

Third Quarter 2014

Quarterly Financial Review



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Finance Department
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Norfolk Southern Railway System



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The accompanying unaudited financial information and summary of certain notes to the consolidated financial statements should be read in conjunction with: (a) the consolidated financial statements and notes included in Norfolk Southern Corporation's (NS, we, us and our) latest Annual Report on Form 10-K and in subsequent Quarterly Reports on Form 10-Q, and (b) any Current Reports on Form 8-K.

Any statements contained in this document which are not related to historical facts are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995, and NS undertakes no obligation to update such statements. Such forward-looking statements are subject to risks and uncertainties (the most significant of which are described in our SEC filings) which could cause actual results to differ materially.

Consolidated Statements of Income

Third Quarter
(in millions, except per share amounts)

	2014	2013
Railway operating revenues		
Coal	\$ 626	\$ 641
General merchandise	1,730	1,578
Intermodal	667	605
Total railway operating revenues	3,023	2,824
Railway operating expenses		
Compensation and benefits	728	735
Purchased services and rents	429	420
Fuel	387	390
Depreciation	236	230
Materials and other	245	200
Total railway operating expenses	2,025	1,975
Income from railway operations	998	849
Other income — net	32	30
Interest expense on debt	138	131
Income before income taxes	892	748
Provision for income taxes		
Current	329	194
Deferred	4	72
Total income taxes	333	266
Net income	\$ 559	\$ 482
Earnings per share		
Basic	\$ 1.80	\$ 1.55
Diluted	1.79	1.53
Weighted average shares outstanding (note 1)		
Basic	309.4	310.4
Diluted	312.6	313.9

Notes

1. Stock Repurchase Program

We repurchased 1.7 million shares of common stock in the first nine months of 2014, totaling \$166 million, and 7.5 million shares at a cost of \$564 million for the same period of 2013. We have remaining authorization from our Board of Directors to repurchase up to 36.6 million shares through December 31, 2017. The timing and volume of purchases is guided by our assessment of market conditions and other pertinent factors. Any near-term share repurchases are expected to be made with internally generated cash, cash on hand, or proceeds from borrowings. Since the beginning of 2006, we have repurchased and retired 138.4 million shares at a total cost of \$8.3 billion.

Consolidated Statements of Income

First Nine Months
(in millions, except per share amounts)

	2014	2013
Railway operating revenues		
Coal	\$ 1,839	\$ 1,902
General merchandise	5,002	4,696
Intermodal	1,913	1,766
Total railway operating revenues	8,754	8,364
Railway operating expenses		
Compensation and benefits	2,183	2,241
Purchased services and rents	1,235	1,223
Fuel	1,227	1,210
Depreciation	711	683
Materials and other	714	631
Total railway operating expenses	6,070	5,988
Income from railway operations	2,684	2,376
Other income — net (note 2)	76	194
Interest expense on debt	416	388
Income before income taxes	2,344	2,182
Provision for income taxes		
Current	834	570
Deferred	21	215
Total income taxes	855	785
Net income	\$ 1,489	\$ 1,397
Earnings per share (note 2)		
Basic	\$ 4.80	\$ 4.45
Diluted	4.75	4.40
Weighted average shares outstanding (note 1)		
Basic	309.5	313.0
Diluted	312.7	316.6

Notes

2. Other Income — Net

In first quarter 2013, we recognized a \$97 million gain on a land sale, which increased net income by \$60 million or \$0.19 per share.

Consolidated Balance Sheets

September 30, December 31,
(S in millions)

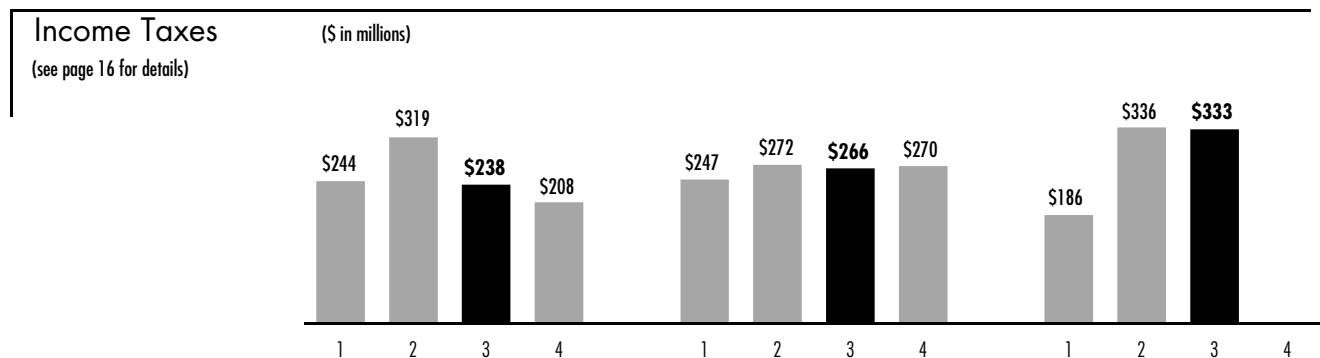
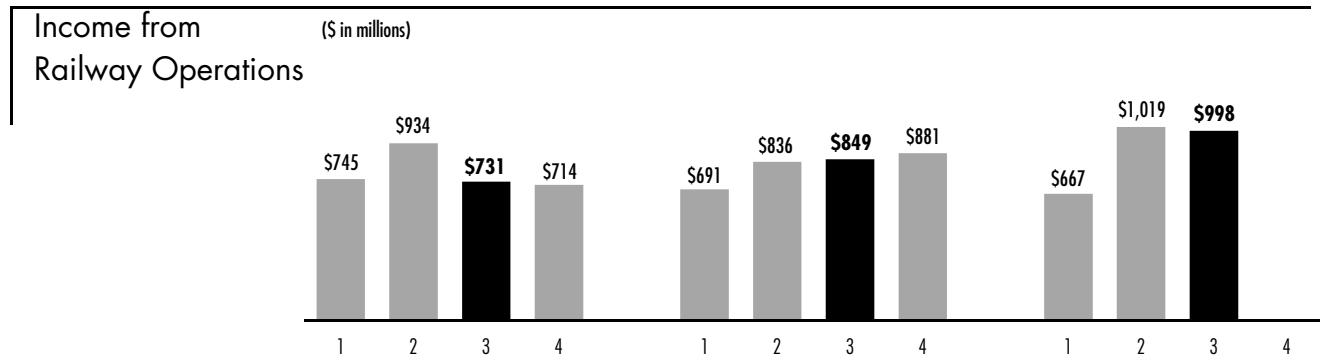
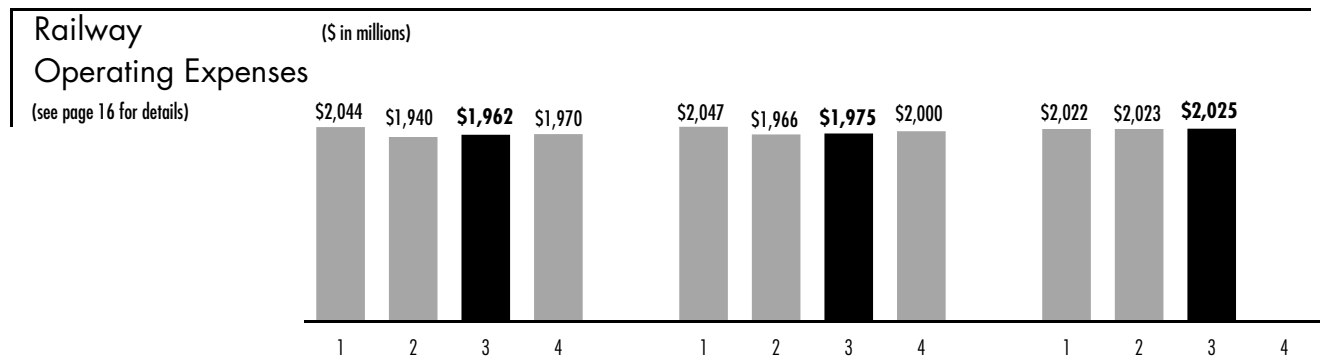
	2014	2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,432	\$ 1,443
Short-term investments	-	118
Accounts receivable — net	1,103	1,024
Materials and supplies	249	223
Deferred income taxes	178	180
Other current assets	50	87
Total current assets	3,012	3,075
Investments	2,610	2,439
Properties less accumulated depreciation of \$10,740 and \$10,387, respectively	27,230	26,645
Other assets	354	324
Total assets	\$ 33,206	\$ 32,483
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 1,387	\$ 1,265
Short-term debt	-	100
Income and other taxes	301	225
Other current liabilities	392	270
Current maturities of long-term debt	2	445
Total current liabilities	2,082	2,305
Long-term debt	8,919	8,903
Other liabilities	1,084	1,444
Deferred income taxes	8,682	8,542
Total liabilities	20,767	21,194
Stockholders' equity:		
Common stock \$1.00 per share par value, 1,350,000,000 shares authorized; outstanding 309,441,867 and 308,878,402 shares, respectively, net of treasury shares	311	310
Additional paid-in capital	2,150	2,021
Accumulated other comprehensive loss	(178)	(381)
Retained income	10,156	9,339
Total stockholders' equity	12,439	11,289
Total liabilities and stockholders' equity	\$ 33,206	\$ 32,483

Consolidated Statements of Cash Flows

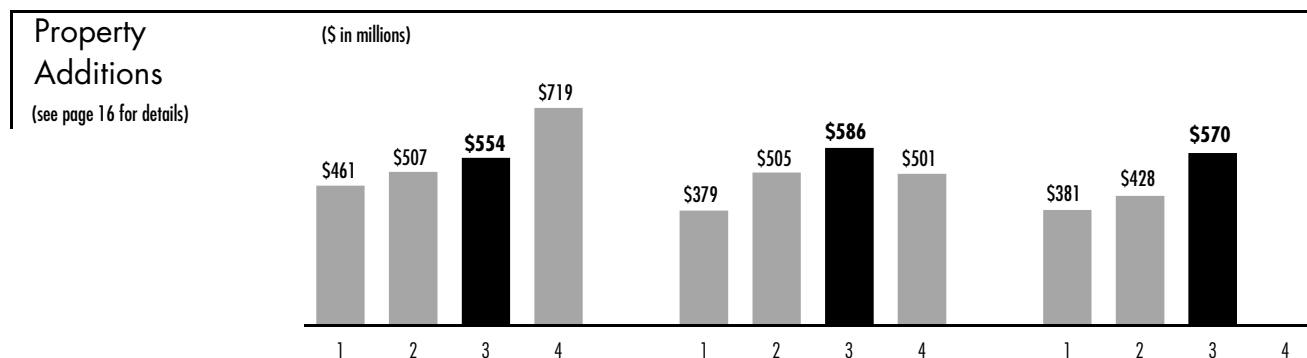
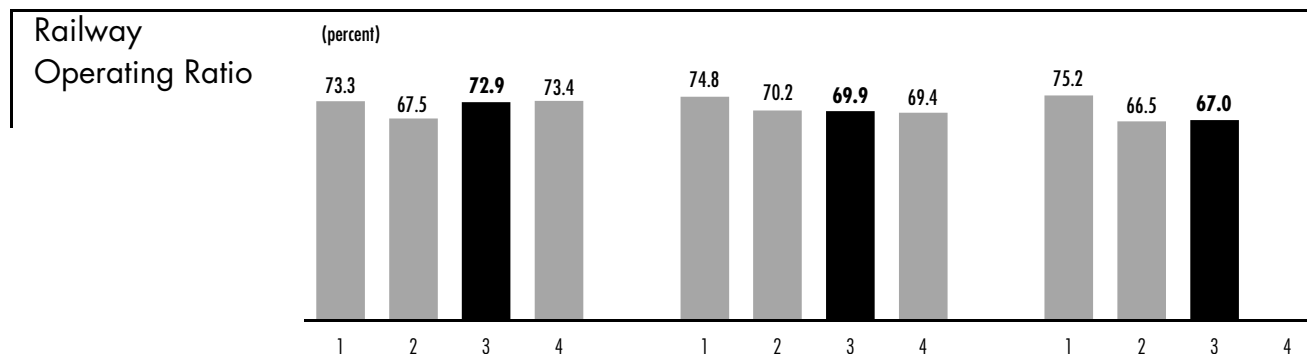
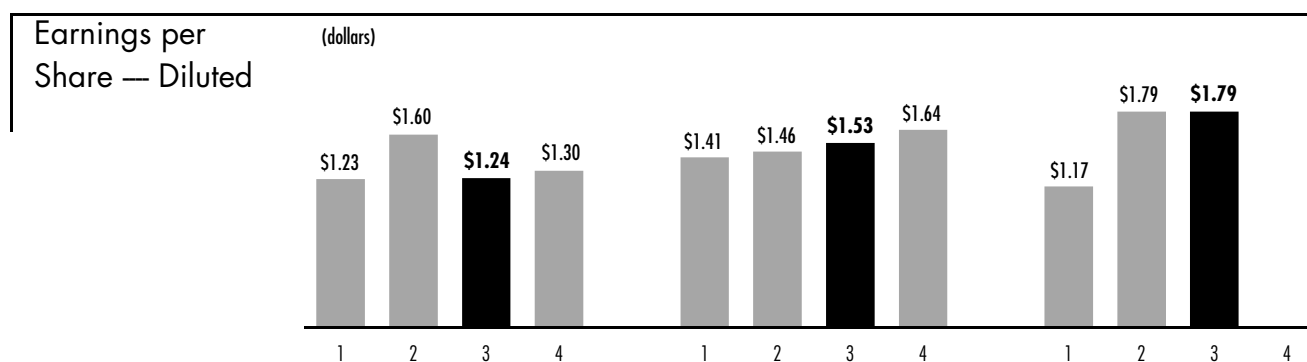
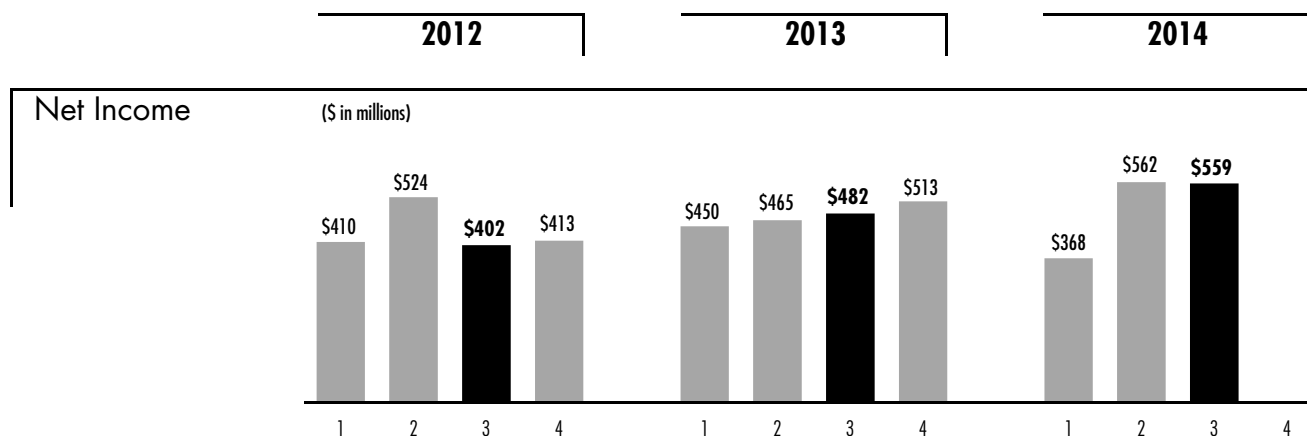
First Nine Months
(S in millions)

	2014	2013
Cash flows from operating activities		
Net income	\$ 1,489	\$ 1,397
Reconciliation of net income to net cash provided by operating activities:		
Depreciation	715	687
Deferred income taxes	21	215
Gains and losses on properties and investments (note 2)	(13)	(100)
Changes in assets and liabilities affecting operations:		
Accounts receivable	(79)	26
Materials and supplies	(26)	(8)
Other current assets	47	48
Current liabilities other than debt	258	121
Other — net	(66)	18
Net cash provided by operating activities	2,346	2,404
Cash flows from investing activities		
Property additions	(1,379)	(1,470)
Property sales and other transactions	69	109
Investments, including short-term	(4)	(29)
Investment sales and other transactions	60	21
Net cash used in investing activities	(1,254)	(1,369)
Cash flows from financing activities		
Dividends	(511)	(476)
Common stock issued — net	119	92
Purchase and retirement of common stock (note 1)	(166)	(564)
Proceeds from borrowings — net	100	492
Debt repayments	(645)	(248)
Net cash used in financing activities	(1,103)	(704)
Net increase (decrease) in cash and cash equivalents	(11)	331
Cash and cash equivalents		
At beginning of period	1,443	653
At end of period	\$ 1,432	\$ 984
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest (net of amounts capitalized)	\$ 340	\$ 305
Income taxes (net of refunds)	733	485

Consolidated Financial Information



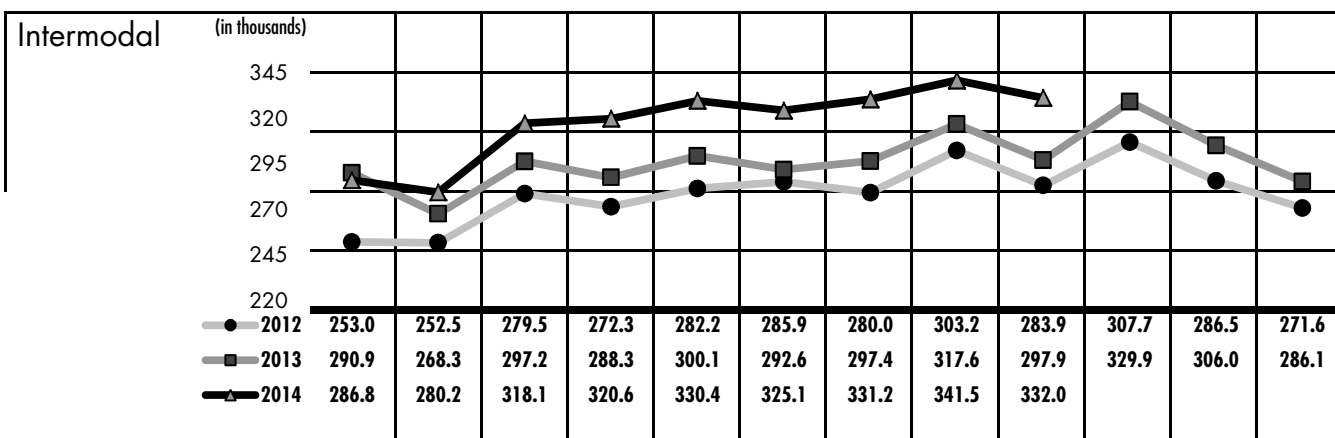
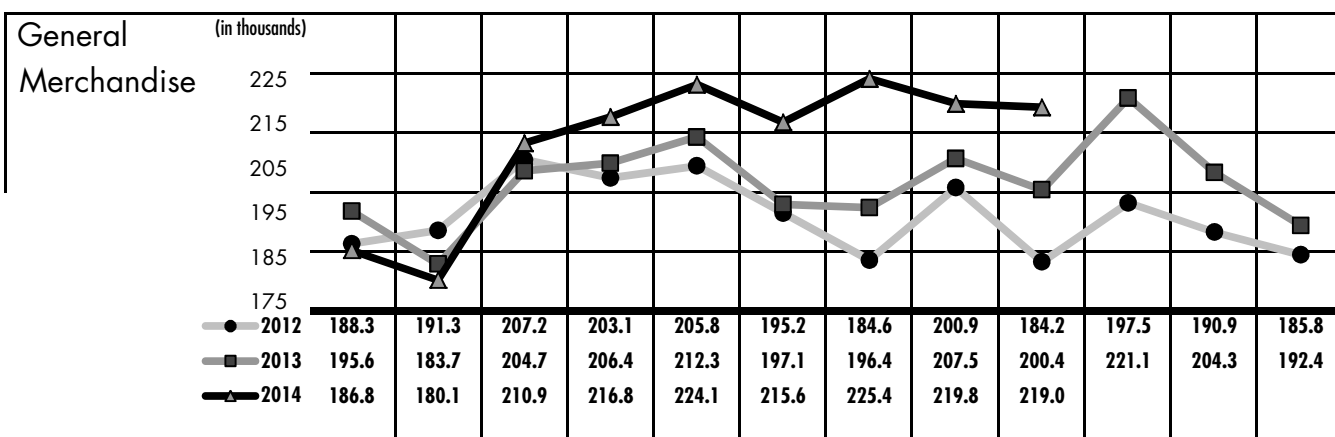
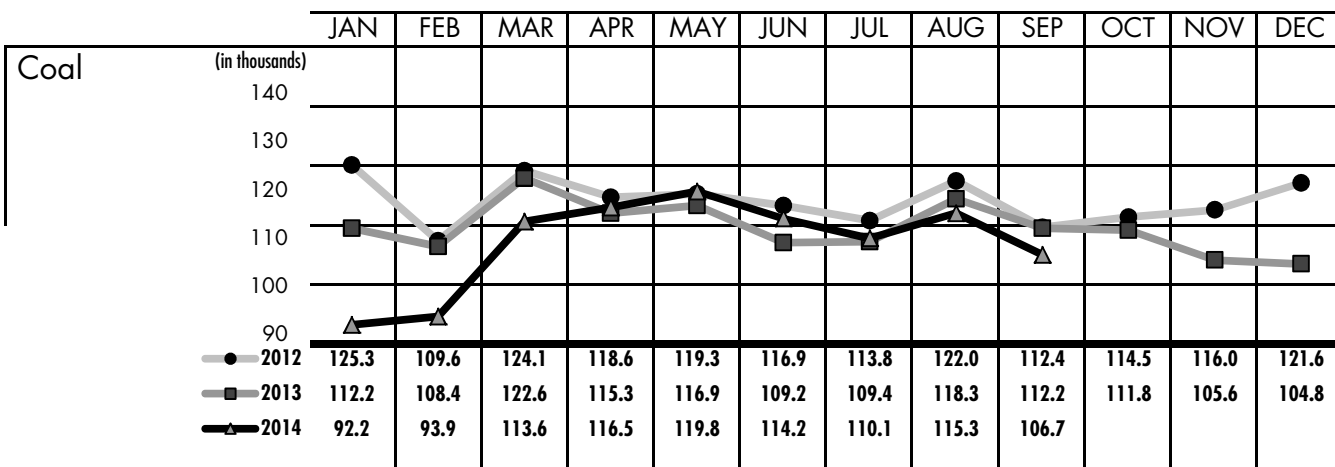
Consolidated Financial Information



Railway Operating Revenues Analysis

Commodity and Period	Revenues (\$ in millions)			Units (in thousands)			Revenue per Unit (\$ per unit)		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
First Quarter									
Coal	\$ 766	\$ 635	\$ 541	359.0	343.2	299.7	\$ 2,134	\$ 1,850	\$ 1,805
Chemicals	362	394	443	96.0	106.0	116.1	3,772	3,719	3,820
Agriculture/consumer/gov't	370	361	361	152.3	147.9	147.1	2,429	2,441	2,457
Metals and construction	342	336	331	165.5	154.8	149.9	2,068	2,172	2,207
Automotive	226	244	227	96.3	98.7	92.3	2,345	2,467	2,455
Paper/clay/forest	196	195	190	76.7	76.6	72.4	2,552	2,539	2,620
General merchandise	1,496	1,530	1,552	586.8	584.0	577.8	2,549	2,619	2,686
Intermodal	527	573	596	785.0	856.4	885.1	671	669	673
Total	\$ 2,789	\$ 2,738	\$ 2,689	1,730.8	1,783.6	1,762.6	1,611	1,535	1,525
Second Quarter									
Coal	\$ 755	\$ 626	\$ 672	354.8	341.4	350.5	\$ 2,126	\$ 1,833	\$ 1,916
Chemicals	379	415	455	98.5	114.0	121.8	3,844	3,642	3,730
Agriculture/consumer/gov't	370	366	386	150.1	147.9	155.6	2,464	2,475	2,479
Metals and construction	369	350	410	180.2	171.1	193.6	2,047	2,045	2,118
Automotive	239	261	270	98.4	106.4	109.5	2,431	2,456	2,469
Paper/clay/forest	199	196	199	76.9	76.4	76.0	2,593	2,570	2,628
General merchandise	1,556	1,588	1,720	604.1	615.8	656.5	2,576	2,580	2,620
Intermodal	563	588	650	840.4	881.0	976.1	671	667	666
Total	\$ 2,874	\$ 2,802	\$ 3,042	1,799.3	1,838.2	1,983.1	1,597	1,524	1,534
Third Quarter									
Coal	\$ 701	\$ 641	\$ 626	348.2	339.9	332.1	\$ 2,014	\$ 1,885	\$ 1,885
Chemicals	370	429	488	99.0	113.1	132.0	3,739	3,787	3,697
Agriculture/consumer/gov't	344	346	364	142.6	138.0	146.1	2,415	2,504	2,491
Metals and construction	314	372	414	165.6	180.5	202.1	1,897	2,060	2,050
Automotive	203	227	254	85.8	93.3	104.6	2,363	2,441	2,429
Paper/clay/forest	194	204	210	76.7	79.4	79.4	2,530	2,575	2,636
General merchandise	1,425	1,578	1,730	569.7	604.3	664.2	2,502	2,611	2,604
Intermodal	567	605	667	867.1	912.9	1,004.7	653	663	664
Total	\$ 2,693	\$ 2,824	\$ 3,023	1,785.0	1,857.1	2,001.0	1,509	1,521	1,511
Year-to-date									
Coal	\$ 2,222	\$ 1,902	\$ 1,839	1,062.0	1,024.5	982.3	\$ 2,092	\$ 1,856	\$ 1,872
Chemicals	1,111	1,238	1,386	293.5	333.1	369.9	3,785	3,716	3,746
Agriculture/consumer/gov't	1,084	1,073	1,111	445.0	433.8	448.8	2,436	2,473	2,476
Metals and construction	1,025	1,058	1,155	511.3	506.4	545.6	2,005	2,089	2,117
Automotive	668	732	751	280.5	298.4	306.4	2,381	2,455	2,451
Paper/clay/forest	589	595	599	230.3	232.4	227.8	2,559	2,561	2,628
General merchandise	4,477	4,696	5,002	1,760.6	1,804.1	1,898.5	2,543	2,603	2,635
Intermodal	1,657	1,766	1,913	2,492.5	2,650.3	2,865.9	665	666	668
Total	\$ 8,356	\$ 8,364	\$ 8,754	5,315.1	5,478.9	5,746.7	1,572	1,527	1,523

Monthly Railway Units



Railway Operating Revenues Variance Analysis

(\$ in millions)

Third Quarter
2014 vs. 2013

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue Variance due to:								
Volume	\$ (15)	(2%)	\$ 156	10%	\$ 61	10%	\$ 219	8%
Revenue per unit	-	-	(4)	-	1	-	(20)	(1%)
Total	<u>\$ (15)</u>	<u>(2%)</u>	<u>\$ 152</u>	<u>10%</u>	<u>\$ 62</u>	<u>10%</u>	<u>\$ 199</u>	<u>7%</u>

Year-to-date
2014 vs. 2013

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue Variance due to:								
Volume	\$ (78)	(4%)	\$ 246	5%	\$ 144	8%	\$ 409	5%
Revenue per unit	15	1%	60	1%	3	-	(19)	-
Total	<u>\$ (63)</u>	<u>(3%)</u>	<u>\$ 306</u>	<u>7%</u>	<u>\$ 147</u>	<u>8%</u>	<u>\$ 390</u>	<u>5%</u>

Coal Tonnage by Market

(tons in thousands)

Third Quarter

	2012		2013		2014	
	Tons	Change vs. 2011	Tons	Change vs. 2012	Tons	Change vs. 2013
Utility	25,996	(14%)	25,372	(2%)	24,465	(4%)
Export	6,191	(5%)	6,512	5%	5,491	(16%)
Domestic metallurgical	4,649	(17%)	4,357	(6%)	4,542	4%
Industrial	1,724	(13%)	1,659	(4%)	2,233	35%
Total	<u>38,560</u>	<u>(13%)</u>	<u>37,900</u>	<u>(2%)</u>	<u>36,731</u>	<u>(3%)</u>

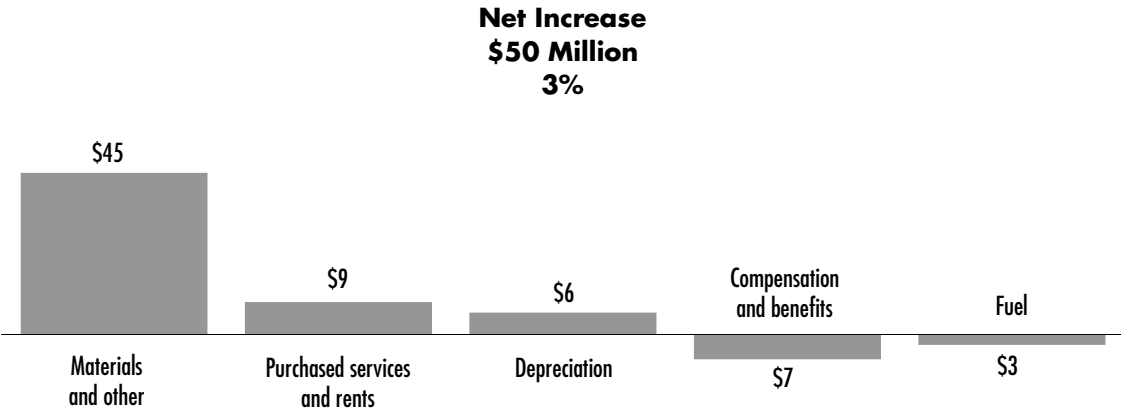
Year-to-date

	2012		2013		2014	
	Tons	Change vs. 2011	Tons	Change vs. 2012	Tons	Change vs. 2013
Utility	75,784	(17%)	73,649	(3%)	71,629	(3%)
Export	21,445	(2%)	22,311	4%	18,437	(17%)
Domestic metallurgical	14,240	-	13,007	(9%)	11,849	(9%)
Industrial	5,525	(3%)	5,269	(5%)	6,464	23%
Total	<u>116,994</u>	<u>(12%)</u>	<u>114,236</u>	<u>(2%)</u>	<u>108,379</u>	<u>(5%)</u>

Railway Operating Expenses Variance Analysis

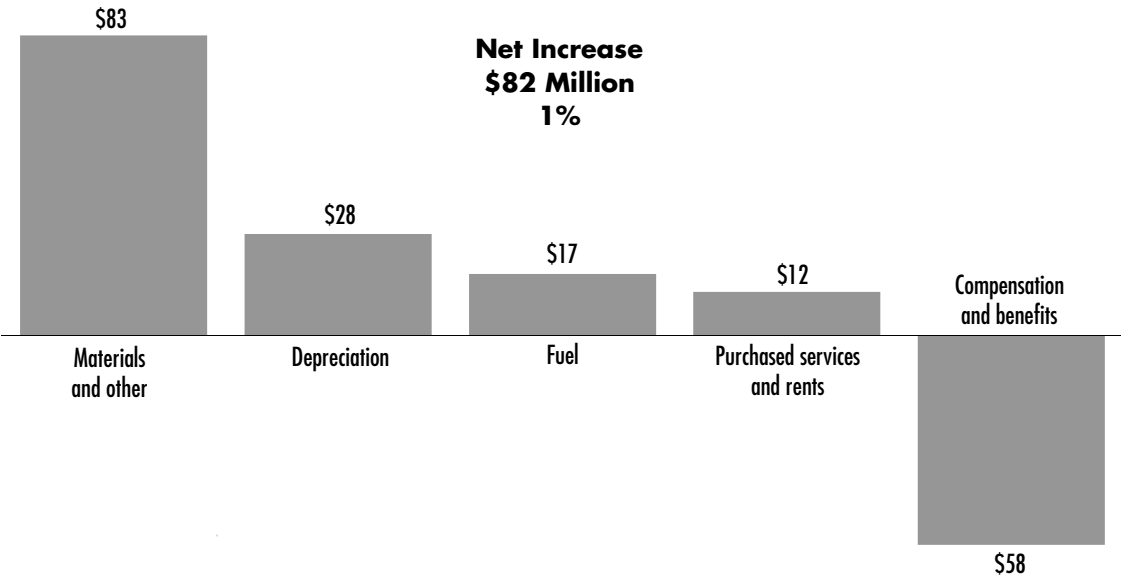
Third Quarter
2014 vs. 2013

(\$ in millions)
Amount of change

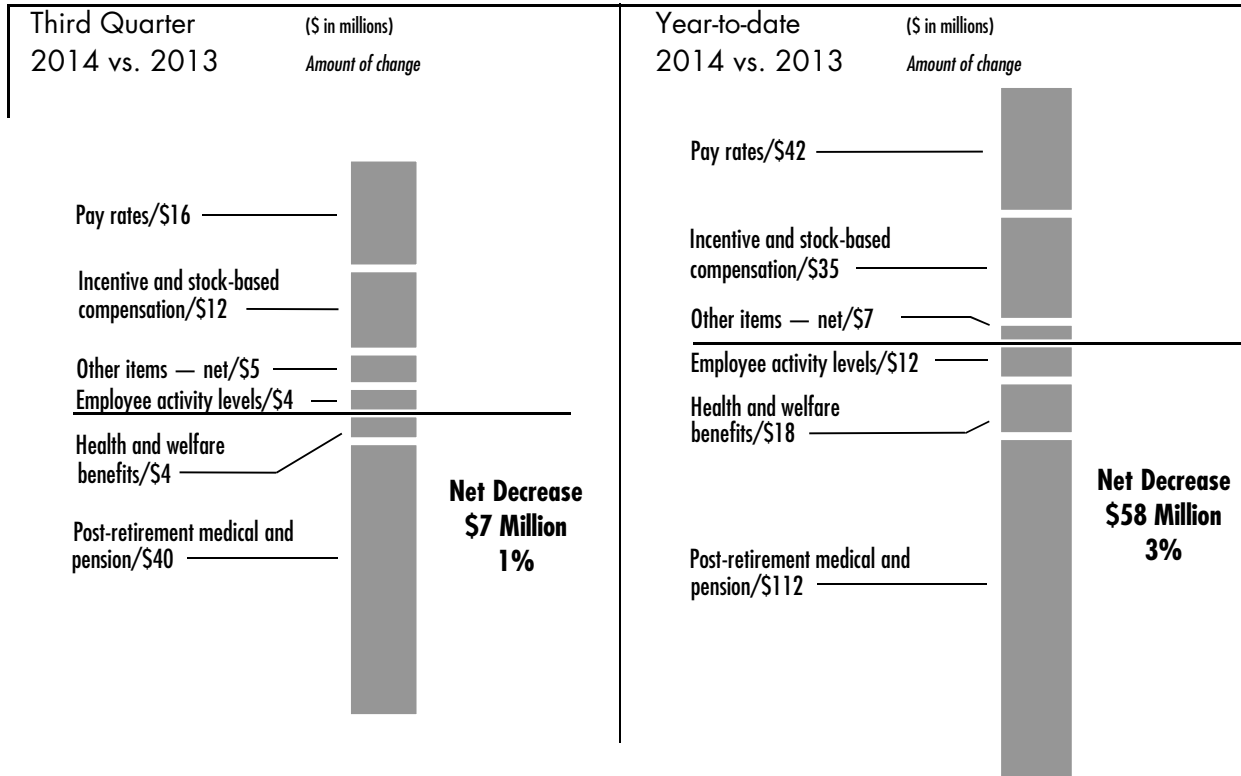


Year-to-date
2014 vs. 2013

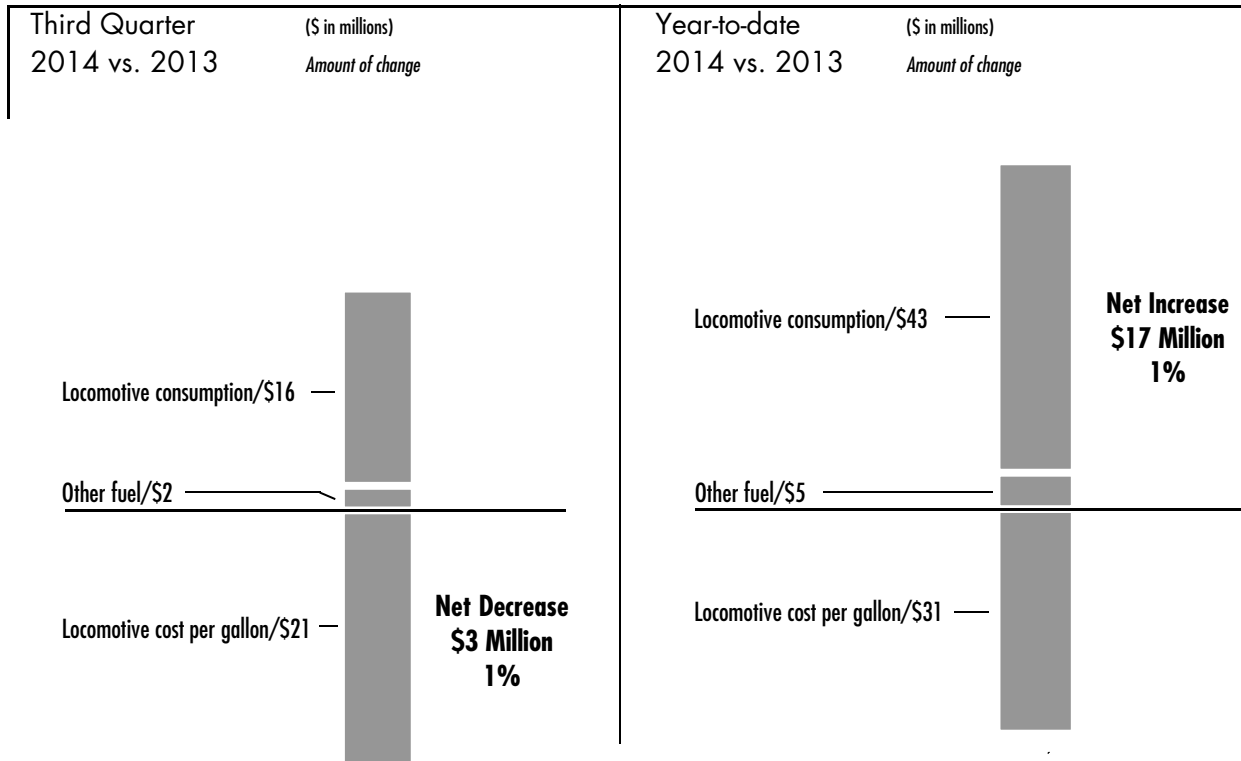
(\$ in millions)
Amount of change



Compensation and Benefits Expense Analysis



Fuel Expense Analysis



Other Income — Net Analysis

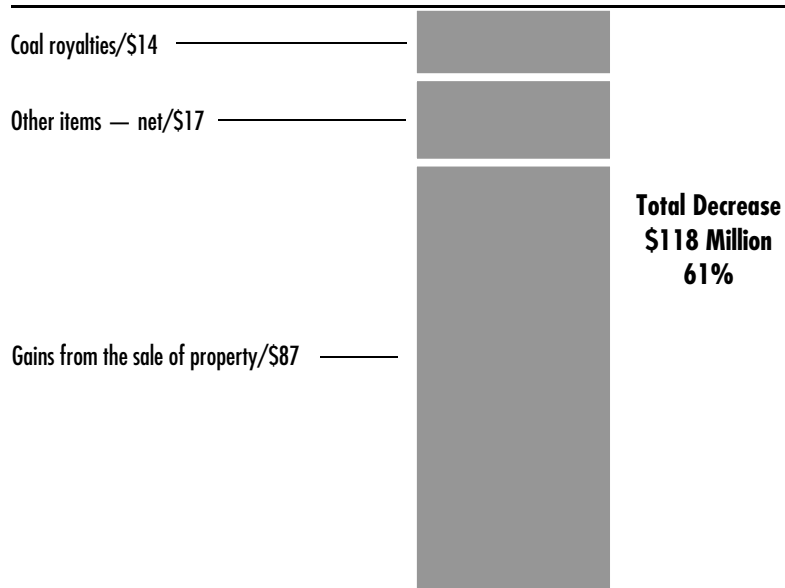
Third Quarter
2014 vs. 2013

(\$ in millions)
Amount of change



Year-to-date
2014 vs. 2013

(\$ in millions)
Amount of change



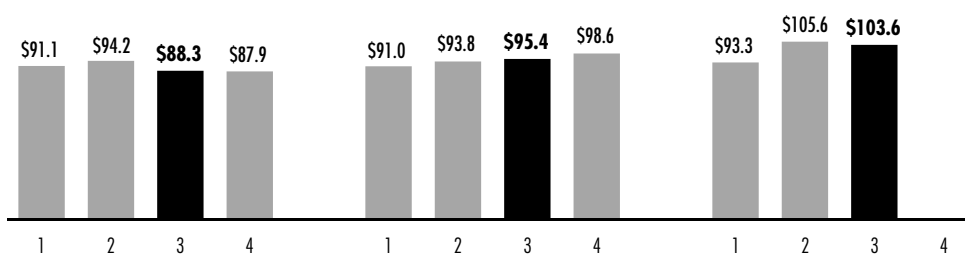
Productivity Measures

2012

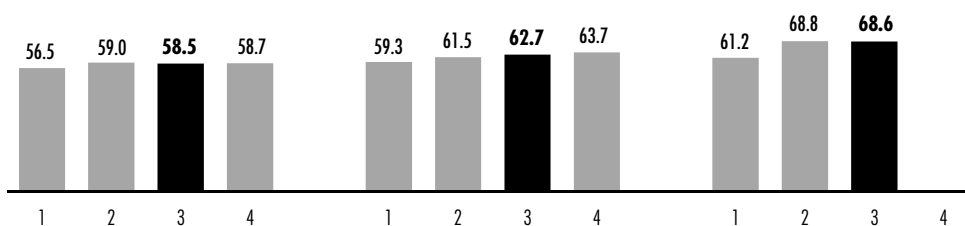
2013

2014

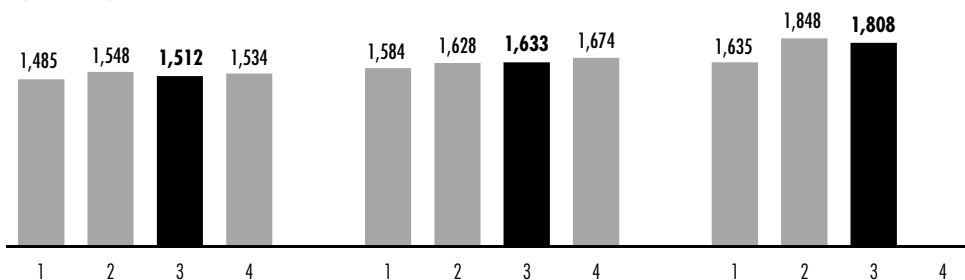
Operating Revenues
per Employee
(\$ in thousands)



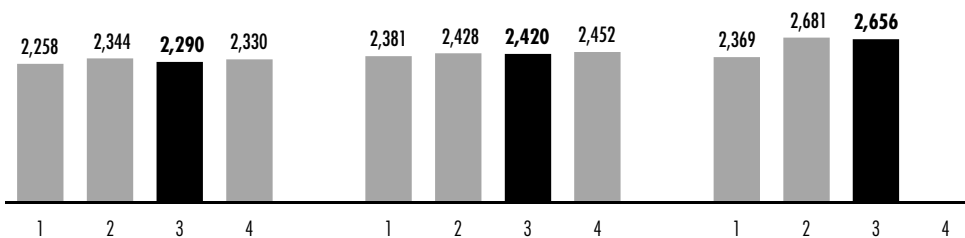
Units per
Employee



Revenue Ton Miles
per Employee
(in thousands)



Revenue Ton Miles
per Mile of Road
Operated
(in thousands)



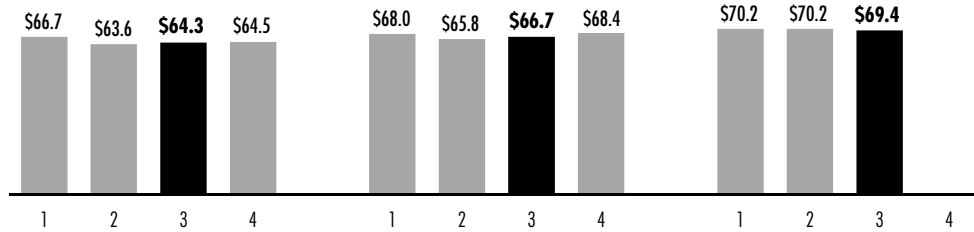
Productivity Measures

2012

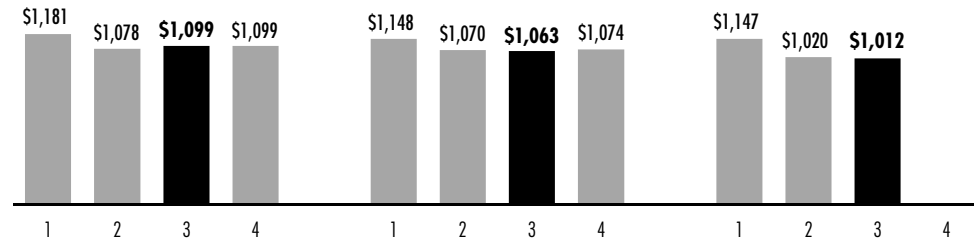
2013

2014

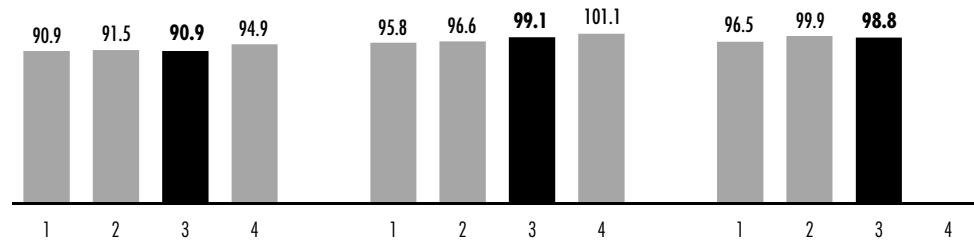
Operating Expenses (in thousands)
per Employee



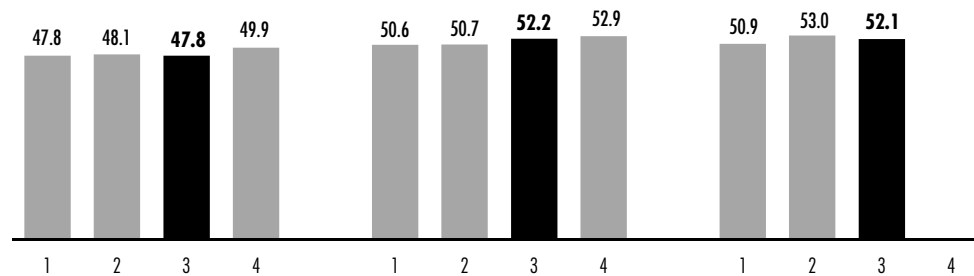
Operating Expenses (dollars)
per Unit



Gross Ton Miles (in thousands)
per Train Hour



Revenue Ton Miles (in thousands)
per Train Hour



Financial, Traffic and Operating Statistics

Consolidated Financial Data		2012					2013					2014				
(\$ in millions — except as noted)		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year-to-date
6	Railway operating revenues:															
8	Coal	\$ 766	\$ 755	\$ 701	\$ 657	\$ 2,879	\$ 635	\$ 626	\$ 641	\$ 641	\$ 2,543	\$ 541	\$ 672	\$ 626		\$ 1,839
8	General merchandise	1,496	1,556	1,425	1,443	5,920	1,530	1,588	1,578	1,622	6,318	1,552	1,720	1,730		5,002
8	Intermodal	527	563	567	584	2,241	573	588	605	618	2,384	596	650	667		1,913
6	Total railway operating revenues	2,789	2,874	2,693	2,684	11,040	2,738	2,802	2,824	2,881	11,245	2,689	3,042	3,023		8,754
6	Railway operating expenses:															
•	Compensation and benefits	786	724	724	726	2,960	780	726	735	761	3,002	740	715	728		2,183
•	Purchased services	318	320	333	350	1,321	321	343	349	340	1,353	324	342	355		1,021
•	Equipment rents	73	72	70	68	283	72	67	71	66	276	68	72	74		214
•	Fuel	413	390	379	395	1,577	429	391	390	403	1,613	432	408	387		1,227
•	Depreciation	224	229	230	233	916	227	226	230	233	916	237	238	236		711
•	Materials	112	95	109	92	408	101	116	100	105	422	108	124	127		359
•	Casualties and other claims	38	30	33	29	130	35	20	23	12	90	30	42	35		107
•	Other	80	80	84	77	321	82	77	77	80	316	83	82	83		248
6	Total railway operating expenses	2,044	1,940	1,962	1,970	7,916	2,047	1,966	1,975	2,000	7,988	2,022	2,023	2,025		6,070
6	Income from railway operations	745	934	731	714	3,124	691	836	849	881	3,257	667	1,019	998		2,684
•	Other income (expense) (note 1)	(91)	(91)	(91)	(93)	(366)	6	(99)	(101)	(98)	(292)	(113)	(121)	(106)		(340)
•	Income before income taxes	654	843	640	621	2,758	697	737	748	783	2,965	554	898	892		2,344
•	Income taxes — current	156	269	97	121	643	173	203	194	223	793	194	311	329		834
•	Income taxes — deferred	88	50	141	87	366	74	69	72	47	262	(8)	25	4		21
6	Total income taxes	244	319	238	208	1,009	247	272	266	270	1,055	186	336	333		855
7	Net income	\$ 410	\$ 524	\$ 402	\$ 413	\$ 1,749	\$ 450	\$ 465	\$ 482	\$ 513	\$ 1,910	\$ 368	\$ 562	\$ 559		\$ 1,489
7	Earnings per share — diluted (dollars) (note 1)	\$ 1.23	\$ 1.60	\$ 1.24	\$ 1.30	\$ 5.37	\$ 1.41	\$ 1.46	\$ 1.53	\$ 1.64	\$ 6.04	\$ 1.17	\$ 1.79	\$ 1.79		\$ 4.75
7	Railway operating ratio	73.3	67.5	72.9	73.4	71.7	74.8	70.2	69.9	69.4	71.0	75.2	66.5	67.0		69.3
7	Property additions:															
•	Equipment	\$ 187	\$ 176	\$ 148	\$ 265	\$ 776	\$ 88	\$ 140	\$ 200	\$ 122	\$ 550	\$ 110	\$ 96	\$ 214		\$ 420
•	Road	274	331	406	454	1,465	291	365	386	379	1,421	271	332	356		959
7	Total property additions	\$ 461	\$ 507	\$ 554	\$ 719	\$ 2,241	\$ 379	\$ 505	\$ 586	\$ 501	\$ 1,971	\$ 381	\$ 428	\$ 570		\$ 1,379
•	Cash, cash equivalents and short-term investments	\$ 831	\$ 371	\$ 708	\$ 668	\$ 668	\$ 687	\$ 587	\$ 1,004	\$ 1,561	\$ 1,561	\$ 1,532	\$ 1,667	\$ 1,432		\$ 1,432
•	Total debt, excluding notes payable to Conrail	\$ 8,017	\$ 7,999	\$ 8,480	\$ 8,682	\$ 8,682	\$ 8,485	\$ 8,477	\$ 8,946	\$ 9,448	\$ 9,448	\$ 9,354	\$ 9,247	\$ 8,921		\$ 8,921
•	Total debt-to-total capitalization (percent)	45.0	45.0	46.5	47.1	47.1	45.6	45.4	46.5	45.6	45.6	44.4	43.4	41.8		41.8
•	Weighted average shares outstanding — diluted (in millions) (note 2)	332.9	327.5	321.8	318.6	325.2	318.1	317.8	313.9	312.3	315.5	312.6	312.8	312.6		312.7

Note 1 In first quarter 2013, we recognized a \$97 million gain on a land sale, which increased net income by \$60 million, or \$0.19 per share.

Note 2 We have remaining authorization from our Board of Directors to repurchase up to 36.6 million shares of our common stock through December 31, 2017. The timing and volume of purchases is guided by our assessment of market conditions and other pertinent factors. Any near-term share repurchases are expected to be made with internally generated cash, cash on hand, or proceeds from borrowings. Since the beginning of 2006, we have repurchased and retired 138.4 million shares at a total cost of \$8.3 billion.

Financial, Traffic and Operating Statistics

Traffic and Operating Statistics		2012					2013					2014				
Page	Item	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year-to-date
	• No corresponding charts for this data.															
8	Railway units (in thousands):															
8	Coal	359.0	354.8	348.2	352.1	1,414.1	343.2	341.4	339.9	322.2	1,346.7	299.7	350.5	332.1		982.3
8	General merchandise	586.8	604.1	569.7	574.2	2,334.8	584.0	615.8	604.3	617.8	2,421.9	577.8	656.5	664.2		1,898.5
8	Intermodal	785.0	840.4	867.1	865.8	3,358.3	856.4	881.0	912.9	922.0	3,572.3	885.1	976.1	1,004.7		2,865.9
8	Total railway units	1,730.8	1,799.3	1,785.0	1,792.1	7,107.2	1,783.6	1,838.2	1,857.1	1,862.0	7,340.9	1,762.6	1,983.1	2,001.0		5,746.7
	• Revenue ton miles (RTMs) (in billions):															
	• Coal	11.8	12.2	12.0	12.2	48.2	12.0	11.8	12.0	11.7	47.5	10.7	13.3	12.3		36.3
	• General merchandise	25.2	25.8	24.7	25.1	100.8	26.4	27.3	26.6	27.4	107.7	27.0	29.7	30.2		86.9
	• Intermodal	8.5	9.2	9.4	9.5	36.6	9.3	9.5	9.7	9.9	38.4	9.4	10.2	10.3		29.9
	• Total	45.5	47.2	46.1	46.8	185.6	47.7	48.6	48.3	49.0	193.6	47.1	53.2	52.8		153.1
	• Revenue (dollars) per thousand RTMs:															
	• Coal	\$ 64.77	\$ 62.08	\$ 58.45	\$ 53.61	\$ 59.69	\$ 53.15	\$ 52.67	\$ 53.32	\$ 55.12	\$ 53.55	\$ 50.71	\$ 50.48	\$ 50.92		\$ 50.70
	• General merchandise	\$ 59.42	\$ 60.23	\$ 57.67	\$ 57.57	\$ 58.74	\$ 57.86	\$ 58.27	\$ 59.41	\$ 59.07	\$ 58.65	\$ 57.36	\$ 57.88	\$ 57.46		\$ 57.57
	• Intermodal	\$ 62.23	\$ 61.09	\$ 60.21	\$ 61.36	\$ 61.20	\$ 61.77	\$ 62.02	\$ 62.07	\$ 62.76	\$ 62.16	\$ 63.53	\$ 63.66	\$ 64.48		\$ 63.90
	• Total	\$ 61.34	\$ 60.88	\$ 58.39	\$ 57.30	\$ 59.47	\$ 57.44	\$ 57.63	\$ 58.43	\$ 58.87	\$ 58.10	\$ 57.09	\$ 57.14	\$ 57.31		\$ 57.18
	• Gross ton miles (GTMs) (in billions)	86.5	89.8	87.8	89.0	353.1	90.3	92.6	91.7	93.5	368.1	89.2	100.3	100.0		289.5
	• Revenue ton miles (RTMs) (in billions)	45.5	47.2	46.1	46.8	185.6	47.7	48.6	48.3	49.0	193.6	47.1	53.2	52.8		153.1
	• Railroad employees (average)	30,630	30,503	30,493	30,543	30,543	30,095	29,870	29,597	29,227	29,698	28,811	28,811	29,176		28,933
	• Total operating expenses (dollars) per thousand GTMs	\$ 23.62	\$ 21.60	\$ 22.37	\$ 22.13	\$ 22.42	\$ 22.68	\$ 21.23	\$ 21.53	\$ 21.41	\$ 21.70	\$ 22.66	\$ 20.17	\$ 20.26		\$ 20.97
	• Compensation and benefits (dollars) per thousand GTMs	\$ 9.08	\$ 8.06	\$ 8.25	\$ 8.16	\$ 8.38	\$ 8.64	\$ 7.84	\$ 8.01	\$ 8.14	\$ 8.16	\$ 8.29	\$ 7.13	\$ 7.28		\$ 7.54
	• Total operating expenses (dollars) per thousand RTMs	\$ 44.95	\$ 41.09	\$ 42.54	\$ 42.06	\$ 42.64	\$ 42.94	\$ 40.43	\$ 40.87	\$ 40.87	\$ 41.27	\$ 42.93	\$ 38.00	\$ 38.39		\$ 39.65
	• Compensation and benefits (dollars) per thousand RTMs	\$ 17.29	\$ 15.34	\$ 15.70	\$ 15.50	\$ 15.94	\$ 16.36	\$ 14.93	\$ 15.21	\$ 15.55	\$ 15.51	\$ 15.71	\$ 13.43	\$ 13.80		\$ 14.26
14	Total operating revenues (\$ in thousands) per employee	\$ 91.1	\$ 94.2	\$ 88.3	\$ 87.9	\$ 361.5	\$ 91.0	\$ 93.8	\$ 95.4	\$ 98.6	\$ 378.6	\$ 93.3	\$ 105.6	\$ 103.6		\$ 302.6
15	Total operating expenses (\$ in thousands) per employee	\$ 66.7	\$ 63.6	\$ 64.3	\$ 64.5	\$ 259.2	\$ 68.0	\$ 65.8	\$ 66.7	\$ 68.4	\$ 269.0	\$ 70.2	\$ 70.2	\$ 69.4		\$ 209.8
	• GTMs (thousands) per employee	2,826	2,944	2,877	2,914	11,560	2,999	3,101	3,100	3,197	12,393	3,097	3,481	3,426		10,004
14	RTMs (thousands) per employee	1,485	1,548	1,512	1,534	6,078	1,584	1,628	1,633	1,674	6,517	1,635	1,848	1,808		5,291
14	Units per employee	56.5	59.0	58.5	58.7	232.7	59.3	61.5	62.7	63.7	247.2	61.2	68.8	68.6		198.6
14	RTMs (thousands) per mile of road operated	2,258	2,344	2,290	2,330	9,221	2,381	2,428	2,420	2,452	9,680	2,369	2,681	2,656		7,705
15	Total operating expenses (dollars) per unit	\$ 1,181	\$ 1,078	\$ 1,099	\$ 1,099	\$ 1,114	\$ 1,148	\$ 1,070	\$ 1,063	\$ 1,074	\$ 1,088	\$ 1,147	\$ 1,020	\$ 1,012		\$ 1,056
	• Compensation and benefits (dollars) per unit	\$ 454	\$ 402	\$ 406	\$ 405	\$ 416	\$ 437	\$ 395	\$ 396	\$ 409	\$ 409	\$ 420	\$ 361	\$ 364		\$ 380
	• RTMs (in thousands) per unit	26.3	26.2	25.8	26.1	26.1	26.7	26.5	26.0	26.3	26.4	26.7	26.8	26.4		26.6
	• Locomotive diesel fuel consumed (in thousands of gallons)	119,779	114,428	111,804	113,297	459,308	122,673	117,383	114,107	122,141	476,304	126,082	122,619	119,100		367,801
	• Average price (dollars) per gallon of locomotive diesel fuel	\$ 3.160	\$ 3.149	\$ 3.131	\$ 3.237	\$ 3.169	\$ 3.191	\$ 3.027	\$ 3.133	\$ 3.020	\$ 3.093	\$ 3.105	\$ 3.034	\$ 2.959		\$ 3.034
	• RTMs per gallon of fuel consumed	380	413	412	413	404	389	414	424	401	406	374	434	443		416
15	GTMs (in thousands) per train hour	90.9	91.5	90.9	94.9	92.0	95.8	96.6	99.1	101.1	98.1	96.5	99.9	98.8		98.5
15	RTMs (in thousands) per train hour	47.8	48.1	47.8	49.9	48.4	50.6	50.7	52.2	52.9	51.6	50.9	53.0	52.1		52.1
	• Percent of loaded-to-total car miles	59.0	58.8	58.6	59.0	58.8	58.7	58.4	58.7	58.8	58.7	59.1	58.8	58.9		58.9
	• Total new crossties installed (in thousands)	724	700	693	517	2,634	610	763	741	355	2,469	676	697	667		2,040
	• Total track miles of rail laid (miles)	104	119	165	121	509	112	181	166	90	549	135	156	121		412

Third Quarter 2014

Quarterly Financial Review

