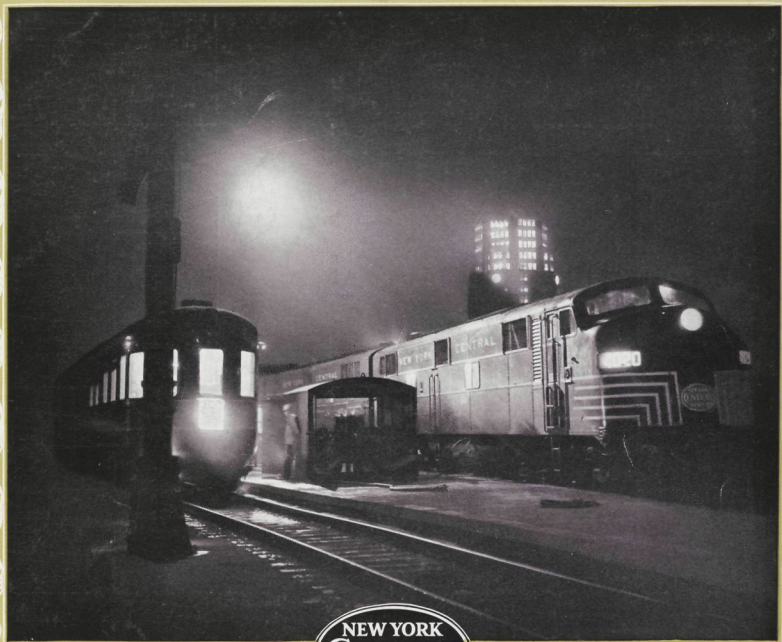


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1943
NEW YORK CENTRAL
CORPORATION FILES

Annual Statistical Report-1948



The
NEW YORK CENTRAL
RAILROAD COMPANY

CENTRAL FACTS AT A GLANCE

	1948	1947	1946	1945	1944
FINANCIAL POSITION					
Investments in road, equipment and other properties	\$1,072,134,493	\$1,017,965,622	\$1,003,730,724	\$ 991,642,520	\$1,024,826,557
Investments in affiliated and other companies	466,445,352	464,407,457	454,358,556	450,764,698	450,695,806
Current assets	188,193,906	214,225,933	213,542,892	265,798,178	295,506,718
Current liabilities	125,587,362	130,204,245	107,878,310	113,265,742	193,681,247
Bonds and equipment obligations ..	589,947,760	565,604,040	556,701,561	557,299,281	560,955,121
INCOME					
Operating revenues	779,860,755	703,340,527	616,784,755	654,363,799	714,963,385
Operating expenses	667,342,966	606,536,857	558,351,493	580,680,970	531,839,633
Taxes	54,161,593	52,435,502	23,953,409	6,423,158	98,372,903
Net railway operating income	37,221,591	24,519,561	15,447,219	49,944,321	65,759,084
Fixed charges	42,573,259	41,518,932	40,958,739	44,075,835	46,187,801
Net income	14,727,096	2,306,082	*10,449,268	24,412,525	35,789,939
Operating ratio	85.57%	86.24%	90.53%	88.74%	74.39%
Return on depreciated property investment (based on net railway operating income)	2.1%	1.4%	0.9%	3.0%	3.8%
Profit (net income) in relation to total income (operating revenues plus other income)	1.8%	0.3%	None	3.6%	4.9%
SIGNIFICANT FREIGHT FIGURES					
Revenue freight tons	184,730,006	188,015,638	171,932,093	180,822,800	196,186,843
Revenue ton-miles	41,926,445,859	43,570,786,753	40,215,577,150	44,363,014,939	51,921,983,273
Revenue per ton-mile	1.34¢	1.14¢	1.02¢	.94¢	.90¢
SIGNIFICANT PASSENGER FIGURES					
Revenue passengers	68,822,445	73,452,492	77,641,742	78,877,809	81,554,513
Revenue passenger-miles	5,526,449,260	6,079,433,127	7,046,346,183	8,786,588,830	9,291,910,179
Revenue per passenger-mile	2.46¢	2.19¢	2.10¢	1.93¢	1.95¢
EMPLOYES AND WHAT THEY RECEIVED					
Average number of employees	119,721	119,999	119,844	124,461	122,756
Total wages paid employees	\$432,857,738	\$393,783,304	\$372,646,206	\$337,418,287	\$337,299,617
Average wage per employee	3,616	3,282	3,109	2,711	2,748
Retirement and unemployment insurance taxes (employee benefits) ..	24,311,754	31,985,446	22,801,651	20,253,230	20,133,547
Total average wages and benefits per employee	3,819	3,548	3,300	2,874	2,912
STOCKHOLDERS AND WHAT THEY RECEIVED					
Stockholders of record	57,263	60,099	62,717	59,926	61,460
Total dividends declared	\$3,223,697	\$9,671,091	\$9,671,091
Amount of dividend per share50	1.50	1.50

* deficit

The NEW YORK CENTRAL RAILROAD COMPANY, 230 Park Avenue, New York 17, N. Y.

Annual Report-1948

The NEW YORK CENTRAL RAILROAD COMPANY



The Year in Review

THE YEAR 1948 produced a much higher degree of prosperity for the nation and for business in general than for the railroads.

Though the New York Central gained substantially over 1947 in total revenues and net income, there are disquieting factors which also must be noted in any realistic appraisal of the year's results:

1—Unit volume was down. Thus the improved financial showing was due largely to increases in rates and fares.

2—Heavy increases continued in basic wage, material and fuel costs—factors beyond any management's control.

3—Large sums of money have been and still are needed to continue our post-war plant and equipment modernization, which is vital to the long-range interests of the Central, its owners and employees, and the public.

4—Our profit was inadequate, in relation both to our gross revenues and to our invested capital.

Revenues up, but volume down

Due to the freight rate and passenger fare increases during 1948, total operating revenues increased to \$779,860,755, up 10.9 per cent from 1947.

Our improved revenues came largely from our freight traffic. Totaling \$561,361,243, freight revenues improved 13 per cent from the previous high, of 1947, though unit volume as measured by revenue ton-miles fell 4 per cent below 1947, and 24 per cent below the record of wartime 1943.

While travel volume continued its post-war decline, passenger revenues increased to \$136,168,197—up 2.2 per cent from 1947, but 25 per cent below record 1944. Revenue passenger-miles fell 9 per cent below 1947, with coach traffic falling more than Pullman traffic.

Expenses at all-time high

Total operating expenses rose to \$667,342,966, up 10 per cent from the previous year. This was despite the lower traffic volume of 1948, and was due to climbing wage rates and larger unit costs of materials and supplies.

As a result our profit, though substantially improved from 1947, still was disappointing for a year in which our total traffic volume was greater than in any other peacetime year except 1947. The rate of return on our depreciated railroad property investment was only 2.1 per cent.

Net income improves

Net income totaled \$14,727,096, equal to \$2.28 a share, compared with \$2,306,082 or 36 cents a share in 1947. Except for the "profitless prosperity" period of 1946-47, when rate increases lagged far behind soaring costs, this was our lowest net income since 1940. It represented a profit of only 1.8 cents of every dollar we received both from railroad operations and in other income.

From this relatively small profit, the Central's directors declared a 50 cents a share dividend, the

first in three years, payable January 15, 1949, to stockholders of record December 22, 1948. The necessity of financing the major improvement program which still is under way precluded the consideration of any large payment.

Modernization continues

Our improvement program has required us to draw heavily on cash reserves accumulated in the war years, as well as current earnings. It is expensive—especially in these years of high prices.

Yet we cannot stand still. Continuing modernization offers the principal hope for reducing the ratio of operating costs to revenue and thus of improving our earning power and the value of Central stock. Continuing modernization likewise is the only way we can maintain our service at the standards which are vital in this period of intense competition.

Debt interest increase moderate

In carrying forward the improvement program, the Central issued last year \$39,200,000 of new equipment trust certificates bearing low interest rates and maturing serially in one to ten years. As is well known, these represent short term obligations to temporarily finance in part the acquisition of new locomotives, freight cars and other equipment. Amounts due New York State in connection with grade crossing eliminations decreased by \$502,227. Meanwhile \$15,790,280 of older debt, including that of lessor companies, was retired, at maturity or by purchase.

As a result, while total debt held by the public increased \$22,907,493, or 2.68 per cent, interest requirements, on an annual basis, increased by a relatively moderate \$600,592, or only 1.84 per cent.

As against this increase, leased line rentals payable to others will be reduced \$110,301 on an annual basis by means of 1948 expenditures totaling \$1,828,059 for the acquisition of lessor companies' stock guaranteed by the Central.

The rate and cost picture

Freight rate increases authorized by the Interstate Commerce Commission were made effective on various dates during 1948, and there also were increases in passenger fares and express rates. Even so, the situation confronting the eastern railroads, as compared with 1939, is as follows:

Passenger fare levels have increased an average of 24 per cent, and freight rate levels an average of 56 per cent, while the wage rates we must meet

have gone up about 82 per cent and the prices we must pay for materials have increased an average of about 121 per cent.

Thus the increase in average wage rates and materials prices we must pay has far outdistanced the increase in the prices we are permitted to charge for our service. From these and other figures it is apparent that the railroads as a whole have not participated appreciably in the general prosperity.

Problems in the East

This is particularly true on the Central and other large eastern railroads. There are several contributing factors, including our large volume of passenger train service, carried at a substantial annual loss; higher freight terminal costs and heavier property taxes in the densely populated territory we serve; a relatively shorter average revenue haul than on many railroads in other areas; and further acceleration of industrial development in other sections, reducing somewhat the eastern carriers' share of total railroad transportation.

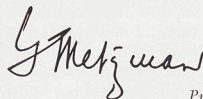
Faith in the future

Under present-day conditions any comment as to what is ahead of us is largely conjectural. However, such forecasts as are available indicate that freight traffic volume will be somewhat below the level of 1948, and that a further decline in passenger traffic volume is indicated.

Whatever the future, we know that railroad transportation is a major factor affecting the nation's economy, and indispensable to national defense. For this and other important reasons, the major improvement program inaugurated in 1945 is imperative and must be carried forward.

To realize fully the benefits of this program, we will continue to need and appreciate the same close cooperation from our employees that they demonstrated again during 1948.

We face the future with faith that, in the national interest, enlightened public policy eventually will accord the railroad industry the equitable treatment essential to the preservation of its financial integrity and its standards of service.



President

March 10, 1949

THE YEAR'S BUSINESS - 1948

NEW YORK CENTRAL'S
INCOME DOLLAR...

... AND WHERE
IT WENT

FREIGHT TRAFFIC

70.0¢

MILLIONS OF DOLLARS
1948 1947

 Coal, ore and other products of mines	153.2	136.1
 Manufactures and miscellaneous	306.9	264.6
 Wheat, grain, flour and other products of agriculture	38.6	36.6
 Lumber and other products of forests	14.5	12.8
 Livestock and products of animals	27.3	26.0
 L.C.L. (less than carload lots)	46.0	46.7
Total gross freight revenue	586.5	522.8
LESS: Items of absorbed switching, pick-up and delivery, etc.	25.2	26.0
Total net freight revenue	561.3	496.8

PASSENGER TRAFFIC

17.0¢

 Coach (except commutation)	74.3	73.3
 Pullman	53.3	52.3
Commutation	8.6	7.6
Total passenger revenue	136.2	133.2


OTHER OPERATIONS

10.3¢

Investments	2.7¢	2.9
Other operations	82.3	73.4
Net income	21.9	21.2

MATERIALS and SERVICES


28.7¢

 Fuel, material and supplies and other costs of operations	230.2	209.5
Tools wearing out (depreciation and amortization)	4.3¢	34.6
Taxes (excluding payroll)	3.7¢	33.1
Interest, rentals, etc.	5.5¢	20.5
Net income	1.9¢	43.4

HUMAN ENERGY

55.9¢

MILLIONS OF DOLLARS
1948 1947

 Wages, salaries, pension, and payroll taxes	448.0	415.8
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Over 500,000 cars of freight were received and dispatched in 1948 from the Central's terminal yards at Weehawken, N. J.

TRAFFIC VOLUME maintains high level during the year

DESPITE the unpredictable adversity of unusually severe weather through January and the first part of February, the Central's traffic volume maintained a high level in 1948.

Freight traffic volume as recorded by revenue ton-miles dipped about 4 per cent below 1947, but still was the largest for any peacetime year except 1947. And while passenger traffic volume as measured by revenue passenger-miles was 9 per cent under 1947, it was high by any pre-war standard.

Our freight traffic volume, for example, was 15.3 per cent above that recorded in the year 1941, and 14.8 per cent above 1929. Our passenger traffic volume was 57.5 per cent higher than in 1941, and 30.5 per cent above 1929.

Even so, compared with the volume of business handled, 1948's comparatively high traffic volume produced meager profits. The rate of return (based on net railway operating income) on our depreciated property investment, for example, was 2.1 per cent—only a fraction of the average for industry

in general. This inadequate return was due largely to non-compensatory rates, coupled with substantial operating cost increases arising from the general inflation in the national economy, and the ever-present problem of subsidized competitors.

Average revenues increase

The rate and fare increases which were granted at various times during the year increased the Central's average revenue for transporting a ton of freight one mile to 1.34 cents from 1.14 cents in 1947, and for transporting a passenger one mile to 2.46 cents from 2.19 cents in 1947. These increases were not enough to enable us to overtake the much higher climb in the wages and prices we have had to pay in the post-war period.

Further freight rate increases totaling about 13 per cent, including an interim increase of about 6 per cent granted effective January 11, 1949, are sought under an application pending with the Interstate Commerce Commission. While the railroads are

fully aware that they must not "price themselves out of the market," it must be remembered that freight rates, in relation to the value of the goods transported, are lower than they ever have been since such figures first were compiled.

Operating expenses, taxes rise

Due to the impact of inflation and of wage increases, operating expenses rose again. Their 10 per cent climb above 1947 brought them to \$667,342,966. Transportation expenses, the largest group of items, rose 9.2 per cent. Maintenance of way expenses, including depreciation, increased 14.5 per cent, and maintenance of equipment costs, including depreciation and amortization, rose 8.9 per cent.

Although operating expenses for 1948 include total charges of \$9,006,269 for personal injuries, such charges were offset in part by credits totaling \$4,595,821 in connection with adjustments of personal injury accruals applicable to prior years. Accordingly, the net charge to operating expenses in 1948 was \$4,410,448.

Railway tax accruals increased 3.3 per cent to the 1948 figure of \$54,161,593. This is 24.8 per cent above 1941, and 36.2 per cent above 1929. The general trend of taxation is such that it appears inevitable that there will be substantial further increases in the year 1949.

Third round wage increases

Payroll costs — representing, with allied pension and payroll tax costs, about 65 per cent of our operating and related expenses — climbed to record levels in 1948 under the impact of the so-called "third round" wage increases.

With the average number of employees remaining virtually unchanged, the pay raises increased these "cost of human energy" expenses to \$448,013,287 in 1948, not including wages incurred in capital improvement projects. This is an increase of 7.7 per cent from 1947, despite a reduction in 1948 payroll taxes through amendment of the Crosser Act. Wages alone — without pension and payroll tax costs, but including \$11,035,830 of capital improvement project wages — totaled \$432,857,738, representing an increase of 9.9 per cent.

An unsettled "second round" wage increase case culminated in federal seizure of the nation's railroads between May 10 and July 9, 1948. The engine-men, firemen and switchmen refused to accept a presidential emergency board's recommendation of a 15¢ cents an hour raise, together with certain

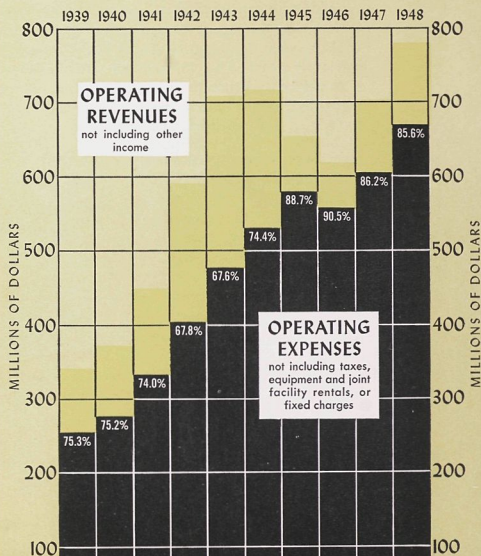
working rule changes. This recommendation, accepted by the carriers, followed the pattern which was set in the fall of 1947 and which was accepted by all other railroad unions.

In the face of a threatened paralyzing strike, the Army was directed to take charge of the railroads. The Central's President G. Metzger was commissioned a colonel and designated regional director for nearly 50 railroads in a broad eastern region territory between the Atlantic seaboard and Chicago. The agreement which finally concluded this wage dispute provided for the same basic wage increase and many of the rules changes originally recommended by the board.

Agreement was reached with the operating unions in the fall of 1948 on "third round" wage increases of 10 cents an hour, effective October 16.

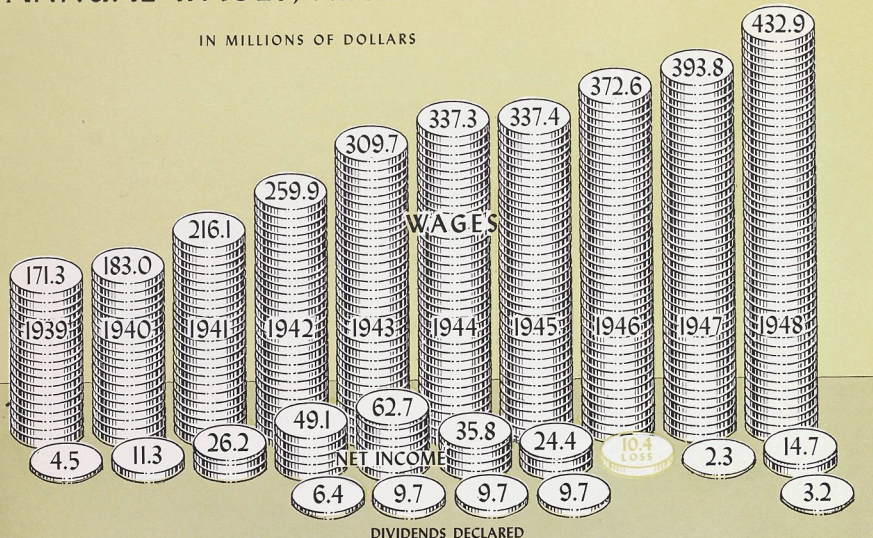
Non-operating unions, meanwhile, were demanding an increase of 25 cents an hour, and 48 hours' pay for a basic Monday-Friday work week, with pay at punitive rates for Saturdays and Sundays. The dispute went to a presidential emergency board. In December the board recommended an increase of 7

RAILWAY OPERATING REVENUES, EXPENSES and OPERATING RATIO



ANNUAL WAGES, NET INCOME and DIVIDENDS

IN MILLIONS OF DOLLARS



cents an hour, retroactive to October 1, and establishment on next September 1 of a 40-hour work week. Under this report the non-operating employees would receive the same basic pay for 40 hours as previously received for 48—in effect, a total increase of 20 per cent. Although the railroads accepted the board's recommendations, the case remained unsettled when this report went to press.

Improvement program carried forward

Continuing a determined drive to reduce the ratio of our operating costs and thus to improve our earning power — while maintaining simultaneously the service standards necessary to attract and to hold business — the Central in 1948 carried forward its extensive post-war improvement program. While about three-fourths of the program is for new motive power and new rolling stock, substantial sums also are included for improvements to roadways, structures, and other equipment.

For 1948, expenditures in the post-war program totaled nearly \$106,000,000, of which slightly more

than \$90,000,000 was for the Central and leased lines and the remainder by the principal controlled and affiliated companies. These are the Pittsburgh and Lake Erie and the Indiana Harbor Belt Railroads, Merchants Despatch Transportation Corp., and Northern Refrigerator Line, Inc. Of the \$106,000,000, new motive power and rolling stock equipment expenditures represented nearly \$81,000,000, of which more than \$67,000,000 was for the Central and leased lines and the remainder by the controlled and affiliated companies.

Commitments at the start of 1949 called for estimated further expenditures for new motive power and rolling stock totaling nearly \$113,000,000, of which nearly \$100,000,000 will be for the Central and leased lines, and the remainder by the other companies. Deliveries on this phase of the program will extend into 1950.

Approximately one-fourth of our expenditures for new motive power and rolling stock, and almost all of our expenditures for improvements to roadway, structures and other equipment, have been met from

current revenues and from our working capital "rainy day fund" which was built up in more prosperous years. In general, the other three-fourths of the money for our new locomotives and cars has been obtained by borrowing through equipment trust certificates or conditional sale agreements, repayable in equal annual instalments, generally in ten years.

Dieselization is progressing

Carrying forward our motive power modernization, the Central and leased lines, together with two affiliates, the Pittsburgh & Lake Erie and the Indiana Harbor Belt Railroads, ordered in 1948 new Diesel-electric locomotives at a total cost of approximately \$33,600,000. The bulk of these locomotives, on which deliveries will extend into 1950, are for road freight and for switching service. The Central's portion was about \$24,790,000.

Locomotives delivered during 1948 increased the Dieselized portion of the total road freight train mileage of the Central and leased lines to approximately 13.5 per cent by the end of the year. The Dieselized portion of total passenger train mileage rose to approximately 19.4 per cent. Meanwhile, the proportion of switching hours performed by Diesel-electrics on the Central and leased lines increased to about 28 per cent.

Some other railroads have a higher percentage of Dieselization, but the locomotives on order, when received, will bring the total Diesel-electric horsepower of the Central System to 948,300—believed to be the largest total on any railroad system. These added locomotives will permit us to raise the proportion of our Dieselized operation to nearly double

the present in road freight train service, and by nearly half in passenger and switching services.

Freight car position improves

One of the problems of the Central and of many other railroads has been that of an insufficient freight car supply. This situation stemmed from financial inability to replace cars which had to be retired in the depression 1930s, and from the persistent pounding of record traffic during World War II, which caused cars to wear out much faster than they could be replaced.

An inadequate car supply makes for loss of traffic in peak periods. It also makes for unnecessarily high operating costs because freight cars and locomotives, like the family automobile, inevitably reach the point where it is more economical to replace them than to repair them.

Continuing to remedy this situation, the Central and affiliated companies placed orders during 1948 for 11,709 new freight train cars at an estimated total cost of \$56,182,000. The Central's portion was about \$38,700,000.

Deliveries on previous orders, and on approximately two-fifths of the 1948 orders, enabled the Central and its affiliated companies to record a net gain of 3,125 freight train cars by receiving 9,133 while retiring only 6,008. Completion this year of the 1948 orders will permit a further substantial gain in freight train car ownership.

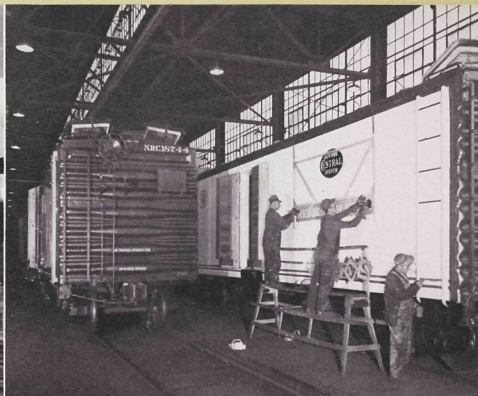
New passenger cars received

Continued deliveries of our \$62,000,000 post-war fleet of 721 new passenger train cars, including the Central's first post-war sleeping cars, permitted

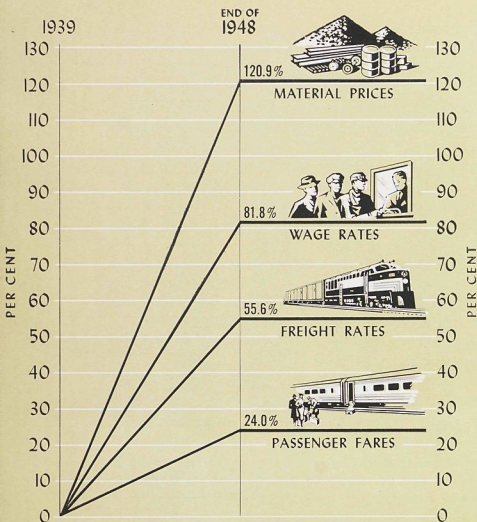
Pictured here is a portion of the new Toledo, O., coal and ore facility which brought substantial additional traffic to the Central in 1948



New freight cars receive the finishing touches after their construction at Despatch Shops, Inc., the Central's affiliate at E. Rochester, N. Y.



BASIC EXPENSES and RATES



further substantial progress in streamlining our busy steel fleet.

The passenger service event of the year was the mid-September inauguration of twin new Twentieth Century Limiteds at simultaneous ceremonies in New York and Chicago. Large crowds attended the subsequent one-day exhibitions in each city, with 33,218 persons — more than 2,000 an hour — inspecting the Century in Grand Central Terminal in New York during the 15 hours it was on exhibition.

More important, if less spectacular, was the steady addition of new streamlined cars to many Central trains. A total of 163 new passenger train cars went into service in 1948, including 102 of the 264 new sleeping and sleeping-combination cars of various types ordered in 1945.

Although more than two years behind original delivery expectations, the remaining 162 cars in this program are being received rapidly and will permit carrying out in the first half of 1949 of our plans for more than a score of modern streamliners and the adding of new cars to many other Central trains.

All new cars incorporate air-conditioning and many other features, and our older cars have been improved to the extent that all sleeping, dining and parlor cars and the bulk of the coaches regularly assigned to main line and important division trains now are air-conditioned.

For suburban service in the metropolitan New York City area, the Central ordered in 1948 one hundred multiple unit commutation cars for use in our electrified territory at an estimated total cost of \$12,000,000, with deliveries scheduled to begin late in 1949. The new coaches will provide greater seating capacity, and like all rolling stock ordered in our post-war program, will provide simultaneously better service and greater operating efficiency.

445 new industries obtained

Continued intensive efforts of the Central's industrial representatives resulted in locating along the Central and affiliates in 1948 a total of 445 new industries with an estimated traffic volume of about 167,300 carloads per year.

Of these new industries, 397 with an estimated 126,700 carloads annually were located along the Central and leased lines.

Employees honored; executive changes

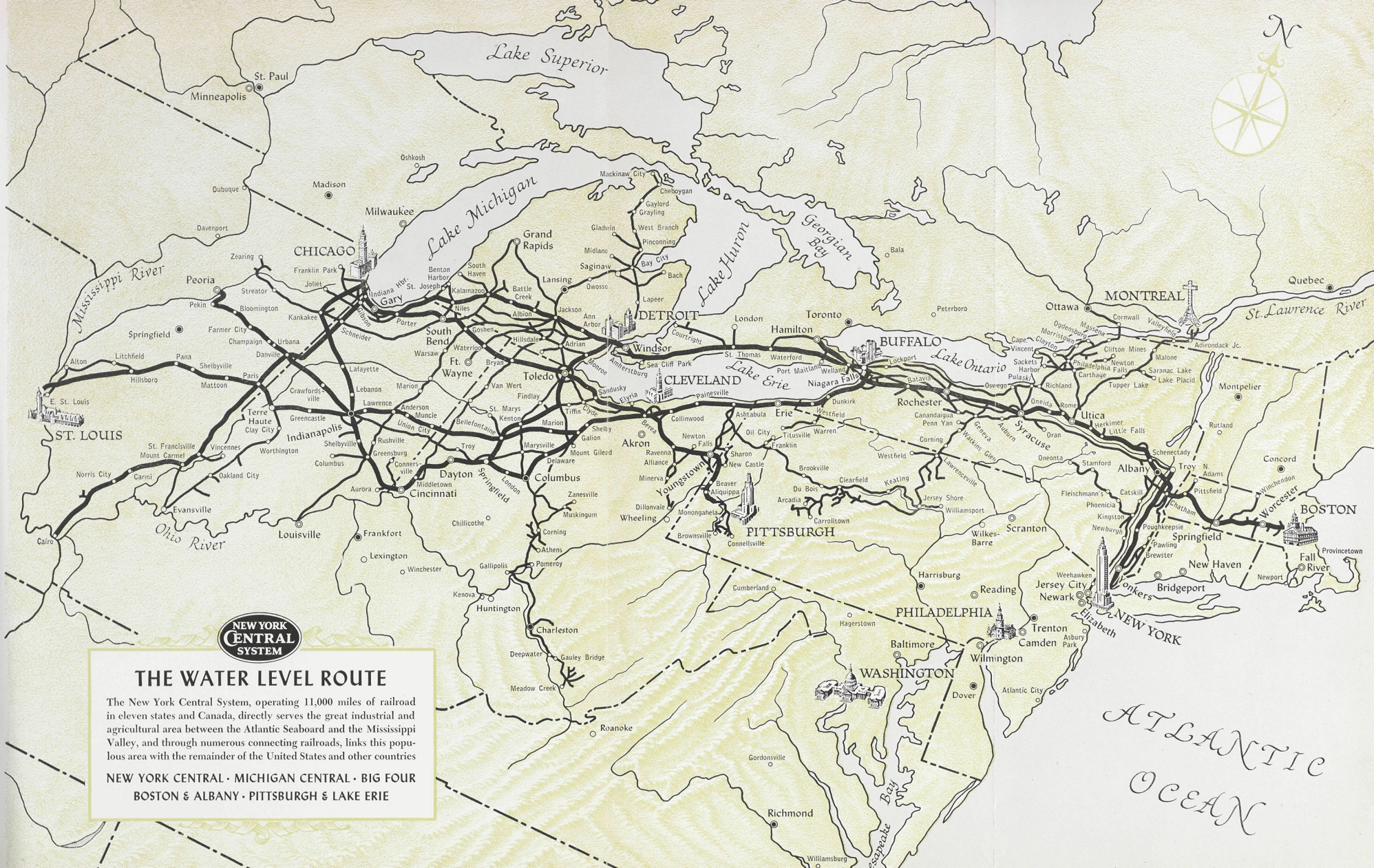
A high degree of employee skill and loyalty was demonstrated again in 1948 — particularly during the first six weeks when persistent sub-zero temperatures in New York State's Mohawk Valley seriously hampered our operations. Once more the Central is rightly proud of its employees' year-round performance, in good weather and in bad.

Two employees won the Central's coveted Valor Medal for acts of heroism at the risk of their lives. They were Stark Aga, a Central tugboat deckhand who dove into the Hudson River and rescued a woman from drowning; and L. E. Arnett, a brakeman who hurled himself in front of a train to rescue a woman from threatened death at Gays, Ill.

Albert B. Dick, Jr., chairman of the board of the A. B. Dick Co. of Chicago, Ill., was elected to the Central's board on February 9, 1949, succeeding Joseph M. O'Mahoney, resigned.

After more than 46 years' service, Richard E. Dougherty, vice president-assistant to president, retired December 31, 1948, in accordance with the Company's retirement regulations.

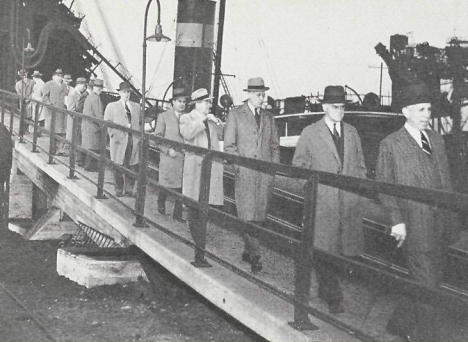
Boynton S. Voorhees was appointed vice president, succeeding Mr. Dougherty. Frank S. Austin was appointed vice president, purchases and stores.



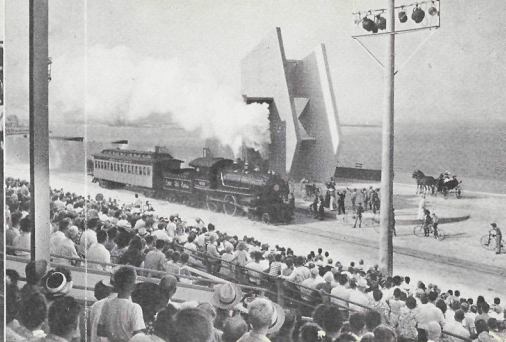
THE WATER LEVEL ROUTE

The New York Central System, operating 11,000 miles of railroad in eleven states and Canada, directly serves the great industrial and agricultural area between the Atlantic Seaboard and the Mississippi Valley, and through numerous connecting railroads, links this populous area with the remainder of the United States and other countries

NEW YORK CENTRAL • MICHIGAN CENTRAL • BIG FOUR
BOSTON & ALBANY • PITTSBURGH & LAKE ERIE



Directors and officers of the Central and the Pittsburgh and Lake Erie Railroad made a visit to the new coal and ore dock facilities at Toledo, O., as part of a 2,000-mile inspection tour of the System



The Central's famed No. 999, which posted a world record of 112½ miles an hour pulling the Empire State Express in 1893, is shown at the successful Chicago Railroad Fair, which resumes this summer



PHOTO HIGHLIGHTS of the YEAR



Train radio-telephone service, above, was begun for our passengers after General Eisenhower, Miss Beatrice Lillie and Mayor O'Dwyer participated in New York ceremony for newest Twentieth Century



President Metzman was sworn in as a colonel in charge of eastern roads during Army control. Below, a new device which quickly shows available space was installed in our reservation bureau at New York



IMPROVEMENTS point the way to greater efficiency

WITH OPERATING COSTS still rising — and revenues, while higher, not yet in step with costs — two objectives which have always been dominant in the Central's program took on an even greater importance in 1948. They are the continued increase of efficiency in every phase of operation, in order to offset mounting costs; and the constant improvement of service to shippers and passengers, in order to attract additional traffic as well as retain our present business.

During the past year the Central was able to make substantial progress in its post-war plans designed to further these two objectives. As already noted, new motive power and rolling stock, both passenger and freight, arrived from manufacturers in considerable volume, with further substantial deliveries scheduled for 1949.

Gains from Dieselization

This new equipment has brought to the Central's operations higher standards both of efficiency and of service. Increased Dieselization provides a greater flexibility of service, savings in fuel, and greater pro-

duction of train mileage per unit of motive power.

The acquisition of new rolling stock to replace worn-out cars has in many cases produced real savings in the amount of maintenance required to keep equipment in service, in addition to improving the quality and attractiveness of service to shippers. Less time spent by cars in shops means lower shop costs and higher output of transportation per car.

More mechanization in freight handling

Another focal point in the Central's drive to check rising costs through greater efficiency is the increasing use of mechanical handling equipment at principal freight stations. In order to hold and increase the Central's share of highly competitive traffic moving in less-than-carload lots, station and transfer operations have been streamlined.

In a continuing program of mechanization at key freight stations on the System, materials-handling equipment of the most modern design has been placed in service. Included in this equipment is a large fleet of self-propelled trucks, replacing hand

Diesel-electric locomotives, like those pictured below, came to the Central in increasing numbers in 1948. With them came

many advantages, such as added flexibility in power utilization, fuel economies, and greater production of mileage per unit





At Utica, N. Y., principal transfer point for less-than-carload freight on the New York Central System, this fleet of various

kinds of mechanized equipment improves service and increases efficiency. Other large stations also have mechanized equipment

trucks and tractor-drawn trailers. By providing speedier and more flexible movement of freight, they lessen the cost of handling and at the same time improve the quality of service to shippers.

Other equipment introduced in increasing numbers in Central freight stations includes fork lift trucks, crane trucks, and overhead chain hoists for handling freight items of all shapes, sizes, and weights with a minimum of burdensome man-work and a maximum of safety. Not only has the installation of this equipment enabled the Central to offer a better, more competitive service to less-than-carload shippers; it also has increased the productivity of station personnel and has permitted the handling of peak traffic without expensive enlargement or reconstruction of existing station properties which otherwise would have been inadequate.

Training lowers claim volume

In conjunction with its program for greater efficiency and better service in freight station operations, the Central is conducting a broad program aimed at reducing freight loss and damage. A traveling instruction car, equipped with the most modern visual aids and staffed by qualified instructors, was placed in service during the year to show employees added

ways to prevent loss and damage and impress upon them the importance of doing so. Over 5,000 employees at 40 different stations had attended 289 instructive sessions in the car by the end of the year, and even more will be reached in 1949.

As a result of this activity, coupled with training through station service committees at all larger stations, a sizable decrease has been achieved in the volume of new claims presented, with the number of claims per month at the end of 1948 less than two-thirds of the highest monthly figure for 1947.

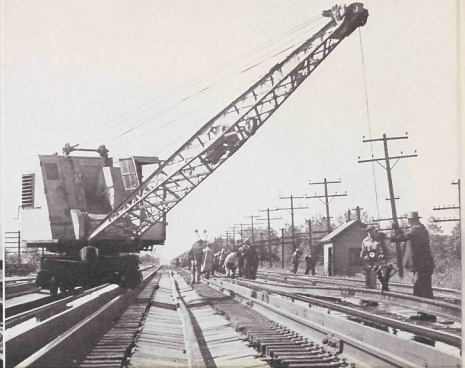
Merchandise service well received

The Central's Pacemaker freight service continued to prove itself during 1948. Solid trains of specially equipped Pacemaker cars, drawn by Diesel-electric power, operate nightly in each direction between New York and Buffalo. Direct-service cars for a progressively increasing number of points beyond—including Cleveland, Detroit, Toledo, Columbus, Cincinnati, Indianapolis and others—are handled in fast, connecting "symbol" freight trains.

Since its introduction in 1946, the Pacemaker freight service has met with an encouraging degree of approval from shippers and has demonstrated that a high-grade merchandise service—with an-



Maintenance of way operations are streamlined by utilization of 27 power-ballasting machines like the one shown above. Also important



in roadway maintenance is the use of welded rail to eliminate rail joints at certain locations. Above, a section is lowered into place

nounced and maintained schedules — will draw increased traffic to the rails.

New Pacemaker to come

Pursuing the course charted by this experience, the Central has developed plans to add a new and distinct Pacemaker freight service between New England and specified points in New York State and the midwest. Five hundred box cars are being converted for use in the New England Pacemaker service; they will bring to 1,000 the System's complement of Pacemaker cars, all equipped with high-speed trucks, cushioned draft gears, and light-weight springs for easy, damage-free riding at rates of speed approaching those of passenger trains.

As another step in improving less-than-carload service and lowering its costs, the Central has received Interstate Commerce Commission authority to institute on the Big Four district a motor service for transfer of merchandise freight between strategically located concentration points and small way stations. This "substituted service" will be both faster and less expensive than the use of "peddler" cars in local trains to handle shipments to and from small stations.

Establishment of coordinated motor service on the Big Four, which is expected to take place shortly, follows extensive studies to determine the advisability of the plan, and hearings before various regulatory bodies whose permission must be obtained before the service can be installed. Surveys present-

ly are underway with a view to extending "substituted service" to other parts of the System.

New coal and ore facilities

The past year saw the start of operations at the new Toledo, O., coal and ore docks built and operated jointly by the New York Central and the Baltimore and Ohio Railroads. This \$20,000,000 Maumee Bay facility, embodying a great advantage in location over the Central's previous coal dock location on the Maumee River, has improved our position in obtaining Great Lakes coal traffic from Ohio, Virginia, West Virginia, Kentucky, and Tennessee mines.

Despite the setback caused by a delay in the opening of the 1948 coal shipping season due to a work stoppage in the mines, the volume of coal moved via the Central to the Toledo docks during the season totaled 6,013,000 tons, compared with 4,567,000 tons moved to the previous site in 1947.

Installation of the last of the three coal dumpers at the new location was completed late in the season, so that 1949 finds the facility with a capacity to make even greater use of its traffic advantages.

New roadway maintenance techniques

The two-fronted campaign, aimed simultaneously at further improvement in efficiency and service, also was carried forward in the Central's maintenance of way program. Two developments in particular have made for greater working effectiveness in this field.

The first is the use of power-operated ballasting

machines for work in roadbed upkeep and rebuilding. These self-propelled rail cars, each equipped with 28 tamping hammers and exerting a force of three tons, enable maintenance forces to accomplish on the average about 50 per cent more work per man-hour than can be done with hand-operated pneumatic or electric tools. Twenty-seven of these ballasting machines are in service on the Central System. A total of almost 1,400 miles of track was ballasted by machine in 1948.

The second important development in maintenance of way practice is the use of continuous-length welded rail at locations—such as track water pans, highway crossings, and station grounds—where ordinary rail joints would require frequent repair, or where difficulty of access makes repair of joints difficult and costly.

Welding the 39-foot lengths of rail into continuous strips eliminates the joints between the lengths, provides a stronger rail, and reduces upkeep costs. Welded rail was installed at 67 locations on the System during 1948. The total length of welded rail now in place is approximately 130,000 feet.

Use of radio is increased

The use of radio communications—a field in which the Central pioneered as far back as 1920—was expanded during the year at 9 points of heavy switching and yard activity. The entire terminal area at Buffalo, N. Y., was radio-equipped. Other points at which radio communication was either installed or expanded include yards and terminals at Toledo, O.; Rochester, Syracuse, and Albany, N. Y., as well as New York City.

These installations provide centralized control of yard and terminal operations, greatly increasing efficiency, and also permit continuous work even during periods of obscured vision.

Diesel maintenance facilities expanded

Keeping pace with the expansion of its Diesel-electric locomotive fleet, mentioned above, the Central has enlarged its Diesel maintenance facilities. A new Diesel shop has been opened at West Springfield, Mass., as a strategic maintenance point for road freight and switch engines utilized on the lines east of Buffalo, including the leased Boston & Albany.

Facilities for maintaining Diesel road and switch engines have been installed at Niles, Mich.; and the capacities of the Central's two principal Diesel shops—Harmon, N. Y., and Collinwood, O.—have been developed in keeping with the increased mainte-



Diesel shop facilities have been expanded to care for the Central's growing Diesel fleet. Above, an engine is over the pit for repairs. Below, a yard engineman talks to the dispatcher by radio, which the Central is using increasingly for added efficiency in yard operations



nance schedules assigned them. In all cases, existing buildings and other resources have been utilized, through adaption and conversion, to the maximum possible in providing such facilities.

Efficiency drive enlists research

During 1948, as always, the Central enlisted the aid of science and research on its side in the battle to increase efficiency. In its own equipment department, in collaboration with suppliers from whom equipment and materials are purchased, in conjunction with other railroads and through the Association of American Railroads, the Central worked to improve present features of service and present ways of doing things.

While progress in the railroad industry is not normally characterized by spectacular innovations, nevertheless developments which in themselves are hardly dramatic are frequently of major importance for their contribution towards efficiency and service. During the past year several research projects were furthered by the Central which show promise of considerable value. One of them is the development of a simplified, straight-flow method of conducting steam for heating through the cars of a passenger train. This improvement, which will be ready for practical testing shortly, will, if successful, increase the efficiency of train heating.

Other projects in progress

Other projects include one to provide more instantaneous brake action on cars by the utilization of electrical impulses for the application of pneumatic brakes. These electro-pneumatic brakes will be put

into experimental service, as an auxiliary to the regular air-activated brakes, on two of the Central's passenger trains this year.

The Central also directed research towards continued reduction in the weight of rolling stock, without sacrifice of strength or safety, in order to produce a greater amount of revenue load per unit of tractive effort. "Dynamic balancing" of car wheels, to impart smoother riding qualities and reduce wear both on the wheels and on roadway, is under investigation. And the Central, in cooperation with other railroads, is continuing the exploration of the potentialities of a coal-fired gas-turbine locomotive as a form of railroad motive power.

Future will bring increased benefits

The immediate advantages enjoyed as a result of the Central's comprehensive improvement program, while of commanding interest at present, do not by any means represent the entire significance of what has been and is being done. Indeed, it is the future benefits — which may be expected to increase as the program is extended within the limits of practicability and on the basis of careful study and planning — that will show the true value of the Central's policy of broad-scale betterments.

By the aggressive extension of research, by the utilization of many new techniques and new devices that have proved themselves in practice, and by the maintenance of a high standard of training among employees, the Central will continue to push its drive towards the two goals which must be the constant aims of any business that wishes to go forward: greater efficiency and better service.

Training for all personnel who handle freight is the aim of this instruction car, which tours the System with its movies, slides,

and staff of trained instructors. Both station and yard forces are reached in the Central's drive to cut freight loss and damage



PUBLIC POLICY

remains vital to our financial health



PUBLIC POLICY as it affects transportation continues to exert a far-reaching influence upon the financial results of railroad operations.

In the field of competitive transportation, the lack of a comprehensive national transportation policy deprives the railroads of the opportunity to compete on equal terms for a growing volume of traffic moved over highways, waterways and airways — all heavily subsidized by public funds. The traffic which the railroads thus lose affects them the more importantly because in relation to revenue it is generally the “cream” of the traffic — that is, the traffic which produces the highest revenues in relation to volume.

The solution of this problem is of the greatest importance, not only to the railroads’ self-interest, but in the national interest as well. This is recognized in the statement of national transportation policy contained in the Interstate Commerce Act, as amended in 1940. The essential point of this Congressional declaration is equality of treatment for all forms of transportation in all respects.

The policy needs implementation

It takes more than a declaration, however, to make a policy, and there is therefore urgent need for action by Congress to implement effectively what it declared as recently as 1940 to be the national transportation policy.

The railroads do not ask, nor should they receive, special or preferential treatment. The inherent efficiency of the rail method of moving persons and property in trains of cars on tracks in large volume is so great that no such treatment is necessary. However, in doing their essential work the railroads should not be handicapped by unnecessary or artificial restrictions, and their strength should not be sapped and their usefulness impaired by special preferential treatment for other carriers.

In brief, the railroads believe that each agency of transportation should be required to pay its own

way and its proper share of taxes; governmental expenditures for transportation facilities should be subject to the same tests for economic justification and public convenience and necessity as are applied to private expenditures for similar purposes; operation of any two or more different forms of transportation should be permitted, under suitable regulation; and all carrier regulation should be administered by the same governmental agency.

Some favorable action obtained

Congressional action during 1948 included legislation which was helpful to the railroads in two important matters.

The Reed-Bulwinkle Act was adopted to clarify the law as to the right of the railroads to maintain joint rate bureaus and otherwise cooperate in the joint handling of matters of common concern.

The so-called Crosser Act, dealing with railroad retirement and unemployment insurance, was amended. While the act as amended increases railroad retirement pensions and annuities by 20 per cent, this is without increase in the payroll tax rate.

The amendment is important to the railroads in that it substitutes for the flat 3 per cent payroll tax on the railroads for unemployment insurance a graduated scale of taxes ranging from one-half of one per cent to 3 per cent. The minimum rate of one-half of one per cent became effective as of January 1, 1948, and has remained in effect.

The St. Lawrence Seaway again

In the present Congress the railroads are again confronted with the threat of further subsidized waterway competition. The proposal to construct the St. Lawrence Seaway and Power Project, at vast public expense, again is before that body.

It is the belief of railroad men and many others who have studied the project intensively that it is unsound economically, and likewise unsound from the standpoint of taxpayers generally.

Balance Sheet

The NEW YORK CENTRAL RAILROAD COMPANY

ASSETS	Dec. 31, 1948	Dec. 31, 1947 <i>(Note A)</i>
Road, equipment, other properties and capital funds:		
Road.....	\$ 725,048,991	\$ 714,167,332
Equipment.....	560,932,304	504,809,380
Depreciation and amortization—road and equipment.....	Cr. 374,214,932	Cr. 361,086,195
Improvements on leased property.....	128,735,563	126,929,227
Miscellaneous physical property.....	51,123,235	51,646,481
Depreciation—miscellaneous physical property.....	Cr. 19,490,668	Cr. 18,500,603
Funds segregated for investment in property.....	16,017,865	15,901,787
	<u>\$1,088,152,358</u>	<u>\$1,033,867,409</u>
Investments and advances, at or below cost:		
Affiliated companies.....	\$ 419,009,378	\$ 416,594,504
Other companies <i>(Note B)</i>	47,435,974	47,812,953
	<u>\$ 466,445,352</u>	<u>\$ 464,407,457</u>
Current assets:		
Cash, special deposits and United States Government securities.....	\$ 67,433,258	\$ 101,430,940
Material and supplies.....	64,559,639	56,709,578
Accounts receivable, accrued income and other current assets.....	56,201,009	56,085,415
	<u>\$ 188,193,906</u>	<u>\$ 214,225,933</u>
Other assets:		
Insurance deposits and working fund advances.....	\$ 2,119,337	\$ 4,066,585
Deferred receivables, prepayments and unadjusted debits.....	9,338,117	10,174,946
	<u>\$ 11,457,454</u>	<u>\$ 14,241,531</u>
	<u>\$1,754,249,070</u>	<u>\$1,726,742,330</u>
LIABILITIES		
Capital stock:		
Outstanding—6,447,410 shares without par value.....	\$ 562,332,426	\$ 562,332,426
Funded debt:		
Mortgage bonds.....	\$ 468,612,000	\$ 470,063,000
Debenture bonds.....	5,500,000	5,500,000
Equipment obligations.....	115,835,760	90,041,040
	<u>\$ 589,947,760</u>	<u>\$ 565,604,040</u>
Current liabilities <i>(Note C)</i>	<u>\$ 125,587,362</u>	<u>\$ 130,204,245</u>
Deferred liabilities:		
Liability to affiliated and other lessor companies <i>(Note D)</i>	\$ 49,054,501	\$ 50,173,567
Accrued depreciation on leased property <i>(Note E)</i>	73,282,252	72,821,330
Estimated liability for injury and damage claims.....	20,799,631	25,176,509
Insurance reserves.....	6,209,594	6,329,206
Liability to New York State—grade crossing eliminations.....	27,040,621	27,542,848
Other deferred liabilities and unadjusted credits.....	13,390,984	11,415,924
	<u>\$ 189,777,583</u>	<u>\$ 193,459,384</u>
Surplus:		
Unearned surplus.....	\$ 35,517	\$ 35,213
Earned surplus—appropriated.....	7,919,759	9,479,398
Earned surplus—unappropriated.....	278,648,663	265,627,624
	<u>\$ 286,603,939</u>	<u>\$ 275,142,235</u>
Contingent items <i>(Note F)</i>		
	<u>\$1,754,249,070</u>	<u>\$1,726,742,330</u>

For notes please see page 22

Income Account

The NEW YORK CENTRAL RAILROAD COMPANY

	1948	1947 (Note A)
Railway operating revenues:		
Freight	\$561,361,243	\$496,734,880
Passenger	136,168,197	133,187,777
Mail	23,556,655	20,618,542
Express	11,983,561	10,717,836
Other	46,791,099	42,081,492
<i>Total (Note G).....</i>	<u>\$779,860,755</u>	<u>\$703,340,527</u>
Railway operating expenses:		
Maintenance of way and structures (Note H).....	\$110,194,416	\$ 96,276,653
Maintenance of equipment (Note I).....	158,922,978	145,933,566
Traffic	12,334,617	11,177,010
Transportation	349,151,141	319,631,654
General and other	36,739,814	33,517,974
<i>Total (Note G).....</i>	<u>\$667,342,966</u>	<u>\$606,536,857</u>
Net revenue from railway operations	\$112,517,789	\$ 96,803,670
Railway tax accruals:		
Federal income taxes	1,647,016	Cr. 6,072,223
Other taxes	52,514,577	58,507,725
Equipment and joint facility rents—net debit (Note J).....	21,134,605	19,848,607
Net railway operating income	\$ 37,221,591	\$ 24,519,561
Other income (Note J):		
Dividend income:		
Affiliated companies	5,223,694	5,473,003
Other companies	1,392,869	1,219,462
Interest income	5,533,331	5,351,016
Miscellaneous rent income, less expenses	5,735,660	5,788,943
Net profit from separately operated properties	2,024,531	1,458,476
Miscellaneous income (net).....	168,679	14,553
Income available for fixed charges	\$ 57,300,355	\$ 43,825,014
Fixed charges:		
Rent for leased roads and equipment (Note J).....	\$ 20,132,441	\$ 19,575,066
Interest on funded debt, including amortization of discount	21,454,384	21,192,893
Other interest expense	986,434	750,973
	<u>\$ 42,573,259</u>	<u>\$ 41,518,932</u>
Net income	\$ 14,727,096	\$ 2,306,082

Earned Surplus Account

Balance at January 1, 1948.....		\$265,627,624
Net income for the year 1948, as above	\$ 14,727,096	
Miscellaneous reserves transferred from appropriated surplus	1,701,055	16,428,151
		<u>\$282,055,775</u>
Dividend appropriation—\$.50 per share	\$ 3,223,697	
Sundry debits (net)	183,415	3,407,112
Balance at December 31, 1948		<u>\$278,648,663</u>

For notes please see page 22

Notes to Financial Statements

The NEW YORK CENTRAL RAILROAD COMPANY

Note A—Reclassified for comparative purposes.

Note B—Includes advances and certain securities for which market quotations are not available. The other securities, carried on the books on December 31, 1948 at \$31,964,887, had a total quoted market value at that date of \$30,680,000.

Note C—Not including items of funded debt and deferred liabilities, principally equipment obligations, maturing by their terms in 1949, aggregating \$19,192,302.

Note D—Represents principally liabilities to lessor companies for equipment and materials taken over by New York Central under the terms of the leases.

Note E—Represents mainly recorded depreciation on properties of lessor companies operated by New York Central.

Note F—The accompanying balance sheet does not include the assets or liabilities of lessor and affiliated companies, nor New York Central's contingent liability, either sole or joint with other companies, as guarantor or under leases or otherwise with respect to the securities or obligations of other companies outstanding at December 31, 1948, in the principal amount of \$387,000,000.

The company's tax liabilities for 1940 and subsequent years have not been finally determined by the Treasury Department. No provision has been made in the accounts for additional federal income and excess profits taxes, if any, for these years.

Note G—During 1948 railway operating revenues were benefited to the extent of approximately \$3,100,000 and railway operating expenses were reduced to the extent of approximately \$4,600,000, resulting from extraordinary adjustments of certain accruals relating to the income of 1946 and prior years.

Note H—Includes depreciation amounting to \$10,356,297 in 1948 and \$10,208,066 in 1947.

Note I—Includes depreciation and amortization amounting to \$24,204,559 in 1948 and \$22,867,307 in 1947.

Note J—Certain dividend and interest income is substantially offset by charges included in rent for leased roads and equipment to the extent of \$3,494,518 in 1948 and \$3,251,961 in 1947, and in joint facility rents to the extent of \$1,455,455 in 1948 and \$1,456,715 in 1947.

Opinion of Independent Public Accountants

To the Board of Directors and Stockholders of
THE NEW YORK CENTRAL RAILROAD COMPANY:

We have examined the balance sheet of The New York Central Railroad Company as at December 31, 1948 and the related statements of income and earned surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and earned surplus together with the notes thereto present fairly the financial position of The New York Central Railroad Company at December 31, 1948 and the results of its operations for the year then ended, in conformity with principles of accounting prescribed by the Interstate Commerce Commission.

PRICE, WATERHOUSE & Co.

New York, March 10, 1949

Maturing Obligations

Of the total funded debt of The New York Central Railroad Company and its lessor companies outstanding on December 31, 1948, the following amounts, including

Year	Equipment Obligations	Bonds and Miscellaneous	Total
1949	\$ 17,325,280	\$ 650,807	\$ 17,976,087
1950	16,425,280	4,649,806	21,075,086
1951	15,385,280	5,924,806	21,310,086
1952	12,795,280	14,022,806	26,818,086
1953	12,424,640	3,395,806	15,820,446
1954	11,810,000	650,806	12,460,806

amounts due the State of New York in connection with certain grade crossing eliminations, mature within the succeeding ten years.

Year	Equipment Obligations	Bonds and Miscellaneous	Total
1955	\$ 10,260,000	\$ 650,169	\$ 10,910,169
1956	8,630,000	17,943,169	26,573,169
1957	6,860,000	2,096,036	8,956,036
1958	3,920,000	594,516	4,514,516
Total	<u>\$115,835,760</u>	<u>\$50,578,727</u>	<u>\$166,414,487</u>

The New York Central Railroad Company

Statistics and Other Data for the Year 1948

THE NEW YORK CENTRAL RAILROAD COMPANY

Changes in Organization

Appointments:

- January 1, Alvin D. Dugan, Assistant Vice-President, Operations and Maintenance, New York, N. Y.
- March 1, Luard C. Anderson, Assistant to Vice-President, New York, N. Y.
George H. Baker, Manager, Passenger Transportation, New York, N. Y.
Charles E. Black, General Superintendent, Passenger Transportation, New York, N. Y.
- April 1, Walter J. Treloar, Manager Mail and Express Traffic, New York, N. Y.
- June 1, Edward L. Golden, Assistant to Vice-President, New York, N. Y.
Ernest B. Moorhouse, Terminal Manager, Grand Central Terminal, New York, N. Y.
- July 1, Frank S. Austin, Vice-President, Purchases and Stores, New York, N. Y.
Allan L. Prentice, Manager, Purchases and Stores, New York, N. Y.
- August 16, Robert C. Bannister, Assistant to Vice-President, Personnel and Public Relations, New York, N. Y.
- September 1, Leroy Blue, Assistant Freight Traffic Manager, Chicago, Illinois
Harvey L. Willard, Assistant Freight Traffic Manager, Chicago, Illinois.
- November 1, Augustus Hart, Assistant General Manager, Boston and Albany Railroad, Boston, Mass.
Charles H. Morton, General Land and Tax Agent, New York, N. Y.

Retirements:

- March 31, Charles B. Bennett, Manager, Mail and Express Traffic, New York, N. Y.
- May 31, James H. Hustis, Jr., Terminal Manager, Grand Central Terminal, New York, N. Y.
- October 31, Leon C. James, General Land and Tax Agent, New York, N. Y.
- November 30, Luard C. Anderson, Assistant to Vice-President, New York, N. Y.
- December 31, James E. Anderson, Freight Traffic Manager, Cleveland, Ohio
Samuel E. Armstrong, Engineer Maintenance of Way-System, New York, N. Y.
Richard E. Dougherty, Vice-President—Assistant to President, New York, N. Y.
William C. Douglas, Assistant Vice-President, Freight Traffic, Chicago, Ill.
Robert R. Richards, General Auditor, New York, N. Y.

Pensions

There were 1,016 retired employes and officers receiving supplementary pensions under the Company's voluntary unfunded supplementary pension system at the close of the year and payments made during the year by the Company to these persons totaled \$595,081.24.

Also there were 131 retired employes and officers receiving pensions under the Company's Funded Contributory Retirement Plan for Salaried Employees and Officers at the close of the year and payments made during the year to these persons from the fund held by the Trustee were \$138,796.79.

Stockholders

At the end of the year, the capital stock of the Company was registered in the names of 57,263 holders (an average holding of 112.59 shares) a decrease of 2,836 holders compared with December 31, 1947.

New York Central Railroad Equipment Trust of 1948

This trust was established by Agreement dated January 15, 1948, and there were issued thereunder \$12,800,000, par value, of 2½% Equipment Trust Certificates maturing in equal annual installments of \$1,280,000 each on January 15, in the years 1949 to 1958, inclusive, representing approximately 75% of the cost of the equipment included in the trust, consisting of 9 1000 H.P. Diesel-electric road-switching locomotives, 4 1500 H.P. Diesel-electric road-switching locomotives, 6 "A" unit and 6 "B" unit 2000 H.P. Diesel-electric road passenger locomotives, 26 "A" unit and 13 "B" unit 1500 H.P. Diesel-electric road freight locomotives, and 2000 55-ton steel box cars. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

New York Central Railroad Second Equipment Trust of 1948

This trust was established by Agreement dated March 15, 1948, and there were issued thereunder \$12,600,000, par value, of 2½% Equipment Trust Certificates maturing in equal annual installments of \$1,260,000 each on March 15, in the years 1949 to 1958, inclusive, representing approximately 75% of the cost of the equipment included in the trust, consisting of 2000 55-ton self-clearing steel hopper cars, 10 2000 H.P. Diesel-electric freight transfer locomotives, 2 high-tensile, low-alloy steel double bedroom lounge-observation sleeping cars, 11 stainless steel double bedroom bar-lounge sleeping cars, 40 stainless steel single and double bedroom sleeping cars, and 20 high-tensile, low-alloy steel single and double bedroom sleeping cars. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

New York Central Railroad Third Equipment Trust of 1948

This trust was established by Agreement dated September 15, 1948, and there were issued thereunder \$13,800,000, par value, of 2½% Equipment Trust Certificates maturing in equal annual installments of \$1,380,000 each on September 15, in the years 1949 to 1958, inclusive, representing approximately 75% of the cost of the equipment included in the trust, consisting of 24 1000 H.P. Diesel-electric switching locomotives, 7 1500 H.P. Diesel-electric road-switching locomotives, 19 "A" unit and 5 "B" unit 1500 H.P. Diesel-electric road freight locomotives, 4 "A" unit and 2 "B" unit 2000 H.P. Diesel-electric road freight locomotives, 2 "A" unit and 2 "B" unit 2000 H.P. Diesel-electric road passenger locomotives, 16 high-tensile, low-alloy steel double bedroom-bar-lounge sleeping cars, 37 high-tensile, low-alloy steel single and double bedroom sleeping cars, and 1,000 55-ton self-clearing steel hopper cars. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

Purchase of Shares of Stock of Beech Creek Railroad Company

Under authority of the Interstate Commerce Commission's order dated May 21, 1948, the Company purchased on June 1, 1948, from Harold S. Vanderbilt, as surviving Trustee under a deed of trust dated November 6, 1895, 50,000 shares of capital stock of BEECH CREEK RAILROAD COMPANY, at price of \$33 per share, with adjustment for accrued dividends, and made an offer on June 15, 1948, to purchase all of the outstanding shares of such stock tendered before October 1, 1948, at the same price, subject to dividend adjustment. This offer resulted in the purchase by this Company of 3,540 shares of the stock and after September 30, 1948, 448 additional shares were purchased at \$33 per share, bringing the Company's holdings (with 25 shares owned prior to June 1, 1948) to 54,013 shares at the close of the year, or approximately 45% of the total of 120,000 shares outstanding.

The Lakefront Dock and Railroad Terminal Company

The new coal and ore transfer facilities on the lake front, on the outskirts of Toledo, Ohio, near the mouth of the Maumee River, were placed in service at the beginning of the lake season, March 19, 1948, and the old separate terminals of THE NEW YORK CENTRAL RAILROAD COMPANY and THE BALTIMORE AND OHIO RAILROAD COMPANY located up the Maumee River were abandoned. During the 1948 season the Central handled 6,012,969 tons of coal over the new facilities as compared to 4,566,753 tons during the 1947 season at the old dock on the Maumee River, or an increase of 31.7%.

Guaranty of Bonds of The Lakefront Dock and Railroad Terminal Company— Additional Stock Issued by that Company

During the year the Company, jointly and severally with THE BALTIMORE AND OHIO RAILROAD COMPANY, guaranteed by endorsement, pursuant to Guaranty Agreement dated June 1, 1948, the payment of the principal of, the interest on, and the sinking fund payments provided for, \$9,250,000, principal amount, of THE LAKEFRONT DOCK AND RAILROAD TERMINAL COMPANY'S First Mortgage Sinking Fund Bonds, Series A, 3½%, due June 1, 1968. These bonds were issued on August 3, 1948, by the Lakefront Company under its First Mortgage dated June 1, 1948, and the proceeds were used to reimburse the guarantor companies for approximately 50% of their advances to the Lakefront Company to provide for the cost of construction of its union coal and ore terminal and facilities.

The guarantor companies were further reimbursed in respect of \$9,240,000 of such advances by the issue on August 25, 1948, by the Lakefront Company to them, in equal shares, of \$9,240,000, par value, of its capital stock. Each of the guarantor, or proprietor, companies now owns one-half or \$4,625,000, par value, of the stock of the Lakefront Company.

The Cleveland Union Terminals Company

The Interstate Commerce Commission granted permission to the ERIE RAILROAD COMPANY to abandon its station at Cleveland, Ohio, and use the facilities of THE CLEVELAND UNION TERMINALS COMPANY. Agreement has been consummated between the ERIE RAILROAD COMPANY and THE CLEVELAND UNION TERMINALS COMPANY, subject to final approval of the proprietary companies.

Changes in Funded Debt

The amount actually outstanding on December 31, 1947, was increased by issue of:

Equipment Trust of 1948, 2½% Equipment Trust Certificates	\$12,800,000 00	
Second Equipment Trust of 1948, 2½% Equipment Trust Certificates	12,600,000 00	
Third Equipment Trust of 1948, 2½% Equipment Trust Certificates	13,800,000 00	39,200,000 00
		<hr/>
		\$604,804,040 00

and has been reduced by the following payments:

Principal installments due annually under equipment trust agreements:

Trust of 1937, March 15, 1948	\$286,000 00	
Trust of 1939, December 1, 1948	900,000 00	
Trust of 1940, June 1, 1948	1,040,000 00	
Trust of 1941, February 15, 1948	1,090,000 00	
Second trust of 1941, July 15, 1948	1,500,000 00	
Trust of 1943, June 1, 1948	530,000 00	
Trust of 1944, September 1, 1948	1,550,000 00	
Trust of 1945, May 1, 1948	750,000 00	
Second trust of 1945, August 15, 1948	880,000 00	
Trust of 1946, January 1, 1948	1,770,000 00	
Trust of 1947, January 1, 1948	2,000,000 00	
Second trust of 1947, August 15, 1948	940,000 00	\$13,236,000 00
		<hr/>

Principal installments due quarterly under railroad equipment agreement assigned to banks:

Agreement dated February 1, 1945, assigned to Public National Bank and Trust Company of New York:

Series A	\$142,760 00	
Series B	26,520 00	169,280 00
		<hr/>
		13,405,280 00
		<hr/>
		\$591,398,760 00

and has been further reduced by reacquirement of bonds by purchase prior to maturity as follows:

Indiana, Illinois & Iowa R. R. Co. first mortgage 4%	\$59,000 00	
Jamestown, Franklin & Clearfield R. R. Co. first mortgage 4%	145,000 00	
N. Y. C. R. R. Co refunding and improvement mortgage:		
Series A 4½%	\$852,000 00	
Series C 5%	395,000 00	1,247,000 00
		<hr/>
		1,451,000 00
		<hr/>

leaving the unmatured funded debt actually outstanding on December 31, 1948

\$589,947,760 00

On December 31, 1948, there was also outstanding and included under deferred liabilities, \$27,040,620.64 payable over a period of years to the STATE OF NEW YORK for this Company's proportion of the cost of grade crossing eliminations.

New York City Piers

Lease of Pier No. 33, East River, was entered into with the City of New York, to supplement the Company's pier freight station located on the adjoining Piers Nos. 34 and 35.

Important Improvements

Construction was completed on a new branch line extending from the Illinois Division of THE CLEVELAND, CINCINNATI, CHICAGO AND ST. LOUIS RAILWAY, leased by this Company, to a connection with the ILLINOIS CENTRAL RAILROAD, near Pana, Illinois, in order to serve a coal mining operation of the Peabody Coal Company.

Work was started on the extension of Wolf Run spur of the Alliance Division of this Company in the vicinity of Phillips, Ohio, to serve a new coal mining development of the Warner Collieries Company.

A new passenger station at Dunkirk, New York, was placed in service. This replaces space rented in the Erie Railroad Station.

Construction of a new passenger station at Harmon, New York, was begun. This work will include lengthening existing platforms and canopies, providing a modern type suburban station east of the tracks and at street level.

Construction proceeded during the year on the new passenger station improvements at Toledo, Ohio.

Engine terminal and power house improvements were completed or in progress at West Albany and Selkirk, New York; Ashtabula and Collinwood, Ohio; Detroit, Michigan; Gibson, Indiana; and Englewood, Illinois. These improvements include modern boilers, cinder pits and cinder-handling equipment, lengthening and rearranging enginehouses and larger drop pits.

Improvements in classification, coach and repair yards and shops were completed or in progress at Harmon, Rensselaer, Selkirk, Utica, and East Syracuse, New York; West Springfield, Massachusetts; Ashtabula, Collinwood, and Air Line Junction, Ohio; Gibson and Beech Grove, Indiana; and Englewood, Illinois. These improvements include additional yard tracks, an electrical appliance building, extension of wheel shop, and pneumatic tube systems, and facilities for passenger coach repair, servicing freight and passenger Diesel-electric locomotives and car washing.

To expand facilities for storage of Diesel fuel oil, new tanks were completed or are being installed at Harmon, Minoa, and Buffalo, New York; West Springfield, Massachusetts; Nottingham, Ohio; Detroit, Michigan; Gibson, Indiana; and Englewood, Illinois.

Grade crossing elimination or reconstruction projects have been completed or are under way in Ohio at Collinwood, Toledo, Marcy, Columbus, and Cincinnati, and in Indiana at New Augusta.

Mileage Operated

The mileage operated by the Company at the close of 1948 and 1947 was as follows:

	1948	1947	Decrease
Main line and branches	3,625.58	3,637.60	12.02
Lines operated under lease or contract	6,300.90	6,303.59	2.69
Trackage rights	804.14	804.14	—
	<u>10,730.62</u>	<u>10,745.33</u>	<u>14.71</u>

The decrease of 12.02 miles in main line and branches was due to abandonment of 11.87 miles of the Antrim Branch between Wellsboro and Antrim, Pennsylvania, as authorized by the Interstate Commerce Commission Finance Docket No. 15891; reclassification of .13 mile of first main track to second main track on the Detroit Branch; and remeasurement of the East Bradley Branch resulting in a reduction of .02 mile.

The decrease of 2.69 miles in line operated under lease or contract occurred primarily through abandonment of 2.31 miles of the WEST SHORE RAILROAD's Chenango Branch between Manlius and Oran, New York, under Interstate Commerce Commission Finance Docket No. 16030. In addition there were further reductions of .39 mile due to shortening CHICAGO, KALAMAZOO AND SAGINAW RAILWAY main track at Hooper, Michigan, and .01 mile due to realignment work on the BEECH CREEK RAILROAD between Munson and Phillipsburg, Pennsylvania, offset by an increase of .02 mile on the HUDSON RIVER CONNECTING RAILROAD between Schodack Junction and Unionville, New York, which arose through realignment and other track work.

Application has been filed with the Interstate Commerce Commission for a Certificate of Convenience and Necessity permitting the abandonment of Sackets Harbor Branch between Watertown Junction and Sackets Harbor, New York, 11.43 miles.

INCOME ACCOUNT

	Year Ended Dec. 31, 1948 10,730.62 miles operated	Year Ended Dec. 31, 1947 10,745.33 miles operated	Increase or Decrease 14.71 miles
OPERATING INCOME			
RAILWAY OPERATIONS			
Railway operating revenues (Note A)	\$779,860,755 20	\$703,340,527 68	\$76,520,227 52
Railway operating expenses	667,342,966 22	606,536,857 44	60,806,108 78
NET REVENUE FROM RAILWAY OPERATIONS	\$112,517,788 98	\$96,803,670 24	\$15,714,118 74
<i>Percentage of expenses to revenues (Operating Ratio)</i>	<i>(85.57)</i>	<i>(86.24)</i>	<i>(.67)</i>
Railway tax accruals	\$54,161,592 82	\$52,435,502 00	\$1,726,090 82
RAILWAY OPERATING INCOME	\$58,356,196 16	\$44,368,168 24	\$13,988,027 92
Equipment rents, net debit	\$18,732,018 90	\$17,447,863 97	\$1,284,154 93
Joint facility rents, net debit	2,402,586 21	2,400,742 67	1,843 54
NET RAILWAY OPERATING INCOME	\$37,221,591 05	\$24,519,561 60	\$12,702,029 45
OTHER INCOME			
Revenues from miscellaneous operations	\$540,575 48	\$517,691 90	\$22,883 58
Income from lease of road and equipment	617,355 98	447,094 28	170,261 70
Miscellaneous rent income	4,432,220 97	4,279,935 96	152,285 01
Miscellaneous nonoperating physical property	2,009,998 23	2,327,142 72	317,144 49
Separately operated properties—Profit	2,024,530 57	1,501,183 45	523,347 12
Dividend income	6,616,563 43	6,692,465 16	75,901 73
Income from funded securities	4,516,626 33	4,354,557 52	162,068 81
Income from unfunded securities and accounts	802,622 11	913,500 72	110,878 61
Income from sinking and other reserve funds	214,082 26	82,957 31	131,124 95
Release of premiums	9,187 92	12,298 53	3,110 61
Miscellaneous income	99,909 23	88,565 52	11,343 71
TOTAL OTHER INCOME	\$21,883,672 51	\$21,217,393 07	\$666,279 44
TOTAL INCOME	\$59,105,263 56	\$45,736,954 67	\$13,368,308 89
MISCELLANEOUS DEDUCTIONS FROM INCOME			
Expenses of miscellaneous operations	\$496,320 02	\$494,964 14	\$1,355 88
Taxes on miscellaneous operating property	74,659 24	82,605 01	7,945 77
Miscellaneous rents	280,006 55	265,715 63	14,290 92
Miscellaneous tax accruals	706,559 39	818,135 25	111,575 86
Separately operated properties—Loss	—	42,707 70	42,707 70
Miscellaneous income charges	247,363 73	207,812 71	39,551 02
TOTAL MISCELLANEOUS DEDUCTIONS	\$1,804,908 93	\$1,911,940 44	\$107,031 51
INCOME AVAILABLE FOR FIXED CHARGES	\$57,300,354 63	\$43,825,014 23	\$13,475,340 40
FIXED CHARGES			
Rent for leased roads and equipment	\$20,132,440 95	\$19,575,066 43	\$557,374 52
Interest on funded debt	21,331,214 86	21,102,394 65	228,820 21
Interest on unfunded debt	986,434 38	750,973 50	235,460 88
Amortization of discount on funded debt	123,168 32	90,497 87	32,670 45
TOTAL FIXED CHARGES	\$42,573,258 51	\$41,518,932 45	\$1,054,326 06
NET INCOME	\$14,727,096 12	\$2,306,081 78	\$12,421,014 34
INCLUDED IN RAILWAY OPERATING EXPENSES ARE:			
Road property depreciation	\$10,356,296 62	\$10,208,065 80	\$148,230 82
Equipment depreciation and amortization	\$23,285,228 49	\$21,976,375 91	\$1,308,852 58
Shop and power-plant machinery depreciation	\$919,330 98	\$890,930 60	\$28,400 38
Included in other income and rent for leased roads and equipment are certain inter-company transactions representing credits and corresponding debits amounting to	\$3,494,518 13	\$3,251,960 97	\$242,557 16
Also included in other income are items representing interest and dividends amounting to	\$1,455,455 33	\$1,456,714 52	\$1,259 19
received on securities of and advances to terminal and other railroad companies whose properties are jointly used by this Company, as to the major portion of which a like amount was paid by this Company to those companies as rental and included in joint facility rents.	—	\$2,200,000 00	\$2,200,000 00
Note A—After deduction of for estimated refund to United States governmental agencies on account land grant equalization and other government recharges.	—	—	—

Italics indicate decrease.

COMPARATIVE GENERAL BALANCE SHEET

		ASSETS		Increase or Decrease	
December 31, 1947			December 31, 1948		
\$722,758,240 27	INVESTMENTS		\$728,048,397 79	\$5,290,157 52	
155,150,502 35	Investment in road		216,160,001 83	61,009,499 48	
349,658,877 50	Investment in equipment		344,772,302 40	4,886,575 10	
126,929,227 13	Trust		128,735,563 32	1,806,336 19	
Cr. 839,212 28	Owned		Cr. 839,212 28	—	
Cr. 7,751,696 37	Improvements on leased property		Cr. 2,160,194 53	5,591,501 84	
\$1,345,905,938 60	Acquisition adjustment		\$1,414,716,858 53	\$68,810,919 93	
	Donations and grants				
	INVESTMENT IN TRANSPORTATION PROPERTY				
	Cr. \$26,591,244 68	Accrued depreciation—Road	Cr. \$31,011,208 21	\$4,419,963 53	
	Cr. 244,090,646 59	Accrued depreciation—Equipment	Cr. 250,475,694 77	6,385,048 18	
	Cr. 4,141,591 63	Accrued amortization of defense projects—Road	Cr. 4,135,824 54	5,767 09	
	Cr. 86,262,711 90	Accrued amortization of defense projects—Equipment	Cr. 88,592,204 49	2,329,492 59	
Cr. 361,086,194 80	TOTAL ACCRUED DEPRECIATION AND AMORTIZATION		Cr. 374,214,932 01	\$13,128,737 21	
	INVESTMENT IN TRANSPORTATION PROPERTY LESS RECORDED DEPRECIATION AND AMORTIZATION				
\$984,819,743 80	CAPITAL AND OTHER RESERVE FUNDS		\$1,040,501,926 52	\$55,682,182 72	
15,901,787 28	\$51,646,480 99	Miscellaneous physical property	16,017,864 89	116,077 61	
	Cr. 18,500,603 12	Accrued depreciation—Miscellaneous physical property	Cr. 19,490,668 41	\$523,246 10	
33,145,877 87	MISCELLANEOUS PHYSICAL PROPERTY LESS RECORDED DEPRECIATION		31,632,566 48	990,065 29	
	Investments in affiliated companies (Note A)				
	\$173,962,650 95	Stocks	\$179,904,093 64	\$1,513,311 39	
	45,768,246 84	Bonds	46,015,153 09	\$5,941,442 69	
	1,514,270 14	Other secured obligations	274,108 16	246,906 25	
	35,955,074 32	Unsecured notes	40,007,162 82	1,240,161 98	
	159,815,810 80	Investment advances	152,808,859 77	4,052,088 50	
417,016,053 05	TOTAL INVESTMENTS IN AFFILIATED COMPANIES		419,009,377 48	7,006,951 03	
	Other investments (Note A)				
	\$27,569,471 81	Stocks	\$27,569,471 81	\$1,993,324 43	
	6,533,467 06	Bonds	3,616,523 25	\$2,916,943 81	
	1,849,684 55	Other secured obligations	1,822,910 18	26,774 37	
	2,004 50	Unsecured notes	314 36	1,690 14	
	11,436,776 57	Investment advances	14,426,754 57	2,989,978 00	
47,391,404 49	TOTAL OTHER INVESTMENTS		47,435,974 17	\$44,569 68	
\$1,498,274,866 49	TOTAL INVESTMENTS		\$1,554,597,709 54	\$56,322,843 05	
	CURRENT ASSETS				
\$34,550,784 08	Cash (Note B)		\$34,850,167 82	\$299,383 74	
65,526,207 79*	Temporary cash investments		25,037,974 65	40,488,233 14	
1,353,948 04	Special deposits		7,545,115 90	6,191,167 86	
2,024,380 00	Loans and bills receivable		655 82	2,023,724 18	
15,789,730 92	Net balance receivable from agents and conductors (Note C)		13,550,915 00	2,238,815 92	
22,694,138 88	Miscellaneous accounts receivable		25,878,704 62	3,184,565 74	
56,709,577 72	Material and supplies		64,559,638 98	7,850,061 26	
1,837,338 10*	Interest and dividends receivable		1,807,613 68	29,724 42	
12,806,176 68*	Accrued accounts receivable		15,583,949 03	777,772 35	
933,650 58	Other current assets		1,379,171 18	445,520 60	
\$214,225,932 79*	TOTAL CURRENT ASSETS		\$188,193,906 68	\$26,032,026 11	
	DEFERRED ASSETS				
\$665,759 01	Working fund advances		\$248,999 43	\$416,759 58	
3,400,825 68	Insurance and other funds		1,870,337 45	1,530,488 23	
4,647,139 00	Other deferred assets		2,998,410 05	1,648,728 95	
\$8,713,723 69	TOTAL DEFERRED ASSETS		\$5,117,746 93	\$3,595,976 76	
	UNADJUSTED DEBITS				
\$410,277 09	Prepayments		\$564,459 09	\$154,182 00	
370,846 85	Discount on funded debt		561,042 99	190,196 14	
4,746,682 92*	Other unadjusted debits		5,214,204 44	467,521 52	
\$5,527,806 86*	TOTAL UNADJUSTED DEBITS		\$6,339,706 52	\$811,899 66	
\$1,726,742,329 83*			\$1,754,249,069 67	\$27,506,739 84	

Italics indicate decrease.

See page 34 for notes.

* Reclassification of General Balance Sheet Accounts.

This balance sheet does not include the assets or liabilities of lessor, affiliated, terminal or other companies, nor the liability of The New

COMPARATIVE GENERAL BALANCE SHEET

		LIABILITIES		Increase or Decrease
December 31, 1947	Stock	December 31, 1948		—
\$562,332,426 40	Capital stock	\$562,332,426 40		
LONG TERM DEBT				
	Funded debt unmatured			
\$470,063,000 00	Mortgage bonds	\$468,612,000 00	\$1,451,000 00	
5,500,000 00	Debenture bonds	5,500,000 00	—	
\$475,563,000 00		\$474,112,000 00	\$1,451,000 00	
90,041,040 00	Equipment obligations	115,835,760 00	25,794,720 00	
43,238,046 56	Amounts payable to affiliated companies (Note D)	42,169,045 73	1,069,000 83	
\$608,842,086 56	TOTAL LONG TERM DEBT	\$632,116,805 73	\$23,274,719 17	
\$1,171,174,512 96	TOTAL CAPITALIZATION	\$1,194,449,232 13	\$23,274,719 17	
CURRENT LIABILITIES				
\$12,578,041 46	Traffic and car-service balances payable	\$8,442,676 66	\$4,135,364 80	
37,187,765 81	Audited accounts and wages payable (Note E)	37,183,333 52	4,432 29	
13,837,561 02	Miscellaneous accounts payable	17,389,814 04	3,552,253 02	
3,260,235 49	Interest matured unpaid	3,036,321 51	223,913 98	
197,306 60	Dividends matured unpaid	151,232 85	46,073 75	
4,759,603 48	Unmatured interest accrued	4,929,042 61	169,439 13	
—	Unmatured dividends declared	3,223,696 98	3,223,696 98	
23,514,832 98*	Accrued accounts payable	21,322,314 57	2,192,518 41	
17,731,949 94	Taxes accrued	15,319,144 96	2,412,804 98	
17,136,947 72	Other current liabilities	14,589,783 63	2,547,164 09	
\$130,204,244 50*	TOTAL CURRENT LIABILITIES	\$125,587,361 33	\$4,616,883 17	
DEFERRED LIABILITIES				
\$4,216,763 42	Liability to lessor companies for equipment	\$4,216,763 42	—	
34,482,828 74	Other deferred liabilities (Note F)	32,706,267 12	\$1,776,561 62	
\$38,699,592 16	TOTAL DEFERRED LIABILITIES	\$36,923,030 54	\$1,776,561 62	
UNADJUSTED CREDITS				
\$18,787 25	Premium on funded debt	\$9,599 33	\$9,187 92	
6,329,206 05	Insurance reserves	6,209,594 07	119,611 98	
32,352,422 33*	Other unadjusted credits (Note G)	31,184,061 38	1,168,360 95	
72,821,329 65	Accrued depreciation—Leased property	73,282,251 89	460,922 24	
\$111,521,745 28*	TOTAL UNADJUSTED CREDITS	\$110,685,506 67	\$836,238 61	
SURPLUS				
\$35,213 09	Unearned surplus	\$35,517 30	\$304 21	
9,479,397 89	Earned surplus—Appropriated	7,919,758 27	1,559,639 62	
265,627,623 95	Earned surplus—Unappropriated (Note H)	278,648,663 43	13,021,039 48	
\$275,142,234 93	TOTAL SURPLUS	\$286,603,939 00	\$11,461,704 07	
\$1,726,742,329 83*		\$1,754,249,069 67	\$27,506,739 84	

Italics indicate decrease.

See page 34 for notes.

* Reclassification of General Balance Sheets Accounts.

York Central Railroad Company as guarantor or under leases or otherwise with respect to the securities or obligations of such companies.

COMPARATIVE GENERAL BALANCE SHEET NOTES

NOTE A—Carried at cost or less.

NOTE B—As of December 31, 1948, includes \$1,296,429.94 in Canadian funds.

NOTE C—As of December 31, 1948, includes \$579,256.95 collectible in Canadian funds.

NOTE D—As of December 31, 1948, comprises liability to lessor companies for which the New York Central is obligated to make settlement:

Equipment.....	\$26,487,366 81
Material and supplies.....	\$15,248,065 98
Miscellaneous.....	\$433,612 94
NOTE E—As of December 31, 1948, includes \$595,438.72 payable in Canadian funds.	
NOTE F—As of December 31, 1948, includes:	
Amounts payable to State of New York as New York Central proportion of certain grade crossing eliminations.....	\$27,040,620 64
NOTE G—As of December 31, 1948, includes accruals for injuries to persons and loss and damage—freight.....	\$20,049,648 65
NOTE H—Includes \$29,405,934.57 transferred from earned surplus accounts of companies consolidated January 1, 1915.	

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

SOURCES FROM WHICH THE COMPANY DERIVED FUNDS

Surplus from operations.....		\$14,727,096 12
Non-cash charges to income:		
Provision for depreciation—road and equipment—and amortization of war emergency facilities—equipment.....	\$34,560,856 09	
Less: Applicable to leased property for which settlement was made with Lessors.....	9,569,754 81	
Personal injuries, loss and damage and insurance—excess of expenditures over reserves.....	4,666,396 95	20,234,704 33
Proceeds from sale of property, easements and funds released by Trustees.....		226,117 26
Repayment of advances from affiliated companies—net.....		4,147,205 67

TOTAL ADDITIONS

\$39,425,123 38

PURPOSES FOR WHICH FUNDS WERE EXPENDED

For improvements to owned and leased property—road and equipment, excluding portion of cost of equipment financed by equipment obligations.....	\$38,534,468 89
Retirement of long term debt (bonds) and equipment obligations—cost.....	14,497,796 25
Purchase of securities of affiliated companies—cost.....	6,341,045 13
Installments on grade crossing elimination indebtedness.....	650,532 83
Other miscellaneous items.....	816,423 22

TOTAL DEDUCTIONS

60,840,266 32

DECREASE IN WORKING CAPITAL

\$21,415,142 94

INVESTMENTS

IMPROVEMENTS ON LEASED OR CONTROLLED PROPERTY

Amsterdam, Chuctanunda and Northern Railroad.....	\$21,448 66
Beech Creek Extension Railroad.....	1,447,052 15
Beech Creek Railroad.....	9,988 21
Boston and Albany Railroad.....	641,843 14
Chicago, Kalamazoo and Saginaw Railway.....	4,148 22
Cleveland, Cincinnati, Chicago and St. Louis Railway.....	1,072,187 04
Detroit, Hillsdale and South Western Railroad.....	159,161 97
Detroit, Toledo & Milwaukee Railroad.....	540 60
Erie and Kalamazoo Railroad.....	157,408 54
Fort Wayne and Jackson Railroad.....	349,436 53
Grand Central Terminal Improvements, New York.....	51,673,079 00
Hudson River bridges at Albany.....	1,503,735 87
Hudson River Connecting Railroad.....	188,579 03
Improvements on leased piers, New York.....	651,027 81
Improvements to ticket office, Chicago, Illinois.....	98,331 15
Joliet and Northern Indiana Railroad.....	133,218 12
Kalamazoo, Allegan and Grand Rapids Railroad.....	43,569 27
Lake Erie, Alliance & Wheeling Railroad.....	2,523,418 17
Mahoning and Shenango Valley Railway.....	5,063 09
Mahoning Coal Railroad.....	230,509 00
Michigan Central Railroad.....	101,179 43
Mt. Gilead Short Line Railway.....	13,217 99
New Jersey Junction Railroad.....	615,233 00
New York and Harlem Railroad.....	35,850,348 97
New York State Realty and Terminal Company.....	2,140,269 01
Shenango Valley Railroad.....	3,959 36
Stewart Railroad.....	469 30*
Stockyards, New York—West Side.....	1,220,954 15
Toledo and Ohio Central Railway.....	338,976 58
Troy and Greenbush Railroad.....	219,766 54
Wallkill Valley Railroad.....	238,232 93
West Shore Railroad.....	27,080,149 09

TOTAL

\$128,735,563 32

* Credit.

INVESTMENTS

INVESTMENTS IN MISCELLANEOUS PHYSICAL PROPERTY

Land, Buildings, etc.

At New York

	SUBSTRUCTURES	BUILDINGS, ETC.	TOTAL
230 Park Avenue (N. Y. C. Building) Offices	\$938,925 17	\$13,495,400 72	\$14,434,325 89
247 Park Avenue (Park-Lexington Building) Offices	210,397 44	—	210,397 44
250 Park Avenue Offices	305,254 63	—	305,254 63
270 Park Avenue Apartment	280,712 37	1,423,207 03	1,703,919 40
277 Park Avenue Apartment	388,196 43	—	388,196 43
290 Park Avenue Apartment	195,515 76	—	195,515 76
299 Park Avenue (Park Lane Hotel)	319,843 77	1,095,721 86	1,415,565 63
300 Park Avenue Apartment	225,470 16	1,192,811 20	1,418,281 36
301-315 Park Avenue (Waldorf-Astoria Hotel)	211,554 30	7,005,662 25	7,217,216 55
320-330 Park Avenue Apartment	59,363 43	795,949 36	855,312 79
340-350 Park Avenue Apartment	36,121 50	269,609 39	305,730 89
420 Lexington Avenue (Graybar Building) Offices	640,361 36	—	640,361 36
379 Madison Avenue Offices	71,334 64	—	71,334 64
385 Madison Avenue Offices	123,413 41	415,366 93	538,780 34
109-129 East 42nd Street (Commodore Hotel)	267,297 27	2,520,641 08	2,787,938 35
33-55 East 43rd Street (Biltmore Hotel)	—	3,423,147 65	3,423,147 65
35-59 East 45th Street (Roosevelt Hotel)	226,103 59	2,426,938 51	2,653,042 10
115 East 48th Street (Barclay Hotel)	111,833 75	1,657,934 09	1,769,767 84
50 Vanderbilt Avenue (Yale Club)	51,027 31	—	51,027 31
52 Vanderbilt Avenue (Vanderbilt Concourse) Offices	47,479 01	—	47,479 01
Spring and Washington Streets	—	1,595,687 14	1,595,687 14
Land, West 17th Street	—	500,268 42	500,268 42
Leroy, Morton and West Streets	—	681,516 20	681,516 20
501-557 West 30th Street	—	366,873 89	366,873 89
422 Eleventh Avenue	—	695,130 51	695,130 51
59th Street and Eleventh Avenue	—	175,775 91	175,775 91
Putnam bridge across Harlem River	—	243,121 00	243,121 00
Miscellaneous—various locations	—	133,487 21	133,487 21

TOTAL—AT NEW YORK

	\$4,710,205 30	\$40,114,250 35	\$44,824,455 65
Land and Buildings, Yonkers, New York	—	116,961 12	116,961 12
Land and Buildings, White Plains, New York	—	215,743 75	215,743 75
Land and Buildings, Jersey City, New Jersey	—	285,995 75	285,995 75
Land and Buildings, Syracuse, New York	—	107,840 02	107,840 02
Land, Keating to Browns, Pennsylvania	—	607,031 89	607,031 89
Land, Fairport Harbor, Ohio	—	367,163 28	367,163 28
Land, Collinwood, Ohio	—	71,859 75	71,859 75
Land and Buildings, Cleveland, Ohio	—	813,323 81	813,323 81
Land and Buildings, Rockport, Ohio	—	421,638 27	421,638 27
Land and Buildings, Holland, Ohio	—	209,545 33	209,545 33
Buildings, Toledo, Ohio	—	466,650 20	466,650 20
Land and Buildings, Chicago, Illinois	—	1,042,481 61	1,042,481 61
Land, Buildings, etc., various locations	—	748,239 38	748,239 38
Stockyards, Buffalo, New York	—	633,889 54	633,889 54
Track material leased	—	95,940 14	95,940 14
Special assessments for paving, etc., various locations	—	94,475 40	94,475 40

TOTAL

\$4,710,205 30	\$46,413,029 59	\$51,123,234 89
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INVESTMENTS IN AFFILIATED COMPANIES—STOCKS

HELD BY THIS COMPANY

	TOTAL OUTSTANDING	Shares	Par value	Ledger value
Battle Creek & Sturgis Railway Company	\$500,000 00	825	\$82,500 00	\$1 00
Beech Creek Extension Railroad Company	5,179,000 00	51,790	5,179,000 00	488,277 51
Beech Creek Railroad Company	6,000,000 00	54,013	2,700,650 00	1,782,729 00
The Boston Terminal Company	500,000 00	1,000	100,000 00	1 00
The Canadian Pacific Car and Passenger Transfer Company, Ltd.	400,000 00	2,000	200,000 00	200,000 00
Cherry Tree and Dixonville Railroad Company	500,000 00	5,000	250,000 00	250,000 00
Chicago, Kalamazoo and Saginaw Railway Company	450,000 00	1,800	180,000 00	1,800 00
The Chicago River and Indiana Railroad Company	500,000 00	5,000	500,000 00	750,000 00
Clearfield Bituminous Coal Corporation	825,000 00	16,500	825,000 00	82,200 00
The Cleveland, Cincinnati, Chicago and St. Louis Railway Company—common	47,028,800 00	464,264	46,426,400 00	43,919,009 87
—common scrip	—	8/6	133 33	320 00
—preferred	9,998,500 00	85,166	8,516,600 00	8,514,980 52

Carried forward \$64,960,283 33 \$55,989,318 90

INVESTMENTS

HELD BY THIS COMPANY

INVESTMENTS IN AFFILIATED COMPANIES—STOCKS (concluded)	TOTAL OUTSTANDING	Shares			Par value	Ledger value
		Brought forward	33	33		
The Cleveland Union Terminals Company	\$10,000 00	71			7,100 00	7,100 00
The Danville and Indiana Harbor Railroad Company	2,500 00	25			2,500 00	1 00
Despatch Shops, Inc.	30,000 shares	30,000			None	3,000,000 00
Detroit Terminal Railroad Company	2,000,000 00	5,000			500,000 00	500,000 00
Detroit, Toledo & Milwaukee Railroad Company	1,060,000 00	5,300			530,000 00	1 00
The Federal Valley Railroad Company	447,800 00	4,478			447,800 00	163,672 32
Fort Wayne Union Railway Company	80,000 00	200			20,000 00	20,000 00
The Hudson River Bridge Company at Albany	500,000 00	5,000			500,000 00†	500,000 00†
The Hudson River Connecting Railroad Corporation	250,000 00	2,500			250,000 00	251,033 34
Indiana Harbor Belt Railroad Company	7,600,000 00	22,800			2,280,000 00	2,280,000 00
The Jefferson Coal Company	1,500,000 00	7,650			765,000 00	85,350 11
The Lake Erie, Alliance & Wheeling Railroad Company	3,000,000 00	30,000			3,000,000 00	3,483,479 08
The Lake Erie and Pittsburg Railway Company	4,300,000 00	21,500			2,150,000 00	2,150,000 00
The Lakefront Dock and Railroad Terminal Company	9,250,000 00	46,250			4,625,000 00	4,625,000 00
Lansing Manufacturers Railroad	100,000 00	500			50,000 00	50,000 00
Lansing Transit Railway Company	2,000 00	10			1,000 00	1,000 00
The Mahoning Coal Railroad Company common	1,500,000 00	19,452			972,600 00	1,240,685 00
The Mahoning Coal Railroad Company preferred	661,367 00	10,453			522,650 00	524,272 50
The Mahoning State Line Railroad Company	100,000 00	47			2,350 00	2,350 00
Merchants Despatch Transportation Corporation	78,750 shares	78,750			None	1,200,000 00
The Michigan Central Railroad Company	18,736,400 00	186,798			18,679,800 00	31,200,293 45
Montour Land Company	3,770,000 00	9,425			942,500 00	942,500 00
New Jersey Junction Railroad Company	100,000 00	1,000			100,000 00	100,000 00
New York and Fort Lee Railroad Company	1,000,000 00	10,000			1,000,000 00	100 00
The New York and Harlem Railroad Company common	8,656,050 00	163,439			8,171,950 00	26,010,736 30
The New York and Harlem Railroad Company preferred	1,343,950 00	26,567			1,328,350 00	4,470,481 74
New York State Realty and Terminal Company	100,000 00	1,000			100,000 00	100,000 00
Niagara Junction Railway Company	10,000 shares	5,000			None	501,973 69
Nicholas, Fayette and Greenbrier Railroad Company	7,471,800 00	37,359			3,735,900 00	3,921,451 10
Northern Refrigerator Line, Inc., common	50,000 shares	50,000			None	1,577,845 19
Ottawa and New York Railway Company	1,000,000 00	10,000			1,000,000 00	100 00
The Owasco River Railway	30,000 00	150			15,000 00	37,500 00
The Pittsburgh and Lake Erie Railroad Company	43,182,500 00	433,984			21,699,200 00	18,819,826 23
The Pittsburgh, McKeesport and Youghiogheny Railroad Company	3,959,650 00	39,596			1,979,800 00	2,443,414 89
The Pullman Company	7,313,500 00	112,653			1,126,530 00	4,168,161 00
Railway Express Agency, Incorporated	1,000 shares	96			None	9,600 00
St. Joseph, South Bend and Southern Railroad Company common	480,000 00	4,796			479,600 00	107,910 00
St. Joseph, South Bend and Southern Railroad Company preferred	164,000 00	1,640			164,000 00	164,000 00
The St. Lawrence & Adirondack Railway Company	1,615,000 00	16,150			1,615,000 00	1,213,662 00
The Toledo and Ohio Central Railway Company—common	5,846,300 00	58,463			5,846,300 00	3,419,274 67
—common scrip		4/5			80 00	80 00
The Toledo and Ohio Central Railway Company preferred	3,701,400 00	37,014			3,701,400 00	3,701,400 00
The Toledo Terminal Railroad Company	4,000,000 00	3,872			387,200 00	1 00
The Toronto, Hamilton and Buffalo Navigation Company	100,000 00	372			37,200 00	31,839 13
The Toronto, Hamilton and Buffalo Railway Company	5,415,000 00	20,120			2,012,000 00	702,680 00
The Troy Union Railroad Company	30,000 00	150			15,000 00	185,000 00
West Shore Railroad Company	10,000,000 00	100,000			10,000,000 00	1,000 00
TOTAL					\$165,723,093 33	\$179,904,093 64
INVESTMENTS IN AFFILIATED COMPANIES—BONDS						
Beech Creek Extension Railroad Co consolidated mortgage 4%, due April 1, 1955	\$3,964,000 00				\$3,964,000 00	\$3,963,000 00
Beech Creek Railroad Co first mortgage 4%, matured July 1, 1936	5,000,000 00				5,000,000 00	5,001,164 24
Beech Creek Railroad Co second mortgage 5%, matured July 1, 1936	1,000,000 00				1,000,000 00	1,001,003 14
Cherry Tree and Dixonville Railroad Co first mortgage, series A, 4½%, due Aug. 1, 1966	1,134,000 00				567,000 00	567,000 00
The Cleveland, Cincinnati, Chicago and St. Louis Railway Co refunding and improvement mortgage—series E, 4½%, due July 1, 1977	43,706,000 00				3,811,000 00	2,401,758 50
The Cleveland, Cincinnati, Chicago and St. Louis Railway Co refunding and improvement mortgage—series F, 4½%, due Jan. 1, 1964	29,040,000 00				29,040,000 00	29,040,000 00
Fort Wayne Union Railway Co general mortgage 6%, due Sept. 1, 1974	52,000 00				13,000 00	13,000 00
The Lake Erie and Pittsburg Railway Co first mortgage—series A, 4½%, due July 1, 1965	3,466,000 00				1,733,000 00	1,733,000 00

Carried forward \$45,128,000 00 \$43,719,925 88

† Includes \$125,000 held for Boston and Albany Railroad Company.

INVESTMENTS

	TOTAL OUTSTANDING	HELD BY THIS COMPANY	
		Par value	Ledger value
INVESTMENTS IN AFFILIATED COMPANIES—BONDS (concluded)	<i>Brought forward</i>	\$45,128,000 00	\$43,719,925 88
Leamington and St. Clair Railway Co first mortgage 4% bonds, matured Oct. 15, 1945	\$130,000 00	129,000 00	129,000 00
Ottawa and New York Railway Co first mortgage 4%, matured Nov. 1, 1917	825,000 00	825,000 00	100 00
Ottawa and New York Railway Co second mortgage 6%, matured July 1, 1912	275,000 00	275,000 00	100 00
The Peoria and Eastern Railway Co first consolidated mortgage 4%, due April 1, 1960	4,721,700 00	170,500 00	73,855 00
The Toledo and Ohio Central Railway Co refunding and improvement mortgage—series A, 3½%, due June 1, 1960	14,567,000 00	2,067,000 00	2,067,000 00
The Toledo and Ohio Central Railway Co first preference income, St. Mary's Division 4%, due Feb. 1, 1951	9,000 00	5,000 00	2,700 00
West Shore Railroad Co first mortgage 4% bonds, due Jan. 1, 19361	47,449,500 00	26,000 00	22,472 21
TOTAL		\$48,625,500 00	\$46,015,153 09
INVESTMENTS IN AFFILIATED COMPANIES—OTHER SECURED OBLIGATIONS			
The Toledo and Ohio Central Railway Company, notes		\$296,186 17	\$274,108 16
INVESTMENTS IN AFFILIATED COMPANIES—UNSECURED NOTES			
Clearfield, Bituminous Coal Corporation		\$802,088 50	\$802,088 50
Despatch Shops, Inc.		4,750,000 00	4,750,000 00
The Hudson River Connecting Railroad Corporation		24,550,100 42	24,550,100 42
The Jefferson Coal Company		365,000 00	365,000 00
The Lake Erie, Alliance & Wheeling Railroad Company		490,168 95	1 00
The Lake Erie and Pittsburg Railway Company		25,000 00	25,000 00
New Jersey Junction Railroad Company		504,959 90	504,959 90
The Pittsburgh, McKeesport and Youghiogheny Railroad Company		300,000 00	300,000 00
The Toledo and Ohio Central Railway Company		8,710,012 00	8,710,012 00
The Troy Union Railroad Company		92,814 16	1 00
TOTAL		\$40,590,143 93	\$40,007,162 82
INVESTMENTS IN AFFILIATED COMPANIES—INVESTMENT ADVANCES			
Beech Creek Railroad Company			\$2,273,294 08
The Boston Terminal Company			56,067 27
Cherry Tree and Dixonville Railroad Company			36,834 33
The Chicago River and Indiana Railroad Company			2,750,000 00
The Cincinnati Union Terminal Company			649,776 47
Clearfield Bituminous Coal Corporation			922,993 92
The Cleveland, Cincinnati, Chicago and St. Louis Railway Company			54,176,805 51
The Cleveland Union Terminals Company			32,178,969 36
Dayton Union Railway Company			347,874 92
The Federal Valley Railroad Company			48,355 42
The Hudson River Connecting Railroad Corporation			413,466 00
Indiana Harbor Belt Railroad Company			1,114,100 00
The Lake Erie, Alliance & Wheeling Railroad Company			200,000 00
The Lake Erie and Pittsburg Railway Company			84,683 66
The Lakefront Dock and Railroad Terminal Company			309,662 50
Lansing Manufacturers Railroad			205,251 95
Lansing Transit Railway Company			9,374 38
The Mackinac Transportation Company			362 91
The Mahoning State Line Railroad Company			19 93
The Michigan Central Railroad Company			45,000 00
New York State Realty and Terminal Company			24,580,645 21
Nicholas, Fayette and Greenbrier Railroad Company			1,993,794 07
Ottawa and New York Railway Company			203,432 97
The Owasco River Railway			6,216 67
The Pittsburgh, McKeesport and Youghiogheny Railroad Company			10,308,988 37
Railway Express Agency, Incorporated			4,035,588 65
The St. Lawrence & Adirondack Railway Company			444,547 88
The Toledo and Ohio Central Railway Company			15,257,021 19
The Troy Union Railroad Company			2,226 25
Union Depot Company (Columbus, Ohio)			153,505 90
TOTAL			\$152,808,859 77

INVESTMENTS

HELD BY THIS COMPANY			
		Par value	Ledger value
OTHER INVESTMENTS—STOCKS			
	SHARES		
The Delaware, Lackawanna and Western Railroad Company	132,825	\$6,641,250 00	\$564,506 25
Pittsfield and North Adams Railroad Corporation	722	72,200 00	72,200 00
Reading Company, common	262,900	13,145,000 00	10,073,149 42
Reading Company, first preferred	136,800	6,840,000 00	5,491,471 96
Reading Company, second preferred	300,300	15,015,000 00	10,348,452 22
United States Cold Storage Corporation, common	35,000	None	1,011,850 00
Other companies	441.9396	47,103 96	7,841 96
TOTAL		\$41,760,553 96	\$27,569,471 81
OTHER INVESTMENTS—BONDS			
Boston and Albany Railroad Company 3½% Terminal bonds of 1901, due January 1, 1951		\$358,000 00	\$346,265 00
Boston and Albany Railroad Company 3½% refunding bonds of 1902, due April 1, 1952		2,490,000 00	2,341,556 25
The Kalamazoo, Allegan and Grand Rapids Railroad Company 5% first mortgage bonds, due July 1, 1968		840,000 00	840,000 00
U. S. War Savings Bonds, series F, maturing August 1, 1954		100,000 00*	82,200 00
Other companies		10,766 28	6,502 00
* Maturity value	TOTAL	\$3,798,766 28	\$3,616,523 25
OTHER INVESTMENTS—OTHER SECURED OBLIGATIONS			
Central Detroit Warehouse Company		\$92,500 00	\$92,500 00
Detroit Coal Company—Land contract		16,253 99	16,253 99
Klavan—Land contract		886 67	886 67
Linden Securities Corporation		1,633,236 00	1,633,236 00
Robbins—Land contract		2,118 47	2,118 47
Rochester Reliable Coal Corporation		641 00	641 00
Wilkinson—Land contract		1,482 82	1,482 82
Wolf Warehouse, Inc.—Land contract		75,791 23	75,791 23
TOTAL		\$1,822,910 18	\$1,822,910 18
OTHER INVESTMENTS—UNSECURED NOTES			
Consolidated Cement Corporation		\$180 00	\$180 00
Consumers' Home Equipment Company		99 30	99 30
Geller—Sunrise Office Supply Company		35 06	35 06
TOTAL		\$314 36	\$314 36
OTHER INVESTMENTS—INVESTMENT ADVANCES			
Boston and Albany Railroad Company			\$13,889,595 94
Hotel Waldorf-Astoria Corporation			537,158 63
TOTAL			\$14,426,754 57

EXPENDITURES IN 1948 FOR ADDITIONS AND BETTERMENTS ON OWNED PROPERTY

ROAD

	EXPENDITURES	RETIREMENTS	NET DEBIT
Engineering	\$455,552 90	\$70,536 15	\$385,016 75
Land for transportation purposes	220,760 45	211,553 39	9,207 06
Grading	1,774,494 80	99,544 80	1,674,950 00
Bridges, trestles, and culverts	1,026,208 72	82,739 63	943,469 09
Elevated structures	8,403 36*	—	8,403 36*
Ties	390,293 13	82,788 18	307,504 95
Rails	359,421 92	87,472 18	271,949 74
Other track material	772,273 03	53,485 10	718,787 93
Ballast	150,520 12	32,917 50	117,602 62
Track laying and surfacing	572,825 90	55,964 84	516,861 06
Fences, snowsheds, and signs	9,517 04	64,171 17	54,654 13*
Station and office buildings	1,689,736 81	411,415 66	1,278,321 15
Roadway buildings	41,697 86	37,715 70	3,982 16
Water stations	296,257 27	67,573 11	228,684 16
Fuel stations	644,861 48	16,311 73	628,549 75
Shops and enginehouses	669,879 44	84,371 50	585,507 94
Grain elevators	1,830 48	—	1,830 48
Coal and ore wharves	12,907 26	2,343 00	10,564 26
Telegraph and telephone lines	383,459 91	8,371 54	375,088 37
Signals and interlockers	1,115,864 28	206,933 14	908,931 14
Power plants	34,090 59	—	34,090 59
Power-transmission systems	661,650 34	27,198 52	634,451 82
Miscellaneous structures	1,651 95	2,413 69	761 74*
Roadway machines	391,051 82	248,033 71	143,018 11
Roadway small tools	—	3,870 00	3,870 00*
Public improvements—Construction	293,059 33	27,610 70	265,448 63
Shop machinery	959,571 27	283,874 95	675,696 32
Power-plant machinery	445,644 20	40,424 03	405,220 17
Unapplied construction material and supplies	1,864 26	—	1,864 26
General officers and clerks	—	977 94	977 94*
Law	—	596 31	596 31*
Stationery and printing	—	71 56	71 56*
Taxes	—	333 93	333 93*
Interest during construction	36,951 13*	94,923 04	131,874 17*
Other expenses—General	—	224 67	224 67*
TOTAL	\$13,331,592 07	\$2,406,761 37	\$10,924,830 70
Interest during construction—book adjustment			\$2,053,870 04
Donations and grants—book adjustment			7,688,543 22*
TOTAL ROAD			\$5,290,157 52

EQUIPMENT†

Steam locomotives	\$182,013 60	\$4,754,716 58	\$4,572,702 98*
Other locomotives	20,991,787 86	—	20,991,787 86
Freight-train cars	23,868,852 49	2,982,224 76	20,886,627 73
Passenger-train cars	19,615,463 60	1,655,144 75	17,960,318 85
Floating equipment	179,780 53	108,290 24	71,490 29
Work equipment	1,104,907 39	654,235 32	450,672 07
Miscellaneous equipment	398,796 37	64,065 81	334,730 56
TOTAL	\$66,341,601 84	\$10,218,677 46	\$56,122,924 38
NET INCREASE FOR THE YEAR			\$61,413,081 90
Investment in road and equipment as of December 31, 1947			1,227,567,620 12
TOTAL AS OF DECEMBER 31, 1948			\$1,288,980,702 02

* Credit.

† Including trust equipment.

EXPENDITURES IN 1948 FOR ADDITIONS AND BETTERMENTS ON OWNED PROPERTY

ANALYSIS OF CHANGES IN EQUIPMENT INVESTMENT ACCOUNT

EQUIPMENT ADDED, INCLUDING BETTERMENTS	TRUST	OWNED	TOTAL
Steam locomotives	\$18,933 48*	\$200,947 08	\$182,013 60
Other locomotives	20,775,170 59	216,617 27	20,991,787 86
Freight-train cars	22,854,534 84	1,014,317 65	23,868,852 49
Passenger-train cars	17,465,075 31	2,150,388 29	19,615,463 60
Floating equipment	—	179,780 53	179,780 53
Work equipment	36,086 01	1,068,821 38	1,104,907 39
Miscellaneous equipment	—	398,796 37	398,796 37
TOTAL	\$61,111,933 27	\$5,229,668 57	\$66,341,601 84
EQUIPMENT RETIRED			
Steam locomotives	\$14,530 50	\$4,740,186 08	\$4,754,716 58
Freight-train cars	87,903 29	2,894,321 47	2,982,224 76
Passenger-train cars	—	1,655,144 75	1,655,144 75
Floating equipment	—	108,290 24	108,290 24
Work equipment	—	654,235 32	654,235 32
Miscellaneous equipment	—	64,065 81	64,065 81
TOTAL	\$102,433 79	\$10,116,243 67	\$10,218,677 46
NET INCREASE IN TRUST EQUIPMENT			\$61,009,499 48
NET DECREASE IN OWNED EQUIPMENT			4,886,575 10
NET INCREASE IN EQUIPMENT INVESTMENT			\$56,122,924 38

EXPENDITURES IN 1948 FOR ADDITIONS AND BETTERMENTS ON LEASED PROPERTY

ROAD	EXPENDITURES	RETIREMENTS	NET DEBIT
Engineering	\$56,896 64	\$12,660 39	\$44,236 25
Land for transportation purposes	58,231 56	15,991 87	42,239 69
Other right-of-way expenditures	1,232 70	—	1,232 70
Grading	256,538 62	14,077 77	242,460 85
Bridges, trestles, and culverts	138,161 99	186,428 03	48,266 04*
Ties	32,165 23	15,906 21	16,259 02
Rails	79,511 82	14,806 76	64,705 06
Other track material	216,203 16	17,306 31	198,896 85
Ballast	4,097 12	3,244 66	852 46
Track laying and surfacing	58,413 01	10,240 36	48,172 65
Fences, snowsheds, and signs	1,079 34	26,282 30	25,202 96*
<i>Carried forward</i>	\$902,531 19	\$316,944 66	\$585,586 53

* Credit

EXPENDITURES IN 1948 FOR ADDITIONS AND BETTERMENTS ON LEASED PROPERTY

ROAD (continued)

	EXPENDITURES	RETIREMENTS	NET DEBIT
<i>Brought forward</i>	\$902,531 19	\$316,944 66	\$585,586 53
Station and office buildings	230,857 74	23,775 67	207,082 07
Roadway buildings	2,566 61	8,556 87	5,990 26*
Water stations	1,693 88	613 00Ø	2,306 88
Fuel stations	5,969 34	1,144 82	4,824 52
Shops and enginehouses	43,474 04	8,393 02	35,081 02
Wharves and docks	302 80	—	302 80
Telegraph and telephone lines	136,805 20	3,082 51	133,722 69
Signals and interlockers	273,459 24	25,866 68	247,592 56
Power plants	53,781 90	5,535 00	48,246 90
Power-transmission systems	347,244 42	2,952 80Ø	350,197 22
Miscellaneous structures	—	206 39	206 39*
Roadway machines	412 58	35,981 79	35,569 21*
Roadway small tools	31 12	—	31 12
Public improvements—Construction	29,578 63	2,473 51	27,105 12
Shop machinery	50,633 70	8,682 34	41,951 36
Power-plant machinery	184,150 43	300 00	183,850 43
General officers and clerks	—	179 32	179 32*
Law	—	109 34	109 34*
Stationery and printing	—	13 12	13 12*
Taxes	—	61 23	61 23*
Interest during construction	—	19,376 80	19,376 80*
Other expenditures—General	—	39 36	39 36*
TOTAL	\$2,263,492 82	\$457,156 63	\$1,806,336 19
NET INCREASE FOR THE YEAR			\$1,806,336 19
Investment in improvements on leased property as of December 31, 1947			126,929,227 13
TOTAL AS OF DECEMBER 31, 1948			\$128,735,563 32

Expenditures for improvements on leased property, less retirements, including transfer, tabulated by accounts on the preceding pages, were made in connection with the following:

Beech Creek Extension Railroad	\$58,262 48
Boston and Albany Railroad	50,392 76
Detroit, Hillsdale and South Western Railroad	1,615 76*
Eric and Kalamazoo Railroad	221 88*
Fort Wayne and Jackson Railroad	1,495 01*
Grand Central Terminal Improvements, New York	460,379 50
<i>Carried forward</i>	\$565,702 09

* Credit

Ø Debit

EXPENDITURES IN 1948 FOR ADDITIONS AND BETTERMENTS ON LEASED PROPERTY

	<i>Brought forward</i>	\$565,702 09
Hudson River bridges at Albany		53,887 73
Improvements on leased piers, New York		821 89
Joliet and Northern Indiana Railroad		18,144 69
Kalamazoo, Allegan and Grand Rapids Railroad		1,941 32*
Lake Erie, Alliance & Wheeling Railroad		103,783 33
Mahoning and Shenango Valley Railway		743 14
Mahoning Coal Railroad		30,083 27
Michigan Central Railroad		414 65*
New Jersey Junction Railroad		139 82*
New York and Harlem Railroad		635,987 12
New York State Realty and Terminal Company property		2,596 39
Shenango Valley Railroad		13 20*
Troy and Greenbush Railroad		5,530 32*
Wallkill Valley Railroad		11,908 27
West Shore Railroad		390,717 58
		<hr/>
NET INCREASE FOR THE YEAR		\$1,806,336 19

* Credit

EXPENDITURES IN 1948 ON MISCELLANEOUS PHYSICAL PROPERTY

Buildings, Toledo, Ohio		\$466,650 20
Building, Cleveland, Ohio		19,511 80
Biltmore Hotel, 33-55 East 43rd Street, New York, New York		83,169 32
New York Central Building, 230 Park Avenue, New York, New York		14,091 12
Miscellaneous—various locations		22,505 03
		<hr/>
		\$605,927 47
Less:		
Land, Varick and Beach Streets, New York, New York	\$1,002,598 00	
Land and Buildings, Cleveland, Ohio	28,762 43	
Land, Holcomb to Caledonia, New York	17,415 38	
Commercial tracks and sidings	34,098 47	
Special assessments	13,513 45	
Miscellaneous—various locations	32,785 84	
		<hr/>
		1,129,173 57
NET DECREASE FOR THE YEAR		<hr/>
Investment in miscellaneous physical property as of December 31, 1947		\$523,246 10
		<hr/>
TOTAL AS OF DECEMBER 31, 1948		\$51,123,234 89

CAPITALIZATION

DECEMBER 31, 1948

CAPITAL STOCK

Number of shares of no par value authorized	10,000,000
Number of shares issued	6,447,413.3975
Represented by:	
Certificates issued by present company	6,447,191
Certificates and consolidation certificates issued by predecessor companies and scrip	222.3975
Less: Reacquired and held by or for this Company	3.3450
Actually outstanding	6,447,410.0525

FUNDED DEBT

MORTGAGE BONDS	Date of issue	Date of maturity	Amount of authorized issue	Amount issued and now outstanding	Rate of interest	Payable on the first day of
Indiana, Illinois & Iowa R R Co first ①	1900	July 1, 1950	\$4,850,000 00	\$3,999,000 00	4%	Jan. and July
Chicago, Indiana & Southern R R Co 50 year ②	1906	Jan. 1, 1956	15,150,000 00	14,193,000 00	4%	Jan. and July
Jamestown, Franklin & Clearfield R R Co first ②	1909	June 1, 1959	11,000,000 00	10,797,000 00	4%	June and Dec.
NYC&HRRRCo—Sputyen Duyvil & Pt Morris first ④	1909	June 1, 1959	2,500,000 00	2,500,000 00	3½%	June and Dec.
Cleveland Short Line Railway Co first ②	1911	Apr. 1, 1961	11,800,000 00	11,800,000 00	4½%	Apr. and Oct.
Carthage & Adirondack Railway Co first ③	1892	Dec. 1, 1981	1,100,000 00	1,100,000 00	4%	June and Dec.
Sturgis, Goshen & St Louis Railway Co first ④	1889	Dec. 1, 1989	322,000 00	322,000 00	3%	June and Dec.
Mohawk & Malone Railway Co first ⑥	1892	Sept. 1, 1991	2,500,000 00	2,500,000 00	4%	Mar. and Sept.
New York & Putnam R R Co first consolidated ④	1894	Oct. 1, 1993	3,987,000 00	3,982,000 00	4%	Apr. and Oct.
Lake Shore & Michigan Southern Ry Co gold ⑥	1897	June 1, 1997	50,000,000 00	50,000,000 00	3½%	June and Dec.
N Y C & H R R R Co gold mortgage ②	1897	July 1, 1997	100,000,000 00	100,000,000 00	3½%	Jan. and July
N Y C & H R R R Co—Lake Shore collateral gold ⑦†	1898	Feb. 1, 1998	90,578,400 00	21,217,000 00	3½%	Feb. and Aug.
N Y C & H R R R Co—Mich Central collateral gold ⑤*	1898	Feb. 1, 1998	21,550,000 00	19,336,000 00	3½%	Feb. and Aug.
N Y C R R Co consolidation—series A ⑦†	1913	Feb. 1, 1998	70,000,000 00	68,974,000 00	4%	Feb. and Aug.
N Y C R R Co consolidation—series C ⑦	1934	Feb. 1, 1998	48,000,000 00	48,000,000 00	4%	Feb. and Aug.
Mohawk & Malone Railway Co consolidated ⑥	1902	Mar. 1, 2002	3,900,000 00	3,900,000 00	3½%	Mar. and Sept.
N Y C R R Co refunding and improvement—series A ②	1913	Oct. 1, 2013	115,000,000 00	96,429,000 00	4½%	Apr. and Oct.
N Y C R R Co refunding and improvement—series B ②	1920	Oct. 1, 2013	38,494,000 00	4,494,000 00	6%	Apr. and Oct.
N Y C R R Co refunding and improvement—series C ②	1922	Oct. 1, 2013	260,000,000 00	231,174,000 00	5%	Apr. and Oct.
TOTAL				\$694,717,000 00		

Less securities reacquired or nominally issued and pledged or otherwise held by or for this Company:

N Y C & H R R R Co gold	\$6,000,000 00	
N Y C & H R R R Co—Lake Shore collateral gold†	10,000 00	
N Y C R R Co consolidation—series C	48,000,000 00	
N Y C R R Co refunding and improvement—series A	421,000 00	
N Y C R R Co refunding and improvement—series B	4,494,000 00	
N Y C R R Co refunding and improvement—series C	167,180,000 00	226,105,000 00
TOTAL MORTGAGE BONDS ACTUALLY OUTSTANDING		\$468,612,000 00

* Secured by N Y C & H R R R Co consolidation mortgage dated June 20, 1913.

† Additionally secured by N Y C R R Co mortgage dated January 15, 1915.

† Deposited with City of New York and included in balance sheet account "Insurance and other funds".

CAPITALIZATION FUNDED DEBT

DEBENTURE BONDS		Date of issue	Date of maturity	Amount of authorized issue	Amount issued and now outstanding	Rate of interest	Payable on
N Y C & H R R R Co		1900	July 1, 2000	\$5,500,000 00	<u>\$5,500,000 00</u>	3½%	Jan. 1 and July 1
EQUIPMENT TRUST OBLIGATIONS			Date of final maturity				
Equipment trust certificates	(8)	1937	Mar. 15, 1952	4,290,000 00	\$1,144,000 00	2¼%	Mar. 15, Sept. 15
Equipment trust certificates	(8)	1939	Dec. 1, 1949	9,000,000 00	900,000 00	2½%	June 1, Dec. 1
Equipment trust certificates	(9)	1940	June 1, 1950	10,400,000 00	2,080,000 00	2%	June 1, Dec. 1
Equipment trust certificates	(8)	1941	Feb. 15, 1951	10,900,000 00	3,270,000 00	1½%	Feb. 15, Aug. 15
Equipment trust certificates	(2)	1941	July 15, 1951	15,000,000 00	4,500,000 00	2¼%	Jan. 15, July 15
Equipment trust certificates	(8)	1943	June 1, 1953	5,300,000 00	2,650,000 00	2%	June 1, Dec. 1
Equipment trust certificates	(9)	1944	Sept. 1, 1954	15,500,000 00	9,300,000 00	1½%	Mar. 1, Sept. 1
Equipment trust certificates	(2)	1945	May 1, 1955	7,500,000 00	5,250,000 00	1½%	May 1, Nov. 1
Equipment trust certificates	(10)	1945	Aug. 15, 1955	8,800,000 00	6,160,000 00	1½%	Feb. 15, Aug. 15
Equipment trust certificates	(9)	1946	Jan. 1, 1956	17,700,000 00	14,160,000 00	1½%	Jan. 1, July 1
Equipment trust certificates	(9)	1947	Jan. 1, 1957	20,000,000 00	18,000,000 00	2%	Jan. 1, July 1
Equipment trust certificates	(2)	1947	Aug. 15, 1957	9,400,000 00	8,460,000 00	2½%	Feb. 15, Aug. 15
Equipment trust certificates	(9)	1948	Jan. 15, 1958	12,800,000 00	12,800,000 00	2½%	Jan. 15, July 15
Equipment trust certificates	(11)	1948	Mar. 15, 1958	12,600,000 00	12,600,000 00	2½%	Mar. 15, Sept. 15
Equipment trust certificates	(8)	1948	Sept. 15, 1958	13,800,000 00	13,800,000 00	2½%	Mar. 15, Sept. 15
TOTAL EQUIPMENT TRUST OBLIGATIONS ACTUALLY OUTSTANDING					<u>\$115,074,000 00</u>		
OTHER EQUIPMENT OBLIGATIONS							
Equipment agreement—series A	(10)	1945	Apr. 1, 1953	1,142,080 00	\$642,420 00	1.45%	{Jan. 1, Apr. 1
Equipment agreement—series B	(10)	1945	Apr. 1, 1953	212,160 00	119,340 00	1.45%	{July 1, Oct. 1
TOTAL EQUIPMENT AGREEMENTS ACTUALLY OUTSTANDING					<u>\$761,760 00</u>		
TOTAL EQUIPMENT OBLIGATIONS ACTUALLY OUTSTANDING					<u>\$115,835,760 00</u>		
TOTAL FUNDED DEBT ACTUALLY OUTSTANDING					<u>\$589,947,760 00</u>		

TRUSTEES:

- | | |
|---|--|
| <ul style="list-style-type: none"> (1) Continental Illinois National Bank and Trust Company of Chicago (formerly Illinois Trust and Savings Bank) (2) Guaranty Trust Company of New York (3) Central Hanover Bank and Trust Company, New York (formerly Central Union Trust Company) (4) Manufacturers Trust Company, New York (formerly Metropolitan Trust Company) (5) Irving Trust Company, New York (formerly Knickerbocker Trust Company) | <ul style="list-style-type: none"> (6) United States Trust Company of New York (7) Bankers Trust Company, New York (8) Chase National Bank of the City of New York (9) The First National Bank of the City of New York (10) Public National Bank and Trust Company of New York (11) J. P. Morgan & Co., Incorporated |
|---|--|

INDEBTEDNESS OF THE COMPANY AND ITS LESSOR COMPANIES

Funded debt, outstanding in hands of public and amounts due State of New York in connection with grade crossing eliminations as of:

	December 31, 1932	December 31, 1948	Decrease
The New York Central Railroad Company	\$744,296,923 22	\$616,988,380 64	\$127,308,542 58
Lessor companies	364,511,029 23	260,131,125 00	104,379,904 23
	\$1,108,807,952 45	\$877,119,505 64	\$231,688,446 81

Interest (computed on an annual basis) on above indebtedness as of:

	December 31, 1932	Average Interest Rate	December 31, 1948	Average Interest Rate
The New York Central Railroad Company	\$31,745,871 00	.042+	\$22,245,192 75	.036+
Lessor companies	15,656,751 00	.043	10,983,875 00	.042+
	\$47,402,622 00		\$33,229,067 75	

Reduction in annual interest 1948 under 1932

The New York Central Railroad Company	\$9,500,678 25
Lessor companies	4,672,876 00
	\$14,173,554 25

Contingent liability in connection with guarantees, largely for jointly owned union depot and terminal companies, is not included in above.

RAILWAY OPERATING REVENUES

	1948	1947	Increase or Decrease
REVENUES FROM TRANSPORTATION			
Freight:			
Anthracite coal	\$12,190,854 60	\$10,203,347 20	\$1,987,507 40
Bituminous coal	100,629,280 81	90,455,168 10	10,174,112 71
Coke	5,141,113 09	4,627,188 53	513,924 56
Iron ore	7,598,351 35	6,130,933 95	1,467,417 40
All other freight	435,801,642 71	385,318,242 27	50,483,400 44
Total freight (Note A)	\$561,361,242 56	\$496,734,880 05	\$64,626,362 51
Passenger	136,168,197 30	133,187,777 36	2,980,419 94
Baggage	376,593 86	348,665 57	27,928 29
Parlor and chair car	440,487 63	365,077 64	75,409 99
Mail	23,556,655 09	20,618,541 99	2,938,113 10
Express	11,983,561 09	10,717,836 62	1,265,724 47
Other passenger-train	2,550,427 97	986,379 91	1,564,048 06
Milk	3,113,684 91	3,212,787 27	<i>99,102 36</i>
Switching	9,970,273 19	8,187,279 75	1,782,993 44
Water transfers—Freight	254,023 97	291,496 56	<i>37,472 59</i>
Water transfers—Passenger	161,246 88	176,914 92	<i>15,668 04</i>
Water transfers—Vehicles and live stock	271,592 23	282,212 63	<i>10,620 40</i>
Water transfers—Other	136,284 34	119,170 90	17,113 44
TOTAL	\$750,344,271 02	\$675,229,021 17	\$75,115,249 85
INCIDENTAL AND JOINT FACILITY			
Dining and buffet	\$10,883,585 33	\$10,540,732 16	\$342,853 17
Hotel and restaurant	2,373 75	3,513 25	<i>1,139 50</i>
Station, train, and boat privileges	1,408,826 80	1,437,217 49	<i>28,390 69</i>
Parcel room	89,517 09	97,361 22	<i>7,844 13</i>
Storage—Freight	812,177 03	1,168,957 91	<i>356,780 88</i>
Storage—Baggage	62,306 76	60,997 10	1,309 66
Demurrage	3,483,812 49	4,083,080 81	<i>599,268 32</i>
Telegraph and telephone	76,504 05	83,670 15	<i>7,166 10</i>
Grain elevator	244,025 84	153,849 90	90,175 94
Stockyard	—	238,106 27	<i>238,106 27</i>
Power	2,700,441 52	1,961,341 99	739,099 53
Rents of buildings and other property	2,827,391 39	2,847,536 69	<i>20,145 30</i>
Miscellaneous	5,761,433 35	5,177,180 24	584,253 11
Joint facility—Cr.	2,777,874 42	1,276,889 27	1,500,985 15
Joint facility—Dr.	1,613,785 64	1,018,927 94	<i>594,857 70</i>
TOTAL	\$29,516,484 18	\$28,111,506 51	\$1,404,977 67
GRAND TOTAL	\$779,860,755 20	\$703,340,527 68	\$76,520,227 52
NOTE A—After deduction of for estimated refund to United States governmental agencies on account land grant equalization and other government recharges.	—	\$2,200,000 00	\$2,200,000 00

RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES

Superintendence	\$6,824,224 75	\$6,267,336 96	\$556,887 79
Roadway maintenance	7,463,916 47	6,209,663 13	1,254,253 34
Tunnels and subways	199,532 49	239,369 17	<i>39,836 68</i>
Bridges, trestles, and culverts	2,631,837 65	2,140,470 46	491,367 19
Elevated structures	145,091 78	159,936 18	<i>14,844 40</i>
Ties	5,586,610 77	4,854,454 13	732,156 64
Rails	810,142 82	1,173,015 75	<i>362,872 93</i>
Other track material	6,172,199 93	4,777,314 40	1,394,885 53
Ballast	3,691,556 45	2,853,492 47	838,063 98
Track laying and surfacing	28,240,168 65	24,742,735 82	3,497,432 83
Fences, snowsheds, and signs	469,795 09	494,805 23	<i>25,010 14</i>
Station and office buildings	5,647,991 44	4,681,709 51	966,281 93
Roadway buildings	612,932 07	553,034 64	59,897 43
Carried forward	\$68,496,000 36	\$59,147,337 85	

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES (*concluded*)

	1948	1947	Increase or Decrease
<i>Brought forward</i>	\$68,496,000 36	\$59,147,337 85	
Water stations	1,024,218 43	834,023 21	\$190,195 22
Fuel stations	915,071 18	631,616 15	283,455 03
Shops and enginehouses	4,012,271 02	3,435,088 60	577,182 42
Grain elevators	21,733 14	34,117 44	<i>12,384 30</i>
Storage warehouses	2,614 40	9,596 17	<i>6,981 77</i>
Wharves and docks	449,066 30	280,092 16	168,974 14
Coal and ore wharves	421,805 93	413,699 30	8,106 63
Telegraph and telephone lines	2,045,796 65	1,723,666 27	322,130 38
Signals and interlockers	8,048,806 03	7,088,302 16	960,503 87
Power plants	159,045 78	118,894 61	40,151 17
Power-transmission systems	1,445,295 96	1,136,930 97	308,364 99
Miscellaneous structures	36,770 25	35,406 32	1,363 93
Road property—Depreciation	10,356,296 62	10,208,065 80	148,230 82
Retirements—Road	746,248 56	507,562 85	238,685 71
Roadway machines	1,448,883 80	1,189,958 78	258,925 02
Dismantling retired road property	347,130 31	326,351 75	20,778 56
Small tools and supplies	2,094,947 80	1,788,669 23	306,278 57
Removing snow, ice, and sand	4,929,085 94	4,296,064 77	633,021 17
Public improvements—Maintenance	1,308,352 87	1,123,553 03	184,799 84
Injuries to persons	579,275 59	673,824 66	<i>94,549 07</i>
Insurance	497,295 48	509,823 30	<i>12,527 82</i>
Stationery and printing	110,779 04	91,377 58	19,401 46
Other expenses	83,843 23	29,940 02	53,903 21
Maintaining joint tracks, yards, and other facilities—Dr.	4,410,596 29	3,997,043 61	413,552 68
Maintaining joint tracks, yards, and other facilities—Cr.	3,842,213 50	3,385,548 44	<i>456,665 06</i>
Right-of-way expenses	45,398 70	31,194 63	14,204 07
TOTAL	\$110,194,416 16	\$96,276,652 78	\$13,917,763 38

MAINTENANCE OF EQUIPMENT

Superintendence	\$5,331,614 79	\$4,800,462 53	\$531,152 26
Shop machinery	3,457,277 82	2,990,887 26	466,390 56
Power-plant machinery	697,710 36	581,995 06	115,715 30
Shop and power-plant machinery—Depreciation	919,330 98	890,930 60	28,400 38
Dismantling retired shop and power-plant machinery	26,624 57	23,378 49	3,246 08
Steam locomotives—Repairs	54,831,055 28	51,146,900 67	3,684,154 61
Other locomotives—Repairs	6,360,439 71	4,121,671 19	2,238,768 52
Freight-train cars—Repairs	37,701,523 42	35,688,445 25	2,013,078 17
Passenger-train cars—Repairs	18,136,507 16	16,241,886 27	1,894,620 89
Floating equipment—Repairs	2,350,081 36	1,805,369 33	544,712 03
Work equipment—Repairs	2,662,613 44	2,483,238 01	179,375 43
Miscellaneous equipment—Repairs	196,025 56	178,651 27	17,374 29
Dismantling retired equipment	293,033 61	325,398 56	<i>32,364 95</i>
Retirements—Equipment	64,206 08*	26,583 66*	<i>37,622 42</i>
Equipment—Depreciation	20,892,371 66	19,583,365 38	1,309,006 28
Equipment—Amortization of defense projects	2,392,856 83	2,393,010 53	<i>153 70</i>
Injuries to persons	610,983 46	775,792 96	<i>164,809 50</i>
Insurance	987,578 49	1,090,298 60	<i>102,720 11</i>
Stationery and printing	217,255 17	187,575 62	29,679 55
Other expenses	86,850 45	28,927 66	57,922 79
Joint maintenance of equipment—Dr.	1,092,903 98	824,752 91	268,151 07
Joint maintenance of equipment—Cr.	257,454 19	202,788 18	<i>54,666 01</i>
TOTAL	\$158,922,977 83	\$145,933,566 31	\$12,989,411 52

* Credit.

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

TRAFFIC			Increase or Decrease
	1948	1947	
Superintendence	\$4,942,230 43	\$4,481,405 19	\$460,825 24
Outside agencies	4,595,762 77	4,273,682 09	322,080 68
Advertising	1,441,648 62	1,287,049 42	154,599 20
Traffic associations	430,778 30	420,085 46	10,692 84
Fast freight lines	608 26	1,134 05	525 79
Industrial and immigration bureaus	341,564 07	170,288 07	171,276 00
Insurance	2,888 24	623 90	2,264 34
Stationery and printing	575,967 54	538,690 70	37,276 84
Other expenses	3,168 60	4,051 48	882 88
TOTAL	\$12,334,616 83	\$11,177,010 36	\$1,157,606 47
TRANSPORTATION			
	1948	1947	
Superintendence	\$7,870,168 58	\$7,105,260 19	\$764,908 39
Dispatching trains	1,909,875 99	1,755,976 60	153,899 39
Station employees	54,455,310 69	53,164,710 63	1,290,600 06
Weighing, inspection, and demurrage bureaus	523,282 23	464,554 26	58,727 97
Coal and ore wharves	1,380,909 18	1,569,702 43	188,793 25
Station supplies and expenses	4,247,068 19	3,630,857 71	616,210 48
Yardmasters and yard clerks	11,471,699 47	10,529,822 03	941,877 44
Yard conductors and brakemen	28,781,517 86	24,773,433 68	4,008,084 18
Yard switch and signal tenders	3,920,075 42	3,456,687 17	463,388 25
Yard enginemmen	13,065,869 00	11,193,702 25	1,872,166 75
Yard motormen	5,639,833 76	4,784,373 53	855,460 23
Yard switching fuel	9,003,988 15	7,485,101 74	1,518,886 41
Yard switching power produced	70,368 41	62,838 32	7,530 09
Yard switching power purchased	286,199 84	254,545 16	31,654 68
Water for yard locomotives	686,188 44	614,365 73	71,822 71
Lubricants for yard locomotives	249,176 87	208,138 27	41,038 60
Other supplies for yard locomotives	277,518 14	229,457 11	48,061 03
Enginehouse expenses—Yard	4,675,717 43	3,829,962 00	845,755 43
Yard supplies and expenses	1,026,603 58	831,691 43	194,912 15
Operating joint yards and terminals—Dr.	10,806,782 22	8,583,034 56	2,223,747 66
Operating joint yards and terminals—Cr.	3,910,474 11	3,308,442 67	602,031 44
Train enginemmen	25,547,632 46	24,182,620 94	1,365,011 52
Train motormen	4,986,820 72	2,573,520 76	2,413,299 96
Train fuel	50,327,740 04	43,551,966 42	6,775,773 62
Train power produced	335,248 80	310,916 69	24,332 11
Train power purchased	1,249,726 22	1,160,962 18	88,764 04
Water for train locomotives	3,212,475 08	2,988,967 47	223,507 61
Lubricants for train locomotives	1,704,169 25	1,444,175 90	259,993 35
Other supplies for train locomotives	687,544 39	629,146 14	58,398 25
Enginehouse expenses—Train	11,088,047 98	10,017,962 39	1,070,295 59
Trainmen	39,511,661 62	35,395,111 86	4,116,549 76
Train supplies and expenses	20,144,910 69	17,074,326 55	3,070,584 14
Signal and interlocker operation	6,804,076 94	6,134,376 91	669,700 03
Crossing protection	4,130,832 25	3,757,564 35	373,267 90
Drawbridge operation	336,850 54	309,116 48	27,734 06
Telegraph and telephone operation	1,325,926 56	1,115,559 22	210,367 34
Operating floating equipment	6,266,882 50	6,459,882 97	193,000 47
Stationery and printing	1,402,055 62	1,379,869 31	22,186 31
Other expenses	340,046 07	78,640 15*	418,686 22
Operating joint tracks and facilities—Dr.	1,869,540 55	1,623,459 21	246,081 34
Operating joint tracks and facilities—Cr.	2,155,476 00	1,809,275 86	346,200 14
Insurance	535,399 64	503,370 19	32,029 45
Clearing wrecks	792,638 70	783,443 31	9,195 39
Damage to property	676,735 85	474,282 83	202,453 02
Damage to live stock on right-of-way	27,509 81	27,752 65	242 84
Loss and damage—Freight	9,038,788 27	11,305,428 85	2,266,640 58
Loss and damage—Baggage	223,488 09	113,819 56	109,668 53
Injuries to persons	3,220,188 80	6,064,404 71	2,844,215 91
Estimated wage adjustment	918,000 00*	918,000 00	1,836,000 00
TOTAL	\$349,151,140 78	\$319,631,653 97	\$29,519,486 81

* Credit.

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

	1948	1947	Increase or Decrease
MISCELLANEOUS OPERATIONS			
Dining and buffet service	\$14,926,729 15	\$13,865,922 20	\$1,060,806 95
Hotels and restaurants	1,177 78	2,433 17	1,255 39
Grain elevators	286,742 09	286,476 80	265 29
Stockyards	—	201,744 40	201,744 40
Producing power sold	1,790,602 97	1,228,138 88	562,464 09
Other miscellaneous operations	54,670 52	54,859 85	189 33
Operating joint miscellaneous facilities—Dr.	26,352 99	—	26,352 99
Operating joint miscellaneous facilities—Cr.	449,717 38	—	449,717 38
TOTAL	\$16,636,558 12	\$15,639,575 30	\$996,982 82
GENERAL			
Salaries and expenses of general officers	\$1,454,071 30	\$1,359,389 59	\$94,681 71
Salaries and expenses of clerks and attendants	12,740,945 31	11,736,291 66	1,004,653 65
General office supplies and expenses	911,973 68	795,353 50	116,620 18
Law expenses	1,461,630 90	1,165,628 55	296,002 35
Insurance	13,680 81	13,052 46	628 35
Pensions and gratuities ^Ø	1,932,937 87	1,569,299 39	363,638 48
Stationery and printing	619,335 50	514,131 03	105,204 47
Valuation expenses	721 39	706 36	15 03
Other expenses	784,394 66	591,776 60	192,618 06
General joint facilities—Dr.	267,465 63	188,694 88	78,770 75
General joint facilities—Cr.	83,900 55	55,925 30	27,975 25
TOTAL	\$20,103,256 50	\$17,878,398 72	\$2,224,857 78
GRAND TOTAL	\$667,342,966 22	\$606,536,857 44	\$60,806,108 78

Ø Includes \$1,291,663 in 1948 and \$885,000 in 1947 representing accrual for Company's funded retirement plan.

RATIO OF RAILWAY OPERATING EXPENSES
TO RAILWAY OPERATING REVENUES

	1948	1947
Maintenance of way and structures	14.13	13.69
Maintenance of equipment	20.38	20.75
Traffic	1.58	1.59
Transportation	44.77	45.45
Miscellaneous operations	2.13	2.22
General	2.58	2.54
TOTAL	85.57	86.24

RAILWAY TAX ACCRUALS

	1948	1947	Increase or Decrease
UNITED STATES GOVERNMENT			
Income: normal, surtax and excess profits	\$1,647,015 58	\$6,072,223 30*	\$7,719,238 88
Railroad retirement excise	22,360,441 71	21,000,782 25	1,359,659 46
Railroad unemployment insurance	1,951,312 66	10,984,664 10	9,033,351 44
Capital stock	1,337,605 00	—	1,337,605 00
Other	187,356 78	233,047 78	45,691 00
TOTAL	\$27,483,731 73	\$26,146,270 83	\$1,337,460 90

* Credit.

Italics indicate decrease.

RAILWAY TAX ACCRUALS

	1948	1947	Increase or Decrease
STATE, COUNTY, AND MUNICIPAL			
Real and personal property	\$22,111,646 14	\$21,359,663 19	\$751,982 95
Special franchise	1,731,034 78	1,841,170 07	110,135 29
Gross earnings or income	1,437,521 56	1,422,745 53	14,776 03
Capital stock	409,719 05	677,311 45	267,592 40
Transportation privilege	47,423 67	37,595 00	9,828 67
Sales, excise, liquor, and sundry others	45,914 57	34,212 01	11,702 56
Railroad Commissioners' and Public Service assessments	10,857 53	11,883 00	1,025 47
Motor vehicle license	25,392 03	18,526 82	6,865 21
Workmen's compensation	10,081 27	10,712 79	631 52
TOTAL	\$25,829,590 60	\$25,413,819 86	\$415,770 74
FOREIGN			
Canadian income	\$565,310 29	\$629,308 83	\$63,998 54
Canadian real and personal property	170,237 84	172,409 34	2,171 50
Canadian, other	69,568 38	11,906 37	57,662 01
Mexican income and unemployment	43,153 98	61,786 77	18,632 79
TOTAL	\$848,270 49	\$875,411 31	\$27,140 82
GRAND TOTAL	\$54,161,592 82	\$52,435,502 00	\$1,726,090 82

OTHER TAX ACCRUALS

MISCELLANEOUS OPERATING PROPERTY			
United States Government: Income and other	\$15,257 35	\$19,791 86	\$4,534 51
State, County, and Municipal	59,401 89	62,813 15	3,411 26
TOTAL	\$74,659 24	\$82,605 01	\$7,945 77
MISCELLANEOUS TAX ACCRUALS			
State, County, and Municipal	\$706,559 39	\$818,135 25	\$111,575 86

HIRE OF EQUIPMENT ACCOUNT

	1948	1947	Increase or Decrease
PAID			
Freight-train cars	\$65,322,219 60	\$59,171,665 71	\$6,150,553 89
Locomotives	65,029 47	69,437 51	4,408 04
Passenger-train cars	1,902,296 76	1,830,020 82	72,275 94
Floating equipment	969,828 27	1,241,444 16	271,615 89
Work equipment	13,419 37	19,432 14	6,012 77
TOTAL	\$68,272,793 47	\$62,332,000 34	\$5,940,793 13
RECEIVED			
Freight-train cars	\$47,990,403 56	\$43,295,524 77	\$4,694,878 79
Locomotives	195,732 30	231,215 08	35,482 78
Passenger-train cars	1,242,231 18	1,294,993 98	52,762 80
Floating equipment	7,155 00	2,172 00	4,983 00
Work equipment	105,252 53	60,230 54	45,021 99
TOTAL	\$49,540,774 57	\$44,884,136 37	\$4,656,638 20
NET DEBIT BALANCE	\$18,732,018 90	\$17,447,863 97	\$1,284,154 93

JOINT FACILITY RENT ACCOUNT

	1948	1947	Increase or Decrease
Amount PAID for use of facilities maintained by other companies	\$8,687,740 38	\$8,767,039 76	\$79,299 38
Amount RECEIVED for use of facilities maintained by this Company	6,285,154 17	6,366,297 09	81,142 92
NET DEBIT	\$2,402,586 21	\$2,400,742 67	\$1,843 54

SEPARATELY OPERATED PROPERTIES

OWASCO RIVER RAILWAY, this Company's proportion of profit	\$2,505 35
CENTRAL INDIANA RAILWAY, this Company's proportion—one-half of profit	7,910 55
PITTSBURGH, MCKEESPORT AND YOUGHIOGHENY RAILROAD, this Company's proportion—one-half of profit	2,000,752 00
MACKINAC TRANSPORTATION COMPANY, this Company's proportion—one-third of profit	13,362 67
TOTAL PROFIT	\$2,024,530 57

Italics indicate decrease.

DIVIDEND INCOME

	1948	1947	Increase or Decrease
Beech Creek Railroad Company	\$61,057 78	\$50 00	\$61,007 78
The Canada Southern Railway Company	250,347 00	250,347 00	—
Cherry Tree and Dixonville Railroad Company	10,000 00	10,000 00	—
The Cincinnati Union Terminal Company	30,000 00	30,000 00	—
Detroit Manufacturers' Railroad	8,925 00	8,925 00	—
Detroit River Tunnel Company	240,000 00	240,000 00	—
The Indianapolis Union Railway Company	40,000 00	40,000 00	—
The Mahoning Coal Railroad Company	998,732 50	804,212 50	194,520 00
Merchants Despatch Transportation Corporation	367,500 00	262,500 00	105,000 00
Northern Refrigerator Line, Inc.	300,000 00	155,400 00	144,600 00
Northern Refrigerator Line, Inc.	954,000 00*	732,000 00	1,686,000 00
The Pittsburgh and Lake Erie Railroad Company	3,471,872 00	2,603,904 00	867,968 00
Pittsfield and North Adams Railroad Corporation	3,610 00	3,610 00	—
The Pullman Company	56,326 50	56,326 50	—
The Delaware, Lackawanna and Western Railroad Company	33,206 25	—	33,206 25
Reading Company	1,268,550 00	1,137,100 00	131,450 00
The Toronto, Hamilton and Buffalo Railway Company	319,300 00	255,440 00	63,860 00
Union Depot Company (Columbus, Ohio)	2,983 90	2,983 90	—
United States Cold Storage Corporation	87,500 00	78,750 00	8,750 00
The Wallkill Valley Railroad Company	11,550 00	11,550 00	—
Other companies' stock	9,102 50	9,366 26	263 76
TOTAL	\$6,616,563 43	\$6,692,465 16	\$75,901 73

INCOME FROM FUNDED SECURITIES

	1948	1947	Increase or Decrease
Beech Creek Extension R. R. Co. consolidated mortgage bonds—1955	\$158,560 00	\$158,560 00	—
Boston and Albany R. R. Co.:			
4½% first mortgage bonds, series B—1948	67,837 50	135,675 00	\$67,837 50
3¼% terminal bonds—1951	12,438 41	11,049 30	1,389 11
3¼% refunding bonds—1952	86,058 47	68,865 21	17,193 26
Central Detroit Warehouse Company—Land Contract	4,008 28	8,374 96	4,366 68
Cherry Tree and Dixonville R. R. Co. 4½% first mortgage bonds, series A—1966	25,515 00	25,515 00	—
Clearfield Bituminous Coal Corporation—Notes and advances	75,609 20	29,023 69	46,585 51
The Cleveland, Cincinnati, Chicago and St. Louis Railway Co.:			
4½% refunding and improvement mortgage bonds, series E—1977	168,048 97	131,764 46	36,284 51
4½% refunding and improvement mortgage bonds, series F—1964	1,306,800 00	1,306,800 00	—
The Cleveland Union Terminals Co.—Advances	1,252,553 65	1,252,553 69	04
Despatch Shops, Inc.—Notes	78,086 06	91,417 81	13,331 75
Indiana Harbor Belt Railroad Company—Advances	6,850 89	—	6,850 89
Jefferson Coal Company—Note	7,300 00	7,300 00	—
The Kalamazoo, Allegan and Grand Rapids R. R. Co. 5% first mortgage bonds—1968	42,000 00	42,000 00	—
The Lake Erie and Pittsburg Railway Co.:			
4½% first mortgage bonds—1965	78,086 25	78,255 00	168 75
5% first mortgage bonds—1965	170 83	887 50	716 67
Linden Securities Corporation—Advances	296,952 00	222,714 00	74,238 00
Louisville & Jeffersonville Bridge and R. R. Co.—Advances †	320,652 60	322,500 00	1,847 40
New York State Realty and Terminal Company—Advances	75,299 36	72,766 42	2,532 94
The Peoria and Eastern Railway Co.:			
4% first consolidated mortgage bonds—1960	6,820 00	6,820 00	—
Open accounts, etc.	69,915 61*	31,715 89	101,631 50
The Pittsburgh, McKeesport and Youghiogheny R. R. Co.—Notes	18,000 00	18,000 00	—
Railway Express Agency, Inc.—Advances	197,719 43	186,349 56	11,369 87
The Toledo and Ohio Central Railway Co.:			
3¾% refunding and improvement mortgage bonds, series A—1960	77,512 50	77,512 50	—
Union Depot Company (Columbus, Ohio)—Advances	13,525 70	13,779 43	253 73
United States Treasury Certificates of Indebtedness	53,600 89	—	53,600 89
United States Treasury Notes—Series A	147,279 25	44,854 91	102,424 34
Wolf Warehouse Company, Inc.—Land Contract	3,210 15	3,840 37	630 22
Miscellaneous	6,046 55	5,662 82	383 73
TOTAL	\$4,516,626 33	\$4,354,557 52	\$162,068 81

* Debit.

Ø Revised for comparative purposes.

† Includes \$140,652.60 in 1948 and \$142,500.00 in 1947 as interest on advances to C. C. C. & St. L. Ry. Co. for Louisville & Jeffersonville Bridge and Railroad Co.

‡ 1948 eliminates as dividend income dividends received in stock in 1947, \$732,000.00 and in 1945, \$222,000.00.

Italics indicate decrease.

INTEREST ON FUNDED DEBT

MORTGAGE BONDS		Rate	Amount
Indiana, Illinois & Iowa Railroad Co first mortgage	4%	\$161,024	33
Chicago, Indiana & Southern Railroad Co fifty-year gold	4%	567,720	00
Jamestown, Franklin & Clearfield Railroad Co first mortgage	4%	432,675	56
N Y C & H R R R Co—Spuytten Duyvil & Port Morris first mortgage	3½%	87,500	00
Cleveland Short Line Railway Co first mortgage	4½%	531,000	00
Carthage & Adirondack Railway Co first mortgage	4%	44,000	00
Sturgis, Goshen & St. Louis Railway Co first mortgage	3%	9,660	00
Mohawk & Malone Railway Co first mortgage	4%	100,000	00
New York & Putnam Railroad Co first consolidated mortgage	4%	159,280	00
Lake Shore & Michigan Southern Railway Co gold mortgage	3½%	1,750,000	00
N Y C & H R R R Co gold mortgage	3½%	3,290,000	00
N Y C & H R R R Co—Lake Shore collateral gold	3½%	742,245	00
N Y C & H R R R Co—Michigan Central collateral gold	3½%	676,760	00
N Y C R R Co consolidation mortgage, series A	4%	2,758,960	00
Mohawk & Malone Railway Co consolidated mortgage	3½%	136,500	00
N Y C R R Co refunding and improvement mortgage, series A	4½%	4,327,534	94
N Y C R R Co refunding and improvement mortgage, series C	5%	3,203,352	24
			\$18,978,212 07
DEBENTURE BONDS			
N Y C & H R R R Co of 1900	3½%		192,500 00
EQUIPMENT TRUST OBLIGATIONS			
Equipment trust certificates of March 15, 1937	2¼%	\$27,080	62
Equipment trust certificates of December 1, 1939	2½%	43,125	00
Equipment trust certificates of June 1, 1940	2%	50,267	00
Equipment trust certificates of February 15, 1941	1½%	63,865	84
Equipment trust certificates of July 15, 1941	2¼%	119,531	25
Equipment trust certificates of June 1, 1943	2%	57,417	00
Equipment trust certificates of September 1, 1944	1½%	193,744	82
Equipment trust certificates of May 1, 1945	1½%	89,372	50
Equipment trust certificates of August 15, 1945	1½%	100,650	00
Equipment trust certificates of January 1, 1946	1½%	212,400	00
Equipment trust certificates of January 1, 1947	2%	360,000	00
Equipment trust certificates of August 15, 1947	2½%	192,291	10
Equipment trust certificates of January 15, 1948	2½%	322,005	00
Equipment trust certificates of March 15, 1948	2½%	228,620	00
Equipment trust certificates of September 15, 1948	2½%	88,166	67
Other equipment obligations	1.45%	11,965	99
			2,160,502 79
TOTAL			\$21,331,214 86

RENT FOR LEASED ROADS AND EQUIPMENT

BEECH CREEK EXTENSION RAILROAD

Interest at 3½% on \$3,393,000 first mortgage bonds	\$118,755	00
Interest at 4% on \$3,964,000 consolidated mortgage gold bonds	158,560	00
Organization expenses	78	45
		\$277,393 45

BEECH CREEK RAILROAD

Dividend at 4% on 120,000 shares of capital stock (\$50 par value)	\$240,000	00
Organization expenses	585	76
		240,585 76

Carried forward \$517,979 21

RENT FOR LEASED ROADS AND EQUIPMENT

	<i>Brought forward</i>	\$517,979 21
BOSTON AND ALBANY LINES		
BOSTON AND ALBANY RAILROAD		
Interest at 3½% on \$3,858,000 refunding bonds of 1902	\$135,030 00	
Interest at 5% on \$3,627,000 refunding bonds of 1913	181,350 00	
Interest at 3½% on \$1,000,000 terminal bonds	35,000 00	
Interest at 4½% on \$5,700,000 improvement bonds of 1928	242,250 00	
Interest at 4½% on \$3,015,000 main line first mortgage bonds of 1938, series B	67,837 50	
Cash rental	2,000,000 00	
Organization expenses	10,625 00	\$2,672,092 50
PITTSFIELD AND NORTH ADAMS RAILROAD		
Cash rental	\$22,500 00	
Organization expenses	223 80	22,723 80
WARE RIVER RAILROAD		
Cash rental	\$52,500 00	
Organization expenses	131 76	52,631 76
PROVIDENCE, WEBSTER AND SPRINGFIELD RAILROAD		
Cash rental (25% of the gross earnings for the year ended December 31, 1948)		4,485 15
TOTAL RENT FOR BOSTON AND ALBANY AND ITS LEASED ROADS		2,751,933 21
BIG FOUR LINES		
CLEVELAND, CINCINNATI, CHICAGO AND ST LOUIS RAILWAY		
Interest at 4% on \$28,579,000 general mortgage gold bonds	\$1,143,160 00	
Interest at 5% on \$4,161,000 general mortgage gold bonds	208,050 00	
Interest at 4½% on \$43,706,000 refunding and improvement mortgage bonds, series E	1,966,770 00	
Interest at 4½% on \$29,040,000 refunding and improvement mortgage bonds, series F	1,306,800 00	
Interest at 4% on \$3,895,000 Cincinnati Wabash & Michigan Division mortgage bonds	155,800 00	
Interest at 4% on \$2,745,000 Chicago Indianapolis & St Louis Short Line Railway first mortgage bonds	110,468 89	
Interest at 4% on \$6,725,000 St Louis Division first collateral trust mortgage bonds	272,826 64	
Interest at 4% on \$419,000 Cincinnati Northern Railroad first mortgage bonds	16,760 00	
Interest adjustment on foreign debenture bonds, matured	6 10	
Dividend at \$10 per share on minority common capital stock	60,240 00	
Dividend at \$5 per share on minority preferred capital stock	74,095 00	
Organization expenses	2,679 63	\$5,317,656 26
CENTRAL RAILROAD OF INDIANAPOLIS		
Cash rental		9,268 79
PEORIA AND EASTERN RAILWAY		
Under operating contract		323,847 14
TOTAL RENT FOR CLEVELAND, CINCINNATI, CHICAGO AND ST. LOUIS RY AND ITS LEASED AND OPERATED ROADS		5,650,772 19
DETROIT, HILLSDALE AND SOUTH WESTERN RAILROAD		
Cash rental	\$54,000 00	
Organization expenses	500 00	54,500 00
ERIE AND KALAMAZOO RAILROAD		
Cash rental		30,000 00
FORT WAYNE AND JACKSON RAILROAD		
Cash rental	\$126,027 88	
Organization expenses	1,500 00	127,527 88
	<i>Carried forward</i>	\$9,132,712 49

RENT FOR LEASED ROADS AND EQUIPMENT

HUDSON RIVER CONNECTING RAILROAD—Organization expenses		<i>Brought forward</i>	\$9,132,712 49 5 00
KALAMAZOO, ALLEGAN AND GRAND RAPIDS RAILROAD			
Interest at 5% on \$840,000 first mortgage bonds	\$42,000 00		
Cash rental	36,600 00		78,600 00
MAHONING COAL RAILROAD			
Cash rental (40% of the gross earnings for the year ended December 31, 1948)			2,749,840 42
MICHIGAN CENTRAL LINES			
MICHIGAN CENTRAL RAILROAD			
Interest at 3½% on \$12,004,000 first mortgage bonds	\$420,202 80		
Interest at 4½% on \$11,634,000 refunding and improvement mortgage bonds, series C	523,530 00		
Interest at 4% on \$1,449,000 Grand River Valley Railroad first mortgage bonds	57,960 00		
Interest at 3½% on \$577,000 Jackson Lansing and Saginaw Railroad first mortgage bonds	20,195 00		
Interest at 4% on \$1,500,000 Joliet and Northern Indiana Railroad first mortgage bonds	60,000 00		
Interest at 3% on \$46,000 Bay City and Battle Creek Railway first mortgage bonds	1,401 17		
Interest at 4% on \$3,100,000 Toledo Canada Southern and Detroit Railway first mortgage bonds	124,000 00		
Dividend at \$50 per share on minority capital stock	28,391 66		
Organization expenses	1,064 79	\$1,236,745 42	
BATTLE CREEK & STURGIS RAILWAY			
Interest at 3% on first mortgage bonds	\$4,380 00		
Organization expenses	52 00	4,432 00	
CANADA SOUTHERN RAILWAY			
Interest at 5% on \$29,235,000 consolidated guaranteed 50-year gold bonds (first and refunding mortgage bonds)	\$1,461,750 00		
Cash rental	450,000 00		
Organization expenses	900 53	1,912,650 53	
DETROIT MANUFACTURERS' RAILROAD			
Cash rental	\$15,000 00		
Organization expenses	502 00	15,502 00	
DETROIT RIVER TUNNEL			
Interest at 4½% on \$18,000,000 first mortgage bonds	\$810,000 00		
Cash rental	240,000 00		
Organization expenses	420 83	1,050,420 83	
JOLIET AND NORTHERN INDIANA RAILROAD—Organization expenses		140 00	
LANSING MANUFACTURERS RAILROAD—Organization expenses		2 00	
LANSING TRANSIT RAILWAY—Organization expenses		2 00	
ST CLAIR & WESTERN RAILROAD—Organization expenses		28 00	
CHICAGO, KALAMAZOO AND SAGINAW RAILWAY—Organization expenses		142 00	
TOTAL RENT FOR MICHIGAN CENTRAL RAILROAD AND ITS LEASED ROADS			4,220,064 78
NEW JERSEY JUNCTION RAILROAD			
Interest at 4% on \$1,700,000 first mortgage bonds	\$68,000 00		
Organization expenses	96 00	68,096 00	
NEW YORK AND HARLEM RAILROAD			
Interest at 3½% on \$12,000,000 gold mortgage bonds	\$420,000 00		
Interest at 4% on \$7,820,000 series A and B mortgage bonds	312,800 00		
Dividend at 10% on shares of capital stock in the hands of the public (\$50 par value)	49,982 50		
Organization expenses, etc.	5,695 59	788,478 09	
		<i>Carried forward</i>	\$17,037,796 78

RENT FOR LEASED ROADS AND EQUIPMENT

Brought forward

\$17,037,796 78

OHIO CENTRAL LINES

TOLEDO AND OHIO CENTRAL RAILWAY

Interest at 4% on \$239,000 first mortgage bonds, St. Mary's Division	\$10,341 44	
Interest at 3¾% on \$14,567,000 refunding and improvement mortgage bonds, series A	546,262 50	
Interest at 4% on \$2,389,000 Kanawha and Michigan first mortgage bonds	95,956 66	
Organization expenses	469 15	653,029 75

ST. LAWRENCE & ADIRONDACK RAILWAY

Interest at 5% on \$800,000 first mortgage bonds	\$40,000 00	
Interest at 6% on \$400,000 second mortgage bonds	24,000 00	
Cash rental for line leased from Canadian National Railways	10,000 00	
Organization expenses	126 40	74,126 40

TROY AND GREENBUSH RAILROAD

Cash rental		19,250 00
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WALKKILL VALLEY RAILROAD

Dividend at 3¼% on 3,300 shares of capital stock	\$11,550 00	
Organization expenses	42 75	11,592 75

WEST SHORE RAILROAD

Interest at 4% on \$47,434,500 first mortgage bonds	\$1,897,380 00	
Organization expenses	495 00	1,897,875 00

VARIOUS COMPANIES for siding, team, and yard tracks

		315,828 44*
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RENT FOR LEASED EQUIPMENT

		122,941 83
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GRAND TOTAL

\$20,132,440 95

* Includes \$2,522.91 account of Michigan Central Lines.

NOTE: The Company received \$3,494,518.13 representing dividends and interest on its holdings of securities of lessor companies.

EQUIPMENT IN SERVICE
INCLUDING EQUIPMENT OF LEASED LINES
DECEMBER 31, 1947

DECEMBER 31, 1948

Locomotives	Number of units	Average tractive power (lbs)	INSTALLED during 1948	RETIRED during 1948	Number of units Owned	Held under equipment trusts	Held under lease or other forms of title	Average tractive power (lbs)
Steam—freight	1,664	60,382	—	19	1,645	1,061	79	55,839
Steam—passenger	523	47,201	—	9	514	298	50	47,099
Steam—freight or passenger	54	61,370	—	—	54	2	52	60,852
Steam—switching	847	43,497	—	10	837	532	—	43,616
TOTAL—STEAM	3,088	53,536	—	38	3,050	1,893	181	51,101
Electric—freight	40	66,600	—	—	40	40	—	66,600
Electric—passenger	45	60,556	—	—	45	45	—	60,556
Electric—switching	54	42,204	—	—	54	42	12	42,426
TOTAL—ELECTRIC	139	55,165	—	—	139	127	12	55,252
Diesel-electric—freight	46	58,326	75	—	121 ^(A)	8	113	59,397
Diesel-electric—passenger	32*	54,057*	20	—	52 ^(B)	3	49	53,500
Diesel-electric—freight or passenger	9*	62,500*	16	—	25 ^(C)	—	25	60,800
Diesel-electric—switching	243	54,955	17	1	259 ^(D)	56	113	55,378
TOTAL—DIESEL-ELECTRIC	330	55,470	128	1	457	67	300	56,252
TOTAL	3,557	53,779	128	39	3,646	2,087	481	51,939

* Restated for comparative purposes.

^(A) Includes 35 "B" units not capable of independent operation.^(B) Includes 18 "B" units not capable of independent operation.^(C) Includes 4 "B" units not capable of independent operation.^(D) Excludes 8 units not capable of independent operation, used with Diesel-electric locomotives for hump yard switching operations.

EQUIPMENT IN SERVICE

INCLUDING EQUIPMENT OF LEASED LINES

DECEMBER 31, 1947

DECEMBER 31, 1948

	Number of units	Average capacity tons	INSTALLED during 1948	RETIRED during 1948	Number of units	Ow'd	Held under equipment trusts	Held under lease or other forms of title	Average capacity tons
<i>Freight-train cars</i>									
Box cars	65,066	51.37	3,631	1,608	67,089	24,914	16,364	25,811	51.65
Flat cars	2,191	57.62	—	305	1,886	992	695	199	57.39
Stock cars	1,498	40.00	289	69	1,718	1,093	—	625	40.00
Gondola and hopper cars	59,323	57.36	2,338	973	60,688	26,464	12,322	21,902	58.42
Caboose cars	1,859	—	3	24	1,834	1,181	—	657	—
Other freight-train cars	767	63.45	—	23	744	409	—	335	63.25
TOTAL	130,704	54.17	6,261	3,002	133,963	55,053	29,381	49,529	54.75

		Average seating capacity						Average seating capacity
<i>Passenger-train cars</i>								
Coaches	1,838	79	—	74	1,764 ^(E)	1,067	325	372
Combination coaches	214	46	—	1	213 ^(F)	141	22	50
Parlor cars	24	36	13	—	37 ^(G)	17	19	1
Dining cars	216	—	33	5	244 ^(H)	115	67	62
Club, lounge, and observation cars	22	—	7	—	29 ^(I)	5	23	1
Postal cars	262	—	—	1	261	179	8	74
Baggage, express and other non-passenger carrying cars	1,953	—	154	46	2,061 ^(J)	1,549	121	391

<i>Passenger rail motor cars</i>								
Coaches	330	83	—	—	330	330	—	85
Combination coaches	21	53	—	—	21	21	—	53
Other passenger-train rail motor cars	17	—	—	—	17	10	—	7
TOTAL	4,897	—	207	127	4,977	3,434	585	958

<i>Company service rail equipment</i>								
Officers' and business cars	18	—	2	—	20	14	—	6
Ballast cars	1,229	—	—	237	992	769	—	223
Derrick cars	295	—	8	8	295	232	—	63
Steam shovels	14	—	—	—	14	14	—	—
Wrecking cars	201	—	5	10	196	135	—	61
Other company service cars	6,814	—	616	487	6,943	6,373	5	565
TOTAL	8,571	—	631	742	8,460	7,537	5	918

	DECEMBER 31, 1947		INSTALLED during 1948		RETIRED during 1948	DECEMBER 31, 1948	
	Number of units	Average capacity				Number of units	Average capacity
<i>Marine equipment</i>							
Ferry boats	8	—	—	—	—	8	—
Tugs, steel	25	—	—	—	—	25	—
Steam lighters	3	350 tons	—	—	—	3	350 tons
Diesel-propelled lighter	1	450 tons	—	—	—	1	450 tons
Hoisting barges	20	308 tons	—	—	—	20	308 tons
Barges, scows and grainboats	213	312 tons	—	—	8	205	313 tons
Car floats	42	14 cars	—	—	—	42	14 cars
Oil storage barges for company use	3	5,000 bbls.	—	—	—	3	5,000 bbls.
Coal and pumping barge	1	150 tons	—	—	—	1	150 tons
Other company service equipment	9	—	—	—	1	8	—
TOTAL OWNED	325	—	—	—	9	316	—

^(E) Includes 932 air-conditioned units.
^(F) Includes 66 air-conditioned units.

^(G) Air-conditioned units.
^(H) Includes 240 air-conditioned units.

^(I) Includes 28 air-conditioned units.
^(J) Includes 21 air-conditioned units.

TABLE OF TRACKS

DECEMBER 31, 1948

MAIN LINE OWNED	BETWEEN	STATE	MILES OF MAIN TRACK			PASSING TRACKS, CROSS- OVERS,	YARDS AND SIDINGS	TOTAL
			First	Second	All Other	ETC.		
New York Central Railroad	Mott Haven, N.Y. 1462' W of State Line sta	N.Y.	499.68	499.65	875.07	68.33	820.67	2,763.40
	W of State Line sta. 10846' E of Conneaut	Penna	43.96	43.96	87.92	19.01	45.16	240.01
	E of Conneaut. 16462' W of Edgerton	Ohio	242.96	242.86	349.81	72.60	421.33	1,329.56
	W of Edgerton. 4311' E of East Side	Ind	152.56	152.55	60.87	47.67	159.48	573.13
	E of East Side. Chicago	Ill	14.00†	14.01†	19.08	4.17	69.09	120.35
TOTAL MAIN LINE OWNED			953.16	953.03	1,392.75	211.78	1,515.73	5,026.45
BRANCHES OWNED								
30th Street Branch	Spuyten Duyvil. St. John's Park	N.Y.	12.14	12.14	—	4.14	63.15	91.57
Putnam Branch	Sedgwick Ave., New York. Putnam Jct.	"	52.09	4.75	—	10.29	8.41	75.54
Schenectady Detour Branch	Carman. South Schenectady	"	3.69	—	—	.27	.46	4.42
Troy & Schenectady Branch	Schenectady. Green Island	"	20.92	—	—	1.79	6.95	29.66
Hoffman's Connection Branch	Hoffman's. Rotterdam Junction	"	2.40	2.10	—	—	—	4.50
Dolgeville Branch	Little Falls. Dolgeville	"	10.00	—	—	.34	1.08	11.42
Adirondack Branch	Herkimer. Malone Junction	"	165.12	—	—	8.09	25.00	198.21
Saranac Branch	Lake Clear Junction. Saranac Lake	"	5.89	—	—	.36	1.50	7.75
Lake Placid Branch	Lake Placid. Saranac Lake	"	10.07	—	—	.63	2.76	13.46
Ottawa Branch	Helena. International Boundary	"	4.70	—	—	.31	.08	5.09
Ogdensburg Branch	Utica. Ogdensburg	"	134.30	.51	—	9.39	32.17	176.37
Clayton Branch	Rivergate. Clayton	"	15.78	—	—	.46	2.06	18.30
Rome Branch	Rome. Richland	"	45.31	—	—	5.54	18.61	69.46
Syracuse Junction Branch	East Syracuse. Syracuse Junction	"	8.22	8.11	13.40	1.39	4.94	36.06
Watertown Branch	Syracuse (Signal Station J. G.) Massena	"	158.65	27.02	—	27.70	75.20	288.57
Phoenix Branch	Woodard. Fulton (N. Y. C. Jct.)	"	15.84	—	—	.59	4.46	20.89
Ontario Branch	Pulaski. Suspension Bridge	"	175.28	.58	—	15.42	54.55	245.83
Rochester Branch	Windsor Beach. State St., Rochester	"	7.30	—	—	.87	2.93	11.10
Sackets Harbor Branch	Watertown Junction. Sackets Harbor	"	11.43	—	—	.46	2.31	14.20
Cape Vincent Branch	Watertown Junction. Cape Vincent	"	24.10	—	—	1.19	4.36	29.65
Dexter Branch	Dexter Junction. Dexter	"	1.19	—	—	.27	.84	2.30
Carthage Branch	Watertown. Newton Falls	"	63.54	—	—	3.60	7.66	74.80
Clifton Mines Branch	Newton Falls. Clifton Mines	"	10.15	—	—	.24	.80	11.19
Sanfords Branch	Main St., Watertown. Roots	"	5.32	—	—	.16	4.53	10.01
Oswegatchie Branch	G & O Junction. Edwards	"	13.01	—	—	.70	2.30	16.01
St. Joseph Lead Branch	Emeryville. Balmat	"	4.24	—	—	.26	.50	5.00
DeKalb Branch	DeKalb Junction. Ogdensburg	"	19.10	—	—	.54	1.46	21.10
Auburn Branch	Syracuse Junction. Brighton, Rochester	"	96.89	—	—	11.21	35.89	143.99
Canandaigua Branch	Canandaigua. Holcomb	"	8.45	—	—	.46	1.66	10.57
	Batavia. Caledonia	"	17.68	—	—	1.31	3.65	22.64
Lyons-Newberry Branch	Lyons. 205' S of Lawrenceville	"	85.73	82.53	—	11.27	52.28	231.81
	S of Lawrenceville. Newberry Junction	Penna	95.33	37.11	—	14.89	25.75	173.08
Penn Yan Branch	Dresden. Penn Yan	N.Y.	6.55	—	—	.57	2.65	9.77
Corning Branch	Corning Junction. Corning	"	—	—	—	.03	4.43	4.46
Cowanessque Valley Branch	C V Junction. Westfield	Penna	24.48	—	—	1.57	1.54	27.59
Antrim Branch	Wellsboro Junction. Wellsboro	"	4.58	—	—	.95	3.55	9.08
Falls Branch	Ames St., Rochester. Suspension Bridge	N.Y.	74.01	73.81	—	8.33	92.27	248.42
Charlotte Branch	Jay St., Rochester. Charlotte	"	7.23	6.92	—	1.00	7.25	22.40
Attica Branch	At Attica.	"	—	—	—	—	1.92	1.92
Tonawanda Branch	Batavia. North Tonawanda	"	34.97	1.77	—	.88	2.93	40.55
Gardenville Branch	Depew. Tonawanda	"	13.19	12.80	—	1.02	10.22	129.23
Buffalo Belt Branch	William St., Buffalo. North Buffalo Junction	"	6.72	6.72	—	1.07	23.66	38.17
Niagara Branch	Seneca St., Buffalo. Lewiston	"	30.05	25.23	3.40	4.89	74.73	138.30
Wonalancet Branch	North Buffalo Junction. Harriet	"	4.32	—	—	.61	20.55	25.48
Dupont Branch	Wonalancet Branch. Industries	"	.71	—	—	.21	2.57	3.49
Catskill Mountain Branch	Kingston Point. Oneonta	"	107.03	—	—	11.65	7.69	126.37
Valley Branch	Dunkirk. 650' S of Fentonville	"	42.12	—	—	3.18	5.90	51.20
Youngstown Branch	S of Fentonville. Titusville	Penna	48.25	5.90	2.47	6.27	101.58	143.12
Oil City Branch	Ashtabula Harbor. Andover Junction	Ohio	26.90	—	—	.80	1.73	8.76
	Andover. 3582' E of Simons	"	6.14	.09	—	.98	13.69	78.07
Clearfield Branch	E of Simons. Oil City	Penna	55.00	—	—	7.27	3.33	71.66
Low Grade Line	Polk Junction. Rose Siding	"	61.06	—	—	1.44	7.87	45.51
Cleveland Short Line	Carson. Mann	Ohio	18.10	18.10	—	11.10	69.85	130.81
Norwalk Branch	Collinwood. Belt Junction	"	20.41	20.31	9.14	8.43	14.04	101.22
Detroit Branch	Elyria Junction. Millbury Junction	"	78.75	—	—	3.05	20.69	37.54
	Air Line Junction. 4352' N of Alexis	"	7.29	6.51	—	7.67	31.17	90.28
	N of Alexis. D & M Junction, Detroit	Mich	51.37	.07	—	.13	1.03	4.91
Old Road	Air Line Junction. Vulcan	Ohio	2.75	1.00	—	10.72	21.55	134.23
	Palmyra. 6965' E of Vistula	Mich	101.96	—	—	.69	.37	15.76
	E of Vistula. Elkhart	Ind	14.70	—	—	—	—	—
Carried forward			2,152.50	354.08	28.41	239.05	1,094.84	3,868.88

† Includes 6.35 miles 1st main; 6.40 miles 2nd main; .39 mile passing tracks, cross-overs, etc., and .19 mile yards and sidings owned jointly and equally with Chicago, Rock Island and Pacific Railroad.

TABLE OF TRACKS

BRANCHES OWNED (concluded)	BETWEEN	STATE	MILES OF MAIN TRACK			PASSING TRACKS, CROSS-OVER, ETC.	YARDS AND SIDINGS	TOTAL
			First	Second	All Other			
	<i>Brought forward</i>		2,152.50	354.08	28.41	239.05	1,094.84	3,868.88
Monroe Branch	Lenawee Junction.....	Monroe Mich	29.50	—	—	.93	4.84	35.27
Fayette Branch	Grosvenor.....	Morenci "	18.61	—	—	.33	.81	19.75
Jackson Branch	Lenawee Junction.....	Jackson "	42.10	—	—	2.48	4.29	48.87
Lansing Branch	Albion.....	Springport "	16.45	—	—	5.13	9.76	31.34
	Jonesville.....	Litchfield "	6.27	—	—	1.10	.44	6.81
Kalamazoo Branch	White Pigeon.....	Kalamazoo "	36.52	—	—	3.66	6.83	47.01
Elkhart and Western Branch	Elkhart.....	Mishawaka Ind	—	—	—	12.94	6.43	19.37
Goshen Branch	Goshen.....	12458' N of Twin Lake	25.57	—	—	.29	.95	26.81
	N of Twin Lake.....	Sturgis Mich	3.83	—	—	.40	.61	4.84
S S & S Branch	S S & S Junction.....	South Bend Ind	2.55	—	—	.37	2.48	5.40
Kankakee Branch	South Bend.....	38' E of Illinois	82.17	—	—	21.36	25.68	129.21
	E of Illinois.....	Seatonville Junction Ill	109.51	—	—	15.45	45.38	170.34
	Ladd Junction.....	N Y C Junction	.47	—	—	.31	.37	1.15
Danville Branch	Indiana Harbor.....	7524' S of Allison Ind	100.77	56.02	—	15.75	122.58	295.12
	S of Allison.....	Danville Ill	8.48	8.34	—	.13	.25	17.20
M C Connecting Branch	At South Bend.....	Ind	1.93	—	—	.45	1.56	3.94
Dune Park Branch	Gibson.....	Ivanhoe "	2.19	2.17	—	.13	.02	4.51
Churchill Branch	Ladd.....	Churchill Ill	2.79	—	—	.22	.69	3.70
Bradley Branch	Kankakee.....	Bradley "	1.33	—	—	.19	.21	1.73
Depue Branch	Depue Junction.....	Depue "	1.27	—	—	.14	.52	1.93
St. Joseph Branch	3369' S of Baroda.....	St. Joseph Mich	11.75	—	—	.60	3.50	15.85
Benton Harbor Extension	St. Joseph Junction.....	Benton Harbor "	1.42	—	—	.23	.99	2.64
Connections and wyes	Various places.....	N.Y. Penna	13.48	7.73	—	—	—	21.21
	Various places.....	Penna	.96	—	—	—	—	.96
TOTAL BRANCHES OWNED			2,672.42*	428.34	28.41	320.64	1,334.03	4,783.84
TOTAL MAIN LINE AND BRANCHES OWNED			3,625.58	1,381.37	1,421.16	532.42	2,849.76	9,810.29
LINES OPERATED UNDER LEASE OR CONTRACT—AFFILIATED								
Battle Creek & Sturgis Railway			.08	—	—	.04	.06	.18
Beech Creek Extension Railroad			125.98	6.66	—	16.51	25.63	174.78
Beech Creek Railroad			118.09	8.79	—	10.28	104.03	241.19
Cleveland, Cincinnati, Chicago and St. Louis Railway and subsidiaries			2,440.72①	661.88	35.55	432.08	1,232.77②	4,803.00
Cleveland Union Terminals			—	—	—	.06	2.51	2.57
Detroit, Toledo & Milwaukee Railroad			—	—	—	—	13.35	13.35
Hudson River Connecting Railroad			24.42	20.30	8.79	3.18	128.65	185.34
Kalamazoo, Allegan and Grand Rapids Railroad			58.47	—	—	5.88	7.85	72.20
Lake Erie, Alliance & Wheeling Railroad			92.09	—	—	11.83	35.28	139.20
Mahoning Coal Railroad and subsidiaries			70.56	35.45	3.74	9.62	51.77	171.14
Michigan Central Railroad and subsidiaries			1,442.86③	596.74	24.51	211.09	998.43④	3,273.63
New Jersey Junction Railroad			4.44	4.34	—	1.06	8.89	18.73
New York and Harlem Railroad			134.42	55.00	26.54	26.96	81.60	324.52
Ottawa and New York Railway			57.27	—	—	2.54	4.48	64.29
St. Lawrence & Adirondack Railway			43.48	—	—	5.57	11.29	60.34
Toledo and Ohio Central Railway and subsidiaries			653.51	23.86	1.89	129.23	347.03	1,155.52
West Shore Railroad and subsidiary			481.43	246.95	22.55	59.36	283.79	1,094.08
TOTAL			5,747.82	1,659.97	123.57	925.29	3,337.41	11,794.06
LINES OPERATED UNDER LEASE OR CONTRACT—NOT AFFILIATED								
Bay City Belt Line (formerly Pere Marquette Railway)			1.70	—	—	.24	—	1.94
Boston and Albany Railroad and subsidiaries			348.43	220.55	89.79	60.76	287.01	1,006.54
Canadian National Railways			13.32	—	—	1.48	2.27	17.07
Central Railroad of Indianapolis			—	—	—	—	1.94	1.94
Delaware, Lackawanna & Western Railroad			—	—	—	—	1.29	1.29
Detroit, Hillsdale and South Western Railroad			64.72	—	—	1.53	3.60	69.85
Erie and Kalamazoo Railroad			21.82	—	—	2.54	2.67	27.03
Fort Wayne and Jackson Railroad			96.80	.50	—	4.86	15.46	117.62
Illinois Central Railroad			—	—	—	—	.97	.97
Mt Gilead Short Line Railway			.74	—	—	.11	.23	1.08
New York, Chicago & St. Louis Railroad			—	—	6.18	—	—	6.18
New York, New Haven and Hartford Railroad			—	—	—	—	.50	.50
Titusville & Cambridge Springs Railroad			—	—	—	—	.45	.45
Troy and Greenbush Railroad			5.55	5.51	—	.68	11.02	22.76
TOTAL			553.08	226.56	95.97	72.20	327.41	1,275.22
TOTAL LINES OPERATED UNDER LEASE OR CONTRACT			6,300.90	1,886.53	219.54	997.49	3,664.82	13,069.28

* Does not include that portion of the Dune Park Branch, Ivanhoe to Dune Park, Indiana—15.00 miles, operated by the Indiana Harbor Belt Railroad.

① .18 mile at Marion, Ind., owned jointly with N Y C & St L R R and .20 mile in Carmel, Ill., owned jointly with Louisville and Nashville Railroad.

② Includes 1.09 miles at Speedway, Ind., owned jointly by the P & E and B & O and .31 mile at Danville owned jointly by the P & E and C & E I R R.

③ Includes .77 mile at Chicago, Ill., owned jointly by the M C R R, I C R R C & N W Ry and C B & Q R R, and 1.37 miles at Joliet, Ill., owned jointly by the M C R R and C R T & P Ry.

④ Includes .27 mile at Cheboygan, Mich., owned jointly by the Michigan Central Railroad and the Detroit & Mackinac Railway and .09 mile at Kalamazoo, Mich., owned jointly by the Chicago, Kalamazoo & Saginaw Railway and Grand Trunk Western Railway.

TABLE OF TRACKS

LINES OPERATED UNDER TRACKAGE RIGHTS	MILES OF MAIN TRACK			PASSING TRACKS, CROSS- OVERS, ETC.	YARDS AND SIDINGS	TOTAL
	First	Second	All Other			
Baltimore and Ohio Railroad	88.86	31.63	—	.54	.81	121.84
Boston and Maine Railroad	.32	.02	—	—	—	.34
Boston Terminal	.45	.45	—	—	—	.90
Buffalo Creek Railroad	3.56	3.48	.95	—	—	7.99
Buffalo, Rochester & Pittsburgh Railway	30.64	4.89	—	12.25	—	47.78
Canadian National Railways	9.74	.53	—	—	—	10.27
Canadian Pacific Railway	15.05	14.37	—	—	—	29.42
Cherry Tree and Dixonville Railroad*	35.30	—	—	1.61	11.35	48.26
Chesapeake and Ohio Railway—Chesapeake District	20.75	1.55	—	2.09	4.76	29.15
Chesapeake and Ohio Railway—Pere Marquette District	.16	—	—	—	—	.16
Chicago & Eastern Illinois Railroad	3.50	—	—	—	—	3.50
Chicago & North Western Railway	1.94	—	—	—	—	1.94
Chicago, Burlington & Quincy Railroad	6.63	—	—	1.17	4.11	11.91
Chicago, Rock Island & Pacific Railroad	—	—	4.33	—	—	4.33
Cincinnati Union Terminal	2.70	1.90	—	—	—	4.60
Cleveland Union Terminals	—	—	7.00	5.73	3.35	16.08
Dayton Union Railway	1.86	1.80	4.37	1.07	.65	9.75
Delaware and Hudson Railroad	2.03	1.02	—	—	—	3.05
Detroit & Mackinac Railway	2.16	—	—	—	3.59	5.75
Erie Railroad	54.91	48.64	—	—	—	103.55
Grand Trunk Western Railway	3.23	—	—	—	1.36	4.59
Gulf, Mobile and Ohio Railroad (formerly Alton Railroad)	—	17.78	—	2.20	—	19.98
Illinois Central Railroad	15.48	14.74	—	—	—	30.22
Indiana Harbor Belt Railroad	30.91	29.70	—	10.47	12.91	83.99
Indianapolis Union Railway	10.87	10.98	—	—	—	21.85
Lake Erie and Eastern Railroad	8.31	8.28	—	4.23	3.26	24.08
Lake Erie and Pittsburg Railway	27.76	—	—	9.50	1.07	38.33
Louisville & Jeffersonville Bridge and Railroad	2.70	—	—	—	—	2.70
Louisville & Nashville Railroad	1.75	1.64	—	—	—	3.39
New York, Chicago & St. Louis Railroad	21.02	23.36	—	—	—	44.38
New York, Ontario & Western Railway	12.96	—	—	—	—	12.96
Nicholas, Fayette & Greenbrier Railroad†	119.57	—	—	7.05	27.16	153.78
Pennsylvania Railroad	165.05	89.08	—	2.45	6.31	262.89
Peoria and Pekin Union Railway	8.83	8.72	—	—	—	17.55
Pittsburgh and Lake Erie Railroad	5.47	4.22	.83	—	11.23	21.75
Rutland Railroad	36.79	—	—	.05	—	36.84
State of Michigan (Manistee & North Eastern Railway)	2.04	—	—	—	—	2.04
Terminal Railroad Association of St. Louis	12.12	13.12	—	—	—	25.24
Toledo Terminal Railroad	28.59	25.85	—	—	—	54.44
Troy Union Railroad	2.03	1.45	—	.41	1.12	5.01
Union Depot Company (Columbus, Ohio)	.43	.41	—	2.53	—	3.37
Wabash Railroad	.17	—	—	.03	—	.20
Wheeling & Lake Erie Railway	7.35	—	—	—	—	7.35
Zanesville Terminal Railroad*	.15	—	—	.36	.53	1.04
TOTAL TRACKAGE RIGHTS	804.14	359.61	17.48	63.74	93.57	1,338.54
TOTAL OPERATED MILEAGE	10,730.62	3,627.51	1,658.18	1,593.65	6,608.15	24,218.11

RECAPITULATION

STATE OR PROVINCE	LINES OPERATED UNDER				OTHERWISE OPERATED		TOTAL	
	OWNED		LEASE OR CONTRACT		1st track	All track	1st track	All track
	miles	miles	miles	miles	miles	miles	miles	miles
New York	2,048.59	5,525.84	692.65	1,620.64	82.02	91.03	2,823.26	7,237.51
Pennsylvania	333.62	656.48	245.90	424.88	208.96	285.43	788.48	1,366.79
Ohio	403.30	1,801.43	1,475.43	3,032.40	201.22	436.62	2,079.95	5,270.45
Indiana	382.44	1,073.25	1,057.99	2,029.66	92.39	144.55	1,532.82	3,247.46
Illinois	137.85	316.40	683.38	1,299.33	65.73	162.15	886.96	1,777.88
Michigan	319.78	436.89	1,212.68	2,438.18	7.76	13.73	1,540.22	2,888.80
Massachusetts	—	—	293.16	873.22	.77	1.24	293.93	874.46
Kentucky	—	—	—	—	2.12	2.86	2.12	2.86
Missouri	—	—	—	—	8.18	17.36	8.18	17.36
New Jersey	—	—	23.27	180.30	—	—	23.27	180.30
West Virginia	—	—	142.94	231.01	119.57	153.78	262.51	384.79
Province of Quebec	—	—	46.56	57.37	14.37	28.74	60.93	86.11
Province of Ontario	—	—	426.94	882.29	1.05	1.05	427.99	883.34
TOTAL	3,625.58	9,810.29	6,300.90	13,069.28	804.14	1,338.54	10,730.62	24,218.11

* Owned jointly with the Pennsylvania Railroad.

† Owned jointly with the Chesapeake and Ohio Railway.

TRAIN, LOCOMOTIVE AND CAR MILEAGE STATISTICS

			Increase or Decrease
TRAIN MILEAGE			
REVENUE SERVICE	1948	1947	
Freight train-miles	39,590,588	41,246,536	1,655,948
Passenger train-miles (passenger-carrying trains)	38,121,940	39,127,214	1,005,274
Passenger train-miles (milk trains)	616,652	653,048	36,396
Passenger train-miles (other passenger service trains)	5,750,459	5,285,914	464,545
TOTAL REVENUE TRAIN MILEAGE	84,079,639	86,312,712	2,233,073
Work service train-miles	2,319,768	2,314,186	5,582
TOTAL TRAIN MILEAGE	86,399,407	88,626,898	2,227,491
LOCOMOTIVE MILEAGE			
REVENUE SERVICE			
Freight locomotive-miles	45,392,927	47,465,972	2,073,045
Passenger locomotive-miles (milk trains)	657,439	719,174	61,735
Passenger locomotive-miles (passenger-carrying and other trains)	44,601,321	45,407,261	805,940
Train switching locomotive-miles	6,066,213	6,292,438	226,225
Yard switching locomotive-miles	33,562,459	33,699,907	137,448
TOTAL REVENUE LOCOMOTIVE MILEAGE	130,280,359	133,584,752	3,304,393
Work service locomotive-miles	2,710,453	2,781,383	70,930
TOTAL LOCOMOTIVE MILEAGE	132,990,812	136,366,135	3,375,323
CAR MILEAGE			
REVENUE SERVICE			
Freight-train car-miles in freight trains			
Loaded	1,401,751,488	1,496,256,347	94,504,859
Empty	810,442,960	823,003,914	12,560,954
Caboose	40,433,428	42,061,907	1,628,479
Total	2,252,627,876	2,361,322,168	108,694,292
Freight-train car-miles in passenger trains			
Loaded	2,126,971	5,565,769	3,438,798
Empty	118,999	365,366	246,367
Total	2,245,970	5,931,135	3,685,165
Total freight-train car mileage	2,254,873,846	2,367,253,303	112,379,457
Passenger-train car-miles in passenger trains			
Coaches	127,613,651	134,885,019	7,271,368
Combination coaches	14,016,106	14,852,912	836,806
Sleeping and parlor cars	136,205,816	139,140,076	2,934,260
Dining, club, lounge and observation cars	29,947,977	26,027,280	3,920,697
Business cars	785,197	813,290	28,093
Other passenger-train cars (milk)	11,441,527	13,117,261	1,675,734
Other passenger-train cars (other)	149,206,997	135,470,441	13,736,556
Crew coaches	6,689,874	5,877,493	812,381
Total	475,907,145	470,183,772	5,723,373
Passenger-train car-miles in freight trains			
Coaches	226,739	219,420	7,319
Combination coaches	154,273	155,999	1,726
Sleeping and parlor cars	24,892	117,944	93,052
Dining, club, lounge and observation cars	3,207	2,945	262
Business cars	1,702	9,004	7,302
Other passenger-train cars (milk)	1,793,189	1,930,986	137,797
Other passenger-train cars (other)	1,974,145	1,494,891	479,254
Crew coaches	219,422	208,507	10,915
Total	4,397,569	4,139,696	257,873
Total passenger-train car mileage	480,304,714	474,323,468	5,981,246
TOTAL REVENUE CAR MILEAGE	2,735,178,560	2,841,576,771	106,398,211
Work service car-miles	4,537,118	7,194,288	2,657,170
TOTAL CAR MILEAGE	2,739,715,678	2,848,771,059	109,055,381
MILES OF ROAD			
Average miles of road operated	10,737.82	10,748.11	10.29
Average miles of road operated in freight service	10,696.36	10,690.73	5.63
Average miles of road operated in passenger service	6,561.99	6,606.55	44.56

Italics indicate decrease.

FREIGHT AND PASSENGER SERVICE STATISTICS

FREIGHT SERVICE	1948	1947	Increase or Decrease
Freight revenue	\$561,361,242.56	\$496,734,880.05	\$64,626,362.51
Tons of revenue freight	184,730,006	188,015,638	3,285,632
Tons of non-revenue freight	17,415,384	18,126,052	710,668
Tons of revenue and non-revenue freight	202,145,390	206,141,690	3,996,300
Net ton miles (revenue)	41,926,445,859	43,570,786,753	1,644,340,894
Net ton miles (revenue and non-revenue)	45,725,211,606	47,481,895,492	1,756,683,886
Gross ton miles—excluding locomotives and tenders	97,888,769,437	102,176,776,982	4,288,007,545
Train hours	2,578,467	2,670,403	91,936
Freight cars on line (average)	162,435	156,947	5,488
AVERAGES PER MILE OF ROAD			
Freight revenue	\$52,481.52	\$46,464.07	\$6,017.45
Net ton miles (revenue)	3,919,693	4,075,567	155,874
Net ton miles (revenue and non-revenue)	4,274,839	4,441,408	166,569
Freight train-miles	3,701.31	3,858.16	156.85
AVERAGES PER TRAIN-MILE			
Freight revenue	\$14.18	\$12.04	\$2.14
Net ton miles (revenue)	1,059.00	1,056.35	2.65
Net ton miles (revenue and non-revenue)	1,154.95	1,151.17	3.78
Loaded car-miles	35.41	36.28	.87
Empty car-miles	20.47	19.95	.52
Total car-miles, including cabooses	56.90	57.25	.35
MISCELLANEOUS AVERAGES			
Revenue per ton	\$3.04	\$2.64	\$.40
Revenue per ton per mile	cents 1.339	cents 1.140	cent .199
Net ton miles (revenue) per loaded car-mile	29.86	29.01	.85
Net ton miles (revenue and non-revenue) per loaded car-mile	32.57	31.62	.95
Percent of loaded to total car-miles	63.40	64.59	1.19
Miles per revenue ton	226.96	231.74	4.78
Miles per ton (revenue and non-revenue)	226.20	230.34	4.14
Net ton miles (revenue and non-revenue) per train hour	17,733.49	17,780.80	47.31
Gross ton miles per train hour—excluding locomotives and tenders	37,963.94	38,262.68	298.74
Freight car-miles per freight car day	37.25	40.59	3.34
Net ton miles (revenue and non-revenue) per freight car day	769.12	828.86	59.74

PASSENGER SERVICE

Interline and local passenger revenue	\$127,608,190.85	\$125,608,064.19	\$2,000,126.66
Commutation passenger revenue	\$8,560,006.45	\$7,579,713.17	\$980,293.28
Total passenger revenue	\$136,168,197.30	\$133,187,777.36	\$2,980,419.94
Passenger service train revenue	\$178,189,607.85	\$169,437,066.36	\$8,752,541.49
Interline passengers carried	6,934,978	7,950,020	1,015,042
Local passengers carried	23,764,501	27,242,598	3,478,097
Commutation passengers carried	38,122,966	38,259,874	136,908
Total revenue passengers carried	68,822,445	73,452,492	4,630,047
Total revenue passenger miles	5,526,449,260	6,079,433,127	552,983,867
AVERAGES PER MILE OF ROAD			
Passenger revenue	\$20,751.05	\$20,159.96	\$591.09
Passenger service train revenue	\$27,154.81	\$25,646.83	\$1,507.98
Revenue passenger miles	842,191	920,213	78,022
Passenger train-miles	6,779.81	6,821.44	41.63
AVERAGES PER TRAIN-MILE			
Passenger revenue	\$3.57	\$3.40	\$.17
Passenger service train revenue	\$4.01	\$3.76	\$.25
Revenue passenger miles	144.97	155.38	10.41
Passenger-carrying car-miles	7.10	7.19	.09
Passenger train car-miles	10.70	10.43	.27
MISCELLANEOUS AVERAGES			
Revenue per passenger	\$1.98	\$1.81	\$.17
Revenue per passenger mile	cents 2.464	cents 2.191	cent .273
Revenue passenger miles per car-mile	20.41	21.60	1.19
Miles per revenue passenger	80.30	82.77	2.47

Operating revenues per mile of road	\$72,676.20	\$65,438.53	\$7,237.67
Operating expenses per mile of road	\$62,190.53	\$56,431.95	\$5,758.58
Net operating revenue per mile of road	\$10,485.67	\$9,006.58	\$1,479.09

Italics indicate decrease.

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT

NUMBER OF CARLOADS			COMMODITY	NUMBER OF TONS (2,000 pounds)		
Increase or Decrease	1947	1948	PRODUCTS OF AGRICULTURE	1948	1947	Increase or Decrease
4,219	39,234	43,453	Wheat	2,358,429	2,096,044	262,385
14,981	53,100	38,119	Corn	1,952,183	2,683,013	730,830
925	1,680	755	Sorghum grains	37,117	83,957	46,840
3,332	14,426	11,094	Oats	434,067	564,905	130,838
248	4,533	4,285	Barley and rye	205,460	214,860	9,400
170	1,068	898	Rice	37,225	46,936	9,711
443	1,063	620	Grain, n. o. s.	21,742	39,832	18,090
2,747	39,181	36,434	Flour, wheat	1,345,550	1,473,171	127,621
84	687	603	Meal, corn	20,085	24,515	4,430
1,478	7,074	5,596	Flour, edible, n. o. s.	193,392	250,291	56,899
712	16,956	16,244	Cereal food preparations, n. o. s.	323,731	332,450	8,719
8,775	40,122	31,347	Mill products, n. o. s.	1,013,746	1,312,073	298,327
107	11,182	11,075	Hay	155,022	159,825	4,803
1,638	3,679	2,041	Straw	29,052	53,722	24,670
236	2,384	2,620	Tobacco, unmanufactured	35,427	33,747	1,680
46	235	189	Tobacco siftings, sweepings, and waste	5,206	5,806	600
845	3,532	2,687	Cotton in bales	64,299	86,407	22,108
1,040	1,120	2,160	Cotton linters, noils, and regins	41,706	22,892	18,814
5	5	—	Cottonseed	—	142	142
47	256	303	Cottonseed oil cake and meal	10,237	8,159	2,078
29	50	21	Cottonseed hulls and bran	584	1,338	754
2,053	9,027	11,080	Soybeans	570,990	452,883	118,107
1,283	10,510	9,227	Soybean oil cake and meal	358,586	394,911	36,325
48	1,666	1,714	Vegetable and nut oil cake and meal, n. o. s.	61,547	60,372	1,175
1,142	2,623	1,481	Apples, fresh, not frozen	27,755	48,646	20,891
2,105	14,928	12,823	Bananas, fresh	158,479	186,195	27,716
65	149	84	Berries, fresh, not frozen	1,905	3,372	1,467
57	1,904	1,847	Cantaloupes and melons, n. o. s.	21,388	23,927	2,539
310	2,538	2,228	Grapes, fresh	38,960	45,131	6,171
61	1,007	1,068	Lemons, limes, and citrus fruits, n. o. s.	20,755	20,396	359
2,524	9,197	6,673	Oranges and grapefruit	151,945	212,939	60,994
1,265	2,586	1,321	Peaches, fresh, not frozen	14,389	28,511	14,122
389	790	401	Pears, fresh, not frozen	7,575	14,234	6,659
377	2,385	2,008	Watermelons	26,734	31,548	4,814
535	1,157	622	Fruits, fresh, n. o. s., not frozen	9,285	18,616	9,331
43	1,840	1,883	Fruits, dried, dehydrated, and evaporated, n. o. s.	65,538	60,905	4,633
173	1,119	946	Fruits, and berries, fresh, frozen	26,651	31,016	4,365
674	5,454	6,128	Coffee	168,580	159,584	8,996
1,742	4,044	2,302	Cabbage	30,212	56,816	26,604
151	2,099	2,250	Celery	27,064	25,474	1,590
9	6,749	6,740	Lettuce	81,357	82,304	947
978	7,268	6,290	Onions, dry	96,058	118,614	22,556
264	23,287	23,551	Potatoes, other than sweet	517,848	490,636	27,212
1,455	1,624	3,079	Tomatoes	48,521	22,992	25,529
1,129	10,716	9,587	Vegetables, fresh, n. o. s., not frozen	134,788	160,808	26,020
446	4,173	3,727	Beans and peas, dried	149,354	169,601	20,247
66	221	155	Vegetables, dried, dehydrated, and evaporated, n. o. s.	3,927	6,053	2,126
59	1,007	948	Vegetables, fresh, frozen	26,699	27,974	1,275
44	1,178	1,222	Peanuts	29,629	28,193	1,436
332	1,664	1,332	Sugar beets	51,686	61,607	9,921
908	5,416	4,508	Malt, n. o. s.	185,267	221,788	36,521
1,257	150	1,407	Flaxseed	73,617	5,447	68,170
237	1,664	1,427	Seed, n. o. s.	36,229	47,177	10,948
1,154	8,206	7,052	Products of agriculture, n. o. s.	155,912	178,711	22,799
42,258	389,913	347,655	TOTAL	11,663,490	12,991,466	1,327,976

Italics indicate decrease.

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT

NUMBER OF CARLOADS			COMMODITY	NUMBER OF TONS (2,000 pounds)		
Increase						Increase
or						or
Decrease	1947	1948	ANIMALS AND PRODUCTS	1948	1947	Decrease
325	674	349	Horses, mules, ponies, and asses	4,171	8,233	4,062
4,502	27,566	23,064	Cattle and calves, single-deck	273,110	328,610	55,500
140	878	1,018	Calves, double-deck	11,623	10,220	1,403
310	1,589	1,279	Sheep and goats, single-deck	8,442	11,096	2,654
204	3,539	3,743	Sheep and goats, double-deck	35,565	33,292	2,273
1,410	4,522	3,112	Swine, single-deck	24,702	37,209	12,507
1,214	22,837	21,623	Swine, double-deck	266,082	280,706	14,624
7,236	62,059	54,823	Meats, fresh, n. o. s.	723,451	830,816	107,365
225	5,302	5,077	Meats, cooked, cured, dried, and smoked	100,946	104,743	3,797
528	6,100	5,572	Packing house products, edible, n. o. s.	133,307	138,918	5,611
515	951	436	Margarine, n. o. s.	8,424	20,778	12,354
451	593	142	Poultry, live	1,108	4,524	3,416
2,083	6,418	4,335	Poultry, dressed and frozen	71,234	104,599	33,365
422	4,010	3,588	Eggs	54,404	63,388	8,984
789	5,117	4,328	Butter	72,772	87,227	14,455
745	4,622	3,877	Cheese	76,823	96,550	19,727
125	397	272	Dairy products, n. o. s.	5,610	8,507	2,897
587	5,581	6,168	Wool and mohair in grease	114,770	100,718	14,052
117	2,094	2,211	Wool and mohair, n. o. s.	27,869	26,012	1,857
550	4,928	4,378	Hides, skins, and pelts, n. o. s.	125,674	141,537	15,863
216	971	755	Leather, n. o. s.	16,675	21,277	4,602
74	1,253	1,179	Sea food, n. o. s.	23,613	24,909	1,296
180	1,569	1,749	Fish and sea animal oil	50,802	44,959	5,843
1,158	9,141	7,983	Animals and products, n. o. s.	220,676	253,823	33,147
21,650	182,711	161,061	TOTAL	2,451,853	2,782,651	330,798

PRODUCTS OF MINES			COMMODITY	NUMBER OF TONS (2,000 pounds)		
Increase						Increase
or						or
Decrease	1947	1948	PRODUCTS OF MINES	1948	1947	Decrease
9,082	132,609	141,691	Anthracite coal, n. o. s.	7,993,402	7,496,437	496,965
12,433	1,253,540	1,241,107	Bituminous coal	71,538,126	71,301,352	236,774
4,912	82,152	87,064	Coke	3,035,852	2,903,852	132,000
10,420	133,320	143,740	Iron ore	9,721,258	9,075,549	645,709
654	4,983	4,329	Aluminum ore and concentrates	246,425	272,069	25,644
6	225	231	Copper ore and concentrates	10,838	10,350	488
46	142	96	Lead ore and concentrates	5,184	7,055	1,871
368	3,482	3,850	Zinc ore and concentrates	204,697	183,232	21,465
2,819	16,579	13,760	Ores and concentrates, n. o. s.	780,716	948,756	168,040
129	420	291	Barytes	12,856	18,793	5,937
213	16,866	16,653	Clay and bentonite	803,768	810,371	6,603
5,558	39,900	34,342	Sand, industrial	1,966,414	2,266,482	300,068
3,505	25,131	28,636	Gravel and sand, n. o. s.	1,679,941	1,469,610	210,331
3,884	39,340	35,456	Stone and rock: Broken, ground, and crushed	2,033,214	2,202,519	169,305
7,403	39,793	47,196	Fluxing stone and raw dolomite	3,186,176	2,643,336	542,840
700	2,567	3,267	Stone, rough, n. o. s.	168,355	125,976	42,379
125	1,534	1,409	Stone, finished, n. o. s.	44,966	56,603	11,637
57	1,182	1,125	Petroleum, crude	38,841	41,662	2,821
644	21,413	20,769	Asphalt	768,128	783,295	15,167
181	10,864	11,045	Salt	484,325	465,099	19,226
46	9,706	9,660	Phosphate rock	464,042	457,273	6,769
69	4,629	4,560	Sulphur	249,153	254,231	5,078
732	25,402	26,134	Products of mines, n. o. s.	1,337,379	1,288,368	49,011
10,632	1,865,779	1,876,411	TOTAL	106,774,056	105,082,270	1,691,786

Italics indicate decrease.

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT

NUMBER OF CARLOADS			COMMODITY	NUMBER OF TONS (2,000 pounds)		
Increase or Decrease	1947	1948		1948	1947	Increase or Decrease
PRODUCTS OF FORESTS						
790	2,522	3,312	Logs, butts, and bolts	86,637	65,479	21,158
1,714	5,382	3,668	Posts, poles, and piling, wooden	107,015	157,707	50,692
115	147	262	Wood, fuel	8,372	4,384	3,988
98	2,131	2,033	Ties, railroad	61,558	67,078	5,520
5,770	14,404	20,174	Pulpwood	560,920	438,811	122,109
3,833	97,336	93,503	Lumber, shingles, and lath	2,841,481	3,025,579	184,098
1,294	14,063	12,769	Box, crate, and coopeage materials	256,800	294,979	38,179
172	4,343	4,515	Veneer, plywood, and built-up wood	152,449	145,481	6,968
89	2,459	2,548	Rosin and turpentine	67,033	65,187	1,846
1,591	12,760	11,169	Products of forests, n. o. s.	233,433	268,107	34,674
1,594	155,547	153,953	TOTAL	4,375,698	4,532,792	157,094

MANUFACTURES AND MISCELLANEOUS

15,275	43,333	28,058	Gasoline	804,605	1,256,111	451,506
7,066	33,208	26,142	Fuel, road, and petroleum residual oils, n. o. s.	803,811	1,024,894	221,083
4,390	22,158	17,768	Lubricating oils and greases	444,101	555,924	111,823
155	28,864	28,709	Petroleum products, refined, n. o. s.	835,965	842,540	6,275
2,172	8,743	6,571	Gases, other than petroleum, n. o. s.	180,161	219,534	39,373
147	971	1,118	Cottonseed oil	32,573	28,176	4,397
372	1,801	1,429	Linseed oil	41,144	50,706	9,562
722	3,691	2,969	Soybean oil	91,603	113,707	22,104
239	4,592	4,831	Vegetable and nut oils, n. o. s.	140,274	132,379	7,895
256	1,594	1,850	Oils, n. o. s.	52,362	46,235	6,127
81	362	443	Oil foots, sediment, and tank bottoms	12,713	10,522	2,191
569	9,171	8,602	Rubber, crude, natural, and synthetic	305,379	337,045	31,666
222	950	728	Rubber goods, n. o. s.	11,732	16,893	5,161
3,323	43,617	46,940	Chemicals, n. o. s.	1,546,684	1,443,396	103,288
1,081	4,885	3,804	Sulphuric acid	199,246	244,955	45,709
307	5,598	5,291	Acids, n. o. s.	175,511	179,518	4,007
2,328	42,427	40,099	Sodium (soda) products	1,749,115	1,817,296	68,181
7,065	15,910	22,975	Alcohol, n. o. s.	585,739	412,025	173,714
995	3,302	2,307	Blacks, n. o. s.	62,213	90,281	28,068
2,016	34,710	32,694	Fertilizers, n. o. s.	1,383,833	1,496,558	112,725
591	2,259	1,668	Insecticides and fungicides, n. o. s.	40,063	55,663	15,600
795	12,295	11,500	Tar, pitch, and creosote	488,269	520,144	31,875
123	644	767	Tanning material, n. o. s.	28,405	22,876	5,529
1,564	10,092	8,528	Paint, paint material, putty, and varnish	240,746	277,225	36,479
27	144	117	Plastics	2,444	3,435	991
147	404	257	Cellulose articles, n. o. s.	3,396	5,368	1,972
676	2,744	2,068	Drugs, medicines, and toilet preparations	49,400	64,858	15,458
26	1,694	1,720	Aluminum: Bar, ingot, pig, and slab	72,279	74,350	2,071
186	3,168	3,354	Aluminum, n. o. s.	82,027	79,755	2,272
177	4,085	4,262	Copper: Ingot, matte, and pig	222,581	205,731	16,850
4,500	17,140	12,640	Copper, brass, and bronze, n. o. s.	383,242	485,312	102,070
364,556	330,209		Carried forward	11,071,616	12,113,112	

Italics indicate decrease.

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT

NUMBER OF CARLOADS			COMMODITY	NUMBER OF TONS (2,000 pounds)		
Increase or Decrease	1947	1948		1948	1947	Increase or Decrease
			MANUFACTURES AND MISCELLANEOUS (continued)			
	364,556	330,209	<i>Brought forward</i>	11,071,616	12,113,112	
641	6,861	7,502	Lead and zinc: Bar, ingot, and pig	365,948	335,036	30,912
180	929	749	Lead and zinc, n. o. s.	27,206	30,874	3,668
24	309	333	Magnesium metal and alloy	11,745	9,941	1,804
1,223	11,054	12,277	Alloys for steel manufacture	608,387	556,690	51,697
118	1,881	1,763	Metals and alloys, n. o. s.	66,357	67,560	1,203
2,997	19,569	22,566	Iron, pig	1,196,856	1,046,651	150,205
3,519	12,238	15,757	Iron and steel: Billet, bloom, and ingot	869,227	676,034	193,193
3,667	8,801	12,468	Iron and steel: Bar, rod, and slab	618,147	431,331	186,816
226	5,329	5,103	Iron and steel, n. o. s.	282,392	292,973	10,581
1,591	23,869	22,278	Iron and steel nails and wire (woven and not woven), n. o. s.	602,169	637,324	35,155
16,204	155,246	139,042	Manufactured iron and steel	5,169,904	5,823,499	653,595
415	4,167	4,582	Cast iron pipe and fittings	116,066	108,708	7,358
2,901	40,350	43,251	Iron and steel pipe and fittings, n. o. s.	1,355,892	1,269,790	86,102
1,132	5,685	4,553	Tanks, n. o. s.	63,103	81,001	17,898
5,300	14,570	19,870	Agricultural implements, n. o. s.	299,830	225,491	74,339
115	2,528	2,413	Agricultural implement parts, n. o. s.	47,418	51,316	3,898
4,570	46,619	42,049	Machinery and machines, n. o. s.	784,683	871,336	86,653
1,720	11,874	10,154	Machinery parts	229,480	258,946	29,466
19	118	137	Business and office machines, n. o. s.	2,812	2,411	401
261	8,059	8,320	Railway equipment moved on own wheels	207,631	205,976	1,655
10	790	800	Railway equipment, S. U., not moved on own wheels	18,787	20,256	1,469
1,516	7,572	9,088	Railway equipment parts	279,227	220,592	58,635
651	3,687	3,036	Rails and railway track material, iron and steel	112,307	147,540	35,233
1,579	5,919	4,340	Vehicles, other than motor	52,521	70,951	18,430
9,859	126,364	116,505	Automobiles, passenger	798,129	865,132	67,003
574	15,399	15,973	Automobiles, freight	134,241	135,331	1,090
1,572	7,633	9,205	Vehicles, motor, n. o. s.	131,656	113,503	18,153
512	984	1,496	Military vehicles, n. o. s.	51,450	23,867	27,583
4,490	13,783	9,293	Automobiles and autotrucks, K. D.	166,675	241,765	75,090
14,718	111,191	125,909	Vehicle parts, n. o. s.	2,147,206	1,945,702	201,504
403	944	541	Airplanes, aircraft, and parts	7,748	12,532	4,784
1,702	22,721	21,019	Tires and tubes, rubber	330,766	375,476	44,710
854	1,874	1,020	Guns, small arms, and parts, n. o. s.	19,379	38,044	18,665
947	3,239	2,292	Ammunition and explosives	58,979	81,987	23,008
2,658	61,594	64,252	Cement: Natural and Portland	3,054,657	2,940,714	113,943
2,741	5,447	2,706	Cement, n. o. s.	87,718	206,314	118,596
437	1,466	1,029	Brick, common	48,587	70,441	21,854
966	13,151	14,117	Brick, n. o. s., and building tile	562,160	537,634	24,526
162	10,956	10,794	Refractories	457,345	463,738	6,393
163	754	591	Artificial stone, n. o. s.	18,803	27,704	8,901
1,550	17,541	19,091	Lime, n. o. s.	746,939	676,684	70,255
936	11,383	12,319	Plaster: Strucco and wall	385,384	356,585	28,799
1,379	5,814	4,435	Sewer pipe and drain tile (not metal)	91,208	123,884	32,676
812	1,617	805	Broken or ground brick, blocks, crockery, and glass	36,541	64,499	27,958
2,120	28,045	25,925	Woodpulp	1,130,118	1,207,300	77,182
15,425	72,617	57,192	Scrap paper and rags	1,035,046	1,258,476	223,430
299	32,584	32,285	Newsprint paper	940,394	941,211	817
1,917	31,543	29,626	Printing paper, n. o. s.	819,172	877,158	57,986
	1,361,224	1,301,060	<i>Carried forward</i>	37,720,012	39,141,020	

Italics indicate decrease.

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT

NUMBER OF CARLOADS			COMMODITY	NUMBER OF TONS (2,000 pounds)	
Increase or Decrease	1947	1948		1948	1947
			MANUFACTURES AND MISCELLANEOUS		Increase or Decrease
			(continued)		
	1,361,224	1,301,060	<i>Brought forward</i>	37,720,012	39,141,020
1,890	15,277	13,387	Wrapping paper	355,160	412,997
79	7,546	7,467	Paper bags	186,848	190,309
972	18,000	17,028	Paper and paper articles, n. o. s.	295,673	316,685
364	2,285	1,921	Printed matter, n. o. s.	53,696	63,901
1,118	39,352	38,234	Paperboard, fibreboard, and pulpboard	952,608	979,270
7,009	20,824	27,833	Wallboard	846,867	629,276
5,466	15,866	10,400	Building paper and prepared roofing materials	295,859	459,411
174	15,349	15,523	Insulating materials, n. o. s.	237,987	229,696
756	2,537	3,293	Building woodwork and millwork	70,582	54,169
150	2,944	2,794	Building materials, n. o. s.	44,092	47,063
1,391	3,736	2,345	Buildings and houses, fabricated and portable, n. o. s.	48,289	87,333
38	266	228	Asbestos articles, n. o. s.	5,087	6,534
264	23,751	23,487	Electrical equipment and parts, n. o. s.	519,375	543,204
1,733	11,718	9,985	Furnaces, heaters, radiators, and parts	155,084	177,390
482	3,581	3,099	Bathroom and lavatory fixtures and sinks	49,348	54,536
282	1,957	1,675	Hardware, n. o. s.	33,587	38,095
673	5,508	4,835	Glass	166,058	192,239
1,276	7,939	6,663	Glassware, n. o. s.	96,726	121,260
6,847	35,261	28,414	Glass bottles, jars, and packing glasses, n. o. s.	603,254	746,703
204	966	762	Chinaware, crockery, and earthenware	13,878	17,932
52	1,464	1,412	Woodenware	25,727	26,580
670	2,943	2,273	Household utensils, n. o. s.	27,625	35,063
7,570	33,616	41,186	Refrigerators, freezing apparatus, and parts	463,893	387,774
1,338	11,182	12,520	Laundry equipment	137,220	120,853
1,621	12,052	13,673	Stoves, ranges, and parts	164,819	148,108
1,706	5,426	7,132	Floor covering	103,903	81,475
1,048	20,708	21,756	Furniture, n. o. s.	194,316	183,689
38	820	782	Furniture parts	13,568	14,207
495	1,388	893	Tools and parts, n. o. s.	16,799	27,402
82	3,936	3,854	Abrasives, other than crude	99,736	100,678
307	2,053	1,746	Bagging: Burlap, cotton, gunny, and jute, n. o. s.	35,808	42,477
363	1,249	886	Bags: Burlap, cotton, gunny, and jute, n. o. s.	17,942	24,927
1,732	5,656	3,924	Cotton cloth and cotton fabrics, n. o. s.	57,456	80,963
186	4,617	4,803	Cotton factory products	56,338	58,299
96	2,378	2,282	Synthetic fibre and yarns (rayon or nylon)	45,450	47,177
204	720	924	Cloth and fabrics, n. o. s.	14,887	12,938
35	819	784	Rope, cordage, and binder twine, n. o. s.	15,398	17,738
138	852	714	Boots, shoes, and findings, n. o. s.	11,511	14,685
60	321	261	Luggage and handbags, n. o. s.	3,187	4,369
29	591	620	Athletic, gymnasium, playground, and sporting equipment, n. o. s.	11,545	10,573
1	388	387	Games and toys	4,425	4,775
3,846	15,723	11,877	Liquors, alcoholic, n. o. s.	312,222	407,330
264	2,663	2,927	Wine	80,919	72,710
2,497	13,700	11,203	Liquors, malt	305,979	376,307
176	593	417	Beverages, n. o. s.	11,764	15,824
419	875	456	Ice	14,770	28,996
	1,742,620	1,670,125	<i>Carried forward</i>	44,997,277	46,854,940

Italics indicate decrease.

TRAFFIC STATISTICS

DESCRIPTION OF REVENUE FREIGHT

NUMBER OF CARLOADS			COMMODITY	NUMBER OF TONS (2,000 pounds)	
Increase or Decrease	1947	1948		1948	1947
			MANUFACTURES AND MISCELLANEOUS (concluded)		Increase or Decrease
	1,742,620	1,670,125	<i>Brought forward</i>	44,997,277	46,854,940
1,383	4,503	3,120	Syrup and molasses, refined	104,601	150,816
488	1,787	2,275	Molasses, residual	108,540	82,496
606	11,169	10,563	Sugar	463,804	488,056
423	2,483	2,060	Candy and confectionery	52,588	63,573
9,314	76,972	67,658	Food products, N. O. S., in cans and packages, not frozen	1,879,154	2,130,918
1,220	1,996	776	Food products, N. O. S., frozen	18,378	44,803
1,010	4,988	3,978	Starch	127,068	160,569
961	10,203	9,242	Soap and cleaning and washing compounds	239,076	268,428
320	1,155	835	Matches	13,934	19,073
3,102	70,436	67,334	Feed, animal and poultry, N. O. S.	2,092,872	2,196,084
35	373	338	Manufactured tobacco, N. O. S.	7,264	8,319
268	2,146	1,878	Cigarettes	48,318	54,774
1,763	33,086	34,849	Containers, metal	327,573	322,816
1,179	7,201	6,022	Containers, wooden	65,366	77,730
4,430	26,320	21,890	Containers, fibreboard, and paperboard, K. D.	387,479	457,198
927	15,119	14,192	Containers, N. O. S.	136,213	152,987
2,636	14,932	12,296	Containers, returned empty	173,583	217,727
5,718	64,287	70,005	Scrap iron and scrap steel	2,883,398	2,655,152
569	3,938	4,507	Iron and steel borings, turnings, etc.	194,109	164,401
391	7,871	8,262	Furnace slag	475,535	450,639
262	10,486	10,224	Waste materials for remelting, N. O. S.	339,954	364,186
1,055	12,168	11,113	Waste materials, N. O. S.	353,925	338,023
3,368	45,454	42,086	Manufactures and miscellaneous, N. O. S.	910,712	968,453
96,065	2,171,693	2,075,628	TOTAL	56,400,721	58,692,161
7,736	37,992	30,256	Forwarder traffic—Carload	500,227	647,558
158,671	4,803,635	4,644,964	GRAND TOTAL, CARLOAD TRAFFIC	182,166,045	184,728,898
			All L. C. L. freight	2,563,961	3,286,740
			GRAND TOTAL, CARLOAD AND L. C. L. TRAFFIC	184,730,006	188,015,638

SUMMARY OF REVENUE FREIGHT

COMPARED WITH 1947, THE TONNAGE AND REVENUES BEFORE DEDUCTION FOR ABSORBED SWITCHING, OVERCHARGES, ETC. OF ALL COMMODITIES, WERE:

	TONS HANDLED	Increase or Decrease	REVENUE	Increase or Decrease
Products of agriculture	11,663,490	1,327,976	\$38,618,681	\$2,049,193
Animals and products	2,451,853	330,798	27,349,378	1,372,718
Products of mines	106,774,056	1,691,786	153,200,823	17,068,169
Products of forests	4,375,698	157,094	14,492,669	1,706,995
Manufactures and miscellaneous	56,400,721	2,291,440	297,208,646	42,282,252
Forwarder traffic	500,227	147,331	9,699,814	38,108
All less than carload traffic	2,563,961	722,779	45,965,556	705,395
TOTAL	184,730,006	3,285,632	\$586,535,567	\$63,735,824

Italics indicate decrease.

CAPITAL STOCK OF LESSOR COMPANIES

DECEMBER 31, 1948

NAME OF LESSOR COMPANY	CLASS OF STOCK	TOTAL PAR VALUE	TOTAL PAR VALUE		
			Held by New York Central	Held by Lessor and Controlled Companies	Held by Public
Beech Creek Extension Railroad Company	Capital	\$5,179,000	\$5,179,000		
Beech Creek Railroad Company	Capital	6,000,000	2,700,650	\$50,000	\$3,249,350
Boston and Albany Railroad Company	Capital	25,000,000			25,000,000
North Brookfield Railroad Company	Capital	100,000			100,000
Pittsfield and North Adams Railroad Corporation	Capital	450,000	72,200		377,800
The Providence, Webster and Springfield Railroad Company	Capital	160,000			160,000
Ware River Railroad Company	Capital	750,000			750,000
Chicago, Kalamazoo and Saginaw Railway Company	Capital	450,000	180,000	270,000	
The Cleveland, Cincinnati, Chicago and St. Louis Railway Co.	Common	47,028,800	46,426,400 [‡]		602,400
	Preferred	9,998,500	8,516,600		1,481,900
Central Railroad Company of Indianapolis	Capital	60,000			60,000
The Detroit, Hillsdale and South Western Railroad Company	Capital	1,350,000			1,350,000
The Erie and Kalamazoo Railroad Company	Capital	300,000			300,000
Fort Wayne and Jackson Railroad Company	Common	436,132			436,132
	Preferred	2,291,416			2,291,416
The Hudson River Bridge Company at Albany	Capital	500,000	500,000 [‡]		
The Hudson River Connecting Railroad Corporation	Capital	250,000	250,000		
The Kalamazoo, Allegan and Grand Rapids R. R. Company	Capital	610,000			610,000
The Lake Erie, Alliance & Wheeling Railroad Company	Capital	3,000,000	3,000,000		
Lansing Manufacturers Railroad	Capital	100,000	50,000	50,000	
Lansing Transit Railway Company	Capital	2,000	1,000	1,000	
The Mahoning Coal Railroad Company	Common	1,500,000	972,600		527,400
	Preferred	661,367	522,650		138,717
The Mahoning and Shenango Valley Railway Company	Capital	120,000		120,000	
Shenango Valley Railroad Company	Capital	60,000		60,000	
The Stewart Railroad Company	Capital	7,700		7,700	
The Michigan Central Railroad Company	Capital	18,736,400	18,679,800		56,600
Battle Creek & Sturgis Railway Company	Capital	500,000	82,500	417,500	
The Canada Southern Railway Company	Capital	15,000,000		8,344,900	6,655,100
Detroit Manufacturers' Railroad	Capital	300,000		178,500	121,500
Detroit River Tunnel Company	Capital	3,000,000		3,000,000	
Detroit, Toledo & Milwaukee Railroad Company	Capital	1,060,000	530,000	530,000	
Joliet and Northern Indiana Railroad Company	Capital	300,000		300,000	
The Niagara River Bridge Company	Capital	700,000		700,000	
New Jersey Junction Railroad Company	Capital	100,000	100,000		
The New York and Harlem Railroad Company	Common	8,656,050	8,171,950		484,100
	Preferred	1,343,950	1,328,350		15,600
Nicholas, Fayette and Greenbrier Railroad Company	Capital	7,471,800	3,735,900		3,735,900*
Ottawa and New York Railway Company	Capital	1,000,000	1,000,000		
St. Joseph, South Bend and Southern Railroad Company	Common	480,000	479,600		400
	Preferred	164,000	164,000		
The St. Lawrence & Adirondack Railway Company	Capital	1,615,000	1,615,000		
The Toledo and Ohio Central Railway Company	Common	5,846,300	5,846,300 [‡]		
	Preferred	3,701,400	3,701,400		
Troy and Greenbush Railroad Association	Capital	275,000			275,000
The Walkill Valley Railroad Company	Capital	330,000		330,000	
West Shore Railroad Company	Capital	10,000,000	10,000,000		
TOTAL		\$186,944,815	\$123,805,900	\$14,359,600	\$48,779,315

[‡] Company also holds \$133 scrip.

* Held by The Chesapeake and Ohio Railway Company.

[‡] Company also holds \$80 scrip.[‡] Includes \$125,000 held for Boston and Albany Railroad Company.

STATEMENT OF FUNDED DEBT AND OBLIGATIONS OF LESSOR COMPANIES AND CERTAIN WHOLLY OWNED SUBSIDIARIES OUTSTANDING IN THE HANDS OF THE PUBLIC AS OF DECEMBER 31, 1948, EXCLUSIVE OF OBLIGATIONS IN THE TREASURY OF THE NEW YORK CENTRAL RAILROAD COMPANY OR OF ITS LESSOR COMPANIES OR PLEDGED TO SECURE OTHER INDEBTEDNESS, WHICH OTHER INDEBTEDNESS IS INCLUDED IN THE TABLE.

LESSOR COMPANIES	DESIGNATION OF OBLIGATION	DUE	PRINCIPAL AMOUNT	HELD BY PUBLIC
Battle Creek & Sturgis Ry. Co.	First mortgage bonds, 3%	Dec. 1, 1989	\$146,000 00	\$146,000 00
Beech Creek Extension R. R. Co.	First mortgage bonds, 3½%	April 1, 1951	3,393,000 00	3,393,000 00
Boston and Albany R. R. Co.	*Terminal bonds, 3½%	Jan. 1, 1951	1,000,000 00	642,000 00
	*Refunding bonds, 3½%	April 1, 1952	3,858,000 00	1,368,000 00
	*Refunding bonds, 5%	Oct. 1, 1963	3,627,000 00	3,627,000 00
	*Improvement bonds, 4½%	Aug. 1, 1978	5,700,000 00	5,700,000 00
The Cleveland, Cincinnati, Chicago and St. Louis Ry. Co.	Refunding & improvement mortgage bonds, series E, 4½%	July 1, 1977	43,706,000 00	39,895,000 00
	St. Louis Division, first collateral trust mortgage bonds, 4%	Nov. 1, 1990	10,000,000 00	6,725,000 00
	Cin. Wabash & Mich. Div. mortgage bonds, 4%	July 1, 1991	3,895,000 00	3,895,000 00
	General mortgage gold bonds, series A, 4%	June 1, 1993	28,579,000 00	28,579,000 00
	General mortgage gold bonds, series B, 5%	June 1, 1993	4,488,600 00	4,161,000 00
The Chicago, Indianapolis and St. Louis Short Line Ry. Co.	First mortgage bonds, 4%	April 1, 1953	2,745,000 00	2,745,000 00
The Cincinnati Northern R. R. Co.	First mortgage bonds, 4%	July 1, 1951	1,000,000 00	419,000 00
The Michigan Central R. R. Co.	First mortgage bonds, 3½%	May 1, 1952	12,004,000 00	12,004,000 00
	Refunding & improvement mortgage bonds, series C, 4½%	Jan. 1, 1979	11,634,000 00	11,634,000 00
The Jackson, Lansing and Saginaw R. R. Co.	First mortgage bonds, 3½%	Sept. 1, 1951	577,000 00	577,000 00
Toledo, Canada Southern and Detroit Ry. Co.	First mortgage bonds, 4%	Jan. 1, 1956	3,100,000 00	3,100,000 00
Joliet and Northern Indiana R. R. Co.	First mortgage bonds, 4%	July 10, 1957	1,500,000 00	1,500,000 00
The Grand River Valley R. R. Co.	First mortgage bonds, 4%	Sept. 1, 1959	1,449,000 00	1,449,000 00
Bay City and Battle Creek Ry. Co.	First mortgage bonds, 3%	Dec. 1, 1989	46,000 00	46,000 00
The Canada Southern Ry. Co.	First & refunding mortgage bonds, 5%	Oct. 1, 1962	29,235,000 00	29,235,000 00
Detroit River Tunnel Co.	First mortgage bonds, 4½%	May 1, 1961	18,000,000 00	18,000,000 00
New Jersey Junction R. R. Co.	First mortgage bonds, 4%	Feb. 1, 1986	1,700,000 00	1,700,000 00
The New York and Harlem R. R. Co.	Gold mortgage bonds, 3½%	May 1, 2000	12,000,000 00	9,181,000 00
	4% mortgage bonds, series A and B	July 1, 2043	7,820,000 00	6,569,625 00
The St. Lawrence & Adirondack Ry. Co.	First mortgage bonds, 5%	July 1, 1996	800,000 00	800,000 00
	Second mortgage bonds, 6%	Oct. 1, 1996	400,000 00	400,000 00
The Toledo and Ohio Central Ry. Co.	First mortgage bonds (St. Mary's Division), 4%	Feb. 1, 1951	239,000 00	239,000 00
	Refunding and improvement mortgage bonds, series A, 3½%	June 1, 1960	14,567,000 00	12,500,000 00
	First preference income bonds (St. Mary's Division) 4%	Feb. 1, 1951	9,000 00	4,000 00
The Kanawha & Michigan Ry. Co.	First mortgage bonds, 4%	April 1, 1990	2,389,000 00	2,389,000 00
West Shore R. R. Co.	First mortgage bonds, 4%	Jan. 1, 2361	47,434,500 00	47,408,500 00
TOTAL LESSOR COMPANIES				\$260,031,125 00

NOTE—In respect of certain items of the above funded debt and obligations of lessor companies, The New York Central Railroad Company is liable as guarantor in addition to its liability under the terms of the leases.

* Secured by mortgage dated April 1, 1935.

Ø Excludes \$100,000 held by New York State Realty and Terminal Company.

WHOLLY OWNED SUBSIDIARIES

Merchants Despatch Transportation Corporation	Equipment trust certificates and agreement	Various	\$6,368,750 00
Northern Refrigerator Line, Inc.	Equipment agreement notes	Various	3,481,000 00
TOTAL WHOLLY OWNED SUBSIDIARIES			\$9,849,750 00

STATEMENT AS OF DECEMBER 31, 1948, OF THE FUNDED DEBT (A) OF COMPANIES (OTHER THAN LESSOR COMPANIES) IN RESPECT OF THE PAYMENT OF PRINCIPAL AND/OR INTEREST OF WHICH THE COMPANY AND/OR ITS LESSOR OR CONTROLLED COMPANIES HAVE ASSUMED CONTINGENT LIABILITY JOINTLY AND/OR SEVERALLY WITH OTHER RAILROAD COMPANIES, AND (B) OF COMPANIES (OTHER THAN LESSOR COMPANIES AND WHOLLY OWNED SUBSIDIARIES) OF WHICH AT LEAST 50% OF THE CAPITAL STOCK IS OWNED BY THE COMPANY AND/OR ITS LESSOR OR CONTROLLED COMPANIES.

THE BOSTON TERMINAL COMPANY: First Mortgage	DUE				
	3½%	February 1, 1947			
	4%	July 1, 1950		\$13,992,000	
				<u>1,163,000</u>	\$15,155,000
CHERRY TREE AND DIXONVILLE RAILROAD COMPANY: First Mortgage—series A *	4½%	August 1, 1966			1,134,000
THE CINCINNATI UNION TERMINAL COMPANY: First Gold Mortgage—series E	3¾%	February 1, 1969		\$11,270,000	
First Gold Mortgage—series F	2.6%	March 1, 1971		2,300,000	
First Gold Mortgage—series G	2¾%	August 1, 1974		<u>23,018,000</u>	\$36,588,000
THE CLEVELAND UNION TERMINALS COMPANY: First Sinking Fund Gold Mortgage—series A	5½%	April 1, 1972		\$8,831,700 (a)	
First Sinking Fund Gold Mortgage—series B	5%	April 1, 1973		17,749,400 (b)	
First Sinking Fund Gold Mortgage—series C	4½%	October 1, 1977		<u>17,216,000</u>	43,797,100
THE DAYTON UNION RAILWAY COMPANY: General Mortgage—series A	2%–2¼%	December 1, 1950		\$300,000	
General Mortgage—series B	3¼%	December 1, 1965		<u>2,400,000</u>	2,700,000
FORT WAYNE UNION RAILWAY COMPANY: General Mortgage	6%	September 1, 1974			52,000
INDIANA HARBOR BELT RAILROAD COMPANY: General Mortgage Gold	4%	July 1, 1957		\$4,225,000	
General Mortgage Gold	4½%	July 1, 1957		<u>4,900,000</u>	9,125,000
THE INDIANAPOLIS UNION RAILWAY COMPANY: Refunding and Improvement Mortgage—series C	2¾%	June 1, 1986			6,132,000
THE LAKE ERIE AND PITTSBURG RAILWAY COMPANY: First Mortgage—series A *	4½%	July 1, 1965			3,466,000
THE LAKEFRONT DOCK AND RAILROAD TERMINAL COMPANY: First Mortgage Sinking fund—series A	3¾%	June 1, 1968			9,250,000
THE MONONGAHELA RAILWAY COMPANY: First Mortgage—series B	3¼%	February 1, 1966			10,077,000
THE PEORIA AND EASTERN RAILWAY COMPANY: First Consolidated Mortgage	4%	April 1, 1960		\$4,721,700	
P. & E. Ry.—Income Mortgage	4%†	April 1, 1990		<u>4,000,000</u>	8,721,700
PEORIA AND PEKIN UNION RAILWAY COMPANY: First Mortgage Gold	5½%	August 1, 1974			2,500,000
TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS: Refunding and Improvement Mortgage—series C	4%	July 1, 2019		\$7,838,725	
Refunding and Improvement Mortgage—series D	2½%	October 1, 1985		<u>39,256,000</u>	47,094,725
THE TOLEDO TERMINAL RAILROAD COMPANY: First Mortgage	4½%	November 1, 1957			6,000,000
				<u>TOTAL</u>	<u>\$201,792,525</u>

* One-half owned by The New York Central Railroad Company.

(a) Exclusive of \$35,200 called for redemption but not presented.

(b) Exclusive of \$50,200 called for redemption but not presented.

† When earned.

INCOME ACCOUNT FOR THE CALENDAR

	1939	1940	1941
RAILWAY OPERATING REVENUES:			
Freight.....	\$240,130,665	\$270,274,028	\$336,878,403
Passenger.....	61,412,817	59,322,145	66,609,863
All other.....	39,543,226	40,949,702	44,301,389
TOTAL RAILWAY OPERATING REVENUES.....	\$341,086,708	\$370,545,875	\$447,789,655
RAILWAY OPERATING EXPENSES:			
Maintenance.....	\$106,810,115	\$117,444,328	\$145,610,642
Transportation.....	128,370,420	139,498,310	162,457,180
All other.....	21,703,697	21,732,342	23,370,289
TOTAL RAILWAY OPERATING EXPENSES.....	\$256,884,232	\$278,674,980	\$331,438,111
NET REVENUE FROM RAILWAY OPERATIONS.....	\$ 84,202,476	\$ 91,870,895	\$116,351,544
RAILWAY TAX ACCRUALS (Note A).....	\$ 31,735,690	\$ 33,476,019	\$ 43,411,829
RAILWAY OPERATING INCOME.....	\$ 52,466,786	\$ 58,394,876	\$ 72,939,715
EQUIPMENT RENTS, NET DEBIT.....	\$ 11,810,198	\$ 11,636,288	\$ 12,767,648
JOINT FACILITY RENTS, NET DEBIT.....	3,353,161	2,706,151	2,753,307
NET RAILWAY OPERATING INCOME.....	\$ 37,303,427	\$ 44,052,437	\$ 57,418,760
OTHER INCOME:			
Revenues from miscellaneous operations.....	\$ 587,800	\$ 596,741	\$ 569,571
Income from lease of road and equipment.....	291,670	263,004	301,757
Miscellaneous rent income.....	3,337,657	3,721,045	3,246,714
Miscellaneous nonoperating physical property.....	1,182,513	1,877,441	1,299,468
Separately operated properties—Profit.....	656,338	856,730	1,734,936
Dividend income (Note B).....	6,460,071	6,579,040	7,513,672
Income from funded securities.....	3,913,321	4,032,287	4,229,668
Income from unfunded securities and accounts.....	281,887	128,112	38,317
Income from sinking and other reserve funds.....	68,884	69,686	62,897
Release of premiums on funded debt.....	—	—	—
Miscellaneous income.....	113,280	59,030	86,788
Delayed income credits (Note C).....	—	—	—
TOTAL OTHER INCOME.....	\$ 16,893,421	\$ 18,183,116	\$ 19,083,788
TOTAL INCOME.....	\$ 54,196,848	\$ 62,235,553	\$ 76,502,548
MISCELLANEOUS DEDUCTIONS FROM INCOME:			
Expenses of miscellaneous operations.....	\$ 422,370	\$ 443,883	\$ 364,679
Taxes on miscellaneous operating property.....	79,216	76,964	107,435
Miscellaneous rents.....	463,396	484,472	274,408
Miscellaneous tax accruals.....	423,329	509,854	503,898
Separately operated properties—Loss.....	26,361	22,776	4,312
Miscellaneous income charges.....	169,496	449,666	196,482
Delayed income debits (Note C).....	—	—	—
TOTAL MISCELLANEOUS DEDUCTIONS.....	\$ 1,584,168	\$ 1,987,615	\$ 1,451,214
INCOME AVAILABLE FOR FIXED CHARGES.....	\$ 52,612,680	\$ 60,247,938	\$ 75,051,334
FIXED CHARGES:			
Rent for leased roads and equipment.....	\$ 22,059,323	\$ 21,724,402	\$ 22,077,464
Interest on funded debt.....	25,005,580	25,283,482	25,409,167
Interest on unfunded debt.....	1,038,541	1,974,970	1,319,141
Amortization of discount on funded debt.....	—	—	—
TOTAL FIXED CHARGES.....	\$ 48,103,444	\$ 48,982,854	\$ 48,805,772
TIMES FIXED CHARGES EARNED.....	1.09	1.23	1.54
NET INCOME TRANSFERRED TO EARNED SURPLUS (Note D).....	\$ 4,509,236	\$ 11,265,084	\$ 26,245,562
INCLUDED IN OPERATING EXPENSES ARE:			
Equipment depreciation (Note E).....	\$ 15,926,938	\$ 15,989,969	\$ 18,240,005
Road property, shop, and power-plant machinery depreciation.....	—	—	4,761,044
Equipment amortization.....	—	—	631,470
Road property amortization.....	—	—	—
TOTAL.....	\$ 15,926,938	\$ 15,989,969	\$ 23,632,519
Included in other income and rent for leased roads and equipment are certain inter-company transactions representing credits and corresponding debits amounting to.....	\$ 3,920,865	\$ 4,331,859	\$ 4,160,093

*Italics indicate deficit

Ø Credit

See pages 72 and 73 for notes.

YEARS 1939 TO 1948, INCLUSIVE

1942	1943	1944	1945	1946	1947	1948
\$428,254,134	\$480,665,605	\$468,283,532	\$418,643,637	\$409,199,396	\$496,734,880	\$561,361,243
112,259,031	162,017,837	180,965,132	169,444,180	148,109,502	133,187,777	136,168,197
53,152,931	63,441,391	65,714,721	66,275,982	59,475,857	73,417,870	82,331,315
\$593,666,096	\$706,124,833	\$714,963,385	\$654,363,799	\$616,784,755	\$703,340,527	\$779,860,755
\$177,643,386	\$210,326,326	\$233,724,228	\$282,794,989	\$225,243,837	\$242,210,219	\$269,117,394
197,544,216	234,558,397	261,400,205	260,458,406	290,364,318	319,631,654	349,151,141
27,481,996	32,452,376	36,715,200	37,427,575	42,743,338	44,694,984	49,074,431
\$402,669,598	\$477,337,099	\$531,839,633	\$580,680,970	\$558,351,493	\$606,536,857	\$667,342,966
\$190,996,498	\$228,787,734	\$183,123,752	\$ 73,682,829	\$ 58,433,262	\$ 96,803,670	\$112,517,789
\$ 82,890,104	\$122,035,845	\$ 98,372,903	\$ 6,423,158	\$ 23,953,409	\$ 52,435,502	\$ 54,161,593
\$108,106,394	\$106,751,889	\$ 84,750,849	\$ 67,259,671	\$ 34,479,853	\$ 44,368,168	\$ 58,356,196
\$ 15,300,710	\$ 16,095,342	\$ 16,354,369	\$ 14,397,298	\$ 16,508,443	\$ 17,447,864	\$ 18,732,019
2,406,189	2,132,250	2,637,396	2,918,052	2,524,191	2,400,743	2,402,586
\$ 90,399,495	\$ 88,524,297	\$ 65,579,084	\$ 49,944,321	\$ 15,447,219	\$ 24,519,561	\$ 37,221,591
\$ 598,849	\$ 439,770	\$ 591,703	\$ 487,935	\$ 502,138	\$ 517,692	\$ 540,576
292,992	287,580	275,670	261,316	233,464	447,094	617,356
3,349,927	4,254,857	4,482,216	4,495,427	4,086,857	4,279,936	4,432,221
403,304	1,594,218	1,831,268	2,567,759	2,011,801	2,327,143	2,009,998
2,216,517	1,821,325	1,065,989	516,530	2,493	1,501,183	2,024,531
6,919,987	5,335,004	5,343,773	4,630,969	4,056,573	6,692,465	6,616,564
4,109,322	4,191,012	4,210,473	4,743,028	4,164,294	4,354,558	4,516,626
151,868	995,290	1,626,804	1,753,557	1,755,973	913,501	802,622
29,524	31,593	37,239	36,964	35,495	82,957	214,082
29,601	23,727	21,139	18,311	15,348	12,299	9,188
176,699	451,708	542,151	794,262	165,521	88,565	99,909
—	1,707,622	—	—	—	—	—
\$ 18,278,590	\$ 21,133,706	\$ 20,028,425	\$ 20,306,058	\$ 17,029,957	\$ 21,217,393	\$ 21,833,673
\$108,678,085	\$109,658,003	\$ 85,787,509	\$ 70,250,379	\$ 32,477,176	\$ 45,736,954	\$ 59,105,264
\$ 522,783	\$ 366,317	\$ 478,331	\$ 416,181	\$ 447,818	\$ 494,964	\$ 496,320
106,840	90,626	74,180	75,727	77,334	82,605	74,659
279,621	275,072	283,797	264,931	267,904	265,716	280,007
503,047	556,255	586,304	794,460	821,513	818,135	706,559
3,624	7,723	98,987	94,794	144,785	42,707	—
231,546	291,502	237,828	115,926	208,351	207,813	247,364
9,434,993	—	2,050,342	—	—	—	—
\$ 11,082,454	\$ 1,587,495	\$ 3,809,769	\$ 1,762,019	\$ 1,967,705	\$ 1,911,940	\$ 1,804,909
\$ 97,595,631	\$108,070,508	\$ 81,977,740	\$ 68,488,360	\$ 30,509,471	\$ 43,825,014	\$ 57,300,355
\$ 22,392,182	\$ 21,095,814	\$ 20,753,411	\$ 19,741,893	\$ 18,998,372	\$ 19,575,066	\$ 20,132,441
24,533,511	23,563,322	22,745,736	21,838,397	21,273,929	21,102,395	21,331,215
1,587,756	672,121	2,675,500	2,455,119	618,889	750,973	986,434
—	5,201	13,154	40,426	67,549	90,498	123,169
\$ 48,513,449	\$ 45,336,458	\$ 46,187,801	\$ 44,075,835	\$ 40,958,739	\$ 41,518,932	\$ 42,573,259
2.01	2.38	1.77	1.55	0.74	1.06	1.35
\$ 49,082,182	\$ 62,734,050	\$ 35,789,939	\$ 24,412,525	\$ 10,449,268*	\$ 2,306,082	\$ 14,727,096
\$ 17,891,829	\$ 17,670,746	\$ 18,585,779	\$ 17,766,840	\$ 18,858,012	\$ 19,583,365	\$ 20,892,372
9,544,822	9,546,561	10,667,198	10,611,865	11,052,242	11,098,997	11,275,627
6,584,330	10,522,829	11,179,224	54,016,373	1,606,413	2,393,011	2,392,857
102,609	284,494	599,067	3,244,738	45,675	—	—
\$ 34,123,590	\$ 38,024,630	\$ 41,031,268	\$ 85,639,816	\$ 31,470,992	\$ 33,075,373	\$ 34,560,856
\$ 3,979,537	\$ 3,092,960	\$ 3,184,562	\$ 3,225,577	\$ 3,070,482	\$ 3,251,961	\$ 3,494,518

NOTES APPLYING TO TEN-YEAR INCOME ACCOUNT

NOTE A—The Company makes provision for taxes by accruals of monthly charges against income on the basis of best estimates available as to the amounts ultimately to be paid. As taxes are paid, adjustments are made to reflect in the income account the difference between accruals previously made and the amounts actually paid. The figures include accruals made in connection with Railroad Retirement and Unemployment Insurance acts.

NOTE B—Dividends received from subsidiaries (companies of which The New York Central Railroad Company owns more than 50% of the capital stock) whose properties are not operated by the Company under lease and the equity of The New York Central Railroad Company in the net income of such companies, in each of the years 1939 to 1948 were:

Year	DIVIDENDS RECEIVED FROM SUBSIDIARIES	EQUITY OF THE N. Y. C. R. R. CO. IN NET INCOME OF SUBSIDIARIES
1939.....	\$1,698,944	\$2,102,587
1940.....	2,386,912	2,551,333
1941.....	3,391,404	4,262,092
1942.....	3,154,144	3,759,891
1943.....	2,550,247	3,224,171
1944.....	2,830,670	4,074,144
1945.....	1,735,936*	3,153,311
1946.....	1,518,944	4,231,563
1947.....	3,021,804*	4,856,606
1948.....	4,139,372	6,137,072
TOTAL.....	\$26,428,377	\$38,352,770

* Restated

STATEMENT OF EARNED SURPLUS—UNAPPROPRIATED—FOR

	1939	1940	1941
CREDIT BALANCE AT BEGINNING OF YEAR.....	\$172,310,113.27	\$170,777,952.50	\$178,079,442.84
CREDITS:			
Credit balance transferred from income.....	\$ 4,509,235.64	\$ 11,265,084.18	\$ 26,245,561.80
Credits from retired road and equipment.....	21,664.34	34,510.82	155,441.26
Delayed income credits (Note B).....	—	—	4,127,980.41
Donations.....	10,995.58	9,546.50	14,407.29
Miscellaneous credits (Note C).....	466,569.77	372,631.48	796,580.64
TOTAL CREDITS.....	\$ 5,008,465.33	\$ 11,681,772.98	\$ 31,339,971.40
DEBITS:			
Debit balance transferred from income.....	—	—	—
Dividend appropriations of surplus.....	—	—	—
Surplus appropriated for investment in physical property.....	\$ 23,998.05	\$ 112,626.29	\$ 53,193.18
Debt discount extinguished through surplus (Note D).....	—	17,222.85	17,342.44
Debits from retired road and equipment (Note E).....	5,437,031.62	3,255,377.70	3,185,105.75
Miscellaneous appropriations of surplus.....	—	—	—
Miscellaneous debits (Note F).....	1,079,596.43	995,055.80	31,695,351.76
TOTAL DEBITS.....	\$ 6,540,626.10	\$ 4,380,282.64	\$ 34,950,993.13
CREDIT BALANCE AT END OF YEAR.....	\$170,777,952.50	\$178,079,442.84	\$174,468,421.11

NOTE A—Prior to January 1, 1943, designated as profit and loss.

NOTE B—Beginning January 1, 1942, this account included in current income.

NOTE C—The year 1945 includes \$1,290,871.25 and year 1946 includes \$910,948.75 representing excess over cost of principal amount of this Company's Refunding and Improvement Mortgage Bonds reacquired. The year 1946 includes \$509,273.21 representing profit from sale of Hotel Chatham, New York, N. Y. The year 1947 includes \$2,038,593.75 net profit on \$9,509,000 par value mortgage bonds reacquired. The year 1948 includes \$1,701,054.96 transferred from Earned Surplus—Appropriated, adjusting accruals made prior to year 1929 in connection with buildings in Grand Central Terminal area, New York.

NOTE D—Represents unamortized discount, commission and expense on funded debt. During the period 1939 to 1942, inclusive, this Company's policy was to charge to profit and loss the total of items of debt discount, commission and expense, when incurred. Effective in 1943, amounts less than \$25,000 are charged to income and amounts in excess are amortized.

NOTES APPLYING TO TEN-YEAR INCOME ACCOUNT

NOTE C—Prior to January 1, 1942, similar items included in profit and loss account.

NOTE D—Prior to January 1, 1943, designated as profit and loss.

NOTE E—Beginning with the year 1935, rates for depreciation were changed to conform with the composite rates approved by the Interstate Commerce Commission for the New York Central under Docket No. 15,100, which for the year 1948 were: Steam locomotives, 3.39%; Other locomotives, 3.52%; Freight-train cars, 3.20%; Passenger-train cars, 3.03%; Floating equipment, 2.73%; Work equipment, 3.60%; and Miscellaneous equipment, 15.39%.

TEN-YEAR PERIOD 1939 TO 1948, INCLUSIVE (Note A)

1942	1943	1944	1945	1946	1947	1948
\$174,468,421.11	\$201,606,204.74	\$253,486,928.19	\$276,384,152.73	\$290,786,934.30	\$263,030,739.62	\$265,627,623.95
\$49,082,182.48	\$ 62,734,050.00	\$ 35,789,938.93	\$ 24,412,525.22	—	\$ 2,306,081.78	\$ 14,727,096.12
51,972.14	—	—	—	—	—	—
15,891.64	—	—	—	—	—	—
705,063.23	793,558.72	159,858.76	1,677,086.99	\$ 2,012,244.42	3,280,178.57	2,577,114.79
\$ 49,855,109.49	\$ 63,527,608.72	\$ 35,949,797.69	\$ 26,089,612.21	\$ 2,012,244.42	\$ 5,586,260.35	\$ 17,304,210.91
—	—	—	—	\$ 10,449,267.67	—	—
\$ 6,447,393.95	\$ 9,671,090.93	\$ 9,671,090.93	\$ 9,671,090.93	—	—	\$ 3,223,696.98
97,958.38	123,736.14	26,904.09	45,521.51	131,515.21	\$ 914,255.15	141,415.34
3,532,832.69	—	—	—	—	—	—
—	279,615.33	Cr. 279,615.33	—	—	—	—
12,639,140.84	1,572,442.87	3,634,193.46	1,970,218.20	19,187,656.22	2,075,120.87	918,059.11
\$ 22,717,325.86	\$ 11,646,885.27	\$ 13,052,573.15	\$ 11,686,830.64	\$ 29,768,439.10	\$ 2,989,376.02	\$ 4,283,171.43
\$201,606,204.74	\$253,486,928.19	\$276,384,152.73	\$290,786,934.30	\$263,030,739.62	\$265,627,623.95	\$278,648,663.43

NOTE E—The years 1939 to 1941 inclusive, represent ledger value, less net salvage recovered, of roadway property not required for transportation service retired. For the year 1942, charges represent loss on retirements of other than owned depreciable roadway property. Effective in 1943, retirements of all depreciable roadway property (owned and used) were charged against depreciation reserve, and nondepreciable property to operating expenses.

NOTE F—The year 1941 includes loss of \$26,842,642.94 representing difference between this Company's investments in The Securities Corporation of the New York Central Railroad and the estimated market value of the assets taken over; \$2,526,075.42 previously carried as investment advances to the Boston and Albany Railroad Company, representing the net of accrued depreciation from date of lease to June 30, 1927, on certain fixed property of the Boston and Albany Railroad; \$1,079,828.77 loss on the sale of 12,720½ shares of Rutland Railroad Company preferred stock. The year 1942 includes difference between appraised value of leased equipment retired from January 1, 1935, to December 31, 1940, and depreciation accrued thereon: Michigan Central Railroad \$3,963,700.68 and Cleveland, Cincinnati, Chicago and St. Louis Railway \$7,449,699.34. The year 1946 includes \$18,000,000.00 and the year 1947 includes \$1,645,063.00 prior service accrual—Funded Contributory Retirement Plan.

Organization of The New York Central Railroad Company

December 31, 1948

DIRECTORS

Harold S. Vanderbilt	New York	James A. Farley	New York
Robert F. Loree	New York	Carl P. Dennett	Boston
Edward B. Greene	Cleveland	Lawrence N. Murray	Pittsburgh
George Whitney	New York	Sidney C. Murray	Chicago
William E. Levis	Toledo	Gustav Metzman	New York
Malcolm P. Aldrich	New York	Alexander C. Nagle	New York
Raymond D. Starbuck	New York	William H. Vanderbilt	Williamstown
Joseph M. O'Mahoney	New York		

The annual meeting of stockholders for the election of Directors is held at Albany, New York, on the fourth Wednesday in May.

EXECUTIVE COMMITTEE

Harold S. Vanderbilt	New York	Edward B. Greene	Cleveland
Robert F. Loree	New York	Raymond D. Starbuck	New York
George Whitney	New York	Gustav Metzman	New York
Alexander C. Nagle	New York		

OFFICERS

Gustav Metzman	<i>President</i>	New York
Richard E. Dougherty*	<i>Vice-President—Assistant to President</i>	New York
Jesse L. McKee	<i>Vice-President—Assistant to President</i>	Chicago
Jacob Aronson	<i>Vice-President and General Counsel</i>	New York
Frank J. Jerome	<i>Vice-President, Operations and Maintenance</i>	New York
Martin J. Alger	<i>Vice-President, Traffic</i>	New York
Willard F. Place	<i>Vice-President, Finance</i>	New York
Lawrence W. Horning	<i>Vice-President, Personnel and Public Relations</i>	New York
Frank S. Austin	<i>Vice-President, Purchases and Stores</i>	New York
John J. Brinkworth	<i>Vice-President</i>	Chicago
Fred A. Dawson	<i>Vice-President</i>	New York
Carl L. Jellinghaus	<i>Vice-President</i>	Detroit
Joseph M. O'Mahoney	<i>Secretary</i>	New York
Gustave H. Howe	<i>Treasurer</i>	New York
Edward A. Clancy	<i>Comptroller</i>	New York

Treasurer, 466 Lexington Avenue, New York 17, transfers stock; pays dividends on stock; transfers registered bonds; pays interest on coupon and registered bonds.

Central Hanover Bank and Trust Company, New York 15, registers stock.

* Retired December 31, 1948.

