



GATX



Transporting Hazardous Commodities Update

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Forward-Looking Statements

Certain statements in this document may constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor provisions of those sections and the Private Securities Litigation Reform Act of 1995. These statements refer to information that is not purely historical, such as estimates, projections and statements relating to our business plans, objectives and expected operating results, and the assumptions on which those statements are based. Some of these statements may be identified by words like “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “predict,” “project” or other similar words. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, including those described in GATX’s Annual Report on Form 10-K/A for the year ended December 31, 2012 and other filings with the SEC, and that actual results or events may differ materially from the forward-looking statements.

Specific risks and uncertainties that might cause actual results to differ from expectations include, but are not limited to, (1) general economic, market, regulatory and political conditions affecting the rail, marine and other industries served by GATX and its customers; (2) competitive factors in GATX’s primary markets, including lease pricing and asset availability; (3) lease rates, utilization levels and operating costs in GATX’s primary operating segments; (4) conditions in the capital markets or changes in GATX’s credit ratings and financing costs; (5) risks related to GATX’s international operations and expansion into new geographic markets; (6) risks related to compliance with, or changes to, laws, rules and regulations applicable to GATX and its rail, marine and other assets; (7) operational disruption and costs associated with compliance maintenance programs and other maintenance initiatives; (8) operational and financial risks associated with long-term railcar purchase commitments; (9) changes in loss provision levels within GATX’s portfolio; (10) conditions affecting certain assets, customers or regions where GATX has a large investment; (11) impaired asset charges that may result from changing market conditions or portfolio management decisions implemented by GATX; (12) opportunities for remarketing income; (13) labor relations with unions representing GATX employees; and (14) the outcome of pending or threatened litigation.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s analysis, judgment, belief or expectation only as of the date hereof. GATX has based these forward-looking statements on information currently available and disclaims any intention or obligation to update or revise these forward-looking statements to reflect subsequent events or circumstances.

Overall objective: To help NEARS attendees understand the implications that HM216B has on tank car owners and lessees

- Rule overview
- Compliance with requirements
- Implications on repair network

GATX Corporation

Vision

GATX

GATX Corporation strives to be recognized as the **finest railcar leasing company** in the world by its **customers**, its **shareholders**, its **employees** and the **communities** where it operates.



1898

- Founded as a railcar lessor

1916

- Listed on the NYSE

1919

- Initiated quarterly dividends
- Paid without interruption ever since

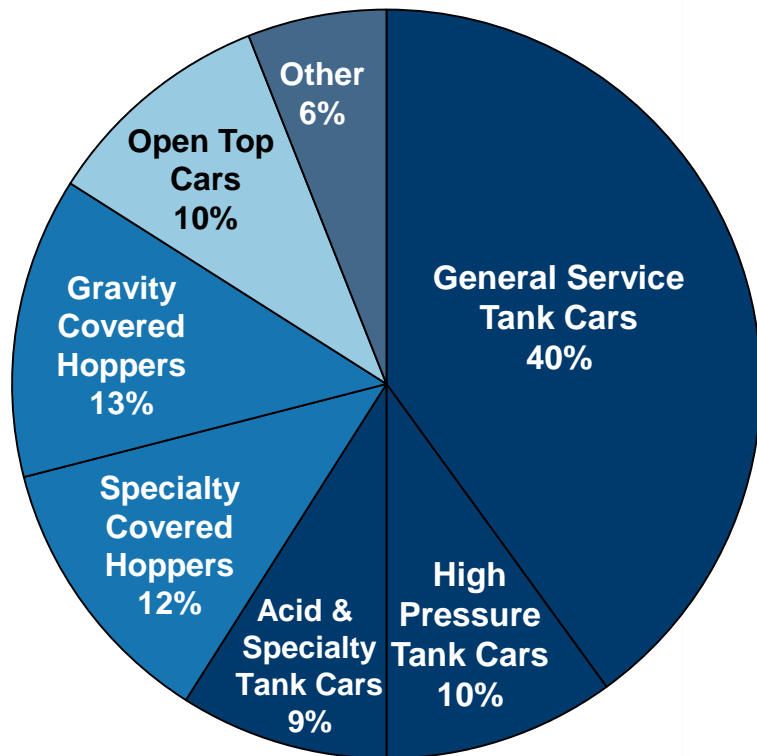
Railcar leasing remains the foundation of GATX

GATX Worldwide Railcar Fleet

Rail North America & Rail International

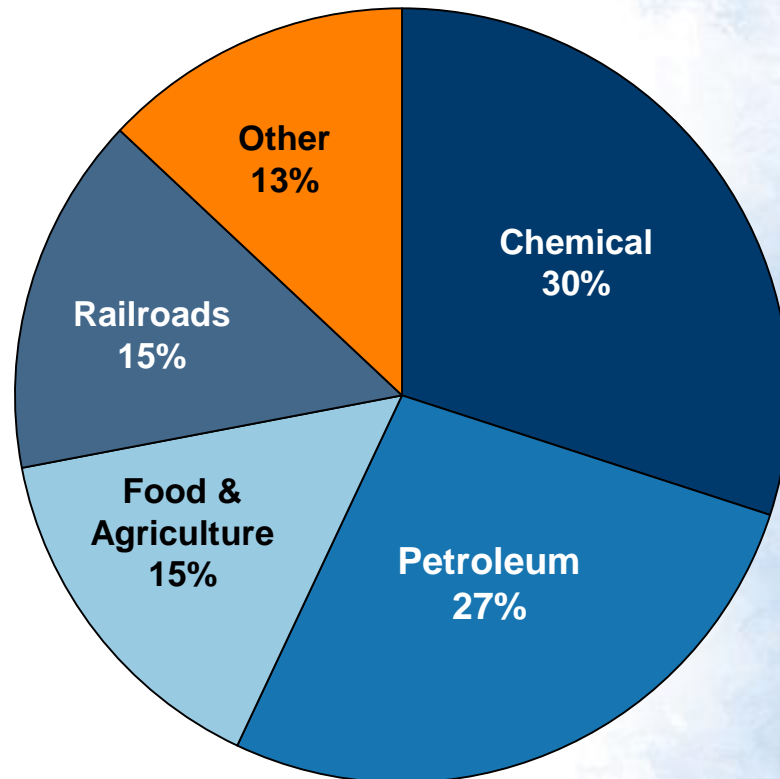


Car Types



Approximately 131,000 wholly-owned and leased-in railcars as of 12/31/12

Industries Served



Based on 2012 Rail North America and Rail International revenues approximately \$933 million

Railcar Leasing

Buy long-lived assets

- New and used
- Consider car type, potential markets and customers served, timing of purchase and price

Lease to customers

- Repeatedly, maintaining high utilization
 - Top-tier customer base
 - Useful life of a railcar in excess of 30 years

Maintain to the highest standards

- More than 80,000 service events each year in N.A.

Scrap or Sell

- Fleet optimization

Qualification History

- Prior to the late 1990's
 - Tank test every 20 years
- Late 1990's / early 2000's
 - HM201
 - Tank thickness test
 - Structural integrity test
 - Service equipment test
- 2012
 - HM216B
 - Expands HM201 requirements and clarifies responsibilities

- HM216B places expanded requirements on car owners and shippers for developing and overseeing compliance processes
 - Shippers that own linings and service equipment require a qualification plan
- Responsible parties face daunting “build it or buy it” choice on compliance capability
 - Scale increasingly important to efficient and effective compliance practices
 - Access to shop capacity may become extremely valuable

- Applicable to all DOT tank cars & all cars carrying HAZMAT
- Clarifies definition of “tank car owner”
 - Service equipment qualification
 - Interior lining qualification
- Product purity
 - Non-corrosive – not subject to regulations
 - “Corrosive” – subject to regulations (revised definition)

HM216B Responsibility



- Party owning reporting marks = tank car owner
- Service equipment, interior coatings or linings owners =
 - Party having financial responsibility for the qualification and maintenance per lease agreement
- Owner must supply or approve written qualification procedures
- In the case of leased cars, lessee can elect to follow lessor procedures
- Continuous tank car qualification
 - Qualification requirements apply to maintenance events also

Service Equipment & Lining Qualification

Should lease contract provide that maintenance of service equipment or lining is customer responsibility, customer has duty to either:

- (a) provide lessor its written procedures for periodic qualification when cars are shopped at lessor's direction. Ensure work is performed correctly!

- (b) confirm owner wishes to use lessor's procedures by notifying lessors in writing that lessor procedures govern

HM216B Commodities

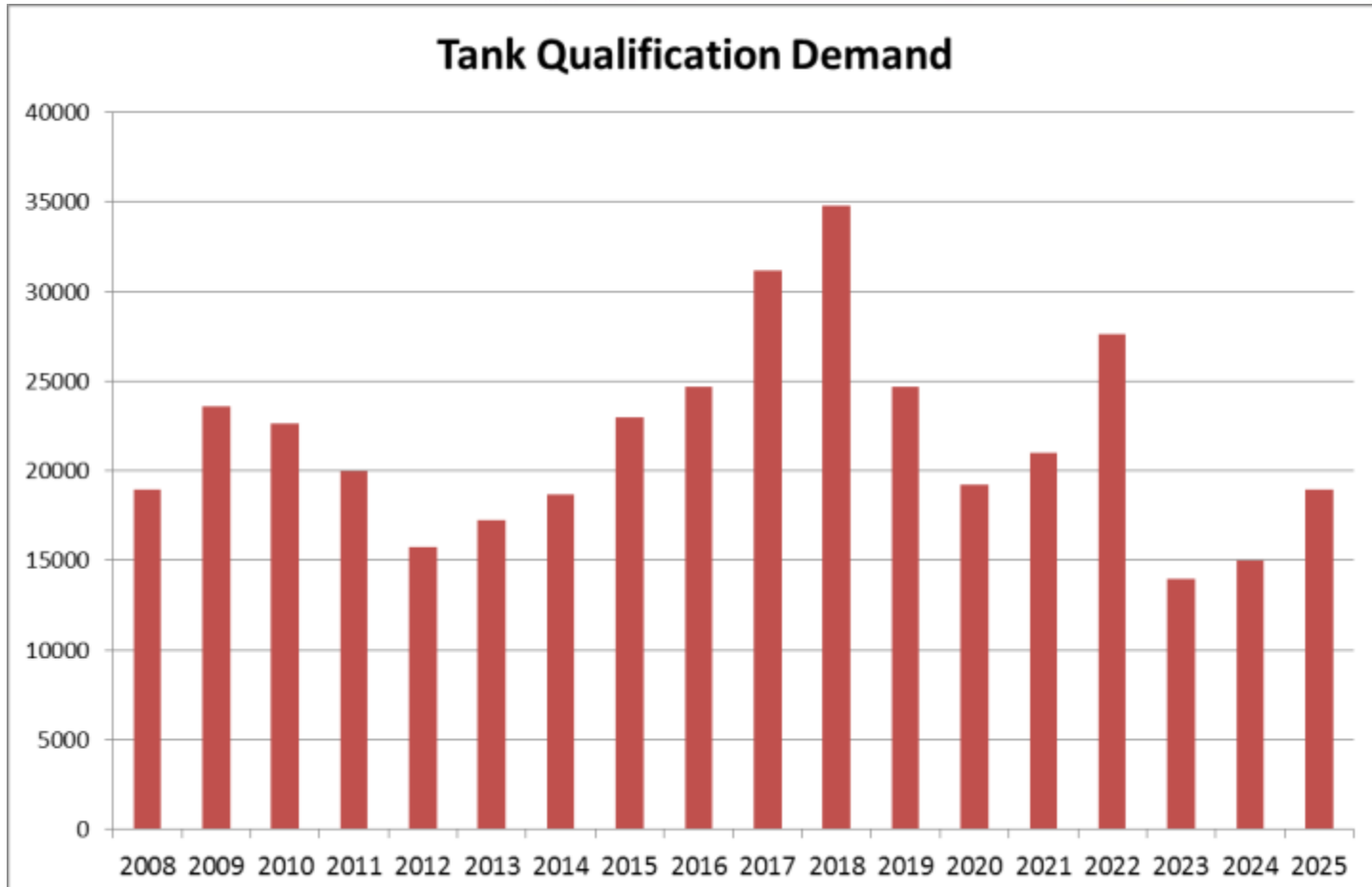
- Responsible party must consult federal regulations and tank car manual to determine whether a commodity is “corrosive” or “non-corrosive” commodity
- If non-corrosive commodity, no further customer requirement under HM216B
- If corrosive commodity, must following HM216B for qualification and maintenance

HM216B & Shop Selection

- Approved procedures must be
 - in place & kept current
 - accessible by shops
 - accompanied by necessary training at requisite shops
 - audited regularly to ensure shop adherence

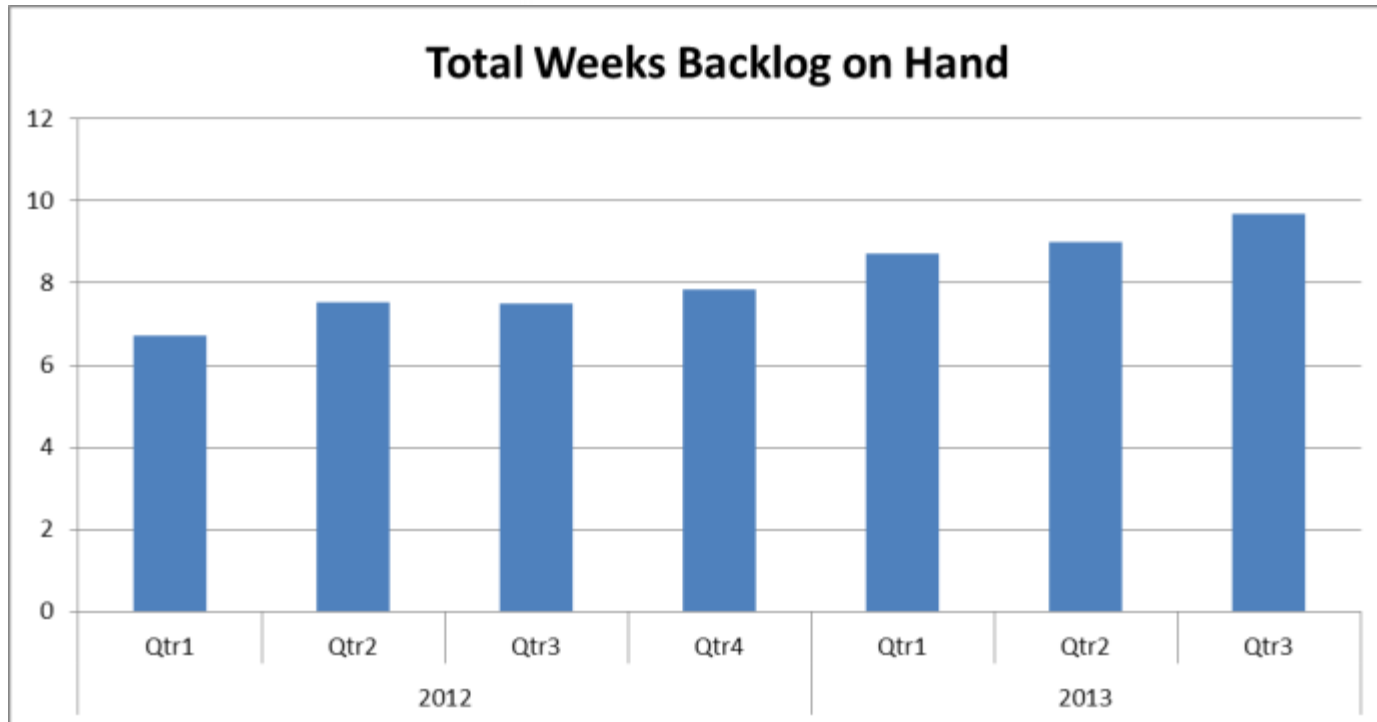
This process is complicated

Industry Qualifications Demand



The industry is experiencing the “compliance bubble”

Industry Repair Demand



The N.A. repair network is experiencing heightened demand

- Regulations are complex
- Owners of tank cars, service equipment and linings have a lot of responsibility
- Technical expertise is required
- More commodities affected
- Execution is critical
- Shop selection is vital
- Advanced owner approval is required for maintenance

Compliance requires knowledgeable resources

Questions?



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