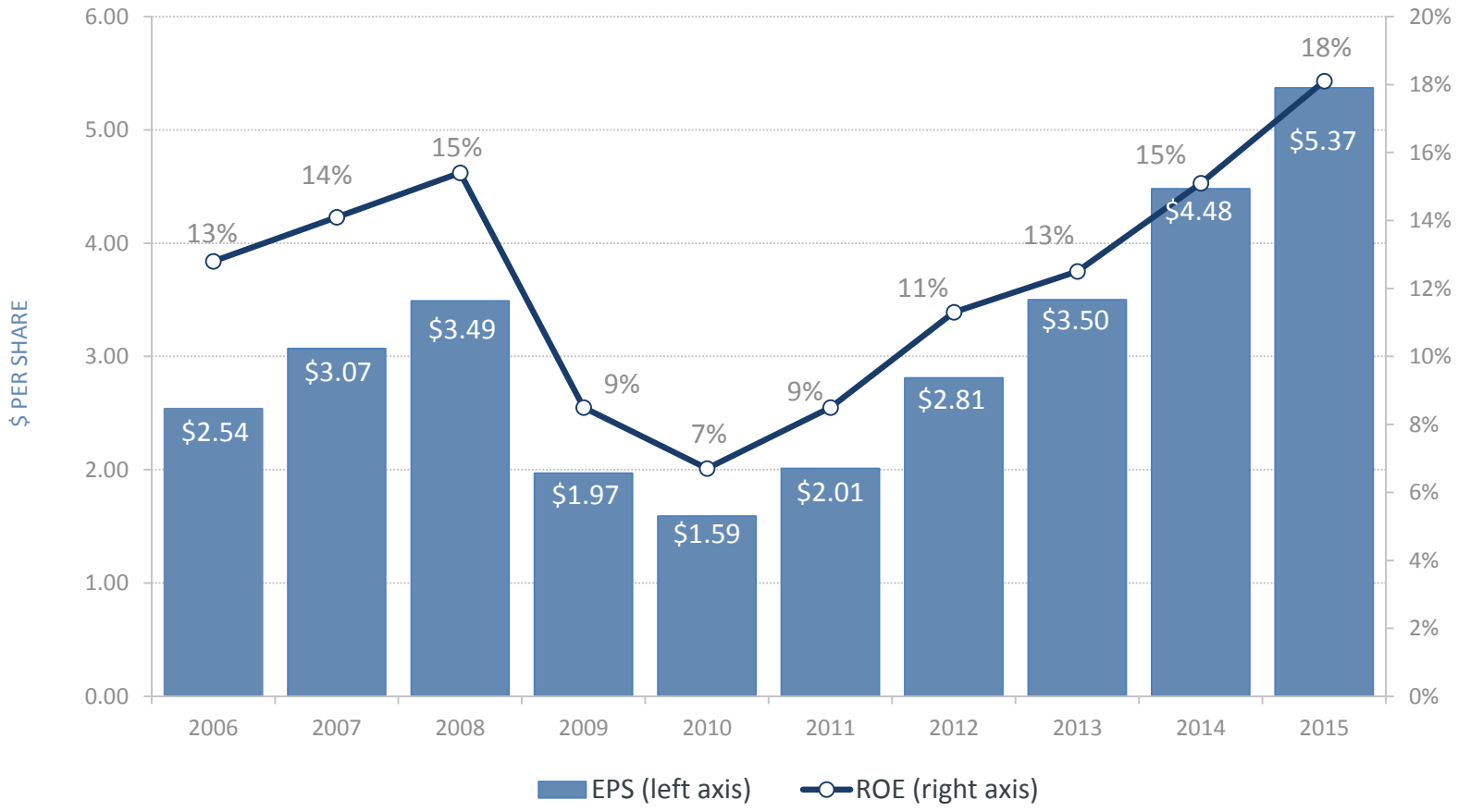
Investment Volume and Noncash Items as of 12/31/15

CAPITAL RETURNED TO SHAREHOLDERS



As of 12/31/2015

Financial Highlights – Results



Graph displays Diluted EPS
Diluted EPS and ROE exclude Tax Adjustments and Other Items. See the Appendix for a reconciliation of these non-GAAP measures.

RECONCILIATION OF NON-GAAP MEASURES

Reconciliation of Non-GAAP Measures – Net Income Measures

Net Income	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
(in millions)										
Net Income (GAAP)	$ 147.3	$ 183.8	$ 194.8	$ 81.4	$ 80.8	$ 110.8	$ 137.3	$ 169.3	$ 205.0	$ 205.3
Adjustments attributable to consolidated income:										
Net loss on wholly owned Portfolio Management marine investments, net of tax	-	-	-	-	-	-	-	-	-	5.7
Early retirement program, net of tax	-	-	-	-	-	-	-	-	-	5.6
Income tax rate changes	(5.9)	(17.1)	-	-	-	-	0.7	-	-	14.1
GATX income taxes on sale of AAE	-	-	-	-	-	-	-	23.2	-	-
Foreign tax credit carryforward	-	-	-	(7.4)	-	-	(4.6)	(3.9)	-	-
Tax benefits upon close of tax audits	-	-	-	-	(9.5)	(4.8)	(15.5)	-	-	-
Deferred tax benefit from the expiration of the statute of limitations on a tax position taken	-	-	(6.8)	-	-	-	-	-	-	-
Litigation recoveries (net of tax in 2010, no tax effect in 2011)	-	-	-	-	(4.1)	(3.2)	-	-	-	-
Leveraged lease adjustment, net of tax	-	-	-	-	-	(3.5)	-	-	-	-
Gain on sale of office building, net of tax	-	-	(9.8)	-	-	-	-	-	-	-
Environmental reserve reversal, net of tax	-	-	(6.6)	-	-	-	-	-	-	-
Adjustments attributable to affiliates' earnings:										
Impairment loss on Portfolio Management affiliate, net of tax	-	-	-	-	-	-	-	-	-	11.9
Income tax rate changes	-	(3.0)	-	-	(1.9)	(4.1)	(4.6)	(7.6)	-	(7.7)
Pretax gain on sale of AAE	-	-	-	-	-	-	-	(9.3)	-	-
Interest rate swaps at AAE, net of taxes	-	-	3.3	20.7	9.3	(0.2)	20.5	(6.9)	-	-
Net Income, excluding tax adjustments and other items	$ 141.4	$ 163.7	$ 174.9	$ 94.7	$ 74.6	$ 95.0	$ 133.8	$ 164.8	$ 205.0	$ 234.9

Earnings per Share	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Diluted EPS (GAAP)	$ 2.64	$ 3.43	$ 3.88	$ 1.70	$ 1.72	$ 2.35	$ 2.88	$ 3.59	$ 4.48	$ 4.69
Adjustments attributable to consolidated income:										
Net loss on wholly owned Portfolio Management marine investments, net of tax	-	-	-	-	-	-	-	-	-	0.13
Early retirement program, net of tax	-	-	-	-	-	-	-	-	-	0.13
Income tax rate changes	(0.10)	(0.31)	-	-	-	-	0.01	-	-	0.32
GATX income taxes on sale of AAE	-	-	-	-	-	-	-	0.50	-	-
Foreign tax credit carryforward	-	-	-	(0.15)	-	-	(0.09)	(0.08)	-	-
Tax benefits upon close of tax audits	-	-	-	-	(0.20)	(0.10)	(0.33)	-	-	-
Deferred tax benefit from the expiration of the statute of limitations	-	-	(0.13)	-	-	-	-	-	-	-
Litigation recoveries (net of tax in 2010, no tax effect in 2011)	-	-	-	-	(0.09)	(0.07)	-	-	-	-
Leveraged lease adjustment, net of tax	-	-	-	-	-	(0.08)	-	-	-	-
Gain on sale of office building, net of tax	-	-	(0.19)	-	-	-	-	-	-	-
Environmental reserve reversal, net of tax	-	-	(0.13)	-	-	-	-	-	-	-
Adjustments attributable to affiliates' earnings:										
Impairment loss on Portfolio Management affiliate, net of tax	-	-	-	-	-	-	-	-	-	0.27
Income tax rate changes	-	(0.05)	-	-	(0.04)	(0.09)	(0.09)	(0.16)	-	(0.18)
Pretax gain on sale of AAE	-	-	-	-	-	-	-	(0.20)	-	-
Interest rate swaps at AAE, net of taxes	-	-	0.06	0.42	0.20	-	0.43	(0.15)	-	-
Diluted EPS, excluding tax adjustments and other items *	$ 2.54	$ 3.07	$ 3.49	$ 1.97	$ 1.59	$ 2.01	$ 2.81	$ 3.50	$ 4.48	$ 5.37

**Sum of individual components may not be addititve, due to rounding.*

Reconciliation of Non-GAAP Measures – Balance Sheet Measures

On- and Off-Balance Sheet Assets	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Consolidated on-balance-sheet assets	$ 4,646.6	$ 4,723.2	$ 5,190.5	$ 5,206.4	$ 5,442.4	$ 5,846.0	$ 6,044.7	$ 6,535.5	$ 6,919.9	$ 6,894.2
Less: Assets of discontinued operations	232.2	-	-	-	-	-	-	-	-	-
	4,414.4	4,723.2	5,190.5	5,206.4	5,442.4	5,846.0	6,044.7	6,535.5	6,919.9	6,894.2
Off-balance-sheet assets:										
Rail North America	1,313.0	1,230.1	1,056.5	1,012.1	968.1	884.5	863.5	887.9	606.1	488.7
ASC	-	-	-	-	-	-	21.0	16.5	11.7	6.8
Portfolio Management	8.0	5.8	4.7	4.0	3.4	2.6	-	-	-	-
Total On- and Off-Balance-Sheet-Assets	$5,735.4	$5,959.1	$6,251.7	$6,222.5	$6,413.9	$6,733.1	$6,929.2	$7,439.9	$7,537.7	$7,389.7