

Panhandle Lease Meeting

June 3, 2010

Disclaimer

- **Forward-looking Statements** This presentation contains forward-looking statements regarding future events and the future performance of Genesee & Wyoming Inc. that involve risks and uncertainties that could cause actual results to differ materially, including, but not limited to, economic conditions, customer demand, increased competition in the relevant market and others. The Company refers you to the documents that it files from time to time with the Securities and Exchange Commission, such as the Company's Forms 10-Q and 10-K, which contain additional important factors that could cause its actual results to differ from its current expectations and from the forward-looking statements discussed during this presentation. Genesee & Wyoming Inc. disclaims any obligation to update the forward-looking statements contained in this presentation.

History

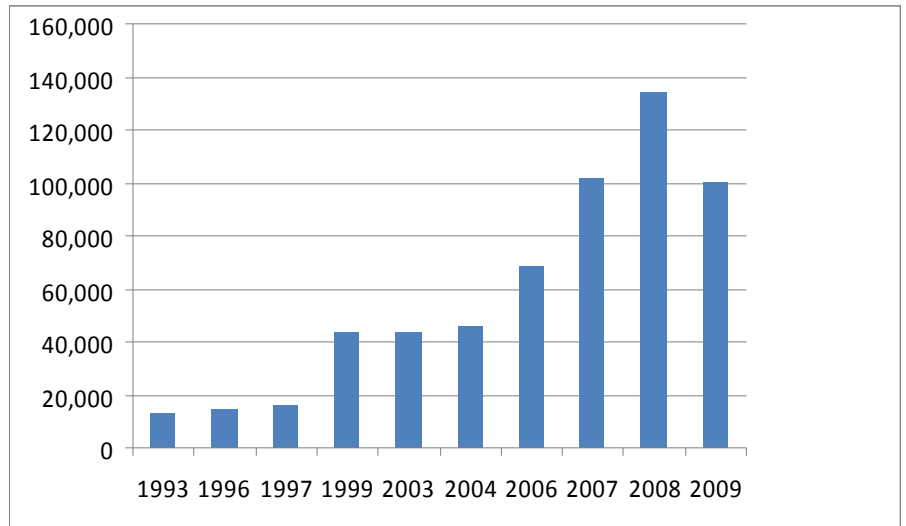
- Conrail sells Panhandle line to State in 1992 for \$7.2 million
- Funding for purchase from State backed sale of bonds
- Ohio Central creates Columbus & Ohio River (“C&OR”)to operate the line
- C&OR enters into Operating Agreement with ORDC, begins payment to repay bonds
- Carloads on the line circa 12,848 in 1993
- Track Out of Service east of Newcomerstown
- Track condition poor due to deferred maintenance by Conrail

Significant Developments

Customer Growth

- 1992 East end of railroad opened for service
- 1996 Spur built to Armco Coshocton
- 1998 Coal shipments to AEP-Conesville
- 1999 Haulage train contract with NS (Conrail Split fiasco)
- 2001 5.5 miles of Cadiz line to Oxford Mining
- 2005 Carman connection Liberty Waste
- 2007 Service to Rosebud Dennison mine
- 2009 Economic Downturn effects all C&OR customers

- Carload growth



Results so far

- Will pay off state's acquisition (\$7.2M) of the line in 2012
- ORDC has invested \$1M over the term of the lease
- C&OR invested \$39M over same time frame
- Main line to Class II & III
- Significant economic growth

Industries Supported

- C&OR serves major Ohio industries: coal, construction, food, grain, paper, packaging, petrochemical, salt mining, steel, waste, others
- C&OR customers employ an estimated 8,000+
- Industries enjoy better logistics costs, improved competitiveness, job retention and expansion
- In many cases, C&OR introduces rail service for first time to new customers

C&OR Customers' Supply Chain Position

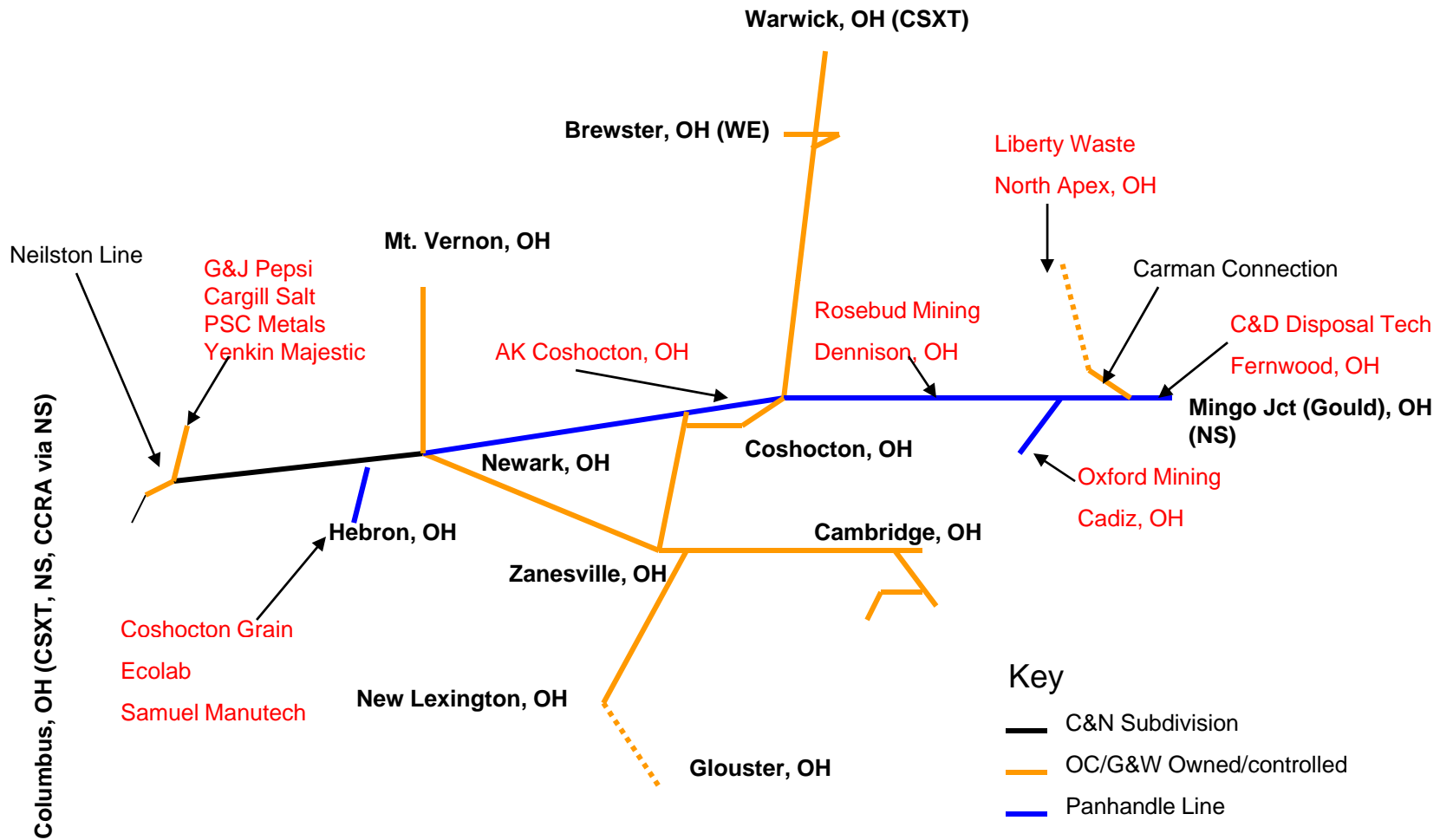
- AK Steel supports automotive, electrical, medical component mfg industries.
- Coshocton Grain serves food, agri-business
- Hopedale Mining, Oxford Mining, Rosebud Mining major Ohio coal producers for energy
- Bayer, Dow Chemical, Alloy Polymers supply automotive, plastic extrusion component mfg.
- International Paper, PCA, Smurfit Stone Container Corp supply consumer packaging

C&OR Initiatives/Benefit Examples

1. Opens Mingo route/svc, attracts new Hebron location for grain loading
2. Construction of siding into AK Coshocton
3. Rebuilds, reopens first 5.5 miles of Cadiz branch
4. Offers incentives, aid to steel plant prospect
5. Buys land, builds connection track at Carman to OHIC
6. Offers aid for rail infrastructure, and marketing new coal mine

1. Coshocton Grain reaches more farmers and new end-markets by rail
2. AK lowers freight logistics costs, expands plant
3. Oxford Mining ships Ohio coal by rail at lower cost
4. Samuel Manutech builds \$15M plant in Heath, not SC
5. ELS invests \$60M in Jefferson County, \$2M in OHIC
6. Rosebud Mining builds \$15M Dennison coal mine, prep plant

OC PRL Customer Development Locations



Competitive Transportation Marketplace

- Over 25% of OC's business moves within the state of Ohio.
- Over 50% of OC's business moves 300 miles or less.
- Nearly all of the above traffic involves more than one railroad.
- Traffic extremely sensitive to modal competition.
- Large PRL increases in rent will need to be passed along to Ohio industry, very likely to cause railroad traffic loss increasing state highway cost.

GWJ goals and objectives

- Significant long term investment in Ohio
- Grow business in Ohio whether on the Panhandle or not
- Work for economic development & retention for communities and businesses
- Continued investment requires lease terms consistent with amortization of improvements

Why Long Term Lease

- Matches long term required continuous capital investment
- Consistent with assumption of risk for business conditions and asset loss
- Ability to enter into long term customer contracts
- Stability of service to customers
- Stability of work force

Proposed Lease

- Terms
 - 25 years
 - Rent with fixed & variable portion tied to business levels (post 2012)
 - Extraordinary Capital Expenditures
- Commitments
 - Maintain to Class II
 - Provisions for Passenger and Excursions
 - Business Development & Retention

Proposal on Variable Payment

- Make payment variable to reflect business conditions of the RR and thus the ability to pay
- Not all traffic on the RR has same value or has same need of Panhandle

How variable payment works

Example of Variable Rent

Traffic type	Class	Rate	Using 2008	Using 2009	08/09 Avg	With Development
Proposed Fixed (exclusive of admin fee to ORDC)			\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Variable fee by type of traffic						
Orig or Term on the Panhandle	1	\$6	256,320	191,760	224,040	\$336,672
	2					
Customer on the CN Line (shared ownership)		\$4	8,736	5,340	7,038	\$7,520
Partial use of Panhandle in movement	3	\$3	81,153	70,668	75,911	\$99,303
Partial use of CN section	4	\$2	12,676	10,106	11,391	\$9,988
Overhead (NS coal trains)	5	\$1	53,198	35,622	44,410	\$51,750
Total Rent			\$ 762,083	\$ 663,496	\$ 712,790	\$ 855,233

Note: The above rental amounts are for discussion purposes only and do not constitute an offer or commitment in anyway.

Summary

- GWI has a long term commitment to Ohio
- Key element for continued investment in Ohio
- Provides for continued long term partnership with the state of Ohio for job retention and economic growth