

SECOND QUARTER 2015

Quarterly Financial Review



Finance Department
Three Commercial Place
Norfolk, Virginia 23510.2191

Norfolk Southern Railway System



Contents

Consolidated Statements of Income.....	2
Consolidated Balance Sheets.....	4
Consolidated Statements of Cash Flows.....	5
Consolidated Financial Information.....	6
Railway Operating Revenues Analysis.....	8
Monthly Railway Units.....	9
Railway Operating Revenues Variance Analysis.....	10
Coal Tonnage by Market.....	10
Railway Operating Expenses Variance Analysis.....	11
Compensation and Benefits Expense Analysis.....	12
Fuel Expense Analysis.....	12
Other Income — Net Analysis.....	13
Productivity Measures.....	14
Financial, Traffic and Operating Statistics:	
Consolidated Financial Data.....	16
Traffic and Operating Statistics.....	18

Investor Inquiries: Katie U. Cook..... (757) 629-2861

The accompanying unaudited financial information and summary of certain notes to the consolidated financial statements should be read in conjunction with: (a) the consolidated financial statements and notes included in Norfolk Southern Corporation's (NS, we, us and our) latest Annual Report on Form 10-K and in subsequent Quarterly Reports on Form 10-Q, and (b) any Current Reports on Form 8-K.

Any statements contained in this document which are not related to historical facts are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995, and NS undertakes no obligation to update such statements. Such forward-looking statements are subject to risks and uncertainties (the most significant of which are described in our SEC filings) which could cause actual results to differ materially.

Consolidated Statements of Income

Second Quarter

(in millions, except per share amounts)

	2015	2014
Railway operating revenues		
Coal	\$ 453	\$ 672
General merchandise	1,627	1,720
Intermodal	633	650
Total railway operating revenues	2,713	3,042
Railway operating expenses		
Compensation and benefits	724	715
Purchased services and rents	438	414
Fuel	255	408
Depreciation	247	238
Materials and other	235	248
Total railway operating expenses	1,899	2,023
Income from railway operations	814	1,019
Other income — net	19	18
Interest expense on debt	134	139
Income before income taxes	699	898
Provision for income taxes		
Current	243	311
Deferred	23	25
Total income taxes	266	336
Net income	\$ 433	\$ 562
Earnings per share		
Basic	\$ 1.43	\$ 1.81
Diluted	1.41	1.79
Weighted average shares outstanding (note 1)		
Basic	302.9	309.5
Diluted	305.5	312.8

Notes

1. Stock Repurchase Program

We repurchased 7.4 million and 1.0 million shares of common stock in the first six months of 2015 and 2014, respectively, at a cost of \$765 million and \$100 million, respectively. We have remaining authorization from our Board of Directors to repurchase up to 27.8 million shares through December 31, 2017. The timing and volume of purchases is guided by our assessment of market conditions and other pertinent factors. Any near-term share repurchases are expected to be made with internally generated cash, cash on hand, or proceeds from borrowings. Since the beginning of 2006, we have repurchased and retired 147.2 million shares at a total cost of \$9.2 billion.

Consolidated Statements of Income

First Six Months
(in millions, except per share amounts)

	2015	2014
Railway operating revenues		
Coal	\$ 908	\$ 1,213
General merchandise	3,147	3,272
Intermodal	1,225	1,246
Total railway operating revenues	5,280	5,731
Railway operating expenses		
Compensation and benefits	1,507	1,455
Purchased services and rents	861	806
Fuel	519	840
Depreciation	492	475
Materials and other	481	469
Total railway operating expenses	3,860	4,045
Income from railway operations	1,420	1,686
Other income — net	40	44
Interest expense on debt	266	278
Income before income taxes	1,194	1,452
Provision for income taxes		
Current	416	505
Deferred	35	17
Total income taxes	451	522
Net income	\$ 743	\$ 930
Earnings per share		
Basic	\$ 2.43	\$ 2.99
Diluted	2.41	2.97
Weighted average shares outstanding (note 1)		
Basic	304.8	309.5
Diluted	307.5	312.7

Consolidated Balance Sheets

	June 30,	December 31,	
	(\$ in millions)		
	2015	2014	Notes
Assets			
Current assets:			
Cash and cash equivalents	\$ 889	\$ 973	
Accounts receivable — net	1,055	1,055	
Materials and supplies	277	236	
Deferred income taxes	125	167	
Other current assets	67	347	
Total current assets	2,413	2,778	
Investments	2,724	2,679	
Properties less accumulated depreciation of \$11,188 and \$10,814, respectively	28,075	27,694	
Other assets (note 2)	98	49	
Total assets	\$ 33,310	\$ 33,200	
Liabilities and stockholders' equity			
Current liabilities:			
Accounts payable	\$ 1,144	\$ 1,233	
Short-term debt	-	100	
Income and other taxes	295	217	
Other current liabilities	264	228	
Current maturities of long-term debt	500	2	
Total current liabilities	2,203	1,780	
Long-term debt (note 2)	8,890	8,883	
Other liabilities	1,322	1,312	
Deferred income taxes	8,818	8,817	
Total liabilities	21,233	20,792	
Stockholders' equity:			
Common stock \$1.00 per share par value, 1,350,000,000 shares authorized; outstanding 301,386,849 and 308,240,130 shares, respectively, net of treasury shares	303	310	
Additional paid-in capital	2,146	2,148	
Accumulated other comprehensive loss	(389)	(398)	
Retained income	10,017	10,348	
Total stockholders' equity	12,077	12,408	
Total liabilities and stockholders' equity	\$ 33,310	\$ 33,200	

2. New Accounting Pronouncement

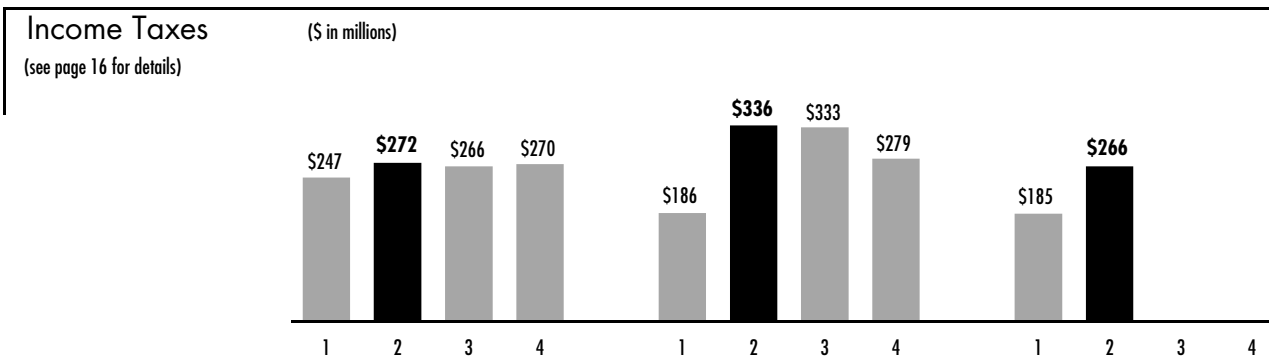
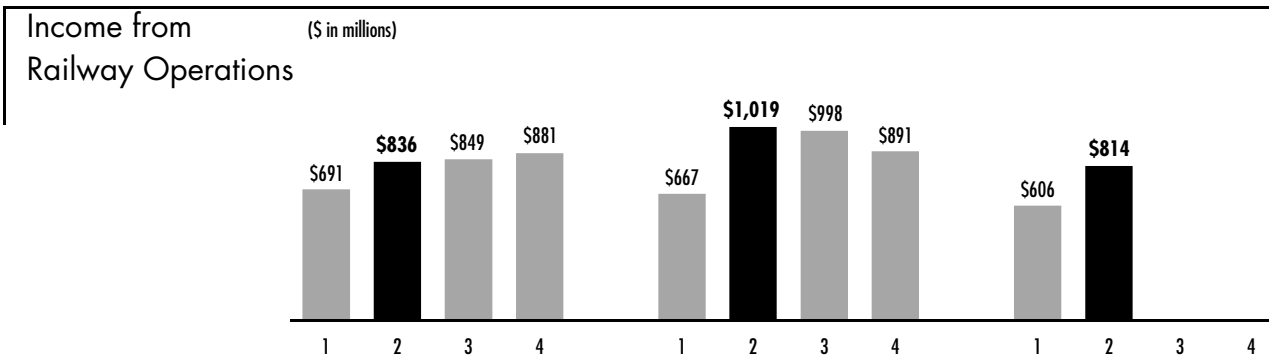
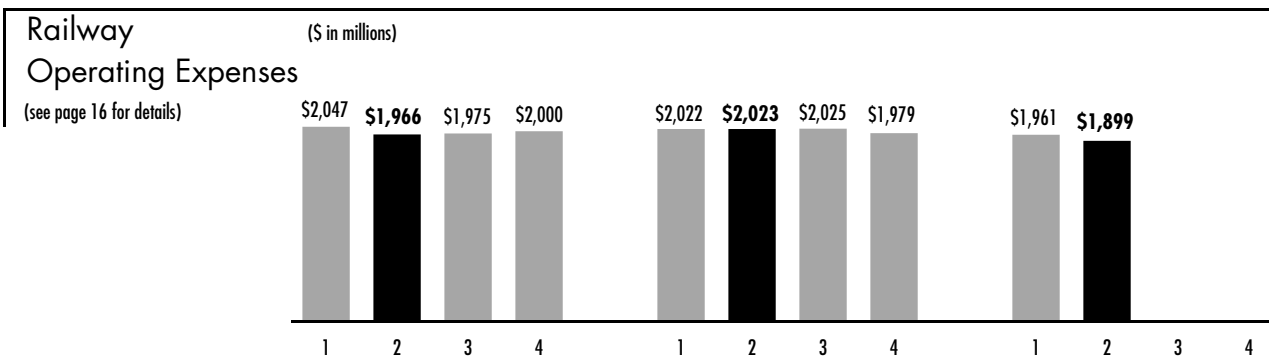
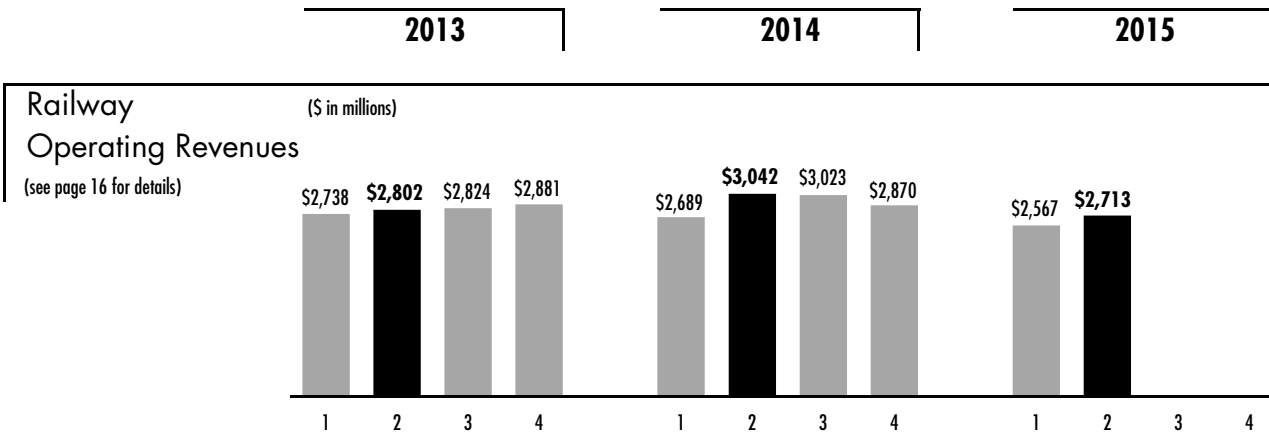
In April 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-03, "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs." This update requires that debt issuance costs be presented in the balance sheet as a reduction from the related debt liability rather than as an asset, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this update. We early adopted the provisions of this ASU during the second quarter of 2015 and applied it retrospectively. The adoption of ASU 2015-03 resulted in the presentation of \$43 million of debt issuance costs as a reduction of "Long-term debt" at June 30, 2015. We retrospectively adjusted the December 31, 2014 consolidated balance sheet and related disclosures to reflect the reclassification of \$41 million of debt issuance costs from "Other assets" to "Long-term debt." There was no other impact on our consolidated financial statements from the adoption of ASU 2015-03.

Consolidated Statements of Cash Flows

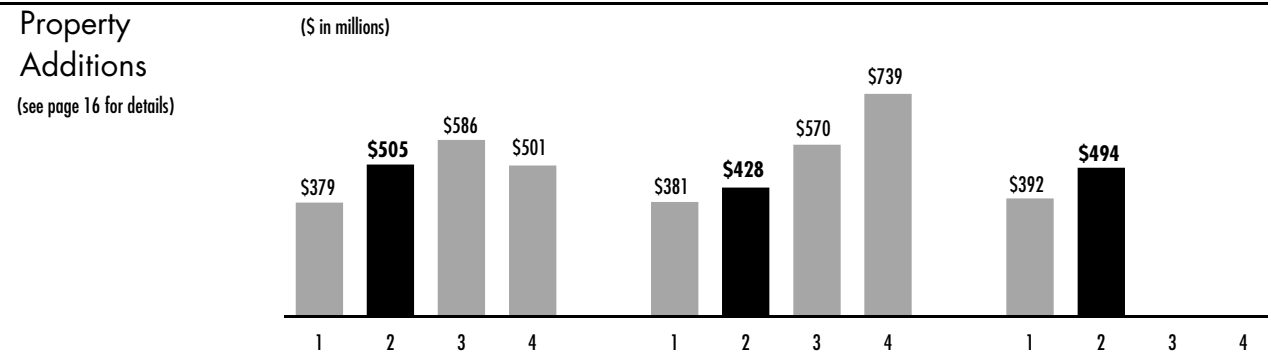
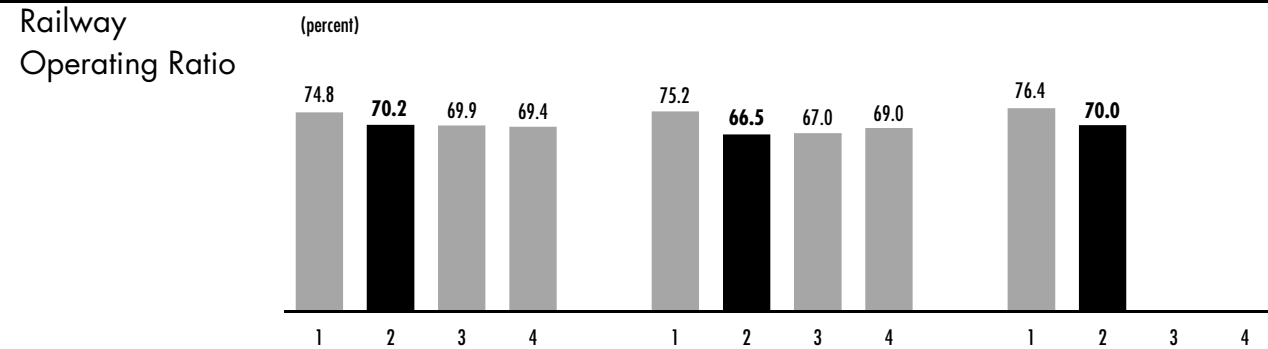
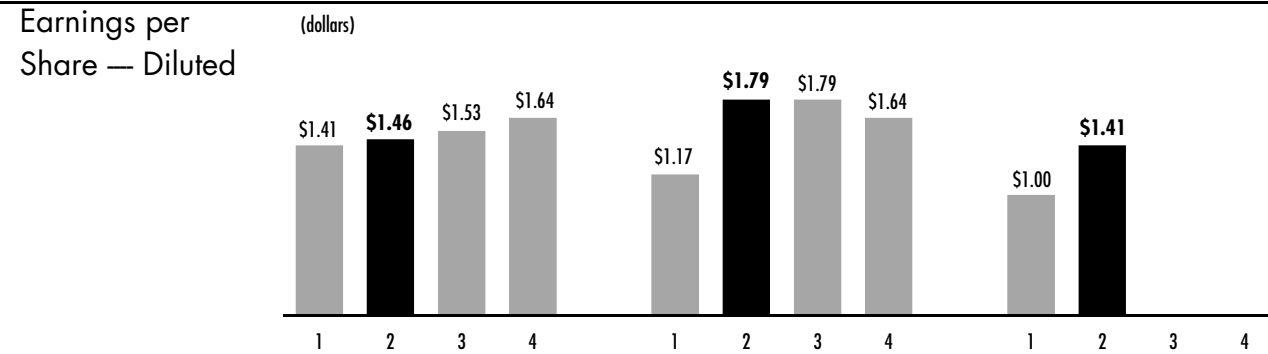
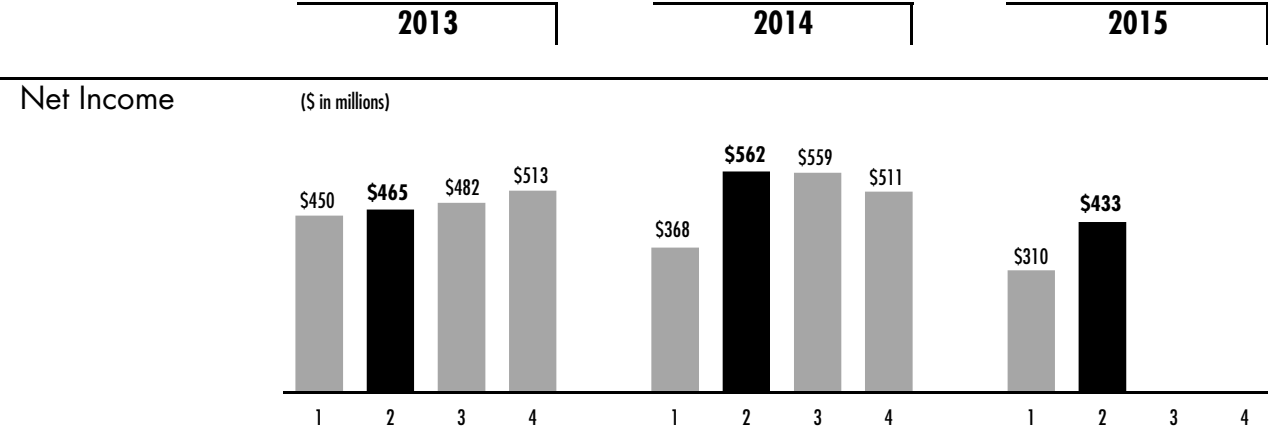
First Six Months
(S in millions)

	2015	2014
Cash flows from operating activities		
Net income	\$ 743	\$ 930
Reconciliation of net income to net cash provided by operating activities:		
Depreciation	494	478
Deferred income taxes	35	17
Gains and losses on properties and investments	(18)	(3)
Changes in assets and liabilities affecting operations:		
Accounts receivable	-	(98)
Materials and supplies	(41)	(28)
Other current assets	282	30
Current liabilities other than debt	(1)	144
Other — net	(21)	(33)
Net cash provided by operating activities	1,473	1,437
Cash flows from investing activities		
Property additions	(886)	(809)
Property sales and other transactions	32	44
Investments, including short-term	(3)	(3)
Investment sales and other transactions	5	121
Net cash used in investing activities	(852)	(647)
Cash flows from financing activities		
Dividends	(360)	(335)
Common stock issued	28	82
Purchase and retirement of common stock (note 1)	(765)	(100)
Proceeds from borrowings — net	494	-
Debt repayments	(102)	(213)
Net cash used in financing activities	(705)	(566)
Net increase (decrease) in cash and cash equivalents	(84)	224
Cash and cash equivalents		
At beginning of year	973	1,443
At end of period	\$ 889	\$ 1,667
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest (net of amounts capitalized)	\$ 249	\$ 255
Income taxes (net of refunds)	55	313

Consolidated Financial Information



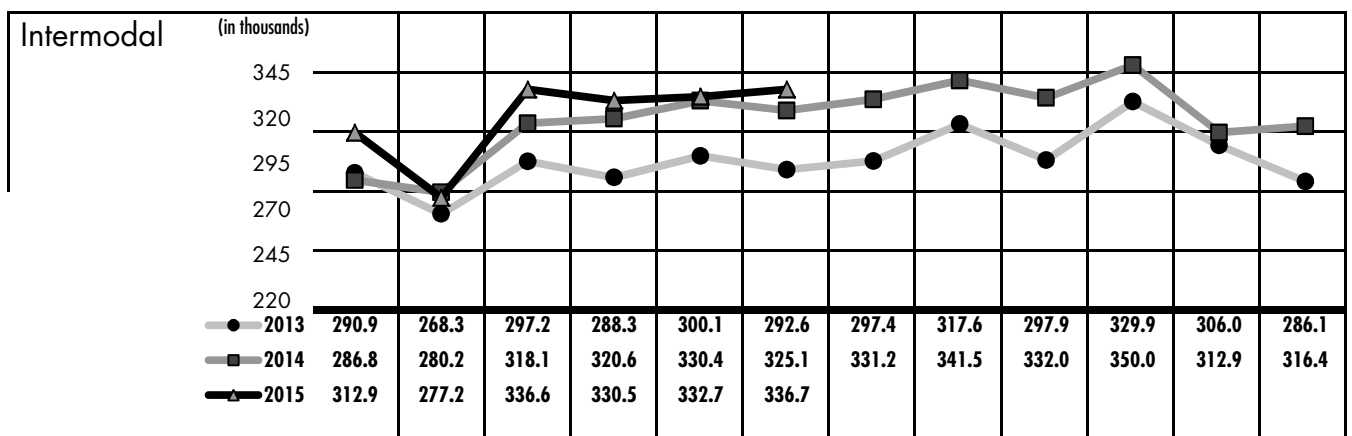
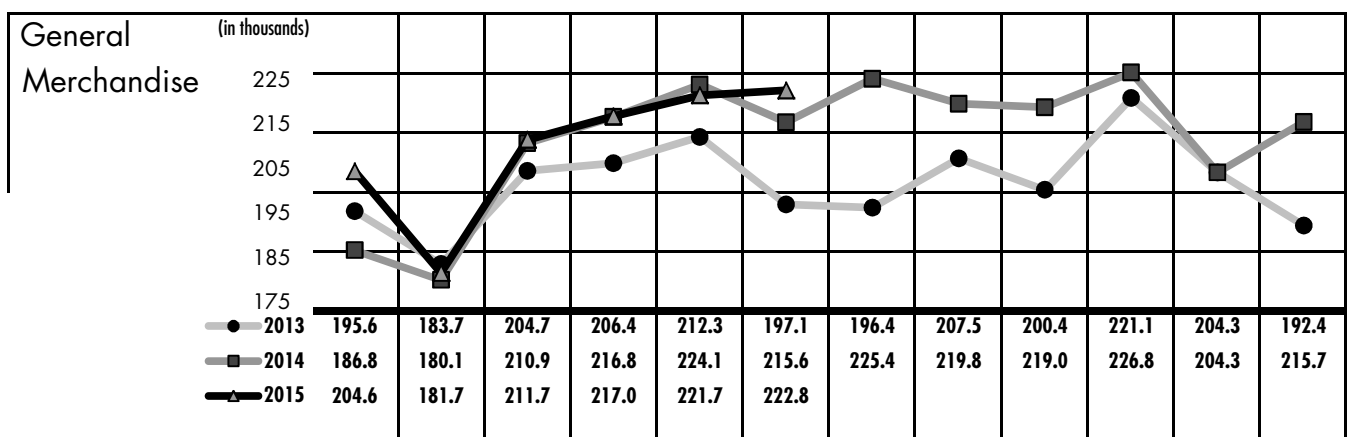
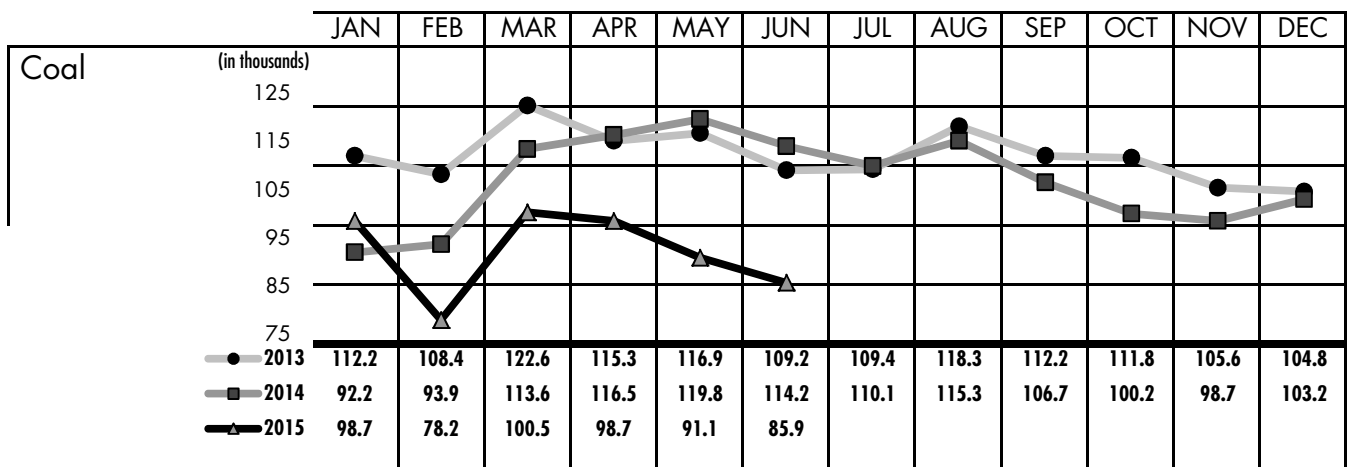
Consolidated Financial Information



Railway Operating Revenues Analysis

Commodity and Period	Revenues (S in millions)			Units (in thousands)			Revenue per Unit (S per unit)		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
First Quarter									
Coal	\$ 635	\$ 541	\$ 455	343.2	299.7	277.4	\$ 1,850	\$ 1,805	\$ 1,642
Chemicals	394	443	432	106.0	116.1	127.3	3,719	3,820	3,390
Metals and construction	336	331	310	154.8	149.9	152.5	2,172	2,207	2,031
Agriculture/consumer/gov't	361	361	374	147.9	147.1	150.0	2,441	2,457	2,495
Automotive	244	227	219	98.7	92.3	95.7	2,467	2,455	2,291
Paper/clay/forest	195	190	185	76.6	72.4	72.5	2,539	2,620	2,552
General merchandise	1,530	1,552	1,520	584.0	577.8	598.0	2,619	2,686	2,541
Intermodal	573	596	592	856.4	885.1	926.7	669	673	639
Total	\$ 2,738	\$ 2,689	\$ 2,567	1,783.6	1,762.6	1,802.1	1,535	1,525	1,425
Second Quarter									
Coal	\$ 626	\$ 672	\$ 453	341.4	350.5	275.7	\$ 1,833	\$ 1,916	\$ 1,644
Chemicals	415	455	454	114.0	121.8	137.3	3,642	3,730	3,312
Metals and construction	350	410	344	171.1	193.6	182.1	2,045	2,118	1,889
Agriculture/consumer/gov't	366	386	379	147.9	155.6	153.7	2,475	2,479	2,463
Automotive	261	270	254	106.4	109.5	111.2	2,456	2,469	2,278
Paper/clay/forest	196	199	196	76.4	76.0	77.2	2,570	2,628	2,545
General merchandise	1,588	1,720	1,627	615.8	656.5	661.5	2,580	2,620	2,459
Intermodal	588	650	633	881.0	976.1	999.9	667	666	633
Total	\$ 2,802	\$ 3,042	\$ 2,713	1,838.2	1,983.1	1,937.1	1,524	1,534	1,401
Year-to-date									
Coal	\$ 1,261	\$ 1,213	\$ 908	684.6	650.2	553.1	\$ 1,841	\$ 1,865	\$ 1,643
Chemicals	809	898	886	220.0	237.9	264.6	3,679	3,774	3,349
Metals and construction	686	741	654	325.9	343.5	334.6	2,106	2,157	1,954
Agriculture/consumer/gov't	727	747	753	295.8	302.7	303.7	2,458	2,468	2,479
Automotive	505	497	473	205.1	201.8	206.9	2,461	2,462	2,284
Paper/clay/forest	391	389	381	153.0	148.4	149.7	2,554	2,624	2,548
General merchandise	3,118	3,272	3,147	1,199.8	1,234.3	1,259.5	2,599	2,651	2,498
Intermodal	1,161	1,246	1,225	1,737.4	1,861.2	1,926.6	668	670	636
Total	\$ 5,540	\$ 5,731	\$ 5,280	3,621.8	3,745.7	3,739.2	1,530	1,530	1,412

Monthly Railway Units



Railway Operating Revenues Variance Analysis

(\$ in millions)

Second Quarter
2015 vs. 2014

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue Variance due to:								
Volume	\$ (143)	(21%)	\$ 13	1%	\$ 16	2%	\$ (71)	(2%)
Revenue per unit	(76)	(14%)	(106)	(6%)	(33)	(5%)	(258)	(9%)
Total	<u>\$ (219)</u>	<u>(33%)</u>	<u>\$ (93)</u>	<u>(5%)</u>	<u>\$ (17)</u>	<u>(3%)</u>	<u>\$ (329)</u>	<u>(11%)</u>

Year-to-date
2015 vs. 2014

	Coal		General Merchandise		Intermodal		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Revenue Variance due to:								
Volume	\$ (181)	(15%)	\$ 67	2%	\$ 44	4%	\$ (10)	-
Revenue per unit	(124)	(12%)	(192)	(6%)	(65)	(5%)	(441)	(8%)
Total	<u>\$ (305)</u>	<u>(25%)</u>	<u>\$ (125)</u>	<u>(4%)</u>	<u>\$ (21)</u>	<u>(2%)</u>	<u>\$ (451)</u>	<u>(8%)</u>

Coal Tonnage by Market

(tons in thousands)

Second Quarter

	2013		2014		2015	
	Tons	Change vs. 2012	Tons	Change vs. 2013	Tons	Change vs. 2014
Utility	24,319	3%	25,968	7%	20,189	(22%)
Export	7,380	(13%)	6,443	(13%)	4,066	(37%)
Domestic metallurgical	4,608	(8%)	4,121	(11%)	4,059	(2%)
Industrial	1,810	(4%)	2,260	25%	2,192	(3%)
Total	<u>38,117</u>	<u>(2%)</u>	<u>38,792</u>	<u>2%</u>	<u>30,506</u>	<u>(21%)</u>

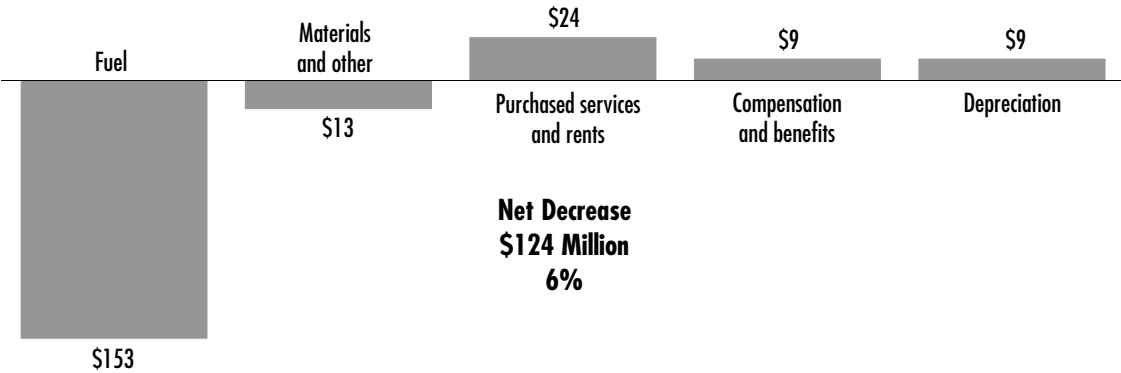
Year-to-date

	2013		2014		2015	
	Tons	Change vs. 2012	Tons	Change vs. 2013	Tons	Change vs. 2014
Utility	48,277	(3%)	47,164	(2%)	40,303	(15%)
Export	15,799	4%	12,946	(18%)	9,377	(28%)
Domestic metallurgical	8,650	(10%)	7,307	(16%)	7,204	(1%)
Industrial	3,610	(5%)	4,231	17%	4,175	(1%)
Total	<u>76,336</u>	<u>(3%)</u>	<u>71,648</u>	<u>(6%)</u>	<u>61,059</u>	<u>(15%)</u>

Railway Operating Expenses Variance Analysis

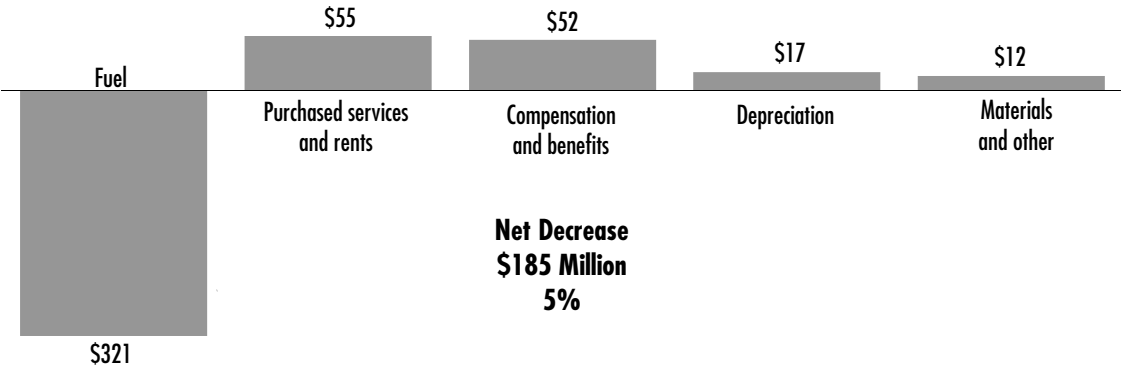
Second Quarter
2015 vs. 2014

(\$ in millions)
Amount of change

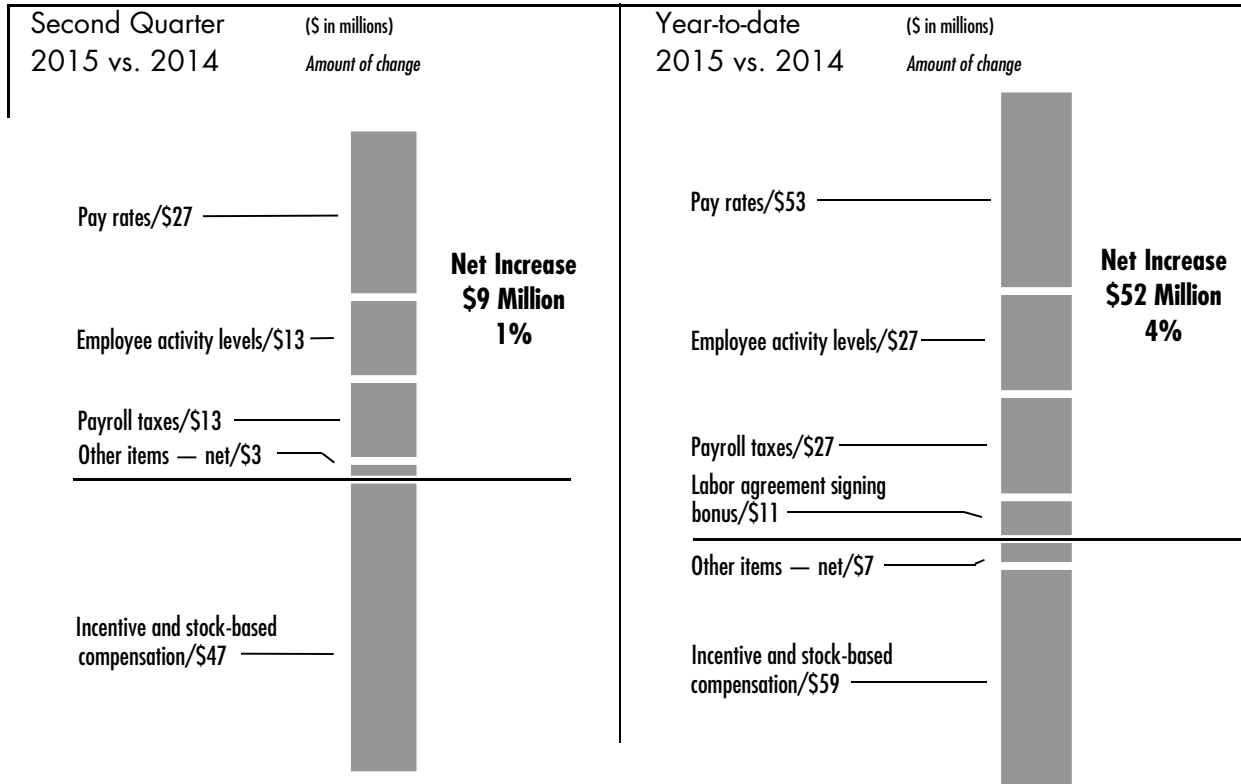


Year-to-date
2015 vs. 2014

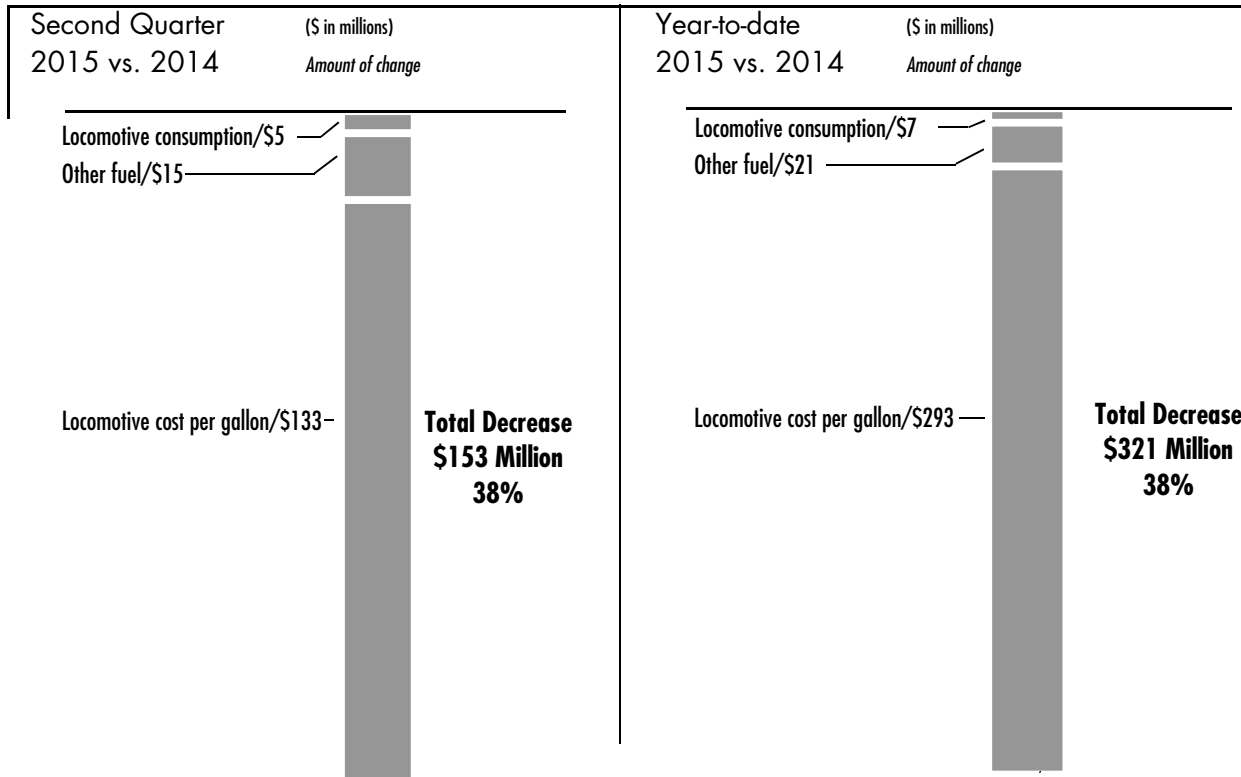
(\$ in millions)
Amount of change



Compensation and Benefits Expense Analysis



Fuel Expense Analysis



Other Income — Net Analysis

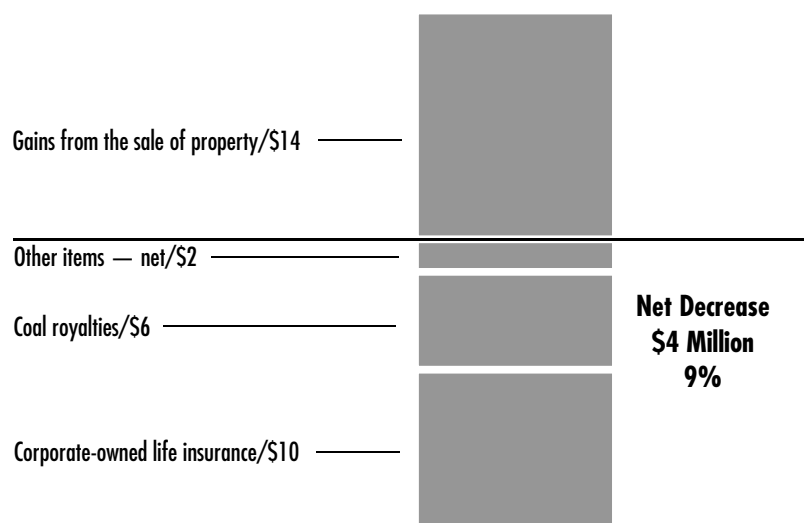
Second Quarter
2015 vs. 2014

(\$ in millions)
Amount of change



Year-to-date
2015 vs. 2014

(\$ in millions)
Amount of change



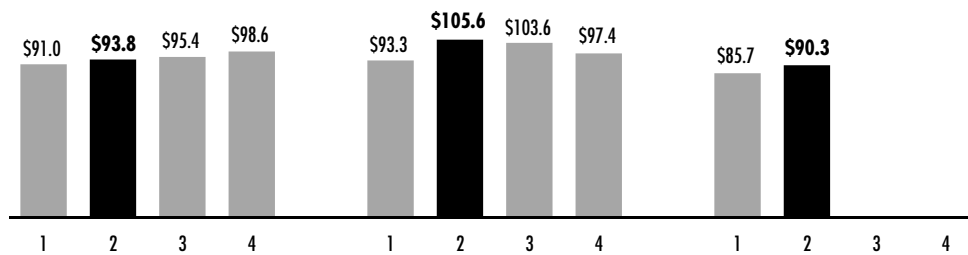
Productivity Measures

2013

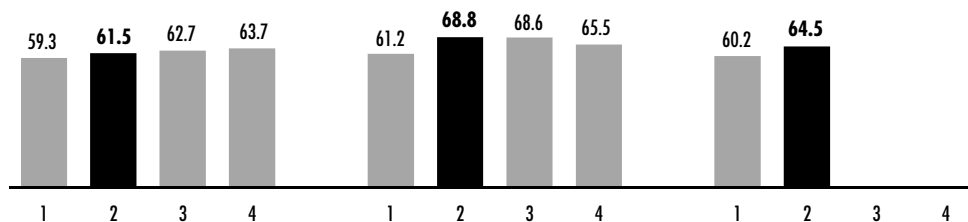
2014

2015

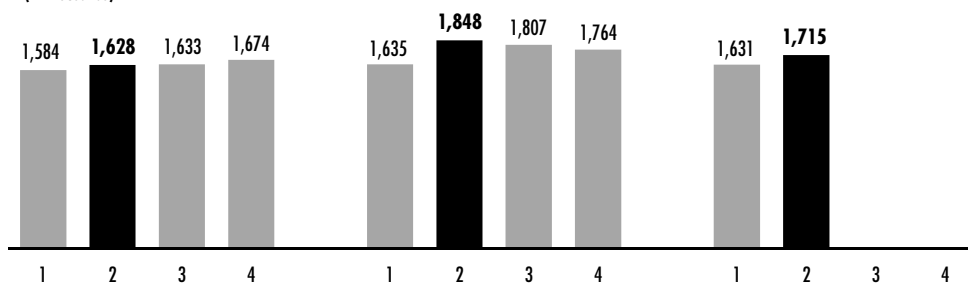
Operating Revenues
per Employee
(\$ in thousands)



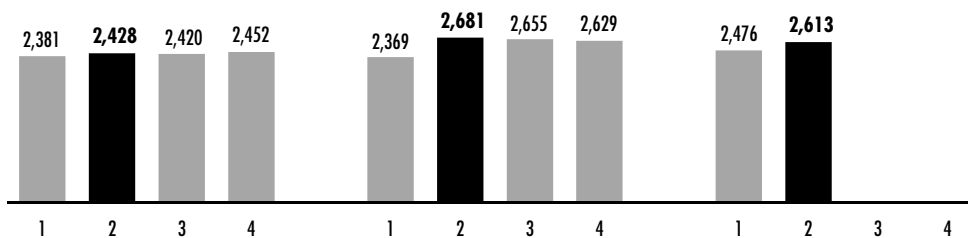
Units per
Employee



Revenue Ton Miles
per Employee
(in thousands)

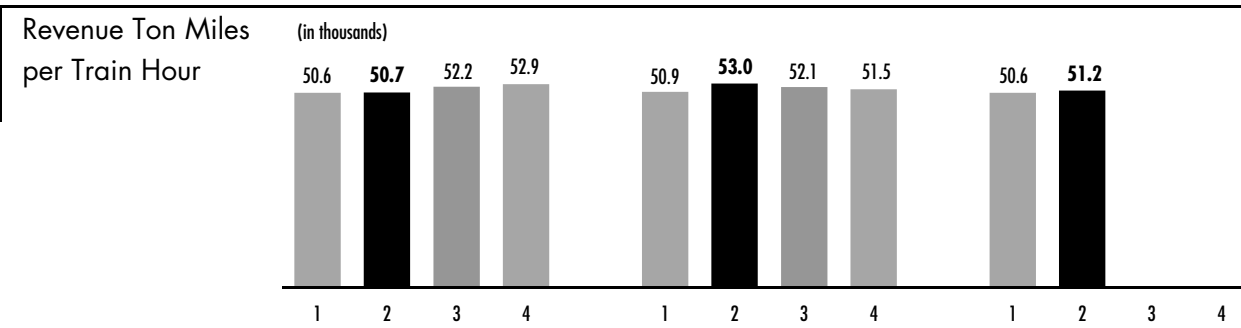
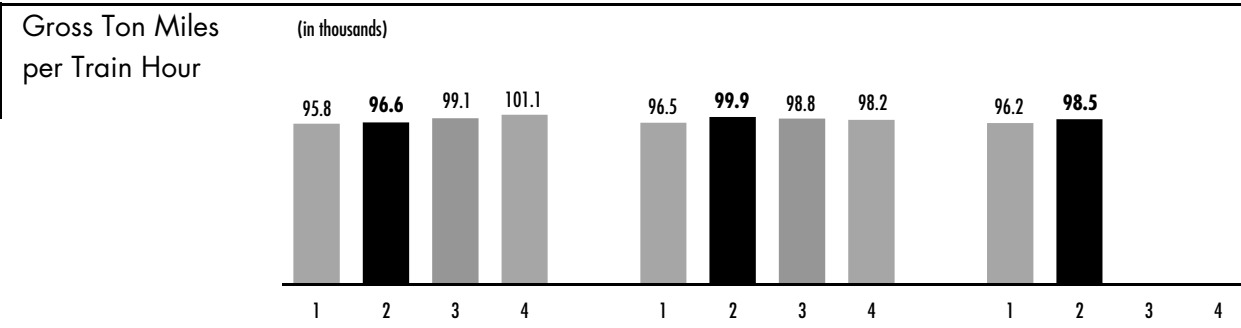
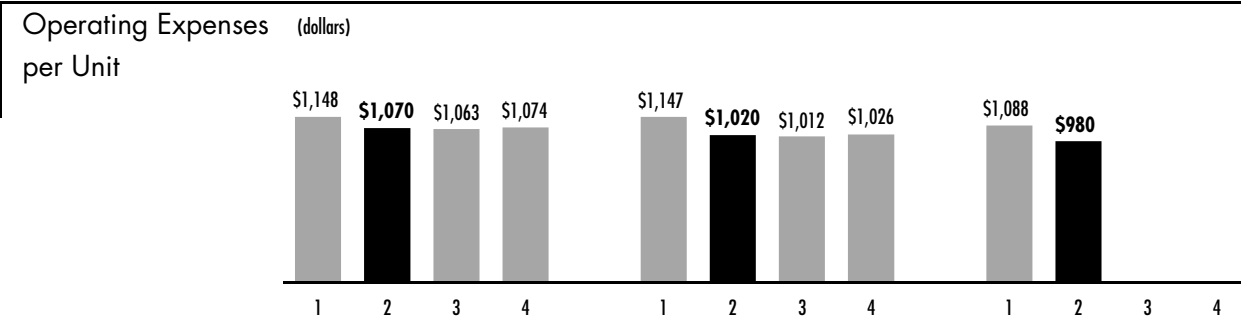
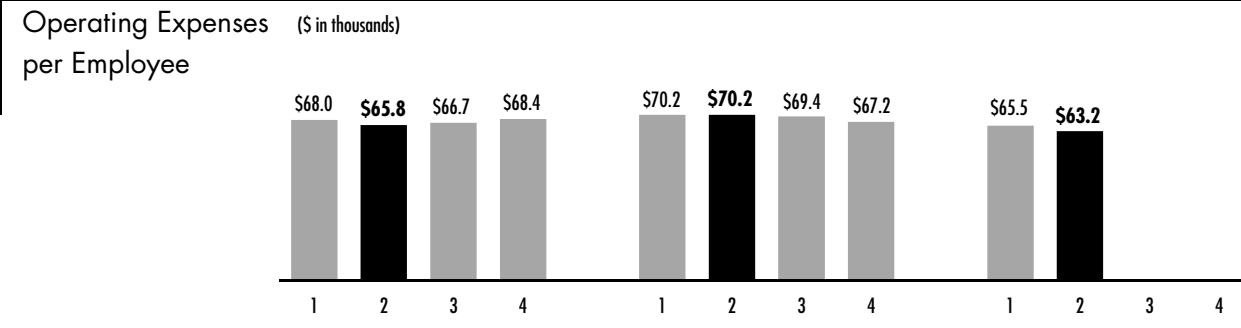


Revenue Ton Miles
per Mile of Road
Operated
(in thousands)



Productivity Measures

2013
2014
2015



Financial, Traffic and Operating Statistics

Consolidated Financial Data		2013					2014					2015				
(S in millions — except as noted)		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year-to-date
6	Railway operating revenues:															
8	Coal	\$ 635	\$ 626	\$ 641	\$ 641	\$ 2,543	\$ 541	\$ 672	\$ 626	\$ 543	\$ 2,382	\$ 455	\$ 453			\$ 908
8	General merchandise	1,530	1,588	1,578	1,622	6,318	1,552	1,720	1,730	1,678	6,680	1,520	1,627			3,147
8	Intermodal	573	588	605	618	2,384	596	650	667	649	2,562	592	633			1,225
6	Total railway operating revenues	2,738	2,802	2,824	2,881	11,245	2,689	3,042	3,023	2,870	11,624	2,567	2,713			5,280
6	Railway operating expenses:															
•	Compensation and benefits	780	726	735	761	3,002	740	715	728	714	2,897	783	724			1,507
•	Purchased services	321	343	349	340	1,353	324	342	355	373	1,394	341	363			704
•	Equipment rents	72	67	71	66	276	68	72	74	79	293	82	75			157
•	Fuel	429	391	390	403	1,613	432	408	387	347	1,574	264	255			519
•	Depreciation	227	226	230	233	916	237	238	236	240	951	245	247			492
•	Materials	101	116	100	105	422	108	124	127	111	470	122	117			239
•	Casualties and other claims	35	20	23	12	90	30	42	35	28	135	36	26			62
•	Other	82	77	77	80	316	83	82	83	87	335	88	92			180
6	Total railway operating expenses	2,047	1,966	1,975	2,000	7,988	2,022	2,023	2,025	1,979	8,049	1,961	1,899			3,860
6	Income from railway operations	691	836	849	881	3,257	667	1,019	998	891	3,575	606	814			1,420
•	Other income (expense) (note 1)	6	(99)	(101)	(98)	(292)	(113)	(121)	(106)	(101)	(441)	(111)	(115)			(226)
•	Income before income taxes	697	737	748	783	2,965	554	898	892	790	3,134	495	699			1,194
•	Income taxes — current	173	203	194	223	793	194	311	329	6	840	173	243			416
•	Income taxes — deferred	74	69	72	47	262	(8)	25	4	273	294	12	23			35
6	Total income taxes	247	272	266	270	1,055	186	336	333	279	1,134	185	266			451
7	Net income	\$ 450	\$ 465	\$ 482	\$ 513	\$ 1,910	\$ 368	\$ 562	\$ 559	\$ 511	\$ 2,000	\$ 310	\$ 433			\$ 743
7	Earnings per share — diluted (dollars) (note 1)	\$ 1.41	\$ 1.46	\$ 1.53	\$ 1.64	\$ 6.04	\$ 1.17	\$ 1.79	\$ 1.79	\$ 1.64	\$ 6.39	\$ 1.00	\$ 1.41			\$ 2.41
7	Railway operating ratio	74.8	70.2	69.9	69.4	71.0	75.2	66.5	67.0	69.0	69.2	76.4	70.0			73.1
7	Property additions:															
•	Equipment	\$ 88	\$ 140	\$ 200	\$ 122	\$ 550	\$ 110	\$ 96	\$ 214	\$ 292	\$ 712	\$ 92	\$ 151			\$ 243
•	Road	291	365	386	379	1,421	271	332	356	447	1,406	300	343			643
7	Total property additions	\$ 379	\$ 505	\$ 586	\$ 501	\$ 1,971	\$ 381	\$ 428	\$ 570	\$ 739	\$ 2,118	\$ 392	\$ 494			\$ 886
•	Cash, cash equivalents and short-term investments	\$ 687	\$ 587	\$ 1,004	\$ 1,561	\$ 1,561	\$ 1,532	\$ 1,667	\$ 1,432	\$ 973	\$ 973	\$ 524	\$ 889			\$ 889
•	Total debt, excluding notes payable to Conrail (note 2)	\$ 8,446	\$ 8,439	\$ 8,904	\$ 9,404	\$ 9,404	\$ 9,311	\$ 9,205	\$ 8,880	\$ 8,985	\$ 8,985	\$ 8,890	\$ 9,390			\$ 9,390
•	Total debt-to-total capitalization (percent) (note 2)	45.5	45.3	46.4	45.4	45.4	44.3	43.3	41.7	42.0	42.0	42.2	43.7			43.7
•	Weighted average shares outstanding — diluted (in millions) (note 3)	318.1	317.8	313.9	312.3	315.5	312.6	312.8	312.6	312.0	312.5	309.6	305.5			307.5

Note 1 In first quarter 2013, we recognized a \$97 million gain on a land sale, which increased net income by \$60 million, or \$0.19 per share.

Note 2 In April 2015, the FASB issued ASU No. 2015-03, "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs." We early adopted the provisions of this ASU during the second quarter of 2015 and applied it retrospectively, reflecting the reclassification of debt issuance costs of approximately \$40 million for each period presented from "Other assets" to "Long-term debt."

Note 3 We have remaining authorization from our Board of Directors to repurchase up to 27.8 million shares of our common stock through December 31, 2017. The timing and volume of purchases is guided by our assessment of market conditions and other pertinent factors. Any near-term share repurchases are expected to be made with internally generated cash, cash on hand, or proceeds from borrowings. Since the beginning of 2006, we have repurchased and retired 147.2 million shares at a total cost of \$9.2 billion.

Financial, Traffic and Operating Statistics

Traffic and Operating Statistics		2013					2014					2015				
Page	Item	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year-to-date
	• No corresponding charts for this data.															
8	Railway units (in thousands):															
8	Coal	343.2	341.4	339.9	322.2	1,346.7	299.7	350.5	332.1	302.1	1,284.4	277.4	275.7			553.1
8	General merchandise	584.0	615.8	604.3	617.8	2,421.9	577.8	656.5	664.2	646.8	2,545.3	598.0	661.5			1,259.5
8	Intermodal	856.4	881.0	912.9	922.0	3,572.3	885.1	976.1	1,004.7	979.3	3,845.2	926.7	999.9			1,926.6
8	Total railway units	1,783.6	1,838.2	1,857.1	1,862.0	7,340.9	1,762.6	1,983.1	2,001.0	1,928.2	7,674.9	1,802.1	1,937.1			3,739.2
	• Revenue ton miles (RTMs) (in billions):															
	• Coal	12.0	11.8	12.0	11.7	47.5	10.7	13.3	12.3	10.6	46.9	9.8	9.7			19.5
	• General merchandise	26.4	27.3	26.6	27.4	107.7	27.0	29.7	30.2	31.1	118.0	29.3	31.4			60.7
	• Intermodal	9.3	9.5	9.7	9.9	38.4	9.4	10.2	10.3	10.2	40.1	9.7	10.4			20.1
	• Total	47.7	48.6	48.3	49.0	193.6	47.1	53.2	52.8	51.9	205.0	48.8	51.5			100.3
	• Revenue (dollars) per thousand RTMs:															
	• Coal	\$ 53.15	\$ 52.67	\$ 53.32	\$ 55.12	\$ 53.55	\$ 50.71	\$ 50.48	\$ 50.98	\$ 51.05	\$ 50.79	\$ 46.43	\$ 46.38			\$ 46.40
	• General merchandise	\$ 57.86	\$ 58.27	\$ 59.41	\$ 59.07	\$ 58.65	\$ 57.36	\$ 57.88	\$ 57.44	\$ 53.85	\$ 56.58	\$ 51.80	\$ 51.90			\$ 51.85
	• Intermodal	\$ 61.77	\$ 62.02	\$ 62.07	\$ 62.76	\$ 62.16	\$ 63.53	\$ 63.66	\$ 64.61	\$ 63.92	\$ 63.94	\$ 61.16	\$ 60.82			\$ 60.98
	• Total	\$ 57.44	\$ 57.63	\$ 58.43	\$ 58.87	\$ 58.10	\$ 57.09	\$ 57.14	\$ 57.34	\$ 55.25	\$ 56.70	\$ 52.58	\$ 52.65			\$ 52.62
	• Gross ton miles (GTM) (in billions)	90.3	92.6	91.7	93.5	368.1	89.2	100.3	100.0	99.0	388.5	92.9	99.1			192.0
	• Revenue ton miles (RTMs) (in billions)	47.7	48.6	48.3	49.0	193.6	47.1	53.2	52.8	51.9	205.0	48.8	51.5			100.3
	• Railroad employees (average)	30,095	29,870	29,597	29,227	29,698	28,811	28,811	29,176	29,454	29,063	29,936	30,045			29,991
	• Total operating expenses (dollars) per thousand GTMs	\$ 22.68	\$ 21.23	\$ 21.53	\$ 21.41	\$ 21.70	\$ 22.66	\$ 20.17	\$ 20.26	\$ 19.98	\$ 20.72	\$ 21.11	\$ 19.17			\$ 20.11
	• Compensation and benefits (dollars) per thousand GTMs	\$ 8.64	\$ 7.84	\$ 8.01	\$ 8.14	\$ 8.16	\$ 8.29	\$ 7.13	\$ 7.28	\$ 7.21	\$ 7.46	\$ 8.43	\$ 7.31			\$ 7.85
	• Total operating expenses (dollars) per thousand RTMs	\$ 42.94	\$ 40.43	\$ 40.87	\$ 40.87	\$ 41.27	\$ 42.93	\$ 38.00	\$ 38.41	\$ 38.09	\$ 39.26	\$ 40.16	\$ 36.86			\$ 38.47
	• Compensation and benefits (dollars) per thousand RTMs	\$ 16.36	\$ 14.93	\$ 15.21	\$ 15.55	\$ 15.51	\$ 15.71	\$ 13.43	\$ 13.81	\$ 13.74	\$ 14.13	\$ 16.04	\$ 14.05			\$ 15.02
14	Total operating revenues (\$ in thousands) per employee	\$ 91.0	\$ 93.8	\$ 95.4	\$ 98.6	\$ 378.6	\$ 93.3	\$ 105.6	\$ 103.6	\$ 97.4	\$ 400.0	\$ 85.7	\$ 90.3			\$ 176.1
15	Total operating expenses (\$ in thousands) per employee	\$ 68.0	\$ 65.8	\$ 66.7	\$ 68.4	\$ 269.0	\$ 70.2	\$ 70.2	\$ 69.4	\$ 67.2	\$ 277.0	\$ 65.5	\$ 63.2			\$ 128.7
	• GTMs (thousands) per employee	2,999	3,101	3,100	3,197	12,393	3,097	3,481	3,425	3,364	13,368	3,103	3,298			6,401
14	RTMs (thousands) per employee	1,584	1,628	1,633	1,674	6,517	1,635	1,848	1,807	1,764	7,054	1,631	1,715			3,346
14	Units per employee	59.3	61.5	62.7	63.7	247.2	61.2	68.8	68.6	65.5	264.1	60.2	64.5			124.7
14	RTMs (thousands) per mile of road operated	2,381	2,428	2,420	2,452	9,680	2,369	2,681	2,655	2,629	10,333	2,476	2,613			5,090
15	Total operating expenses (dollars) per unit	\$ 1,148	\$ 1,070	\$ 1,063	\$ 1,074	\$ 1,088	\$ 1,147	\$ 1,020	\$ 1,012	\$ 1,026	\$ 1,049	\$ 1,088	\$ 980			\$ 1,032
	• Compensation and benefits (dollars) per unit	\$ 437	\$ 395	\$ 396	\$ 409	\$ 409	\$ 420	\$ 361	\$ 364	\$ 370	\$ 377	\$ 434	\$ 374			\$ 403
	• RTMs (in thousands) per unit	26.7	26.5	26.0	26.3	26.4	26.7	26.8	26.3	26.9	26.7	27.1	26.6			26.8
	• Locomotive diesel fuel consumed (in thousands of gallons)	122,673	117,383	114,107	122,141	476,304	126,082	122,619	119,100	126,200	494,001	125,590	120,955			246,545
	• Average price (dollars) per gallon of locomotive diesel fuel	\$ 3.191	\$ 3.027	\$ 3.133	\$ 3.020	\$ 3.093	\$ 3.105	\$ 3.034	\$ 2.959	\$ 2.521	\$ 2.903	\$ 1.831	\$ 1.935			\$ 1.882
	• RTMs per gallon of fuel consumed	389	414	424	401	406	374	434	443	412	415	389	426			407
15	GTM (in thousands) per train hour	95.8	96.6	99.1	101.1	98.1	96.5	99.9	98.8	98.2	98.4	96.2	98.5			97.4
15	RTMs (in thousands) per train hour	50.6	50.7	52.2	52.9	51.6	50.9	53.0	52.1	51.5	51.9	50.6	51.2			50.9
	• Percent of loaded-to-total car miles	58.7	58.4	58.7	58.8	58.7	59.1	58.8	58.9	59.3	59.0	58.9	58.5			58.7
	• Total new crossties installed (in thousands)	610	763	741	355	2,469	676	697	667	631	2,671	575	606			1,181
	• Total track miles of rail laid (miles)	112	181	166	90	549	135	156	121	95	507	102	122			224

2015

SECOND QUARTER
Quarterly Financial Review
www.nscorp.com

