

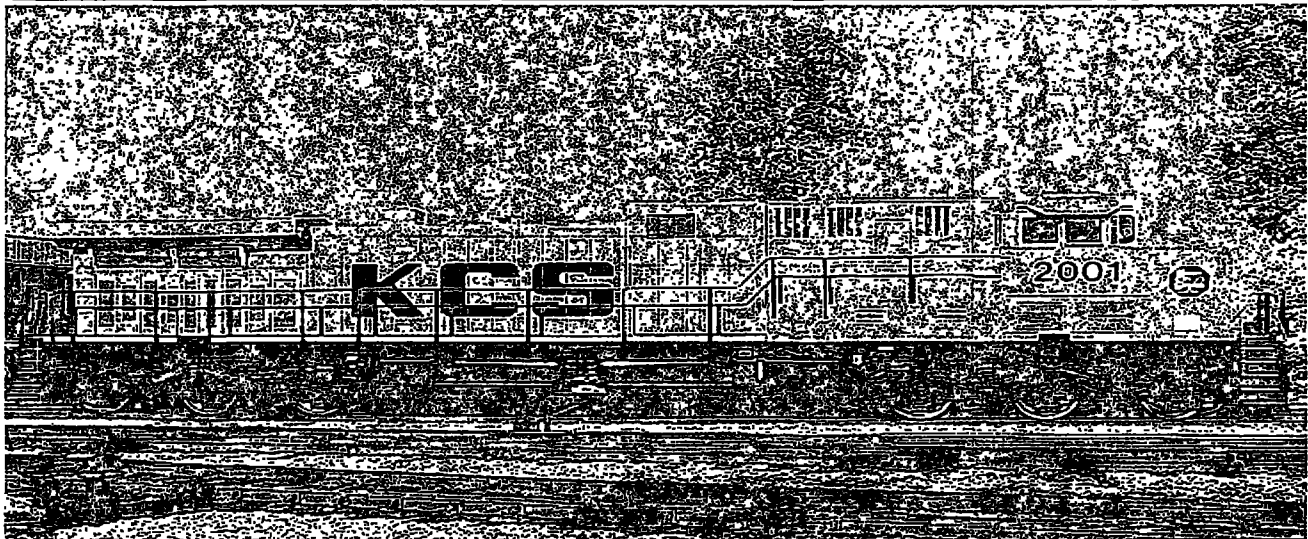


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ACAA-RT

Class I Railroad Annual Report

	<p>RCD00352 R186</p> <p>Kansas City Southern Railway Company 114 West 11th Street Kansas City, Missouri 64105</p>
<p>Correct name and address if different than shown.</p>	<p>Full name and address of reporting carrier. (Use mailing label on original, copy on duplicate.)</p>



To The
Surface Transportation Board
For The Year Ended December 31, 2001

NOTICE

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation Board, Office of Economics, Environmental Analysis, and Administration, The Mercury Building, 1925 K St. N.W., Suite 500, Washington, DC 20423, by March 31 of the year following that for which the report is made. One copy should be retained by the carrier.
2. Every inquiry must be definitely answered. Where the word "none" truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words "not applicable" should be used.
3. Wherever the space provided in the schedules is insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.
4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.
5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.
6. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the following meanings:
 - a) Board means *Surface Transportation Board*.
 - b) Respondent means *the person or corporation in whose behalf the report is made*.
 - c) Year means *the year ended December 31 for which the report is being made*.
 - d) Close of the Year means *the close of business on December 31 for the year in which the report is being made*. If the report is made for a shorter period than one year, it means *the close of the period covered by the report*.
 - e) Beginning of the Year means *the beginning of business on January 1 of the year for which the report is being made*. If the report is made for a shorter period than one year, it means *the beginning of that period*.
 - f) Preceding Year means *the year ended December 31 of the year preceding the year for which the report is made*.
 - g) The Uniform System of Accounts for Railroad Companies means *the system of accounts in Part 1201 of Title 49, Code of Federal Regulation, as amended*.
7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.
8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.

For Index, See Back of Form

ANNUAL REPORT

OF

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

TO THE

SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2001

Name, official title, telephone number, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) L.G. VAN HORN (Title) VICE PRESIDENT & COMPTROLLER

(Telephone number) 816 983 - 1303
(Area code) (Telephone number)

(Office address) 114 WEST 11th STREET KANSAS CITY, MISSOURI 64105
(Street and number, city, State, and ZIP code)

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SPECIAL NOTICE

Docket No. 38559 Railroad Classification Index, served January 20, 1983, modified the reporting requirements for class II, III and all Switching and terminal companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark border on the schedules represents data that are captured for processing by the Surface Transportation Board.

It is estimated that an average of 800 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Office of the Secretary, Surface Transportation Board, and the Office of Information and Regulatory Affairs, Office of Management and Budget.

A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.
2. Show below the pages excluded and indicate the schedule number and title in the space provided below.
3. If no schedules were omitted indicate "NONE."

Page	Schedule No.	Title
12 - 15	200	Comparative Statement of Financial Position Explanatory Notes Blank Pages

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they *should be explained in full detail*.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organizations; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date which such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report The Kansas City Southern Railway Company

2. Date of incorporation March 19, 1900

3. Under laws of what Government, State or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees

State of Missouri

Article II Chapter XII Revised Statutes of Missouri 1899

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full

This report includes the results of Gateway Western Railroad and Gateway Eastern Railroad.

STOCKHOLDERS REPORTS

5. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____
(date)

☒ No annual report to stockholders is prepared.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ No Par per share; first preferred, \$ 350,000 per share; second preferred, \$ None per share; debenture stock, \$ None per share.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes.

3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing _____
Stock book was not closed in 2001. Last closed April 3, 1981

7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 9,840,057 votes, as of December 31, 2001
(Date)

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 1 stockholder.

9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes to which he was entitled, which respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.

Line No.	Name of security holder	address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			Line No.
				Stock			
				Common (d)	PREFERRED		
Second (e)	First (f)						
1	Kansas City Southern Industries, Inc.	114 West 11th Street Kansas City, Missouri 64105	9,840,057	9,840,000		57	1
2							2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
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21							21
22							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 9,840,057
votes cast.

11. Give the date of such meeting. May 3, 2001

12. Give the place of such meeting. Kansas City, Missouri 64105

NOTES AND REMARKS

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

(DOLLARS IN THOUSANDS)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at Beginning of year (c)	Line No.
Current Assets						
1		701	Cash	4,418	952	1
2		702	Temporary Cash Investments	18,696	16,517	2
3		703	Special Deposits	86	32	3
4		704	Accounts Receivable - Loan and Notes	(22)	83	4
5		705	- Interline and Other Balances	4,058	2,222	5
6		706	- Customers	62,252	58,924	6
7		707	- Other	10,434	11,930	7
8		709, 708	- Accrued Accounts Receivables	53,665	51,005	8
9		708.5	- Receivables from Affiliated Companies			9
10		709.5	- Less: Allowance for Uncollectible Accounts	(7,845)	(2,248)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	18,377	8,584	11
12		712	Materials and Supplies	27,081	31,731	12
13		713	Other Current Assets	19,250		13
14			TOTAL CURRENT ASSETS	210,450	179,732	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 310A)	414,152	444,864	16
17		722, 723	Other Investments and Advances	36	134	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr.			18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$342	2,374	2,387	19
20		739, 741	Other Assets	(1)	(1)	20
21		743	Other Deferred Debits	97,978	79,793	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	514,539	527,177	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	1,459,314	1,292,898	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	281,545	278,981	25
26		731, 732	Unallocated Items	88,893	162,135	26
27		733, 735, 736	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(605,824)	(560,329)	27
28			Net Road and Equipment	1,223,928	1,173,685	28
29			TOTAL ASSETS	1,948,917	1,880,594	29

NOTES AND REMARKS

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(DOLLARS IN THOUSANDS)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at Beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable: Interline and Other Balances	22,730	22,671	31
32		753	Audited Accounts and Wages	38,904	42,967	32
33		754	Other Accounts Payable	2,034	2,349	33
34		755, 756	Interest and Dividends Payable	9,763	7,020	34
35		757	Payables to Affiliated Companies			35
36		759	Accrued Accounts Payable	121,901	117,353	36
37		760, 761, 761.5, 762	Taxes Accrued	(2,390)	(6,702)	37
38		763	Other Current Liabilities	10	83	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	45,037	34,421	39
40			TOTAL CURRENT LIABILITIES	237,989	220,162	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured	565,000	577,500	41
42		766	Equipment Obligations	36,198	43,498	42
43		766.5	Capitalized Lease Obligations	2,473	3,033	43
44		768	Debt in Default			44
45		769	Accounts payable: Affiliated Companies			45
46		770.1, 770.2	Unamortized Debt Premium			46
47		781	Interest in Default			47
48		783	Deferred Revenues-Transfers from Government Authorities			48
49		786	Accumulated Deferred Income Tax Credits	351,044	313,315	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	62,002	65,812	50
51			TOTAL NONCURRENT LIABILITIES	1,016,717	1,003,158	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	57,504	57,504	52
53			Common Stock	36,504	36,504	53
54			Preferred Stock	21,000	21,000	54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	312,719	315,585	56
57		797	Retained Earnings: Appropriated			57
58		798	Unappropriated (Schedule 220)	327,775	287,972	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock	(3,787)	(3,787)	60
61			Net Stockholders Equity	694,211	657,274	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,948,917	1,880,594	62

NOTES AND REMARKS

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

(Dollars in Thousands)

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts _____ \$ None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of year following that for which the report is made _____ \$ None

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year Not Applicable

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund _____

(c) Is any part of pension plan funded? Specify. Yes _____ No _____

(i) If funding is by insurance, give name of insuring company _____

If funding is by trust agreement, list trustee(s) _____

Date of trust agreement or latest amendment _____

If respondent is affiliated in any way with the trustee(s), explain affiliation: _____

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement _____

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify.

Yes _____ No _____

If yes, give number of the shares for each class of stock or other security: _____

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes _____ No _____ If yes, who determines how stock is voted? _____

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610).
Yes X No _____

5. (a) The amount of employers contribution to employee stock ownership loans for the current year was \$ None

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6. In reference to Docket No. 37465 specify the total amount of business entertainment expenditures charged to the non-operating expense account. \$ None

Continued on following page

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

7. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 5-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the amounts of the respondent.

Disclose the nature and amount of contingency that is material.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages)

Litigation:

The Company is involved as plaintiff or defendant in various legal actions arising in the normal course of business. While the ultimate outcome of the various legal proceedings involving the Company cannot be predicted with certainty, it is the opinion of management, after consultation with legal counsel, that these legal actions currently are not material to the financial position of the Company. Based upon information currently available, the Company believes that its litigation reserves are adequate. The following outlines four significant ongoing cases:

Duncan Case

In 1998, a jury in Beauregard Parish, Louisiana returned a verdict against KCSR in the amount of \$16.3 million. This Louisiana state case arose from a railroad crossing accident which occurred at Oretta, Louisiana on September 11, 1994, in which three individuals were injured. Of the three, one was injured fatally, one was rendered quadriplegic and the third suffered less serious injuries.

Subsequent to the verdict, the trial court held that the plaintiffs were entitled to interest on the judgement from the date the suit was filed, dismissed the verdict against one defendant and reallocated the amount of that verdict to the remaining defendants.

On November 3, 1999, the Third Circuit Court of Appeals in Louisiana affirmed the judgment. Subsequently KCSR sought and obtained review of the case in the Supreme Court of Louisiana. On October 30, 2000 the Supreme Court of Louisiana entered its order affirming in part and reversing in part the judgement. The net effect of the Louisiana Supreme Court action was to reduce the allocation of negligence to KCSR and reduce the judgement, with interest, against KCSR from approximately \$28 million to approximately \$14.2 million (approximately \$9.7 million of damages and \$4.5 million of interest), which is in excess of KCSR's insurance coverage of \$10 million for this case. KCSR filed an application for rehearing in the Supreme Court of Louisiana which was denied on January 5, 2001. KCSR then sought a stay of judgement in the Louisiana court. The Louisiana court denied the stay application on January 12, 2001. KCSR reached an agreement as to the payment structure of the judgement in this case and payment of the settlement was made on March 7, 2001.

KCSR had previously recorded a liability of approximately \$3.0 million for this case. Based on the Supreme Court of Louisiana's decision, as of December 31, 2000, management recorded an additional liability of \$11.2 million and also recorded a receivable in the amount of \$7.0 million representing the amount of the insurance coverage. This resulted in recording \$4.2 million of net operating expense in the accompanying consolidated financial statements for the year ended December 31, 2000. The final installment on the \$7.0 million receivable from the insurance company was received by KCSR in June 2001.

Bogalusa Cases

In July 1996, the Company was named as one of twenty-seven defendants in various lawsuits in Louisiana and Mississippi arising from the explosion of a rail car loaded with chemicals in Bogalusa, Louisiana on October 23, 1995. As a result of the explosion, nitrogen dioxide and oxides of nitrogen were released into the atmosphere over parts of Bogalusa and the surrounding area allegedly causing evacuations and injuries. Approximately 25,000 residents of Louisiana and Mississippi (plaintiffs) have asserted claims to recover damages allegedly caused by exposure to the released chemicals.

On October 29, 2001, KCSR and representatives for its excess insurance carriers negotiated a settlement in principle with the Louisiana and Mississippi plaintiffs for \$22.3 million. The settlement is subject to the execution of a Master Global Settlement Agreement ("MGSA") and releases by the parties. In Louisiana, the Court will evaluate the MGSA at a fairness hearing and decide whether the proposed settlement is fair for the class of plaintiffs. In Mississippi, the plaintiffs are expected to individually execute release instruments. Management expects that these events could occur by the end of the third quarter of 2002.

At December 31, 2001, the Company had recorded a liability in its consolidated financial statements of \$22.3 million and an insurance receivable of \$19.3 million related to the Bogalusa cases.

Houston Cases

In August 2000 KCSR and certain of its affiliates were added as defendants in lawsuits pending in Jefferson and Harris Counties, Texas. These lawsuits allege damage to approximately 3,000 plaintiffs as a result of an alleged toxic chemical release from a tank car in Houston, Texas on August 21, 1998. Litigation involving the shipper and the delivering carrier had been pending for some time, but KCSR, which handled the car during the course of its transport, had not previously been named a defendant. On June 28, 2001, KCSR reached a final settlement with the 1,864 plaintiffs in the lawsuit filed in Jefferson County, Texas. KCSR continues to vigorously defend the lawsuit filed in Harris County, Texas and management believes the Company's probability of liability for damages in this case to be remote.

Jaroslawicz Class Action

On October 3, 2000, a lawsuit was filed in the New York State Supreme Court purporting to be a class action on behalf of the Company's preferred shareholders, and naming KCSI, its Board of Directors and Stihwell Financial Inc. as defendants. This lawsuit seeks a declaration that the spinoff was a de facto liquidation of KCSI, alleges violation of director's fiduciary duties to the preferred shareholders and also seeks a declaration that the preferred shareholders are entitled to receive the par value of their shares and other relief. The Company filed a motion to dismiss with prejudice in the New York State Supreme Court on December 22, 2000; the plaintiff filed its brief in opposition to the motion to dismiss on February 1, 2001, and the Company served reply papers on March 7, 2001. On November 19, 2001, the New York State Supreme Court granted the Company's motion in its entirety and dismissed this lawsuit.

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

Environmental Matters:

The Company is subject to extensive regulation under environmental protection laws concerning, among other things, discharges to waters and the generation, handling, storage, transportation and disposal of waste and other materials where environmental risks are inherent. In particular, the Company is subject to various laws and certain legislation including, among others, the Federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA," also known as the Superfund law), the Toxic Substances Control Act, the Federal Water Pollution Control Act, and the Hazardous Materials Transportation Act. This legislation generally imposes joint and several liability for clean up and enforcement costs, without regard to fault or legality of the original conduct, on current and predecessor owners and operators of a site. The Company does not foresee that compliance with the requirements imposed by the environmental legislation will impair its competitive capability or result in any material additional capital expenditures, operating or maintenance costs. As part of serving the petroleum and chemicals industry, the Company transports hazardous materials and has a Shreveport, Louisiana-based hazardous materials emergency team available to handle environmental issues which might occur in the transport of such materials. Additionally, the Company performs ongoing review and evaluation of the various environmental issues that arise in the Company's operations, and, as necessary, takes actions to limit the Company's exposure to potential liability.

The Company has recorded liabilities with respect to various environmental issues, which represent its best estimates of remediation and restoration costs that may be required to comply with present laws and regulations. At December 31, 2001, these recorded liabilities were not material. Although these costs cannot be predicted with certainty, management believes that the ultimate outcome of identified matters will not have a material adverse effect on the Company's consolidated results of operations or financial condition.

(a) Changes in Valuation Accounts

8. Marketable Equity Securities.

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.)	Current Portfolio				N / A
as of / /	Noncurrent Portfolio			N / A	\$
(Previous Yr.)	Current Portfolio			N / A	N / A
as of / /	Noncurrent Portfolio			N / A	N / A

(b) AT / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$ _____	\$ _____
Noncurrent	_____	_____

(c) A net unrealized gain (loss) of \$ _____ on the sale of marketable equity securities was included in net income for _____ (year). The cost of securities sold was based on the _____ (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / (date) Balance sheet date of reported year unless specified as previous year.

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY - Continued
NOTES TO FINANCIAL STATEMENTS**Footnote 1:**

During 2001, KCSTC and Gateway Western Railway were merged into KCSR.

Footnote 2:

KCSI adopted the provisions, Statement of Financial Accounting Standards No. 133 "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), effective January 1, 2001. As a result of this change in the method of accounting for derivative financial instruments, the Company recorded an after-tax charge to earnings of \$382 thousand in the first quarter of 2001. This charge is presented as a cumulative effect of an accounting change in the accompanying financial statements. This amount represents the ineffective portion of interest rate cap agreements.

Footnote 3:

Correction of prior period error on Southern Capital Corporation audit of financial statements.

Footnote 4:

Concurrent with the consolidation of the Gateway Western Railway and Gateway Eastern Railway, as approved by the STB March 1, 2002, amount represents reclassification of Retained Earnings from Affiliated Companies to Consolidated Unappropriated Retained Earnings.

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY - Concluded
NOTES TO FINANCIAL STATEMENTS

SCHEDULE 210 - RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513. "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parentheses.

5. Cross-checks

Schedule 210
Line 15, column (b)
Line 47 plus 48 plus 49, column (b)
Line 50, column (b)

Schedule 210
= Line 62, column (b)
= Line 63, column (b)
= Line 64, column (b)

Line 14, column (b)
Line 14, column (d)
Line 14, column (e)

Schedule 410
= Line 620, column (h)
= Line 620, column (f)
= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	535,186	497,645	535,186		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	20,265	13,085	20,265		4
5		(105) Water Transfers					5
6		(106) Demurrage	8,376	9,167	8,376		6
7		(110) Incidental	2,581	2,083	2,581		7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	566,408	521,980	566,408		10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	566,408	521,980	566,408		13
14		(531) Railway operating expenses	499,306	463,645	499,306		14
15		Net revenue from railway operations	67,102	58,335	67,102		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	50	31			16
17		(510) Miscellaneous rent income	3,030	3,241			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)		1,567			19
20		(514) Interest Income	585	3,566			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	1,308	363			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)		14,613			25
26		b. Equity in undistributed earnings (losses)	29,016	13,426			26
27		TOTAL OTHER INCOME (lines 16-26)	33,989	36,807			27
28		TOTAL INCOME (lines 15, 27)	101,091	95,142			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	12	13			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	677	869			34
35		(553) Uncollectible accounts	1,801	774			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	2,490	1,656			36
37		Income available for fixed charges (lines 28, 36)	98,601	93,486			37

SCHEDULE 210 - RESULTS OF OPERATIONS - Continued
(Dollars in Thousands)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	50,182	64,259	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	(254)	(4,985)	40
41		(548) Amortization of discount on funded debt	2,973	5,804	41
42		TOTAL FIXED CHARGES (lines 38-41)	52,901	65,078	42
43		Income after fixed charges (lines 37, 42)	45,700	28,408	43
OTHER DEDUCTIONS					
44		(548) Interest on funded debt:			
		(c) Contingent interest	181		44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	45,519	28,408	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	(20,890)	(28,385)	47
48		(b) State income taxes	(1,253)	(327)	48
49		(c) Other income taxes	103	171	49
50		(557) Provision for deferred taxes	27,490	27,549	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	5,450	(992)	51
52		Income from continuing operations (lines 46-51)	40,069	29,400	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	40,069	29,400	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)		(1,830)	56
57		(590) Income taxes on extraordinary items		(700)	57
58		(591) Provision for deferred taxes--Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)		(2,530)	59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$ 237)	(382)		60
61		Net income (Loss) (lines 55 + 59 + 60)	39,687	26,870	61
Reconciliation of net railway operating income (NROI)					
62		Net revenues from railway operations	67,102	58,335	62
63		(556) Income taxes on ordinary income (-)	(22,040)	(28,541)	63
64		(557) Provision for deferred taxes (-)	27,490	27,549	64
65		Income from lease of road and equipment (-)		116	65
66		Rent for leased roads and equipment (+)	2,786	2,701	66
67		Net railway operating income (loss)	64,438	61,912	67

Line 60: See footnote 2 on page 10.

See footnote 1 on page 10.

NOTES AND REMARKS FOR SCHEDULES 210 AND 220

See page 10

SCHEDULE 220 - RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be shown in parentheses.

3. Show under "Remarks" the amount of assigned Federal income tax consequences for Accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61 column (b), Schedule 210.

6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings- Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	279,044	8,928	1
2		(601.5) Prior period adjustments to beginning retained earnings		116	2
		CREDITS			
3		(602) Credit balance transferred from income	10,671	29,016	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings	5,859		5
6		TOTAL	16,530	29,016	6
		DEBITS			
7		(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings		5,859	8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock			11
12		Preferred stock*			12
13		TOTAL		5,859	13
14		Net increase (decrease) during Year (Line 6 minus line 13)	16,530	23,157	14
15		Balances at close of year (lines 1, 2, and 14)	295,574	32,201	15
16		Balances from line 15 (c)	32,201	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year (798) of year	327,775	N/A	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at Close of year \$ _____			21
		Amount of assigned Federal income tax consequences:			
22		Account 606 \$ _____			22
23		Account 616 \$ _____			23

* If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

Line 2: See footnote 3 on page 10.

Lines 5 & 8: See footnote 4 on page 10.

SCHEDULE 230 - CAPITAL STOCK

PART I. CAPITAL STOCK

(Dollars in Thousands)

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purpose of this report, capital stock and other securities are considered to be normally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not cancelled or retired, they are considered to be nominally outstanding.

Line No.	Class of Stock (a)	Par Value (b)	Number of shares				Book Value at End of Year		Line No.
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)	
1	Common	Non-Par	10,140,000	10,140,000	300,000	9,840,000	33,767	2,737	1
2									2
3									3
4	Preferred	\$350,000	60	60	3	57	19,950	1,050	4
5									5
6									6
7									7
8									8
9									9
10	TOTAL	-	10,140,060	10,140,060	300,003	9,840,057	\$53,717	\$3,787	10

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

(Dollars in Thousands)

1. The purpose of this part is to disclose capital stock changes during the year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d) and (f) require the applicable disclosure of the number of preferred, common and treasury stock, respectively, applicable to the items presented in column (a).
4. Columns (c), (e) and (g) require the applicable disclosure of the book values of preferred, common and treasury stock.
5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.
6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)	Line No.
		Number of Shares (b)	Amount \$ (c)	Number of Shares (d)	Amount \$ (e)	Number of Shares (f)	Amount \$ (g)		
11	Balance at beginning of year	60	\$21,000	10,140,000	\$36,504	300,003	\$3,787	\$315,585	11
12	Capital Stock Sold ¹								12
13	Capital Stock Reacquired								13
14	Capital Stock Canceled								14
15	Capital Contribution From Parent (KCSI)								15
16	Accumulated Other Comprehensive Income							(\$2,886)	16
17	Balance at close of year	60	\$21,000	10,140,000	\$36,504	300,003	\$3,787	\$312,719	17

¹ By footnote on page 17 state the purpose of the issues and authority.

SCHEDULE 240 - STATEMENT OF CASH FLOWS

(Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers as cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenue and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If direct method is used complete lines 1 - 41: indirect method complete lines 10 - 41. Cash for the purpose of this schedule shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and financing activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and non cash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller, obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash; only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

CASH FLOWS FROM OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
1.		Cash received from operating revenues			1.
2.		Dividends received from affiliates			2.
3.		Interest received			3.
4.		Other income			4.
5.		Cash paid for operating expenses			5.
6.		Interest paid (net of amounts capitalized)			6.
7.		Income taxes paid			7.
8.		Other-net			8.
9.		NET CASH PROVIDED BY OPERATING ACTIVITIES (LINES 1 - 8)			9.

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
10.		Income from continuing operations	40,069	29,400	10.

ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
11.		Loss (gain) on sale or disposal of tangible property and investments	(922)	(143)	11.
12.		Depreciation and amortization expenses	53,525	49,737	12.
13.		Increase (decrease) in provision for Deferred Income Taxes	29,479	30,420	13.
14.		Net decrease (increase) in undistributed earnings (losses) of affiliates	(29,016)	(13,426)	14.
15.		Decrease (increase) in accounts receivable	(626)	(5,806)	15.
16.		Decrease (increase) in materials and supplies, and other current assets	(16,135)	7,325	16.
17.		Increase (decrease) in current liabilities other than debt	7,211	(5,306)	17.
18.		Increase (decrease) in other-net	(21,995)	(33,168)	18.
19.		Net cash provided from continuing operations (Lines 10-18)	61,590	59,033	19.
20.		Add (subtract) cash generated (paid) by reason of discontinued operations and extraordinary items	(382)		20.
21.		NET CASH PROVIDED FROM OPERATING ACTIVITIES (Lines 19 & 20)	61,208	59,033	21.

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
22.		Proceeds from sale of property	8,451	2,822	22.
23.		Capital expenditures	(57,411)	(92,047)	23.
24.		Net change in temporary cash investments not qualifying as cash equivalents			24.
25.		Proceeds from sale/repayment of investment and advances	3,539		25.
26.		Purchase price of long-term investment and advances			26.
27.		Net decrease (increase) in sinking and other special funds			27.
28.		Other-net			28.
29.		NET CASH USED IN INVESTING ACTIVITIES (Lines 22-28)	(45,421)	(89,225)	29.

(Continued on next page)

SCHEDULE 240 - STATEMENT OF CASH FLOWS (Concluded)
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
30.		Proceeds from issuance of long-term debt	39,867	973,248	30.
31.		Principal payments of long-term debt	(50,009)	(914,129)	31.
32.		Proceeds from issuance of capital stock			32.
33.		Purchase price of acquiring treasury stock			33.
34.		Cash dividends paid			34.
35.		Other—net		(15,292)	35.
36.		NET CASH FROM FINANCING ACTIVITIES (Lines 30-35)	(10,142)	43,827	36.
37.		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (LINES 21, 29 & 36)	5,845	13,635	37.
38.		Cash and cash equivalents at beginning of the year	17,469	3,834	38.
39.		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Lines 37 & 38)	23,114	17,469	39.
40.		Footnotes to Schedule 240 Cash paid during the year for: Interest (net of amount capitalized)*	50,158	60,287	40.
41.		Income taxes (net)*	(46,650)	(13,053)	41.

*Only applies if indirect method is adopted.

NOTES AND REMARKS

NONCASH ITEMS:

Reclass Accounts Payable to Intercompany Advances		1,401
Capital Contribution		238,678
Accumulated Comprehensive Income	2,866	
Prior year adjustment to Retained Earnings	(116)	

SCHEDULE 245 - WORKING CAPITAL

(Dollars in Thousands)

1. This schedule should include only data pertaining to railway transportation services.
2. Carry out calculation of lines 9, 10, 20, and 21, to the nearest whole number.

Line No.	Item (a)	Source	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	4,058	1
2	Customers (706)	Schedule 200, line 6, column b	62,252	2
3	Other (707)	Note A	10,434	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2 + 3	76,744	4
OPERATING REVENUE				
5	Railway Operating Revenue	Schedule 210, line 13, column b	566,408	5
6	Rent Income	Note B	26,698	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	593,106	7
8	Average Daily Operating Revenues	Line 7 / 360 days	1,648	8
	Days of Operating Revenue in			
9	Current Operating Assets	Line 4 / line 8	47	9
10	Revenue Delay Days Plus Buffer	Line 9 + 15 days	62	10
CURRENT OPERATING LIABILITIES				
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	22,730	11
12	Audited Accounts and Wages Payable (753)	Note A	38,904	12
13	Accounts Payable -- Other (754)	Note A	2,034	13
14	Other Taxes Accrued (761.5)	Note A	4,775	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	68,443	15
OPERATING EXPENSES				
16	Railway Operating Expenses	Schedule 210, line 14, column b	499,306	16
17	Depreciation	Schedule 410, line 136, 137, 138, 213, 232, 317, column h	53,512	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	472,492	18
19	Average Daily Expenditures	Line 18 / 360 days	1,312	19
	Days of Operating Expenses in Current			
20	Operating Liabilities	Line 15 / line 19	52	20
21	Days of Working Capital Required	Line 10 - line 20 (Note C)	10	21
22	Cash Working Capital Required	Line 21 * line 19	13,120	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	23,114	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	13,120	24
MATERIALS AND SUPPLIES				
25	Total Material and Supplies (712)	Note A	27,081	25
	Scrap and Obsolete Material included			
26	in Acct. 712	Note A	2,017	26
	Materials and Supplies held for Common			
27	Carrier Purposes	Line 25 - line 26	25,064	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	38,184	28

Notes:

(A) Use common carrier portion only. Common carrier refers to railway transportation service.

(B) Rent Income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316. Rent income is added to railway operating revenues to produce total revenues. Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense.

(C) If result is negative, use zero.

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A

1. Schedule 310 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at close of year. Also, disclose the investments made, disposed of, and written down during the year and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments and advances; affiliated companies," in the Uniform System of Accounts for Railroad Companies.
2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:
 - (A) Stocks
 - 1) Carriers - active
 - 2) Carriers - inactive
 - 3) Noncarriers - active
 - 4) Noncarriers - inactive
 - (B) Bonds (including U. S. Government Bonds)
 - (C) Other secured obligations
 - (D) Unsecured notes
 - (E) Investment advances
3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).
4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other
5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.
6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.
7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.
8. Combine, in one amount, investments in which the original cost or present equity in total assets is less than \$10,000.
9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.
10. Do not include the value of securities issued or assumed by respondent.
11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

SCHEDULE 310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking Funds", 716, "Capital Funds", 721, "Investments and Advances Affiliated Companies", and 717, "Other Funds."
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 18, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." Abbreviations in common use in standard financial publications may

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (Include rate for preferred stocks and bonds) (d)	Extent of control (e)	Line No.
1	721			Investment in Affiliated Companies		1
2						2
3		A - 1	VI	Rice-Carden Corporation	100.0%	3
4			VI	Southern Development Company	100.0%	4
5			VII	Caymex Transportation, Inc.	100.0%	5
6			VII	Joplin Union Depot Company	33.3%	6
7			VII	Kansas City Terminal Railway Company	16.6%	7
8			VII	KCS Transportation Company	100.0%	8
9			VII	Mexrail, Inc.	49.0%	9
10			VII	Trailer Train Company	0.5%	10
11			X	Mid-South Microwave, Inc.	100.0%	11
12			X	Southern Capital Corporation - Holding Company	100.0%	12
13						13
14				Total Class A		14
15						15
16						16
17						17
18						18
19				Advances		19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28		E - 1	VII	Joplin Union Depot Company	33.3%	28
29			VII	Kansas City Terminal Railway Company	16.6%	29
30			VII	KCS Transportation Company	100.0%	30
31						31
32				Total E-1		32
33						33
34						34
35						35
36				Total Advances		36
37						37
38						38
39				Total Account 721		39
40						40

Note: See page 10 (Schedule 200) Explanatory Notes to Financial Statements

SCHEDULE 310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES--Continued
(Dollars in Thousands)

be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No.	Investments and Advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
	Opening Balance	Additions	Deductions (if other than sale, explain)	Closing Balance				
	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
1								1
2								2
3	29,091			29,091				3
4	3,847			3,847				4
5	305,839			305,839				5
6	10			10				6
7	183			183				7
8	12,703		12,703					8
9	14,036	552		14,588				9
10	20			20				10
11	5,880			5,880				11
12	28,088		8,866	19,222				12
13								13
14	399,697	552	21,569	378,680				14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28	127			127				28
29	3,144			3,144				29
30	32,968		32,968					30
31								31
32	36,239		32,968	3,271				32
33								33
34								34
35								35
36	36,239		32,968	3,271				36
37								37
38								38
39	435,936	552	54,537	381,951				39
40								40

Note: See page 10 (Schedule 200) Explanatory Notes to Financial Statements

SCHEDULE 310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES--Continued

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)	Line No.
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14				COMPLETED		14
15						15
16				ON PAGES		16
17						17
18				26 & 27		18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40

SCHEDULE 310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES--Continued

(Dollars In Thousands)

Line No.	Investments and Advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or Interest credited to Income	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14				COMPLETED				14
15								15
16				ON PAGES				16
17								17
18				26 & 27				18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

SCHEDULE 310A - INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES

(Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

- 1 Report below the details of all investments in common stocks included in Account 721, Investments and Advances Affiliated Companies.
- 2 Enter in column (c) the amount necessary to retroactively adjust those investments (See instruction 5-2, Uniform System of Accounts.)
- 3 Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.
- 4 Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition.
- 5 For definitions of "carrier" and "noncarrier," see general instructions.

Line No	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustments for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No
1	Carriers: (List specifics for each company)							1
2	Southern Capital Corporation - Holding Company	907		1,493			2,400	2
3	Rice-Carden Corporation	(923)		2,386			1,463	3
4	Southern Development Company	94		308			402	4
5	Caymax Transportation, Inc.	4,168		27,378			31,546	5
6	KCS Transportation Company	6,275		(416)		(5,859)		6
7	Mid-South Microwave, Inc.	(984)		27			(857)	7
8	Maxrail, Inc.	(709)		(2,160)			(2,869)	8
9								9
10								10
11								11
12								12
13	Total	8,928		29,016		(5,859)	32,085	13
Noncarrier: (List specifics for each company)								
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27

Note: See page 10 (Schedule 200) Explanatory Notes to Financial Statements

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property," and Account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.
2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies for such items.
3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise
4. In column (c) and (e) should be included all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
5. In column (f) should be entered all credits representing property sold, abandoned, or otherwise retired.
6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
7. If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state in a footnote the cost, location, area, and other details which will identify the property.
8. Report on line 29 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.
9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
10. If an amount of less than \$2,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

NOTES AND REMARKS

SCHEDULE 330 - ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT

(Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	23,334		846	1
2		(3) Grading	120,587		2,173	2
3		(4) Other right-of-way expenditures	757			3
4		(5) Tunnels and subways	36			4
5		(6) Bridges, trestles, and culverts	148,404		4,666	5
6		(7) Elevated structures				6
7		(8) Ties	295,148		9,696	7
8		(9) Rail and other track material	431,745		15,084	8
9		(11) Ballast	101,319		5,744	9
10		(13) Fences, snowsheds, and signs	767		40	10
11		(16) Station and office buildings	19,246		259	11
12		(17) Roadway buildings	447			12
13		(18) Water stations	84			13
14		(19) Fuel stations	5,003		22	14
15		(20) Shops and enginehouses	33,642		161	15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC/COFC terminals	19,899		432	19
20		(26) Communication systems	13,113		192	20
21		(27) Signals and interlockers	35,877		496	21
22		(29) Power plants	23			22
23		(31) Power-transmission systems	791			23
24		(35) Miscellaneous structures	470		79	24
25		(37) Roadway machines	27,271		1,206	25
26		(39) Public improvements - Construction	5,954		910	26
27		(44) Shop machinery	8,806		12	27
28		(45) Power-plant machinery	175			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	1,292,898		42,018	30
31		(52) Locomotives	95,080		5,589	31
32		(53) Freight-train cars	134,651		2,373	32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment	8,427			36
37		(58) Miscellaneous equipment	22,258		761	37
38		(59) Computer systems and word processing equipment	18,565		552	38
39		TOTAL EXPENDITURES FOR EQUIPMENT	278,981		9,275	39
40		(76) Interest during construction	2,157			40
41		(80) Other elements of investment				41
42		(90) Construction in progress	159,978		13,376	42
43		GRAND TOTAL	1,734,014		64,669	43

330 - ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - Continued

(Dollars in Thousands)

Line No.	Cross Check	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1				846	24,180	1
2		5,672		7,845	128,432	2
3					757	3
4					36	4
5		11,157		15,823	164,227	5
6						6
7		23,242	3,522	29,416	324,564	7
8		64,461	294	79,251	510,996	8
9		3,777	1,417	8,104	109,423	9
10		66		106	873	10
11		1,806		2,065	21,311	11
12		13		13	460	12
13					84	13
14		14		36	5,039	14
15		12,557	68	12,650	46,292	15
16						16
17						17
18						18
19		1,618		2,050	21,949	19
20		869		1,061	14,174	20
21		1,304		1,800	37,677	21
22					23	22
23		(1)		(1)	790	23
24				79	549	24
25		2,143		3,349	30,620	25
26		1,001		1,911	7,865	26
27				12	8,818	27
28					175	28
29						29
30		129,699	5,301	166,416	1,459,314	30
31		7,865	258	13,196	108,276	31
32		245	18,709	(16,091)	118,560	32
33						33
34						34
35						35
36		108		108	8,535	36
37		5,640	2,071	4,330	26,588	37
38		469		1,021	19,586	38
39		14,327	21,038	2,564	281,545	39
40					2,157	40
41						41
42		(86,615)		(73,239)	86,739	42
43		57,411	26,339	95,741	1,829,755	43

SCHEDULE 332 - DEPRECIATION BASE AND RATES--ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

(Dollars in Thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	120,085	127,930	0.91				1
2	(4) Other, right-of-way expenditures	757	757	1.62				2
3	(5) Tunnels and subways	36	36	0.93				3
4	(6) Bridges, trestles, and culverts	147,627	163,102	1.35				4
5	(7) Elevated structures							5
6	(8) Ties	291,616	319,416	4.63				6
7	(9) Rail and other track material	430,041	508,867	3.11				7
8	(11) Ballast	100,601	108,698	5.75				8
9	(13) Fences, snow sheds, and signs	767	873	0.59				9
10	(16) Station and office buildings	19,015	20,652	2.35				10
11	(17) Roadway buildings	447	460	3.19				11
12	(18) Water stations	84	84	5.86				12
13	(19) Fuel stations	5,004	5,039	2.90				13
14	(20) Shops and enginehouses	33,642	45,921	1.99				14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals	19,899	21,909	3.68				18
19	(26) Communication systems	12,942	13,825	3.04				19
20	(27) Signals and interlockers	35,594	37,391	2.26				20
21	(29) Power plants	23	23	3.60				21
22	(31) Power-transmission systems	791	790	0.93				22
23	(35) Miscellaneous structures	470	549	1.65				23
24	(37) Roadway machines	26,236	29,582	0.44				24
25	(39) Public Improvements—Construction	5,954	7,841	1.65				25
26	(44) Shop machinery	8,806	8,818	0.86				26
27	(45) Power-plant machinery	175	175	2.21				27
28	All other road accounts							28
29	Amortization (Adjustments)							29
30	TOTAL ROAD	1,260,612	1,422,738	3.11				30
	EQUIPMENT							
31	(52) Locomotives	86,254	99,173	2.61				31
32	(53) Freight-train cars	134,649	118,312	2.75				32
33	(54) Passenger-train cars	0	0					33
34	(55) Highway revenue equipment	0	0					34
35	(56) Floating equipment	0	0					35
36	(57) Work equipment	8,292	8,400	1.29				36
37	(58) Miscellaneous equipment	22,137	26,273	3.74				37
38	(59) Computer systems and word processing equipment	18,549	19,179	13.10				38
39	TOTAL EQUIPMENT	269,881	271,337	3.48				39
40	GRAND TOTAL	1,530,493	1,694,075	N/A			N/A	40

SCHEDULE 335 - ACCUMULATED DEPRECIATION--ROAD AND EQUIPMENT OWNED AND USED

(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735. "Accumulated depreciation: Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals--Credit--Equipment" accounts and "Other Rents--Credit--Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental--Debit--Equipment" account and "Other Rents--Debit--Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr"

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses ** (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading	20,021	1,164	293	5	-	21,473	1
2		(4) Other, right-of-way expenditures	389	12	-	-	-	401	2
3		(5) Tunnels and subways	3	-	-	-	-	3	3
4		(6) Bndges, trestles, and culverts	21,434	2,135	394	-	-	23,963	4
5		(7) Elevated structures	-	-	-	-	-	-	5
6		(8) Ties	118,330	14,553	2,485	3,949	-	131,419	6
7		(9) Rail and other track material	120,970	15,414	2,205	(3,079)	-	141,668	7
8		(11) Ballast	63,339	5,994	577	1,405	-	68,505	8
9		(13) Fences, snow sheds, and signs	555	14	17	-	-	586	9
10		(16) Station and office buildings	7,665	428	54	-	-	8,147	10
11		(17) Roadway buildings	351	11	-	-	-	362	11
12		(18) Water stations	79	-	-	-	-	79	12
13		(19) Fuel stations	2,034	143	9	-	-	2,186	13
14		(20) Shops and enginehouses	13,276	833	55	52	-	14,112	14
15		(22) Storage warehouses	-	-	-	-	-	-	15
16		(23) Wharves and docks	-	-	-	-	-	-	16
17		(24) Coal and ore wharves	-	-	-	-	-	-	17
18		(25) TOFC/COFC terminals	6,095	805	231	-	-	7,131	18
19		(26) Communication systems	4,016	385	108	-	-	4,509	19
20		(27) Signals and interlockers	12,423	886	122	-	-	13,431	20
21		(29) Power plants	23	-	-	-	-	23	21
22		(31) Power-transmission systems	626	12	-	-	-	638	22
23		(35) Miscellaneous structures	240	12	9	-	-	261	23
24		(37) Roadway machines	21,831	128	333	(145)	-	22,437	24
25		(39) Public improvements--Construction	2,923	186	476	-	-	3,585	25
26		(44) Shop machinery *	6,699	53	-	-	-	6,752	26
27		(45) Power-plant machinery	166	2	-	-	-	168	27
28		All other road accounts	-	-	-	-	-	-	28
29		Amortization (Adjustments)	(105)	105	-	-	-	-	29
30		TOTAL ROAD	423,383	43,275	7,368	2,187	-	471,839	30
EQUIPMENT									
31		(52) Locomotives	35,032	2,758	2,372	179	-	39,983	31
32		(53) Freight-train cars	63,827	3,677	279	14,886	-	52,897	32
33		(54) Passenger-train cars	-	-	-	-	-	-	33
34		(55) Highway revenue equipment	-	-	-	-	-	-	34
35		(56) Floating equipment	-	-	-	-	-	-	35
36		(57) Work equipment	4,220	108	-	-	-	4,328	36
37		(58) Miscellaneous equipment	15,566	476	424	1,545	-	14,921	37
38		(59) Computer systems and word processing equipment	15,850	2,524	321	-	-	18,695	38
39		Amortization Adjustments	-	-	-	-	-	-	39
40		TOTAL EQUIPMENT	134,495	9,543	3,396	16,610	-	130,824	40
41		GRAND TOTAL	557,878	52,818	10,764	18,797	-	602,663	41

* To be reported with equipment expenses rather than W & S expenses.

** Depreciation Exp. is calculated using the remaining life method for KCSR.

SCHEDULE 339 - ACCRUED LIABILITY -- LEASED PROPERTY

(Dollars in Thousands)

1. Disclose the required information relating to credits and debits of Account 772, "Accrued Liability Leased Property," during the year concerning road and equipment leased from others.
2. In column (c), enter amounts charged to operating expenses; in column (e), enter debits to account arising from retirements; in column (f), enter amounts paid to lessor.
3. Any inconsistencies between credits to account, charges to operating expenses and payments to lessors should be fully explained.
4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used.
5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to Account No. 772 are made by the accounting company, show in column (c) the charges to operating expenses, and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE		DEBITS TO RESERVE			Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	Balance at close of year (g)	
		ROAD							
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(28) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD							30
		EQUIPMENT							
31		(52) Locomotives							31
32		(53) Freight-train cars							32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment							37
38		(59) Computer systems and word processing equipment							38
39		Amortization Adjustments							39
40		TOTAL EQUIPMENT							40
41		GRAND TOTAL	NONE					NONE	41

* To be reported with equipment expenses rather than W & S expenses.

SCHEDULE 340 - DEPRECIATION BASE AND RATES--IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
 (Dollars in Thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or otherwise authorized by the Board except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any charges in rates were effective during the year, give full particulars in a footnote.
2. All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.
4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
ROAD					
1	(3) Grading	502	502	1.00	1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts	776	1,124	1.13	4
5	(7) Elevated structures				5
6	(8) Ties	3,532	4,152	4.30	6
7	(9) Rail and other track material	1,704	1,840	2.68	7
8	(11) Ballast	718	725	6.62	8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings	231	235	2.13	10
11	(17) Roadway Buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems	171	171	0.00	19
20	(27) Signals and interlockers	284	284	2.45	20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines	1,036	1,036	3.17	24
25	(39) Public improvements—Construction				25
26	(44) Shop machinery *				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (Adjustments)				29
30	TOTAL ROAD	8,954	10,069	3.36	30
EQUIPMENT					
31	(52) Locomotives	8,826	9,103	3.68	31
32	(53) Freight-train cars	2	2	0.00	32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment	135	135	7.67	36
37	(58) Miscellaneous equipment	121	121	13.28	37
38	(59) Computer systems and word processing equipment	17	17	0.00	38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT	9,101	9,378	3.86	40
41	GRAND TOTAL	18,055	19,447	3.60	41

* To be reported with equipment expense rather than W & S expenses.

SCHEDULE 342 - ACCUMULATED DEPRECIATION-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
(Dollars in Thousands)

1. Enter the required information concerning to debits and credits to Account 733, "Accumulated depreciation-Improvements on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained on page 35.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Details in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading	42	5				47	1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts	55	10				65	4
5		(7) Elevated structures							5
6		(8) Ties	581	174				755	6
7		(9) Rail and other track material	286	48		(1)		335	7
8		(11) Ballast	250	48		13		285	8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings	40	5	4			49	10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems	171					171	19
20		(27) Signals and interlockers	28	7				35	20
21		(28) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines	112	33				145	24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD	1,565	330	4	12		1,887	29
EQUIPMENT									
30		(52) Locomotives	446	334	28	1		807	30
31		(53) Freight-train cars	2					2	31
32		(54) Passenger-train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment	79	10				89	35
36		(58) Miscellaneous equipment	74	16				90	36
37		(59) Computer systems and word processing equipment	17					17	37
38		TOTAL EQUIPMENT	618	360	28	1		1,005	38
39		GRAND TOTAL	2,183	690	32	13		2,892	39

* To be reported with equipment expenses rather than W & S expenses.

NOTES AND REMARKS FOR SCHEDULE 342

SCHEDULE 350 - DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.
2. Show in columns (b) and (c) for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Board's Office of Economic and Environmental Analysis brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.
3. In column (d) show the composite rates used to compute the depreciation for the month of December and on lines 29 and 38 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used to compute the depreciation for December and dividing the total also computed by the depreciation base.
4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.
5. If total road leased to others is less than 5% of total road owned; omit. If total equipment leased to others is less than 5% of total equipment owned; omit. However, Line 39, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway Buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements—Construction				25
26	(44) Shop machinery				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
30	(52) Locomotives				30
31	(53) Freight-train cars				31
32	(54) Passenger-train cars				32
33	(55) Highway revenue equipment				33
34	(56) Floating equipment				34
35	(57) Work equipment				35
36	(58) Miscellaneous equipment			N/A	36
37	(59) Computer systems and word processing equipment				37
38	TOTAL EQUIPMENT				38
39	GRAND TOTAL	NONE	NONE		39

SCHEDULE 351 - ACCUMULATED DEPRECIATION--ROAD AND EQUIPMENT LEASED TO OTHERS

(Dollars in Thousands)

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.
2. Disclose credits and debits to Account 735, "Accumulated Depreciation--Road and Equipment Property," during the year relating to road and equipment leased to others, the department charges for which are not includible in operating expenses of the respondent. (See Schedule 330 for the reserve relating to road and equipment owned and used by the respondent).
3. If any entries are made for "Other Credits" and "Other Debits," state the facts occasioning such entries. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
4. Details in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased from others represents less than 5% of the total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE		DEBITS TO RESERVE		Balance at close of year (g)	Line No.
				During the year		During the year			
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other, right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements—Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
		EQUIPMENT							
30		(52) Locomotives							30
31		(53) Freight-train cars							31
32		(54) Passenger-train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems and word processing equipment							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL	NONE					NONE	39

* To be reported with equipment expenses rather than W & S expenses.

SCHEDULE 352A - INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)
 (Dollars in Thousands)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by the respondent and used in the respondent's transportation service. Such property includes (a) the investment reported in Accounts 731, "Road and Equipment Property," and 732, "Improvements on Leased Property," of the respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property, and (b) the investment of other companies 731 or 732 property (including operating and lessor railroads) used by the respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment of other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by the respondent.

2. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

3. In column (a) to (e), inclusive, first show the data requested for the respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of the respondent. Show a total for each class of company in column (d) and (e). Then show, as deductions, data for transportation property leased to carriers and others.

4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.

5. In column (d), show the amount applicable in Accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to the deductions made by the owners in their reports. If separate value is not available, explanations should be given. Differences between the amounts in column (d) of this schedule and the amounts shown in column (c), line 24, on the asset side of the comparative general balance sheet of each individual railway, should be explained in a footnote. Book value included in Accounts 731 or 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation and amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	Kansas City Southern Railway Company	2,886	1,810,305	602,664	1
2		732 - 733 Improvements on Leased Property		19,447	2,892	2
3		736 Amortization			268	3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31		TOTAL	2,886	1,829,752	605,824	31

SCHEDULE 352B - INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE **(By Property Accounts)**

(Dollars in Thousands)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.
2. The amounts for respondent and for each group or class of companies and properties on line 44 herein, should correspond with the amounts for each class of company and properties shown in schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in the schedule.
3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified by accounts by non-carrier owners, or where cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain on page 37 methods of estimating value of property of non-carriers or property of other carriers.
4. Report on line 30 amounts not includible in the accounts shown, or in line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other Leased properties (e)	Line No.
1		(2) Land for Transportation purposes	24,180				1
2		(3) Grading	128,432				2
3		(4) Other, right-of-way expenditures	757				3
4		(5) Tunnels and subways	36				4
5		(6) Bridges, trestles, and culverts	164,227				5
6		(7) Elevated structures					6
7		(8) Ties	324,584				7
8		(9) Rail and other track material	510,996				8
9		(11) Ballast	109,423				9
10		(13) Fences, snow sheds, and signs	873				10
11		(16) Station and office buildings	21,311				11
12		(17) Roadway buildings	460				12
13		(18) Water stations	84				13
14		(19) Fuel stations	5,039				14
15		(20) Shops and enginehouses	46,292				15
16		(22) Storage warehouses					16
17		(23) Wharves and docks					17
18		(24) Coal and ore wharves					18
19		(25) TOFC/COFC terminals	21,949				19
20		(26) Communication systems	14,174				20
21		(27) Signals and interlockers	37,677				21
22		(29) Power plants	23				22
23		(31) Power-transmission systems	790				23
24		(35) Miscellaneous structures	549				24
25		(37) Roadway machines	30,620				25
26		(39) Public improvements—Construction	7,865				26
27		(44) Shop machinery	8,818				27
28		(45) Power-plant machinery	175				28
29		Leased property capitalized rentals (explain)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	1,459,314				31
32		(52) Locomotives	108,276				32
33		(53) Freight-train cars	118,560				33
34		(54) Passenger-train cars					34
35		(55) Highway revenue equipment					35
36		(56) Floating equipment					36
37		(57) Work equipment	8,535				37
38		(58) Miscellaneous equipment	26,588				38
39		(59) Computer systems and word processing equipment	19,583				39
40		TOTAL EQUIPMENT	281,542				40
41		(76) Interest during construction	2,157				41
42		(80) Other elements of investment					42
43		(90) Construction work in progress	86,739				43
44		GRAND TOTAL	1,829,752				44

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

Cross-checks

Schedule 410

Schedule 210

Line 620, column (h)	=	Line 14, column (b)
Line 620, column (f)	=	Line 14, column (d)
Line 620, column (g)	=	Line 14, column (e)

Schedule 412

Lines 136 thru 138 column (f)	=	Line 29, column (b)
Lines 118 thru 123, and 130 thru 135 column (f)	=	Line 29, column (c)

Schedule 414

Line 231, column (f)	=	Line 19, columns (b) thru (d)
Line 230, column (f)	=	Line 19, columns (e) thru (g)

Schedule 415

Lines 207, 208, 211, 212, column (f)	=	Lines 5, 38, column (f)
Lines 226, 227, column (f)	=	Lines 24, 39, column (f)
Lines 311, 312, 315, 316, column (f)	=	Lines 32, 35, 36, 37, 40, 41, column (f)

And

Schedule 414

Minus line 24, columns (b) thru (d) plus
line 24, columns (e) thru (g)

Schedule 415

Line 213, column (f)	=	Lines 5, 38, columns (c) and (d)
Line 232, column (f)	=	Lines 24, 39, columns (c) and (d)
Line 317, column (f)	=	Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)

Lines 202, 203, 216, column (f) (equal
to or greater than, but variance cannot
exceed line 216, column (f))

Lines 5, 38, column (b)

Lines 221, 222, 235, column (f) (equal
to or greater than, but variance cannot
exceed line 235, column (f))

Lines 24, 39, column (b)

Lines 302 thru 307 and 320, column (f) (equal
to or greater than, but variance cannot
exceed line 320, column (f))

Lines 32, 35, 36, 37, 40, 41, column (b)

Schedule 417

Line 507, column (f)	=	Line 1, column (j)
Line 508, column (f)	=	Line 2, column (j)
Line 509, column (f)	=	Line 3, column (j)
Line 510, column (f)	=	Line 4, column (j)
Line 511, column (f)	=	Line 5, column (j)
Line 512, column (f)	=	Line 6, column (j)
Line 513, column (f)	=	Line 7, column (j)
Line 514, column (f)	=	Line 8, column (j)
Line 515, column (f)	=	Line 9, column (j)
Line 516, column (f)	=	Line 10, column (j)
Line 517, column (f)	=	Line 11, column (j)

Schedule 450

Schedule 210

Line 4, column b	=	Line 47, column b
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SCHEDULE 410 - RAILWAY OPERATING EXPENSES (Dollars in Thousands)

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operation expense in accordance with the commission's rules governing the separation of such expenses between freight and passenger services.

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
1		WAY AND STRUCTURES								
2		ADMINISTRATION								
3		Track	2,901	627	470	264	4,262		4,262	1
4		Bridge and building	195	25	12	12	244		244	2
5		Signal	732	35	37	74	878		878	3
6		Communication	245	64	10		319		319	4
7		Other	329	34	255	22	640		640	5
8		REPAIR AND MAINTENANCE								
9		Roadway - Running	563	56	2,894		3,513		3,513	6
10		Roadway - Switching	46	5	33		84		84	7
11		Tunnels and Subways - Running								8
12		Tunnels and Subways - Switching								9
13		Bridges and Culverts - Running	998	313	85	142	1,538		1,538	10
14		Bridges and Culverts - Switching	34				34		34	11
15		Ties - Running	(100)	(201)	8	(1,273)	(1,566)		(1,566)	12
16		Ties - Switching	163	113	11	(13)	274		274	13
17		Rail and other track material - Running	4,591	(32)	1,150	(126)	5,583		5,583	14
18		Rail and other track material - Switching	947	39	1	(2)	985		985	15
19		Ballast - Running	1,672	8	1	57	1,738		1,738	16
20		Ballast - Switching	133	7	17		157		157	17
21		Road Property Damaged - Running	543	223			766		766	18
22		Road Property Damaged - Switching	219	57			276		276	19
23		Road Property Damaged - Other			1,494		1,494		1,494	20
24		Signals and Interlockers - Running	1,541	817	163	181	2,702		2,702	21
25		Signals and Interlockers - Switching		2	5		7		7	22
26		Communications Systems		70	3,422		3,492		3,492	23
27		Power Systems								24
28		Highway Grade Crossings - Running	503	20	41		564		564	25
29		Highway Grade Crossings - Switching	15				15		15	26
30		Station and Office Buildings		6	502		508		508	27
31		Shop Building - Locomotives		4	6		10		10	28
32		Shop Building - Freight Cars		2	34		36		36	29
33		Shop Building - Other Equipment			7		7		7	30

SCHEDULE 410 - RAILWAY OPERATING EXPENSES - Continued

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
		REPAIR AND MAINTENANCE - Continued								
101		Locomotive Servicing Facilities		3	9		12		12	101
102		Miscellaneous Buildings and Structures	45	8	12	1	66		66	102
103		Coal Terminals								103
104		Ore Terminals								104
105		Other Marine Terminals								105
106		TOFC/COFC - Terminals		126	72		198		198	106
107		Motor Vehicle Loading and Distribution Facilities								107
108		Facilities for Other Specialized Service Operations								108
109		Roadway Machines	1,066	1,636	796	36	3,534		3,534	109
110		Small Tools and Supplies		1,772	109		1,881		1,881	110
111		Snow Removal	9				9		9	111
112		Fringe Benefits - Running	N/A	N/A	N/A	4,676	4,676		4,676	112
113		Fringe Benefits - Switching	N/A	N/A	N/A	678	678		678	113
114		Fringe Benefits - Other	N/A	N/A	N/A	3,004	3,004		3,004	114
115		Casualties and Insurance - Running	N/A	N/A	N/A	564	564		564	115
116		Casualties and Insurance - Switching	N/A	N/A	N/A	3	3		3	116
117		Casualties and Insurance - Other	N/A	N/A	N/A	1,933	1,933		1,933	117
118		Lease Rentals - Debit - Running	N/A	N/A	293	N/A	293		293	118
119		Lease Rentals - Debit - Switching	N/A	N/A	769	N/A	769		769	119
120		Lease Rentals - Debit - Other	N/A	N/A	3,615	N/A	3,615		3,615	120
121		Lease Rentals - [Credit] - Running	N/A	N/A		N/A				121
122		Lease Rentals - [Credit] - Switching	N/A	N/A		N/A				122
123		Lease Rentals - [Credit] - Other	N/A	N/A		N/A				123
124		Joint Facility Rent - Debit - Running	N/A	N/A	176	N/A	176		176	124
125		Joint Facility Rent - Debit - Switching	N/A	N/A	299	N/A	299		299	125
126		Joint Facility Rent - Debit - Other	N/A	N/A	15	N/A	15		15	126
127		Joint Facility Rent - [Credit] - Running	N/A	N/A	(481)	N/A	(481)		(481)	127
128		Joint Facility Rent - [Credit] - Switching	N/A	N/A	(57)	N/A	(57)		(57)	128
129		Joint Facility Rent - [Credit] - Other	N/A	N/A		N/A				129
130		Other Rents - Debit - Running	N/A	N/A		N/A				130
131		Other Rents - Debit - Switching	N/A	N/A		N/A				131
132		Other Rents - Debit - Other	N/A	N/A	255	N/A	255		255	132
133		Other Rents - [Credit] - Running	N/A	N/A		N/A				133

SCHEDULE 410 - RAILWAY OPERATING EXPENSES -- Continued

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
134		REPAIR AND MAINTENANCE - Continued								134
135		Other Rents - [Credit] - Switching	N/A	N/A		N/A				135
136		Other Rents - [Credit] - Other	N/A	N/A	(39)	N/A	(39)		(39)	136
137		Depreciation - Running	N/A	N/A	N/A	35,794	35,794		35,794	137
138		Depreciation - Switching	N/A	N/A	N/A	4,793	4,793		4,793	138
139		Depreciation - Other	N/A	N/A	N/A	2,947	2,947		2,947	139
140		Joint Facility - Debit - Running	N/A	N/A	528	N/A	528		528	140
141		Joint Facility - Debit - Switching	N/A	N/A	594	N/A	594		594	141
142		Joint Facility - Debit - Other	N/A	N/A	1	N/A	1		1	142
143		Joint Facility - [Credit] - Running	N/A	N/A	(2,988)	N/A	(2,988)		(2,988)	143
144		Joint Facility - [Credit] - Switching	N/A	N/A	(31)	N/A	(31)		(31)	144
145		Joint Facility - [Credit] - Other	N/A	N/A		N/A				145
146		Dismantling Retired Road Property - Running	8						8	146
147		Dismantling Retired Road Property - Switching	3						3	147
148		Dismantling Retired Road Property - Other								148
149		Other - Running	(620)	52	1	121	(446)		(446)	149
150		Other - Switching			2				2	150
151		Other - Other	(336)	71	1,371	48	1,154		1,154	151
		TOTAL WAY AND STRUCTURES	16,445	5,962	15,979	53,936	92,322		92,322	
		EQUIPMENT								
201		LOCOMOTIVES								
202		Administration	735	39	53	36	863		863	201
203		Repair and Maintenance	4,512	10,296	6,901	122	21,831		21,831	202
204		Machinery Repair		9	14		23		23	203
205		Equipment Damaged			2,136		2,136		2,136	204
206		Fringe Benefits		N/A	N/A					205
207		Other Casualties and Insurance		N/A	N/A	2,362	2,362		2,362	206
208		Lease Rentals - Debit	N/A	N/A	N/A	332	332		332	207
209		Lease Rentals - [Credit]	N/A	N/A	19,604	N/A	19,604		19,604	208
210		Joint Facility Rent - Debit	N/A	N/A		N/A				209
211		Joint Facility Rent - [Credit]	N/A	N/A		N/A				210
212		Other Rents - Debit	N/A	N/A	96	N/A	96		96	211
213		Other Rents - [Credit]	N/A	N/A	(252)	N/A	(252)		(252)	212
214		Depreciation	N/A	N/A	N/A	3,119	3,119		3,119	213
215		Joint Facility - Debit	N/A	N/A	116	N/A	116		116	214
216		Joint Facility - [Credit]	N/A	N/A	(1,276)	N/A	(1,276)		(1,276)	215
		Repairs Billed to Others - [Credit]	N/A	N/A		N/A				216

SCHEDULE 410 - RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
217		LOCOMOTIVES - Continued								
218		Dismantling Retired Property								217
219		Other		41	105		146		146	218
220		TOTAL LOCOMOTIVES	5,247	10,385	27,497	5,971	49,100		49,100	219
221		FREIGHT CARS								
222		Administration	932	31	35	38	1,036		1,036	220
223		Repair and Maintenance	3,637	6,229	7,411	180	17,457		17,457	221
224		Machinery Repair		1	2		3		3	222
225		Equipment Damaged	163	287	695	8	1,153		1,153	223
226		Fringe Benefits	N/A	N/A	N/A	2,132	2,132		2,132	224
227		Other Casualties and Insurance	N/A	N/A	N/A	2,506	2,506		2,506	225
228		Lease Rentals - Debit	N/A	N/A	23,664	N/A	23,664		23,664	226
229		Lease Rentals - [Credit]	N/A	N/A		N/A				227
230		Joint Facility Rent - Debit	N/A	N/A		N/A				228
231		Joint Facility Rent - [Credit]	N/A	N/A		N/A				229
232		Other Rents - Debit	N/A	N/A	41,703	N/A	41,703		41,703	230
233		Other Rents - [Credit]	N/A	N/A	(24,389)	N/A	(24,389)		(24,389)	231
234		Depreciation	N/A	N/A	N/A	3,724	3,724		3,724	232
235		Joint Facility - Debit	N/A	N/A		N/A				233
236		Joint Facility - [Credit]	N/A	N/A		N/A				234
237		Repairs Billed to Others - [Credit]	N/A	N/A	(10,030)	N/A	(10,030)		(10,030)	235
238		Dismantling Retired Property								236
239		Other		3	27	(577)	(547)		(547)	237
240		TOTAL FREIGHT CARS	4,732	6,551	39,118	8,011	58,412		58,412	238
241		OTHER EQUIPMENT								
242		Administration	167		201	5	373		373	301
243		Repair and Maintenance								
244		Trucks, Trailers, and Containers - Revenue Service		7	3,056		3,063		3,063	302
245		Floating Equipment - Revenue Service								303
246		Passenger and Other Revenue Equipment								304
247		Computer systems and word processing equipment		14	184		198		198	305
248		Machinery		1			1		1	306
249		Work and Other Non-Revenue Equipment		33	1,464		1,497		1,497	307
250		Equipment Damaged								308
251		Fringe Benefits	N/A	N/A	N/A	24	24		24	309
252		Other Casualties and Insurance	N/A	N/A	N/A	113	113		113	310
253		Lease Rentals - Debit	N/A	N/A	6,661	N/A	6,661		6,661	311
254		Lease Rentals - [Credit]	N/A	N/A		N/A				312

SCHEDULE 410 - RAILWAY OPERATING EXPENSES - Continued

(Dollars In Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
		OTHER EQUIPMENT - Continued								
313		Joint Facility Rent - Debit	N/A	N/A		N/A				313
314		Joint Facility Rent - [Credit]	N/A	N/A		N/A				314
315		Other Rents - Debit	N/A	N/A	8,441	N/A	8,441		8,441	315
316		Other Rents - [Credit]	N/A	N/A	(1,480)	N/A	(1,480)		(1,480)	316
317		Depreciation	N/A	N/A	N/A	3,135	3,135		3,135	317
318		Joint Facility - Debit	N/A	N/A		N/A				318
319		Joint Facility - [Credit]	N/A	N/A		N/A				319
320		Repairs Billed to Others - [Credit]	N/A	N/A	(740)	N/A	(740)		(740)	320
321		Dismantling Retired Property								321
322		Other	4				4		4	322
323		TOTAL OTHER EQUIPMENT	171	55	17,787	3,277	21,290		21,290	323
324		TOTAL EQUIPMENT	10,150	16,991	84,402	17,259	128,802		128,802	324
		TRAIN OPERATIONS:								
401		Administration	4,282	729	1,766	794	7,571		7,571	401
402		Engine Crews	24,731	395		3,184	28,310		28,310	402
403		Train Crews	26,826	33	2	3,189	30,050		30,050	403
404		Dispatching Trains	4,051		86	27	4,164		4,164	404
405		Operating Signals and Interlockers	192		280		472		472	405
406		Operating Drawbridges	74				74		74	406
407		Highway Crossing Protection		3	10		13		13	407
408		Train Inspection and Lubrication	1,580		3		1,583		1,583	408
409		Locomotive Fuel	245	41,263	22		41,530		41,530	409
410		Electric Power Purchased or Produced for Motive Power								410
411		Servicing Locomotives	585	2,069	28		2,682		2,682	411
412		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	2,175	2,175		2,175	412
413		Clearing Wrecks	1		2,913		2,914		2,914	413
414		Fringe Benefits	N/A	N/A	N/A	25,575	25,575		25,575	414
415		Other Casualties and Insurance	N/A	N/A	N/A	11,913	11,913		11,913	415
416		Joint Facility - Debit	N/A	N/A	3,527	N/A	3,527		3,527	416
417		Joint Facility - [Credit]	N/A	N/A	(173)	N/A	(173)		(173)	417
418		Other		308	811	471	1,590		1,590	418
419		TOTAL TRAIN OPERATIONS	62,567	44,800	9,275	47,328	163,970		163,970	419
		YARD OPERATIONS								
420		Administration	681	243	120	41	1,085		1,085	420
421		Switch Crews	20,960	37	16	4	21,017		21,017	421

SCHEDULE 410 - RAILWAY OPERATING EXPENSES -- Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
		YARD OPERATIONS - Continued								
422		Controlling Operations	1,340			180		1,520		1,520 422
423		Yard and Terminal Clerical	2,130	52		145		2,327		2,327 423
424		Operating Switches, Signals, Retarders and Humps				5		5		5 424
425		Locomotive Fuel	115	2,620				2,735		2,735 425
426		Electric Power Purchased or Produced for Motive Power								426
427		Servicing Locomotives	192	2		5		199		199 427
428		Freight Lost or Damaged - Solely Related	N/A	N/A		N/A	354	354		354 428
429		Clearing Wrecks	(3)			40		37		37 429
430		Fringe Benefits	N/A	N/A		N/A	11,021	11,021		11,021 430
431		Other Casualties and Insurance	N/A	N/A		N/A	60	60		60 431
432		Joint Facility - Debit	N/A	N/A		596	N/A	596		596 432
433		Joint Facility - [Credit]	N/A	N/A		(3,686)	N/A	(3,686)		(3,686) 433
434		Other		35		68	236	339		339 434
435		TOTAL YARD OPERATIONS	25,415	2,989		(2,511)	11,716	37,609		37,609 435
		TRAIN AND YARD OPERATIONS COMMON								
501		Cleaning Car Interiors	15			603	N/A	618		618 501
502		Adjusting and Transferring Loads		5		349	N/A	354		354 502
503		Car Loading Devices and Grain Doors					N/A			503
504		Freight Lost or Damaged - all other	N/A	N/A		N/A	1,454	1,454		1,454 504
505		Fringe Benefits	N/A	N/A		N/A	6	6		6 505
506		TOTAL TRAIN AND YARD OPERATIONS COMMON	15	5		952	1,460	2,432		2,432 506
		SPECIALIZED SERVICE OPERATIONS								
507		Administration								507
508		Pickup and Delivery and Marine Line Haul								508
509		Loading and Unloading and Local Marine	187	132		3,216		3,535		3,535 509
510		Protective Services		(3)				(3)		(3) 510
511		Freight Lost or Damaged - Solely Related	N/A	N/A		N/A				511
512		Fringe Benefits	N/A	N/A		N/A	81	81		81 512
513		Casualties and Insurance	N/A	N/A		N/A				513
514		Joint Facility - Debit	N/A	N/A		N/A	N/A			514
515		Joint Facility - [Credit]	N/A	N/A		N/A	N/A			515
516		Other				5		5		5 516
517		TOTAL SPECIALIZED SERVICES OPERATIONS	187	129		3,221	81	3,618		3,618 517

SCHEDULE 410 - RAILWAY OPERATING EXPENSES -- Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased Services (d)	General (e)	Total freight expense (f)			
518		ADMINISTRATIVE SUPPORT OPERATIONS								
519		Administration	1,611	121	258	538	2,528		2,528	518
520		Employees Performing Clerical and Accounting Functions	3,772	176	849	25	4,822		4,822	519
521		Communications Systems Operation			13		13		13	520
522		Loss and Damage Claims Processing	248	7	6	11	272		272	521
523		Fringe Benefits		N/A	N/A	2,553	2,553		2,553	522
524		Casualties and Insurance	N/A	N/A	N/A					523
525		Joint Facility - Debit	N/A	N/A		N/A				524
526		Joint Facility - [Credit]	N/A	N/A		N/A				525
527		Other			42		42		42	526
528		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	5,631	304	1,168	3,127	10,230		10,230	527
601		GENERAL AND ADMINISTRATIVE	93,815	48,227	12,105	63,712	217,859		217,859	528
602		Officers - General Administration	271	191	2,328	306	3,096		3,096	601
603		Accounting, Auditing, and Finance	2,687	111	795	79	3,672		3,672	602
604		Management Services and Data Processing	2,731	142	5,001	275	8,149		8,149	603
605		Marketing	2,068	93	588	619	3,368		3,368	604
606		Sales	1,233	21	50	358	1,662		1,662	605
607		Industrial Development	267	2	18	9	296		296	606
608		Personnel and Labor Relations	1,336	156	239	645	2,376		2,376	607
609		Legal and Secretarial	678	37	7,691	107	8,513		8,513	608
610		Public Relations and Advertising			4		4		4	609
611		Research and Development								610
612		Fringe Benefits	N/A	N/A	N/A	2,431	2,431		2,431	611
613		Casualties and Insurance	N/A	N/A	N/A	12,273	12,273		12,273	612
614		Writedown of Uncollectible Accounts	N/A	N/A	N/A					613
615		Property Taxes	N/A	N/A	N/A	9,205	9,205		9,205	614
616		Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	3,965	3,965		3,965	615
617		Joint Facility - Debit	N/A	N/A	64	N/A	64		64	616
618		Joint Facility - [Credit]	N/A	N/A	(60)	N/A	(60)		(60)	617
619		Other	808	105	393	3	1,309		1,309	618
620		TOTAL GENERAL AND ADMINISTRATIVE	12,079	858	17,111	30,275	60,323		60,323	619
		TOTAL CARRIER OPERATING EXPENSES	132,489	72,038	129,597	165,182	499,306		499,306	620

See footnote on page 10.

SCHEDULE 412 - WAY AND STRUCTURES
(Dollars in Thousands)

1. Report freight expenses only.
2. The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in schedule 410, column (f) lines 136, 137, and 138.
3. Report in column (c) the lease/rentals for the various property categories of Way and Structures. The total net lease/rental reported in column (c), line 29 should balance the net amount reported in schedule 410, column (f), lines 118 through 123, plus lines 130 through 135.
If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property categories is not known, apportion the lease/rentals based on the percentage of the categories depreciation bases to the depreciation bases for all categories of depreciable leased property. Use schedule 352B of this report for obtaining the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item; the net adjustment on line 29 shall equal the adjustment reported on line 29 of schedule 335.
5. Report on line 28 all other lease rentals not apportioned to any category listed on lines 1 - 27.
6. Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of schedule 415.

Line No.	Cross Check	Property account	Category (a)	Depreciation (b)	Lease/Rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	N/A	48		1
2		3	Grading	1,169	257		2
3		4	Other right-of-way expenditures	12			3
4		5	Tunnels and subways	0			4
5		6	Bridges, trestles and culverts	2,132		(13)	5
6		7	Elevated structures				6
7		8	Ties	14,729	649		7
8		9	Rail and other track material	15,463	1,020		8
9		11	Ballast	6,042	219		9
10		13	Fences, snowsheds and signs	6		(8)	10
11		16	Station and office buildings	489	595	57	11
12		17	Roadway buildings	14		4	12
13		18	Water stations	5		4	13
14		19	Fuel stations	146		3	14
15		20	Shops and enginehouses	881		47	15
16		22	Storage warehouses				16
17		23	Wharves and docks				17
18		24	Coal and ore wharves				18
19		25	TOFC/COFC terminals	805	5		19
20		26	Communications systems	418	1,560	34	20
21		27	Signals and interlockers	851	293	(41)	21
22		29	Power plants	1		1	22
23		31	Power transmission systems	7		(5)	23
24		35	Miscellaneous structures	9		(3)	24
25		37	Roadway machines	162	248		25
26		39	Public improvements; construction	186			26
27		45	Power plant machines	7		2	27
28		-	Other lease/rentals	N/A		N/A	28
29		-	TOTAL	43,534	4,893	82	29

SCHEDULE 414 - RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT-CARRYING EQUIPMENT

(Dollars in Thousands)

1. Report freight expenses only.
2. Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad, owned or leased equipment and privately owned equipment (reporting for leased equipment covers equipment that carrier on railroad markings).
3. The gross amounts receivable and payable for freight-train cars (line 18, columns (b) through (d), and line 19, columns (e) through (g), respectively) should balance with Schedule 410, column (f), lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f), lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of Schedule 410 because those lines include rents for "Other Equipment" which is reported in Schedule 415, column (e). The balancing of Schedule 410, 414, and 415 "Other Equipment" is outlined in note 6 to Schedule 415.
4. Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper-owned cars.
5. Report in columns (c), (d), (f), and (g) rentals for railroad owned cars prescribed by the Commission in Ex Parte No. 334, for which rentals are settled on a combination mileage and time basis (basis per diem). Include railroad owned per diem tank cars on line 17.

NOTES: Mechanical designations for each car type are shown in Schedule 710.

Line No.	Cross Check	Type of equipment (a)	GROSS AMOUNTS RECEIVABLE Per diem basis			GROSS AMOUNTS PAYABLE Per diem basis			Line No.
			Private line cars (b)	Mileage (c)	Time (d)	Private line cars (e)	Mileage (f)	Time (g)	
CAR TYPES									
1		Box-Plain 40 Foot							1
2		Box-Plain 50 Foot and Longer		4	9		307	1,409	2
3		Box-Equipped		4,373	11,123		2,053	9,731	3
4		Gondola-Plain		1	5	2	55	288	4
5		Gondola-Equipped		213	607		375	2,487	5
6		Hopper-Covered		334	1,606	2,091	1,142	6,333	6
7		Hopper-Open Top-General Service		2	4		203	785	7
8		Hopper-Open Top-Special Service		86	308	1	255	989	8
9		Refrigerator-Mechanical					83	506	9
10		Refrigerator-Non-Mechanical		8	7		45	511	10
11		Flat TOFC/COFC		1,042	2,622	8	441	2,457	11
12		Flat Multi-Level		94	623		81	411	12
13		Flat-General Service					6	14	13
14		Flat-Other		195	841	95	419	1,845	14
15		Tank-Under 22,000 Gallons				3,196			15
16		Tank-22,000 Gallons and Over			5	2,868	1	6	16
17		All Other Freight Cars		32	245		28	176	17
18		Auto Racks							18
19		TOTAL FREIGHT TRAIN CARS		6,384	18,005	8,261	5,494	27,948	19
OTHER FREIGHT-CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers			1,014	2,880		658	21
22		Refrigerated Containers							22
23		Other Containers							23
24	*	TOTAL TRAILERS AND CONTAINERS			1,014	2,880		658	24
25		GRAND TOTAL (LINES 19 AND 24)		6,384	19,019	11,141	5,494	28,606	25

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 415

1. Report Freight expenses only.
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services and general).
3. Report in column (b) net repair expense excluding the cost to repair damaged equipment.

Schedule 415, column (b), will balance to Schedule 410, column (f), as follows:

(a) Locomotives, line 5 plus line 38 compared to the sum of Schedule 410, lines 202, 203 plus 216 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204.

(b) Freight Cars, line 24 plus line 39 compared to the sum of Schedule 410, lines 221, 222 plus 235 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223.

(c) Sum of Highway Equipment (line 32), Floating Equipment (line 35), Passenger and Other Revenue Equipment (line 36), Computer and Data Processing Equipment (line 37), Machinery-Other Equipment (line 40), plus Work and Other Non-Revenue Equipment (line 41 compared to Schedule 410, the sum of lines 302 through 307, inclusive, plus line 320 (excluding wreck repairs). Do not report in Schedule 415 Equipment Damaged from Schedule 410, line 308.

Note: Lines 216, 235 and 320 of Schedule 410 are credit amounts.

The allocation of freight car repair expense reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing 49 CFR 1201.

4. Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d). For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342.

Depreciation charges reported on columns (c) and (d) will balance to Schedule 410, column (f), as follows:

a. Locomotives, line 5 plus 38 compared to Schedule 410, line 213

b. Freight Cars, line 24 plus line 39 compared to Schedule 410, line 232

c. Sum of Highway Equipment (line 32); Floating Equipment (line 35); Passenger and Other Revenue Equipment (line 36); Computer and Data Processing Equipment (line 37); Machinery-Other Equipment (line 40); and Work and Other Non-Revenue Equipment (line 41) compared to Schedule 410, line 317.

5. Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item; the net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 38, column (c), schedule 335.

6. Lease/Rentals reported in column (f) should balance to column (f) of Schedule 410 as follows:

a. Locomotives, line 5 plus 38 compared with Schedule 410, lines 207, 208, 211 and 212.

b. Freight Cars, line 24 plus line 39 compared with Schedule 410, lines 226 plus 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 414 and are not to be included in Schedule 415).

(c) Sum of Lease/Rentals for All Other Equipment, lines 32, 35, 36, 37, 40 and 41, will balance to Schedule 410, lines 311, 312, 315 and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414. Therefore, both Schedules 414 and 415 should be used when balancing Lease/Rentals Other Equipment to Schedule 410. Do not report in Schedule 415 the Trailer and Container rentals reported in Schedule 414.

7. Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of Equipment Used But Not Owned when the rents therefor are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00 and 35-23-00.

It should include the Cost of Equipment Owned and Leased to Others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00 and 36-23-00.

Property Used But Not Owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-22-00 and 31-23-00, inclusive.

The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h), of schedule 415.

8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415.

SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT

(Dollars in Thousands)

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotive-Yard	292	30			1
2		Diesel Locomotive-Road	21,538	2,723			2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL	21,830	2,753			5
		FREIGHT TRAIN CARS					
6		Box-Plain 40 Foot		19			6
7		Box-Plain 50 Foot and Longer	14	272			7
8		Box-Equipped	4,916	1,988			8
9		Gondola-Plain	28		141		9
10		Gondola-Equipped	309	13	198		10
11		Hopper-Covered	601	661	74		11
12		Hopper-Open Top-General Service	15				12
13		Hopper-Open Top-Special Service	374	99			13
14		Refrigerator-Mechanical	4				14
15		Refrigerator-Nonmechanical	0				15
16		Flat TOFC/COFC	565				16
17		Flat Multi-level	98				17
18		Flat-General Service	2	(2)			18
19		Flat-Other	128	170			19
20		All Other Freight Cars	4	44			20
21		Cabooses	30				21
22		Auto Racks	339				22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS	7,427	3,264	413		24
		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	2,317				26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	2,317				32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger and Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems and word processing equip.	197	2,455			37
38	*	Machinery-Locomotives 1	24	28		8	38
39	*	Machinery-Freight Cars 2	3	47		15	39
40	*	Machinery-Other Equipment 3	1	1			40
41	*	Work and Other Non-revenue Equipment	1,504	653			41
42		TOTAL OTHER EQUIPMENT	1,729	3,184		23	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	33,303	9,201	413	23	43

1 The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.

2 The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.

3 The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

SCHEDULE 415 - SUPPORTING SCHEDULE-EQUIPMENT-Continued

(Dollars in Thousands)

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		260	1,255		1,097		1
2		19,188	97,918		38,886		2
3							3
4							4
5		19,448	99,173		39,983		5
6			51		40		6
7		2,110	12,214		4,662		7
8		6,978	51,344		19,241		8
9		1,891	1,102	2,530	954	2,179	9
10		598	331	2,970	156	1,435	10
11		4,694	25,924	1,112	11,114	806	11
12		161	1,895		1,229		12
13		2,322	6,269		3,722		13
14							14
15			36		36		15
16		1,405	29		20		16
17							17
18			255		256		18
19		1,372	9,722		5,025		19
20		1,031	2,611		1,965		20
21			63		57		21
22		1,102					22
23							23
24		23,664	111,846	6,612	48,477	4,420	24
25							25
26		2,352					26
27							27
28							28
29							29
30							30
31							31
32		2,352					32
33							33
34							34
35							35
36							36
37		6,577			18,695		37
38			3,210		2,458		38
39			5,515		4,222		39
40			93		72		40
41		2,169	34,867		19,249		41
42		8,746	43,685	0	44,696		42
43		54,210	254,704	6,612	133,156	4,420	43

1 The date to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.

2 The depreciation to be reported on lines 38, 39, and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (j), Schedule 335.

SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT (Improvements on Leased Property)
(Dollars in Thousands)

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization	Line No.
				Owned (c)	Capitalized lease (d)	Adjustment net during year (e)	
1		LOCOMOTIVES Diesel Locomotive-Yard			11		1
2		Diesel Locomotive-Road			327		2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL			338		5
6		FREIGHT TRAIN CARS Box-Plain 40 Foot					6
7		Box-Plain 50 Foot and Longer					7
8		Box-Equipped					8
9		Gondola-Plain					9
10		Gondola-Equipped					10
11		Hopper-Covered					11
12		Hopper-Open Top-General Service					12
13		Hopper-Open Top-Special Service					13
14		Refrigerator-Mechanical					14
15		Refrigerator-Nonmechanical					15
16		Fiat TOFC/COFC					16
17		Fiat Multi-level					17
18		Fiat-General Service					18
19		Fiat-Other					19
20		All Other Freight Cars					20
21		Cabooses					21
22		Auto Racks					22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS					24
25		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT Refrigerated Trailers					25
26		Other Trailers					26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT					32
33		FLOATING EQUIPMENT-REVENUE SERVICE Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
36	*	OTHER EQUIPMENT Passenger and Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems and word processing equip.					37
38	*	Machinery-Locomotives 1					38
39	*	Machinery-Freight Cars 2					39
40	*	Machinery-Other Equipment 3					40
41	*	Work and Other Non-revenue Equipment			26		41
42		TOTAL OTHER EQUIPMENT			26		42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)			364		43

- 1 The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.
2 The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.
3 The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

415 - SUPPORTING SCHEDULE--EQUIPMENT--Continued (Improvements on Leased Property)
(Dollars in Thousands)

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1				238		55	1
2				8,865		752	2
3							3
4							4
5				9,103		807	5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19				2		2	19
20							20
21							21
22							22
23							23
24				2		2	24
25							25
26							26
27							27
28							28
29							29
30							30
31							31
32							32
33							33
34							34
35							35
36							36
37				16		17	37
38							38
39							39
40							40
41				256		180	41
42				272		197	42
43				9,377		1,006	43

- 1 The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.
- 2 The depreciation to be reported on lines 38, 39, and 40 in column (c) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (c), Schedule 335

SCHEDULE 416 - SUPPORTING SCHEDULE - ROAD

(Dollars in Thousands)

Line No	Density category (Class) (a)	Account No. (b)	Owned and used			Improvements to leased property			Capitalized leases			TOTAL		Line No
			Inv. Base (c)	Accum. depr. (d)	Depr. rate % (e)	Inv. Base (f)	Accum. depr. (g)	Depr. rate % (h)	Inv. Base (i)	Current year amort. (j)	Accum. Amort. (k)	Inv. Base (l)	Accum. depr. & Amort. (m)	
1	I	3	24,024	12,274	0.92							24,024	12,274	1
2		8	73,226	38,644	5.87							73,226	38,644	2
3		9	118,318	50,011	4.50							118,318	50,011	3
4		11	26,070	24,457	4.45							26,070	24,457	4
5	SUB-TOTAL		241,638	125,386		0	0					241,638	125,386	5
6	II	3	75,689	7,034	0.92	502	47	1.00				76,191	7,081	6
7		8	196,613	70,618	4.59	4,106	743	4.30				200,719	71,361	7
8		9	302,402	76,044	2.91	806	161	3.16				303,208	76,205	8
9		11	65,428	34,452	6.91	707	278	6.67				66,135	34,730	9
10	SUB-TOTAL		640,132	188,148		6,121	1,229					646,253	189,377	10
11	III	3		N/A	N/A		N/A	N/A		N/A	N/A	0		11
12		8		N/A	N/A		N/A	N/A		N/A	N/A	0		12
13		9		N/A	N/A		N/A	N/A		N/A	N/A	0		13
14		11		N/A	N/A		N/A	N/A		N/A	N/A	0		14
15	SUB-TOTAL			N/A	N/A		N/A	N/A		N/A	N/A	0		15
16	IV	3	28,217	2,165	0.92							28,217	2,165	16
17		8	50,573	22,157	3.73	46	12	3.77				50,619	22,169	17
18		9	88,436	15,613	2.13	1,034	174	2.32				89,470	15,787	18
19		11	17,200	9,596	4.40	18	7	5.00				17,218	9,603	19
20	SUB-TOTAL		184,426	49,531		1,098	193					185,524	49,724	20
21	V	3												21
22		8												22
23		9												23
24		11												24
25	SUB-TOTAL		0	0		0	0							25
26	GRAND TOTAL		1,066,196	363,065	N/A	7,219	1,422	N/A				1,073,415	364,487	26

(1) Columns (c) + (f) + (i) = Column 12

Columns (d) + (g) + (k) = Column 13

(2) The base grand total for owned and used, improvements to leased property and capitalized leases should equal the sum of Accounts 3, 8, and 11 shown at year end on Schedule 330 and Schedule 330A.

NOTES AND REMARKS

SCHEDULE 417 - SPECIALIZED SERVICE SUBSCHEDULE -- TRANSPORTATION

(Dollars in Thousands)

1. Report freight expenses only.
2. Report in lines 1, 2, 3, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchases services, and general) incurred in the operation of each type of specialized service facility. This schedule does not include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When it is necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (i) should balance with the respective line items in Schedule 410, Railway Operating Expenses.
4. Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See schedule 755, note R.
5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h), relate to refrigerator cars only.
8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations and livestock feeding operations only.

Line No.	Gross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load and distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b-i) (j)	Line No.
1		Administration									-	1
2		Pick up and delivery, marine line haul							N/A		-	2
3		Loading and unloading and local marine	3,534						N/A	1	3,535	3
4		Protective services, total debit and credits							(3)		(3)	4
5		Freight lost or damaged-solely related									-	5
6		Fringe benefits	81								81	6
7		Casualty and Insurance									-	7
8		Joint facility - Debit									-	8
9		Joint facility - Credit									-	9
10		Other								5	5	10
11		TOTAL	3,615	-	-	-	-	-	(3)	6	3,618	11

Note: See page 10 (Schedule 200) Explanatory Notes to Financial Statements

Schedule 418

Instruction:

This schedule will show the investment in capitalized leases in road and equipment by primary account.

Column

- (a) = primary account number and title for which capital lease amounts are included therein.
- (b) = the total investment in that primary account.
- (c) = the investment in capital leases at the end of the year.
- (d) = the current year amortization.
- (e) = the accumulated amortization relating to the leased properties.

SCHEDULE 418 - SUPPORTING SCHEDULE -- CAPITAL LEASES
(Dollars in Thousands)

[illegible]

NOTES AND REMARKS

SCHEDULE 450 - ANALYSIS OF TAXES

(Dollars in Thousands)

A. Railway Taxes.

Line No	Cross Check	Kind of tax (a)	Amount (b)	Line No
1		Other than U.S. Government Taxes	11,905	1
		U.S. Government Taxes		
		Income Taxes:		
2		Normal Tax and Surtax	(20,890)	2
3		Excess Profits		3
4	*	Total - Income Taxes L 2 + 3	(20,890)	4
5		Railroad Retirement	28,296	5
6		Hospital Insurance	2,016	6
7		Supplemental Annuities	1,392	7
8		Unemployment Insurance	715	8
9		All Other United States Taxes		9
10		Total - U.S. Government Taxes	11,529	10
11		Total - Railway Taxes	23,434	11

B. Adjustments to Federal Income Taxes

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption Other (Specify), including State and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under Other (Specify).
2. Indicate in column (b) the beginning of the year total of accounts 714, 744, 762 and 786 applicable to each particular item in column (a).
3. Indicate in column (c) the net change in accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.
4. Indicate in column (d) and adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or a loss carry-back.
5. The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provisions for Deferred Taxes, and Account 591, Provisions for deferred Taxes - Extraordinary Items, for the current year.
6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of accounts 714, 744, 762 and 786.

Line No.	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)	Line No.
1	Accelerated depreciation, Sec. 167 I.R.C.: Guidelines lives pursuant to Rev. Proc. 62-21.	361,283	31,393		392,676	1
2	Accelerated amortization of facilities, Sec. 168 I.R.C.					2
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.					3
4	Amortization of rights of way, Sec. 185 I.R.C.					4
5	Other (specify)					5
6	Reserve for Claims	(24,577)	(1,964)		(26,541)	6
7	Future Benefits of Capitalized Leases	1,616	72		1,688	7
8	Provisions for Contingencies	(34,104)	(519)	209	(34,414)	8
9	Asset Dispositions	1,825	129		1,954	9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18	Investment tax credit*					18
19	TOTALS	306,043	29,111	209	335,363	19

SCHEDULE 450 - ANALYSIS OF TAXES - Continued

(Dollars in Thousands)

*Footnotes

1. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit

\$

If deferral method for investment tax credit was elected:

(1) Indicate amount of credit utilized as a reduction of tax liability for current year

\$

(2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes

\$

(3) Balance of current year's credit used to reduce current year's tax accrual

\$

(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual

\$

(5) Total decrease in current year's tax accrual resulting from use of investment tax credits

\$

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made

\$

NONE

SCHEDULE 460 - ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR

(Dollars in Thousands)

Give a brief description for all items, regardless of amount, included during the year in Accounts 555, Unusual or Infrequent Items; 560, Income or Loss From Operations of Discontinued Segments; 562, Gain or Loss on Disposal of Discontinued Segments; 570, Extraordinary Items; 590, Income Taxes on Extraordinary Items; 592, Cumulative Effect of Changes in Accounting Principles; 603, Appropriations Released; 606, Other Credits to Retained Earnings; 616, Other Debits to Retained Earnings; 620, Appropriations for Sinking and Other Funds; 621, Appropriations for other Purposes. If appropriations released reflect appropriations provided during the year, each account should not be reported.

For Accounts 519, Miscellaneous Income, and 551, Miscellaneous Income Charges, if the total in either account exceeds 10% of net income before extraordinary items, describe the three largest items in the account and any other items in excess of 10% of net income.

Line No	Account No (a)	Item (b)	Debits (c)	Credits (d)	Line No
1	519	Miscellaneous Income		1,308	1
2	551	Miscellaneous Income Charges	677		2
3	555	Unusual or Infrequent items	NONE		3
4	560	Operations of Discontinued Segments	NONE		4
5	562	Disposal of Discontinued Segments		NONE	5
6	570	Extraordinary Items	NONE		6
7	590	Income Taxes on Extraordinary Items		NONE	7
8	592	Changes in Accounting Principles	382		8
9	603	Appropriations Released		NONE	9
10	606	Other Credits to Retained Earnings		NONE	10
11	616	Other Debits to Retained Earnings	NONE		11
12	620	Appropriations for Sinking Funds	NONE		12
13	621	Appropriations for Other Purposes	NONE		13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

Line 8: See footnote 2 on page 10.

SCHEDULE 501 - GUARANTIES AND SURETYSHIPS

(Dollars in Thousands)

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show the particulars of each contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent Liability (c)	Sole or joint contingent liability (d)	Line No.
1					1
2		NONE			2
3					3
4					4
5					5
6					6
7					7
8					8
9					9
10					10
11					11
12					12
13					13
14					14
15					15
16					16
17					17
18					18
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23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38

2. If any corporation or other associations was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship at the close of the year or entered into and expired during the year.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance Docket number, title aturty date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3					3
4					4
5					5
6					6
7					7
8					8
9					9

SCHEDULE 502 - COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

(Dollars in Thousands)

Using the following notes as a guideline, show the requirements compensating balances and short-term borrowing arrangements. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances included in Account 703, Special Deposits, and in Account 717, Other Funds, should also be separately disclosed below.
5. Compensating Balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
6. When a carrier is not in compliance with a compensating balance requirement, the fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

The Company maintains a \$100 million revolving line of credit with a syndication of various lenders and JP Morgan Chase Bank as agent.

NOTES AND REMARKS

SCHEDULE 510 - SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT

(Dollars in Thousands)

The principal use of this schedule is to determine the average embedded rate of debt capital.

I. Debt Outstanding at End of Year:

Line #	Account No.	Title	Source	Balance Close of Year
1	751	Loans and Notes Payable	Sch. 200, L. 30	
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch. 200, L. 39	45,037
3	765/767	Funded Debt Unmatured	Sch. 200, L. 41	565,000
4	766	Equipment Obligations	Sch. 200, L. 42	36,198
5	766.5	Capitalized Lease Obligations	Sch. 200, L. 43	2,473
6	768	Debt in Default	Sch. 200, L. 44	
7	769	Accounts Payable; Affiliated Companies	Sch. 200, L. 45	
8	770.1/770.2	Unamortized Debt Premium	Sch. 200, L. 46	
9		Total Debt	Sum L. 1-8	648,708
10		Debt Directly Related to Road Property	Note 1.	294,733
11		Debt Directly Related to Equipment	Note 1.	130,872
12		Total Debt Directly Related to Road & Equipment	Sum L. 10 and L. 11	425,605
13		Percent Directly Related to Road	L. 10 div. by L. 12 Whole % + 2 decimals	69.25%
14		Percent Directly Related to Equipment	L. 11 div. by L. 12 Whole % + 2 decimals	30.75%
15		Debt Not Directly Related to Road or Equipment	L. 9 - L. 12	223,103
16		Road Property Debt (Note 2)	(L. 13 X L. 15) + L. 10	449,232
17		Equipment Debt (Note 2)	(L. 14 X L. 15) + L. 11	199,476

II. Interest Accrued During the Year:

Line #	Account No.	Title	Source	Balance Close of Year
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	52,901
19	546	Contingent Interest on Funded Debt	Sch. 210, L. 44	181
20	517	Release of Premiums on Funded Debt	Sch. 210, L. 22	-
21		Total Interest	(L. 18 + L. 19) - L. 20	53,082
22		Interest Directly Related to Road Property Debt	Note 4.	26,526
23		Interest Directly Related to Equipment Debt	Note 4.	14,222
24		Interest Not Directly Related to Road or Equipment Property Debt	L. 21 - (L. 22 + L. 23)	12,334
25		Interest Road Property Debt	L. 22 + (L. 24 X L. 13)	35,067
26		Interest Equipment Debt	L. 23 + (L. 24 X L. 14)	18,015
27		Embedded Rate of Debt Capital - Road Property	L. 25 div. by L. 16	7.81%
28		Embedded Rate of Debt Capital - Equipment	L. 26 div. by L. 17	9.03%

Note 1. Directly related means the purpose which the funds were used when the debt was issued.

Note 2. Line 16 plus Line 17 must equal Line 9.

Note 3. Line 21 includes interest on debt in Account 769--Account Payable; Affiliated companies.

Note 4. This interest relates to debt reported in Lines 10 and 11, respectively.

Note 5. Line 25 plus Line 26 must equal Line 21.

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent, including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but are not restricted to, management, legal, accounting, purchasing or other type of services including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers' salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

- (a) Lawful tariff charges for transportation services
- (b) Payments to or from other carriers for interline services and interchange of equipment
- (c) Payment to or from other carriers which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.
- (d) Payments to public utility companies for rates or charges fixed in conformity with government authority.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro forma" balance sheet and income statement for that portion or

entity of each affiliate which furnished the agreed-to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

3. In column (b) indicate nature of relationship or control between the respondent and the company or person identified in column (a) as follows:

- (a) If respondent directly controls affiliate, insert the word "direct"
- (b) If respondent controls through another company, insert the word "indirect"
- (c) If respondent is under common control with affiliate, insert the word "common"
- (d) If respondent is controlled directly or indirectly by the company listed in column (a), insert word "controlled"

(e) If control is exercised by other means such as a management contract or other arrangement of whatever kind, insert the word "other" and footnote to describe such arrangements.

4. In column (c) fully describe the transactions involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show total for the affiliate. When services are both provided and received between the respondent and an affiliate they should be listed separately and the amounts shown separately in column (e).

5. In column (d) report the dollar amounts of transaction shown and the effect of any change in the method of establishing the terms from that used in the preceding period.

6. In column (e) report the dollar amounts due from or to related parties and, if not otherwise apparent, the terms and manner of settlement. Insert (P) paid and (R) received by the amount in column (e).

512 - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transaction (c)	Dollar amounts of transactions (in thousands) (d)	Amount due from or to related parties (e)	Line No
1	MID-SOUTH MICROWAVE, INC.		Direct	Rent	1,325		1
2				Maintenance	835		2
3				Real Estate Taxes	62		3
4							4
5							5
6							6
7	SOUTHERN DEVELOPMENT COMPANY		Direct	Rental of Buildings	519		7
8							8
9							9
10	RICE-CARDEN CORPORATION		Direct	Rent	2,169		10
11				Maintenance	2,054		11
12				Spur Track Rental - Old Tolmak	637		12
13				Other	153	3	13
14				Estimated Lease - All Equipment		450	14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

512 - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transaction (c)	Dollar amounts of transactions (in thousands) (d)	Amount due from or to related parties (e)	Line No
1	SUPERIOR TIE & TIMBER COMPANY		Direct	Cross & Switch Ties	1,204	786	1
2				Bridges & Trestles	2		2
3							3
4				BILLINGS			4
5				Travel Expense	1		5
6				Pipeline Crossing	1		6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

512 - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transaction (c)	Dollar amounts of transactions (in thousands) (d)	Amount due from or to related parties (e)	Line No
1	SOUTHERN CAPITAL CORPORATION		Common	Lease of Locomotives	17,372		1
2				Lease of Freight Cars	11,482		2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

512 - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transaction (c)	Dollar amounts of transactions (in thousands) (d)	Amount due from or to related parties (e)	Line No
1	TRANSFIN		Direct	Insurance Premium	1,993		1
2							2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

512 - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transaction (c)	Dollar amounts of transactions (in thousands) (d)	Amount due from or to related parties (e)	Line No
1	KANSAS CITY SOUTHERN INDUSTRIES, INC.		Controlled	Insurance Premiums	2,967		1
2				Employee Stock Option Plan	3,701		2
3				Legal Fees	76		3
4				Postage	15		4
5				Political Action	12		5
6				Securities Fees	9		6
7				S4 Filing / Rail Bonds	134		7
8				Purchased Services	27		8
9				Systems Support	51		9
10				Supplies	44		10
11				Other	276		11
12							12
13				BILLINGS			13
14				Travel Expense	20		14
15				Health Insurance	531		15
16				Postage	9		16
17				Stock Options Exercised	2,480		17
18				Purchase Card Expense	107		18
19				Payroll Expense	52		19
20				Corporate Airplane Expense	351		20
21				Office Supplies	17		21
22							22
23							23
24							24
25							25

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

State particulars of all tracks *operated* by the respondent at the close of the year, according to the following classifications

- (1) Line owned by respondent
- (2) Line owned by proprietary companies
- (3) Line operated under *lease for a specified sum*, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent
- (5) Line operated under *trackage rights*.

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes.

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

In column (a) insert the figure (and letter, if any) indicating its class in accordance with the preceding classification.

In column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping. Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in column (d) give its entire length (the distances between termini of single or first main track), and in the following columns the lengths of second main track; all other main tracks, passing tracks, cross-overs and turn-outs; way switching tracks; and yard switching tracks. These classes of tracks are defined as follows:

Running tracks: Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points

Way switching tracks Station, team, industry and other switching tracks for which no separate service is maintained.

Yard switching tracks: Yards where separate switching services are maintained, including classification, house, team, industry and other tracks switched by yard locomotives.

The returns in columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc. Tracks belonging to an industry for which no rent is payable should not be included.

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

Class (2) includes each line, full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rest in a corporation controlled by or controlling the respondent, *but in the case of any such inclusion, the facts of relation to the respondent of the corporation holding the securities should be fully set forth in a footnote.* An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs, if it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as class (3), except that the rent reserved is conditional upon earnings or other fact.

Class (5) includes all tracks operated and maintained by others, but over which the respondent has the right to operate some or all of its trains. In the road of this class the respondent has no proprietary rights, but only the rights of a licensee. Include in this class, also, all main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them, but does not have exclusive possession of them.

Road held by the respondent as *joint or common owner* or a *joint lessee* or under any *joint arrangement* should be shown in its appropriate class, and the entry of length should be of the entire length of the portion jointly held. The class symbol should have the letter (J) attached.

Road operated by the respondent as agent for another carrier should not be included in this schedule.

SCHEDULE 700 - MILEAGE OPERATED AT CLOSE OF YEAR

Line No	Class (a)	Proportion owned or leased by Respondent (b)	Running tracks, passing tracks, cross-overs, etc				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1	1	100 %	2,846	8	0	306	254	506	3,920	1
2										2
3	1J	50 %	41	4	0	1	3	78	127	3
4										4
5	1J	33 %	0	0	0	0	1	1	2	5
6										6
7	3A	100 %	0	0	0	0	20	20	40	7
8										8
9	3B	100 %	3	0	0	0	4	0	7	9
10										10
11	5	100 %	212	10	2	6	16	7	253	11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33										33
34										34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
43										43
44										44
45										45
46										46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57		TOTAL	3,102	22	2	313	298	612	4,349	57
58		Miles of electrified road or track included in preceding grand total	N/A							58

SCHEDULE 702 - MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned, not operated, should be shown in column (h), as may be appropriate. Mileage which has been permanently abandoned should not be included in column (h). Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e. counting one-half mile and over as a whole mile and disregarding and fraction less than one-half mile.

Line No	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No
			Line owned (b)	Line of proprie- tary companies (c)	Line operated under lease (d)	Line operated under contract, etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned not operated by respondent (h)	New line constructed during year (i)	
1		Missouri	460						460		1
2											2
3		Kansas	18						18		3
4											4
5		Arkansas	213					4	217		5
6											6
7		Oklahoma	156					1	157		7
8											8
9		Louisiana	851			2		63	916		9
10											10
11		Texas	334					47	381		11
12											12
13		Tennessee	5					16	21		13
14											14
15		Mississippi	643			1		37	681		15
16											16
17		Alabama	79					44	123		17
18											18
19		Illinois	128						128		19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	2,886			3		212	3,102		32

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c) give the number of units purchased new or built in company shops. In column (d) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "G" unit may be equipped with hostler controls for independent operation at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "electric" unit includes all units which receive electric power from an overhead contact wire or a third rail, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel, or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "auxiliary unit" includes all units used in conjunction with locomotives, but

which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-powered, i.e., those without a diesel, should be reported on line 13 under "auxiliary units."

7. Column (k) should show aggregate capacity for all units reported in column (j), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

9. Cross-checks

Schedule 710	Schedule 710
Line 5, column (i)	= Line 11, column (i)
Line 6, column (i)	= Line 12, column (i)
Line 7, column (i)	= Line 13, column (i)
Line 8, column (i)	= Line 14, column (i)
Line 9, column (i)	= Line 15, column (i)
Line 10, column (i)	= Line 16, column (i)

When data appear in column (j) lines 1 thru 8, column (k) should have data on same lines.

When data appear in columns (k) or (l) lines 38 thru 53, and 55, column (m) should have data on same lines.

**SCHEDULE 710 - INVENTORY OF EQUIPMENT
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS**

Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (see Ins. 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
1		Locomotive Units	431				15	20	122	304	426	(H.P.) 1,321,400	1	
2		Diesel-freight units											2	
3		Diesel-passenger units											3	
4		Diesel-multiple purpose units	52				6	2	4	52	56	83,400	4	
5	*	TOTAL (lines 1 to 4) units	483				21	22	126	356	482	1,404,800	5	
6	*	Electric-locomotives											6	
7	*	Other self-powered units											7	
8	*	TOTAL (lines 5, 6, and 7)	483				21	22	126	356	482	1,404,800	8	
9	*	Auxiliary units	8						8		8	N/A	9	
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	491				21	22	134	356	490	N/A	10	

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING

Line No	Cross Check	Type or design of units (a)	Before Jan.1, 1980 (b)	Between Jan.1, 1980 and Dec. 31, 1984 (c)	Between Jan.1, 1985 and Dec. 31, 1989 (d)	Between Jan.1, 1990 and Dec. 31, 1994 (e)	Between Jan.1, 1995 and Dec. 31, 1999 (f)	During Calendar Year				Total (l)	Line No
				2000 (g)	2001 (h)	2002 (i)	2003 (j)	2004 (k)					
11	*	Diesel	366	19	11	36	50					482	11
12	*	Electric											12
13	*	Other self-powered units											13
14	*	TOTAL (lines 11 to 13)	366	19	11	36	50					482	14
15	*	Auxiliary units	8									8	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	374	19	11	36	50				N/A	490	16

SCHEDULE 710 - INVENTORY OF EQUIPMENT - CONTINUED
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (j)	Aggregate capacity of units reported in col (j) (see ins. 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches (PA, PB, PBO)												17
18		Combined cars												18
19		[All class C, except CSB]												19
20		Parlor cars [PBC, PC, PL, PO]												20
21		Sleeping cars [PS, PT, PAS, PDS]												21
22		Dining, grill and tavern cars												22
23		[All class D, PD]												23
24		Non-passenger-carrying cars												24
25		[All class B, CSB, M, PSA, IA]												25
26		TOTAL (lines 17 to 22)												26
27		Self-Propelled Electric passenger cars												27
28		[EP, ET]												28
29		Electric combined cars [EC]												29
30		Internal combustion rail motorcars												30
31		[ED, EG]												31
32		Other self-propelled cars												32
33		(Specify types)												33
34		TOTAL (lines 24 to 27)												34
35		TOTAL (lines 23 to 28)												35
36		COMPANY SERVICE CARS												36
37		Business cars [PV]	5				2			2		2	N/A	37
38		Board outfit cars [MWK]	12							12		12	N/A	38
39		Derrick and snow removal cars	7							7		7	N/A	39
40		[MWU, MWV, MWW, MWK]												40
41		Dump and ballast cars [MWB, MWD]	12				50			12	50	62	N/A	41
42		Other maintenance and service equipment cars	118							118		118	N/A	42
43		TOTAL (lines 30 to 34)	154				52			151	50	201	N/A	43

SCHEDULE 710 - INVENTORY OF EQUIPMENT - CONTINUED

Instruction for reporting freight-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (i). Units rented from others for a period less than one year should not be included in column (j).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No
			Time-mileage cars (b)	All others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1 __, B2 __)	11						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5 __, B6 __, B7 __, B8 __)	1,671					9	37
38		Equipped box cars (All Code A, Except A_5_)	6,277						38
39		Plain gondola cars (All Codes G & J __1, J __2, J __3, J __4)	593					129	39
40		Equipped gondola cars (All Code E)	259						40
41		Covered hopper cars (C __1, C __2, C __3, C __4)	1,881					107	41
42		Open top hopper cars-general service (All code H)	252					20	42
43		Open top hopper cars-special service (J __0, and All Codes K)	1,165						43
44		Refrigerator cars—mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)	-						44
45		Refrigerator cars—non mechanical (R_0_, R_1_, R_2_)	2						45
46		Flat cars—TOFC/COFC (All Code P, Q and S, Except Q8 __)	726					1	46
47		Flat cars—multi-level (All Code V)	201						47
48		Flat cars—general service (F10 __, F20 __, F30 __)	32						48
49		Flat cars—other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6_, F_8_, F40 __)	894						49
50		Tank cars—22,000 gallons (T __0, T __1, T __2, T __3, T __4, T __5)	54						50
51		Tank cars—22,000 gallons and over (T __6, T __7, T __8, T __9)	47						51
52		All other freight cars (A_5_, F_7_, All Code L and Q8 __)	545					2	52
53		TOTAL (lines 36 to 52)	14,610					268	53
54		Caboose (All Code M-930)	N/A	12					54
55		TOTAL (lines 53, 54)	14,610	12				268	55

SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease agreement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No
		Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4) (m)	Leased to others (n)		
				Time-mileage cars (k)	All other (l)				
36		1	10		10		547		36
37		143	557	980	1,537		141,221		37
38		242	851	5,184	6,035		592,102		38
39		1	39	682	721		76,495		39
40		42	49	168	217		21,700		40
41		168	753	1,067	1,820		182,580		41
42		53	199	20	219		19,107		42
43		93	227	845	1,072		91,882		43
44					-				44
45			2		2		110		45
46			2	725	727		55,072		46
47			-	201	201		10,653		47
48		2	30		30		1,581		48
49		10	531	353	884		96,910		49
50		14	6	34	40		3,080		50
51			37	10	47		4,010		51
52		2	38	507	545		40,875		52
53		771	3,331	10,776	14,107		1,337,925		53
54			12		N/A	12	N/A		54
55		771	3,343	10,776	14,107	12	1,337,925		55

SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No
			Per diem (b)	All others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
56		FLOATING EQUIPMENT Self-propelled vessels [Tugboats, car ferries, etc.]	N / A						56
57		Non-self-propelled vessels [Car floats, lighters, etc.]	N / A						57
58		TOTAL (lines 56 and 57)	N / A						58
59		HIGHWAY REVENUE EQUIPMENT Chassis Z1 __, Z67 __, Z68 __, Z69 __	1,102						59
60		Dry van U __, Z __, Z6 __, 1-6	795						60
61		Fiat bed U3 __, Z3 __	6						61
62		Open bed U4 __, Z4 __							62
63		Mechanical refrigerator U5 __, Z5 __							63
64		Bulk hopper U0 __, Z0 __							64
65		Insulated U7 __, Z7 __							65
66		Tank ¹ Z0 __, U6 __							66
67		Other trailer and container (Special Equipped Dry Van U9 __, Z8 __, Z9 __)							67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)	1,903					-	70

NOTES AND REMARKS

¹ Must have fitting code "CN" to qualify for tank otherwise it is a bulk hopper.

SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No
		Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4) (m)	Leased to others (n)		
				Per diem (k)	All other (l)				
56					N / A				56
57					N / A				57
58					N / A				58
59				1,102	1,102				59
60		20		775	775				60
61				6	6				61
62									62
63									63
64									64
65									65
66									66
67									67
68					-				68
69									69
70		20		1,883	1,883				70

NOTES AND REMARKS

SCHEDULE 710S - UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR
(Dollars in Thousands)

1 Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.

6. All unequipped boxcars acquired in whole or in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

NEW UNITS

Line No	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instruction) (e)	Line No
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	TOTAL	0	N/A	0	N/A	25
REBUILT UNITS						
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL	0	N/A	0	N/A	38
39	GRAND TOTAL	0	N/A	0	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723, AND 726

1. For purposes of these schedules, the track categories are defined as follows:

Track category 1

- A - Freight density of 20 million or more gross ton-miles per track mile per year (include passing tracks, turnouts and crossovers).
 B - Freight density of less than 20 million gross ton-miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers).
 C - Freight density of less than 5 million gross ton-miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers).
 D - Freight density of less than 1 million gross ton-miles per track mile per year (include passing tracks, turnouts and crossovers).
 E - Way and yard switching tracks (include passing tracks, turnouts and crossovers shall be included in category A, B, C, D, F, and Potential abandonments, as appropriate).
 F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.

Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act.

2. This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).

3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the 2nd year.

4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

SCHEDULE 720 - TRACK AND TRAFFIC CONDITIONS

1. Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile * (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	644	30.69	47.17	45.10	1
2	B	1,557	13.15	46.60	446.60	2
3	C	715	2.90	22.70	190.96	3
4	D	286	0.46	20.10	73.30	4
5	E	894	XXXXXXX	XXXXXXXX		5
6	TOTAL	4,096	13.26	38.88	755.96	6
7	F		XXXXXXXX	XXXXXXXX		7
8	Potential abandonments					8

* To determine average density, total track miles (route miles times number of tracks) rather than route miles shall be used.

1. Furnish the requested information concerning ties laid in replacement.
2. In column (j), report the total board feet of switch and bridge ties in replacement.
3. The term "spot maintenance" in column (k) means repairs to track components during routing inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement considered to be spot maintenance.
4. In No. 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply storage and seasoning yards, and in the case of treating ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Line No	Track category (a)	Number of cross-ties laid in replacement										Switch and bridge ties (board feet) (l)	Cross-ties switch and bridge ties Percent of spot maintenance (k)	Line No
		New ties				Second-hand ties								
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)						
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)							
1	A	63,424								63,424	85,749	10%	1	
2	B	149,567								149,567	185,849	10%	2	
3	C												3	
4	D	2,924								2,924	6,337	10%	4	
5	E	4,065								4,065	67,232	10%	5	
6	TOTAL	219,980								219,980	345,167	10%	6	
7	F												7	
8	Potential abandonments												8	
9	Average cost per cross-tie	\$29.27	and switch-tie (MBM)				\$880.00						9	

SCHEDULE 722 - TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS (Dollars in Thousands)

Give particulars of ties laid during the year in new construction during the year.

In column (a) classify the ties as follows:

U - Wooden ties untreated when applied.

T - Wooden ties treated before application.

S - Ties other than wooden (steel, concrete, etc.) Indicate type in column (h).

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new.

In columns (d) and (g) show the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage, and seasoning yard. In the case of treated ties, also show the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule.

Line No	Class of ties (a)	CROSSTIES			SWITCH AND BRIDGE TIES				Remarks (h)	Line No		
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of crossties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)					
1	T	506	\$ 27.97	\$ 14						1		
2										2		
3										3		
4										4		
5										5		
6										6		
7										7		
8										8		
9										9		
10										10		
11										11		
12										12		
13										13		
14										14		
15										15		
16										16		
17										17		
18										18		
19										19		
20	TOTAL	506	27.97	14	0	0.00	0			20		
21	Number of miles of new running tracks, passing tracks, cross-overs, etc. in which ties were laid										0.15	21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid										0.00	22

SCHEDULE 723 - RAILS LAID IN REPLACEMENT

1. Furnish the requested information concerning rails laid in replacement.
2. The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement considered to be spot maintenance.
3. In No. 9, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule.

Line No	Track category (a)	Miles of rail laid in replacement (rail-miles)						Total		Percent of spot maintenance (h)	Line No
		New rail		Relay rail		Total		Welded rail (f)	Bolted rail (g)		
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)	Welded rail (f)	Bolted rail (g)				
1	A	34.56	0.07	4.26	0.44	38.82	0.51			17%	1
2	B	16.91	0.18	5.97	6.33	22.88	6.51			13%	2
3	C	0.00	0.00	0.00	0.00	0.00	0.00			0%	3
4	D	0.99	0.01	0.05	0.33	1.04	0.34			1%	4
5	E	0.07	0.07	0.48	1.07	0.55	1.14			1%	5
6	TOTAL	52.53	0.33	10.76	8.17	63.29	8.50			31%	6
7	F										7
8	Potential Abandonments										8
9	Average cost of new and relay rail laid in replacement per gross ton			New		Relay		\$	\$ 236.03		9

SCHEDULE 724 - RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

(Dollars in Thousands)

1. Give particulars of all rails applied during the year in connection with the construction of new track. In column (a) classify the kind of rail applied as follows:
- (1) New steel rails, Bessemer process.
 - (2) New steel rails, open-hearth process.
 - (3) New rails, special alloy (describe more fully in a footnote).
 - (4) Relay rails.
2. Returns in columns (c) and (g) should be reported in WHOLE numbers. Fractions of less than one-half should be disregarded, and fractions of one-half or more should be counted as one.
3. The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks and of train service in connection with the distribution of the rail should not be included in this schedule.

Line No	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS				Line No
		Weight of rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb) (e)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb) (i)	
		Pounds per yard of rail (b)	Number of tons (2,000 lb) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb) (g)			
1	4					115	23.31	\$ 12	\$ 525.93	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
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23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33	TOTAL	N/A	-	\$ -		N/A	23.31	\$ 12	\$ 525.93	33
34	Number of miles of new running tracks, passing tracks, cross-overs, etc. in which rails were laid								-	34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid								0.12	35
36	Track-miles of welded rail installed on system this year				31.65	total to date			2,141.20	36

SCHEDULE 725 - WEIGHT OF RAIL

Give the particulars called for below concerning the road and track operated by the respondent at the close of the year. Only the respondent's proportion of jointly owned mileage should be included. Under "Weight of rail," the various weights of rails should be given. Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)	Line No
	Pounds				
1	152	1.06		Gauge of Track - 4 Feet 8 1/2 Inches	1
2	136	817.78		"	2
3	133	5.37		"	3
4	132	67.60		"	4
5	131	1.55		"	5
6	130	1.62		"	6
7	127	16.75		"	7
8	119	28.77		"	8
9	115	899.47		"	9
10	112	257.59		"	10
11	110	38.89		"	11
12	105	4.04		"	12
13	100	87.94		"	13
14	90	531.72		"	14
15	85	126.17		"	15
16	80	13.24		"	16
17	75	0.55		"	17
18	60	0.11		"	18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48	TOTAL	2,900.22			48

SCHEDULE 726 - SUMMARY OF TRACK REPLACEMENTS

1. Furnish the requested information concerning the summary of track replacements.
 2. In columns (d), (e), (g), and (i) give the percentage of replacements to units of property in each track category at year end.

Line No.	Track category	TIES					Rail		Ballast	Track surfacing		Line No.
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail-miles)	Percentage replaced	Miles surfaced		Percent surfaced		
		Crossties	Switch and bridge ties (board feet)	Crossties	Switch and bridge ties (board feet)							
											(b)	
1	A	63,424	85,749	3.03	3.80	39.33	3.05	124,196	250.0	38.82	1	
2	B	149,567	185,849	2.96	5.13	29.39	0.94	143,768	605.0	38.86	2	
3	C	0	0	0.00	0.00	0.00	0.00	49,149	278.0	38.88	3	
4	D	2,924	6,337	0.31	0.67	1.38	0.24	9,806	111.0	38.81	4	
5	E	4,065	67,232	0.14	0.87	1.69	0.10	11,976	347.0	38.81	5	
6	TOTAL	219,980	345,167	1.65	2.30	71.79	0.88	338,895	1591.0	38.84	6	
7	F										7	
8	Potential Abandonments										8	

SCHEDULE 750 - CONSUMPTION OF DIESEL FUEL
(Dollars in Thousands)

LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel		Line No.
		Diesel oil (gallons) (b)		
1	Freight	53,515,562		1
2	Passenger			2
3	Yard switching	4,118,149		3
4	TOTAL	57,633,711		4
5	Cost of fuel \$(000)	\$	44,265	5
6	Work Train			6

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

Unit Train, Way Train, and through Train data under items 2,3,4, 6, and 12 shall be obtained from conductor's wheel reports (freight) or similar records. Unit train service is a specialized scheduled shuttle type service in equipment (Railroad or privately owned) dedicated to such service, moving between origin and destination. The applicable tariffs and/or contracts generally require that a specific minimum tonnage or quantity of carloads be tendered as a unit for shipment on one bill of lading or other shipping document in a solid train for movement between origin and destination. Such tariffs and/or contracts generally contain restricted detention provisions and are subject to time-volume requirements which reflect the approximate capacity of the unit trains for the stated period. Way Trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through Trains are those trains operated between two or more major concentration or distribution points. Do not include Unit Train statistics in Way and Through Train statistics. A Work Train is a train operated solely or preponderantly for the purpose of transporting company freight, work equipment or company employees. Statistics for Work Trains should be reported under item 11 only. Statistics related to company equipment, company employees and company freight moving in transportation trains are not to be reported in item 11, but are to be reported in Items 4-17, 6-04, 7-02, and 8-04 and 8-05 as instructed in notes, I, K, and L.

(A) Report miles of road operated at close of year, excluding industrial tracks, yard tracks, and sidings.

(B) A train-mile is the movement of a train a distance of 1 mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions considered as 1 mile. Train-miles - Running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.

(C) A motorcar is a self-propelled unit of equipment designed to carry freight or passenger traffic, and is not considered a locomotive.

(D) A locomotive is self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit a distance of 1 mile under its own power. Include miles made by all locomotive units. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.

(E) All locomotives unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instructions (B) regarding fractions and official time tables for computing locomotive-miles.

(F) Train switching locomotive-miles shall be computed at the rate of 6 miles per hour for the time actually engaged in such service. Include miles allowed train locomotives for performing switching service at terminals and way stations.

(G) Yard switching locomotive-miles shall be computed at the rate of 6 miles per hour for the time actually engaged in yard switching service. Include miles allowed to yard locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service.

(H) Use car designations shown in Schedule 710. Under Railroad Owned and Leased cars, Items 4-01 and 4-11, report both foreign cars and respondents' own cars while on the line of the respondent railroad. In Items 4-13 and 4-15 report the private-line categories, miles for private-line cars (whether or not under railroad control) and shipper-owned cars. A car-mile is a movement of a unit of car equipment a distance of 1 mile. Report miles made by flatcars carrying loaded highway trailers or empty highway trailers moving under revenue billings as loaded freight car-miles and miles made by flatcars carrying other empty highway trailers as empty freight car-miles. Exclude miles made by motorcars and report miles made by business cars of other than reporting carrier as sleeping car-miles in Item 5-03. Report mail, express baggage cars and combination cars other than 5-02 combination cars, in Item 5-05.

(I) Exclude from Item 4-01, 4-11, 4-13, and 4-15 car-miles of work equipment, cars carrying company freight and no-payment cars moving in transportation trains. Include such car-miles in Item 4-17, 4-18, and 4-19. No payment car-miles are miles made by private-line cars (other than railroad controlled) and shipper-owned cars for which the railroad does not reimburse the owner on a loaded and/or empty miles basis. If the payment for the loaded miles includes the empty miles, the loaded and empty miles should not be considered no-payment car miles.

(J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where where services are combined such as baggage, express and mail.

(K) From conductors' or dispatchers' train reports or other appropriate source, compute weight in tons, 2,000 pounds. Item 6-01 includes weight of all locomotive units moved 1 mile in transportation trains. Ton miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Non-revenue gross ton-miles in transportation trains include work equipment and cars carrying company freight (and their contents). Use 150 lbs. as the average weight per passenger, and 4 tons as the average weight of contents of each head-end car.

(L) From conductors' train reports or other appropriate source, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and non-revenue freight moved one mile in transportation train. Include net ton-miles in motorcar trains. Exclude I.C.I. shipment of freight handled in mixed baggage express cars. Total Ton-Miles Revenue Freight should correspond to the Ton-Miles reported on Form CBS.

(M) Road service represents elapsed time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at the final terminals, including trains switching at way stations and delays on road as shown by conductors' or dispatchers' train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02 train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755 - CONCLUDED

(N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.

(O) Work-train miles inside the miles run by trains engaged in company service such as official inspection; inspection trains for railway commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made, wrecking trains; trains run solely for the purpose of transporting company material; trains run for distributing material and supplies for use in connection with operations; and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs in between yards and shops.

(P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way train to the destination point, the total count of loaded cars would be four. Two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondents lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

(Q) Report vehicle (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroads' expense. (Performed at railroads's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service). Do not include those trailer/containers which are picked up or delivered by shipper or motor carrier etc. when a tariff provision requires the shipper-motor carrier etc. and not the railroad perform that service. Note: The count should reflect the trailer/containers for which expenses is reported in Schedule 417 Line 2 Column (b).

(S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.

(T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point, should be considered "on line". Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yard (Excluding cars which are to be repaired in train and without loss of time), car moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.

SCHEDULE 755 - RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	2,848		1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,147,020	XXXXXX	2
3		2-02 Way Trains	1,529,369	XXXXXX	3
4		2-03 Through Trains	4,502,324		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	7,178,713		5
6		2-05 Motorcars (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5,6)	7,178,713		7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	3,956,551	XXXXXX	8
9		3-02 Way Trains	3,363,028	XXXXXX	9
10		3-03 Through Trains	12,415,286		10
11		3-04 TOTAL (lines 8-10)	19,734,865		11
12		3-11 Train Switching (F)	55,968	XXXXXX	12
13		3-21 Yard Switching (G)	269,803		13
14		3-31 TOTAL ALL SERVICES (lines 11,12,13)	20,060,636		14
		4. Freight Car-Miles (thousands) (H)	XXXXXX	XXXXXX	
		4-01 RR Owned and Leased Cars-Loaded	XXXXXX	XXXXXX	
15		4-010 Box-Plain 40-Foot		XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	1,910	XXXXXX	16
17		4-012 Box-Equipped	36,550	XXXXXX	17
18		4-013 Gondola-Plain	456	XXXXXX	18
19		4-014 Gondola-Equipped	4,022	XXXXXX	19
20		4-015 Hopper-Covered	15,013	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	1,190	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	3,607	XXXXXX	22
23		4-018 Refrigerator-Mechanical	302	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	403	XXXXXX	24
25		4-020 Flat-TOFC/COFC	9,901	XXXXXX	25
26		4-021 Flat-Multi-Level	574	XXXXXX	26
27		4-022 Flat-General Service	34	XXXXXX	27
28		4-023 Flat-All Other	4,514	XXXXXX	28
29		4-024 All Other Car Types-Total	2,384	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	80,860	XXXXXX	30

SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-11 RR Owned and Leased Cars-Empty	XXXXXX	XXXXXX	
31		4-110 Box-Plain 40-Foot		XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	1,549	XXXXXX	32
33		4-112 Box-Equipped	29,325	XXXXXX	33
34		4-113 Gondola-Plain	533	XXXXXX	34
35		4-114 Gondola-Equipped	4,006	XXXXXX	35
36		4-115 Hopper-Covered	15,221	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	1,241	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	4,087	XXXXXX	38
39		4-118 Refrigerator-Mechanical	170	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	369	XXXXXX	40
41		4-120 Flat-TOFC/COFC	2,566	XXXXXX	41
42		4-121 Flat-Multi-Level	148	XXXXXX	42
43		4-122 Flat-General Service	15	XXXXXX	43
44		4-123 Flat-All Other	4,501	XXXXXX	44
45		4-124 All Other Car Types-Total	2,716	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	66,447	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)	XXXXXX	XXXXXX	
47		4-130 Box-Plain 40-Foot		XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	1,530	XXXXXX	48
49		4-132 Box-Equipped	59	XXXXXX	49
50		4-133 Gondola-Plain	456	XXXXXX	50
51		4-134 Gondola-Equipped	1,148	XXXXXX	51
52		4-135 Hopper-Covered	30,951	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	514	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	178	XXXXXX	54
55		4-138 Refrigerator-Mechanical		XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	2	XXXXXX	56
57		4-140 Flat-TOFC/COFC	17,793	XXXXXX	57
58		4-141 Flat-Multi-Level	4,062	XXXXXX	58
59		4-142 Flat-General Service	1	XXXXXX	59
60		4-143 Flat-All Other	3,283	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	10,292	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	18,433	XXXXXX	62
63		4-146 All Other Car Types	289	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	88,991	XXXXXX	64

SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-15 Private Line Cars-Empty (H)	XXXXXX	XXXXXX	
65		4-150 Box-Plain 40-Foot		XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	420	XXXXXX	66
67		4-152 Box-Equipped	65	XXXXXX	67
68		4-153 Gondola-Plain	509	XXXXXX	68
69		4-154 Gondola-Equipped	1,305	XXXXXX	69
70		4-155 Hopper-Covered	31,717	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	505	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	255	XXXXXX	72
73		4-158 Refrigerator-Mechanical		XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	15	XXXXXX	74
75		4-160 Flat-TOFC/COFC	2,366	XXXXXX	75
76		4-161 Flat-Multi-Level	348	XXXXXX	76
77		4-162 Flat-General Service	10	XXXXXX	77
78		4-163 Flat-All Other	2,464	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	10,810	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	19,352	XXXXXX	80
81		4-166 All Other Car Types	762	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	70,903	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	2,162	XXXXXX	83
84		4-18 No Payment Car-Miles (I)*	139,329	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)	XXXXXX	XXXXXX	
85		4-191 Unit Trains	137,476	XXXXXX	85
86		4-192 Way Trains	59,189	XXXXXX	86
87		4-193 Through Trains	252,027	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	448,692	XXXXXX	88
89		4-20 Caboose Miles	14	XXXXXX	89

Note: Line 88 total car miles is equal to the sum of Lines 30,46,64,82,83 and 84. Accordingly, the car miles reported on Lines 83 and 84 are to be allocated to Lines 85,86 and 87 and included in the total shown on Line 88.

SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		6. Gross Ton-Miles (thousands) (K)	XXXXXX	XXXXXX	
98		6-01 Road Locomotives	3,710,118		98
		6-02 Freight Trains, Crs., Cnts, and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	11,310,106	XXXXXX	99
100		6-021 Way Trains	4,281,872	XXXXXX	100
101		6-022 Through Trains	19,968,628	XXXXXX	101
102		6-03 Passenger-Trains, Crs., and Cnts.			102
103		6-04 Non-Revenue	80,546	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	39,351,270		104
		7. Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	65,342	XXXXXX	105
106		7-02 Non-Revenue	882	XXXXXX	106
107		7-03 TOTAL (lines 105,106)	66,224	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	20,134,739	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (lines 108,109)	20,134,739	XXXXXX	110
111		8-04 Non-Revenue-Road Service	62,527	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (lines 111,112)	62,527	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110,113)	20,197,266	XXXXXX	114
		9. Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	349,085	XXXXXX	115
116		9-02 Train Switching	9,328	XXXXXX	116
117		10. TOTAL YARD-SWITCHING HOURS (N)	176,278	XXXXXX	117
		11. Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	15,679	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12. Number of Loaded Freight Cars (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	266,610	XXXXXX	120
121		12-02 Way Trains	452,811	XXXXXX	121
122		12-03 Through Trains	714,201	XXXXXX	122
123		13. TOFC/COFC-No. Rev Trls & Cntrs Load & Unload(Q)	290,278	XXXXXX	123
124		14. Multi-Level Cars-No. Motor Vhcls Load & Unload(Q)		XXXXXX	124
125		15 TOFC/COFC-No. of Rev. Trls Picked Up and Dlvrld(R)		XXXXXX	125
		16. Revenue Tons-Marine Terminal (S)	XXXXXX	XXXXXX	
126		16-01 Marine Terminals-Coal		XXXXXX	126
127		16-02 Marine-Terminals-Ore		XXXXXX	127
128		16-03 Marine Terminals-Other		XXXXXX	128
129		16-04 TOTAL (lines 126-128)		XXXXXX	129
		17. Number of Foreign Per Diem Cars on Line (T)	XXXXXX	XXXXXX	
130		17-01 Serviceable	4,964	XXXXXX	130
131		17-02 Unserviceable	44	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	5,008	XXXXXX	133

VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of MISSOURI
County of JACKSON

RONALD E. ELLIFRITS
(Insert here name of the affiant)

makes oath and says that he is

ASST VICE PRESIDENT & ASST COMPTROLLER
(Insert here the official title of the affiant)

Of THE KANSAS CITY SOUTHERN RAILWAY COMPANY
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives this Commission; that he believes that all other statements of fact contained in this report are true, and that this is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above - named respondent during the period of time from and including

JANUARY 1, 20 01 to and including DECEMBER 31, 20 01

Ronald E. Ellifrits
(Signature of affiant)

Subscribed and sworn to before me, a NOTARY PUBLIC in and for the state and

county above named, this 30 th day of March, 20 01

My commission expires

Use an

L.S.
impression seal

JOYCE E. MCKOWN
Notary Public-State of Missouri
Commissioned in Clay County
My Commission Expires August 26, 2005

Joyce E. McKown
(signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of MISSOURI
County of JACKSON

LOUIS G. VAN HORN
(Insert here name of the affiant)

makes oath and says that he is

VICE PRESIDENT & COMPTROLLER
(Insert here the official title of the affiant)

Of THE KANSAS CITY SOUTHERN RAILWAY COMPANY
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report, that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above - named respondent and the operations of its property during the period of time from and including

JANUARY 1, 20 01 to and including DECEMBER 31, 20 01

Louis G. Van Horn
(Signature of affiant)

Subscribed and sworn to before me, a NOTARY PUBLIC in and for the state and

county above named, this 30 th day of March, 20 01

My commission expires

Use an

L.S.
impression seal

JOYCE E. MCKOWN
Notary Public-State of Missouri
Commissioned in Clay County
My Commission Expires August 26, 2005

Joyce E. McKown
(signature of officer authorized to administer oaths)

**MEMORANDA
(FOR USE OF COMMISSION ONLY)
CORRESPONDENCE**

[illegible]

CORRECTIONS

[illegible]**EXPLANATORY REMARKS**

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INTENTIONALLY**

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

Paul C. Windisch
Director, Financial Accounting
Phone: (816) 983 - 1185



114 West 11th Street
Kansas City, Missouri 64106-1804
Fax: (816) 983 - 1314

July 25, 2002

Mr. Scott Decker
Surface Transportation Board
Office of Economics, Environmental Analysis and Administration
The Mercury Building
1925 K Street N.W., Suite 500
Washington, DC 20423-0001

Dear Mr. Decker:

Enclosed herewith is (are) the revised schedules of our Annual Report, Form R-1 and Schedule 250 of the Kansas City Southern Railway Company and Controlled Companies for the year ended December 31, 2001.

The revised schedules are as follows:

Schedule	Lines	Pages
200	8, 14, 29, 32, 40, 62	5 & 6
200	Item 2	7
240	15, 17, 40	21 & 22
245	12, 14, 15	23
210	20, 27, 28, 37, 38, 42, 66, 67	16 & 17
415	37, 42, 43	57
510	18, 22, 23, 24, 25, 26, 27, 28	69
710	30 & 35	79
755	1, 13, 14	94
250	1, 3, 4, 5	

Please acknowledge receipt on a copy of this letter or by fax to the number listed above.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Paul C. Windisch'.

Paul C. Windisch
Enclosure(s)

Revised 6/20/02

THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

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SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS
(DOLLARS IN THOUSANDS)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at Beginning of year (c)	Line No.
Current Assets						
1		701	Cash	4,418	952	1
2		702	Temporary Cash Investments	18,696	16,517	2
3		703	Special Deposits	86	32	3
4		704	Accounts Receivable - Loan and Notes	(22)	83	4
5		705	- Interline and Other Balances	4,058	2,222	5
6		706	- Customers	62,252	58,924	6
7		707	- Other	10,434	11,930	7
8		709, 708	- Accrued Accounts Receivables	54,488	51,005	8
9		708.5	- Receivables from Affiliated Companies			9
10		709.5	- Less: Allowance for Uncollectible Accounts	(7,845)	(2,248)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	18,377	8,584	11
12		712	Materials and Supplies	27,081	31,731	12
13		713	Other Current Assets	19,250		13
14			TOTAL CURRENT ASSETS	211,273	179,732	14
Other Assets						
15		715, 716, 717	Special Funds			15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 & 310)	414,152	444,864	16
17		722, 723	Other Investments and Advances	36	134	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr.			18
19		737, 738	Property Used In Other than Carrier Operation (less Depreciation) \$342	2,374	2,387	19
20		739, 741	Other Assets	(1)	(1)	20
21		743	Other Deferred Debits	97,978	79,793	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	514,539	527,177	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	1,459,314	1,292,898	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	281,545	278,981	25
26		731, 732	Unallocated Items	88,893	162,135	26
27		733, 735, 736	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(605,824)	(560,329)	27
28			Net Road and Equipment	1,223,928	1,173,685	28
29			TOTAL ASSETS	1,949,740	1,880,594	29

NOTES AND REMARKS

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THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(DOLLARS IN THOUSANDS)

Line No	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at Beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable: Interline and Other Balances	22,730	22,671	31
32		753	Audited Accounts and Wages	39,727	42,967	32
33		754	Other Accounts Payable	2,034	2,349	33
34		755, 756	Interest and Dividends Payable	9,763	7,020	34
35		757	Payables to Affiliated Companies			35
36		759	Accrued Accounts Payable	121,901	117,353	36
37		760, 761, 761.5, 762	Taxes Accrued	(2,390)	(6,702)	37
38		763	Other Current Liabilities	10	83	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	45,037	34,421	39
40			TOTAL CURRENT LIABILITIES	238,812	220,162	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured	565,000	577,500	41
42		766	Equipment Obligations	36,198	43,498	42
43		766.5	Capitalized Lease Obligations	2,473	3,033	43
44		768	Debt in Default			44
45		769	Accounts payable: Affiliated Companies			45
46		770.1, 770.2	Unamortized Debt Premium			46
47		781	Interest in Default			47
48		783	Deferred Revenues-Transfers from Government Authorities			48
49		786	Accumulated Deferred Income Tax Credits	351,044	313,315	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	62,002	65,812	50
51			TOTAL NONCURRENT LIABILITIES	1,016,717	1,003,158	51
Shareholders' Equity						
52		791, 792	Total Capital Stock: (Schedule 230) (L 53 & 54)	57,504	57,504	52
53			Common Stock	36,504	36,504	53
54			Preferred Stock	21,000	21,000	54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	312,719	315,585	56
Retained Earnings:						
57		797	Appropriated			57
58		798	Unappropriated (Schedule 220)	327,775	287,972	58
59		798.1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock	(3,787)	(3,787)	60
61			Net Stockholders Equity	694,211	657,274	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	1,949,740	1,880,594	62

NOTES AND REMARKS

KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

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SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

(Dollars in Thousands)

Revised 7/1/02

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts _____ \$ None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of year following that for which the report is made _ \$3,600 in total with a limit of \$780/yr

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year Not Applicable

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund ____

(c) Is any part of pension plan funded? Specify. Yes ____ No ____

(i) If funding is by insurance, give name of insuring company _____

If funding is by trust agreement, list trustee(s) _____

Date of trust agreement or latest amendment _____

If respondent is affiliated in any way with the trustee(s), explain affiliation: _____

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement _____

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify.

Yes ____ No ____

If yes, give number of the shares for each class of stock or other security _____

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes ____ No ____ If yes, who determines how stock is voted? _____

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). Yes X No ____

5. (a) The amount of employers contribution to employee stock ownership plans for the current year was \$ None

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6. In reference to Docket No. 37465 specify the total amount of business entertainment expenditures charged to the non-operating expense account. \$ None

Continued on following page

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

7 Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 5-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the amounts of the respondent

Disclose the nature and amount of contingency that is material.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages.)

Litigation:

The Company is involved as plaintiff or defendant in various legal actions arising in the normal course of business. While the ultimate outcome of the various legal proceedings involving the Company cannot be predicted with certainty, it is the opinion of management, after consultation with legal counsel, that these legal actions currently are not material to the financial position of the Company. Based upon information currently available, the Company believes that its litigation reserves are adequate. The following outlines four significant ongoing cases.

Duncan Case

In 1998, a jury in Beauregard Parish, Louisiana returned a verdict against KCSR in the amount of \$16.3 million. This Louisiana state case arose from a railroad crossing accident which occurred at Oretta, Louisiana on September 11, 1994, in which three individuals were injured. Of the three, one was injured fatally, one was rendered quadriplegic and the third suffered less serious injuries.

Subsequent to the verdict, the trial court held that the plaintiffs were entitled to interest on the judgement from the date the suit was filed, dismissed the verdict against one defendant and reallocated the amount of that verdict to the remaining defendants.

On November 3, 1999, the Third Circuit Court of Appeals in Louisiana affirmed the judgment. Subsequently KCSR sought and obtained review of the case in the Supreme Court of Louisiana. On October 30, 2000 the Supreme Court of Louisiana entered its order affirming in part and reversing in part the judgement. The net effect of the Louisiana Supreme Court action was to reduce the allocation of negligence to KCSR and reduce the judgement, with interest, against KCSR from approximately \$28 million to approximately \$14.2 million (approximately \$9.7 million of damages and \$4.5 million of interest), which is in excess of KCSR's insurance coverage of \$10 million for this case. KCSR filed an application for rehearing in the Supreme Court of Louisiana which was denied on January 5, 2001. KCSR then sought a stay of judgement in the Louisiana court. The Louisiana court denied the stay application on January 12, 2001. KCSR reached an agreement as to the payment structure of the judgement in this case and payment of the settlement was made on March 7, 2001.

KCSR had previously recorded a liability of approximately \$3.0 million for this case. Based on the Supreme Court of Louisiana's decision, as of December 31, 2000, management recorded an additional liability of \$11.2 million and also recorded a receivable in the amount of \$7.0 million representing the amount of the insurance coverage. This resulted in recording \$4.2 million of net operating expense in the accompanying consolidated financial statements for the year ended December 31, 2000. The final installment on the \$7.0 million receivable from the insurance company was received by KCSR in June 2001.

Bogalusa Cases

In July 1996, the Company was named as one of twenty-seven defendants in various lawsuits in Louisiana and Mississippi arising from the explosion of a rail car loaded with chemicals in Bogalusa, Louisiana on October 23, 1995. As a result of the explosion, nitrogen dioxide and oxides of nitrogen were released into the atmosphere over parts of Bogalusa and the surrounding area allegedly causing evacuations and injuries. Approximately 25,000 residents of Louisiana and Mississippi (plaintiffs) have asserted claims to recover damages allegedly caused by exposure to the released chemicals.

On October 29, 2001, KCSR and representatives for its excess insurance carriers negotiated a settlement in principle with the Louisiana and Mississippi plaintiffs for \$22.3 million. The settlement is subject to the execution of a Master Global Settlement Agreement ("MGSA") and releases by the parties. In Louisiana, the Court will evaluate the MGSA at a fairness hearing and decide whether the proposed settlement is fair for the class of plaintiffs. In Mississippi, the plaintiffs are expected to individually execute release instruments. Management expects that these events could occur by the end of the third quarter of 2002.

At December 31, 2001, the Company had recorded a liability in its consolidated financial statements of \$22.3 million and an insurance receivable of \$19.3 million related to the Bogalusa cases.

Houston Cases

In August 2000 KCSR and certain of its affiliates were added as defendants in lawsuits pending in Jefferson and Harris Counties, Texas. These lawsuits allege damage to approximately 3,000 plaintiffs as a result of an alleged toxic chemical release from a tank car in Houston, Texas on August 21, 1998. Litigation involving the shipper and the delivering carrier had been pending for some time, but KCSR, which handled the car during the course of its transport, had not previously been named a defendant. On June 28, 2001, KCSR reached a final settlement with the 1,664 plaintiffs in the lawsuit filed in Jefferson County, Texas. KCSR continues to vigorously defend the lawsuit filed in Harris County, Texas and management believes the Company's probability of liability for damages in this case to be remote.

Jaroslawicz Class Action

On October 3, 2000, a lawsuit was filed in the New York State Supreme Court purporting to be a class action on behalf of the Company's preferred shareholders, and naming KCSI, its Board of Directors and Stilwell Financial Inc. as defendants. This lawsuit seeks a declaration that the spinoff was a de facto liquidation of KCSI, alleges violation of director's fiduciary duties to the preferred shareholders and also seeks a declaration that the preferred shareholders are entitled to receive the par value of their shares and other relief. The Company filed a motion to dismiss with prejudice in the New York State Supreme Court on December 22, 2000; the plaintiff filed its brief in opposition to the motion to dismiss on February 1, 2001, and the Company served reply papers on March 7, 2001. On November 19, 2001, the New York State Supreme Court granted the Company's motion in its entirety and dismissed this lawsuit.

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KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

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SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

Environmental Matters:

The Company is subject to extensive regulation under environmental protection laws concerning, among other things, discharges to waters and the generation, handling, storage, transportation and disposal of waste and other materials where environmental risks are inherent. In particular, the Company is subject to various laws and certain legislation including, among others, the Federal Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA," also known as the Superfund law), the Toxic Substances Control Act, the Federal Water Pollution Control Act, and the Hazardous Materials Transportation Act. This legislation generally imposes joint and several liability for clean up and enforcement costs, without regard to fault or legality of the original conduct, on current and predecessor owners and operators of a site. The Company does not foresee that compliance with the requirements imposed by the environmental legislation will impair its competitive capability or result in any material additional capital expenditures, operating or maintenance costs. As part of serving the petroleum and chemicals industry, the Company transports hazardous materials and has a Shreveport, Louisiana-based hazardous materials emergency team available to handle environmental issues which might occur in the transport of such materials. Additionally, the Company performs ongoing review and evaluation of the various environmental issues that arise in the Company's operations, and, as necessary, takes actions to limit the Company's exposure to potential liability.

The Company has recorded liabilities with respect to various environmental issues, which represent its best estimates of remediation and restoration costs that may be required to comply with present laws and regulations. At December 31, 2001, these recorded liabilities were not material. Although these costs cannot be predicted with certainty, management believes that the ultimate outcome of identified matters will not have a material adverse effect on the Company's consolidated results of operations or financial condition.

(a) Changes in Valuation Accounts

8. Marketable Equity Securities.

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.)	Current Portfolio				N / A
as of / /	Noncurrent Portfolio			N / A	\$
(Previous Yr.)	Current Portfolio			N / A	N / A
as of / /	Noncurrent Portfolio			N / A	N / A

(b) AT / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$ _____	\$ _____
Noncurrent	_____	_____

(c) A net unrealized gain (loss) of \$ _____ on the sale of marketable equity securities was included in net income for _____ (year). The cost of securities sold was based on the _____ (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / (date) Balance sheet date of reported year unless specified as previous year.

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KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY - Continued
NOTES TO FINANCIAL STATEMENTS**Footnote 1:**

During 2001, KCSTC and Gateway Western Railway were merged into KCSR.

Footnote 2:

KCSI adopted the provisions, Statement of Financial Accounting Standards No. 133 "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), effective January 1, 2001. As a result of this change in the method of accounting for derivative financial instruments, the Company recorded an after-tax charge to earnings of \$382 thousand in the first quarter of 2001. This charge is presented as a cumulative effect of an accounting change in the accompanying financial statements. This amount represents the ineffective portion of interest rate cap agreements.

Footnote 3:

Correction of prior period error on Southern Capital Corporation audit of financial statements.

Footnote 4:

Concurrent with the consolidation of the Gateway Western Railway and Gateway Eastern Railway, as approved by the STB March 1, 2002, amount represents reclassification of Retained Earnings from Affiliated Companies to Consolidated Unappropriated Retained Earnings.

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SCHEDULE 200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY - Concluded
NOTES TO FINANCIAL STATEMENTS

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THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 210 - RESULTS OF OPERATIONS

(Dollars in Thousands)

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513. "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parentheses.

5. Cross-checks

Schedule 210

Line 15, column (b)

Line 47 plus 48 plus 49, column (b)

Line 50, column (b)

Line 14, column (b)

Line 14, column (d)

Line 14, column (e)

Schedule 210

= Line 62, column (b)

= Line 63, column (b)

= Line 64, column (b)

Schedule 410

= Line 620, column (h)

= Line 620, column (f)

= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	535,186	497,645	535,186		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	20,265	13,085	20,265		4
5		(105) Water Transfers					5
6		(106) Demurrage	8,376	9,167	8,376		6
7		(110) Incidental	2,581	2,083	2,581		7
8		(121) Joint Facility-Credit					8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	566,408	521,980	566,408		10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	566,408	521,980	566,408		13
14		(531) Railway operating expenses	499,306	463,645	499,306		14
15		Net revenue from railway operations	67,102	58,335	67,102		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	50	31			16
17		(510) Miscellaneous rent income	3,030	3,241			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)		1,567			19
20		(514) Interest income	882	3,566			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	1,308	363			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)		14,613			25
26		b. Equity in undistributed earnings (losses)	29,016	13,426			26
27		TOTAL OTHER INCOME (lines 16-26)	34,286	36,807			27
28		TOTAL INCOME (lines 15, 27)	101,388	95,142			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	12	13			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income Transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	677	869			34
35		(553) Uncollectible accounts	1,801	774			35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	2,490	1,656			36
37		Income available for fixed charges (lines 28, 36)	98,898	93,486			37

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SCHEDULE 210 - RESULTS OF OPERATIONS - Continued

(Dollars in thousands)

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Line No	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	50,479	64,259	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	(254)	(4,985)	40
41		(548) Amortization of discount on funded debt	2,973	5,804	41
42		TOTAL FIXED CHARGES (lines 38-41)	53,198	65,078	42
43		Income after fixed charges (lines 37, 42)	45,700	28,408	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			
		(c) Contingent interest	181		44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	45,519	28,408	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	(20,890)	(28,385)	47
48		(b) State income taxes	(1,253)	(327)	48
49		(c) Other income taxes	103	171	49
50		(557) Provision for deferred taxes	27,490	27,549	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	5,450	(992)	51
52		Income from continuing operations (lines 46-51)	40,069	29,400	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52 + 53 + 54)	40,069	29,400	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (Net)		(1,830)	56
57		(590) Income taxes on extraordinary items		(700)	57
58		(591) Provision for deferred taxes--Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)		(2,530)	59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$ 237)	(382)		60
61		Net income (Loss) (lines 55 + 59 + 60)	39,687	26,870	61
Reconciliation of net railway operating income (NROI)					
62		Net revenues from railway operations	67,102	58,335	62
63		(556) Income taxes on ordinary income (-)	(22,040)	(28,541)	63
64		(557) Provision for deferred taxes (-)	27,490	27,549	64
65		Income from lease of road and equipment (-)		116	65
66		Rent for leased roads and equipment (+)	2,875	2,701	66
67		Net railway operating income (loss)	64,527	61,912	67

Line 60: See footnote 2 on page 10.

See footnote 1 on page 10.

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Year 2001

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SCHEDULE 240 - STATEMENT OF CASH FLOWS

(Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers as cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenue and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If direct method is used complete lines 1 - 41; indirect method complete lines 10 - 41. Cash for the purpose of this schedule shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and financing activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and non cash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash; only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

CASH FLOWS FROM OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
1.		Cash received from operating revenues			1.
2.		Dividends received from affiliates			2.
3.		Interest received			3.
4.		Other income			4.
5.		Cash paid for operating expenses			5.
6.		Interest paid (net of amounts capitalized)			6.
7.		Income taxes paid			7.
8.		Other--net			8.
9.		NET CASH PROVIDED BY OPERATING ACTIVITIES (LINES 1 - 8)			9.

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
10.		Income from continuing operations	40,069	29,400	10.

ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
11.		Loss (gain) on sale or disposal of tangible property and investments	(922)	(143)	11.
12.		Depreciation and amortization expenses	53,525	49,737	12.
13.		Increase (decrease) in provision for Deferred Income Taxes	29,479	30,420	13.
14.		Net decrease (increase) in undistributed earnings (losses) of affiliates	(29,016)	(13,426)	14.
15.		Decrease (increase) in accounts receivable	(1,449)	(5,806)	15.
16.		Decrease (increase) in materials and supplies, and other current assets	(16,135)	7,325	16.
17.		Increase (decrease) in current liabilities other than debt	8,034	(5,306)	17.
18.		Increase (decrease) in other--net	(21,995)	(33,168)	18.
19.		Net cash provided from continuing operations (Lines 10-18)	61,590	59,033	19.
20.		Add (subtract) cash generated (paid) by reason of discontinued operations and extraordinary items	(382)		20.
21.		NET CASH PROVIDED FROM OPERATING ACTIVITIES (Lines 19 & 20)	61,208	59,033	21.

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
22.		Proceeds from sale of property	8,451	2,822	22.
23.		Capital expenditures	(57,411)	(92,047)	23.
24.		Net change in temporary cash investments not qualifying as cash equivalents			24.
25.		Proceeds from sale/repayment of investment and advances	3,539		25.
26.		Purchase price of long-term investment and advances			26.
27.		Net decrease (increase) in sinking and other special funds			27.
28.		Other--net			28.
29.		NET CASH USED IN INVESTING ACTIVITIES (Lines 22-28)	(45,421)	(89,225)	29.

(Continued on next page)

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KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 240 - STATEMENT OF CASH FLOWS (Concluded)
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
30.		Proceeds from issuance of long-term debt	39,867	973,248	30.
31.		Principal payments of long-term debt	(50,009)	(914,129)	31.
32.		Proceeds from issuance of capital stock			32.
33.		Purchase price of acquiring treasury stock			33.
34.		Cash dividends paid			34.
35.		Other—net		(15,292)	35.
36.		NET CASH FROM FINANCING ACTIVITIES (Lines 30-35)	(10,142)	43,827	36.
37.		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (LINES 21, 29 & 36)	5,645	13,635	37.
38.		Cash and cash equivalents at beginning of the year	17,469	3,834	38.
39.		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Lines 37 & 38)	23,114	17,469	39.
		Footnotes to Schedule 240			
40.		Cash paid during the year for:			
		Interest (net of amount capitalized)*	50,455	60,287	40.
41.		Income taxes (net)*	(46,650)	(13,053)	41.

*Only applies if indirect method is adopted.

NOTES AND REMARKS

NONCASH ITEMS:

Reclass Accounts Payable to Intercompany Advances		1,401
Capital Contribution		238,678
Accumulated Comprehensive Income	2,866	
Prior year adjustment to Retained Earnings	(116)	

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SCHEDULE 245 - WORKING CAPITAL

(Dollars in Thousands)

1. This schedule should include only data pertaining to railway transportation services.
2. Carry out calculation of lines 9, 10, 20, and 21, to the nearest whole number.

Line No.	Item (a)	Source	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	4,058	1
2	Customers (706)	Schedule 200, line 6, column b	62,252	2
3	Other (707)	Note A	10,434	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2 + 3	76,744	4
OPERATING REVENUE				
5	Railway Operating Revenue	Schedule 210, line 13, column b	566,408	5
6	Rent Income	Note B	26,698	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	593,106	7
8	Average Daily Operating Revenues	Line 7 / 360 days	1,648	8
	Days of Operating Revenue in			
9	Current Operating Assets	Line 4 / line 8	47	9
10	Revenue Delay Days Plus Buffer	Line 9 + 15 days	62	10
CURRENT OPERATING LIABILITIES				
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	22,730	11
12	Audited Accounts and Wages Payable (753)	Note A	39,727	12
13	Accounts Payable - Other (754)	Note A	2,034	13
14	Other Taxes Accrued (761.5)	Note A	3,961	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	68,452	15
OPERATING EXPENSES				
16	Railway Operating Expenses	Schedule 210, line 14, column b	499,306	16
17	Depreciation	Schedule 410, line 136, 137, 138, 213, 232, 317 column h	53,512	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	472,492	18
19	Average Daily Expenditures	Line 18 / 360 days	1,312	19
	Days of Operating Expenses in Current			
20	Operating Liabilities	Line 15 / line 19	52	20
21	Days of Working Capital Required	Line 10 - line 20 (Note C)	10	21
22	Cash Working Capital Required	Line 21 * line 19	13,120	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	23,114	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	13,120	24
MATERIALS AND SUPPLIES				
25	Total Material and Supplies (712)	Note A	27,081	25
26	Scrap and Obsolete Material Included in Acct. 712	Note A	2,017	26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	25,064	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	38,184	28

Notes:

(A) Use common carrier portion only. Common carrier refers to railway transportation service.

(B) Rent Income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316. Rent income is added to railway operating revenues to produce total revenues. Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense.

(C) If result is negative, use zero.

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SCHEDULE 416 - SUPPORTING SCHEDULE-EQUIPMENT
 (Dollars in Thousands)

Line No	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No
				Owned (c)	Capitalized lease (d)		
1		LOCOMOTIVES					
		Diesel Locomotive-Yard	292	30			1
2		Diesel Locomotive-Road	21,538	2,723			2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL	21,830	2,753			5
6		FREIGHT TRAIN CARS					
		Box-Plain 40 Foot		19			6
7		Box-Plain 50 Foot and Longer	14	272			7
8		Box-Equipped	4,916	1,988			8
9		Gondola-Plain	28		141		9
10		Gondola-Equipped	309	13	198		10
11		Hopper-Covered	601	661	74		11
12		Hopper-Open Top-General Service	15				12
13		Hopper-Open Top-Special Service	374	99			13
14		Refrigerator-Mechanical	4				14
15		Refrigerator-Nonmechanical	0				15
16		Flat TOFC/COFC	565				16
17		Flat Multi-level	98				17
18		Flat-General Service	2	(2)			18
19		Flat-Other	128	170			19
20		All Other Freight Cars	4	44			20
21		Caboose	30				21
22		Auto Racks	339				22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS	7,427	3,264	413		24
		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	2,317				26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	2,317				32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger and Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems and word processing equip.	197	2,455			37
38	*	Machinery-Locomotives 1	24	28			8 38
39	*	Machinery-Freight Cars 2	3	47			15 39
40	*	Machinery-Other Equipment 3	1	1			40
41	*	Work and Other Non-revenue Equipment	1,504	653			41
42		TOTAL OTHER EQUIPMENT	1,729	3,184			23 42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	33,303	9,201	413		23 43

- 1 The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.
 2 The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.
 3 The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 308, reduced by the allocable portion of line 320.

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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250 - CONSOLIDATED INFORMATION
FOR REVENUE ADEQUACY DETERMINATION
(Dollars in Thousands)

Line No.	Item (a)	Beginning of year (b)	End of year (c)
1	Adjusted Net Railway Operating Income For Reporting Entity	N / A	
	Combined/Consolidated Net Railway Operating Income for Reporting Entity		66,287
2	Add: Interest Income from Working Capital Allowance-Cash Portion		585
3	Income Taxes Associated with Non-Rail Income and Deductions		(551)
4	Gain or (loss) from transfer/reclassification to nonrail-status (net of income taxes)		0
5	Adjusted Net Railway Operating Income(Lines 1, 2, 3, & 4)		66,321
6	Adjusted Investment in Railroad Property for Reporting Entity		
	Combined Investment in Railroad Property Used in Transportation Service	1,226,823	1,223,928
7	Less: Interest During Construction	2,157	2,157
8	Other Elements of Investment (if debit balance)	0	0
9	Add: Net Rail Assets of Rail-Related Affiliates	20,586	21,242
10	Working Capital Allowance	38,279	38,184
11	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	1,283,531	1,281,197
12	Less: Accumulated Deferred Income Tax Credits	321,917	354,392
13	Net Investment Base (Line 11-12)	961,614	926,805

In the space provided, please list all railroads and rail-related affiliated companies which are being reported in this consolidation, along with the nature of the business for each company.

Name of Affiliate	Nature of Business
The Kansas City Southern Railway Company	Railroad
Superior Tie and Timber Tie Plant	Tie and Timber Treating Company
Transfin Insurance, LTD.	Insurance Company
Mid-South Microwave	Communications Leasing Company
Rice-Carden Corporation	Railway Equipment Leasing
<p align="center">RECEIVED SURFACE TRANSPORTATION BOARD 2002 MAY - 1 P 11:40 OFFICE OF ECONOMICS DIRECTOR'S OFFICE</p>	

SCHEDULE 250 - PART B
Determination of Nonrail Taxes

This table is designed to facilitate the calculation of taxes that are not rail-related, the amount to be reported on Schedule 250, Line 3.

Part I - DETERMINE TAXES ON NONRAILROAD INCOME FOR ALL COMBINED/CONSOLIDATED RAILROADS

(Excludes all Rail - Related Affiliates)

- (1) Determine Combined/Consolidated Adjusted income from continuing operations (before taxes) for all affiliated railroads (all classes). Do not include rail-related affiliates that are not railroads in this part. This represents the total combined/consolidated amounts for all items listed below for all railroads in the reporting entity.

Income from continuing operations (before taxes) should be the equivalent of the numbers contained in the R-1 Schedule 210, Line 46 adjusted to include all railroads in the reporting entity.....	45,519
- Equity in undistributed earnings, which represents the total of Schedule 210, Line 26 for all railroads in the reporting entity.....	29,016
- Dividends in affiliated companies. (If the affiliate is 80% or more controlled by the parent railroad, then deduct 100% of the affiliate's dividend. If the affiliate is less than 80% controlled by the parent railroad, then deduct 80% of the affiliate's dividend).....	0
= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below.....	16,503

- (2) Determine Combined/Consolidated Adjusted Pre-tax NROI for all railroads in the reporting entity
 Combined/Consolidated Pre-tax NROI for the entire entity, which equals the amount shown on Schedule 250, Line 1.....

	64,438
+ Current Provisions for taxes, which represents the consolidated amounts of Schedule 210, Line 51 for all railroads in the reporting entity. (This figure includes both Account 556, Income Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes.....	5,450
+ Interest income on working capital allowance, which represents the total consolidated interest income relative to the working capital component of the net investment base and should equal the amount shown in Schedule 250, Line 2 for all railroads in the reporting entity.....	585
+ Release of premiums on funded debt, which represents the consolidated total of release of premium on funded debt as shown on Schedule 210, Line 22 for all railroads in the reporting entity.....	0
- Total fixed charges, which represents the consolidated total of fixed charges as shown on Schedule 210, Line 42 for all railroads in the reporting entity.....	52,901
- Railroad-related income from affiliates (Other than railroads) which was included in consolidated NROI (Schedule 250, Line 1).....	1,849
= Combined/Consolidated Pre-Tax Adjusted NROI for all railroads. This represents "B" in item (3) below.....	15,723

- (3) Calculate the railroad-related tax ratio : "B/A".....

95.27%

- (4) Compute the nonrailroad-related complement: (1 - Railroad-related income ratio) which equals the Nonrailroad-related tax ratio.....

4.73%

- (5) Compute the nonrailroad portion of the total provisions for taxes. This equals:

The Nonrailroad-related tax ratio (Item (4) above) times the total current income taxes accrued on ordinary income (Account 556) which represents the consolidated amounts of Schedule 210, Lines

47, 48, and 49 for all railroads in the reporting entity.....

(1,042)

THE KANSAS CITY SOUTHERN LINES CONSOLIDATED**Year 2001****PART II-DETERMINE NONRAILROAD-RELATED TAXES FOR RAIL-RELATED AFFILIATES (Excludes all Affiliated Railroads)**

- (6) This is calculated by dividing the nonrailroad-related income for combined rail-related affiliates by the total pre-tax net income for all combined rail-related affiliates and multiplying this result by the total taxes (current provision plus deferred). This equals the taxes on nonrailroad income for all affiliated companies..... 491

PART III - DETERMINE TOTAL NONRAILROAD-RELATED TAXES

- (7) This is determined as follows:

Total income taxes on nonrailroad-related income for all railroads in the reporting entity (Item 5 above).....	<u>(1,042)</u>
+ Total Nonrailroad-related taxes for rail-related affiliates (Item 6 above).....	<u>491</u>
Equals Total nonrailroad-related taxes (This amount should be transferred to Schedule 250, Part A, Line 3)..	<u>(551)</u>

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KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 415 - SUPPORTING SCHEDULE-EQUIPMENT (Dollars in Thousands)							Revised 5/20/02
Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
1		LOCOMOTIVES					
		Diesel Locomotive-Yard	292	30			1
2		Diesel Locomotive-Road	21,538	2,723			2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL	21,830	2,753			5
6		FREIGHT TRAIN CARS					
		Box-Plain 40 Foot		19			6
7		Box-Plain 50 Foot and Longer	14	272			7
8		Box-Equipped	4,918	1,988			8
9		Gondola-Plain	28		141		9
10		Gondola-Equipped	309	13	198		10
11		Hopper-Covered	601	661	74		11
12		Hopper-Open Top-General Service	15				12
13		Hopper-Open Top-Special Service	374	99			13
14		Refrigerator-Mechanical	4				14
15		Refrigerator-Nonmechanical	0				15
16		Flat TOFC/COFC	565				16
17		Flat Multi-level	98				17
18		Flat-General Service	2	(2)			18
19		Flat-Other	128	170			19
20		All Other Freight Cars	4	44			20
21		Caboose	30				21
22		Auto Racks	339				22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS	7,427	3,264	413		24
		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	2,317				26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	2,317				32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT Passenger and Other Revenue Equipment (Freight Portion)					
36	*						36
37	*	Computer systems and word processing equip.	197	2,455			37
38	*	Machinery-Locomotives 1	24	28			8 38
39	*	Machinery-Freight Cars 2	3	47			15 39
40	*	Machinery-Other Equipment 3	1	1			40
41	*	Work and Other Non-revenue Equipment	1,504	653			41
42		TOTAL OTHER EQUIPMENT	1,729	3,184			23 42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	33,303	9,201	413		23 43

1 The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.

2 The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.

3 The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

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SCHEDULE 415 - SUPPORTING SCHEDULE-EQUIPMENT-Continued

(Dollars in Thousands)

Revised 5/20/02

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		280	1,255		1,097		1
2		19,188	97,918		38,886		2
3							3
4							4
5		19,448	99,173		39,983		5
6			51		40		6
7		2,110	12,214		4,862		7
8		8,978	51,344		19,241		8
9		1,891	1,202	2,530	954	2,179	9
10		598	331	2,970	156	1,435	10
11		4,694	25,924	1,112	11,114	808	11
12		161	1,895		1,229		12
13		2,322	8,269		3,722		13
14							14
15			38		38		15
16		1,405	29		20		16
17							17
18			255		256		18
19		1,372	9,722		5,025		19
20		1,031	2,611		1,965		20
21			63		57		21
22		1,102					22
23							23
24		23,664	111,946	6,612	48,477	4,420	24
25							25
26		2,352					26
27							27
28							28
29							29
30							30
31							31
32		2,352					32
33							33
34							34
35							35
36							36
37		8,577			18,695		37
38			3,210		2,458		38
39			5,515		4,222		39
40			93		72		40
41		2,169	34,887		19,249		41
42		8,746	43,685	0	44,696		42
43		54,210	254,804	6,612	133,156	4,420	43

1 The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.

2 The depreciation to be reported on lines 38, 39, and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (j), Schedule 335.

57A KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED Year 2001

SCHEDULE 415 - SUPPORTING SCHEDULE-EQUIPMENT (Improvements on Leased Property) (Dollars in Thousands) Revised 5/20/02							
Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
1		LOCOMOTIVES					1
		Diesel Locomotive-Yard			11		
2		Diesel Locomotive-Road			327		2
3		Other Locomotive-Yard					3
4		Other Locomotive-Road					4
5	*	TOTAL			338		5
6		FREIGHT TRAIN CARS					6
		Box-Plain 40 Foot					
7		Box-Plain 50 Foot and Longer					7
8		Box-Equipped					8
9		Gondola-Plain					9
10		Gondola-Equipped					10
11		Hopper-Covered					11
12		Hopper-Open Top-General Service					12
13		Hopper-Open Top-Special Service					13
14		Refrigerator-Mechanical					14
15		Refrigerator-Nonmechanical					15
16		Flat TOFC/COFC					16
17		Flat Multi-level					17
18		Flat-General Service					18
19		Flat-Other					19
20		All Other Freight Cars					20
21		Caboose					21
22		Auto Racks					22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS					24
		OTHER EQUIPMENT-REVENUE FREIGHT					
		HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers					26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT					32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger and Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems and word processing equip.					37
38	*	Machinery-Locomotives 1					38
39	*	Machinery-Freight Cars 2					39
40	*	Machinery-Other Equipment 3					40
41	*	Work and Other Non-revenue Equipment			26		41
42		TOTAL OTHER EQUIPMENT			26		42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)			364		43

1 The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.

2 The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.

3 The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

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415 - SUPPORTING SCHEDULE-EQUIPMENT--Continued (Improvements on Leased Property)

(Dollars in Thousands)

Revised 6/20/02

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1				238		55	1
2				8,865		752	2
3							3
4							4
5				9,103		807	5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19				2		2	19
20							20
21							21
22							22
23							23
24				2		2	24
25							25
26							26
27							27
28							28
29							29
30							30
31							31
32							32
33							33
34							34
35							35
36							36
37				16		17	37
38							38
39							39
40							40
41				256		180	41
42				272		197	42
43				9,377		1,006	43

1 The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.

2 The depreciation to be reported on lines 38, 39, and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (j), Schedule 335.

SCHEDULE 710 - INVENTORY OF EQUIPMENT													
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS													
Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year			Line No	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)		
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)						
Revised 5/20/02													
1		Locomotive Units	431				15	20	122	304	428	1,321,400	1
2		Diesel-freight units											2
3		Diesel-passenger units											3
4		Diesel-multiple purpose units	52				6	2	4	52	58	83,400	4
5	"	Diesel-switching units											5
6	"	TOTAL (lines 1 to 4) units	483				21	22	126	358	482	1,404,800	6
7	"	Electric-locomotives											7
8	"	Other self-powered units											8
9	"	TOTAL (lines 5, 6, and 7) units	483				21	22	126	358	482	1,404,800	9
10	"	Auxiliary units	8						8		8	N/A	10
	"	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	491				21	22	134	368	490	N/A	11

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING														
Line No	Cross Check	Type or design of units (a)	Before Jan. 1, 1980 (b)	During Calendar Year				2000 (g)	2001 (h)	2002 (i)	2003 (j)	2004 (k)	Total (l)	Line No
				Between Jan. 1, 1980 and Dec. 31, 1984 (c)	Between Jan. 1, 1985 and Dec. 31, 1989 (d)	Between Jan. 1, 1990 and Dec. 31, 1994 (e)	Between Jan. 1, 1995 and Dec. 31, 1999 (f)							
11	"	Diesel	366	19	11	36	50						482	11
12	"	Electric												12
13	"	Other self-powered units												13
14	"	TOTAL (lines 11 to 13)	366	19	11	36	50						482	14
15	"	Auxiliary units	8										8	15
16	"	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	374	19	11	36	50					N/A	490	16

SCHEDULE 710 - INVENTORY OF EQUIPMENT - CONTINUED
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Revised 5/20/02

Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches (PA, PB, PBO)												17
18		Combined cars												18
19		[All class C, except CSB]												19
20		Prior cars [PBC, PC, PL, PD]												20
21		Sleeping cars [PS, PT, PAS, PDS] Dining, grill and tavern cars												21
22		[All class D, PD] Non-passenger-carrying cars										N/A		22
23		[All class B, CSB, M, PSA, IA] TOTAL (lines 17 to 22)										N/A		23
24		Self-Propelled Electric passenger cars												24
25		[EP, ET] Electric combined cars [EC]												25
26		Internal combustion rail motorcars												26
27		[ED, EG] Other self-propelled cars (Specify types)												27
28		TOTAL (lines 24 to 27)												28
29		TOTAL (lines 23 to 28)												29
30		COMPANY SERVICE CARS Business cars [PV]	6											30
31		Board outfit cars [MWX]	12						2		7	N/A		31
32		Derrick and snow removal cars [MMU, MMV, MMW, MMX]	7								12	N/A		32
33		Dump and ballast cars [MWB, MWD]	12								7	N/A		33
34		Other maintenance and service equipment cars	118						50		12	N/A		34
35		TOTAL (lines 30 to 34)	154								118	N/A		35
									52		158	N/A		

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SCHEDULE 710 - INVENTORY OF EQUIPMENT - CONTINUED

Revised 6/20/02

Instruction for reporting freight-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (j). Units rented from others for a period less than one year should not be included in column (j).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No
			Time-mileage cars (b)	All others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1 , B2)	11						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5_ , B6_ , B7_ , B8)	1,671					9	37
38		Equipped box cars (All Code A, Except A 5)	6,277						38
39		Plain gondola cars (All Codes G & J 1, J 2, J 3, J 4)	593					129	39
40		Equipped gondola cars (All Code E)	259						40
41		Covered hopper cars (C 1, C 2, C 3, C 4)	1,881					107	41
42		Open top hopper cars-general service (All code H)	252					20	42
43		Open top hopper cars-special service (J 0, and All Codes K)	1,165						43
44		Refrigerator cars-mechanical (R 5 , R 6 , R 7 , R 8 , R 9)	-						44
45		Refrigerator cars-non mechanical (R 0 , R 1 , R 2)	2						45
46		Flat cars--TOFC/COFC (All Code P, Q and S, Except Q8)	726					1	46
47		Flat cars--multi-level (All Code V)	201						47
48		Flat cars--general service (F10 , F20 , F30)	32						48
49		Flat cars--other (F_1 , F_2 , F_3 , F_4 , F_5 , F_6 , F 8 , F40)	894						49
50		Tank cars--22,000 gallons (T 0 , T 1 , T 2 , T 3 , T 4 , T 5)	54						50
51		Tank cars--22,000 gallons and over (T 6 , T 7 , T 8 , T 9)	47						51
52		All other freight cars (A 5 , F 7 , All Code L and Q8)	545					2	52
53		TOTAL (lines 36 to 52)	14,610					268	53
54		Caboose (All Code M-930)	N/A	12					54
55		TOTAL (lines 53, 54)	14,610	12				268	55

KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

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SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

Revised 5/20/02

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease agreement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4) (m)	Leased to others (n)	
					Time-mileage cars (k)	All other (l)			
36		1	10		10		547		36
37		143	557	980	1,537		141,221		37
38		242	851	5,184	6,035		592,102		38
39		1	39	682	721		76,495		39
40		42	49	168	217		21,700		40
41		168	753	1,067	1,820		182,580		41
42		53	199	20	219		19,107		42
43		93	227	845	1,072		91,882		43
44					-				44
45			2		2		110		45
46			2	725	727		55,072		46
47			-	201	201		10,653		47
48		2	30		30		1,581		48
49		10	531	353	884		96,910		49
50		14	6	34	40		3,080		50
51			37	10	47		4,010		51
52		2	38	507	545		40,875		52
53		771	3,331	10,776	14,107		1,337,925		53
54			12		N/A	12	N/A		54
55		771	3,343	10,776	14,107	12	1,337,925		55

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Year 2001

SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

Revised 5/20/02

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respon- dent at beginning of year		Changes during the year				Line No
			Per diem (b)	All others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassi- fication and sec- ond hand units purchased or leased from others (g)	
56		FLOATING EQUIPMENT Self-propelled vessels (Tugboats, car ferries, etc.)	N / A						56
57		Non-self-propelled vessels (Car floats, lighters, etc.)	N / A						57
58		TOTAL (lines 56 and 57)	N / A						58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis Z1 , Z67 , Z68 , Z69	1,102						59
60		Dry van U , Z , Z6 , 1-6	795						60
61		Flat bed U3 , Z3	6						61
62		Open bed U4 , Z4							62
63		Mechanical refrigerator U5 , Z5							63
64		Bulk hopper U0 , Z0							64
65		Insulated U7 , Z7							65
66		Tank ' Z0 , U6							66
67		Other trailer and container (Special Equipped Dry Van U9__ , Z8 , Z9)							67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)	1,903					-	70

NOTES AND REMARKS

¹ Must have fitting code "CN" to qualify for tank otherwise it is a bulk hopper.

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SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

Revised 5/20/02

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4) (m)	Leased to others (n)	
					Per diem (k)	All other (l)			
56					N / A				56
57					N / A				57
58					N / A				58
59				1,102	1,102				59
60		20		775	775				60
61				6	6				61
62									62
63									63
64									64
65									65
66									66
67									67
68					-				68
69									69
70		20		1,883	1,883				70

NOTES AND REMARKS

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THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 755 - RAILROAD OPERATING STATISTICS

Revised 6/20/02

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	3,102		1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,147,020	XXXXXX	2
3		2-02 Way Trains	1,529,369	XXXXXX	3
4		2-03 Through Trains	4,502,324		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	7,178,713		5
6		2-05 Motorcars (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5,6)	7,178,713		7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	3,958,551	XXXXXX	8
9		3-02 Way Trains	3,363,028	XXXXXX	9
10		3-03 Through Trains	12,415,286		10
11		3-04 TOTAL (lines 8-10)	19,734,865		11
12		3-11 Train Switching (F)	55,968	XXXXXX	12
13		3-21 Yard Switching (G)	269,803		13
14		3-31 TOTAL ALL SERVICES (lines 11,12,13)	20,060,636		14
		4. Freight Car-Miles (thousands) (H)	XXXXXX	XXXXXX	
		4-01 RR Owned and Leased Cars-Loaded	XXXXXX	XXXXXX	
15		4-010 Box-Plain 40-Foot		XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	1,910	XXXXXX	16
17		4-012 Box-Equipped	36,550	XXXXXX	17
18		4-013 Gondola-Plain	458	XXXXXX	18
19		4-014 Gondola-Equipped	4,022	XXXXXX	19
20		4-015 Hopper-Covered	15,013	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	1,190	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	3,607	XXXXXX	22
23		4-018 Refrigerator-Mechanical	302	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	403	XXXXXX	24
25		4-020 Flat-TOFC/COFC	9,901	XXXXXX	25
26		4-021 Flat-Multi-Level	574	XXXXXX	26
27		4-022 Flat-General Service	34	XXXXXX	27
28		4-023 Flat-All Other	4,514	XXXXXX	28
29		4-024 All Other Car Types-Total	2,384	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	80,860	XXXXXX	30

THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

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SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Revised 6/20/02

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-11 RR Owned and Leased Cars-Empty	XXXXXX	XXXXXX	
31		4-110 Box-Plain 40-Foot		XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	1,549	XXXXXX	32
33		4-112 Box-Equipped	29,325	XXXXXX	33
34		4-113 Gondola-Plain	533	XXXXXX	34
35		4-114 Gondola-Equipped	4,006	XXXXXX	35
36		4-115 Hopper-Covered	15,221	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	1,241	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	4,087	XXXXXX	38
39		4-118 Refrigerator-Mechanical	170	XXXXXX	39
40		4-118 Refrigerator-Non-Mechanical	369	XXXXXX	40
41		4-120 Flat-TOFC/COFC	2,566	XXXXXX	41
42		4-121 Flat-Multi-Level	148	XXXXXX	42
43		4-122 Flat-General Service	15	XXXXXX	43
44		4-123 Flat-All Other	4,501	XXXXXX	44
45		4-124 All Other Car Types-Total	2,718	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	66,447	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)	XXXXXX	XXXXXX	
47		4-130 Box-Plain 40-Foot		XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	1,530	XXXXXX	48
49		4-132 Box-Equipped	59	XXXXXX	49
50		4-133 Gondola-Plain	456	XXXXXX	50
51		4-134 Gondola-Equipped	1,148	XXXXXX	51
52		4-135 Hopper-Covered	30,951	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	514	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	178	XXXXXX	54
55		4-138 Refrigerator-Mechanical		XXXXXX	55
56		4-138 Refrigerator-Non-Mechanical	2	XXXXXX	56
57		4-140 Flat-TOFC/COFC	17,793	XXXXXX	57
58		4-141 Flat-Multi-Level	4,062	XXXXXX	58
59		4-142 Flat-General Service	1	XXXXXX	59
60		4-143 Flat-All Other	3,283	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	10,292	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	18,433	XXXXXX	62
63		4-146 All Other Car Types	289	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	88,991	XXXXXX	64

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THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

Year 2001

SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Revised 5/20/02

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-15 Private Line Cars-Empty (H)	XXXXXX	XXXXXX	
65		4-150 Box-Plain 40-Foot		XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	420	XXXXXX	66
67		4-152 Box-Equipped	65	XXXXXX	67
68		4-153 Gondola-Plain	509	XXXXXX	68
69		4-154 Gondola-Equipped	1,305	XXXXXX	69
70		4-155 Hopper-Covered	31,717	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	505	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	255	XXXXXX	72
73		4-158 Refrigerator-Mechanical		XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	15	XXXXXX	74
75		4-160 Flat-TOFC/COFC	2,366	XXXXXX	75
76		4-161 Flat-Multi-Level	346	XXXXXX	76
77		4-162 Flat-General Service	10	XXXXXX	77
78		4-163 Flat-All Other	2,464	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	10,810	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	19,352	XXXXXX	80
81		4-166 All Other Car Types	762	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	70,903	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	2,162	XXXXXX	83
84		4-18 No Payment Car-Miles (I)*	139,329	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)	XXXXXX	XXXXXX	
85		4-181 Unit Trains	137,476	XXXXXX	85
86		4-182 Way Trains	59,189	XXXXXX	86
87		4-193 Through Trains	252,027	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	448,692	XXXXXX	88
89		4-20 Caboose Miles	14	XXXXXX	89

Note: Line 88 total car miles is equal to the sum of Lines 30,46,64,82,83 and 84. Accordingly, the car miles reported on Lines 83 and 84 are to be allocated to Lines 85,86 and 87 and included in the total shown on Line 88.

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SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

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Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		6. Gross Ton-Miles (thousands) (K)	XXXXXX	XXXXXX	
98		6-01 Road Locomotives	3,710,118		98
		6-02 Freight Trains, Cre., Cnts., and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	11,310,108	XXXXXX	99
100		6-021 Way Trains	4,281,872	XXXXXX	100
101		6-022 Through Trains	19,988,828	XXXXXX	101
102		6-03 Passenger-Trains, Cre., and Cnts.			102
103		6-04 Non-Revenue	80,548	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	39,351,270		104
		7. Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	65,342	XXXXXX	105
106		7-02 Non-Revenue	882	XXXXXX	106
107		7-03 TOTAL (lines 105,106)	66,224	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	20,134,739	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (lines 108,109)	20,134,739	XXXXXX	110
111		8-04 Non-Revenue-Road Service	62,527	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (lines 111,112)	62,527	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110,113)	20,197,266	XXXXXX	114
		9. Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	349,085	XXXXXX	115
116		9-02 Train Switching	9,328	XXXXXX	116
117		10. TOTAL YARD-SWITCHING HOURS (N)	178,278	XXXXXX	117
		11. Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	15,879	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12. Number of Loaded Freight Cars (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	288,810	XXXXXX	120
121		12-02 Way Trains	452,811	XXXXXX	121
122		12-03 Through Trains	714,201	XXXXXX	122
123		13. TOFC/COFC-No. Rev Trls & Cntns Load & Unload(Q)	290,278	XXXXXX	123
124		14. Multi-Level Cars-No. Motor Vhcls Load & Unload(Q)		XXXXXX	124
125		15. TOFC/COFC-No. of Rev. Trls Picked Up and Dlvrd(R)		XXXXXX	125
		16. Revenue Tons-Marine Terminal (S)	XXXXXX	XXXXXX	
126		16-01 Marine Terminals-Coal		XXXXXX	126
127		16-02 Marine Terminals-Ore		XXXXXX	127
128		16-03 Marine Terminals-Other		XXXXXX	128
129		16-04 TOTAL (lines 126-128)		XXXXXX	129
		17. Number of Foreign Per Diem Cars on Line (T)	XXXXXX	XXXXXX	
130		17-01 Serviceable	4,964	XXXXXX	130
131		17-02 Unserviceable	44	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	5,008	XXXXXX	133

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SCHEDULE 415 - SUPPORTING SCHEDULE--EQUIPMENT--Continued

(Dollars in Thousands)

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		260	1,255		1,097		1
2		19,188	97,918		38,886		2
3							3
4							4
5		19,448	99,173		39,983		5
6			51		40		6
7		2,110	12,214		4,662		7
8		6,978	51,344		19,241		8
9		1,891	1,202	2,530	954	2,179	9
10		598	331	2,970	156	1,435	10
11		4,694	25,924	1,112	11,114	806	11
12		161	1,895		1,229		12
13		2,322	6,269		3,722		13
14							14
15			36		36		15
16		1,405	29		20		16
17							17
18			255		256		18
19		1,372	9,722		5,025		19
20		1,031	2,611		1,965		20
21			63		57		21
22		1,102					22
23							23
24		23,664	111,946	6,612	48,477	4,420	24
25							25
26		2,352					26
27							27
28							28
29							29
30							30
31							31
32		2,352					32
33							33
34							34
35							35
36							36
37		6,577	19,669		18,695		37
38			3,210		2,458		38
39			5,515		4,222		39
40			93		72		40
41		2,169	34,867		19,249		41
42		8,746	63,254	0	44,696		42
43		54,210	274,373	6,612	133,156	4,420	43

1 The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.

2 The depreciation to be reported on lines 38, 39, and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (j), Schedule 335.

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SCHEDULE 510 - SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT
(Dollars in Thousands)

The principal use of this schedule is to determine the average embedded rate of debt capital.

I. Debt Outstanding at End of Year:

Line #	Account No.	Title	Source	Balance Close of Year
1	751	Loans and Notes Payable	Sch. 200, L. 30	
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch. 200, L. 39	45,037
3	765/767	Funded Debt Unmatured	Sch. 200, L. 41	565,000
4	766	Equipment Obligations	Sch. 200, L. 42	36,198
5	766 5	Capitalized Lease Obligations	Sch. 200, L. 43	2,473
6	768	Debt In Default	Sch. 200, L. 44	
7	769	Accounts Payable; Affiliated Companies	Sch. 200, L. 45	
8	770 1/770.2	Unamortized Debt Premium	Sch. 200, L. 46	
9		Total Debt	Sum L. 1-8	648,708
10		Debt Directly Related to Road Property	Note 1.	294,733
11		Debt Directly Related to Equipment	Note 1.	130,872
12		Total Debt Directly Related to Road & Equipment	Sum L. 10 and L. 11	425,605
13		Percent Directly Related to Road	L. 10 div. by L. 12 Whole % + 2 decimals	69.25%
14		Percent Directly Related to Equipment	L. 11 div. by L. 12 Whole % + 2 decimals	30.75%
15		Debt Not Directly Related to Road or Equipment	L. 9 - L. 12	223,103
16		Road Property Debt (Note 2)	(L. 13 X L. 15) + L. 10	449,232
17		Equipment Debt (Note 2)	(L. 14 X L. 15) + L. 11	199,476

II. Interest Accrued During the Year:

Line #	Account No.	Title	Source	Balance Close of Year
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	53,198
19	546	Contingent Interest on Funded Debt	Sch. 210, L. 44	181
20	517	Release of Premiums on Funded Debt	Sch. 210, L. 22	-
21		Total Interest	(L. 18 + L. 19) - L. 20	53,379
22		Interest Directly Related to Road Property Debt	Note 4.	20,926
23		Interest Directly Related to Equipment Debt	Note 4.	12,846
24		Interest Not Directly Related to Road or Equipment Property Debt	L. 21 - (L. 22 + L. 23)	19,607
25		Interest Road Property Debt	L. 22 + (L. 24 X L. 13)	34,504
26		Interest Equipment Debt	L. 23 + (L. 24 X L. 14)	18,875
27		Embedded Rate of Debt Capital - Road Property	L. 25 div. by L. 16	7.68%
28		Embedded Rate of Debt Capital - Equipment	L. 26 div. by L. 17	9.46%

Note 1. Directly related means the purpose which the funds were used when the debt was issued.

Note 2. Line 16 plus Line 17 must equal Line 9.

Note 3. Line 21 includes interest on debt in Account 769—Account Payable; Affiliated companies.

Note 4. This interest relates to debt reported in Lines 10 and 11, respectively.

Note 5. Line 25 plus Line 26 must equal Line 21.

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SCHEDULE 710 - INVENTORY OF EQUIPMENT UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS													
Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col.(h)&(i))	Aggregate capacity of units reported in col. (i) (see Ins. 7) (k)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)						
1		Locomotive Units	431				15	20	122	304	426	(H.P.) 1,321,400	1
2		Diesel-freight units											2
3		Diesel-passenger units											3
4		Diesel-multiple purpose units											4
5	*	Diesel-switching units	52				6	2	4	52	56	83,400	5
6	*	TOTAL (lines 1 to 4) units	483				21	22	126	356	482	1,404,800	6
7	*	Electric-locomotives											7
8	*	Other self-powered units											8
9	*	TOTAL (lines 5, 6, and 7) units	483				21	22	126	356	482	1,404,800	9
10	*	Auxiliary units	8						8		8	N/A	10
	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	491				21	22	134	356	490	N/A	

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING														
Line No	Cross Check	Type or design of units (a)	Before Jan. 1, 1980 and Dec. 31, 1984 (b)	Between Jan. 1, 1980 and Dec. 31, 1989				Between Jan. 1, 1990 and Dec. 31, 1994 (e)	Between Jan. 1, 1995 and Dec. 31, 1999 (f)	During Calendar Year				Line No
				Between Jan. 1, 1980 and Dec. 31, 1984 (c)	Between Jan. 1, 1985 and Dec. 31, 1989 (d)	Between Jan. 1, 1990 and Dec. 31, 1994 (e)	Between Jan. 1, 1995 and Dec. 31, 1999 (f)			2000 (g)	2001 (h)	2002 (i)	2003 (j)	
11	*	Diesel	366	19	11	36	50						482	11
12	*	Electric												12
13	*	Other self-powered units												13
14	*	TOTAL (lines 11 to 13)	366	19	11	36	50						482	14
15	*	Auxiliary units	8										8	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	374	19	11	36	50						490	16

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SCHEDULE 710 - INVENTORY OF EQUIPMENT - CONTINUED
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches (PA, PB, PBO)												17
18		Combined cars												18
19		[All class C, except CSB]												19
20		Parlor cars [PBC, PC, PL, PO]												20
21		Sleeping cars [PS, PT, PAS, PDS] Dining, grill and tavern cars												21
22		[All class D, PD] Non-passenger-carrying cars									N/A			22
23		[All class B, CSB, M, PSA, IA] TOTAL (lines 17 to 22)									N/A			23
24		Self-Propelled Electric passenger cars												24
25		[EP, ET] Electric combined cars [EC]												25
26		Internal combustion rail motorcars [ED, EG]												26
27		Other self-propelled cars (Specify types)												27
28		TOTAL (lines 24 to 27)												28
29		TOTAL (lines 23 to 28)												29
30		COMPANY SERVICE CARS Business cars [PV]	5				2			7		7	N/A	30
31		Board outfit cars [MWX]	12							12		12	N/A	31
32		Derrick and snow removal cars [MWJ, MWV, MWW, MWK]	7									7	N/A	32
33		Dump and ballast cars [MWB, MWD]	12				50			12	50	62	N/A	33
34		Other maintenance and service equipment cars	118							118		118	N/A	34
35		TOTAL (lines 30 to 34)	154				52			156	50	206	N/A	35

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SCHEDULE 710 - INVENTORY OF EQUIPMENT - CONTINUED

Instruction for reporting freight-train car data

- 1 Give particulars of each of the various classes of equipment which respondent owned or leased during the year
- 2 In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad
- 3 Units leased to others for a period of one year or more are reportable in column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (i). Units rented from others for a period less than one year should not be included in column (j).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No
			Time-mileage cars (b)	All others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
FREIGHT TRAIN CARS									
36		Plain box cars - 40' (B1, B2)	11						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5, B6, B7, B8)	1,671					9	37
38		Equipped box cars (All Code A, Except A_5)	6,277						38
39		Plain gondola cars (All Codes G & J_1, J_2, J_3, J_4)	583					129	39
40		Equipped gondola cars (All Code E)	259						40
41		Covered hopper cars (C_1, C_2, C_3, C_4)	1,881					107	41
42		Open top hopper cars-general service (All code H)	252					20	42
43		Open top hopper cars-special service (J_0, and All Codes K)	1,165						43
44		Refrigerator cars-mechanical (R_5, R_6, R_7, R_8, R_9)	-						44
45		Refrigerator cars-non mechanical (R_0, R_1, R_2)	2						45
46		Flat cars--TOFC/COFC (All Code P, Q and S, Except Q8)	726					1	46
47		Flat cars--multi-level (All Code V)	201						47
48		Flat cars--general service (F10, F20, F30)	32						48
49		Flat cars--other (F_1, F_2, F_3, F_4, F_5, F_6, F_8, F40)	894						49
50		Tank cars--22,000 gallons (T_0, T_1, T_2, T_3, T_4, T_5)	54						50
51		Tank cars--22,000 gallons and over (T_6, T_7, T_8, T_9)	47						51
52		All other freight cars (A_5, F_7, All Code L and Q8)	545					2	52
53		TOTAL (lines 36 to 52)	14,610					268	53
54		Caboose (All Code M-930)	N/A	12					54
55		TOTAL (lines 53, 54)	14,610	12				268	55

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SCHEDULE 710 - INVENTORY OF EQUIPMENT - Continued

4 Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5 Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease agreement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No	Cross Check	Changes during year (concluded)	Units at close of year					Line No
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins 4) (m)	Leased to others (n)
					Time-mileage cars (k)	All other (l)		
36		1	10		10		547	36
37		143	557	980	1,537		141,221	37
38		242	851	5,184	6,035		592,102	38
39		1	39	682	721		76,495	39
40		42	49	168	217		21,700	40
41		168	753	1,067	1,820		182,580	41
42		53	199	20	219		19,107	42
43		93	227	845	1,072		91,882	43
44					-			44
45			2		2		110	45
46			2	725	727		55,072	46
47			-	201	201		10,653	47
48		2	30		30		1,581	48
49		10	531	353	884		96,910	49
50		14	6	34	40		3,080	50
51			37	10	47		4,010	51
52		2	38	507	545		40,875	52
53		771	3,331	10,776	14,107		1,337,925	53
54			12		N/A	12	N/A	54
55		771	3,343	10,776	14,107	12	1,337,925	55

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THE KANSAS CITY SOUTHERN RAILWAY CONSOLIDATED

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SCHEDULE 755 - RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	3,102		1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,147,020	XXXXXX	2
3		2-02 Way Trains	1,529,369	XXXXXX	3
4		2-03 Through Trains	4,502,324		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	7,178,713		5
6		2-05 Motorcars (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5,6)	7,178,713		7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	3,956,551	XXXXXX	8
9		3-02 Way Trains	3,363,028	XXXXXX	9
10		3-03 Through Trains	12,415,286		10
11		3-04 TOTAL (lines 8-10)	19,734,865		11
12		3-11 Train Switching (F)	55,968	XXXXXX	12
13		3-21 Yard Switching (G)	1,458,287		13
14		3-31 TOTAL ALL SERVICES (lines 11,12,13)	21,249,120		14
		4. Freight Car-Miles (thousands) (H)	XXXXXX	XXXXXX	
		4-01 RR Owned and Leased Cars-Loaded	XXXXXX	XXXXXX	
15		4-010 Box-Plain 40-Foot		XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	1,910	XXXXXX	16
17		4-012 Box-Equipped	36,550	XXXXXX	17
18		4-013 Gondola-Plain	456	XXXXXX	18
19		4-014 Gondola-Equipped	4,022	XXXXXX	19
20		4-015 Hopper-Covered	15,013	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	1,190	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	3,607	XXXXXX	22
23		4-018 Refrigerator-Mechanical	302	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	403	XXXXXX	24
25		4-020 Flat-TOFC/COFC	9,901	XXXXXX	25
26		4-021 Flat-Multi-Level	574	XXXXXX	26
27		4-022 Flat-General Service	34	XXXXXX	27
28		4-023 Flat-All Other	4,514	XXXXXX	28
29		4-024 All Other Car Types-Total	2,384	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	80,860	XXXXXX	30

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SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Line No	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-11 RR Owned and Leased Cars-Empty	XXXXXX	XXXXXX	
31		4-110 Box-Plain 40-Foot		XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	1,549	XXXXXX	32
33		4-112 Box-Equipped	29,325	XXXXXX	33
34		4-113 Gondola-Plain	533	XXXXXX	34
35		4-114 Gondola-Equipped	4,006	XXXXXX	35
36		4-115 Hopper-Covered	15,221	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	1,241	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	4,087	XXXXXX	38
39		4-118 Refrigerator-Mechanical	170	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	369	XXXXXX	40
41		4-120 Flat-TOFC/COFC	2,566	XXXXXX	41
42		4-121 Flat-Multi-Level	148	XXXXXX	42
43		4-122 Flat-General Service	15	XXXXXX	43
44		4-123 Flat-All Other	4,501	XXXXXX	44
45		4-124 All Other Car Types-Total	2,716	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	66,447	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)	XXXXXX	XXXXXX	
47		4-130 Box-Plain 40-Foot		XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	1,530	XXXXXX	48
49		4-132 Box-Equipped	59	XXXXXX	49
50		4-133 Gondola-Plain	456	XXXXXX	50
51		4-134 Gondola-Equipped	1,148	XXXXXX	51
52		4-135 Hopper-Covered	30,951	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	514	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	178	XXXXXX	54
55		4-138 Refrigerator-Mechanical		XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	2	XXXXXX	56
57		4-140 Flat-TOFC/COFC	17,793	XXXXXX	57
58		4-141 Flat-Multi-Level	4,062	XXXXXX	58
59		4-142 Flat-General Service	1	XXXXXX	59
60		4-143 Flat-All Other	3,283	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	10,282	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	18,433	XXXXXX	62
63		4-146 All Other Car Types	289	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	88,991	XXXXXX	64

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SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-15 Private Line Cars-Empty (H)	XXXXXX	XXXXXX	
65		4-150 Box-Plain 40-Foot		XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	420	XXXXXX	66
67		4-152 Box-Equipped	65	XXXXXX	67
68		4-153 Gondola-Plain	509	XXXXXX	68
69		4-154 Gondola-Equipped	1,305	XXXXXX	69
70		4-155 Hopper-Covered	31,717	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	505	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	255	XXXXXX	72
73		4-158 Refrigerator-Mechanical		XXXXXX	73
74		4-158 Refrigerator-Non-Mechanical	15	XXXXXX	74
75		4-160 Flat-TOFC/COFC	2,365	XXXXXX	75
76		4-161 Flat-Multi-Level	348	XXXXXX	76
77		4-162 Flat-General Service	10	XXXXXX	77
78		4-163 Flat-All Other	2,464	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	10,810	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	19,352	XXXXXX	80
81		4-166 All Other Car Types	762	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	70,903	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	2,162	XXXXXX	83
84		4-18 No Payment Car-Miles (I)*	139,329	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)	XXXXXX	XXXXXX	
85		4-191 Unit Trains	137,476	XXXXXX	85
86		4-192 Way Trains	59,189	XXXXXX	86
87		4-193 Through Trains	252,027	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	448,692	XXXXXX	88
89		4-20 Caboose Miles	14	XXXXXX	89

Note. Line 88 total car miles is equal to the sum of Lines 30,46,64,82,83 and 84. Accordingly, the car miles reported on Lines 83 and 84 are to be allocated to Lines 85,86 and 87 and included in the total shown on Line 88.

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SCHEDULE 755 - RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item Description (a)	Freight train (b)	Passenger train (c)	Line No.
		6. Gross Ton-Miles (thousands) (K)	XXXXXX	XXXXXX	
98		6-01 Road Locomotives	3,710,118		98
		6-02 Freight Trains, Crs., Cnts., and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	11,310,106	XXXXXX	99
100		6-021 Way Trains	4,281,872	XXXXXX	100
101		6-022 Through Trains	19,968,628	XXXXXX	101
102		6-03 Passenger-Trains, Crs. and Cnts.			102
103		6-04 Non-Revenue	80,546	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	39,351,270		104
		7. Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	65,342	XXXXXX	105
106		7-02 Non-Revenue	882	XXXXXX	106
107		7-03 TOTAL (lines 105,106)	66,224	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	20,134,739	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (lines 108,109)	20,134,739	XXXXXX	110
111		8-04 Non-Revenue-Road Service	62,527	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (lines 111,112)	62,527	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110,113)	20,197,266	XXXXXX	114
		9. Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	349,085	XXXXXX	115
116		9-02 Train Switching	9,328	XXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	176,278	XXXXXX	117
		11. Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	15,679	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12. Number of Loaded Freight Cars (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	266,610	XXXXXX	120
121		12-02 Way Trains	452,811	XXXXXX	121
122		12-03 Through Trains	714,201	XXXXXX	122
123		13. TOFC/COFC-No. Rev Trls & Cntnrs Load & Unload(Q)	290,278	XXXXXX	123
124		14. Multi-Level Cars-No. Motor Vhcls Load & Unload(Q)		XXXXXX	124
125		15. TOFC/COFC-No. of Rev. Trls Picked Up and Dlvrd(R)		XXXXXX	125
		16. Revenue Tons-Marine Terminal (S)	XXXXXX	XXXXXX	
126		16-01 Marine Terminals-Coal		XXXXXX	126
127		16-02 Marine Terminals-Ore		XXXXXX	127
128		16-03 Marine Terminals-Other		XXXXXX	128
129		16-04 TOTAL (lines 126-128)		XXXXXX	129
		17. Number of Foreign Per Diem Cars on Line (T)	XXXXXX	XXXXXX	
130		17-01 Serviceable	4,964	XXXXXX	130
131		17-02 Unserviceable	44	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	5,008	XXXXXX	133

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THE KANSAS CITY SOUTHERN LINES CONSOLIDATED

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**250 - CONSOLIDATED INFORMATION
FOR REVENUE ADEQUACY DETERMINATION**
(Dollars in Thousands)

Line No.	Item (a)	Beginning of year (b)	End of year (c)
1	Adjusted Net Railway Operating Income For Reporting Entity	N / A	
	Combined/Consolidated Net Railway Operating Income for Reporting Entity		61,237
2	Add: Interest Income from Working Capital Allowance-Cash Portion		585
3	Income Taxes Associated with Non-Rail Income and Deductions		(5,222)
4	Gain or (loss) from transfer/reclassification to nonrail-status (net of income taxes)		5,139
5	Adjusted Net Railway Operating Income (Lines 1, 2, 3, & 4)		61,739
6	Adjusted Investment in Railroad Property for Reporting Entity		
	Combined Investment in Railroad Property Used in Transportation Service	1,226,823	1,223,928
7	Less: Interest During Construction	2,157	2,157
8	Other Elements of Investment (if debit balance)	0	0
9	Add: Net Rail Assets of Rail-Related Affiliates	20,586	21,242
10	Working Capital Allowance	38,279	38,184
11	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	1,283,531	1,281,197
12	Less: Accumulated Deferred Income Tax Credits	321,917	354,392
13	Net Investment Base (Line 11-12)	961,614	926,805

In the space provided, please list all railroads and rail-related affiliated companies which are being reported in this consolidation, along with the nature of the business for each company.

Name of Affiliate	Nature of Business
The Kansas City Southern Railway Company	Railroad
Superior Tie and Timber Tie Plant	Tie and Timber Treating Company
Transfin Insurance, LTD.	Insurance Company
Mid-South Microwave	Communications Leasing Company
Rice-Carden Corporation	Railway Equipment Leasing