

SURFACE TRANSPORTATION BOARD
OFFICE OF ECONOMICS, ENVIRONMENTAL ANALYSIS, AND ADMINISTRATION
WASHINGTON, DC 20423

CLASS I FREIGHT RAILROADS - SELECTED EARNINGS DATA

(000 OMITTED)

Railroad	Year	QUARTER ENDED SEPTEMBER 30				12 MONTHS ENDED SEPTEMBER 30				
		Railway Operating Revenues	Net Railway Operating Income (1)	Net Income	Revenue Ton-Miles Of Freight	Railway Operating Revenues	Net Railway Operating Income (1)	Net Income	Revenue Ton-Miles Of Freight	Return On Net Investment (%) (2)
TOTAL ALL CLASS I FREIGHT RR'S See Note 3	2003	\$9,212,460	\$908,566	\$552,693	387,603,472	\$36,084,679	\$3,908,299	\$2,804,566	1,511,556,532	5.99%
	2002	8,962,397	1,095,961	931,512	371,861,694	33,531,981	4,004,654	2,972,092	1,430,721,360	6.26%
Burlington Northern - Santa Fe	2003	2,387,605	272,161	251,007	128,549,551	9,192,823	1,058,188	958,893	499,354,592	6.22%
	2002	2,304,031	273,954	244,326	124,547,852	8,968,835	1,029,795	912,453	492,764,583	6.31%
CSX Transportation	2003	1,610,078	(99,568)	(156,938)	52,900,000	6,510,452	290,575	42,106	209,500,000	2.61%
	2002	1,566,818	143,324	96,956	49,308,000	6,267,318	443,246	238,816	200,463,000	4.03%
CN/Grand Trunk Corporation See Note 3	2003	371,557	56,736	(2,485)	12,417,159	1,498,788	98,085	30,560	50,459,000	1.99%
	2002	373,590	55,450	24,712	10,662,884	N/A	N/A	N/A	N/A	N/A
Kansas City Southern	2003	144,923	14,870	5,852	5,027,100	571,000	55,397	49,031	20,721,674	6.11%
	2002	137,628	9,831	8,400	4,918,031	560,084	60,526	52,396	20,201,928	6.66%
Norfolk Southern	2003	1,598,299	252,736	121,527	45,800,894	6,372,900	917,958	507,906	181,362,639	9.15%
	2002	1,598,231	223,411	120,728	45,190,659	6,218,877	914,519	428,231	179,147,719	8.90%
Soo Line	2003	153,834	19,298	20,813	5,912,768	579,112	38,127	46,293	23,228,627	4.03%
	2002	144,011	21,363	22,203	5,743,268	547,152	63,472	66,601	22,254,130	6.64%
Union Pacific	2003	2,946,164	392,333	312,917	136,996,000	11,359,604	1,449,969	1,169,777	526,930,000	7.15%
	2002	2,838,088	368,628	414,187	131,491,000	10,969,715	1,493,096	1,273,595	515,890,000	7.54%

THESE DATA ARE NOW ALSO AVAILABLE ON THE BOARD'S INTERNET SITE - WWW.STB.DOT.GOV

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SOURCES OF DATA:

Railway Operating Revenues, Net Railway Operating Income, and Net Income are from the "Quarterly Report of Revenues, Expenses, and Income - Railroads" (Form RE&I).

Revenue Ton Miles of Freight are from the "Quarterly Condensed Balance Sheet - Railroads (Form CBS).

NOTES:

- (1) Net Railway Operating Income is the difference between railway operating revenues and the total of railway operating expenses, railway tax accruals, and net equipment and joint facility rents.
- (2) Return on Net Investment (ROI) is the ratio of net railway operating income to net investment in railway property used in transportation services at end of previous calendar year. The latter includes an allowance for working capital. Accumulated deferred income tax reserves are subtracted from the net investment base. Since net investment figures are only available on an end-of-year basis from the Annual Report Form R-1's, filed on March 31 of each year, the net investment bases used to compute returns on net investment in this report are the most recent year-end figures available (data as of the end of 2002 and 2001).

ROI's, as computed by the Board for its annual determination of the revenue adequacy of each class I railroad, will differ from the ROI's computed for this report. ROI's for the revenue adequacy determination are based upon the average of the beginning and end-of-year net investment bases, while ROI's for this report are based on end-of-year data only. Also, ROI's for revenue adequacy determinations are computed using data reported by the class I railroads in Annual Report Form R-1, Schedule 250, "Consolidated Information for Revenue Adequacy Determination." The data contained in Schedule 250 differ somewhat from the data in the Form RE&I, and are therefore not totally compatible.

- (3) Beginning in January 2002, all Canadian National operations in the U.S. have been consolidated for reporting purposes under the Grand Trunk Corporation. Separate data are no longer available for CN/Grand Trunk Western or CN/Illinois Central. Therefore, data for the period September 1, 2001 through December 31, 2001 are not compatible with data for the period September 1, 2002 through December 31, 2002. Thus, we cannot compute prior year's data for CN/GTW. Annual data for the industry for the 12 months ending September 30, 2002 exclude CN/GTW.