

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 18, 2002

Union Pacific Railroad Company
(Exact Name of Registrant as Specified in its Charter)

Delaware	1-6146	94-6001323
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1416 Dodge Street, Omaha, Nebraska	68179
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (402) 271-5000

N/A
(Former Name or Former Address, if Changed Since Last Report)

Item 5. Other Events.

Attached as an Exhibit is the Press Release issued by Union Pacific Corporation, the corporate parent of Union Pacific Railroad Company, on July 18, 2002 announcing Union Pacific Corporation's financial results for the second quarter of 2002, which is incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

- 99 Press Release dated July 18, 2002 announcing Union Pacific Corporation's financial results for the second quarter of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 18, 2002

UNION PACIFIC RAILROAD COMPANY

By: /s/ James R. Young
James R. Young
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
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99	Press Release dated July 18, 2002 announcing Union Pacific Corporation's financial results for the second quarter of 2002.
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UNION PACIFIC SETS SECOND QUARTER RECORD
Post Merger Records for Revenue and Productivity Gains
Drive 25 Percent Increase in Net Income

FOR IMMEDIATE RELEASE:

Omaha, NE, July 18 – Union Pacific Corporation (NYSE: UNP) today reported record net income of \$304 million, or \$1.15 per diluted share. This compares to net income of \$243 million, or \$.95 per diluted share in the second quarter of 2001. Operating income and earnings per share both had double-digit increases in the quarter with 22 percent and 21 percent growth, respectively.

"This was an outstanding quarter for Union Pacific," said Dick Davidson, chairman and chief executive officer. "Clearly, we have momentum in all aspects of our business. The Railroad leveraged increased revenue, employee productivity gains and lower fuel prices into records for operating income, net income, and operating ratio. "

Second Quarter Highlights

Union Pacific Corporation, excluding Overnite Corporation, reported record second quarter operating income of \$583 million compared to \$478 million for the same period in 2001 – a 22 percent increase.

- Railroad revenue increased 4 percent
- Employee Productivity (gross ton-miles/employee) increased 9 percent to a second quarter record level

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- **Operating Ratio (operating expenses/operating revenue) improved 3.0 percentage points to a second quarter record 79.3 percent**

Railroad Quarterly Records

- **Best overall quarter for Operating Revenue, Operating Income, and Operating Ratio**
- **Best overall quarter for Total Carloadings and Revenue Ton Miles**
- **Automotive, Intermodal and Industrial Products each set all-time quarterly records in revenue**

Second Quarter Railroad Commodity Revenue Summary versus 2001

- **The following commodity groups had revenue growth ranging from 11 percent to 2 percent:**
 - **Intermodal up 11 percent**
 - **Automotive up 8 percent**
 - **Chemicals up 4 percent**
 - **Agricultural up 3 percent**
 - **Industrial Products up 2 percent**
- **Energy was the only commodity group that was down, at 1 percent.**

“Five of our six commodity groups posted improved revenue this quarter,” Davidson said. “While this highlights the strength of our diverse commodity mix and competitive product offerings, it’s also a signal to me that there are rays of light coming through the clouds that have been over the American economy for months.”

Overnite Corporation

Overnite Corporation reported a 2 percent increase in second quarter operating income of \$18.3 million, compared to \$18.0 million in 2001 on a pro forma basis. (Pro forma results for 2001 include \$2.5 million of operating income from Motor Cargo, which was acquired on November 30, 2001.) Operating revenue was up 2 percent to \$331.7 million from \$324.3 million last year. Overnite's operating ratio was unchanged year over year at 94.5 percent.

Union Pacific Corporation is one of America's leading transportation companies. Its principal operating company, Union Pacific Railroad, is the largest railroad in North America, covering 23 states across the western two-thirds of the United States. A strong focus on quality and a strategically advantageous route structure enable the company to serve customers in critical and fast growing markets. It is a leading carrier of low-sulfur coal used in electrical power generation and has broad coverage of the large chemical-producing areas along the Gulf Coast. With competitive long-haul routes between all major West Coast ports and eastern gateways, and as the only railroad to serve all six gateways to Mexico, Union Pacific has the premier rail franchise in North America. The Corporation's trucking operations include Overnite Corporation which owns its less-than-truckload carriers, Overnite Transportation and Motor Cargo.

Supplemental financial information is attached.

Additional information is available at our website: www.up.com. Our contact for investors is Jennifer Hamann at (402) 271-4227. Our media contacts are Kathryn Blackwell at (402) 271-3753 or John Bromley at (402) 271-3475.

This press release and related materials may contain statements about the Corporation's future that are not statements of historical fact. These statements are "forward-looking statements" for purposes of applicable securities laws, and are based on current information and/or management's good faith belief as to future events. Forward-looking statements include, without limitation, projections and estimates of earnings, revenues, cost-savings, expenses, or other financial items; statements of management's plans, strategies and objectives for future operation, and management's expectations as to future performance and operations and the time by which objectives will be achieved; statements concerning proposed new products and services; and statements regarding future economic or market conditions or performance.

Forward-looking statements are subject to risks and uncertainties. Actual performance or results could differ materially from that anticipated by the forward-looking statement. Important factors that could cause such differences include, but are not limited to, the Corporation's success in implementing its financial and operational initiatives; the impact of industry competition, conditions, performance and consolidation; legislative and/or regulatory developments, including initiatives to re-regulate the rail business; natural events such as severe weather, floods and earthquakes; adverse general economic conditions, both within the United States and globally; any adverse economic or operational repercussions from terrorist activities and any government response thereto; changes in fuel prices; changes in labor costs; labor stoppages; and the outcome of claims and litigation.

Forward-looking statements speak only as of the date the statement was made. The Corporation assumes no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. If the Corporation does update any forward-looking statement, no inference should be drawn that the Corporation will make additional updates with respect to that statement or any other forward-looking statements.

UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED INCOME
For the Three Months Ended June 30
(Dollars in Millions, Except Per Share Amounts)
(Unaudited)

	2002 a)	2001	Pct Chg	
Operating Revenues	\$ 3,154	\$ 2,998	+	5
Operating Expenses	<u>2,552</u>	<u>2,504</u>	+	2
Operating Income	602	494	+	22
Other Income - Net	35	75	-	53
Interest Expense	<u>(159)</u>	<u>(178)</u>	-	11
Income Before Income Taxes	478	391	+	22
Income Tax Expense	<u>(174)</u>	<u>(148)</u>	+	18
Net Income	<u>\$ 304</u>	<u>\$ 243</u>	+	25
Basic Earnings Per Share	\$ 1.21	\$ 0.98	+	23
Diluted Earnings Per Share	\$ 1.15	\$ 0.95	+	21
Average Basic Shares Outstanding (MM)	251.8	247.7		
Average Diluted Shares Outstanding (MM)	276.3	271.9		

a) Includes the results of Motor Cargo, acquired November 30, 2001. Motor Cargo contributed revenues of \$34.7 million, operating expense of \$31.9 million and operating income of \$2.8 million during the second quarter of 2002.

UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED INCOME
For the Six Months Ended June 30
(Dollars in Millions, Except Per Share Amounts)
(Unaudited)

	2002 a)	2001	Pct Chg	
Operating Revenues	\$ 6,121	\$ 5,941	+	3
Operating Expenses	<u>5,020</u>	<u>5,008</u>		-
Operating Income	1,101	933	+	18
Other Income - Net	56	105	-	47
Interest Expense	<u>(322)</u>	<u>(359)</u>	-	10
Income Before Income Taxes	835	679	+	23
Income Tax Expense	<u>(309)</u>	<u>(255)</u>	+	21
Net Income	<u>\$ 526</u>	<u>\$ 424</u>	+	24
 Basic Earnings Per Share	 \$ 2.09	 \$ 1.71	 +	 22
 Diluted Earnings Per Share	 \$ 2.01	 \$ 1.67	 +	 20
 Average Basic Shares Outstanding (MM)	 251.4	 247.3		
Average Diluted Shares Outstanding (MM)	276.1	271.4		

a) Includes the results of Motor Cargo, acquired November 30, 2001. Motor Cargo contributed revenues of \$66.7 million, operating expense of \$62.7 million and operating income of \$4.0 million during the first six months of 2002.

UNION PACIFIC RAILROAD

REVENUE DETAIL

Periods Ended June 30

(Unaudited)

Second Quarter					Year-to-Date			
2002	2001		Pct Chg		2002	2001		Pct Chg
				Commodity Revenue (000):				
\$ 353,932	\$ 345,104	+	3	Agricultural	\$ 722,665	\$ 715,383	+	1
325,536	301,037	+	8	Automotive	608,040	576,676	+	5
402,351	386,917	+	4	Chemicals	787,519	776,678	+	1
569,474	576,877	-	1	Energy	1,151,687	1,170,218	-	2
533,245	522,327	+	2	Industrial Products	1,006,986	994,287	+	1
514,362	462,269	+	11	Intermodal	969,578	912,369	+	6
<u>\$ 2,698,900</u>	<u>\$ 2,594,531</u>	+	4	Total	<u>\$ 5,246,475</u>	<u>\$ 5,145,611</u>	+	2
				Revenue Carloads:				
212,149	211,326	-		Agricultural	430,656	430,719	-	
219,103	198,828	+	10	Automotive	412,290	384,275	+	7
232,820	221,403	+	5	Chemicals	450,269	440,568	+	2
519,852	516,479	+	1	Energy	1,065,082	1,053,025	+	1
371,582	374,243	-	1	Industrial Products	694,036	710,070	-	2
770,972	688,784	+	12	Intermodal	1,452,141	1,371,459	+	6
<u>2,326,478</u>	<u>2,211,063</u>	+	5	Total	<u>4,504,474</u>	<u>4,390,116</u>	+	3
				Average Revenue per Car:				
\$1,668	\$1,633	+	2	Agricultural	\$1,678	\$1,661	+	1
1,486	1,514	-	2	Automotive	1,475	1,501	-	2
1,728	1,748	-	1	Chemicals	1,749	1,763	-	1
1,095	1,117	-	2	Energy	1,081	1,111	-	3
1,435	1,396	+	3	Industrial Products	1,451	1,400	+	4
667	671	-	1	Intermodal	668	665	-	
<u>\$1,160</u>	<u>\$1,173</u>	-	1	Total	<u>\$1,165</u>	<u>\$1,172</u>	-	1

RAIL AND OTHER OPERATIONS - a)

REVIEW OF OPERATIONS

Periods Ended June 30

(Dollars in Millions, Except Operating Statistics)

(Unaudited)

Second Quarter					Year-to-Date			
2002	2001	Pct Chg			2002	2001	Pct Chg	
\$ 2,822	\$ 2,708	+	4	Operating Revenues	\$ 5,484	\$ 5,371	+	2
				Operating Expenses				
913	888	+	3	Salaries and Benefits	1,826	1,802	+	1
308	307	-		Rent Expense	623	614	+	1
286	281	+	2	Depreciation	570	561	+	2
268	321	-	17	Fuel and Utilities	493	655	-	25
125	133	-	6	Materials and Supplies	246	259	-	5
339	300	+	13	Purchased Services and Other	654	572	+	14
2,239	2,230	-		Total	4,412	4,463	-	1
\$ 583	\$ 478	+	22	Operating Income	\$ 1,072	\$ 908	+	18
				Operating Statistics:				
2,326	2,211	+	5	Revenue Carloads (Thousands)	4,504	4,390	+	3
129.0	124.0	+	4	Revenue Ton-Miles (Billions)	256.0	247.7	+	3
248.0	235.5	+	5	Gross Ton-Miles (Billions)	488.0	467.7	+	4
2.09 ¢	2.09 ¢	-		Rev/RTM (Commodity Revenue Based)	2.05 ¢	2.08 ¢	-	1
\$ 1,160	\$ 1,173	-	1	Average Commodity Revenue Per Car	\$ 1,165	\$ 1,172	-	1
47,774	49,491	-	3	Average Employees	47,505	49,126	-	3
72 ¢	92 ¢	-	22	Average Fuel Price Per Gallon	67 ¢	92 ¢	-	27
334	318	+	5	Fuel Consumed in Gallons (MM)	655	640	+	2
1.35	1.35	-		Fuel Consumption Rate (Gal/000 GTM)	1.34	1.37	-	2
79.3	82.3	-	3.0 pt.	Operating Ratio (%)	80.4	83.1	-	2.7 pt.

a) Excludes Overnite's operations.

OVERNITE CORPORATION
REVIEW OF OPERATIONS - PRO FORMA
Periods Ended June 30
(Dollars in Millions, Except Operating Statistics)
(Unaudited)

Second Quarter					Year-to-Date			
2002	2001 a)	Pct Chg			2002	2001 a)	Pct Chg	
\$ 331.7	\$ 324.3	+	2	Operating Revenues	\$ 636.6	\$ 637.1	-	
				Operating Expenses				
205.3	192.8	+	6	Salaries and Benefits	397.5	380.9	+	4
30.9	27.5	+	12	Rent Expense	56.7	52.6	+	8
14.3	14.0	+	2	Depreciation	29.3	28.0	+	5
16.4	19.7	-	17	Fuel and Utilities	31.5	40.6	-	22
13.3	13.7	-	3	Materials and Supplies	25.5	27.9	-	9
33.2	38.6	-	14	Other	67.3	78.7	-	14
313.4	306.3	+	2	Total	607.8	608.7	-	
\$ 18.3	\$ 18.0	+	2	Operating Income	\$ 28.8	28.4	+	1
Operating Statistics:								
2,222	2,150	+	3	Millions of Pounds Hauled - LTL	4,244	4,207	+	1
2,437	2,334	+	4	Millions of Pounds Hauled - Combined	4,653	4,573	+	2
\$ 13.71	\$ 13.87	-	1	Revenue/CWT - LTL	\$ 13.77	\$ 13.89	-	1
\$ 13.05	\$ 13.34	-	2	Revenue/CWT - Combined	\$ 13.12	\$ 13.33	-	2
13,670	13,710	-		Average Employees	13,414	13,599	-	1
72 ¢	90 ¢	-	20	Average Fuel Price Per Gallon	68 ¢	90 ¢	-	24
15,767	16,092	-	2	Fuel Consumed in Gallons (000s)	31,185	32,642	-	4
94.5	94.5	0.0 pt.		Operating Ratio (%)	95.5	95.5	0.0 pt.	

a) Includes the pro forma effects of the Motor Cargo acquisition, as if the acquisition had been effective January 1, 2001. The actual results of Overnite Transportation Company for the second quarter and year-to-date of 2001, respectively, were as follows: Revenues - \$289.8 and \$570.0, Operating Expenses - \$274.3 and \$545.8, and Operating Income \$15.5 and \$24.2.

UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

As of June 30, 2002 and December 31, 2001

(Dollars in Millions)

(Unaudited)

	June 30, 2002	December 31, 2001
Assets:		
Cash and Temporary Investments	\$ 381	\$ 113
Other Current Assets	1,546	1,429
Investments	800	786
Properties - Net	29,172	28,792
Other Assets	424	431
 Total	 <u>\$ 32,323</u>	 <u>\$ 31,551</u>
Liabilities and Shareholders' Equity:		
Current Portion of Long Term Debt	\$ 290	\$ 194
Other Current Liabilities	2,511	2,498
Long Term Debt	7,888	7,886
Deferred Income Taxes	8,103	7,882
Other Long Term Liabilities	1,944	2,016
Convertible Preferred Shares	1,500	1,500
Common Shareholders' Equity	10,087	9,575
 Total	 <u>\$ 32,323</u>	 <u>\$ 31,551</u>

UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED CASH FLOWS
For the Six Months Ended June 30
(Dollars in Millions)
(Unaudited)

	2002	2001
Operating Activities:		
Net Income	\$ 526	\$ 424
Depreciation	599	585
Deferred Income Taxes	213	203
Other	(234)	(369)
Cash Provided by Operating Activities	<u>1,104</u>	<u>843</u>
Investing Activities:		
Capital Investments	(972)	(792)
Other	56	(111)
Cash Used in Investing Activities	<u>(916)</u>	<u>(903)</u>
Financing Activities:		
Dividends Paid	(100)	(99)
Debt Repaid	(697)	(439)
Financings and Other - Net	877	623
Cash Provided by Financing Activities	<u>80</u>	<u>85</u>
Net Change in Cash and Temporary Investments	<u>\$ 268</u>	<u>\$ 25</u>