

SURFACE TRANSPORTATION BOARD Washington, D.C. 20423				SURFACE TRANSPORTATION BOARD QUARTERLY REPORT OF REVENUES, EXPENSES AND INCOME-RAILROADS				
FOR STB USE ONLY		FORM	QUARTER				YEAR	
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		R E & I	1st	2nd	3rd	4th	2011	
			<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
FULL NAME AND ADDRESS OF REPORTING RAILROAD				125 000 352 Kansas City 10 134500				
The Kansas City Southern Railway & Controlled Companies 427 West 12th Street, P. O. Box 219335 Kansas City, Missouri 64121-9335								
Show dollar amount in thousands.								
DESCRIPTIONS (A)			Code No.	FIGURES FOR THE QUARTER		CUMULATIVE FIGURES		
				THIS YEAR (B)	LAST YEAR (C)	THIS YEAR (D)	LAST YEAR (E)	
Operating Revenues	Freight (Account 101)			1	287,019	241,164	819,920	716,613
	Passenger (Account 102)			2				
	Passenger - Related (Account 103)			3				
	All other operating revenues (Accounts 104, 105, 106, 110, 502, 503)			4	13,171	11,418	36,891	34,159
	Joint Facility Account (Account 120)			5				
	RAILWAY OPERATING REVENUES (All above)			6	300,190	252,582	856,811	750,772
Operating Expenses	Depreciation - Road (Accounts 62-11-00, 62-12-00, 62-13-00)			7	18,841	17,476	56,121	52,231
	All other way and structures accounts			8	28,236	20,500	71,329	62,112
	Total way and structures			9	47,077	37,976	127,450	114,343
	Depreciation - Equipment (Accounts 62-21-00, 62-22-00, 62-23-00)			10	7,546	5,765	22,119	17,235
	All other equipment accounts			11	40,171	33,669	113,110	105,093
	Total equipment			12	47,717	39,434	135,229	122,328
	Transportation - Train, Yard and Train and Yard Common			13	100,047	82,616	292,526	241,029
	Transportation - Specialized Services, Administrative Support			14	3,360	3,247	10,205	8,910
	General and Administrative			15	14,188	24,607	70,960	78,001
	RAILWAY OPERATING EXPENSES (Account 531)			16	212,389	187,880	636,370	564,611
Income Items	*NET REVENUE FROM RAILWAY OPERATIONS (Lines 6 minus 16)			17	87,801	64,702	220,441	186,161
	Other Income (Accounts 506, 510-519)			18	1,175	2,963	3,115	7,282
	Income from affiliated companies:							
	Dividends			19	-	-	2,853	8,000
	Equity in undistributed earnings (losses)			20	637	861	(622)	(1,979)
	TOTAL INCOME FROM AFFILIATED COMPANIES			21	637	861	2,231	6,021
	Miscellaneous deductions from income (Accounts 534, 535, 543, 544, 545, 549-551, and 553)			22	(50)	30	138	127
INCOME AVAILABLE FOR FIXED CHARGES (Lines 17, 18, 21 minus 22)			23	89,663	68,496	225,649	199,337	
Fixed Charges	Interest on funded debt (Accounts 546a, 546b)			24	21,051	23,520	65,612	75,246
	Interest on unfunded debt (Account 547)			25	40	23	148	167
	Amortization of discount on funded debt (Account 548)			26	4,484	776	6,040	18,200
	TOTAL FIXED CHARGES			27	25,575	24,319	71,800	93,613
Income Items	INCOME AFTER FIXED CHARGES			28	64,088	44,177	153,849	105,724
	Other deductions (Account 546c)			29	-	-	-	-

Show all figures to the nearest WHOLE number without cents, decimals or fractions, in ALL COLUMNS. DESCRIPTIONS (A)		Code No.	FIGURES FOR THE QUARTER		CUMULATIVE FIGURES																																				
			THIS YEAR (B)	LAST YEAR (C)	THIS YEAR (D)	LAST YEAR (E)																																			
Income Items - Continued	Unusual or infrequent items (Debit)Credit (Account 555)	30	-	-	-	-																																			
	INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	31	64,088	44,177	153,849	105,724																																			
	Income taxes on ordinary income (Account 556)	32	135	(16)	409	(34)																																			
	Provision for deferred income taxes (Account 557)	33	24,109	17,189	57,111	41,742																																			
	INCOME FROM CONTINUING OPERATIONS	34	39,844	27,004	96,329	64,016																																			
	Income or loss from operations of discontinued segments (Less applicable income taxes of \$) (Account 560)	35	-	-	-	-																																			
	Gain or loss on disposal of discontinued segments (Less applicable income taxes of \$) (Account 562)	36	-	-	-	-																																			
	INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS	37	39,844	27,004	96,329	64,016																																			
	Extraordinary items (net) (Account 570)	38	-	-	-	-																																			
	Income taxes on Extraordinary Items (Account 590)	39	-	-	-	-																																			
	Provisions for deferred taxes - Extraordinary Items (Account 591)	40	-	-	-	-																																			
	Cumulative effect of changes in accounting principles (Less applicable income taxes of \$) (Account 592)	41	-	-	-	-																																			
	NET INCOME	42	39,844	27,004	96,329	64,016																																			
	Dividends on common stock (Account 623)	43	-	-	-	-																																			
	Dividends on preferred stock (Account 623)	44	-	-	-	-																																			
Ratios	Expenses to revenues	45	70.8%	74.4%	74.3%	75.2%																																			
	Total maintenance to revenues	46	31.6%	30.6%	30.7%	31.5%																																			
	Transportation to revenues	47	34.4%	34.0%	35.3%	33.3%																																			
STB USE ONLY	<p>*NOTE: Reconciliation of Net Railway Operating Income (NROI)</p> <table border="1"> <thead> <tr> <th></th> <th>\$87,801</th> <th>\$64,702</th> <th>\$220,441</th> <th>\$186,161</th> </tr> </thead> <tbody> <tr> <td>Net Revenues from Railway Operations</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(556) Income Taxes on Ordinary Income</td> <td>(135)</td> <td>16</td> <td>(409)</td> <td>34</td> </tr> <tr> <td>(557) Provision for Deferred Income Taxes</td> <td>(24,109)</td> <td>(17,189)</td> <td>(57,111)</td> <td>(41,742)</td> </tr> <tr> <td>** Income from Lease of Road and Equipment</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>** Rent for Leased Roads and Equipment</td> <td>2</td> <td>63</td> <td>127</td> <td>191</td> </tr> <tr> <td>NET RAILWAY OPERATING INCOME</td> <td>63,559</td> <td>47,592</td> <td>163,048</td> <td>144,644</td> </tr> </tbody> </table>							\$87,801	\$64,702	\$220,441	\$186,161	Net Revenues from Railway Operations					(556) Income Taxes on Ordinary Income	(135)	16	(409)	34	(557) Provision for Deferred Income Taxes	(24,109)	(17,189)	(57,111)	(41,742)	** Income from Lease of Road and Equipment	0	0	0	0	** Rent for Leased Roads and Equipment	2	63	127	191	NET RAILWAY OPERATING INCOME	63,559	47,592	163,048	144,644
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<p>I, THE UNDERSIGNED <u>Mary K. Stadler, Senior VP and Chief Accounting Officer</u> of <u>THE KANSAS CITY SOUTHERN RAILWAY & CONTROLLED COMPANIES</u> <small>(Name and Title of Officer in charge of accounts)</small> <small>(Full name of reporting company)</small></p> <p>state 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) I declare it to be a full, true, and correct statement of the revenue, expense and income accounts named, and that the various items here reported were determined in accordance with effective rules promulgated by the Surface Transportation Board.</p>																																									
Date	<u>OCTOBER 28, 2011</u>		Signature																																						
			Telephone Number	<u>(816) 983 - 1371</u>																																					
				<small>(Area code)</small>	<small>(Number)</small>																																				