

Railroad Report No. : RC139400 Quarter: 3 Year: 2004
 Date of Report: 9/30/2004 Report Amended: No

Show dollar amount in thousands DESCRIPTIONS (A)	Code No.	Figures for the Quarter		Year-To-Date Figures	
		This Year (B)	Last Year (C)	This Year (D)	Last Year (E)
<u>Operating Revenues</u>					
Freight (Account 101)	1	2,918,826	2,805,687	8,530,619	8,125,972
Passenger (Account 102)	2	16,313	16,398	46,987	46,282
Passenger-Related (Account 103)	3	19	21	157	199
All other operating revenues (Accounts 104, 105, 106, 110, 502, 503)	4	130,818	122,259	389,180	375,017
Joint Facility Account (Account 120)	5	1,797	1,799	5,170	4,694
Railway Operating Revenues (All Above)	6	3,067,773	2,946,164	8,972,113	8,552,164
<u>Operating Expenses</u>					
Depreciation - Road (Accounts 62-11-00, 62-12-00, 62-13-00)	7	222,917	205,470	660,997	608,861
All other way and structure accounts	8	193,255	187,349	608,872	557,121
Total way and structures	9	416,172	392,819	1,269,869	1,165,982
Depreciation - Equipment (Accounts 62-21-00, 62-22-00, 62-23-00)	10	88,061	86,206	265,546	256,067
All other equipment accounts	11	596,905	541,850	1,795,400	1,609,965
Total equipment	12	684,966	628,056	2,060,946	1,866,032
Transportation - Train, Yard and Train and Yard Common	13	1,149,051	972,449	3,386,415	2,891,399
Transportation - Specialized Services, Administrative Support)	14	114,159	106,439	348,166	316,697
General and Administrative	15	318,934	274,658	915,876	825,968
Total Railway Operating Expense (Account 531)	16	2,683,282	2,374,421	7,981,272	7,066,078
<u>Income Items</u>					
*Net revenue from railway operations (Line 6 minus 16)	17	384,491	571,743	990,841	1,486,086
Other Income (Accounts 506, 510-519)	18	45,022	44,647	110,704	114,562
Income from Affiliated companies:					
Dividends	19	10,000	0	17,084	34,637
Equity in undistributed earnings (losses)	20	10,748	16,415	42,081	10,410
Total Income from affiliated companies	21	20,748	16,415	59,165	45,047
Miscellaneous deductions from Income (Accounts 534,535,543,546,549-551 and 553)	22	14,935	13,813	50,047	46,670
Income Available for Fixed Charges (Lines 17, 18, 21 minus 22)	23	435,326	618,992	1,110,663	1,599,025
<u>Fixed Charges</u>					
Interest on funded debt (Accounts 546a, 546b)	24	34,993	38,430	113,087	117,546
Interest on unfunded debt (Account 547)	25	87,803	83,940	258,377	253,223
Amortization of discount on funded debt (Account 548)	26	333	1,464	2,542	4,464
Total fixed charges	27	123,129	123,834	374,006	375,233
<u>Income Items</u>					
Income after fixed charges	28	312,197	495,158	736,657	1,223,792
Other deductions (Account 546c)	29	1,914	1,904	5,742	5,766
Unusual or infrequent items (Debit) Credit (Account 555)	30				
Income (Loss) from continuing operations before income taxes	31	310,283	493,254	730,915	1,218,026
Income taxes on ordinary Income (Account 556)	32	(1,521)	86,045	(13,750)	231,413
Provision for deferred income taxes (Account 557)	33	112,466	94,292	235,858	217,879
Income from continuing operations	34	199,338	312,917	508,807	768,734
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 of \$ _____) (Account 562)	36				
Income (Loss) before extraordinary items	37	199,338	312,917	508,807	768,734
Extraordinary items (net) (Account 570)	38				
Income taxes on Extraordinary Items (Account 590)	39				
Provisions for deferred taxes - Extraordinary Items (Account 591)	40				

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Cumulative effect of changes in account principles (Less applicable Income taxes of \$ _____) (Account 592)	41				
Net income	42	199,338	312,917	508,807	768,734
Dividends on common stock (Account 623)	43	78,000	58,000	234,000	174,000
Dividends on preferred stock (Account 623)	44				
<u>Ratios</u>					
Expenses to revenues	45	87.47%	80.59%	88.96%	82.62%
Total maintenance to revenues	46	35.89%	34.65%	37.12%	35.45%
Transportation to revenues	47	41.18%	36.62%	41.62%	37.51%
*NOTE: Reconciliation of Net Railway Operating Income (NROI)					
Net Revenues from Railway Operations	N1	384,491			
(556) Income Taxes on Ordinary Income	N2	1,521			
(557) Provisions for Deferred Income Taxes	N3	(112,466)			
** Income from Lease of Road and Equipment	N6	0			
** Rent for leased Roads and Equipment	N7	907			
Net Railway Operating Income	N8	274,453			

REMARKS

I, the undersigned, TODD G. HUFFMAN, Sr. Manager - Financial Reporting of UNION PACIFIC RAILROAD COMPANY
 (Name and Title of Officer in charge of accounts) (Full name of reporting company)

state that this report was prepared by me or under my supervision; that I have carefully examined it; and on the best of my knowledge, belief, and verification (when 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 reported were determined in accordance with effective rules promulgated by the Surface Transportation Board.

Date: October 29, 2004

Signature _____

Telephone Number (402) - 544-0190

** Formerly accounts 509 and 542, respectively.