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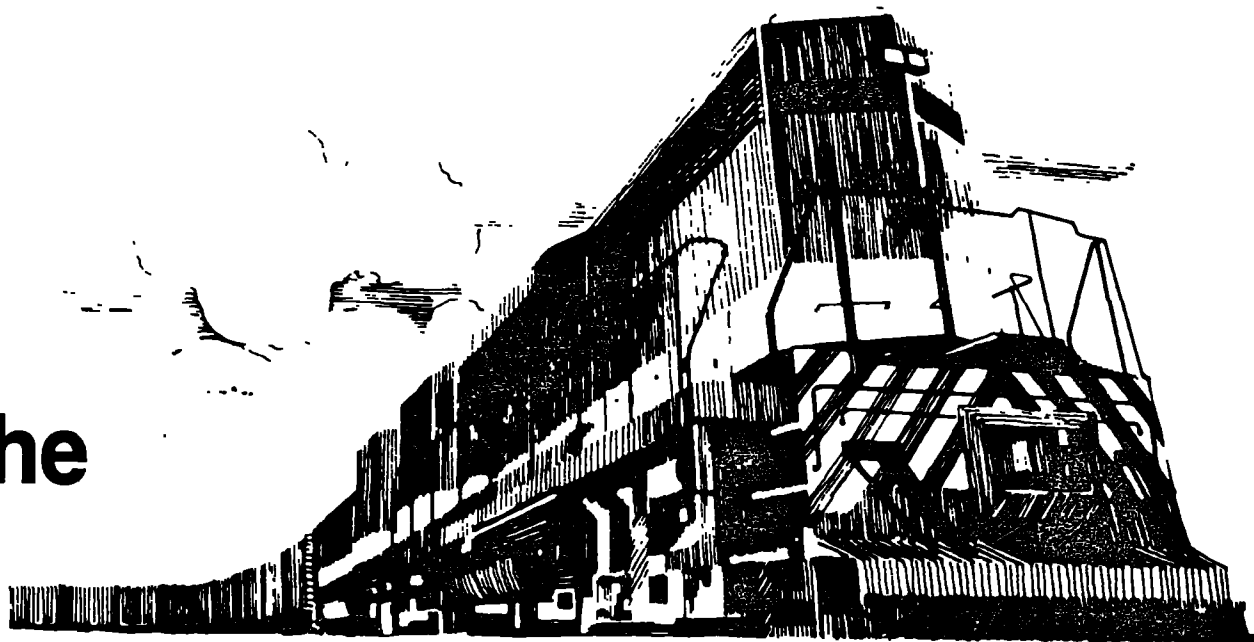
ACAA- R-1

annual report

APPROVED BY OMB
3120-0029
EXPIRES 3-31-93

	<p>NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES THREE COMMERCIAL PLACE NORFOLK, VA 23510-2191</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 in full on duplicate.)</p>

to the



Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1995

NOTICE

1. This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of accounts, Washington, D C 20423, by March 31 of the year following that for which the report is made. One copy should be retained in respondent's files. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act.

(49) U.S.C. 11145, Reports by carriers, lessors, and associations

(a) The Interstate Commerce Commission may require—

(1) carriers, brokers, lessors, and associations, or classes of them as the Commission may prescribe, to file annual, periodic, and special reports with the Commission containing answers to questions asked by it; and

(2) a person furnishing cars or protective services against heat or cold to a rail or express carrier providing transportation subject to this subtitle, to file reports with the Commission containing answers to questions about those cars or services

(b)(1) An annual report shall contain an account, in as much detail as the Commission may require, of the affairs of the carrier, broker, lessor, or association for the 12-month period ending on the 31st day of December of each year. However, when an annual report is made by a motor carrier, a broker, or a lessor or an association maintained by or interested in one of them, the person making the report may elect to make it for the 13-month period accounting year ending at the close of one of the last 7 days of each calendar year if the books of the person making the report are kept by that person on the basis of that accounting year.

(2) An annual report shall be filed with the Commission by the end of the 3rd month after the end of the year for which the report is made unless the Commission extends the filing date or changes the period covered by the report. The annual report and, if the Commission requires, any other report made under this section, shall be made under oath.

(c) The Commission shall streamline and simplify, to the maximum extent practicable, the reporting requirements applicable under this subchapter to motor common carriers of property with respect to transportation provided under certificates to which the provisions of section 10922(b)(4)(E) of this title apply and to motor contract carriers of property with respect to transportation provided under permits to which the provisions of section 10923(b)(5) of this title apply. Pub L. 95-473, Oct. 17, 1978, 92 Stat. 1427, Pub L. 96-296 § 5(b), July 1, 1980 94 Stat. 796.

(49) U.S.C. 11901. (g) A person required to make a report to the Commission, answer a question, or make, prepare, or preserve a record under this subtitle concerning transportation subject to the jurisdiction of the Commission under subchapter II of chapter 105 of this title, or an officer, agent, or employee of that person that (1) does not make the report, (2) does not specifically, completely, and truthfully answer the question, (3) does not make, prepare, or preserve the record in the form and manner prescribed by the Commission, or (4) does not comply with section 10921 of this title, is liable to the United States Government for a civil penalty of not more than \$500 for each violation and for not more than \$250 for each additional day the violation continues. After the date of enactment of this sentence, no penalties shall be imposed under this subsection for a violation relating to the transportation of household goods. Any such penalties that were imposed prior to such date of enactment shall be collected only in accordance with the provisions of subsection (b) of this section.

The term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier, and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor. " * "

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule B, page 2

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because

of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable, see page _____, schedule (or line) number _____" should be used in answer thereto, giving precise reference to the portion of the report showing the facts which make the inquiry inapplicable. Where the word "none" truly and completely states that fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, typewritten or other, in a report, they should be legibly made on durable paper and, wherever practicable, on sheets not larger than a page of the Form. Inserted sheets should be securely attached, preferably at the inner margin, attachment by pins or clips is insufficient.

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parenthesis.

6. 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.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts, a lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts.

Operating companies are broadly classified, with respect to their operating revenues, according to the following general definitions:

Class I companies are those having annual operating revenues of \$50,000,000 or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues less than \$50,000,000 but in excess of \$10,000,000.

Class III companies are those having annual operating revenues of \$10,000,000 or less.

All switching and terminal companies will be designated class III railroads.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings stated below:

Commission means the Interstate Commerce Commission. Respondent means the person or corporation in whose behalf the report is made. Year means the year ended December 31 for which the report is made. The Close of the Year means the close of business on December 31 of the year for which the report is made, or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. The Beginning of the Year means the beginning of business on January 1 of the year for which the report is made, or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The Preceding Year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

ANNUAL REPORT

OF

NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES

TO THE

INTERSTATE COMMERCE COMMISSION

YEAR ENDED DECEMBER 31, 1995

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

(Name) J. P. Rathbone (Title) Vice President and Controller

(Telephone number) (804) 629-2770
(Area Code)

(Office address) Three Commercial Place, Norfolk, VA 23510-2191
(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 Commission 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 Commission.

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 Section of Administrative Services, Interstate Commerce Commission 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
		NONE

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 commission, Accounting and Valuation 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 a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when 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 Norfolk Southern Combined Railroad Subsidiaries" (NS Rail) is composed principally of Norfolk Southern Railway Consolidated and its major subsidiary Norfolk and Western Railway Consolidated.
2. Date of incorporation Norfolk Southern Railway Company was incorporated June 18, 1894, under the name Southern Railway Company; Norfolk and Western Railway Company - January 15, 1896.
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. Norfolk Southern Railway Company-Organized under and by virtue of an act of Assembly of the State of Virginia, approved February 20, 1894. Norfolk and Western Railway Company-Organized September 24, 1896 under act of General Assembly of Virginia, approved January 15, 1896.
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 particulars. On June 1, 1982, Southern Railway Company (SR) and Norfolk and Western Railway Company (NW) became subsidiaries of Norfolk Southern Corporation (NS), a transportation holding company incorporated in Virginia. Effective December 31, 1990, NS transferred all the common stock of NW to SR, and SR's name was changed to Norfolk Southern Railway Company.

* See note on page 4 "Principles of Combined Reporting."

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 _____

☒ No annual report to stockholders is prepared. Not applicable for "Norfolk Southern Combined Railroad Subsidiaries." Enclosed with this Report Form R-1 are copies of SEC Annual Reports Form 10-K for year ended December 31, 1995, for the following companies: Norfolk Southern Corporation and Norfolk Southern Railway Company.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock Common, \$ No Par per share, first preferred, \$ 50 stated value per share, second preferred, \$ _____ per share, debenture stock, \$ _____ 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 Books Do Not Close
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 closing, if within one year of the date of such filing, if not, state as of the close of the year. NSR 16,668,997* and TCS Leasing, Inc. 500
votes as of December 31, 1995
(date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No 7 One 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 which he would have had a right to cast on that date had a meeting then been in order, and the classification of 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 agreement, 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	PREFERRED		
Second	First						
1	Norfolk Southern Railway:						1
2	Norfolk Southern Corp	Norfolk, VA	16,668,997	16,668,997		*	2
3							3
4	TCS Leasing, Inc.						4
5	Norfolk Southern Corp	Norfolk, VA	500	500			5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15	* At December 31, 1995, 1,197,027 shares of \$2.60 cumulative preferred stock, Series A were issued, of these,						15
16	1,096,907 shares were held other than by subsidiaries and are entitled to one vote per share						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

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 NSR-16,668,997 & TCS Leasing, Inc. 500.
- 11 Give the date of such meeting NSR - May 23, 1995 and TCS Leasing, Inc. - October 27, 1995
- 12 Give the place of such meeting Norfolk, Virginia for both NSR and TCS Leasing, Inc.

NOTES AND REMARKS**Principles of Combined Reporting**

Norfolk Southern Combined Railroad Subsidiaries (NS Rail) includes the affiliated railroads under the COMMON CONTROL of Norfolk Southern Corporation (NS). The major subsidiary is Norfolk Southern Railway Company and consolidated subsidiaries (NSR). NSR's major subsidiary is Norfolk and Western Railway Company and consolidated subsidiaries (see page 2, "Identity of Respondent") See listing of companies included in combined rail reporting below. Nonrailroad subsidiaries whose assets and operations are not deemed to be an integral part of rail operations are included in this combined report in the following classifications:

Balance Sheet - Fixed Capital Assets - "Property Used in Other Than Carrier Operations"
Results of Operations - "Other Income" and "Miscellaneous Deductions From Income"

All significant intercompany balances and transactions have been eliminated in combination

This form of Combined reporting was approved by the ICC Accounting and Valuation Board on March 23, 1987, as indicated in Chairman William F. Moss, III's letter.

The following companies are included in the combined rail reporting to the Interstate Commerce Commission

<u>Class I</u>	<u>Lessors and Other</u>
Norfolk and Western Railway Company	Airforce Pipeline, Inc.
Norfolk Southern Railway Company	Atlanta and Charlotte Air Line Railway Company, The
	Critco Realty Company
<u>Class II</u>	Elberton Southern Railway Company
Alabama Great Southern Railroad Company, The	Georgia Midland Railway Company, The
Central of Georgia Railroad Company	High Point, Randleman, Asheboro and Southern Railroad Company
Cincinnati, New Orleans and Texas Pacific Railway Company, The	Memphis and Charleston Railway Company
Georgia Southern and Florida Railway Company	Mobile and Birmingham Railroad Company
	North Carolina Midland Railroad Company, The
<u>Class III</u>	NS Crown Services
Atlantic and East Carolina Railway Company	Rail Investment Company
Camp Lejeune Railroad Company	Shenandoah-Virginia Corporation
Chesapeake Western Railway	South Western Rail Road Company, The
Interstate Railroad Company	Southern Rail Terminals, Inc.
Norfolk and Portsmouth Belt Line Railroad Company	Southern Rail Terminals of North Carolina, Inc.
State University Railroad Company	Southern Railway - Carolina Division
Tennessee, Alabama & Georgia Railway Company	Southern Region Coal Transport, Inc.
Tennessee Railway Company	Southern Region Materials Supply, Inc.
	Southern Region Motor Transport, Inc.
	TCS Leasing, Inc.
	Virginia and Southwestern Railway Company
	Yadkin Railroad Company

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 and Cash Equivalents	49,352	33,806	1
2		702	Temporary Cash Investments	180,709	147,087	2
3		703	Special Deposits			3
4		704	Accounts Receivable			
5		705	- Loan and Notes	2,095	2,364	4
6		706	- Interline and Other Balances	20,903	14,586	5
7		707	- Customers	284,110	288,284	6
8		709, 708	- Other	30,141	33,686	7
9		708.5	- Accrued Accounts Receivables	207,242	218,954	8
10		709.5	- Receivables from Affiliated Companies			9
11		710, 711, 714	- Less: Allowance for Uncollectible Accounts	(2,811)	(5,425)	10
12		712	Working Funds Prepayments Deferred Income Tax Debits	153,192	145,285	11
13		713	Materials and Supplies	59,825	58,506	12
14			Other Current Assets	37,862	36,338	13
			TOTAL CURRENT ASSETS	1,022,620	973,471	14
Other Assets						
15		715, 716, 717	Special Funds	9,654	26,098	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	774,737	640,498	16
17		722, 723	Other Investments and Advances	178,123	141,205	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) \$10,700 and \$10,779 respectively	73,529	73,767	19
20		739, 741	Other Assets	2,918	3,253	20
21		743	Other Deferred Debits	11,059	11,565	21
22		744	Accumulated Deferred Income Tax Debits			22
23			TOTAL OTHER ASSETS	1,050,020	896,386	23
Road and Equipment						
24		731, 732	Road (Schedule 330, L-30 Col. h & b)	8,077,066	7,800,145	24
25		731, 732	Equipment (Schedule 330, L-39 Col. h & b)	4,596,564	4,419,329	25
26		731, 732	Unallocated Items	148,116	234,026	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(4,094,664)	(3,984,052)	27
28			Net Road and Equipment	8,727,082	8,469,448	28
29	*		TOTAL ASSETS	10,799,722	10,339,305	29

NOTES AND REMARKS

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	27,200	27,200	30
31		752	Accounts Payable; Interline and Other Balances	2,517	1,607	31
32		753	Audited Accounts and Wages	33,304	34,464	32
33		754	Other Accounts Payable	3,558	7,350	33
34		755, 756	Interest and Dividends Payable	24,088	20,832	34
35		757	Payables to Affiliated Companies	102,491	83,923	35
36		759	Accrued Accounts Payable	527,926	486,194	36
37		760, 761, 761.5, 762	Taxes Accrued	175,126	115,199	37
38		763	Other Current Liabilities	100,407	97,778	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	81,392	71,672	39
40			TOTAL CURRENT LIABILITIES	1,078,009	946,219	40
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured	7,900	33,965	41
42		766	Equipment Obligations	399,587	460,970	42
43		766.5	Capitalized Lease Obligations	94,295	1,014	43
44		768	Debt in Default			44
45		769	Accounts Payable; Affiliated Companies	22,115	22,115	45
46		770.1, 770 2	Unamortized Debt Premium	(3,721)	(4,248)	46
47		781	Interest in Default			47
48		783	Deferred Revenues-Transfers from Government Authorities			48
49		786	Accumulated Deferred Income Tax Credits	2,524,852	2,400,487	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	1,142,356	1,147,715	50
51			TOTAL NONCURRENT LIABILITIES	4,187,384	4,062,018	51
Shareholders' Equity						
52		791, 792	Total Capital Stock (Schedule 230, L-53 & 54)			52
53			Common Stock	166,690	166,690	53
54			Preferred Stock			54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	524,272	513,757	56
57		797	Retained Earnings:			57
58		798	Appropriated	17,236	17,236	57
59		798.1	Unappropriated (Schedule 220)	4,488,885	4,380,331	58
60		798.5	Net Unrealized Gain (Loss) on Marketable Securities	337,247	253,054	59
61			Net of Tax			60
62			Less Treasury Stock			60
61			Net Stockholders' Equity	5,534,330	5,331,068	61
62			TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	10,799,723	10,339,305	62

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES

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 the 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
 SEE NOTE 3, PAGE 9

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund
 NONE FOR FUNDED PLANS \$

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

(i) If funding is by insurance, give name of insuring company NOT APPLICABLE
 If funding is by trust agreement, list trustee(s) CORESTATES BANK, N.A. (CUSTODIAN)
 Date of trust agreement or latest amendment AUGUST 1, 1988 (CUSTODIAL AGREEMENT)
 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
 SEE NOTE 3, PAGE 9

(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 X No
 If yes, give number of the shares for each class of stock or other security: SEE NOTE 3, PAGE 9

(ii) Are voting rights attached to any securities held by the pension plan? Specify Yes X No If yes, who determines how stock is voted? The Chairman of the Board of Managers is authorized to give instructions to the Board of Managers' nominee regarding the execution of general proxies.

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 \$ 8.0 million

(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

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)

See Note 7 on page 10.

(a) Changes in Valuation Accounts

8. Marketable Equity Securities. See Note 8 on page 11.

		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 or _____ (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

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION—EXPLANATORY NOTES—Concluded**NOTES TO FINANCIAL STATEMENTS****3. Pension Plans**

NS Rail's defined benefit pension plans, which principally cover salaried employees, are part of NS' retirement plans. Pension benefits are based primarily on years of creditable service with NS and its participating subsidiary companies and compensation rates near retirement. Contributions to the plans are made on the basis of not less than the minimum funding standards set forth in the Employee Retirement Income Security Act of 1974, as amended. Assets in the plans consist mainly of common stocks. The following data relate principally to NSR's portion of the combined NS plans, since no separate NS Rail data are available.

Pension Cost (Benefit) Components

	<u>1995</u>	<u>1994</u>
	(In millions of dollars)	
Service cost-benefits earned during the year	\$ 9.6	\$ 10.2
Interest cost on projected benefit obligation	65.1	59.9
Actual return on assets in plan	(257.0)	(16.6)
Net amortization and deferral	<u>172.1</u>	<u>(62.9)</u>
Net pension benefit	(10.2)	(9.4)
Cost of early retirement benefits	<u>23.4</u>	<u>—</u>
Total	<u>\$ 13.2</u>	<u>\$ (9.4)</u>

Pension cost is determined based on an actuarial valuation that reflects appropriate assumptions as of the beginning of each year. The funded status of the plans is determined using appropriate assumptions as of each year-end. A summary of the major assumptions follows:

	<u>1995</u>	<u>1994</u>
Discount rate for determining funded status	7.25%	8.50%
Future salary increases	6%	6%
Return on assets in the plan	9%	9%

The funded status of the plans and the amounts reflected in the accompanying balance sheets were as follows:

	<u>December 31,</u>			
	<u>1995</u>		<u>1994</u>	
	<u>Funded Plans</u>	<u>Unfunded Plans</u>	<u>Funded Plans</u>	<u>Unfunded Plans</u>
	(In millions of dollars)			
Actuarial present value of benefit obligations:				
Vested benefits	\$ 788.2	\$ 50.8	\$ 626.5	\$ 40.6
Non-vested benefits	<u>0.1</u>	<u>—</u>	<u>—</u>	<u>—</u>
Accumulated benefit obligation	788.3	50.8	626.5	40.6
Effect of expected future salary increases	<u>115.3</u>	<u>11.5</u>	<u>92.1</u>	<u>9.0</u>
Projected benefit obligation	903.6	62.3	718.6	49.6
Fair value of assets in plans	<u>1,060.6</u>	<u>—</u>	<u>871.4</u>	<u>—</u>
Funded status	157.0	(62.3)	152.8	(49.6)
Unrecognized initial net asset	(36.9)	—	(43.7)	—
Unrecognized (gain) loss	(179.2)	20.9	(162.3)	10.1
Unrecognized prior service cost	<u>2.8</u>	<u>3.8</u>	<u>3.6</u>	<u>4.3</u>
Net pension liability included in the balance sheets	<u>\$ (56.3)</u>	<u>\$ (37.6)</u>	<u>\$ (49.6)</u>	<u>\$ (35.2)</u>

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Concluded**NOTES TO FINANCIAL STATEMENTS****3. Pension Plans (continued)**Early Retirement Programs

During 1995 and 1993, NS completed voluntary early retirement programs for salaried employees. The principal benefit for those who participated in these programs was enhanced pension benefits, which are reflected in the accumulated benefit obligation. The \$33.6 million charge for the 1995 program is reflected in Schedule 410 on line 618, column (e). The 1995 program was accepted by 265 employees, the 1993 program, by 378 employees.

(e)(i) Par value of pension plan investments in securities of the respondent or affiliates

	December 31,	
	1995	1994
	(In thousands of dollars)	
Norfolk & Western Railway 1st Consol. Mtge. Bonds, 4%, 10/1/96	\$ 193	\$ 193
Virginian Railway Subordinated Income Debentures, 6%, 08/01/08	—	96
Trailer Train Company, 6-1/2% Note, 04/17/97	308	308
	<u>\$ 501</u>	<u>\$ 597</u>

7. ContingenciesLawsuits

Norfolk Southern Railway Company and certain subsidiaries are defendants in numerous lawsuits relating principally to railroad operations. While the final outcome of these lawsuits cannot be predicted with certainty, it is the opinion of Management, after consulting with its legal counsel, that the amount of NS Rail's ultimate liability will not materially affect NS Rail's consolidated financial position.

Environmental Matters

NS Rail is subject to various jurisdictions' environmental laws and regulations. It is NS Rail's policy to record a liability where such liability or loss is probable and can be reasonably estimated. Claims, if any, against third parties for recovery of clean-up costs incurred by NS Rail are reflected as receivables in the balance sheet and are not netted against the associated NS Rail liability. Environmental engineers participate in ongoing evaluations of all identified sites, and--after consulting with counsel--any necessary adjustments to initial liability estimates are made. NS Rail also has established an Environmental Policy Council, composed of senior managers, to oversee and interpret its environmental policy.

As of December 31, 1995, NS Rail's balance sheet included a reserve for environmental exposures in the amount of \$44 million (of which \$12 million is accounted for as a current liability), which is NS Rail's present best estimate of ultimate liability at 96 identified locations. On that date, eight sites accounted for \$16 million of the reserve, and no individual site was considered to be material. NS Rail anticipates that the majority of this liability will be paid out over five years; however, some costs will be paid out over a longer period.

At many of the 96 locations, NS Rail and/or certain of its subsidiaries, usually in conjunction with a number of other parties, have been identified as potentially responsible parties by the Environmental Protection Agency (EPA) or similar state authorities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or comparable state statutes, which often impose joint and several liability for clean-up costs.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION—EXPLANATORY NOTES—Concluded**NOTES TO FINANCIAL STATEMENTS****7. Contingencies (continued)**

With respect to known environmental sites (whether identified by NS Rail or by the EPA or comparable state authorities), estimates of NS Rail's ultimate potential financial exposure for a given site or in the aggregate for all such sites are necessarily imprecise because of the widely varying costs of currently available clean-up techniques, the likely development of new clean-up technologies, the difficulty of determining in advance the nature and full extent of contamination and each potential participant's share of any estimated loss (and that participant's ability to bear it) and evolving statutory and regulatory standards governing liability.

The risk of incurring environmental liability--for acts and omissions, past, present and future--is inherent in the railroad business. Some of the commodities, particularly those classified as hazardous materials, in NS Rail's traffic mix can pose special risks that NS Rail works diligently to minimize. In addition, NS Rail owns, or has owned in the past, land holdings used as operating property, or which are leased or may have been leased and operated by others, or held for sale. Because certain conditions may exist on these properties related to environmental problems that are latent or undisclosed, there can be no assurance that NS Rail will not incur liabilities or costs with respect to one or more of them, the amount and materiality of which cannot be estimated reliably now. Moreover, lawsuits and claims involving these and other now-unidentified environmental sites and matters are likely to arise from time to time. The resulting liabilities could have a significant effect on financial condition, results of operations or liquidity in a particular year or quarter.

However, based on its assessments of the facts and circumstances now known and, after consulting with its legal counsel, Management believes that it has recorded appropriate estimates of liability for those environmental matters of which NS Rail is aware. Further, Management believes that it is unlikely that any identified matters, either individually or in aggregate, will have a material adverse effect on NS Rail's financial position, results of operations or liquidity.

8. Marketable Equity Securities

<u>December 31,</u>	
<u>1995</u>	<u>1994</u>
(In millions of dollars)	

Marketable equity securities, principally 7,252,634 shares
of NS common stock at fair value

\$ 576.2

\$ 439.7

In accordance with Statement of Financial Accounting Standards No. 115, "Accounting for Certain Investments in Debt and Equity Securities" (SFAS 115), marketable equity securities were recorded at fair value beginning in 1994. Carrying value adjustments, which are non-cash transactions, were excluded in the Combined Statement of Cash Flows. The gross unrealized holding gain was \$555.6 million at December 31, 1995, and \$419.1 million at December 31, 1994. The gains primarily reflect changes in the NS stock price.

9. Business Organization and Structure

Norfolk Southern Railway Company is the corporate name of the entity heretofore known as "Southern Railway Company." Effective December 31, 1990, Norfolk Southern Corporation (NS) transferred all the common stock it owned in NW to Norfolk Southern Railway Company. As a result, at year end 1990, NW became a wholly owned subsidiary of Norfolk Southern Railway Company, and NS owned all the common stock of Norfolk Southern Railway Company. This transfer was recorded as a contribution to capital. This restructuring of entities under common control was accounted for at historical cost in a manner similar to the pooling of interests method. The principal impact on Form R-1 financial information is in the configuration of shareholders' equity, as NW had previously been included as part of NS Rail.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION—EXPLANATORY NOTES—Concluded**NOTES TO FINANCIAL STATEMENTS****10. Related Parties***General*

NS is the parent holding company of NS Rail. The costs of functions performed by NS are allocated to NS Rail. Rail operations are coordinated at the holding company level by the NS Executive Vice President-Operations.

Noncash Dividends

In December 1995 and 1994, NS Rail declared and issued to NS non-cash dividends of \$300.0 million and \$400.1 million, respectively, which were settled by reduction of NS Rail's interest-bearing advances due from NS.

On April 1, 1993, NS Rail declared and issued to NS a \$104.7 million non-cash dividend representing the net assets of several non-railroad subsidiaries. These subsidiaries, principally involved in real estate, produce a small amount of rental income which are no longer part of NS Rail's results.

Non-cash dividends were excluded from the Combined Statements of Cash Flows

Intercompany Accounts

	December 31,	
	1995	1994
	(In millions of dollars)	
Due from NS:		
Long-term advances	\$ 179.8	\$ 181.4
Due to NS:		
Short-term payable	102.5	83.9
Long-term payable	22.1	22.1

During 1995 and 1993, NS issued a note for \$75.5 million and \$112.6 million, respectively, to an NS subsidiary for the purchase of a portfolio of short-term investments. This non-cash transaction was excluded from the Combined Statement of Cash Flows.

Interest is applied to certain advances at the average NS yield on short-term investments and to the notes at specified rates.

Intercompany Federal Income Tax Accounts

In accordance with the NS Tax Allocation Agreement, intercompany federal income tax accounts are recorded between companies in the NS consolidated group. At December 31, 1995 and 1994, NS Rail had intercompany federal income tax payables (which are included in "Other long-term liabilities" on Schedule 200) of \$222.8 million and \$231.0 million, respectively.

Transfer of Investment from NS

In December 1995, NS transferred its \$10.5 million equity interest in a nonoperating subsidiary to Norfolk Southern Railway Company. This transfer was recorded at historical cost and was reflected as a contribution to capital.

Cash Required for NS Stock Purchase Program and NS Debt

Since 1987, the NS Board of Directors has authorized the purchase and retirement of up to 65 million shares of NS common stock. Purchases under the programs have been made with internally generated cash and with proceeds from the sale of NS commercial paper notes and from the issuance of NS long-term debt.

Since the first purchases in December 1987 and through December 31, 1995, NS has purchased and retired 63,932,000 shares of its common stock under these programs at a cost of \$2.9 billion. On January 23, 1996, the NS Board authorized a new program to acquire up to 30 million additional shares of common stock. NS tentatively plans to complete these purchases by the end of the year 2000. Future purchases are dependent on market conditions, the economy, cash needs and alternative investment opportunities.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Concluded**NOTES TO FINANCIAL STATEMENTS****10. Related Parties (continued)**

Consistent with the earlier purchases, a significant portion of the funding for future NS stock purchases, either in the form of direct cash or cash used for debt service, will come from NS Rail through intercompany advances or dividends to NS.

11. Freight Rates and Regulated Traffic**Freight Rates**

In 1995 NS Rail continued its reliance on private contracts and exempt price quotes as its predominant pricing mechanisms. Thus, a major portion of NS Rail's freight business is not economically regulated by the government. In general, market forces have been substituted for government regulation and now are the primary determinant of rail service prices. This situation is not expected to change in 1996 after the January 1 termination of the ICC and transfer of its functions to a new agency, the Surface Transportation Board (STB).

In 1995, the ICC found NS Rail "revenue inadequate" based on results for the year 1994. A railroad is "revenue inadequate" under the Interstate Commerce Act when its return on net investment does not exceed the rail industry's composite cost of capital. The revenue adequacy measure is used by the STB as one of the factors in its determination of reasonableness of regulated rates.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION—EXPLANATORY NOTES—Concluded**NOTES TO FINANCIAL STATEMENTS**

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANATORY NOTES-Concluded

NOTES TO FINANCIAL STATEMENTS

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 parenthesis.

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

Line 14, column (b)
Line 14, column (d)
Line 14, column (e)
Line 49, column (b)

Line No.	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses	Line No.
		(a)	(b)	(c)	(d)	(e)	
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	3,896,719	3,806,620	3,896,719		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	56,549	53,838	56,549		4
5		(105) Water Transfers					5
6		(106) Demurrage	28,366	27,273	28,366		6
7		(110) Incidental	30,180	30,338	30,180		7
8		(121) Joint Facility-Credit (Debit)					8
9		(122) Joint Facility-Debit (Credit)					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	4,011,814	3,918,069	4,011,814		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)	4,011,814	3,918,069	4,011,814		13
14		(531) Railway operating expenses	2,949,953	2,874,757	2,949,953		14
15		Net revenue from railway operations	1,061,861	1,043,312	1,061,861		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	922	1,498			16
17		(510) Miscellaneous rent income	17,185	16,454			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)	15,094	13,932			19
20		(514) Interest Income	35,907	34,030			20
21		(516) Income from sinking and other funds	790	354			21
22		(517) Release of premiums on funded debt	6	7			22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	82,787	54,203			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	282	143			26
27		TOTAL OTHER INCOME (lines 16-26)	152,973	120,621			27
28		TOTAL INCOME (lines 15, 27)	1,214,834	1,163,933			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	8,089	9,268			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	9,871	8,509			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	17,960	17,777			36
37		Income available for fixed charges (lines 28, 36)	1,196,874	1,146,156			37

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

Line No	Cross Check	Item	Amount for current year (b)	Amount for preceding year (c)	Line No
		(a)			
		FIXED CHARGES			
38		(546) Interest on funded debt			38
39		(a) Fixed interest not in default	33.080	29.811	39
40		(b) Interest in default			40
41		(547) Interest on unfunded debt	93.717	62.701	41
42		(548) Amortization of discount on funded debt	544	560	42
43		TOTAL FIXED CHARGES (lines 38-41)	127.341	93.072	43
		Income after fixed charges (lines 37, 42)	1,069,533	1,053,084	
		OTHER DEDUCTIONS			
44		(546) Interest on funded debt			44
		(c) Contingent interest	355	355	
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	1,069,178	1,052,729	46
		PROVISIONS FOR INCOME TAXES			
47	-	(556) Income taxes on ordinary income			47
48	-	(a) Federal income taxes	284,071	235,129	48
49	-	(b) State income taxes	42,638	35,059	49
50	-	(c) Other income taxes	45,042	112,332	50
51		(557) Provision for deferred taxes	371,751	362,520	51
52		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	697,427	670,209	52
		Income from continuing operations (lines 46+51)			
		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)	697,427	670,209	55
		EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	-	Net income (Loss) (lines 55+59+60)	697,427	670,209	61
		Reconciliation of net railway operating income(NROI)			
62		Net revenues from railway operation	1,061,861	1,043,312	62
63	-	(556) Income taxes on ordinary income (-)	(326,709)	(270,188)	63
64	-	(557) Provision for deferred income taxes (-)	(45,042)	(112,332)	64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)	25,361	21,213	66
67		Net railway operating income (loss)	715,471	682,005	67

NOTES AND REMARKS FOR SCHEDULES 210 AND 220

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 entres hereunder should be shown in parentheses.

3 Show under "Remarks" the amount of assigned Federal income tax consequences for Account 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 column (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	Retained earnings- Unappropriated	Equity in undistributed earnings (losses) of affiliated companies	Line No
		(a)	(b)	(c)	
1		Balances at beginning of year	4,380,331		1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	*	(602) Credit balance transferred from income	697,427		3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	697,427		6
		DEBITS			
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	588,873		11
12		Preferred stock (1)			12
13		TOTAL	588,873		13
14		Net increase (decrease) during year (line 6 minus line 13)	108,554		14
15	*	Balances at close of year (lines 1, 2 & 14)	4,488,885		15
16	*	Balances from line 15 (c)		N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	4,488,885	N/A	17
18		(798) Total appropriated retained earnings:			18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at close of year \$17,236			21
		Amount of assigned Federal income tax consequences:			
22		Account 606 \$ None			22
23		Account 616 \$ None			23

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

Line 11 Dividends*

Cash	288,832	Schedule 240, Line 34
Non-Cash	300,041	Note 10, Page 12
	<u>588,873</u>	

N/A - See Note on Schedule 310A, page 30.

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 purposes of this report, capital stock and other securities are considered to be nominally 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 canceled 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:								1
2	Norfolk Southern Railway Company	None	50,000,000	16,668,997		16,668,997	\$166,890		2
3	TCS Leasing, Inc.	None	500	500		500			3
4									4
5									5
6									6
7	Preferred:								7
8	Southern cumulative preferred stock is considered								8
9	"minority interest" for purposes of this report.								9
10	TOTAL	N/A	50,000,500	16,669,497		16,669,497	\$166,890		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 disclosures 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							\$513,757	11
12	Capital Stock Sold (1)				\$166,690				12
13	Capital Stock Reacquired								13
14	Capital Stock Canceled								14
15	Contribution to Capital, Note 10, Page 12							10,515	15
16									16
17	Balance at close of year				\$166,690			\$524,272	17

(1) By footnote on page 17 state the purpose of the issue and authority.

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 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 noncash 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	697,427	670,209	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	(11,965)	(9,146)	11
12		Depreciation and amortization expenses	389,867	375,132	12
13		Increase (decrease) in provision for deferred income taxes	43,466	112,332	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(282)	(143)	14
15		Decrease (increase) in accounts receivable	10,769	(26,730)	15
16		Decrease (increase) in materials and supplies, and other current assets	(10,750)	(5,962)	16
17		Increase (decrease) in current liabilities other than debt	103,502	6,305	17
18		Increase (decrease) in other-net	25,333	31,571	18
19		Net cash provided from continuing operations (Lines 10-18)	1,247,367	1,153,568	19
20		Add (subtract) cash generated (paid) by reason of discontinued operations and extraordinary items	-	-	20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (Lines 19 & 20)	1,247,367	1,153,568	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	107,266	56,128	22
23		Capital expenditures	(638,017)	(639,593)	23
24		Net change in temporary cash investments not qualifying as cash equivalents	(31,387)	1,003	24
25		Proceeds from sale/repayment of investment and advances	194	245,830	25
26		Purchase price of long-term investment and advances	(34,544)	(35,874)	26
27		Net decrease (increase) in sinking and other special funds	16,444	(14,588)	27
28		Other-net	(281,473)	(385,598)	28
29		NET CASH USED IN INVESTING ACTIVITIES (Lines 22-28)	(861,517)	(772,692)	29

(Continued on next page)

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	7,530	41,400	30
31		Principal payments of long-term debt	(89,002)	(114,253)	31
32		Proceeds from issuance of capital stock	-	-	32
33		Purchase price of acquiring treasury stock	-	-	33
34		Cash dividends paid	(288,832)	(276,760)	34
35		Other-net	-	-	35
36		NET CASH FROM FINANCING ACTIVITIES (Lines 30-35)	(370,304)	(349,613)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (Lines 21, 29 & 36)	15,546	31,263	37
38		Cash and cash equivalents at beginning of the year	33,806	2,543	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Lines 37 & 38)	49,352	33,806	39
		Footnotes to Schedule 240			
		Cash paid during the year for:			
40		Interest (net of amount capitalized)*	48,912	51,476	40
41		Income taxes (net)*	271,557	251,388	41

*Only applies if indirect method is adopted

NOTES AND REMARKS

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	Source No	Amount (b)	Line No.
	CURRENT OPERATING ASSETS			
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	20,903	1
2	Customers (706)	Schedule 200, line 6, column b	284,110	2
3	Other (707)	Note A	30,141	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2 + 3	335,154	4
	OPERATING REVENUE			
5	Railway Operating Revenue	Schedule 210, line 13, column b	4,011,814	5
6	Rent Income	Note B	218,192	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	4,230,006	7
8	Average Daily Operating Revenues	Line 7 + 360 days	11,750	8
	Days of Operating Revenue in			
9	Current Operating Assets	Line 4 + line 8	29	9
10	Revenue Delay Days Plus Buffer	Lines 9 + 15 days	44	10
	CURRENT OPERATING LIABILITIES			
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	2,517	11
12	Audited Accounts and Wages Payable (753)	Note A	33,304	12
13	Accounts Payable-Other (754)	Note A	3,558	13
14	Other Taxes Accrued (761.5)	Note A	90,533	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	129,912	15
	OPERATING EXPENSES			
16	Railway Operating Expenses	Schedule 210, line 14, column b	2,949,953	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, column h	388,954	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	2,779,191	18
19	Average Daily Expenditures	Line 18 + 360 days	7,720	19
	Days of Operating Expenses in Current			
20	Operating Liabilities	Line 15 + line 19	17	20
21	Days of Working Capital Required	Line 10 - line 20 (Note C)	27	21
22	Cash Working Capital Required	Line 21 x line 19	208,440	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	230,061	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	208,440	24
	MATERIALS AND SUPPLIES			
25	Total Material and Supplies (712)	Note A	59,825	25
	Scrap and Obsolete Material included			
26	In Acct. 712	Note A		26
	Materials and Supplies held for Common			
27	Carrier Purposes	Line 25 - line 26	59,825	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	268,265	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 Interstate Commerce Commission and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

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 be used to conserve space

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	721	A-1	VII	Belt Railway Company of Chicago (1)	8.33	1
2				Kansas City Terminal Rwy. (2)	8.33	2
3				Peoria and Pekin Union Rwy. (3)	15.00	3
4				Winston-Salem Southbound Rwy. Co. (4)	50.00	4
5				Terminal Railroad Association of St. Louis (5)	12.50	5
6				Trailer-Train Co. (6)	6.80	6
7				Algers Winslow & Western Rwy. Co. (7)	50.00	7
8				Augusta & Summerville RR Co. (8)	50.00	8
9				Central Transfer Rwy. and Storage Co. (9)	50.00	9
10				North Charleston Terminal Co. (10)	33.33	10
11				Woodstock & Blockton Ry. (11)	50.00	11
12				Chatham Terminal Co. (12)	50.00	12
13				Beaver Street Tower Co. (13)	25.00	13
14				Iowa Transfer Ry Co.		14
15						15
16						16
17				Total A-1		17
18						18
19						19
20		A-3	VI	Green Real Estate Co. (14)	33.33	20
21			X	Norfolk Southern Corp. (15)		21
22						22
23				Total A-3		23
24						24
25		D-1	VII	Trailer Train Co. - Notes 6 1/2%		25
26				Trailer Train Co. - Notes 7 1/2%		26
27				Total D-1		27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38

(1) Controlled jointly-other RRs own 91.67%

(2) Controlled jointly-other RRs own 91.67%

(3) Controlled jointly-other RRs own 85%

(4) CSX Transp., Inc. owns 50%

(5) Controlled jointly-other RRs own 87.50%

(6) Controlled jointly-other RRs own 93.20%

(7) Zeigler Coal Co. owns 50%

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES-Continued

(Dollars in Thousands)

6. If any of the companies 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 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	173			173		20		1
2	-			-				2
3	157			157				3
4	623			623				4
5	330			330				5
6	309			309				6
7	85			85				7
8	28			28				8
9	19			19				9
10	35			35				10
11	120			120				11
12	19			19				12
13	-			-				13
14	16			16				14
15								15
16								16
17	1,914			1,914		20		17
18								18
19								19
20	236			236		226		20
21	439,691	135,987		575,678			15,085	21
22								22
23	439,927	135,987		575,914		226	15,085	23
24								24
25	1,478			1,478			96	25
26	1,786			1,786			134	26
27	3,264			3,264			230	27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36			- Carrying value is zero					36
37								37
38								38

(8) CSX Transp., Inc. owns 50%

(9) CSX Transp., Inc. owns 50%

(10) CSX Transp., Inc. owns 66.67%

(11) CSX Transp., Inc. owns 50%

(12) CSX Transp., Inc. owns 50%

(13) CSX Transp., Inc. owns 50% and FEC owns 25%

(14) Conrail owns 33.3% and CSX Transp., Inc. owns 33.3%

(15) Line 21, col. (g) see note 8, page 11

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

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	721	E-1	VII	Akron Barberton Belt Rwy.		1
2				Kansas City Terminal Rwy.		2
3				Terminal Railroad Association of St. Louis		3
4				Central Transfer Ry. & Storage Co.		4
5				North Charleston Terminal Co.		5
6				Chatham Terminal Co.		6
7				Beaver St. Tower Co.		7
8				Woodstock & Blocton Ry.		8
9						9
10				Total E-1		10
11						11
12						12
13		E-3	X	Pocahontas Land Corp.		13
14			X	Norfolk Southern Corporation		14
15			VI	Southern Region Industrial Realty, Inc.		15
16				Total E-3		16
17						17
18		--	VII	Triple Crown Service Co.	(a) 50.00	18
19				Total		19
20						20
21				Total 721		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

** Investment in and/or advances to partnerships

(a) NS Crown Services, Inc., 50% general partner, along with other general partner TCV, Inc., a subsidiary of Conrail.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES-Concluded
(Dollars in Thousands)

Line No.	Opening balance	Investments and advances			Disposed of profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
		Additions	Deductions (if other than sale, explain)	Closing balance				
	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
1	114			114				1
2	3,133			3,133				2
3	695		342	353			88	3
4	25			25			1	4
5	45			45			2	5
6	5			5				6
7	5			5				7
8	10			10				8
9								9
10	4,032		342	3,690			91	10
11								11
12								12
13	20,000		2,000	18,000			1,462	13
14	161,378			161,378				14
15	383			383				15
16	181,761		2,000	179,761			1,462	16
17								17
18	1,884	569		2,453				18
19	1,884	569		2,453				19
20								20
21	632,782	136,556	2,342	766,996		246	16,868	21
22								22
23				(246)	721.5 Total			23
24				7,987	Sch 310A Total			24
25				774,737				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

* Carrying value is zero

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	Balance at beginning of year (b)	Adjustment 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	Winston-Salem Southbound Rwy.	7,038		132			7,170	2
3	Augusta and Summerville	56					56	3
4	Central Transfer and Storage Co.	6	(1)	1			6	4
5	Algiers Winslow and Western	860	(250)	143			753	5
6	Woodstock and Blocton	2	(6)	6			2	6
7	Total Carriers	7,962	(257)	282			7,987	7
8								8
9								9
10								10
11								11
12								12

Noncarrier: (List specifics for each company)

13	NOTE:							13
14	Respondent maintains equity accounting for affiliates by recording transactions into the books of accounts. Therefore, a separate retained earnings memorandum account for the financial reporting of the equity portion is not maintained.							14
15								15
16								16
17	Dividends received are accounted (in column (c)) as a reduction in the investment carrying value.							17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26

NOTES AND REMARKS

SCHEDULE 335Column (D) Other Credits

11,803	Transfer of Freight Cars to Work Equipment.
88,020	Reallocation of Accumulated Depreciation in Conformance With Recent Depreciation Study.
22,117	Transfer from Accumulated Depreciation - Leased Road and Equipment
<u>121,940</u>	

Column (F) Other Debits

11,803	Transfer of Freight Cars to Work Equipment.
37,936	Transfer to Accumulated Depreciation - Leased Road and Equipment
23,818	Transfer of Excess Reserves to Other Accounts within Accumulated Depreciation in Conformance With Recent Depreciation Study.
64,203	Reallocation of Accumulated Depreciation in Conformance With Recent Depreciation Study.
<u>137,760</u>	

Reconciliation of Depreciation Expense to Schedule 410Road (Column (c))

196,959	Schedule 410
2,621	Shop Machinery
<u>199,580</u>	Total
190,266	Schedule 335, Line 30
9,134	Schedule 342, Line 41
180	Schedule 339, Line 41
<u>199,580</u>	Total

Equipment (Column (c))

191,996	Schedule 410
(2,621)	Shop Machinery
<u>189,375</u>	Total
<u>189,375</u>	Schedule 335, Line 40

Reconciliation of Accumulated Depreciation and Amortization to Schedule 200

3,979,703	Schedule 335, Line 41, Column (g)
114,961	Schedule 342, Line 41, Column (g)
<u>4,094,664</u>	
<u>4,094,664</u>	Schedule 200, Line 27, Column (b)

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 purpose	138,234			1
2		(3) Grading	469,676			2
3		(4) Other, right-of-way expenditures	4,414			3
4		(5) Tunnels and subways	44,558			4
5		(6) Bridges, trestles, and culverts	576,212			5
6		(7) Elevated structures	37,106			6
7		(8) Ties	1,547,957			7
8		(9) Rail and other track material	2,524,232			8
9		(11) Ballast	678,419			9
10		(13) Fences, snow sheds, and signs	6,705			10
11		(16) Station and office buildings	255,613			11
12		(17) Roadway buildings	30,891			12
13		(18) Water stations	1,796			13
14		(19) Fuel stations	14,854			14
15		(20) Shops and enginehouses	158,143			15
16		(22) Storage warehouses	881			16
17		(23) Wharves and docks	3,017			17
18		(24) Coal and ore wharves	109,445			18
19		(25) TOFC/COFC terminals	96,948			19
20		(26) Communications systems	212,871			20
21		(27) Signals and interlocker	397,209			21
22		(29) Power plants	2,681			22
23		(31) Power-transmissions systems	17,555			23
24		(35) Miscellaneous structures	10,006			24
25		(37) Roadway machines	191,235			25
26		(39) Public improvements-Construction	164,596			26
27		(44) Shop machinery*	89,975			27
28		(45) Power-plant machinery	14,916			28
29		Other (specify and explain)	0			29
30		TOTAL EXPENDITURES FOR ROAD	7,800,145			30
31		(52) Locomotives	1,355,337			31
32		(53) Freight-train cars	2,620,208			32
33		(54) Passenger-train cars	942			33
34		(55) Highway revenue equipment	77,277			34
35		(56) Floating equipment	669			35
36		(57) Work equipment	107,846			36
37		(58) Miscellaneous equipment	136,534			37
38		(59) Computer systems and word processing equip	120,516			38
39		TOTAL EQUIPMENT	4,419,329			39
40		(76) Interest during construction	281			40
41		(80) Other elements of investment	0			41
42		(90) Construction in progress	233,745			42
43		GRAND TOTAL	12,453,500			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		10,368	3,135	7,233	145,467	1
2		13,340	9,593	3,747	473,423	2
3		0	0	0	4,414	3
4		28	2	26	44,584	4
5		31,205	9,020	22,185	598,397	5
6		0	0	0	37,106	6
7		102,545	41,538	61,007	1,608,964	7
8		105,466	60,541	44,925	2,569,157	8
9		36,754	16,616	20,138	698,557	9
10		67	78	(11)	6,694	10
11		24,368	3,330	21,038	276,651	11
12		2,167	142	2,025	32,916	12
13		74	143	(69)	1,727	13
14		1,931	52	1,879	16,733	14
15		3,110	271	2,839	160,982	15
16		239	0	239	1,120	16
17		26	0	26	3,043	17
18		6,686	1,399	5,287	114,732	18
19		26,195	(683)	26,878	123,826	19
20		14,764	4,179	10,585	223,456	20
21		24,280	2,481	21,799	419,008	21
22		0	0	0	2,681	22
23		792	215	577	18,132	23
24		540	(60)	600	10,606	24
25		15,602	4,079	11,523	202,758	25
26		14,963	4,619	10,344	174,940	26
27		3,401	1,241	2,160	92,135	27
28		0	59	(59)	14,857	28
29		0	0	0	0	29
30		438,911	161,990	276,921	8,077,066	30
31		149,697	25,891	123,806	1,479,143	31
32		148,684	137,089	11,595	2,631,803	32
33		0	727	(727)	215	33
34		1,635	18,866	(17,231)	60,046	34
35		0	0	0	669	35
36		8,394	(7,489)	15,883	123,729	36
37		29,119	10,812	18,307	154,841	37
38		32,541	6,939	25,602	146,118	38
39		370,070	192,835	177,235	4,596,564	39
40		0	54	(54)	227	40
41		0	0	0	0	41
42		(93,093)	(7,237)	(85,856)	147,889	42
43		715,888	347,642	368,246	12,821,746	43

332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS
(Dollars in Thousands)

- 1 Show in columns (b) and (c), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (d) and (e) show the depreciation base used to compute the depreciation charges for the month of December, in columns (f) 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 therefor 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, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, 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 other 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		Balance at close of year (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)		
	ROADWAY							
1	(3) Grading	402,212	408,965	1.00%				1
2	(4) Other, right-of-way expenditures	4,353	4,338	1.00%				2
3	(5) Tunnels and subways	44,556	44,581	0.74%				3
4	(6) Bridges, trestles, and culverts	543,978	568,673	1.04%				4
5	(7) Elevated structures	37,107	37,107	10.00%				5
6	(8) Ties	1,368,090	1,420,807	4.07%				6
7	(9) Rail and other track material	2,247,627	2,286,197	2.28%				7
8	(11) Ballast	603,024	620,874	2.44%				8
9	(13) Fences, snow sheds, and signs	6,233	6,258	1.05%				9
10	(16) Station and office buildings	247,663	260,119	2.69%	NOT APPLICABLE			10
11	(17) Roadway buildings	30,164	31,866	2.87%				11
12	(18) Water stations	72	0	0.00%	5% RULE			12
13	(19) Fuel stations	13,505	15,387	3.80%				13
14	(20) Shops and enginehouses	150,146	152,869	2.13%				14
15	(22) Storage warehouses	881	1,121	2.50%				15
16	(23) Wharves and docks	2,938	765	1.81%				16
17	(24) Coal and ore wharves	109,444	113,964	2.13%				17
18	(25) TOFC/COFC terminals	91,520	114,181	3.50%				18
19	(26) Communications systems	209,860	220,099	4.89%				19
20	(27) Signals and interlocker	376,274	395,165	1.87%				20
21	(29) Power plants	2,675	2,675	3.33%				21
22	(31) Power-transmissions systems	17,262	17,804	2.55%				22
23	(35) Miscellaneous structures	9,630	10,145	3.37%				23
24	(37) Roadway machines	190,696	201,879	5.37%				24
25	(39) Public improvements-Construction	154,373	161,788	1.43%				25
26	(44) Shop machinery*	87,955	89,865	2.92%				26
27	(45) Power-plant machinery	14,904	14,844	2.86%				27
28	All other road accounts	0	0	0.00%				28
29	Amortization (Adjustments)	0	0	0.00%				29
30	TOTAL ROAD	6,967,142	7,202,336	2.68%				30
	EQUIPMENT							
31	(52) Locomotives	1,354,260	1,490,499	3.88%				31
32	(53) Freight-train cars	2,609,114	2,617,339	3.20%				32
33	(54) Passenger-train cars	942	215	0.00%				33
34	(55) Highway revenue equipment	85,617	74,435	7.66%				34
35	(56) Floating equipment	669	669	3.59%				35
36	(57) Work equipment	107,842	123,935	2.51%				36
37	(58) Miscellaneous equipment	136,123	154,986	8.69%				37
38	(59) Computer systems and word processing equipment	120,861	145,400	20.00%				38
39	TOTAL EQUIPMENT	4,415,428	4,607,478	4.18%				39
40	GRAND TOTAL	11,382,570	11,809,814	N/A				40

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 - Credits - Equipment" accounts and "Other Rents - Credits - 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)		
1		(3) Grading	188,750	4,054	5,577	9,496	0	188,885	1
2		(4) Other, right-of-way expenditures	609	43	308	0	0	960	2
3		(5) Tunnels and subways	16,220	330	0	0	3	16,547	3
4		(6) Bridges, trestles, and culverts	122,008	5,805	20,817	8,875	0	139,755	4
5		(7) Elevated structures	7,170	3,711	1,928	0	0	12,809	5
6		(8) Ties	468,633	57,176	18,713	45,131	0	499,391	6
7		(9) Rail and other track material	526,685	52,218	30,080	44,442	0	564,541	7
8		(11) Ballast	149,803	15,092	0	19,954	3,069	141,872	8
9		(13) Fences, snow sheds, and signs	4,442	66	0	126	2,193	2,189	9
10		(16) Station and office buildings	90,907	6,636	0	1,520	19,783	76,240	10
11		(17) Roadway buildings	12,740	901	0	143	152	13,346	11
12		(18) Water stations	0	0	547	4	0	543	12
13		(19) Fuel stations	5,126	563	0	53	153	5,483	13
14		(20) Shops and enginehouses	57,147	3,218	0	330	670	59,365	14
15		(22) Storage warehouses	34	27	232	0	0	293	15
16		(23) Wharves and docks	821	17	0	0	468	370	16
17		(24) Coal and ore wharves	30,344	2,415	2,252	1,324	0	33,687	17
18		(25) TOFC/COFC terminals	18,938	3,595	0	43	2,032	20,458	18
19		(26) Communications systems	99,126	10,495	0	4,176	6,870	98,575	19
20		(27) Signals and interlocker	74,982	7,183	3,990	2,217	0	83,938	20
21		(29) Power plants	1,943	89	0	35	986	1,011	21
22		(31) Power-transmissions systems	8,082	437	0	199	577	7,743	22
23		(35) Miscellaneous structures	3,041	296	0	29	683	2,625	23
24		(37) Roadway machines	56,966	10,582	11,561	3,626	0	75,483	24
25		(39) Public improvements-Construction	17,017	2,271	10,885	3,882	0	26,291	25
26		(44) Shop machinery*	25,801	2,621	2,257	684	0	29,995	26
27		(45) Power-plant machinery	4,764	425	694	61	1	5,821	27
28		All other road accounts	0	0	0	0	0	0	28
29		Amortization (Adjustments)	0	0	0	0	0	0	29
30		TOTAL ROAD	1,992,099	190,266	109,841	146,350	37,640	2,108,216	30
31	*	(52) Locomotives	576,889	56,892	0	20,491	16,396	596,894	31
32	*	(53) Freight-train cars	1,075,286	83,535	0	73,112	8,149	1,077,560	32
33	*	(54) Passenger-train cars	942	0	0	444	0	498	33
34	*	(55) Highway revenue equipment	56,812	6,106	0	12,961	18,652	31,305	34
35	*	(56) Floating equipment	(4)	23	283	0	0	302	35
36	*	(57) Work equipment	38,759	2,996	11,816	3,813	5,524	44,234	36
37	*	(58) Miscellaneous equipment	47,669	12,900	0	8,321	463	51,785	37
38		(59) Computer systems and word processing equipment	64,465	26,923	0	7,532	27,118	56,738	38
39	*	Amortization Adjustments	35,989	0	0	0	23,818	12,171	39
40		TOTAL EQUIPMENT	1,896,807	189,375	12,099	126,674	100,120	1,871,487	40
41		GRAND TOTAL	3,888,906	379,641	121,940	273,024	137,760	3,979,703	41

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

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.	Account (a)	Balance At beginning of year (b)	CREDITS TO ACCOUNTS During the year		DEBITS TO ACCOUNTS During the year		Balance at close of year (g)	Line No.
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
	ROADWAY							
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		NOT APPLICABLE - 5 % RULE					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) Communications systems							19
20	(27) Signals and interlocker							20
21	(29) Power plants							21
22	(31) Power-transmissions 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	2,677	180				2,858	41

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

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 same month. This schedule should include only improvements to leased property charges to Account 732, "Improvements on Leased Property". The composite rates used should be those prescribed or otherwise authorized by the Commission, 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 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)	No.
		At beginning of year (b)	At close of year (c)		
	ROADWAY				
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	NOT APPLICABLE - 5% RULE			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) Communications systems				19
20	(27) Signals and interlocker				20
21	(29) Power plants				21
22	(31) Power-transmissions 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	339,223	352,182	2.74%	41

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

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

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation -- Improvements of 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 35. 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.	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)		
	ROADWAY							
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		NOT APPLICABLE - 5 % RULE					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) Communications systems							19
20	(27) Signals and interlocker							20
21	(29) Power plants							21
22	(31) Power-transmissions 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	95,146	9,134	15,575	4,894	0	114,961	41

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

NOTES AND REMARKS FOR SCHEDULE 342

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 Commission's Bureau of Accounts, 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 accounts affected.
5. If total road leased to others is less than 5% to 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)	No
		At beginning of year (b)	At close of year (c)		
	ROADWAY				
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) Communications systems				19
20	(27) Signals and interlocker				20
21	(29) Power plants				21
22	(31) Power-transmissions 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				39

Included in Schedule 332

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 depreciation 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 total road owned or total equipment owned respectively. However, line 39, Grand Total, should be completed

Line No.	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)		
	ROADWAY							
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) Communications systems							19
20	(27) Signals and interlocker							20
21	(29) Power plants							21
22	(31) Power-transmissions 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							39

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

Included in Schedule 335

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

1. Describe the investment in railway property used in transportation service at the close of the year. The 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 (d), 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) (c)	Investments in property (See Ins. 5) (d)	Depreciation and amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	Norfolk Southern Combined Railroad Subsidiaries	13,539	12,821,746	4,094,664	1
2						2
3	P	Toledo Belt Railway	4	0		3
4						4
5	L	C & C Railroad Company	2	0		5
6	L	Cincinnati Southern Railway	335	53,089		6
7	L	North Carolina Railroad	313	7,939	2,351	7
8	L	Pittsburgh & West Virginia Railroad	121	49,837	20,518	8
9	L	P & WV Subleased to Wheeling & Lake Erie	(121)	(49,837)	(20,518)	9
10		SUB-TOTAL	650	61,028	2,351	10
11						11
12	O	Baltimore & Ohio Railroad		53		12
13	O	Carolina Aluminum company	11	674		13
14	O	Central Transfer & Storage		12		14
15	O	Chicago & Illinois Midland Railway Company	10	13		15
16	O	Columbus & Greenville Railroad Company		2,454		16
17	O	Georgia Railroad & Banking Company		2		17
18	O	United States Government	6	0		18
19		SUB-TOTAL	27	3,208	0	19
20						20
21		Less Lines Leased to or Operated by Others				21
22	R	Aberdeen Carolina Western	104	12,129		22
23	R	Albermarle Railroad	73	3,056		23
24	R	Augusta & Summerville Railroad Company		17		24
25	R	BN Railroad	26	1,289		25

352A INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company) - Continued

Line No.	Class (See Ins 2) (a)	Name of company (b)	Miles of road Used (See Ins. 4) (c)	Investments in property (See Ins 5) (d)	Depreciation and amortization of defense projects (See Ins 6) (e)	Line No
26	R	CSX, Corp	20	2,839		26
27	R	Carolina Coastal Railway	17	2,044		27
28	R	Carolina & Northwestern Railway Company	23	4,382		28
29	R	Central Railroad Company of Indianapolis	121	18,842		29
30	R	Chattanooga Chickamauga Railway	70	8,235		30
31	R	Chesapeake & Albemarle Railway	73	8,413		31
32	R	Chesapeake & Ohio Railroad Company	18	1,943		32
33	R	City of Ozark	1	73		33
34	R	Clinchfield Railroad Company		17		34
35	R	Commonwealth Railway Company	12	1,966		35
36	R	Georgia & Florida Railway Company	58	7,674		36
37	R	Georgia Southwestern Railway	50	5,334		37
38	R	Great Walton Railroad Company	27	3,180		38
39	R	Gulf Mobile & Ohio		19		39
40	R	Indiana Hi Rail	214	32,002		40
41	R	Indiana Transportation Museum		5,130		41
42	R	Louisville & Nashville Railroad Company		5		42
43	R	North Carolina & Virginia Railroad	72	11,412		43
44	R	Ogeechee Railway	87	11,487		44
45	R	Pickens Railroad Company	7	1,401		45
46	R	Pigeon River Railroad	9	426		46
47	R	R J Corman Co - Western Ohio Line	16	3,287		47
48	R	Seaboard Coastline	2	1,011		48
49	R	Sloss-Sheffield Steel & Iron company		9		49
50	R	South Carolina Central Railroad	79	8,186		50
51	R	St. Louis-San Francisco Railroad Company		17		51
52	R	Virginia Southern Railroad	54	1,824		52
53	R	Yadkin Valley Railroad	102	41,893		53
54		SUB-TOTAL	1,335	199,542	0	54
55						55
56						56
57						57
58						58
59						59
60						60
61						61
62						62
63						63
64						64
65						65
66						66
67						67
68						68
69						69
70						70
71						71
72						72
73						73
74						74
75		TOTAL	12,885	12,686,440	4,097,015	75

352B INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE

(By Property Accounts)

(Dollars in Thousands)

1. In column (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 or 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 purpose	139,735	6,024		2	1
2		(3) Grading	440,268	23,628		49	2
3		(4) Other, right-of-way expenditures	4,194	137			3
4		(5) Tunnels and subways	44,584	5,574			4
5		(6) Bridges, trestles, and culverts	582,473	12,167		304	5
6		(7) Elevated structures	37,106	0			6
7		(8) Ties	1,554,092	1,757		957	7
8		(9) Rail and other track material	2,512,078	9,549		1,433	8
9		(11) Ballast	677,419	3,103		412	9
10		(13) Fences, snow sheds, and signs	6,258	194		1	10
11		(16) Station and office buildings	271,003	2,182			11
12		(17) Roadway buildings	31,548	79			12
13		(18) Water stations	1,707	30			13
14		(19) Fuel stations	16,733	84			14
15		(20) Shops and enginehouses	160,971	119			15
16		(22) Storage warehouses	1,120	40			16
17		(23) Wharves and docks	3,043	37			17
18		(24) Coal and ore wharves	114,732	0			18
19		(25) TOFC/COFC terminals	123,826	0			19
20		(26) Communications systems	223,376	275		23	20
21		(27) Signals and interlocker	418,237	945		13	21
22		(29) Power plants	2,681	0			22
23		(31) Power-transmissions systems	18,132	38			23
24		(35) Miscellaneous structures	10,606	14			24
25		(37) Roadway machines	202,758	0			25
26		(39) Public improvements-Construction	171,959	1,996		14	26
27		(44) Shop machinery*	92,135	52			27
28		(45) Power-plant machinery	14,857	9			28
29		Leased property capitalized rentals (explain)	0	0			29
30		Other (specify and explain) Accts. 1 & 77	0	3,999			30
31		TOTAL EXPENDITURES FOR ROAD	7,877,631	72,032	0	3,208	31
32		(52) Locomotives	1,479,143				32
33		(53) Freight-train cars	2,631,803				33
34		(54) Passenger-train cars	215				34
35		(55) Highway revenue equipment	60,046				35
36		(56) Floating equipment	669				36
37		(57) Work equipment	123,729				37
38		(58) Miscellaneous equipment	154,841				38
39		(59) Computer systems and word processing equip	146,118				39
40		TOTAL EQUIPMENT	4,596,564	0	0	0	40
41		(76) Interest during construction	120	3,077			41
42		(80) Other elements of investment	0	(14,098)			42
43		(90) Construction in progress	147,889	17			43
44		GRAND TOTAL	12,622,204	61,028	0	3,208	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 430
Line 4 column b	=	Line 47 column b
		Schedule 210

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 operating expenses in accordance with the Commission's rule governing the separation of such expenses between freight and passenger services										
Line No.	Cross Check	Name of railway operating expense account (a)	Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
		WAY AND STRUCTURES:	\$	\$	\$	\$	\$	\$	\$	
		ADMINISTRATION:								
1		Track	18,470	411	1,135	3,754	23,770		23,770	1
2		Bridge and Building	8,296	180	296	1,018	9,790		9,790	2
3		Signal	6,827	147	223	411	7,608		7,608	3
4		Communication	4,136	63	938	418	5,555		5,555	4
5		Other	15,590		3	1,465	17,058		17,058	5
		TOTAL ADMINISTRATION	53,319	801	2,595	7,066	63,781		63,781	
		REPAIR AND MAINTENANCE:								
6		Roadway - Running	11,834	582	9,555	36	22,007		22,007	6
7		Roadway - Switching	1,398	4	477	3	1,882		1,882	7
8		Tunnels and Subways - Running	15		83		98		98	8
9		Tunnels and Subways - Switching	1		8		9		9	9
10		Bridges and Culverts - Running	10,357	1,945	10,051	1,970	24,323		24,323	10
11		Bridges and Culverts - Switching	744	131	536	146	1,557		1,557	11
12		Ties - Running	5,641	1,680	27		7,348		7,348	12
13		Ties - Switching	460	253	2		715		715	13
14		Rail and Other Track Material - Running	27,252	6,708	7,721	4,273	45,954		45,954	14
15		Rail and Other Track Material - Switching	2,812	495	518	316	4,141		4,141	15
16		Ballast - Running	6,230	1,528	1,184		8,942		8,942	16
17		Ballast - Switching	599	162	114		875		875	17
18		Road Property Damaged - Running	637	884	793	15	2,329		2,329	18
19		Road Property Damaged - Switching								19
20		Road Property Damaged - Other	(48)	8			(40)		(40)	20
21		Signals and Interlockers - Running	11,676	6,674	(551)	991	18,790		18,790	21
22		Signals and Interlockers - Switching	594	44		5	643		643	22
23		Communications Systems	3,981	3,237	10,583	309	18,110		18,110	23
24		Power Systems	59	54	1	1	115		115	24
25		Highway Grade Crossings - Running	1,459	149	1,956	(643)	2,921		2,921	25
26		Highway Grade Crossings - Switching		27	70		97		97	26
27		Station and Office Buildings	2,438	603	6,252	(51)	9,242		9,242	27
28		Shop Buildings - Locomotives	2,364	1,434	1,153		4,951		4,951	28
29		Shop Buildings - Freight Cars	1,128	2,195	1,240		4,563	N/A	4,563	29
30		Shop Buildings - Other Equipment	10				10		10	30

410 RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Total freight expense (i)	Passenger (g)	Total (h)	Line No
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)					
101		REPAIR AND MAINTENANCE - Continued:						137		137	101
102		Locomotive Servicing Facilities	38	33	66			2,289		2,289	102
103		Miscellaneous Buildings and Structures	937	481	870	1		6,236	N/A	6,236	103
104		Coal Terminals	1,807	2,587	1,842				N/A		104
105		Ore Terminals							N/A		105
106		Other Marine Terminals	71	55	1,617			1,743	N/A	1,743	106
107		TOFC/COFC Terminals	3		(1)			2	N/A	2	107
108		Motor Vehicle Loading and Distribution Facilities	135	875	638	42		1,690	N/A	1,690	108
109		Facilities for Other Specialized Service Operations	5,730	8,123	2,269	690		16,812		16,812	109
110		Roadway Machines	38	11,749	665	(1)		12,451		12,451	110
111		Small Tools and Supplies	1,013	293	8			1,314		1,314	111
112		Snow Removal	N/A	N/A	N/A	37,272		37,272		37,272	112
113		Fringe Benefits - Running	N/A	N/A	N/A	1,872		1,872		1,872	113
114		Fringe Benefits - Switching	N/A	N/A	N/A	19,514		19,514		19,514	114
115		Fringe Benefits - Other	N/A	N/A	N/A	26,530		26,530		26,530	115
116		Casualties and Insurance - Running	N/A	N/A	N/A	2,652		2,652		2,652	116
117		Casualties and Insurance - Switching	N/A	N/A	N/A	5,485		5,485		5,485	117
118	*	Casualties and Insurance - Other	N/A	N/A	N/A	N/A		25,361		25,361	118
119	*	Lease Rentals - Debit - Running	N/A	N/A	25,361	N/A					119
120	*	Lease Rentals - Debit - Switching	N/A	N/A		N/A					120
121	*	Lease Rentals - Debit - Other	N/A	N/A	11,541	N/A		11,541		11,541	120
122	*	Lease Rentals - (Credit) - Running	N/A	N/A	(4,905)	N/A		(4,905)		(4,905)	121
123	*	Lease Rentals - (Credit) - Switching	N/A	N/A		N/A					122
124	*	Lease Rentals - (Credit) - Other	N/A	N/A		N/A					123
125		Joint Facility Rent - Debit - Running	N/A	N/A	11,020	N/A		11,020		11,020	124
126		Joint Facility Rent - Debit - Switching	N/A	N/A	506	N/A		506		506	125
127	*	Joint Facility Rent - Debit - Other	N/A	N/A	327	N/A		327		327	126
128	*	Joint Facility Rent - (Credit) - Running	N/A	N/A	(2,733)	N/A		(2,733)		(2,733)	127
129	*	Joint Facility Rent - (Credit) - Switching	N/A	N/A	(723)	N/A		(723)		(723)	128
129	*	Joint Facility Rent - (Credit) - Other	N/A	N/A	(164)	N/A		(164)		(164)	129
130	*	Other Rents - Debit - Running	N/A	N/A	174	N/A		174		174	130
131	*	Other Rents - Debit - Switching	N/A	N/A		N/A					131
132	*	Other Rents - Debit - Other	N/A	N/A	889	N/A		889		889	132
133	*	Other Rents - (Credit) - Running	N/A	N/A		N/A					133
134	*	Other Rents - (Credit) - Switching	N/A	N/A		N/A					134
135	*	Other Rents - (Credit) - Other	N/A	N/A		N/A					135

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										
136	•	Depreciation - Running	N/A	N/A	N/A	131,522	131,522		131,522	136
137	•	Depreciation - Switching	N/A	N/A	N/A	8,002	8,002		8,002	137
138	•	Depreciation - Other	N/A	N/A	N/A	57,434	57,434		57,434	138
139		Joint Facility - Debit - Running	N/A	N/A	12,316	N/A	12,316		12,316	139
140		Joint Facility - Debit - Switching	N/A	N/A	2,411	N/A	2,411		2,411	140
141		Joint Facility - Debit - Other	N/A	N/A	250	N/A	250		250	141
142		Joint Facility - (Credit) - Running	N/A	N/A	(5,897)	N/A	(5,897)		(5,897)	142
143		Joint Facility - (Credit) - Switching	N/A	N/A	(254)	N/A	(254)		(254)	143
144		Joint Facility - (Credit) - Other	N/A	N/A	(406)	N/A	(406)		(406)	144
145		Dismantling Retired Road Property - Running	3				3		3	145
146		Dismantling Retired Road Property - Switching								146
147		Dismantling Retired Road Property - Other								147
148		Other - Running	7,454	(106)	68		7,416		7,416	148
149		Other - Switching			72		72		72	149
150		Other - Other	2	(385)		(186)	(569)		(569)	150
		TOTAL REPAIR AND MAINTENANCE	108,872	52,504	109,600	298,200	569,176		569,176	
151		TOTAL WAY AND STRUCTURES	162,191	53,305	112,195	305,266	632,957		632,957	151
EQUIPMENT:										
LOCOMOTIVES:										
201		Administration	11,551	116	906	1,981	14,554		14,554	201
202	•	Repair and Maintenance	28,999	48,986	2,454	16	80,455		80,455	202
203	•	Machinery Repair	1,155	1,707	349		3,211		3,211	203
204		Equipment Damaged	408	404			812		812	204
205		Fringe Benefits	N/A	N/A	N/A	15,304	15,304		15,304	205
206		Other Casualties and Insurance	N/A	N/A	N/A	6,313	6,313		6,313	206
207	•	Lease Rentals - Debit	N/A	N/A	788	N/A	788		788	207
208	•	Lease Rentals - (Credit)	N/A	N/A	(7,470)	N/A	(7,470)		(7,470)	208
209		Joint Facility Rent - Debit	N/A	N/A	121	N/A	121		121	209
210	•	Joint Facility Rent - (Credit)	N/A	N/A		N/A				210
211	•	Other Rents - Debit	N/A	N/A	3	N/A	3		3	211
212	•	Other Rents - (Credit)	N/A	N/A	(3)	N/A	(3)		(3)	212
213	•	Depreciation	N/A	N/A	N/A	57,505	57,505		57,505	213
214		Joint Facility - Debit	N/A	N/A	149	N/A	149		149	214
215		Joint Facility - (Credit)	N/A	N/A	(27)	N/A	(27)		(27)	215
216	•	Repairs Billed to Others - (Credit)	N/A	N/A		N/A				216
217		Dismantling Retired Property								217

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)			
218		LOCOMOTIVES - Continued.	3,292	27		2	3,321		3,321	218
219		Other	45,405	51,240	(2,730)	81,121	175,036		175,036	219
220		TOTAL LOCOMOTIVES								
221	*	FREIGHT CARS:								
222	*	Administration	38,524	1,548	418	2,471	42,961	N/A	42,961	220
223	*	Repair and Maintenance	36,170	37,666	46,689	2,084	122,609	N/A	122,609	221
224	*	Machinery Repair	2,550	3,730	1,132		7,412	N/A	7,412	222
225	*	Equipment Damaged	2,268	1,707			3,975	N/A	3,975	223
226	*	Fringe Benefits	N/A	N/A	N/A	32,573	32,573	N/A	32,573	224
227	*	Other Casualties and Insurance	N/A	N/A	N/A	10,738	10,738	N/A	10,738	225
228	*	Lease Rentals - Debit	N/A	N/A	14,300	N/A	14,300	N/A	14,300	226
229	*	Lease Rentals - (Credit)	N/A	N/A	(12,327)	N/A	(12,327)	N/A	(12,327)	227
230	*	Joint Facility Rent - Debit	N/A	N/A	(3)	N/A	(3)	N/A	(3)	228
231	*	Joint Facility Rent - (Credit)	N/A	N/A	15	N/A	15	N/A	15	229
232	*	Other Rents - Debit	N/A	N/A	310,823	N/A	310,823	N/A	310,823	230
233	*	Other Rents - (Credit)	N/A	N/A	(171,951)	N/A	(171,951)	N/A	(171,951)	231
234	*	Depreciation	N/A	N/A	N/A	85,147	85,147	N/A	85,147	232
235	*	Joint Facility - Debit	N/A	N/A	12	N/A	12	N/A	12	233
236	*	Joint Facility - (Credit)	N/A	N/A	(23)	N/A	(23)	N/A	(23)	234
237	*	Repairs Billed to Others - (Credit)	N/A	N/A	(40,562)	N/A	(40,562)	N/A	(40,562)	235
238	*	Dismantling Retired Property	N/A	N/A				N/A		236
239	*	Other	5,631	37	1	6	5,675	N/A	5,675	237
240	*	TOTAL FREIGHT CARS	85,143	44,688	148,524	133,019	411,374	N/A	411,374	238
241	*	OTHER EQUIPMENT:								
242	*	Administration	338	3	2	1	344		344	301
243	*	Repair and Maintenance								
244	*	Trucks, Trailers and Containers - Revenue Service	45	1,701	10,408		12,154	N/A	12,154	302
245	*	Floating Equipment - Revenue Service	4				4	N/A	4	303
246	*	Passenger and Other Revenue Equipment								304
247	*	Computer Systems and Word Processing Equipment		475	11,063		11,538		11,538	305
248	*	Machinery	432	578	409		1,419		1,419	306
249	*	Work and Other Non-Revenue Equipment	(2,369)	3,314	8,520	(574)	8,891		8,891	307
250	*	Machinery								308
251	*	Fringe Benefits	N/A	N/A	N/A	748	748		748	309
252	*	Other Casualties and Insurance	N/A	N/A	N/A	382	382		382	310
253	*	Lease Rentals - Debit	N/A	N/A	5,903	N/A	5,903		5,903	311

410 RAILWAY OPERATING EXPENSES - Continued (Dollars in Thousands)										
Line No.	Cross Check	Name of railway operating expense account (a)	Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
312	*	OTHER EQUIPMENT - Continued:								
313		Lease Rentals - (Credit)	N/A	N/A	(4,970)	N/A	(4,970)		(4,970)	312
314	*	Joint Facility Rent - Debit	N/A	N/A	(148)	N/A	(148)		(148)	313
315	*	Joint Facility Rent - (Credit)	N/A	N/A	(76)	N/A	(76)		(76)	314
316	*	Other Rents - Debit	N/A	N/A	21,009	N/A	21,009		21,009	315
317	*	Other Rents - (Credit)	N/A	N/A	(12,885)	N/A	(12,885)		(12,885)	316
318		Depreciation	N/A	N/A	N/A	49,344	49,344		49,344	317
319		Joint Facility - Debit	N/A	N/A	69	N/A	69		69	318
320	*	Joint Facility - (Credit)	N/A	N/A	34	N/A	34		34	319
321		Repairs Billed to Others - (Credit)	N/A	N/A	(2,809)	N/A	(2,809)		(2,809)	320
322		Dismantling Retired Property								321
323		Other	(1,550)	6,071	36,529	49,866	90,916		90,916	322
324		TOTAL OTHER EQUIPMENT	128,998	101,999	182,323	264,006	677,326		677,326	324
401		TRANSPORTATION:								
402		TRAIN OPERATIONS:								
403		Administration	45,971	1,341	3,572	6,456	57,340		57,340	401
404		Engine Crews	110,922	37	2,152	3,191	116,302		116,302	402
405		Train Crews	133,918	833	9,468	6,313	150,532		150,532	403
406		Dispatching Trains	13,057	29	17	53	13,156		13,156	404
407		Operating Signals and Interlockers	14,080	254	131	77	14,542		14,542	405
408		Operating Drawbridges	1,479	2			1,481		1,481	406
409	*	Highway Crossing Protection	182	65	3,647	250	4,144		4,144	407
410		Train Inspection and Lubrication	37,118	274	568		37,960		37,960	408
411		Locomotive Fuel	12	173,722	53		173,787		173,787	409
412		Electric Power Purchased or Produced for Motive Power	11,772	8,761		3	20,920		20,920	410
413		Servicing Locomotives	N/A	N/A	N/A	15	15		15	411
414		Freight Lost or Damaged - Solely Related	310	36	2,975	16	3,337		3,337	412
415		Clearing Wrecks	N/A	N/A	N/A	146,614	146,614		146,614	413
416		Fringe Benefits	N/A	N/A	N/A	40,247	40,247		40,247	414
417		Other Casualties and Insurance	N/A	N/A	N/A	2,703	2,703		2,703	415
418		Joint Facility - Debit	N/A	N/A	(1,863)	N/A	(1,863)		(1,863)	416
419		Joint Facility - (Credit)	25,351	3,504	321	5	29,181		29,181	417
420		Other	394,172	188,858	24,128	203,240	810,398		810,398	418
421		TOTAL TRAIN OPERATIONS								419

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:										
420		Administration	23,793	510	1,109	736	26,148		26,148	420
421		Switch Crews	110,288	362	1,099	51	111,800		111,800	421
422		Controlling Operations	9,999	8	61		10,068		10,068	422
423		Yard and Terminal Clerical	27,179	1,890	8,200	427	37,696		37,696	423
424		Operating Switches, Signals, Retarders and Humps		77	36		113		113	424
425	*	Locomotive Fuel		16,090			16,090		16,090	425
426		Electric Power Purchased or Produced for Motive Power								426
427		Servicing Locomotives	622				622		622	427
428		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A					428
429		Clearing Wrecks	46		12		58		58	429
430		Fringe Benefits	N/A	N/A	N/A	56,542	56,542		56,542	430
431		Other Casualties and Insurance	N/A	N/A	N/A	16,596	16,596		16,596	431
432		Joint Facility - Debit	N/A	N/A	7,631	N/A	7,631		7,631	432
433		Joint Facility - (Credit)	N/A	N/A	(1,125)	N/A	(1,125)		(1,125)	433
434		Other			5		5		5	434
435		TOTAL YARD OPERATIONS	171,927	18,937	17,028	74,352	282,244		282,244	435
TRAIN AND YARD OPERATIONS COMMON:										
501		Cleaning Car Interiors	499	1	278	N/A	778		778	501
502		Adjusting and Transferring Loads	72	3	139	N/A	214	N/A	214	502
503		Car Loading Devices and Grain Doors				N/A		N/A		503
504		Freight Lost or Damaged - All Other	N/A	N/A	N/A	6,942	6,942		6,942	504
505		Fringe Benefits	N/A	N/A	N/A	236	236		236	505
506		TOTAL TRAIN AND YARD OPERATIONS COMMON	571	4	417	7,178	8,170		8,170	506
SPECIALIZED SERVICES OPERATIONS:										
507	*	Administration	4,433	242	241	526	5,442	N/A	5,442	507
508	*	Pickup and Delivery and Marine Line Haul		42	8,583	144	8,769	N/A	8,769	508
509	*	Loading and Unloading and Local Marine	3,754	2,914	37,856	(934)	43,590	N/A	43,590	509
510	*	Protective Services	4	134	71		209	N/A	209	510
511	*	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A			N/A		511
512	*	Fringe Benefits	N/A	N/A	N/A	3,234	3,234	N/A	3,234	512
513	*	Casualties and Insurance	N/A	N/A	N/A	905	905	N/A	905	513
514	*	Joint Facility - Debit	N/A	N/A	345	N/A	345	N/A	345	514
515	*	Joint Facility - (Credit)	N/A	N/A	(1)	N/A	(1)	N/A	(1)	515
516	*	Other						N/A		516
517	*	TOTAL SPECIALIZED SERVICES OPERATIONS	8,191	3,332	47,095	3,875	62,493	N/A	62,493	517

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)			
ADMINISTRATIVE SUPPORT OPERATIONS:										
518		Administration	12,490	278	774	1,107	14,649		14,649	518
519		Employees Performing Clerical and Accounting Functions	20,237	821	1,424	252	22,734		22,734	519
520		Communications Systems Operation	3,896			14	3,910		3,910	520
521		Loss and Damage Claims Processing	1,415	30	34	2	1,481		1,481	521
522		Fringe Benefits	N/A	N/A	N/A	15,130	15,130		15,130	522
523		Casualties and Insurance	N/A	N/A	N/A	3,668	3,668		3,668	523
524		Joint Facility - Debit	N/A	N/A	31	N/A	31		31	524
525		Joint Facility - (Credit)	N/A	N/A	(1)	N/A	(1)		(1)	525
526		Other			(76)		(76)		(76)	526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	38,038	1,129	2,186	20,173	61,526		61,526	527
528		TOTAL TRANSPORTATION	612,899	212,260	90,854	308,818	1,224,831		1,224,831	528
GENERAL AND ADMINISTRATIVE:										
601		Officers - General Administration	5,013	772	789	1,261	7,835		7,835	601
602		Accounting, Auditing and Finance	30,771	381	4,909	1,581	37,642		37,642	602
603		Management Services and Data Processing	18,370	822	3,738	2,354	25,284		25,284	603
604		Marketing	20,651	240	1,295	4,068	26,254		26,254	604
605		Sales	11,129	251	681	2,226	14,287		14,287	605
606		Industrial Development	2,650	58	1,298	404	4,410	N/A	4,410	606
607		Personnel and Labor Relations	9,056	419	4,784	3,167	17,426		17,426	607
608		Legal and Secretarial	10,705	347	26,015	5,847	42,914		42,914	608
609		Public Relations and Advertising	1,328	554	5,920	1,140	8,942		8,942	609
610		Research and Development								610
611		Fringe Benefits	N/A	N/A	N/A	47,451	47,451		47,451	611
612		Casualties and Insurance	N/A	N/A	N/A	968	968		968	612
613		Write-down of Uncollectible Accounts	N/A	N/A	N/A	(368)	(368)		(368)	613
614		Property Taxes	N/A	N/A	N/A	59,040	59,040		59,040	614
615		Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	24,263	24,263		24,263	615
616		Joint Facility - Debit	N/A	N/A	1,196	N/A	1,196		1,196	616
617		Joint Facility - (Credit)	N/A	N/A	(153)	N/A	(153)		(153)	617
618		Other	57,307	591	424	39,126	97,448		97,448	618
619		TOTAL GENERAL AND ADMINISTRATIVE	166,980	4,435	50,896	192,528	414,839		414,839	619
620	*	TOTAL CARRIER OPERATING EXPENSES	1,071,068	371,999	436,268	1,070,618	2,949,953		2,949,953	620

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 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 purpose	N/A	N/A		1
2		3	Grading	4,246	713		2
3		4	Other, right-of-way expenditures	44	7		3
4		5	Tunnels and subways	330	55		4
5		6	Bridges, trestles, and culverts	5,982	1,004		5
6		7	Elevated structures	3,711	623		6
7		8	Ties	60,127	10,092		7
8		9	Rail and other track material	55,868	9,378		8
9		11	Ballast	16,141	2,709		9
10		13	Fences, snow sheds, and signs	67	11		10
11		16	Station and office buildings	6,874	1,154		11
12		17	Roadway buildings	907	152		12
13		18	Water stations	0	0		13
14		19	Fuel stations	574	96		14
15		20	Shops and enginehouses	3,311	556		15
16		22	Storage warehouses	27	5		16
17		23	Wharves and docks	53	9		17
18		24	Coal and ore wharves	2,415	405		18
19		25	TOFC/COFC terminals	3,772	633		19
20		26	Communications systems	10,623	1,783		20
21		27	Signals and interlocker	7,577	1,272		21
22		29	Power plants	89	15		22
23		31	Power-transmissions systems	452	76		23
24		35	Miscellaneous structures	344	58		24
25		37	Roadway machines	10,582	1,776		25
26		39	Public improvements-Construction	2,416	406		26
27		45	Power plant machines	0	0		27
28			Other lease/rentals	426	72	N/A	28
29	*		Total	196,958	33,060		29

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 19, 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 (f). 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 (basic 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	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		2,057	7,192	6,542	1,980	10,224	2
3		Box-Equipped		12,855	38,892	189	10,398	30,682	3
4		Gondola-Plain		899	1,176	178	662	1,646	4
5		Gondola-Equipped		4,389	15,384	32	1,888	5,252	5
6		Hopper-Covered		3,203	10,777	19,643	4,994	17,230	6
7		Hopper-Open Top-General Service		2,206	6,337	6	176	999	7
8		Hopper-Open Top-Special Service				5	261	853	8
9		Refrigerator-Mechanical		128	549	11	994	1,765	9
10		Refrigerator-Non-Mechanical		424	1,330	11	646	1,720	10
11		Flat-TOFC/COFC		2,098	2,323	39,382	2,525	8,681	11
12		Flat-Multi-Level		2,017	15,046	44,266	1,167	4,144	12
13		Flat-General Service		68	333	127	53	140	13
14		Flat-Other		662	2,468	5,265	1,715	6,383	14
15		Tank-Under 22,000 Gallons				35,117			15
16		Tank-22,000 Gallons and Over				15,526			16
17		All Other Freight Cars		152	1,093	1	62	222	17
18		Auto Racks			37,893			27,060	18
19		TOTAL FREIGHT TRAIN CARS		31,158	140,793	166,301	27,521	117,001	19
OTHER FREIGHT CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers			11,984	14,174		6,144	21
22		Refrigerated Containers							22
23		Other Containers			763	451		196	23
24		TOTAL TRAILERS AND CONTAINERS			12,747	14,625		6,340	24
25		GRAND TOTAL (LINES 19 AND 24)		31,158	153,540	180,926	27,521	123,341	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 39, column (c), of 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, 31-21-00, 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.

415. SUPPORTING SCHEDULE -- EQUIPMENT
(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	6,353	2,183			1
2		Diesel Locomotive - Road	74,102	54,709			2
3		Other Locomotive - Yard					3
4		Other Locomotive - Road					4
5	*	TOTAL	80,455	56,892			5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 Foot	3,971	1			6
7		Box - Plain 50 Foot and Longer	23,882	4,611			7
8		Box - Equipped	6,021	12,986	435		8
9		Gondola - Plain	7,388	10,074			9
10		Gondola - Equipped	11,690	3,225			10
11		Hopper - Covered	19,823	9,184			11
12		Hopper - Open Top - General Service	3,206	23,017			12
13		Hopper - Open Top - Special Service	499	3,336			13
14		Refrigerator - Mechanical	(7)	0			14
15		Refrigerator - Nonmechanical	879	1,447			15
16		Flat TOFC/COFC	2,759	591			16
17		Flat Multi - level	434	2,161			17
18		Flat - General Service	2,053	194			18
19		Flat - Other	699	1,395			19
20		All Other Freight Cars	197	1,803			20
21		Cabooses	(603)	248			21
22		Auto Racks	(140)	8,469			22
23		Miscellaneous Accessories	(704)	359			23
24	*	TOTAL FRIEGHT TRAIN CARS	82,047	83,101	435		24
		OTHER EQUIPMENT - REVENUE					
25		FREIGHT HIGHWAY EQUIPMENT					
		Refrigerated Trailers					25
26		Other Trailers	13,784	6,027			26
27		Refrigerated Containers					27
28		Other Containers	(608)	29			28
29		Bogies					29
30		Chassis	(1,022)	49			30
31		Other Highway Equipment (Freight					31
32	*	TOTAL HIGHWAY EQUIPMENT	12,154	6,105			32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line - Haul	4	23			33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT	4	23			35
		OTHER EQUIPMENT					
36	*	Passenger & Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems & word processing equip.	11,538	26,922			37
38	*	Machinery - Locomotives (see note 1)	3,211	613			38
39	*	Machinery - Freight Cars (see note 2)	7,412	1,611			39
40	*	Machinery - Other Equipment (see note 3)	1,419	397			40
41	*	Work & Other Non - revenue Equipment	8,891	15,897			41
42		TOTAL OTHER EQUIPMENT	32,471	45,440			42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	207,131	191,561	435		43

Note 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.

Note 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

Note 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.

415. SUPPORTING SCHEDULE -- EQUIPMENT
(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.
			Owed (g)	Capitalized lease (h)	Owed (i)	Capitalized lease (j)	
1			54,142		50,469		1
2		(6,682)	1,425,000		546,425		2
3							3
4							4
5		(6,682)	1,479,142	0	596,894	0	5
6			73		80		6
7		1,865	67,977	28	80,091		7
8			532,669	8,047	229,873	8,082	8
9		201	293,803		19,688		9
10			238,561		45,149		10
11		5,555	336,534	1,188	190,672		11
12			609,630		321,474		12
13			130,313		49,172		13
14							14
15		287	19,960		16,413		15
16		(6,179)	19,849		16,379		16
17			59,827		22,628		17
18			8,061		3,023		18
19		206	60,536		21,538		19
20		38	55,077		27,459		20
21			10,601		1,657		21
22			169,874		24,182		22
23			9,195				23
24		1,973	2,622,540	9,263	1,069,478	8,082	24
25							25
26		(677)	57,878		29,990		26
27							27
28		1,196	1,187		837		28
29					13		29
30			981		465		30
31							31
32		519	60,046		31,305		32
33			669		302		33
34							34
35			669		302		35
36							36
37		411	146,118		56,738		37
38			21,549		7,015		38
39			56,631		18,437		39
40			13,956		4,543		40
41		(91)	278,785		96,517		41
42		320	517,039		183,250		42
43		(3,870)	4,679,436	9,263	1,881,229	8,082	43

Note 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.

Note 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.

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	
			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	191,354	66,813	1.00%							191,354	66,813
2		8	673,833	199,523	4.07%							673,833	199,523
3		9	1,091,190	243,929	2.58%							1,091,190	243,929
4		11	294,169	54,563	2.44%							294,169	54,563
5	SUB-TOTAL		2,250,546	564,828								2,250,546	564,828
6	II	3	168,198	58,729	1.00%							168,198	58,729
7		8	592,295	175,379	4.07%							592,295	175,379
8		9	959,149	214,412	1.94%							959,149	214,412
9		11	258,572	47,960	2.44%							258,572	47,960
10	SUB-TOTAL		1,978,214	496,480								1,978,214	496,480
11	III	3	35,149	N/A	N/A					N/A	N/A	35,149	
12		8	65,632	N/A	N/A					N/A	N/A	65,632	
13		9	69,918	N/A	N/A					N/A	N/A	69,918	
14		11	24,799	N/A	N/A					N/A	N/A	24,799	
15	SUB-TOTAL		195,498							N/A	N/A	195,498	0
16	IV	3	78,721	27,486	1.00%							78,721	27,486
17		8	277,205	82,081	4.07%							277,205	82,081
18		9	448,900	100,349	2.07%							448,900	100,349
19		11	121,017	22,446	2.44%							121,017	22,446
20	SUB-TOTAL		925,843	232,362								925,843	232,362
21	V	3											
22		8											
23		9											
24		11											
25	SUB-TOTAL		0	0								0	0
26	GRAND TOTAL		5,350,101	1,293,670	N/A			N/A				5,350,101	1,293,670

(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, 9, and 11 shown at year end on Schedule 330 and Schedule 330A.

NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES

SCHEDULE 250 – PART B Year 1995 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.

	<u>\$000's</u>
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	\$ 1,069,178
– Equity in undistributed earnings, which represents the total Schedule 210, Line 26 for all railroads in the reporting entity	282
– 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	<u>15,092</u>
= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below	<u>\$ 1,053,804</u>

- (2) Determine Combined/Consolidated Adjusted Pretax NROI for all railroads in the reporting entity

Combined/Consolidated Pretax NROI for the entire entity, which equals the amount shown on Schedule 250, Line 1	\$ 715,471
+ Current provision for taxes, which represents the consolidated amounts of Schedule 210, Line 51 for all railroads in the reporting entity (This figure includes <u>both</u> Account 556, Income Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes	371,751
+ 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.....	14,704
+ 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..	6
– 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	127,341
– Railroad-related income from affiliates (other than railroads) which was included in consolidated NROI (Schedule 250, Line 1)	<u>—</u>
= Combined/Consolidated Pretax Adjusted NROI for all railroads This represents "B" in Item (3) below	<u>\$ 974,591</u>

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

92.48%

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

7.52%

NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES
SCHEDULE 250 – PART B
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Determination of Nonrail Taxes
Page 2

(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 \$ 24,569

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 pretax 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..... \$ —

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)..... \$ 24,569

+ Total nonrailroad-related taxes for rail-related affiliates (Item 6 above)..... —

Equals total nonrailroad-related taxes (This amount should be transferred to Schedule 250, Part A, Line 3) \$ 24,569

NOTES AND REMARKS

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, purchased 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 to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only of the services they support. The total expenses in column (j) 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, not 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 TFC/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.	Cross 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	3,225		2,205			12			5,442	1
2	*	Pick up and delivery, marine line haul	8,768					1	N/A		8,769	2
3	*	Loading and unloading and local marine	30,016		4,699			8,875	N/A		43,590	3
4	*	Protective services, total debit and credits							209		209	4
5	*	Freight lost or damaged—solely related										5
6	*	Fringe benefits	1,551		1,683						3,234	6
7	*	Casualty and Insurance	905								905	7
8	*	Joint facility — Debit	345								345	8
9	*	Joint facility — Credit	(1)								(1)	9
10	*	Other										10
11	*	TOTAL	44,809		8,567			8,888	209		62,493	11

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 leases properties.

418. SUPPORTING SCHEDULE—CAPITAL LEASES
(Dollars in thousands)

[illegible]

NOTES AND REMARKS

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	128,342	1
		U. S. Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	284,071	2
3		Excess Profits		3
4	*	Total - Income Taxes L 2 + 3	284,071	4
5		Railroad Retirement	220,593	5
6		Hospital Insurance	15,471	6
7		Supplemental Annuities	8,729	7
8		Unemployment Insurance	1,754	8
9		All Other United States Taxes		9
10		Total - U. S. Government Taxes	530,618	10
11		Total - Railway Taxes	658,960	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) any 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, Provision for Deferred Taxes, and Account 591, Provision 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.: Guideline lives pursuant to Rev. Proc. 62-21	2,232,999	72,100	(1)	2,305,098	1
2	Accelerated Amortization of Facilities, Sec. 168 I.R.C.	7,248	(423)		6,825	2
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.	49,335	(2,662)		46,673	3
4	Amortization of rights of way, Sec. 185 I. R. C.	26,860	1,108		27,968	4
5	Other (Specify)				0	5
6	SIT - Net of Federal Benefits	238,156	5,908	6,011	250,075	6
7	Tax Benefit Transfer Leases	35,736	(1,912)		33,824	7
8	Property Taxes	1,336	1,773		3,109	8
9	Casualty and Other Claims	(134,396)	2,405		(131,991)	9
10	Interest	(1,683)	(1,577)		(3,260)	10
11	Revenue Adjustments	3,199	(293)		2,906	11
12	Employee Separation Costs	(40,212)	10,218		(29,994)	12
13	Vacation Pay	(21,622)	(678)		(22,300)	13
14	Pension and Postretirement	(141,314)	(7,648)		(148,962)	14
15	Miscellaneous	53,781	(33,277)	65,546	86,050	15
16						16
17						17
18	Investment Tax Credit*					18
19	TOTALS	2,309,423	45,042	71,556	2,426,021	19

Railroad Annual Report R-1 Adjustments in column (d) represent adjustments for FAS 115 and amounts transferred to the NSRail Consolidation which were not charged to account 557. It also includes items charged to account 557 which had no effect on accounts 714, 744, 762 and 786.

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 _____ \$ -0-
- If deferral method for investment tax credit was elected:
- | | | |
|---|----|-----|
| (1) Indicate amount of credit utilized as a reduction of tax liability for current year _____ | \$ | N/A |
| (2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes _____ | \$ | N/A |
| (3) Balance of current year's credit used to reduce current year's tax accrual _____ | \$ | N/A |
| (4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual _____ | \$ | N/A |
| (5) Total decrease in current year's tax accrual resulting from use of investment tax credit _____ | \$ | N/A |
- 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

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					1
2	519	Growth in cash surrender value of corporate owned life insurance		61,213	2
3					3
4	519	Life insurance proceeds from corporate owned life insurance		8,526	4
5					5
6	519	Gains on the disposition of land		5,521	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

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

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 year 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					2
3					3
4					4
5					5
6					6
7	(a) Terminal R.R. Assoc. of St. Louis	Refunding & Improvement Mortgage Series "C" bonds due 7/1/2019 (FD14553-54)	7,787 & int.	Joint and Several	7
8					8
9					9
10					10
11	Triple Crown Services Company	Equipment Trust Certificates, Series 1993	22,680 & int.	Joint and Several	11
12		Equipment Trust Certificates, Series 1994	22,893 & int.		12
13					13
14					14
15	Carlyle Towers, L.L.C.	1st Mortgage	13,528 & int.	Several	15
16					16
17					17
18					18
19					19
20	(a) Jointly and Severally with BN, CSX Transp., ICG, MKT, MP and SSW				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

2. If any corporation or other association 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 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 date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance Docket number, title, maturity 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

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, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material

NONE

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 at Close of Year
1	751	Loans and Notes Payable	Sch 200, L. 30	27,200
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch 200, L. 39	81,392
3	765/767	Funded Debt Unmatured	Sch 200, L. 41	7,900
4	766	Equipment Obligations	Sch. 200, L. 42	399,587
5	766.5	Capitalized Lease Obligations	Sch 200, L. 43	94,295
6	768	Debt in Default	Sch. 200, L. 44	
7	769	Accounts Payable; Affiliated Companies	Sch. 200, L. 45	22,115
8	770.1/770.2	Unamortized Debt Premium	Sch. 200, L. 46	(3,721)
9		Total Debt	Sum L. 1-8	628,768
10		Debt Directly Related to Road Property	Note 1	61,213
11		Debt Directly Related to Equipment	Note 1.	545,545
12		Total Debt Directly Related to Road & Equipment	Sum L. 10 and 11	606,758
13		Percent Directly Related to Road	L. 10 div. by L. 12 Whole % + 2 decimals	10.09%
14		Percent Directly Related to Equipment	L. 11 div. by L. 12 Whole % + 2 decimals	89.91%
15		Debt Not Directly Related to Road or Equipment	L. 9 - L. 12	22,010
16		Road Property Debt (Note 2)	(L. 13 x L. 15) + L. 10	63,434
17		Equipment Debt (Note 2)	(L. 14 x L. 15) + L. 11	565,334

II. Interest Accrued During the Year:

Line #	Account No.	Title	Source	Balance at Close of Year
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	127,341
19	546	Contingent Interest on Funded Debt	Sch. 210, L. 44	355
20	517	Release of Premiums on Funded Debt	Sch. 210, L. 22	(6)
21		Total Interest (Note 3)	(L. 18 + L. 19) - L. 20	127,690
22		Interest Directly Related to Road Property Debt	Note 4	2,635
23		Interest Directly Related to Equipment Debt	Note 4	45,066
24		Interest Not Directly Related to Road or Equipment Property Debt	L. 21 - (L. 22 + L. 23)	79,989
25		Interest Road Property Debt (Note 5)	L. 22 + (L. 24 x L. 13)	10,706
26		Interest Equipment Debt (Note 5)	L. 23 + (L. 24 x L. 14)	116,984
27		Embedded Rate of Debt Capital - Road Property	L. 25 div. by L. 16	16.88%
28		Embedded Rate of Debt Capital - Equipment	L. 26 div. by L. 17	20.69%

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 9 and 10, respectively

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

*Net of capitalized interest \$(14,009). Amount on line 24 is "Other interest expense" and does not relate to conventional debt as reported on line 9.

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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 service 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 included 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 the 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 (c).

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).

SCHEDULE #12. 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 transactions (c)	Dollar amounts of transactions (000's) (d)	Amount due from or to related parties (e)	Line No.
1	Hunton & Williams		Other (See Note 6)	Services	162		1
2	Caterpillar, Inc.		Other (See Notes 1 & 7)	Services, Material	661		2
3	Georgia Pacific		Other (See Notes 1, 2 & 7)	Services	293		3
4	Brown Brothers Harriman & Co		Other (See Note 5)	Services	165		4
5	Owens Corning Fiberglas		Other (See Note 1)	Services	452		5
6	Westmoreland Coal Co.		Other (See Notes 1 & 3)	Services, Material	91		6
7	McNair Law Firm, P. A.		Other (See Notes 1 & 4)	Legal & Consulting Services	273		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

Note 1 - Respondent shares common directorships with these companies. Amounts in col. (d) paid by Norfolk Southern Corporation (NS) on behalf of its operating subsidiaries.

Note 2 - T. Marshall Hahn, Jr., an NS Director, is a Director of Georgia-Pacific Corporation.

Note 3 - E. B. Leisenring, Jr., an NS Director, is a Director of Westmoreland Coal Company.

Note 4 - R. E. McNair, an NS Director, is Chairman of McNair Law Firm, P.A.

Note 5 - NS maintains various banking relationships with Brown Brothers Harriman & Co. (Brown Brothers), in which Mr. Hiliard, an NS Director, is a partner, on bases that are consistent with normal financial and banking practices. All transactions are entered into in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions with other banks. Also, in 1995, Brown Brothers was paid approximately \$165,000 in fees for managing a portion of the assets of NS' pension fund.

Note 6 - G. L. Baliles, an NS Director, is a partner in Hunton & Williams.

Note 7 - As of December 31, 1995, D. R. Goode, Chairman, President and Chief Executive Officer of NS, is a director of Caterpillar, Inc., Georgia-Pacific Corp., and TRINOVA Corporation. NS Rail does or may provide rail transportation services to these entities in the normal course of business on terms and conditions considered no less favorable to those entities than if entered into with any other party; such rail transportation services are rendered at applicable tariff or contract rates, both of which are subject to ICC jurisdiction and/or review.

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 classification:

- (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 the 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 case 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.

700. MILEAGE OPERATED AT CLOSE OF YEAR										
Line No.	Class	Proportion owned or leased by Respondent	Running tracks, passing tracks, crossovers, 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%	12,194	1,281	56	1,627	1,890	4,112	21,160	1
2	1	50%	7	5		4	15	14	45	2
3	1	33%	3	4		5		6	18	3
4	1J	75%						6	6	4
5	1J	67%						3	3	5
6	1J	50%				1	10	22	33	6
7	1J	33%					3	2	5	7
8										8
9		Total Class 1	12,204	1,290	56	1,637	1,918	4,165	21,270	9
10										10
11										11
12	2	100%	4	4		1		4	13	12
13										13
14		TOTAL 2	4	4		1		4	13	14
15										15
16										16
17	3	100%	94			1	3	22	120	17
18	3A	100%						2	2	18
19	3B	100%	566	226	4	70	60	125	1,051	19
20	3BJ	50%				1		5	6	20
21										21
22		Total Class 3	660	226	4	72	63	154	1,179	22
23										23
24										24
25	4	100%						33	33	25
26	4B	100%	12				1		13	26
27	4BJ	50%	5				1		6	27
28										28
29		Total Class 4	17				2	33	52	29
30										30
31										31
32	5	100%	901	274	23	94	52	451	1,795	32
33	5	0%	629	63	21	27	49	138	927	33
34										34
35		Total Class 5	1,530	337	44	121	101	589	2,722	35
36										36
37										37
38										38
39										39
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	14,415	1,857	104	1,831	2,084	4,945	25,236	57
58		Miles of electrified road or track included in preceding grand total	N/A							58

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 portion 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 any fraction less than one-half mile.

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT											Line owned (b)	Line of propri- etary 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)	Line No.	
1		Alabama												1,325					91	1,416		21	1
2		Canada																	299	299			2
3		District of Columbia																	3	3			3
4		Florida												96					53	149			4
5		Georgia												1,959					9	1,968		349	5
6		Iowa												22					37	59		27	6
7		Illinois												719					308	1,027		22	7
8		Indiana												917		2			75	994		307	8
9		Kansas																	2	2			9
10		Kentucky												173		198			76	447			10
11		Louisiana												78					4	82			11
12		Maryland												16						16			12
13		Mississippi												211		10			2	223			13
14		Michigan												81					45	126			14
15		Missouri												345					65	410			15
16		North Carolina												1,079		313		17	51	1,460		288	16
17		New York												68					38	106			17
18		Ohio												823		1			73	901		99	18
19		Pennsylvania												44						44			19
20		South Carolina												750					104	854		6	20
21		Tennessee												887		136			46	1,069		2	21
22		Virginia												2,051					109	2,160		130	22
23		West Virginia												560					40	600		84	23
24																							24
25																							25
26																							26
27																							27
28																							28
29																							29
30																							30
31																							31
32		TOTAL MILEAGE (single track)												12,204	4	660	17		1,530	14,415		1,335	32

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-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 (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 (f). 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 "B" unit may be equipped with hoister 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, shugs, 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 in 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	
Line 5, column (i)	= Line 11, column (h)
Line 6, column (i)	= Line 12, column (h)
Line 7, column (i)	= Line 13, column (h)
Line 8, column (j)	= Line 14, column (h)
Line 9, column (i)	= Line 15, column (h)
Line 10, column (i)	= Line 16, column (h)

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

When data appear in columns (k) or (l) lines 16 thru 53, and 55, column (m) should have data on same lines.

710. INVENTORY OF EQUIPMENT															
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS															
Line No.	Cross Check	Type or design of units (a)	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 in service of respondent at beginning of year (b)	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)		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)	
1		Locomotive Units	1,827	125				138	1,814		1,814	5,560,650 (H.P.)	84	1	
2		Diesel-freight units												2	
3		Diesel-passenger units												3	
4		Diesel-multiple purpose units	155					18	137		137	204,600	2	4	
5		Diesel-switching units	1,982	125				156	1,951		1,951	5,765,250	86	5	
6		TOTAL (lines 1 to 4)												6	
7		Electric-locomotives												7	
8		Other self-powered units												8	
9		TOTAL (lines 5, 6 and 7)	1,982	125				156	1,951		1,951	5,765,250	86	9	
10		Auxiliary units	67					5	62		62	N/A		10	
		TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	2,049	125				161	2,013		2,013	5,765,250	86	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)	During Calendar Year						1991 (g)	1992 (h)	1993 (i)	1994 (j)	1995 (k)	TOTAL (l)	Line No.
			Before Jan. 1, 1971 (b)	Between Jan. 1, 1971 and Dec. 31, 1975 (c)	Between Jan. 1, 1976 and Dec. 31, 1980 (d)	Between Jan. 1, 1981 and Dec. 31, 1985 (e)	Between Jan. 1, 1986 and Dec. 31, 1990 (f)								
11		Diesel	217	493	434	255	264	53	55	31	24	125	1,951	11	
12		Electric												12	
13		Other self-powered units												13	
14		TOTAL (lines 11 to 13)	217	493	434	255	264	53	55	31	24	125	1,951	14	
15		Auxiliary units		4	8	27	23						62	15	
16		TOTAL LOCOMOTIVE UNITS (Lines 14 and 15)	217	497	442	282	287	53	55	31	24	125	2,013	16	

710. INVENTORY OF EQUIPMENT UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No.	Cross Check	Type or design of units (a)	Changes During the Year					Units retired from service of respondent whether owned or leased, including re-classification (g)	Units at Close of Year				Line No.	
			Units in service of respondent at beginning of year (b)	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 re-classification and second hand units purchased or leased from others (f)		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)
		PASSENGER-TRAIN CARS Non-Self-Propelled												
17		Coaches (PA, PB, PBO)	7					3	4		4	N/A		17
		Combined cars												
18		(All class C, except CSB)	1					1				N/A		18
19		Parlor cars (PBC, PC, PL, PO)												19
20		Sleeping cars (PS, PT, PAS, PDS)	1					1				N/A		20
		Dining, grill and tavern cars												
21		(All class D, PD)										N/A		21
		Non-passenger carrying cars												
22		(All class B, CSB, M, PSA, 1A)	1					1				N/A		22
23		TOTAL (lines 17 to 22)	10					6	4		4	N/A		23
		Self-Propelled												
		Electric passenger cars												
24		(EP, ET)												24
25		Electric combined cars (EC)												25
		Internal combustion rail motorcars												
26		(ED, EG)												26
		Other self-propelled cars												
27		(Specify types)												27
28		TOTAL (lines 24 to 27)												28
29		TOTAL (lines 23 and 28)	10					6	4		4	N/A		29
		COMPANY SERVICE CARS												
30		Business cars (PV)	12						12			N/A		30
31		Board outfit cars (MMX)	177					29	151			N/A		31
		Derrick and snow removal cars												
32		(MMU, MMV, MMW, MMK)	660					63	631	1		N/A		32
		Dump and ballast cars												
33		(MMB, MWD)	739					46	698			N/A		33
		Other maintenance and service equipment cars	4,636					553	5,054	4		N/A		34
35		TOTAL (lines 30 to 34)	6,224					975	6,546	5		N/A		35

710 INVENTORY OF EQUIPMENT - Continued

Instructions 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)	
FREIGHT TRAIN CARS									
36		Plain box cars - 40' (B1_ _, B2_ _)	52						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5_ _ , B6_ _ , B7_ _ , B8_ _)	3,942					2	37
38		Equipped box cars (All Code A, Except A_5_)	18,915		200		454	722	38
39		Plain gondola cars (All Codes G & J_ _1, J_ _2, J_ _3, J_ _4)	10,135					3,323	39
40		Equipped gondola cars (All Code E)	8,393		330			878	40
41		Covered hopper cars (C_ _1, C_ _2, C_ _3, C_ _4)	16,076			33		469	41
42		Open top hopper cars - general service (All Code H)	32,847					63	42
43		Open top hopper cars - special service (J_ _0, and All Code K)	3,652						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_)	451					3	45
46		Flat cars - TOFC/COFC (All Code P, Q and S, Except Q8_ _)	1,089					770	46
47		Flat cars - multi-level (All Code V)	940					2	47
48		Flat cars - general service (F10_ , F20_ , F30_)	361					14	48
49		Flat cars - other (F_1_ , F_2_ , F_3_ , F_4_ , F_5_ , F_6_ , F_8_ , F40_)	1,999		2		6	5	49
50		Tank cars - under 22,000 gallons (T_ _0, T_ _1, T_ _2, T_ _3, T_ _4, T_ _5)							50
51		Tank cars - 22,000 gallons and over (T_ _6, T_ _7, T_ _8, T_ _9)		6				1	51
52		All other freight cars (A_5_ , F_7_ , All Code L and Q8_ _)	3,082						52
53		TOTAL (lines 36 to 52)	101,934	6	532	33	460	6,252	53
54		Caboose (All Code M-930)	N/A	333				1	54
55		TOTAL (lines 53, 54)	101,934	339	532	33	460	6,253	55

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 arrangement, 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	Units retired from service of respondent whether owned or leased, including reclassification (h)	Units at close of year						Line No.
			Changes during year (concluded)	Leased from others (j)	Units installed			Leased to others (n)	
			Owned and used (i)		Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4) (m)		
					Time - Mileage cars (k)	All other (l)			
			(i)	(j)	(k)	(l)	(m)	(n)	
36		45	7		7		385		36
37		636	3,165	143	3,308		253,220		37
38		760	19,337	194	19,531		1,487,963	9	38
39		1,429	12,029		12,029		1,343,143		39
40		137	9,359	105	9,464		916,711		40
41		1,714	13,690	1,174	14,864		1,475,514	67	41
42		6,667	26,202	41	26,243		2,616,623		42
43		74	3,578		3,578		327,828		43
44									44
45		19	396	39	435		30,029		45
46		17	1,072	770	1,842		118,058	4	46
47		5	937		937		38,645		47
48		46	329		329		26,771		48
49		61	1,896	55	1,951		176,588		49
50									50
51		3		4		4	378		51
52		1,017	2,065		2,065		143,212		52
53		12,630	94,062	2,525	96,583	4	8,955,068	80	53
54		73	261		N/A	261	N/A		54
55		12,703	94,323	2,525	96,583	265	8,955,068	80	55

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 re-written 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	1					56
57		Non-self-propelled vessels (Car floats, lighters, etc.)	N/A	1					57
58		TOTAL (lines 56 and 57)		2					58
59		HIGHWAY REVENUE EQUIPMENT Chassis Z1 __, Z67 __, Z68 __, Z69 __		93	18				59
60		Dry van U2 __, Z2 __, Z6 __, 1-6		5,181				3	60
61		Flat bed U3 __, Z3 __		20					61
62		Open bed U4 __, Z4 __		1	156				62
63		Mechanical refrigerator U5 __, Z5 __							63
64		Bulk hopper U0 __, Z0 __							64
65		Insulated U7 __, Z7 __		4					65
66		Tank * Z0 __, U6 __		2					66
67		Other trailer and container (Special equipped dry van U9 __, Z8 __, Z9 __)		15					67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)		5,316	174			3	70

NOTES AND REMARKS

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

710 INVENTORY OF EQUIPMENT - Concluded

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

Line No.	Cross Check	Units retired from service of respondent whether owned or leased, including reclassification (h)	Units at close of year						Line No.
			Changes during year (concluded)		Units installed				
					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)	
					Owned and used (i)	Leased from others (j)			
56			1		N/A	1			56
57			1		N/A	1			57
58			2			2			58
59			111			111			59
60		1,057	2,141	1,986		4,127	99,607	923	60
61		1	19			19	387		61
62			157			157	3,767		62
63									63
64									64
65			4			4	93		65
66			2			2	40		66
67			15			15	340		67
68									68
69									69
70		1,058	2,449	1,986		4,435	104,234	923	70

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 a 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 multiple-purpose diesel locomotive A units (B-B), 2500 HP. Cars should be identified as to special construction or service characteristics, 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 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 instructions) (e)	Line No.
1	GE D-40C 6-Axle 4,000 HP	125	25,625	148,532	P	1
2						2
3	Depressed Center Flat Car (FD)	2	1,621	448	P	3
4	Steel Coil Steel Gondolas with covers (GBSR)	330	10,093	19,964	P	4
5	Steel 60 Foot 100-Ton Boxcar	200	8,362	16,600	P	5
6						6
7	20 Foot Aluminum Containers (U)	156	476	1,187	P	7
8	36 Foot Intermodal Chassis (Z)	18	225	448	P	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	831	N/A	187,179	N/A	25
REBUILT UNITS						
26	Depressed Center HD Flat (FD)	5	281	189	C	26
27	General Service HD Flat (FM)	1	80	141	C	27
28	Steel 60 Foot 100-Ton Boxcar (XL)	1	43	34	C	28
29	Steel 86 Foot 100-Ton Boxcar (XL)	107	5,830	3,524	C	29
30	Steel 50 Foot 70-Ton Boxcar (XP)	63	2,575	2,708	C	30
31	Steel 50 Foot 100-Ton Boxcar (XP)	100	4,056	4,299	C	31
32	Steel 86 Foot 100-Ton Boxcar (XP)	31	1,818	1,367	C	32
33	Steel 86 Foot 70-Ton Boxcar (XP)	152	8,724	17,448	C	33
34						34
35						35
36						36
37						37
38	TOTAL	460	N/A	29,710	N/A	38
39	GRAND TOTAL	1,291	N/A	216,889	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723, AND 724

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

Track category¹

- 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 (passing tracks, crossovers and turnouts 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 second year.

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

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	6387	34.40	45.24	5	1
2	B	4822	12.90	42.98	37	2
3	C	2720	2.80	31.04	68	3
4	D	2247	0.30	21.95	109	4
5	E	6341	XXXXXXX	XXXXX		5
6	TOTAL	22517			219	6
7	F	...	XXXXXXXXX	XXXXX		7
8	Potential abandonments	120				8

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

721. TIES LAID IN REPLACEMENT

1. Furnish the requested information concerning ties laid in replacement
2. In column (j), report the total board feet of switch and bridge ties laid in replacement
3. The term "spot maintenance" in column (k) means repairs to track components during routine inspections, as approved in 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 crissies laid in replacement										Switch and bridge ties (board feet) (j)	Crissies switch and bridge ties Percent of spot maintenance (k)	Line No
		New ties				Second hand ties				Total (i)				
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)						
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)							
1	A	1,175,909				49,946			1,225,855	5,985,754	1.5%	1		
2	B	462,683				12,149			474,832	3,110,645	1.1%	2		
3	C	103,878				2,351			106,229	840,391	0.9%	3		
4	D	1,838				36,150			37,988	253,538	32.8%	4		
5	E	72,667				80,980			153,647	1,417,772	19.4%	5		
6	TOTAL	1,816,975				181,576			1,998,551	11,608,100	3.5%	6		
7	F											7		
8	Potential abandonments											8		

9. Average cost per crissie \$ 25.64 and switch tie (MBM) \$ 507.10

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	132,786	\$25.64	\$3,404	831,183	\$727.66	\$605	New Ties	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	132,786	\$25.64	\$3,404	831,183	\$727.66	\$605		20
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid					9.84			21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid					34.31			22

723. RAILS LAID IN REPLACEMENT

1. Furnish the requested information concerning rails laid in replacement.
2. The term "spot maintenance" in column (b) 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. 10, 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		Welded rail (f)	Bolted rail (g)		
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)				
1	A	536.41	5.87	9.23	0.52	545.64	6.39	1.75%	1
2	B	58.99	4.03	27.48	15.63	86.47	19.66	7.74%	2
3	C	1.78	0.36	2.80	2.88	4.58	3.24	1.02%	3
4	D	4.62	0.11	6.08	2.02	10.70	2.13	1.45%	4
5	E			29.07	9.68	29.07	9.68	6.96%	5
6	TOTAL	601.80	10.37	74.66	30.73	676.46	41.10	2.90%	6
7	P								7
8	Potential Abandonments								8
9	Average cost of new and relay rail laid in replacement per gross ton \$	562.40		149.91					9

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	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	Average cost per ton (2,000 lb)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year	Average cost per ton (2,000 lb)		
		Pounds per yard of rail	Number of tons (2,000 lb)			Pounds per yard of rail	Number of tons (2,000 lb)				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)			
1	4	80				80	76	9	116.96	1	
2	4	90				90	56	7	116.96	2	
3										3	
4	1	100	12	7	563.24	100	23	13	563.24	4	
5	4					100	25	4	161.79	5	
6										6	
7										7	
8	4					110	192	23	117.87	8	
9										9	
10										10	
11	4	112	45	5	116.95	112	1,712	315	184.04	11	
12										12	
13										13	
14	4					115	1,168	207	176.87	14	
15										15	
16										16	
17	4					130	151	18	115.91	17	
18										18	
19										19	
20	4	131	140	16	116.97	131	476	56	116.97	20	
21										21	
22	1	132	24	11	468.37	132	38	18	470.64	22	
23	4	132	901	117	129.77	132	3,354	499	148.73	23	
24										24	
25	1	136	1,186	672	566.32	136	26	12	470.64	25	
26	4					136	14	2	116.80	26	
27										27	
28										28	
29										29	
30										30	
31										31	
32										32	
33	TOTAL	N/A	2,308	828	358.83	N/A	7,311	1,183	161.80	33	
34	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid									9.84	34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid									34.31	35
36	Track-miles of welded rail installed on system this year <u>75.63</u> , total to date <u>15,787.40</u>										36

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.
	<i>Pounds</i>				
1	140	4.19			1
2	136	780.06			2
3	133	43.55			3
4	132	9,247.10			4
5	131	463.30			5
6	130	336.82			6
7	115	1,175.70			7
8	112	702.79			8
9	110	69.45			9
10	105	13.72			10
11	100	847.76			11
12	90	279.70			12
13	85	293.12			13
14	80	70.92			14
15	75	101.88			15
16	70	28.77			16
17	65	3.05			17
18	60	5.00			18
19					19
20					20
21					21
22					22
23					23
24					24
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37					37
38					38
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44					44
45					45
46					46
47					47
48					48

728. 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)	Percent replaced	Miles surfaced		Percent surfaced		
		Crossties	Switch and bridge ties (board feet)	Crosstie	Switch and bridge ties (board feet)							
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
1	A	1,225,855	5,985,754	5.9	9.5	552.03	4.3	1,448,229	1,668.1	26.1	1	
2	B	474,832	3,110,645	3.0	4.0	106.13	4.1	433,791	444.0	9.2	2	
3	C	106,229	840,391	1.2	4.8	7.82	0.1	101,677	150.7	5.5	3	
4	D	37,988	253,538	0.5	0.7	12.83	0.3	1,378	25.8	1.1	4	
5	E	153,647	1,417,772	0.8	1.3	38.75	0.3	135,325	2,379.2	37.5	5	
6	TOTAL	1,998,551	11,608,100	2.8	3.8	717.56	1.6	2,120,400	4,667.8	20.7	6	
7	F										7	
8	Potential abandonments										8	

750. CONSUMPTION OF DIESEL FUEL
(Dollars in Thousands)

Line No.	Kind of locomotive service	Diesel	Line No.
	(a)	Diesel oil (gallons)	
1	Freight	(b)	1
2	Passenger	304,916,207	2
3	Yard switching	28,230,885	3
4	TOTAL	333,147,092	4
5	COST OF FUEL \$(000)	\$ 189,877	5
6	Work Train	2,386,692	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, L, 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 hula, 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 mile 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 services. 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 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 L.C.L. 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 respondent's 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 railroad's expense. (Performed at railroad'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 a 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 yard without loss of time), car moving empty in trains on 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.

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
1		1. MILES OF ROAD OPERATED (A)	14,415		1
		2. TRAIN MILES - RUNNING (B)	XXXXXXXX	XXXXXX	
2		2-01 UNIT TRAINS	3,855,973	XXXXXX	2
3		2-02 WAY TRAINS	8,981,558	XXXXXX	3
4		2-03 THROUGH TRAINS	35,643,255		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	48,480,786		5
6		2-05 MOTORCARS (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5, 6)	48,480,786		7
		3. LOCOMOTIVE UNIT MILES (D)	XXXXXXXX	XXXXXX	
		ROAD SERVICE (E)	XXXXXXXX	XXXXXX	
8		3-01 UNIT TRAINS	10,935,109	XXXXXX	8
9		3-02 WAY TRAINS	15,694,259	XXXXXX	9
10		3-03 THROUGH TRAINS	93,814,728		10
11		3-04 TOTAL (lines 8-10)	120,444,096		11
12		3-11 TRAIN SWITCHING (F)	6,360,527	XXXXXX	12
13		3-21 YARD SWITCHING (G)	13,277,381		13
14		3-31 TOTAL ALL SERVICES (lines 11, 12, 13)	140,082,004		14
		4. FREIGHT CAR-MILES (thousands) (H)	XXXXXXXX	XXXXXX	
		4-01 RR OWNED AND LEASED - LOADED	XXXXXXXX	XXXXXX	
15		4-010 BOX-PLAIN 40-FOOT		XXXXXX	15
16		4-011 BOX-PLAIN 50-FOOT AND LONGER	28,643	XXXXXX	16
17		4-012 BOX-EQUIPPED	172,169	XXXXXX	17
18		4-013 GONDOLA-PLAIN	153,882	XXXXXX	18
19		4-014 GONDOLA-EQUIPPED	46,195	XXXXXX	19
20		4-015 HOPPER-COVERED	128,462	XXXXXX	20
21		4-016 HOPPER-O/T-GENERAL SERVICE	213,197	XXXXXX	21
22		4-017 HOPPER-O/T-SPECIAL SERVICE	51,352	XXXXXX	22
23		4-018 REFRIGERATOR-MECHANICAL	4,144	XXXXXX	23
24		4-019 REFRIGERATOR-NON-MECHANICAL	6,271	XXXXXX	24
25		4-020 FLAT-TOFC/COFC	81,237	XXXXXX	25
26		4-021 FLAT-MULTI-LEVEL	16,972	XXXXXX	26
27		4-022 FLAT-GENERAL SERVICE	1,109	XXXXXX	27
28		4-023 FLAT-ALL OTHER	26,188	XXXXXX	28
29		4-024 ALL OTHER CAR TYPES	132,059	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	1,061,880	XXXXXX	30

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
		4-11 RR OWNED AND LEASED EMPTY	XXXXXXXX	XXXXXX	
31		4-110 BOX-PLAIN 40-FOOT		XXXXXX	31
32		4-111 BOX-PLAIN 50-FOOT AND LONGER	22,954	XXXXXX	32
33		4-112 BOX-EQUIPPED	171,257	XXXXXX	33
34		4-113 GONDOLA-PLAIN	149,736	XXXXXX	34
35		4-114 GONDOLA-EQUIPPED	47,561	XXXXXX	35
36		4-115 HOPPER-COVERED	133,539	XXXXXX	36
37		4-116 HOPPER-O/T-GENERAL SERVICE	200,986	XXXXXX	37
38		4-117 HOPPER-O/T-SPECIAL SERVICE	52,498	XXXXXX	38
39		4-118 REFRIGERATOR-MECHANICAL	3,549	XXXXXX	39
40		4-119 REFRIGERATOR-NON-MECHANICAL	6,282	XXXXXX	40
41		4-120 FLAT-TOFC/COFC	14,041	XXXXXX	41
42		4-121 FLAT-MULTI-LEVEL	10,977	XXXXXX	42
43		4-122 FLAT-GENERAL SERVICE	1,720	XXXXXX	43
44		4-123 FLAT-ALL OTHER	27,147	XXXXXX	44
45		4-124 ALL OTHER CAR TYPES	5,889	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	848,136	XXXXXX	46
		4-13 PRIVATE LINE CARS - LOADED (H)	XXXXXXXX	XXXXXX	
47		4-130 BOX-PLAIN 40-FOOT		XXXXXX	47
48		4-131 BOX-PLAIN 50-FOOT AND LONGER	13,401	XXXXXX	48
49		4-132 BOX-EQUIPPED	234	XXXXXX	49
50		4-133 GONDOLA-PLAIN	1,041	XXXXXX	50
51		4-134 GONDOLA-EQUIPPED	149	XXXXXX	51
52		4-135 HOPPER-COVERED	108,626	XXXXXX	52
53		4-136 HOPPER-O/T-GENERAL SERVICE	1,407	XXXXXX	53
54		4-137 HOPPER-O/T-SPECIAL SERVICE	16,593	XXXXXX	54
55		4-138 REFRIGERATOR-MECHANICAL	11	XXXXXX	55
56		4-139 REFRIGERATOR-NON-MECHANICAL	430	XXXXXX	56
57		4-140 FLAT-TOFC/COFC	216,030	XXXXXX	57
58		4-141 FLAT-MULTI-LEVEL	122,519	XXXXXX	58
59		4-142 FLAT-GENERAL SERVICE	75	XXXXXX	59
60		4-143 FLAT-ALL OTHER	13,988	XXXXXX	60
61		4-144 TANK UNDER 22,000 GALLONS	105,713	XXXXXX	61
62		4-145 TANK - 22,000 GALLONS AND OVER	40,156	XXXXXX	62
63		4-146 ALL OTHER CAR TYPES	270	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	640,643	XXXXXX	64

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No
		4-15 PRIVATE LINE CARS-EMPTY (H)	XXXXXXXX	XXXXXX	
65		4-150 BOX-PLAIN 40-FOOT		XXXXXX	65
66		4-151 BOX-PLAIN 50-FOOT AND LONGER	4,188	XXXXXX	66
67		4-152 BOX-EQUIPPED	243	XXXXXX	67
68		4-153 GONDOLA-PLAIN	958	XXXXXX	68
69		4-154 GONDOLA-EQUIPPED	250	XXXXXX	69
70		4-155 HOPPER-COVERED	111,117	XXXXXX	70
71		4-156 HOPPER-O/T-GENERAL SERVICE	1,438	XXXXXX	71
72		4-157 HOPPER-O/T-SPECIAL SERVICE	16,790	XXXXXX	72
73		4-158 REFRIGERATOR-MECHANICAL	17	XXXXXX	73
74		4-159 REFRIGERATOR-NON-MECHANICAL	450	XXXXXX	74
75		4-160 FLAT-TOFC/COFC	27,326	XXXXXX	75
76		4-161 FLAT-MULTI-LEVEL	84,147	XXXXXX	76
77		4-162 FLAT-GENERAL SERVICE	70	XXXXXX	77
78		4-163 FLAT-ALL OTHER	14,539	XXXXXX	78
79		4-164 TANK UNDER 22,000 GALLONS	106,792	XXXXXX	79
80		4-165 TANK - 22,000 GALLONS AND OVER	40,804	XXXXXX	80
81		4-166 ALL OTHER CAR TYPES	267	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	409,396	XXXXXX	82
83		4-17 WORK EQUIPMENT CAR-MILES	17,547	XXXXXX	83
84		4-18 NO PAYMENT CAR-MILES (I) *	116,707	XXXXXX	84
		4-19 TOTAL CAR-MILES BY TRAIN TYPE	XXXXXXXX	XXXXXX	
85		4-190 UNIT TRAINS	344,120	XXXXXX	85
86		4-191 WAY TRAINS	174,762	XXXXXX	86
87		4-192 THROUGH TRAINS	2,575,427	XXXXXX	87
88		4-193 TOTAL (lines 85-87)	3,094,309	XXXXXX	88
89		4-20 CABOOSE MILES	13,051	XXXXXX	89

* Total number of loaded miles 120,404 and empty miles 0 by roadrailer reported above on lines 29 and 45 respectively, rather than line 84.

Note: Total car miles should include no payment and work equipment car miles lines 83 & 84.

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)

Commonwealth of Virginia
City of Norfolk

John P. Rathbone makes oath and says that he is Vice President and Controller of Norfolk Southern Combined Railroad Subsidiaries (see page 4 of ICC Annual Report R-1), 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 of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report 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, 1995, to and including December 31, 1995.

John P. Rathbone
(Signature of affiant)

Subscribed and sworn to before me a Notary Public in and for the State and City above named, this ____ day of March, 1996. My commission expires December 31, 1998

Use an
L.S.
impression seal

Kathryn G. Brandi
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

Commonwealth of Virginia
City of Norfolk

David R. Goode makes oath that says that he is President and Chief Executive Officer of Norfolk Southern Combined Railroad Subsidiaries (see page 4 of ICC Annual Report R-1); 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, 1995, to and including December 31, 1995.

David R. Goode
(Signature of affiant)

Subscribed and sworn to before me a Notary Public in and for the State and City above named, this ____ day of March, 1996. My commission expires December 31, 1998.

Use an
L.S.
impression seal

Kathryn G. Brandi
(Signature of officer authorized to administer oaths)

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
		6. GROSS TON MILES (Thousands) (K)	XXXXXXXX	XXXXXX	
98		6-01 ROAD LOCOMOTIVES	20,355,741		98
		6-02 FREIGHT TRAINS, CRS., CNTS. & CABOOSE	XXXXXXXX	XXXXXX	
99		6-020 UNIT TRAINS	29,610,389	XXXXXX	99
100		6-021 WAY TRAINS	13,340,245	XXXXXX	100
101		6-022 THROUGH TRAINS	192,023,865	XXXXXX	101
102		6-03 PASSENGER-TRAINS, CRS. & CNTS.			102
103		6-04 NON-REVENUE	1,077,918	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	256,408,158		104
		7. TONS OF FREIGHT (Thousands)	XXXXXXXX	XXXXXX	
105		7-01 REVENUE	280,582	XXXXXX	105
106		7-02 NON-REVENUE	1,431	XXXXXX	106
107		7-03 TOTAL (lines 105, 106)	282,013	XXXXXX	107
		8. TON-MILES OF FREIGHT (Thousands) (L)	XXXXXXXX	XXXXXX	
108		8-01 REVENUE-ROAD SERVICE	127,123,246	XXXXXX	108
109		8-02 REVENUE-LAKE TRANSFER SERVICE		XXXXXX	109
110		8-03 TOTAL (lines 108, 109)	127,123,246	XXXXXX	110
111		8-04 NON-REVENUE-ROAD SERVICE	484,162	XXXXXX	111
112		8-05 NON-REVENUE-LAKE TRANSFER SERV.		XXXXXX	112
113		8-06 TOTAL (lines 111, 112)	484,162	XXXXXX	113
114		8-07 TOTAL-REV AND NON-REV (lines 110, 113)	127,607,408	XXXXXX	114
		9. TRAIN HOURS (M)	XXXXXXXX	XXXXXX	
115		9-01 ROAD SERVICE	2,601,643	XXXXXX	115
116		9-02 TRAIN SWITCHING	589,604	XXXXXX	116
117		10. TOTAL YARD SWITCHING HOURS (N)	1,601,192	XXXXXX	117
		11. TRAIN-MILES WORK TRAINS (O)	XXXXXXXX	XXXXXX	
118		11-01 LOCOMOTIVES	730,007	XXXXXX	118
119		11-02 MOTORCARS		XXXXXX	119
		12. NUMBER OF LOADED FREIGHT CARS (P)	XXXXXXXX	XXXXXX	
120		12-01 UNIT TRAINS	751,881	XXXXXX	120
121		12-02 WAY TRAINS	3,294,198	XXXXXX	121
122		12-03 THROUGH TRAINS	6,356,223	XXXXXX	122
123		13. TOFC/COFC-NO. OF REV. TRLS. & CONT. LOADED & UNLOADED (Q)	1,729,936	XXXXXX	123
124		14. MULTI-LEVEL CARS-NO. OF MTR. VEH. LOADED AND UNLOADED (Q)	1,136,512	XXXXXX	124
125		15. TOFC/COFC-NO. OF REV TRLS. PICKED UP AND DELIVERED (R)	103,023	XXXXXX	125
		16. REVENUE TONS-MARINE TERMINAL (S)	XXXXXXXX	XXXXXX	
126		16-01 MARINE TERMINALS - COAL	32,991,000	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)	32,991,000	XXXXXX	129
		17. NUMBER OF FOREIGN PER DIEM CARS ON LINE (T)	XXXXXXXX	XXXXXX	
130		17-01 SERVICEABLE	20,167	XXXXXX	130
131		17-02 UNSERVICEABLE	250	XXXXXX	131
132		17-03 SURPLUS		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	20,417	XXXXXX	133

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755. RAILROAD OPERATING STATISTICS

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109		8-02 REVENUE-LAKE TRANSFER SERVICE		XXXXXX	109
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132		17-03 SURPLUS		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	20,417	XXXXXX	133

710. INVENTORY OF EQUIPMENT														
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No	Cross Check	Type or design of units (a)	Changes During the Year					Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year					
			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)	
			Units in service of respondent at beginning of year (b)	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	1,827	125				138	1,814		1,814	5,560,650 (H.P.)	84	1
2		Diesel-freight units												2
3		Diesel-passenger units												3
4		Diesel-multiple purpose units	155					18	137		137	204,600	2	4
5		Diesel-switching units	1,982	125				156	1,951		1,951	5,765,250	86	5
6		TOTAL (lines 1 to 4)												6
7		Electric-locomotives												7
8		Other self-powered units	1,982	125				156	1,951		1,951	5,765,250	86	8
9		TOTAL (lines 5, 6 and 7)	67					5	62		62	N/A		9
10		Auxiliary units												
		TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	2,049	125				161	2,013		2,013	5,765,250	86	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)	During Calendar Year											
			Before Jan 1, 1975 (b)	Between Jan. 1, 1975 and Dec 31, 1979 (c)	Between Jan 1, 1980 and Dec. 31, 1984 (d)	Between Jan 1, 1985 and Dec. 31, 1989 (e)	Between Jan 1, 1990 and Dec. 31, 1994 (f)	1995 (g)	1996 (h)	1997 (i)	1998 (j)	1999 (k)	TOTAL (l)	
11		Diesel	623	421	252	325	205	125					1,951	11
12		Electric												12
13		Other self-powered units												13
14		TOTAL (lines 11 to 13)	623	421	252	325	205	125					1,951	14
15		Auxiliary units	2	10	20	27	3						62	15
16		TOTAL LOCOMOTIVE UNITS (Lines 14 and 15)	625	431	272	352	208	125					2,013	16

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		
2	Combined/Consolidated Net Railway Operating Income for Reporting Entity		715,471
3	Add: Interest Income from Working Capital Allowance-Cash Portion		14,704
4	Income Taxes Associated with Non-Rail Income and Deductions	N/A	24,569
5	Gain or (loss) from transfer/reclassification to non-rail status (net of income taxes)		4,409
6	Adjusted Net Railway Operating Income (Lines 1, 2, 3 & 4)		759,153
7	Adjusted Investment in Railroad Property for Reporting Entity		
8	Combined Investment in Railroad Property Used in Transportation Service	8,347,025	8,589,425
9	Less: Interest During Construction	3,251	3,197
10	Other Elements of Investment (if debit balance)	—	—
11	Add: Net Rail Assets of Rail-Related Affiliates	—	—
12	Working Capital Allowance	239,399	268,265
13	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	8,583,173	8,854,493
14	Less: Accumulated Deferred Income Tax Credits	2,400,487	2,524,852
15	Net Investment Base (Line 11 - 12)	6,182,686	6,329,641

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
See Page 4 (Schedule C), "Principles of Combined Reporting."	

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