

Quarterly Financial Review

Fourth Quarter 2009



Norfolk Southern Corporation
Finance Department
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The accompanying unaudited interim financial statements should be read in conjunction with: (a) the consolidated 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 materially.

Consolidated Statements of Income

Three Months Ended Dec. 31,

(\$ millions except per share)

	2009	2008
Railway operating revenues:		
Coal	\$ 580	\$ 798
General merchandise	1,119	1,224
Intermodal	407	480
Total railway operating revenues	2,106	2,502
Railway operating expenses:		
Compensation and benefits	613	609
Purchased services and rents	362	405
Fuel	221	269
Depreciation	213	206
Materials and other	148	200
Total railway operating expenses	1,557	1,689
Income from railway operations	549	813
Other income — net	37	18
Interest expense on debt	119	112
Income before income taxes	467	719
Provision for income taxes:		
Current	(5)	158
Deferred	165	109
Total income taxes	160	267
Net income	\$ 307	\$ 452
Earnings per share (note 4):		
Basic	\$ 0.83	\$ 1.23
Diluted	\$ 0.82	\$ 1.21
Weighted average shares outstanding (millions) (notes 4 & 5):		
Basic	367.9	365.8
Diluted	373.3	372.4

Notes to Consolidated Financial Statements

1. Coal Revenues

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

2008 includes \$31 million for lump-sum payments (including payroll taxes) due under a new labor agreement with the Brotherhood of Locomotive Engineers and Trainmen (BLET).

3. Materials and Other

2009 includes a \$21 million favorable adjustment related to settlement of a multi-year state tax dispute.

4. Earnings Per Share

In the first quarter of 2009, NS adopted the provisions of the Financial Accounting Standards Board Staff Position (FSP) EITF No. 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities" (Accounting Standards Codification (ASC) 260-10), which requires the treatment of unvested stock options receiving dividend equivalents as participating securities in computing earnings per share under the two-class method. NS has retrospectively applied the provisions of this FSP. Accordingly, for basic earnings per share, income available to common stockholders for the fourth quarter 2009 and 2008 reflects a \$2 million reduction, and for the years 2009 and 2008 an \$8 million and \$9 million reduction, respectively, from net income for the effect of dividend equivalent payments made to holders of stock options. In addition, for the fourth quarter and year 2009, diluted earnings per share was calculated under the more dilutive two-class method (as compared to the treasury stock method) and income available to common stockholders reflects a \$2 million and \$8 million reduction, respectively, from net income for dividend equivalent payments.

5. 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 2009, NS did not repurchase any shares of common stock. Since inception of the stock repurchase program in 2006, NS has repurchased and retired 64.7 million shares at a total cost of \$3.3 billion.

Consolidated Statements of Income

Years Ended Dec. 31,
(S millions except per share)

	2009	2008
Railway operating revenues:		
Coal (note 1)	\$ 2,264	\$ 3,111
General merchandise	4,175	5,492
Intermodal	1,530	2,058
Total railway operating revenues	7,969	10,661
Railway operating expenses:		
Compensation and benefits (note 2)	2,401	2,684
Purchased services and rents	1,403	1,599
Fuel	725	1,638
Depreciation	837	804
Materials and other (note 3)	641	852
Total railway operating expenses	6,007	7,577
Income from railway operations	1,962	3,084
Other income — net	127	110
Interest expense on debt	467	444
Income before income taxes	1,622	2,750
Provision for income taxes:		
Current	250	744
Deferred	338	290
Total income taxes	588	1,034
Net income	\$ 1,034	\$ 1,716
Earnings per share (note 4):		
Basic	\$ 2.79	\$ 4.58
Diluted	\$ 2.76	\$ 4.52
Weighted average shares outstanding (millions) (notes 4 & 5):		
Basic	367.1	372.3
Diluted	372.1	380.0

Consolidated Balance Sheets

As of December 31,
(\$ millions)

	2009	2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 996	\$ 618
Short-term investments	90	-
Accounts receivable — net	766	870
Materials and supplies	164	194
Deferred income taxes	142	149
Other current assets	88	168
Total current assets	<u>2,246</u>	<u>1,999</u>
Investments	2,164	1,779
Properties less accumulated depreciation	22,643	22,247
Other assets	316	272
Total assets	\$ <u>27,369</u>	\$ <u>26,297</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 974	\$ 1,140
Short-term debt	100	-
Income and other taxes	109	261
Other current liabilities	232	220
Current maturities of long-term debt	374	484
Total current liabilities	<u>1,789</u>	<u>2,105</u>
Long-term debt	6,679	6,183
Other liabilities	1,801	2,030
Deferred income taxes	6,747	6,372
Total liabilities	<u>17,016</u>	<u>16,690</u>
Stockholders' equity:		
Common stock \$1.00 per share par value, 1,350,000,000 shares authorized; outstanding 369,019,990 and 366,233,106 shares, respectively, net of treasury shares	370	368
Additional paid-in capital	1,809	1,680
Accumulated other comprehensive loss	(853)	(942)
Retained income	9,027	8,501
Total stockholders' equity	<u>10,353</u>	<u>9,607</u>
Total liabilities and stockholders' equity	\$ <u>27,369</u>	\$ <u>26,297</u>

Consolidated Statements of Cash Flows

Years Ended Dec. 31,
(S millions)

	2009	2008
Cash flows from operating activities:		
Net income	\$ 1,034	\$ 1,716
Reconciliation of net income to net cash provided by operating activities:		
Depreciation	845	815
Deferred income taxes	338	290
Gains and losses on properties	(18)	(29)
Changes in assets and liabilities affecting operations:		
Accounts receivable	63	269
Materials and supplies	30	(18)
Other current assets	72	(8)
Current liabilities other than debt	(365)	(262)
Other — net	(139)	(58)
Net cash provided by operating activities	<u>1,860</u>	<u>2,715</u>
Cash flows from investing activities:		
Property additions	(1,299)	(1,558)
Property sales and other transactions	84	109
Investments, including short-term	(266)	(86)
Investment sales and other transactions	30	307
Net cash used in investing activities	<u>(1,451)</u>	<u>(1,228)</u>
Cash flows from financing activities:		
Dividends	(500)	(456)
Common stock issued — net	66	229
Purchase and retirement of common stock (note 5)	-	(1,128)
Proceeds from borrowings — net	1,090	1,425
Debt repayments	(687)	(1,145)
Net cash used in financing activities	<u>(31)</u>	<u>(1,075)</u>
Net increase in cash and cash equivalents	378	412
Cash and cash equivalents:		
At beginning of year	<u>618</u>	<u>206</u>
At end of year	<u>\$ 996</u>	<u>\$ 618</u>
Supplemental disclosure of cash flow information		
Cash paid during the year for:		
Interest (net of amounts capitalized)	\$ 458	\$ 421
Income taxes (net of refunds)	\$ 381	\$ 615

Consolidated Financial Information

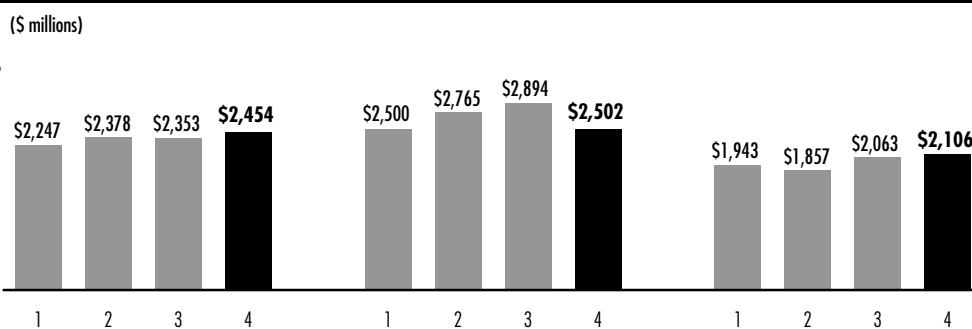
2007

2008

2009

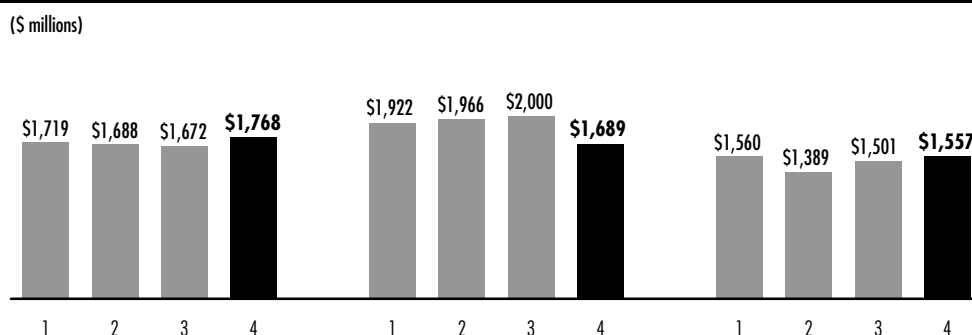
Railway Operating Revenues

(see page 16 for details)



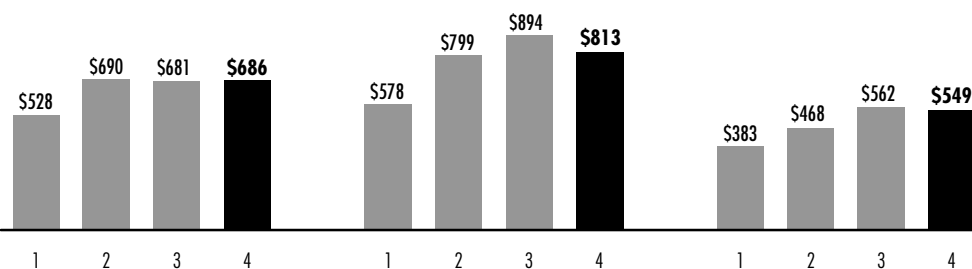
Railway Operating Expenses

(see page 16 for details)



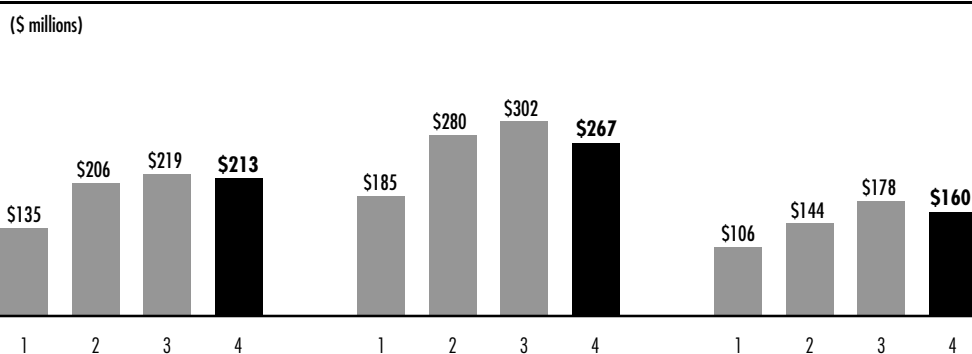
Income from Railway Operations

(S millions)



Income Taxes

(see page 16 for details)



Consolidated Financial Information

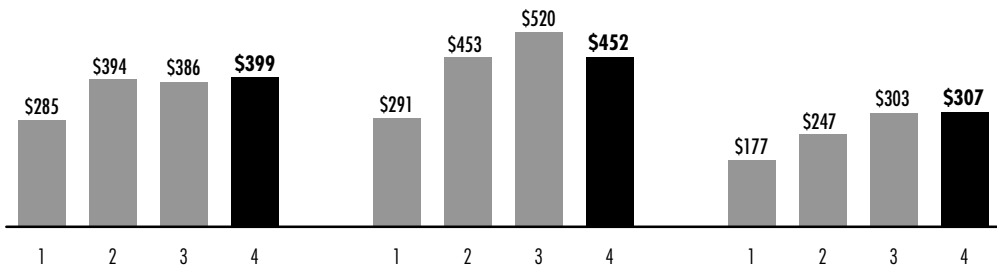
2007

2008

2009

Net Income

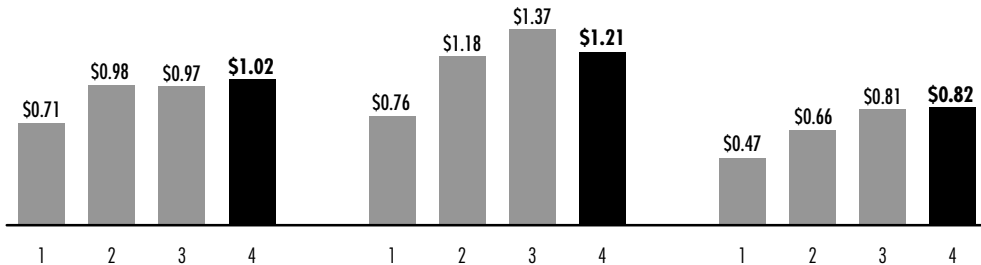
(\$ millions)



Earnings per Share

(dollars)

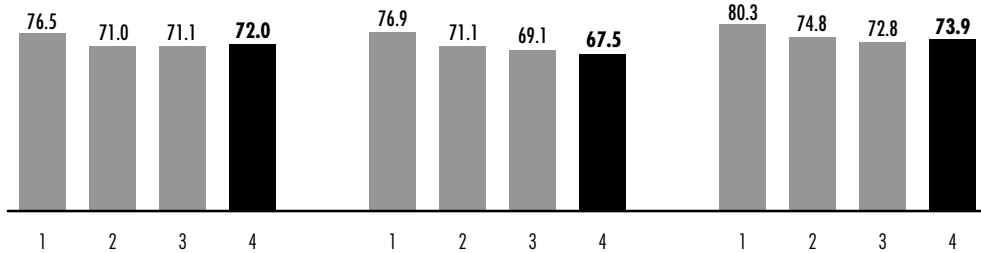
— Diluted



Railway

Operating Ratio

(percent)

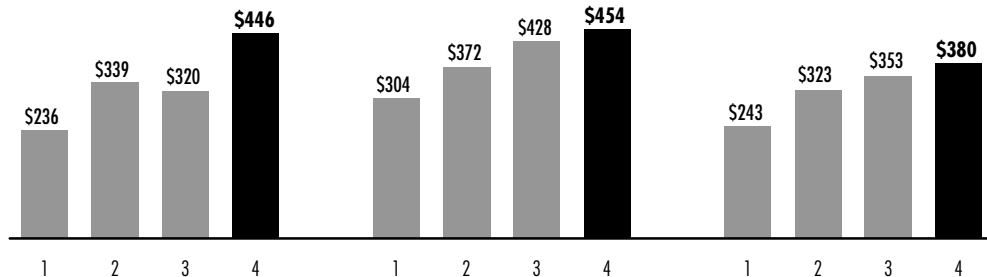


Capital

Expenditures

(\$ millions)

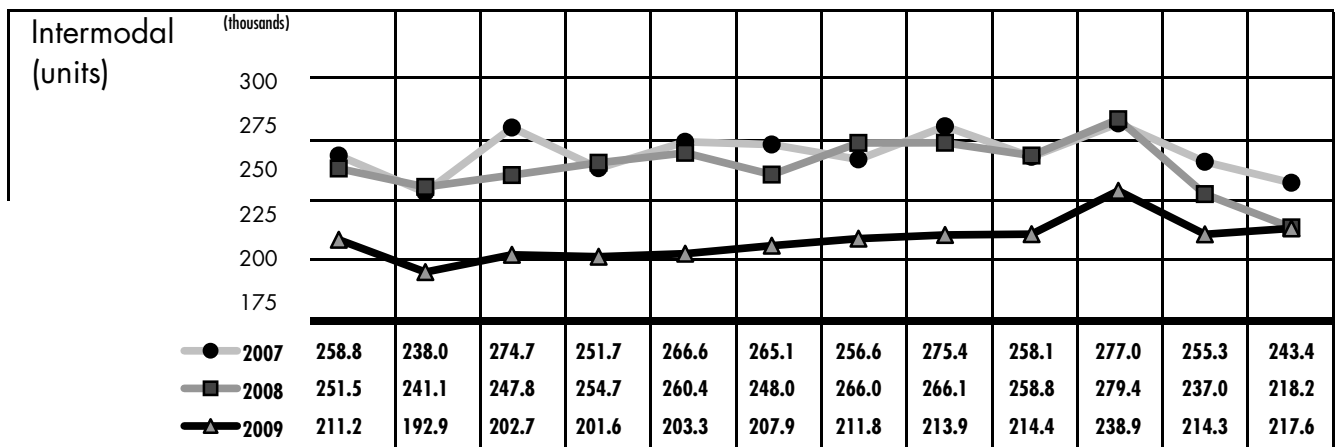
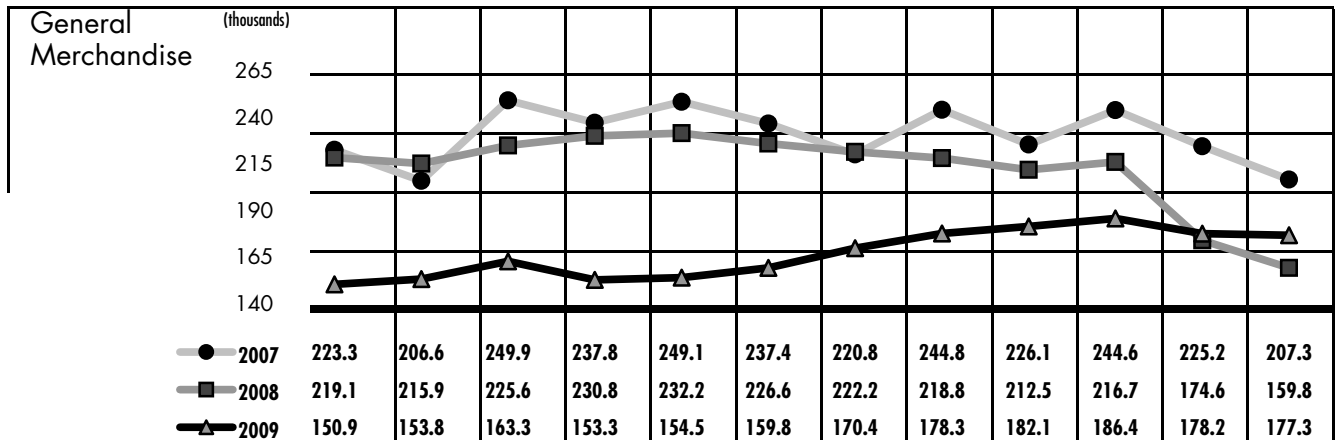
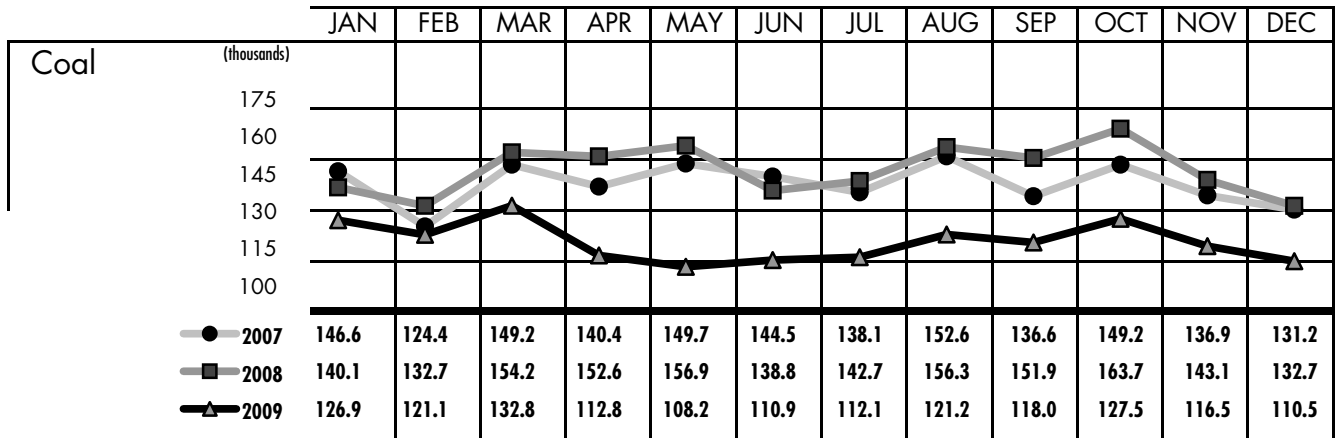
(see page 16 for details)



Railway Operating Revenues Yield Analysis

Commodity and Period	Revenues			Carloads			Revenue Yield		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
First Quarter									
	(\$ millions)			(thousands)			(\$ per carload)		
Coal	\$ 557	\$ 662	\$ 602	420.2	427.0	380.8	\$ 1,326	\$ 1,551	\$ 1,581
Agriculture/consumer/gov't	241	299	278	146.7	152.1	130.4	1,644	1,968	2,129
Metals and construction	275	305	183	185.6	186.5	120.9	1,480	1,636	1,514
Chemicals	274	305	236	105.7	102.2	80.3	2,587	2,986	2,941
Paper/clay/forest	211	215	166	109.3	100.2	74.6	1,936	2,139	2,222
Automotive	227	228	112	132.5	119.6	61.8	1,717	1,908	1,817
General merchandise	1,228	1,352	975	679.8	660.6	468.0	1,807	2,047	2,083
Intermodal	462	486	366	771.5	740.4	606.8	598	656	604
Total	\$ 2,247	\$ 2,500	\$ 1,943	1,871.5	1,828.0	1,455.6	\$ 1,201	\$ 1,367	\$ 1,335
Second Quarter									
Coal	\$ 579	\$ 775	\$ 511	434.6	448.3	331.9	\$ 1,332	\$ 1,729	\$ 1,538
Agriculture/consumer/gov't	254	326	287	148.9	156.6	135.0	1,701	2,077	2,125
Metals and construction	298	352	171	209.8	210.4	117.2	1,423	1,675	1,460
Chemicals	297	322	245	109.7	103.9	80.5	2,712	3,095	3,047
Paper/clay/forest	216	231	165	109.0	102.4	74.0	1,981	2,261	2,239
Automotive	255	227	110	146.9	116.3	60.9	1,733	1,954	1,798
General merchandise	1,320	1,458	978	724.3	689.6	467.6	1,822	2,115	2,093
Intermodal	479	532	368	783.4	763.1	612.8	611	698	600
Total	\$ 2,378	\$ 2,765	\$ 1,857	1,942.3	1,901.0	1,412.3	\$ 1,224	\$ 1,455	\$ 1,315
Third Quarter									
Coal	\$ 578	\$ 876	\$ 571	427.3	450.9	351.3	\$ 1,353	\$ 1,941	\$ 1,627
Agriculture/consumer/gov't	264	338	296	151.4	158.6	141.6	1,747	2,136	2,097
Metals and construction	287	357	205	200.3	203.7	139.4	1,433	1,752	1,471
Chemicals	297	337	297	108.0	103.0	95.9	2,748	3,275	3,090
Paper/clay/forest	222	241	169	108.5	101.5	79.3	2,045	2,376	2,123
Automotive	221	185	136	123.5	86.7	74.6	1,784	2,125	1,825
General merchandise	1,291	1,458	1,103	691.7	653.5	530.8	1,866	2,232	2,078
Intermodal	484	560	389	790.1	790.9	640.1	612	708	608
Total	\$ 2,353	\$ 2,894	\$ 2,063	1,909.1	1,895.3	1,522.2	\$ 1,232	\$ 1,527	\$ 1,355
Fourth Quarter									
Coal	\$ 601	\$ 798	\$ 580	417.3	439.5	354.5	\$ 1,441	\$ 1,817	\$ 1,634
Agriculture/consumer/gov't	288	319	320	154.5	145.1	156.3	1,861	2,193	2,047
Metals and construction	289	237	186	187.9	141.8	126.7	1,540	1,672	1,467
Chemicals	298	274	278	103.3	84.6	88.3	2,886	3,234	3,151
Paper/clay/forest	211	211	166	101.3	90.0	78.5	2,084	2,349	2,110
Automotive	271	183	169	130.1	89.6	92.1	2,084	2,049	1,836
General merchandise	1,357	1,224	1,119	677.1	551.1	541.9	2,005	2,221	2,065
Intermodal	496	480	407	775.7	734.6	670.8	640	653	607
Total	\$ 2,454	\$ 2,502	\$ 2,106	1,870.1	1,725.2	1,567.2	\$ 1,313	\$ 1,450	\$ 1,343
Year									
Coal	\$ 2,315	\$ 3,111	\$ 2,264	1,699.4	1,765.7	1,418.5	\$ 1,363	\$ 1,762	\$ 1,596
Agriculture/consumer/gov't	1,047	1,282	1,181	601.5	612.4	563.3	1,740	2,093	2,097
Metals and construction	1,149	1,251	745	783.6	742.4	504.2	1,467	1,686	1,478
Chemicals	1,166	1,238	1,056	426.7	393.7	345.0	2,732	3,144	3,061
Paper/clay/forest	860	898	666	428.1	394.1	306.4	2,010	2,280	2,172
Automotive	974	823	527	533.0	412.2	289.4	1,827	1,997	1,821
General merchandise	5,196	5,492	4,175	2,772.9	2,554.8	2,008.3	1,874	2,150	2,079
Intermodal	1,921	2,058	1,530	3,120.7	3,029.0	2,530.5	615	679	605
Total	\$ 9,432	\$ 10,661	\$ 7,969	7,593.0	7,349.5	5,957.3	\$ 1,242	\$ 1,451	\$ 1,338

Monthly Railway Carloadings



Railway Operating Revenues Variance Analysis

Fourth Quarter
2009 vs. 2008

(\$ millions)

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenues Variance due to:								
Volume	\$ (154)	(19%)	\$ (20)	(2%)	\$ (42)	(9%)	\$ (229)	(9%)
Revenue per unit/mix	\$ (64)	(10%)	\$ (85)	(7%)	\$ (31)	(7%)	\$ (167)	(7%)
	<u>\$ (218)</u>	(27%)	<u>\$ (105)</u>	(9%)	<u>\$ (73)</u>	(15%)	<u>\$ (396)</u>	(16%)

Year
2009 vs. 2008

Revenue Variance due to:								
Volume	\$ (612)	(20%)	\$ (1,175)	(21%)	\$ (339)	(16%)	\$ (2,020)	(19%)
Revenue per unit/mix	\$ (235)	(9%)	\$ (142)	(3%)	\$ (189)	(11%)	\$ (672)	(8%)
	<u>\$ (847)</u>	(27%)	<u>\$ (1,317)</u>	(24%)	<u>\$ (528)</u>	(26%)	<u>\$ (2,692)</u>	(25%)

Coal, Coke and Iron Ore Tonnage by Market

Fourth Quarter
(tons in thousands)

	2007		2008		2009	
	Tons	Change vs. 2006	Tons	Change vs. 2007	Tons	Change vs. 2008
Utility	34,976	(6%)	36,873	5%	27,166	(26%)
Export	4,192	24%	4,833	15%	6,347	31%
Domestic metallurgical	4,315	(12%)	4,652	8%	3,643	(22%)
Industrial	2,382	(1%)	2,123	(11%)	1,926	(9%)
	<u>45,865</u>	(4%)	<u>48,481</u>	6%	<u>39,082</u>	(19%)

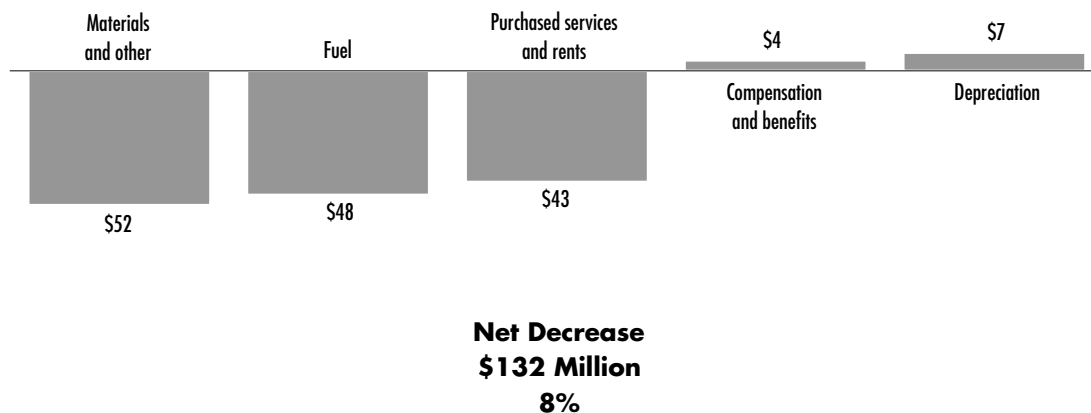
Year

Utility	142,734	(4%)	144,451	1%	120,278	(17%)
Export	15,564	25%	23,069	48%	17,885	(22%)
Domestic metallurgical	17,873	(14%)	18,155	2%	11,848	(35%)
Industrial	9,794	6%	8,553	(13%)	7,509	(12%)
	<u>185,965</u>	(2%)	<u>194,228</u>	4%	<u>157,520</u>	(19%)

Railway Operating Expenses Variance Analysis

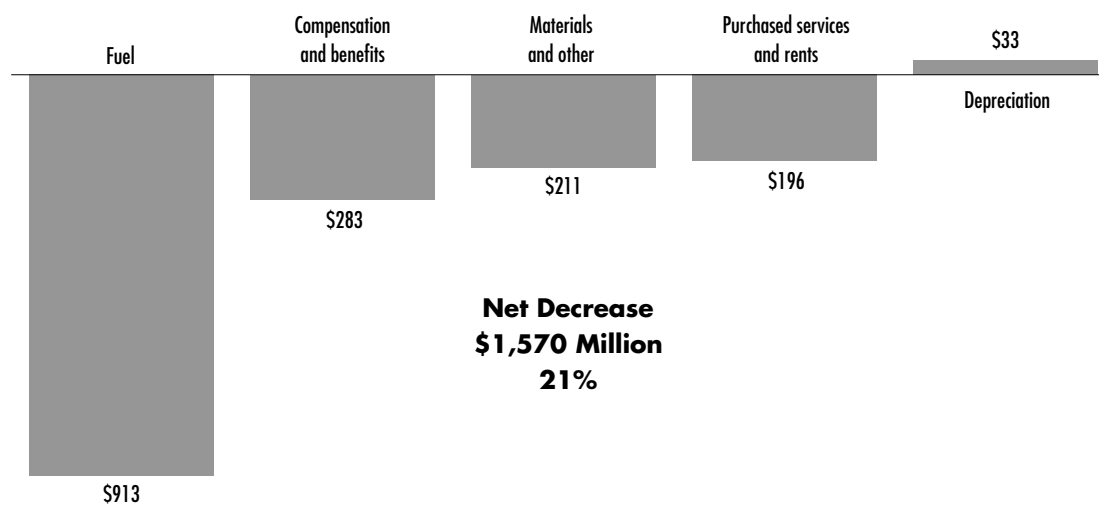
Fourth Quarter
2009 vs. 2008

(\$ millions)
Amount of change

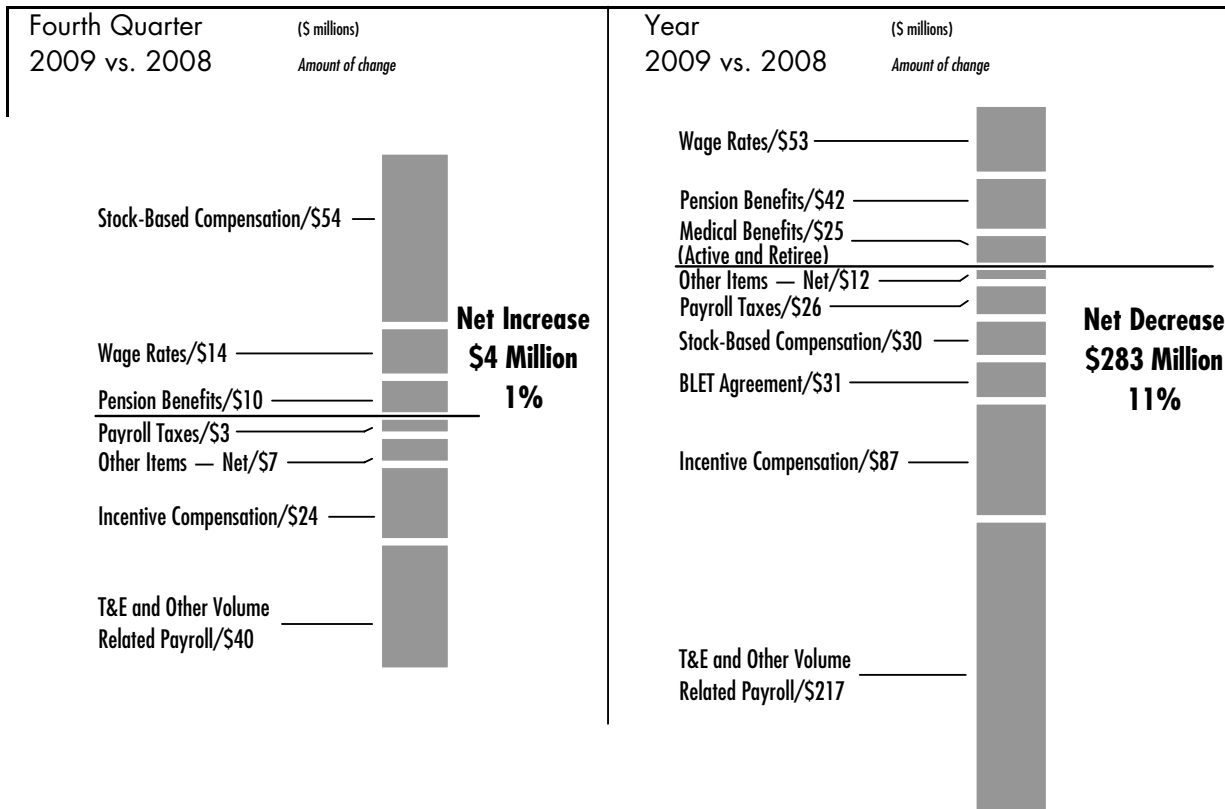


Year
2009 vs. 2008

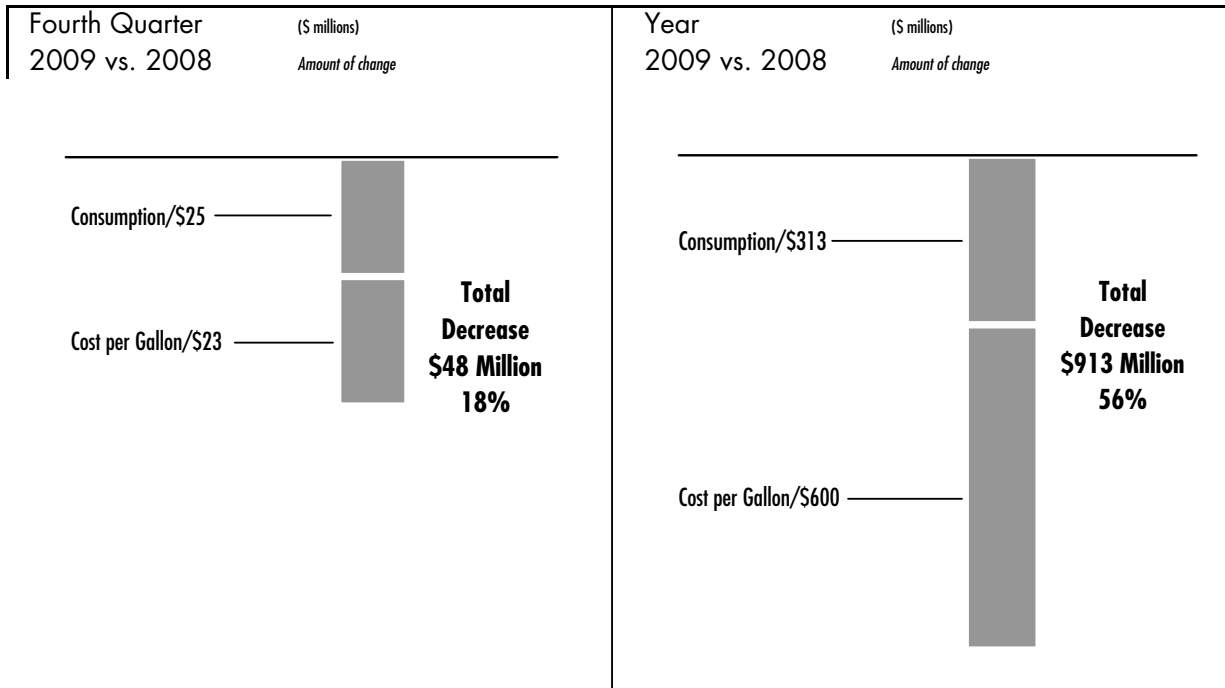
(\$ millions)
Amount of change



Compensation and Benefits Expense Analysis



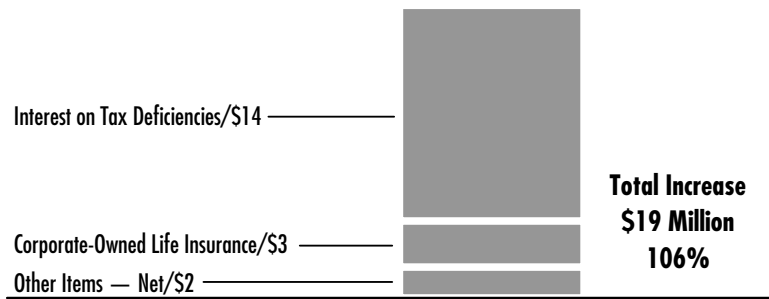
Fuel Expense Analysis



Other Income — Net Analysis

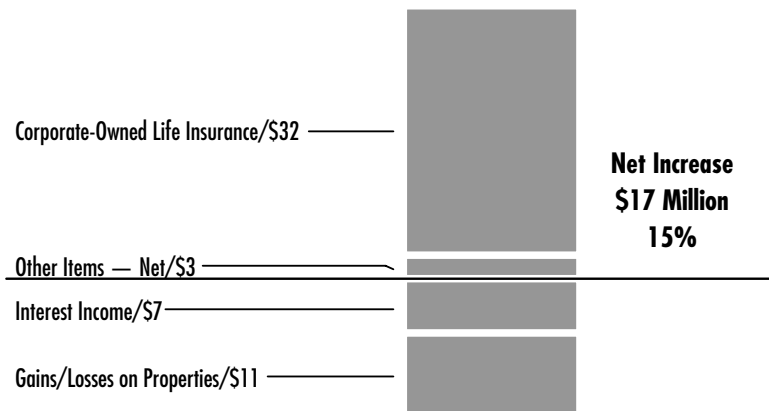
Fourth Quarter
2009 vs. 2008

(\$ millions)
Amount of change



Year
2009 vs. 2008

(\$ millions)
Amount of change



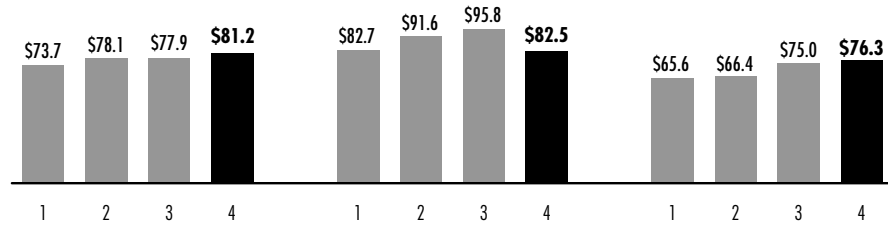
Productivity Measures

2007

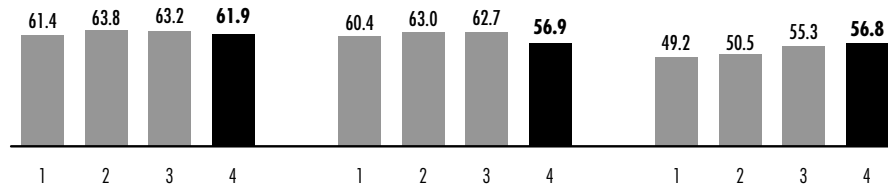
2008

2009

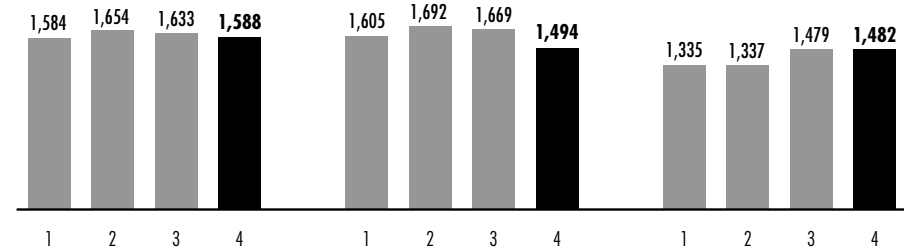
Operating Revenues
per Employee
(\$ thousands)



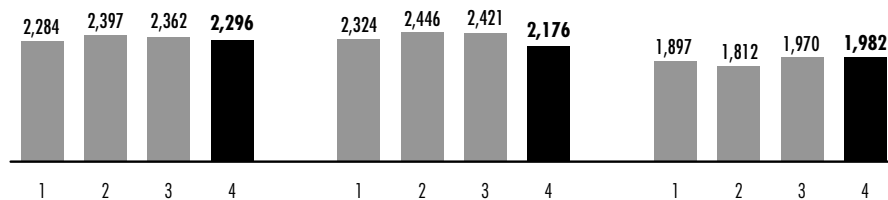
Carloads per
Employee



Revenue Ton Miles
per Employee
(thousands)



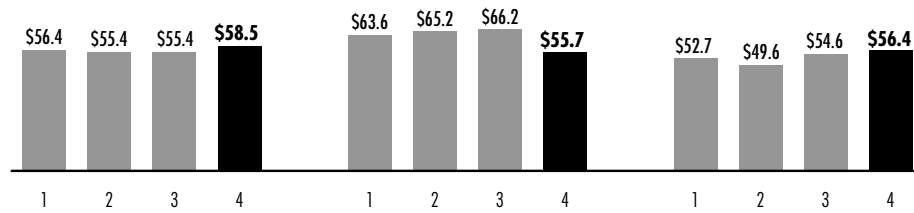
Revenue Ton Miles
per Mile of Road
Operated
(thousands)



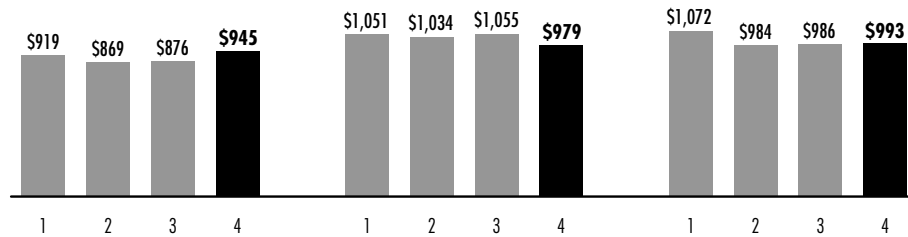
Productivity Measures

2007
2008
2009

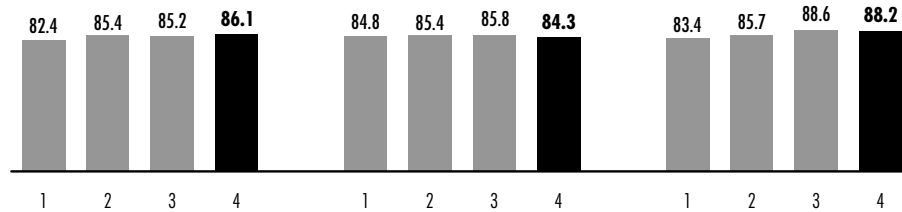
Operating Expenses per Employee (S thousands)



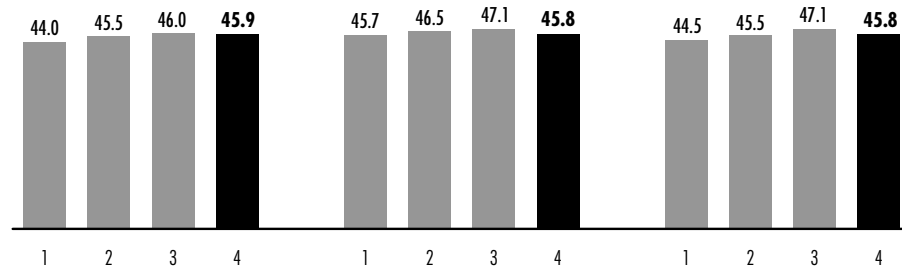
Operating Expenses per Carload (dollars)



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	2007					2008					2009				
		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 (note 1)	\$ 557	\$ 579	\$ 578	\$ 601	\$ 2,315	\$ 662	\$ 775	\$ 876	\$ 798	\$ 3,111	\$ 602	\$ 511	\$ 571	\$ 580	\$ 2,264
8	General merchandise (note 2)	1,228	1,320	1,291	1,357	5,196	1,352	1,458	1,458	1,224	5,492	975	978	1,103	1,119	4,175
8	Intermodal	462	479	484	496	1,921	486	532	560	480	2,058	366	368	389	407	1,530
6	Total railway operating revenues	\$ 2,247	\$ 2,378	\$ 2,353	\$ 2,454	\$ 9,432	\$ 2,500	\$ 2,765	\$ 2,894	\$ 2,502	\$ 10,661	\$ 1,943	\$ 1,857	\$ 2,063	\$ 2,106	\$ 7,969
6	Railway operating expenses:															
•	Compensation and benefits (note 3)	\$ 681	\$ 629	\$ 619	\$ 623	\$ 2,552	\$ 705	\$ 662	\$ 708	\$ 609	\$ 2,684	\$ 639	\$ 551	\$ 598	\$ 613	\$ 2,401
•	Purchased services	289	283	294	306	1,172	283	310	332	317	1,242	269	258	277	283	1,087
•	Equipment rents	95	97	97	90	379	92	90	87	88	357	86	76	75	79	316
•	Fuel	248	279	289	353	1,169	404	491	474	269	1,638	159	153	192	221	725
•	Depreciation	192	192	194	197	775	198	199	201	206	804	207	207	210	213	837
•	Materials	89	91	88	91	359	101	96	96	87	380	89	76	72	72	309
•	Casualties and other claims	52	46	33	40	171	65	42	34	39	180	36	21	23	22	102
•	Other (note 4)	73	71	58	68	270	74	76	68	74	292	75	47	54	54	230
6	Total railway operating expenses	\$ 1,719	\$ 1,688	\$ 1,672	\$ 1,768	\$ 6,847	\$ 1,922	\$ 1,966	\$ 2,000	\$ 1,689	\$ 7,577	\$ 1,560	\$ 1,389	\$ 1,501	\$ 1,557	\$ 6,007
6	Income from railway operations	\$ 528	\$ 690	\$ 681	\$ 686	\$ 2,585	\$ 578	\$ 799	\$ 894	\$ 813	\$ 3,084	\$ 383	\$ 468	\$ 562	\$ 549	\$ 1,962
•	Other income (expense)	\$ (108)	\$ (90)	\$ (76)	\$ (74)	\$ (348)	\$ (102)	\$ (66)	\$ (72)	\$ (94)	\$ (334)	\$ (100)	\$ (77)	\$ (81)	\$ (82)	\$ (340)
•	Income before income taxes	\$ 420	\$ 600	\$ 605	\$ 612	\$ 2,237	\$ 476	\$ 733	\$ 822	\$ 719	\$ 2,750	\$ 283	\$ 391	\$ 481	\$ 467	\$ 1,622
•	Income taxes — current	\$ 138	\$ 225	\$ 178	\$ 107	\$ 648	\$ 160	\$ 242	\$ 184	\$ 158	\$ 744	\$ 90	\$ 85	\$ 80	\$ (5)	\$ 250
•	Income taxes — deferred	(3)	(19)	41	106	125	25	38	118	109	290	16	59	98	165	338
6	Total income taxes	\$ 135	\$ 206	\$ 219	\$ 213	\$ 773	\$ 185	\$ 280	\$ 302	\$ 267	\$ 1,034	\$ 106	\$ 144	\$ 178	\$ 160	\$ 588
7	Net income	\$ 285	\$ 394	\$ 386	\$ 399	\$ 1,464	\$ 291	\$ 453	\$ 520	\$ 452	\$ 1,716	\$ 177	\$ 247	\$ 303	\$ 307	\$ 1,034
7	Earnings per share - diluted (dollars)	\$ 0.71	\$ 0.98	\$ 0.97	\$ 1.02	\$ 3.68	\$ 0.76	\$ 1.18	\$ 1.37	\$ 1.21	\$ 4.52	\$ 0.47	\$ 0.66	\$ 0.81	\$ 0.82	\$ 2.76
7	Railway operating ratio	76.5	71.0	71.1	72.0	72.6	76.9	71.1	69.1	67.5	71.1	80.3	74.8	72.8	73.9	75.4
7	Capital expenditures:															
•	Equipment	\$ 72	\$ 131	\$ 79	\$ 165	\$ 447	\$ 98	\$ 115	\$ 160	\$ 115	\$ 488	\$ 35	\$ 50	\$ 47	\$ 39	\$ 171
•	Road	164	208	241	281	894	206	257	268	339	1,070	208	273	306	341	1,128
7	Total capital expenditures	\$ 236	\$ 339	\$ 320	\$ 446	\$ 1,341	\$ 304	\$ 372	\$ 428	\$ 454	\$ 1,558	\$ 243	\$ 323	\$ 353	\$ 380	\$ 1,299
•	Cash, cash equivalents and short-term investments	\$ 844	\$ 492	\$ 418	\$ 206	\$ 206	\$ 364	\$ 454	\$ 557	\$ 618	\$ 618	\$ 884	\$ 722	\$ 999	\$ 1,086	\$ 1,086
•	Total debt, excluding notes payable to Conrail	\$ 6,533	\$ 6,164	\$ 6,147	\$ 6,368	\$ 6,368	\$ 6,493	\$ 6,489	\$ 6,471	\$ 6,667	\$ 6,667	\$ 6,935	\$ 7,082	\$ 7,065	\$ 7,153	\$ 7,153
•	Total debt-to-total capitalization (percent)	40.4	38.3	38.4	39.6	39.6	40.0	39.4	39.2	41.0	41.0	41.7	41.8	41.2	40.9	40.9
•	Weighted average shares outstanding - diluted (millions)	402.3	401.7	397.4	389.9	397.8	383.9	383.5	380.5	372.4	380.0	371.1	371.4	372.5	373.3	372.1

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 automotive revenue includes \$26 million related to a contract settlement.

Note 3 2008 includes \$31 million for lump-sum payments (including payroll taxes) due under a new labor agreement with the Brotherhood of Locomotive Engineers and Trainmen (BLET).

Note 4 Second quarter 2009 includes a \$21 million favorable adjustment related to settlement of a multi-year state tax dispute.

Financial, Traffic and Operating Statistics

Traffic and Operating Statistics		2007					2008					2009				
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
8	Railway carloads (thousands):															
8	Coal	420.2	434.6	427.3	417.3	1,699.4	427.0	448.3	450.9	439.5	1,765.7	380.8	331.9	351.3	354.5	1,418.5
8	General merchandise	679.8	724.3	691.7	677.1	2,772.9	660.6	689.6	653.5	551.1	2,554.8	468.0	467.6	530.8	541.9	2,008.3
8	Intermodal	771.5	783.4	790.1	775.7	3,120.7	740.4	763.1	790.9	734.6	3,029.0	606.8	612.8	640.1	670.8	2,530.5
8	Total railway carloads	1,871.5	1,942.3	1,909.1	1,870.1	7,593.0	1,828.0	1,901.0	1,895.3	1,725.2	7,349.5	1,455.6	1,412.3	1,522.2	1,567.2	5,957.3
	• Revenue ton miles (RTMs) (billions):															
	• Coal	14.3	15.2	14.6	14.1	58.2	15.0	16.0	15.8	15.3	62.1	13.4	11.4	12.0	12.1	48.9
	• General merchandise	26.9	28.1	27.7	26.9	109.6	26.7	27.9	27.3	23.0	104.9	20.2	19.7	22.0	21.8	83.7
	• Intermodal	7.1	7.0	7.1	7.0	28.2	6.8	7.1	7.4	7.0	28.3	5.9	6.4	6.6	7.0	25.9
	• Total	48.3	50.3	49.4	48.0	196.0	48.5	51.0	50.5	45.3	195.3	39.5	37.5	40.6	40.9	158.5
	• Revenue (dollars) per thousand RTMs:															
	• Coal	\$ 38.88	\$ 38.15	\$ 39.63	\$ 42.68	\$ 39.80	\$ 44.13	\$ 48.41	\$ 55.42	\$ 52.18	\$ 50.09	\$ 44.79	\$ 44.97	\$ 47.75	\$ 47.88	\$ 46.32
	• General merchandise	\$ 45.73	\$ 46.86	\$ 46.56	\$ 50.49	\$ 47.40	\$ 50.57	\$ 52.22	\$ 53.52	\$ 53.10	\$ 52.33	\$ 48.35	\$ 49.63	\$ 49.95	\$ 51.50	\$ 49.89
	• Intermodal	\$ 64.97	\$ 68.34	\$ 68.84	\$ 70.78	\$ 68.22	\$ 71.36	\$ 74.81	\$ 75.86	\$ 68.76	\$ 72.76	\$ 61.83	\$ 57.90	\$ 58.55	\$ 57.80	\$ 58.93
	• Total	\$ 46.53	\$ 47.22	\$ 47.69	\$ 51.16	\$ 48.13	\$ 51.50	\$ 54.17	\$ 57.39	\$ 55.20	\$ 54.58	\$ 49.16	\$ 49.62	\$ 50.71	\$ 51.51	\$ 50.27
	• Gross ton miles (GTMs) (billions)	90.5	94.5	91.5	90.0	366.5	90.1	93.7	91.8	83.5	359.1	74.1	70.5	76.5	78.8	299.9
	• Revenue ton miles (RTMs) (billions)	48.3	50.3	49.4	48.0	196.0	48.5	51.0	50.5	45.3	195.3	39.5	37.5	40.6	40.9	158.5
	• Railroad employees (average)	30,484	30,438	30,219	30,204	30,336	30,240	30,170	30,214	30,339	30,241	29,597	27,987	27,514	27,595	28,173
	• Total operating expenses (dollars) per thousand GTMs	\$ 19.00	\$ 17.87	\$ 18.27	\$ 19.63	\$ 18.68	\$ 21.34	\$ 20.98	\$ 21.79	\$ 20.23	\$ 21.10	\$ 21.06	\$ 19.71	\$ 19.60	\$ 19.77	\$ 20.03
	• Compensation and benefits (dollars) per thousand GTMs	\$ 7.53	\$ 6.66	\$ 6.76	\$ 6.92	\$ 6.96	\$ 7.83	\$ 7.06	\$ 7.71	\$ 7.30	\$ 7.47	\$ 8.62	\$ 7.82	\$ 7.81	\$ 7.78	\$ 8.01
	• Total operating expenses (dollars) per thousand RTMs	\$ 35.60	\$ 33.52	\$ 33.88	\$ 36.86	\$ 34.94	\$ 39.59	\$ 38.52	\$ 39.66	\$ 37.26	\$ 38.79	\$ 39.47	\$ 37.11	\$ 36.89	\$ 38.08	\$ 37.89
	• Compensation and benefits (dollars) per thousand RTMs	\$ 14.10	\$ 12.49	\$ 12.54	\$ 12.99	\$ 13.02	\$ 14.52	\$ 12.97	\$ 14.04	\$ 13.44	\$ 13.74	\$ 16.17	\$ 14.72	\$ 14.70	\$ 14.99	\$ 15.15
14	Total operating revenues (\$ thousands) per employee	\$ 73.7	\$ 78.1	\$ 77.9	\$ 81.2	\$ 310.9	\$ 82.7	\$ 91.6	\$ 95.8	\$ 82.5	\$ 352.5	\$ 65.6	\$ 66.4	\$ 75.0	\$ 76.3	\$ 282.9
15	Total operating expenses (\$ thousands) per employee	\$ 56.4	\$ 55.4	\$ 55.4	\$ 58.5	\$ 225.7	\$ 63.6	\$ 65.2	\$ 66.2	\$ 55.7	\$ 250.6	\$ 52.7	\$ 49.6	\$ 54.6	\$ 56.4	\$ 213.2
	• GTMs (thousands) per employee	2,968	3,104	3,029	2,976	12,077	2,979	3,107	3,038	2,752	11,874	2,503	2,518	2,783	2,854	10,644
14	RTMs (thousands) per employee	1,584	1,654	1,633	1,588	6,459	1,605	1,692	1,669	1,494	6,460	1,335	1,337	1,479	1,482	5,627
14	Carloads per employee	61.4	63.8	63.2	61.9	250.3	60.4	63.0	62.7	56.9	243.0	49.2	50.5	55.3	56.8	211.5
14	RTMs (thousands) per mile of road operated	2,284	2,397	2,362	2,296	9,339	2,324	2,446	2,421	2,176	9,366	1,897	1,812	1,970	1,982	7,661
15	Total operating expenses (dollars) per carload	\$ 919	\$ 869	\$ 876	\$ 945	\$ 902	\$ 1,051	\$ 1,034	\$ 1,055	\$ 979	\$ 1,031	\$ 1,072	\$ 984	\$ 986	\$ 993	\$ 1,008
	• Compensation and benefits (dollars) per carload	\$ 364	\$ 324	\$ 324	\$ 333	\$ 336	\$ 386	\$ 348	\$ 374	\$ 353	\$ 365	\$ 439	\$ 390	\$ 393	\$ 391	\$ 403
	• RTMs (thousands) per carload	25.8	25.9	25.8	25.6	25.8	26.6	26.9	26.6	26.3	26.6	27.2	26.5	26.7	26.1	26.6
	• Locomotive diesel fuel consumed (thousands of gallons)	129,472	125,461	118,037	124,654	497,624	130,167	123,066	117,733	111,589	482,555	105,372	90,471	95,025	101,673	392,541
	• Average price (dollars) per gallon of locomotive diesel fuel	\$ 1.694	\$ 1.979	\$ 2.184	\$ 2.558	\$ 2.099	\$ 2.788	\$ 3.584	\$ 3.588	\$ 2.190	\$ 3.048	\$ 1.387	\$ 1.545	\$ 1.848	\$ 1.984	\$ 1.690
	• RTMs per gallon of fuel consumed	373	401	418	385	394	373	415	428	406	405	375	414	428	402	404
15	GTMs (thousands) per train hour	82.4	85.4	85.2	86.1	84.8	84.8	85.4	85.8	84.3	85.1	83.4	85.7	88.6	88.2	86.5
15	RTMs (thousands) per train hour	44.0	45.5	46.0	45.9	45.3	45.7	46.5	47.1	45.8	46.3	44.5	45.5	47.1	45.8	45.7
	• Percent of loaded-to-total car miles	58.1	57.7	57.4	58.0	57.8	57.9	58.1	57.5	57.0	57.7	56.5	57.3	57.9	58.6	57.6
	• Total new crossties installed (thousands)	632	705	762	552	2,651	523	818	761	599	2,701	695	813	731	471	2,710
	• Total track miles of rail laid (miles)	116	92	98	95	401	120	144	100	95	459	83	116	131	104	434

Fourth Quarter 2009

Quarterly Financial Review