

FOR STB USE ONLY					FORM CBS	QUARTER				YEAR 2011	SURFACE TRANSPORTATION BOARD QUARTERLY CONDENSED BALANCE SHEET RAILROADS			
						1st	2nd	3rd	4th					
FULL NAME AND ADDRESS OF REPORTING RAILROAD (If a system report, names of all operating roads included should be shown under (REMARKS))														
25 000 352 Kansas City 10 134500														
Kansas City Southern Railway & Controlled Companies														
427 West 12th Street, P. O. Box 219335														
Kansas City, Missouri 64121-9335														
DESCRIPTIONS (a)										CODE NO.	BALANCE AT END OF QUARTER			
											THIS YEAR (b)	LAST YEAR (c)		
ASSETS														
Cash (Account 701)										1	32,573	16,144		
Temporary cash investments and Special Deposits (Accounts 702 and 703)										2	0	264		
Accounts Receivable (Accounts 704 - 709.5)										3	298,299	292,010		
Prepayments and working funds (Accounts 710, 711, and 714)										4	40,853	76,756		
Materials and supplies (Account 712)										5	76,433	67,899		
Other current assets (Account 713)										6	0	0		
Total Current Assets										7	448,158	453,073		
Special funds and other investments and advances (Accts. 715 - 717 & 722 - 724)										8	18,572	33,987		
Investments and advances: affiliated companies (Accounts 721, 721.9)										9	34,366	39,081		
Transportation property - net (Accounts 731 - 736)										10	2,600,646	2,451,513		
Property used in other than carrier operations (Accounts 737 and 738)										11	14,230	15,257		
Other assets and deferred debits (Accounts 739, 741, 743, and 744)										12	51,586	42,476		
Total Assets										13	3,167,558	3,035,387		
LIABILITIES														
Current liabilities (Accounts 751 - 761.5, 762, 763, and 764)										14	541,961	491,183		
Long term debt due after one year (Accounts 765 - 770.2)										15	1,245,818	1,307,584		
Deferred revenues - Transfers from governmental authorities (Account 783)										16	0	0		
Accumulated deferred income tax credits (Account 786)										17	572,748	520,698		
Other liabilities and deferred credits (Accts. 771, 772, 774, 775, 781, 782 and 784)										18	120,694	132,651		
Total Liabilities										19	2,481,221	2,452,116		
SHAREHOLDERS EQUITY														
Capital stock (Accounts 791 - 793)										20	57,514	57,514		
Additional capital (Accounts 794 and 795)										21	505,004	502,579		
Retained earnings (Accounts 797, 798, and 798.1)										22	126,007	20,650		
Less: Treasury stock (Account 798.5)										23	3,787	3,787		
Equity in undistributed earnings (losses) of affiliated companies										24	1,599	6,315		
Total Shareholders Equity										25	686,337	583,271		
Total Liabilities and Shareholders Equity										26	3,167,558	3,035,387		
GROSS EXPENDITURES FOR ADDITIONS AND BETTERMENTS (Accounts 731 and 732)				FIGURES FOR THE QUARTER			CUMULATIVE FIGURES							
				THIS YEAR (a)	LAST YEAR (b)		THIS YEAR (c)	LAST YEAR (d)						
Road				44,594	34,321	27	44,594	34,321						
Equipment				6,764	3,351	28	6,764	3,351						
Total				51,358	37,672	29	51,358	37,672						
							FIGURES FOR QUARTER	CUMULATIVE FIGURES						
							19,166,510	19,166,510						
No. of Revenue Tons Carried						30	19,166,510	19,166,510						
No. of Revenue Tons Carried One Mile (thousands)						31	7,690,550	7,690,550						

INSTRUCTIONS

1. Under order of the Board, Class I railroads, excluding switching and terminal companies, are required to file quarterly reports of balance sheet items, Form CBS, in duplicate, in the Bureau of Accounts, Surface Transportation Board, Washington, D.C. 20423, within 30 days after the close of each quarter. Reports should be prepared on a calendar quarter basis beginning with the first day of January, April, July, and October.
2. The items reported on Form CBS should be taken from and agree with the accounts kept in conformity with current Uniform System of Accounts for Railroad Companies prescribed by the Surface Transportation Board. Report undistributed earnings from certain investments in account 721, in accordance with Docket No. 35949. The Equity Method of Accounting for Certain Long-Term Investments in Common Stocks. The account numbers refer to the accounts in the Uniform System of Accounts. Reverse items should be shown in parentheses. Dollar amounts should be shown in Thousands.
3. Unusual transactions or items which reflect an important change in the financial condition of the carrier should be identified and explained in a footnote under "Remarks."
4. The certification must be completed by an officer of the carrier.

It is estimated that an average of 6 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Section of Administrative Services, Surface Transportation Board and the Office of Information and Regulatory Affairs, Office of Management and Budget.

REMARKS

Operating Companies Included in Report:
Kansas City Southern Railway Company
Gateway Eastern Railway Company
Texas Mexican Railway Company
Meridian Speedway LLC
Trans-Serve, Inc. d/b/a Superior Tie and Timber

I, THE UNDERSIGNED, **Mary K. Stadler, Senior Vice President and Chief Accounting Officer** of
(Name and Title of officer in charge of accounts)
 the **KANSAS CITY SOUTHERN RAILWAY & CONTROLLED COMPANIES** state
(Full name of reporting company)

that this report was prepared by me or under my supervision; that I have carefully examined it; and on the basis of my knowledge, belief, and verification (where necessary) declare it to be a full, true, and correct statement of the balance sheet accounts named, and that the various items here reported were determined in accordance with effective rules promulgated by the Surface Transportation Board.

Signature _____

Telephone Number **(816) 983 - 1371**
(Area Code) (Number)

Date **April 27, 2011**