



Kansas City Southern

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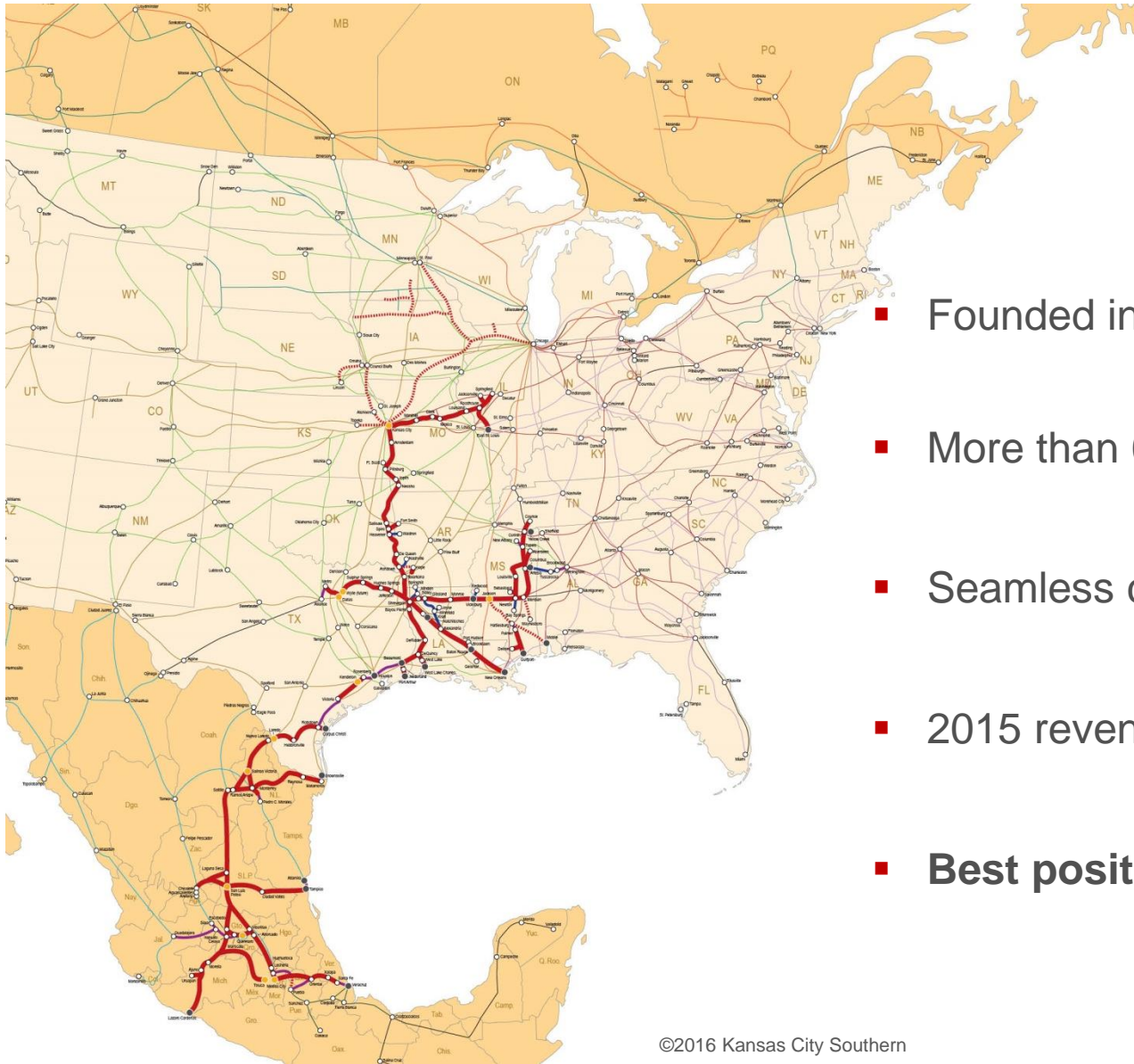


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KCS Rail Network



- Founded in 1887
- More than 6,500 track miles
- Seamless cross-border network
- 2015 revenues reached \$2.4 billion
- **Best positioned growth rail story**

2015 RESULTS



Full Year 2015 Results

	FY 2015	FY 2014	Variance
Carloads/Units (in thousands)	2,216.6	2,274.1	(3%)
Reported Revenues (in millions)	\$2,418.8	\$2,577.1	(6%)
Reported Operating Ratio	66.8%	68.6%	(1.8) points
Adjusted Operating Ratio*	66.4%	67.1%	(0.7) points
Reported Diluted Earnings per Share	\$4.40	\$4.55	(3%)
Adjusted Diluted Earnings per Share *	\$4.49	\$4.82	(7%)

* All reconciliations to GAAP can be found on the KCS website in the Investors section.



KCS Well Positioned For Medium To Long-Term Growth

Volumes

- 2015/16 macroeconomic & energy challenges
- Superior growth outlook over next 5 years
 - Automotive facilities in Mexico
 - Intermodal - Port of Lázaro, Wylie, Cross-Border
 - Petro chemical market
 - Gulf crude destinations
 - Mexican energy reform

Pricing

- Inflation + pricing expected to continue
- Rail continues to provide good value
- Improved service levels
- Investments driven by shipper capacity needs

***Continued
improvement
in OR, EPS
and ROIC***

Cost Control

- Continued operations productivity improvement
- Maintenance agreement renegotiation
- Lease conversions continue
- Fuel / energy management investments
- G&A cost containment

Asset Utilization

- Improved velocity, dwell, and equipment cycle time
- Return to growth drives strong incremental margins
- Improved asset availability
- Capacity expansion improves network fluidity

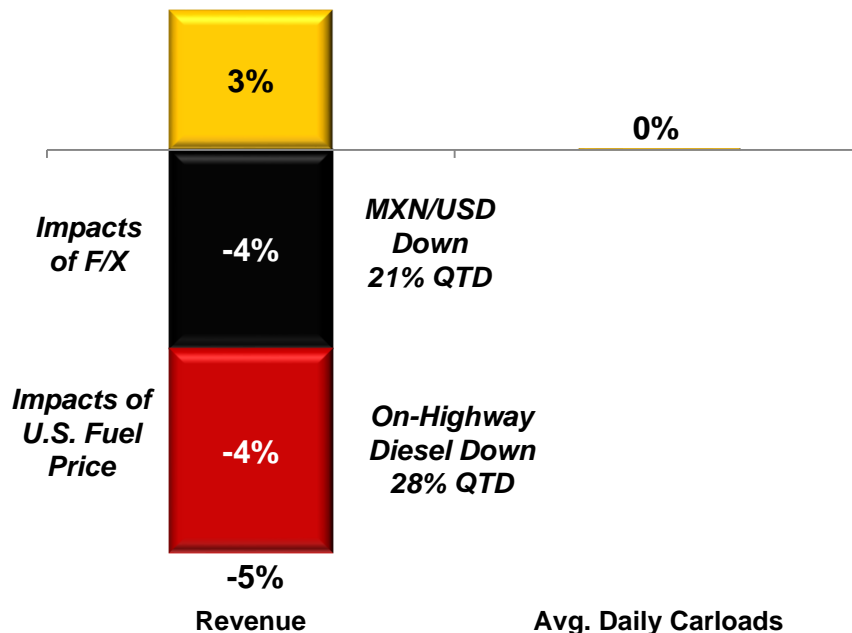


REVENUE AND VOLUME UPDATE



First Quarter Revenue and Volume Trends

KCS Revenue and Carload Growth



Agriculture & Minerals volumes up 4%

- Grain volumes up 13% mainly due to increased railcar fleet and comps vs. prior year

Chemical & Petroleum volumes up 4%

- Strong Petroleum and Plastics partially offset by declines in chemicals volumes

Industrial & Consumer volumes up 2%

- Metals volume growth was up 7%, somewhat offset by decreased volume of 4% in Forest Products

Intermodal volumes were flat

- Lázaro intermodal volume was down 1% due to high inventory levels
- Cross-border intermodal volume was up 5%.

Energy volumes down 4%

- Utility Coal volume down 6%
- Frac Sand volume down 43%
- Crude Oil volume up 78%

Automotive volumes down 8%

- Planned plant re-toolings reduce production

Q1 Revenue and Daily Average Carload Growth as of February 29, 2016



LONG TERM GROWTH DRIVERS

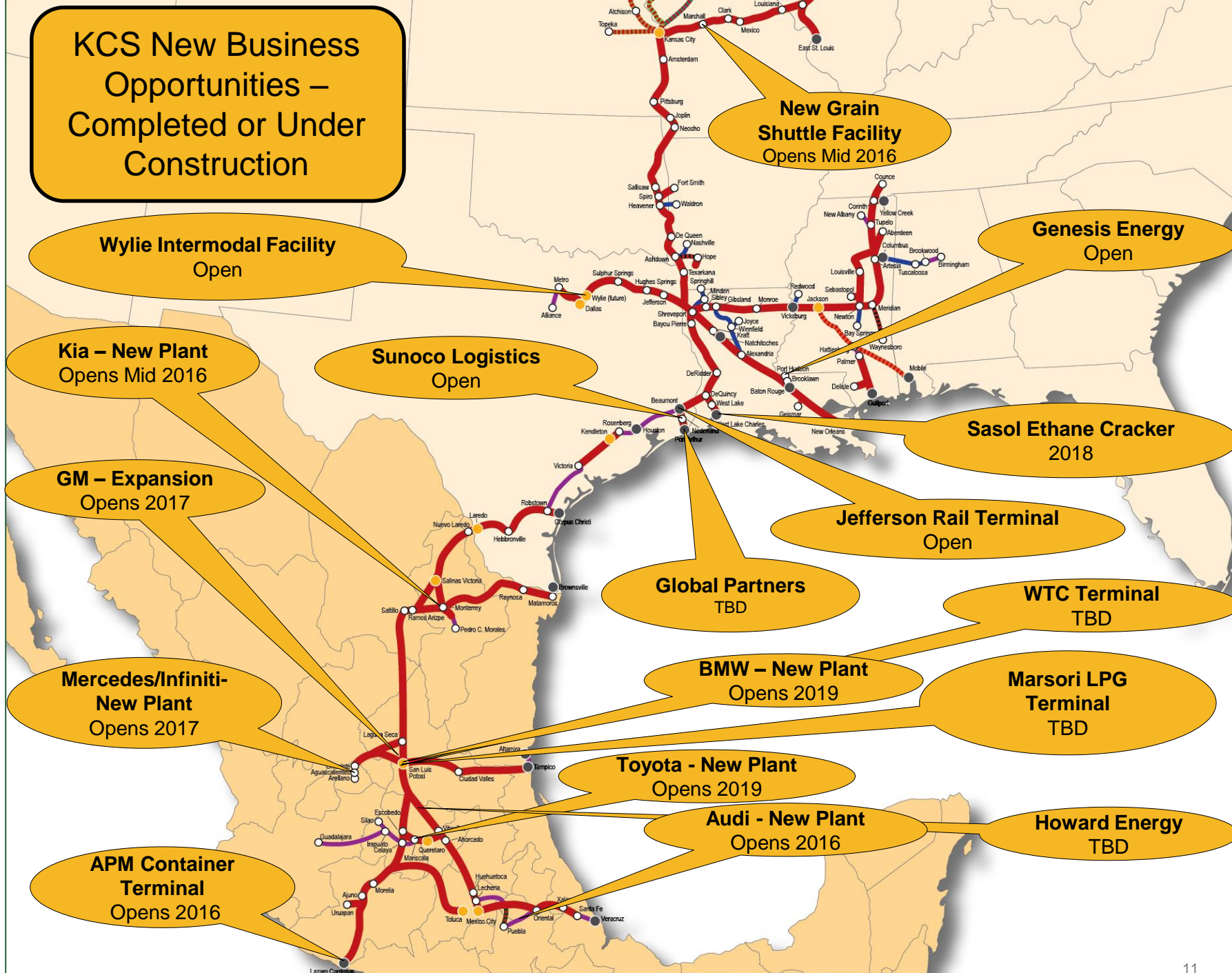


Key Growth Drivers

- KCS links the heart of Mexico's manufacturing region with all Class I rails, offering a single connection from Mexico to all major markets in the U.S. and Canada
- Uniquely-positioned to participate in Mexico's growing economy and near-sourcing phenomenon
- Strategic access to growing auto manufacturing industry in Mexico and well-positioned to move finished vehicles into the United States
- Single-line intermodal service between U.S. and Mexico offers unique opportunity for long-term truck to rail conversion
- Sole rail provider to the port of Lázaro Cárdenas
- Access to Port Arthur, TX., Eagle Ford and Permian Basin offers unique leverage to energy markets
- Access to the Gulf Coast petrochemical build-out due to abundant low-cost natural gas
- Well-positioned to participate in Mexico's energy reform, moving refined products, LPGs as well as steel pipe, frac sand, and crude oil longer-term



KCS New Business Opportunities – Completed or Under Construction



CONCLUSION



KSU Investment Highlights

- ✓ Well-positioned growth story in the industry with unique U.S.-Mexico cross-border network
- ✓ Track record of strong financial and operating performance
- ✓ Well-diversified customer base and commodity mix
- ✓ Excellent strategic positioning with multiple growth drivers
- ✓ Solid balance sheet with a commitment to maintaining investment grade credit rating

