

## Non-GAAP Definitions

*Management believes certain non-GAAP measures provide an alternative presentation of the results that more accurately reflect on-going Company operations. These measures should be considered in addition to, not a substitute for, the reported GAAP results.*

### **Fuel Price Adjusted Operating Expenses**

Reported operating expenses minus the differential between fuel price per gallon consumed multiplied by current period fuel consumed in gallons. Management believes this is an important measure in evaluating cost changes excluding the change in fuel price, to allow the illustration of cost performance as it relates to volume changes.

**Fuel Price Adjusted Operating Expenses  
Reconciliation to GAAP**

(Dollars in Millions Except for Fuel Price per Gallon)

	<u>Fourth Quarter 2009</u>	<u>Third Quarter 2009</u>	<u>Second Quarter 2009</u>	<u>First Quarter 2009</u>
<b>Reported Operating Expenses</b>	<b>\$2,752</b>	<b>\$2,704</b>	<b>\$2,552</b>	<b>\$2,743</b>
Average Fuel Price per Gallon Consumed	\$2.05	\$1.87	\$1.57	\$1.51
Average Fuel Price per Gallon Consumed - First Quarter 2009	<u>\$1.51</u>	<u>\$1.51</u>	<u>\$1.51</u>	<u>          </u>
Difference	\$0.54	\$0.36	\$0.06	
Fuel Consumed in Gallons (Millions)	<u>256</u>	<u>242</u>	<u>229</u>	<u>          </u>
Adjusted Locomotive Fuel Expense	\$138	\$87	\$14	
<b>Fuel Price Adjusted Operating Expenses</b>	<b><u>\$2,614</u></b>	<b><u>\$2,617</u></b>	<b><u>\$2,538</u></b>	<b><u>\$2,743</u></b>
<b>Sequential Change</b>	<b>-0.1%</b>	<b>3.1%</b>	<b>-7.5%</b>	