

Dear fellow SHAREHOLDERS

ON CHRISTMAS DAY 1830, a tiny steam locomotive named the “Best Friend of Charleston” pulled the first regularly scheduled passenger train over the six completed miles of the South Carolina Canal and Rail Road Company. In 2005, the 175th anniversary of that historic run, the line is part of Norfolk Southern’s transportation network linking the port of Charleston and communities in 22 states, our nation’s capital and Ontario, Canada, with markets around the world. It is a remarkable tribute to the underlying efficiency of railroad technology that after 175 years, Norfolk Southern and the rail industry are vital and dynamic components of our economy. Even more remarkable is that the concept of regularly scheduled operations, implemented in our Thoroughbred Operating Plan, is driving unparalleled growth at our company.

I believe that 2004, as this report illustrates, marked the beginning of a new era at Norfolk Southern in



Wick Moorman

terms of growth and profitability. Market shifts in global trade, along with highway transportation constraints here in the United States, are creating unprecedented opportunities for us to provide transportation services for more and more customers, and to capture the value that we provide. In 2005, we should see the affirmation and acceleration of these opportunities.

The year also will mark a management transition at Norfolk Southern. Our company and its predecessors

CHARLES W. “WICK” MOORMAN

became president of Norfolk Southern Corporation effective Oct. 1, 2004.

Moorman is a native of Hattiesburg, Miss., and a graduate of Georgia Tech and Harvard Business School. He joined Norfolk Southern in 1970. He served in senior positions in the corporation’s transportation, personnel, labor relations, information technology and strategic planning areas. He was named president of NS’ Thoroughbred Technology and Telecommunications subsidiary in 1999 and senior vice president corporate planning and services in 2003.

David Goode, chairman and chief executive officer, announced the elections of Moorman and five executive vice presidents (see Page 24). “Norfolk Southern is extremely fortunate to have such a talented executive team, and Wick Moorman is a seasoned, dynamic leader. This is the team that will help us take full advantage of the opportunities presented by our expanding markets and efficient transportation network.”

“We have the luxury,” Moorman said, “to have a transition that still has the leadership of the chairman to help us steer through the next year.”

have a long history of outstanding management leadership. We have a senior leadership team that is second to none and, with them, an entire work force that truly is a group of thoroughbreds. I feel very honored and fortunate to have the opportunity to be part of that leadership team. While undoubtedly challenges lie ahead, we share our Chairman David Goode’s belief that the future is very bright for our company, and we are excited to embrace it.

Wick Moorman

PRESIDENT
FEBRUARY 28, 2005

A unit coal train makes its way around Pennsylvania's Horse-shoe Curve near Altoona. Norfolk Southern's coal revenue in-creased 15 percent to a record \$1.7 billion in 2004.

