

Fourth Quarter 2013

Quarterly Financial Review



*Norfolk Southern Corporation
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

Fourth Quarter

(in millions, except per share amounts)

	2013	2012
Railway operating revenues		
Coal	\$ 641	\$ 657
General merchandise	1,622	1,443
Intermodal	618	584
Total railway operating revenues	2,881	2,684
Railway operating expenses		
Compensation and benefits	761	726
Purchased services and rents	406	418
Fuel	403	395
Depreciation	233	233
Materials and other	197	198
Total railway operating expenses	2,000	1,970
Income from railway operations	881	714
Other income — net	39	36
Interest expense on debt	137	129
Income before income taxes	783	621
Provision for income taxes		
Current	223	121
Deferred	47	87
Total income taxes	270	208
Net income	\$ 513	\$ 413
Earnings per share (note 1)		
Basic	\$ 1.66	\$ 1.31
Diluted	1.64	1.30
Weighted average shares outstanding (note 2)		
Basic	308.7	314.8
Diluted	312.3	318.6

Notes

1. Earnings Per Share

For basic earnings per share, income available to common stockholders reflects reductions for the effect of dividend equivalent payments made to holders of stock options and restricted stock units as follows: for the fourth quarter, \$2 million in both 2013 and 2012; and for the year, \$7 million in 2013 and \$9 million in 2012.

For diluted earnings per share, income available to common stockholders reflects reductions for the effect of dividend equivalent payments made to holders of stock options and restricted stock units as follows: for the fourth quarter, \$1 million in 2013 and 2012; and for the year, \$4 million in 2013 and 2012.

2. Stock Repurchase Program

We repurchased and retired 8.3 million shares of common stock in 2013, at a cost of \$627 million, and 18.8 million shares at a cost of \$1.3 billion in 2012. We have remaining authorization from our Board of Directors to repurchase up to 38.3 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 136.7 million shares at a total cost of \$8.1 billion.

Consolidated Statements of Income

Years Ended December 31,
(in millions, except per share amounts)

	2013	2012
Railway operating revenues		
Coal	\$ 2,543	\$ 2,879
General merchandise	6,318	5,920
Intermodal	2,384	2,241
Total railway operating revenues	11,245	11,040
Railway operating expenses		
Compensation and benefits	3,002	2,960
Purchased services and rents	1,629	1,604
Fuel	1,613	1,577
Depreciation	916	916
Materials and other	828	859
Total railway operating expenses	7,988	7,916
Income from railway operations	3,257	3,124
Other income — net (note 3)	233	129
Interest expense on debt	525	495
Income before income taxes	2,965	2,758
Provision for income taxes		
Current	793	643
Deferred	262	366
Total income taxes	1,055	1,009
Net income	\$ 1,910	\$ 1,749
Earnings per share (notes 1 and 3)		
Basic	\$ 6.10	\$ 5.42
Diluted	6.04	5.37
Weighted average shares outstanding (note 2)		
Basic	311.9	320.9
Diluted	315.5	325.2

Notes

3. 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

As of December 31,
(\$ in millions)

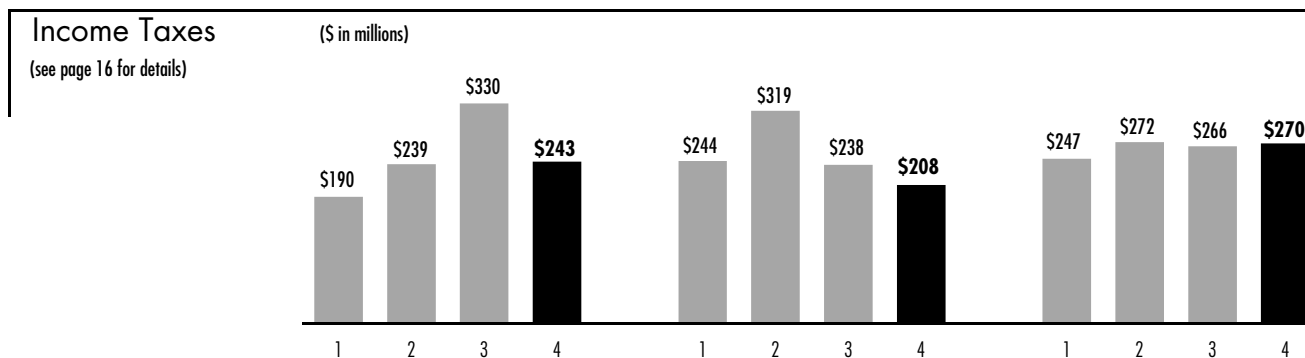
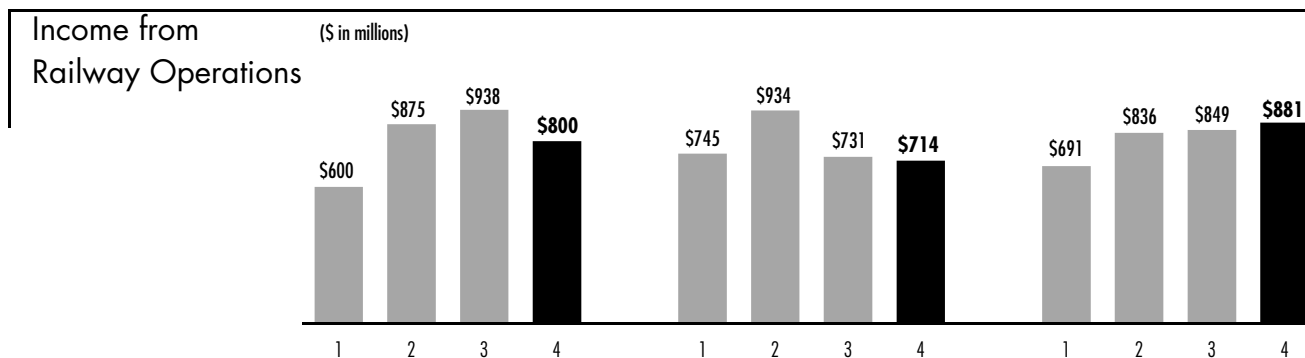
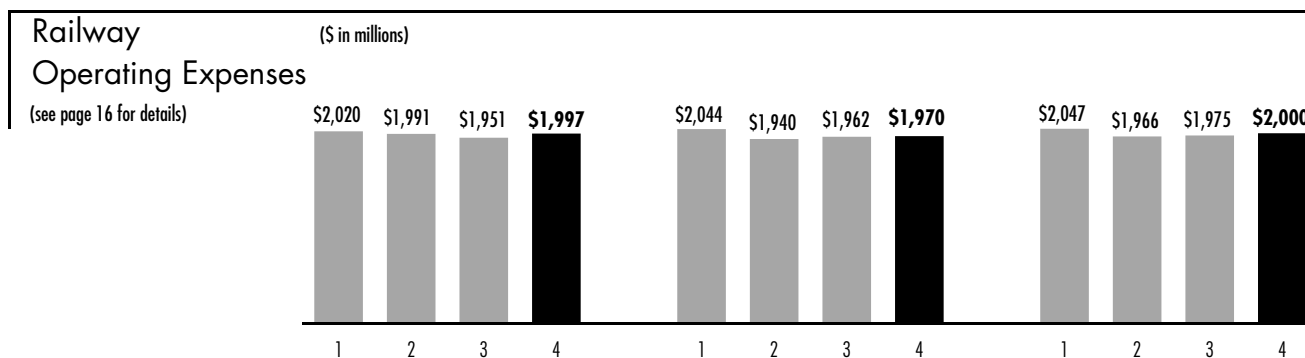
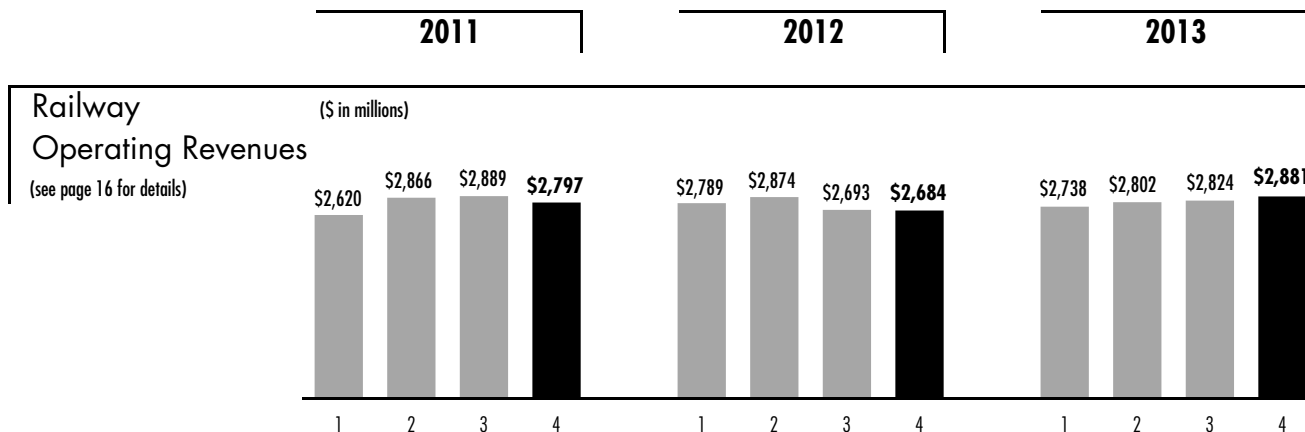
	2013	2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,443	\$ 653
Short-term investments	118	15
Accounts receivable — net	1,024	1,109
Materials and supplies	223	216
Deferred income taxes	180	167
Other current assets	87	82
Total current assets	3,075	2,242
Investments	2,439	2,300
Properties less accumulated depreciation of \$10,387 and \$9,922, respectively	26,645	25,736
Other assets	324	64
Total assets	\$ 32,483	\$ 30,342
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 1,265	\$ 1,362
Short-term debt	100	200
Income and other taxes	225	206
Other current liabilities	270	263
Current maturities of long-term debt	445	50
Total current liabilities	2,305	2,081
Long-term debt	8,903	8,432
Other liabilities	1,444	2,237
Deferred income taxes	8,542	7,832
Total liabilities	21,194	20,582
Stockholders' equity:		
Common stock \$1.00 per share par value, 1,350,000,000 shares authorized; outstanding 308,878,402 and 314,034,174 shares, respectively, net of treasury shares	310	315
Additional paid-in capital	2,021	1,911
Accumulated other comprehensive loss	(381)	(1,109)
Retained income	9,339	8,643
Total stockholders' equity	11,289	9,760
Total liabilities and stockholders' equity	\$ 32,483	\$ 30,342

Consolidated Statements of Cash Flows

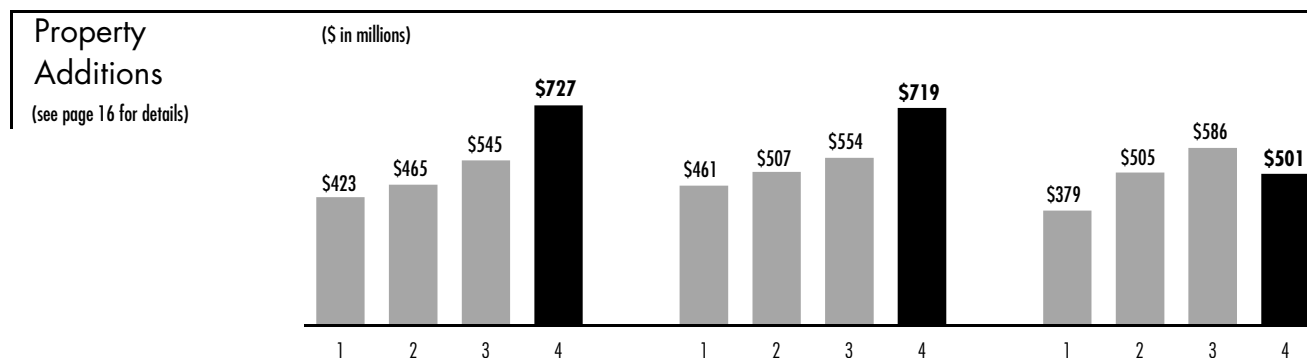
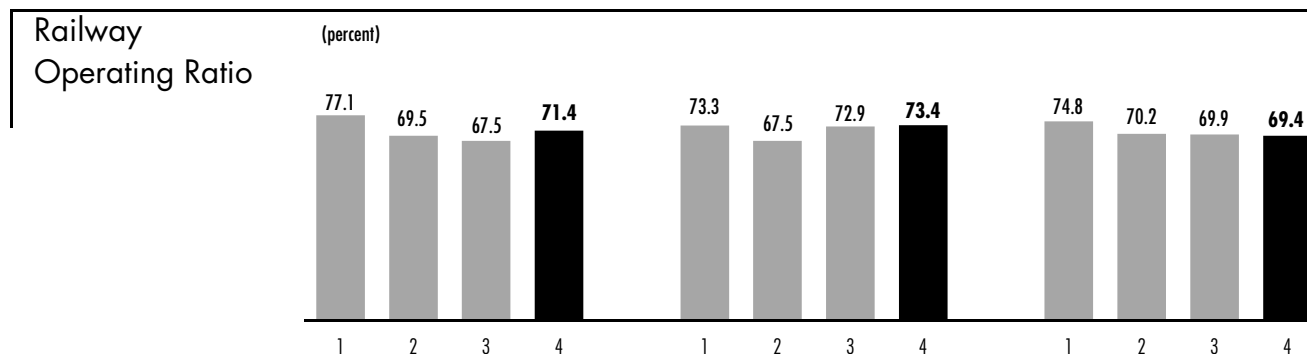
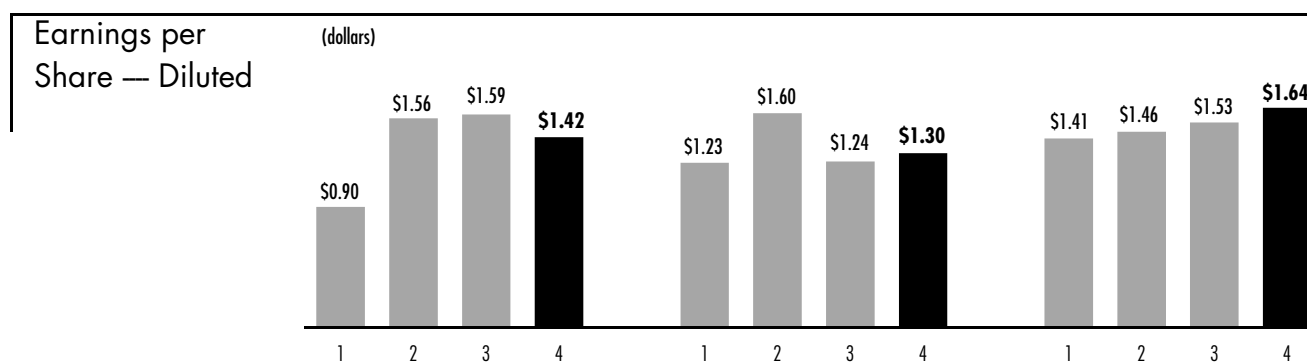
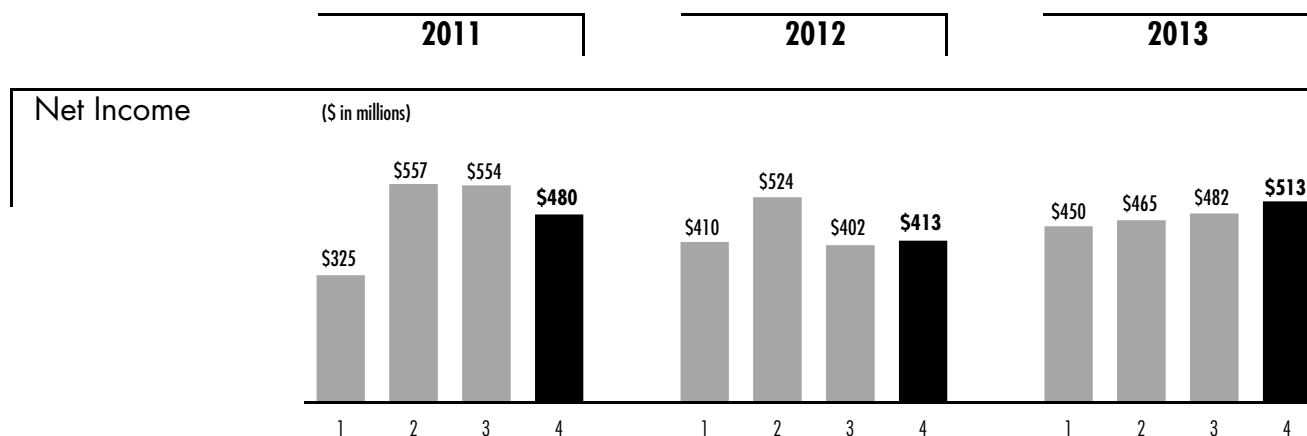
Years Ended December 31,
(S in millions)

	2013	2012
Cash flows from operating activities		
Net income	\$ 1,910	\$ 1,749
Reconciliation of net income to net cash provided by operating activities:		
Depreciation	922	922
Deferred income taxes	262	366
Gains and losses on properties and investments (note 3)	(104)	(6)
Changes in assets and liabilities affecting operations:		
Accounts receivable	85	(64)
Materials and supplies	(7)	(7)
Other current assets	(5)	(6)
Current liabilities other than debt	5	82
Other — net	10	29
Net cash provided by operating activities	3,078	3,065
Cash flows from investing activities		
Property additions	(1,971)	(2,241)
Property sales and other transactions	144	192
Investments, including short-term	(130)	(23)
Investment sales and other transactions	63	78
Net cash used in investing activities	(1,894)	(1,994)
Cash flows from financing activities		
Dividends	(637)	(624)
Common stock issued — net	131	89
Purchase and retirement of common stock (note 2)	(627)	(1,288)
Proceeds from borrowings — net	989	1,491
Debt repayments	(250)	(362)
Net cash used in financing activities	(394)	(694)
Net increase in cash and cash equivalents	790	377
Cash and cash equivalents		
At beginning of year	653	276
At end of year	\$ 1,443	\$ 653
Supplemental disclosure of cash flow information:		
Cash paid during the year for:		
Interest (net of amounts capitalized)	\$ 492	\$ 473
Income taxes (net of refunds)	735	618

Consolidated Financial Information



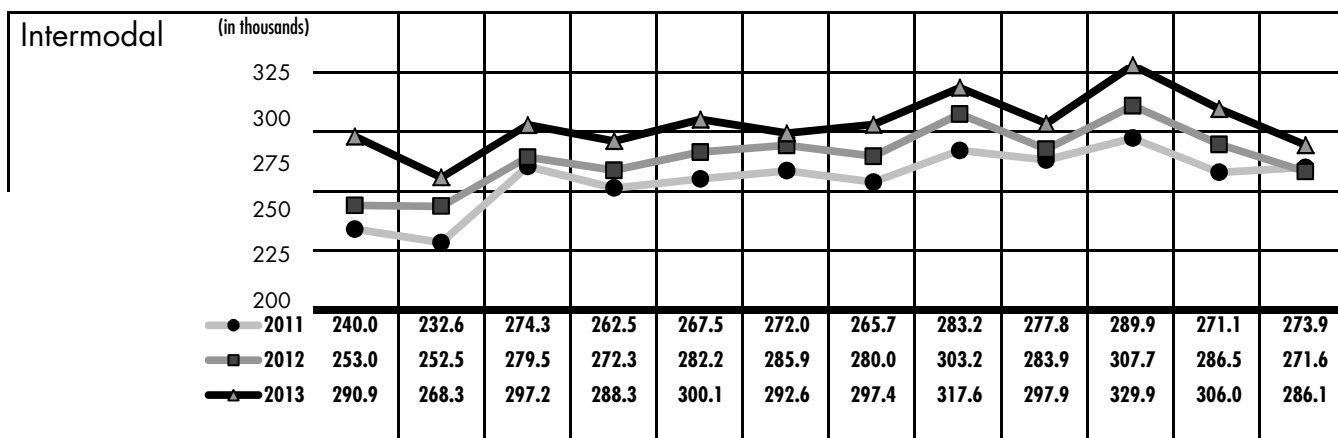
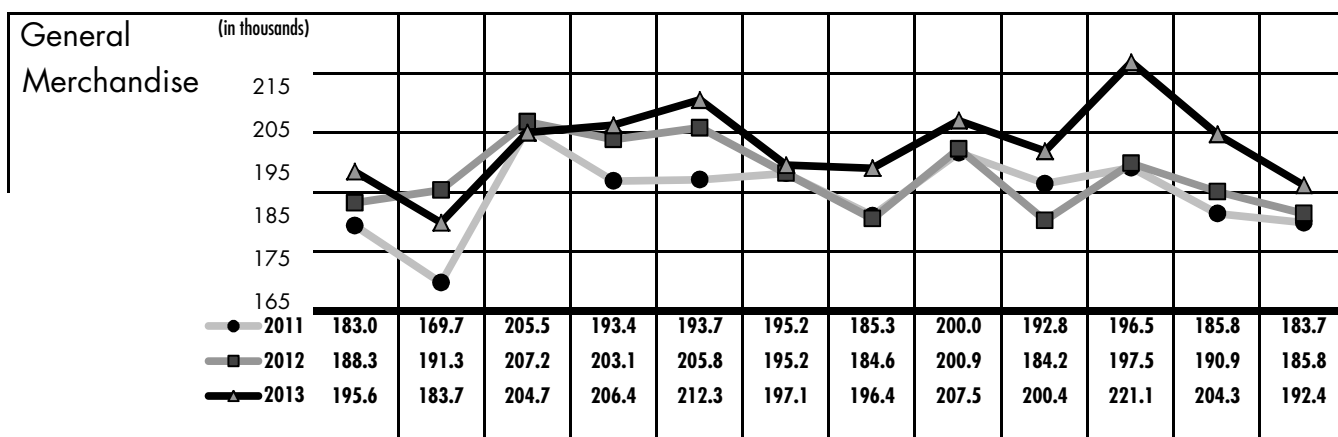
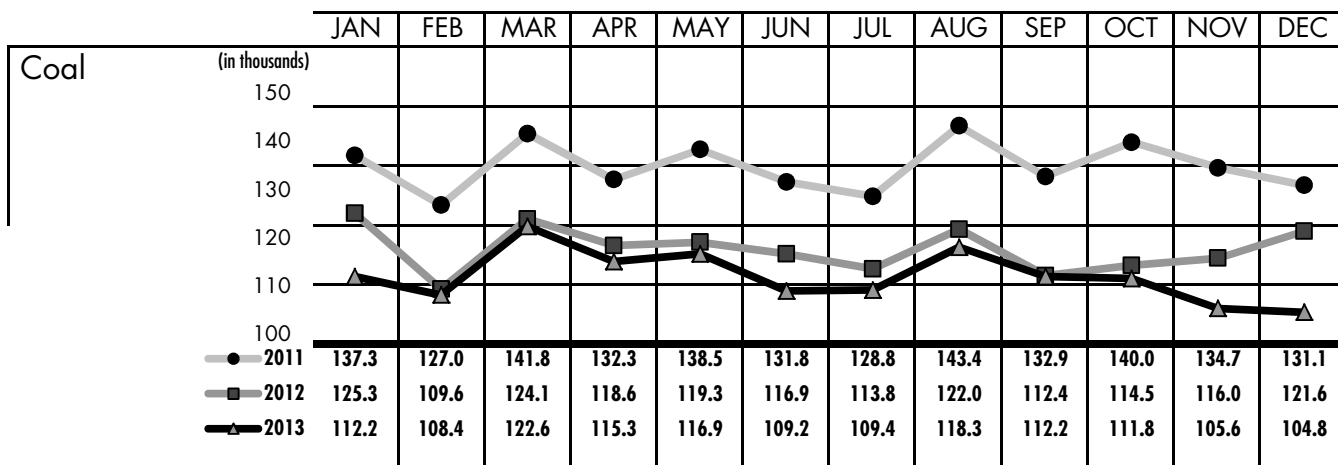
Consolidated Financial Information



Railway Operating Revenues Analysis

Commodity and Period	Revenues (\$ in millions)			Units (in thousands)			Revenue per Unit (\$ per unit)		
	2011	2012	2013	2011	2012	2013	2011	2012	2013
First Quarter									
Coal	\$ 816	\$ 766	\$ 635	406.1	359.0	343.2	\$ 2,009	\$ 2,134	\$ 1,850
Chemicals	338	362	394	95.7	96.0	106.0	3,532	3,772	3,719
Agriculture/consumer/gov't	351	370	361	155.6	152.3	147.9	2,257	2,429	2,441
Metals and construction	269	342	336	148.4	165.5	154.8	1,810	2,068	2,172
Automotive	177	226	244	78.6	96.3	98.7	2,258	2,345	2,467
Paper/clay/forest	184	196	195	79.9	76.7	76.6	2,303	2,552	2,539
General merchandise	1,319	1,496	1,530	558.2	586.8	584.0	2,364	2,549	2,619
Intermodal	485	527	573	746.9	785.0	856.4	649	671	669
Total	\$ 2,620	\$ 2,789	\$ 2,738	1,711.2	1,730.8	1,783.6	\$ 1,531	\$ 1,611	\$ 1,535
Second Quarter									
Coal	\$ 893	\$ 755	\$ 626	402.6	354.8	341.4	\$ 2,217	\$ 2,126	\$ 1,833
Chemicals	355	379	415	95.4	98.5	114.0	3,727	3,844	3,642
Agriculture/consumer/gov't	369	370	366	150.1	150.1	147.9	2,460	2,464	2,475
Metals and construction	320	369	350	173.3	180.2	171.1	1,846	2,047	2,045
Automotive	198	239	261	84.6	98.4	106.4	2,334	2,431	2,456
Paper/clay/forest	191	199	196	78.9	76.9	76.4	2,420	2,593	2,570
General merchandise	1,433	1,556	1,588	582.3	604.1	615.8	2,461	2,576	2,580
Intermodal	540	563	588	802.0	840.4	881.0	674	671	667
Total	\$ 2,866	\$ 2,874	\$ 2,802	1,786.9	1,799.3	1,838.2	\$ 1,604	\$ 1,597	\$ 1,524
Third Quarter									
Coal	\$ 899	\$ 701	\$ 641	405.1	348.2	339.9	\$ 2,219	\$ 2,014	\$ 1,885
Chemicals	353	370	429	95.4	99.0	113.1	3,696	3,739	3,787
Agriculture/consumer/gov't	357	344	346	143.2	142.6	138.0	2,487	2,415	2,504
Metals and construction	340	314	372	178.4	165.6	180.5	1,905	1,897	2,060
Automotive	191	203	227	80.2	85.8	93.3	2,384	2,363	2,441
Paper/clay/forest	198	194	204	80.9	76.7	79.4	2,454	2,530	2,575
General merchandise	1,439	1,425	1,578	578.1	569.7	604.3	2,488	2,502	2,611
Intermodal	551	567	605	826.7	867.1	912.9	667	653	663
Total	\$ 2,889	\$ 2,693	\$ 2,824	1,809.9	1,785.0	1,857.1	\$ 1,596	\$ 1,509	\$ 1,521
Fourth Quarter									
Coal	\$ 850	\$ 657	\$ 641	405.8	352.1	322.2	\$ 2,097	\$ 1,867	\$ 1,990
Chemicals	322	356	429	87.2	95.3	116.1	3,697	3,733	3,699
Agriculture/consumer/gov't	362	362	394	150.5	150.9	160.5	2,406	2,399	2,455
Metals and construction	312	310	347	164.9	158.4	160.5	1,896	1,954	2,160
Automotive	214	229	252	88.8	94.1	103.7	2,406	2,437	2,427
Paper/clay/forest	183	186	200	74.6	75.5	77.0	2,439	2,468	2,597
General merchandise	1,393	1,443	1,622	566.0	574.2	617.8	2,461	2,513	2,625
Intermodal	554	584	618	834.9	865.8	922.0	663	674	670
Total	\$ 2,797	\$ 2,684	\$ 2,881	1,806.7	1,792.1	1,862.0	\$ 1,548	\$ 1,498	\$ 1,547
Year									
Coal	\$ 3,458	\$ 2,879	\$ 2,543	1,619.6	1,414.1	1,346.7	\$ 2,135	\$ 2,036	\$ 1,888
Chemicals	1,368	1,467	1,667	373.7	388.8	449.2	3,662	3,772	3,711
Agriculture/consumer/gov't	1,439	1,446	1,467	599.4	595.9	594.3	2,400	2,427	2,468
Metals and construction	1,241	1,335	1,405	665.0	669.7	666.9	1,867	1,993	2,106
Automotive	780	897	984	332.2	374.6	402.1	2,348	2,395	2,448
Paper/clay/forest	756	775	795	314.3	305.8	309.4	2,404	2,536	2,570
General merchandise	5,584	5,920	6,318	2,284.6	2,334.8	2,421.9	2,444	2,536	2,609
Intermodal	2,130	2,241	2,384	3,210.5	3,358.3	3,572.3	663	667	667
Total	\$ 11,172	\$ 11,040	\$ 11,245	7,114.7	7,107.2	7,340.9	\$ 1,570	\$ 1,553	\$ 1,532

Monthly Railway Units



Railway Operating Revenues Variance Analysis

(\$ in millions)

Fourth Quarter
2013 vs. 2012

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue Variance due to:								
Volume	\$ (56)	(9%)	\$ 109	8%	\$ 38	7%	\$ 105	4%
Revenue per unit	40	7%	70	4%	(4)	(1%)	92	3%
Total	<u>\$ (16)</u>	(2%)	<u>\$ 179</u>	12%	<u>\$ 34</u>	6%	<u>\$ 197</u>	7%

Year
2013 vs. 2012

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue Variance due to:								
Volume	\$ (137)	(5%)	\$ 221	4%	\$ 143	6%	\$ 363	3%
Revenue per unit	(199)	(7%)	177	3%	-	-	(158)	(1%)
Total	<u>\$ (336)</u>	(12%)	<u>\$ 398</u>	7%	<u>\$ 143</u>	6%	<u>\$ 205</u>	2%

Coal Tonnage by Market

(tons in thousands)

Fourth Quarter

	2011		2012		2013	
	Tons	Change vs. 2010	Tons	Change vs. 2011	Tons	Change vs. 2012
Utility	30,669	(3%)	25,852	(16%)	23,497	(9%)
Export	6,563	27%	6,859	5%	6,320	(8%)
Domestic metallurgical	5,494	11%	4,553	(17%)	3,898	(14%)
Industrial	2,008	9%	1,851	(8%)	2,119	14%
Total	<u>44,734</u>	3%	<u>39,115</u>	(13%)	<u>35,834</u>	(8%)

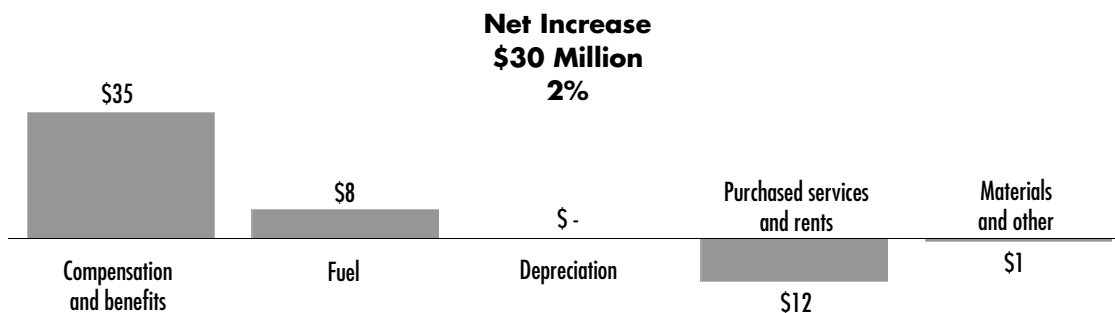
Year

	2011		2012		2013	
	Tons	Change vs. 2010	Tons	Change vs. 2011	Tons	Change vs. 2012
Utility	122,004	1%	101,636	(17%)	97,146	(4%)
Export	28,461	25%	28,304	(1%)	28,631	1%
Domestic metallurgical	19,702	-	18,793	(5%)	16,905	(10%)
Industrial	7,713	2%	7,376	(4%)	7,388	-
Total	<u>177,880</u>	4%	<u>156,109</u>	(12%)	<u>150,070</u>	(4%)

Railway Operating Expenses Variance Analysis

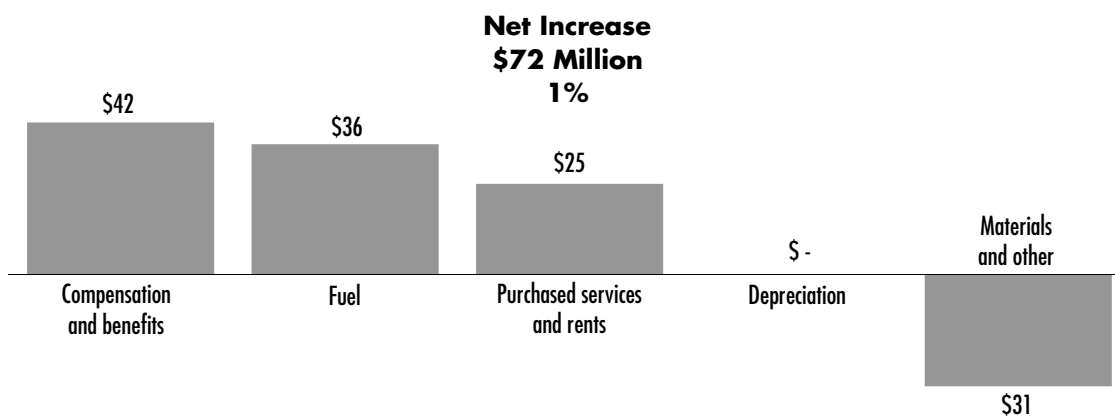
Fourth Quarter
2013 vs. 2012

(\$ in millions)
Amount of change

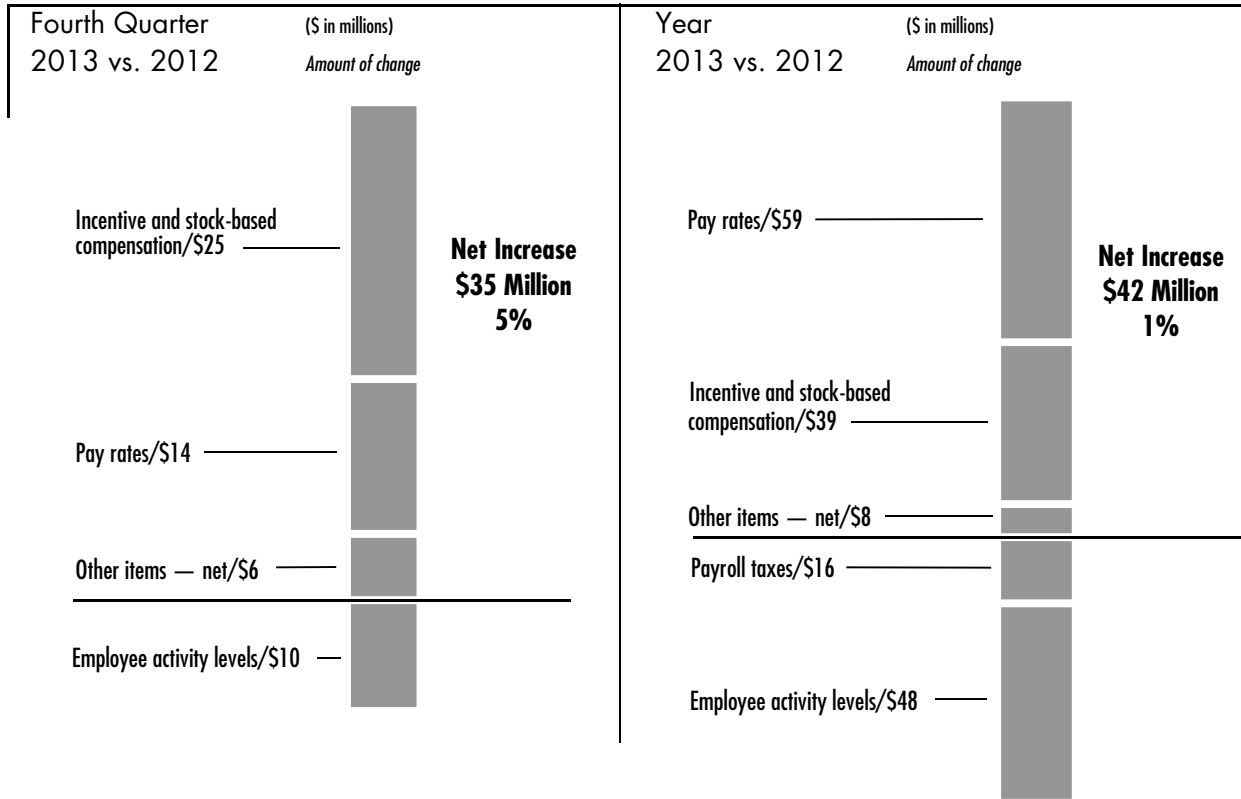


Year
2013 vs. 2012

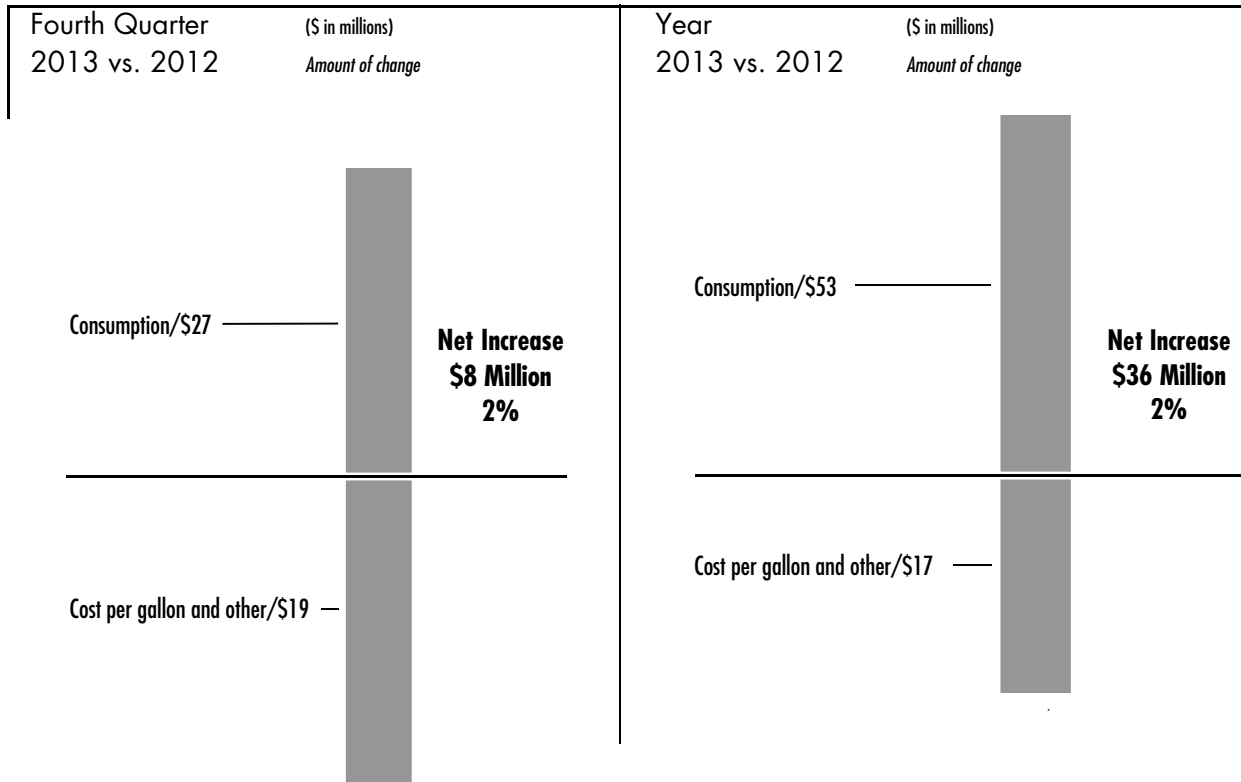
(\$ in millions)
Amount of change



Compensation and Benefits Expense Analysis



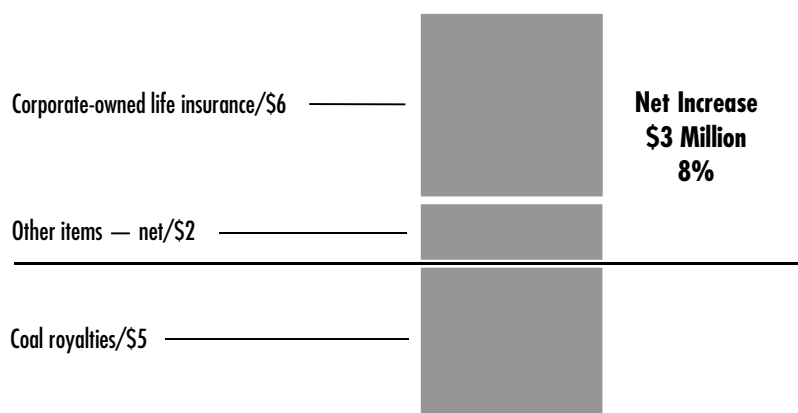
Fuel Expense Analysis



Other Income — Net Analysis

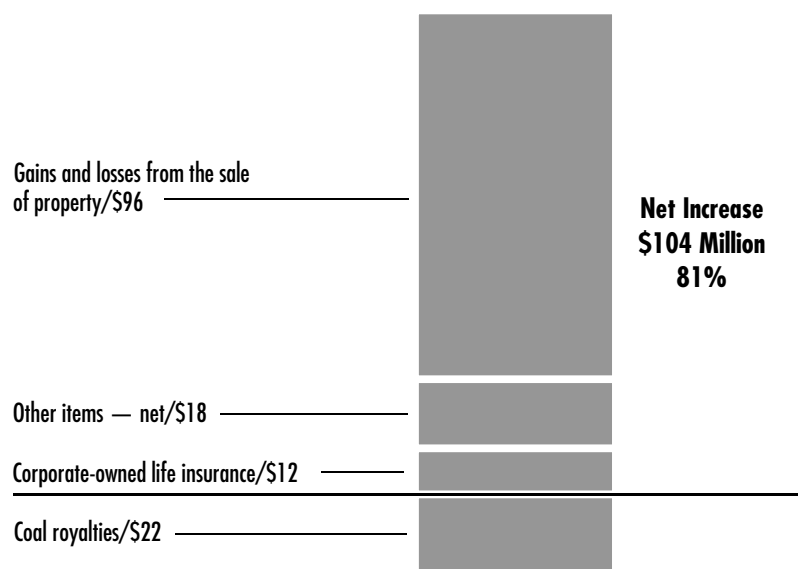
Fourth Quarter
2013 vs. 2012

(\$ in millions)
Amount of change



Year
2013 vs. 2012

(\$ in millions)
Amount of change



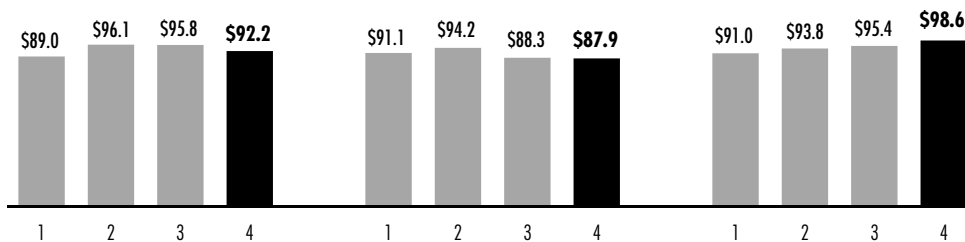
Productivity Measures

2011

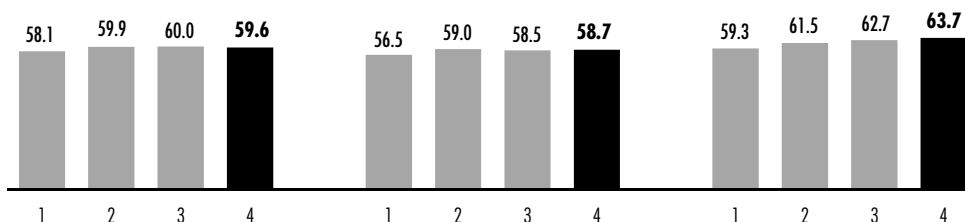
2012

2013

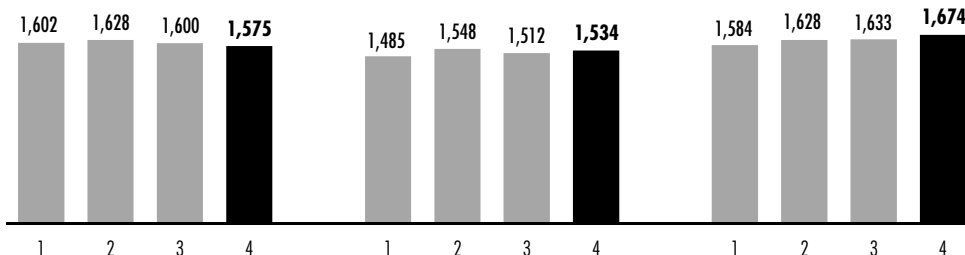
Operating Revenues
per Employee
(\$ in thousands)



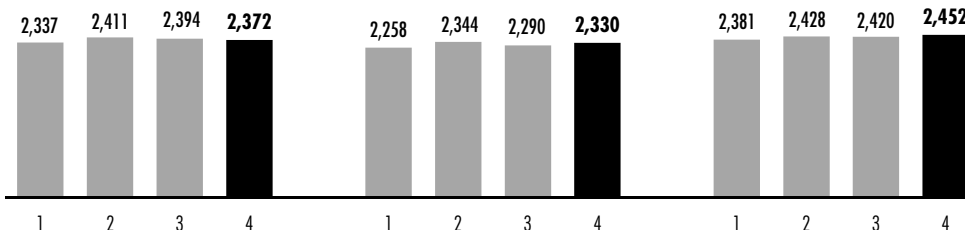
Units per
Employee



Revenue Ton Miles
per Employee
(in thousands)



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



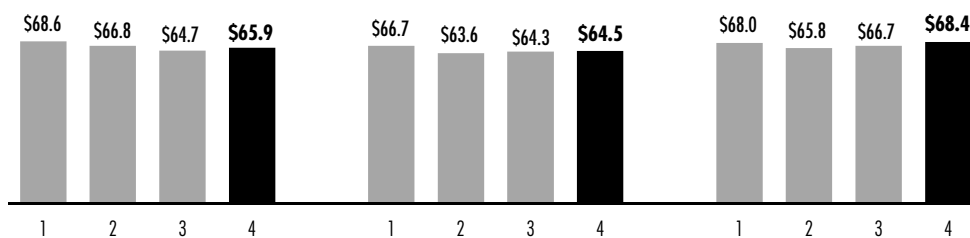
Productivity Measures

2011

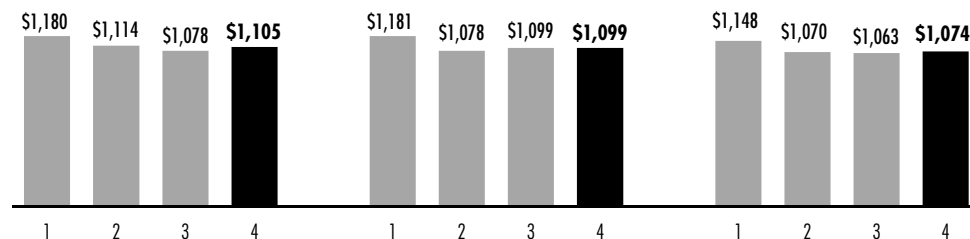
2012

2013

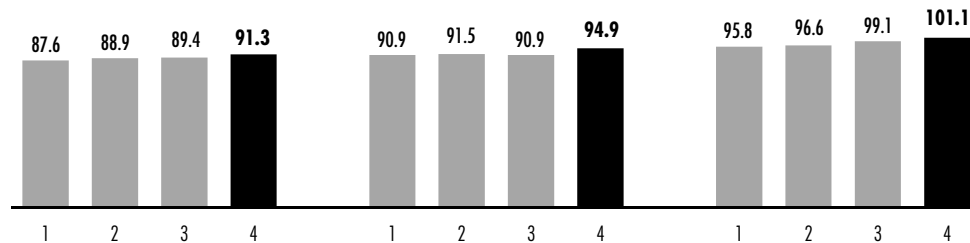
Operating Expenses
per Employee



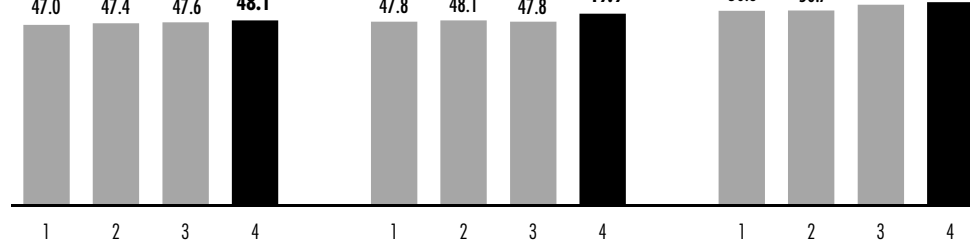
Operating Expenses
per Unit



Gross Ton Miles
per Train Hour



Revenue Ton Miles
per Train Hour



Financial, Traffic and Operating Statistics

Consolidated Financial Data		2011					2012					2013				
(\$ 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
6	Railway operating revenues:															
8	Coal	\$ 816	\$ 893	\$ 899	\$ 850	\$ 3,458	\$ 766	\$ 755	\$ 701	\$ 657	\$ 2,879	\$ 635	\$ 626	\$ 641	\$ 641	\$ 2,543
8	General merchandise	1,319	1,433	1,439	1,393	5,584	1,496	1,556	1,425	1,443	5,920	1,530	1,588	1,578	1,622	6,318
8	Intermodal	485	540	551	554	2,130	527	563	567	584	2,241	573	588	605	618	2,384
6	Total railway operating revenues	2,620	2,866	2,889	2,797	11,172	2,789	2,874	2,693	2,684	11,040	2,738	2,802	2,824	2,881	11,245
6	Railway operating expenses:															
•	Compensation and benefits	765	739	736	734	2,974	786	724	724	726	2,960	780	726	735	761	3,002
•	Purchased services	296	318	320	338	1,272	318	320	333	350	1,321	321	343	349	340	1,353
•	Equipment rents	87	87	83	81	338	73	72	70	68	283	72	67	71	66	276
•	Fuel	389	412	385	403	1,589	413	390	379	395	1,577	429	391	390	403	1,613
•	Depreciation	211	213	217	221	862	224	229	230	233	916	227	226	230	233	916
•	Materials	94	103	105	106	408	112	95	109	92	408	101	116	100	105	422
•	Casualties and other claims (note 1)	99	43	30	44	216	38	30	33	29	130	35	20	23	12	90
•	Other	79	76	75	70	300	80	80	84	77	321	82	77	77	80	316
6	Total railway operating expenses	2,020	1,991	1,951	1,997	7,959	2,044	1,940	1,962	1,970	7,916	2,047	1,966	1,975	2,000	7,988
6	Income from railway operations	600	875	938	800	3,213	745	934	731	714	3,124	691	836	849	881	3,257
•	Other income (expense) (note 2)	(85)	(79)	(54)	(77)	(295)	(91)	(91)	(91)	(93)	(366)	6	(99)	(101)	(98)	(292)
•	Income before income taxes	515	796	884	723	2,918	654	843	640	621	2,758	697	737	748	783	2,965
•	Income taxes — current	78	108	159	130	475	156	269	97	121	643	173	203	194	223	793
•	Income taxes — deferred	112	131	171	113	527	88	50	141	87	366	74	69	72	47	262
6	Total income taxes (note 3)	190	239	330	243	1,002	244	319	238	208	1,009	247	272	266	270	1,055
7	Net income	\$ 325	\$ 557	\$ 554	\$ 480	\$ 1,916	\$ 410	\$ 524	\$ 402	\$ 413	\$ 1,749	\$ 450	\$ 465	\$ 482	\$ 513	\$ 1,910
7	Earnings per share — diluted (dollars) (notes 2 & 4)	\$ 0.90	\$ 1.56	\$ 1.59	\$ 1.42	\$ 5.45	\$ 1.23	\$ 1.60	\$ 1.24	\$ 1.30	\$ 5.37	\$ 1.41	\$ 1.46	\$ 1.53	\$ 1.64	\$ 6.04
7	Railway operating ratio	77.1	69.5	67.5	71.4	71.2	73.3	67.5	72.9	73.4	71.7	74.8	70.2	69.9	69.4	71.0
7	Property additions:															
•	Equipment	\$ 180	\$ 184	\$ 226	\$ 348	\$ 938	\$ 187	\$ 176	\$ 148	\$ 265	\$ 776	\$ 88	\$ 140	\$ 200	\$ 122	\$ 550
•	Road	243	281	319	379	1,222	274	331	406	454	1,465	291	365	386	379	1,421
7	Total property additions	\$ 423	\$ 465	\$ 545	\$ 727	\$ 2,160	\$ 461	\$ 507	\$ 554	\$ 719	\$ 2,241	\$ 379	\$ 505	\$ 586	\$ 501	\$ 1,971
•	Cash, cash equivalents and short-term investments	\$ 488	\$ 906	\$ 394	\$ 301	\$ 301	\$ 831	\$ 371	\$ 708	\$ 668	\$ 668	\$ 687	\$ 587	\$ 1,004	\$ 1,561	\$ 1,561
•	Total debt, excluding notes payable to Conrail	\$ 6,617	\$ 6,986	\$ 6,837	\$ 7,540	\$ 7,540	\$ 8,017	\$ 7,999	\$ 8,480	\$ 8,682	\$ 8,682	\$ 8,485	\$ 8,477	\$ 8,946	\$ 9,448	\$ 9,448
•	Total debt-to-total capitalization (percent)	38.4	39.7	40.0	43.2	43.2	45.0	45.0	46.5	47.1	47.1	45.6	45.4	46.5	45.6	45.6
•	Weighted average shares outstanding — diluted (in millions) (note 5)	360.5	357.3	349.0	338.6	351.3	332.9	327.5	321.8	318.6	325.2	318.1	317.8	313.9	312.3	315.5

Note 1 During the first quarter of 2011, we received an unfavorable ruling for an arbitration claim with an insurance carrier, and were denied recovery of the contested portion of the claim. As a result, we recorded a \$43 million charge for the receivables associated with the contested portion of the claim and a \$15 million charge for other receivables affected by the ruling for which recovery was no longer probable.

Note 2 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 3 During the second quarter of 2011, the IRS completed its examination of our 2008 tax return and review of certain claims for refund for prior years that resulted in a decrease in income tax expense of \$40 million. During the second and fourth quarters of 2011, enacted state tax law changes resulted in a decrease to deferred income tax expense of \$19 million and \$11 million, respectively.

Note 4 For diluted earnings per share, income available to common stockholders reflects reductions for the effect of dividend equivalent payments made to holders of stock options and restricted stock units as follows: \$2 million for the first quarters 2012 and 2011; \$1 million for the first, second, third and fourth quarters of 2013 and the third and fourth quarters of 2012; and less than \$1 million for the second quarter 2012, as well as the second, third and fourth quarters of 2011.

Note 5 We repurchased and retired 8.3 million shares of common stock in 2013, at a cost of \$627 million, 18.8 million shares at a cost of \$1.3 billion in 2012, and 30.2 million shares at a cost of \$2.1 billion in 2011. We have remaining authorization from our Board of Directors to repurchase up to 38.3 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 136.7 million shares at a total cost of \$8.1 billion.

Financial, Traffic and Operating Statistics

Traffic and Operating Statistics		2011					2012					2013				
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
	• No corresponding charts for this data.															
8	Railway units (in thousands):															
8	Coal	406.1	402.6	405.1	405.8	1,619.6	359.0	354.8	348.2	352.1	1,414.1	343.2	341.4	339.9	322.2	1,346.7
8	General merchandise	558.2	582.3	578.1	566.0	2,284.6	586.8	604.1	569.7	574.2	2,334.8	584.0	615.8	604.3	617.8	2,421.9
8	Intermodal	746.9	802.0	826.7	834.9	3,210.5	785.0	840.4	867.1	865.8	3,358.3	856.4	881.0	912.9	922.0	3,572.3
8	Total railway units	1,711.2	1,786.9	1,809.9	1,806.7	7,114.7	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
	• Revenue ton miles (RTMs) (in billions):															
	• Coal	14.2	14.3	14.2	13.9	56.6	11.8	12.2	12.0	12.2	48.2	12.0	11.8	12.0	11.7	47.5
	• General merchandise	24.9	25.5	25.4	24.9	100.7	25.2	25.8	24.7	25.1	100.8	26.4	27.3	26.6	27.4	107.7
	• Intermodal	8.1	8.7	8.6	9.0	34.4	8.5	9.2	9.4	9.5	36.6	9.3	9.5	9.7	9.9	38.4
	• Total	47.2	48.5	48.2	47.8	191.7	45.5	47.2	46.1	46.8	185.6	47.7	48.6	48.3	49.0	193.6
	• Revenue (dollars) per thousand RTMs:															
	• Coal	\$ 57.46	\$ 62.16	\$ 63.55	\$ 61.11	\$ 61.07	\$ 64.77	\$ 62.08	\$ 58.45	\$ 53.61	\$ 59.69	\$ 53.15	\$ 52.67	\$ 53.32	\$ 55.12	\$ 53.55
	• General merchandise	\$ 53.07	\$ 56.12	\$ 56.65	\$ 55.86	\$ 55.44	\$ 59.42	\$ 60.23	\$ 57.67	\$ 57.57	\$ 58.74	\$ 57.86	\$ 58.27	\$ 59.41	\$ 59.07	\$ 58.65
	• Intermodal	\$ 59.83	\$ 62.30	\$ 63.53	\$ 62.11	\$ 61.98	\$ 62.23	\$ 61.09	\$ 60.21	\$ 61.36	\$ 61.20	\$ 61.77	\$ 62.02	\$ 62.07	\$ 62.76	\$ 62.16
	• Total	\$ 55.56	\$ 59.01	\$ 59.91	\$ 58.56	\$ 58.27	\$ 61.34	\$ 60.88	\$ 58.39	\$ 57.30	\$ 59.47	\$ 57.44	\$ 57.63	\$ 58.43	\$ 58.87	\$ 58.10
	• Gross ton miles (GTMs) (in billions)	87.8	91.1	90.5	90.6	360.0	86.5	89.8	87.8	89.0	353.1	90.3	92.6	91.7	93.5	368.1
	• Revenue ton miles (RTMs) (in billions)	47.2	48.5	48.2	47.8	191.7	45.5	47.2	46.1	46.8	185.6	47.7	48.6	48.3	49.0	193.6
	• Railroad employees (average)	29,446	29,825	30,144	30,320	29,933	30,630	30,503	30,493	30,543	30,543	30,095	29,870	29,597	29,227	29,698
	• Total operating expenses (dollars) per thousand GTMs	\$ 23.00	\$ 21.87	\$ 21.55	\$ 22.04	\$ 22.11	\$ 23.62	\$ 21.60	\$ 22.37	\$ 22.13	\$ 22.42	\$ 22.68	\$ 21.23	\$ 21.53	\$ 21.41	\$ 21.70
	• Compensation and benefits (dollars) per thousand GTMs	\$ 8.71	\$ 8.12	\$ 8.13	\$ 8.10	\$ 8.26	\$ 9.08	\$ 8.06	\$ 8.25	\$ 8.16	\$ 8.38	\$ 8.64	\$ 7.84	\$ 8.01	\$ 8.14	\$ 8.16
	• Total operating expenses (dollars) per thousand RTMs	\$ 42.83	\$ 40.99	\$ 40.46	\$ 41.81	\$ 41.52	\$ 44.95	\$ 41.09	\$ 42.54	\$ 42.06	\$ 42.64	\$ 42.94	\$ 40.43	\$ 40.87	\$ 40.87	\$ 41.27
	• Compensation and benefits (dollars) per thousand RTMs	\$ 16.22	\$ 15.22	\$ 15.26	\$ 15.37	\$ 15.51	\$ 17.29	\$ 15.34	\$ 15.70	\$ 15.50	\$ 15.94	\$ 16.36	\$ 14.93	\$ 15.21	\$ 15.55	\$ 15.51
14	Total operating revenues (\$ in thousands) per employee	\$ 89.0	\$ 96.1	\$ 95.8	\$ 92.2	\$ 373.2	\$ 91.1	\$ 94.2	\$ 88.3	\$ 87.9	\$ 361.5	\$ 91.0	\$ 93.8	\$ 95.4	\$ 98.6	\$ 378.6
15	Total operating expenses (\$ in thousands) per employee	\$ 68.6	\$ 66.8	\$ 64.7	\$ 65.9	\$ 265.9	\$ 66.7	\$ 63.6	\$ 64.3	\$ 64.5	\$ 259.2	\$ 68.0	\$ 65.8	\$ 66.7	\$ 68.4	\$ 269.0
	• GTMs (thousands) per employee	2,983	3,052	3,003	2,988	12,026	2,826	2,944	2,877	2,914	11,560	2,999	3,101	3,100	3,197	12,393
14	RTMs (thousands) per employee	1,602	1,628	1,600	1,575	6,405	1,485	1,548	1,512	1,534	6,078	1,584	1,628	1,633	1,674	6,517
14	Units per employee	58.1	59.9	60.0	59.6	237.7	56.5	59.0	58.5	58.7	232.7	59.3	61.5	62.7	63.7	247.2
14	RTMs (thousands) per mile of road operated	2,337	2,411	2,394	2,372	9,513	2,258	2,344	2,290	2,330	9,221	2,381	2,428	2,420	2,452	9,680
15	Total operating expenses (dollars) per unit	\$ 1,180	\$ 1,114	\$ 1,078	\$ 1,105	\$ 1,119	\$ 1,181	\$ 1,078	\$ 1,099	\$ 1,099	\$ 1,114	\$ 1,148	\$ 1,070	\$ 1,063	\$ 1,074	\$ 1,088
	• Compensation and benefits (dollars) per unit	\$ 447	\$ 414	\$ 407	\$ 406	\$ 418	\$ 454	\$ 402	\$ 406	\$ 405	\$ 416	\$ 437	\$ 395	\$ 396	\$ 409	\$ 409
	• RTMs (in thousands) per unit	27.6	27.2	26.6	26.4	26.9	26.3	26.2	25.8	26.1	26.1	26.7	26.5	26.0	26.3	26.4
	• Locomotive diesel fuel consumed (in thousands of gallons)	122,226	116,873	115,126	119,663	473,888	119,779	114,428	111,804	113,297	459,308	122,673	117,383	114,107	122,141	476,304
	• Average price (dollars) per gallon of locomotive diesel fuel	\$ 2.883	\$ 3.258	\$ 3.097	\$ 3.111	\$ 3.085	\$ 3.160	\$ 3.149	\$ 3.131	\$ 3.237	\$ 3.169	\$ 3.191	\$ 3.027	\$ 3.133	\$ 3.020	\$ 3.093
	• RTMs per gallon of fuel consumed	386	416	419	399	405	380	413	412	413	404	389	414	424	401	406
15	GTMs (in thousands) per train hour	87.6	88.9	89.4	91.3	89.3	90.9	91.5	90.9	94.9	92.0	95.8	96.6	99.1	101.1	98.1
15	RTMs (in thousands) per train hour	47.0	47.4	47.6	48.1	47.6	47.8	48.1	47.8	49.9	48.4	50.6	50.7	52.2	52.9	51.6
	• Percent of loaded-to-total car miles	58.4	58.6	58.7	59.0	58.7	59.0	58.8	58.6	59.0	58.8	58.7	58.4	58.7	58.8	58.7
	• Total new crossties installed (in thousands)	653	675	734	633	2,695	724	700	693	517	2,634	610	763	741	355	2,469
	• Total track miles of rail laid (miles)	94	122	105	163	484	104	119	165	121	509	112	181	166	90	549

Fourth Quarter 2013

Quarterly Financial Review