

## BNSF's Third Quarter 2024 Financial Performance

Statement of Income (in millions)	Q3 - 2024	Q3 - 2023	Q/Q % Change	2024 YTD	2023 YTD	Y/Y % Change
<b>Total revenues</b>	\$ 5,904	\$ 5,847	1 %	\$ 17,303	\$ 17,694	(2)%
<b>Operating expenses</b>	3,849	4,041	(5)%	11,705	12,222	(4)%
<b>Operating income</b>	2,055	1,806	14 %	5,598	5,472	2 %
<b>Income tax expense and other</b>	672	585	15 %	1,845	1,740	6 %
<b>Net income</b>	\$ 1,383	\$ 1,221	13 %	\$ 3,753	\$ 3,732	1 %
<b>Operating ratio (a)</b>	65.1 %	68.4 %		67.5 %	68.3 %	

Source: Amounts derived from the GAAP results in the Burlington Northern Santa Fe, LLC Forms 10-Q for the period ended September 30, 2024.

(a) Operating ratio excludes impacts of BNSF Logistics.

### Volumes and Revenues

Total revenues increased 1% in the third quarter and decreased 2% in the first nine months of 2024 compared with the same periods in 2023. Average revenue per car/unit declined 5% and 6% in the third quarter and first nine months of 2024, respectively, compared to 2023, resulting from lower fuel surcharge revenue and business mix changes. Volumes increased 8% and 6% in the third quarter and the first nine months of 2024, respectively, compared to 2023. Revenue changes also resulted from the following:

- Consumer Products volumes increased 17% in both the third quarter and first nine months of 2024 compared with the same periods in 2023 primarily due to higher intermodal shipments from west coast imports and volumes from a new intermodal customer.
- Agricultural Products volumes increased 15% and 10%, respectively, in the third quarter and first nine months of 2024, compared with the same periods in 2023. The volume increase during the third quarter was primarily due to higher volumes of grain shipments. The volume increase during the first nine months of 2024 was primarily due to higher grain shipments, renewable fuels and fertilizer shipments.
- Industrial Products volumes decreased 2% and 1%, respectively, in the third quarter and first nine months of 2024 compared with the same periods in 2023 primarily due to lower aggregates, taconite, minerals and waste shipments, partially offset by higher volumes in petroleum products.
- Coal volumes decreased 13% and 21%, respectively, in the third quarter and first nine months of 2024 compared with the same periods in 2023 primarily due to lower natural gas prices, which displaces coal as a fuel used by utilities.
- Other revenues decreased 37% and 44%, respectively, in the third quarter and first nine months of 2024 compared with the same periods in 2023 primarily due to the sale of the brokerage operations of BNSF's subsidiary, BNSF Logistics, LLC, during the third quarter of 2023.

Listed below are details by business units, including revenues, volumes and average revenue per car/unit.

Business Unit	Q3 - 2024	Q3 - 2023	Q/Q % Change	2024 YTD	2023 YTD	Y/Y % Change
<b>Revenues (in millions)</b>						
Consumer Products	\$ 2,121	\$ 1,982	7 %	\$ 6,213	\$ 5,744	8 %
Agricultural Products	1,392	1,220	14 %	4,247	3,988	6 %
Industrial Products	1,435	1,458	(2)%	4,236	4,285	(1)%
Coal	795	932	(15)%	2,168	2,897	(25)%
<b>Total Freight Revenues</b>	<b>\$ 5,743</b>	<b>\$ 5,592</b>	<b>3 %</b>	<b>\$ 16,864</b>	<b>\$ 16,914</b>	<b>— %</b>
Other Revenues	161	255	(37)%	439	780	(44)%
<b>Total Operating Revenues</b>	<b>\$ 5,904</b>	<b>\$ 5,847</b>	<b>1 %</b>	<b>\$ 17,303</b>	<b>\$ 17,694</b>	<b>(2)%</b>
<b>Volumes (in thousands)</b>						
Consumer Products	1,442	1,236	17 %	4,044	3,459	17 %
Agricultural Products	308	268	15 %	927	846	10 %
Industrial Products	408	416	(2)%	1,197	1,212	(1)%
Coal	329	376	(13)%	878	1,105	(21)%
<b>Total Volumes</b>	<b>2,487</b>	<b>2,296</b>	<b>8 %</b>	<b>7,046</b>	<b>6,622</b>	<b>6 %</b>
<b>Average Revenue per Car/Unit</b>						
Consumer Products	\$ 1,471	\$ 1,604	(8)%	\$ 1,536	\$ 1,661	(8)%
Agricultural Products	4,519	4,552	(1)%	4,581	4,714	(3)%
Industrial Products	3,517	3,505	— %	3,539	3,535	— %
Coal	2,416	2,479	(3)%	2,469	2,622	(6)%
<b>Total Freight Revenue per Car/Unit</b>	<b>\$ 2,309</b>	<b>\$ 2,436</b>	<b>(5)%</b>	<b>\$ 2,393</b>	<b>\$ 2,554</b>	<b>(6)%</b>

Source: Amounts derived from the GAAP results in the Burlington Northern Santa Fe, LLC Form 10-Q for the period ended September 30, 2024 and June 30, 2024. Third-quarter volumes are calculated as the difference between YTD September and YTD June amounts.

## Expenses

Operating expenses for the third quarter and first nine months of 2024 decreased 5% and 4%, respectively, compared with the same periods in 2023. A significant portion of the decline is due to the following factors:

- Purchased services expense decreased 16% and 17% in the third quarter and first nine months of 2024, respectively, compared to the same periods in 2023, primarily due to lower purchased transportation driven by the sale of brokerage operations of BNSF Logistics, LLC and lower purchased services expense from Montana Rail Link, Inc. (MRL).
- Fuel expense decreased 7% in the both third quarter and first nine months of 2024 compared to the same periods in 2023, primarily due to lower average fuel prices, partially offset by higher volumes. Locomotive fuel price per gallon decreased 11% and 9% in the third quarter and first nine months of 2024, respectively, compared to the same periods in 2023.
- Materials and other expense decreased 11% and 7% in the third quarter and first nine months of 2024, respectively, compared to the same periods in 2023. Expenses in both the third quarter and first nine months of 2024 declined primarily due to cost reductions across various spend categories and lower property taxes. The decrease in the third quarter was partially offset by higher casualty costs, while expenses in the first nine months of 2024 were partially offset by litigation costs related to a judgment in an ongoing legal case with the Swinomish Tribe, which BNSF has appealed.
- There were no significant changes in compensation and benefits, depreciation and amortization, equipment rents, or interest expense as increases from higher volumes and inflation were more than offset by lower costs and improved productivity.

Operating Expenses (in millions)	Q3 - 2024	Q3 - 2023	Q/Q % Change	2024 YTD	2023 YTD	Y/Y % Change
Compensation and benefits	\$ 1,407	\$ 1,406	— %	\$ 4,140	\$ 4,129	— %
Purchased services	517	615	(16)%	1,528	1,836	(17)%
Depreciation and amortization	648	657	(1)%	1,975	1,957	1 %
Fuel	799	863	(7)%	2,475	2,660	(7)%
Equipment rents	185	171	8 %	532	511	4 %
Materials and other	293	329	(11)%	1,055	1,129	(7)%
<b>Total Operating Expenses</b>	<b>\$ 3,849</b>	<b>\$ 4,041</b>	<b>(5)%</b>	<b>\$ 11,705</b>	<b>\$ 12,222</b>	<b>(4)%</b>

Source: Amounts derived from the GAAP results in the Burlington Northern Santa Fe, LLC Form 10-Q for the period ended September 30, 2024.