

SURFACE TRANSPORTATION BOARD Washington D.C. 20423		SURFACE TRANSPORTATION BOARD QUARTERLY REPORT OF REVENUES, EXPENSES AND INCOME-RAILROADS				
FORM RE&I		QUARTER 1st 2nd 3rd 4th X			YEAR 2012	
<b>Grand Trunk Corporation</b> 935 de La Gauchetiere Street West, Financial Reporting (Floor 4) Montreal, Quebec, Canada H3B 2M9						
(Dollar amounts in 000's)						
DESCRIPTIONS (A)	Code No.	FIGURES FOR THE QUARTER		CUMULATIVE FIGURES		
		THIS YEAR (B)	LAST YEAR (C)	THIS YEAR (D)	LAST YEAR (E)	
Freight (Account 101)	1	723,160	629,357	2,770,420	2,497,948	
Passenger (Account 102)	2	-	-	-	-	
Passenger-Related (Account 103)	3	-	-	-	-	
All other operating revenues (Accounts 104, 105, 106, 110, 502, 503)	4	81,707	89,908	310,952	325,332	
Joint Facility Account (Account 120)	5	-	-	-	-	
<b>Railway Operating Revenues (All Above)</b>	6	804,867	719,265	3,081,372	2,823,280	
Depreciation-Road (Accounts 62-11-00, 62-12-00, 62-13-00)	7	48,710	46,492	185,393	179,172	
All other way & structure accounts	8	29,541	54,389	197,143	232,326	
Total way & structures	9	78,251	100,881	382,536	411,498	
Depreciation-Equipment (Accounts 62-21-00, 62-22-20, 62-23-00)	10	16,974	17,198	65,324	65,718	
All other equipment accounts	11	151,258	46,658	313,982	178,628	
Total equipment	12	168,232	63,856	379,306	244,346	
Transportation-Train, Yard and Train & Yard Common	13	220,214	303,848	797,068	841,980	
Transportation-Specialized Services, Administration Support	14	81,118	56,108	277,913	229,297	
General & Administration	15	51,019	50,225	257,717	254,989	
<b>Railway Operating Expenses (Account 531)</b>	16	598,834	574,918	2,094,540	1,982,110	
<b>Net revenue from railway operations (Lines 6 minus 16)</b>	17	206,033	144,347	986,832	841,170	
Other Income Accounts (506, 510-519)	18	743	1,547	8,030	75,453	
Income from Affiliated Companies:						
Dividends	19	-	-	-	-	
Equity in undistributed earnings (losses)	20	1,593	1,311	(1,366)	2,436	
Total income from affiliated companies	21	1,593	1,311	(1,366)	2,436	
Miscellaneous deductions from income (Accounts 534, 535, 543, 544, 545, 549-551 and 553)	22	471	(209)	1,723	2,326	
<b>Income Available for Fixed Charges (Lines 17, 18, 21 minus 22)</b>	23	207,898	147,414	991,773	916,733	
Interest on funded debt (Accounts 546a, 546b)	24	71,159	71,788	286,193	286,953	
Interest on unfunded debt (Account 547)	25	-	-	-	-	
Amortization of discount on funded debt (Account 548)	26	24	24	95	95	
<b>Total fixed charges</b>	27	71,183	71,812	286,288	287,048	
<b>Income after fixed charges</b>	28	136,715	75,602	705,485	629,685	
Other deductions (Account 546c)	29	-	-	-	-	
Unusual or infrequent items (Debit) Credit Account 555)	30	-	-	-	-	
<b>Income (Loss) from continuing operations before income taxes</b>	31	136,715	75,602	705,485	629,685	
Income taxes on ordinary income (Account 556)	32	33,940	(29,508)	208,923	30,419	
Provision for deferred income taxes (Account 557)	33	21,459	49,898	81,976	242,720	
<b>Income from continuing operations</b>	34	81,316	55,212	414,586	356,546	

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		THIS YEAR (B)	LAST YEAR (C)	THIS YEAR (D)	LAST YEAR (E)
Income or loss from operations of discontinued segments (less applicable income taxes of \$ ) (Account 560)	35	-	-	-	-
Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ ) (Account 562)	36	-	-	-	-
<b>Income (Loss) before extraordinary items</b>	37	81,316	55,212	414,586	356,546
Extraordinary items (net) (Account 570)	38	-	-	-	-
Income taxes on extraordinary items (Account 590)	39	-	-	-	-
Provisions for deferred taxes-Extraordinary items (Account 591)	40	-	-	-	-
Cumulative effect of changes in accounting principles (Account 592)	41	-	-	-	-
<b>Net income</b>	42	81,316	55,212	414,586	356,546
Dividends on common stock (Account 623)	43	-	-	-	-
Dividends on preferred stock (Account 623)	44	-	-	-	-
Expenses to revenues	45	74.40%	79.93%	67.97%	70.21%
Total maintenance to revenues	46	30.62%	22.90%	24.72%	23.23%
Transportation to revenues	47	37.44%	50.04%	34.89%	37.94%

Reconciliation of Net Railway Operating Income (NROI)	STB USE ONLY
Net Revenues from Railway Operations \$ 206,033	
Income Taxes on Ordinary Income (33,940)	
Provisions for Deferred Income Taxes (21,459)	
Income from Lease of Road & Equipment -	<b>REMARKS</b> Line 11 - Includes additional locomotive useage and repair costs relating to useage and repair costs in prior periods.
Rent for leased Roads and Equipment 4	
Net Railway Operating Income \$ 150,638	

**CERTIFICATION**

I, THE UNDERSIGNED, Costa Bucci, Assistant Comptroller - Financial Reporting, of the Grand Trunk Corporation state that this report was prepared by me or under my supervision; that I have carefully examined it; and on the basis of my knowledge, belief, and verification (when necessary) I declare it to be a full, true and correct statement of the revenue, expense and income accounts named, and that the various items reported were determined in accordance with effective rules promulgated by the Surface Transportation Board.

Date: January 30, 2013

Signature Costa Bucci

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