

# SERVICE

A network that meets our customers' needs for reliability, market reach and consistency.

## THIS IS BNSF

### 2018 Capital Investments

**\$3.4B**  
Total



**3%**  
Positive Train Control

**13%**  
Locomotives, Freight Cars  
and Other Equipment

**15%**  
Expansion and Efficiency

**69%**  
Core Network and  
Related Assets

## Results of 2018 Capital Investments



**~230**  
Bridge Projects



**~200**  
New Miles  
Under Centralized  
Traffic Control



**~15**  
Miles of  
Double Track  
Added



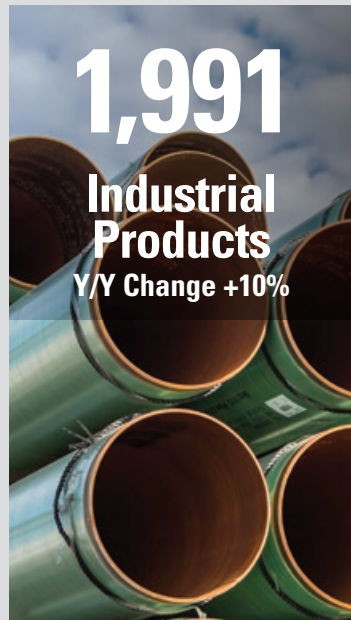
**~3M**  
Railroad Ties  
Replaced

## What We Carried in 2018

Total Units **10,698**

Y/Y Change +4%

(Thousands of units, with year-over-year change)



## Enabling Customer Success

BNSF customers showed their confidence in our ability to help them succeed by collectively investing nearly \$3 billion in 2018 in BNSF rail-served facilities. These investments are expected to generate approximately 1,400 new jobs in local communities.

Customer investments highlights:

### *Kubota Tractor Corporation*

- > Expanded Logistics Park Kansas City facility
- > Invested ~\$87M
- > Added 1M square feet to distribution center
- > Increased employees by 150+

### *Dakota Plains*

- > New corn shuttle facility
- > Invested \$40M
- > Created new employment opportunities

### *WinChill*

- > New 326,000-square-foot cold storage facility
- > Invested \$67M
- > Located at a BNSF Certified Site in Sioux Falls, South Dakota
- > Resulted in 105 new jobs

### *Dolese Bros. Co.*

- > New White Eagle sand facility
- > Invested \$35M
- > 1,000 tons of concrete sand per hour capacity
- > Capacity for 120+ railcars on a loop track

**2018 is the 8th consecutive year BNSF customers and local economic development organizations have invested more than **\$1B** for new or expanded facilities.**



## Maintaining and Expanding Our Network

As America's largest mover of intermodal freight, BNSF devotes significant resources to maintaining our network as well as expansion projects aimed at meeting our customers' demands. In 2018, BNSF invested approximately \$1 billion into our Southern Transcon, which serves as our primary intermodal route connecting Southern California to Chicago.

### Southern Transcon Major Projects 2018

#### *Amarillo, Texas*

BNSF added a fourth main line through Amarillo, Texas. As a crew change point, Amarillo sees a great deal of activity. An extra lane allows faster traffic to bypass the area and enables trains that have completed their crew change to get moving again more expeditiously.

#### *Belen, New Mexico*

BNSF completed a third main line in New Mexico between Belen and Dalies. The third main line enhances capacity and improves traffic flow along this portion of the Southern Transcon.

#### *Bosworth, Missouri*

Five bridge spans were replaced on the Bosworth Bridge about 90 miles northeast of Kansas City, Kansas. This double-track bridge crosses the Grand River in Bosworth, Missouri.

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**BNSF moves 5M+**  
**intermodal shipments a year.**



## New and Improved BNSF Facilities

BNSF operates some of the industry's most innovative facilities. Recent additions include:

### *Logistics Center Oklahoma City*

BNSF Logistics Centers offer direct rail service in multi-customer, multi-commodity business parks in key strategic sites. The new Logistics Center Oklahoma City provides unrivaled access to the state's largest population center and one of the United States' most prominent energy centers. It is well-situated for both rail and highway access. The 195-acre site accommodates both manifest and unit train customers, and provides a resource for storage.

### *Terminal Process Control Technology at Hump Yards*

In 2018, BNSF completed the installation of state-of-the-art Terminal Process Control (TPC) technology at all of our hump yard facilities. Hump yards are rail classification facilities where railcars are classified and grouped by moving them over summits, or humps, enlisting the power of gravity. TPC uses specific calculations for each yard, such as number of switches and grade incline or decline percentage, to generate precise calculations that help safely and efficiently sort railcars.

## New Services

To meet our customers' growing shipping needs, BNSF launched two new intermodal services in 2018.

### *Seattle/Tacoma-Portland*

Our new service between Seattle/Tacoma, Washington, and Portland, Oregon, expands opportunities for shippers in the Pacific Northwest. With this service, export customers can load their shipments at the Port of Portland to move northbound on BNSF trains to Seattle/Tacoma, where they can be loaded onto cargo ships. The service also handles imported goods that move southbound from Washington to Oregon.

### *Southern California-Ohio Valley*

BNSF now offers a direct-rail intermodal service between Los Angeles and the Ohio Valley region. The new service provides access to some of the fastest-growing industrial and consumer markets in and around northwest Ohio. Shippers can now traverse BNSF's Southern Transcon to Chicago and continue to North Baltimore, Ohio, streamlining supply chains. The new service runs eastbound and westbound five days a week.

## BNSF Certified Sites

To streamline the development of rail-served sites for our customers, BNSF's Site Certification Program selects strategically located sites across our network and makes them available for immediate development. In 2018, three new Certified Sites were added, in Oklahoma, Montana and – for the first time – in Canada. Shippers who build new rail-served facilities on a BNSF Certified Site are expected to save six to nine months of construction time as a result of the site's advanced level of preparedness for development.

New BNSF Certified Sites:

### *Easterly Industrial Park in Enid, Oklahoma*

- > Served by three major U.S. highways
- > 300+ acres
- > Zoned for heavy industrial use

### *Kootenai Business Park in Libby, Montana*

- > 5,000-foot lead track connecting to BNSF's Northern Corridor
- > On U.S. Highway 2
- > 400 acres, with 120 acres ready for development

### *Ceres Northgate Terminal in Northgate, Saskatchewan*

- > On Saskatchewan Highway 9
- > Features two high-efficiency loop tracks
- > 1,300 acres ready for development

## Ceres Northgate Terminal

*Northgate, Saskatchewan*

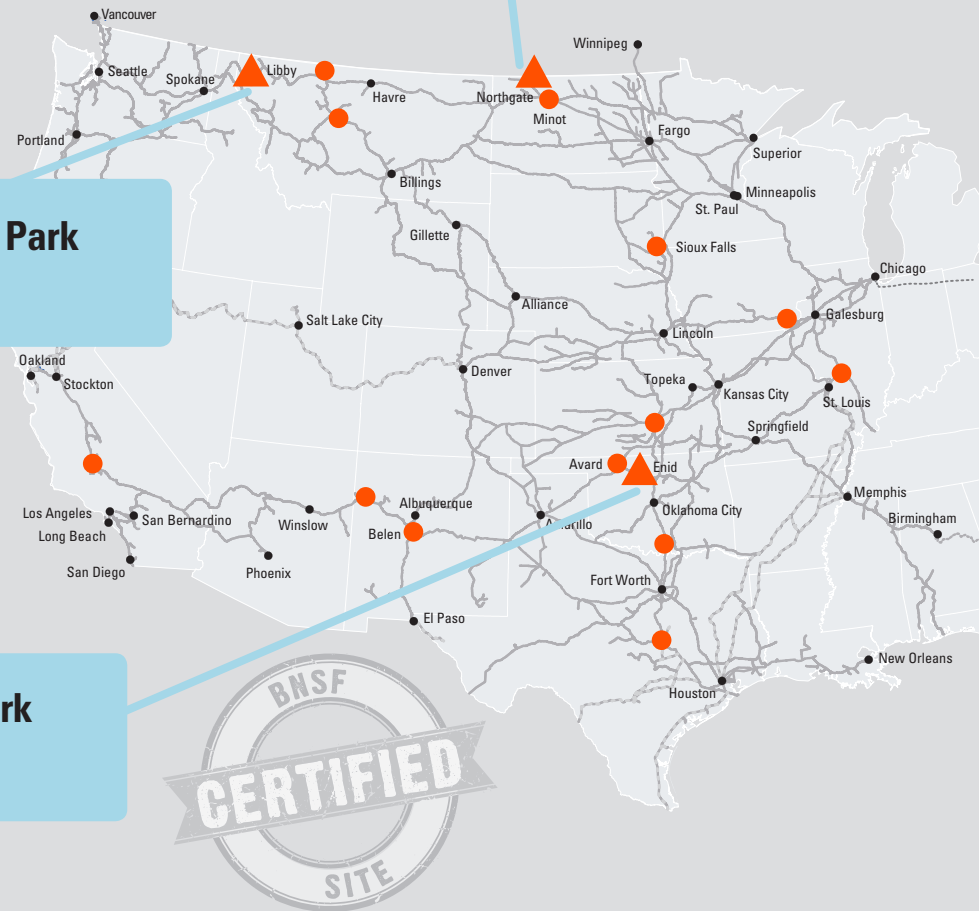
### New BNSF Certified Sites

## Kootenai Business Park

*Libby, Montana*

## Easterly Industrial Park

*Enid, Oklahoma*



## Award-Winning Service

BNSF's commitment to the highest level of service is regularly recognized by our customers. Honors received in 2018 include:

- > President's Award for Rail Logistics Excellence from Toyota Logistics Services
- > Premier Partner Award from Honda Motor Co.
- > Distinguished Service Award from the National Defense Transportation Association

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**In 2018, BNSF transported nearly **3M** vehicles.**



## National Guard Collaboration

In 2018, BNSF supported a large-scale training exercise conducted by the Arkansas National Guard. During the exercise, designed to simulate an emergency deployment, hundreds of artillerymen spent three days at the BNSF railyard in Guernsey, Wyoming. They were supported by BNSF employees, who helped coordinate movement of railcars. BNSF also regularly serves the National Guards of various states in moving large amounts of military equipment.

## Blockchain Alliance

To improve data security across the supply chain, BNSF became the first Class I railroad to join the Blockchain in Transport Alliance (BiTA) in 2018. BiTA includes more than 200 freight transportation companies working to develop blockchain standards for the logistics industry. Blockchain functions as a distributed ledger, with all members of a particular blockchain having access to all the data within it. By housing information with each member, altering the information within a blockchain is difficult. BNSF and our BiTA partners will define what data goes into the freight transportation blockchain, how data is formatted and in what circumstances the blockchain will be deployed.

