

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

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**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):** October 24, 2002

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**Union Pacific Corporation**  
**(Exact Name of Registrant as Specified in its Charter)**

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<b>Utah</b>	<b>1-6075</b>	<b>13-2626465</b>
<b>(State or Other Jurisdiction of Incorporation)</b>	<b>(Commission File Number)</b>	<b>(I.R.S. Employer Identification No.)</b>

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

**Registrant's telephone number, including area code:** (402) 271-5777

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**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 on October 24, 2002 announcing Union Pacific Corporation's financial results for the third quarter of 2002, which is incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

- 99 Press Release dated October 24, 2002 announcing Union Pacific Corporation's financial results for the third 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: October 24, 2002

UNION PACIFIC CORPORATION

By: /s/ James R. Young  
James R. Young  
Executive Vice President -  
Finance

## **EXHIBIT INDEX**

### Exhibit Description

- |    |  |
|----|--|
| 99 | Press Release dated October 24, 2002 announcing Union Pacific Corporation's financial results for the third quarter of 2002. |
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**RECORD QUARTER FOR UNION PACIFIC**  
**Fourth Straight Quarter of Double-Digit EPS Growth**

**FOR IMMEDIATE RELEASE:**

**Omaha, NE, October 24** – Union Pacific Corporation (NYSE:UNP) today reported an all-time record net income for the third quarter of \$437 million, or \$1.63 per diluted share. This is compared to net income of \$267 million, or \$1.04 per diluted share, in the third quarter of 2001. Third quarter results included income gains from a transaction with the Utah Transit Authority, as well as a tax settlement. Excluding these items, quarterly earnings were \$1.19 per diluted share – a 14 percent increase over third quarter 2001.

"Union Pacific combined record revenues with all-time productivity levels to produce great results," said Dick Davidson, chairman and chief executive officer. "We achieved double-digit growth in earnings per share for the fourth straight quarter. This trend is further proof that our business strategy is on target."

**Third Quarter Highlights**

For the third quarter, Union Pacific Corporation, excluding Overnite, reported record operating income of \$619 million compared to \$556 million for the same period in 2001.

- All-time quarterly records were:
  - Operating Revenue - \$2.85 billion
  - Commodity Revenue - \$2.73 billion

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- Operating Margin (operating income/operating revenue) - 21.7 percent
- Operating Ratio (operating expense/operating revenue) – 78.3 percent
- Employee Productivity (gross ton-miles in millions/average employees) – 5.29
- Total Revenue Carloads – 2.36 million

### **Third Quarter Railroad Commodity Revenue Summary versus 2001**

- Overall, commodity revenue was up 4 percent. The following commodity groups had revenue growth ranging from 13 percent to 2 percent:
  - Automotive up 13 percent
  - Intermodal up 9 percent
  - Agricultural up 4 percent
  - Industrial Products up 4 percent
  - Chemicals up 2 percent

Energy was the only commodity group that was down, at 3 percent.

"We have been facing some challenges in the wake of the port disruption," said Davidson. "Fortunately, our strong rail franchise gives us the revenue diversity and network flexibility to rebound rapidly. We remain focused on reducing costs and improving service as we work to meet Union Pacific's commitment to our customers and shareholders."

### **Overnite Corporation**

Overnite Corporation reported a 19 percent increase in third quarter operating income of \$25.6 million, compared to \$21.5 million in 2001 on a pro forma basis. (Pro forma results for 2001 include \$3.2 million of operating income from Motor Cargo,

which was acquired on November 30, 2001.) Operating revenues increased 7 percent to \$349.6 million from \$327.8 million last year. Overnite's 2002 operating ratio improved 0.7 percentage points to 92.7 percent from 93.4 percent in 2001.

"Overnite made an impressive contribution to the quarter with its best overall quarterly performance since 1994," Davidson said.

#### **Year-to-Date Operating Income Up 16 Percent**

For the first nine months of 2002, Union Pacific Corporation reported a 16 percent increase in operating income to \$1.7 billion compared with \$1.5 billion in 2001. Net income rose 39 percent to \$963 million, versus \$691 million for the same period a year ago.

In addition, the year-to-date operating ratio for Union Pacific Corporation, excluding Overnite, decreased over two percentage points to 79.7 percent from 81.9 percent in 2001 (operating margin improved to 20.3 percent from 18.1 percent over the same period).

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](http://www.up.com). Our media contact is Kathryn Blackwell who can be reached at 402 271-3753. Our contact for investors is Jennifer Hamann at 402 271-4227.

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*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 September 30  
(Dollars in Millions, Except Per Share Amounts)  
(Unaudited)

	2002 a)	2001	Pct Chg	
<b>Operating Revenues</b>	\$ 3,199	\$ 3,026	+	6
Operating Expenses	<u>2,555</u>	<u>2,452</u>	+	4
<b>Operating Income</b>	644	574	+	12
Other Income - Net	161	31		F
Interest Expense	<u>(157)</u>	<u>(175)</u>	-	10
<b>Income Before Income Taxes</b>	648	430	+	51
Income Tax Expense	<u>(211)</u>	<u>(163)</u>	+	29
<b>Net Income</b>	<u>\$ 437</u>	<u>\$ 267</u>	+	64
<b>Basic Earnings Per Share</b>	\$ 1.73	\$ 1.08	+	60
<b>Diluted Earnings Per Share</b>	\$ 1.63	\$ 1.04	+	57
Average Basic Shares Outstanding (MM)	252.5	247.9		
Average Diluted Shares Outstanding (MM)	277.3	271.6		

a) Includes the results of Motor Cargo, acquired November 30, 2001. Motor Cargo contributed revenues of \$38.1 million, operating expense of \$34.7 million and operating income of \$3.4 million during the third quarter of 2002.



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

	2002 a)	2001	Pct	Chg
<b>Operating Revenues</b>	\$ 9,320	\$ 8,967	+	4
Operating Expenses	<u>7,575</u>	<u>7,460</u>	+	2
<b>Operating Income</b>	1,745	1,507	+	16
Other Income - Net	217	136	+	60
Interest Expense	<u>(479)</u>	<u>(534)</u>	-	10
<b>Income Before Income Taxes</b>	1,483	1,109	+	34
Income Tax Expense	<u>(520)</u>	<u>(418)</u>	+	24
<b>Net Income</b>	<u>\$ 963</u>	<u>\$ 691</u>	+	39
 <b>Basic Earnings Per Share</b>	 \$ 3.83	 \$ 2.79	 +	 37
 <b>Diluted Earnings Per Share</b>	 \$ 3.64	 \$ 2.71	 +	 34
 Average Basic Shares Outstanding (MM)	 251.8	 247.5		
Average Diluted Shares Outstanding (MM)	276.5	271.5		

a) Includes the results of Motor Cargo, acquired November 30, 2001. Motor Cargo contributed revenues of \$104.8 million, operating expense of \$97.4 million and operating income of \$7.4 million during the first nine months of 2002.

# UNION PACIFIC RAILROAD

## REVENUE DETAIL

Periods Ended September 30

(Unaudited)

Third Quarter					Year-to-Date							
2002		2001		Pct Chg		2002		2001		Pct Chg		
<b>Commodity Revenue (000):</b>												
\$	373,160	\$	357,774	+	4	Agricultural	\$	1,095,825	\$	1,073,157	+	2
	284,942		253,176	+	13	Automotive		892,982		829,852	+	8
	398,778		392,024	+	2	Chemicals		1,186,297		1,168,702	+	2
	591,381		611,022	-	3	Energy		1,743,068		1,781,240	-	2
	535,602		514,279	+	4	Industrial Products		1,542,588		1,508,566	+	2
	542,115		499,155	+	9	Intermodal		1,511,693		1,411,524	+	7
\$	2,725,978	\$	2,627,430	+	4	Total	\$	7,972,453	\$	7,773,041	+	3
<b>Revenue Carloads:</b>												
	215,974		214,507	+	1	Agricultural		646,630		645,226		-
	192,640		177,179	+	9	Automotive		604,930		561,454	+	8
	230,674		224,777	+	3	Chemicals		680,943		665,345	+	2
	539,915		549,092	-	2	Energy		1,604,997		1,602,117		-
	378,475		367,614	+	3	Industrial Products		1,072,511		1,077,684		-
	801,251		740,955	+	8	Intermodal		2,253,392		2,112,414	+	7
	2,358,929		2,274,124	+	4	Total		6,863,403		6,664,240	+	3
<b>Average Revenue per Car:</b>												
	\$1,728		\$1,668	+	4	Agricultural		\$1,695		\$1,663	+	2
	1,479		1,429	+	3	Automotive		1,476		1,478		-
	1,729		1,744	-	1	Chemicals		1,742		1,757	-	1
	1,095		1,113	-	2	Energy		1,086		1,112	-	2
	1,415		1,399	+	1	Industrial Products		1,438		1,400	+	3
	677		674		-	Intermodal		671		668		-
	\$1,156		\$1,155		-	Total		\$1,162		\$1,166		-

**RAIL AND OTHER OPERATIONS - a)**  
**REVIEW OF OPERATIONS**  
Periods Ended September 30  
(Dollars in Millions, Except Operating Statistics)  
(Unaudited)

Third Quarter					Year-to-Date				
2002	2001	Pct Chg			2002	2001	Pct Chg		
\$ 2,850	\$ 2,734	+	4		\$ 8,334	\$ 8,105	+	3	
<b>Operating Revenues</b>									
<b>Operating Expenses</b>									
919	886	+	4	Salaries and Benefits	2,745	2,688	+	2	
316	307	+	3	Rent Expense	939	921	+	2	
288	280	+	3	Depreciation	858	841	+	2	
277	301	-	8	Fuel and Utilities	770	956	-	19	
119	121	-	2	Materials and Supplies	365	380	-	4	
312	283	+	10	Purchased Services and Other	966	855	+	13	
<u>2,231</u>	<u>2,178</u>	+	2	Total	<u>6,643</u>	<u>6,641</u>		-	
<u>\$ 619</u>	<u>\$ 556</u>	+	11	<b>Operating Income</b>	<u>\$ 1,691</u>	<u>\$ 1,464</u>	+	16	
<b>Operating Statistics:</b>									
2,359	2,274	+	4	Revenue Carloads (Thousands)	6,863	6,664	+	3	
131.5	127.6	+	3	Revenue Ton-Miles (Billions)	387.5	375.3	+	3	
253.3	243.4	+	4	Gross Ton-Miles (Billions)	741.3	711.0	+	4	
2.07 ¢	2.06 ¢	-		Rev/RTM (Commodity Revenue Based)	2.06 ¢	2.07 ¢	-		
\$ 1,156	\$ 1,155	-		Average Commodity Revenue Per Car	\$ 1,162	\$ 1,166	-		
47,906	48,842	-	2	Average Employees	47,639	49,031	-	3	
75 ¢	86 ¢	-	13	Average Fuel Price Per Gallon	70 ¢	90 ¢	-	22	
331	319	+	4	Fuel Consumed in Gallons (MM)	985	958	+	3	
1.31	1.31	-		Fuel Consumption Rate (Gal/000 GTM)	1.33	1.35	-	1	
21.7	20.3	+	1.4 pt.	Operating Margin (%)	20.3	18.1	+	2.2 pt.	
78.3	79.7	-	1.4 pt.	Operating Ratio (%)	79.7	81.9	-	2.2 pt.	

a) Excludes Overnite's operations.

# OVERNITE CORPORATION

## REVIEW OF OPERATIONS - PRO FORMA

Periods Ended September 30

(Dollars in Millions, Except Operating Statistics)

(Unaudited)

Third Quarter					Year-to-Date				
2002	2001 a)	Pct Chg			2002	2001 a)	Pct Chg		
\$ 349.6	\$ 327.8	+	7	<b>Operating Revenues</b>	\$ 986.2	\$ 964.9	+	2	
				<b>Operating Expenses</b>					
206.2	191.3	+	8	Salaries and Benefits	603.7	572.2	+	6	
33.2	28.9	+	15	Rent Expense	89.9	81.5	+	10	
14.5	13.7	+	6	Depreciation	43.8	41.7	+	5	
17.6	19.0	-	7	Fuel and Utilities	49.1	59.6	-	18	
13.9	13.7	+	1	Materials and Supplies	39.4	41.6	-	5	
38.6	39.7	-	3	Other	105.9	118.4	-	11	
324.0	306.3	+	6	Total	931.8	915.0	+	2	
\$ 25.6	\$ 21.5	+	19	<b>Operating Income</b>	\$ 54.4	49.9	+	9	
<b>Operating Statistics:</b>									
2,273	2,130	+	7	Millions of Pounds Hauled - LTL	6,517	6,337	+	3	
2,493	2,318	+	8	Millions of Pounds Hauled - Combined	7,146	6,891	+	4	
\$ 14.13	\$ 14.23	-	1	Revenue/CWT - LTL	\$ 13.90	\$ 14.00	-	1	
\$ 13.45	\$ 13.64	-	1	Revenue/CWT - Combined	\$ 13.24	\$ 13.44	-	1	
13,675	14,065	-	3	Average Employees	13,501	13,759	-	2	
77 ¢	84 ¢	-	8	Average Fuel Price Per Gallon	71 ¢	88 ¢	-	19	
15,954	16,008	-		Fuel Consumed in Gallons (000s)	47,140	48,650	-	3	
7.3	6.6	+	0.7 pt.	Operating Margin (%)	5.5	5.2	+	0.3 pt.	
92.7	93.4	-	0.7 pt.	Operating Ratio (%)	94.5	94.8	-	0.3 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 third quarter and year-to-date of 2001, respectively, were as follows: Operating Revenues - \$292.1 and \$862.1, Operating Expenses - \$273.8 and \$819.7, and Operating Income \$18.3 and \$42.4.

**UNION PACIFIC CORPORATION**  
**STATEMENTS OF CONSOLIDATED FINANCIAL POSITION**

As of September 30, 2002 and December 31, 2001

(Dollars in Millions)

(Unaudited)

	September 30, 2002	December 31, 2001
<b>Assets:</b>		
Cash and Temporary Investments	\$ 451	\$ 113
Other Current Assets	1,640	1,429
Investments	695	786
Properties - Net	29,373	28,792
Other Assets	466	431
	<hr/>	<hr/>
Total	\$ 32,625	\$ 31,551
	<hr/>	<hr/>
<b>Liabilities and Shareholders' Equity:</b>		
Current Portion of Long Term Debt	\$ 294	\$ 194
Other Current Liabilities	2,598	2,552
Long Term Debt	7,580	7,886
Deferred Income Taxes	8,277	7,882
Other Long Term Liabilities	1,877	1,962
Convertible Preferred Securities	1,500	1,500
Common Shareholders' Equity	10,499	9,575
	<hr/>	<hr/>
Total	\$ 32,625	\$ 31,551
	<hr/>	<hr/>

**UNION PACIFIC CORPORATION**  
**STATEMENTS OF CONSOLIDATED CASH FLOWS**

For the Nine Months Ended September 30

(Dollars in Millions)

(Unaudited)

	2002	2001
<b>Operating Activities:</b>		
Net Income	\$ 963	\$ 691
Depreciation	901	877
Deferred Income Taxes	387	344
Other	(408)	(550)
Cash Provided by Operating Activities	<u>1,843</u>	<u>1,362</u>
<b>Investing Activities:</b>		
Capital Investments	(1,468)	(1,354)
Other	250	80
Cash Used in Investing Activities	<u>(1,218)</u>	<u>(1,274)</u>
<b>Financing Activities:</b>		
Dividends Paid	(151)	(148)
Debt Repaid	(1,032)	(792)
Financings and Other - Net	896	867
Cash Used in Financing Activities	<u>(287)</u>	<u>(73)</u>
<b>Net Change in Cash and Temporary Investments</b>	<u>\$ 338</u>	<u>\$ 15</u>