BUILDING AMERICA®

Class I Railroad Annual Report R-1

to the Surface Transportation Board for the Year Ending Dec. 31, 2008

ACAA-R1
Union Pacific Railroad ▪ 1400 Douglas, Omaha, NE 68179

NOTICE

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation Board, Office of Economics, Environmental Analysis, and Administration, The Mercury Building, 1925 K St. N.W., Suite 500, Washington, DC 20423, by March 31 of the year following that for which the report is made. One copy should be retained by the carrier.

2. Every inquiry must be definitely answered. Where the word "none" truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words "not applicable" should be used.

3. Wherever the space provided in the schedules in insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.

4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.

5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of $500 but less than $1,000 should be raised to the nearest thousand dollars, and amounts of less than $500 should be lowered.

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

(a) Board means *Surface Transportation Board.*
(b) Respondent means *the person or corporation in whose behalf the report is made.*
(c) Year means *the year ended December* 31 *for which the report is being made.*
(d) Close of the Year means *the close of business on December* 31 *for the year in which the report is being made.* If the report is made for a shorter period than one year, it means *the close of the period covered by the report.*
(e) Beginning of the Year means *the beginning of business on January* 1 *of the year for which the report is being made.* If the report is made for a shorter period than one year, it means *the beginning of that period.*
(1) Preceding Year means *the year ended December* 31 *of the year preceding the year for which the report is made.*
(g) The Uniform System of Accounts for Railroad Companies means *the system of accounts in Part 1201 of Title* 49, Code *of Federal Regulations. as amended.*

7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.

8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.

9. NOTE - An additional line has been added to Schedule 755 (Line 134) effective with the 2004 R-l. Also note that the instructions for completion of Schedule 755 now have two additional items (Instructions U and V).

10. NOTE - The columns in Schedule 710-Distribution of Locomotive Units In Service of Respondent At Close Of Year, Disregarding Year Of Rebuilding have been revised to reflect new five year periods.

11. NOTE - The following supplemental information about STB information collections is provided in compliance with OMB requirements and pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. 3501et seq.:

Supplemental Information about the Annual Report (R-l)

This information collection is mandatory pursuant to 49 U.S.C. 11145.

The estimated hour burden for filing this report is less than 800 hours.

Information in the Annual Reports is used to monitor and assess railroad industry growth, financial stability, traffic, and operations and to identify industry changes that may affect national transportation policy. In addition, the Board uses data from these reports to more effectively carry out regulatory responsibilities, such as acting on railroad requests for authority to engage in Board regulated financial transactions (for example, mergers, acquisitions of control, consolidations, and abandonments); conducting investigations and rulemakings; conducting rail revenue adequacy proceedings; developing rail cost adjustment factors; and developing the URCS, which is a cost measurement methodology. URCS was developed by the Board pursuant to 49 U .S.C. 11161 and is used as a tool in rail rate proceedings to calculate the variable costs associated with providing a particular service in accordance with 49 U.S.C. 10707(d). The Board also uses URCS to analyze the information that it obtains through the annual railroad industry waybill sample, see 49 CFR 1244, and in railroad abandonment proceedings to measure off-branch costs, pursuant to 49 U.S.C. 10904(a) and in accordance with 49 CFR 1152.32(n).

The information in this report is ordinarily maintained by the agency in hard copy for 10 years, after which it is transferred to the National Archives, where it is maintained as a permanent record. These reports are also maintained by the agency indefinitely on microfiche. In addition, some of this information is posted on the Board's website, **www.stb.dot.gov**, where it may remain indefinitely. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0009. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Quarterly Condensed Balance Sheet (CBS)

This information collection is mandatory under 49 CFR 1243.2.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through specific regulation of railroad-rate and service issues and rail-restructuring proposals, including railroad mergers, consolidations, acquisitions of control, and abandonments. Information from the reports is used by the Board, other Federal agencies, and industry groups, including the Association of American Railroads, to assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system.

Information from these reports is compiled by the Board and published on its website, **www.stb.dot.gov**, where it may be maintained indefinitely. The compilation report is entitled Class I Railroads. Selected Earning Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

Supplemental Information about the Quarterly Report of Revenues, Expenses, and Income (Form RE&I)

This information collection is mandatory pursuant to 49 U.S.C. 11164 and 49 CFR 1243.1.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through regulation of railroad rate and service issues and rail restructuring proposals, including railroad mergers, consolidations, acquisitions of control and abandonments. Information from the reports is used by the Board, other Federal agencies and industry groups to monitor and assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system. Individual and aggregate carrier information is needed in our decision making process.

Information from these reports is compiled by the Board and published on its website.www.stb.dot.gov. where it may be maintained indefinitely. The compilation report is entitled Class I Railroads. Selected Earnings Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

Supplemental Information about the Report of Railroad Employees, Service, and Compensation (Wage Forms A & B)

This information collection is mandatory pursuant to 49 D.S.C. 11145 and 49 CFR 1245.2.

The estimated hour burden for filing this report is 30 hours per quarterly report and 40 hours per annual report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees. These transactions include mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

Certain information from the reports is compiled and published on the Board's website,**www.stb.dot.gov.** where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0004. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Monthly Report of Number of Employees of Class I Railroads (Wage Form C)

This information collection is mandatory pursuant to 49 D.S.C. 11145 and 49 CFR 1246.1.

The estimated hour burden for filing this report is 1.25 hours per monthly report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees, including mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

The information in this report is compiled and published on the Board's website, **www.stb.dot.gov**, where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0007. The display of a currently valid OMB 'Control number is required by law.

Supplemental Information about the Annual Report of Cars Loaded and Cars Terminated (Form STB-54)

This information collection is mandatory pursuant to 49 U.S.C. 11162 and 49 CFR 1247.

The estimated hour burden for filing this report is four hours per report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. Information in this report is entered into the Board's URCS. In addition, many other Federal agencies and industry groups, including the Department of Transportation and the Association of American Railroads (AAR), depend on Form STB-54 for information regarding the number of cars loaded and terminated on the reporting carrier's line.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0011. The display of a currently valid OMB control number is required by law.

Supplemental Information about the Quarterly Report of Freight Commodity Statistics (Form QCS)

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1248.

The estimated hour burden for filing this report is 217 hours per report.

Information in this report is entered into the Board's URCS.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0001. The display of a currently valid OMB control number is required by law.

For Index, See Back of Form

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ANNUAL REPORT

OF

UNION PACIFIC RAILROAD COMPANY

To The

SURFACE TRANSPORTATION BOARD

For The

Year Ended December 31, 2008

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

(Name) Jeffrey P. Totusek (Title) Chief Accounting Officer and Controller

(Telephone number) (402) 544-6262 (or contact Carrie Powers at (402) 544-4368)

(Office address) 1400 Douglas Street - Stop 1770, Omaha, Nebraska 68179

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SPECIAL NOTICE

Docket No. 38559, Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III and Switching and Terminal Companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark border on the schedules represents data that are captured by the Board.

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

A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.

2. Show below the pages excluded and indicate the schedule number and title in the space provided below.

3. If no schedules were omitted indicate "NONE".

Page	Schedule No.	Title
		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 Board, indicate such fact on line 1 below and list the consolidated group on page 4.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give 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 - Union Pacific Railroad Company *

2. Date of incorporation - February 20, 1969

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:
Under the General Corporation Law of the State of Delaware. Articles Amended February 24, 1969, June 8, 1987, April 13, 1989, August 10, 1993, and September 25, 2008, in perpetuity. Name changed from Southern Pacific Transportation Company, February 1, 1998.

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: NOT APPLICABLE

Stockholders' Reports

5. The respondent is required to send the Office of Economic and Environmental Analysis, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

[ ] Two copies are attached to this report.
[X] Two copies will be submitted on: (date) March 31, 2009
[ ] No annual report to stockholders is prepared.

* This report for Union Pacific Railroad Company includes Union Pacific Railroad Company and all subsidiaries and affiliates (collectively, the Company, Railroad, or UPRR). See page 4 for a listing of included companies.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common - Common Stock and Class A Stock both $10/ per share; First preferred - None; Second preferred - None; Debenture stock - None.
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 no, state in a footnote the relationship 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 relationship between holdings and corresponding voting rights, indicating 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 yes, 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: N/A
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year - 4,853.
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 30 security holders of the respondent who, at the date of the latest closing of the stock book or compliation of the list of stockholders of the respondent (if within one year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each, his or her address, the number of votes he or she 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 or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the 30 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 30 security holders at 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			
					Preferred		
				Common	Second	First	
	(a)	(b)	(c)	(d)	(e)	(f)	
1	Union Pacific	1400 Douglas Street	Common Stock - 4,465	4,465			1
2	Corporation	Omaha, Nebraska 68179	Class A Stock - 388	388			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	Notes and Remarks:	Excludes stock owned by Southern Pacific Rail Corporation.					15
16							16
17		Excludes non-voting FRA Preference Shares listed in Schedule 230 on page 20.					17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25
26							26

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of the respondent - N/A

11. Give the date of such meeting - March 19, 2009

12. Give the place of such meeting - Via written consent

NOTES AND REMARKS

Notes to Page 2, Item 1 - List of consolidated companies, subsidiaries and affiliates

Alton & Southern Railway
American Refrigerator Transit Company
Arkansas & Memphis Railway Bridge and Terminal Company
Central California Traction Company
Chicago & Western Indiana Railroad Company
Chicago Heights Terminal Transfer Company
Delta Finance Company LTD
Doniphan, Kensett & Searcy Railway Company
Donland Development Company
Ekanet, Inc.
Mexican Pacific, LLC
Midwestern Railroad Properties, Inc.
Missouri Improvement Company
Missouri Pacific Intermodal Transport, Inc.
Montwood Corporation
Motor Vehicle Logistics Corporation
MP Equipment Corporation
Ogden Union Railway & Depot Company
Pacific Fruit Express Company
Park Spring, Inc.
Portland Terminal Railroad Company
Portland Traction Company
Rio Grande Holding, Inc.
Rio Grande Land Company
Signage, Inc.
Southern Illinois and Missouri Bridge Company
Southern Pacific Asset Management Company
Southern Pacific Equipment Company
Southern Pacific Fleet Acquisition Company
Southern Pacific International, Inc.
Southern Pacific Land Corporation
Southern Pacific Motor Trucking Company
Southern Pacific Rail Corporation
Southern Pacific Receivables, Inc.
Southern Pacific Warehouse Company
SP Environmental Systems, Inc.
SP Environmental Waste Systems, Inc.
Standard Realty and Development Company
Stonegate Park, Inc.
Streamline, Inc.
Texas City Terminal Railway Company
Transborder Rail Corporation
Transportation Service Systems, Inc.
Union Pacific de Mexico
Union Pacific Distribution Services Company
Union Pacific Express Air, Inc.
Union Pacific Financial Corporation
Union Pacific Fruit Express Company
Union Pacific Railroad Company
Union Pacific Receivables, Inc.
Union Pacific Venture Leasing, Inc.
UP International Advisors, Inc.
UPCA, LLC
UPDS de Mexico
Wisconsin Town Lot 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	145,790	36,463	1
2		702	Temporary Cash Investments	148,900	219,635	2
3		703	Special Deposits	3,504	7,786	3
			Accounts Receivable (A)			
4		704	- Loan and Notes	139	239	4
5		705	- Interline and Other Balances	79,717	78,712	5
6		706	- Customers	259,863	387,845	6
7		707	- Other	127,637	146,459	7
8		709,708	- Accrued Accounts Receivables	190,460	193,158	8
9		708.5	- Receivables from Affiliated Companies	70	80	9
10		709.5	- Less: Allowance for Uncollectible Accounts	0	0	10
11		710,711,714	Working Funds Prepayments Deferred Income Tax Debits	313,893	437,690	11
12		712	Materials and Supplies	450,190	453,354	12
13		713	Other Current Assets	82,771	36,016	13
14			TOTAL CURRENT ASSETS	1,802,934	1,997,437	14
			OTHER ASSETS			
15		715, 716, 717	Special Funds	4,609	4,656	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedules 310 and 310A)	949,646	914,496	16
17		722, 723	Other Investments and Advances	4,260	4,603	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities - Cr.	0	0	18
19		737, 738	Property Used in Other than Carrier Operation (Less Depreciation) 2008-$21,963; 2007-$21,606	133,044	137,374	19
20		739, 741	Other Assets	132,219	274,652	20
21		743	Other Deferred Debits	28,960	38,077	21
22		744	Accumulated Deferred Income Tax Debits	0	0	22
23			TOTAL OTHER ASSETS	1,252,738	1,373,858	23
			ROAD AND EQUIPMENT			
24		731, 732	Road (Schedule 330) L-30 Cols. h & b	39,038,128	36,793,228	24
25		731, 732	Equipment (Schedule 330) L-39 Cols. h & b	7,723,472	7,703,462	25
26		731, 732	Unallocated Items	981,506	978,032	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(13,148,756)	(12,306,986)	27
28			Net Road and Equipment	34,594,350	33,167,736	28
29	*		TOTAL ASSETS	37,650,022	36,539,031	29

(A) See Sale of Receivables discussion on page 9 within Note 10.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITY 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	0	0	30
31		752	Accounts Payable; Interline and Other Balances	17,830	29,964	31
32		753	Audited Accounts and Wages	192,393	238,894	32
33		754	Other Accounts Payable	38,481	41,011	33
34		755, 756	Interest and Dividends Payable	65,068	60,405	34
35		757	Payables to Affiliated Companies	0	0	35
36		759	Accrued Accounts Payable	1,671,906	2,122,634	36
37		760, 761, 761.5, 762	Taxes Accrued	200,365	207,656	37
38		763	Other Current Liabilities	2,788	3,079	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	223,100	142,599	39
40			TOTAL CURRENT LIABILITIES	2,411,931	2,846,242	40
			NON-CURRENT LIABILITIES			
41		765, 767	Funded Debt Unmatured	238,114	256,017	41
42		766	Equipment Obligations	178,243	202,018	42
43		766.5	Capitalized Lease Obligations	1,169,064	1,124,072	43
44		768	Debt in Default	0	0	44
45		769	Accounts Payable; Affiliated Companies	3,808,744	4,417,495	45
46		770.1, 770.2	Unamortized Debt Premium	(78,666)	(76,150)	46
47		781	Interest in Default	0	0	47
48		783	Deferred Revenues-Transfers from Government Authorities	0	0	48
49		786	Accumulated Deferred Income Tax Credits	9,872,580	9,646,609	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	2,607,171	1,847,749	50
51			TOTAL NON-CURRENT LIABILITIES	17,795,250	17,417,810	51
			SHAREHOLDERS' EQUITY			
52		791, 792	Total Capital Stock:(Schedule 230) (L-10 Col. g, L-17 Col. e)	3,115	5,948	52
53			Common Stock	49	49	53
54			Preferred Stock	3,066	5,899	54
55			Discount on Capital Stock	0	0	55
56		794, 795	Additional Capital (Schedule 230) (L-17 Col. h)	4,781,906	4,781,906	56
			Retained Earnings:			
57		797	Appropriated	811	811	57
58		798	Unappropriated (Schedule 220) (L-17 Col. b)	13,361,374	11,560,866	58
59		798.1	Other Comprehensive Income	(704,365)	(74,552)	59
60		798.5	Less Treasury Stock	0	0	60
61			Net Shareholders' Equity	17,442,841	16,274,979	61
62	*		TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	37,650,022	36,539,031	62

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION -- EXPLANATORY NOTES
(Dollars in Thousands)

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

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts Schedule 460. $811.

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 Explanatory Note 11 on page 10.

   (b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. $_____. See Explanatory Note 11 beginning on page 10.

   (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). The Northern Trust Company
   Date of trust agreement or latest amendment. July 11, 2005
   If respondent is affiliated in any way with the trustee(s), explain affiliation: Not Applicable.

   (d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement. See Explanatory beginning Note 11 on page 10.

   (e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify. Yes ___ No X
   If yes, give number of the shares for each class of stock or other security: _____
   _____.
   (ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes X No ___ If yes, who determines how stock is voted? Voting rights are delegated to investment managers
   _____.

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 ____ See Note 15 on page 15A.

5. (a) The amount of employers contribution to employee stock ownership plans for the current year was $ NONE.
   (b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was $ NONE.

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

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

7. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instructions 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 13 ON PAGE 14.

(a) Changes in Valuation Accounts

8. Marketable Equity Securities

UP has no marketable equity securities.

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

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

	Gains	Losses
Current	$	$
Noncurrent		

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

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

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

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

For purposes of this report, unless the context otherwise requires, all references herein to the "Company", "we", "us", and "our" mean Union Pacific Railroad Company. For purposes of this report, unless the context otherwise requires, all references herein to "UPC" and the "Corporation" mean Union Pacific Corporation. All references herein to the "Consolidated Financial Statements" mean the Comparative Statement of Financial Position, Results of Operations, Retained Earnings, Statement of Cash Flows, and the supplement notes and schedules included in the Class 1 Railroad Annual Report R-1.

9. Transactions with Affiliates

At December 31, 2008 and 2007, we had $609 million and $849 million working capital deficit balances, respectively, relating to UPC's management of our cash position. As part of UPC's cash management activities, we advance excess cash (cash available after satisfying all of our obligations and paying dividends to UPC) to UPC. We declare and pay dividends to UPC that typically approximates the dividends UPC declares to its shareholders; however, there is no formal requirement to do so. The dividend declaration between us and UPC is determined solely by our Board of Directors. To the extent we require additional cash for use in our operations, UPC makes such funds available to us for borrowing. We treat these transactions as intercompany borrowings in the Consolidated Statements of Financial Position.

The majority of our intercompany borrowings from UPC relate to the acquisitions of the Chicago and North Western Transportation Company and Southern Pacific Rail Corporation that were funded by UPC on our behalf. We assumed these acquisition costs in the form of intercompany borrowings from UPC. In December of 2008, the Corporation established a borrowing limit based on the Railroad's borrowing capacity and implemented a market-based interest rate. Currently, the annual rate is 5.8%. Prior to December 2008 the intercompany borrowings accrued interest at an annual rate of 7.5%. Interest accrues quarterly and is payable on demand. We do not expect to be required by UPC to pay back the intercompany borrowings within the next 12 months. Intercompany borrowings are unsecured and rank equally with all of our other unsecured indebtedness.

UPC provides us with various services, including strategic planning, legal, treasury, accounting, auditing, insurance, human resources, and corporate affairs. Pursuant to a services agreement, UPC provides services to us, and we pay our share of the costs as determined by an independent review. Billings for these services were $62 million, $56 million, and $69 million for the years ended December 31, 2008, 2007, and 2006, respectively.

10. Financial Instruments

Strategy and Risk – We may use derivative financial instruments in limited instances for other than trading purposes to assist in managing our overall exposure to fluctuations in interest rates and fuel prices. We are not a party to leveraged derivatives and, by policy, do not use derivative financial instruments for speculative purposes. Derivative financial instruments qualifying for hedge accounting must maintain a specified level of effectiveness between the hedging instrument and the item being hedged, both at inception and throughout the hedged period. We formally document the nature and relationships between the hedging instruments and hedged items at inception, as well as our risk-management objectives, strategies for undertaking the various hedge transactions, and method of assessing hedge effectiveness. Changes in the fair market value of derivative financial instruments that do not qualify for hedge accounting are charged to earnings. We may use swaps, collars, futures, and/or forward contracts to mitigate the risk of adverse movements in interest rates and fuel prices; however, the use of these derivative financial instruments may limit future benefits from favorable price movements.

Market and Credit Risk – We address market risk related to derivative financial instruments by selecting instruments with value fluctuations that highly correlate with the underlying hedged item. We manage credit risk related to derivative financial instruments, which is minimal, by requiring high credit standards for counterparties and periodic settlements. At December 31, 2008 and 2007, we were not required to provide collateral, nor had we received collateral, relating to our hedging activities.

Determination of Fair Value – We determine the fair values of our derivative financial instrument positions based upon current fair values as quoted by recognized dealers or the present value of expected future cash flows.

Interest Rate Cash Flow Hedges – We report changes in the fair value of cash flow hedges in accumulated other comprehensive loss until the hedged item affects earnings. At both December 31, 2008 and 2007, we had reductions of $4 million recorded as an accumulated other comprehensive loss that is being amortized on a straight-line basis through September 30, 2014. As of December 31, 2008 and 2007, we had no interest rate cash flow hedges outstanding.

Fair Value of Debt Instruments – The fair value of our short- and long-term debt was estimated using quoted market prices, where available, or current borrowing rates. At December 31, 2008, the fair value of total debt is approximately $72 million less than the carrying value. At December 31, 2007, the fair value of total debt exceeded the carrying value by approximately $39 million. At both December 31, 2008 and 2007, approximately $164 million of fixed-rate debt securities contained call provisions that allowed us to retire the debt instruments prior to final maturity, with the payment of fixed call premiums, or in certain cases, at par.

Sale of Receivables – We transfer most of our accounts receivable to Union Pacific Receivables, Inc. (UPRI), a bankruptcy-remote subsidiary, as part of a sale of receivables facility. UPRI sells, without recourse on a 364-day revolving basis, an undivided interest in such accounts receivable to investors. The total capacity to sell undivided interests to investors under the facility was $700 million and $600 million at December 31, 2008 and 2007, respectively. The value of the outstanding undivided interest held by investors under the facility was $584 million and $600 million at December 31, 2008 and 2007, respectively. UPRI reduced the outstanding undivided interest held by investors due to a decrease in available receivables at December 31, 2008. The value of the outstanding undivided interest held by investors is not included in our Consolidated Financial Statements. The value of the undivided interest held by investors was supported by $1,015 million and $1,071 million of accounts receivable held by UPRI at December 31, 2008 and 2007, respectively. At December 31, 2008 and 2007, the value of the interest retained by UPRI was $431 million and $471 million, respectively. This retained interest is included in accounts receivable in our Consolidated Financial Statements. The interest sold to investors is sold at carrying value, which approximates fair value, and there is no gain or loss recognized from the transaction.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

The value of the outstanding undivided interest held by investors could fluctuate based upon the availability of eligible receivables and is directly affected by changing business volumes and credit risks, including default and dilution. If default or dilution percentages were to increase one percentage point, the amount of eligible receivables would decrease by $6 million. Should UPC's credit rating fall below investment grade, the value of the outstanding undivided interest held by investors would be reduced, and, in certain cases, the investors would have the right to discontinue the facility.

We have been designated to service the sold receivables; however, we do not recognize any servicing asset or liability as the servicing fees adequately compensate us for these responsibilities. We collected approximately $17.8 billion and $16.1 billion during the years ended December 31, 2008 and 2007, respectively. UPRI used certain of these proceeds to purchase new receivables under the facility.

The costs of the sale of receivables program are included in other income and were $23 million, $35 million, and $33 million for 2008, 2007, and 2006, respectively. The costs include interest, program fees paid to banks, commercial paper issuing costs, and fees for unused commitment availability.

The investors have no recourse to our other assets except for customary warranty and indemnity claims. Our creditors have no recourse to the assets of UPRI. In October 2008, we extended the sale of receivables program to August 2009 without any significant changes in terms, except to increase the capacity to sell undivided interests to $660 million. The capacity was increased to $700 million in December 2008. At January 16, 2009 the amount utilized under the sale of receivables program was $560 million.

11. Retirement Plans

Pension and Other Postretirement Benefits

Pension Plans – We provide defined benefit retirement income to eligible non-union employees through the Corporation's qualified and non-qualified (supplemental) pension plans. Qualified and non-qualified pension benefits are based on years of service and the highest compensation during the latest years of employment, with specific reductions made for early retirements.

Other Postretirement Benefits (OPEB) – We provide defined contribution medical and life insurance benefits for eligible retirees through the Corporation's programs. These benefits are funded as medical claims and life insurance premiums are paid.

Funded Status

We adopted Financial Accounting Standards Board (FASB) Statement No. 158, Employers' *Accounting for Defined Benefit Pension and Other Postretirement Plans* (FAS 158), at the end of 2006, which required us to separately recognize the overfunded or underfunded status of our pension and OPEB plans as an asset or liability. The funded status represents the difference between the projected benefit obligation (PBO) and the fair value of the plan assets. The PBO is the present value of benefits earned to date by plan participants, including the effect of assumed future salary increases. The PBO of the OPEB plan is equal to the accumulated benefit obligation, as the present value of the OPEB liabilities is not affected by salary increases. Plan assets are measured at fair value. We use a December 31 measurement date for plan assets and obligations for all our retirement plans.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

Changes in our PBO and plan assets are as follows for the years ended December 31:

Funded Status	*Pension*		*OPEB*	
Millions of Dollars	***2008***	*2007*	***2008***	*2007*
Projected Benefit Obligation				
Projected benefit obligation at beginning of year	**$ 2,112**	$ 2,113	**$ 326**	$ 374
Service cost	**34**	34	**3**	3
Interest cost	**137**	124	**24**	20
Plan amendments	**-**		**(9)**	(10)
Actuarial loss (gain)	**132**	(33)	**101**	(34)
Gross benefits paid	**(143)**	(126)	**(27)**	(27)
Projected benefit obligation at end of year	**$ 2,272**	$ 2,112	**$ 418**	$ 326
Plan Assets				
Fair value of plan assets at beginning of year	**$ 2,058**	$ 1,989	**$ -**	$ -
Actual return on plan assets	**(592)**	183	**-**	-
Voluntary funded pension plan contributions	**200**	-	**-**	-
Other funded pension plan contributions	**8**		**-**	-
Non-qualified plan benefit contributions	**12**	12	**27**	27
Gross benefits paid	**(143)**	(126)	**(27)**	(27)
Fair value of plan assets at end of year	**$ 1,543**	$ 2,058	**$ -**	$ -
Funded status at end of year	**$ (729)**	$ (54)	**$ (418)**	$ (326)

Amounts recognized in the statement of financial position as of December 31, 2008 and 2007 consist of:

	Pension		*OPEB*	
Millions of Dollars	***2008***	*2007*	***2008***	*2007*
Noncurrent assets	**$ -**	$ 120	**$ -**	$ -
Current liabilities	**(12)**	(11)	**(30)**	(27)
Noncurrent liabilities	**(717)**	(163)	**(388)**	(299)
Net amounts recognized at end of year	**$ (729)**	$ (54)	**$ (418)**	$ (326)

Pre-tax amounts recognized in accumulated other comprehensive income/(loss) as of December 31, 2008 consist of:

Millions of Dollars	*Pension*	*OPEB*	*Total*
Prior service (cost)/credit	$ (12)	$ 111	$ 99
Net actuarial loss	(1,023)	(172)	(1,195)
Total	$ (1,035)	$ (61)	$ (1,096)

Pre-tax amounts recognized in accumulated other comprehensive income/(loss) as of December 31, 2007 consist of:

Millions of Dollars	*Pension*	*OPEB*	*Total*
Prior service (cost)/credit	$ (18)	$ 137	$ 119
Net actuarial loss	(158)	(85)	(243)
Total	$ (176)	$ 52	$ (124)

Other pre-tax changes recognized in other comprehensive income during 2008 were as follows:

Millions of Dollars	*Pension*	*OPEB*	*Total*
Prior service credit arising during the year	$ -	$ (9)	$ (9)
Net actuarial loss arising during the year	875	101	976
Amortization of prior service (cost)/credit	(6)	34	28
Amortization of actuarial (loss)	(10)	(13)	(23)
Total	$ 859	$ 113	$ 972

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

Amounts included in accumulated other comprehensive income expected to be amortized into net periodic cost (benefit) during 2009:

Millions of Dollars	*Pension*	*OPEB*	*Total*
Prior service cost (credit)	$ 5	$ (35)	$ (30)
Net actuarial loss	26	15	41
Total	$ 31	$ (20)	$ 11

Underfunded Accumulated Benefit Obligation – The accumulated benefit obligation (ABO) is the present value of benefits earned to date, assuming no future salary growth. The underfunded accumulated benefit obligation represents the difference between the ABO and the fair value of plan assets. At December 31, 2007, the only pension plan that was underfunded was our non-qualified (supplemental) plan, which is not funded by design. At December 31, 2008, the non-qualified (supplemental) plan ABO was $189 million. The PBO, ABO, and fair value of plan assets for pension plans with accumulated benefit obligations in excess of the fair value of the plan assets were as follows for the years ended December 31:

Underfunded Accumulated Benefit Obligation

Millions of Dollars	***2008***	*2007*
Projected benefit obligation	**$ (2,272)**	$ (175)
Accumulated benefit obligation	**$ (2,201)**	$ (172)
Fair value of plan assets	**1,543**	-
Underfunded Accumulated Benefit Obligation	**$ (658)**	$ (172)

The ABO for all defined benefit pension plans was $2.2 billion and $2.0 billion at December 31, 2008 and 2007, respectively.

Assumptions – The weighted-average actuarial assumptions used to determine benefit obligations at December 31:

	Pension		*OPEB*	
Percentages	***2008***	*2007*	***2008***	*2007*
Discount rate	**6.25%**	6.50%	**6.25%**	6.50%
Salary increase	**3.50%**	3.50%	**N/A**	N/A
Health care cost trend rate for next year (employees under 65)	**N/A**	N/A	**6.60%**	8.00%
Health care cost trend rate for next year (employees over 65)	**N/A**	N/A	**9.40%**	10.00%
Ultimate health care cost trend rate	**N/A**	N/A	**4.50%**	5.00%
Year ultimate trend rate reached	**N/A**	N/A	**2028**	2013

Expense

Both pension and OPEB expense are determined based upon the annual service cost of benefits (the actuarial cost of benefits earned during a period) and the interest cost on those liabilities, less the expected return on plan assets. The expected long-term rate of return on plan assets is applied to a calculated value of plan assets that recognizes changes in fair value over a five-year period. This practice is intended to reduce year-to-year volatility in pension expense, but it can have the effect of delaying the recognition of differences between actual returns on assets and expected returns based on long-term rate of return assumptions. Differences in actual experience in relation to assumptions are not recognized in net income immediately, but are deferred and, if necessary, amortized as pension or OPEB expense.

The components of our net periodic pension and OPEB cost/(benefit) were as follows for the years ended December 31:

	Pension			*OPEB*		
Millions of Dollars	***2008***	*2007*	*2006*	***2008***	*2007*	*2006*
Net Periodic Benefit Cost:						
Service cost	**$ 34**	$ 34	$ 35	**$ 3**	$ 3	$ 4
Interest cost	**137**	124	117	**24**	20	21
Expected return on plan assets	**(152)**	(144)	(134)	**-**	-	-
Amortization of:						
Prior service cost/(credit)	**6**	6	7	**(35)**	(33)	(33)
Actuarial loss	**10**	18	21	**13**	8	13
Net periodic benefit cost/(benefit)	**$ 35**	$ 38	$ 46	**$ 5**	$ (2)	$ 5

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

Assumptions – The weighted-average actuarial assumptions used to determine expense were as follows for the years ended December 31:

	Pension			OPEB		
Percentages	***2008***	*2007*	*2006*	***2008***	*2007*	*2006*
Discount rate	**6.50%**	6.00%	5.75%	**6.50%**	6.00%	5.75%
Expected return on plan assets	**8.00%**	8.00%	8.00%	**N/A**	N/A	N/A
Salary increase	**3.50%**	3.00%	2.75%	**N/A**	N/A	N/A
Health care cost trend rate for next year (employees under 65)	**N/A**	N/A	N/A	**8.00%**	9.00%	9.00%
Health care cost trend rate for next year (employees over 65)	**N/A**	N/A	N/A	**10.00%**	11.00%	9.00%
Ultimate healthcare cost trend rate	**N/A**	N/A	N/A	**5.00%**	5.00%	5.00%
Year ultimate trend reached	**N/A**	N/A	N/A	**2013**	2013	2010

For 2008, the discount rate was based on a Mercer yield curve of high quality corporate bonds with cash flows matching our plans' expected benefit payments. For 2007 and 2006, the discount rate was based on a hypothetical portfolio of high quality corporate bonds with cash flows matching our plans' expected benefit payments. The expected return on plan assets is based on our asset allocation mix and our historical return, taking into account current and expected market conditions. The actual return (loss) on pension plan assets, net of fees, was approximately (30)% in 2008, 9% in 2007, and 14% in 2006.

Assumed healthcare cost trend rates have a significant effect on the expense and liabilities reported for healthcare plans. The assumed healthcare cost trend rate is based on historical rates and expected market conditions. A one-percentage point change in the assumed healthcare cost trend rates would have the following effects on OPEB:

Millions of Dollars	*One % pt. Increase*	*One % pt. Decrease*
Effect on total service and interest cost components	$ 3	$ (2)
Effect on accumulated benefit obligation	42	(35)

Cash Contributions

The following table details our cash contributions for the qualified pension plan and the benefit payments for the non-qualified and OPEB plans:

	Pension		
Millions of Dollars	*Qualified*	*Non-qualified*	*OPEB*
2007	$ -	$ 12	$ 27
2008	208	12	27
2009 Expected	25 [a]	12	30

[a] While we do not expect any required contributions during 2009, we intend to fund at least $25 million. This amount may be higher based on cash generated from operations and financial market considerations.

Our policy with respect to funding the qualified plans is to fund at least the minimum required by the Pension Protection Act of 2006 and not more than the maximum amount deductible for tax purposes. All contributions made to the qualified pension plans in 2008 were voluntary and were made with cash generated from operations.

The OPEB plans are not funded and are not subject to any minimum regulatory funding requirements. Benefit payments for each year represent claims paid for medical and life insurance, and we anticipate our 2009 OPEB payments will be made from cash generated from operations.

Benefit Payments

The following table details expected benefit payments for the years 2009 through 2018:

Millions of Dollars	*Pension*	*OPEB*
2009	$ 132	$ 30
2010	136	30
2011	142	31
2012	147	31
2013	154	32
Years 2014 -2018	857	161

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

Asset Allocation Strategy

Our pension plan asset allocation at December 31, 2008 and 2007, and target allocation for 2009, are as follows:

		Percentage of Plan Assets December 31,	
	Target Allocation 2009	***2008***	*2007*
Equity securities	60% to 70%	**68%**	68%
Debt securities	20% to 30%	**23**	23
Real estate	2% to 8%	**6**	4
Commodities	4% to 6%	**3**	5
Total		**100%**	100%

The investment strategy for pension plan assets is to maintain a broadly diversified portfolio designed to achieve our target of an average long-term rate of return of 8%. While we believe we can achieve a long-term average rate of return of 8%, we cannot be certain that the portfolio will perform to our expectations. Assets are strategically allocated among equity, debt, and other investments in order to achieve a diversification level that dampens fluctuations in investment returns. Asset allocation target ranges for equity, debt, and other portfolios are evaluated at least every three years with the assistance of an independent external consulting firm. Actual asset allocations are monitored monthly, and rebalancing actions are executed at least quarterly, if needed.

The pension plan investments are held in a Master Trust, with The Northern Trust Company. Investments in the Master Trust are valued at fair value, which has been determined based on fair value of the underlying investments of the Master Trust. Investments in securities traded on public security exchanges are valued at their closing market prices on the valuation date; where no sale was made on the valuation date, the security is generally valued at its most recent bid price. Certain short-term investments are carried at cost, which approximates fair value. Investments in registered investment companies and common trust funds, which primarily invest in stocks, bonds, and commodity futures, are valued using publicly available market prices for the underlying investments held by these entities.

The majority of pension plan assets are invested in equity securities, because equity portfolios have historically provided higher returns than debt and other asset classes over extended time horizons, and are expected to do so in the future. Correspondingly, equity investments also entail greater risks than other investments. Equity risks are balanced by investing a significant portion of the plan's assets in high quality debt securities. The average quality rating of the debt portfolio exceeded AA as of December 31, 2008 and 2007. The debt portfolio is also broadly diversified and invested primarily in U.S. Treasury, mortgage, and corporate securities with an intermediate average maturity. The weighted-average maturity of the debt portfolio was 5 years at both December 31, 2008 and 2007, respectively.

The investment of pension plan assets in securities issued by Union Pacific is specifically prohibited for both the equity and debt portfolios, other than through index fund holdings.

Other Retirement Programs

Thrift Plan – The Corporation provides a defined contribution plan (thrift plan) to eligible non-union employees and makes matching contributions to the thrift plan. We match 50 cents for each dollar contributed by employees up to the first six percent of compensation contributed. The thrift plan contributions were $14 million in 2008, $14 million in 2007, and $13 million in 2006.

Railroad Retirement System – Our employees are covered by the Railroad Retirement System (the System). Contributions made to the System are expensed as incurred and amounted to approximately $620 million in 2008, $616 million in 2007, and $615 million in 2006.

Collective Bargaining Agreements – Under collective bargaining agreements, we provide certain postretirement healthcare and life insurance benefits for eligible union employees. Premiums under the plans are expensed as incurred and amounted to $49 million in 2008 and $40 million in both 2007 and 2006.

12. Capital Stock and Dividend Restrictions

Our Board of Directors has restricted the availability of retained earnings for payment of dividends by $131 million. This represents (a) the amount by which the estimated fair value of our investment in certain subsidiaries, as determined by our Board of Directors, exceeded the net book value of such investment, which was transferred to the Corporation by means of a dividend in June 1971 ($110 million) and (b) the amount by which the fair market value exceeded the book value of certain investment securities which were transferred to the Corporation by means of a dividend in November 1972 ($21 million).

Our capital structure consists of Class A Stock, Common Stock, and Mandatorily Redeemable Preference Shares (Series A). The Class A Stock is entitled to a cash dividend whenever a dividend is declared on the Common Stock, in an amount which equals 8 percent of the sum of the dividends on both the Class A Stock and the Common Stock. All of our Common Stock and our Class A Stock, which constitutes all of the voting capital stock, is owned by the Corporation or a wholly-owned subsidiary of the Corporation, and all of the Mandatorily Redeemable Preference Shares, which are non-voting stock, are owned by the Federal Railroad Administration. Accordingly, there is no market for our capital stock.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

The number of shares shown in the Statements of Changes in Common Shareholders' Equity in the Consolidated Financial Statements, excludes 2,665 shares of Common Stock and 232 shares of Class A Stock owned by Southern Pacific Rail Corporation, whose results are included in the Consolidated Financial Statements.

13. Commitments and Contingencies

Asserted and Unasserted Claims – Various claims and lawsuits are pending against us and certain of our subsidiaries. We cannot fully determine the effect of all asserted and unasserted claims on our consolidated results of operations, financial condition, or liquidity; however, to the extent possible, where asserted and unasserted claims are considered probable and where such claims can be reasonably estimated, we have recorded a liability. We do not expect that any known lawsuits, claims, environmental costs, commitments, contingent liabilities, or guarantees will have a material adverse effect on our consolidated results of operations, financial condition, or liquidity after taking into account liabilities and insurance recoveries previously recorded for these matters.

Personal Injury – The cost of personal injuries to employees and others related to our activities is charged to expense based on estimates of the ultimate cost and number of incidents each year. We use third-party actuaries to assist us in measuring the expense and liability, including unasserted claims. The Federal Employers' Liability Act (FELA) governs compensation for work-related accidents. Under FELA, damages are assessed based on a finding of fault through litigation or out-of-court settlements. We offer a comprehensive variety of services and rehabilitation programs for employees who are injured at work.

Our personal injury liability is discounted to present value using applicable U.S. Treasury rates. Approximately 88% of the recorded liability related to asserted claims, and approximately 12% related to unasserted claims at December 31, 2008. Because of the uncertainty surrounding the ultimate outcome of personal injury claims, it is reasonably possible that future costs to settle these claims may range from approximately $620 million to $676 million. We believe that the $620 million liability recorded at December 31, 2008, is the best estimate of the present value of the future settlement costs of personal injury claims. Our personal injury liability activity was as follows:

Millions of Dollars	***2008***	*2007*	*2006*
Beginning balance	**$ 592**	$ 629	$ 614
Accruals	**201**	165	243
Payments	**(173)**	(202)	(228)
Ending balance at December 31	**$ 620**	$ 592	$ 629
Current portion, ending balance at December 31	**$ 185**	$ 203	$ 232

Asbestos – We are a defendant in a number of lawsuits in which current and former employees and other parties allege exposure to asbestos. We engage a third party with extensive experience in estimating resolution costs for asbestos-related claims to assist us in assessing our potential liability. This liability is updated annually and excludes future defense and processing costs. The liability for resolving both asserted and unasserted claims was based on the following assumptions:

- The ratio of future claims by alleged disease would be consistent with historical averages.
- The number of claims filed against us will decline each year.
- The average settlement values for asserted and unasserted claims will be equivalent to historical averages.
- The percentage of claims dismissed in the future will be equivalent to historical averages.

Millions of Dollars	***2008***	*2007*	*2006*
Beginning balance	**$ 265**	$ 302	$ 311
Accruals/(credits)	**(42)**	(20)	-
Payments	**(10)**	(17)	(9)
Ending balance at December 31	**$ 213**	$ 265	$ 302
Current portion, ending balance at December 31	**$ 12**	$ 11	$ 13

Our liability for asbestos-related claims is not discounted to present value due to the uncertainty surrounding the timing of future payments. Approximately 17% of the recorded liability related to asserted claims and approximately 83% related to unasserted claims at December 31, 2008. These claims are expected to be paid out over the next 30 years. In conjunction with the liability update performed in 2008, we also reassessed estimated insurance recoveries. We have recognized an asset for estimated insurance recoveries at December 31, 2008 and 2007. We will continue to review actual experience and adjust our estimate as warranted.

We believe that our estimates of liability for asbestos-related claims and insurance recoveries are reasonable and probable. The amounts recorded for asbestos-related liabilities and related insurance recoveries were based on currently known facts. However, future events, such as the number of new claims to be filed each year, average settlement costs, and insurance coverage issues, could cause the actual costs and insurance recoveries to be higher or lower than the projected amounts. Estimates also may vary in the future if strategies, activities, and outcomes of asbestos litigation materially change; federal and state laws governing asbestos litigation increase or decrease the probability or amount of compensation of claimants; and there are material changes with respect to payments made to claimants by other defendants.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

Environmental – We are subject to federal, state, and local environmental laws and regulations. We identified 339 sites at which we are or may be liable for remediation costs associated with alleged contamination or for violations of environmental requirements. This includes 33 sites that are the subject of actions taken by the U.S. government, 18 of which are currently on the Superfund National Priorities List. Certain federal legislation imposes joint and several liability for the remediation of identified sites; consequently, our ultimate environmental liability may include costs relating to activities of other parties, in addition to costs relating to our own activities at each site. Our environmental liability activity was as follows:

Millions of Dollars	***2008***	*2007*	*2006*
Beginning balance	$ **209**	$ 210	$ 213
Accruals	**46**	41	39
Payments	**(46)**	(42)	(42)
Ending balance at December 31	$ **209**	$ 209	$ 210
Current portion, ending balance at December 31	$ **58**	$ 63	$ 54

When we identify an environmental issue with respect to property owned, leased, or otherwise used in our business, we and our consultants perform environmental assessments on the property. We expense the cost of the assessments as incurred. We accrue the cost of remediation where our obligation is probable and we can reasonably estimate such costs. We do not discount our environmental liabilities when the timing of the anticipated cash payments is not fixed or readily determinable. At December 31, 2008, approximately 13% of our environmental liability was discounted at 3.53%, while approximately 13% of our environmental liability was discounted at 4.15% at December 31, 2007.

The liability includes future costs for remediation and restoration of sites, as well as ongoing monitoring costs, but excludes any anticipated recoveries from third parties. Cost estimates are based on information available for each site, financial viability of other potentially responsible parties, and existing technology, laws, and regulations. The ultimate liability for remediation is difficult to determine because of the number of potentially responsible parties, site-specific cost sharing arrangements with other potentially responsible parties, the degree of contamination by various wastes, the scarcity and quality of volumetric data related to many of the sites, and the speculative nature of remediation costs. Estimates of liability may vary over time due to changes in federal, state, and local laws governing environmental remediation. Current obligations are not expected to have a material adverse effect on our consolidated results of operations, financial condition, or liquidity.

Guarantees – At December 31, 2008, we were contingently liable for $437 million in guarantees. We have recorded a liability of $4 million and $5 million for the fair value of these obligations as of December 31, 2008 and 2007, respectively. We entered into these contingent guarantees in the normal course of business, and they include guaranteed obligations related to our headquarters building, equipment financings, and affiliated operations. The final guarantee expires in 2022. We are not aware of any existing event of default that would require us to satisfy these guarantees. We do not expect that these guarantees will have a material adverse effect on our consolidated financial condition, results of operations, or liquidity.

Indemnities – Our maximum potential exposure under indemnification arrangements, including certain tax indemnifications, can range from a specified dollar amount to an unlimited amount, depending on the nature of the transactions and the agreements. Due to uncertainty as to whether claims will be made or how they will be resolved, we cannot reasonably determine the probability of an adverse claim or reasonably estimate any adverse liability or the total maximum exposure under these indemnification arrangements. We do not have any reason to believe that we will be required to make any material payments under these indemnity provisions.

14. Accounting Pronouncements

In March 2008, FASB issued Statement No. 161, *Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133* (FAS 161). FAS 161 amends and expands the disclosure requirements of FAS 133 to clarify how and why companies use derivative instruments. In addition, FAS 161 requires more disclosures regarding how companies account for derivative instruments and the impact derivatives
have on a company's financial statements. This statement is effective for us beginning in 2009 and will only impact our disclosures. It will have no impact on our financial position, results of operations and cash flows.

In May 2008, the FASB issued Statement No. 162, *The Hierarchy of Generally Accepted Accounting Principles* (FAS 162). FAS 162 identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements that are presented in conformity with generally accepted accounting principles in the United States. FAS 162 is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "*The Meaning of 'Present Fairly in Conformity with Generally Accepted Accounting Principles'*". FAS 162 is not expected to have a material impact on our financial statements.

In December 2008, the FASB issued FSP FAS 132(R)-1, *Employers' Disclosure about Postretirement Benefit Plan Assets*, which amends Statement 132(R) to require more detailed disclosures about employers' pension plan assets. New disclosures will include more information on investment strategies, major categories of plan assets, concentrations of risk within plan assets and valuation techniques used to measure the fair value of plan assets. This new standard requires new disclosures only, and will have no impact on our consolidated financial position, results of operations or cash flows. These new disclosures will be required for us beginning in our 2009 consolidated financial statements.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES - CONTINUED

NOTES TO FINANCIAL STATEMENTS

15. Union Pacific Fund for Effective Government

The Corporation, UPRR's parent, is the sponsor of the Union Pacific Fund for Effective Government (the FFEG), a separate segregated fund utilized for political purposes, established and operated in accordance with the Federal Election Campaign Act of 1971, as amended, (the Act). The administrative expenses of the FFEG are paid by the Corporation. UPRR's executive and administrative personnel are solicited annually by the FFEG within the guidelines of the Act and certain executive officers of UPRR are members of the FFEG's managing finance committee.

210. RESULTS OF OPERATIONS
(Dollars in Thousands)

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

2 Report total operating expenses from Schedule 410. Any differences between this schedule and Schedule 410 must be explained on page 18.

3 List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

4 All contra entries should be shown in parenthesis.

Cross-checks

Schedule 210	Schedule 210
Line 15, col b	= Line 62, col b
Lines 47, 48, 49 col b	= Line 63, col b
Line 50, col b	= Line 64, col b

Schedule 410	
Line 14, col b	= Line 620, col h
Line 14, col d	= Line 620, col f
Line 14, col e	= Line 620, col g

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue and expenses (d)	Passenger-related revenue and expenses (e)	Line No.
		ORDINARY ITEMS					
		OPERATING INCOME					
		Railway Operating Income					
1		(101) Freight	17,118,316	15,485,792	17,118,316		1
2		(102) Passenger	82,487	73,219		82,487	2
3		(103) Passenger-Related	981	623		981	3
4		(104) Switching	146,522	141,805	146,522		4
5		(105) Water Transfers					5
6		(106) Demurrage	106,529	97,768	106,529		6
7		(110) Incidental	375,748	360,130	375,748		7
8		(121) Joint Facility-Credit	15,527	11,549	15,527		8
9		(122) Joint Facility-Debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	17,846,110	16,170,886	17,762,642	83,468	10
11		(502) Railway operating revenues-transfers from government authorities	88,734	78,167		88,734	11
12		(503) Railway operating revenues-amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	17,934,844	16,249,053	17,762,642	172,202	13
14	*	(531) Railway operating expenses	14,075,010	13,083,608	13,905,607	169,403	14
15	*	Net revenue from railway operations	3,859,834	3,165,445	3,857,035	2,799	15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	31,429	19,339			16
17		(510) Miscellaneous rent income	82,536	70,802			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend income (cost method)	100	95			19
20		(514) Interest income	4,944	12,841			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt	4,262	4,497			22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	47,882	65,058			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)	16,160	45,247			25
26		b. Equity in undistributed earnings (losses)	69,378	46,637			26
27		TOTAL OTHER INCOME (lines 16-26)	256,691	264,516			27
28		TOTAL INCOME (lines 15, 27)	4,116,525	3,429,961			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	10,421	9,645			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	81,737	87,908			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	92,158	97,553			36
37		Income available for fixed charges	4,024,367	3,332,408			37

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

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	108,367	108,144	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	304,240	333,602	40
41		(548) Amortization of discount on funded debt	2,051	1,763	41
42		TOTAL FIXED CHARGES (lines 38-41)	414,658	443,509	42
43		Income after fixed charges (line 37 minus line 42)	3,609,709	2,888,899	43
		OTHER DEDUCTIONS			
		(546) Interest on funded debt:			
44		(c) Contingent interest	7,578	7,594	44
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	3,602,131	2,881,305	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	733,405	751,638	47
48	*	(b) State income taxes	62,369	68,136	48
49	*	(c) Other income taxes	(225,701)	(25,681)	49
50	*	(557) Provision for deferred taxes	734,549	304,798	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-52)	1,304,622	1,098,891	51
52		Income from continuing operations (line 46 minus line 51)	2,297,509	1,782,414	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of $_____)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of $_____)			54
55		Income before extraordinary items (lines 52 - 54)	2,297,509	1,782,414	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 income taxes of $_____)			60
61	*	Net income (Loss) (Lines 55 + 59 + 60)	2,297,509	1,782,414	61
		RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)			
62	*	Net revenues from railway operations	3,859,834	3,165,445	62
63	*	(556) Income taxes on ordinary income (-)	(570,073)	(794,093)	63
64	*	(557) Provision for deferred income taxes (-)	(734,549)	(304,798)	64
65		Income from lease of road and equipment (-)			65
66		Rent for leased roads and equipment (+)	3,131	3,099	66
67		Net railway operating income (loss)	2,558,343	2,069,653	67

Note: Line 49 reflects unrecognized tax benefits expense due to the adoption of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109* (FIN 48).

NOTES AND REMARKS FOR SCHEDULES 210 AND 220

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220. RETAINED EARNINGS
(Dollars in Thousands)

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

2. All contra entries should be shown in parentheses.

3. Show in lines 22 and 23 the amount of assigned Federal income tax consequences for Accounts 606 and 616.

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

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

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

Line No.	Cross Check	Item (a)	Retained earnings --- Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	10,914,942	645,924	1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3		(602) Credit balance transferred from income	2,228,131	69,378	3
4		(603) Appropriations released	811		4
5		(606) Other credits to retained earnings	48,416		5
6		TOTAL CREDITS	2,277,358	69,378	6
		DEBITS			
7		(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings		48,417	8
9		(620) Appropriations for sinking and other funds	811		9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	497,000		11
12		Preferred stock (1)			12
13		TOTAL DEBITS	497,811	48,417	13
14		Net increase (decrease) during year (line 6 minus line 13)	1,779,547	20,961	14
15		Balances at close of year (lines 1, 2, and 14)	12,694,489	666,885	15
16		Balances from line 15(c)	666,885	N/A	16
17		(798) Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	13,361,374	N/A	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year 811			19
20		Debits during year 811			20
21		Balance at Close of year 811			21
		Amount of assigned Federal income tax consequences:			
22		Account 606 $			22
23		Account 616 $			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. NONE

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	UP - Common Stock 1/	10.00	9,200	4,465		4,465	45		2
3	UP - Class A Stock 1/	10.00	800	388		388	4		3
4									4
5	Preferred								5
6	FRA Preference Shares - Series A	10,000	5,000	4,829		4,829	3,066		6
7									7
8									8
9									9
10	TOTAL		15,000	9,682		9,682	3,115		10

1/ See note 12 on page 14

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	4,829	$5,899	4,853	$49			$4,781,906	11
12									12
13	Payments of Preference Shares	0	(2,833)						13
14									14
15									15
16									16
17	Balance at close of year	4,829	$3,066	4,853	$49			$4,781,906	17

240. STATEMENT OF CASH FLOWS
(Dollars in Thousands)

Give the information as requested concerning the cash flows during the year. Either 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 and cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenue and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If direct method is used complete lines 1-41; indirect method complete lines 10-41. Cash for the purpose of this schedule shall include cash and cash equivalents which are short term, highly liquid investments readily convertible to know 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 of assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining as 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
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 through 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	2,297,509	1,782,414	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	(41,327)	(47,263)	11
12		Depreciation and amortization expenses	1,570,648	1,498,554	12
13		Provision for Deferred Income Taxes	734,549	304,798	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(69,378)	(46,637)	14
15		Decrease (increase) in accounts receivable	148,607	(10,800)	15
16		Decrease (increase) in material and supplies and other current assets	80,206	(123,434)	16
17		Increase (decrease) in current liabilities other than debt	(514,812)	184,509	17
18		Increase (decrease) in other - net	(152,379)	(224,032)	18
19		Net cash provided from continuing operations (Lines 10-18)	4,053,623	3,318,109	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations			20
		and extraordinary items			
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	4,053,623	3,318,109	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	93,492	117,143	22
23		Capital expenditures	(2,780,351)	(2,495,647)	23
24		Net change in temporary cash investments not qualifying as cash equivalents	0	0	24
25		Proceeds from sale/repayment of investment and advances	0	0	25
26		Purchase price of long-term investment and advances	(14,190)	(651)	26
27		Net decrease (increase) in sinking and other special funds	47	29	27
28		Other - net	(46,801)	(52,275)	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(2,747,803)	(2,431,401)	29

(Continued on next page)

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

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
		CASH FLOWS FROM OPERATING ACTIVITIES			
		CASH FLOWS FROM FINANCING ACTIVITIES			
30		Proceeds from issuance of long-term debt	0	0	30
31		Principle payments of long-term debt	(158,001)	(141,970)	31
32		Proceeds from issuance of capital stock			32
33		Purchase price of acquiring treasury stock			33
34		Cash dividends paid	(497,000)	(399,500)	34
35		Other - net	(541,492)	(365,698)	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(1,196,493)	(907,168)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29 & 36)	109,327	(20,460)	37
38		Cash and cash equivalents at beginning of the year	36,463	56,923	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	145,790	36,463	39
		Footnotes to Schedule 240 Cash paid during the year for:			
40		Interest (net of amount capitalized)*	(421,000)	(446,000)	40
41		Income taxes (net) *	(796,000)	(866,000)	41

* Only applies if indirect method is adopted.

NOTES AND REMARKS

Non-cash capital investments accrued but not yet paid were $93,000 and $126,000 in 2008 and 2007, respectively.

Non-cash capital lease financing was $175,000 and $82,000 in 2008 and 2007, respectively.

245. WORKING CAPITAL
(Dollars in Thousands)

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

Line No.	Item (a)	Source	Amount (b)	Line No.
	CURRENT OPERATING ASSETS			
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	79,717	1
2	Customers (706)	Schedule 200, line 6, column b	259,863	2
3	Other (707)	Note A	52,446	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2+ 3	392,026	4
	OPERATING REVENUE			
5	Railway Operating Revenue	Schedule 210, line 13, column b	17,934,844	5
6	Rent Income	Note B	(206,130)	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	17,728,714	7
8	Average Daily Operating Revenues	Line 7 divided by 360 days	49,246	8
9	Days of Operating Revenue in Current Operating Assets	Line 4 divided by line 8	8	9
10	Revenue Delay Days Plus Buffer	Line 9 + 15 days	23	10
	CURRENT OPERATING LIABILITIES			
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	17,830	11
12	Audited Accounts and Wages Payable (753)	Note A	192,393	12
13	Accounts Payable - Other (754)	Note A	38,481	13
14	Other Taxes Accrued (761.5)	Note A	200,179	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	448,883	15
	OPERATING EXPENSES			
16	Railway Operating Expenses	Schedule 210, line 14, column b	14,075,010	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, column h	1,570,648	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	12,298,232	18
19	Average Daily Expenditures	Line 18 divided by 360 days	34,162	19
20	Days of Operating Expenses in Current Operating Liabilities	Line 15 divided by line 19	13	20
21	Days of Working Capital Required	Line 10 - Line 20 (Note C)	10	21
22	Cash Working Capital Required	Line 21 x line 19	341,620	22
23	Cash and Temporary Cash Balance	Schedule 200,line 1 + line 2,column b	294,690	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	294,690	24
	MATERIALS AND SUPPLIES			
25	Total Material and Supplies (712)	Note A	450,190	25
26	Scrap and Obsolete Material included in Acct. 712	Note A	1,999	26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	448,191	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	742,881	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

Note to Schedule 310 on pages 26 - 29

Lien References

(A) All securities are pledged as security for the First Mortgage with Boatmen's National Bank of St. Louis, Trustee; also, under the General Mortgage, with Manufacturers Hanover Trust Company, Trustee.

(B) Securities are deposited with the Trustees of the Mortgages as further assurance of performance of the Operating Agreements.

(C) Companies Under Joint Control

Company (UPRR Ownership)	Other Parties	
Alameda Belt Line (50%)	BNSF (50%)	
Belt Railway of Chicago (8.33%)	NS (25.00%)	CSX (25.00%)
	BNSF (16.67%)	CN (16.67%)
	CP (8.33%)	
Brownsville & Matamoros Bridge Co. (50%)	Gobierno de Estados Unidos Mexicanos (50%)	
Grupo Ferroviaro Mexicano (26%)	Mexican Consortium (74%)	
Helm Pacific Leasing (50%)	Helm Financial Corporation (50%)	
Houston Belt & Terminal Ry (50%)	BNSF (50%)	
Kansas City Terminal Ry Co. (41.67%)	BNSF (25.00%)	KCS (16.67%)
	IC&E (8.33%)	NS (8.33%)
Longview Switching Co (50%)	BNSF (50%)	
MT Properties, Inc. (42.1%)	BNSF (43.3%)	CP (14.6%)
Oakland Terminal Railway (50%)	BNSF (50%)	
Portland Terminal Railroad Company (60%)	BNSF (40%)	
St. Joseph Terminal RR Co (50%)	BNSF (50%)	
Sunset Railway Co. (50%)	BNSF (50%)	
Terminal Railroad Association of St. Louis (42.84%)	BNSF (14.29%)	CN (14.29%)
	CSX (14.29%)	NS (14.29%)
TTX (36.79%)	BNSF (17.30%)	FXE (.63%)
	CN (3.14%)	KCS (.63%)
	CP (1.57%)	Pan Am (.63%)
	CSX (19.65%)	NS (19.65%)
Wichita Union Terminal Railway Company (33.33%)	BNSF (66.67%)	

Wholly-owned companies that have a joint interest in subsidiaries

PTC-220 (Ekanet 50%)	NS (50%)

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 definitions of affiliated companies, see the rules governing Account No. 721 "Investments and advances; affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

(A)	Stocks	
	(1)	Carriers-active
	(2)	Carriers-inactive
	(3)	Noncarriers-active
	(4)	Noncarriers-inactive
(B)	Bonds (including U.S. Government Bonds)	
(C)	Other secured obligations	
(D)	Unsecured notes	
(E)	Investment advances	

3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other

5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8. Combine, in one amount, investments in which the original cost or present equity in total assets is less than $10,000.

9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.

10. Do not include the value of securities issued or assumed by respondent.

11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

(Dollars in Thousands)

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."

   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 _____ to _____." Abbreviations in common use in standard financial publications may be used to conserve space.

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
1	721	A1	VII	**STOCKS - CARRIERS ACTIVE**		1
2						2
3				Belt Railway of Chicago	8.3	3
4				Brownsville & Matamoros Bridge Co. (A)	50.0	4
5				Grupo Ferroviario Mexicano	26.0	6
6				Houston's Belt & Terminal Ry. (A) (B)	50.0	5
7				Kansas City Terminal Ry. (A) (B)	41.7	7
8				Longview Switching Co.	50.0	8
9				MT Properties, Inc.	42.1	9
10				Terminal Railroad Association of St. Louis	42.9	10
11				TTX	36.8	11
12						12
13						13
14						14
15	721	A3	VI	**STOCKS - NONCARRIERS - ACTIVE**		15
16						16
17				Helm Pacific Leasing	50.0	17
18				PTC-220	50.0	18
19						19
20						20
21						21
22				TOTAL CLASS A		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

Kind of Industry in Column (c) is VII unless noted.

(A) (B) Lien references as described on page 24.

Note: Companies under joint control are listed on pg. 24.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)

(Dollars in Thousands)

6. In any of the companies included in this schedule are controlled by respondent the percent of control should be shown in column (3). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In case 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 unincorprated 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 Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and Advances				Disposed of: profit(loss)	Adjustments Acct. 721.5	Dividends or interest credited to income	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)	(j)	(k)	(l)	
1								1
2								2
3	260			260				3
4	325			325				4
5	81,688			81,688				5
6	13			13				6
7	917			917				7
8	1			1				8
9	664			664				9
10	6			6				10
11	138,231			138,231				11
12								12
13								13
14								14
15								15
16								16
17	498			498				17
18	0	13,114		13,114				18
19								19
20								20
21								21
22	**222,603**	**13,114**	**0**	**235,717**				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

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

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
37						37
38	721	E1		**INVESTMENT ADVANCES - CARRIERS - ACTIVE**		38
39						39
40						40
41				Houston Belt & Terminal Ry.		41
42				Kansas City Terminal Ry. Co.		42
43				Portland Terminal Railroad Company		43
44				Wichita Terminal		44
45						45
46				TOTAL CLASS E		46
47						47
48						48
49						49
50						50
51						51
52						52
53						53
54						54
55						55
56						56
57						57
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73						73
74						74
75						75
76						76
77						77
78						78
79						79
80						80
81						81
82						82
83						83
84						84
85				TOTAL ACCOUNT 721		85

Kind of Industry in Column (c) is VII unless noted otherwise.

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

Line No.	Investments and Advances				Disposed of: profit (loss)	Adjustments Acct. 721.5	Dividends or interest credited to income	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)	(j)	(k)	(l)	
37								37
38								38
39								39
40								40
41	29,442	1,076		30,517				41
42	15,262			15,262				42
43	1,145			1,145				43
44	120			120				44
45								45
46	**45,969**	**1,076**	**0**	**47,044**				46
47								47
48								48
49								49
50								50
51								51
52								52
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82								82
83								83
84								84
85	**268,572**	**14,190**	**0**	**282,761**				85

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 instructions 5-2, Uniform System of Accounts.)
3. Enter in column (d) the share of undistributed earnings (i.e., dividends) or losses.
4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition.
5. For definitions of "carrier" and "noncarrier," see general instructions.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for invest-ments 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) Belt Ry. of Chicago	438		0			438	1
2	Brownsville & Matamoros Bridge Co.	2,048		2,702			4,750	2
3	Grupo Ferrocarril Mexicano	121,960	(41,740)	29,631			109,851	3
4	Houston Belt & Terminal Rwy.	12,562		49			12,611	4
5	Kansas City Terminal Rwy.	(6,895)		(449)			(7,344)	5
6	MT Properties	292		117			409	6
7	Terminal RR Assn. of St. Louis	36,764		1,179			37,943	7
8	TTX	475,525	(6,743)	30,348			499,130	8
9	Sunset Railway	26		0			26	9
10								10
11								11
12	TOTAL CARRIER	642,720	(48,483)	63,577			657,814	12
13								13
14								14
15								15
16								16
17	***NONCARRIER***: (List specifics for each company)							17
18	Helm Pacific Leasing	3,204	66	5,807			9,077	18
19	PTC-220			(6)			(6)	19
20	TOTAL NONCARRIER	3,204	66	5,801	0	0	9,071	20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40
41								41
42								42
43								43
44								44
45	TOTAL EQUITY	645,924	(48,417)	69,378	0	0	666,885	45

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property," and Account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) through (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, a full explanation should be made in a footnote.

2. In column (c) show disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," in the Uniform System of Accounts for Railroad Companies for such items.

3. In column (d), show the cost of a railway or portion thereof, acquired as an operating entity or system by purchase; merger, consolidation, reorganization, receivership sale or transfer, or otherwise.

4. Columns (c) and (e) should include all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.

5. All credits representing property sold, abandoned, or otherwise retired should be shown in column (f).

6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included. Also, the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of $100,000.

7. If during the year an individual charge of $100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state the cost, location, area, and other details which will identify the property in a footnote.

8. Report on line 29 amounts not included in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving location and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.

10. If an amount of less than $5,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state the amount used in a footnote.

NOTES AND REMARKS

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - Continued
(Dollars in Thousands)

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditure during the Year for original road and equipment and road extensions (c)	Expenditures during the year for purchase of existing lines, lines reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	4,627,137			1
2		(3) Grading	2,784,221			2
3		(4) Other, right-of-way expenditures	76,850			3
4		(5) Tunnels and subways	356,868			4
5		(6) Bridges, trestles, and culverts	2,556,620			5
6		(7) Elevated structures	0			6
7		(8) Ties	6,353,979			7
8		(9) Rail and other track material	10,621,971			8
9		(11) Ballast	3,368,982			9
10		(13) Fences, snowsheds and signs	60,737			10
11		(16) Station and office buildings	484,550			11
12		(17) Roadway buildings	36,305			12
13		(18) Water stations	7,116			13
14		(19) Fuel stations	138,848			14
15		(20) Shops and enginehouses	404,138			15
16		(22) Storage warehouses	984			16
17		(23) Wharves and docks	25,698			17
18		(24) Coal and ore wharves	1,462			18
19		(25) TOFC/COFC terminals	664,551			19
20		(26) Communication systems	375,145			20
21		(27) Signals and interlockers	2,480,228			21
22		(29) Power plants	0			22
23		(31) Power-transmission systems	66,768			23
24		(35) Miscellaneous structures	18,011			24
25		(37) Roadway machines	466,633			25
26		(39) Public improvements-construction	639,987			26
27		(44) Shop machinery	175,439			27
28		(45) Power-plant machinery	0			28
29		Other lease/rentals	0			29
30		TOTAL EXPENDITURES FOR ROAD	36,793,228	0	0	30
31		(52) Locomotives	5,092,120			31
32		(53) Freight train cars	2,055,745			32
33		(54) Passenger train cars	0			33
34		(55) Highway revenue equipment	539			34
35		(56) Floating equipment	0			35
36		(57) Work equipment	146,895			36
37		(58) Miscellaneous equipment	8,996			37
38		(59) Computer systems and word processing equipment	399,167			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	7,703,462	0	0	39
40		(76) Interest during construction	43,422			40
41		(80) Other elements of investment	0			41
42		(90) Construction work in progress	934,610			42
43		GRAND TOTAL	45,474,722	0	0	43

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - Concluded
(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		117,994	11,640	106,354	4,733,491	1
2		120,670	30,632	90,038	2,874,259	2
3		3,911	360	3,551	80,401	3
4		294	3,091	(2,797)	354,071	4
5		159,731	31,981	127,750	2,684,370	5
6		0	0	0	0	6
7		491,541	18,720	472,821	6,826,800	7
8		900,220	155,973	744,247	11,366,218	8
9		292,708	26,489	266,219	3,635,201	9
10		4,420	(37)	4,457	65,194	10
11		20,930	(1,848)	22,778	507,328	11
12		10	(366)	376	36,681	12
13		95	(138)	233	7,349	13
14		6,720	(132)	6,852	145,700	14
15		19,277	(5,980)	25,257	429,395	15
16		0	0	0	984	16
17		1,226	0	1,226	26,924	17
18		0	61	(61)	1,401	18
19		87,735	560	87,175	751,726	19
20		13,340	(2,534)	15,874	391,019	20
21		319,905	111,518	208,387	2,688,615	21
22		0	0	0	0	22
23		3,513	(362)	3,875	70,643	23
24		1,078	145	933	18,944	24
25		40,225	21,784	18,441	485,074	25
26		40,106	5,577	34,529	674,516	26
27		8,250	1,865	6,385	181,824	27
28		0	0	0	0	28
29		0	0	0	0	29
30		2,653,899	408,999	2,244,900	39,038,128	30
31		250,991	186,090	64,901	5,157,021	31
32		50,522	123,895	(73,373)	1,982,372	32
33		0	0	0	0	33
34		(108)	12	(120)	419	34
35		0	0	0	0	35
36		2,759	4,011	(1,252)	145,643	36
37		3,489	96	3,393	12,389	37
38		88,884	62,423	26,461	425,628	38
39		396,537	376,527	20,010	7,723,472	39
40		0	0	0	43,422	40
41		0	0	0	0	41
42		3,474	0	3,474	938,084	42
43		3,053,910	785,526	2,268,384	47,743,106	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 (e), for each primary account, the depreciation base used to compute depreciation charges for the month of January, and in columns (c) and (f), the depreciation charges for the month of December. In columns (d) and (g) show the composite rates used in computing depreciation charges for 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 that total 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 are included in rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. Composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.
2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. Show in columns (e), (f), and (g) data applicable to lessor property, when the rent therefore 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 discontinuance of accruals should be shown in a footnote indicating the effected account(s).
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	2,784,221	2,870,843	1.14				1
2	(4) Other, right-of-way expenditures	76,850	78,792	2.94				2
3	(5) Tunnels and subways	356,868	354,216	0.86				3
4	(6) Bridges, trestles, and culverts	2,556,620	2,638,457	1.39				4
5	(7) Elevated structures	0	0	0				5
6	(8) Ties	6,346,893	6,797,103	4.22				6
7	(9) Rail and other track material	10,613,105	11,314,758	4.86				7
8	(11) Ballast	3,367,782	3,616,289	2.94				8
9	(13) Fences, snow sheds, and signs	60,737	64,924	1.64				9
10	(16) Station and office buildings	484,550	493,334	3.30				10
11	(17) Roadway buildings	36,305	36,681	3.19				11
12	(18) Water stations	7,116	7,349	2.86				12
13	(19) Fuel Stations	138,848	145,697	3.23				13
14	(20) Shops and enginehouse	404,138	429,352	2.20				14
15	(22) Storage warehouses	984	984	3.33				15
16	(23) Wharves and docks	25,698	26,924	4.00				16
17	(24) Coal and ore wharves	1,462	1,401	2.50				17
18	(25) TOFC/COFC terminals	664,551	669,226	2.86				18
19	(26) Communication systems	375,145	381,130	3.00				19
20	(27) Signals and interlockers	2,480,228	2,617,835	2.27				20
21	(29) Power plants	0	0	0				21
22	(31) Power-transmission systems	66,768	70,633	2.17				22
23	(35) Miscellaneous structures	18,011	18,940	2.70				23
24	(37) Roadway machines	466,633	483,014	5.94				24
25	(39) Public improvements-Construction	639,987	659,295	2.86				25
26	(44) Shop machinery	175,439	179,329	3.71				26
27	(45) Power-plant machinery	0	0	0				27
28	All other road accounts	0	0					28
29	Amortization (other than def. projects)	0	0					29
30	TOTAL ROAD	32,148,939	33,956,506	3.70				30
	EQUIPMENT							
31	(52) Locomotives	5,092,120	5,151,664	5.00				31
32	(53) Freight-train cars	2,055,745	1,976,501	3.95				32
33	(54) Passenger-train cars	0	0	0.00				33
34	(55) Highway revenue equipment	539	420	6.53				34
35	(56) Floating equipment	0	0	0				35
36	(57) Work equipment	146,895	144,552	3.12				36
37	(58) Miscellaneous equipment	8,996	12,333	6.62				37
38	(59) Computer systems and WP equipment	399,167	398,674	13.38				38
39	TOTAL EQUIPMENT	7,703,462	7,684,144	5.16				39
40	GRAND TOTAL	39,852,401	41,640,650	N/A			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-Credit-Equipment" accounts and "Other Rents-Credit-Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental-Debit-Equipment" accounts 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: Charges to operating expenses (c)	CREDITS TO RESERVE During the year: Other credits (d)	DEBITS TO RESERVE During the year: Retirements (e)	DEBITS TO RESERVE During the year: Other debits (f)	Balance at close of year (g)	Line No.
		ROAD							
1		(3) Grading	307,224	43,601	0	30,632	0	320,193	1
2		(4) Other, right-of-way expenditures	18,670	2,301	0	359	0	20,612	2
3		(5) Tunnels and subways	28,348	3,977	0	3,091	0	29,234	3
4		(6) Bridges, trestles, and culverts	216,221	55,326	0	32,000	0	239,547	4
5		(7) Elevated structures	0	0	0	0	0	0	5
6		(8) Ties	2,004,888	272,653	0	61,340	0	2,216,201	6
7		(9) Rail and other track material	4,232,076	549,653	0	144,751	0	4,636,978	7
8		(11) Ballast	712,600	102,920	0	26,489	0	789,031	8
9		(13) Fences, snow sheds and signs	10,951	1,113	0	(32)	0	12,096	9
10		(16) Station and office buildings	121,943	17,458	0	(1,850)	0	141,251	10
11		(17) Roadway buildings	17,466	1,183	0	(373)	0	19,022	11
12		(18) Water stations	5,348	198	0	(138)	0	5,684	12
13		(19) Fuel stations	57,597	4,625	0	(132)	0	62,354	13
14		(20) Shops and enginehouses **1/**	129,116	5,870	0	(5,979)	0	140,965	14
15		(22) Storage warehouses	545	20	0	1	0	564	15
16		(23) Wharves and docks	12,852	807	0	0	0	13,659	16
17		(24) Coal and ore wharves	227	94	0	61	0	260	17
18		(25) TOFC/COFC terminals	147,191	19,156	0	561	0	165,786	18
19		(26) Communication systems	115,624	11,502	0	(2,534)	0	129,660	19
20		(27) Signals and interlockers	419,509	59,277	0	111,424	0	367,362	20
21		(29) Power plants	0	0	0	0	0	0	21
22		(31) Power-transmission systems	10,905	1,465	0	(362)	0	12,732	22
23		(35) Miscellaneous structures	7,261	522	0	145	0	7,638	23
24		(37) Roadway machines **1/**	134,299	12,616	0	3,836	0	143,079	24
25		(39) Public improvements-Constructio	140,739	19,475	0	5,576	0	154,638	25
26		(44) Shop machinery **1/**	53,056	5,826	0	1,633	0	57,249	26
27		(45) Power-plant machinery	0	0	0	0	0	0	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	8,904,656	1,191,638	0	410,499	0	9,685,795	30
		EQUIPMENT							
31		(52) Locomotives **1/**	2,182,842	236,406	0	175,749	0	2,243,499	31
32		(53) Freight-train cars	1,029,368	83,513	0	81,103	0	1,031,778	32
33		(54) Passenger-train cars	0	0	0	0	0	0	33
34		(55) Highway revenue equipment	233	32	0	11	0	254	34
35		(56) Floating equipment	0	0	0	0	0	0	35
36		(57) Work equipment **1/**	23,017	108	0	(1,003)	0	24,128	36
37		(58) Miscellaneous equipment	3,542	1,047	0	96	0	4,493	37
38		(59) Computer systems and WP equip	163,328	57,904	0	62,423	0	158,809	38
39		Amortization Adjustments	0	0	0	0	0	0	39
40		TOTAL EQUIPMENT	3,402,330	379,010	0	318,379	0	3,462,961	40
41		GRAND TOTAL	12,306,986	1,570,648	0	728,878	0	13,148,756	41

1/ Column (c) includes a reduction for costs charged to capital projects.

339. ACCRUED LIABILITY -- LEASED PROPERTY
(Dollars in Thousands)

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

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO 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)		
1		ROAD (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		Not Applicable					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 enginehouse							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements-Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD							30
31		EQUIPMENT (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							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 to compute depreciation charges for 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 deprecation base for the same month. This schedule should include only improvements to leased property charged to Account 732, "Improvements on Leased Property." The composite rates used should be those prescribed or authorized by the Board, except that where the authorized by the Board except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote.
2. All improvements to leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.
4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading				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	Not Applicable			10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel Stations				13
14	(20) Shops and enginehouse				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements-Construction				25
26	(44) Shop machinery*				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	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				41

* To be reported with equipment expense 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 on Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries on page 39. A debit balance in columns (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 39.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Details in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO 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)		
1		ROAD (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		Not Applicable					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 enginehouse							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements-Construction							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		TOTAL ROAD							29
30		EQUIPMENT (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 & WP equip.							37
38		TOTAL EQUIPMENT							38
39		GRAND TOTAL							39

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

NOTES AND REMARKS

Notes Referring to Schedule 352A, page 42:

1/ Figures in Column (c) are miles of road only, as reported in Schedule 702, Columns (b) and (c).

2/ Actual value not known. Amounts reported in lieu of actual value represent results of capitalizing rentals at 6 percent.

3/ Amounts of depreciation and amortization accrued are not known.

4/ As inventoried by ICC as of 12/31/1928, and reported in Land Report dated 3/31/1930, Engineering Report dated 5/09/1931. Includes estimated value based on capitalization of rentals at 6 percent.

5/ No depreciation reserve is maintained by respondent or by Moffat Tunnel Improvement District.

Notes Referring to Schedule 352B, page 43:

1/ Amounts on Schedule 352B, Columns (b) and (c), exclude adjustments to Investment For Property Leased To or From Others, for which the "Actual Value is not Known." These items are shown on Schedule 352A as 2/ "Actual Value Not Known." Amounts so reported on Schedule 352A represent results of capitalizing annual rental at 6 percent.

2/ Amounts on Schedule 352B, Column (c) represents St. Joseph and Grand Island Railway Company, which is included in the respondent's investments in property reported on line 1, column (d) of Schedule 352A.

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 account(s) affected.
5. If total road leased to others is less than 5% of total road owned; omit. If total equipment leased to others is less than 5% of total equipment owned; omit. However, line 39, Grand Total, should be completed.

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading				1
2	(4) Other, right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material	Not Applicable			7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel Stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements-Construction				25
26	(44) Shop machinery				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
30	(52) Locomotives				30
31	(53) Freight-train cars				31
32	(54) Passenger-train cars				32
33	(55) Highway revenue equipment				33
34	(56) Floating equipment				34
35	(57) Work equipment				35
36	(58) Miscellaneous equipment				36
37	(59) Computer systems and word processing equipment				37
38	TOTAL EQUIPMENT				38
39	GRAND TOTAL				39

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 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)		
	ROAD							
1	(3) Grading							1
2	(4) Other, right-of-way expenditures							2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles, and culverts		Not Applicable					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 enginehouse							14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals							18
19	(26) Communication systems							19
20	(27) Signals and interlockers							20
21	(29) Power plants							21
22	(31) Power-transmission systems							22
23	(35) Miscellaneous structures							23
24	(37) Roadway machines							24
25	(39) Public improvements-Construction							25
26	(44) Shop machinery*							26
27	(45) Power-plant machinery							27
28	All other road accounts							28
29	TOTAL ROAD							29
	EQUIPMENT							
30	(52) Locomotives							30
31	(53) Freight-train cars							31
32	(54) Passenger-train cars							32
33	(55) Highway revenue equipment							33
34	(56) Floating equipment							34
35	(57) Work equipment							35
36	(58) Miscellaneous equipment							36
37	(59) Computer systems and word processing equipment							37
38	TOTAL EQUIPMENT							38
39	GRAND TOTAL							39

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

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

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by the respondent and used in the respondent's transportation service. Such property includes (a) the investment reported in Accounts 731, "Road and Equipment Property," and 732, "Improvements on Leased Property," of the respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from respondent's 731 or 732 property, and (b) the investment of other companies' 731 and 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: "R" for respondent, "L" for lessor railroad, "P" for inactive or proprietary company, or "O" for other leased properties.

3. In column (a) to (e), inclusive, first show the data requested for the respondent (R); next show 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 respondent. Show a total for each class of company in columns (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 to Accounts 731 and 732 on the books of companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to deductions made by the owners in their reports. If separate value is not available, explanations should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 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% 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 reserves therefor are recorded.

Line No.	Class (See Ins. 2) (a)	Name of Company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation and amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	Union Pacific Railroad	26,171	$47,743,106	$13,148,756	1
2						2
3		**Add - Leased From Others**				3
4						4
5	O	U.S. Government - Sable to Bunell, CO used under contract	1/ 1			5
6	O	City of Kansas City, KS - Tracks		2/ 244	3/	6
7	O	General Motors		2/ 11	3/	7
8	O	Louisville & Nashville RR Co.,-SCL		16	3/	8
9	O	New Orleans Public Belt Railroad Co.		36	3/	9
10	O	Port of Corpus Christi		2/ 581	3/	10
11	O	Greater Baton Rouge Port Commission		2/ 2,960	3/	11
12	O	Lake Charles Harbor & Terminal District		2/ 104	3/	12
13	O	Port of Beaumont		2/ 419	3/	13
14	O	City and County of San Francisco (Formerly Ocean				14
15		Shore Railway) yard switching tracks		34	3/	15
16	O	Medford Corp, Medford, Oregon-Way switching tracks		40	3/	16
17	O	Nueces County Navigation Dist. No. 1 Terminal				17
18		Properties Corpus Christi, TX		581	3/	18
19	O	Moffat Tunnel Improvement District	9	4/ 11,435	5/	19
20						20
21						21
22						22
23		Total Leased From Others	10	16,461	0	23
24						24
25		**Deduct - Leased to Others:**				25
26						26
27	O	Houston Belt & Terminal Rwy. Co.	3	2/ 3,798	3/	27
28						28
29						29
30		Net Additions	7	12,663	0	30
31		TOTAL	26,178	47,755,769	$13,148,756	31

1/, 2/, 3/, 4/, 5/ See notes on page 39.

352B. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Property Account)
(Dollars in Thousands)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.
2. The amounts for respondent and for each group or class of companies and properties on line 44 should correspond with the amounts for each class of company and property shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.
3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6% per year where property is not classified by accounts by noncarrier owners, or where the cost of property leased from other carriers is not ascertainable. Identify noncarrier owners, and briefly explain on page 39 the methods of estimating value of property of noncarriers or property of other carriers.
4. Report on line 30 amounts not included 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 Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

Line No.	Cross Check	Account (a)	Respondent (b)	2/ Lessor Railroads (c)	Inactive (proprietary companies) (d)	Other Leased Properties (e)	Line No.
1		(2) Land for transportation purposes	$4,729,425	$4,066		$16	1
2		(3) Grading	2,867,686	6,573		108	2
3		(4) Other, right-of-way expenditures	80,173	228			3
4		(5) Tunnels and subways	354,071	0		8,593	4
5		(6) Bridges, trestles, and culverts	2,675,374	8,996		72	5
6		(7) Elevated structures	0	0			6
7		(8) Ties	6,815,983	10,817		793	7
8		(9) Rail and other track material	11,328,661	37,557		48	8
9		(11) Ballast	3,622,525	12,676		324	9
10		(13) Fences, snowsheds and signs	64,889	305		5	10
11		(16) Station and office buildings	506,644	684		19	11
12		(17) Roadway buildings	36,629	52		38	12
13		(18) Water stations	7,340	9			13
14		(19) Fuel stations	145,691	9			14
15		(20) Shops and enginehouses	429,340	55			15
16		(22) Storage warehouses	984	0			16
17		(23) Wharves and docks	26,924	0			17
18		(24) Coal and ore wharves	1,401	0			18
19		(25) TOFC/COFC terminals	749,807	1,919			19
20		(26) Communication systems	390,649	370			20
21		(27) Signals and interlockers	2,682,267	6,348		78	21
22		(29) Power plants	0	0			22
23		(31) Power transmission systems	70,624	19			23
24		(35) Miscellaneous structures	18,893	51			24
25		(37) Roadway machines	485,070	4			25
26		(39) Public improvements-construction	673,581	935		612	26
27		(44) Shop machinery	181,824	0			27
28		(45) Power-plant machinery	0	0			28
29		Leased property capitalized rentals (explain)	0	0		950	29
30		Other (specify and explain)	0	0			30
31		TOTAL ROAD	38,946,455	91,673		11,656	31
32		(52) Locomotives	5,157,021	0			32
33		(53) Freight-train cars	1,982,372	0			33
34		(54) Passenger-train cars	0	0			34
35		(55) Highway revenue equipment	419	0			35
36		(56) Floating equipment	0	0			36
37		(57) Work equipment	145,643	0			37
38		(58) Miscellaneous equipment	12,388	1			38
39		(59) Computer systems & WP equipment	425,628	0			39
40		TOTAL EQUIPMENT	7,723,471	1			40
41		(76) Interest during construction	42,790	632		1,007	41
42		(80) Other elements of investment	0	0			42
43		(90) Construction work in progress	938,084	0			43
44		GRAND TOTAL	$47,650,800	$92,306		$12,663	44

1/ See note on page 39.
2/ See note on page 39.

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
Line 136 thru 138 column (f)	=	Line 29, column (b)
Line 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, columns (f)	=	Lines 5, 38, column (f)
Lines 226, 227, column (f)	=	Lines 24, 39, column (f)
Lines 311, 312, 315, 316, column (f)	=	Lines 32, 35, 36, 37, 40, 41, column (f)
		And
		Schedule 414 Minus line 24, columns (b) thru (d) plus line 24, columns (e) thru (g)
		Schedule 415
Line 213, column (f)	=	Lines 5, 38, columns (c) and (d)
Line 232, column (f)	=	Lines 24, 39, columns (c) and (d)
Line 317, column (f)	=	Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)
Lines 202, 203, 216, column (f) (equal to or greater than, but variance cannot exceed line 216, column (f))		Lines 5, 38, column (b)
Lines 221, 222, 235, column (f) (equal to or greater than, but variance cannot exceed line 235, column (f))		Lines 24, 39, column (b)
Lines 302 thru 307 and 320, column (f) (equal to or greater than, but variance cannot exceed line 320, column (f))		Lines 32, 35, 36, 37, 40, 41, column (b)
		Schedule 417
Line 507, column (f)	=	Line 1, column (j)
Line 508, column (f)	=	Line 2, column (j)
Line 509, column (f)	=	Line 3, column (j)
Line 510, column (f)	=	Line 4, column (j)
Line 511, column (f)	=	Line 5, column (j)
Line 512, column (f)	=	Line 6, column (j)
Line 513, column (f)	=	Line 7, column (j)
Line 514, column (f)	=	Line 8, column (j)
Line 515, column (f)	=	Line 9, column (j)
Line 516, column (f)	=	Line 10, column (j)
Line 517, column (f)	=	Line 11, column (j)
Schedule 450		**Schedule 210**
Line 4, column (b)	=	Line 47, column (b)

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 Board's rules 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	22,766	9,560	3,263	6,274	41,863	1,321	43,184	1
2		Bridge & Building	6,294	2,326	1,131	708	10,459	921	11,380	2
3		Signal	14,265	5,769	3,100	3,896	27,030	819	27,849	3
4		Communication	2,899	0	912	372	4,183	74	4,257	4
5		Other	16,991	334	6,395	0	23,720	1,016	24,736	5
		REPAIR AND MAINTENANCE								
6		Roadway - Running	15,445	1,774	40,287	156	57,662	2,077	59,739	6
7		Roadway - Switching	4,977	496	11,966	44	17,483	0	17,483	7
8		Tunnels and Subways - Running	48	0	1,974	0	2,022	11	2,033	8
9		Tunnels and Subways - Switching	14	0	508	0	522	0	522	9
10		Bridges - Culverts - Running	16,675	5,698	88	2,829	25,290	1,052	26,342	10
11		Bridges - Culverts - Switching	5,428	2,261	36	1,048	8,773	0	8,773	11
12		Ties - Running	5,889	4,655	643	606	11,793	538	12,331	12
13		Ties - Switching	1,758	2,919	194	277	5,148	0	5,148	13
14		Rail & Other Track Material - Running	100,979	20,587	7,170	6,198	134,934	4,127	139,061	14
15		Rail & Other Track Material - Switching	31,268	12,363	2,246	2,722	48,599	11	48,610	15
16		Ballast - Running	111	29	97	0	237	57	294	16
17		Ballast - Switching	32	18	31	0	81	0	81	17
18		Road Property Damaged - Running	739	1	342	0	1,082	5	1,087	18
19		Road Property Damaged - Switching	208	1	98	0	307	4	311	19
20		Road Property Damaged - Other	62	0	30	0	92	0	92	20
21		Signal & Interlockers-Running	49,378	11,715	10,001	944	72,038	4,902	76,940	21
22		Signal & Interlockers-Switching	15,587	4,681	1,004	534	21,806	0	21,806	22
23		Communications Systems	22,703	19,711	2,666	1,326	46,406	74	46,480	23
24		Power Systems	2,074	0	0	0	2,074	392	2,466	24
25		Highway Grade Crossing - Running	12,656	209	3,627	0	16,492	878	17,370	25
26		Highway Grade Crossing - Switching	0	0	0	0	0	0	0	26
27		Station & Office Buildings	3,759	7,030	30,225	0	41,014	2,265	43,279	27
28		Shop Buildings - Locomotives	14,218	0	1,737	0	15,955	231	16,186	28
29		Shop Buildings - Freight Cars	120	0	828	0	948	0	948	29
30		Shop Buildings - Other Equipment	0	44	46	0	90	0	90	30

410. RAILWAY OPERATING EXPENSES - Continued

(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 Board's rules 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.
		REPAIR AND MAINTENANCE - (Continued)								
101		Locomotive Servicing Facilities	637	382	2,709	25	3,753	134	3,887	101
102		Miscellaneous Buildings & Structures	2,112	258	279	34	2,683	1,086	3,769	102
103		Coal Terminals	0	0	0	0	0	0	0	103
104		Ore Terminals	0	0	0	0	0	0	0	104
105		Other Marine Terminals	0	0	0	0	0	0	0	105
106		TOFC/COFC-Terminals	0	0	24,266	0	24,266	0	24,266	106
107		Motor Vehicle Loading & Distribution Facilities	0	0	0	0	0	0	0	107
108		Facilities for Other Specialized Service Operations	0	0	0	0	0	0	0	108
109		Roadway Machines	14,787	3,851	3,140	3,979	25,757	1,177	26,934	109
110		Small Tools and Supplies	0	0	0	0	0	0	0	110
111		Snow Removal	2,296	7,650	6,414	0	16,360	3,254	19,614	111
112		Fringe Benefits - Running	N/A	N/A	N/A	80,655	80,655	5,033	85,688	112
113		Fringe Benefits - Switching	N/A	N/A	N/A	18,132	18,132	331	18,463	113
114		Fringe Benefits - Other	N/A	N/A	N/A	52,792	52,792	637	53,429	114
115		Casualties & Insurance - Running	N/A	N/A	N/A	14,557	14,557	15	14,572	115
116		Casualties & Insurance - Switching	N/A	N/A	N/A	3,939	3,939	0	3,939	116
117		Casualties & Insurance - Other	N/A	N/A	N/A	5,992	5,992	0	5,992	117
118		Lease Rentals - Debit - Running	N/A	N/A	3,190	N/A	3,190	0	3,190	118
119		Lease Rentals - Debit - Switching	N/A	N/A	0	N/A	0	0	0	119
120		Lease Rentals - Debit - Other	N/A	N/A	45,994	N/A	45,994	382	46,376	120
121		Lease Rentals - (Credit) - Running	N/A	N/A	0	N/A	0	0	0	121
122		Lease Rentals - (Credit) - Switching	N/A	N/A	0	N/A	0	0	0	122
123		Lease Rentals - (Credit) - Other	N/A	N/A	0	N/A	0	0	0	123
124		Joint Facility Rent - Debit - Running	N/A	N/A	25,865	N/A	25,865	0	25,865	124
125		Joint Facility Rent - Debit - Switching	N/A	N/A	578	N/A	578	0	578	125
126		Joint Facility Rent - Debit - Other	N/A	N/A	167	N/A	167	0	167	126
127		Joint Facility Rent - (Credit) - Running	N/A	N/A	(9,183)	N/A	(9,183)	0	(9,183)	127
128		Joint Facility Rent - (Credit) - Switching	N/A	N/A	(408)	N/A	(408)	0	(408)	128
129		Joint Facility Rent - (Credit) - Other	N/A	N/A	(839)	N/A	(839)	0	(839)	129
130		Other Rents - Debit - Running	N/A	N/A	14	N/A	14	0	14	130
131		Other Rents - Debit - Switching	N/A	N/A	0	N/A	0	0	0	131
132		Other Rents - Debit - Other	N/A	N/A	24	N/A	24	0	24	132
133		Other Rents - (Credit) - Running	N/A	N/A	0	N/A	0	0	0	133

410. RAILWAY OPERATING EXPENSES - Continued

(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 Board's rules 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.
		REPAIR AND MAINTENANCE - (Continued)								
134		Other Rents - (Credit) - Switching	N/A	N/A	0	N/A	0	0	0	134
135		Other Rents - (Credit) - Other	N/A	N/A	0	N/A	0	0	0	135
136		Depreciation - Running	N/A	N/A	N/A	864,468	864,468	1,877	866,345	136
137		Depreciation - Switching	N/A	N/A	N/A	256,402	256,402	0	256,402	137
138		Depreciation - Other	N/A	N/A	N/A	63,065	63,065	0	63,065	138
139		Joint Facility - Debit - Running	N/A	N/A	105,059	N/A	105,059	143	105,202	139
140		Joint Facility -Debit - Switching	N/A	N/A	8,300	N/A	8,300	0	8,300	140
141		Joint Facility - Debit - Other	N/A	N/A	824	N/A	824	0	824	141
142		Joint Facility - (Credit) - Running	N/A	N/A	(34,342)	N/A	(34,342)	0	(34,342)	142
143		Joint Facility - (Credit) - Switching	N/A	N/A	(5)	N/A	(5)	0	(5)	143
144		Joint Facility - (Credit) - Other	N/A	N/A	0	N/A	0	0	0	144
145		Dismantling Retired Road Property - Running	0	0	0	0	0	0	0	145
146		Dismantling Retired Road Property - Switching	0	0	0	0	0	0	0	146
147		Dismantling Retired Road Property - Other	0	0	0	0	0	0	0	147
148		Other - Running	0	0	0	0	0	0	0	148
149		Other - Switching	0	0	0	0	0	0	0	149
150		Other - Other	0	0	1	142	143	0	143	150
151		TOTAL WAY & STRUCTURE	387,175	124,322	312,692	1,392,116	2,216,305	34,844	2,251,149	151
		EQUIPMENT - LOCOMOTIVES								
201		Administration	9,451	429	6,211	2,328	18,419	494	18,913	201
202		Repair & Maintenance	164,547	298,398	174,931	6,833	644,709	4,549	649,258	202
203		Machinery Repair	0	2,463	4,598	0	7,061	0	7,061	203
204		Equipment Damaged	317	886	177	1	1,381	0	1,381	204
205		Fringe Benefits	N/A	N/A	N/A	74,988	74,988	1,720	76,708	205
206		Other Casualties and Insurance	N/A	N/A	N/A	12,806	12,806	3	12,809	206
207		Lease Rentals - Debit	N/A	N/A	396,920	N/A	396,920	0	396,920	207
208		Lease Rentals - (Credit)	N/A	N/A	(193)	N/A	(193)	0	(193)	208
209		Joint Facility Rent - Debit	N/A	N/A	22	N/A	22	0	22	209
210		Joint Facility Rent - (Credit)	N/A	N/A	0	N/A	0	0	0	210
211		Other Rents - Debit	N/A	N/A	1,038	N/A	1,038	0	1,038	211
212		Other Rents - (Credit)	N/A	N/A	(1,289)	N/A	(1,289)	0	(1,289)	212
213		Depreciation	N/A	N/A	N/A	240,603	240,603	31	240,634	213
214		Joint Facility - Debit	N/A	N/A	44	N/A	44	0	44	214
215		Joint Facility - (Credit)	N/A	N/A	0	N/A	0	0	0	215
216		Repairs Billed to Others - (Credit)	N/A	N/A	0	N/A	0	0	0	216

410. RAILWAY OPERATING EXPENSES - Continued

(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 Board's rules 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.
		LOCOMOTIVES - (Continued)								
217		Dismantling Retired Property	0	0	0	0	0	0	0	217
218		Other	2,595	7	1,091	377	4,070	1	4,071	218
219		TOTAL LOCOMOTIVES	176,910	302,183	583,550	337,936	1,400,579	6,798	1,407,377	219
		FREIGHT CARS								
220		Administration	8,788	677	3,235	564	13,264	N/A	13,264	220
221		Repair & Maintenance	146,925	266,266	118,554	4,425	536,170	N/A	536,170	221
222		Machinery Repair	0	2,588	2,604	0	5,192	N/A	5,192	222
223		Equipment Damaged	0	0	0	0	0	N/A	0	223
224		Fringe Benefits	N/A	N/A	N/A	62,810	62,810	N/A	62,810	224
225		Other Casualties & Insurance	N/A	N/A	N/A	33,935	33,935	N/A	33,935	225
226		Lease Rentals - Debit	N/A	N/A	223,814	N/A	223,814	N/A	223,814	226
227		Lease Rentals - (Credit)	N/A	N/A	(2,592)	N/A	(2,592)	N/A	(2,592)	227
228		Joint Facility Rent - Debit	N/A	N/A	0	N/A	0	N/A	0	228
229		Joint Facility Rent - (Credit)	N/A	N/A	0	N/A	0	N/A	0	229
230		Other Rents - Debit	N/A	N/A	768,708	N/A	768,708	N/A	768,708	230
231		Other Rents - (Credit)	N/A	N/A	(189,505)	N/A	(189,505)	N/A	(189,505)	231
232		Depreciation	N/A	N/A	N/A	85,007	85,007	N/A	85,007	232
233		Joint Facility - Debit	N/A	N/A	0	N/A	0	N/A	0	233
234		Joint Facility - (Credit)	N/A	N/A	0	N/A	0	N/A	0	234
235		Repairs Billed Other - (Credit)	N/A	N/A	(218,719)	N/A	(218,719)	N/A	(218,719)	235
236		Dismantling Retired Property	0	0	0	0	0	N/A	0	236
237		Others	0	0	3,824	0	3,824	N/A	3,824	237
238		TOTAL FREIGHT CARS	155,713	269,531	709,923	186,741	1,321,908	N/A	1,321,908	238
		OTHER EQUIPMENT								
301		Administration	0	0	0	0	0	354	354	301
		Repair and Maintenance:								
302		Truck, Trailers & Containers - Revenue Service	332	7,127	29,064	24	36,547	N/A	36,547	302
303		Floating Equipment - Revenue Services	0	0	0	0	0	N/A	0	303
304		Passenger & Other Revenue Equipment	1,076	0	0	12	1,088	13,486	14,574	304
305		Computers & Data Process Systems	0	3,235	31,665	5	34,905	31	34,936	305
306		Machinery	0	602	55	0	657	0	657	306
307		Work & Other Nonrevenue Equipment	378	0	41,672	0	42,050	869	42,919	307
308		Equipment Damaged	0	0	0	0	0	0	0	308
309		Fringe Benefits	N/A	N/A	N/A	537	537	4,733	5,270	309
310		Other Casualties & Insurance	N/A	N/A	N/A	215	215	4	219	310
311		Lease Rentals - Debit	N/A	N/A	113,013	N/A	113,013	1,264	114,277	311
312		Lease Rentals - (Credit)	N/A	N/A	(2,121)	N/A	(2,121)	0	(2,121)	312

410. RAILWAY OPERATING EXPENSES - Continued

(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 Board's rules 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.
		OTHER EQUIPMENT - (Continued)								
313		Joint Facility Rent - Debit	N/A	N/A	0	N/A	0	0	0	313
314		Joint Facility Rent - (Credit)	N/A	N/A	0	N/A	0	0	0	314
315		Other Rents - Debit	N/A	N/A	51	N/A	51	0	51	315
316		Other Rents - (Credit)	N/A	N/A	0	N/A	0	0	0	316
317		Depreciation	N/A	N/A	0	59,061	59,061	134	59,195	317
318		Joint Facility - Debit	N/A	N/A	6,507	N/A	6,507	0	6,507	318
319		Joint Facility - (Credit)	N/A	N/A	0	N/A	0	0	0	319
320		Repairs Billed Other - (Credit)	N/A	N/A	(5,762)	N/A	(5,762)	0	(5,762)	320
321		Dismantling Retired Equipment	0	0	0	0	0	0	0	321
322		Other	196	41	783	7	1,027	0	1,027	322
323		TOTAL OTHER EQUIPMENT	1,982	11,005	214,927	59,861	287,775	20,875	308,650	323
324		TOTAL EQUIPMENT	334,605	582,719	1,508,400	584,538	3,010,262	27,673	3,037,935	324
		TRANSPORTATION								
		TRAIN OPERATIONS								
401		Administration	50,282	5,952	13,371	4,332	73,937	3,817	77,754	401
402		Engine Crews	711,353	1,439	5,445	121,212	839,449	6,623	846,072	402
403		Train Crews	558,375	351	56	115	558,897	17,667	576,564	403
404		Dispatching Trains	49,944	430	3,739	3,982	58,095	527	58,622	404
405		Operating Signal & Interlockers	64	0	4,378	0	4,442	413	4,855	405
406		Operating Drawbridges	0	0	0	0	0	0	0	406
407		Highway Crossing Protection	0	0	2,273	0	2,273	0	2,273	407
408		Train Inspection & Lubricants	69,262	54,947	1,087	4,363	129,659	67	129,726	408
409		Locomotive Fuel	0	3,582,878	0	0	3,582,878	31,113	3,613,991	409
410		Electric Power Purchased or Produced for Motive Power	0	0	0	0	0	0	0	410
411		Servicing Locomotives	74,453	5,162	5,278	13	84,906	2,498	87,404	411
412		Freight Lost or Damaged	N/A	N/A	N/A	0	0	0	0	412
413		Clearing Wrecks	1,478	157	26,364	0	27,999	0	27,999	413
414		Fringe Benefits	N/A	N/A	N/A	538,734	538,734	9,406	548,140	414
415		Other Casualties & Insurance	N/A	N/A	N/A	93,549	93,549	3,004	96,553	415
416		Joint Facility - Debit	N/A	N/A	86,211	N/A	86,211	0	86,211	416
417		Joint Facility - (Credit)	N/A	N/A	(112,788)	N/A	(112,788)	0	(112,788)	417
418		Other	28,999	327	170,309	5,818	205,453	273	205,726	418
419		TOTAL TRAIN OPERATIONS	1,544,210	3,651,643	205,723	772,118	6,173,694	75,408	6,249,102	419
		YARD OPERATIONS								
420		Administration	9,604	3,036	13,173	974	26,787	0	26,787	420
421		Switch Crews	263,112	2,659	6,021	72,152	343,944	1,719	345,663	421

410. RAILWAY OPERATING EXPENSES - Continued

(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 Board's rules 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.
		YARD OPERATIONS - (Continued)								
422		Controlling Operations	40,004	0	0	0	40,004	986	40,990	422
423		Yard & Terminal Clerical	9,732	817	42	95	10,686	610	11,296	423
424		Operating Switches, Signals, Retarders & Humps	57	0	3,407	0	3,464	122	3,586	424
425		Locomotive Fuel	0	264,783	0	0	264,783	0	264,783	425
426		Electric Power Purchased or Produced for Motive Power	0	0	0	0	0	0	0	426
427		Servicing Locomotives	0	0	0	0	0	0	0	427
428		Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	0	0	0	0	428
429		Clearing Wrecks	0	0	0	0	0	6	6	429
430		Fringe Benefits	N/A	N/A	N/A	114,452	114,452	1,150	115,602	430
431		Other Casualties & Insurance	N/A	N/A	N/A	21,650	21,650	0	21,650	431
432		Joint Facility - Debit	N/A	N/A	27,572	N/A	27,572	0	27,572	432
433		Joint Facility - (Credit)	N/A	N/A	(2,289)	N/A	(2,289)	0	(2,289)	433
434		Other	0	0	0	0	0	0	0	434
435		TOTAL YARD OPERATION	322,509	271,295	47,926	209,323	851,053	4,593	855,646	435
		TRAIN & YARD OPERATIONS COMMON								
501		Cleaning Car Interiors	0	0	4,368	N/A	4,368	5,026	9,394	501
502		Adjusting & Transferring Loads	1	0	8,051	N/A	8,052	N/A	8,052	502
503		Car Loading Devices & Grain Doors	5	380	25,388	N/A	25,773	N/A	25,773	503
504		Freight Loss or Damaged - All Other	N/A	N/A	N/A	29,536	29,536	0	29,536	504
505		Fringe Benefits	N/A	N/A	N/A	35	35	0	35	505
506		TOTAL TRAIN & YARD OPERATIONS COMMON	6	380	37,807	29,571	67,764	5,026	72,790	506
		SPECIALIZED SERVICE OPERATIONS								
507		Administration	6,781	499	1,281	252	8,813	N/A	8,813	507
508		Picking & Delivery & Marine Line Haul	0	0	20,495	0	20,495	N/A	20,495	508
509		Loading & Unloading Local Marine	18,404	533	168,594	3,538	191,069	N/A	191,069	509
510		Protective Services	0	0	9,053	0	9,053	N/A	9,053	510
511		Freight Loss or Damaged - Solely Related	N/A	N/A	N/A	0	0	N/A	0	511
512		Fringe Benefits	N/A	N/A	N/A	4,363	4,363	N/A	4,363	512
513		Casualties & Insurance	N/A	N/A	N/A	1,229	1,229	N/A	1,229	513
514		Joint Facility - Debit	N/A	N/A	3	N/A	3	N/A	3	514
515		Joint Facility - (Credit)	N/A	N/A	0	N/A	0	N/A	0	515
516		Others	2,527	237	131	94	2,989	N/A	2,989	516
517		TOTAL SPECIALIZED SERVICES OPERATIONS	27,712	1,269	199,557	9,476	238,014	N/A	238,014	517

410. RAILWAY OPERATING EXPENSES - Concluded

(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 Board's rules 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.
518		ADMINISTRATIVE SUPPORT OPERATIONS Administration	163,978	6,746	12,346	68,908	251,978	970	252,948	518
519		Employees Performing Clerical & Acctg Functions	40,205	4,005	2,054	702	46,966	7,051	54,017	519
520		Communication Systems Operations	4,195	674	1,834	312	7,015	524	7,539	520
521		Loss & Damage Claims Process	14,341	269	3,329	1,671	19,610	0	19,610	521
522		Fringe Benefits	N/A	N/A	N/A	63,203	63,203	1,866	65,069	522
523		Casualties & Insurance	N/A	N/A	N/A	9,054	9,054	0	9,054	523
524		Joint Facility - Debit	N/A	N/A	19	N/A	19	0	19	524
525		Joint Facility - (Credit)	N/A	N/A	0	N/A	0	0	0	525
526		Other	2,351	1	390	94	2,836	0	2,836	526
527		TOTAL ADMINISTRATION SUPPORT OPERATIONS	225,070	11,695	19,972	143,944	400,681	10,411	411,092	527
528		TOTAL TRANSPORTATION	2,119,507	3,936,282	510,985	1,164,431	7,731,205	95,438	7,826,643	528
601		GENERAL & ADMINISTRATIVE Officers General & Administration	33,466	2,000	47,535	25,707	108,708	827	109,535	601
602		Accounting, Auditing & Finance	29,115	78	9,202	1,197	39,592	1,103	40,695	602
603		Management Services & Data Processing	41,011	155	24,125	3,488	68,779	2,551	71,330	603
604		Marketing	45,649	1,594	28,654	8,878	84,775	0	84,775	604
605		Sales	0	0	2,495	0	2,495	0	2,495	605
606		Industrial Development	1,256	36	1	185	1,478	N/A	1,478	606
607		Personnel & Labor Relations	30,464	594	5,442	15,899	52,399	1,312	53,711	607
608		Legal & Secretarial	17,381	204	56,768	2,736	77,089	1,551	78,640	608
609		Public Relations & Advertising	3,103	0	3,488	9,136	15,727	324	16,051	609
610		Research & Development	2	6	3	6	17	0	17	610
611		Fringe Benefits	N/A	N/A	N/A	130,174	130,174	1,501	131,675	611
612		Casualties & Insurance	N/A	N/A	N/A	57,397	57,397	9	57,406	612
613		Writedown of Uncollectible Accounts	N/A	N/A	N/A	22,838	22,838	35	22,873	613
614		Property Taxes	N/A	N/A	N/A	184,716	184,716	1,611	186,327	614
615		Other Taxes	N/A	N/A	N/A	36,072	36,072	137	36,209	615
616		Joint Facility - Debit	N/A	N/A	4,166	N/A	4,166	0	4,166	616
617		Joint Facility - (Credit)	N/A	N/A	(38)	N/A	(38)	0	(38)	617
618		Other	21,791	3,391	17,822	18,447	61,451	487	61,938	618
619		TOTAL GENERAL & ADMINISTRATIVE	223,238	8,058	199,663	516,876	947,835	11,448	959,283	619
620		TOTAL OPERATING EXPENSE	3,064,525	4,651,381	2,531,740	3,657,961	13,905,607	169,403	14,075,010	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 deprecation expense reported in Schedule 410, column (f), lines 136, 137 and 138.
3. Report in column (c) the lease/rentals for the various property categories of way and structures. The total 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 for all categories of depreciable leased property. Use Schedule 352B of this report to obtain the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item. The net adjustment on line 29 shall equal the adjustment reported on line 29 of Schedule 335.
5. Report on line 28 all other lease rentals not apportioned to any category listed on lines 1-27.
6. Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of Schedule 415.

Line No.	Cross Check	Property account	Category (a)	Depreciation (b)	Lease/Rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	N/A			1
2		3	Grading	43,532			2
3		4	Other right-of-way expenditures	2,297			3
4		5	Tunnels and subways	3,971			4
5		6	Bridges, trestles and culverts	55,238			5
6		7	Elevated structures	0			6
7		8	Ties	272,221			7
8		9	Rail and other track material	548,783			8
9		11	Ballast	102,757			9
10		13	Fences, snowsheds and signs	1,111			10
11		16	Station and office buildings	17,430			11
12		17	Roadway buildings	1,181			12
13		18	Water stations	198			13
14		19	Fuel stations	4,618			14
15		20	Shops and enginehouses	5,861			15
16		22	Storage warehouses	20			16
17		23	Wharves and docks	806			17
18		24	Coal and ore wharves	94			18
19		25	TOFC/COFC terminals	19,126			19
20		26	Communications systems	11,484			20
21		27	Signals and interlockers	59,183			21
22		29	Power plants	0			22
23		31	Power transmission systems	1,463			23
24		35	Miscellaneous structures	521			24
25		37	Roadway machines	12,596			25
26		39	Public improvements; construction	19,444			26
27		45	Power plant machines	0			27
28			Other lease/rentals	N/A	49,222	N/A	28
29			TOTAL	1,183,935	49,222		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 with the carrier's own 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 (e). The balancing of Schedules 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 Board 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.

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

Line No.	Cross Check	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per diem basis			GROSS AMOUNTS PAYABLE Per diem basis			Line No.
			Private line cars (b)	Mileage (c)	Time (d)	Private line cars (e)	Mileage (f)	Time (g)	
		CAR TYPES							
1		Box - Plain 40 Foot		0	0	0	0	0	1
2		Box - Plain 50 Foot and Longer		14	125	8,949	1,999	4,192	2
3		Box - Equipped		4,023	19,565	20,414	33,738	69,297	3
4		Gondola - Plain		328	954	6,766	1,601	3,117	4
5		Gondola - Equipped		1,575	8,974	1	13,339	25,965	5
6		Hopper - Covered		6,935	35,177	73,458	15,575	36,110	6
7		Hopper - Open Top - General Service		1,904	9,051	0	88	358	7
8		Hopper - Open Top - Special Service		135	1,014	0	1,100	2,090	8
9		Refrigerator - Mechanical		4,188	13,453	105	44	570	9
10		Refrigerator - Non-Mechanical		959	4,237	12	1,352	1,721	10
11		Flat - TOFC/COFC		1,000	4,886	126,557	20,396	55,822	11
12		Flat - Multi-Level		1,355	4,400	89,283	6,012	19,011	12
13		Flat - General Service		1	9	0	88	146	13
14		Flat - Other		775	6,332	40,146	15,484	35,986	14
15		Tank - Under 22,000 Gallons		0	0	(747)	0	(15)	15
16		Tank - 22,000 Gallons and Over		0	0	(747)	0	0	16
17		All Other Freight Cars		0	0	5	69	194	17
18		Auto Racks		0	58,136	0	0	39,057	18
19		TOTAL FREIGHT TRAIN CARS	0	23,192	166,313	364,202	110,885	293,621	19
		OTHER FREIGHT-CARRYING EQUIPMENT							
20		Refrigerated Trailers							20
21		Other Trailers						51	21
22		Refrigerated Containers							22
23		Other Containers							23
24	*	TOTAL TRAILERS AND CONTAINERS	0	0	0	0	0	51	24
25		GRAND TOTAL (Lines 19 and 24)	0	23,192	166,313	364,202	110,885	293,672	25

NOTES AND REMARKS

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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, suppliers, 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 to Schedule 410, lines 207, 208, 211 and 212.

   (b) Freight Cars, line 24 plus line 39 compared to Schedule 410, line 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 therefore 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 Accounts 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 expenses) (b)	Depreciation		Amortization adjustment net during year (e)	Line No.
				Owned (c)	Capital lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotive - Yard	38,879	19,324	3,163		1
2		Diesel Locomotive - Road	605,830	130,991	82,897		2
3		Other Locomotive - Yard					3
4		Other Locomotive - Road					4
5	*	TOTAL LOCOMOTIVES	644,709	150,315	86,060		5
		FREIGHT TRAIN CARS					
6		Box - Plain-40 foot	4	0	0		6
7		Box - Plain-50 foot and Longer	1,391	3,991	0		7
8		Box - Equipped	53,681	8,034	0		8
9		Gondola - Plain	21,526	5,459	0		9
10		Gondola - Equipped	30,295	2,843	0		10
11		Hopper - Covered	93,999	19,164	0		11
12		Hopper - Open Top Gen Svc	92,024	8,664	2,094		12
13		Hopper - Open Top Spec Svc	15,024	925	0		13
14		Refrigerator - Mechanical	146	1,635	0		14
15		Refrig - Non-mechanical	2,257	3,084	0		15
16		Flat - TOFC/COFC	115	22	795		16
17		Flat - Multi-level	0	1,693	0		17
18		Flat - General Service	177	118	0		18
19		Flat - Other	6,039	2,926	0		19
20		All Other Freight Cars	0	21	0		20
21		Cabooses	0	438	0		21
22		Auto Racks	0	20,991	0		22
23		Misc. Accessories	773	616	0		23
24	*	TOTAL FREIGHT TRAIN CARS	317,451	80,624	2,889	0	24
		OTHER EQUIPMENT-REVENUE FREIGHT					
		HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	30,785	32	0		26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equip (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	30,785	32	0	0	32
		FLOATING EQUIP-REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT	0	0	0	0	35
		OTHER EQUIPMENT					
36	*	Pass and Other Revenue Equip (Freight Portion)	1,088	0			36
37	*	Comp Sys & Word Proc. Equip.	34,905	54,490	3,280		37
38	*	Machinery - Locomotives (1)	7,061	4,228			38
39	*	Machinery - Freight Cars (2)	5,192	1,494			39
40	*	Machinery - Other Equipment (3)	657	104			40
41	*	Work and Non-revenue Equip	42,050	1,155	0		41
42		TOTAL OTHER EQUIPMENT	90,953	61,471	3,280	0	42
43		TOTAL ALL EQUIPMENT (Freight Portion)	1,083,898	292,442	92,229	0	43

(1) Data reported on line 38, column (b) is the amount reported in Schedule 410, column (f), line 203.
(2) Data reported on line 39, column (b) is the amount reported in Schedule 410, column (f), line 222.
(3) Data reported on line 40, column (b) is the amount reported in Schedule 410, column (f), line 306.

415. SUPPORTING SCHEDULE -- EQUIPMENT - Concluded
(Dollars in Thousands)

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		0	222,780	82,152	70,081	4,794	1
2		396,476	2,990,097	1,861,992	1,352,026	816,598	2
3							3
4							4
5	*	396,476	3,212,877	1,944,144	1,422,107	821,392	5
6		0	0	0	0	0	6
7		15	65,290	0	33,391	0	7
8		16,952	155,697	0	78,582	0	8
9		21,747	156,146	0	101,947	0	9
10		12,167	64,088	0	16,677	0	10
11		113,964	463,726	0	191,733	0	11
12		12,364	222,367	49,810	149,163	31,237	12
13		12,797	27,593	0	11,080	0	13
14		21,717	37,440	0	19,091	0	14
15		2,092	46,695	0	10,192	0	15
16		1,997	387	13,595	129	11,012	16
17		378	34,748	0	22,425	0	17
18		10	3,457	0	1,761	0	18
19		3,973	89,340	0	41,999	0	19
20		1,049	517	0	405	0	20
21		0	6,948	0	3,920	0	21
22		0	530,453	0	306,483	0	22
23		0	14,075	0	551	0	23
24	*	221,222	1,918,967	63,405	989,529	42,249	24
25							25
26		65,079	419		254	0	26
27							27
28							28
29							29
30							30
31							31
32	*	65,079	419	0	254	0	32
33							33
34							34
35	*	0	0	0	0	0	35
36	*		0		0		36
37	*	2,352	417,824	7,804	153,247	5,562	37
38	*		128,076		38,541		38
39	*		49,232		17,725		39
40	*		4,516		983		40
41	*	43,461	158,032	0	28,621	0	41
42		45,813	757,680	7,804	239,117	5,562	42
43		728,590	5,889,943	2,015,353	2,651,007	869,203	43

(1) Data reported on lines 38, 39, and 40 in columns (g) and (h) are investment recorded in property account 44, allocated to locomotives, freight cars, and other equipment.

(2) Depreciation 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 the 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		Line No.
			Investment Base (c)	Accumulated Depreciation (d)	Depr. rate % (e)	Investment Base (f)	Accumulated Depreciation (g)	Depr. rate % (h)	Investment Base (i)	Current Year Amortization (j)	Accumulated Amortization (k)	Investment Base (l)	Accumulated Depreciation & Amortization (m)	
1	I	3	1,589,083	220,967	1.14							1,589,083	220,967	1
2		8	4,242,222	1,242,659	4.16							4,242,222	1,242,659	2
3		9	6,284,003	3,200,009	6.35							6,284,003	3,200,009	3
4		11	2,433,619	502,276	2.94							2,433,619	502,276	4
5	SUB-TOTAL		14,548,927	5,165,911					0	0	0	14,548,927	5,165,911	5
6	II	3	435,722	36,696	1.14							435,722	36,696	6
7		8	1,196,356	455,763	4.35							1,196,356	455,763	7
8		9	1,723,058	531,427	1.91							1,723,058	531,427	8
9		11	566,760	141,872	2.94							566,760	141,872	9
10	SUB-TOTAL		3,921,896	1,165,758					0	0	0	3,921,896	1,165,758	10
11	III	3	4,552	N/A	N/A		N/A	N/A		N/A	N/A	4,552	N/A	11
12		8	11,029	N/A	N/A		N/A	N/A		N/A	N/A	11,029	N/A	12
13		9	18,003	N/A	N/A		N/A	N/A		N/A	N/A	18,003	N/A	13
14		11	6,035	N/A	N/A		N/A	N/A		N/A	N/A	6,035	N/A	14
15	SUB-TOTAL		39,619	N/A			N/A	N/A		N/A	N/A	39,619	N/A	15
16	IV	3	821,036	57,335	1.14							821,036	57,335	16
17		8	1,321,985	478,166	4.32							1,321,985	478,166	17
18		9	3,246,773	830,314	3.69							3,246,773	830,314	18
19		11	600,191	133,676	2.94							600,191	133,676	19
20	SUB-TOTAL		5,989,985	1,499,491					0	0	0	5,989,985	1,499,491	20
21	V	3	23,867	4,731	1.14							23,867	4,731	21
22		8	55,207	34,119	4.37							55,207	34,119	22
23		9	94,381	68,516	3.69							94,381	68,516	23
24		11	28,596	9,730	2.94							28,596	9,730	24
25	SUB-TOTAL		202,051	117,096								202,051	117,096	25
26	GRAND TOTAL	N/A	24,702,478	7,948,256	N/A			N/A	0	0	0	24,702,478	7,948,256	26

Notes:

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

(2) Columns (d) + (g) + (k) = Column (m)

(3) 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.

NOTES AND REMARKS

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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, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (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, Note R.
5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers, or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h), relate to refrigerator cars only.
8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, and 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	8,813					0	0		8,813	1
2	*	Pick up and delivery, marine line haul	19,778					717	N/A		20,495	2
3	*	Loading and unloading and local marine	169,262					21,807	N/A		191,069	3
4	*	Protective services, total debit and credits	0					9,053	0		9,053	4
5	*	Freight lost or damaged-solely related	0					0	0		0	5
6	*	Fringe benefits	4,363					0	0		4,363	6
7	*	Casualty and insurance	1,089					140	0		1,229	7
8	*	Joint facility - Debit	3					0	0		3	8
9	*	Joint facility - Credit	0					0	0		0	9
10	*	Other	2,989					0	0		2,989	10
11	*	TOTAL	206,297					31,717	0		238,014	11

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

Instructions:

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

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

Primary Account No. and Title (a)		Total Investment At End of Year (b)	Capital Leases		
			Investment At End of Year (c)	Current Year Amortization (d)	Accumulated Amortization (e)
02	Land for Transportation Purposes	4,733,491	8,793	-	-
52	Locomotives	5,157,021	1,944,144	86,060	821,392
53	Freight-Train Cars	1,982,372	63,405	2,889	42,249
59	Computer Systems and Word Processing Equipment	425,628	7,804	3,280	5,562
	TOTAL	12,298,512	2,024,146	92,229	869,203

NOTES AND REMARKS

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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	346,118	1
		U.S. Government Taxes		
		Income Taxes:		
2		Normal Tax and Surtax	733,405	2
3		Excess Profits	0	3
4	*	Total - Income Taxes L 2 + 3	733,405	4
5		Railroad Retirement	619,244	5
6		Hospital Insurance	54,566	6
7		Supplemental Annuities	0	7
8		Unemployment Insurance	17,569	8
9		All Other United States Taxes	2,311	9
10		Total - U.S. Government Taxes	1,427,095	10
11		Total - Railway Taxes	1,773,213	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 changes 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.					1
2	Accelerated amortization of facilities, Sec. 168 I.R.C.					2
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.					3
4	Amortization of rights of way, Sec. 185 I.R.C.					4
5	Other (Specify)					5
6	Property	9,183,169	489,627		9,672,796	6
7	Deferred State Income Taxes - Net	626,963	26,412	(32,378)	620,997	7
8	Current Liabilities	(141,336)	17,194		(124,142)	8
9	Long-Term Liabilities	(48,132)	(10,966)		(59,098)	9
10	Retirement Benefits	(317,803)	119,519	(343,302)	(541,586)	10
11	Other Items	(49,575)	92,763	(14,075)	29,113	11
12						12
13						13
14						14
15						15
16						16
17						17
18	Investment tax credit*				0	18
19	TOTALS	9,253,286	734,549	(389,755)	9,598,080	19

450. ANALYSIS OF TAXES - Concluded
(Dollars in Thousands)

* Footnotes:

1. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit.	
If deferral method for investment tax credit was elected:	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year.	
(2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes.	
(3) Balance of current year's credit used to reduce current year's tax accrual.	
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual.	
(5) Total decrease in current year's tax accrual resulting from use of investment tax credits.	
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made.	0

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	603	Appropriations Released:			2
3		- General Mortgage Bond		688	3
4		- Income Debenture (CE&I)		123	4
5		TOTAL		811	5
6					6
7					7
8	606	Other Credits			8
9		-Other Comprehensive Income and Other Debits Related to Equity Companies		48,416	9
10					10
11					11
12	620	Appropriations Established:			12
13		- General Mortgage Bond	688		13
14		- Income Debenture (CE&I)	123		14
15		TOTAL	811		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. GUARANTEES AND SURETYSHIPS
(Dollars in Thousands)

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

Line No.	Names of all parties principally and primary liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1	Terminal RR Association of St. Louis				1
2	Union Pacific Railroad Company	Sinking Fund & Int. on RFT & Mtge	3,339	Joint	2
3	Burlington Northern Santa Fe Railway Co.	Bonds Series C due 7-1-2019			3
4	CSX Transportation, Inc.	(FD 14553)			4
5	Canadian National				5
6	Norfolk Southern Railway Co.				6
7					7
8					8
9	Union Pacific Railroad Company	Residual Value-aircraft lease	14,000	Sole	9
10					10
11					11
12	Southern Pacific Rail Corporation	Residual Value-aircraft lease	11,826	Sole	12
13					13
14					14
15					15
16	Kansas City Terminal Flyover				16
17	Union Pacific Railroad Company	6.8884% Railway Bridge System Bond	52,215	Joint	17
18	Burlington Northern Santa Fe Railway Co.				18
19					19
20					20
21	Union Pacific Railroad Company	Japanese Leverage Lease Yen Deposit	97,930	Sole	21
22					22
23					23
24	Union Pacific Railroad Company	Headquarters Building - Synthetic Lease	206,000	Sole	24
25					25
26					26
27	Union Pacific Railroad Company	Kansas and Missouri Highline Project	48,260	Sole	27
28					28
29					29
30	Union Pacific Railroad Company	Brandt Truck	3,221	Sole	30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38

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 the 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 obligations (a)	Name 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 arrangements 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.

The Company has outstanding letters of credit in the amount of $ 7.8 million with various banks under which no borrowings were outstanding at December 31, 2008.

NOTES AND REMARKS

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

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

I. Debt Outstanding at End of Year:

Line No.	Account No. (a)	Title (b)	Source (c)	Balance at Close of Year (d)	Line No.
1	751	Loans and Notes Payable	Sch. 200, L. 30	0	1
2	764	Equip. Obligations and Other Debt due within one year	Sch. 200, L. 39	223,100	2
3	765/767	Funded Debt Unmatured	Sch. 200, L. 41	238,114	3
4	766	Equipment Obligations	Sch. 200, L. 42	178,243	4
5	766.5	Capitalized Lease Obligations	Sch. 200, L. 43	1,169,064	5
6	768	Debt in Default	Sch. 200, L. 44	0	6
7	769	Accounts Payable: Affiliated Companies	Sch. 200, L. 45	3,808,744	7
8	770.1/770.2	Unamortized Debt Premium	Sch. 200, L. 46	(78,666)	8
9		Total Debt	Sum L. 1-8	5,538,599	9
10		Debt Directly Related to Road Property	Note 1	75,511	10
11		Debt Directly Related to Equipment	Note 1	1,524,840	11
12		Total Debt Directly Related to Road & Equipment	Sum L. 10 and L. 11	1,600,351	12
13		Percent Directly Related to Road	L. 10 divided by L. 12 Whole % plus 2 decimals	4.72%	13
14		Percent Directly Related to Equipment	L. 11 divided by L. 12 Whole % plus 2 decimals	95.28%	14
15		Debt Not Directly Related to Road or Equipment	L. 9 minus L. 12	3,938,248	15
16		Road Property Debt (Note 2)	(L. 13 x L. 15) plus L. 10	261,396	16
17		Equipment Debt (Note 2)	(L. 14 x L. 15) plus L. 11	5,277,203	17

II. Interest Accrued During the Year:

Line No.	Account No. (a)	Title (b)	Source (c)	Balance at Close of Year (d)	Line No.
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	414,658	18
19	546	Contingent Interest on Funded Debt	Sch. 210, L. 44	7,578	19
20	517	Release of Premium on Funded Debt	Sch. 210, L. 22	4,262	20
21		Total Interest (Note 3)	(L. 18 + L. 19) minus L. 20	417,974	21
22		Interest Directly Related to Road Property Debt	Note 4	3,363	22
23		Interest Directly Related to Equipment Debt	Note 4	105,604	23
24		Interest Not Directly Related to Road or Equipment Property Debt	L. 21 minus (L. 22 + L. 23)	309,007	24
25		Interest on Road Property Debt (Note 5)	L. 22 plus (L. 24 x L. 13)	17,948	25
26		Interest on Equipment Debt (Note 5)	L. 23 plus (L. 24 x L. 14)	400,026	26
27		Embedded Rate of Debt Capital - Road Property	L. 25 divided by L. 16	6.87%	27
28		Embedded Rate of Debt Capital - Equipment	L. 26 divided by L. 17	7.58%	28

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 -- Accounts Payable; Affiliated Companies.
Note 4. This interest relates to debt reported on Lines 10 and 11, respectively.
Note 5. Line 25 plus Line 26 must equal Line 21.

NOTES AND REMARKS

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

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

   The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro forma" balance sheet and income statement for that portion or entity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

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

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

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

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

512. Transactions Between Respondent and Companies or Persons Affiliated with Respondent for Services Received or Provided
(Dollars in Thousands)

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 (d)	Amount due from or to related parties (e)	Line No.
1	Union Pacific Corporation		Controlled	Various (see below)	608,256	3,808,744 (P)	1
2	Wasatch Insurance Ltd.		Common	Insurance	33,053		2
3	Transcontinental Surety						3
4	of Vermont		Common	Insurance	22,360		4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25

Balance 12-31-07	4,417,000
Interest Expense	308,000
Dividends	497,000
Financing & Other	(1,413,256)
Balance 12-31-08	3,808,744

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 the 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 road of this class, the respondent has no proprietary rights but only the rights of a licensee. Include in this class, also, all main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them, but does not have exclusive possession of them.

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

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

700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class (a)	Proportion owned or leased by Respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	Total (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks cross-overs, and turnouts (f)				
1	1	100%	25,573	4,125	355	2,891	2,353	6,059	41,356	1
2										2
3	1J	12.5%	-	-	-	-	-	-	-	3
4	1J	23.0%	-	-	-	-	-	-	-	4
5	1J	25.0%	-	-	-	-	4	32	36	5
6	1J	33.3%	7	2	1	-	10	9	29	6
7	1J	37.5%	-	-	-	-	-	-	-	7
8	1J	40.0%	-	-	-	-	-	-	-	8
9	1J	44.0%	-	-	-	-	-	-	-	9
10	1J	50.0%	591	222	123	59	39	166	1,200	10
11	1J	62.5%	-	-	-	-	-	-	-	11
12	1J	66.7%	-	-	-	-	-	-	-	12
13		Total 1J	598	224	124	59	53	207	1,265	13
14										14
15		Total 1 and 1J	26,171	4,349	479	2,950	2,406	6,266	42,621	15
16										16
17	2	A&S	17	9	-	2	-	89	117	17
18	2	OUR&D	2	-	-	-	-	4	6	18
19		Total 2	19	9	-	2	-	93	123	19
20										20
21	3A		-	-	-	-	-	-	-	21
22	3B		313	-	-	16	14	49	392	22
23		Total 3	313	-	-	16	14	49	392	23
24										24
25										25
26										26
27	4B		-	-	-	-	-	-	-	27
28		Total 4	-	-	-	-	-	-	-	28
29										29
30										30
31										31
32	5		5,509	1,522	151	69	180	199	7,630	32
33	5J		-	-	-	-	-	-	-	33
34		Total 5	5,509	1,522	151	69	180	199	7,630	34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
43										43
44										44
45										45
46										46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57		TOTAL	32,012	5,880	630	3,037	2,600	6,607	50,766	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 proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but 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)	Line owned (b)	Line of proprietary 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		Arizona	642	-	-	-	-	642	51	-	1
2		Arkansas	1,320	-	5	-	6	1,331	149	-	2
3		California	2,788	-	-	-	514	3,302	717	-	3
4		Colorado	1,173	-	-	-	349	1,522	184	-	4
5		Idaho	845	-	-	-	4	849	43	-	5
6		Illinois	1,545	17	2	-	640	2,204	11	-	6
7		Indiana	-	-	-	-	4	4	-	-	7
8		Iowa	1,340	-	-	-	95	1,435	6	-	8
9		Kansas	1,564	-	-	-	642	2,206	313	-	9
10		Kentucky	-	-	-	-	12	12	0	-	10
11		Louisiana	1,082	-	-	-	56	1,138	22	-	11
12		Minnesota	435	-	-	-	224	659	16	-	12
13		Missouri	1,015	-	-	-	512	1,527	338	-	13
14		Montana	125	-	-	-	-	125	52	-	14
15		Nebraska	977	-	-	-	91	1,068	254	-	15
16		Nevada	1,192	-	-	-	-	1,192	-	-	16
17		New Mexico	535	-	-	-	83	618	-	-	17
18		Oklahoma	516	-	306	-	353	1,175	19	-	18
19		Oregon	849	-	-	-	205	1,054	437	-	19
20		Tennessee	9	-	-	-	5	14	0	-	20
21		Texas	5,208	-	-	-	1,123	6,331	300	-	21
22		Utah	1,259	2	-	-	-	1,261	62	-	22
23		Washington	272	-	-	-	260	532	90	-	23
24		Wisconsin	601	-	-	-	331	932	108	-	24
25		Wyoming	879	-	-	-	-	879	-		25
26											26
27											27
28											28
29											29
30											30
31		TOTAL MILEAGE	26,171	19	313	0	5,509	32,012	3,173	0	31
32		(single track)									32

NOTES AND REMARKS

Notes to Schedule 710S

1. Includes 110 covered hopper cars, 520 rebuilt open top hopper cars, 81 rebuilt four axle switch locomotives, one production undercutter, one welder prep car and 3 non revenue flat cars financially complete this year.

2. Excludes 992 rebuilt open top hopper cars and 80 four axle switch locomotives not yet financially complete this year

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 (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).

4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.

5. A "self-propelled" car is a rail motor car propelled by electric motors receiving power from a third rail or overhead or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

6. A "diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "electric" unit includes all units which receive electric power from an overhead contact wire or a third rail, and includes all units other than diesel, or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "auxiliary unit" includes all units used in conjunction with locomotives, but which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are self-propelled, 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 generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

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

9. Cross-checks

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

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

When data appear in columns (k) or (l), lines 36 thru 53 and 55, column (m) should have data on same lines.

710. INVENTORY OF EQUIPMENT - Continued

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

Line No.	Cross Check	Type of design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year: Units installed: New units purchased or built (c)	Changes During the Year: Units installed: New units leased from others (d)	Changes During the Year: Units installed: Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	Changes During the Year: Units installed: All other units including reclassification and second hand units purchased or leased from others (f)	Units retired from service of respondent whether owned or or leased including reclassification (g)	Units at Close of Year: Owned and used (h)	Units at Close of Year: Leased from others (i)	Units at Close of Year: Total in service of respondent (col. (h)&(i) (j)	Units at Close of Year: Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Units at Close of Year: Leased to others (l)	Line No.
1		LOCOMOTIVE UNITS Diesel-freight units										(H.P.)		1
2		Diesel-passenger units	60	0	0	0	0	0	5	55	60	189,800		2
3		Diesel-multiple purpose units	8,034	97	82	103	3	541	4,247	3,531	7,778	29,841,240		3
4		Diesel-switching units	520	0	0	0	0	17	475	28	503	833,900		4
5	*	TOTAL (lines 1 to 4) units	8,614	97	82	103	3	558	4,727	3,614	8,341	30,864,940	0	5
6	*	Electric-locomotives	0	0	0	0	0	0	0	0	0	N/A		6
7	*	Other self-powered units (steam)	2	0	0	0	0	0	2	0	2	N/A		7
8	*	TOTAL (lines 5, 6 and 7)	8,616	97	82	103	3	558	4,729	3,614	8,343	30,864,940	0	8
9	*	Auxiliary units	105	0	0	0	0	0	105	0	105	N/A		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	8,721	97	82	103	3	558	4,834	3,614	8,448	30,864,940	0	10

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

Line No.	Cross Check	Type of design of units (a)	Before Jan. 1, 1985 (b)	Between Jan. 1, 1985 and Dec. 31, 1989 (c)	Between Jan. 1, 1990 and Dec. 31, 1994 (d)	Between Jan. 1, 1995 and Dec. 31, 1999 (e)	Between Jan. 1, 2000 and Dec. 31, 2004 (f)	During Calendar Year: 2005 (g)	2006 (h)	2007 (i)	2008 (j)	2009 (k)	TOTAL (l)	Line No.
11	*	Diesel	2,138	621	847	1,276	2,271	328	381	300	179		8,341	11
12	*	Electric	0	0	0	0	0	0	0	0			0	12
13	*	Other self-powered units (steam)	2	0	0	0	0	0	0	0			2	13
14	*	TOTAL (lines 11 to 13)	2,140	621	847	1,276	2,271	328	381	300	179	0	8,343	14
15	*	Auxiliary units	98	0	3	4	0	0	0	0			105	15
16	* *	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	2,238	621	850	1,280	2,271	328	381	300	179	0	8,448	16

710. INVENTORY OF EQUIPMENT - Continued

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

Line No.	Cross Check	Type of design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year: Units installed: New units purchased or built (c)	Changes During the Year: Units installed: New units leased from others (d)	Changes During the Year: Units installed: Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	Changes During the Year: Units installed: All other units including reclassification and second hand units purchased or leased from others (f)	Units retired from service of respondent whether owned or or leased including reclassification (g)	Units at Close of Year: Owned and used (h)	Units at Close of Year: Leased from others (i)	Units at Close of Year: Total in service of respondent (col. (h)&(i) (j)	Units at Close of Year: Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Units at Close of Year: Leased to others (l)	Line No.
		PASSENGER-TRAIN CARS												
		Non-Self-Propelled												
17		Coaches (PA,PB, PBO)												17
		Combined cars												
18		(All class C, except CSB)												18
19		Parlor cars (PBC,PC,PL,PO)												19
20		Sleeping cars (PS,PT,PAS,PDS)												20
		Dining, grill and tavern cars												
21		(All class D, PD)												21
		Non-passenger-carrying cars												
22		(All Class B,CSB,M,PSA,IA)												22
23		TOTAL (lines 17 to 22)	0	0	0	0	0	0	0	0	0			23
		Self-Propelled												
24		Electric passenger cars (EP,ET)												24
25		Electric combined cars (EC)												25
		Internal combustion rail												
26		motorcars (ED, EG)												26
		Other self-propelled cars												
27		(Specify types)												27
28		TOTAL (lines 24 to 27)	0	0	0	0	0	0	0	0	0			28
29		TOTAL (lines 23 to 28)	0	0	0	0	0	0	0	0	0			29
		COMPANY SERVICE CARS												
30		Business car (PV)	76	0	0	0	0	3	73	0	73	N/A		30
31		Board outfit cars (MWX)	107	0	0	0	0	16	91	0	91	N/A		31
		Derrick and snow removal												
32		cars (MWU,MWV,MWW,MWK)	52	0	0	0	16	0	68	0	68	N/A		32
		Dump and ballast cars												
33		(MWB,MWD)	4,203	0	0	0	120	90	1,746	2,487	4,233	N/A		33
		Other maintenance and												
34		service equipment cars	3,378	0	0	0	168	44	3,247	255	3,502	N/A		34
35		TOTAL (lines 30 to 34)	7,816	0	0	0	304	153	5,225	2,742	7,967	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 (i). Units rented from others for a period less than one year should not be included in column (j).

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

Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year: Time-mileage cars (b)	Units in service of respondent at beginning of year: All others (c)	Changes during the year: Units installed: New units purchased or built (d)	Changes during the year: Units installed: New or rebuilt units leased from others (e)	Changes during the year: Units installed: Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	Changes during the year: Units installed: All other units including reclassification and second hand units purchased or leased from others (g)	Line No.
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1__, B2__)	0						36
37		Plain box cars - 50' longer (B3_0-7, B4_0-7, B5__, B6__, B7__, B8__)	79						37
38		Equipped box cars (All Code A, Except A_5_)	12,193						38
39		Plain gondola cars (All Codes, G & J__1,J__2,J__3,J__4)	4,537			578			39
40		Equipped gondola cars (All Code E)	9,243					99	40
41		Covered hopper cars (C__1, C__2, C__3, C__4)	35,437			2,010			41
42		Open top hopper cars--general service (All Code H)	15,414						42
43		Open top hopper cars--special service (J__0,J__5, J__6, J__7, J__8, J__9, and K)	3,233					85	43
44		Refrigerator cars – mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)	5,244						44
45		Refrigerator cars – non-mechanical (R_0_, R_1_, R_2_)	3,356						45
46		Flat cars – TOFC/COFC (All Code P, Q and S, Except Q8__)	495						46
47		Flat cars – multi-level (All Code V)	1,113			75			47
48		Flat cars – general service (F10_, F20_, F30_)	47						48
49		Flat cars -- other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6) (F_8_, F40_)	3,676					1	49
50		Tank cars – under 22,000 gallons (T__0, T__1, T__2, T__3, T__4, T__5)	9						50
51		Tank cars – 22,000 gallons and over (T__6, T__7, T__8, T__9)	193			7			51
52		All other freight cars (A_5_, F_7_, All Code L and Q8__)	15						52
53		TOTAL (lines 36 to 52)	94,284	0	0	2,670	0	185	53
54		Caboose (All Code M-930)	N/A	0				0	54
55		TOTAL (lines 53 and 54)	94,284	0	0	2,670	0	185	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.	Changes during the year (concluded) Units retired from service respondent whether owned or leased, including reclassification (h)	Units at Close of Year						Line No.
		Owned and used (i)	Leased from others (j)	Total in service of respondent col. (i) & (j) Time-mileage cars (k)	Total in service of respondent col. (i) & (j) All other (l)	Aggregate capacity of units reported in cols. (k) & (l) (see ins. 4) (m)	Leased to others (n)	
36		0	0	0		0		36
37	52	24	3	27		2,268		37
38	2,386	6,445	3,362	9,807		825,722		38
39	188	614	4,313	4,927		588,151		39
40	346	6,583	2,413	8,996		892,948		40
41	1,792	13,053	22,602	35,655		3,797,702		41
42	587	12,375	2,452	14,827		1,555,463		42
43	11	769	2,538	3,307		368,016		43
44	266	671	4,307	4,978		396,067		44
45	916	2,025	415	2,440		193,913		45
46	2	97	396	493		152,176		46
47	10	1,103	75	1,178		51,079		47
48	7	38	2	40		3,212		48
49	570	2,319	788	3,107		306,105		49
50	1	0	8	8		813		50
51		0	200	200		19,688		51
52		15	0	15		1,524		52
53	7,134	46,131	43,874	90,005	0	9,154,846	0	53
54	0	0	0	0		0		54
55	7,134	46,131	43,874	90,005	0	9,154,846	0	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.
					Units installed				
			Per diem (b)	All others (c)	New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units including reclassification and second hand units purchased or leased from others (g)	
56		FLOATING EQUIPMENT Self-propelled vessels (Tugboats, car ferries, etc.)							56
57		Non-self-propelled vessels (Car floats, lighters, etc.)							57
58		TOTAL (lines 56 and 57)							58
59		HIGHWAY REVENUE EQUIPMENT Chassis Z1__, Z67_, Z68_, Z69_	19,975						59
60		Dry van U2__, Z__, Z6_, 1-6							60
61		Flat bed U3__, Z3__							61
62		Open bed U4__, Z4__							62
63		Mechanical refrigerator U5__, Z5__							63
64		Bulk hopper U0__, Z0__							64
65		Insulated U7__, Z7__							65
66		Tank Z0__, U6__ (See Note)							66
67		Other trailer and container (Special equipped dry van U9__,Z8__,Z9__)	18,120			3,538			67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 and 69)	38,095	0	0	3,538	0	0	70

NOTES AND REMARKS

Note: Line 66 (Tank) must have fitting code "CN" to qualify as a 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	Changes during the year (Concluded)	Units at Close of Year						Line No.
					Total in service of respondent (col. (i) & (j)				
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used (i)	Leased from others (j)	Per diem (k)	All other (l)	Aggregate capacity of units reported in cols. (k) & (l) (see ins. 4) (m)	Leased to others (n)	
56									56
57									57
58									58
59		1,130		18,845	18,845		575,338		59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67		329		21,329	21,329		585,268		67
68									68
69									69
70		1,459		40,174	40,174		1,160,606		70

NOTES AND REMARKS

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 in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)	Line No.
1	**LOCOMOTIVES**					1
2	RP20SD	4	800	$2,897,698		2
3	C45ACCTE	75	15,750	158,328,750		3
4	SD70ACE	18	3,672	38,241,396		4
5						5
6	**FREIGHT CARS**					6
7	COVERED HOPPERS	110	3,410	7,464,600		7
8						8
9	**WORK EQUIPMENT**					9
10	WELDER PREP CAR	1	40	838,707		10
11	EQUIP RAMP CARS	3	117	642,780		11
12	CONVEYER HOPPER CARS	8	394	4,984,754		12
13	MODIFIED FLAT CAR	1	35	330,863		13
14	PRODUCTION UNDERCUTTER	1	107	4,692,792		14
15						15
16						16
17	**1/ 2/ TOTAL**	**221**	**N/A**	**218,422,340**		17
	REBUILT UNITS					
18	**LOCOMOTIVES**					18
19	GP40-2	25	3,350	6,189,558		19
20	GP15-1	10	1,340	2,475,820		20
21	MP15DC	10	1,340	2,475,820		21
22	MP15AC	8	1,072	1,980,656		22
23	GP39-2	3	402	742,746		23
24	SW1500	1	134	247,582		24
25	GP38-2	20	2,680	4,951,650		25
26	GP40-2M	4	536	990,328		26
27						27
28						28
29	**FREIGHT CARS**					29
30	OPEN TOP HOPPERS	520	16,739	24,350,201		30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40
41	**1/ 2/ TOTAL**	**601**	**N/A**	**44,404,361**		41
42						42
43	**1/ 2/ GRAND TOTAL**	**822**	**N/A**	**$262,826,701**	**N/A**	43

1/, 2/ See note on page 76.

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

1. For purposes of these schedules, the track categories are defined as follows:
   Track category (1)
   A - Freight density of 20 million or more gross ton miles per track mile per year (include passing tracks, turnouts and crossovers).

   B - Freight density of less than 20 million gross ton miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers).

   C - Freight density of less 5 million gross ton miles per track mile per year, but at least 1 million (include passing tracks, tumouts and crossovers).

   D - Freight density of less 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 it is dedicated entirely to passenger service, category F.

   Potential abandonments -- Route segments identified by railroads as potentially subject to abandonment as required by Section 10903 of the ICC Termination Act of 1995.

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)
1	A	19,986	52.46	N/A	903
2	B	6,123	11.85	N/A	559
3	C	2,676	3.06	N/A	148
4	D	5,523	0.17	N/A	29
5	E	8,828	N/A	N/A	N/A
6	TOTAL	43,136	26.20	N/A	1,639
7	F	6,219	N/A	N/A	N/A
8	Potential abandonments	228	N/A	N/A	N/A

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

N/A - Information is not available.

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 routing inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement considered to be spot maintenance.

4. In No. 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection , and the cost of handling ties in general supply storage and seasoning yards, and in the case of treating ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Line No.	Track category (a)	Number of crossties laid in replacement							Total (i)	Switch and bridge ties (board feed) (j)	Crossties switch and bridge ties Percent of spot maintenance (k)	Line No.
		New ties				Second-hand ties						
		Wooden				Wooden						
		Treated (b)	Untreated (c)	Concrete. (d)	Other (e)	Treated (f)	Untreated (g)	Other (h)				
1	A	2,600,354		264,571	81,774	1		99,260	3,045,960	4,597,192	N/A	1
2	B	1,007,684		102,526	31,689	0		38,465	1,180,364	1,781,495		2
3	C	143,416		14,592	4,510	0		5,474	167,992	253,546		3
4	D	22,645		2,304	712	0		864	26,525	40,034		4
5	E	0		0	0	0		0	0	0		5
6	TOTAL	3,774,099		383,993	118,685	1		144,063	4,420,841	6,672,267		6
7	F											7
8	Potential abandonment											8
9	Average cost per crosstie	$40.26	and switch tie (MBM)		$1,072.24							

** Concrete and steel switch ties are not included in column (j). In lieu of board measure, number of switch ties was 756 at an average cost of $326.89.

N/A - Information is not available.

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	105,960	$43.98	$4,660	256,725	$1,315.92	$338	New	1
2	T	1,000	$9.88	10				Secondhand	2
3	S	215,378	$76.00	16,368				Concrete	3
4	S				756	$326.89	247	Concrete -Reported per tie in lieu of board measure.	4
5	S							Steel	5
6	S							Steel -Reported per tie in lieu of board measure.	6
7	S							Plastic	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	322,338		$21,038	N/M		$585		20
21	Number of miles of new running tracks, crossovers, etc., in which ties were laid N/A.								21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid N/A.								22

723. RAILS LAID IN REPLACEMENT

1. Furnish the requested information concerning rails laid in replacement.

2. The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement considered to be spot maintenance.

3. In line 9, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule.

Line No.	Track category (a)	Miles of rail laid in replacement (rail miles)				Total		Percent of spot maintenance (h)	Line No.
		New rail		Relay rail		Welded rail (f)	Bolted rail (g)		
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)				
1	A	865.79	22.62	431.23	51.95	1,297.02	74.57	N/A	1
2	B	139.02	3.63	69.24	8.34	208.26	11.97	N/A	2
3	C	14.31	0.37	7.13	0.86	21.44	1.23	N/A	3
4	D	0.00	0.00	0.00	0.00	0.00	0.00	N/A	4
5	E	3.07	0.08	1.53	0.18	4.60	0.26	N/A	5
6	TOTAL	1,022.19	26.70	509.13	61.33	1,531.32	88.03	N/A	6
7	F							N/A	7
8	Potential abandonment							N/A	8
9	Average cost of new and relay rail laid in replacement per gross ton			New	$900	Relay	$314		9

N/A - Information is not available.

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, as well as train service in connection with the distribution of the rail should not be included in this schedule.

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY AND OTHER SWITCHING TRACKS				Line No.
		Weight of rail		Total cost of rail		Weight of rail		Total cost of rail		
		Pounds per yard of rail (b)	Number of tons (2,000 lbs.) (c)	applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lbs.) (e)	Pounds per yard of rail (f)	Number of tons (2,000 lbs.) (g)	applied in yard station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lbs.) (i)	
1	2	115	0	$0	$0	115	16	$17	$1,078	1
2	2	133	46	39	863	133	0	0	0	2
3	2	136	3,416	2,496	731	136	1,656	1,409	851	3
4	2	141	17,014	15,747	926	141	1,945	1,738	893	4
5										5
6										6
7	4	115	5	2	332	115	14	4	267	7
8	4	133	80	26	321	133	3,366	1,067	317	8
9	4	136	188	62	328	136	1,651	544	330	9
10	4	141	1	0	311	141	0	0	0	10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33	TOTAL	N/A	20,750	$18,372		N/A	8,648	$4,779		33
34	Number of miles new running tracks, passing tracks, cross-over, etc., in which rails were laid.									34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid.									35
36	Track-miles of welded rail installed on system this year N/A; total to date N/A.									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.
	Pounds				
1					1
2	141	2,364			2
3	140	10			3
4	136	8,778			4
5	133	10,556			5
6	132	843			6
7	131	505			7
8	130	6			8
9	128	5			9
10	127	1			10
11	119	1,504			11
12	115	2,732			12
13	113	466			13
14	112	1,882			14
15	110	145			15
16	106	4			16
17	100	321			17
18	90	462			18
19	85	111			19
20	80	64			20
21	75	36			21
22	72	22			22
23	70	10			23
24	65	0			24
25	60	1			25
26	Under 60	0			26
27					27
28	TOTAL	30,828			28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46

726. SUMMARY OF TRACK REPLACEMENTS

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

Line No.	Track category (a)	Ties				Rail		Ballast	Track surfacing		Line No.
		Number of ties replaced		Percent replaced							
		Crossties (b)	Switch and bridge ties (board feet) (c)	Crossties (d)	Switch and bridge ties (board feet) (e)	Miles of rail replaced (rail-miles) (f)	Percent replaced (g)	Cubic yards of ballast placed (h)	Miles surfaced (i)	Percent surfaced (j)	
1	A	3,045,960	4,597,192	5.8%	N/A	1,371.59	3.4%	2,652,904	9,566	47.9%	1
2	B	1,180,364	1,781,495	7.3%	N/A	220.23	1.8%	714,240	1,479	24.2%	2
3	C	167,992	253,546	2.4%	N/A	22.67	0.4%	110,318	193	7.2%	3
4	D	26,525	40,034	0.2%	N/A	0.00	0.0%	48,619	100	1.8%	4
5	E	0		0.0%	N/A	4.86	0.0%	107,498	31	0.4%	5
6	TOTAL	4,420,841	6,672,267	3.9%	N/A	1,619.35	1.9%	3,633,579	11,369	26.4%	6
7	F										7
8	Potential abandonments										8

750. CONSUMPTION OF DIESEL FUEL
(Dollars in Thousands)

LOCOMOTIVES			
		Diesel	
Line No.	Kind of locomotive service (a)	Diesel oil (gallons) (b)	Line No.
1	Freight	1,086,893,081	1
2	Passenger	10,510,591	2
3	Yard switching	143,470,336	3
4	TOTAL	1,240,874,008	4
5	COST OF FUEL $(000) *	$3,878,774,252	5
6	Work Train	8,097,407	6

* Show cost of fuel charged to train and yard service (function 67-Loco. Fuels). The cost stated for diesel fuel should be the total charges in the accounts specified, including freight charges and handling expenses. Fuel consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed special trains predominantly passenger, the fuel should be included in passenger service.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

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

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

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

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

(D) A locomotive is a 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 units-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-units.

(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) A car-mile is a movement of a unit of car equipment a distance of 1 mile. Use car designations shown in Schedule 710. Under Railroad Owned and Leased Cars, Items 4-01 and 4-11, report both foreign cars and respondent's own cars while on the line of the respondent railroad. In Items 4-13 and 4-15, report private-line cars and shipper-owned cars. Loaded and empty miles should be reported whether or not the railroad reimbursed the owner on a loaded and/or empty miles basis. Report miles made by flatcars carrying empty highway trailers that are not moving under revenue billings as empty freight car-miles. Do not report miles made by motorcars or business cars.

(I) Exclude from Item 4-01, 4-11, 4-13, and 4-15 car-miles of work equipment, cars carrying company freight and non-revenue private line cars moving in transportation trains. Include such car-miles in Item 4-17, 4-18, and 4-19. If private line cars move in revenue service, the loaded and empty miles should not be considered no-payment or non-revenue car-miles.

(J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where 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 other 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 1.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.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755 - Concluded

(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.

(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 from 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 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 lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

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

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroads' expense. (Performed at railroads' 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 trailers/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 to perform that service. Note: The count should reflect the trailers/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 refer 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 en route to shop, and cars stored awaiting disposition.

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

(U) Flat-TOFC/COFC Car-miles reported in lines 25 (4-020), 41 ($-120), 57 (4-140), and 75 (4-160) will be computed using cars rather than constructed container platforms. For example, an articulated car consisting of five platforms moved one mile will be counted as one car-mile, and not five car-miles.

(V) The intermodal Load Factor reported on Line 134 will be caluculated for the average number of intermodal (TOFC/COFC) units loaded on the average intermodal car. Units are to be calculated in the same manner as Line 123 (13 TOFC/COFC-No. of Revenue Trailers & Containers Loaded and Unloaded (Q)). Intermodal cars will be calculated in accordance with instruction U for reporting Flat-TOFC/COFC Car-miles. Both intermodal (TOFC/COFC) units and intermodal cars are to be calculated using actual units and not constructed intermodal (TOFC/COFC) units or cars.

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	(2) Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	32,012		1
		2. Train Miles - Running (B)			
2		2-01 Unit Trains	48,075,379	XXXXXX	2
3		2-02 Way Trains	7,102,777	XXXXXX	3
4		2-03 Through Trains	100,462,084	0	4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	155,640,240	0	5
6		2-05 Motorcars (C)	0	0	6
7		2-07 TOTAL ALL TRAINS (lines 5 and 6)	155,640,240	0	7
		3. Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	146,645,942	XXXXXX	8
9		3-02 Way Trains	15,566,170	XXXXXX	9
10		3-03 Through Trains	288,494,483	0	10
11		3-04 TOTAL (lines 8-10)	450,706,595	0	11
12		3-11 Train Switching (F)	17,625,984	XXXXXX	12
13		3-21 Yard Switching (G)	26,552,496	0	13
14		3-31 TOTAL ALL SERVICES (line 11-13)	494,885,075	0	14
		4. Freight Car-Miles (thousands) (H)			
		4-01 RR Owned and Leased Cars - Loaded			
15		4-010 Box-Plain 40-Foot	0	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	11,337	XXXXXX	16
17		4-012 Box-Equipped	288,631	XXXXXX	17
18		4-013 Gondola-Plain	256,870	XXXXXX	18
19		4-014 Gondola-Equipped	129,060	XXXXXX	19
20		4-015 Hopper-Covered	420,735	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	266,189	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	146,381	XXXXXX	22
23		4-018 Refrigerator-Mechanical	81,669	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	32,747	XXXXXX	24
25		4-020 Flat-TOFC/COFC	881,217	XXXXXX	25
26		4-021 Flat-Multi-Level	50,054	XXXXXX	26
27		4-022 Flat-General Service	463	XXXXXX	27
28		4-023 Flat-All Other	106,862	XXXXXX	28
29		4-024 All Other Car Types-Total	14,273	XXXXXX	29
30		4-025 TOTAL (Lines 15-29)	2,686,488	XXXXXX	30

755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	(2) Passenger train (c)	Line No.
		4-11 RR Owned and Leased Cars - Empty			
31		4-110 Box-Plain 40-Foot	0	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	10,425	XXXXXX	32
33		4-112 Box-Equipped	234,915	XXXXXX	33
34		4-113 Gondola-Plain	256,786	XXXXXX	34
35		4-114 Gondola-Equipped	121,035	XXXXXX	35
36		4-115 Hopper-Covered	440,504	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	274,091	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	148,047	XXXXXX	38
39		4-118 Refrigerator-Mechanical	55,144	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	32,921	XXXXXX	40
41		4-120 Flat-TOFC/COFC	50,375	XXXXXX	41
42		4-121 Flat-Multi-Level	19,120	XXXXXX	42
43		4-122 Flat-General Service	480	XXXXXX	43
44		4-123 Flat-All Other	104,812	XXXXXX	44
45		4-124 All Other Car Types	1,852	XXXXXX	45
46		4-125 TOTAL (Lines 31-45)	1,750,507	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)			
47		4-130 Box-Plain 40-Foot	0	XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	29,759	XXXXXX	48
49		4-132 Box-Equipped	65,346	XXXXXX	49
50		4-133 Gondola-Plain	883,155	XXXXXX	50
51		4-134 Gondola-Equipped	24,947	XXXXXX	51
52		4-135 Hopper-Covered	759,453	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	31,169	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	427,951	XXXXXX	54
55		4-138 Refrigerator-Mechanical	7,920	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	3,175	XXXXXX	56
57		4-140 Flat-TOFC/COFC	279,535	XXXXXX	57
58		4-141 Flat-Multi-Level	448,759	XXXXXX	58
59		4-142 Flat-General Service	194	XXXXXX	59
60		4-143 Flat-All Other	95,289	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	149,249	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	332,019	XXXXXX	62
63		4-146 All Other Car Types	2,966	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	3,540,886	XXXXXX	64

755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	(2) Passenger train (c)	Line No.
		4-15 Private Line Cars - Empty (H)	XXXXXX	XXXXXX	
65		4-150 Box-Plain 40-Foot	0	XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	11,237	XXXXXX	66
67		4-152 Box-Equipped	38,603	XXXXXX	67
68		4-153 Gondola-Plain	1,146,237	XXXXXX	68
69		4-154 Gondola-Equipped	23,785	XXXXXX	69
70		4-155 Hopper-Covered	769,346	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	32,408	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	476,190	XXXXXX	72
73		4-158 Refrigerator-Mechanical	10,933	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	3,253	XXXXXX	74
75		4-160 Flat-TOFC/COFC	128,212	XXXXXX	75
76		4-161 Flat-Multi-Level	146,740	XXXXXX	76
77		4-162 Flat-General Service	147	XXXXXX	77
78		4-163 Flat-All Other	89,793	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	161,191	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	356,662	XXXXXX	80
81		4-166 All Other Car Types	4,138	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	3,398,875	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	42,905	XXXXXX	83
84		4-18 No Payment Car-Miles (I) (1)	2,208,169	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)			
85		4-191 Unit Trains	5,579,064	XXXXXX	85
86		4-192 Way Trains	181,314	XXXXXX	86
87		4-193 Through Trains	7,867,452	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	13,627,830	XXXXXX	88
89		4-20 Caboose Miles	50	XXXXXX	89

(1) Total number of loaded miles 0 and empty miles 0 by roadrailer reported above.

(2) As in prior years, the passenger statistics exclude results from commuter operations.

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

755. RAILROAD OPERATING STATISTICS - Concluded

Line No.	Cross Check	Item description (a)	Freight train (b)	(2) Passenger train (c)	Line No.
		6. Gross Ton-Miles (thousands) (K)			
98		6-01 Road Locomotives	91,279,456	XXXXXX	98
		6-02 Freight Trains, Cars, Cnts., and Caboose			
99		6-020 Unit Trains	460,486,521	XXXXXX	99
100		6-021 Way Trains	13,718,269	XXXXXX	100
101		6-022 Through Trains	546,165,562	XXXXXX	101
102		6-03 Passenger-Trains, Cars, and Cnts.		0	102
103		6-04 Non-Revenue	7,358,603	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	1,119,008,411	0	104
		7. Tons of Freight (thousands)			
105		7-01 Revenue	600,820	XXXXXX	105
106		7-02 Non-Revenue	10,501	XXXXXX	106
107		7-03 TOTAL (lines 105 and 106)	611,321	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)			
108		8-01 Revenue-Road Service	562,629,694	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service	0	XXXXXX	109
110		8-03 TOTAL (lines 108, 109)	562,629,694	XXXXXX	110
111		8-04 Non-Revenue-Road Service	5,187,410	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service	0	XXXXXX	112
113		8-06 TOTAL (lines 111 and 112)	5,187,410	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110 and 113)	567,817,104	XXXXXX	114
		9. Train Hours (M)			
115		9-01 Road Service	7,132,254	XXXXXX	115
116		9-02 Train Switching	1,546,802	XXXXXX	116
117		10. TOTAL YARD-SWITCHING HOURS (N)	2,620,510	XXXXXX	117
		11. Train-Miles Work Trains (O)			
118		11-01 Locomotives	2,196,921	XXXXXX	118
119		11-02 Motorcars	0	XXXXXX	119
		12. Number of Loaded Freight Cars (P)			
120		12-01 Unit Trains	3,201,229	XXXXXX	120
121		12-02 Way Trains	3,037,878	XXXXXX	121
122		12-03 Through Trains	9,207,507	XXXXXX	122
123		13. TOFC/COFC-No. of Rev. Trailers and Containers Loaded and Unloaded (Q)	5,885,006	XXXXXX	123
124		14. Multi-Level Cars-No. of Motor Vehicles Loaded and Unloaded (Q)	3,320,971	XXXXXX	124
125		15. TOFC/COFC-No. of Rev. Trailers Picked Up and Delivered (R)	123,003	XXXXXX	125
		16. Revenue Tons-Marine Terminal (S)			
126		16-01 Marine Terminals-Coal	0	XXXXXX	126
127		16-02 Marine Terminals-Ore	0	XXXXXX	127
128		16-03 Marine Terminals-Other	0	XXXXXX	128
129		16-04 TOTAL (lines 126-128)	0	XXXXXX	129
		17. Number of Foreign Per Diem Cars on Line (T)			
130		17-01 Serviceable	41,081	XXXXXX	130
131		17-02 Unserviceable		XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	41,081	XXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	5.2	XXXXXX	134

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 over the accounting of the respondent)

State of Nebraska
County of Douglas

Jeffrey P. Totusek (Insert here name of the affiant) makes oath and says that he (she) is Chief Accounting Officer and Controller (Insert here the official title of the affiant)

Of Union Pacific Railroad Company
(Insert here the exact legal title or name of the respondent)

that it is his or her 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 or she knows that such books have been kept in good faith during the period covered by this report; that he or she knows that the entries contained in this report relate to accounting matters that have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroad Companies and other accounting and reporting directives of the Surface Transportation Board; that he or she 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, 2008 to and including December 31, 2008

Jeffrey P. Totusek
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 30 day of March 20 09.

My commission expires 9-2-11

GENERAL NOTARY - State of Nebraska
BEVERLY A. MEEKS
My Comm. Exp. Sept. 2, 2011

Beverly A. Meeks
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Nebraska
County of Douglas

James R. Young (Insert here name of the affiant) makes oath and says that he (she) is Chairman, President and Chief Executive Officer (Insert here the official title of the affiant)

Of Union Pacific Railroad Company
(Insert here the exact legal title or name of the respondent)

that he or she has carefully examined the foregoing report; that he or she 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, 2008, to and including December 31, 2008

James R Young
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 30 day of March, 20 09.

My commission expires 9-2-11

GENERAL NOTARY - State of Nebraska
BEVERLY A. MEEKS
My Comm. Exp. Sept. 2, 2011

Beverly A. Meeks
(Signature of officer authorized to administer oaths)

MEMORANDA
(FOR USE OF BOARD ONLY)
CORRESPONDENCE

Office Addressed		Date of Letter, Fax or Telegram of			Subject	Answer Needed	Answer			
							Date of Letter, Fax, or Telegram			File number of Letter, Fax or Telegram
Name	Title	Month	Day	Year	Page		Month	Day	Year	

CORRECTIONS

Date Correction			Page	Date of Letter, Fax or Telegram of			Authority		Board File Number	Clerk Making Correction Name
							Officer sending letter, fax or telegram			
Month	Day	Year		Month	Day	Year	Name	Title		

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515. RAILS LAID IN REPLACEMENT

Give particulars of all rails applied during the year in connection with replacement of rails in previously constructed tracks maintained by the respondent. 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.

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 reckoned as one.

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 rails should not be included in this schedule. In these columns, "total costs" is to be reported in thousands.

The sum of entries on lines 22, 23 and 24 should equal the total of columns (d) and (h).

Any material difference between the return on line 23 and the charge to operating expense account No. 214 or between the sum of charges to additions and betterments shown in schedules Nos. 515 and 516 and the related charge to investment account No. 9 should be explained in a footnote.

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY AND OTHER SWITCHING TRACKS			
		WEIGHT OF RAIL		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lbs.) (e)	WEIGHT OF RAIL		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lbs.) (i)
		Pounds per yard of rail (b)	Number of tons (2,000 lbs.) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lbs.) (g)		
1									
2	2	115	438	$358	$818	115	599	$239	$399
3	2	133	293	240	$819	133	110	92	$833
4	2	136	63,482	55,317	$871	136	3,616	2,915	$806
5	2	141	58,081	53,518	$921	141	1,190	1,055	$887
6									
7									
8	4	90	277	76	$273	90	0	0	$0
9	4	100	0	0	0	100	530	140	$265
10	4	112	2,930	394	$135	112	965	318	$330
11	4	115	1,856	511	$275	115	425	143	$337
12	4	119	616	201	$327	119	1,364	446	$327
13	4	133	10,784	3,424	$317	133	13,147	4,228	$322
14	4	136	22,462	7,357	$328	136	10,636	3,211	$302
15	4	141	691	222	$321	141	0	0	$0
16									
17									
18									
19									
20	Total	XXXX	161,910	$121,618		XXXX	32,582	$12,787	

(Dollars in thousands)

21 Number of tons (2,000 lbs.) of relayers and scrap rail taken up _____.
22 Salvage value of rails released _____.
23 Amount chargeable to operating expenses _____.
24 Amount chargeable to additions and betterments _____.
25 Miles of new rails laid in replacement (all classes of tracks) +_____ *(rail-miles)*.
26 Miles of new and second-hand rails laid in replacement (all classes of tracks): #_____ *(rail-miles)*.
27 Average weight per yard of new rails laid replacement (running, passing, and cross-over tracks, etc.) * _____ (pounds).
28 Tons of rail sold as scrap and amount received _____ (tons of 2,000 lbs). $ _____.
29 Track-miles of welded rail installed this year N/A, total to date N/A.

\+ *Classes 1, 2 and 3 rails*. -- Reduce tonnage in columns (c) and (g) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in all classes of tracks; divide the total number of yards of new rails laid in all classes of tracks by 1,760; state the quotient with two decimal places.

\# *Classs 1, 2, 3 and 4 rails*. -- Reduce tonnage in columns (c) and (g) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new and second-hand rail laid in all classes of tracks; divide the total number of yards of new and second-hand rails laid in all classes of tracks by 1,760; state the quotient with two decimal places.

* *Classes 1, 2 and 3 rails*. -- Reduce tonnage in column (c) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in running, passing, and cross-over tracks, etc.; divide the total number of pounds of new rails laid in running tracks, etc., by the total number of yards of new rails laid in such tracks.