GATX CORPORATION

DISCIPLINED. PROVEN.

Stifel 2017 Transportation & Logistics Conference

February 14, 2017



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 118 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

2017
$7.6 billion* in assets and an interest in more than 146,000 railcars worldwide

Assets on- and off-balance sheet as of 12/31/16

GATX Today – Business Segments



RAIL NORTH AMERICA

- One of the largest railcar lessors
- Diversified fleet of more than 122,000 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

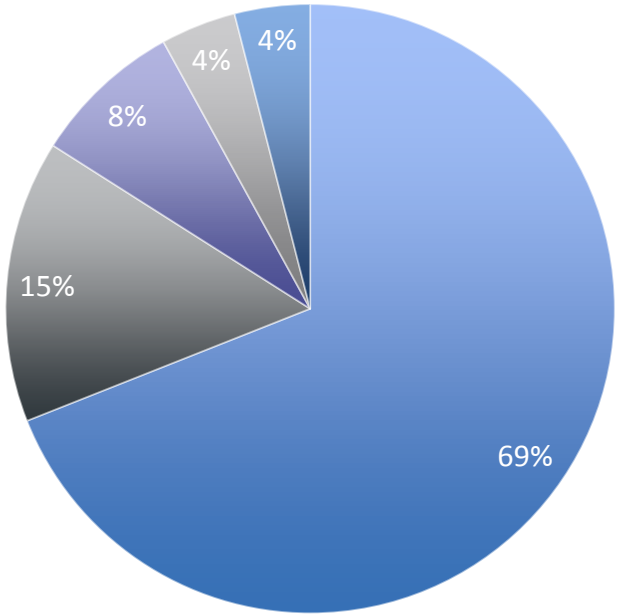
- Largest US-flagged vessel operator on the Great Lakes
- Operates a fleet of efficient self-unloading ships
- Exceptional safety record and leader in Great Lakes environmental matters



PORTFOLIO MANAGEMENT

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

NET BOOK VALUE OF ASSETS



$7.6 billion NBV*

- 69% Rail North America
- 15% Rail International
- 8% Portfolio Management
- 4% ASC
- 4% Other

**Assets on- and off-balance sheet as of 12/31/16*

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



GATX Rail North America Overview

2015 OVERVIEW

WHOLLY OWNED FLEET COUNT
122,000+

CAR TYPE COUNT
160

AVERAGE FLEET AGE
20 YEARS

LOCOMOTIVE COUNT
600+

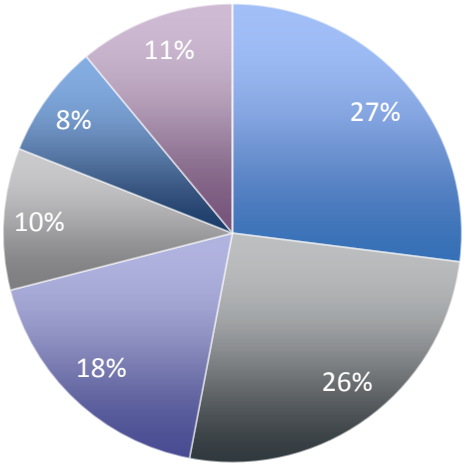
NUMBER OF CUSTOMERS
900+

COUNTRIES OF OPERATIONS
US, Canada, & Mexico



As of 12/31/16

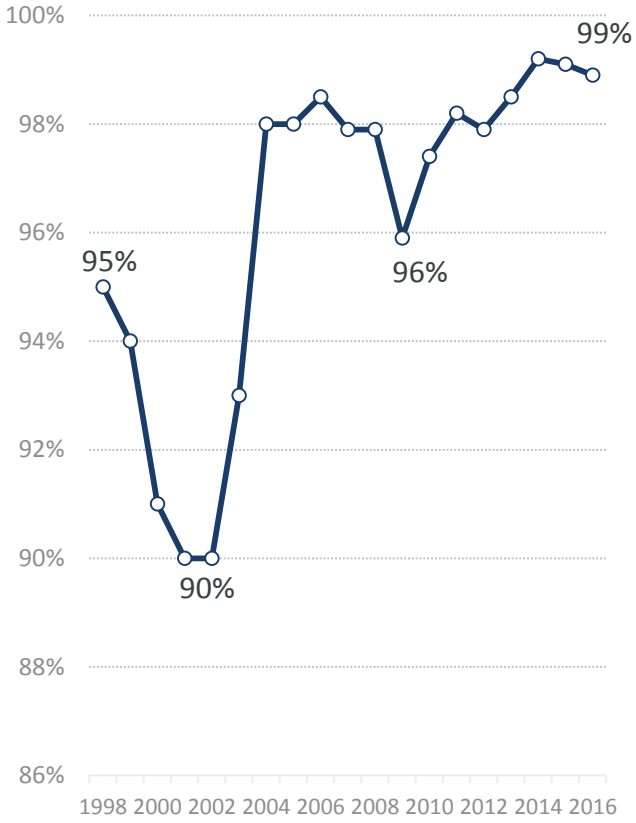
INDUSTRIES SERVED



- 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
As of 12/31/15

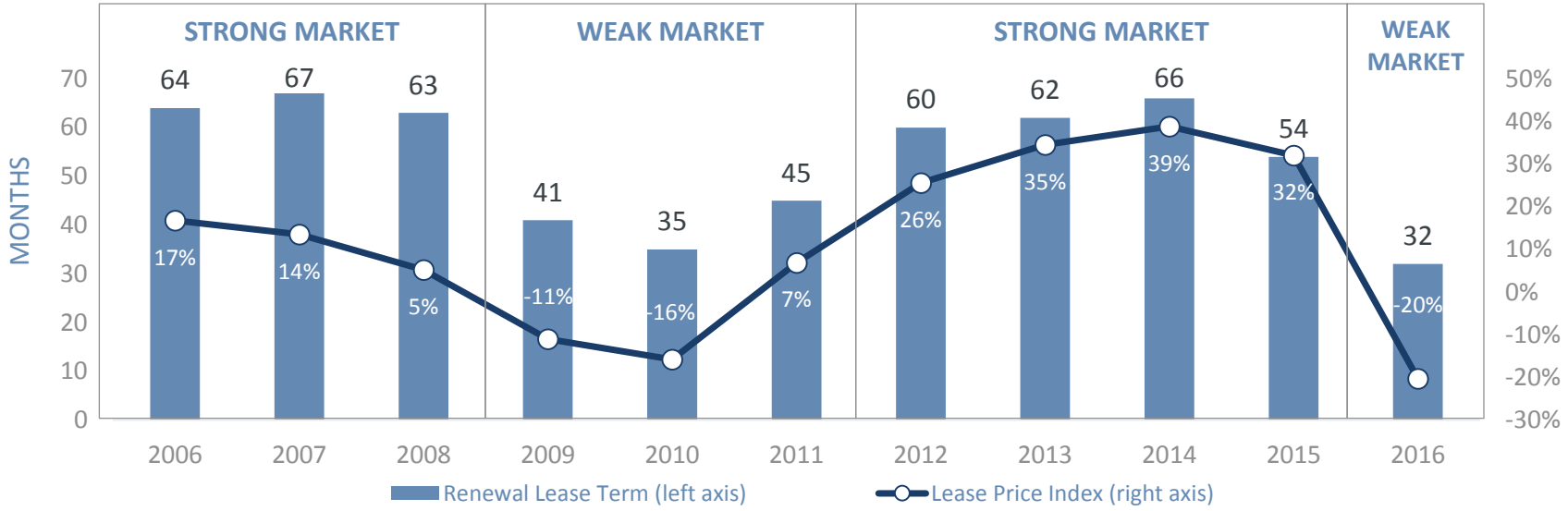
UTILIZATION*



**Excludes boxcar fleet*
As of 12/31/16

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	2016
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	12,500
Renewal Success Rate	77%	73%	60%	54%	62%	77%	82%	81%	86%	81%	67%

As of 12/31/16

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.

GATX Rail International Overview

2016 OVERVIEW

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

CAR TYPE COUNT
35+

AVERAGE FLEET AGE
18 Years

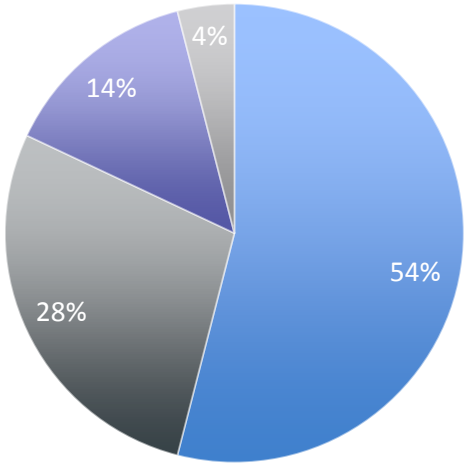
NUMBER OF CUSTOMERS
220+

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



As of 12/31/16

INDUSTRIES SERVED BY GRE

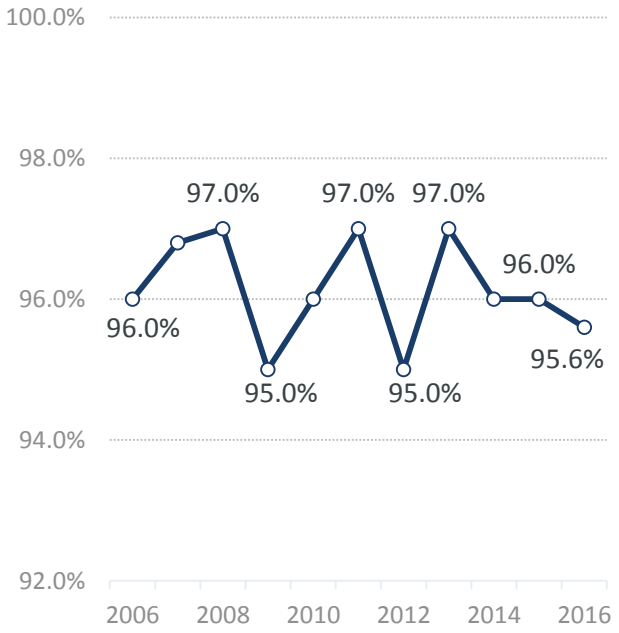


- 54% Refiners & Other Petroleum
- 14% Railroads & Other Transports
- 28% Mining, Minerals & Aggregates, Chemistry
- 4% Other

Based on 2015 GRE Revenue

As of 12/31/15

GRE FLEET UTILIZATION





As of 12/31/16

American Steamship Company Overview

As of 12/31/16	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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	25.4
ASC Vessels Operated	18	18	18	12	13	14	14	13	15	13	11

2016 OVERVIEW

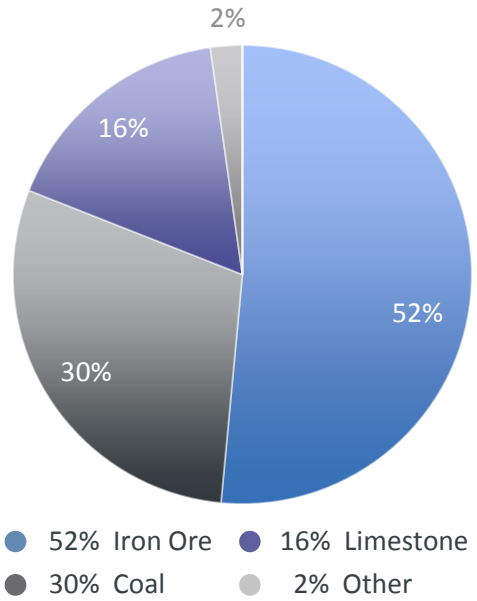
VESSEL COUNT
17

AVERAGE DIESEL POWERED FLEET AGE
39 Years

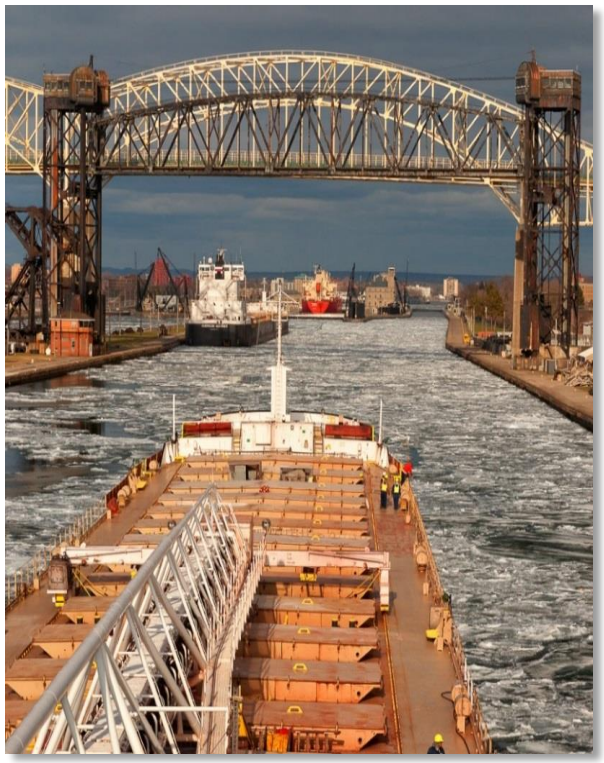
CUSTOMER BASE
25

MAJOR COMMODITIES CARRIED
Iron Ore, Coal and Limestone

ASC COMMODITIES SERVED



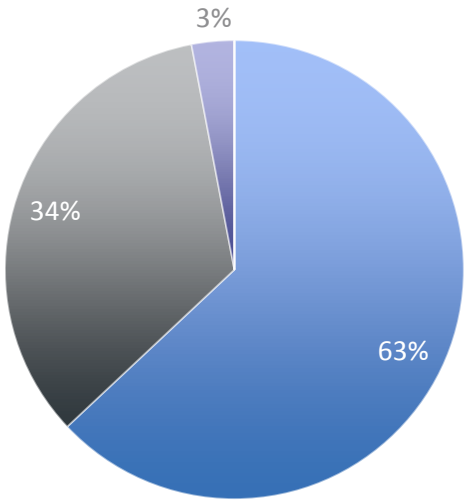
Based on 2015 ASC volume of 26.5 million net tons



As of 12/31/15

Portfolio Management Overview

OWNED PORTFOLIO



- 63% Aircraft Spare Engine Leasing Affiliates
- 34% Marine Equipment
- 3% Other

$593.5 million NBV as of 12/31/16

2016 RRPF OVERVIEW

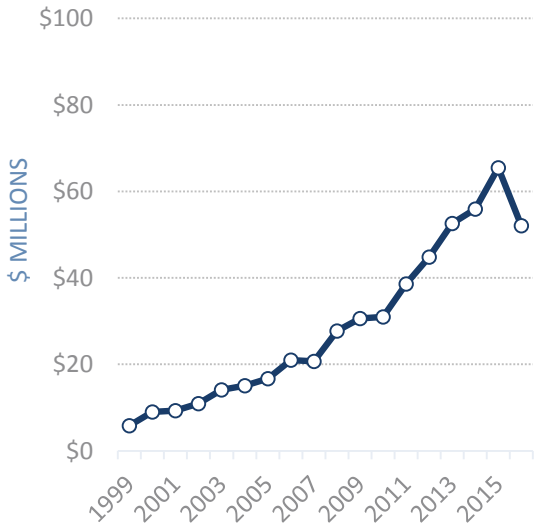
SPARE ENGINE COUNT

400+

AVERAGE FLEET AGE

11 Years

RRPF JV PRE-TAX INCOME
(GATX's SHARE)





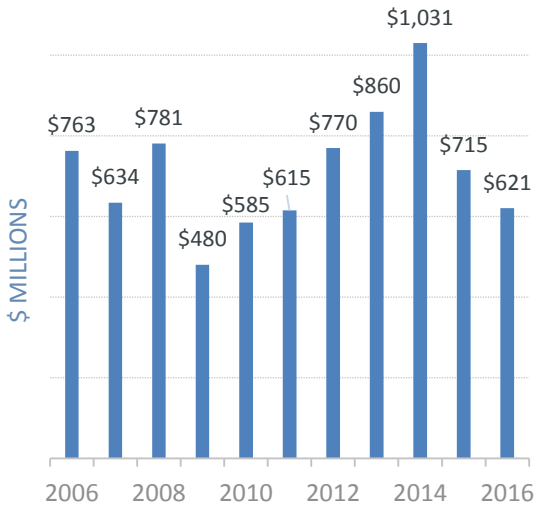
DISCIPLINED CAPITAL ALLOCATION APPROACH

Capital Allocation Framework

PRIORITY 1

- Invest in value-creating assets whereby GATX can leverage strengths to maximize shareholder value
- $7.8 billion* of investments over the period shown

INVESTMENT VOLUME



**Investment Volume and Noncash Items*

As of 12/31/16

PRIORITY 2

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

LEVERAGE*
(Recourse Debt/Equity)



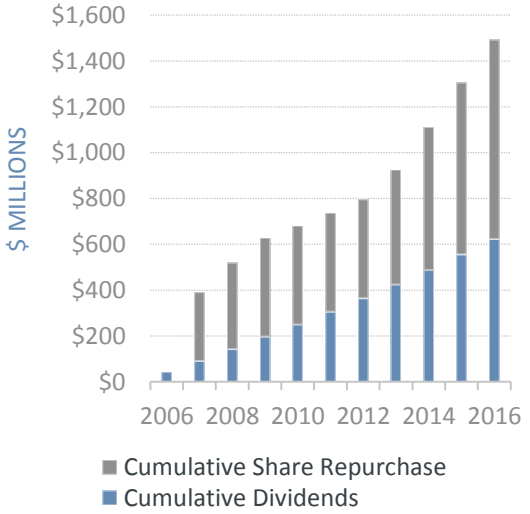
**Total Recourse Debt = On-Balance-Sheet Recourse Debt + Off Balance-Sheet Recourse Debt + Capital Lease Obligations + Commercial Paper and Bank Credit Facilities, Net of Unrestricted Cash*

As of 12/31/16

PRIORITY 3

- In lockstep with Priorities 1 and 2, return cash to shareholders
- Over the period shown below, $870 million of share repurchase and $623 million paid to shareholders in dividends

CASH RETURNED TO SHAREHOLDERS



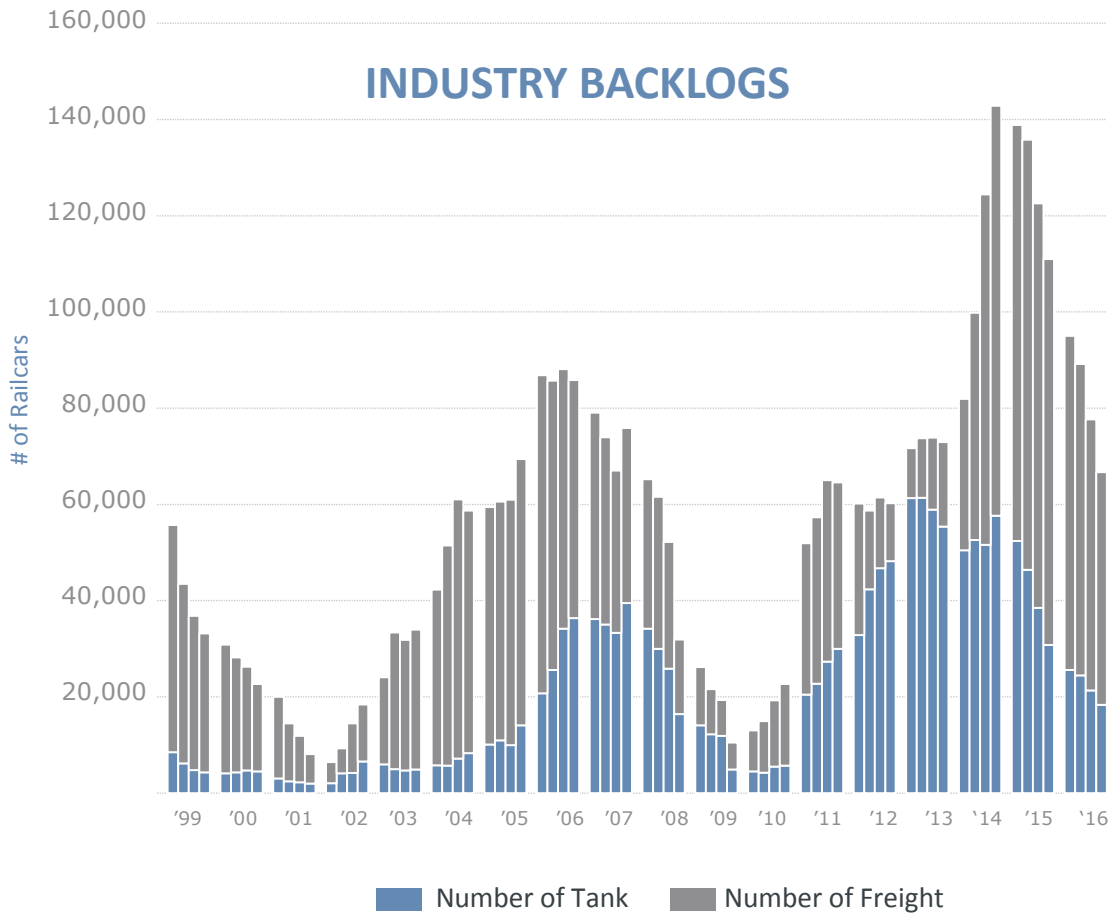
As of 12/31/16

CURRENT MARKET UPDATE

Rail Industry Update

GATX prepared for, and is effectively managing through, an industry downturn.

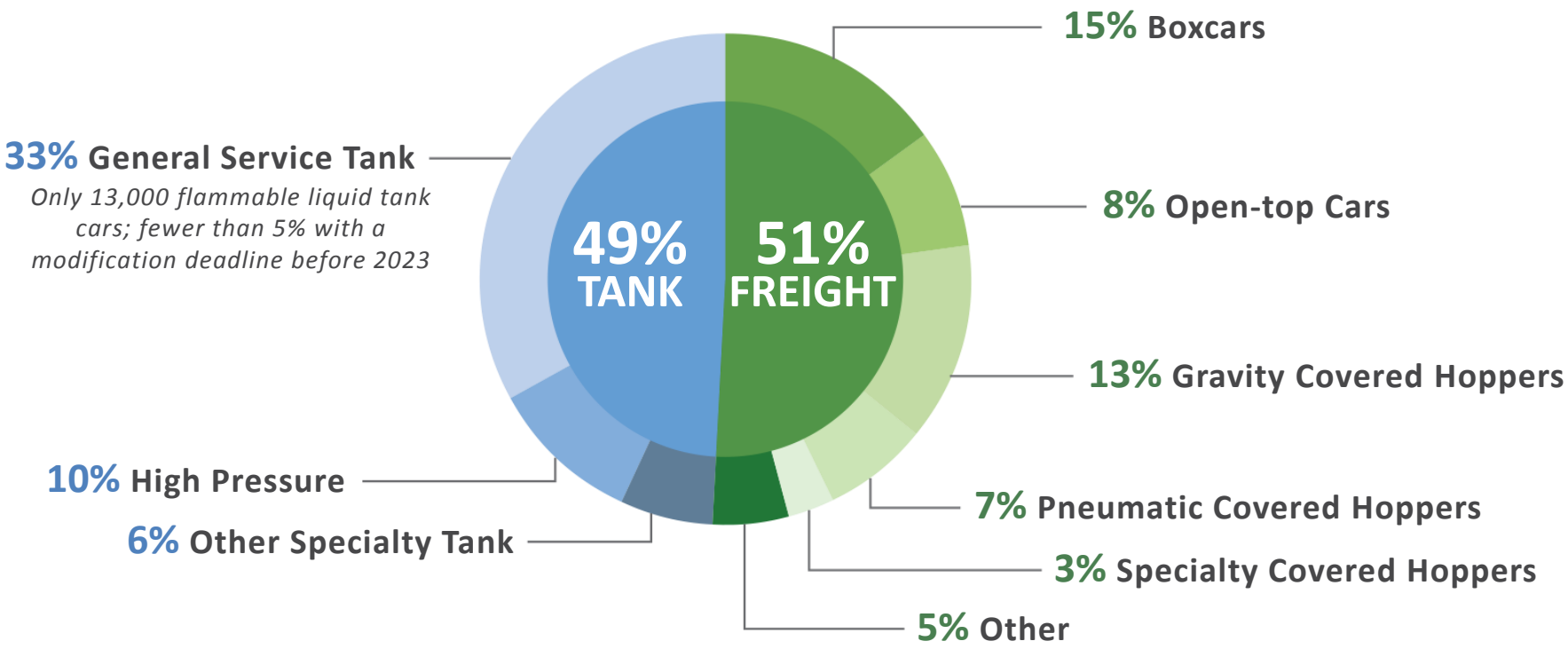
- Excess new car capacity
  - New car backlog reached all time high in 2014
- Excess existing car supply
  - Approximately 23% of the North American fleet is currently idle*
- Increased railroad velocity
  - Increased railroad velocities have reduced car demand since 2014
- Lower rail freight demand
  - Decline in railcar loadings further reduced demand, but recently experienced up-tick in some commodities



**Source: AAR*
Backlog Source: Railway Supply Institute as of January 2017

GATX Advantage

North American rail industry factors certainly impact GATX; however, the diversity and balance of our fleet, outstanding service, ability to optimize the fleet through the secondary market, and lease term structure helps us maintain high utilization.



As of 12/31/2015

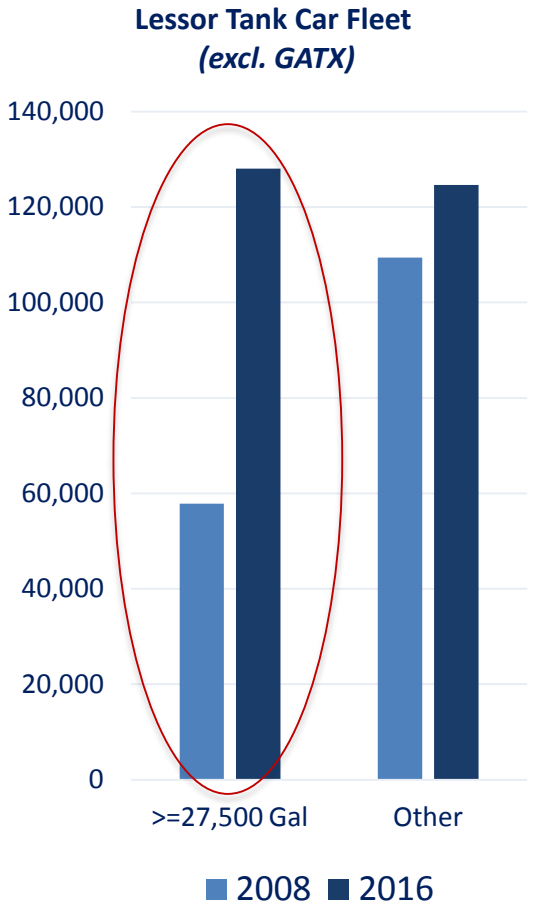
Regulatory and Policy Update

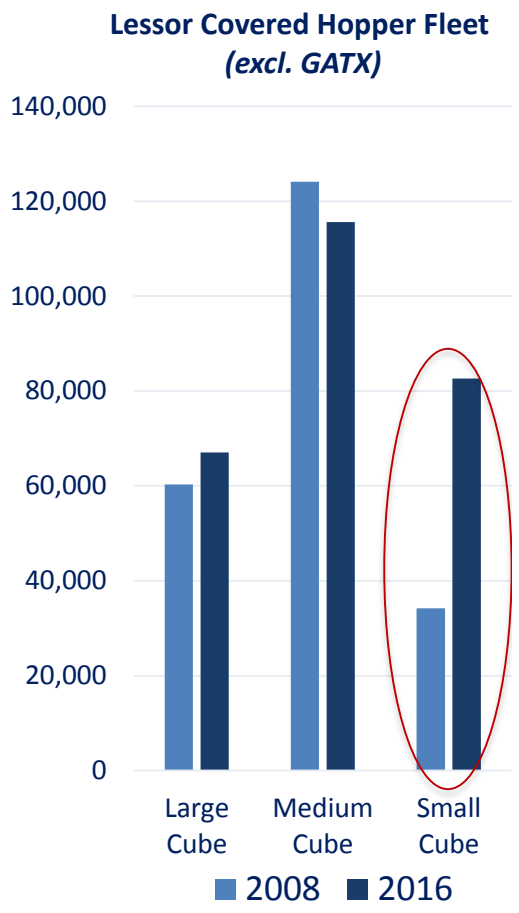
POTENTIAL CHANGES	POTENTIAL IMPACT TO GATX
○ Infrastructure Spending	○ POSITIVE ○ Improves demand for a wide variety of railcars ○ Due to the diversity of our fleet, potential projects will benefit GATX
○ Rise in Inflation	○ POSITIVE ○ Asset price inflation increases the market value of our fleet
○ Higher Interest Rates	○ NEUTRAL ○ Interest rates have little positive correlation to railcar lease rates ○ Less than 30% of debt book is variable; remaining balance is fixed at low rates and long terms

Other potential changes, including corporate tax rate reductions, are too early in development to speculate on potential outcomes.

Energy Update

- GATX purposely avoided investing heavily in the "Crude Oil Boom"
  - Eventual pipeline developments and market dynamics warranted a cautious approach
- Other lessors pursued a different approach





<2% of GATX's total fleet is in crude service

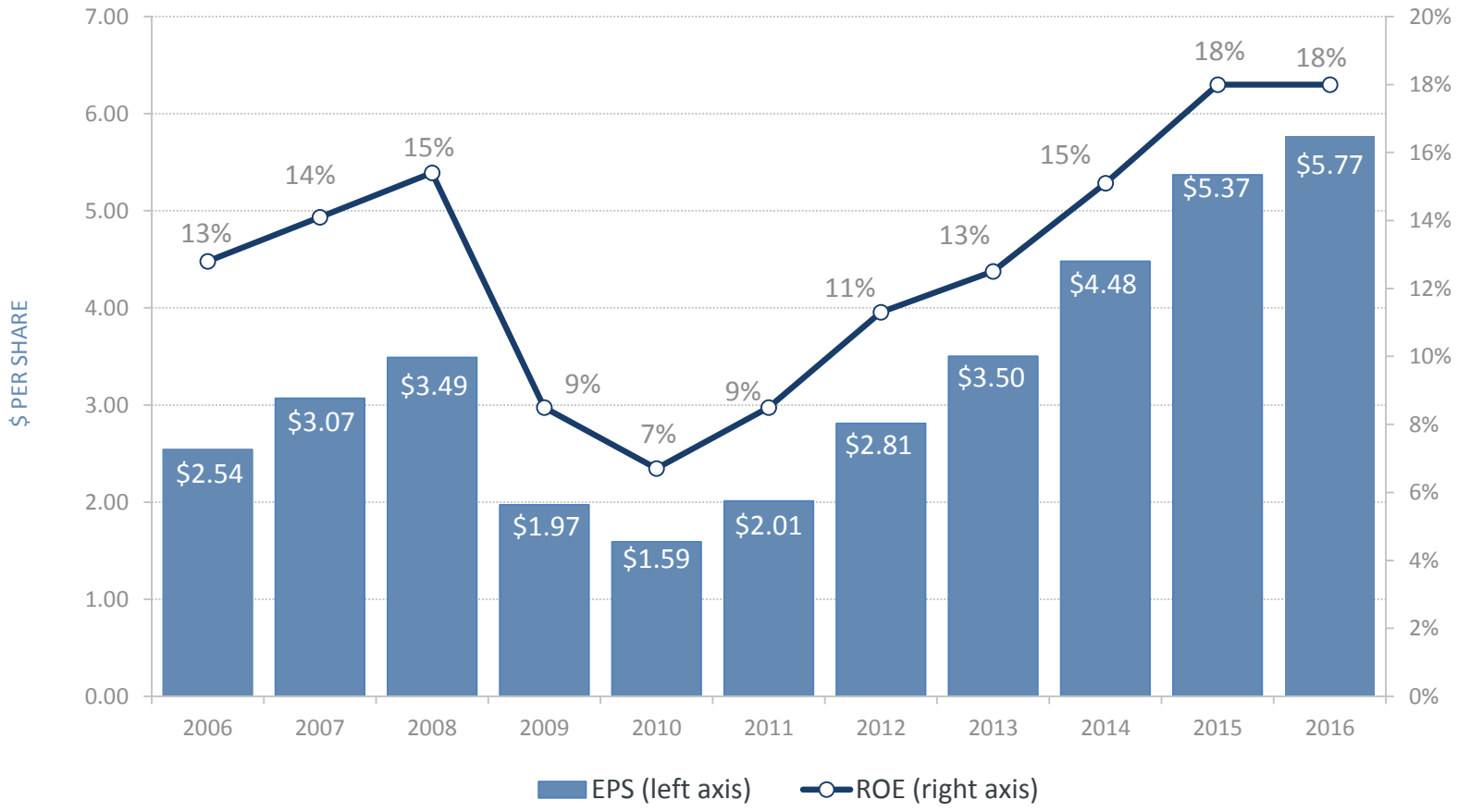
<2% of GATX's total fleet is in frac sand service

Lessor Data Source: Umler

Energy Update Continued

- Collapse of “Crude Oil Boom” led to a logical outcome
  - Enormous oversupply of larger tank cars supposedly bound for crude oil service
  - The retrofit market for legacy 30k-gallon tank cars never materialized
  - Very limited number of legacy 30k-gallon tank cars remaining in crude service today
- New Administration’s support of pipeline development only hastens demise/retirement of legacy 30k-gallon tank cars
  - GATX’s exposure is minimal from a car count and net book value perspective

Financial 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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
(in millions)										
Net income (GAAP)	$ 183.8	$ 194.8	$ 81.4	$ 80.8	$ 110.8	$ 137.3	$ 169.3	$ 205.0	$ 205.3	$ 257.1
Adjustments attributable to consolidated income, pretax:										
Railcar impairment at Rail North America	-	-	-	-	-	-	-	-	-	29.8
Net loss on wholly owned Portfolio Management marine investments	-	-	-	-	-	-	-	-	9.2	2.5
Residual sharing settlement at Portfolio Management	-	-	-	-	-	-	-	-	-	(49.1)
Early retirement program	-	-	-	-	-	-	-	-	9.0	-
Litigation recoveries	-	-	-	(6.5)	(3.2)	-	-	-	-	-
Leveraged lease adjustment	-	-	-	-	(5.5)	-	-	-	-	-
Gain on sale of office building	-	(12.0)	-	-	-	-	-	-	-	-
Environmental reserve reversal	-	(8.2)	-	-	-	-	-	-	-	-
Total adjustments attributable to consolidated income, pretax	$ -	$ (20.2)	$ -	$ (6.5)	$ (8.7)	$ -	$ -	$ -	$ 18.2	$ (16.8)
Income taxes, thereon	$ -	$ 3.8	$ -	$ 2.4	$ 2.0	$ -	$ -	$ -	$ (6.9)	$ 7.2
Other income tax adjustments attributable to consolidated income:										
Income tax rate changes	(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)	-	-	(7.1)
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)	-	-	-	-	-	-	-	-
Total other income tax adjustments attributable to consolidated income	$ (17.1)	$ (6.8)	$ (7.4)	$ (9.5)	$ (4.8)	$ (19.4)	$ 19.3	$ -	$ 14.1	$ (7.1)
Adjustments attributable to affiliates' earnings, net of taxes:										
Net loss (gain) on Portfolio Management affiliate	-	-	-	-	-	-	-	-	11.9	(0.6)
Income tax rate changes	(3.0)	-	-	(1.9)	(4.1)	(4.6)	(7.6)	-	(7.7)	(3.9)
Pretax gain on sale of AAE	-	-	-	-	-	-	(9.3)	-	-	-
Interest rate swaps at AAE	-	3.3	20.7	9.3	(0.2)	20.5	(6.9)	-	-	-
Total adjustments attributable to affiliates' earnings, net of taxes	$ (3.0)	$ 3.3	$ 20.7	$ 7.4	$ (4.3)	$ 15.9	$ (23.8)	$ -	$ 4.2	$ (4.5)
Net Income, excluding tax adjustments and other items (non-GAAP)	$ 163.7	$ 174.9	$ 94.7	$ 74.6	$ 95.0	$ 133.8	$ 164.8	$ 205.0	$ 234.9	$ 235.9

Earnings per Share	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Diluted earnings per share (GAAP)	$ 3.43	$ 3.88	$ 1.70	$ 1.72	$ 2.35	$ 2.88	$ 3.59	$ 4.48	$ 4.69	$ 6.29
Diluted earnings per share, excluding tax adjustments and other items (non-GAAP)	$ 3.07	$ 3.49	$ 1.97	$ 1.59	$ 2.01	$ 2.81	$ 3.50	$ 4.48	$ 5.37	$ 5.77

**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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total assets (GAAP)	$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	$7,105.4
Off-balance sheet assets:										
Rail North America	1,230.1	1,056.5	1,012.1	968.1	884.5	863.5	887.9	606.1	488.7	456.5
ASC	-	-	-	-	-	21.0	16.5	11.7	6.8	2.6
Portfolio Management	5.8	4.7	4.0	3.4	2.6	-	-	-	-	-
Total off-balance sheet assets	$1,235.9	$1,061.2	$1,016.1	$ 971.5	$ 887.1	$ 884.5	$ 904.4	$ 617.8	$ 495.5	$ 459.1
Total assets, as adjusted (non-GAAP)	$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	$7,564.5