

Class I Railroad Statistics

ASSOCIATION OF AMERICAN RAILROADS – POLICY & ECONOMICS DEPARTMENT

U.S. Class I Railroads

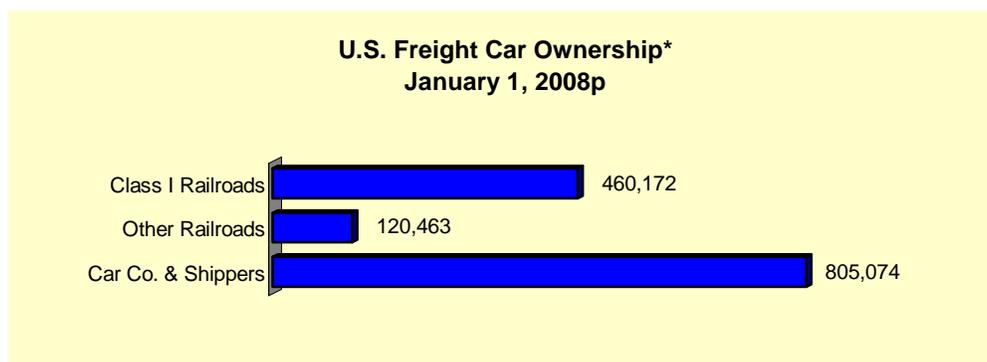
U.S. Class I Railroads are line haul freight railroads with 2006 operating revenue in excess of \$346.8 million. Two Canadian railroads, Canadian National Railway (CN) and Canadian Pacific Railway, have enough revenue that they would be U.S. Class I railroads if they were U.S. companies. Both companies also own railroads in the United States that, by themselves, qualify to be Class I railroads. Two Mexican railroads, Ferrocarril Mexicano and Kansas City Southern de México, would also be Class I railroads if they were U.S. railroads. The U.S. Class I railroads in 2006 are: BNSF Railway, CSX Transportation, Grand Trunk Corporation, Kansas City Southern Railway, Norfolk Southern Combined Railroad Subsidiaries, Soo Line Railroad, and Union Pacific Railroad.

	2006	2007p
Number of Railroads	7	7
Resources		
Miles of Road Operated Less Trackage Rights	94,942	94,112
Miles of Track Operated Less Trackage Rights	162,056	160,620
Miles of High-Density Track Maintained	70,212	70,323
Locomotives in Service	23,732	24,143
Freight Cars in Service*	475,415	460,172

Note: High-Density track has a freight density of at least 20 million gross ton-miles per track mile per year.

Employment

Number of Employees	167,581	167,216
Average Wages	\$68,141	\$69,367
Average Total Compensation Including Benefits	\$94,607	n.y.a.



* Canadian-owned railroads, including 2 U.S. Class I railroads, are excluded. Car companies include railroad-owned TTX.

Class I Railroad Statistics (continued)

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	2005	2006	2007p
Traffic			
Carloads Originated (million)	31.14	32.11	n.y.a.
Intermodal Units (million):			
Containers	8.71	9.40	9.43
Trailers	2.98	2.88	2.60
Total	11.69	12.28	12.03
Tons Originated (billion)	1.899	1.96	n.y.a.
Ton-miles (trillion)	1.696	1.772	1.771
Operating Statistics			
Freight Revenue Per Ton-Mile	2.621¢	2.840¢	2.990¢
Average Tons Per Carload	61.0	60.9	n.y.a.
Average Tons Per Train	3,115	3,163	n.y.a.
Average Length of Haul (miles)	893.2	905.6	n.y.a.
Financial			
Freight Revenue (billion)	\$44.5	\$50.3	\$52.9
Operating Revenue (billion)	\$46.1	\$52.2	\$54.6
Operating Expense (billion)	\$37.8	\$41.0	\$42.7
Net Income (billion)	\$4.9	\$6.5	\$6.8
Operating Ratio	82.1%	78.6%	78.3%
Return on Average Equity	9.12%	11.30%	n.y.a.

n.y.a. = not yet available

Notes

Miles of Road is the aggregate length of roadway, excluding yard tracks and sidings, and does not reflect the fact that a mile of road may include two, three, or more parallel tracks. Miles of road operated figures will be higher than mileage owned since more than one railroad can operate the same roadway by having trackage rights. Figures on page 1 include mileage owned in Canada. Excluding double-counting for trackage rights, Class I railroads operated in 2006 a total of 94,801 miles of the 140,490 mile network in the United States.

Freight Cars in Service for railroads includes railroad-owned cars plus cars with a railroad's mark, which usually have a longer-term lease. The railroads also use equipment controlled by shippers and leasing companies, including railroad-owned TTX – owner of over 149,000 cars. New freight cars cost between \$40,000 and \$100,000 depending on the type and features. The Class I railroad average for 2006 was \$84,242.

Carloads, as reported here and in *Freight Commodity Statistics*, include intermodal traffic and will differ from the AAR's *Weekly Railroad Traffic* which segregates intermodal traffic from carloads and does not include Canadian-owned railroads in the U.S. totals. These figures also will not match carloads from the Carload Waybill Sample, which is an estimate (based on a sample) for all railroads.

Intermodal on this page includes one regional railroad and excludes two Canadian-owned Class I railroads.

Class I Railroad Statistics (continued)

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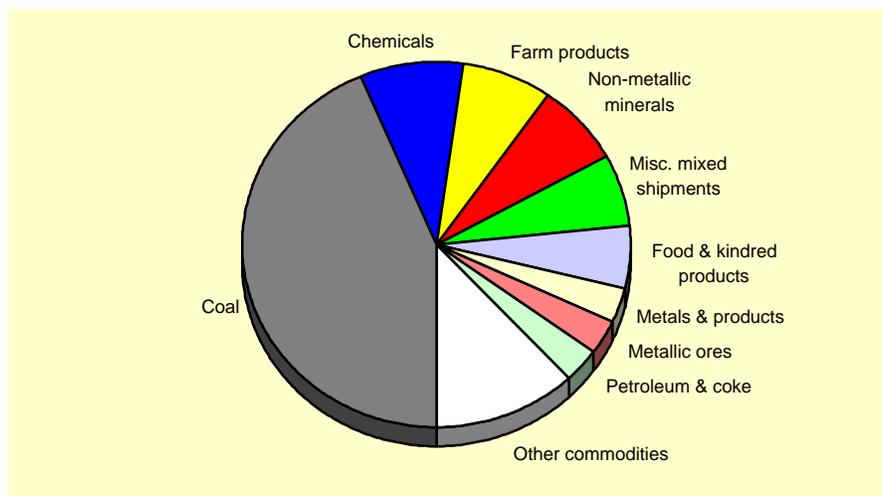
Type of Freight Carried for Year 2006

Commodity Group	Tons Originated		Gross Revenue**	
	(000)	% of Total	(million)	% of Total
Coal	852,061	43.5 %	\$10,821	20.6 %
Chemicals & allied products	168,275	8.6	6,119	11.6
Farm products	149,392	7.6	4,205	8.0
Non-metallic minerals	140,871	7.2	1,462	2.8
Misc. mixed shipments*	125,880	6.4	7,792	14.8
Food & kindred products	105,433	5.4	3,730	7.1
Metals & products	62,256	3.2	2,235	4.2
Metallic ores	60,601	3.1	529	1.0
Petroleum & coke	55,449	2.8	1,651	3.1
Stone, clay & glass products	51,931	2.7	1,664	3.2
Waste & scrap materials	48,280	2.5	1,190	2.3
Lumber & wood products	42,956	2.2	2,335	4.4
Pulp, paper & allied products	37,225	1.9	2,124	4.0
Motor vehicles & equipment	33,668	1.7	4,001	7.6
All other commodities	22,294	1.1	2,782	5.3
Total	1,956,572	100.0 %	\$52,639	100.0 %

* Miscellaneous mixed shipments (STCC 46) is mostly intermodal traffic. Some intermodal traffic is also included in commodity-specific categories. STCC 46 accounts for over two thirds of intermodal tonnage.

** Gross Revenue is not adjusted for absorption (incentive rebates etc.) or correction.

2006 Class I Railroad Tons Originated

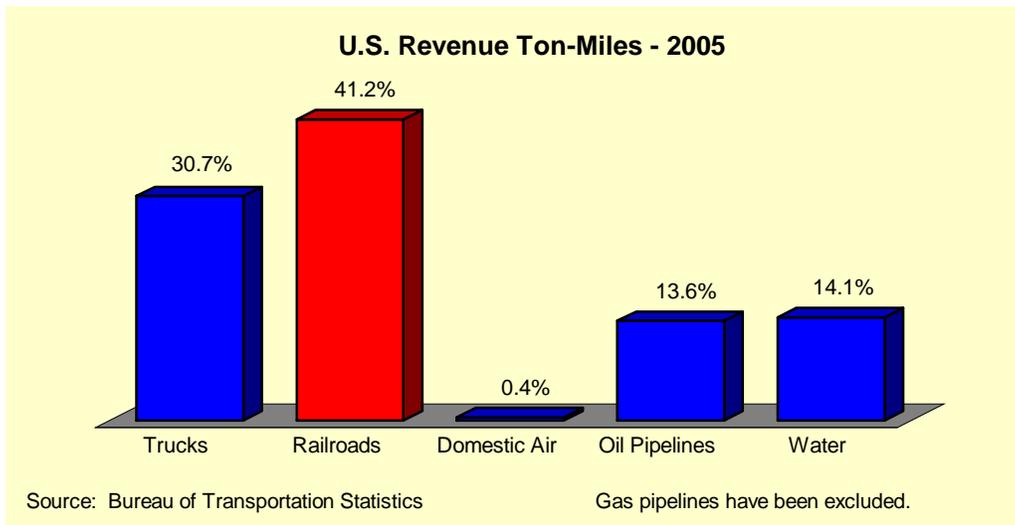


U.S. Freight Railroad Statistics

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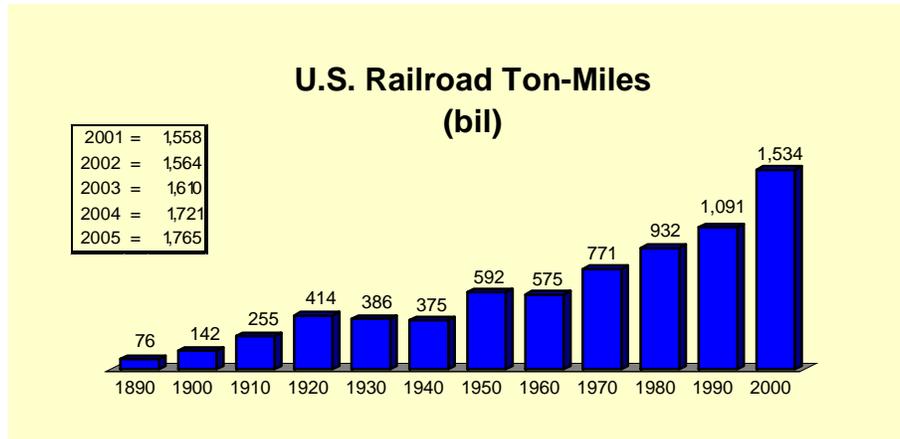
	2005	2006
Number of Railroads	560	559
Operating Statistics		
Miles of Road Operated Less Trackage Rights	140,810	140,490
Miles of Road Operated in the U.S.	171,061	171,077
Freight Cars in Service, U.S. Railroad Owned*	595,034	596,103
Freight Cars in Service, All U.S. Owners*	1,312,245	1,346,507
* U.S. owned only, excludes Canadian-owned railroads operating in the U.S.		
Employment		
Number of Employees	181,807	186,957
Average Wages	\$65,618	not yet available
Average Compensation Including Benefits	\$90,716	not yet available
Traffic		
Carloads Originated (million)	35.56 r	36.54
Tons Originated (billion)	2.23	not yet available
Ton-miles (trillion)	1.76	not yet available
Railroad Modal Share for Ton-Miles	41.2%	not yet available
Financial		
Freight Revenue (billion)	\$47.9	\$54.0

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U.S. Freight Railroad Statistics (continued)

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Notes

Miles of Road is the aggregate length of roadway, excluding yard tracks and sidings, and does not reflect the fact that a mile of road may include two, three, or more parallel tracks. Miles of road operated less trackage rights, which eliminates double-counting caused by more than one railroad operating the same track, is the measure of the rail network. Excluding trackage-rights, U.S. railroads operate 140,360 miles, including 139,929 in the United States. Canadian railroads have an additional 561 miles in the U.S., making the U.S. network a total of 140,490 miles.

Freight Cars in Service for railroads excludes freight cars owned by leasing companies that do not have a railroad mark (including a major leasing company owned by the railroads) and shippers – all of which are used by the railroads.

Carloads shown here uses the Surface Transportation Board's *Freight Commodity Statistics* and the AAR's *Profiles of U.S. Railroads* survey as sources, and will not match the total carloads reported in *Railroads and States* which uses the Carload Waybill Sample as a source. The AAR's *Weekly Railroad Traffic* will not match either source, primarily because it segregates intermodal traffic.

Railroad Market Share is based on data from USDOT, Research and Innovative Technologies Administration, Bureau of Transportation Statistics, *National Transportation Statistics*, Table 1-46b.

North American Freight Railroad Statistics

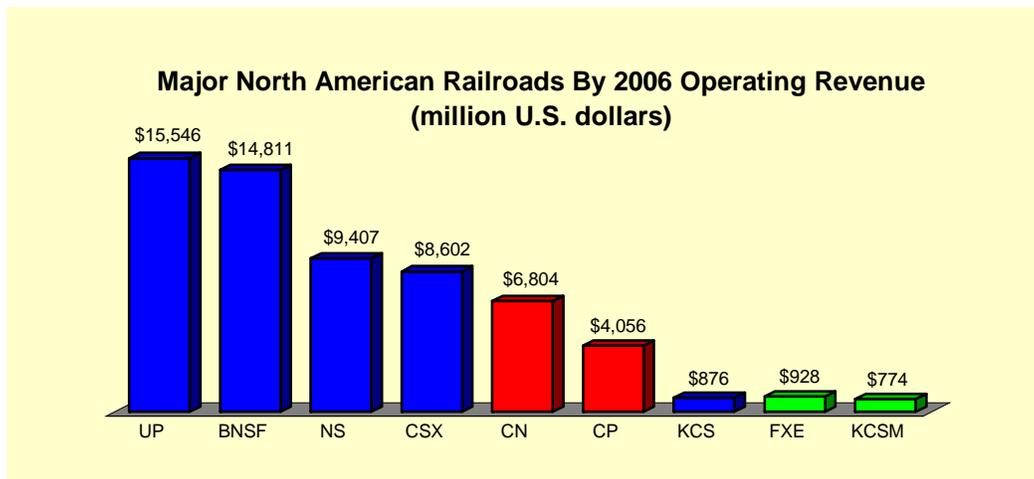
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North American Railroads

With the exception of freight cars, statistics include all U.S. railroads, the two largest Canadian railroads, and the two largest Mexican railroads. Freight car figures include all railroads and all owners. The tons and carloads originated may contain some double-counting on freight that was re-billed as it crossed the U.S.-Mexican border.

	2005	2006
Resources		
Miles of Road Operated Less Trackage Rights	168,711	169,324
Miles of Road Operated	201,854	202,763
Freight Cars in Service, Railroad Owned	781,241	776,750
Freight Cars in Service, All Owners	1,534,717	1,563,750
Employment		
Number of Employees	221,167	225,878
Traffic		
Carloads Originated (million)	41.38	37.87
Tons Originated (billion)	2.55	n.a.
Ton-miles (trillion)	2.04	n.a.
Financial		
Freight Revenue (billion)	\$56.4	\$63.8

n.a. - not yet available



North American Freight Railroad Statistics (continued)

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Major North American Freight Railroads

BNSF	BNSF Railway
CN	Canadian National Railway (CN)
CP	Canadian Pacific Railway
CSX	CSX Transportation
FXE	Ferrocarril Mexicano (Ferromex)
KCS	Kansas City Southern Railway
NS	Norfolk Southern
KCSM	Kansas City Southern de México (formerly TFM)
UP	Union Pacific Railroad

Freight Cars in Service in North America January 1, 2007

	Total All Owners	Railroads		Car Companies & Shippers
		Class I*	Other	
Canada	183,593	146,547	6,268	30,778
Mexico	33,650	22,280	5,552	5,818
United States	1,346,507	475,415	120,688	750,404
Total	1,563,750	644,242	132,508	787,000

* For Canada and Mexico, "Class I" railroads exceed the revenue threshold and would be Class I railroads if they were U.S. railroads.

Canadian-owned U.S. railroads are included in the Canadian figures.
Some railroads may possess additional freight cars that are unregistered.