

Stifel 2018 Transportation & Logistics Conference | February 13, 2018

Forward-Looking Statements

Statements in this Presentation not based on historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and, accordingly, involve known and unknown risks and uncertainties that are difficult to predict and could cause our actual results, performance, or achievements to differ materially from those discussed. These statements include statements as to our future expectations, beliefs, plans, strategies, objectives, events, conditions, financial performance, prospects, or future events. 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 similar words and phrases. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Accordingly, you 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. We do not undertake any obligation to publicly update or revise these forward-looking statements. The following factors, in addition to those discussed in our other filings with the SEC, including our Form 10-K for the year ended December 31, 2016 and subsequent reports on Form 10-Q, could cause actual results to differ materially from our current expectations expressed in forward-looking statements:

- exposure to damages, fines, criminal and civil penalties, and reputational harm arising from a negative outcome in litigation, including claims arising from an accident involving our railcars
- inability to maintain our assets on lease at satisfactory rates due to oversupply of railcars in the market or other changes in supply and demand
- weak economic conditions and other factors that may decrease demand for our assets and services
- decreased demand for portions of our railcar fleet due to adverse changes in the price of, or demand for, commodities that are shipped in our railcars
- higher costs associated with increased railcar assignments following non-renewal of leases, customer defaults, and compliance maintenance programs or other maintenance initiatives
- events having an adverse impact on assets, customers, or regions where we have a concentrated investment exposure
- financial and operational risks associated with long-term railcar purchase commitments
- reduced opportunities to generate asset remarketing income
- operational and financial risks related to our affiliate investments, including the Rolls-Royce & Partners Finance joint ventures
- the impact of changes to the Internal Revenue Code as a result of the recently enacted Tax Cuts and Jobs Act, and uncertainty as to how this legislation will be interpreted and applied
- fluctuations in foreign exchange rates
- failure to successfully negotiate collective bargaining agreements with the unions representing a substantial portion of our employees
- changes in railroad operations that could decrease demand for railcars either due to increased railroad efficiency or decreased attractiveness of rail service relative to other modes
- the impact of regulatory requirements applicable to tank cars carrying crude, ethanol, and other flammable liquids
- asset impairment charges we may be required to recognize
- deterioration of conditions in the capital markets, reductions in our credit ratings, or increases in our financing costs
- competitive factors in our primary markets, including competitors with a significantly lower cost of capital than GATX
- risks related to international operations and expansion into new geographic markets
- changes in, or failure to comply with, laws, rules, and regulations
- inability to obtain cost-effective insurance
- environmental remediation costs
- inadequate allowances to cover credit losses in our portfolio
- inability to maintain and secure our information technology infrastructure from cybersecurity threats and related disruption of our business



HISTORY AND BUSINESS OVERVIEW

The following presentation contains unaudited financial information

GATX

GATX's 120-Year History

1898
Established as railcar lessor with 28 railcars

1919
Initiated quarterly dividend

1936
Began rail investment in Canada

1973
Acquired American Steamship Company (ASC)

1994
Began rail investment in Europe & Mexico

1996
Began locomotive investment

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

2012 & 2013
Began rail investments in India and Russia

2018
$7.9 billion* in assets and more than 144,000 wholly-owned railcars worldwide

**Assets on- and off-balance sheet as of 12/31/2017*

GATX Today – Business Segments



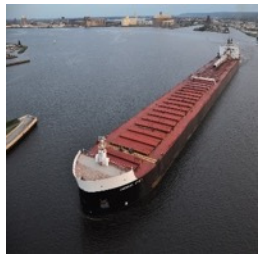
RAIL NORTH AMERICA

- One of the largest railcar lessors
- Diversified fleet of more than 120,000 wholly owned railcars and more than 600 locomotives
- Strong customer credit quality, diversification in car types and commodities carried
- Over $3.2 billion in committed lease receipts



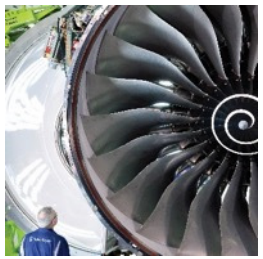
RAIL INTERNATIONAL

- 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

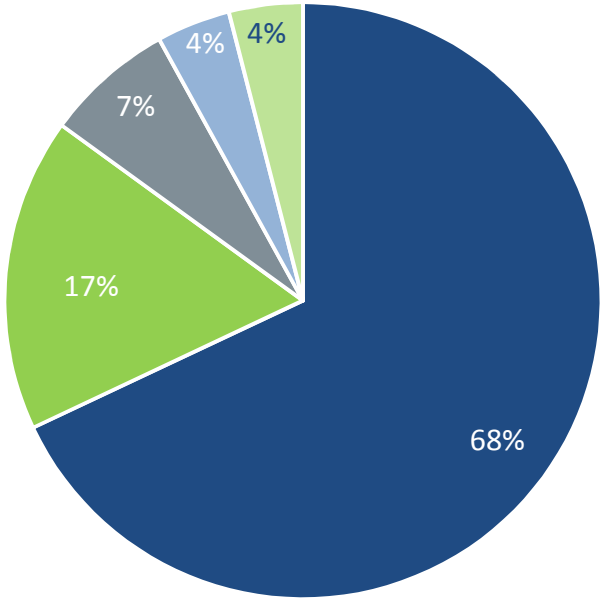


PORTFOLIO MANAGEMENT

- RRPF affiliates are the largest lessors of Rolls-Royce aircraft spare engines worldwide
- Over $2.1 billion of committed lease receipts at RRPF

As of 12/31/2017

NET BOOK VALUE OF ASSETS



$7.9 billion NBV*

- 68% Rail North America
- 17% Rail International
- 7% Portfolio Management
- 4% ASC
- 4% Other

**Assets on- and off-balance sheet as of 12/31/2017*

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

2017 OVERVIEW

WHOLLY OWNED FLEET COUNT
120,000+

CAR TYPE COUNT
160+

AVERAGE FLEET AGE
20 Years

LOCOMOTIVE COUNT
600+

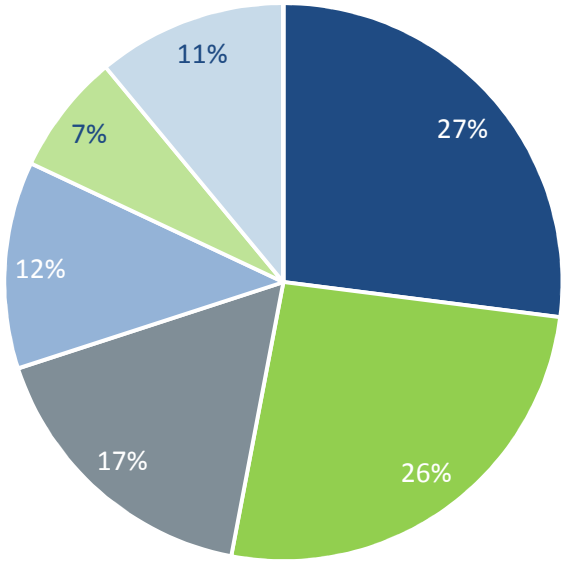
NUMBER OF CUSTOMERS
~900

COUNTRIES OF OPERATIONS
US, Canada, & Mexico



As of 12/31/2017

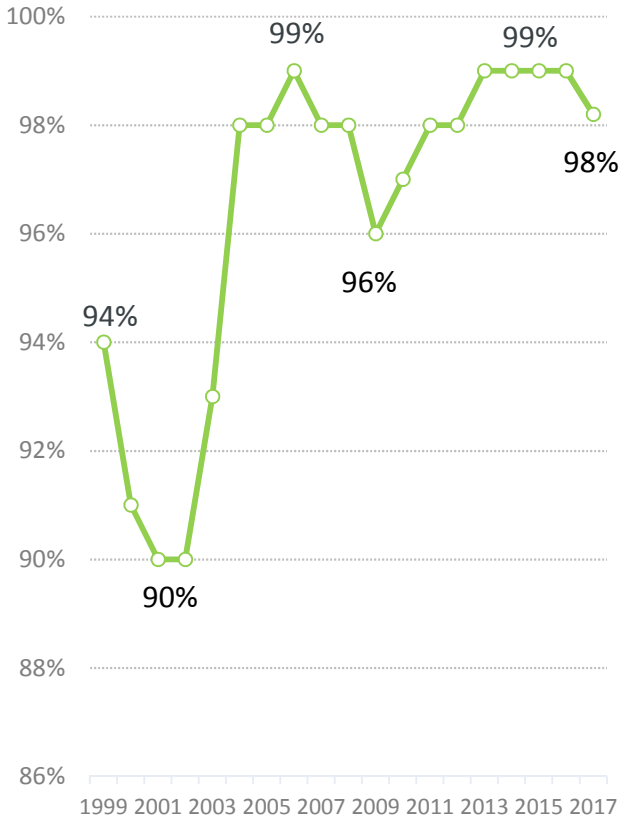
INDUSTRIES SERVED



- 27% Chemicals
- 26% Refiners & Other Petroleum
- 17% Railroads & Other Transports
- 12% Food & Agriculture
- 7% Mining, Minerals & Aggregates
- 11% Other

Based on 2017 Rail North America Revenue

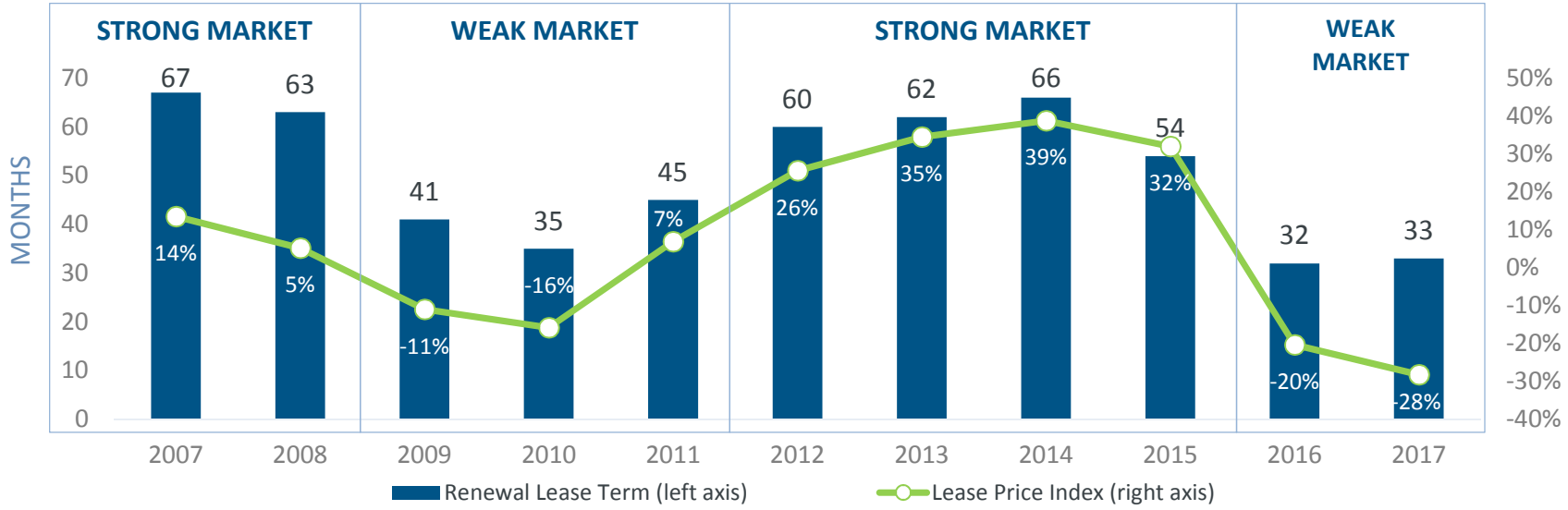
UTILIZATION*



**Excludes boxcar fleet*
As of 12/31/2017

Managing Rate & Term Through Cycles

GATX quickly adapts to changing market conditions by utilizing our strong customer relationships and the diversity of our fleet to adjust rate and term.

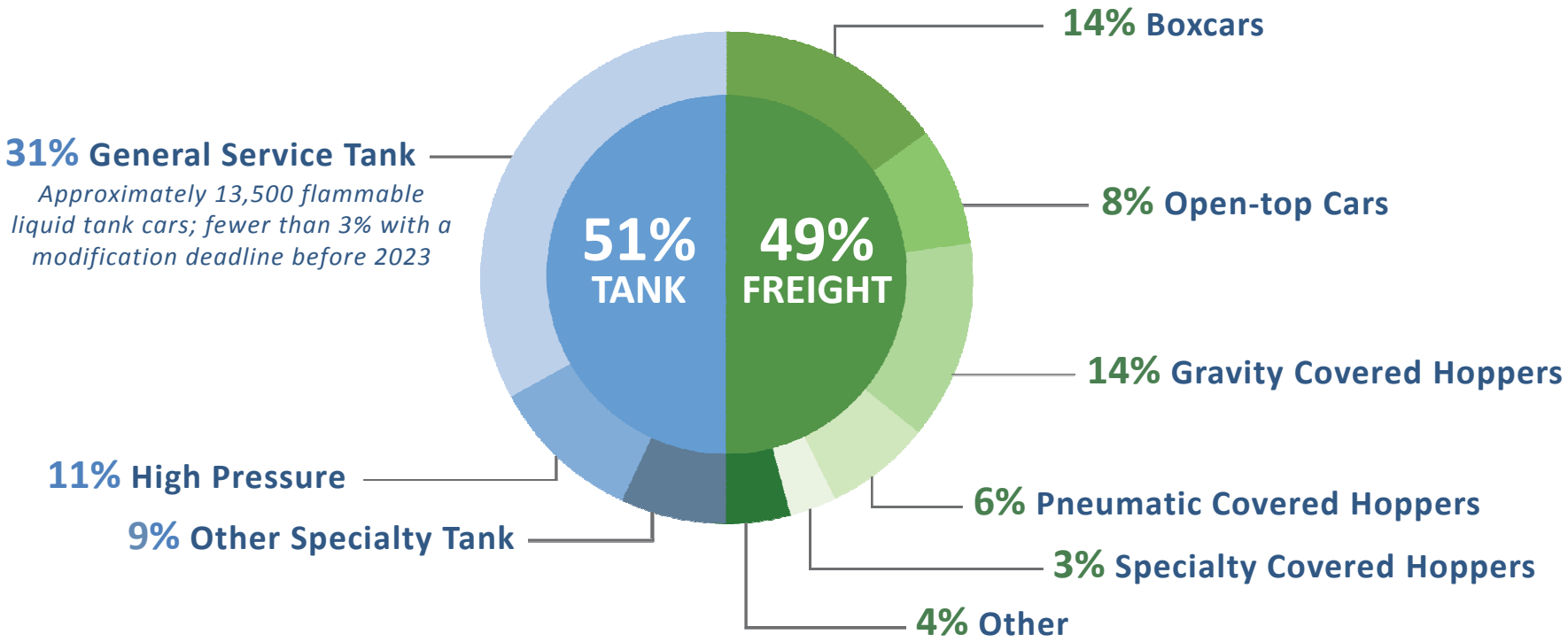


	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018*
Approximate # of railcars scheduled for renewal	20,000	17,500	15,000	17,000	21,000	20,000	21,000	20,000	17,000	12,500	15,100	13,900
Renewal Success Rate	73%	60%	54%	62%	77%	82%	81%	86%	81%	67%	75%	N/A
Utilization**	98%	98%	96%	97%	98%	98%	99%	99%	99%	99%	98%	N/A

**As of 12/31/2017*
***Excludes boxcar fleet*
LPI = Lease Price Index: The average renewal lease rate change is reported as the percentage change between the average renewal lease rate and the average expiring lease rate, weighted by GATX's North American fleet composition, excluding boxcars.

North America Fleet Diversification

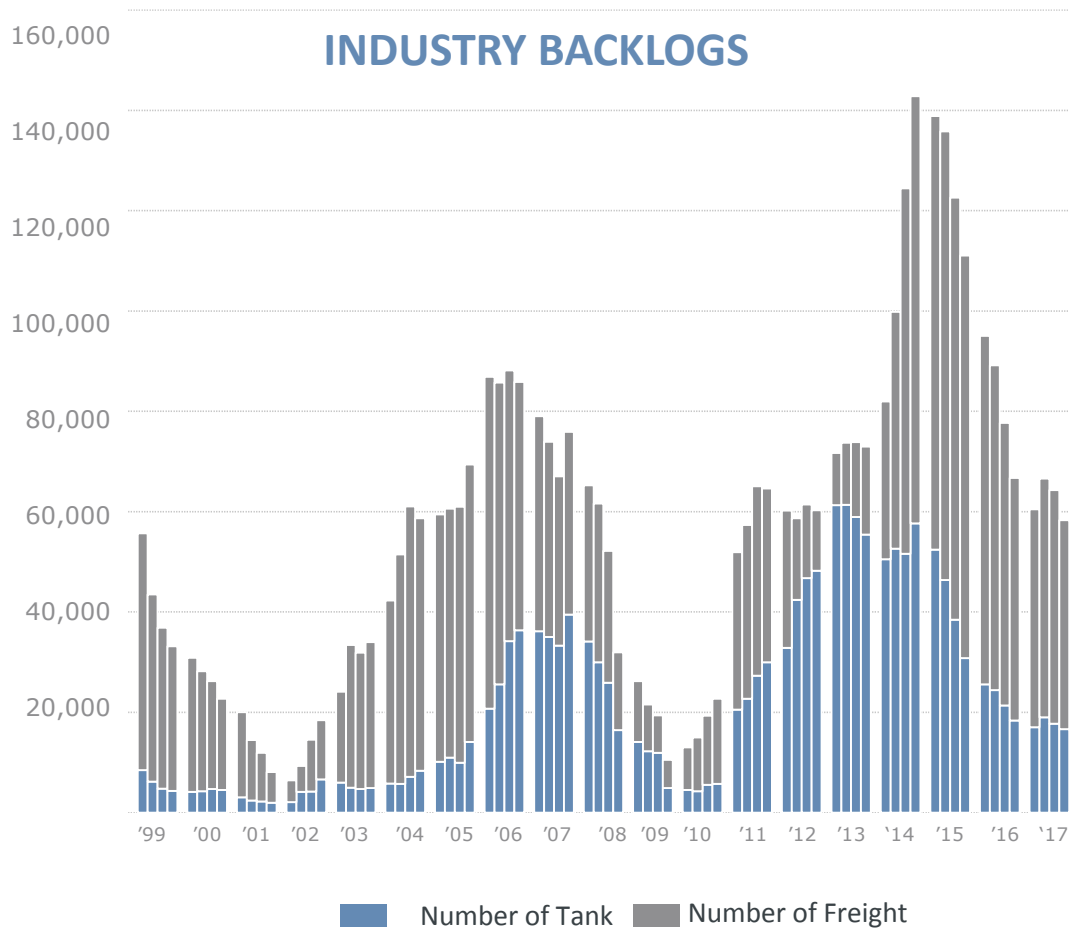
The diversity and balance of our North American fleet helps us maintain high utilization



As of 12/31/2017

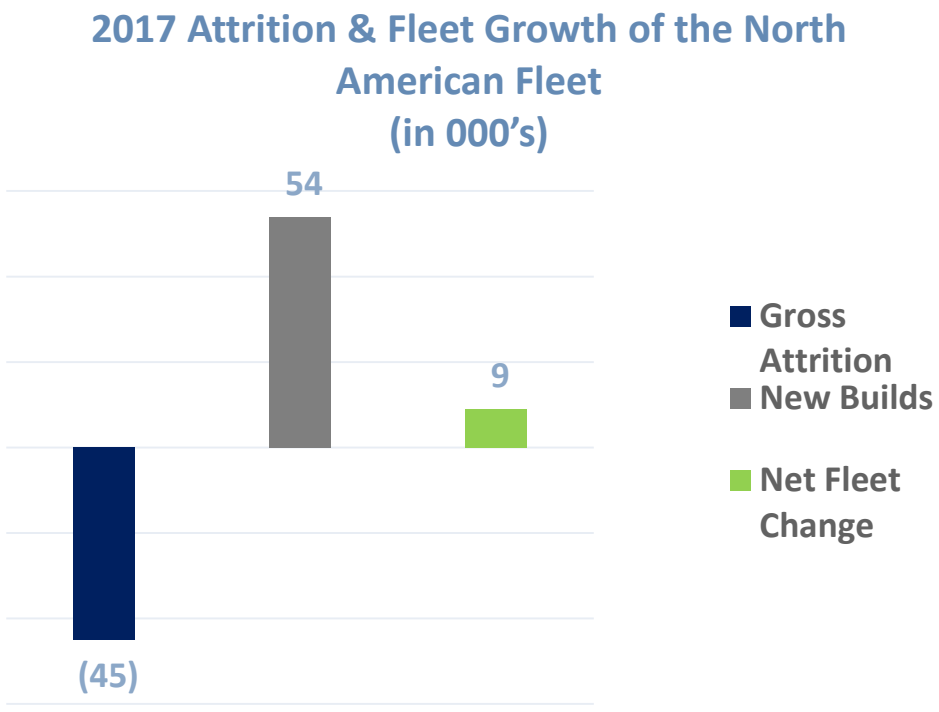
Railcar Leasing Market Conditions

- Significant railcar oversupply
  - Approximately 19% of industry fleet remains idle
  - New railcar backlog still above historical averages
- Rail freight demand remains tepid
  - Volume improvements not broad based
- Supply/demand imbalance exacerbated by speculative orders from new market entrants
  - Banks, private equity and finance companies seeking yield
  - Lack of connection to ultimate car user results in poor investment decisions
- Railcar lease rates remain at low levels



Railway Supply Institute as of January 2018

The Industry Continues to Add to the Fleet



- AAR reports 19% of the North American Fleet idle for 60 days or longer

Source: AAR & UMLER

GATX Strategy in this Environment

- Outperform the competition
  - Maintain focus on utilization; highest reported utilization in North America
  - Leverage the strength of our full service offering, diversity of our fleet and depth of customer relationships
  - Displace competitors
- Continue to practice a disciplined capital allocation strategy
- Execute cyclically aware management of lease terms and assets
- Pursue investment opportunities as market slowly recovers
  - New railcar orders
  - Struggling fleets

GATX Rail International Overview

2017 OVERVIEW

FLEET COUNT
23,000+ in Europe
1000+ in India
150+ in Russia

CAR TYPE COUNT
35+

AVERAGE FLEET AGE
18 Years

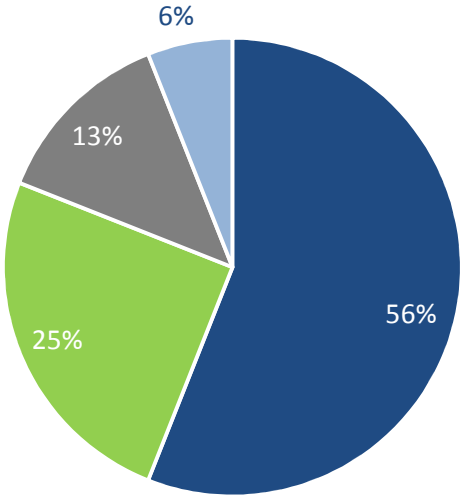
NUMBER OF CUSTOMERS
225+

MAJOR COUNTRIES OF OPERATIONS
Germany, Poland, Austria, The Netherlands, Hungary, Czech Republic, Switzerland



As of 12/31/2017

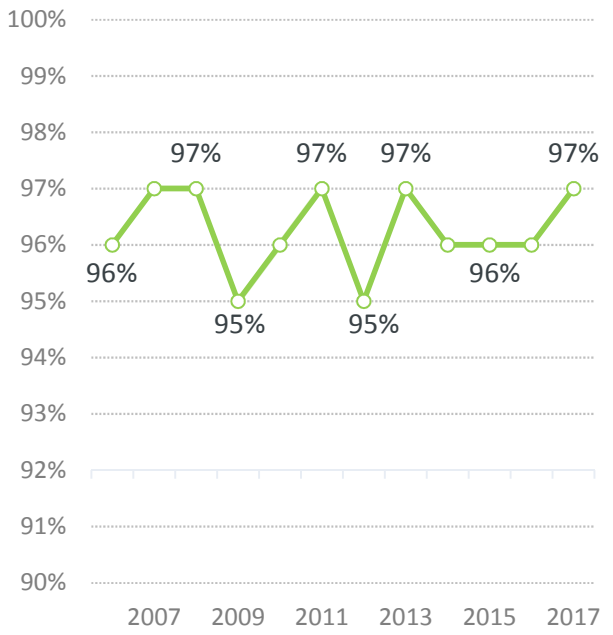
INDUSTRIES SERVED BY GRE



- 56% Refiners & Other Petroleum
- 25% Mining, Minerals & Aggregates, Chemistry
- 13% Railroads & Other Transports
- 6% Other

Based on 2017 GRE Revenue

GRE FLEET UTILIZATION





As of 12/31/2017

American Steamship Company Overview

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	27.8
ASC Vessels Operated	18	18	18	12	13	14	14	13	15	13	11	12

2017 OVERVIEW

VESSEL COUNT

12

AVERAGE DIESEL POWERED FLEET AGE

40 Years

CUSTOMER BASE

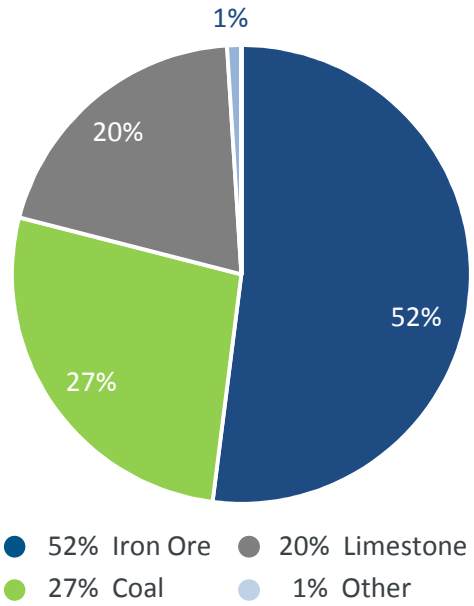
20+

MAJOR COMMODITIES CARRIED

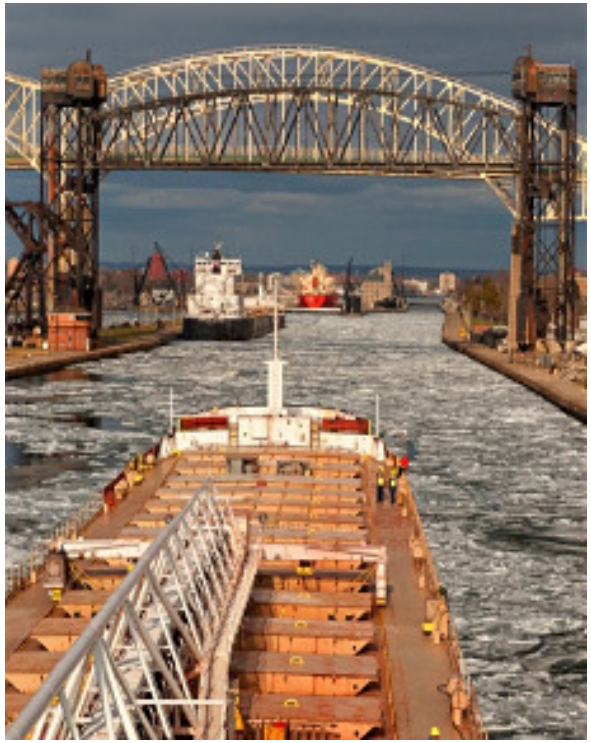
Iron Ore, Coal and Limestone

As of 12/31/2017

ASC COMMODITIES CARRIED



Based on 2017 ASC volume



Rolls Royce Partners Affiliates Overview

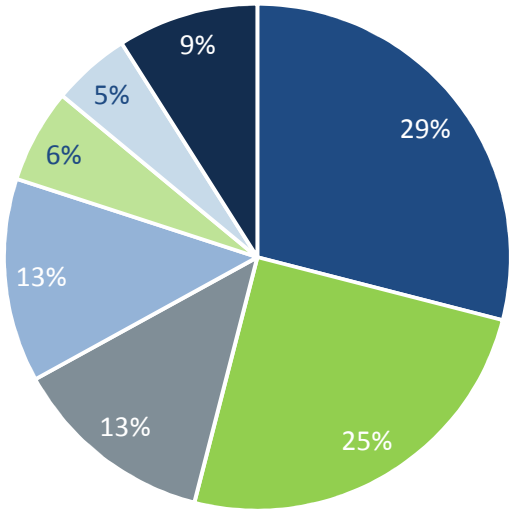
The RRPF portfolio has committed future lease receipts of more than $2.1 billion.



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 $3.8 billion
- RRPF affiliates contribute meaningfully to GATX's financial results
- Lease aircraft spare engines to commercial airlines and Rolls-Royce plc
  - The largest Rolls-Royce aircraft spare engine portfolio in the industry, with 430+ engines

RRPF ENGINE TYPES



- 29% Trent XWB (A350)
- 25% Trent 700 (A330)
- 13% V2500 (A320)
- 13% Trent 900 (A380)
- 6% Trent 800 (B777)
- 5% Trent 1000 (B787)
- 9% Other

Based on NBV of approximately $3.8 billion; 100% of RRPF's portfolio as of 12/31/17

As of 12/31/2017



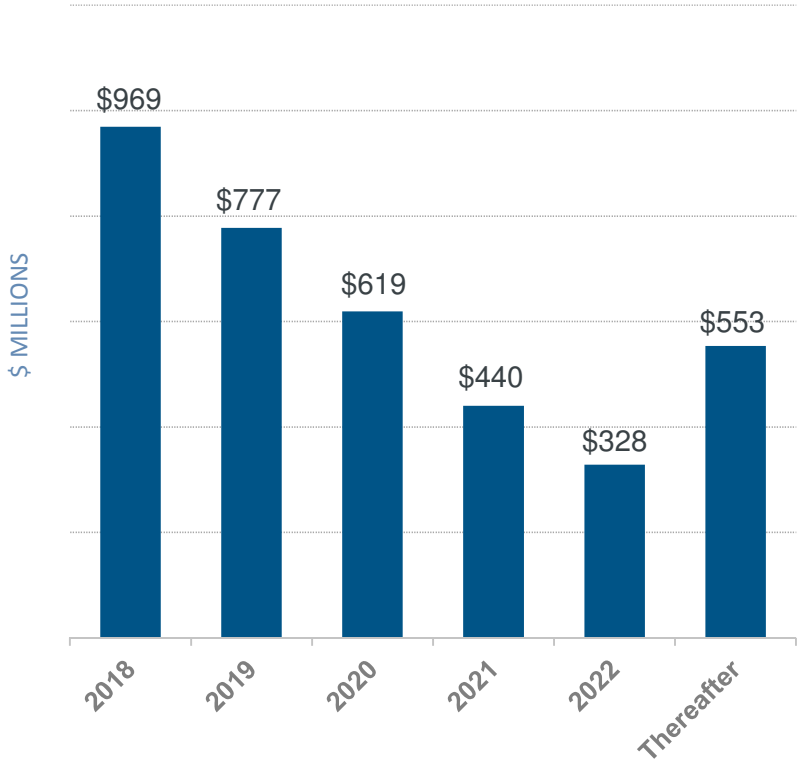
Financial Discussion

GATX

GATX is Well-Positioned with Strong Cash Flows

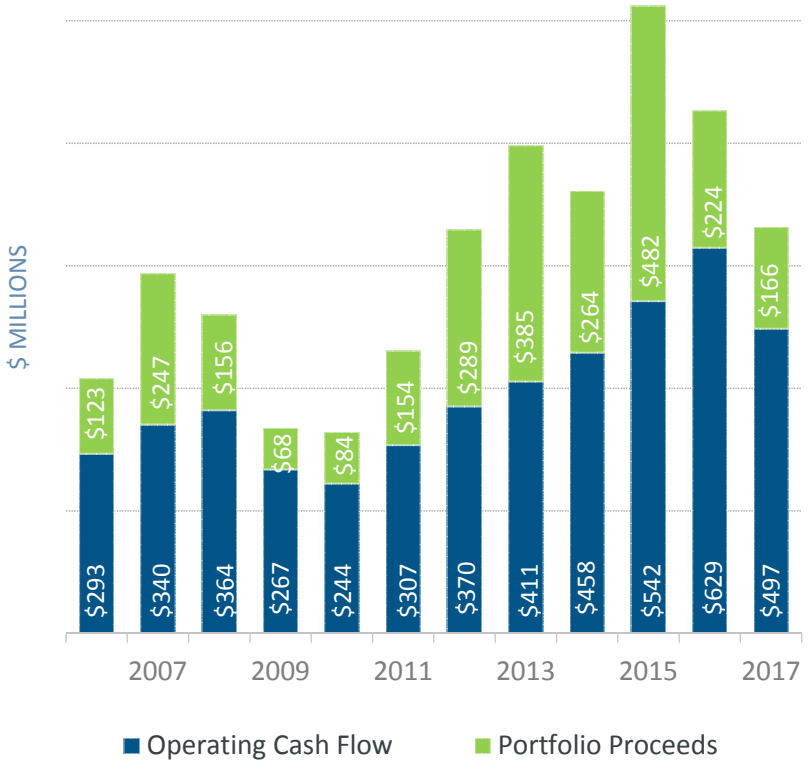
- *GATX has nearly $3.7 billion in committed future lease receipts*
- *Our strong operating cash flow provides tremendous capital allocation flexibility*

GATX COMMITTED FUTURE LEASE RECEIPTS



As of 12/31/2017

OPERATING CASH FLOW & PORTFOLIO PROCEEDS
(Continuing Operations)



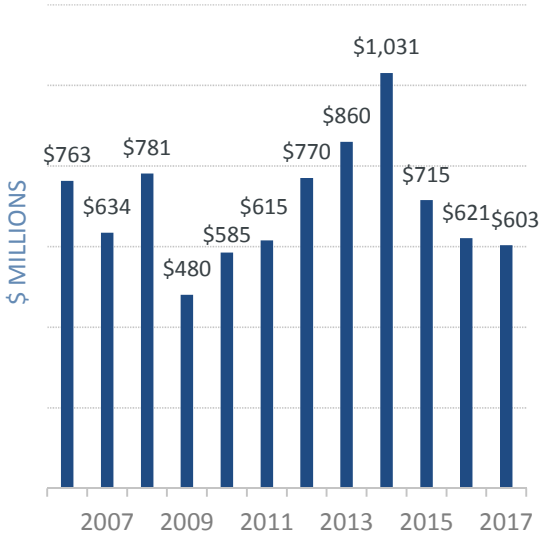
As of 12/31/2017

Capital Allocation Framework

PRIORITY 1

- Invest in value-creating assets whereby GATX can leverage strengths to maximize shareholder value
- $8.5 billion* of investments over the period shown

INVESTMENT VOLUME



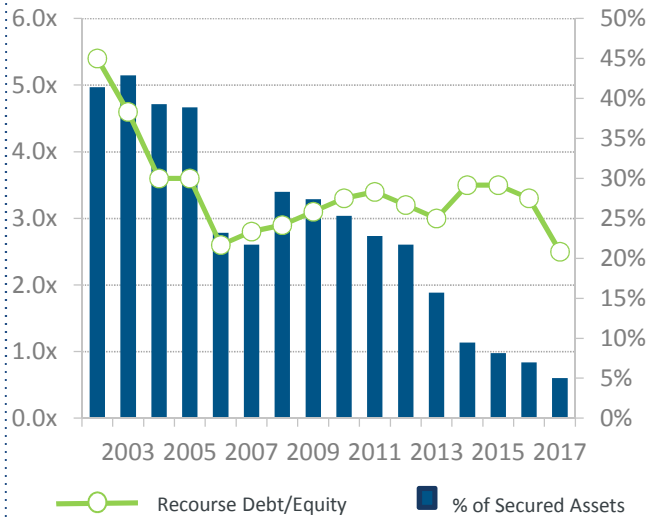
*Investment Volume and Non-cash Items

As of 12/31/2017

PRIORITY 2

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

LEVERAGE*
(Recourse Debt/Equity)



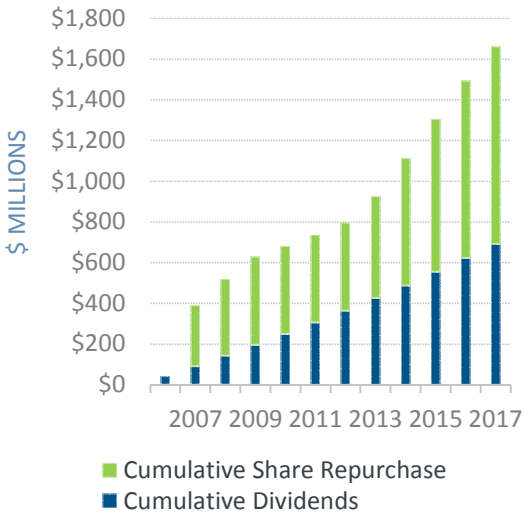
*Total Recourse Debt = On-Balance-Sheet Recourse Debt + Off Balance-Sheet Recourse Debt + Capital Lease Obligations + Commercial Paper and Bank Credit Facilities, Net of Unrestricted Cash

As of 12/31/2017

PRIORITY 3

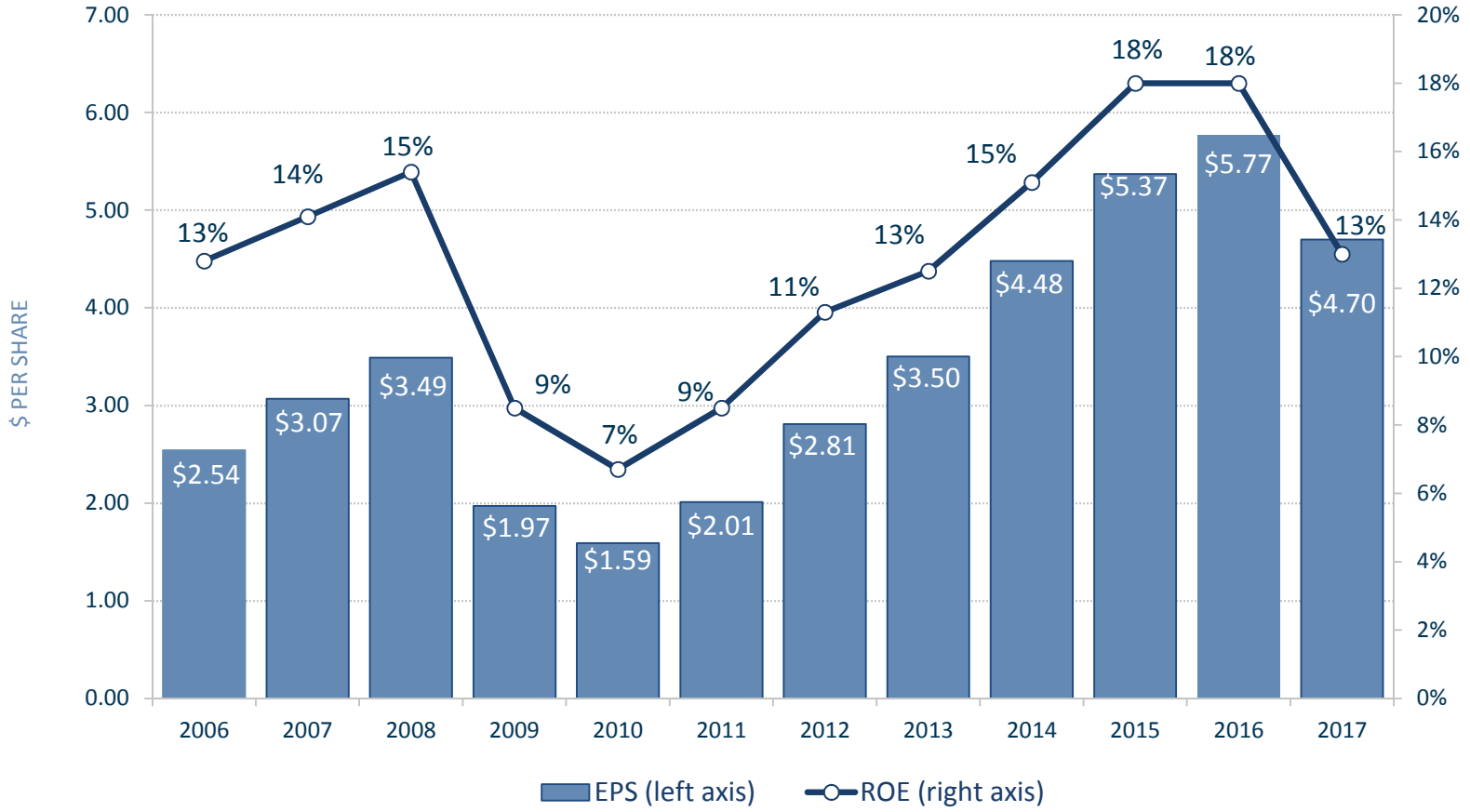
- In lockstep with Priorities 1 and 2, return cash to shareholders
- Over the period shown below, $1.6 billion returned to shareholders

CASH RETURNED TO SHAREHOLDERS



As of 12/31/2017

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.



Appendix

Business Model: **BUY**

GATX ADVANTAGE

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

COMPETITIVE ASSET COST

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

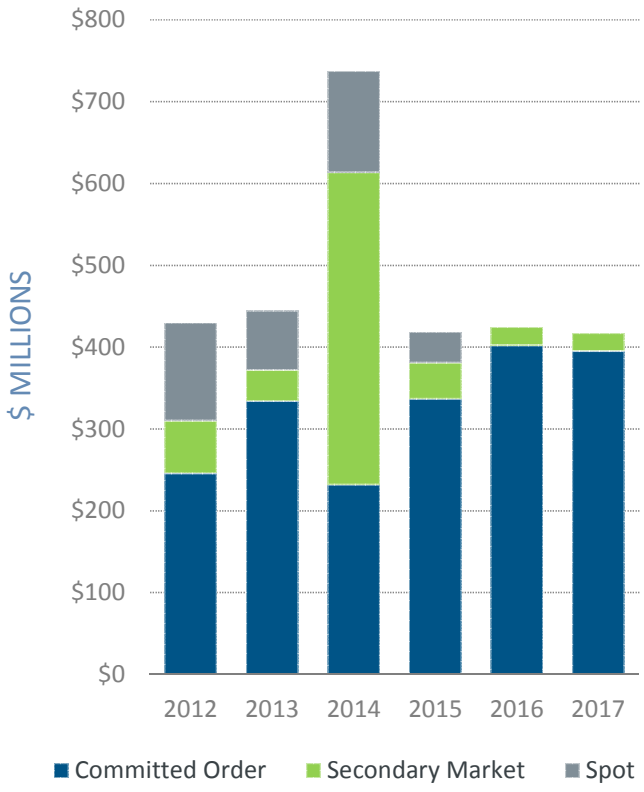
GATX focuses on achieving economically attractive and competitively advantaged new car costs

OPPORTUNISTIC INVESTMENT

GATX consistently identifies attractive opportunities across the business cycle

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

GATX RAIL NORTH AMERICA RAILCAR ACQUISITION SOURCES



As of 12/31/2017

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.

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

CUSTOMER VALUE

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 2017, GATX performed an aggregate of over 60,000 maintenance events in its owned and third-party maintenance network in North America and Europe



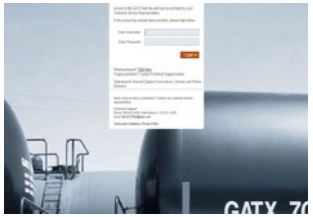
ENGINEERING

- 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 leads several industry groups and agencies in North America and Europe

As of 12/31/2017

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 $40 million of remarketing income per year

Rail North America	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Approximate # of railcars sold	2,800	700	1,400	1,800	2,000	3,700	2,700	3,900	2,700	1,600
Remarketing income ($ millions)	$31.4	$13.8	$17.4	$27.4	$45.7	$54.5	$62.6	$67.4	$46.3	$44.6

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 $16 million of scrapping gains per year

Rail North America and Rail International	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Approximate # of railcars scrapped	4,300	4,400	3,700	3,700	2,700	3,100	3,200	2,600	3,900	4,800
Scrapping gains ($ millions)	$29.4	$9.7	$18.0	$27.0	$19.2	$20.7	$16.1	$9.5	$3.2	$8.5

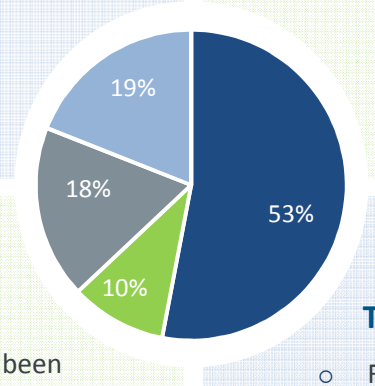
North America – Industry Railcar Ownership

RAILROADS (19%)

- Ownership of railcars has been declining
- Virtually no tank car ownership due to complexities and regulations
- Focus of capital investment on infrastructure

LESSORS (53%)

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



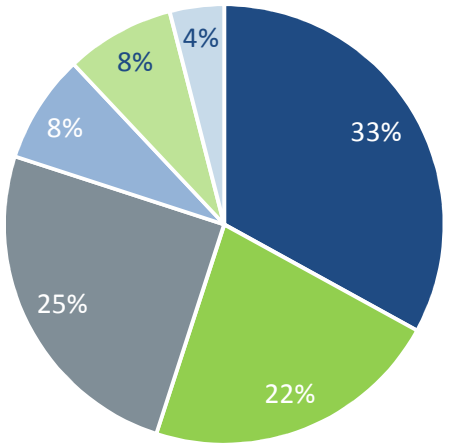
SHIPPERS (18%)

- Shipper market share has been relatively constant since 2008 at ~18%
- Alternative focus of capital on core business versus railcar investments

TTX (10%)

- 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



- 33% Covered Hopper
- 22% Open Top
- 25% Tank
- 8% Flat
- 8% Boxcar
- 4% Intermodal

Approximately 1.6 million railcars

UMLER as of January 2018

North America – Lessor Market Share

LESSOR TANK CARS

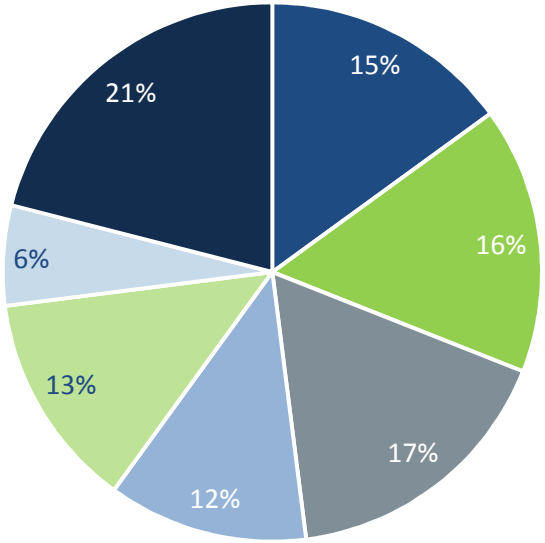
- Approximately 408,000 tank cars in North America
  - 80% of tank cars are owned by lessors, with the balance owned by shippers
- GATX is the second largest tank car lessor

LESSOR FREIGHT CARS

- Approximately 1.2 million freight cars in North America
  - Ownership is more balanced across owner types than tank
- 44% lessors, 25% railroads, 18% shippers, and 13% TTX

UMLER as of January 2018

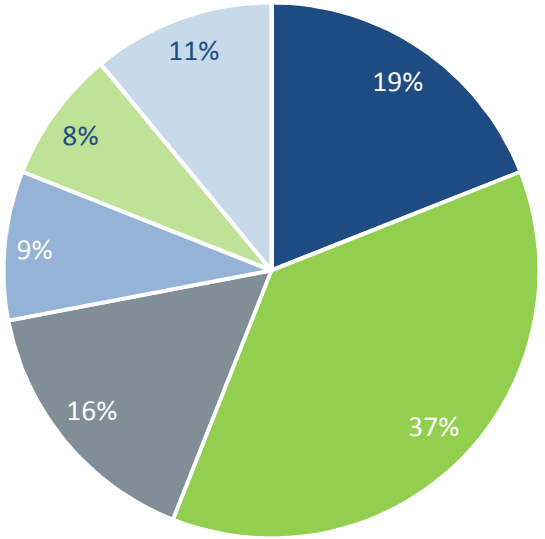
NORTH AMERICAN LEASING SHARE



- 15% GATX
- 16% Union Tank Car
- 17% Wells Fargo
- 12% Trinity
- 13% CIT
- 6% SMBC
- 21% Other

Based on more than 854,000 lessor-owned railcars

NORTH AMERICAN TANK CAR LEASING SHARE



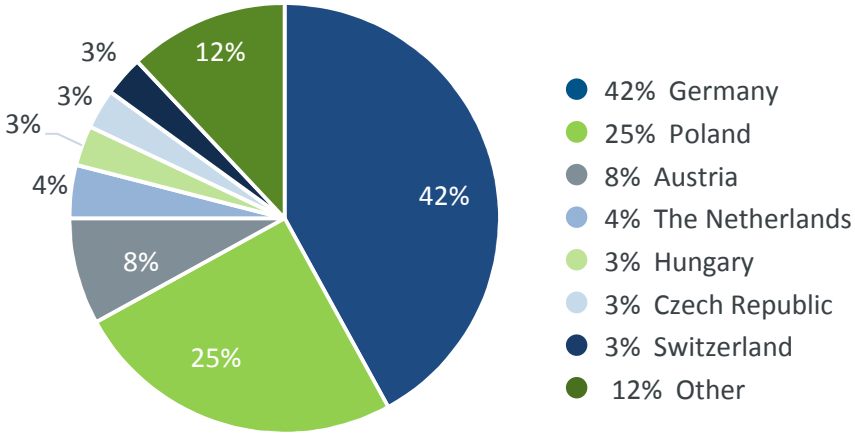
- 19% GATX
- 37% Union Tank Car
- 16% Trinity
- 9% CIT
- 8% SMBC
- 11% Other

Based on approximately 326,000 lessor-owned tank cars

GATX Rail Europe

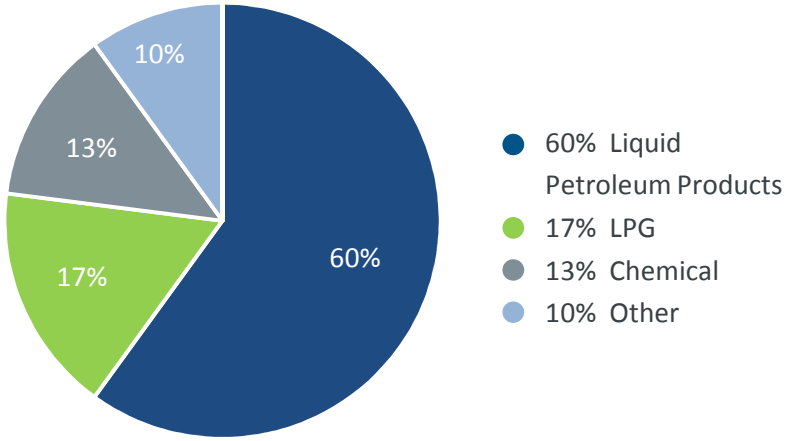
Nearly 75% of GRE's revenue is generated in Germany, Poland, and Austria – strong rail freight transport economies.

GEOGRAPHIES SERVED



Based on 2017 GRE Revenues

FLEET STRUCTURE



Approximately 23,000 railcars as of 12/31/2017

CAR TYPE	COMMODITIES CARRIED
Liquid Petroleum Products	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.), Aromatics (Benzene, Toluene, Xylenes, Phenol, etc.), Liquid sulphur, Hydrogen peroxide, Resins and glues, Solvents
Freight/Powder	Lime, Cement, Coal, Coke, Gravel, Sand, Silica sand

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	2017
(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	$ 502.0
Adjustments attributable to consolidated pre-tax income:											
Railcar impairment at Rail North America	-	-	-	-	-	-	-	-	-	29.8	-
Net loss (gain) on wholly owned Portfolio Management marine investments	-	-	-	-	-	-	-	-	9.2	2.5	(1.8)
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 pre-tax income	$ -	$ (20.2)	$ -	$ (6.5)	$ (8.7)	$ -	$ -	$ -	$ 18.2	$ (16.8)	$ (1.8)
Income taxes thereon, based on applicable effective tax rate	$ -	$ 3.8	$ -	$ 2.4	$ 2.0	$ -	$ -	$ -	$ (6.9)	$ 7.2	$ 0.7
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	-	-	-	-
Impact of the Tax Cuts and Jobs Act enacted in 2017	-	-	-	-	-	-	-	-	-	-	(315.9)
Foreign tax credit utilization	-	-	(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)	$ (315.9)
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)	-
Pre-tax 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	$ 185.0

Earnings per Share	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	$ 12.75
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	$ 4.70

Reconciliation of Non-GAAP Measures – Balance Sheet Measures

On- and Off-Balance Sheet Assets	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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	$7,422.4
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	435.7
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	$ 435.7
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	$7,858.1