

Quarterly Financial Review

Third Quarter 2008



Norfolk Southern Corporation
Finance Department
Three Commercial Place
Norfolk, Virginia 23510.2191

Norfolk Southern Railway System



- NS Lines & Rights
- - - NS Trackage/Haulage Rights
- Conrail Shared Assets Areas

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Financial Inquiries: James A. Squires.....	(757) 629-2845
Investor Inquiries: William J. Romig.....	(757) 629-2780
Leanne D. Marilley.....	(757) 629-2861

The accompanying unaudited interim financial statements should be read in conjunction with: (a) the financial statements and notes included in the Corporation's 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 Norfolk Southern 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 Norfolk Southern's SEC filings) which could cause actual results to differ.

Consolidated Statements of Income

Three Months Ended Sept. 30,

(\$ millions except per share)

	2008	2007
Railway operating revenues:		
Coal (note 1)	\$ 876	\$ 578
General merchandise	1,458	1,291
Intermodal	560	484
Total railway operating revenues	2,894	2,353
Railway operating expenses:		
Compensation and benefits (note 2)	708	619
Purchased services and rents	419	391
Fuel	474	289
Depreciation	201	194
Materials and other	198	179
Total railway operating expenses	2,000	1,672
Income from railway operations	894	681
Other income — net	39	31
Interest expense on debt	111	107
Income before income taxes	822	605
Provision for income taxes:		
Current	184	178
Deferred	118	41
Total income taxes	302	219
Net income	\$ 520	\$ 386
Earnings per share:		
Basic	\$ 1.39	\$ 0.99
Diluted	\$ 1.37	\$ 0.97
Weighted average shares outstanding (millions) (note 3):		
Basic	372.5	389.0
Diluted	380.5	397.4

Notes to Consolidated Financial Statements

1. Coal Revenues

Third quarter 2008 includes \$22 million related to a coal customer's 2008 contracted volume shortfall and a nonrecurring effect related to the implementation of NS' new export coal billing system.

2. Labor Agreement

Third quarter 2008 includes \$28 million for lump-sum payments (including payroll taxes) due under a new labor agreement with the Brotherhood of Locomotive Engineers and Trainmen (BLET).

3. Stock Repurchase Program

In March 2007, NS' Board of Directors amended the stock repurchase program that was authorized in November 2005 so as to increase the number of shares of NS common stock that may be repurchased from 50 million to 75 million. In addition, the term of the program was shortened from December 31, 2015 to December 31, 2010. During the first nine months of 2008, NS purchased and retired 15.2 million shares of common stock at a cost of \$899 million. Since inception of the stock repurchase program in 2006, NS has repurchased and retired 60.5 million shares at a total cost of \$3.1 billion.

Consolidated Statements of Income

Nine Months Ended Sept. 30,
(S millions except per share)

	2008	2007
Railway operating revenues:		
Coal (note 1)	\$ 2,313	\$ 1,714
General merchandise	4,268	3,839
Intermodal	1,578	1,425
Total railway operating revenues	8,159	6,978
Railway operating expenses:		
Compensation and benefits (note 2)	2,075	1,929
Purchased services and rents	1,194	1,155
Fuel	1,369	816
Depreciation	598	578
Materials and other	652	601
Total railway operating expenses	5,888	5,079
Income from railway operations	2,271	1,899
Other income — net	92	59
Interest expense on debt	332	333
Income before income taxes	2,031	1,625
Provision for income taxes:		
Current	586	541
Deferred	181	19
Total income taxes	767	560
Net income	\$ 1,264	\$ 1,065
Earnings per share:		
Basic	\$ 3.37	\$ 2.71
Diluted	\$ 3.30	\$ 2.66
Weighted average shares outstanding (millions) (note 3):		
Basic	374.4	392.3
Diluted	382.6	400.5

Consolidated Balance Sheets

September 30, December 31,
(\$ millions)

	2008	2007
Assets		
Current assets:		
Cash, cash equivalents and short-term investments	\$ 557	\$ 206
Accounts receivable — net	1,076	942
Materials and supplies	210	176
Deferred income taxes	172	190
Other current assets	67	161
Total current assets	2,082	1,675
Investments	1,827	1,974
Properties less accumulated depreciation	22,032	21,583
Other assets	776	912
Total assets	\$ 26,717	\$ 26,144
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 1,225	\$ 1,139
Income and other taxes	297	203
Other current liabilities	293	237
Current maturities of long-term debt	488	369
Total current liabilities	2,303	1,948
Long-term debt	5,983	5,999
Other liabilities	1,783	2,039
Deferred income taxes	6,602	6,431
Total liabilities	16,671	16,417
Stockholders' equity:		
Common stock \$1.00 per share par value, 1,350,000,000 shares authorized; outstanding 370,279,291 and 379,297,891 shares, respectively, net of treasury shares	371	380
Additional paid-in capital	1,689	1,466
Accumulated other comprehensive loss	(389)	(399)
Retained income	8,375	8,280
Total stockholders' equity	10,046	9,727
Total liabilities and stockholders' equity	\$ 26,717	\$ 26,144

Consolidated Statements of Cash Flows

Nine Months Ended September 30,

(S millions)

	2008	2007
Cash flows from operating activities:		
Net income	\$ 1,264	\$ 1,065
Reconciliation of net income to net cash provided by operating activities:		
Depreciation	606	587
Deferred income taxes	181	19
Gains on properties and investments	(24)	(36)
Changes in assets and liabilities affecting operations:		
Accounts receivable	63	(21)
Materials and supplies	(34)	(22)
Other current assets	93	80
Current liabilities other than debt	(80)	67
Other — net	6	72
Net cash provided by operating activities	<u>2,075</u>	<u>1,811</u>
Cash flows from investing activities:		
Property additions	(1,104)	(895)
Property sales and other transactions	74	105
Investments, including short-term	(34)	(568)
Investment sales and other transactions	254	758
Net cash used in investing activities	<u>(810)</u>	<u>(600)</u>
Cash flows from financing activities:		
Dividends	(338)	(276)
Common stock issued — net	224	166
Purchase and retirement of common stock (note 3)	(899)	(769)
Proceeds from borrowings	1,225	-
Debt repayments	(1,126)	(454)
Net cash used in financing activities	<u>(914)</u>	<u>(1,333)</u>
Net increase (decrease) in cash and cash equivalents	351	(122)
Cash and cash equivalents:		
At beginning of year	<u>206</u>	<u>527</u>
At end of period	557	405
Short-term investments at end of period	<u>-</u>	<u>13</u>
Cash, cash equivalents and short-term investments at end of period	<u>\$ 557</u>	<u>\$ 418</u>
Supplemental disclosures of cash flow information		
Cash paid during the period for:		
Interest (net of amounts capitalized)	\$ 254	\$ 279
Income taxes (net of refunds)	\$ 401	\$ 386

Consolidated Financial Information

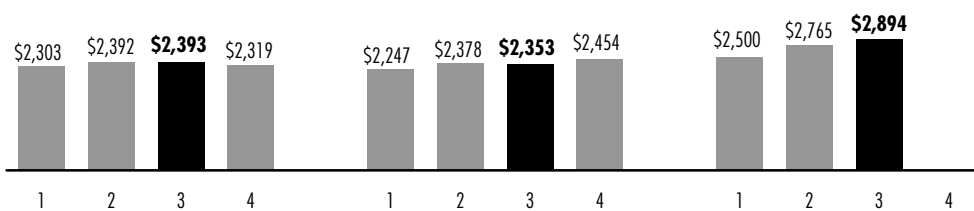
2006

2007

2008

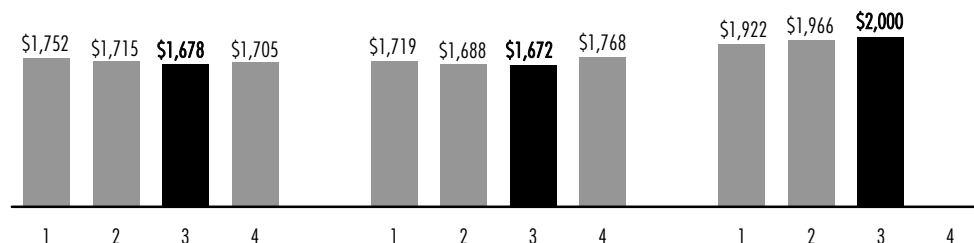
Railway Operating Revenues

(see page 16 for details)



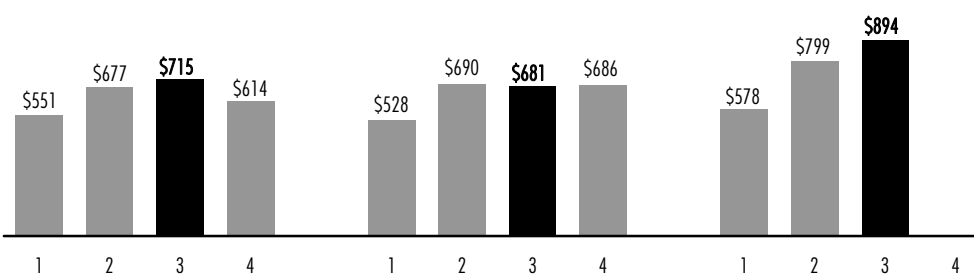
Railway Operating Expenses

(see page 16 for details)



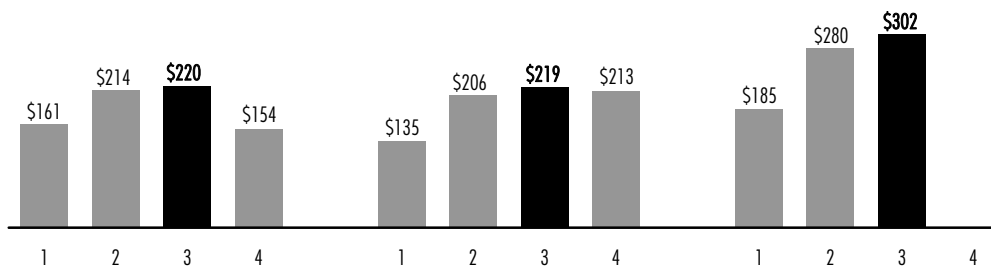
Income from Railway Operations

(see page 16 for details)



Income Taxes

(see page 16 for details)



Consolidated Financial Information

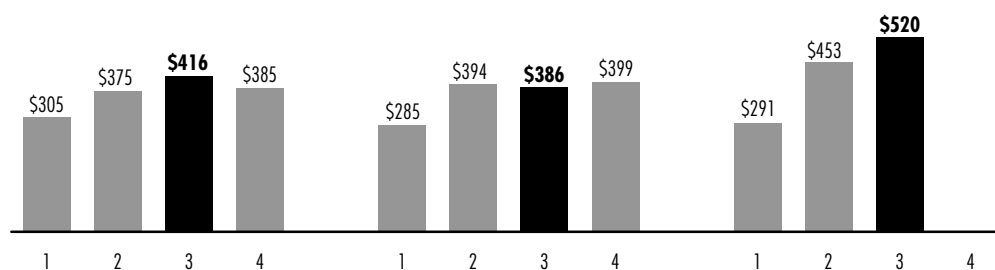
2006

2007

2008

Net Income

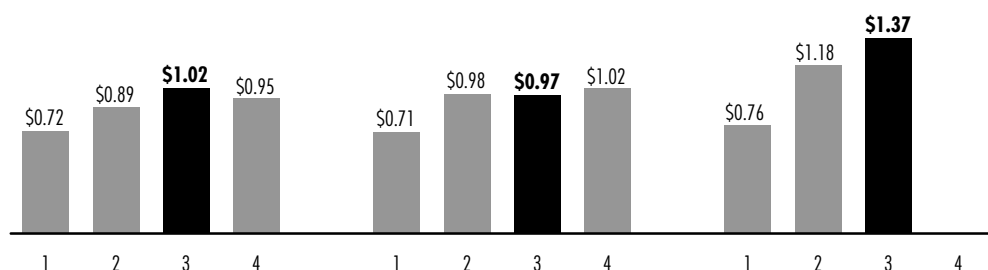
(\$ millions)



Earnings per Share

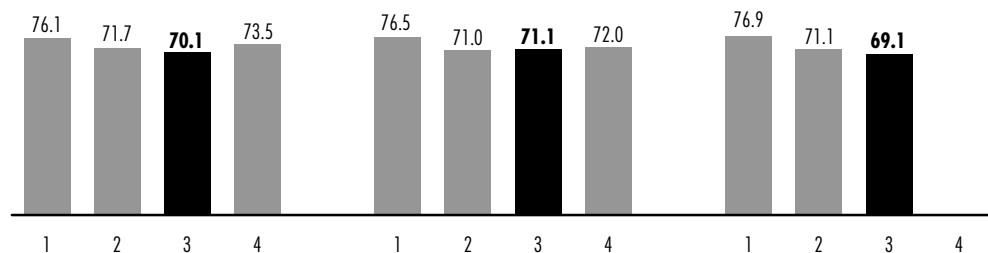
(dollars)

— Diluted



Railway Operating Ratio

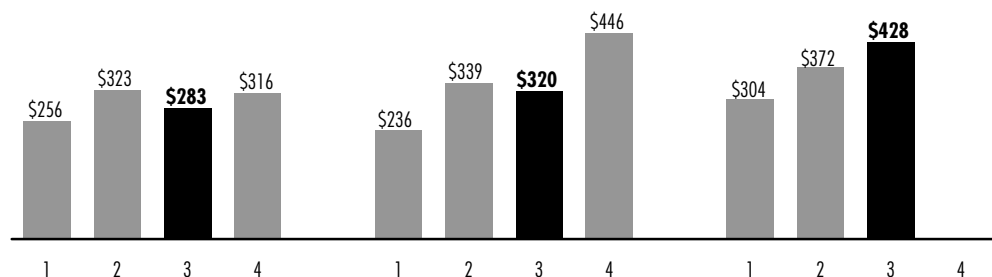
(percent)



Capital Expenditures

(\$ millions)

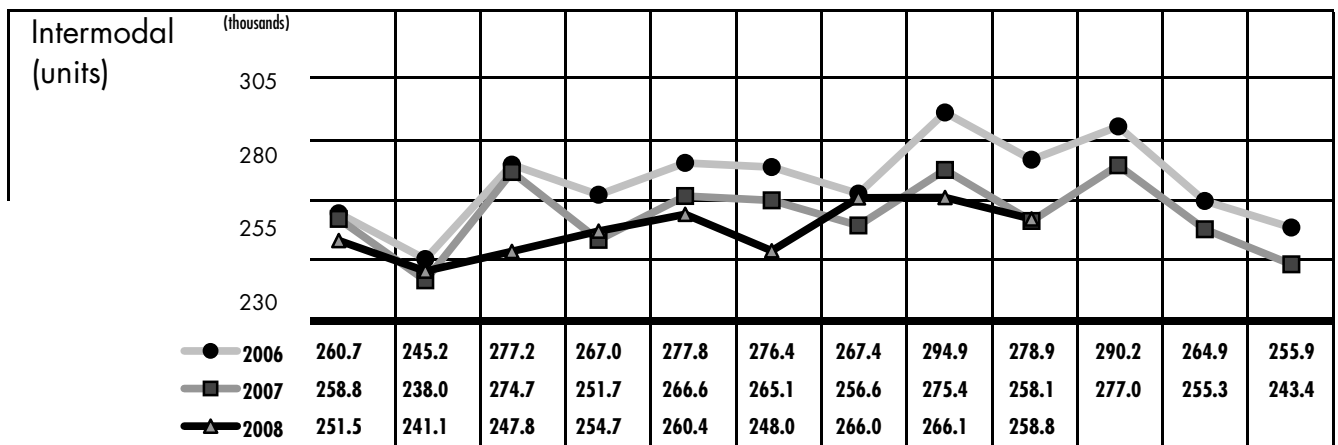
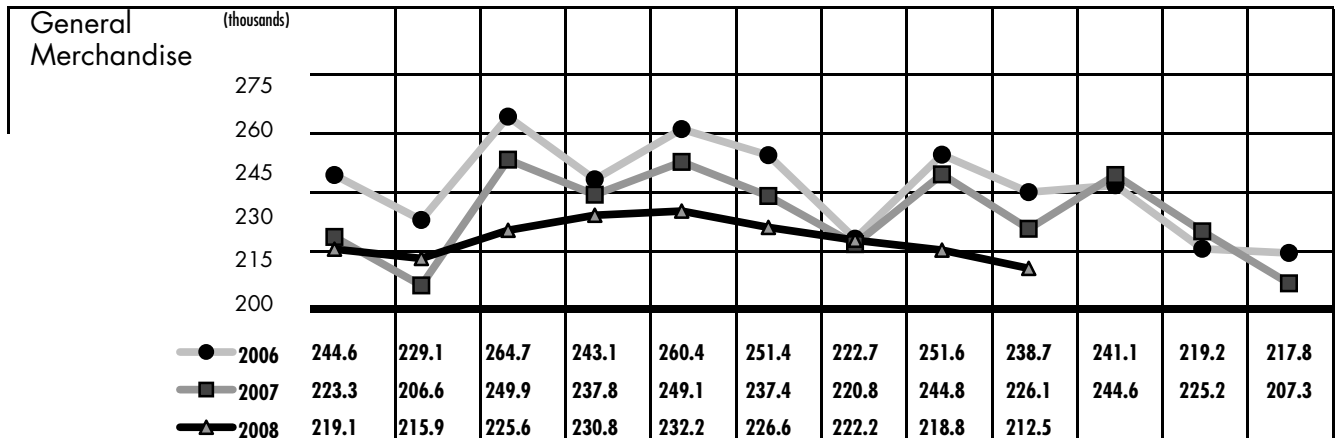
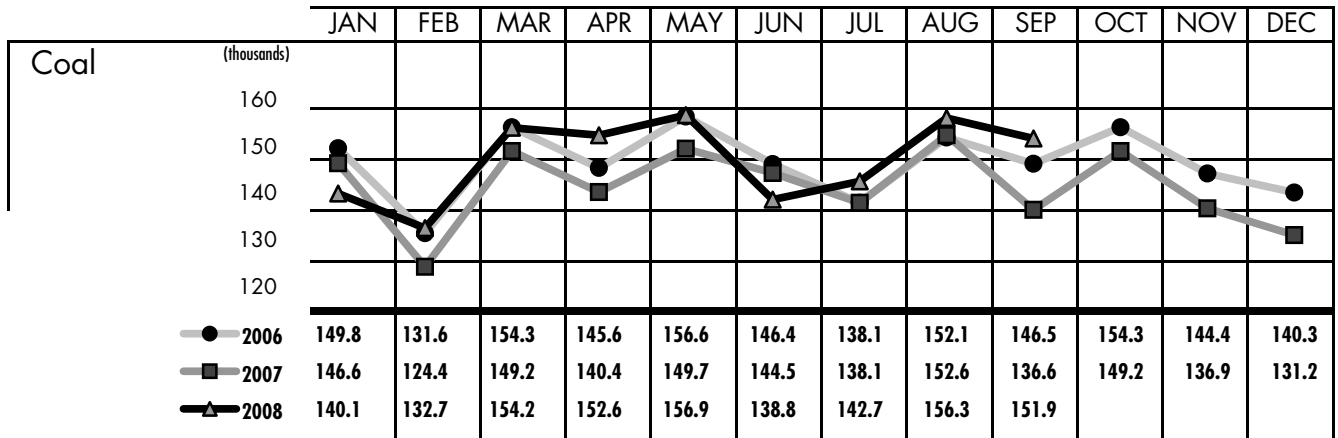
(see page 16 for details)



Railway Operating Revenues Yield Analysis

Commodity and Period	Revenues			Carloads			Revenue Yield		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
First Quarter									
	(\$ millions)			(thousands)			(\$ per carload)		
Coal	\$ 559	\$ 557	\$ 662	435.7	420.2	427.0	\$ 1,282	\$ 1,326	\$ 1,551
Agriculture/consumer/gov't	264	241	299	149.9	146.7	152.1	1,760	1,644	1,968
Metals and construction	279	275	305	208.6	185.6	186.5	1,341	1,480	1,636
Paper/clay/forest	214	211	215	118.4	109.3	100.2	1,806	1,936	2,139
Chemicals	259	274	305	107.3	105.7	102.2	2,415	2,587	2,986
Automotive	262	227	228	154.2	132.5	119.6	1,697	1,717	1,908
General merchandise	1,278	1,228	1,352	738.4	679.8	660.6	1,731	1,807	2,047
Intermodal	466	462	486	783.1	771.5	740.4	595	598	656
Total	\$ 2,303	\$ 2,247	\$ 2,500	1,957.2	1,871.5	1,828.0	\$ 1,176	\$ 1,201	\$ 1,367
Second Quarter									
Coal	\$ 584	\$ 579	\$ 775	448.6	434.6	448.3	\$ 1,304	\$ 1,332	\$ 1,729
Agriculture/consumer/gov't	239	254	326	146.1	148.9	156.6	1,638	1,701	2,077
Metals and construction	304	298	352	222.6	209.8	210.4	1,362	1,423	1,675
Paper/clay/forest	224	216	231	118.8	109.0	102.4	1,889	1,981	2,261
Chemicals	268	297	322	107.6	109.7	103.9	2,495	2,712	3,095
Automotive	276	255	227	159.8	146.9	116.3	1,726	1,733	1,954
General merchandise	1,311	1,320	1,458	754.9	724.3	689.6	1,737	1,822	2,115
Intermodal	497	479	532	821.2	783.4	763.1	605	611	698
Total	\$ 2,392	\$ 2,378	\$ 2,765	2,024.7	1,942.3	1,901.0	\$ 1,182	\$ 1,224	\$ 1,455
Third Quarter									
Coal	\$ 595	\$ 578	\$ 876	436.7	427.3	450.9	\$ 1,362	\$ 1,353	\$ 1,941
Agriculture/consumer/gov't	239	264	338	147.9	151.4	158.6	1,617	1,747	2,136
Metals and construction	316	287	357	219.1	200.3	203.7	1,441	1,433	1,752
Paper/clay/forest	231	222	241	117.6	108.5	101.5	1,964	2,045	2,376
Chemicals	286	297	337	109.1	108.0	103.0	2,612	2,748	3,275
Automotive	211	221	185	119.3	123.5	86.7	1,774	1,784	2,125
General merchandise	1,283	1,291	1,458	713.0	691.7	653.5	1,799	1,866	2,232
Intermodal	515	484	560	841.2	790.1	790.9	614	612	708
Total	\$ 2,393	\$ 2,353	\$ 2,894	1,990.9	1,909.1	1,895.3	\$ 1,202	\$ 1,232	\$ 1,527
Fourth Quarter									
Coal	\$ 592	\$ 601		439.0	417.3		\$ 1,349	\$ 1,441	
Agriculture/consumer/gov't	252	288		150.2	154.5		1,677	1,861	
Metals and construction	269	289		185.0	187.9		1,455	1,540	
Paper/clay/forest	222	211		111.9	101.3		1,982	2,084	
Chemicals	266	298		102.4	103.3		2,599	2,886	
Automotive	225	271		128.6	130.1		1,752	2,084	
General merchandise	1,234	1,357		678.1	677.1		1,820	2,005	
Intermodal	493	496		811.0	775.7		607	640	
Total	\$ 2,319	\$ 2,454		1,928.1	1,870.1		\$ 1,203	\$ 1,313	
Year-to-date									
Coal	\$ 2,330	\$ 2,315	\$ 2,313	1,760.0	1,699.4	1,326.2	\$ 1,324	\$ 1,363	\$ 1,744
Agriculture/consumer/gov't	994	1,047	963	594.1	601.5	467.3	1,673	1,740	2,062
Metals and construction	1,168	1,149	1,014	835.3	783.6	600.6	1,398	1,467	1,689
Paper/clay/forest	891	860	687	466.7	428.1	304.1	1,909	2,010	2,259
Chemicals	1,079	1,166	964	426.4	426.7	309.1	2,530	2,732	3,119
Automotive	974	974	640	561.9	533.0	322.6	1,734	1,827	1,983
General merchandise	5,106	5,196	4,268	2,884.4	2,772.9	2,003.7	1,770	1,874	2,130
Intermodal	1,971	1,921	1,578	3,256.5	3,120.7	2,294.4	605	615	688
Total	\$ 9,407	\$ 9,432	\$ 8,159	7,900.9	7,593.0	5,624.3	\$ 1,191	\$ 1,242	\$ 1,451

Monthly Railway Carloadings



Railway Operating Revenues Variance Analysis

Third Quarter
2008 vs. 2007

(\$ millions)

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenues Variance due to:								
Volume	\$ 32	6%	\$ (71)	(6%)	\$ -	-	\$ (17)	(1%)
Revenue per unit/mix	266	43%	238	20%	76	16%	558	24%
	<u>\$ 298</u>	52%	<u>\$ 167</u>	13%	<u>\$ 76</u>	16%	<u>\$ 541</u>	23%

Nine Months
2008 vs. 2007

Revenue Variance due to:								
Volume	\$ 59	3%	\$ (169)	(4%)	\$ (31)	(2%)	\$ (120)	(2%)
Revenue per unit/mix	540	30%	598	16%	184	13%	1,301	19%
	<u>\$ 599</u>	35%	<u>\$ 429</u>	11%	<u>\$ 153</u>	11%	<u>\$ 1,181</u>	17%

Coal, Coke and Iron Ore Tonnage by Market

Third Quarter
(tons in thousands)

	2006		2007		2008	
	Tons	Change vs. 2005	Tons	Change vs. 2006	Tons	Change vs. 2007
Utility	36,576	(3%)	35,577	(3%)	35,902	1%
Export	2,810	(17%)	4,050	44%	6,262	55%
Steel	5,627	9%	4,856	(14%)	5,241	8%
Industrial	2,308	(5%)	2,362	2%	2,271	(4%)
	<u>47,321</u>	(3%)	<u>46,845</u>	(1%)	<u>49,676</u>	6%

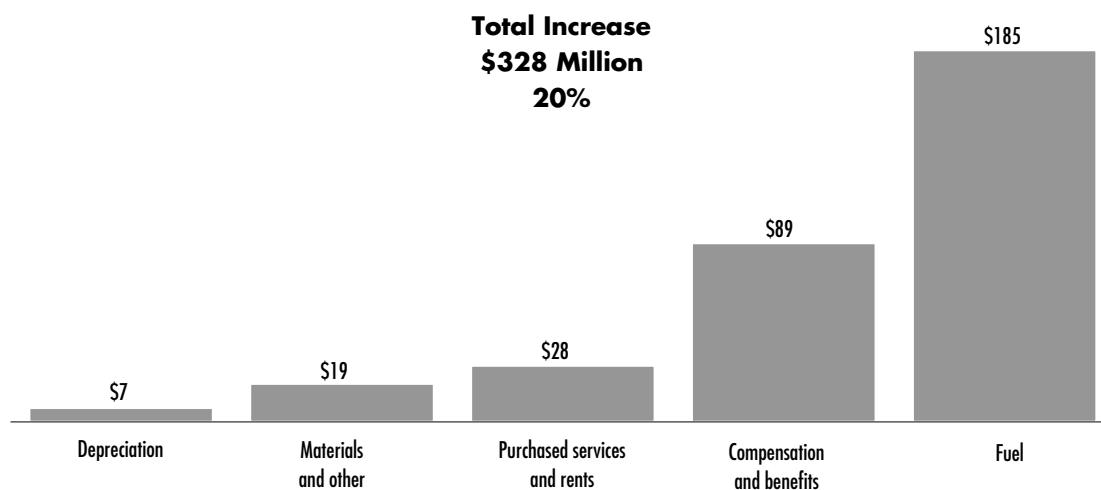
Nine Months

Utility	111,003	3%	107,758	(3%)	107,578	-
Export	9,020	(22%)	11,372	26%	18,236	60%
Steel	15,963	6%	13,558	(15%)	13,503	-
Industrial	6,807	(6%)	7,412	9%	6,430	(13%)
	<u>142,793</u>	1%	<u>140,100</u>	(2%)	<u>145,747</u>	4%

Railway Operating Expenses Variance Analysis

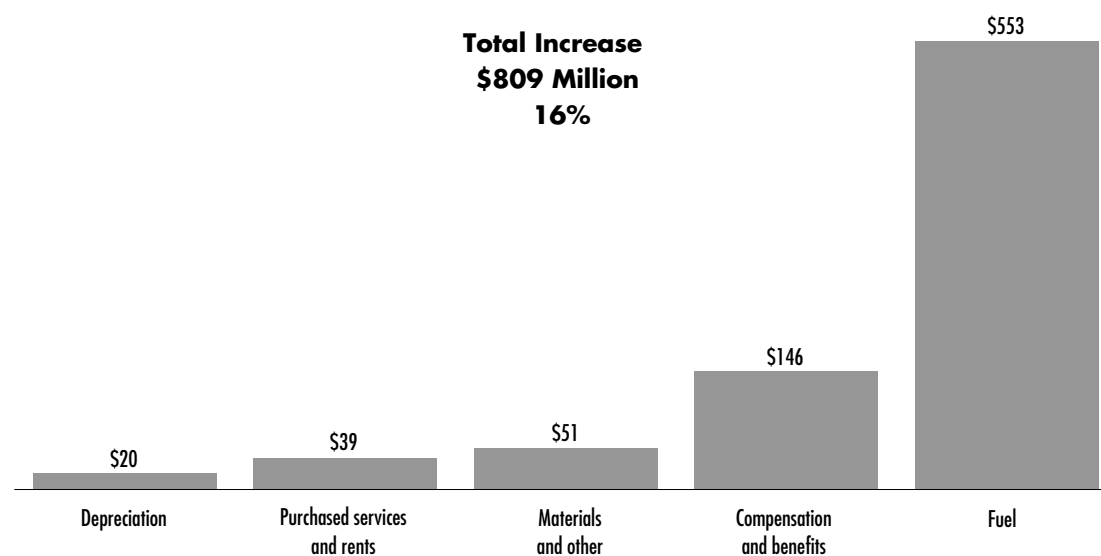
Third Quarter
2008 vs. 2007

(\$ millions)
Amount of change

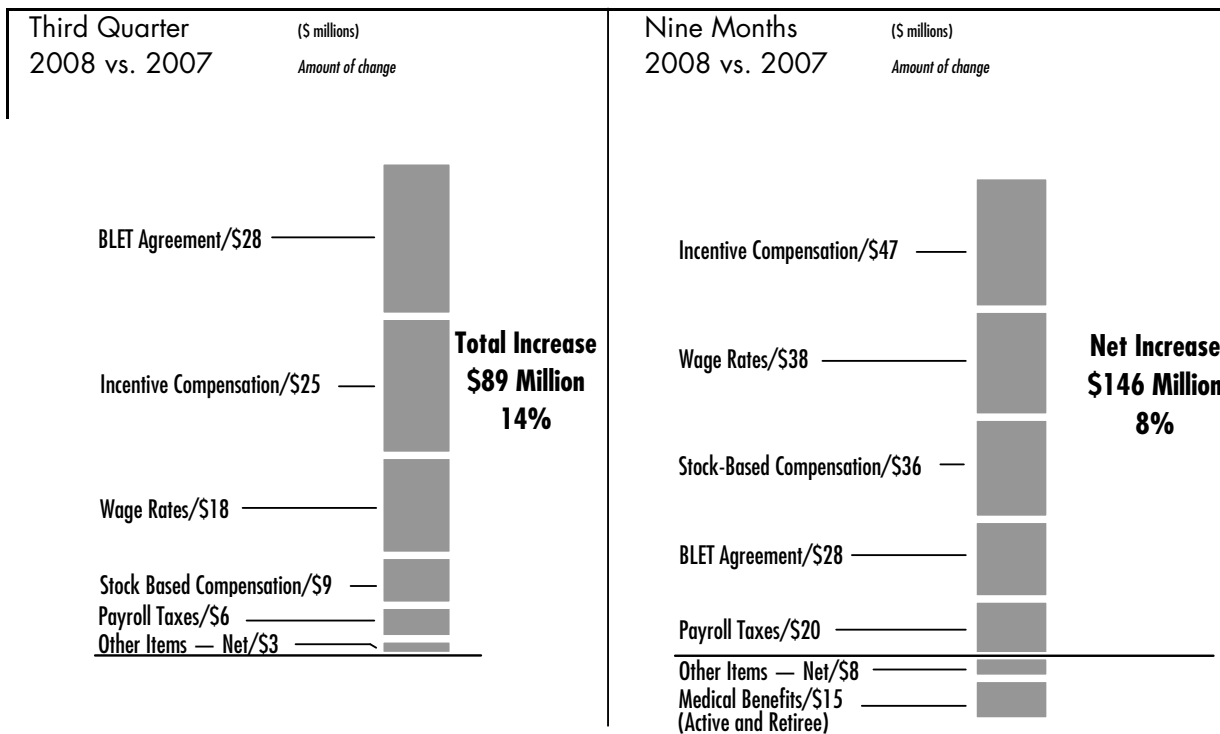


Nine Months
2008 vs. 2007

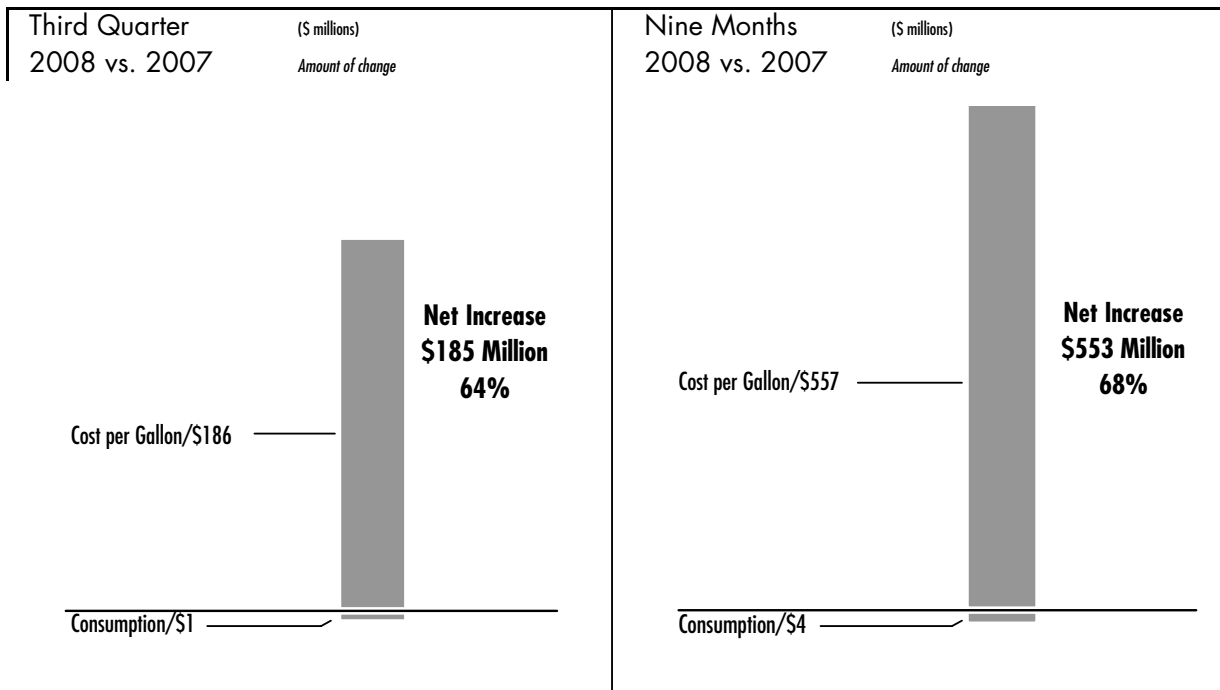
(\$ millions)
Amount of change



Compensation and Benefits Expense Analysis



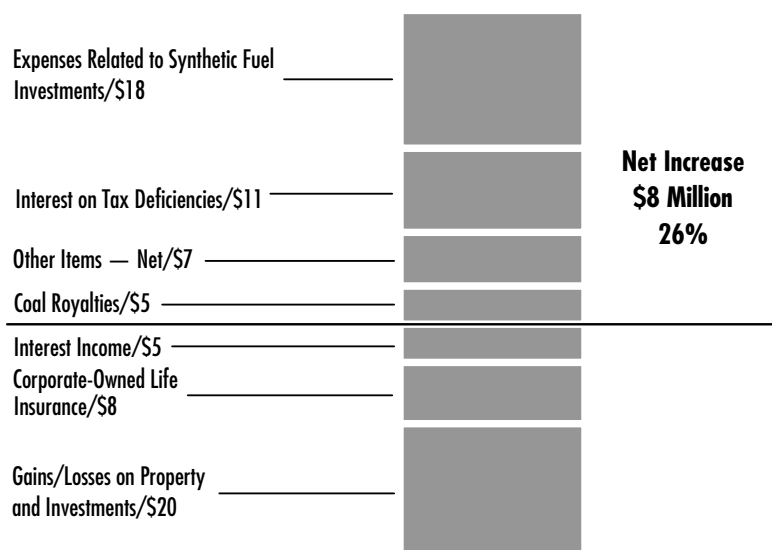
Fuel Expense Analysis



Other Income — Net Analysis

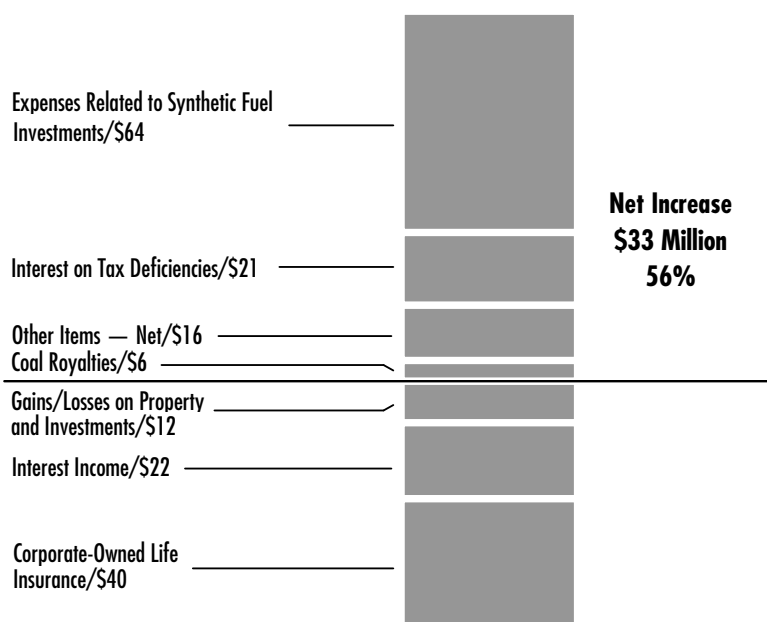
Third Quarter
2008 vs. 2007

(\$ millions)
Amount of change



Nine Months
2008 vs. 2007

(\$ millions)
Amount of change



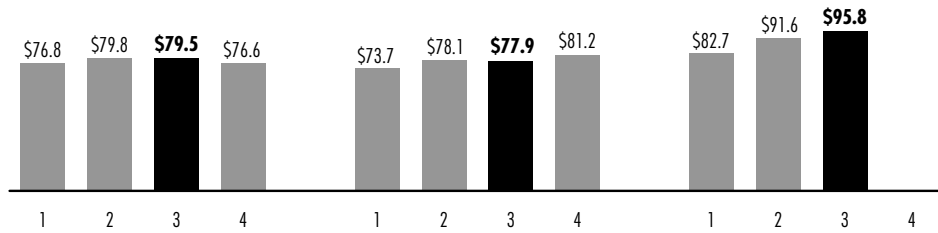
Productivity Measures

2006

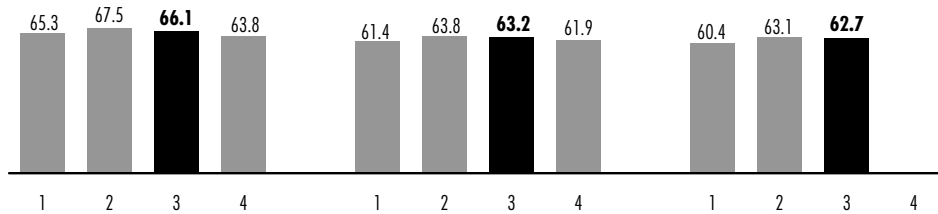
2007

2008

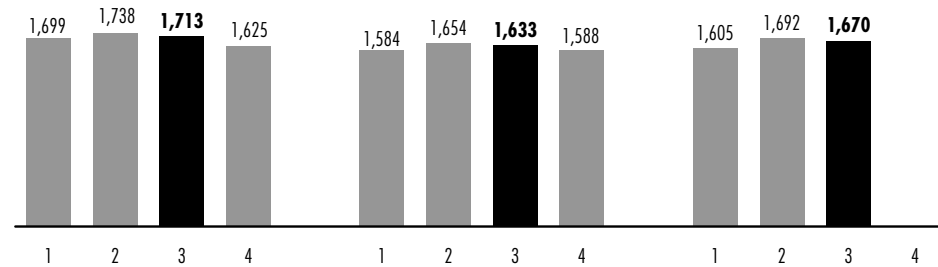
Operating Revenues per Employee (\$ thousands)



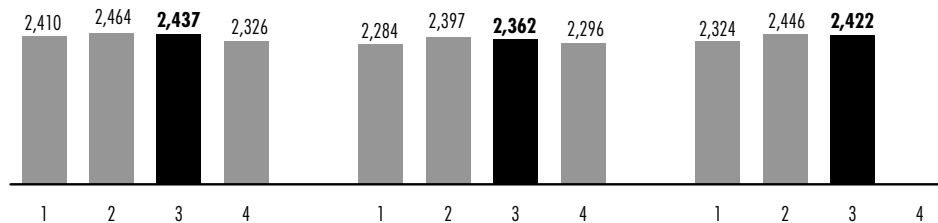
Carloads per Employee



Revenue Ton Miles per Employee (thousands)



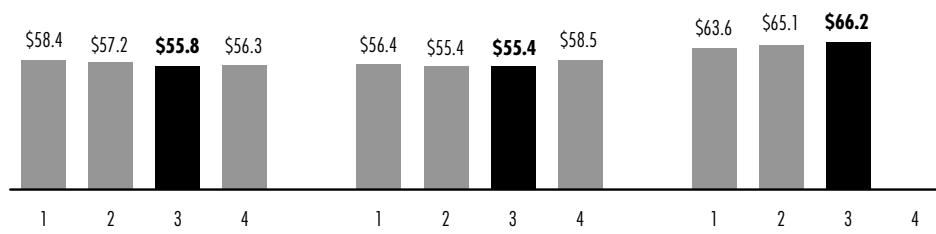
Revenue Ton Miles per Mile of Road Operated (thousands)



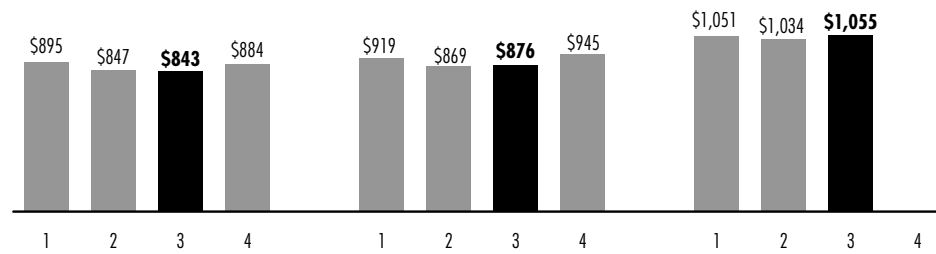
Productivity Measures

2006
2007
2008

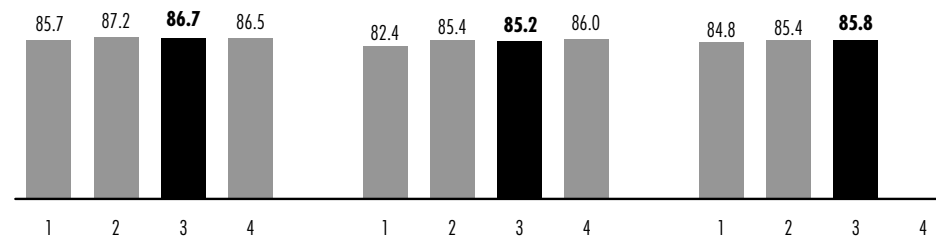
Operating Expenses per Employee (\$ thousands)



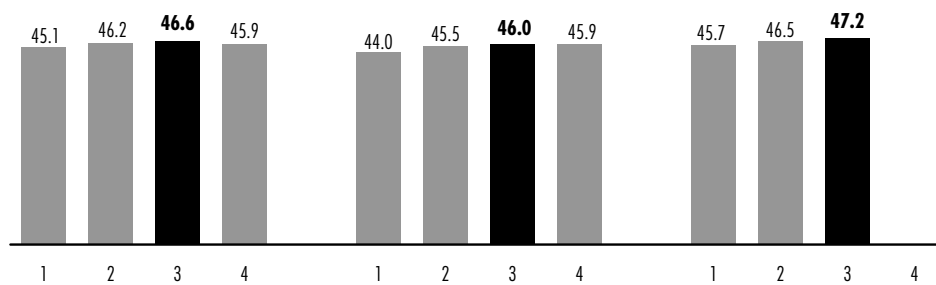
Operating Expenses per Carload (dollars)



Gross Ton Miles per Train Hour (thousands)



Revenue Ton Miles per Train Hour (thousands)



Financial, Traffic and Operating Statistics

Consolidated Financial Data

(\$ millions — except as noted)

- No corresponding charts for this data.

Page	Item	2006				
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year
6	Railway operating revenues:					
8	Coal (note 1)	\$ 559	\$ 584	\$ 595	\$ 592	\$ 2,330
8	General merchandise	1,278	1,311	1,283	1,234	5,106
8	Intermodal	466	497	515	493	1,971
6	Total railway operating revenues (note 2)	\$ 2,303	\$ 2,392	\$ 2,393	\$ 2,319	\$ 9,407
6	Railway operating expenses:					
•	Compensation and benefits (note 3)	\$ 721	\$ 637	\$ 624	\$ 655	\$ 2,637
•	Purchased services	284	286	288	307	1,165
•	Equipment rents	107	106	106	94	413
•	Fuel	260	291	288	256	1,095
•	Depreciation	183	182	186	187	738
•	Materials	88	85	83	90	346
•	Casualties and other claims	53	65	50	52	220
•	Other	56	63	53	64	236
6	Total railway operating expenses	\$ 1,752	\$ 1,715	\$ 1,678	\$ 1,705	\$ 6,850
6	Income from railway operations	\$ 551	\$ 677	\$ 715	\$ 614	\$ 2,557
•	Other income (expense)	\$ (85)	\$ (88)	\$ (79)	\$ (75)	\$ (327)
•	Income before income taxes	\$ 466	\$ 589	\$ 636	\$ 539	\$ 2,230
•	Income taxes — current	\$ 162	\$ 240	\$ 235	\$ 120	\$ 757
•	Income taxes — deferred	(1)	(26)	(15)	34	(8)
6	Total income taxes	\$ 161	\$ 214	\$ 220	\$ 154	\$ 749
7	Net income	\$ 305	\$ 375	\$ 416	\$ 385	\$ 1,481
7	Earnings per share - diluted	\$ 0.72	\$ 0.89	\$ 1.02	\$ 0.95	\$ 3.57
7	Railway operating ratio	76.1	71.7	70.1	73.5	72.8
7	Capital expenditures:					
•	Equipment	\$ 109	\$ 124	\$ 77	\$ 112	\$ 422
•	Road	147	199	206	204	756
7	Total capital expenditures	\$ 256	\$ 323	\$ 283	\$ 316	\$ 1,178
•	Cash, cash equivalents and short-term investments	\$ 1,542	\$ 1,535	\$ 803	\$ 918	\$ 918
•	Total debt, excluding notes payable to Conrail	\$ 6,898	\$ 6,865	\$ 6,625	\$ 6,600	\$ 6,600
•	Debt-to-total capitalization (percent)	41.5	40.8	40.9	40.7	40.7
•	Weighted average shares outstanding - diluted (millions)	421.8	422.8	409.9	404.3	414.7

Note 1 Third quarter 2008 includes \$22 million related to a coal customer's 2008 contracted volume shortfall and a nonrecurring effect related to the implementation of NS' new export coal billing system.

Note 2 Fourth quarter 2007 includes \$26 million related to a contract settlement.

Note 3 First quarter 2006 includes expense related to effects from the implementation of Statement of Financial Accounting Standards, No. 123(R), "Share-Based Payment." Third quarter 2008 includes \$28 million for lump-sum payments (including payroll taxes) due under a new labor agreement with the BLET.

2007					2008				
First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year to-date
\$ 557	\$ 579	\$ 578	\$ 601	\$ 2,315	\$ 662	\$ 775	\$ 876		\$ 2,313
1,228	1,320	1,291	1,357	5,196	1,352	1,458	1,458		4,268
462	479	484	496	1,921	486	532	560		1,578
\$ 2,247	\$ 2,378	\$ 2,353	\$ 2,454	\$ 9,432	\$ 2,500	\$ 2,765	\$ 2,894		\$ 8,159
\$ 681	\$ 629	\$ 619	\$ 623	\$ 2,552	\$ 705	\$ 662	\$ 708		\$ 2,075
289	283	294	306	1,172	283	310	332		925
95	97	97	90	379	92	90	87		269
248	279	289	353	1,169	404	491	474		1,369
192	192	194	197	775	198	199	201		598
89	91	88	91	359	101	96	96		293
52	46	33	40	171	65	42	34		141
73	71	58	68	270	74	76	68		218
\$ 1,719	\$ 1,688	\$ 1,672	\$ 1,768	\$ 6,847	\$ 1,922	\$ 1,966	\$ 2,000		\$ 5,888
\$ 528	\$ 690	\$ 681	\$ 686	\$ 2,585	\$ 578	\$ 799	\$ 894		\$ 2,271
\$ (108)	\$ (90)	\$ (76)	\$ (74)	\$ (348)	\$ (102)	\$ (66)	\$ (72)		\$ (240)
\$ 420	\$ 600	\$ 605	\$ 612	\$ 2,237	\$ 476	\$ 733	\$ 822		\$ 2,031
\$ 138	\$ 225	\$ 178	\$ 107	\$ 648	\$ 160	\$ 242	\$ 184		\$ 586
(3)	(19)	41	106	125	25	38	118		181
\$ 135	\$ 206	\$ 219	\$ 213	\$ 773	\$ 185	\$ 280	\$ 302		\$ 767
\$ 285	\$ 394	\$ 386	\$ 399	\$ 1,464	\$ 291	\$ 453	\$ 520		\$ 1,264
\$ 0.71	\$ 0.98	\$ 0.97	\$ 1.02	\$ 3.68	\$ 0.76	\$ 1.18	\$ 1.37		\$ 3.30
76.5	71.0	71.1	72.0	72.6	76.9	71.1	69.1		72.2
\$ 72	\$ 131	\$ 79	\$ 165	\$ 447	\$ 98	\$ 115	\$ 160		\$ 373
164	208	241	281	894	206	257	268		731
\$ 236	\$ 339	\$ 320	\$ 446	\$ 1,341	\$ 304	\$ 372	\$ 428		\$ 1,104
\$ 844	\$ 492	\$ 418	\$ 206	\$ 206	\$ 364	\$ 454	\$ 557		\$ 557
\$ 6,533	\$ 6,164	\$ 6,147	\$ 6,368	\$ 6,368	\$ 6,493	\$ 6,489	\$ 6,471		\$ 6,471
40.4	38.3	38.4	39.6	39.6	40.0	39.4	39.2		39.2
402.3	401.7	397.4	389.9	397.8	383.9	383.5	380.5		382.6

Financial, Traffic and Operating Statistics

Traffic and Operating Statistics		2006				
Page	Item	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year
	• No corresponding charts for this data.					
8	Railway carloads (thousands):					
8	Coal	435.7	448.6	436.7	439.0	1,760.0
8	General merchandise	738.4	754.9	713.0	678.1	2,884.4
8	Intermodal	783.1	821.2	841.2	811.0	3,256.5
8	Total railway carloads	1,957.2	2,024.7	1,990.9	1,928.1	7,900.9
	• Revenue ton miles (RTMs) (billions):					
	• Coal	14.7	15.2	15.2	14.8	59.9
	• General merchandise	28.6	29.0	28.4	26.8	112.8
	• Intermodal	7.7	7.9	7.9	7.6	31.1
	• Total	51.0	52.1	51.5	49.2	203.8
	• Revenue (dollars) per thousand RTMs:					
	• Coal	\$ 38.10	\$ 38.34	\$ 39.24	\$ 39.85	\$ 38.88
	• General merchandise	\$ 44.77	\$ 45.23	\$ 45.05	\$ 46.15	\$ 45.28
	• Intermodal	\$ 60.19	\$ 63.09	\$ 65.17	\$ 64.99	\$ 63.36
	• Total	\$ 45.19	\$ 45.91	\$ 46.42	\$ 47.15	\$ 46.16
	• Gross ton miles (GTMs) (billions)	96.7	98.5	96.0	92.8	384.0
	• Revenue ton miles (RTMs) (billions)	51.0	52.1	51.5	49.2	203.8
	• Railroad employees (average)	29,986	29,984	30,097	30,251	30,079
	• Total operating expenses (dollars) per thousand GTMs	\$ 18.11	\$ 17.42	\$ 17.48	\$ 18.38	\$ 17.84
	• Compensation and benefits (dollars) per thousand GTMs	\$ 7.45	\$ 6.47	\$ 6.50	\$ 7.06	\$ 6.87
	• Total operating expenses (dollars) per thousand RTMs	\$ 34.38	\$ 32.92	\$ 32.55	\$ 34.67	\$ 33.61
	• Compensation and benefits (dollars) per thousand RTMs	\$ 14.15	\$ 12.23	\$ 12.11	\$ 13.32	\$ 12.94
14	Total operating revenues (\$ thousands) per employee	\$ 76.8	\$ 79.8	\$ 79.5	\$ 76.6	\$ 312.7
15	Total operating expenses (\$ thousands) per employee	\$ 58.4	\$ 57.2	\$ 55.8	\$ 56.3	\$ 227.7
	• GTMs (thousands) per employee	3,226	3,284	3,190	3,065	12,765
14	RTMs (thousands) per employee	1,699	1,738	1,713	1,625	6,775
14	Carloads per employee	65.3	67.5	66.1	63.8	262.7
14	RTMs (thousands) per mile of road operated	2,410	2,464	2,437	2,326	9,637
15	Total operating expenses (dollars) per carload	\$ 895	\$ 847	\$ 843	\$ 884	\$ 867
	• Compensation and benefits (dollars) per carload	\$ 368	\$ 315	\$ 313	\$ 340	\$ 334
	• RTMs (thousands) per carload	26.0	25.7	25.9	25.5	25.8
	• Locomotive diesel fuel consumed (thousands of gallons)	137,439	129,264	124,153	127,927	518,783
	• Average price (dollars) per gallon of locomotive diesel fuel	\$ 1.680	\$ 2.014	\$ 2.071	\$ 1.783	\$ 1.882
	• RTMs per gallon of fuel consumed	371	403	415	384	393
15	GTMs (thousands) per train hour	85.7	87.2	86.7	86.5	86.5
15	RTMs (thousands) per train hour	45.1	46.2	46.6	45.9	45.9
	• Percent of loaded-to-total car miles	58.6	58.5	58.4	58.1	58.4
	• Total new cross-ties installed (thousands)	621	804	663	576	2,664
	• Total track miles of rail laid (miles)	81	114	65	67	327

2007					2008				
First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year to-date
420.2	434.6	427.3	417.3	1,699.4	427.0	448.3	450.9		1,326.2
679.8	724.3	691.7	677.1	2,772.9	660.6	689.6	653.5		2,003.7
771.5	783.4	790.1	775.7	3,120.7	740.4	763.1	790.9		2,294.4
1,871.5	1,942.3	1,909.1	1,870.1	7,593.0	1,828.0	1,901.0	1,895.3		5,624.3
14.3	15.2	14.6	14.1	58.2	15.0	16.0	15.9		46.9
26.9	28.1	27.7	26.9	109.6	26.7	27.9	27.3		81.9
7.1	7.0	7.1	7.0	28.2	6.8	7.1	7.4		21.3
48.3	50.3	49.4	48.0	196.0	48.5	51.0	50.6		150.1
\$ 38.88	\$ 38.15	\$ 39.63	\$ 42.68	\$ 39.80	\$ 44.13	\$ 48.41	\$ 55.31		\$ 49.37
\$ 45.73	\$ 46.86	\$ 46.56	\$ 50.49	\$ 47.40	\$ 50.57	\$ 52.22	\$ 53.53		\$ 52.12
\$ 64.97	\$ 68.34	\$ 68.84	\$ 70.78	\$ 68.22	\$ 71.36	\$ 74.81	\$ 75.77		\$ 74.04
\$ 46.53	\$ 47.22	\$ 47.69	\$ 51.16	\$ 48.13	\$ 51.50	\$ 54.17	\$ 57.35		\$ 54.37
90.5	94.5	91.5	89.9	366.4	90.1	93.7	91.8		275.6
48.3	50.3	49.4	48.0	196.0	48.5	51.0	50.6		150.1
30,484	30,438	30,219	30,204	30,336	30,240	30,170	30,214		30,208
\$ 19.00	\$ 17.87	\$ 18.27	\$ 19.67	\$ 18.69	\$ 21.34	\$ 20.98	\$ 21.78		\$ 21.36
\$ 7.53	\$ 6.66	\$ 6.76	\$ 6.93	\$ 6.97	\$ 7.83	\$ 7.06	\$ 7.71		\$ 7.53
\$ 35.60	\$ 33.52	\$ 33.88	\$ 36.86	\$ 34.94	\$ 39.59	\$ 38.52	\$ 39.63		\$ 39.24
\$ 14.10	\$ 12.49	\$ 12.54	\$ 12.99	\$ 13.02	\$ 14.52	\$ 12.97	\$ 14.03		\$ 13.83
\$ 73.7	\$ 78.1	\$ 77.9	\$ 81.2	\$ 310.9	\$ 82.7	\$ 91.6	\$ 95.8		\$ 270.1
\$ 56.4	\$ 55.4	\$ 55.4	\$ 58.5	\$ 225.7	\$ 63.6	\$ 65.1	\$ 66.2		\$ 194.9
2,968	3,104	3,029	2,976	12,077	2,979	3,107	3,038		9,124
1,584	1,654	1,633	1,588	6,459	1,605	1,692	1,670		4,967
61.4	63.8	63.2	61.9	250.3	60.4	63.1	62.7		186.2
2,284	2,397	2,362	2,296	9,339	2,324	2,446	2,422		7,192
\$ 919	\$ 869	\$ 876	\$ 945	\$ 902	\$ 1,051	\$ 1,034	\$ 1,055		\$ 1,047
\$ 364	\$ 324	\$ 324	\$ 333	\$ 336	\$ 386	\$ 348	\$ 374		\$ 369
25.8	25.9	25.8	25.6	25.8	26.6	26.9	26.6		26.7
129,472	125,461	118,037	124,654	497,624	130,167	123,066	117,733		370,966
\$ 1.694	\$ 1.979	\$ 2.184	\$ 2.558	\$ 2.099	\$ 2.788	\$ 3.584	\$ 3.588		\$ 3.306
373	401	418	385	394	373	415	429		404
82.4	85.4	85.2	86.0	84.7	84.8	85.4	85.8		85.3
44.0	45.5	46.0	45.9	45.3	45.7	46.5	47.2		46.5
58.1	57.7	57.4	58.0	57.8	57.9	58.1	57.5		57.9
632	705	762	552	2,651	523	818	761		2,102
116	92	98	95	401	120	144	100		364

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