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ANNUAL REPORT - 1949

(INCLUDING STATISTICS AND OTHER DATA)



THE NEW YORK CENTRAL RAILROAD COMPANY



COVER: Our Pacemaker freight train gets the "highball" to leave the West 33rd St. yards, New York City, on its fast overnight trip to Buffalo.

The NEW YORK CENTRAL RAILROAD CO., 230 Park Ave., New York 17

ABOVE: These signals control passenger train traffic on nine tracks leaving New York City.

CENTRAL FACTS AT A GLANCE

1949 1948 1947 1946 1945

FINANCIAL POSITION

Investments in road, equipment and other properties	\$1,132,622,756	\$1,072,134,493	\$1,017,965,622	\$1,003,730,724	\$ 991,642,520
Investments in affiliated and other companies	454,195,442	466,445,352	464,407,457	454,388,556	450,764,698
Current assets	168,473,142	188,193,906	214,225,933	213,542,892	265,798,178
Current liabilities	107,850,715	125,587,362	130,204,245	107,878,310	113,265,742
Bonds and equipment obligations	625,806,480	589,947,760	565,604,040	556,701,561	557,299,281

INCOME

Operating revenues	697,304,399	779,860,755	703,340,527	616,784,755	654,363,799
Operating expenses	597,038,307	667,342,966	606,536,857	558,351,493	580,680,970
Taxes	50,857,063	54,161,593	52,435,502	23,953,409	6,423,158
Net railway operating income....	32,295,475	37,221,591	24,519,561	15,447,219	49,944,321
Fixed charges	42,675,899	42,573,259	41,518,932	40,958,739	44,075,835
Net income	9,727,816	14,727,096	2,306,082	*10,449,268	24,412,525
Operating ratio	85.62%	85.57%	86.24%	90.53%	88.74%
Return on depreciated property investment (based on net railway operating income).....	1.8%	2.1%	1.4%	0.9%	3.0%
Profit (net income) in relation to total income (operating revenues plus other income)	1.4%	1.8%	0.3%	None	3.6%

SIGNIFICANT FREIGHT AND PASSENGER FIGURES

Revenue freight tons.....	147,786,794	184,730,006	188,015,638	171,932,093	180,822,800
Revenue ton-miles	34,378,663,479	41,926,445,859	43,570,786,753	40,215,577,150	44,363,014,939
Revenue per ton-mile.....	1.46¢	1.34¢	1.14¢	1.02¢	.94¢
Revenue passengers	61,618,247	68,822,445	73,452,492	77,641,742	78,877,809
Revenue passenger-miles	4,649,869,910	5,526,449,260	6,079,433,127	7,046,346,183	8,786,588,830
Revenue per passenger-mile.....	2.63¢	2.46¢	2.19¢	2.10¢	1.93¢

EMPLOYES AND WHAT THEY RECEIVED

Average number of employees.....	105,640	119,721	119,999	119,844	124,461
Total wages paid employees.....	\$397,006,509	\$432,857,738	\$393,783,304	\$372,646,206	\$337,418,287
Average wage per employee.....	3,758	3,616	3,282	3,109	2,711
Retirement and unemployment insurance taxes (employee benefits)	22,676,387	24,311,754	31,985,446	22,801,651	20,253,230
Total average wages and benefits per employee	3,973	3,819	3,548	3,300	2,874

STOCKHOLDERS AND WHAT THEY RECEIVED

Stockholders of record.....	55,297	57,263	60,099	62,717	59,926
Total dividends declared.....	—	\$3,223,697	—	—	\$9,671,091
Amount of dividend per share....	—	.50	—	—	1.50

*deficit



Reaching retirement age, six Empire State Express engineers gave up the throttle within two days, after totaling 292 years' service. General Manager Hart, at right, greeted five of them at Syracuse, N. Y., while the sixth was making his last run.



The Central's President Gustav Metzman is shown addressing the opening session of the National Safety Congress at Chicago, Ill.

PHOTOS of the YEAR



The Central was host to 375 National Foreign Trade Convention delegates with a four-hour inspection of New York harbor facilities. *Below*, employees of the Indiana Harbor Belt, a key affiliate, are pictured on a know-your-railroad tour.



The newest New England States train between Boston-Chicago was inaugurated with help of Mayor Kennelly of Chicago and pretty model.



ANNUAL REPORT-1949

THE NEW YORK CENTRAL RAILROAD COMPANY

THE PRESIDENT'S MESSAGE

Again in 1949 the New York Central performed a large volume of work for relatively little return.

Railroad wage rates and material prices in the east have climbed an average of about 105 per cent in the last decade, whereas our 1949 ton-mile revenues had increased only 58.7 per cent and our passenger-mile revenues only 24.1 per cent from 1939. Thus the railroad industry still is beset by inability to eliminate the inflation-created gap between basic unit revenues and basic unit expenses.

Fundamental to this difficulty is the hurtful practice of extracting immense sums from taxpayers' pockets for the benefit of over-the-road truckers, airlines and waterways, which cloaks the true costs of these forms of transportation in a cloud of subsidies. A recent book, published by the Brookings Institution and based partly on a study undertaken at the request of the Hoover Commission, estimates such federal subsidies will be over \$1,350,000,000 this year; and that the 1947 total spent by federal, state and local governments for transportation facilities and services not paid for by the users was approximately \$2,500,000,000.

There is increased public understanding that this uneconomic situation is an unnecessarily wasteful drain on the nation, its taxpayers and its railroads.

Revenues affected by strikes

Traffic volume and revenues were reduced in 1949 by strikes and walkouts equivalent to more than 3½ months in the bituminous coal fields and approxi-

mately one month at most steel mills, and by a moderate slackening in general business activity.

Operating revenues thus fell to \$697,304,399, down 10.6 per cent from 1948. The effect would have been even more pronounced except for certain further moderate increases in rates and fares.

Freight revenues totaled \$500,919,039, a decline of \$60,442,204 or 10.8 per cent. Total freight volume, measured by revenue ton-miles, fell 18.0 per cent. More than two-thirds of our tonnage drop was in bituminous coal and steel mill traffic.

Passenger revenues, in a postwar decline accentuated by the 15 per cent wartime tax on transportation, dropped 10.1 per cent to \$122,451,363. Travel volume, as reflected by revenue passenger-miles, fell 15.9 per cent.

Expenses closely controlled

With revenues dropping and costs simultaneously rising because of the required inauguration Sept. 1, 1949, of the five-day, 40-hour week with virtually unchanged pay for all non-operating employees, rigid controls were maintained over all expenses. The new work week represented, in effect, a 20 per cent wage increase for approximately four of every five New York Central employees.

Operating expenses were reduced 10.5 per cent to \$597,038,307. Maintenance of way expenditures, down 17.1 per cent, were curtailed particularly during the last five months of 1949. Through various shutdowns of car and locomotive shops, and by

greater efficiencies, maintenance of equipment expenditures were cut 12.9 per cent.

Even with these economies, however, our net railway operating income reflects a rate of return of only 1.8 per cent on depreciated investment.

Net income totals \$9,727,816

Net income totaled \$9,727,816, equal to \$1.51 per share, compared with \$14,727,096 or \$2.28 a share for the previous year.

The 1949 figure represented a profit of only 1.4 cents of every dollar we received. This total was \$719,534,282, of which \$697,304,399 was railway operating revenues and \$22,229,883 represented the Central's other income.

Because of uncertainties in the business picture, particularly in the coal fields, and because of the continued need for capital expenditures to achieve further modernization and greater efficiency, at the close of 1949 your board of directors felt that it would not be in the best interests of the company and its stockholders to declare a dividend.

Modernization goes forward

The Central continued in 1949 its equipment modernization program, which enables us to maintain service at competitive standards while obtaining operating economies to improve our earning power.

Further deliveries of diesel-electric locomotives helped bring the Central's proportion of dieselized and electrified mileage to an average of 28.7 per cent for 1949, compared with 21.0 per cent for 1948. Delivery of locomotives on order is expected to increase this to more than 35 per cent.

Interest increase relatively moderate

To finance our new diesels and cars, the Central issued last year equipment trust certificates totaling \$53,265,000, repayable serially in one to fifteen years. Partly offsetting these, we retired at maturity or by purchase \$18,393,280 of older debt, including that of lessor companies, and reduced by \$832,655 the amounts due to the State of New York in grade crossing eliminations.

Thus, although \$53,265,000 was borrowed to help finance new equipment, public-held debt increased by only \$34,039,065, or 3.88 per cent, while annual

interest requirements increased by only a relatively moderate 3.04 per cent.

Consolidated statements added

This report includes a new feature: consolidated financial statements of The New York Central Railroad Company and subsidiary companies, in addition to financial statements of The New York Central Railroad Company itself. We believe that these consolidated statements will be of considerable interest to stockholders.

Some things which are needed

The Central, like the railroad industry in general, has a number of essential needs. These include:

Correction of the competitive transportation situation; a more cooperative and realistic attitude, particularly by state regulatory commissions, toward discontinuance of passenger trains which the public itself already has largely abandoned; relief from seemingly incessant demands for more pay for less work; repeal of the wartime transportation taxes of 15 per cent on passenger travel and 3 per cent on freight traffic; and early action on the railroads' application for long overdue increases in compensation for hauling mail.

Although further desirable objectives could be mentioned, action on these, or even some of them, would be highly constructive and beneficial.

The future appears brighter

Because our business volume is geared so closely to the unpredictable national economy, and because we are faced again with costly new wage demands, it is difficult to make accurate forecasts.

It is our present belief, however, that despite the poor start brought by the paralyzing coal strike early in 1950, this year should prove a more constructive one for the Central than was 1949.

Long range prospects are even better, as we come closer to intelligent action on the competitive difficulties created by large subsidy handouts.

March 20, 1950


G. Meigs Ward
President

THE STORY OF 1949 RESULTS

Strikes and walkouts in the coal and steel industries, coupled with a moderate fall in general business activity, adversely affected the Central's traffic volume and financial results in turbulent 1949.

Persistent disturbances labeled by such terms as the "three-day work week," the "no-day work week," and "a brief period of stabilizing inaction" produced shutdowns equivalent to more than 3½ months in the bituminous coal fields. The National Coal Association estimated the loss at more than 30 million man-days, and over 188 million tons of production.

In addition, a strike which began Oct. 1, 1949, closed virtually all of the nation's steel mills for varying periods, averaging about one month.

Freight volume still good

Because of these circumstances, freight traffic volume as measured in revenue ton-miles fell 18.0 per cent from 1948's high level.

Further moderate rate increases helped hold the dollar loss to 10.8 per cent, or \$60,442,204. Of our freight tonnage losses, 51.8 per cent occurred in bituminous coal traffic and 16.4 per cent in iron and

steel products categories, so that 68.2 per cent of our tonnage decline was in these two types of traffic.

Though disappointing, freight volume still was on a higher level than in any year from 1930 to 1940, inclusive. It exceeded the 1939 level by 32.1 per cent, and was only 5.9 per cent below humming 1929.

Postwar passenger decline lessening

With the war-born 15 per cent federal excise tax discouraging public forms of travel, passenger traffic volume in 1949 dropped 15.9 per cent from the preceding year. Modest fare increases, however, assisted in holding the dollar loss to 10.1 per cent.

The travel volume, measured by revenue passenger-miles, still was on a high plateau—60.4 per cent above 1939, and 9.8 per cent higher than 1929. The postwar loss in volume is not arrested, but the rate of decline for the two latest years averaged only about half of the average in the first two postwar years.

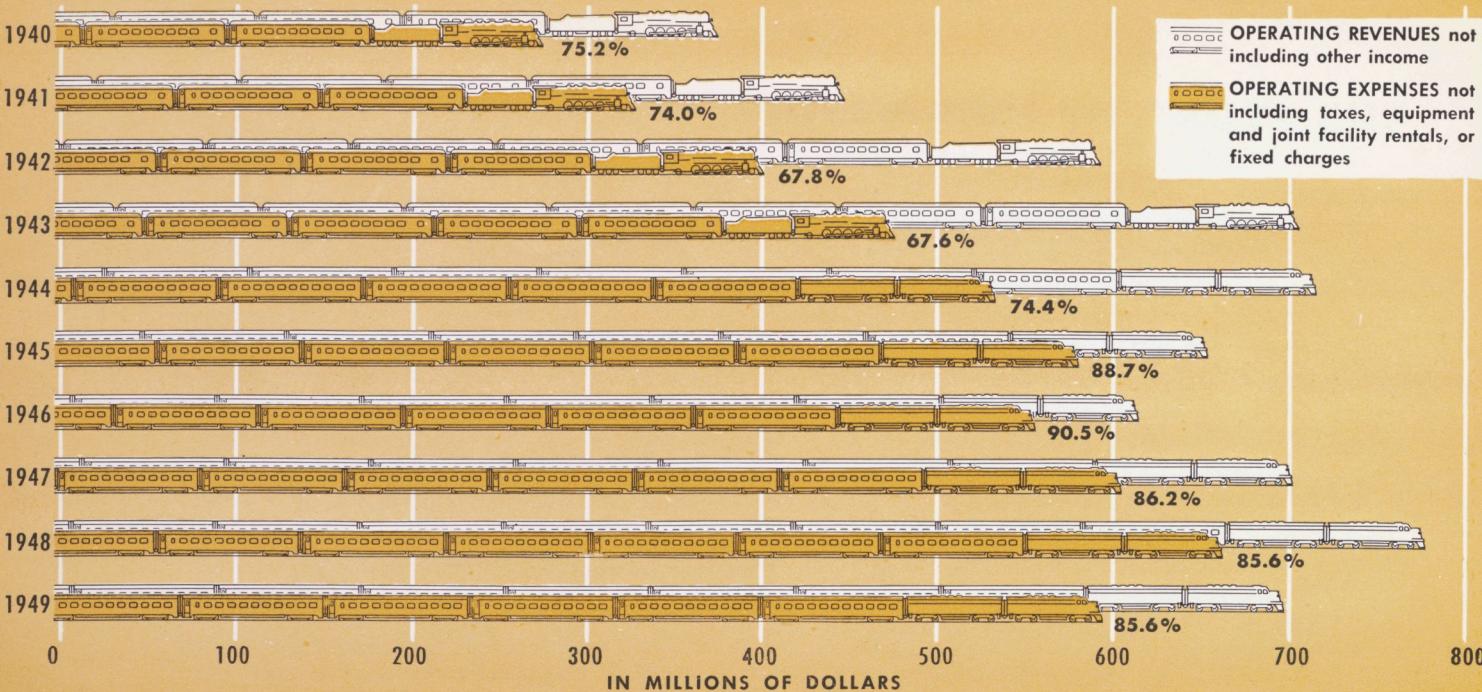
Those transportation taxes

Both freight and passenger traffic were depressed by the sales resistance created by continuance of the

New York Central freight trains like those pictured below transported over four million carloads of freight in 1949.



RAILWAY OPERATING REVENUES, EXPENSES and OPERATING RATIO



federal transportation taxes. Fortunately, there are strong indications of constructive action against these outmoded wartime levies.

Under the 15 per cent passenger transportation tax, the Central was obliged to exact a \$16,277,448 penalty from passengers in 1949. The similar wartime levy of 3 per cent on all freight transportation obliged us to collect \$13,666,964 from shippers or consignees. None of this \$29,944,412 total entered our accounts, since we were used as a collecting and remitting agency for the government—a burdensome duty for which we are not even repaid our expenses.

Profit percentage far too low

Despite the reasonably good traffic of 1949, our compensation was unrealistically low—indeed, almost unbelievably low—for the amount of work done.

Taken by itself, our net income of \$9,727,816 sounds like a lot of money. But to earn it, we had to have a tremendous investment of \$1,789,366,546, and we had to do \$719,534,282 of business. Thus the profit was only 1.4 cents on every dollar of business.

Stated in identical ratio (by simply dropping the last five numbers in each case) this is similar to investing \$17,893 in a grocery store, in order to do

\$7,195 of business during the year, but making only \$97 after paying all costs.

Continuing the analogy, even the \$97 could not be paid to stockholders as a return on the money they invested in the store, but had to be retained to meet pressing needs of the business.

Moderate rate increases granted

Eastern railroads benefited in 1949 from general freight rate increases totaling about 10 per cent (6 per cent effective Jan. 11, and 4 per cent effective Sept. 1), and from a 12½ per cent raise in basic passenger fares. The latter became effective Nov. 28 between interstate points, but was denied by the Public Service Commission of New York for travel between communities within that state.

The increases, plus the effect of others which had been operative for only parts of the previous year, brought the Central's average revenue per ton-mile to 1.46 cents from 1.34 cents in 1948, and its average revenue per passenger-mile to 2.63 cents from 2.46 cents in 1948.

Even at present levels, freight rates have increased much less proportionately than have the prices of the commodities and goods transported; and, grouping

coach and Pullman, passenger fares as a whole are lower than at any time between 1920 and 1936, when price cuts were inaugurated which failed to produce commensurately increased volume.

Unit wages continue upward

Continuing an upward trend, the average wage per employe reached the point in 1949 where it had almost doubled within only ten years.

The 1949 figure was \$3,758, compared with \$3,616 in 1948 and \$1,960 in 1939. The non-operating employes' 20 per cent increase—which resulted through a presidential emergency board decision recommending reduction of their work week from 48 to 40 hours with virtually unchanged pay—was not effective until

the last four months. Had this been in effect the full year, the 1949 figure would have been even higher.

Including the benefits per employe, as reflected by retirement and unemployment insurance taxes borne by the Central, our payroll cost per employe rose to \$3,973 in 1949 from \$3,819 the previous year and from \$2,046 in 1939.

With unit wages rising regularly, manual work becomes more and more expensive. To hold total costs in line with revenues, businesses must further streamline their methods and mechanize their operations as much as possible. This we are doing.

Further pay demands made

The various unions representing operating employes are pressing new "rules changes" demands which add up to more pay for less work.

The trainmen's and conductors' unions are asking such things as an upward scaling of rates, depending on the size of the locomotives pulling the trains; and a reduction to 100 miles of the basic day pay yardstick of 150 miles—which has been standard since railroading's early days, and which is already unrealistically low in the light of today's faster train speeds.

In 1949, agreement was reached to grant operating employes annual two-week vacations with pay after five years' service. These employes had been receiving one week after one year of service, a provision which remains in effect until the five-year mark is reached. Also in 1949, presidential emergency boards unanimously rejected contentions of unions representing engineers and firemen that the railroads should be required to employ an additional person on multiple-unit diesel-electric road locomotives.

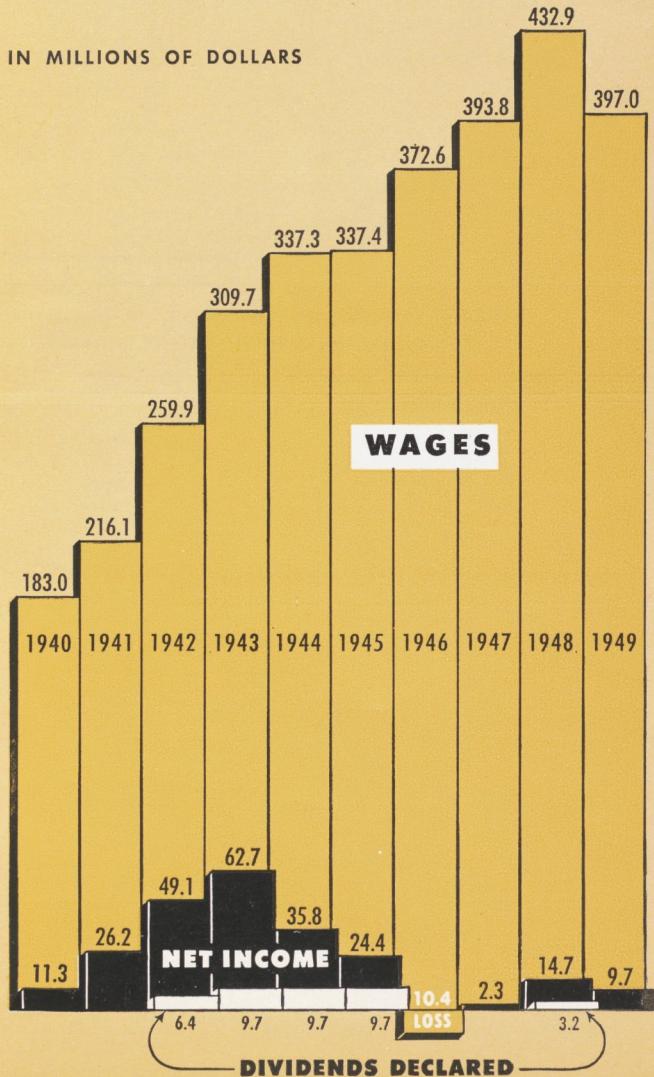
Those passenger train deficits

Passenger train deficits are a perennial problem in these years of increased use of the private automobile and other forms of travel.

These losses stem from two major factors. One factor is insufficiently patronized trains, largely those in branch line or local service. The serious coal shortages of the fall and winter required the elimination or consolidation of many of them for prolonged periods, during which it was fully demonstrated that no measurable hardships fell upon the numerous communities which almost invariably want such trains, but

ANNUAL WAGES, NET INCOME and DIVIDENDS DECLARED

IN MILLIONS OF DOLLARS



seldom use them. Accordingly, we are discontinuing such trains wherever this is possible.

Mail pay remains a problem

The passenger train deficit situation also hinges on mail and express "head-end traffic," which is not producing sufficient revenues to bear its increased costs of labor and material.

Despite essential increases in railway express rates, this traffic still is being handled at a substantial loss to the railroads, particularly those in the east. The higher rates, though entirely justified, have diverted some traffic to parcel post, where Congress has not yet seen fit to raise rates to meet the much higher costs of providing that service. As a consequence, our mail revenues increased \$2,885,262 or 12.2 per cent over 1948, while our express revenues fell \$5,321,159 or 44.4 per cent.

Unfortunately, current rates paid the railroads for handling mail come nowhere near the costs of performing this essential service. The railroads' operating expenses have increased more than 120 per cent above 1928 unit costs, whereas our only mail pay

raise since then has been a 25 per cent interim increase effective in February, 1947. Proceedings designed to remedy this situation are continuing before the Interstate Commerce Commission.

Increased stockholder attendance sought

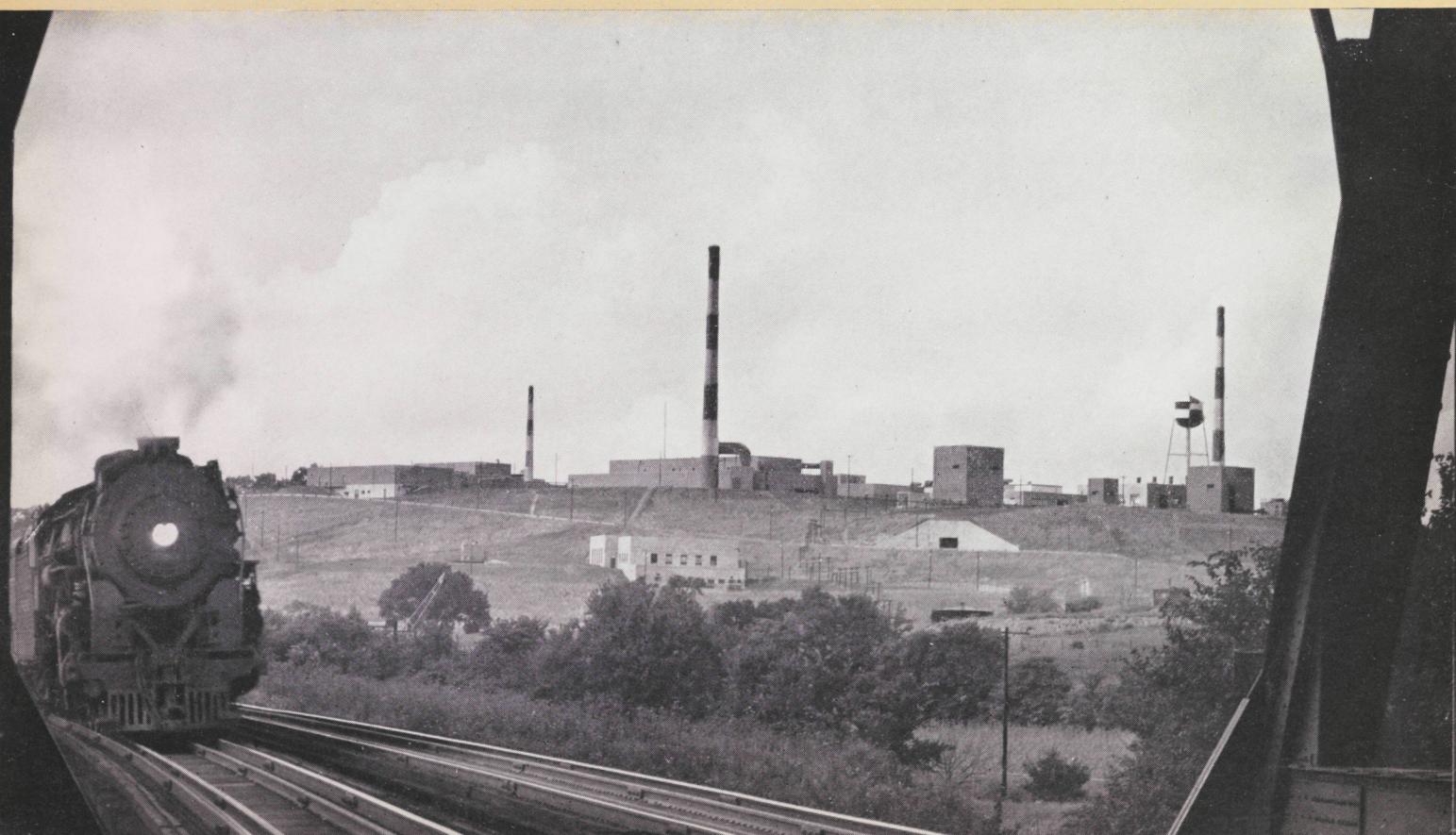
As an outgrowth of constructive suggestions at the last annual meeting of stockholders May 25, 1949, efforts are being made to further stimulate attendance for the next meeting, May 24 at Albany, N. Y.

A special train will be operated from New York City, where the largest group of stockholders have their addresses. Because railroads are prohibited by law from providing free transportation even for such purposes, a ticket charge must be made, but it will be at a reduced rate. All stockholders in the metropolitan and adjacent areas will be advised of details.

At the last meeting of stockholders, Winthrop W. Aldrich, chairman of the Chase National Bank, New York City, was elected a director. Albert B. Dick, Jr., elected by the board on Feb. 9, 1949, also was elected for the first time by stockholders. He is chairman of the board of the A. B. Dick Co. of Chicago, Ill.

A Central train passes by the Monsanto Chemical atomic energy plant at Miamisburg, O. This is one of the newer industries

along the System, which last year gained 380 new plants with an estimated annual traffic volume of over 136,000 carloads.



THE YEAR'S BUSINESS-1949

NEW YORK CENTRAL'S INCOME DOLLAR . . .

. . . AND WHERE IT WENT

FREIGHT TRAFFIC 69.6c

MILLIONS OF DOLLARS
1949 1948

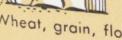
Coal, ore and other products of mines 128.3 153.2



Manufactures and miscellaneous 274.6 306.9



Wheat, grain, flour and other products of agriculture 43.9 38.6



Lumber and other products of forests 12.2 14.5



Livestock and products of animals 28.7 27.3



L.C.L. (Less-than-carload lots)

36.5 46.0

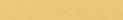
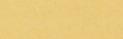
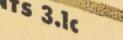
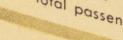
524.2 586.5

LESS: Items of absorbed switching, pick-up and delivery, etc.

Total net freight revenue 23.3 25.2

500.9 561.3

PASSENGER TRAFFIC 17.0c





THE MARCH OF PROGRESS

It is widely believed that railroads can stimulate passenger revenues in populous territories by employing self-propelled, singly-operated railway cars to provide high frequency, high speed service.

Accordingly, the Central has ordered the first two cars of the new type shown above, produced by the Budd Company of Philadelphia. These stainless steel,

diesel-powered cars can carry up to 90 passengers in air-conditioned comfort at speeds up to 83 miles an hour. The Central plans to inaugurate this new service April 30 between Boston and Springfield, Mass.

For our longer trains and for switching work, we are continuing to purchase new diesel-electric locomotives to provide quality service and greater economies. Three of the new passenger train locomotives are shown below at our Englewood, Ill., servicing point.



YOUR RAILROADS NEED FAIR PLAY

With each year it becomes increasingly evident that the railroads, to remain sound, require more equitable treatment in terms of public policy. Experience shows that progressive management, increased efficiency and improved equipment alone are not enough to insure the degree of railroad prosperity which is essential to the nation in peace and in war.

The railroads are victims today of a governmental policy based on the outmoded theory that they constitute a monopoly. This concept results in generous subsidies to competing forms of transportation on one hand, and a seeming disregard on the other for the needs of the railroad industry, which does not desire subsidies.

Subsidy relieves truck operators, airlines and inland waterway carriers of substantial portions of the true costs of the services they perform, and thus gives them an artificial competitive advantage over the unsubsidized, self-supporting railroads.

In their efforts to help themselves, the railroads also are hampered by many restrictions on their exercise of the managerial function.

Need for changes recognized

Fortunately, there is a growing recognition of the need for some basic changes in public policy toward the various forms of transportation.

A number of recent studies deserve attention as potentially important factors in the shaping of new policies. One is a report entitled *National Transportation Policy*, published by the Brookings Institution. It calls attention to the dangerous inconsistency of public policy which, while affirming the vital necessity of the railroads both to our peacetime economy and to our national defense, nevertheless forces upon them a state of financial malnutrition.

Another, a report on transportation made by the Secretary of Commerce at the direction of President Truman, is reassuring in its recognition of the existence of a transportation problem. However, it leaves

much to be desired in its grasp of the difficulties facing the railroads and of solutions for these difficulties.

Still another report, and possibly legislative recommendations, may be expected to result from investigations into domestic land, water and air transportation which are being carried on by subcommittees of the House and Senate interstate and foreign commerce committees.

Pending legislation of concern

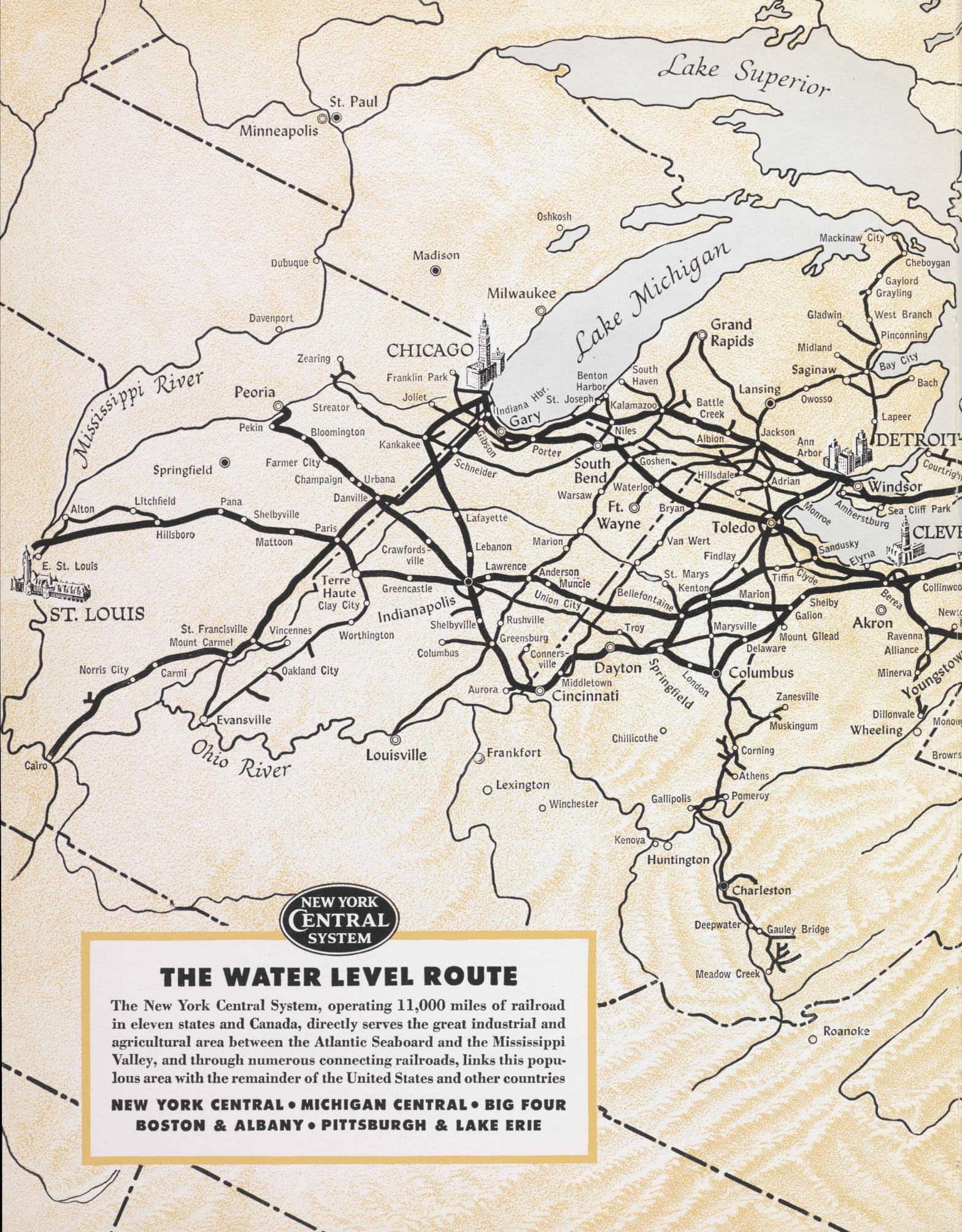
Several items of legislation to be considered in the present session of Congress are of direct concern to the railroad industry. One of them, a so-called "safety measure" proposed in the House of Representatives as H.R. 378 and in the Senate as S. 238, was discussed in a recent letter to stockholders.

There is also in Congress a proposal carried over from last session to undertake at public expense the vast and costly St. Lawrence seaway and power project. Of dubious economic justification, since it would be navigable only seven months of the year and many benefits claimed for it are extremely vague, the proposed seaway would greatly increase the public debt and would confront the railroads with further subsidized competition.

Reparations case before ICC

The Interstate Commerce Commission has before it the proceeding brought by Department of Justice lawyers to reclaim an estimated two to three billion dollars in wartime freight charges which were paid by the federal government.

If the sweeping claims of the government lawyers were upheld in this case, they would bankrupt virtually all of the nation's railroads. The railroads, with the cooperation of railroad labor organizations, are vigorously opposing these claims, since the rates charged the government were mutually agreed upon by carrier and government representatives and in no case exceeded those charged commercial shippers.





OUR SERVICES ARE FURTHER IMPROVED

The year 1949 saw substantial progress in further improving the quality of the New York Central's freight and passenger services.

In the belief that highly competitive less-than-carload traffic offers reasonable profit prospects for carriers who can meet shippers' requirements, the Central introduced further improvements in its handling of this merchandise freight. In April the Pacemaker freight service, an expedited, solid-train merchandise movement in both directions between New York City and the Niagara frontier, was extended to include Boston and other New England points as eastern terminals.

Diesel-powered Pacemaker freight trains, traveling at passenger train speeds, provide overnight linkage between New York and New England on the east and Buffalo on the west. Through fast connecting trains, second-morning service is offered to and from a number of points farther west and south, such as Cleveland, Columbus, Indianapolis and Detroit.

Scope of service expanded

As the volume of traffic has warranted, the number of cities to and from which Pacemaker cars are scheduled has been increased. Presently, Pacemaker serv-

ice by direct car is available to and from more than 30 System stations. By transfer from Pacemaker points, benefits of the service extend to a large number of additional cities.

The pool of Pacemaker cars—which are of special design for smooth, damage-resistant riding at high speeds—was enlarged during 1949 by nearly 500 cars, making a total of approximately 1,000 for use in this service. Shipper reaction to the Pacemaker has continued favorable. Intensive solicitation of traffic, with the basic approach of studying shippers' individual needs and then endeavoring to fill them, accompanies the program of improved service.

Highway transport is used

Another major step in improving less-than-carload service was the large scale extension on Big Four district lines in Ohio, Indiana and Illinois of the use of highway transportation in conjunction with rail movement. Faster and more economical handling of package freight is now achieved by using highway tractor-trailers, operated by the Central under lease arrangement, to haul merchandise shipments between key stations, or concentration points, and numerous smaller way stations.

Our new motor trucks and Pacemaker freight cars, pictured at Indianapolis, Ind., are teamed for fast, coordinated service.



This coordinated service, which eliminates costly and time-consuming "peddler" cars from way freight trains, reaches about 400 stations on the Big Four, plus a large number of other locations on the System.

Extension of train-truck service on other districts of the System has been under study, and applications for the necessary authorization are expected to be made in the near future.

Continuing its efforts to cut costs incurred in the handling of merchandise freight, the Central is experimenting at selected locations with such new techniques as the grouping of packages in large wire containers to minimize rehandling at transfer points, the use of wooden pallets for handling in stations, and other promising innovations. Increased mechanization of handling equipment at larger stations already has progressed to a high degree; and, where economically justifiable, mechanical improvements have been introduced at smaller stations.

More diesels are received

Last year saw further improvements in the Central's motive power and rolling stock, with new equipment contributing both to better service and efficiency.

We received 249 new diesel-electric units for use on the New York Central System, with 167 units going to the New York Central Railroad, 58 to the affiliated Indiana Harbor Belt Railroad, and 24 to the affiliated Pittsburgh & Lake Erie Railroad. At the end of the year, 70 more units for the Central and 25 for the Indiana Harbor Belt were still on order. These were augmented by orders placed early in 1950 for 137 additional units for the New York Central. Deliveries of all are scheduled to be completed this year.

In passenger service, 34 per cent of our train mileage was performed with diesel-electric or electric power. Our freight service was 19.1 per cent dieselized or electrified. In yard switching, 41 per cent of our operations were either diesel or electric-powered. Our over-all ratio of dieselization and electrification was 28.7 per cent.

Equipment is further modernized

The Central and its affiliated lines made appreciable gains also in 1949 in the further modernization of their freight equipment, receiving a total of 7,894 new freight cars, principally box cars, hopper cars



New servicing facilities for diesel-electrics have been installed at our DeWitt yards, Syracuse, N. Y., and at other strategic locations along the New York Central.



A machinist sets up a new precision boring machine at our West Albany, N. Y., shops. Below, a new "top-icing" installation at Blue Island, Ill., speeds perishables.



and gondolas. Of these, 1,575 were for the Pittsburgh & Lake Erie, 25 for the Indiana Harbor Belt, and the remainder for the New York Central. Still to be delivered at year's end were 1,254 freight cars. Further orders were placed in February, 1950, for 4,500 cars, 2,500 of which will be for the Pittsburgh & Lake Erie and the remainder for the New York Central.

Added to our passenger fleet were 161 new cars delivered during 1949. Their receipt marked the completion of the Central's postwar program of passenger equipment improvements, except for the awaited arrival of 100 air-conditioned multiple-unit cars for use in commutation service, and two new-type self-propelled, diesel-powered cars ordered early in 1950.

Other improvements effected

The use of radio communication in yard operations is being expanded, with several new installations in progress and enlargements of existing radio facilities under way at other points.

Keeping pace with the faster over-the-road time of today's freight trains, the Central is making changes in its icing-in-transit facilities for refrigerator cars. Construction of a new icing plant is under way at Wayneport, N. Y., near Rochester. The strategic location will save at least two hours of train running time

and will permit the closing of other icing facilities.

A new top-icing plant has been put in service at Blue Island, Ill., on the Indiana Harbor Belt, largely mechanizing this specialized refrigeration service.

The use of machine methods of accounting, with resultant gains in efficiency and economy, is being extended broadly. The most notable recent application of this modernized recording procedure is in the Car Service Department, located at Buffalo, where records of car movements and other statistical information are compiled.

Sales aid enlisted; training pushed

With several factors already discussed tending to depress traffic, heavy emphasis has been placed on solicitation of business to compensate for the decline. Sales and service committees carry to the employes of every department the need for cooperation in reporting and following up traffic prospects. Information about Central services and encouragement to sell them also are conveyed in the monthly magazine for employes. While small in the singular, the results in the aggregate have been very worth while.

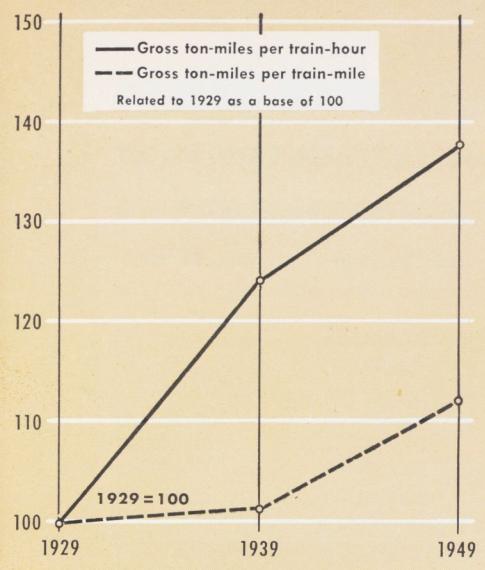
A correspondence course in supervisory methods was introduced during the year. The response has been enthusiastic, with more than 6,500 enrolling.

Deliveries of new cars for our long-distance passenger fleet were completed in 1949. Left to right, here are the newly-

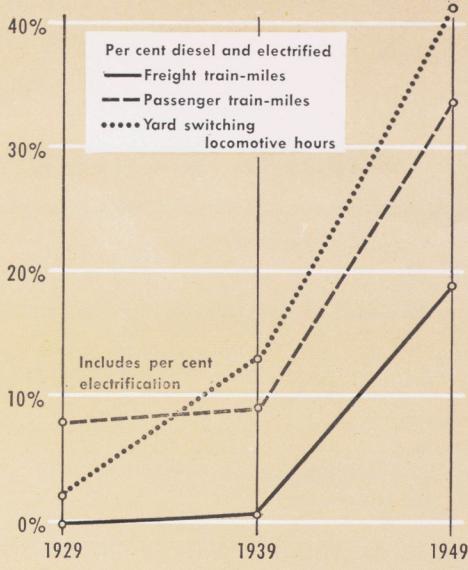
equipped Wolverine, Pacemaker, New England States, Commodore Vanderbilt and Twentieth Century, shown at Chicago.



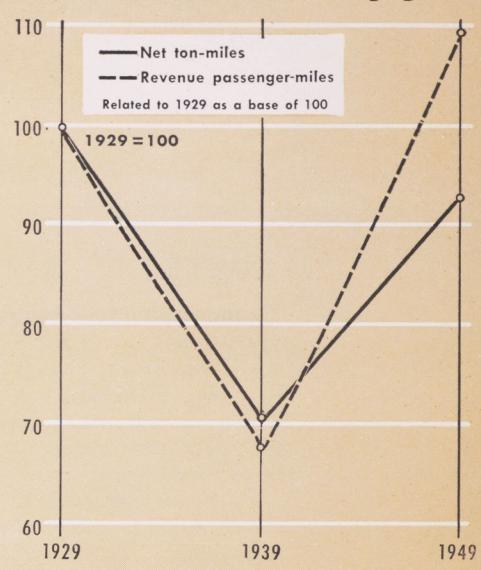
PERFORMANCE shows improvement



DIESELIZATION continues to advance



TRAFFIC VOLUME reasonably good



TRENDS ON THE CENTRAL

For full perspective on a railroad's progress, it is essential to look beyond the short range fluctuations which are inherent in any year-to-previous-year comparison.

Accordingly, these charts depict significant ten-year trends. With prosperous 1929 as the base year, the extent of change is shown for 1939, often considered a pre-war "normal" year; and for 1949, the latest year.

The performance chart shows the improvements in gross ton-miles per train-hour, an index which combines the speed factor with the total weight of the train behind the locomotive and tender; and in gross ton-miles per train-mile, an index which shows the progress achieved in increasing the average loading of New York Central freight trains.

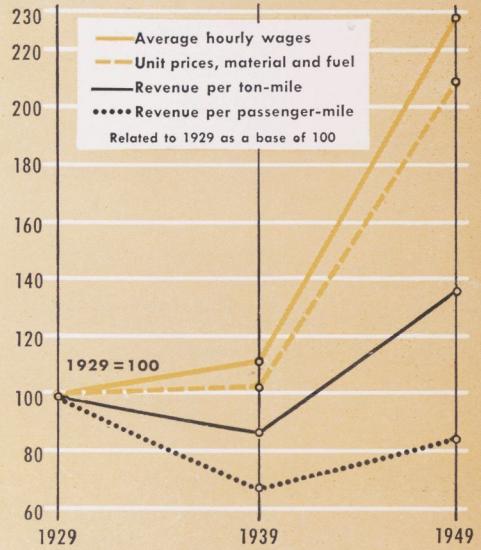
The chart on diesel-electric and electrified operation depicts the forward steps made in taking advantage of the economies inherent in this modern motive power when it can be used a large portion of the day and night. Such progress can be achieved, of course, only through substantial capital expenditures.

Freight traffic, which in 1948 was 14.8 per cent above 1929, dipped in 1949 under the impetus of persistent coal walkouts, the steel strike and a general slackening of industrial activity. Even so, it remained well above 1939. And passenger traffic, though declining again, still is on a plateau higher than either 1939 or 1929.

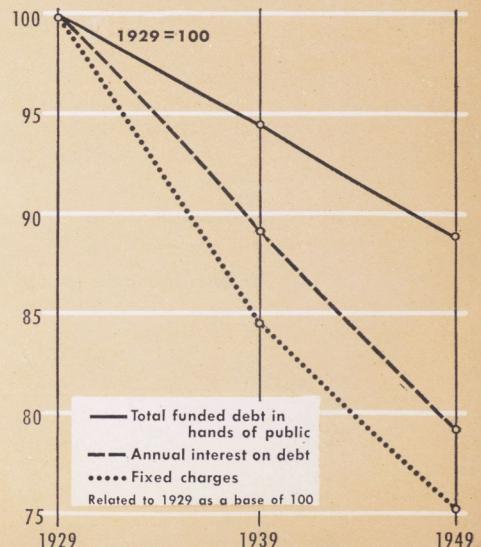
Basic unit expenses—hourly wages, and unit prices for materials and supplies—have far outdistanced the increases in revenues for the services the Central performs. Narrowing the gap is politically difficult, especially in view of heavy subsidies to competitors, permitting them to charge less than their actual costs, with taxpayers footing the difference.

Despite numerous difficulties, however, much progress has been achieved in reducing the Central's debt, debt interest and fixed charges. This makes the Central better able to weather unpredictable difficulties of the future.

UNIT EXPENSES outdistance rates



FINANCIAL OBLIGATIONS down substantially



BALANCE SHEET

THE NEW YORK CENTRAL RAILROAD COMPANY

ASSETS

Road, equipment, other properties and capital funds:

	Dec. 31, 1949	Dec. 31, 1948
Road	\$ 731,823,025	\$ 725,048,991
Equipment	622,630,140	560,932,304
Depreciation and amortization – road and equipment	Cr. 382,511,353	Cr. 374,214,932
Improvements on leased property	129,166,181	128,735,563
Miscellaneous physical property	52,203,262	51,123,235
Depreciation – miscellaneous physical property	Cr. 20,688,499	Cr. 19,490,668
Funds segregated for investment in property	10,414,485	16,017,865
	\$1,143,037,241	\$1,088,152,358

Investments and advances, at or below cost:

Affiliated companies	\$ 410,122,193	\$ 419,009,378
Other companies (Note B)	44,073,249	47,435,974
	\$ 454,195,442	\$ 466,445,352

Current assets (Note C):

Cash, special deposits and United States Government securities	\$ 65,641,838	\$ 67,433,258
Material and supplies	53,066,839	64,559,639
Accounts receivable, accrued income and other current assets	49,764,465	56,201,009
	\$ 168,473,142	\$ 188,193,906

Other assets:

Insurance deposits and working fund advances	\$ 2,211,436	\$ 2,119,337
Deferred receivables, prepayments and unadjusted debits	7,123,026	9,338,117
	\$ 9,334,462	\$ 11,457,454
	\$1,775,040,287	\$1,754,249,070

LIABILITIES

Capital stock:

Outstanding – 6,447,410 shares without par value	\$ 562,332,426	\$ 562,332,426
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Funded debt:

Mortgage bonds	\$ 468,531,000	\$ 468,612,000
Debenture bonds	5,500,000	5,500,000
Equipment obligations	151,775,480	115,835,760
	\$ 625,806,480	\$ 589,947,760
	\$ 107,850,715	\$ 125,587,362

Current liabilities (Notes C and E)

Deferred liabilities:

Liability to affiliated and other lessor companies (Note F)	\$ 48,562,504	\$ 49,054,501
Accrued depreciation on leased property (Note G)	73,946,089	73,282,252
Estimated liability for injury and damage claims	19,007,616	20,799,631
Insurance reserves	6,278,569	6,209,594
Liability to New York State – grade crossing eliminations	26,207,966	27,040,621
Other deferred liabilities and unadjusted credits	8,387,970	13,390,984
	\$ 182,390,714	\$ 189,777,583

Surplus:

Unearned surplus	\$ 35,855	\$ 35,517
Earned surplus – appropriated	8,074,842	7,919,759
Earned surplus – unappropriated	288,549,255	278,648,663
	\$ 296,659,952	\$ 286,603,939

Contingent items (Note H)

	\$1,775,040,287	\$1,754,249,070
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For notes please see page 25

INCOME ACCOUNT

THE NEW YORK CENTRAL RAILROAD COMPANY

	1949	1948
Railway operating revenues:		
Freight	\$500,919,039	\$561,361,243
Passenger	122,451,363	136,168,197
Mail	26,441,917	23,556,655
Express	6,662,402	11,983,561
Other	40,829,678	46,791,099
<i>Total</i>	<u>\$697,304,399</u>	<u>\$779,860,755</u>
Railway operating expenses:		
Maintenance of way and structures (<i>Note I</i>)	\$ 91,310,666	\$110,194,416
Maintenance of equipment (<i>Note I</i>)	138,391,389	158,922,978
Traffic	11,746,679	12,334,617
Transportation	319,547,396	349,151,141
General and other	36,042,177	36,739,814
<i>Total</i>	<u>\$597,038,307</u>	<u>\$667,342,966</u>
Net revenue from railway operations	<u>\$100,266,092</u>	<u>\$112,517,789</u>
Railway tax accruals:		
Federal income taxes	1,669,090	1,647,016
Other taxes	49,187,973	52,514,577
Equipment and joint facility rents – net debit (<i>Note J</i>)	17,113,554	21,134,605
<i>Total</i>	<u>\$ 32,295,475</u>	<u>\$ 37,221,591</u>
Net railway operating income		
Other income (<i>Note J</i>):—		
Dividend income:		
Affiliated companies	4,803,017	5,223,694
Other companies	1,560,922	1,392,869
Interest income	5,490,990	5,533,331
Miscellaneous rent income, less expenses (<i>Note I</i>)	6,141,040	5,735,660
Net profit from separately operated properties	1,501,521	2,024,531
Miscellaneous income (net)	610,750	168,679
<i>Total</i>	<u>\$ 52,403,715</u>	<u>\$ 57,300,355</u>
Fixed charges:		
Rent for leased roads and equipment (<i>Note J</i>)	\$ 19,463,898	\$ 20,132,441
Interest on funded debt, including amortization of discount	22,377,750	21,454,384
Other interest expense	834,251	986,434
<i>Total</i>	<u>\$ 42,675,899</u>	<u>\$ 42,573,259</u>
Net income	<u>\$ 9,727,816</u>	<u>\$ 14,727,096</u>

EARNED SURPLUS ACCOUNT

Balance at January 1, 1949	\$278,648,663
Net income for the year 1949, as above	9,727,816
Sundry credits (net)	172,776
Balance at December 31, 1949	<u>\$288,549,255</u>

For notes please see page 25

CONSOLIDATED BALANCE SHEET

THE NEW YORK CENTRAL RAILROAD COMPANY and subsidiary companies

DECEMBER 31, 1949 (See Note A for principles of consolidation)

ASSETS

Road, equipment, other properties and capital funds:

Road	\$1,626,039,404
Equipment	965,294,184
Depreciation and amortization – road and equipment	Cr. 693,201,284
Improvements on leased property	4,958,325
Miscellaneous physical property	122,195,302
Depreciation, depletion and amortization – miscellaneous physical property	Cr. 37,845,099
Funds segregated for investment in property	<u>12,928,861</u>
	\$2,000,369,693

Properties leased from noncontrolled companies (per contra) (Note A):

Road	\$ 86,016,116
Equipment	1,917,060
Depreciation – road and equipment	Cr. 7,909,467
	80,023,709

Investments and advances, at or below cost:

Affiliated companies	\$ 42,513,430
Other companies (Note B)	<u>43,164,549</u>
	85,677,979

Current assets (Note C):

Cash, special deposits and United States and Canadian Government securities	\$ 118,241,855
Material and supplies	64,288,234
Accounts receivable, accrued income and other current assets	55,022,829
	<u>237,552,918</u>

Other assets:

Insurance deposits and working fund advances	\$ 2,570,551
Deferred receivables, prepayments and unadjusted debits	<u>9,905,464</u>
	12,476,015

For notes please see page 25

\$2,416,100,314

LIABILITIES

Capital stock:

Outstanding — 6,447,410 shares without par value.....	\$ 562,332,426
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Funded debt (Note D):

Mortgage bonds	\$779,052,825
Collateral trust and debenture bonds.....	12,042,000
Equipment obligations	171,128,285
Other	1,014,600
	<hr/>
	963,237,710

Current liabilities (Notes C and E)

Properties leased from noncontrolled companies (per contra) (Note A)	\$ 80,023,709
(Aggregate annual rental approximately \$5,250,000)	
Less — Mortgage bonds guaranteed by New York Central (included in funded debt as explained in Note D)	21,025,000
	<hr/>
	58,998,709

Deferred liabilities:

Liability to affiliated and lessor companies (Note F).....	\$ 10,394,671
Accrued depreciation on leased property.....	3,113,855
Estimated liability for injury and damage claims.....	21,263,210
Insurance reserves	6,700,323
Liability to New York State — grade crossing eliminations.....	26,207,966
Other deferred liabilities and unadjusted credits.....	8,741,884
	<hr/>
	76,421,909

Minority interests in net assets of consolidated subsidiaries, represented by:

Common stock	\$ 40,307,367
Preferred stock	2,490,767
Surplus	34,154,192
	<hr/>
	76,952,326

Surplus:—

Unearned:	
Capital surplus arising in consolidation.....	\$ 58,953,981
Other	1,712,889
	<hr/>
Earned:	
Appropriated	16,952,456
Unappropriated	478,043,825
	<hr/>
	555,663,151

Contingent items (Note H)

\$2,416,100,314

For notes please see page 25

CONSOLIDATED INCOME ACCOUNT

THE NEW YORK CENTRAL RAILROAD COMPANY and subsidiary companies

For the year ending DECEMBER 31, 1949 (See Note A for principles of consolidation)

Railway operating revenues:

Freight	\$539,758,523
Passenger	123,899,171
Mail	26,555,991
Express	6,732,045
Other	75,221,987
<i>Total</i>	<u>\$772,167,717</u>

Railway operating expenses:

Maintenance of way and structures (Note I)	\$100,137,340
Maintenance of equipment (Note I)	161,987,537
Traffic	12,741,690
Transportation	351,479,408
General and other	39,839,903
<i>Total</i>	<u>666,185,878</u>

Net revenue from railway operations

Railway tax accruals:	
United States and Canadian income taxes	\$ 5,825,877
Other taxes	56,235,629
Equipment and joint facility rents — net credit (Note J)	<i>Cr. 3,913,120</i>

Net railway operating income

Other income (Note J):—	
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Dividend income:	
Affiliated companies	\$ 853,240
Other companies	1,716,922
Interest income	2,205,113
Miscellaneous rent income, less expenses (Note I)	6,395,743
Net profit from miscellaneous operations of certain noncarrier subsidiary companies	1,500,431
Miscellaneous income (net)	308,493

Fixed charges:

Rent for leased roads and equipment (Note J)	\$ 5,774,377
Interest on funded debt, including amortization of discount	36,050,848
Other interest expense	919,601

Portion of net income applicable to stocks of consolidated subsidiaries held by minority interests:

Dividends paid	\$ 2,992,270
Undistributed net income	<u>1,605,658</u>

Net income

42,744,826
\$ 18,068,569

4,597,928
\$ 13,470,641

CONSOLIDATED EARNED SURPLUS ACCOUNT

Balance at January 1, 1949

Net income for the year 1949, as above	\$ 13,470,641
Net profit on sale or liquidation of securities and investments	269,608
Net excess of principal amount over cost of own bonds acquired	299,181
Other credits (net)	928,929

\$ 465,640,177

\$ 480,608,536

Net loss on sale or retirement of properties and equipment and other property adjustments	\$ 2,107,632
Amounts transferred to appropriated surplus	457,079

\$ 480,608,536

\$ 2,564,711

\$478,043,825

Balance at December 31, 1949

For notes please see page 25

NOTES TO FINANCIAL STATEMENTS

THE NEW YORK CENTRAL RAILROAD COMPANY

and subsidiary companies

NOTE A:

The accompanying consolidated financial statements include the accounts of The New York Central Railroad Company and subsidiary companies of which New York Central controls, directly or indirectly, in excess of 50% of the equity stock. In the preparation of these statements, intercompany investments and receivable or payable balances of significant amount and material intercompany income items have been eliminated, except that it is impracticable to eliminate profits of Despatch Shops, Inc. (a consolidated subsidiary company) on car construction and repair work performed for New York Central and other consolidated companies. Profits of this company in the amount of \$843,485 are included in "Net profit from miscellaneous operations of certain noncarrier subsidiary companies" in the consolidated income account.

The consolidated balance sheet also includes properties of noncontrolled lessor companies which are operated by New York Central under lease arrangements as well as the related funded debt guaranteed by New York Central. The respective amounts have been taken from unaudited statements obtained from officials of the several companies.

NOTE B:

Includes certain securities carried on the books at December 31, 1949 at \$29,194,866, which had a total quoted market value at that date of \$23,821,311.

NOTE C:

Canadian dollar balances have been included in the accompanying statements on a dollar for dollar basis and no provision has been made for the recent reduction in the Canadian official rate of exchange. The consolidated balance sheet at December 31, 1949 includes net current assets of approximately Canadian \$4,850,000, of which approximately Canadian \$2,950,000 represents amounts carried on the books of New York Central.

NOTE D:

Mortgage bonds of noncontrolled lessor companies in the amount of \$21,025,000, guaranteed as to both principal and interest by New York Central, less \$9,688,000 of such bonds which are owned by New York Central, have been included as funded debt in the consolidated balance sheet. Consolidated funded debt includes subsidiary companies' obligations in the amount of \$4,551,200 which are guaranteed by New York Central only as to interest and obligations in the amount of \$20,001,817 which are not guaranteed as to either principal or interest.

NOTE E:

Not including items of funded debt and deferred liabilities, principally equipment obligations maturing by their terms in 1950, aggregating \$24,934,184 for New York Central and an additional \$1,736,740 on a consolidated basis.

NOTE F:

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

NOTE G:

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

NOTE H:

The balance sheet of New York Central does not include 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, 1949, in the principal amount of \$377,940,009, of which \$316,637,588 is included in funded debt in the consolidated balance sheet. A similar contingent liability of a consolidated subsidiary company amounted to \$10,485,000.

The companies' tax liabilities for 1941 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.

Although reparation suits brought by the United States Government before the Interstate Commerce Commission against the railroads of the United States, including New York Central, involve claims for large but unspecified amounts, no provision therefor has been made in the accompanying statements, for the reason that, in the opinion of Company officials, no significant recovery against the New York Central or its subsidiary companies may reasonably be expected.

NOTE I:

Charges for depreciation, amortization and depletion included in the accompanying income accounts amounted to:

Charged to	New York Central 1949	Consolidated 1949
Maintenance of way and structures	\$10,492,628	\$10,356,297
Maintenance of equipment	25,489,099	24,204,559
Miscellaneous rent income, less expenses	1,193,225	1,213,640
Other accounts	40,585	38,084
Total	<u>\$37,215,537</u>	<u>\$35,812,580</u>
		\$44,372,657

NOTE J:

Certain dividend and interest income is substantially offset by charges included in the following accounts:

	New York Central 1949	Consolidated 1949
Rent for leased roads and equipment	\$3,728,953	\$3,494,518
Joint facility rents	1,454,467	1,455,455

PRICE, WATERHOUSE & Co.

56 PINE STREET
NEW YORK 5

March 15, 1950

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 and the consolidated balance sheet of the Company and its subsidiary companies as at December 31, 1949, and the related income and earned surplus accounts 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 sheets and related income and earned surplus accounts, together with the notes, present fairly the financial position of The New York Central Railroad Company and of the Company and its subsidiary companies consolidated at December 31, 1949, and the results of operations for the year then ended, in conformity with principles of accounting prescribed by the Interstate Commerce Commission.

PRICE, WATERHOUSE & Co.

MATURING OBLIGATIONS

Of the total funded debt of The New York Central Railroad Company and its lessor companies outstanding on December 31, 1949, the following amounts, including

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	Year	Equipment Obligations	Bonds and Miscellaneous	Total
1950	\$19,976,280	\$ 4,668,648	\$24,644,928	1956	\$12,181,000	\$17,996,001	\$30,177,001
1951	18,936,280	5,938,638	24,874,918	1957	10,411,000	2,148,868	12,559,868
1952	16,346,280	14,075,638	30,421,918	1958	7,471,000	647,348	8,118,348
1953	15,975,640	3,448,638	19,424,278	1959	3,551,000	15,379,150	18,930,150
1954	15,361,000	703,638	16,064,638	Total	<u>\$134,020,480</u>	<u>\$65,709,568</u>	<u>\$199,730,048</u>
1955	13,811,000	703,001	14,514,001				

The New York Central Railroad Company

Statistics and Other Data for the Year

1949

THE NEW YORK CENTRAL RAILROAD COMPANY

Changes in organization

Elections:

- February 9, Albert B. Dick, Jr., was elected a director to fill the vacancy caused by the resignation of Joseph M. O'Mahoney.
- May 25, Winthrop W. Aldrich was elected a director to fill the vacancy caused by the resignation of Sidney C. Murray.

Appointments:

- January 1, Boynton S. Voorhees, Vice-President, New York, N. Y.
 Alfred D. Wolff, Jr., Assistant Vice-President, New York, N. Y.
 Frank K. Mitchell, Manager, Equipment, New York, N. Y.
 Paul W. Kiefer, Chief Engineer, Equipment, New York, N. Y.
 Frederick C. Ruskaup, General Superintendent, Equipment, New York, N. Y.
 John H. Norwood, Freight Traffic Manager, Cleveland, Ohio.
 Clifford B. Bronson, Maintenance of Way Assistant to Vice-President, Operations and Maintenance, New York, N. Y.
- March 1, Augustus Hart, General Manager, Boston and Albany Railroad, Boston, Massachusetts.
- May 1, James J. Frawley, Assistant Vice-President, Operations and Maintenance, New York, N. Y.
 Augustus Hart, General Manager, Line Buffalo and East, Syracuse, N. Y.
 Frederick B. Hank, General Manager, New York Terminal Properties, New York, N. Y.
 Richard G. May, General Manager, Boston and Albany Railroad, Boston, Massachusetts.
- May 11, George H. Albach, Comptroller, New York, N. Y.
- June 1, Joseph D. Haggerty, Assistant Comptroller, New York, N. Y.
 Frederic D. Martin, Assistant Comptroller, New York, N. Y.
 Mac G. Collins, Manager of Concessions, New York, N. Y.
 Ernest E. Pancost, Assistant Treasurer, New York, N. Y.
- July 1, James A. Maclean, Assistant Secretary, New York, N. Y.
 James T. Webster, Assistant to Vice-President-Traffic, and Advertising Manager, New York, N. Y.
- September 16, Harold H. McLean, General Solicitor, New York, N. Y.
 Kenneth F. Stone, Assistant General Counsel, New York, N. Y.
- October 16, Harvey L. Willard, Coal Traffic Manager, New York, N. Y.

Retirements:

- February 28, George A. Kirley, General Manager, Boston and Albany Railroad, Boston, Massachusetts.

May 31, Edward Coles, Assistant Treasurer, New York, N. Y.
 June 30, Jesse L. McKee, Vice-President-Assistant to President, Chicago,
 Illinois.
 December 31, Edward J. Zschirpe, Assistant General Freight Traffic Manager, New
 York, N. Y.
 Edward L. Golden, Assistant to Vice-President, New York, N. Y.
 Howard C. Carson, Assistant Passenger Traffic Manager, Chicago,
 Illinois.

Loss by Death:

April 19, Edward A. Clancy, Comptroller, New York, N. Y.
 August 26, Thomas P. Healy, General Solicitor, New York, N. Y.
 September 11, Joseph R. O'Malia, General Coal Traffic Manager, New York, N. Y.

Pensions

There were 1,180 retired employees 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 to these persons totaled \$596,956.33.

Also there were 236 retired employees 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 from the fund held by the Trustee were \$232,749.41.

Stockholders

At the end of the year, the capital stock of the Company was registered in the names of 55,297 holders (an average holding of 116.60 shares) a decrease of 1,966 holders compared with December 31, 1948.

New York Central Railroad Equipment Trust of 1949

This trust was established by Agreement dated January 1, 1949, and there were issued thereunder \$9,720,000, par value, of 2 $\frac{5}{8}$ % Equipment Trust Certificates maturing in annual installments of \$648,000 each on January 1, in the years 1950 to 1964, inclusive, representing approximately 75% of the cost of the equipment included in the trust, consisting of 12 2000 H.P. "A" unit Diesel-electric road passenger locomotives, 14 high-tensile low-alloy steel double bedroom sleeping cars, 40 high-tensile low-alloy steel single and double bedroom sleeping cars and 1000 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 1949

This trust was established by Agreement dated March 15, 1949, and there were issued thereunder \$12,300,000, par value, of 2 $\frac{5}{8}$ % Equipment Trust Certificates maturing in annual installments of \$820,000 each on March 15, in the years 1950 to 1964, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 25 600 H.P. Diesel-electric switching locomotives, 11 "A" unit and 2 "B" unit 1500 H.P. Diesel-electric road freight locomotives, 31 stainless steel single bedroom sleeping cars, 7 stainless steel double bedroom-lounge-observation sleeping cars, 100 70-ton covered steel hopper cars, 500 55-ton self-clearing steel hopper cars and 500 70-ton high-side steel gondola 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 1949

This trust was established by Agreement dated May 15, 1949, and there were issued thereunder \$10,725,000, par value, of 2 $\frac{5}{8}\%$ Equipment Trust Certificates maturing in annual installments of \$715,000 each on May 15, in the years 1950 to 1964, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 27 "A" unit and 19 "B" unit 1500 H.P. Diesel-electric road freight locomotives, 10 1000 H.P. Diesel-electric switching locomotives and 900 70-ton high-side steel gondola cars. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

New York Central Railroad Fourth Equipment Trust of 1949

This trust was established by Agreement dated July 15, 1949, and there were issued thereunder \$11,400,000, par value, of 2 $\frac{3}{4}\%$ Equipment Trust Certificates maturing in annual installments of \$760,000 each on July 15, in the years 1950 to 1964, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 600 70-ton high-side steel gondola cars, 2000 55-ton self-clearing steel hopper cars, 12 1000 H.P. Diesel-electric switching locomotives and 6 2000 H.P. "A" unit Diesel-electric road freight locomotives. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

New York Central Railroad Fifth Equipment Trust of 1949

This trust was established by Agreement dated October 1, 1949, and there were issued thereunder \$9,120,000, par value, of 2 $\frac{3}{4}\%$ Equipment Trust Certificates maturing in annual installments of \$608,000 each on October 1, in the years 1950 to 1964, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 12 1000 H.P. Diesel-electric switching locomotives, 14 "A" unit and 6 "B" unit 1500 H.P. Diesel-electric road freight locomotives, 2 2000 H.P. "A" Diesel-electric road freight locomotives, 500 55-ton self-clearing steel hopper cars, 500 70-ton steel flat cars and 16 electric multiple-unit passenger coaches. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

Guaranty of Indiana Harbor Belt Railroad Equipment Trust Certificates

During the year the Company joined with INDIANA HARBOR BELT RAILROAD COMPANY and the latter's other proprietor companies in endorsing upon the following issues of INDIANA HARBOR BELT RAILROAD equipment trust certificates, a guaranty whereby INDIANA HARBOR BELT RAILROAD COMPANY to the extent of 100% thereof, this Company and THE MICHIGAN CENTRAL RAILROAD COMPANY each to the extent of 30% thereof, and the CHICAGO AND NORTH WESTERN RAILWAY COMPANY and the CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY each to the extent of 20% thereof, severally unconditionally guaranteed the due and punctual payment of the par value of the certificates and of the dividends thereon, viz.:

\$2,050,000, par value, of 2 $\frac{5}{8}\%$ certificates due May 1, 1950-1959, issued and guaranteed pursuant to agreements dated May 1, 1949; and

\$2,970,000, par value, of 2 $\frac{5}{8}\%$ certificates due September 15, 1950-1964, issued and guaranteed pursuant to agreements dated September 15, 1949.

Changes in Funded Debt

The amount outstanding on December 31, 1948	\$589,947,760 00
was increased by issue of:	
Equipment Trust of 1949, 2½% Equipment Trust Certificates	\$9,720,000 00
Second Equipment Trust of 1949, 2½% Equipment Trust Certificates	12,300,000 00
Third Equipment Trust of 1949, 2½% Equipment Trust Certificates	10,725,000 00
Fourth Equipment Trust of 1949, 2¾% Equipment Trust Certificates	11,400,000 00
Fifth Equipment Trust of 1949, 2¾% Equipment Trust Certificates	9,120,000 00
	<u>53,265,000 00</u>
	\$643,212,760 00

and has been reduced by the following payments:

Principal installments due annually under equipment trust agreements:

Trust of 1937, March 15, 1949	\$286,000 00
Trust of 1939, December 1, 1949	900,000 00
Trust of 1940, June 1, 1949	1,040,000 00
Trust of 1941, February 15, 1949	1,090,000 00
Second trust of 1941, July 15, 1949	1,500,000 00
Trust of 1943, June 1, 1949	530,000 00
Trust of 1944, September 1, 1949	1,550,000 00
Trust of 1945, May 1, 1949	750,000 00
Second trust of 1945, August 15, 1949	880,000 00
Trust of 1946, January 1, 1949	1,770,000 00
Trust of 1947, January 1, 1949	2,000,000 00
Second trust of 1947, August 15, 1949	940,000 00
Trust of 1948, January 15, 1949	1,280,000 00
Second trust of 1948, March 15, 1949	1,260,000 00
Third trust of 1948, September 15, 1949	1,380,000 00
	<u>\$17,156,000 00</u>

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
	<u>169,280 00</u>
	<u>17,325,280 00</u>
	<u>\$625,887,480 00</u>

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

New York & Putnam R. R. Co. First Consolidated Mortgage 4% due October 1, 1993	81,000 00
leaving the unmatured funded debt actually outstanding on December 31, 1949	<u>\$625,806,480 00</u>

On December 31, 1949, there also was outstanding and included under deferred liabilities \$26,207,965.64 payable over a period of years to the STATE OF NEW YORK for this Company's proportion of the cost of grade crossing eliminations.

Important Improvements

Construction was completed on the branch line extending from the NICHOLAS, FAYETTE AND GREENBRIER RAILROAD along Peters Creek and Rockcamp Branch to serve a new development of the Peters Creek Coal Company in Nicholas County, West Virginia.

The construction of a mine track is in progress from the Harco Spur of the Saline Valley Branch to serve Mine No. 40 of the Peabody Coal Company at Harrisburg, Illinois.

The Interstate Commerce Commission under Finance Docket 16462, dated December 27, 1949, authorized the acquisition by the ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY; the CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY; THE PENNSYLVANIA RAILROAD COMPANY; and THE NEW YORK CENTRAL RAILROAD COMPANY of control of the ILLINOIS NORTHERN RAILWAY, an industrial and switching line at Chicago, Illinois, through purchase of its capital stock in the proportions of 51%, 25%, 12%, and 12%, respectively.

Conversion of general service power and lighting facilities in the Grand Central Terminal area from direct current to alternating current is in progress. This is intended to relieve the direct current distributing system from overload and at the same time provide additional power for improved lighting, air-conditioning, and other uses.

Work has been started on the construction of an additional tower for cooling the condensing water used in the Grand Central Terminal refrigerating plant in order to eliminate the use of City water. Installation of air-conditioning facilities in the underground signal stations at the Grand Central Terminal was completed.

Installations of mechanical facilities for washing passenger cars are in progress at High Bridge, New York, and at Root Street Yard, Chicago, Illinois.

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

The old frame passenger station building at Fort Erie, Ontario, was replaced with a new brick and reinforced concrete passenger station and customs building.

Engine terminal and power-house improvements were completed or are in progress at Selkirk and Utica, New York; Collinwood, Ohio; Elkhart and Gibson, Indiana; and Englewood and Root Street Yard, Chicago, Illinois. These improvements include lengthening and rearranging enginehouses, providing larger drop pits with transfer tables; repairing boilers and coaling plants; replacing generator units; and providing additional transformer and switching stations.

Improvements in classification, coach, and repair yards and shops were completed or in progress at Rensselaer and East Syracuse, New York; Collinwood and Toledo, Ohio; Detroit, Michigan; Beech Grove and Gibson, Indiana; and Englewood and Root Street Yard, Chicago, Illinois. These improvements include rearrangement and expansion of tracks and office and shop facilities.

Additional facilities for the storage of Diesel fuel oil and for inspection and servicing of Diesel-electric power were installed or are in the process of being installed at West Springfield, Massachusetts; Harmon, Utica, Minoa, and Corning, New York; Nottingham and Stanley, Ohio; Detroit, Michigan; Gibson and Indiana Harbor, Indiana; and Englewood, Illinois. The work includes the installation of new storage tanks, conversion of engine-house stalls for use by Diesel-electric power and extensions to Diesel-electric locomotive repair shops.

Installation of Electro-Metallurgical stone unloader at Dock No. 9, Ashtabula, Ohio, and repairs to certain docks at this locality were in progress during the year.

Grade crossing elimination or reconstruction projects were completed at three locations in Massachusetts, twelve in New York, two in Ohio, two in Indiana, and one in Illinois. Nine projects are under way in New York and three in Ohio.

Highway grade crossing protection improvements were made at many locations by the substitution of automatic flashing light signals and electric short-arm gates.

Construction of two circuit breaker houses and the installation of improved switch-board, circuit breakers and other equipment for the Detroit River Tunnel electric operation were completed.

Agreement was entered into by this Company; the CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD COMPANY; and the City of Chicago whereby the railroad companies grant a permanent and perpetual easement and right-of-way to the City of Chicago for the construction, reconstruction, maintenance and operation of the Congress Street Superhighway through their property. In exchange the City of Chicago agreed to convey to the railroad companies a permanent and perpetual right and easement to use certain property for railroad station purposes and to construct substitute railroad station facilities in place of those disturbed or destroyed by the construction of the Superhighway through the LaSalle Street Station property. The work is to be done at the expense of the City of Chicago except for a contribution by the railroad companies for benefits to them.

The Boston Terminal Company

A plan of reorganization of THE BOSTON TERMINAL COMPANY, which includes the acquisition of the Terminal Company's properties by the using railroads and the settlement of bondholders' and reorganization claims was submitted by this Company and THE NEW YORK, NEW HAVEN & HARTFORD RAILROAD COMPANY to the Rockland-Atlas National Bank of Boston, Trustee under Indenture securing the first mortgage bonds of THE BOSTON TERMINAL COMPANY. Plan is now before the Interstate Commerce Commission for approval.

East Boston Piers

An agreement and lease among the Commonwealth of Massachusetts, represented by the Port of Boston Authority, this Company, as lessee, and BOSTON AND ALBANY RAILROAD COMPANY, as owner, were executed covering the sale by the latter company to the Commonwealth of Massachusetts of the East Boston terminal pier facilities and the leasing of such facilities by this Company for a period of twenty years.

Mileage operated

The mileage operated by the Company at the close of 1949 and 1948 was as follows:

	1949	1948	Increase or Decrease
Main line and branches	3,629.89	3,625.58	.43
Lines operated under lease or contract	6,301.20	6,300.90	.30
Trackage rights	803.80	804.14	.34
	10,734.89	10,730.62	4.27

The increase of 4.31 miles of main line and branches was due in part to the construction of the Peters Creek Extension branch between Peters Junction and Cornelia mine, West Virginia, which amounted to 13.39 miles and was authorized under Interstate Commerce Commission Finance Docket No. 15768, dated July 3, 1947. In addition, there was an increase of .02 mile on the East Bradley Branch arising from remeasurement. Partially offsetting these increases was a decrease of 9.05 miles of the Sackets Harbor Branch between Watertown Junction and Sackets Harbor, New York, abandoned under Interstate Commerce Commission Finance Docket No. 16297; a decrease of .04 mile due to realignment of track on the Gardenville Branch; and a reduction of .01 mile due to realignment of connection with the Niagara Branch.

The increase of .30 mile in line operated under lease or contract was due to operation of **ZANESVILLE TERMINAL RAILROAD** mileage between Spangler and West Zanesville, Ohio, 2.55 miles, being assumed by this Company; while the Selkirk Branch of the **BOSTON AND ALBANY RAILROAD** between Niverville and Post Road, New York, was shortened 2.23 miles owing to relocation of line. Similarly a relocation of track on the **TOLEDO AND OHIO CENTRAL RAILWAY** main line between Stanley and Thurston, Ohio, occurred at Columbus and produced a decrease of .02 mile.

The decrease of .34 mile in trackage rights arose from the removal of switchbacks on the **NICHOLAS, FAYETTE AND GREENBRIER RAILWAY** between Meadow Creek and Swiss, West Virginia.

Application has been filed with the Interstate Commerce Commission for a Certificate of Public Convenience and Necessity permitting abandonment of the Lewiston Branch between Suspension Bridge and Lewiston, New York, a distance of 5.26 miles.

INCOME ACCOUNT

	Year Ended Dec. 31, 1949	Year Ended Dec. 31, 1948	Increase or Decrease
OPERATING INCOME			
RAILWAY OPERATIONS			
Railway operating revenues	\$697,304,399 06	\$779,860,755 20	\$82,556,356 14
Railway operating expenses	597,038,306 84	667,342,966 22	70,304,659 38
NET REVENUE FROM RAILWAY OPERATIONS	\$100,266,092 22	\$112,517,788 98	\$12,251,696 76
<i>Percentage of expenses to revenues (Operating Ratio)</i>	(85.62)	(85.57)	(.05)
Railway tax accruals	\$50,857,063 29	\$54,161,592 82	\$3,304,529 53
RAILWAY OPERATING INCOME	\$49,409,028 93	\$58,356,196 16	\$8,947,167 23
Equipment rents, net debit	\$15,032,050 19	\$18,732,018 90	\$3,699,968 71
Joint facility rents, net debit	2,081,504 28	2,402,586 21	321,081 93
NET RAILWAY OPERATING INCOME	\$32,295,474 46	\$37,221,591 05	\$4,926,116 59
OTHER INCOME			
Revenues from miscellaneous operations	\$567,131 21	\$540,575 48	\$26,555 73
Income from lease of road and equipment	1,276,829 97	617,355 98	659,473 99
Miscellaneous rent income	4,514,707 36	4,432,220 97	82,486 39
Miscellaneous nonoperating physical property	2,345,363 82	2,009,998 23	335,365 59
Separately operated properties—profit	1,591,725 97	2,024,530 57	432,804 60
Dividend income	6,363,938 65	6,616,563 43	252,624 78
Income from funded securities	4,396,850 79	4,516,626 33	119,775 54
Income from unfunded securities and accounts	879,365 81	802,622 11	76,743 70
Income from sinking and other reserve funds	214,773 58	214,082 26	691 32
Release of premiums on funded debt	6,032 11	9,187 92	3,155 81
Miscellaneous income	73,164 14	99,909 23	26,745 09
TOTAL OTHER INCOME	\$22,229,883 41	\$21,883,672 51	\$346,210 90
TOTAL INCOME	\$54,525,357 87	\$59,105,263 56	\$4,579,905 69
MISCELLANEOUS DEDUCTIONS FROM INCOME			
Expenses of miscellaneous operations	\$453,324 74	\$496,320 02	\$42,995 28
Taxes on miscellaneous operating property	70,713 07	74,659 24	3,946 17
Miscellaneous rents	337,199 41	280,006 55	57,192 86
Miscellaneous tax accruals	719,030 80	706,559 39	12,471 41
Separately operated properties—loss	90,204 97	—	90,204 97
Miscellaneous income charges	451,170 01	247,363 73	203,806 28
TOTAL MISCELLANEOUS DEDUCTIONS	\$2,121,643 00	\$1,804,908 93	\$316,734 07
INCOME AVAILABLE FOR FIXED CHARGES	\$52,403,714 87	\$57,300,354 63	\$4,896,639 76
FIXED CHARGES			
Rent for leased roads and equipment	\$19,463,897 82	\$20,132,440 95	\$668,543 13
Interest on funded debt	22,211,922 27	21,331,214 86	880,707 41
Interest on unfunded debt	834,251 14	986,434 38	152,183 24
Amortization of discount on funded debt	165,827 74	123,168 32	42,659 42
TOTAL FIXED CHARGES	\$42,675,898 97	\$42,573,258 51	\$102,640 46
NET INCOME	\$9,727,815 90	\$14,727,096 12	\$4,999,280 22

INCLUDED IN RAILWAY OPERATING EXPENSES ARE:

Road property depreciation	\$10,492,628 12	\$10,356,296 62	\$136,331 50
Equipment depreciation and amortization	\$24,536,739 19	\$23,285,228 49	\$1,251,510 70
Shop and power-plant machinery depreciation	\$952,359 65	\$919,330 98	\$33,028 67

Included in other income and rent for leased roads and equipment are certain inter-company transactions representing credits and corresponding debits amounting to

Also included in other income are items representing interest and dividends amounting to

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.

Italics indicate decrease.

COMPARATIVE GENERAL BALANCE SHEET

ASSETS

			Increase or Decrease
December 31, 1948	INVESTMENTS	December 31, 1949	
\$728,048,397 79	Investment in road	\$734,828,538 33	\$6,780,140 54
	Investment in equipment		
216,160,001 83	Trust	283,427,392 74	67,267,390 91
344,772,302 40	Owned	339,202,747 20	5,569,555 20
128,735,563 32	Improvements on leased property	129,166,180 56	430,617 24
Cr. 839,212 28	Acquisition adjustment	Cr. 839,212 28	—
Cr. 2,160,194 53	Donations and grants	Cr. 2,166,301 12	6,106 59
\$1,414,716,858 53	INVESTMENT IN TRANSPORTATION PROPERTY	\$1,483,619,345 43	\$68,902,486 90
	Cr. \$31,011,208 21	Accrued depreciation—Road	\$3,632,942 75
	Cr. 250,475,694 77	Accrued depreciation—Equipment	2,350,438 38
		Accrued amortization of defense	
Cr. 4,135,824 54	projects—Road	Cr. 4,118,166 73	17,657 81
Cr. 88,592,204 49	Accrued amortization of defense	Cr. 90,922,902 05	2,330,697 56
	projects—Equipment		
Cr. 374,214,932 01	TOTAL ACCRUED DEPRECIATION AND AMORTIZATION	Cr. 382,511,352 89	\$8,296,420 88
	INVESTMENT IN TRANSPORTATION PROPERTY LESS RECORDED DEPRECIATION AND		
	AMORTIZATION		
\$1,040,501,926 52	Capital and reserve funds	\$1,101,107,992 54	\$60,606,066 02
16,017,864 89	\$51,123,234 89	10,414,485 38	5,603,379 51
	Miscellaneous physical property	\$52,203,261 78	\$1,080,026 89
	Accrued depreciation—Miscellaneous		
Cr. 19,490,668 41	physical property	Cr. 20,688,498 61	1,197,830 20
31,632,566 48	MISCELLANEOUS PHYSICAL PROPERTY LESS RECORDED DEPRECIATION	31,514,763 17	\$117,803 31
	Investments in affiliated companies (Note A)		
	\$179,904,093 64	Stocks	\$189,580 00
	46,015,153 09	Bonds	10,910 00
	274,108 16	Other secured obligations	—
	40,007,162 82	Unsecured notes	5,552,088 50
	152,808,859 77	Investment advances	3,134,605 61
419,009,377 48	TOTAL INVESTMENTS IN AFFILIATED COMPANIES	410,122,193 37	\$8,887,184 11
	Other investments (Note A)		
	\$27,569,471 81	Stocks	\$962 91
	3,616,523 25	Bonds	600 00
	1,822,910 18	Other secured obligations	104,345 97
	314 36	Unsecured notes	35 06
	14,426,754 57	Investment advances	3,259,907 11
47,435,974 17	TOTAL OTHER INVESTMENTS	44,073,248 94	\$3,362,725 23
\$1,554,597,709 54	TOTAL INVESTMENTS	\$1,597,232,683 40	\$42,634,973 86
	CURRENT ASSETS		
\$34,850,167 82	Cash (Note B)	\$36,330,186 79	\$1,480,018 97
25,037,974 65	Temporary cash investments	25,392,681 67	354,707 02
7,545,115 90	Special deposits	3,918,969 96	3,626,145 94
655 82	Loans and bills receivable	3,222 32	2,566 50
13,550,915 00	Net balance receivable from agents and conductors	15,477,316 82	1,926,401 82
25,878,704 62	Miscellaneous accounts receivable	20,115,229 67	5,763,474 95
64,559,638 98	Material and supplies	53,066,839 16	11,492,799 82
1,807,613 68	Interest and dividends receivable	1,841,755 82	34,142 14
13,583,949 03	Accrued accounts receivable	11,850,815 00	1,733,134 03
1,379,171 18	Other current assets	476,124 99	903,046 19
\$188,193,906 68	TOTAL CURRENT ASSETS	\$168,473,142 20	\$19,720,764 48
	DEFERRED ASSETS		
\$248,999 43	Working fund advances	\$269,053 46	\$20,054 03
1,870,337 45	Insurance and other funds	1,942,382 68	72,045 23
2,998,410 05	Other deferred assets	2,249,119 58	749,290 47
\$5,117,746 93	TOTAL DEFERRED ASSETS	\$4,460,555 72	\$657,191 21
	UNADJUSTED DEBITS		
\$564,459 09	Prepayments	\$384,775 73	\$179,683 36
561,042 99	Discount on funded debt	823,397 87	262,354 88
5,214,204 44	Other unadjusted debits	3,665,732 29	1,548,472 15
\$6,339,706 52	TOTAL UNADJUSTED DEBITS	\$4,873,905 89	\$1,465,800 63
\$1,754,249,069 67		\$1,775,040,287 21	\$20,791,217 54

Italics indicate decrease.

Please see page 38 for notes.

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

December 31, 1948	Stock	December 31, 1949	Increase or Decrease
\$562,332,426 40	Capital stock	\$562,332,426 40	—
LONG TERM DEBT			
	Funded debt unmatured		
\$468,612,000 00	Mortgage bonds	\$468,531,000 00	\$81,000 00
5,500,000 00	Debenture bonds	5,500,000 00	—
\$474,112,000 00		\$474,031,000 00	\$81,000 00
115,835,760 00	Equipment obligations	151,775,480 00	35,939,720 00
42,169,045 73	Amounts payable to affiliated companies (Note C)	42,292,070 59	123,024 86
\$632,116,805 73		\$668,098,550 59	\$35,981,744 86
\$1,194,449,232 13		\$1,230,430,976 99	\$35,981,744 86
CURRENT LIABILITIES			
	Traffic and car-service balances—credit		
\$8,442,676 66	Audited accounts and wages payable (Note D)	\$8,887,134 97	\$444,458 31
37,183,333 52	Miscellaneous accounts payable	31,589,574 14	5,593,759 38
17,389,814 04	Interest matured unpaid	14,715,285 99	2,674,528 05
3,036,321 51	Dividends matured unpaid	3,123,626 84	87,305 33
151,232 85	Unmatured interest accrued	154,516 53	3,283 68
4,929,042 61	Unmatured dividends declared	5,175,859 48	246,816 87
3,223,696 98	Accrued accounts payable	—	3,223,696 98
21,322,314 57	Taxes accrued	15,135,698 07	6,186,616 50
15,319,144 96	Other current liabilities	18,122,048 06	2,802,903 10
14,589,783 63		10,946,970 70	3,642,812 93
\$125,587,361 33		\$107,850,714 78	\$17,736,646 55
DEFERRED LIABILITIES			
	Liability to lessor companies for equipment		
\$4,216,763 42	Other deferred liabilities (Note E)	\$4,216,763 42	\$2,130,694 15
32,706,267 12		30,575,572 97	
\$36,923,030 54		\$34,792,336 39	\$2,130,694 15
UNADJUSTED CREDITS			
	Premium on funded debt		
\$9,599 33	Insurance reserves	\$3,567 22	\$6,032 11
6,209,594 07	Other unadjusted credits (Note F)	6,278,568 42	68,974 35
31,184,061 38	Accrued depreciation—Leased property	25,078,082 56	6,105,978 82
73,282,251 89		73,946,089 04	663,837 15
\$110,685,506 67		\$105,306,307 24	\$5,379,199 43
SURPLUS			
	Unearned surplus		
\$35,517 30	Earned surplus—Appropriated	\$35,854 38	\$337 08
7,919,758 27	Earned surplus—Unappropriated (Note G)	8,074,842 19	155,083 92
278,648,663 43		288,549,255 24	9,900,591 81
\$286,603,939 00		\$296,659,951 81	\$10,056,012 81
\$1,754,249,069 67		\$1,775,040,287 21	\$20,791,217 54

Italics indicate decrease.

Please see page 38 for notes.

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, 1949, includes \$3,556,280.48 in Canadian funds.

NOTE C—As of December 31, 1949, comprises liability to lessor companies for which the New York Central is obligated to make settlement:

Equipment.....	\$24,338,923	60
Material and supplies.....	\$15,248,065	98
Miscellaneous.....	\$2,705,081	01
NOTE D—As of December 31, 1949, includes \$604,589.72 payable in Canadian funds.		
NOTE E—As of December 31, 1949, includes:		
Amounts payable to State of New York as New York Central proportion of certain grade crossing eliminations.....	\$26,207,965	64
NOTE F—As of December 31, 1949, includes accruals for injuries to persons and loss and damage—freight.....	\$18,329,130	55
NOTE G—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	\$9,727,815	90
Non-cash charges to income:		
Provision for depreciation—road and equipment—and amortization of war emergency facilities—equipment	\$35,981,726	96
Less: Applicable to leased property for which settlement was made with Lessors	9,753,221	88
Personal injuries, loss and damage and insurance—excess of expenditures over reserves	1,651,543	75
Proceeds from sale of property, easements, and funds released by Trustees	6,827,379	05
Repayment of advances from affiliated companies—net	11,692,567	19
Other miscellaneous items	331,623	29
	TOTAL ADDITIONS	
		\$53,156,346
		76

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	\$37,028,586	27
Retirement of long term debt (bonds) and equipment obligations—cost	17,378,741	25
Purchase of securities of affiliated companies—cost	82,330	00
Installments on grade crossing elimination indebtedness	650,807	17
	TOTAL DEDUCTIONS	
		55,140,464
		69
	DECREASE IN WORKING CAPITAL	
		\$1,984,117
		93

INVESTMENTS

IMPROVEMENTS ON LEASED OR CONTROLLED PROPERTY

Amsterdam, Chuctanunda and Northern Railroad	\$21,448	66
Beech Creek Extension Railroad	1,454,385	25
Beech Creek Railroad	9,988	21
Boston and Albany Railroad	719,245	28
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	157,613	97
Detroit, Toledo & Milwaukee Railroad	540	60
Erie and Kalamazoo Railroad	157,425	26
Fort Wayne and Jackson Railroad	349,612	02
Grand Central Terminal Improvements, New York	52,064,802	82
Hudson River bridges at Albany	1,504,069	66
Hudson River Connecting Railroad	188,579	03
Improvements on leased piers, New York	654,211	88
Improvements to ticket office, Chicago, Illinois	98,331	15
Joliet and Northern Indiana Railroad	151,251	93
Kalamazoo, Allegan and Grand Rapids Railroad	44,577	60
Lake Erie, Alliance & Wheeling Railroad	2,610,021	28
Mahoning and Shenango Valley Railway	5,229	29
Mahoning Coal Railroad	249,763	70
Michigan Central Railroad	101,179	43
Mt. Gilead Short Line Railway	13,217	99
New Jersey Junction Railroad	610,700	93
New York and Harlem Railroad	2,989,288	98
New York State Realty and Terminal Company	2,140,920	82
Shenango Valley Railroad	3,959	36
Stewart Railroad	469	30*
Stockyards, New York—West Side	1,220,954	15
Toledo and Ohio Central Railway	335,101	71
Troy and Greenbush Railroad	229,212	81
Wallkill Valley Railroad	225,702	93
West Shore Railroad	26,778,977	90
	TOTAL	
		\$129,166,180
		56

* 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	\$13,498,789 17	\$14,437,714 34
247 Park Avenue (Park-Lexington Buildings) Offices	210,397 44	—	210,397 44
250 Park Avenue (Postum Building) 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	1,124,675 81	1,444,519 58
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	1,334,612 12	1,393,975 55
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)	—	3,459,697 50	3,459,697 50
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	1,691,257 64	1,803,091 39
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	—	371,103 89	371,103 89
422 Eleventh Avenue	—	695,130 51	695,130 51
59th Street and Eleventh Avenue	—	182,531 11	182,531 11
Putnam bridge across Harlem River	—	243,121 00	243,121 00
Kingsbridge (Marble Hill)	—	548,162 73	548,162 73
Miscellaneous—various locations	—	133,487 21	133,487 21

TOTAL—AT NEW YORK

\$4,710,205 30

\$41,314,276 84

\$46,024,482 14

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	—	85,448 56	85,448 56
Land, Keating to Browns, Pennsylvania	—	604,427 89	604,427 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	—	751,575 35	751,575 35
Land and Buildings, Rockport, Ohio	—	417,880 24	417,880 24
Land and Buildings, Holland, Ohio	—	209,545 33	209,545 33
Buildings, Toledo, Ohio	—	466,537 20	466,537 20
Land and Buildings, Chicago, Illinois	—	1,041,401 87	1,041,401 87
Land, Buildings, etc., various locations	—	763,234 74	763,234 74
Stockyards, Buffalo, New York	—	631,435 04	631,435 04
Track material leased	—	55,609 02	55,609 02
Special assessments for paving, etc., various locations	—	93,960 75	93,960 75

TOTAL

\$4,710,205 30

\$47,493,056 48

\$52,203,261 78

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
Clelfeld 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		
The Cleveland Union Terminals Company	\$10,000 00	71	7,100 00	\$55,989,318 90
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	186,882	18,688,200 00	31,282,623 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
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			
			\$165,087,893 33	\$179,714,513 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, 4 1/2%, 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, 4 1/2%, 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, 4 1/2%, 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	44,000 00	11,000 00	11,000 00
Jackson, Lansing & Saginaw Railroad Co. first mortgage 3 1/2%, due Sept. 1, 1951	555,000 00	6,000 00	6,090 00
The Lake Erie and Pittsburg Railway Co first mortgage—series A, 4 1/2%, due July 1, 1965	3,436,000 00	1,718,000 00	1,718,000 00
	Carried forward	\$45,117,000 00	\$43,709,015 88

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

INVESTMENTS

HELD BY THIS COMPANY

	TOTAL OUTSTANDING	Brought forward	Par value	Ledger value
INVESTMENTS IN AFFILIATED COMPANIES—BONDS (concluded)				
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, 3 3/4%, 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, 2361	46,745,500 00		26,000 00	22,472 21
	TOTAL		\$48,614,500 00	\$46,004,243 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				
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			92,254 97	1 00
	TOTAL		\$35,037,496 24	\$34,455,074 32
INVESTMENTS IN AFFILIATED COMPANIES—INVESTMENT ADVANCES				
Beech Creek Railroad Company			\$2,267,218 04	
The Boston Terminal Company			56,067 27	
Central Indiana Railway Company			38,610 00	
Cherry Tree and Dixonville Railroad Company			36,907 87	
The Chicago River and Indiana Railroad Company			3,550,000 00	
The Cincinnati Union Terminal Company			727,717 69	
Clearfield Bituminous Coal Corporation			1,027,455 46	
The Cleveland, Cincinnati, Chicago and St. Louis Railway Company			50,319,018 53	
The Cleveland Union Terminals Company			32,749,157 54	
Dayton Union Railway Company			335,654 63	
The Federal Valley Railroad Company			49,010 85	
The Hudson River Connecting Railroad Corporation			819,974 10	
Indiana Harbor Belt Railroad Company			884,300 00	
The Lake Erie, Alliance & Wheeling Railroad Company			198,509 82	
The Lake Erie and Pittsburg Railway Company			84,683 66	
The Lakefront Dock and Railroad Terminal Company			934,662 50	
Lansing Manufacturers Railroad			207,139 54	
Lansing Transit Railway Company			9,407 48	
The Mackinac Transportation Company			362 91	
The Mahoning State Line Railroad Company			41 42	
The Michigan Central Railroad Company			12,735 13	
New York State Realty and Terminal Company			24,464,645 33	
Nicholas, Fayette and Greenbrier Railroad Company			2,030,998 47	
Ottawa and New York Railway Company			188,361 56	
The Owasco River Railway			6,216 67	
The Pittsburgh, McKeesport and Youghiogheny Railroad Company			9,967,851 03	
Railway Express Agency, Incorporated			4,035,588 65	
The St. Lawrence & Adirondack Railway Company			450,504 10	
The Toledo and Ohio Central Railway Company			14,086,025 51	
Union Depot Company (Columbus, Ohio)			135,428 40	
	TOTAL		\$149,674,254 16	

INVESTMENTS

			HELD BY THIS COMPANY
	SHARES	Par value	Ledger value
OTHER INVESTMENTS—STOCKS			
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	458,4621	47,103 96	8,804 87
	TOTAL	\$41,760,553 96	\$27,570,434 72
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*	84,800 00
Other companies		8,766 00	4,502 00
	TOTAL	\$3,796,766 00	\$3,617,123 25
OTHER INVESTMENTS—OTHER SECURED OBLIGATIONS			
Detroit Coal Company—Land contract		\$14,977 18	\$14,977 18
Linden Securities Corporation		1,633,236 00	1,633,236 00
Robbins—Land contract		1,702 94	1,702 94
Wilkinson—Land contract		1,380 35	1,380 35
Wolf Warehouse, Inc.—Land contract		67,267 74	67,267 74
	TOTAL	\$1,718,564 21	\$1,718,564 21
OTHER INVESTMENTS—UNSECURED NOTES			
Consolidated Cement Corporation		\$180 00	\$180 00
Consumers' Home Equipment Company		99 30	99 30
	TOTAL	\$279 30	\$279 30
OTHER INVESTMENTS—INVESTMENT ADVANCES			
Boston and Albany Railroad Company		\$10,510,355 38	
Hotel Waldorf-Astoria Corporation		656,492 08	
	TOTAL	\$11,166,847 46	

* Maturity value

EXPENDITURES IN 1949 FOR ADDITIONS AND BETTERMENTS ON OWNED PROPERTY

ROAD

	EXPENDITURES	RETIREMENT	NET DEBIT
Engineering	\$389,086 70	\$87,791 26	\$301,295 44
Land for transportation purposes	75,959 70	182,557 47	106,597 77*
Other right-of-way expenditures	27,204 90	—	27,204 90
Grading	330,936 26	32,756 93	298,179 33
Bridges, trestles, and culverts	486,679 97	131,757 69	354,922 28
Elevated structures	9 35*	—	9 35*
Ties	152,180 90	116,350 04	35,830 86
Rails	243,695 01	118,802 48	124,892 53
Other track material	503,949 92	124,790 37	379,159 55
Ballast	75,678 13	46,701 61	28,976 52
Track laying and surfacing	453,371 18	88,262 57	365,108 61
Fences, snowsheds, and signs	9,637 91	9,592 62	45 29
Station and office buildings	1,374,926 94	248,359 23	1,126,567 71
Roadway buildings	60,943 35	58,345 09	2,598 26
Water stations	152,248 34	51,007 35	101,240 99
Fuel stations	458,227 21	53,108 88	405,118 33
Shops and enginehouses	735,028 71	62,171 54	672,857 17
Grain elevators	1,790 63*	—	1,790 63*
Wharves and docks	—	5,728 00	5,728 00*
Coal and ore wharves	117,042 83	1,089 00	115,953 83
Telegraph and telephone lines	644,259 39	41,786 16	602,473 23
Signals and interlockers	1,509,847 49	464,578 76	1,045,268 73
Power plants	21,212 34	4,799 92	16,412 42
Power-transmission systems	460,660 62	69,136 00	391,524 62
Miscellaneous structures	3,576 22	6,832 46	3,256 24*
Roadway machines	282,308 39	266,044 47	16,263 92
Roadway small tools	—	4,778 00	4,778 00*
Public improvements—Construction	196,810 26	41,938 18	154,872 08
Shop machinery	621,128 43	331,924 26	289,204 17
Power-plant machinery	251,878 46	46,199 98	205,678 48
Unapplied construction material and supplies	962 79*	—	962 79*
General officers and clerks	—	691 28	691 28*
Law	—	421 51	421 51*
Stationery and printing	—	50 58	50 58*
Taxes	—	236 05	236 05*
Interest during construction	32,425 97*	124,408 79	156,834 76*
Other expenses—General	—	151 75	151 75*
 TOTAL ROAD	 \$9,603,290 82	 \$2,823,150 28	 \$6,780,140 54

EQUIPMENT†

Steam locomotives	\$678,929 61	\$10,910,522 35	\$10,231,592 74*
Other locomotives	24,399,893 55	325,482 26	24,074,411 29
Freight-train cars	31,331,884 93	6,633,065 67	24,698,819 26
Passenger-train cars	23,150,506 99	573,765 69	22,576,741 30
Floating equipment	19,499 96	64,617 08	45,117 12*
Work equipment	1,064,663 96	669,818 90	394,845 06
Miscellaneous equipment	294,382 88	64,654 22	229,728 66
 TOTAL	 \$80,939,761 88	 \$19,241,926 17	 \$61,697,835 71

NET INCREASE FOR THE YEAR

Investment in road and equipment as of December 31, 1948

TOTAL AS OF DECEMBER 31, 1949

\$68,477,976 25

1,288,980,702 02

\$1,357,458,678 27

* Credit.

† Including trust equipment.

**EXPENDITURES IN 1949 FOR ADDITIONS AND BETTERMENTS
ON OWNED PROPERTY**

ANALYSIS OF CHANGES IN EQUIPMENT INVESTMENT ACCOUNT

EQUIPMENT ADDED, INCLUDING BETTERMENTS	TRUST	OWNED	TOTAL	TRANSFERRED TO OWNED EQUIPMENT ON MATURITY
				OF TRUSTS
Steam locomotives	\$14,678 29	\$664,251 32	\$678,929 61	—
Other locomotives	23,837,039 36	562,854 19	24,399,893 55	\$60,241 12
Freight-train cars	30,325,961 59	1,005,923 34	31,331,884 93	5,695,204 74
Passenger-train cars	22,301,214 81	849,292 18	23,150,506 99	—
Floating equipment	—	19,499 96	19,499 96	—
Work equipment	325 09	1,064,338 87	1,064,663 96	—
Miscellaneous equipment	—	294,382 88	294,382 88	—
TOTAL	\$76,479,219 14	\$4,460,542 74	\$80,939,761 88	\$5,755,445 86

EQUIPMENT RETIRED	
Steam locomotives	\$32,811 31
Other locomotives	315,667 80*
Freight-train cars	3,107,903 26*
Passenger-train cars	—
Floating equipment	—
Work equipment	—
Miscellaneous equipment	—
TOTAL	\$3,456,382 37

NET INCREASE IN TRUST EQUIPMENT	\$67,267,390 91
NET DECREASE IN OWNED EQUIPMENT	5,569,555 20
NET INCREASE IN EQUIPMENT INVESTMENT	\$61,697,835 71

* Includes equipment transferred to M C R R and C C C & St L Ry ownership:

Other locomotives	\$315,667 80
Freight-train cars	\$3,022,839 59

**EXPENDITURES IN 1949 FOR ADDITIONS AND BETTERMENTS
ON LEASED PROPERTY**

Beech Creek Extension Railroad	\$7,333 10
Boston and Albany Railroad	77,402 14
Detroit, Hillsdale and South Western Railroad	1,548 00*
Erie and Kalamazoo Railroad	16 72
Fort Wayne and Jackson Railroad	175 49
Grand Central Terminal Improvements, New York	391,723 82
Hudson River bridges at Albany	333 79
Improvements on leased piers, New York	3,184 07
Joliet and Northern Indiana Railroad	18,033 81
Kalamazoo, Allegan and Grand Rapids Railroad	1,008 33
Lake Erie, Alliance & Wheeling Railroad	86,603 11
Mahoning and Shenango Valley Railway	166 20
Mahoning Coal Railroad	19,254 70
New Jersey Junction Railroad	4,532 07*
New York and Harlem Railroad	138,940 01
New York State Realty and Terminal Company property	651 81
Toledo and Ohio Central Railway	3,874 87*
Troy and Greenbush Railroad	9,446 27
Wallkill Valley Railroad	12,530 00*
West Shore Railroad	301,171 19*
 NET INCREASE FOR THE YEAR	 \$430,617 24

* Credit

EXPENDITURES IN 1949 ON MISCELLANEOUS PHYSICAL PROPERTY

Buildings, Kingsbridge (Marble Hill) New York, New York	\$548,162 73
Apartment building, 320 Park Avenue, New York, New York	538,662 76
Barclay Hotel, 115 East 48th Street, New York, New York	33,323 55
Biltmore Hotel, 33-55 East 43rd Street, New York, New York	37,195 86
Park Lane Hotel, 299 Park Avenue, New York, New York	28,953 95
Land, Watertown Junction to Sackets Harbor, New York	17,948 96
Miscellaneous—various locations	35,987 86
 NET INCREASE FOR THE YEAR	 \$1,240,235 67

Less:

Land, Cleveland, Ohio	\$51,085 68
Building, Syracuse, New York	22,391 46
Commercial tracks and sidings	41,368 88
Miscellaneous—various locations	45,362 76
	160,208 78

NET INCREASE FOR THE YEAR	\$1,080,026 89
Investment in miscellaneous physical property as of December 31, 1948	51,123,234 89
 TOTAL AS OF DECEMBER 31, 1949	 \$52,203,261 78

CAPITALIZATION

DECEMBER 31, 1949

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

FUNDDED 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&HRRCo—Spuyten Duyvil & Pt Morris first ③	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 ④	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	3,901,000 00	4%	Apr. and Oct.
Lake Shore & Michigan Southern Ry Co gold ④	1897	June 1, 1997	50,000,000 00	50,000,000 00	3½%	June and Dec.
N Y C & H R R Co gold mortgage ④	1897	July 1, 1997	100,000,000 00	100,000,000 00	3½%	Jan. and July
N Y C & H R R Co—Lake Shore collateral gold ②*†	1898	Feb. 1, 1998	90,578,400 00	21,217,000 00	3½%	Feb. and Aug.
N Y C & H R R Co—Mich Central collateral gold ②*†	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 ②	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			\$694,636,000 00		

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

N Y C & H R R Co gold	\$6,000,000 00
N Y C & H 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	\$468,531,000 00

* Secured by N Y C & H 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 N Y C & H R R R Co	Date of issue 1900	Date of maturity July 1, 2000	Amount of authorized issue \$5,500,000 00	Amount issued and now outstanding \$5,500,000 00	Rate of interest 3½%	Payable on Jan. 1 and July 1
EQUIPMENT TRUST OBLIGATIONS						
Equipment trust certificates	⑥ 1937	Mar. 15, 1952	4,290,000 00	\$858,000 00	2½%	Mar. 15, Sept. 15
Equipment trust certificates	⑨ 1940	June 1, 1950	10,400,000 00	1,040,000 00	2%	June 1, Dec. 1
Equipment trust certificates	⑥ 1941	Feb. 15, 1951	10,900,000 00	2,180,000 00	1½%	Feb. 15, Aug. 15
Equipment trust certificates	② 1941	July 15, 1951	15,000,000 00	3,000,000 00	2½%	Jan. 15, July 15
Equipment trust certificates	⑨ 1943	June 1, 1953	5,300,000 00	2,120,000 00	2%	June 1, Dec. 1
Equipment trust certificates	⑨ 1944	Sept. 1, 1954	15,500,000 00	7,750,000 00	1½%	Mar. 1, Sept. 1
Equipment trust certificates	② 1945	May 1, 1955	7,500,000 00	4,500,000 00	1½%	May 1, Nov. 1
Equipment trust certificates	⑩ 1945	Aug. 15, 1955	8,800,000 00	5,280,000 00	1½%	Feb. 15, Aug. 15
Equipment trust certificates	⑧ 1946	Jan. 1, 1956	17,700,000 00	12,390,000 00	1½%	Jan. 1, July 1
Equipment trust certificates	⑤ 1947	Jan. 1, 1957	20,000,000 00	16,000,000 00	2%	Jan. 1, July 1
Equipment trust certificates	② 1947	Aug. 15, 1957	9,400,000 00	7,520,000 00	2½%	Feb. 15, Aug. 15
Equipment trust certificates	⑨ 1948	Jan. 15, 1958	12,800,000 00	11,520,000 00	2½%	Jan. 15, July 15
Equipment trust certificates	⑩ 1948	Mar. 15, 1958	12,600,000 00	11,340,000 00	2½%	Mar. 15, Sept. 15
Equipment trust certificates	⑧ 1948	Sept. 15, 1958	13,800,000 00	12,420,000 00	2½%	Mar. 15, Sept. 15
Equipment trust certificates	② 1949	Jan. 1, 1964	9,720,000 00	9,720,000 00	2½%	Jan. 1, July 1
Equipment trust certificates	⑨ 1949	Mar. 15, 1964	12,300,000 00	12,300,000 00	2½%	Mar. 15, Sept. 15
Equipment trust certificates	⑩ 1949	May 15, 1964	10,725,000 00	10,725,000 00	2½%	May 15, Nov. 15
Equipment trust certificates	⑥ 1949	July 15, 1964	11,400,000 00	11,400,000 00	2½%	Jan. 15, July 15
Equipment trust certificates	② 1949	Oct. 1, 1964	9,120,000 00	9,120,000 00	2½%	Apr. 1, Oct. 1
TOTAL EQUIPMENT TRUST OBLIGATIONS ACTUALLY OUTSTANDING					\$151,183,000 00	
OTHER EQUIPMENT OBLIGATIONS						
Equipment agreement—series A	⑪ 1945	Apr. 1, 1953	1,142,080 00	\$499,660 00	1.45%	Jan. 1, Apr. 1
Equipment agreement—series B	⑪ 1945	Apr. 1, 1953	212,160 00	92,820 00	1.45%	July 1, Oct. 1
TOTAL EQUIPMENT AGREEMENTS ACTUALLY OUTSTANDING					\$592,480 00	
TOTAL EQUIPMENT OBLIGATIONS ACTUALLY OUTSTANDING					\$151,775,480 00	
TOTAL FUNDED DEBT ACTUALLY OUTSTANDING					\$625,806,480 00	

TRUSTEES:

- 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)

- 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 J. P. Morgan & Co., Incorporated

ASSIGNEE:

- ⑪ Public National Bank and Trust Company of New York

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, 1949	Decrease
The New York Central Railroad Company	\$744,296,923 22	\$652,014,445 64	\$82,282,477 58
Lessor companies	364,511,029 23	259,144,125 00	105,366,904 23
	\$1,108,807,952 45	\$911,158,570 64	\$197,649,381 81

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

	December 31, 1932	Average Interest Rate	December 31, 1949	Average Interest Rate
The New York Central Railroad Company	\$31,745,871 00	4.265%	\$23,295,747 78	3.573%
Lessor companies	15,656,751 00	4.295%	10,944,920 00	4.223%
	\$47,402,622 00		\$34,240,667 78	

Reduction in annual interest 1949 under 1932

The New York Central Railroad Company	\$8,450,123 22
Lessor companies	4,711,831 00
	\$13,161,954 22

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

RAILWAY OPERATING REVENUES

REVENUES FROM TRANSPORTATION	1949	1948	Increase or Decrease
Freight:			
Anthracite coal	\$9,729,140 73	\$12,190,854 60	\$2,461,713 87
Bituminous coal	82,399,022 31	100,629,280 81	18,230,258 50
Coke	4,507,446 43	5,141,113 09	633,666 66
Iron ore	6,673,089 69	7,598,351 35	925,261 66
All other freight	397,610,339 79	435,801,642 71	38,191,302 92
Total freight	\$500,919,038 95	\$561,361,242 56	\$60,442,203 61
Passenger	122,451,363 40	136,168,197 30	13,716,833 90
Baggage	367,233 16	376,593 86	9,360 70
Parlor and chair car	1,171,056 95	440,487 63	730,569 32
Mail	26,441,916 90	23,556,655 09	2,885,261 81
Express	6,662,402 43	11,983,561 09	5,321,158 66
Other passenger-train	1,021,539 53	2,550,427 97	1,528,888 44
Milk	1,783,893 27	3,113,684 91	1,329,791 64
Switching	9,899,124 00	9,970,273 19	71,149 19
Water transfers—freight	242,834 05	254,023 97	11,189 92
Water transfers—passenger	153,560 16	161,246 88	7,686 72
Water transfers—vehicles and live stock	268,261 46	271,592 23	3,330 77
Water transfers—other	117,591 09	136,284 34	18,693 25
TOTAL	\$671,499,815 35	\$750,344,271 02	\$78,844,455 67

INCIDENTAL AND JOINT FACILITY

Dining and buffet	\$9,470,482 17	\$10,883,585 33	\$1,413,103 16
Hotel and restaurant	2,364 00	2,373 75	9 75
Station, train, and boat privileges	1,304,221 70	1,408,826 80	104,605 10
Parcel room	63,178 41	89,517 09	26,338 68
Storage—freight	632,051 64	812,177 03	180,125 39
Storage—baggage	57,877 03	62,306 76	4,429 73
Demurrage	1,973,348 53	3,483,812 49	1,510,463 96
Telegraph and telephone	4,170 57	76,504 05	72,333 48
Grain elevator	477,703 17	244,025 84	233,677 33
Power	2,629,410 43	2,700,441 52	71,031 09
Rents of buildings and other property	3,070,711 18	2,827,391 39	243,319 79
Miscellaneous	5,227,644 62	5,761,433 35	533,788 73
Joint facility—Cr.	2,456,329 41	2,777,874 42	321,545 01
Joint facility—Dr.	1,564,909 15	1,613,785 64	48,876 49
TOTAL	\$25,804,583 71	\$29,516,484 18	\$3,711,900 47
GRAND TOTAL	\$697,304,399 06	\$779,860,755 20	\$82,556,356 14

RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES

Superintendence	\$6,741,780 61	\$6,824,224 75	\$82,444 14
Roadway maintenance	5,945,932 03	7,463,916 47	1,517,984 44
Tunnels and subways	231,072 57	199,532 49	31,540 08
Bridges, trestles, and culverts	2,140,243 41	2,631,837 65	491,594 24
Elevated structures	126,630 79	145,091 78	18,460 99
Ties	4,374,396 78	5,586,610 77	1,212,213 99
Rails	2,662,470 40	810,142 82	1,852,327 58
Other track material	5,597,901 77	6,172,199 93	574,298 16
Ballast	1,773,459 27	3,691,556 45	1,918,097 18
Track laying and surfacing	19,440,084 07	28,240,168 65	8,800,084 58
Fences, snowsheds, and signs	522,112 61	469,795 09	52,317 52
Station and office buildings	4,805,037 24	5,647,991 44	842,954 20
Roadway buildings	444,685 61	612,932 07	168,246 46
<i>Carried forward</i>	\$54,805,807 16	\$68,496,000 36	

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES (concluded)

		1949	1948	Increase or Decrease
	<i>Brought forward</i>			
Water stations		\$54,805,807 16	\$68,496,000 36	
Fuel stations		809,786 72	1,024,218 43	\$214,431 71
Shops and enginehouses		558,931 81	915,071 18	356,139 37
Grain elevators		3,474,227 23	4,012,271 02	538,043 79
Storage warehouses		65,053 03	21,733 14	43,319 89
Wharves and docks		1,322 70	2,614 40	1,291 70
Coal and ore wharves		357,123 47	449,066 30	91,942 83
Telegraph and telephone lines		493,603 02	421,805 93	71,797 09
Signals and interlockers		1,522,507 82	2,045,796 65	523,288 83
Power plants		6,898,125 16	8,048,806 03	1,150,680 87
Power-transmission systems		163,557 49	159,045 78	4,511 71
Miscellaneous structures		1,477,767 11	1,445,295 96	32,471 15
Road property—depreciation		41,698 20	36,770 25	4,927 95
Retirements—road		10,492,628 12	10,356,296 62	136,331 50
Roadway machines		1,579,436 46	746,248 56	833,187 90
Dismantling retired road property		1,369,786 32	1,448,883 80	79,097 48
Small tools and supplies		549,462 00	347,130 31	202,331 69
Removing snow, ice, and sand		1,717,895 41	2,094,947 80	377,052 39
Public improvements—Maintenance		1,677,916 09	4,929,085 94	3,251,169 85
Injuries to persons		1,080,063 61	1,308,352 87	228,289 26
Insurance		791,140 58	579,275 59	211,864 99
Stationery and printing		464,015 80	497,295 48	33,279 68
Other expenses		90,600 93	110,779 04	20,178 11
Maintaining joint tracks, yards, and other facilities—Dr.		70,927 76	83,843 23	12,915 47
Maintaining joint tracks, yards, and other facilities—Cr.		4,218,720 07	4,410,596 29	191,876 22
Right-of-way expenses		3,512,389 97	3,842,213 50	329,823 53
		50,951 47	45,398 70	5,552 77
TOTAL		\$91,310,665 57	\$110,194,416 16	\$18,883,750 59

MAINTENANCE OF EQUIPMENT

Superintendence		\$5,355,565 14	\$5,331,614 79	\$23,950 35
Shop machinery		2,512,529 86	3,457,277 82	944,747 96
Power-plant machinery		629,573 04	697,710 36	68,137 32
Shop and power-plant machinery—depreciation		952,359 65	919,330 98	33,028 67
Dismantling retired shop and power-plant machinery		15,449 61	26,624 57	11,174 96
Steam locomotives—repairs		42,965,170 48	54,831,055 28	11,865,884 80
Other locomotives—repairs		8,645,742 75	6,360,439 71	2,285,303 04
Freight-train cars—repairs		32,067,758 71	37,701,523 42	5,633,764 71
Passenger-train cars—repairs		13,982,008 44	18,136,507 16	4,154,498 72
Floating equipment—repairs		1,871,642 62	2,350,081 36	478,438 74
Work equipment—repairs		1,685,004 77	2,662,613 44	977,608 67
Miscellaneous equipment—repairs		194,373 65	196,025 56	1,651 91
Dismantling retired equipment		301,941 92	293,033 61	8,908 31
Retirements—equipment		51,730 65*	64,206 08*	12,475 43
Equipment—depreciation		22,144,691 61	20,892,371 66	1,252,319 95
Equipment—Amortization of defense projects		2,392,047 58	2,392,856 83	809 25
Injuries to persons		746,620 72	610,983 46	135,637 26
Insurance		987,795 68	987,578 49	217 19
Stationery and printing		179,022 86	217,255 17	38,232 31
Other expenses		34,047 05	86,850 45	52,803 40
Joint maintenance of equipment—Dr.		1,009,116 50	1,092,903 98	83,787 48
Joint maintenance of equipment—Cr.		229,343 08	257,454 19	28,111 11
TOTAL		\$138,391,388 91	\$158,922,977 83	\$20,531,588 92

TRAFFIC

Superintendence		\$4,947,483 66	\$4,942,230 43	\$5,253 23
Outside agencies		4,499,778 37	4,595,762 77	95,984 40
Advertising		1,000,910 61	1,441,648 62	440,738 01
Traffic associations		472,693 31	430,778 30	41,915 01
Fast freight lines		1,478 52	608 26	870 26
Industrial and immigration bureaus		263,278 41	341,564 07	78,285 66
Insurance		887 49	2,888 24	2,000 75
Stationery and printing		552,652 40	575,967 54	23,315 14
Other expenses		7,516 55	3,168 60	4,347 95
TOTAL		\$11,746,679 32	\$12,334,616 83	\$587,937 51

* Credit.

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

TRANSPORTATION

	1949	1948	Increase or Decrease
Superintendence	\$7,796,555 50	\$7,870,168 58	\$73,613 08
Dispatching trains	1,971,549 75	1,909,875 99	61,673 76
Station employees	50,121,380 59	54,455,310 69	4,333,930 10
Weighing, inspection, and demurrage bureaus	551,279 21	523,282 23	27,996 98
Coal and ore wharves	1,233,818 58	1,380,909 18	147,090 60
Station supplies and expenses	3,836,586 32	4,247,068 19	410,481 87
Yardmasters and yard clerks	11,483,236 05	11,471,699 47	11,536 58
Yard conductors and brakemen	26,408,340 39	28,781,517 86	2,373,177 47
Yard switch and signal tenders	4,033,678 88	3,920,075 42	113,603 46
Yard enginemen	10,212,187 28	13,065,869 00	2,853,681 72
Yard motormen	6,723,325 14	5,639,833 76	1,083,491 38
Yard switching fuel	7,268,492 86	9,003,988 15	1,735,495 29
Yard switching power produced	73,245 37	70,368 41	2,876 96
Yard switching power purchased	266,306 81	286,199 84	19,893 03
Water for yard locomotives	629,608 32	686,188 44	56,580 12
Lubricants for yard locomotives	228,369 78	249,176 87	20,807 09
Other supplies for yard locomotives	240,883 34	277,518 14	36,634 80
Enginehouse expenses—yard	4,304,841 55	4,675,717 43	370,875 88
Yard supplies and expenses	940,579 47	1,026,603 58	86,024 11
Operating joint yards and terminals—Dr.	11,133,516 30	10,806,782 22	326,734 08
Operating joint yards and terminals—Cr.	3,952,833 48	3,910,474 11	42,359 37
Train enginemen	20,206,830 95	25,547,632 46	5,340,801 51
Train motormen	6,346,809 44	4,986,820 72	1,359,988 72
Train fuel	39,713,815 21	50,327,740 04	10,613,924 83
Train power produced	356,375 01	335,248 80	21,126 21
Train power purchased	1,143,239 90	1,249,726 22	106,486 32
Water for train locomotives	2,915,920 55	3,212,475 08	296,554 53
Lubricants for train locomotives	1,626,144 50	1,704,169 25	78,024 75
Other supplies for train locomotives	646,063 59	687,544 39	41,480 80
Enginehouse expenses—train	10,937,454 75	11,088,047 98	150,593 23
Trainmen	35,331,205 77	39,511,661 62	4,180,455 85
Train supplies and expenses	20,355,746 64	20,144,910 69	210,835 95
Signal and interlocker operation	7,080,221 20	6,804,076 94	276,144 26
Crossing protection	4,296,328 68	4,130,832 25	165,496 43
Drawbridge operation	374,799 20	336,850 54	37,948 66
Telegraph and telephone operation	1,394,276 45	1,325,926 56	68,349 89
Operating floating equipment	5,533,882 22	6,266,882 50	733,000 28
Stationery and printing	1,373,947 92	1,402,055 62	28,107 70
Other expenses	186,689 21	340,046 07	153,356 86
Operating joint tracks and facilities—Dr.	1,879,213 91	1,869,540 55	9,673 36
Operating joint tracks and facilities—Cr.	2,185,266 97	2,155,476 00	29,790 97
Insurance	512,835 98	535,399 64	22,563 66
Clearing wrecks	534,326 93	792,638 70	258,311 77
Damage to property	351,720 41	676,735 85	325,015 44
Damage to live stock on right-of-way	30,576 17	27,509 81	3,066 36
Loss and damage—freight	8,318,120 31	9,038,788 27	720,667 96
Loss and damage—baggage	81,660 91	223,488 09	141,827 18
Injuries to persons	4,699,509 52	3,220,188 80	1,479,320 72
Estimated wage adjustment	—	918,000 00*	918,000 00
TOTAL	\$319,547,396 37	\$349,151,140 78	\$29,603,744 41

MISCELLANEOUS OPERATIONS

Dining and buffet service	\$12,563,099 39	\$14,926,729 15	\$2,363,629 76
Hotels and restaurants	1,534 97	1,177 78	357 19
Grain elevators	371,771 94	286,742 09	85,029 85
Producing power sold	1,799,743 97	1,790,602 97	9,141 00
Other miscellaneous operations	48,305 50	54,670 52	6,365 02
Operating joint miscellaneous facilities—Dr.	61,545 25	26,352 99	35,192 26
Operating joint miscellaneous facilities—Cr.	467,306 49	449,717 38	17,589 11
TOTAL	\$14,378,694 53	\$16,636,558 12	\$2,257,863 59

* Credit.

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

GENERAL	1949	1948	Increase or Decrease
Salaries and expenses of general officers	\$1,591,473 91	\$1,454,071 30	\$137,402 61
Salaries and expenses of clerks and attendants	12,779,733 99	12,740,945 31	38,788 68
General office supplies and expenses	927,684 56	911,973 68	15,710 88
Law expenses	1,358,694 38	1,461,630 90	102,936 52
Insurance	13,798 43	13,680 81	117 62
Pensions and gratuities \varnothing	3,489,313 47	1,932,937 87	1,556,375 60
Stationery and printing	571,296 37	619,335 50	48,039 13
Valuation expenses	629 29	721 39	92 10
Other expenses	738,258 20	784,394 66	46,136 46
General joint facilities—Dr.	273,945 76	267,465 63	6,480 13
General joint facilities—Cr.	81,346 22	83,900 55	2,554 33
TOTAL	\$21,663,482 14	\$20,103,256 50	\$1,560,225 64
GRAND TOTAL	\$597,038,306 84	\$667,342,966 22	\$70,304,659 38

\varnothing Includes \$2,253,500.00 in 1949 and \$1,291,663.00 in 1948 representing accrual for Company's funded retirement plan.

RATIO OF RAILWAY OPERATING EXPENSES
TO RAILWAY OPERATING REVENUES

	1949	1948	
Maintenance of way and structures	13.09	14.13	
Maintenance of equipment	19.85	20.38	
Traffic	1.68	1.58	
Transportation	45.83	44.77	
Miscellaneous operations	2.06	2.13	
General	3.11	2.58	
TOTAL	85.62	85.57	

RAILWAY TAX ACCRUALS

	1949	1948	Increase or Decrease
UNITED STATES GOVERNMENT			
Income: normal and surtax	\$1,669,089 74	\$1,647,015 58	\$22,074 16
Railroad retirement excise	20,926,405 95	22,360,441 71	1,434,035 76
Railroad unemployment insurance	1,749,980 86	1,951,312 66	201,331 80
Capital stock	128,887 00	1,337,605 00	1,208,718 00
Other	192,175 15	187,356 78	4,818 37
TOTAL	\$24,666,538 70	\$27,483,731 73	\$2,817,193 03
STATE, COUNTY, AND MUNICIPAL			
Real and personal property	\$23,132,329 68	\$22,111,646 14	\$1,020,683 54
Special franchise	1,605,185 91	1,731,034 78	125,848 87
Gross earnings or income	1,295,910 89	1,437,521 56	141,610 67
Capital stock	542,038 75	409,719 05	132,319 70
Transportation privilege	22,509 82	47,423 67	24,913 85
Sales, excise, liquor, and sundry others	75,647 71	45,914 57	29,733 14
Railroad Commission and Public Service assessments	13,478 95	10,857 53	2,621 42
Motor vehicle license	29,849 63	25,392 03	4,457 60
Workmen's compensation	4,271 48	10,081 27	5,809 79
TOTAL	\$26,721,222 82	\$25,829,590 60	\$891,632 22
FOREIGN			
Canadian income	\$846,725 34*	\$565,310 29	\$1,412,035 63
Canadian real and personal property	179,203 30	170,237 84	8,965 46
Canadian, other	76,321 19	69,568 38	6,752 81
Mexican income and unemployment	60,502 62	43,153 98	17,348 64
TOTAL	\$530,698 23*	\$848,270 49	\$1,378,968 72
GRAND TOTAL	\$50,857,063 29	\$54,161,592 82	\$3,304,529 53

*Credit.

Italics indicate decrease.

OTHER TAX ACCRUALS

	1949	1948	Increase or Decrease
MISCELLANEOUS OPERATING PROPERTY			
United States Government: Income and other	\$15,341 63	\$15,257 35	\$84 28
State, County, and Municipal	55,371 44	59,401 89	4,030 45
TOTAL	\$70,713 07	\$74,659 24	\$3,946 17
MISCELLANEOUS TAX ACCRUALS			
State, County, and Municipal	<u>\$719,030 80</u>	<u>\$706,559 39</u>	<u>\$12,471 41</u>

HIRE OF EQUIPMENT ACCOUNT

	1949	1948	Decrease
PAID			
Freight-train cars	\$51,738,625 45	\$65,322,219 60	\$13,583,594 15
Locomotives	39,110 54	65,029 47	25,918 93
Passenger-train cars	1,497,890 14	1,902,296 76	404,406 62
Floating equipment	670,515 24	969,828 27	299,313 03
Work equipment	9,363 79	13,419 37	4,055 58
TOTAL	\$53,955,505 16	\$68,272,793 47	\$14,317,288 31
RECEIVED			
Freight-train cars	\$37,579,820 53	\$47,990,403 56	\$10,410,583 03
Locomotives	133,228 65	195,732 30	62,503 65
Passenger-train cars	1,148,071 50	1,242,231 18	94,159 68
Floating equipment	154 75	7,155 00	7,000 25
Work equipment	62,179 54	105,252 53	43,072 99
TOTAL	\$38,923,454 97	\$49,540,774 57	\$10,617,319 60
NET DEBIT BALANCE	\$15,032,050 19	\$18,732,018 90	\$3,699,968 71

JOINT FACILITY RENT ACCOUNT

	1949	1948	Increase or Decrease
Amount PAID for use of facilities maintained by other companies	\$8,575,339 26	\$8,687,740 38	\$112,401 12
Amount RECEIVED for use of facilities maintained by this Company	6,493,834 98	6,285,154 17	208,680 81
NET DEBIT	\$2,081,504 28	\$2,402,586 21	\$321,081 93

SEPARATELY OPERATED PROPERTIES

PITTSBURGH, MCKEESPORT AND YOUGHIOGHENY RAILROAD, this Company's proportion—one-half of profit			\$1,591,725 97
CENTRAL INDIANA RAILWAY, this Company's proportion—one-half of loss		\$44,809 70	
MACKINAC TRANSPORTATION COMPANY, this Company's proportion—one-third of loss		39,262 82	
OWASCO RIVER RAILWAY, this Company's proportion of loss		6,132 45	90,204 97
NET PROFIT			\$1,501,521 00

Italics indicate decrease.

DIVIDEND INCOME

	1949	1948	Increase or Decrease
Beech Creek Railroad Company	\$108,026 00	\$61,057 78	\$46,968 22
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	1,241,882 50	998,732 50	243,150 00
Merchants Despatch Transportation Corporation	472,500 00	367,500 00	105,000 00
New Gauley Coal Corporation	36,603 00	—	36,603 00
Niagara Junction Railway Company	30,000 00	—	30,000 00
Northern Refrigerator Line, Inc.	300,000 00	300,000 00	—
Northern Refrigerator Line, Inc.	—	954,000 00*†	954,000 00
The Pittsburgh and Lake Erie Railroad Company	1,735,936 00	3,471,872 00	1,735,936 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	1,400,000 00	1,268,550 00	131,450 00
The Toronto, Hamilton and Buffalo Railway Company	255,440 00	319,300 00	63,860 00
Union Depot Company (Columbus, Ohio)	2,983 90	2,983 90	—
United States Cold Storage Corporation	87,500 00	87,500 00	—
The Wallkill Valley Railroad Company	11,550 00	11,550 00	—
Other companies' stock	9,102 50	9,102 50	—
TOTAL	\$6,363,938 65	\$6,616,563 43	\$252,624 78

INCOME FROM FUNDED SECURITIES

	1949	1948	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	\$67,837 50
3½% terminal bonds—1951	12,530 00	12,438 41	91 59
3½% refunding bonds—1952	87,150 00	86,058 47	1,091 53
Central Detroit Warehouse Company—Land Contract	2,758 85	4,008 28	1,249 43
Cherry Tree and Dixonville R. R. Co. 4½% first mortgage bonds, series A—1966	25,515 00	25,515 00	—
Chicago and Harrisburg Coal Company—Advances	12,058 22	—	12,058 22
Clearfield Bituminous Coal Corporation—Notes and advances	72,390 20	75,609 20	3,219 00
The Cleveland, Cincinnati, Chicago and St. Louis Railway Co.:			
4½% refunding and improvement mortgage bonds, series E—1977	171,495 00	168,048 97	3,446 03
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 69	1,252,553 65	04
Despatch Shops, Inc.—Notes	57,616 45	78,086 06	20,469 61
Indiana Harbor Belt Railroad Company—Advances	11,361 85	6,850 89	4,510 96
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 Pittsburgh Railway Co.:			
4½% first mortgage bonds—1965	77,508 75	78,086 25	577 50
5% first mortgage bonds—1965	—	170 83	170 83
Linden Securities Corporation—Advances	148,476 00	296,952 00	148,476 00
Louisville & Jeffersonville Bridge and R. R. Co.—Advances †	320,373 75	320,652 60	278 85
New York State Realty and Terminal Company—Advances	69,125 06	75,299 36	6,174 30
The Peoria and Eastern Railway Co.:			
4% first consolidated mortgage bonds—1960	6,820 00	6,820 00	—
Open accounts, etc.	34,681 64*	69,915 61*	35,233 97
The Pittsburgh, McKeesport and Youghiogheny R. R. Co.—Notes	18,000 00	18,000 00	—
Railway Express Agency, Inc.—Advances	205,301 00	197,719 43	7,581 57
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	13,525 70	—
United States Treasury Certificates of Indebtedness	79,754 95	53,600 89	26,154 06
United States Treasury Notes—Series A	186,418 74	147,279 25	39,139 49
Wolf Warehouse Company, Inc.—Land Contract	2,876 51	3,210 15	333 64
Miscellaneous	5,750 21	6,046 55	296 34
TOTAL	\$4,396,850 79	\$4,516,626 33	\$119,775 54

* Debit.

† Includes \$140,373.75 in 1949 and \$140,652.60 in 1948 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%	\$159,960 00
Chicago, Indiana & Southern Railroad Co fifty-year gold	4%	567,720 00
Jamestown, Franklin & Clearfield Railroad Co first mortgage	4%	431,880 00
N Y C & H R R R Co—Spuyten 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%	156,246 98
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%	4,320,360 00
N Y C R R Co refunding and improvement mortgage, series C	5%	3,199,700 00
		\$18,962,491 98
DEBENTURE BONDS		
N Y C & H R R R Co of 1900	3½%	192,500 00
EQUIPMENT OBLIGATIONS		
Equipment trust certificates of March 15, 1937	2½%	\$20,645 63
Equipment trust certificates of December 1, 1939	2½%	20,625 00
Equipment trust certificates of June 1, 1940	2%	29,466 00
Equipment trust certificates of February 15, 1941	1½%	43,428 31
Equipment trust certificates of July 15, 1941	2½%	85,781 25
Equipment trust certificates of June 1, 1943	2%	46,816 00
Equipment trust certificates of September 1, 1944	1½%	164,682 34
Equipment trust certificates of May 1, 1945	1½%	77,185 00
Equipment trust certificates of August 15, 1945	1½%	87,450 00
Equipment trust certificates of January 1, 1946	1½%	185,850 00
Equipment trust certificates of January 1, 1947	2%	320,000 00
Equipment trust certificates of August 15, 1947	2½%	172,280 85
Equipment trust certificates of January 15, 1948	2½%	303,799 80
Equipment trust certificates of March 15, 1948	2½%	275,556 75
Equipment trust certificates of September 15, 1948	2½%	336,250 00
Equipment trust certificates of January 1, 1949	2½%	253,023 75
Equipment trust certificates of March 15, 1949	2½%	248,460 00
Equipment trust certificates of May 15, 1949	2½%	174,433 19
Equipment trust certificates of July 15, 1949	2½%	141,075 00
Equipment trust certificates of October 1, 1949	2½%	60,610 00
Other equipment obligations	1.45%	9,511 42
		3,056,930 29
	TOTAL	
		\$22,211,922 27

RENT FOR LEASED ROADS AND EQUIPMENT

BEECH CREEK EXTENSION RAILROAD

Interest at 3½% on \$3,382,000 first mortgage bonds	\$118,537 40
Interest at 4% on \$3,964,000 consolidated mortgage gold bonds	158,560 00
Organization expenses	118 05

BEECH CREEK RAILROAD

Dividend at 4% on 120,000 shares of capital stock (\$50 per value)	\$240,000 00
Organization expenses	541 99
	240,541 99
Carried forward	\$517,757 44

RENT FOR LEASED ROADS AND EQUIPMENT

BOSTON AND ALBANY LINES	<i>Brought forward</i>	\$517,757 44
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 4¼% on \$5,700,000 improvement bonds of 1928	242,250 00	
Cash rental	2,000,000 00	
Organization expenses	10,200 00	\$2,603,830 00
PITTSFIELD AND NORTH ADAMS RAILROAD		
Cash rental	\$22,500 00	
Organization expenses	177 35	22,677 35
WARE RIVER RAILROAD		
Cash rental	\$52,500 00	
Organization expenses	541 27	53,041 27
PROVIDENCE, WEBSTER AND SPRINGFIELD RAILROAD		
Cash rental (25% of the gross earnings for the year ended December 31, 1949)	4,881 40	
TOTAL RENT FOR BOSTON AND ALBANY AND ITS LEASED ROADS		2,684,430 02
BIG FOUR LINES		
CLEVELAND, CINCINNATI, CHICAGO AND ST LOUIS RAILWAY		
Interest at 4% on \$28,579,000 general mortgage gold bonds	\$1,143,159 67	
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	109,800 00	
Interest at 4% on \$6,542,000 St Louis Division first collateral trust mortgage bonds	266,177 22	
Interest at 4% on \$419,000 Cincinnati Northern Railroad first mortgage bonds	16,760 00	
Interest adjustment on foreign debenture bonds, matured	71	
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	4,801 58	\$5,312,454 18
CENTRAL RAILROAD OF INDIANAPOLIS		
Cash rental	6,735 04	
PEORIA AND EASTERN RAILWAY		
Under operating contract	263,576 26	
TOTAL RENT FOR CLEVELAND, CINCINNATI, CHICAGO AND ST. LOUIS RY AND ITS LEASED AND OPERATED ROADS		5,582,765 48
DETROIT, HILSDALE 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 58	
Organization expenses	1,500 00	127,527 58
<i>Carried forward</i>		\$8,996,980 52

RENT FOR LEASED ROADS AND EQUIPMENT

	<i>Brought forward</i>	\$8,996,980 52
HUDSON RIVER CONNECTING RAILROAD—Organization expenses		220 60
KALAMAZOO, ALLEGAN AND GRAND RAPIDS RAILROAD		
Interest at 5% on \$840,000 first mortgage bonds	\$42,000 00	
Cash rental	36,600 00	
Organization expenses	49 80	78,649 80
LAKE ERIE ALLIANCE & WHEELING RAILROAD		
Organization expenses		140 00
MAHONING COAL RAILROAD		
Cash rental (40% of the gross earnings for the year ended December 31, 1949)		2,227,498 44
MICHIGAN CENTRAL LINES		
MICHIGAN CENTRAL RAILROAD		
Interest at 3½% on \$12,004,000 first mortgage bonds	\$420,140 00	
Interest at 4½% on \$11,634,000 refunding and improvement mortgage bonds, series C	523,530 00	
Interest at 4% on \$1,435,000 Grand River Valley Railroad first mortgage bonds	57,853 67	
Interest at 3½% on \$555,000 Jackson Lansing and Saginaw Railroad first mortgage bonds	19,998 42	
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	1,380 00	
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	24,324 34	
Organization expenses	1,705 00	\$1,232,931 43
BATTLE CREEK & STURGIS RAILWAY		
Interest at 3% on first mortgage bonds	\$4,375 83	
Organization expenses	167 00	4,542 83
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	814 93	1,912,564 93
DETROIT MANUFACTURERS' RAILROAD		
Cash rental	\$15,000 00	
Organization expenses	500 00	15,500 00
DETROIT RIVER TUNNEL		
Interest at 4½% on \$18,000,000 first mortgage bonds	\$810,000 00	
Cash rental	240,000 00	
Organization expenses	240 50	1,050,240 50
JOLIET AND NORTHERN INDIANA RAILROAD—Organization expenses		160 00
LANSING MANUFACTURERS RAILROAD—Organization expenses		122 00
LANSING TRANSIT RAILWAY—Organization expenses		102 00
NIAGARA RIVER BRIDGE—Organization expenses		213 50
ST CLAIR & WESTERN RAILROAD—Organization expenses		130 50
CHICAGO, KALAMAZOO AND SAGINAW RAILWAY—Organization expenses		142 00
TOTAL RENT FOR MICHIGAN CENTRAL RAILROAD AND ITS LEASED ROADS		4,216,649 69
NEW JERSEY JUNCTION RAILROAD		
Interest at 4% on \$1,700,000 first mortgage bonds	\$68,000 00	
Organization expenses	287 70	68,287 70
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 common and preferred capital stock in the hands of the public (\$50 par value)	49,970 00	
Organization expenses, etc.	2,711 64	785,481 64
<i>Carried forward</i>		\$16,373,908 39

RENT FOR LEASED ROADS AND EQUIPMENT

Brought forward

\$16,373,908 39

OHIO CENTRAL LINES

TOLEDO AND OHIO CENTRAL RAILWAY

Interest at 4% on \$239,000 first mortgage bonds, St. Mary's Division	\$9,560 00
Interest at 3 3/4% 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	95,560 00
Organization expenses	1,491 03

652,873 53

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 between Valleyfield and Beauharnois, Quebec, leased from Canadian National Railways	10,000 00
Organization expenses	231 40

74,231 40

TROY AND GREENBUSH RAILROAD

Cash rental	19,250 00
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WALLKILL VALLEY RAILROAD

Dividend at 3 1/2% on 3,300 shares of capital stock	\$11,550 00
Organization expenses	244 00

11,794 00

WEST SHORE RAILROAD

Interest at 4% on \$46,745,500 first mortgage bonds	\$1,882,860 00
Organization expenses	2,061 46

1,884,921 46

VARIOUS COMPANIES for siding, team and yard tracks

RENT FOR LEASED EQUIPMENT

GRAND TOTAL

\$19,463,897 82

* Includes a credit of \$59,091.33 account of Michigan Central Lines.

NOTE: The Company received \$3,728,953.08 representing dividends and interest on its holdings of securities of lessor companies.

EQUIPMENT IN SERVICE
INCLUDING EQUIPMENT OF LEASED LINES
DECEMBER 31, 1948

DECEMBER 31, 1949

	Number of units	Average tractive power (lbs)	INSTALLED during 1949	RETIRIED during 1949	Number of units	Owned	Held under equipment trusts	Held under lease or other forms of title	Average tractive power (lbs)
<i>Locomotives</i>									
Steam—freight	1,645	55,839	40	217	1,468	926	79	463	55,235
Steam—passenger	514	47,099	—	24	490	276	50	164	38,635
Steam—freight or passenger	54	60,852	—	—	54	2	52	—	60,852
Steam—switching	837	43,616	—	60	777	490	—	287	44,275
TOTAL—STEAM	3,050	51,101	40	301	2,789	1,694	181	914	49,374
Electric—freight	40	66,600	—	—	40	40	—	—	66,600
Electric—passenger	45	60,556	—	—	45	45	—	—	60,556
Electric—switching	54	42,426	—	—	54	42	—	12	42,204
TOTAL—ELECTRIC	139	55,252	—	—	139	127	—	12	55,166
Diesel-electric—freight	121	59,397	85	—	206①	10	196	—	56,383
Diesel-electric—passenger	52	53,500	12	—	64②	3	61	—	53,922
Diesel-electric—freight or passenger	25	60,800	—	13*	12③	—	12	—	59,667
Diesel-electric—switching	259	55,378	85*	1	343④	57	192	94	53,953
TOTAL—DIESEL-ELECTRIC	457	56,525	182	14	625	70	461	94	54,860
TOTAL	3,646	51,939	222	315	3,553	1,891	642	1,020	50,566

* Includes 13 units reclassified as switching.

① Includes 63 "B" units not capable of independent operation.

② Includes 18 "B" units not capable of independent operation.

③ Includes 4 "B" units not capable of independent operation.

④ 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, 1948

DECEMBER 31, 1949

	Number of units	Average capacity tons	INSTALLED during 1949	RETired during 1949	Number of units	Owned	Held under equipment trusts	Held under lease or other forms of title	Average capacity tons
<i>Freight-train cars</i>									
Box cars	67,089	51.65	1,000	1,222	66,867	24,052	16,847	25,968	51.81
Flat cars	1,886	57.39	3	352	1,537	644	694	199	61.97
Stock cars	1,718	40.00	—	30	1,688	1,063	—	625	40.00
Gondola and hopper cars	60,688	58.42	5,197	1,019	64,866	28,538	13,877	22,451	58.72
Container cars	744	63.25	—	20	724	402	—	322	63.33
Caboose cars	1,838	—	100	24	1,914	1,213	49	652	—
TOTAL	133,963	54.76	6,300	2,667	137,596	55,912	31,467	50,217	55.14
<i>Passenger-train cars</i>									
		Average seating capacity							Average seating capacity
Coaches	1,764	79	5	8	1,761 ^(E)	1,064	325	372	79
Combination coaches	213	46	—	2	211 ^(F)	141	22	48	46
Parlor cars	37	37	—	—	37 ^(G)	17	19	1	37
Dining cars	244	—	—	4	240 ^(H)	111	67	62	—
Lounge and observation cars	29	—	—	—	29 ^(I)	5	23	1	—
Postal cars	261	—	—	3	258	180	8	70	—
Baggage, express and other non-passenger carrying cars	2,061	—	103	26	2,138 ^(J)	1,627	121	390	—
<i>Passenger rail motor cars</i>									
Coaches	330	85	—	—	330	330	—	—	85
Combination coaches	21	53	—	2	19	19	—	—	52
Other passenger-train rail motor cars	17	—	—	4	13	10	—	3	—
TOTAL	4,977	—	108	49	5,036	3,504	585	947	—
<i>Company service rail equipment</i>									
Officers' and business cars	20	—	—	—	20	14	—	6	—
Ballast cars	992	—	—	191	801	606	—	195	—
Derrick cars	295	—	4	7	292	230	—	62	—
Steam shovels	14	—	—	—	14	14	—	—	—
Wrecking cars	196	—	4	15	185	129	—	56	—
Other company service cars	6,943	—	1,036	489	7,490	6,929	5	556	—
TOTAL	8,460	—	1,044	702	8,802	7,922	5	875	—

DECEMBER 31, 1948

DECEMBER 31, 1949

	Number of units	Average capacity	INSTALLED during 1949	RETired during 1949	Number of units	Average capacity
<i>Marine equipment</i>						
Ferry boats	8	—	—	—	8	—
Tugs, steel	25	—	—	1	24	—
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	205	313 tons	1	3	203	311 tons
Car floats	42	14 cars	—	1	41	15 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	8	—	—	—	8	—
TOTAL OWNED	316		1	5	312	

^(E) Includes 946 air-conditioned units.
^(F) Includes 66 air-conditioned units.

^(G) Air-conditioned units.

^(H) Includes 237 air-conditioned units.

^(I) Includes 28 air-conditioned units.

^(J) Includes 21 air-conditioned units.

NOTE: Excludes 401 lightweight sleeping cars, 376 standard-weight sleeping cars, and 4 lightweight lounge-barber-dormitory cars leased to The Pullman Company for operation.

TABLE OF TRACKS

DECEMBER 31, 1949

MAIN LINE OWNED	BETWEEN	STATE	MILES OF MAIN TRACK			PASSED TRACKS, CROSS- OVERS, ETC.	YARDS AND SIDINGS	TOTAL
			First	Second	All Other			
New York Central Railroad	Mott Haven, N.Y. 1462' W of State Line sta	N.Y.	499.68	499.65	875.04	68.38	822.19	2,764.94
	W of State Line sta. 10846' E of Conneaut	Penna	43.96	43.96	87.92	19.00	45.12	239.96
	E of Conneaut. 16462' W of Edgerton	Ohio	242.96	242.86	349.81	72.75	427.92	1,336.30
	W of Edgerton. 4311' E of East Side	Ind	152.56	152.55	60.87	47.64	157.44	571.06
	E of East Side. Chicago Ill		14.00†	14.01†	19.08	4.17	68.28	119.54
	TOTAL MAIN LINE OWNED		953.16	953.03	1,392.72	211.94	1,520.95	5,031.80
BRANCHES OWNED								
30th Street Branch	Spuyten Duyvil. St. John's Park	N.Y.	12.14	12.14	—	4.14	63.13	91.55
Putnam Branch	Sedgwick Ave., New York. Putnam Jct.	"	52.09	3.01	—	10.04	9.32	74.46
Schenectady Detour Branch	Carman. South Schenectady	"	3.69	—	—	.27	.45	4.41
Troy & Schenectady Branch	Schenectady. Green Island	"	20.92	—	—	1.79	6.57	29.28
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	—	—	8.06	24.57	197.75
Saranac Branch	Lake Clear Junction. Saranac Lake	"	5.89	—	—	.36	1.50	7.75
Lake Placid Branch	Lake Placid. Saranac Lake	"	10.07	—	—	.63	2.72	13.42
Ottawa Branch	Helena. International Boundary	"	4.70	—	—	.31	.08	5.09
Ogdensburg Branch	Utica. Ogdensburg	"	134.30	.51	—	8.73	32.50	176.04
Clayton Branch	Rivergate. Clayton	"	15.78	—	—	.46	2.06	18.30
Rome Branch	Rome. Richland	"	45.31	—	—	5.55	19.02	69.88
Syracuse Junction Branch	East Syracuse. Syracuse Junction	"	8.22	8.11	13.40	1.43	5.96	37.12
Watertown Branch	Syracuse (Signal Station J. G.). Massena	"	158.65	27.02	—	27.73	75.15	288.55
Phoenix Branch	Woodard. Fulton (N. Y. C. Jct.)	"	15.84	—	—	.59	4.46	20.89
Ontario Branch	Pulaski. Suspension Bridge	"	175.28	—	—	14.39	55.21	244.88
Rochester Branch	Windsor Beach. State St., Rochester	"	7.30	—	—	.87	2.93	11.10
Sackets Harbor Branch	Watertown Junction. Sackets Harbor	"	2.38	—	—	.17	1.64	4.19
Cape Vincent Branch	Watertown Junction. Cape Vincent	"	24.10	—	—	1.22	4.36	29.68
Dexter Branch	Dexter Junction. Dexter	"	1.19	—	—	.27	.84	2.30
Carthage Branch	Watertown. Newton Falls	"	63.54	—	—	3.32	8.40	75.26
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	—	—	.67	2.14	15.82
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	—	—	11.20	35.71	143.80
Canandaigua Branch	Canandaigua. Holcomb	"	8.45	—	—	.46	1.66	10.57
Lyons-Newberry Branch	Batavia. Caledonia	"	17.68	—	—	1.31	3.77	22.76
Penn Yan Branch	Lyons. 205' S of Lawrenceville	"	85.73	82.53	—	11.31	52.54	232.11
Corning Branch	S of Lawrenceville. Newberry Junction	Penna	95.33	37.11	—	14.92	25.89	173.25
Cowanesque Valley Branch	Dresden. Penn Yan	N.Y.	6.55	—	—	.57	2.65	9.77
Antrim Branch	Corning Junction. Corning	"	—	—	—	.03	4.43	4.46
Falls Branch	C V Junction. Westfield	Penna	24.48	—	—	1.57	1.54	27.59
Charlotte Branch	Wellsboro Junction. Wellsboro	"	4.58	—	—	.95	3.67	9.20
Attica Branch	Ames St., Rochester. Suspension Bridge	N.Y.	74.01	73.81	—	8.33	91.99	248.14
Tonawanda Branch	Jay St., Rochester. Charlotte	"	7.23	6.92	—	1.00	7.25	22.40
Gardenville Branch	At Attica. —	"	—	—	—	—	1.92	1.92
Buffalo Belt Branch	Batavia. North Tonawanda	"	34.97	1.77	—	.88	2.90	40.52
Niagara Branch	Depew. Bay View	"	13.19	12.74	—	1.02	102.49	129.44
Wonalancet Branch	William St., Buffalo. North Buffalo Junction	"	6.72	6.72	—	1.07	23.77	38.28
Dupont Branch	Seneca St., Buffalo. Lewiston	"	30.05	25.23	3.40	4.96	74.39	138.03
Catskill Mountain Branch	North Buffalo Junction. Harriet	"	4.32	—	—	.61	20.56	25.49
Valley Branch	Wonalancet Branch. Industries	"	.71	—	—	.21	2.57	3.49
Youngstown Branch	Kingston Point. Oneonta	"	107.03	—	—	11.62	7.65	126.30
Oil City Branch	Dunkirk. 650' S of Fentonville	"	42.12	—	—	3.18	5.90	51.20
Clearfield Branch	S of Fentonville. Titusville	Penna	48.25	—	—	1.97	5.75	55.97
Low Grade Line	Ashtabula Harbor. Andover Junction	Ohio	26.90	5.90	2.47	6.23	101.66	143.16
Peter's Creek Extension	Andover. 3582' E of Simons	"	6.14	.09	—	.73	1.78	8.74
Cleveland Short Line	E of Simons. Oil City	Penna	55.00	—	—	9.38	13.69	78.07
Norwalk Branch	Polk Junction. Rose Siding	"	61.06	—	—	7.27	3.22	71.55
Detroit Branch	Carson. Mann	Ohio	18.10	18.10	—	1.44	7.87	45.51
Old Road	Peters Junction. Cornelia Mine	W. Va.	13.39	—	—	.60	3.07	17.06
	Collinwood. Belt Junction	Ohio	20.41	20.31	9.14	11.10	69.74	130.70
	Elyria Junction. Millbury Junction	"	78.75	—	—	8.43	13.60	100.78
	Air Line Junction. 4352' N of Alexis	"	7.29	6.51	—	3.05	20.61	37.46
	N of Alexis. D & M Junction	Detroit	51.37	.07	—	7.67	31.18	90.29
	Air Line Junction. Vulcan	Ohio	2.75	1.00	—	.13	1.03	4.91
	Palmyra. 6965' E of Vistula	Mich	101.96	—	—	10.68	21.09	133.73
	E of Vistula. Elkhart	Ind	14.70	—	—	.69	.37	15.76
	<i>Carried forward</i>		2,156.84	351.70	28.41	237.11	1,099.29	3,873.35

† 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 Railway.

TABLE OF TRACKS

BRANCHES OWNED (concluded)	BETWEEN	STATE	MILES OF MAIN TRACK			CROSS-OVERS, ETC.	YARDS SIDINGS	PASSING TRACKS, AND TOTAL
			First	Second	All Other			
		Brought forward	2,156.84	351.70	28.41	237.11	1,099.29	3,873.35
Monroe Branch	Lenawee Junction	Monroe Mich	29.50	—	—	.93	4.79	35.22
Fayette Branch	Grosvenor	Morenci "	18.61	—	—	.33	.85	19.79
Jackson Branch	Lenawee Junction	Jackson "	42.10	—	—	2.44	4.28	48.82
Lansing Branch	Albion	Springport "	16.45	—	—	5.06	7.23	28.74
Kalamazoo Branch	Jonesville	Litchfield "	6.27	—	—	.10	.44	6.81
Elkhart and Western Branch	White Pigeon	Kalamazoo "	36.52	—	—	3.61	6.66	46.79
Goshen Branch	Elkhart	Mishawaka Ind	—	—	—	12.94	6.41	19.35
S S & S Branch	Goshen	12458' N of Twin Lake "	25.57	—	—	.29	.95	26.81
Kankakee Branch	N of Twin Lake	Sturgis Mich	3.83	—	—	.40	.61	4.84
Danville Branch	S S & S Junction	South Bend Ind	2.55	—	—	.37	2.48	5.40
	South Bend	.38' E of Illinois "	82.17	—	—	21.32	25.68	129.17
	E of Illinois	Seatonville Junction Ill	109.51	—	—	15.50	45.02	170.03
	Ladd Junction	N Y C Junction "	.47	—	—	.31	.37	1.15
	Indiana Harbor	.7524' S of Allison Ind	100.77	56.02	—	15.71	122.20	294.70
	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 "	1.35	—	—	.16	.17	1.68
Depue Branch	Depue Junction	Depue "	1.27	—	—	.14	.52	1.93
St. Joseph Branch	3369' S of Baroda	St. Joseph Mich	11.75	—	—	.60	3.43	15.78
Benton Harbor Extension	St. Joseph Junction	Benton Harbor "	1.42	—	—	.23	.99	2.64
Connections and wyes	Various places	N.Y.	13.43	6.72	—	—	—	20.15
	Various places	Penna	.96	—	—	—	—	.96
TOTAL BRANCHES OWNED			2,676.73*	424.95	28.41	318.48	1,334.89	4,783.46
TOTAL MAIN LINE AND BRANCHES OWNED			3,629.89	1,377.98	1,421.13	530.42	2,855.84	9,815.26
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	25.74	174.89
Beech Creek Railroad			118.09	8.79	—	10.31	104.16	241.35
Cleveland, Cincinnati, Chicago and St. Louis Railway and subsidiaries			2,440.72①	661.89	35.55	432.76	1,233.07②	4,803.99
Cleveland Union Terminals			—	—	—	.06	2.51	2.57
Detroit, Toledo & Milwaukee Railroad			—	—	—	—	1.63	1.63
Hudson River Connecting Railroad			24.42	20.30	8.79	3.14	127.68	184.33
Kalamazoo, Allegan and Grand Rapids Railroad			58.47	—	—	5.88	7.85	72.20
Lake Erie, Alliance & Wheeling Railroad			92.09	—	—	11.95	37.31	141.35
Mahoning Coal Railroad and subsidiaries			70.56	35.45	3.74	9.54	51.75	171.04
Michigan Central Railroad and subsidiaries			1,442.86③	596.74	24.51	210.93	1,008.31④	3,283.35
New Jersey Junction Railroad			4.44	4.34	—	1.06	8.91	18.75
New York and Harlem Railroad			134.42	52.30	26.54	26.67	82.94	322.87
Ottawa and New York Railway			57.27	—	—	2.61	4.35	64.23
St. Lawrence & Adirondack Railway			43.48	—	—	5.60	11.21	60.29
Toledo and Ohio Central Railway and subsidiaries			656.04	23.76	1.89	129.49	346.02	1,157.20
West Shore Railroad and subsidiary			481.43	194.89	22.55	59.49	289.30	1,047.66
TOTAL			5,750.35	1,605.12	123.57	926.04	3,342.80	11,747.88
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			346.20	218.24	61.43	55.82	280.19	961.88
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	—	4.88	15.37	117.55
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			550.85	224.25	67.61	67.28	320.50	1,230.49
TOTAL LINES OPERATED UNDER LEASE OR CONTRACT			6,301.20	1,829.37	191.18	993.32	3,663.30	12,978.37

* 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 Carmi, 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 I & 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			PASSED 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	6.46	3.38	16.84		
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	—	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†	119.23	—	—	7.23	29.19	155.65		
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	—	—	.12	.53	.80		
TOTAL TRACKAGE RIGHTS			803.80	359.61	17.48	64.41	95.63	1,340.93
TOTAL OPERATED MILEAGE			10,734.89	3,566.96	1,629.79	1,588.15	6,614.77	24,134.56

RECAPITULATION

STATE OR PROVINCE	OWNED		LEASE OR CONTRACT		OTHERWISE OPERATED		TOTAL	
	1st track miles	All track miles						
New York	2,039.49	5,514.71	690.42	1,549.91	82.02	91.03	2,811.93	7,155.65
Pennsylvania	333.62	656.55	245.90	425.15	208.96	285.43	788.48	1,367.13
Ohio	403.30	1,807.56	1,477.96	3,036.65	201.22	437.14	2,082.48	5,281.35
Indiana	382.44	1,070.70	1,057.99	2,029.98	92.39	144.55	1,532.82	3,245.23
Illinois	137.87	315.23	683.38	1,298.68	65.73	162.15	886.98	1,776.06
Michigan	319.78	433.45	1,212.68	2,437.22	7.76	13.73	1,540.22	2,884.40
Massachusetts	—	—	293.16	848.29	.77	1.24	293.93	849.53
Kentucky	—	—	—	—	2.12	2.86	2.12	2.86
Missouri	—	—	—	—	8.18	17.36	8.18	17.36
New Jersey	—	—	23.27	182.19	—	—	23.27	182.19
West Virginia	13.39	17.06	142.94	231.12	119.23	155.65	275.56	403.83
Province of Quebec	—	—	46.56	57.37	14.37	28.74	60.93	86.11
Province of Ontario	—	—	426.94	881.81	1.05	1.05	427.99	882.86
TOTAL	3,629.89	9,815.26	6,301.20	12,978.37	803.80	1,340.93	10,734.89	24,134.56

* Owned jointly with the Pennsylvania Railroad.

† Owned jointly with the Chesapeake and Ohio Railway.

TRAIN, LOCOMOTIVE AND CAR MILEAGE STATISTICS

		1949	1948	Increase or Decrease
TRAIN MILEAGE				
REVENUE SERVICE				
Freight train-miles		34,711,323	39,590,588	4,879,265
Passenger train-miles (passenger-carrying trains)		32,171,016	38,121,940	5,950,924
Passenger train-miles (milk trains)		530,668	616,652	85,984
Passenger train-miles (other passenger service trains)		6,294,687	5,750,459	544,228
TOTAL REVENUE TRAIN MILEAGE		73,707,694	84,079,639	10,371,945
Work service train-miles		1,426,892	2,319,768	892,876
TOTAL TRAIN MILEAGE		75,134,586	86,399,407	11,264,821
LOCOMOTIVE MILEAGE				
REVENUE SERVICE				
Freight locomotive-miles		39,030,026	45,392,927	6,362,901
Passenger locomotive-miles (passenger-carrying and other trains)		39,236,939	44,601,321	5,364,382
Passenger locomotive-miles (milk trains)		548,085	657,439	109,354
Train switching locomotive-miles		4,869,140	6,066,213	1,197,073
Yard switching locomotive-miles		28,883,507	33,562,459	4,678,952
TOTAL REVENUE LOCOMOTIVE MILEAGE		112,567,697	130,280,359	17,712,662
Work service locomotive-miles		1,716,044	2,710,453	994,409
TOTAL LOCOMOTIVE MILEAGE		114,283,741	132,990,812	18,707,071
CAR MILEAGE				
REVENUE SERVICE				
Freight-train car-miles in freight trains				
Loaded		1,217,931,459	1,401,751,488	183,820,029
Empty		773,878,756	810,442,960	36,564,204
Caboose		35,611,781	40,433,428	4,821,647
Total		2,027,421,996	2,252,627,876	225,205,880
Freight-train car-miles in passenger trains				
Loaded		973,542	2,126,971	1,153,429
Empty		67,699	118,999	51,300
Total		1,041,241	2,245,970	1,204,729
Total freight-train car mileage		2,028,463,237	2,254,873,846	226,410,609
Passenger-train car-miles in passenger trains				
Coaches		105,692,245	127,613,651	21,921,406
Combination coaches		12,164,874	14,016,106	1,851,232
Sleeping and parlor cars		123,076,308	136,205,816	13,129,508
Dining, club, lounge and observation cars		27,348,430	29,947,977	2,599,547
Business cars		719,529	785,197	65,668
Other passenger-train cars (milk)		9,536,276	11,441,527	1,905,251
Other passenger-train cars (other)		139,038,525	149,206,997	10,168,472
Crew coaches		6,981,371	6,689,874	291,497
Total		424,557,558	475,907,145	51,349,587
Passenger-train car-miles in freight trains				
Coaches		160,865	226,739	65,874
Combination coaches		134,003	154,273	20,270
Sleeping and parlor cars		91,045	24,892	66,153
Dining, club, lounge and observation cars		1,039	3,207	2,168
Business cars		1,599	1,702	103
Other passenger-train cars (milk)		1,411,970	1,793,189	381,219
Other passenger-train cars (other)		2,674,381	1,974,145	700,236
Crew coaches		171,680	219,422	47,742
Total		4,646,582	4,397,569	249,013
Total passenger-train car mileage		429,204,140	480,304,714	51,100,574
TOTAL REVENUE CAR MILEAGE		2,457,667,377	2,735,178,560	277,511,183
Work service car-miles		2,895,529	4,537,118	1,641,589
TOTAL CAR MILEAGE		2,460,562,906	2,739,715,678	279,152,772

MILES OF ROAD

Average miles of road operated	10,726.09	10,737.82	11.73
Average miles of road operated in freight service	10,684.63	10,696.36	11.73
Average miles of road operated in passenger service	6,561.86	6,561.99	.13

Italics indicate decrease.

FREIGHT AND PASSENGER SERVICE STATISTICS

FREIGHT SERVICE				Increase or Decrease
Freight revenue		1949	1948	
Tons of revenue freight		\$500,919,038.95	\$561,361,242.56	\$60,442,203.61
Tons of non-revenue freight		147,786,794	184,730,006	36,943,212
Tons of revenue and non-revenue freight		12,564,682	17,415,384	4,850,702
Net ton miles (revenue)		160,351,476	202,145,390	41,793,914
Net ton miles (revenue and non-revenue)		34,378,663,479	41,926,445,859	7,547,782,380
Gross ton miles—excluding locomotives and tenders		37,143,572,280	45,725,211,606	8,581,639,326
Train hours		84,217,770,694	97,888,769,437	13,670,998,743
Freight cars on line (average)		2,036,155	2,578,467	542,312
AVERAGES PER MILE OF ROAD		154,081	162,435	8,354
Freight revenue		\$46,882.21	\$52,481.52	\$5,599.31
Net ton miles (revenue)		3,217,581	3,919,693	702,112
Net ton miles (revenue and non-revenue)		3,476,356	4,274,839	798,483
Freight train-miles		3,248.72	3,701.31	452.59
AVERAGES PER TRAIN-MILE				
Freight revenue		\$14.43	\$14.18	\$.25
Net ton miles (revenue)		990.42	1,059.00	68.58
Net ton miles (revenue and non-revenue)		1,070.07	1,154.95	84.88
Loaded car-miles		35.09	35.41	.32
Empty car-miles		22.29	20.47	1.82
Total car-miles, including caboose		58.41	56.90	1.51
MISCELLANEOUS AVERAGES				
Revenue per ton		\$3.39	\$3.04	\$.35
Revenue per ton per mile	cents	1.457	cents	.118
Net ton miles (revenue) per loaded car-mile		28.20	29.86	1.66
Net ton miles (revenue and non-revenue) per loaded car-mile		30.47	32.57	2.10
Percent of loaded to total car-miles		61.16	63.40	2.24
Miles per revenue ton		232.62	226.96	5.66
Miles per ton (revenue and non-revenue)		231.64	226.20	5.44
Net ton miles (revenue and non-revenue) per train hour		18,242.02	17,733.49	508.53
Gross ton miles per train hour—excluding locomotives and tenders		41,361.18	37,963.94	3,397.24
Freight car-miles per freight car day		35.44	37.25	1.81
Net ton miles (revenue and non-revenue) per freight car day		660.45	769.12	108.67
PASSENGER SERVICE				
Interline and local passenger revenue		\$113,528,889.38	\$127,608,190.85	\$14,079,301.47
Commutation passenger revenue		\$8,922,474.02	\$8,560,006.45	\$362,467.57
Total passenger revenue		\$122,451,363.40	\$136,168,197.30	\$13,716,833.90
Passenger service train revenue		\$159,899,405.64	\$178,189,607.85	\$18,290,202.21
Interline passengers carried		5,296,103	6,934,978	1,638,875
Local passengers carried		18,148,635	23,764,501	5,615,866
Commutation passengers carried		38,173,509	38,122,966	50,543
Total revenue passengers carried		61,618,247	68,822,445	7,204,198
Total revenue passenger miles		4,649,869,910	5,526,449,260	876,579,350
AVERAGES PER MILE OF ROAD				
Passenger revenue		\$18,661.08	\$20,751.05	\$2,089.97
Passenger service train revenue		\$24,368.00	\$27,154.81	\$2,786.81
Revenue passenger miles		708,621	842,191	133,570
Passenger train-miles		5,942.88	6,779.81	836.93
AVERAGES PER TRAIN-MILE				
Passenger revenue		\$3.81	\$3.57	\$.24
Passenger service train revenue		\$4.10	\$4.01	\$.09
Revenue passenger miles		144.54	144.97	.43
Passenger-carrying car-miles		7.30	7.10	.20
Passenger train car-miles		10.89	10.70	.19
MISCELLANEOUS AVERAGES				
Revenue per passenger		\$1.99	\$1.98	\$.01
Revenue per passenger mile	cents	2.633	2.464	.169
Revenue passenger miles per car-mile		19.80	20.41	.61
Miles per revenue passenger		75.46	80.30	4.84

Operating revenues per mile of road	\$64,956.83	\$72,676.20	\$7,719.37
Operating expenses per mile of road	\$55,616.62	\$62,190.53	\$6,573.91
Net operating revenue per mile of road	\$9,340.21	\$10,485.67	\$1,145.46

Italics indicate decrease.

FREIGHT COMMODITY STATISTICS

Increase or Decrease	NUMBER OF CARLOADS		TOTAL REVENUE FREIGHT	NUMBER OF TONS (2,000 pounds)		Increase or Decrease		
	1948	1949		1949	1948			
PRODUCTS OF AGRICULTURE								
13,529	99,224	112,753	Grain	5,683,455	5,046,223	637,232		
3,692	90,224	93,916	Grain products	2,731,750	2,896,504	164,754		
828	30,556	31,384	Fresh fruits	437,677	479,170	41,493		
4,520	53,799	49,279	Fresh vegetables	797,380	935,848	138,468		
260	73,852	74,112	All other products of agriculture	2,470,048	2,305,745	164,303		
13,789	347,655	361,444	TOTAL PRODUCTS OF AGRICULTURE		12,120,310	11,663,490		
ANIMALS AND PRODUCTS								
3,991	54,188	50,197	Livestock	583,829	623,695	39,866		
6,034	65,472	71,506	Packinghouse products	974,644	957,704	16,940		
3,044	16,978	13,934	Dairy products	225,814	290,375	64,561		
5,074	24,423	19,349	All other animals and products	467,776	580,079	112,303		
6,075	161,061	154,986	TOTAL ANIMALS AND PRODUCTS		2,252,063	2,451,853		
PRODUCTS OF MINES								
32,695	141,691	108,996	Anthracite coal	6,030,947	7,993,402	1,962,455		
331,622	1,241,107	909,485	Bituminous coal	52,388,353	71,538,126	19,149,773		
22,236	87,064	64,828	Coke	2,311,998	3,035,852	723,854		
30,961	143,740	112,779	Iron ore	8,028,085	9,721,258	1,693,173		
1,690	22,266	23,956	Non-ferrous ores and concentrates	1,374,418	1,247,860	126,558		
17,169	34,342	17,173	Sand, industrial	996,516	1,966,414	969,898		
2,288	64,092	61,804	Gravel and sand and crushed stone	3,613,059	3,713,155	100,096		
2,888	47,196	44,308	Fluxing stone and raw dolomite	3,016,797	3,186,176	169,379		
13,495	94,913	81,418	All other products of mines	3,706,333	4,371,813	665,480		
451,664	1,876,411	1,424,747	TOTAL PRODUCTS OF MINES		81,466,506	106,774,056		
PRODUCTS OF FORESTS								
35,868	153,953	118,085	TOTAL PRODUCTS OF FORESTS		3,336,869	4,375,698		
MANUFACTURES AND MISCELLANEOUS								
30,289	100,677	70,388	Petroleum and products	1,914,376	2,888,482	974,106		
16,904	121,416	104,512	Chemicals	3,623,736	4,318,508	694,772		
4,226	32,694	28,468	Fertilizers, N.O.S.	1,185,623	1,383,833	198,210		
9,111	44,600	35,489	Non-ferrous metals	1,541,011	1,839,772	298,761		
16,347	55,894	39,547	Pig iron, billets, blooms, rods and slabs	2,151,161	2,966,622	815,461		
49,131	209,153	160,022	Manufactured iron and steel	5,496,976	7,244,031	1,747,055		
15,173	74,623	59,450	Machinery and parts	1,079,281	1,364,223	284,942		
15,286	152,472	137,186	Motor vehicles	1,159,030	1,282,151	123,121		
15,941	125,909	141,850	Vehicle parts, N.O.S.	2,432,990	2,147,206	285,784		
5,859	66,958	61,099	Cement	2,807,441	3,142,375	334,934		
1,793	26,531	24,738	Brick	952,629	1,086,895	134,266		
301	31,410	31,109	Lime and plaster	974,526	1,132,323	157,797		
23,459	83,117	59,658	Woodpulp and scrap paper	1,606,041	2,165,164	559,123		
13,427	99,793	86,366	Paper and paper articles	2,156,740	2,597,247	440,507		
9,373	76,467	67,094	Paperboard and building paper	1,730,186	2,095,334	365,148		
6,174	39,912	33,738	Glass and glassware	678,501	866,038	187,537		
8,722	67,379	58,657	Refrigerators, stoves, and parts	655,737	765,932	110,195		
3,142	26,424	23,282	Liquors and beverages	622,725	710,884	88,159		
3,952	67,658	63,706	Canned goods	1,564,387	1,879,154	314,767		
14,145	67,334	81,479	Feed, animal, and poultry	2,239,323	2,092,872	146,451		
25,445	74,512	49,067	Scrap iron	2,164,433	3,077,507	913,074		
74,278	430,695	356,417	All other manufactures and miscellaneous	7,615,186	9,354,168	1,738,982		
302,306	2,075,628	1,773,322	TOTAL MANUFACTURES AND MISCELLANEOUS		46,352,039	56,400,721		
2,265	30,256	32,521	Forwarder Traffic—Carload	458,881	500,227	41,346		
779,859	4,644,964	3,865,105	GRAND TOTAL—CARLOAD TRAFFIC		145,986,668	182,166,045		
All L. C. L. Freight								
GRAND TOTAL—CARLOAD AND L. C. L. TRAFFIC								
				1,800,126	2,563,961	763,835		
				147,786,794	184,730,006	36,943,212		

Italics indicate decrease.

CAPITAL STOCK OF LESSOR COMPANIES

DECEMBER 31, 1949

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	18,688,200		48,200
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		
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 ^Ø		
	Preferred	3,701,400	3,701,400		
Troy and Greenbush Railroad Association	Capital	275,000			275,000
The Wallkill Valley Railroad Company	Capital	330,000		330,000	
West Shore Railroad Company	Capital	10,000,000	10,000,000		
	TOTAL	\$186,300,815	\$123,170,700	\$14,359,600	\$48,770,515

[#] Company also holds \$133 scrip.[†] Includes \$125,000 held for Boston and Albany Railroad Company.^{*} Held by The Chesapeake and Ohio Railway Company.^Ø Company also holds \$80 scrip.

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, 1949, 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	DUEDATE	PRINCIPAL AMOUNT OUTSTANDING	TOTAL HELD BY PUBLIC AND GUARANTEED BY N Y C R R C O.
Battle Creek & Sturgis Ry. Co.	First mortgage bonds, 3%	Dec. 1, 1989	\$142,000	\$142,000
Beech Creek Extension R. R. Co.	First mortgage bonds, 3½%	April 1, 1951	3,382,000	3,382,000
Boston and Albany R. R. Co.	*Terminal bonds, 3½%	Jan. 1, 1951	1,000,000	642,000
	*Refunding bonds, 3½%	April 1, 1952	3,858,000	1,368,000
	*Refunding bonds, 5%	Oct. 1, 1963	3,627,000	3,627,000
	*Improvement bonds, 4¼%	Aug. 1, 1978	5,700,000	5,700,000
The Cleveland, Cincinnati, Chicago and St. Louis Ry. Co.	Refunding & improvement mortgage bonds, series E, 4½%	July 1, 1977	43,706,000	39,895,000
	St. Louis Division, first collateral trust mortgage bonds, 4%	Nov. 1, 1990	10,000,000	6,542,000
	Cin. Wabash & Mich. Div. mortgage bonds, 4%	July 1, 1991	3,895,000	3,895,000
	General mortgage gold bonds, series A, 4%	June 1, 1993	28,579,000	28,579,000
	General mortgage gold bonds, series B, 5%	June 1, 1993	4,488,600	4,161,000
The Chicago, Indianapolis and St. Louis Short Line Ry. Co.	First mortgage bonds, 4%	April 1, 1953	2,745,000	2,745,000
The Cincinnati Northern R. R. Co.	First mortgage bonds, 4%	July 1, 1951	1,000,000	419,000
The Michigan Central R. R. Co.	First mortgage bonds, 3½%	May 1, 1952	12,004,000	12,004,000
	Refunding & improvement mortgage bonds, series C, 4½%	Jan. 1, 1979	11,634,000	11,634,000
The Jackson, Lansing and Saginaw R. R. Co.	First mortgage bonds, 3½%	Sept. 1, 1951	555,000	549,000
Toledo, Canada Southern and Detroit Ry. Co.	First mortgage bonds, 4%	Jan. 1, 1956	3,100,000	3,100,000
Joliet and Northern Indiana R. R. Co.	First mortgage bonds, 4%	July 10, 1957	1,500,000	1,500,000
The Grand River Valley R. R. Co.	First mortgage bonds, 4%	Sept. 1, 1959	1,435,000	1,435,000
Bay City and Battle Creek Ry. Co.	First mortgage bonds, 3%	Dec. 1, 1989	46,000	46,000
The Canada Southern Ry. Co.	First & refunding mortgage bonds, 5%	Oct. 1, 1962	29,235,000	29,235,000
Detroit River Tunnel Co.	First mortgage bonds, 4½%	May 1, 1961	18,000,000	18,000,000
New Jersey Junction R. R. Co.	First mortgage bonds, 4%	Feb. 1, 1986	1,700,000	1,700,000
The New York and Harlem R. R. Co.	Gold mortgage bonds, 3½%	May 1, 2000	12,000,000	9,223,000
	4% mortgage bonds, series A and B	July 1, 2043	7,820,000	7,820,000
The St. Lawrence & Adirondack Ry. Co.	First mortgage bonds, 5%	July 1, 1996	800,000	800,000
The Toledo and Ohio Central Ry. Co.	Second mortgage bonds, 6%	Oct. 1, 1996	400,000	400,000
	First mortgage bonds (St. Mary's Division), 4%	Feb. 1, 1951	239,000	239,000
	Refunding & improvement mortgage bonds, series A, 3¾%	June 1, 1960	14,567,000	12,500,000
The Kanawha & Michigan Ry. Co.	First preference income bonds (St. Mary's Division) 4%	Feb. 1, 1951	9,000	4,000
West Shore R. R. Co.	First mortgage bonds, 4%	April 1, 1990	2,389,000	2,389,000
	First mortgage bonds, 4%	Jan. 1, 2361	46,745,500	46,719,500
TOTAL LESSOR COMPANIES				\$260,394,500

Please see page 71 for Reconciliation with Note H on Consolidated Balance Sheet.

* Secured by mortgage dated April 1, 1935.

WHOLLY OWNED SUBSIDIARIES

Merchants Despatch Transportation Corporation	Equipment obligations	Various	\$7,113,200
Northern Refrigerator Line, Inc.	Equipment obligations	Various	2,963,625
TOTAL WHOLLY OWNED SUBSIDIARIES			\$10,076,825

STATEMENT AS OF DECEMBER 31, 1949, 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.

OTHER THAN LESSOR COMPANIES	DUE	PRINCIPAL AMOUNT OUTSTANDING	TOTAL HELD BY PUBLIC	HELD BY PUBLIC AND GUARANTEED BY N Y C R R CO.	
				HELD BY PUBLIC	AND GUARANTEED BY N Y C R R CO.
THE BOSTON TERMINAL COMPANY:					
First Mortgage	3½% February 1, 1947	\$13,992,000	\$13,992,000	\$4,197,600	348,900
CHERRY TREE AND DIXONVILLE RAILROAD COMPANY:	4% July 1, 1950	1,163,000	1,163,000		
First Mortgage—series A*	4½% August 1, 1966	1,134,000	567,000		
THE CINCINNATI UNION TERMINAL COMPANY:					
First Gold Mortgage—series E	3¾% February 1, 1969	11,225,000	11,225,000	11,225,000	
First Gold Mortgage—series F	2.6% March 1, 1971	2,200,000	2,200,000	2,200,000	
First Gold Mortgage—series G	2¾% August 1, 1974	22,878,000	22,878,000	22,878,000	
THE CLEVELAND UNION TERMINALS COMPANY:					
First Sinking Fund Gold Mortgage—series A	5½% April 1, 1972	12,000,000	8,637,000(a)	8,637,000(a)	
First Sinking Fund Gold Mortgage—series B	5% April 1, 1973	25,000,000	17,262,500(b)	17,262,500(b)	
First Sinking Fund Gold Mortgage—series C	4½% October 1, 1977	23,000,000	16,853,000	16,853,000	
THE DAYTON UNION RAILWAY COMPANY:					
General Mortgage—series A	2½% December 1, 1950	150,000	150,000	150,000	
General Mortgage—series B	3¼% December 1, 1965	2,400,000	2,400,000	2,400,000	
FORT WAYNE UNION RAILWAY COMPANY:					
General Mortgage	6% September 1, 1974	44,000	33,000		
INDIANA HARBOR BELT RAILROAD COMPANY:					
General Mortgage Gold	4% July 1, 1957	4,225,000	4,225,000	4,225,000	
General Mortgage Gold	4½% July 1, 1957	4,900,000	4,900,000	4,900,000	
Equipment Obligations	Various	7,275,980	7,275,980	4,365,588	
THE INDIANAPOLIS UNION RAILWAY COMPANY:					
Refunding and Improvement Mortgage—series C	2½% June 1, 1986	5,979,000	5,979,000	5,979,000	
JEFFERSON COAL COMPANY:					
Purchase Money Mortgage	— January 1, 1952	14,600	14,600		
THE LAKE ERIE AND PITTSBURG RAILWAY COMPANY:					
First Mortgage—series A*	4½% July 1, 1965	3,436,000	1,718,000		
THE LAKEFRONT DOCK AND RAILROAD TERMINAL COMPANY:					
First Mortgage Sinking fund—series A	3¾% June 1, 1968	9,008,000	9,008,000	9,008,000	
THE MONONGAHELA RAILWAY COMPANY:					
First Mortgage—series B	3¼% February 1, 1966	9,885,000	9,885,000		
THE PEORIA AND EASTERN RAILWAY COMPANY:					
First Consolidated Mortgage	4% April 1, 1960	4,721,700	4,551,200	Ø	
P. & E. Ry.—Income Mortgage	4%† April 1, 1990	4,000,000	4,000,000		
PEORIA AND PEKIN UNION RAILWAY COMPANY:					
First Mortgage Gold	5½% August 1, 1974	2,500,000	2,500,000		
TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS:					
Refunding and Improvement Mortgage—series C	4% July 1, 2019	7,860,000	7,841,725	490,108	
Refunding and Improvement Mortgage—series D	2½% October 1, 1985	39,155,000	38,813,000	2,425,813	
THE TOLEDO TERMINAL RAILROAD COMPANY:					
First Mortgage	4½% November 1, 1957	6,000,000	6,000,000		
THE TORONTO HAMILTON AND BUFFALO RAILWAY CO:					
Notes—Bank	2¾% November 1, 1955	1,000,000	1,000,000		
Equipment obligations	2¾% May 2, 1959	2,000,000	2,000,000		
YOUNGSTOWN AND SOUTHERN RAILWAY Co:					
Unsecured promissory notes	2¾% September 15, 1955	1,200,000	1,200,000		
TOTAL			\$208,272,005	\$117,545,509	

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

(a) Includes \$39,200 called for redemption but not presented.

(b) Includes \$21,100 called for redemption but not presented.

† When earned.

Ø Guaranteed as to interest only.

Please see page 71 for Reconciliation with Note H on Consolidated Balance Sheet.

INCOME ACCOUNT FOR THE CALENDAR

RAILWAY OPERATING REVENUES:	1940	1941	1942
Freight.....	\$270,274,028	\$336,878,403	\$428,254,134
Passenger.....	59,322,145	66,609,863	112,259,031
All other.....	40,949,702	44,301,389	53,152,931
TOTAL RAILWAY OPERATING REVENUES.....	\$370,545,875	\$447,789,655	\$593,666,096
RAILWAY OPERATING EXPENSES:			
Maintenance.....	\$117,444,328	\$145,610,642	\$177,643,386
Transportation.....	139,498,310	162,457,180	197,544,216
All other.....	21,732,342	23,370,289	27,481,996
TOTAL RAILWAY OPERATING EXPENSES.....	\$278,674,980	\$331,438,111	\$402,669,598
NET REVENUE FROM RAILWAY OPERATIONS.....	\$ 91,870,895	\$116,351,544	\$190,996,498
RAILWAY TAX ACCRUALS (Note A).....	\$ 33,476,019	\$ 43,411,829	\$ 82,890,104
RAILWAY OPERATING INCOME.....	\$ 58,394,876	\$ 72,939,715	\$108,106,394
EQUIPMENT RENTS, NET DEBIT.....	\$ 11,636,288	\$ 12,767,648	\$ 15,300,710
JOINT FACILITY RENTS, NET DEBIT.....	2,706,151	2,753,307	2,406,189
NET RAILWAY OPERATING INCOME.....	\$ 44,052,437	\$ 57,418,760	\$ 90,399,495
OTHER INCOME:			
Revenues from miscellaneous operations.....	\$ 596,741	\$ 569,571	\$ 598,849
Income from lease of road and equipment.....	263,004	301,757	292,992
Miscellaneous rent income.....	3,721,045	3,246,714	3,349,927
Miscellaneous nonoperating physical property.....	1,877,441	1,299,468	403,304
Separately operated properties—Profit.....	856,730	1,734,936	2,216,517
Dividend income (Note B).....	6,579,040	7,513,672	6,919,987
Income from funded securities.....	4,032,287	4,229,668	4,109,322
Income from unfunded securities and accounts.....	128,112	38,317	151,868
Income from sinking and other reserve funds.....	69,686	62,897	29,524
Release of premiums on funded debt.....	—	—	29,601
Miscellaneous income.....	59,030	86,788	176,699
Delayed income credits (Note C).....	—	—	—
TOTAL OTHER INCOME.....	\$ 18,183,116	\$ 19,083,788	\$ 18,278,590
TOTAL INCOME.....	\$ 62,235,553	\$ 76,502,548	\$108,678,085
MISCELLANEOUS DEDUCTIONS FROM INCOME:			
Expenses of miscellaneous operations.....	\$ 443,883	\$ 364,679	\$ 522,783
Taxes on miscellaneous operating property.....	76,964	107,435	106,840
Miscellaneous rents.....	484,472	274,408	279,621
Miscellaneous tax accruals.....	509,854	503,898	503,047
Separately operated properties—Loss.....	22,776	4,312	3,624
Miscellaneous income charges.....	449,666	196,482	231,546
Delayed income debits (Note C).....	—	—	9,434,993
TOTAL MISCELLANEOUS DEDUCTIONS.....	\$ 1,987,615	\$ 1,451,214	\$ 11,082,454
INCOME AVAILABLE FOR FIXED CHARGES.....	\$ 60,247,938	\$ 75,051,334	\$ 97,595,631
FIXED CHARGES:			
Rent for leased roads and equipment.....	\$ 21,724,402	\$ 22,077,464	\$ 22,392,182
Interest on funded debt.....	25,283,482	25,409,167	24,533,511
Interest on unfunded debt.....	1,974,970	1,319,141	1,587,756
Amortization of discount on funded debt.....	—	—	—
TOTAL FIXED CHARGES.....	\$ 48,982,854	\$ 48,805,772	\$ 48,513,449
TIMES FIXED CHARGES EARNED.....	1.23	1.54	2.01
NET INCOME TRANSFERRED TO EARNED SURPLUS (Note D).....	\$ 11,265,084	\$ 26,245,562	\$ 49,082,182
INCLUDED IN OPERATING EXPENSES ARE:			
Equipment depreciation (Note E).....	\$ 15,989,969	\$ 18,240,005	\$ 17,891,829
Road property, shop, and power-plant machinery depreciation.....	—	4,761,044	9,544,822
Equipment amortization.....	—	631,470	6,584,330
Road property amortization.....	—	—	102,609
TOTAL.....	\$ 15,989,969	\$ 23,632,519	\$ 34,123,590

Included in other income and rent for leased roads and equipment are certain inter-company transactions representing credits and corresponding debits amounting to.....

\$ 4,331,859 \$ 4,160,093 \$ 3,979,537

*Italics indicate deficit.

Please see page 70 for notes.

YEARS 1940 TO 1949, INCLUSIVE

1943	1944	1945	1946	1947	1948	1949
\$480,665,605	\$468,283,532	\$418,643,637	\$409,199,396	\$496,734,880	\$561,361,243	\$ 500,919,039
162,017,837	180,965,132	169,444,180	148,109,502	133,187,777	136,168,197	122,451,363
63,441,391	65,714,721	66,275,982	59,475,857	73,417,870	82,331,315	73,933,997
<u>\$706,124,833</u>	<u>\$714,963,385</u>	<u>\$654,363,799</u>	<u>\$616,784,755</u>	<u>\$703,340,527</u>	<u>\$779,860,755</u>	<u>\$ 697,304,399</u>
 \$210,326,326	 \$233,724,228	 \$282,794,989	 \$225,243,837	 \$242,210,219	 \$269,117,394	 \$ 229,702,055
234,558,397	261,400,205	260,458,406	290,364,318	319,631,654	349,151,141	319,547,396
32,452,376	36,715,200	37,427,575	42,743,338	44,694,984	49,074,431	47,788,856
<u>\$477,337,099</u>	<u>\$531,839,633</u>	<u>\$580,680,970</u>	<u>\$558,351,493</u>	<u>\$606,536,857</u>	<u>\$667,342,966</u>	<u>\$ 597,038,307</u>
 \$228,787,734	 \$183,123,752	 \$ 73,682,829	 \$ 58,433,262	 \$ 96,803,670	 \$112,517,789	 \$ 100,266,092
 \$122,035,845	 \$ 98,372,903	 \$ 6,423,158	 \$ 23,953,409	 \$ 52,435,502	 \$ 54,161,593	 \$ 50,857,063
 \$106,751,889	 \$ 84,750,849	 \$ 67,259,671	 \$ 34,479,853	 \$ 44,368,168	 \$ 58,356,196	 \$ 49,409,029
 \$ 16,095,342	 \$ 16,354,369	 \$ 14,397,298	 \$ 16,508,443	 \$ 17,447,864	 \$ 18,732,019	 \$ 15,032,050
2,132,250	2,637,396	2,918,052	2,524,191	2,400,743	2,402,586	2,081,504
<u>\$ 88,524,297</u>	<u>\$ 65,759,084</u>	<u>\$ 49,944,321</u>	<u>\$ 15,447,219</u>	<u>\$ 24,519,561</u>	<u>\$ 37,221,591</u>	<u>\$ 32,295,475</u>
 \$ 439,770	 \$ 591,703	 \$ 487,935	 \$ 502,138	 \$ 517,692	 \$ 540,576	 \$ 567,131
287,580	275,670	261,316	233,464	447,094	617,356	1,276,830
4,254,857	4,482,216	4,495,427	4,086,857	4,279,936	4,432,221	4,514,707
1,594,218	1,831,268	2,567,759	2,011,801	2,327,143	2,009,998	2,345,364
1,821,325	1,065,989	516,530	2,493	1,501,183	2,024,531	1,591,726
5,335,004	5,343,773	4,630,969	4,056,573	6,692,465	6,616,564	6,363,939
4,191,012	4,210,473	4,743,028	4,164,294	4,354,558	4,516,626	4,396,851
995,290	1,626,804	1,753,557	1,755,973	913,501	802,622	879,366
31,593	37,239	36,964	35,495	82,957	214,082	214,773
23,727	21,139	18,311	15,348	12,299	9,188	6,032
451,708	542,151	794,262	165,521	88,565	99,909	73,164
1,707,622	—	—	—	—	—	—
<u>\$ 21,133,706</u>	<u>\$ 20,028,425</u>	<u>\$ 20,306,058</u>	<u>\$ 17,029,957</u>	<u>\$ 21,217,393</u>	<u>\$ 21,883,673</u>	<u>\$ 22,229,883</u>
<u>\$109,658,003</u>	<u>\$ 85,787,509</u>	<u>\$ 70,250,379</u>	<u>\$ 32,477,176</u>	<u>\$ 45,736,954</u>	<u>\$ 59,105,264</u>	<u>\$ 54,525,358</u>
 \$ 366,317	 \$ 478,331	 \$ 416,181	 \$ 447,818	 \$ 494,964	 \$ 496,320	 \$ 453,325
90,626	74,180	75,727	77,334	82,605	74,659	70,713
275,072	283,797	264,931	267,904	265,716	280,007	337,199
556,255	586,304	794,460	821,513	818,135	706,559	719,031
7,723	98,987	94,794	144,785	42,707	—	90,205
291,502	237,828	115,926	208,351	207,813	247,364	451,170
—	2,050,342	—	—	—	—	—
<u>\$ 1,587,495</u>	<u>\$ 3,809,769</u>	<u>\$ 1,762,019</u>	<u>\$ 1,967,705</u>	<u>\$ 1,911,940</u>	<u>\$ 1,804,909</u>	<u>\$ 2,121,643</u>
<u>\$108,070,508</u>	<u>\$ 81,977,740</u>	<u>\$ 68,488,360</u>	<u>\$ 30,509,471</u>	<u>\$ 43,825,014</u>	<u>\$ 57,300,355</u>	<u>\$ 52,403,715</u>
 \$ 21,095,814	 \$ 20,753,411	 \$ 19,741,893	 \$ 18,998,372	 \$ 19,575,066	 \$ 20,132,441	 \$ 19,463,898
23,563,322	22,745,736	21,838,397	21,273,929	21,102,395	21,331,215	22,211,922
672,121	2,675,500	2,455,119	618,889	750,973	986,434	834,251
5,201	13,154	40,426	67,549	90,498	123,169	165,828
<u>\$ 45,336,458</u>	<u>\$ 46,187,801</u>	<u>\$ 44,075,835</u>	<u>\$ 40,958,739</u>	<u>\$ 41,518,932</u>	<u>\$ 42,573,259</u>	<u>\$ 42,675,899</u>
2.38	1.77	1.55	0.74	1.06	1.35	1.23
<u>\$ 62,734,050</u>	<u>\$ 35,789,939</u>	<u>\$ 24,412,525</u>	<u>\$ 10,449,268*</u>	<u>\$ 2,306,082</u>	<u>\$ 14,727,096</u>	<u>\$ 9,727,816</u>
 \$ 17,670,746	 \$ 18,585,779	 \$ 17,766,840	 \$ 18,858,012	 \$ 19,583,365	 \$ 20,892,372	 \$ 22,144,692
9,546,561	10,667,198	10,611,865	11,052,242	11,098,997	11,275,627	11,444,988
10,522,829	11,179,224	54,016,373	1,606,413	2,393,011	2,392,857	2,392,048
284,494	599,067	3,244,738	Cr 45,675	—	—	—
<u>\$ 38,024,630</u>	<u>\$ 41,031,268</u>	<u>\$ 85,639,816</u>	<u>\$ 31,470,992</u>	<u>\$ 33,075,373</u>	<u>\$ 34,560,856</u>	<u>\$ 35,981,728</u>
<u>\$ 3,092,960</u>	<u>\$ 3,184,562</u>	<u>\$ 3,225,577</u>	<u>\$ 3,070,482</u>	<u>\$ 3,251,961</u>	<u>\$ 3,494,518</u>	<u>\$ 3,728,953</u>

STATEMENT OF EARNED SURPLUS—UNAPPROPRIATED—FOR

	1940	1941	1942
CREDIT BALANCE AT BEGINNING OF YEAR.....	\$170,777,952.50	\$178,079,442.84	\$174,468,421.11
CREDITS:			
Credit balance transferred from income.....	\$ 11,265,084.18	\$ 26,245,561.80	\$49,082,182.48
Credits from retired road and equipment.....	34,510.82	155,441.26	51,972.14
Delayed income credits (Note B).....	—	4,127,980.41	—
Donations.....	9,546.50	14,407.29	15,891.64
Miscellaneous credits (Note C).....	372,631.48	796,580.64	705,063.23
TOTAL CREDITS.....	\$ 11,681,772.98	\$ 31,339,971.40	\$ 49,855,109.49
DEBITS:			
Debit balance transferred from income.....	—	—	—
Dividend appropriations of surplus.....	—	—	\$ 6,447,393.95
Surplus appropriated for investment in physical property.....	\$ 112,626.29	\$ 53,193.18	97,958.38
Debt discount extinguished through surplus (Note D).....	17,222.85	17,342.44	—
Debits from retired road and equipment (Note E).....	3,255,377.70	3,185,105.75	3,532,832.69
Miscellaneous appropriations of surplus.....	—	—	—
Miscellaneous debits (Note F).....	995,055.80	31,695,351.76	12,639,140.84
TOTAL DEBITS.....	\$ 4,380,282.64	\$ 34,950,993.13	\$ 22,717,325.86
CREDIT BALANCE AT END OF YEAR.....	<u>\$178,079,442.84</u>	<u>\$174,468,421.11</u>	<u>\$201,606,204.74</u>

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 1940 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 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 1940 to 1949 were:

Year	DIVIDENDS RECEIVED FROM SUBSIDIARIES	EQUITY OF THE N. Y. C. R. R. CO. IN NET INCOME OF SUBSIDIARIES
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
1949.....	2,508,436	6,149,753
TOTAL.....	\$27,237,869	\$42,399,936

* Restated

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 1949 were: Steam locomotives, 3.38%; Other locomotives, 3.67%; Freight-train cars, 3.17%; Passenger-train cars, 3.03%; Floating equipment, 2.78%; Work equipment, 3.49%; and Miscellaneous equipment, 15.39%.

TEN-YEAR PERIOD 1940 TO 1949, INCLUSIVE (Note A)

1943 \$201,606,204.74	1944 \$253,486,928.19	1945 \$276,384,152.73	1946 \$290,786,934.30	1947 \$263,030,739.62	1948 \$265,627,623.95	1949 \$278,648,663.43
\$ 62,734,050.00	\$ 35,789,938.93	\$ 24,412,525.22	—	\$ 2,306,081.78	\$ 14,727,096.12	\$ 9,727,815.90
—	—	—	—	—	—	—
—	—	—	—	—	—	—
793,558.72	159,858.76	1,677,086.99	\$ 2,012,244.42	3,280,178.57	2,577,114.79	827,431.19
\$ 63,527,608.72	\$ 35,949,797.69	\$ 26,089,612.21	\$ 2,012,244.42	\$ 5,586,260.35	\$ 17,304,210.91	\$ 10,555,247.09
—	—	—	\$ 10,449,267.67	—	—	—
\$ 9,671,090.93 123,736.14	\$ 9,671,090.93 26,904.09	\$ 9,671,090.93 45,521.51	131,515.21	\$ 914,255.15	\$ 3,223,696.98 141,415.34	\$ 155,083.92
—	—	—	—	—	—	—
279,615.33 1,572,442.87	Cr. 279,615.33 3,634,193.46	1,970,218.20	19,187,656.22	2,075,120.87	918,059.11	499,571.36
\$ 11,646,885.27	\$ 13,052,573.15	\$ 11,686,830.64	\$ 29,768,439.10	\$ 2,989,376.02	\$ 4,283,171.43	\$ 654,655.28
\$253,486,928.19	\$276,384,152.73	\$290,786,934.30	\$263,030,739.62	\$265,627,623.95	\$278,648,663.43	\$288,549,255.24

NOTE E—The years 1940 and 1941 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 12,720 $\frac{1}{2}$ 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.

RECONCILIATION OF NOTES TO FINANCIAL STATEMENTS—NOTE H ON PAGE 25 WITH STATEMENTS OF FUNDED DEBT AND OTHER OBLIGATIONS OF LESSOR AND OTHER THAN LESSOR COMPANIES ON PAGES 66 AND 67

The New York Central Railroad Company's contingent liability, either sole or joint with other companies, as guaranteed or under leases or otherwise with respect to the securities or obligations of other companies outstanding at December 31, 1949:

Lessor companies	\$260,394,500
Other than lessor companies	117,545,509
TOTAL	\$377,940,009

of which there is included in funded debt in the consolidated balance sheet:

Lessor companies	\$260,394,500
Other than lessor companies, guaranteed by N. Y. C. R. R. Co.:	
The Cleveland Union Terminals Company first gold mortgage bonds	\$42,752,500
Indiana Harbor Belt Railroad Company	
general mortgage gold bonds and equipment obligations	13,490,588
TOTAL	56,243,088
	\$316,637,588

Contingent liability of The Pittsburgh and Lake Erie Railroad Company, a consolidated subsidiary company:

The Monongahela Railway Company first mortgage—series B bonds	\$9,885,000
Youngstown and Southern Railway Company \$1,200,000 unsecured promissory note—P. & L. E. R. R. Co.'s proportion of guarantee 50%	600,000
TOTAL	\$10,485,000

Organization of The New York Central Railroad Company

December 31, 1949

DIRECTORS

Harold S. Vanderbilt	New York	James A. Farley	New York
Robert F. Loree	Madison	Carl P. Dennett	Boston
Edward B. Greene	Cleveland	Lawrence N. Murray	Pittsburgh
George Whitney	New York	Gustav Metzman	New York
William E. Levis	Toledo	Alexander C. Nagle	New York
Malcolm P. Aldrich	New York	William H. Vanderbilt	Williamstown
Raymond D. Starbuck	New York	Albert B. Dick, Jr.	Chicago
	Winthrop W. Aldrich	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	Madison	Raymond D. Starbuck	New York
George Whitney	New York	Gustav Metzman	New York
	Alexander C. Nagle	New York	

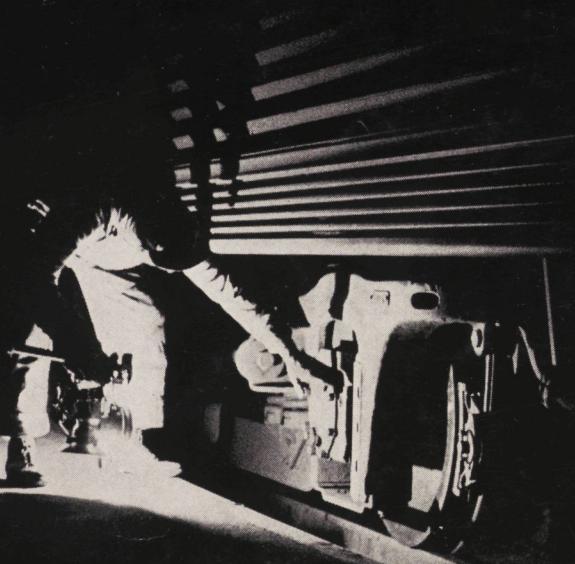
OFFICERS

Gustav Metzman	<i>President</i>	New York
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>	New York
Boynton S. Voorhees	<i>Vice-President</i>	New York
Joseph M. O'Mahoney	<i>Secretary</i>	New York
Gustave H. Howe	<i>Treasurer</i>	New York
George H. Albach	<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.

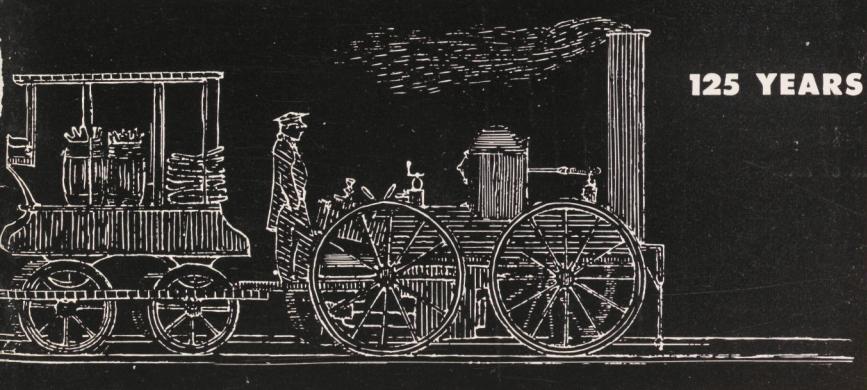
Central Hanover Bank and Trust Company, New York 15, registers stock.

NEW YORK
CENTRAL
SYSTEM



ANNUAL REPORT 1950

(INCLUDING STATISTICS AND OTHER DATA)



125 YEARS OF PROGRESS

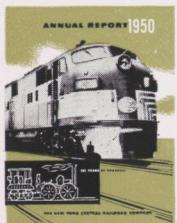
THE NEW YORK CENTRAL RAILROAD COMPANY

ANNUAL REPORT-1950

(INCLUDING STATISTICS AND OTHER DATA)

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The cover, symbolizing 125 years of progress since the founding of the New York Central System in 1826, contrasts our first train and its DeWitt Clinton locomotive with a 1951 diesel-electric giant. From those original 16 miles grew the 11,000-mile System of today.

THE NEW YORK CENTRAL RAILROAD CO.

230 Park Avenue, New York 17



CENTRAL FACTS AT A GLANCE

1950 1949 1948 1947 1946

FINANCIAL POSITION

Investments in road, equipment and other properties	\$1,154,700,335	\$1,132,622,756	\$1,072,134,493	\$1,017,965,622	\$1,003,730,724
Investments in affiliated and other companies	454,703,598	454,195,442	466,445,352	464,407,457	454,388,556
Current assets	208,269,325	168,473,142	188,193,906	214,225,933	213,542,892
Current liabilities	151,505,103	107,850,715	125,587,362	130,204,245	107,878,310
Bonds and equipment obligations..	631,502,040	625,806,480	589,947,760	565,604,040	556,701,561

INCOME ITEMS

Operating revenues	759,684,769	697,304,399	779,860,755	703,340,527	616,784,755
Operating expenses	632,848,260	597,038,307	667,342,966	606,536,857	558,351,493
Taxes	68,613,313	50,857,063	54,161,593	52,435,502	23,953,409
Net railway operating income....	37,475,423	32,295,475	37,221,591	24,519,561	15,447,219
Fixed charges	43,627,162	42,675,899	42,573,259	41,518,932	40,958,739
Net income	18,315,170	9,727,816	14,727,096	2,306,082	□10,449,268
Operating ratio	83.30%	85.62%	85.57%	86.24%	90.53%
Return (net railway operating income) on depreciated investment	2.1%	1.8%	2.1%	1.4%	0.9%
Profit (net income) on total income	2.3%	1.4%	1.8%	0.3%	None

FREIGHT AND PASSENGER FIGURES

Revenue freight tons	165,834,716	147,786,794	184,730,006	188,015,638	171,932,093
Revenue ton-miles	39,064,645,973	34,378,663,479	41,926,445,859	43,570,786,753	40,215,577,150
Revenue per ton-mile	1.39¢	1.46¢	1.34¢	1.14¢	1.02¢
Revenue passengers [△]	20,004,513	23,444,738	30,699,479	35,192,618	40,025,946
Revenue passenger-miles [△]	3,418,269,759	3,898,518,495	4,779,788,786	5,324,990,060	6,311,231,076
Revenue per passenger-mile [△]	3.14¢	2.91¢	2.67¢	2.36¢	2.23¢

EMPLOYES AND WHAT THEY RECEIVED

Average number of employes....	110,950	105,640	119,721	119,999	119,844
Total wages paid employes.....	\$415,875,652	\$397,006,509	\$432,857,738	\$393,783,304	\$372,646,206
Retirement and unemployment insurance taxes (employe benefits)	23,823,193	22,676,387	24,311,754	31,985,446	22,801,651

STOCKHOLDERS AND WHAT THEY RECEIVED

Stockholders of record.....	49,577	55,297	57,263	60,099	62,717
Total dividends declared	\$6,447,394	—	\$3,223,697	—	—
Amount of dividend per share...	1.00	—	.50	—	—

□Deficit.

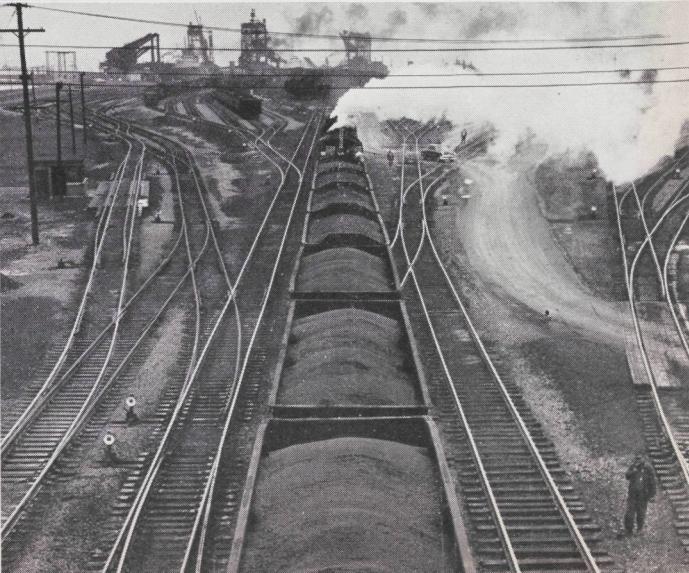
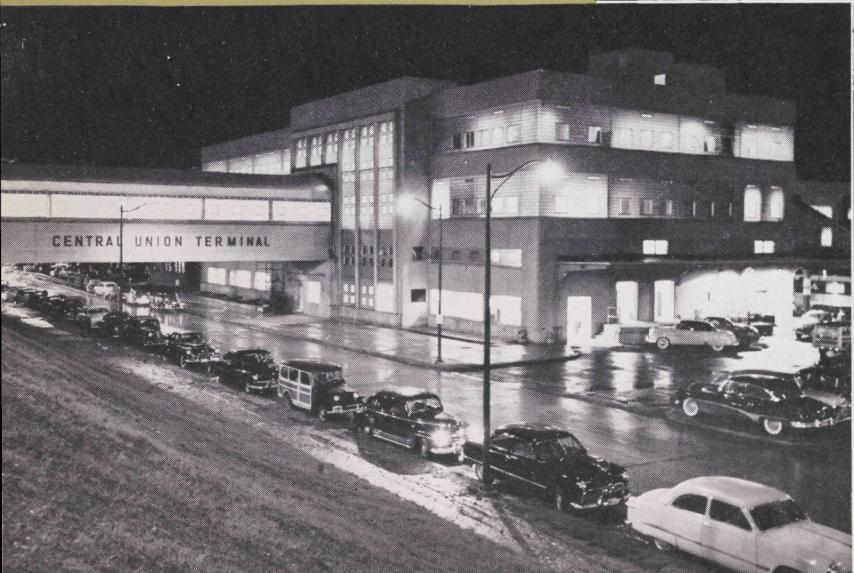
[△]Excluding commutation; see page 8 of text.



Inaugurating the service in 1950, the Central now is operating four of the new type of self-propelled rail diesel cars shown above, and has ordered four more for use at various places on the System. At the right, above, is Engineman Leo Ledoux, who received our 1001st gold pass. These go to employees after 50 years of service.

PHOTOS of the YEAR

In their first visit to the United States, the Dionne quintuplets, aged 16, arrive in New York on a Central train. Below is our new Toledo, O., passenger terminal, opened with a week-long civic celebration which included such events as the Central's operation of the world's longest coal train, shown reaching our new docks there.



President Gustav Metzman, right, is congratulated by Admiral Chester W. Nimitz at Toledo, O., luncheon in honor of the Central's new passenger terminal when it was opened last September.



THE PRESIDENT'S MESSAGE

The year was 1826. John Quincy Adams was the nation's sixth president, and nine of every ten Americans were making their living from the soil.

Only three years before, James Monroe had proclaimed that the American continents were no longer "subjects for future colonization by any European powers." The Monroe Doctrine was issued after Russia tried to prohibit navigation or fishing along North America's northwest coast.

The Erie Canal was one year old, but you needed ten days by passenger packet to travel from Buffalo to Albany, and down the Hudson to New York City. George Stephenson's Locomotion No. 1 had pulled its first train in England the previous fall.

A railroad is born

That was the situation when the New York State legislature authorized creation of the Mohawk and Hudson Railroad Company "for the purpose of constructing a single or double rail road or way betwixt

the Mohawk and Hudson rivers." It was born April 17, 1826, with \$300,000 of private capital.

One August day five years later the historic, wood-burning DeWitt Clinton locomotive, a brave 11½ feet long, chuffed the hilly 16 miles between Albany and Schenectady, N. Y., with three bulging coaches of dignitaries. The Mohawk and Hudson — original predecessor of the hundreds of early-day railroads which became today's 11,000-mile New York Central System — was in operation.

Sizeable advances are made

Time, moving inexorably and writing indelibly, has advanced 125 years since the Central's founding. Where do we stand now, as we begin the second half of the progress-filled but vexing Twentieth Century?

Short range and long range, we have made and are making substantial advances. We completed, in 1950, another year of measurable progress. Our net income, at \$18,315,170, or \$2.84 per share, nearly

doubled that of 1949. Even so, it represented an inadequate return of only 2.3 per cent of total revenues, while our net railway operating income was reflecting a return of only 2.1 per cent on depreciated investment.

The 1950 earnings, which were the highest since war-torn 1945, enabled your board of directors to declare a dividend of \$1.00 a share, paid last Dec. 27 to holders of record Nov. 24.

New equipment barely affects debt

We continued to receive and order additional diesel-electric locomotives and cars needed to meet our traffic-carrying responsibilities in the national emergency, and to achieve even greater efficiency. Thus dieselized and electrified locomotive mileage rose to 34.2 per cent, from 28.7 per cent in 1949.

Although the new equipment necessarily raised our debt, the 1950 increase of \$2,743,047, or 0.3 per cent, was relatively modest. The Central incurred \$29,968,800 of new debt. This was almost offset by retirement of \$25,078,253 of older Central debt, including amounts due New York State in grade crossing eliminations, and \$2,147,500 of older debt of lessor companies.

Higher costs require higher rates

Various demands were made by union leaders for wage increases and rules changes. One case led the federal government to seize control of the nation's railroads last Aug. 27. They have remained

under U. S. Army authority since then, with a number of railroad presidents serving as colonels in charge of regions. Settlement of these cases obviously will mean higher wage costs for 1951. Meanwhile, there also occurred sharp jumps in the prices of materials and supplies which are essential to railroad operations.

Confronted with increased costs, the railroads, after holding the line without new general rate or fare increases since 1949, were obliged to seek further freight rate increases. The Interstate Commerce Commission authorized interim raises of about 4 per cent in the east. Further favorable action is essential to our vital role in national defense.

Present, future prospects good

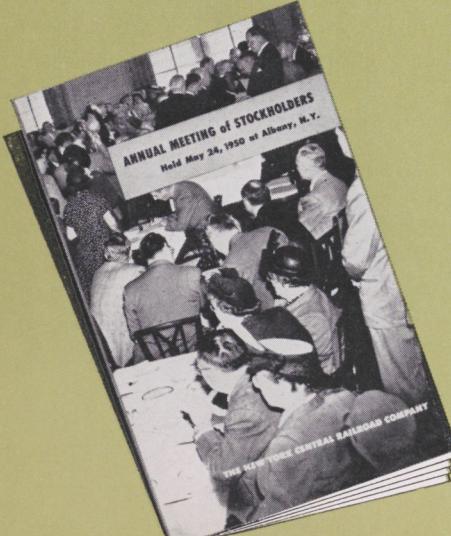
There are many uncertainties, but we do seem assured of a relatively high business volume. Also encouraging are the movements in many states for proportionate-use highway taxes, which would have the effect of curtailing the huge subsidies on which many of our freight-hauling competitors have been fattening, to our detriment.

All things considered, I look for the Central to continue to demonstrate in 1951 and in subsequent years the substantial progress shown in 1950.

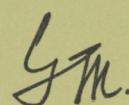


March 14, 1951

President



P. S. TO STOCKHOLDERS: It is a great pleasure to note your increased interest in the Central. The much larger attendance at our last annual meeting, and the high proportion of proxies returned, reflect encouragingly healthy conditions. Again this year there will be a special train from New York City, where the largest group of you have your addresses, and stockholders there and in adjacent areas will be advised soon as to details. You and your suggestions are welcomed, wherever you live. The date is Wednesday, May 23, at noon in the ballroom of the Hotel Ten Eyck at Albany, N. Y. For the particular benefit of those who cannot be present, stockholders will receive, as in 1950, a report of the meeting.



Over 4½ million carloads of freight, 20 million passengers were handled in 1950 on Central trains like these.



SUBSTANTIAL PROGRESS MADE IN 1950

Coal, railroad and automobile industry strikes plagued the Central and other railroads in the first five months of 1950.

Then came a half-year free from major walkouts. Given this clear track, and with the outbreak of hostilities in Korea adding slightly to traffic, the Central pulled well ahead of 1949 both in business volume and in profits before the advent of winter weather and labor difficulties.

How these strikes hurt profits—technically known as net income—and how the Central rebounded from them in trouble-free periods are shown in the month-by-month pictorial chart on page 11.

Sharp recovery is shown

Because of the persistent labor difficulties, the Central had a loss of \$6,487,200 for the first five months of 1950. But in spite of renewed disturbances late in the year, we completed 1950 with a profit of \$18,315,170. Including the wiping out of the loss, this represented a recovery of \$24,802,370 in net income during the last seven months.

The 1950 showing compared with net income of \$9,727,816 in 1949, when traffic volume was seriously hurt by major strikes and walkouts in the coal and steel industries, and by a moderate drop in the level of general business activity.

Operating, freight revenues up

Our 1950 improvement resulted largely because operating revenues, at \$759,684,769, rose 8.9 per cent while operating expenses, at \$632,848,260, were held to an increase of only 6.0 per cent.

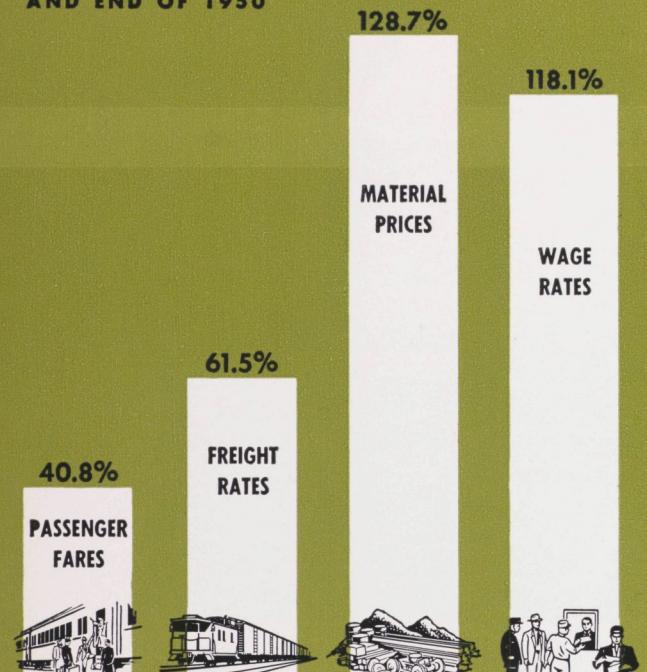
Freight revenues climbed to \$544,621,430, an improvement of 8.7 per cent. Aided by a 24.5 per cent increase in bituminous coal tonnage, revenue ton-miles rose 13.6 per cent. In 1950, bituminous production was uninterrupted after early March, whereas the labor disturbances of 1949 produced shutdowns equivalent to 3½ months.

Passenger revenues are lower

Passenger revenues continued their gradual decline. Totaling \$116,597,098, they were 4.8 per cent

BASIC EXPENSES vs. RATES

IN % OF INCREASE BETWEEN 1939
AND END OF 1950



ANNUAL WAGES, NET INCOME and DIVIDENDS DECLARED

IN MILLIONS OF DOLLARS



below 1949. The decline was braked by the 12½ per cent increase in basic fares effective Nov. 28, 1949, except within New York State where the raise was not permitted to become effective until March 15, 1951, and by varying increases in New York State commutation fares effective Jan. 1, 1950.

Various mileage reductions have been in effect since late 1949 and early 1950, totaling about 10 per cent of the passenger train mileage previously operated. These selective mileage cuts represent a net gain for the Central, because they slashed expenses much more than they reduced revenues.

Several factors affect comparability

It should be noted that 1950 operating revenues included retroactive mail pay of \$17,826,993 — of which \$5,040,364 was applicable to 1950 — from the Post Office Department for the period between Feb. 19, 1947, and Dec. 31, 1950. On the expense side, there were federal income taxes on the mail pay; and with Interstate Commerce Commission authority, \$6,000,000 was charged to operating expenses for heavy repairs to 3,000 gondola cars this year under a contract made in 1950.

Statistics relating to total revenue passengers and total revenue passenger-miles in 1950 are not comparable with previous years, due to a change in the reporting basis for commutation traffic. Since the start of 1950, when new type commutation tickets were inaugurated in New York State in connection with fare increases, approximately four of every five of these monthly-basis riders have used tickets valid five days a week, less holidays, instead of tickets good all days of the month. This situation, measurably distorting total figures, has led to the use on page 3 of this year's report of statistics which exclude commutation traffic.

Progress made in mail pay

Except for a 25 per cent interim increase effective Feb. 19, 1947, the Central and other railroads have been handling mail at rates set in 1928 on the basis of 1925 costs. But in the intervening quarter-century, the expense of performing this service for the government has jumped sharply.

The railroads' heavy losses in handling passenger train "head-end traffic" have been compounded by

THE YEAR'S BUSINESS-1950

NEW YORK CENTRAL'S INCOME . . .

FREIGHT TRAFFIC

Coal, ore and other products of mines
 Manufactures and miscellaneous
 Wheat, grain, flour and other products of agriculture
 Lumber and products of forests
 Livestock and products of animals
 L.C.L. (Less-than-carload lots)
 Total gross freight revenue
 LESS: Items of absorbed switching, pick-up and delivery, etc.
 Total net freight revenue

69.3%	
MILLIONS OF DOLLARS	
1950	1949
159.5	128.3
296.2	274.6
38.7	43.9
15.1	12.2
27.0	28.7
34.0	36.5
<u>570.5</u>	<u>524.2</u>
25.9	23.3
<u>544.6</u>	<u>500.9</u>

PASSENGER TRAFFIC 14.8%

Coach (except commutation)	56.7	63.5
Pullman	50.6	50.0
Commutation	9.3	9.0
Total passenger revenue	116.6	122.5

OTHER OPERATIONS 12.5%

98.4	73.9
------	------

INVESTMENTS 3.4%

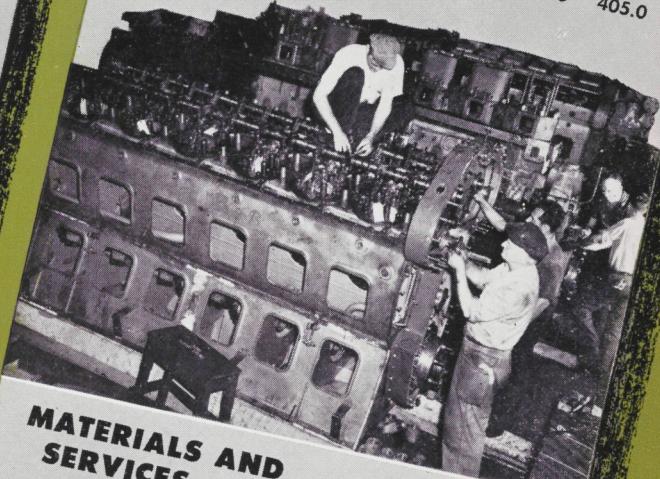
26.3	22.2
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... AND WHERE IT WENT

HUMAN ENERGY

Wages, salaries, pensions and payroll taxes

56.3%	
MILLIONS OF DOLLARS	
1950	1949
442.8	405.0



MATERIALS AND SERVICES 25.0%

Fuel, material and supplies and other costs of operations

196.2	195.8
-------	-------

TOOLS WEARING OUT 4.9%

Depreciation and amortization

38.4	36.0
------	------

TAXES (excluding payroll) 5.7%

Taxes (excluding payroll)

44.8	28.2
------	------

INTEREST, RENTALS, etc. 5.7%

Interest, rentals, etc.

45.4	44.8
------	------

NET INCOME 5.8%

Net income

18.3	9.7
------	-----

this situation, and by the below-cost rates the government has charged for parcel post. Parcel post is very competitive with rail express on lighter shipments, so that the government practice has seriously depressed the railroads' express revenues.

In late 1950 the railroads and the postmaster general signed and the Interstate Commerce Commission approved an agreement giving the railroads an increase of about 48 per cent (including the 25 per cent interim raise) over the mail-carrying rates in effect before the 1947 date. Determination of the level of rates from the start of 1951 is in the hands of the ICC. Meanwhile, the Post Office Department

is taking steps to reduce its parcel post losses by seeking to raise parcel post rates.

Express rates generally were increased 10 per cent early in 1950, and an application for further raises is pending before the ICC.

Taxes continue to increase

Our tax bill jumped to \$68,613,313, a rise of \$17,756,250 or 34.9 per cent over 1949. The increase was quite real, since much less than half of it was occasioned by taxes on the retroactive mail pay.

Under legislation adopted at the close of 1950, a corporation excess profits tax was established. Railroads were permitted a 6 per cent return before excess profits taxes. All regulated industries received similar treatment on the showing that, under regulation, it is impossible to achieve excessive profits.

The so-called normal and surtax rate, which was 38 per cent, was raised to 45 per cent effective July 1, 1950, and to 47 per cent with the start of 1951. Congress is considering a Treasury Department proposal that the rate be raised to 55 per cent. If adopted, this would represent an increase of 17 percentage points, or a rise of approximately 45 per cent, in our normal and surtax rates in less than one year.

Labor troubles harass operations

The Central was beset in 1950 and in early 1951 by several major walkouts as leaders of the railroad



Shown here is start of inaugural run of new merchandise service, with second-morning Chicago arrival for New York shipments. Expedited Pacemaker trains team with our expanded truck fleet to give fast service.



MAN and NATURE vs. PROFITS - 1950



UMW bituminous coal miners continue arbitrary three-day work week

Intermittent mine walkouts accentuate production slowdown caused by three-day work week

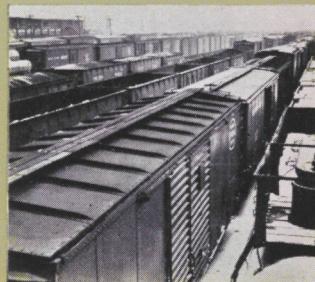
UMW miners drop all work to enforce demands; widespread industrial paralysis and train curtailments



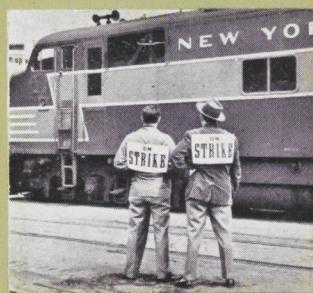
100-day strike of 89,000 Chrysler employees; plants of many Chrysler suppliers are also affected



Continuous snowfall, two feet deep in Cleveland and Pittsburgh, paralyzes midwest, reducing traffic and increasing transportation expenses

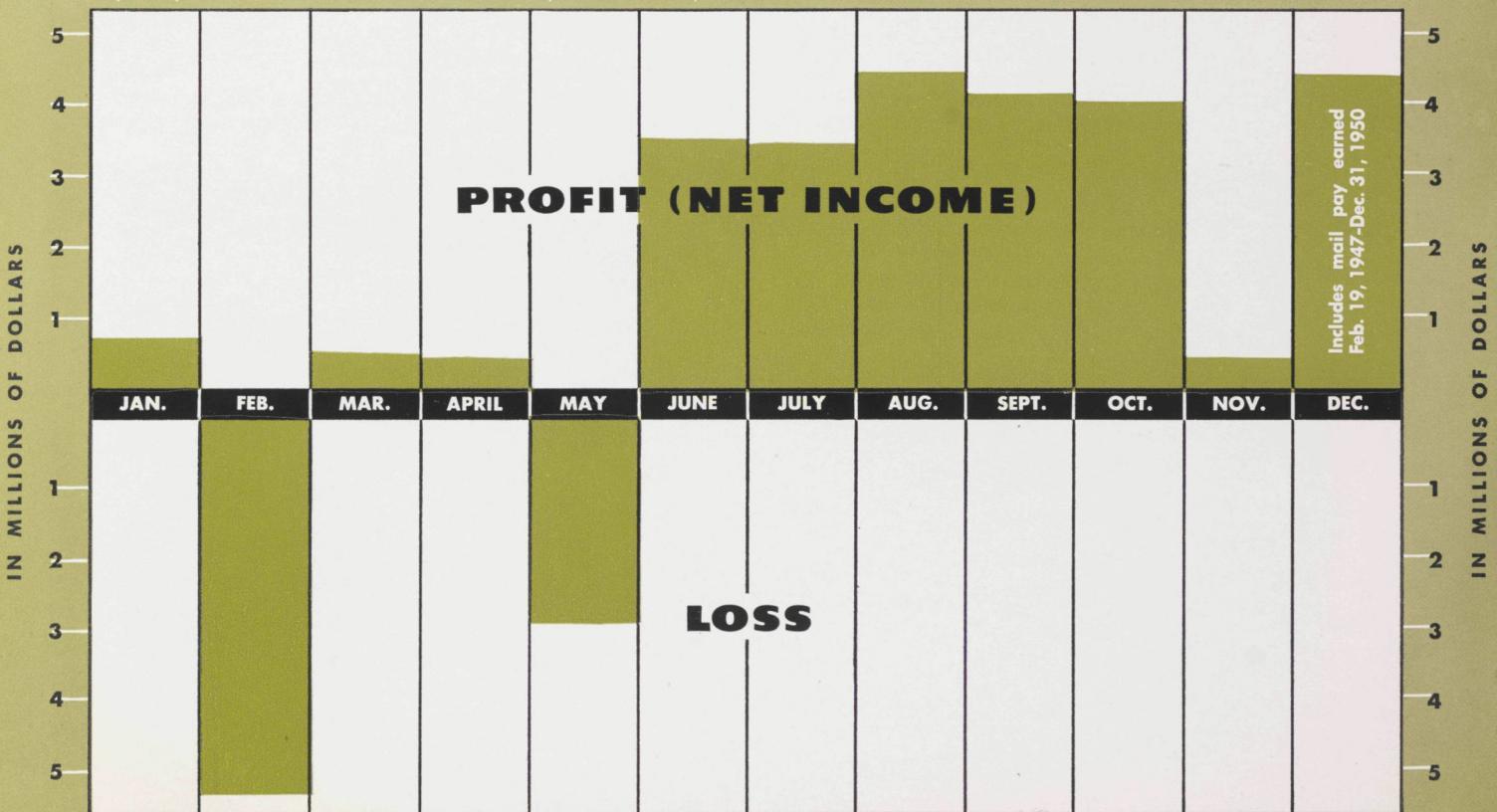


BRT switchmen conduct "sick strike" in Chicago and other key rail centers, clogging railroad yards



BLF&E railroad firemen threaten strike effective April 26, causing traffic diversions to other routes

Railroad firemen strike on Central's lines west of Buffalo and on several other large railroad systems



operating unions pressed demands for large wage increases. The demands varied, but generally they were for 48 hours' pay for 40 hours' work and/or direct pay raises, plus rules changes which would add up to still further increases in wage rates and in our operating expenses.

In May, railroad firemen struck for six days on our lines west of Buffalo, N. Y., and on several other large railroads to enforce demands—already rejected by impartial presidential emergency boards—for an unneeded new man in the cab of road diesel locomotives. This strike lost to the force of aroused public opinion.

After the railroads accepted and the unions rejected a presidential emergency board report and a separate White House proposal, the conductors' and trainmen's organizations ordered and carried out a five-day strike in August on the Pittsburgh & Lake Erie, a Central affiliate, and several other strategic lines. During this walkout, the same unions called a nationwide railroad strike for Aug. 28.

Strike actions bring Army control

In this emergency, President Truman ordered government seizure of the railroads. He placed them under U. S. Army control. Switchmen members of the trainmen's union staged a three-day "sick strike"

in mid-December against many railroads at Chicago, St. Louis and other key rail gateways.

On Dec. 21, the chieftains of the four principal operating brotherhoods and management negotiators signed an agreement reached under White House auspices. But in an unprecedented move, union leaders repudiated it a few days later. Then, beginning this Jan. 30, the same switchmen conducted a nine-day "sick strike" which ended only after widespread industrial shutdowns and a governmental ultimatum to the strikers to return to work or be discharged unless they could prove illness. As this report goes to press, there is no final settlement.

Non-operating employes sign

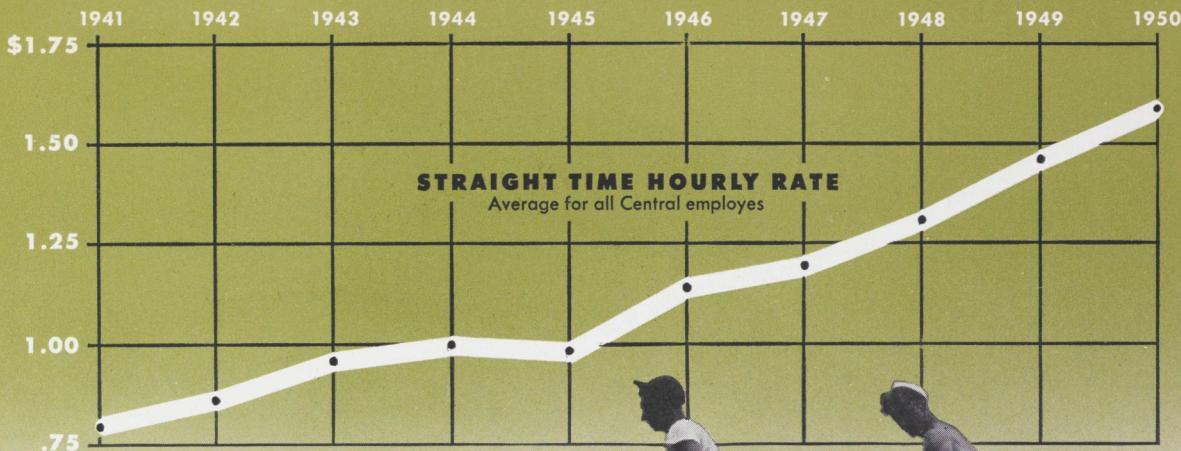
A peaceful agreement was reached March 1, 1951, with leaders of unions representing the non-operating employes. This group includes approximately four of every five Central workers.

The settlement provided for a 12½ cents an hour wage increase, retroactive to Feb. 1, 1951; quarterly cost-of-living adjustments based on the Bureau of Labor Statistics' consumers price index, with the first adjustment due April 1; and so-called "productivity" raises starting July 1, 1952, if permitted by the government's wage stabilization policy. The contract will run until Oct. 1, 1953.

Among many new industries on the Central is Ford's Cleveland Engine Plant, to be completed this fall.

Last year the System gained 270 new plants with an estimated annual traffic of 180,500 carloads.





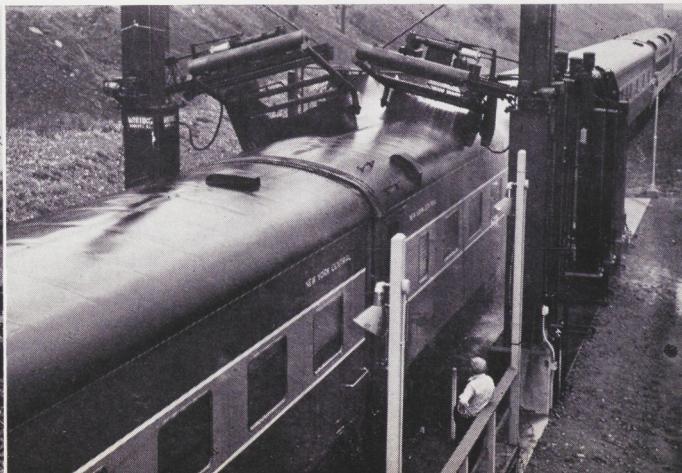
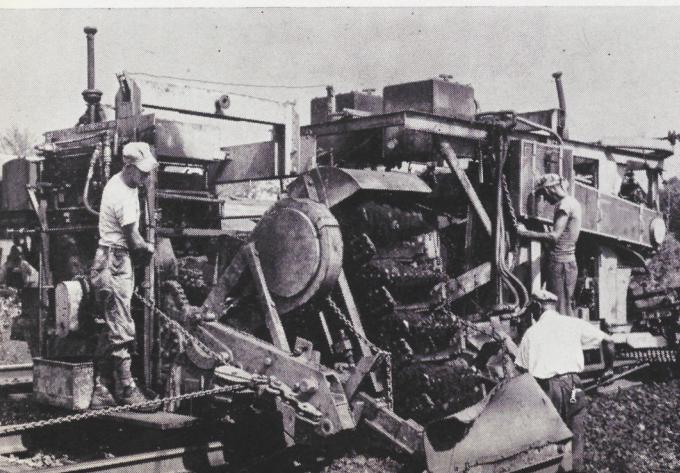
MECHANIZATION IS CARRIED FORWARD

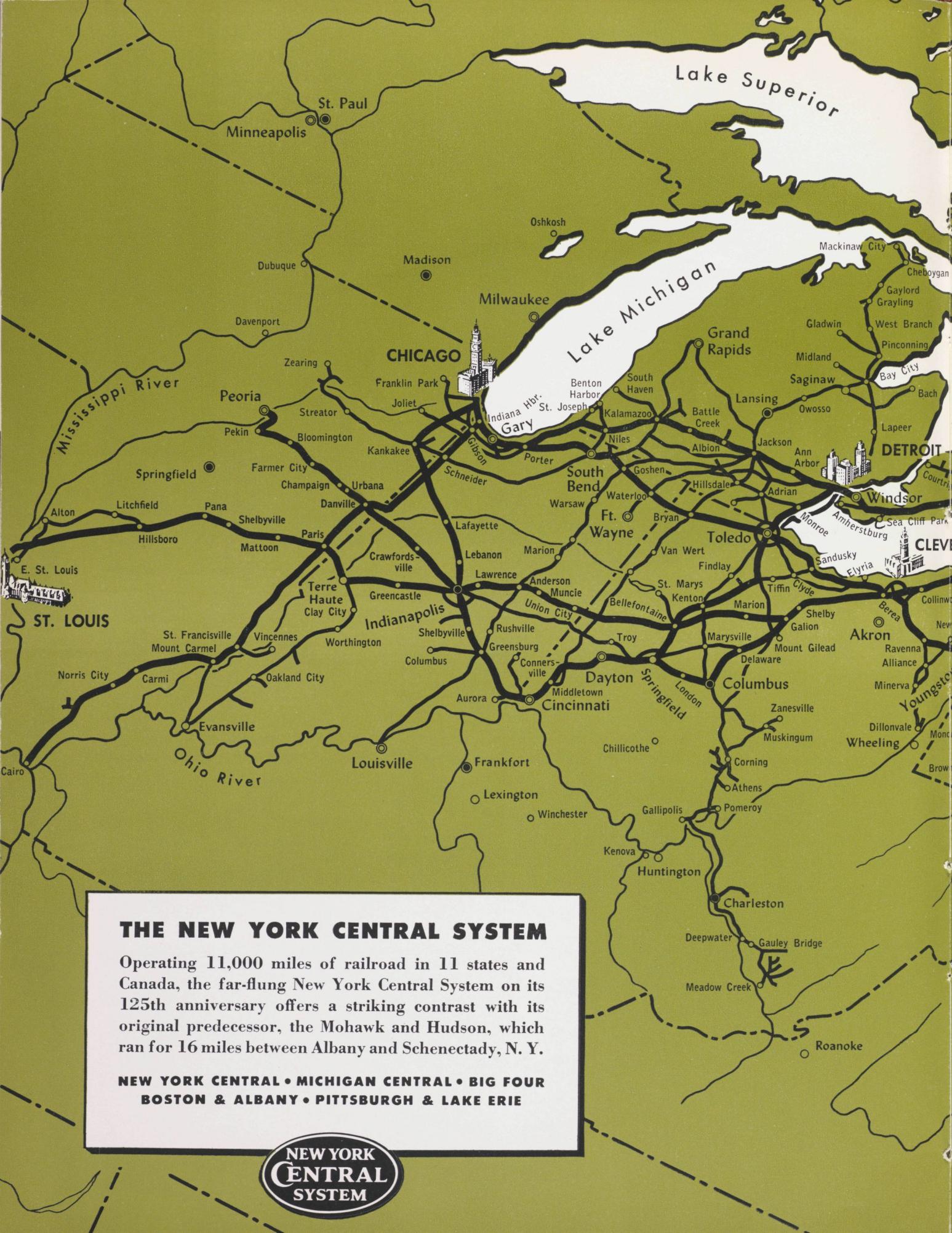
For two equally valid reasons, mechanization is increasingly essential on the modern railroad. Wages of the average of all Central employees have doubled in a decade, jumping from 79 1/2 cents an hour in 1941 to \$1.60 in 1950, as shown above. And in national emergencies, it becomes virtually impossible to obtain additional competent employees.

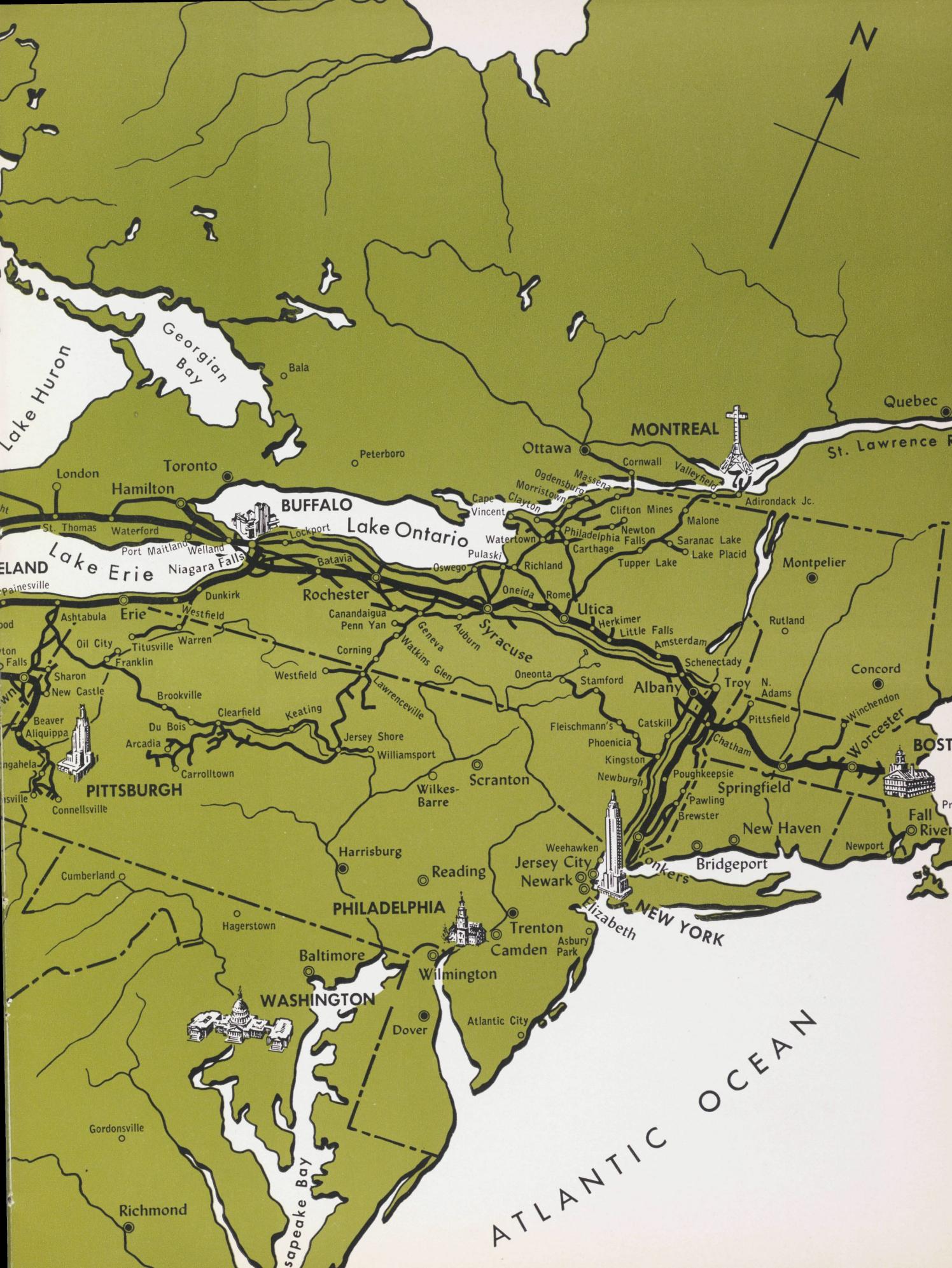
Shown below are a new ballast cleaner (left) and a new passenger car washer, placed in service last

year. The twin-unit washer, serving our Mott Haven yards at New York City, requires less than $\frac{1}{3}$ the manpower needed previously to do the same work by hand. The ballast cleaner requires only $\frac{1}{14}$ the number of maintenance-of-way workers (above) as were needed to perform the same work by hand.

Other labor-saving projects range from freight platform trucks to new signaling, and from automatic crossing gates to new car-icing facilities.









This U.S. Army photo shows medium tanks reaching New York harbor on Central flat cars, for overseas

shipment late last year. Your railroad cooperates closely with the Army in all national emergencies.

THE CENTRAL PREPARES

From the start, 1950 was another year of extensive improvement in the Central's plant and equipment. The sudden turn of world events at mid-year — portending grave challenges ahead for the nation's railroads — gave added urgency to the Central's long-term program of modernization and betterment.

Acquisition of new motive power and rolling stock, undertaken to meet the foreseen needs of a booming civilian economy, was accelerated when it became apparent that near-wartime levels of military production would bring greatly increased demands on railroad transportation.

More new locomotives and cars added

The New York Central System added 249 diesel-electric locomotive units to its fleet, with 188 going to the Central, 25 to the Indiana Harbor Belt Railroad, 15 to the Chicago River and Indiana Railroad, and 21 to the Peoria and Eastern Railway. This

completed the dieselization of those affiliates and of two divisions of the Central. At year's end, 305 diesel-electric units — 295 for the Central and 10 for the Pittsburgh & Lake Erie Railroad — remained on order, with deliveries scheduled during 1951.

In addition, orders were placed early in 1951 for 323 more diesel-electric units for the New York Central, with deliveries due in late 1951 and 1952.

The System acquired 6,587 new freight cars during the year and, at year's end, had 14,171 more on order from car builders. Moving further to provide the transport capacity vitally needed for the years ahead and to replace cars which are wearing out, the Central awarded orders early in 1951 for 7,100 more freight train cars, for 1952 delivery.

Of the new freight cars acquired in 1950, 3,244 were for the Central itself. Of these, 1,744 were purchased and 1,500 were obtained under lease arrangement. The Pittsburgh & Lake Erie received 2,343

cars; Merchants Despatch Transportation Corp., 500; and Northern Refrigerator Line, Inc., 500.

Of the cars on order at the end of the year and those ordered early in 1951, 15,604 are for the Central, with 12,604 to be purchased and the rest leased; 5,167 for the Pittsburgh & Lake Erie; and 500 for Merchants Despatch Transportation Corp.

Rail diesel car introduced

Two major equipment innovations led improvements in our passenger service. First among all railroads, the Central purchased and placed in service new, self-propelled, diesel-powered rail passenger cars. Offering reduced operating cost and more attractive service in selected operating situations, four of these cars have been placed in service on the Boston & Albany Railroad. Encouraged by the results, the Central has ordered four more.

In its heavily traveled New York commutation area, the Central placed in service 82 of the 100 new, air-conditioned multiple-unit passenger cars which it ordered in 1948. Delivery of the remaining 18 will be completed in 1951. Other passenger train cars brought the total acquired in 1950 to 95.

What it means in money

The cost of the new diesel-electric locomotives placed in service on the System in 1950 totaled

\$28,860,513. Diesel units on order at the end of the year and ordered early this year amount to \$97,080,000. New System freight cars received last year represented \$29,451,784, excluding leased cars. Freight cars on order at year's end, plus those ordered early in 1951, total \$106,175,000. Passenger cars acquired in 1950 came to \$10,497,733, with the cost of those remaining on order amounting to \$2,237,000.

The down payments on new locomotives and cars purchased by the System came principally from present and past earnings. The remaining four-fifths of the cost was met through borrowing. These borrowings—known as equipment trust certificates and conditional sale agreements—are repaid in installments, generally over a 15-year period.

Fixed plant also improved

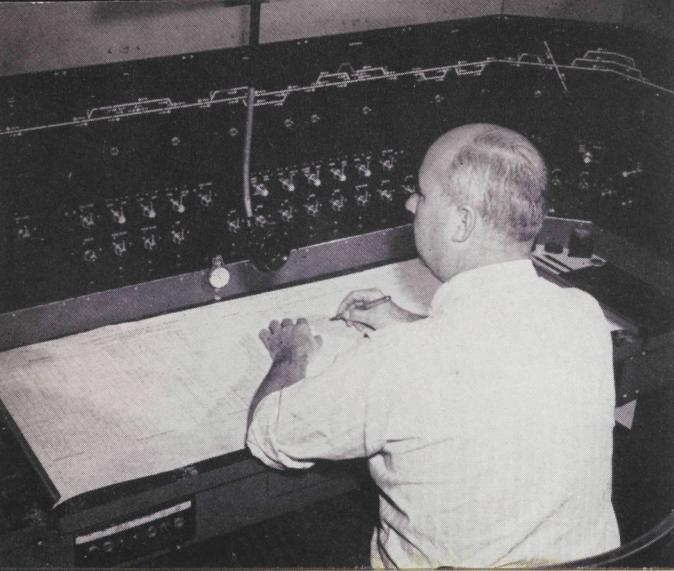
The Central's fixed plant also was improved in 1950. The new Toledo, O., passenger terminal, on which work began in 1947, was completed. Incorporating both architectural beauty and functional efficiency, the structure, with supporting facilities, has been acclaimed as setting a significant pattern for modern transportation facility buildings.

One major roadway project, aimed at increased operating efficiency, was completed in 1950; and plans were prepared for another on which work is

The Central continues to place substantial orders for new diesel-electric locomotives, and new freight cars

like those pictured here. They are needed to expand capacity for defense, and to replace older equipment.





From this new centralized traffic control center, a dispatcher guides the Central's operations on 39 miles of railroad between Mattoon and Pana, Ill.



82 of these new commutation cars entered service last year. Meanwhile, a contract was awarded for heavy repairs (picture below) to 3,000 freight cars.



now progressing. The first involved track changes and the erection of an icing plant at Wayneport, N. Y., near Rochester, to expedite the movement of through freight trains by bypassing a congested area, and to eliminate one icing of refrigerator cars bound for New York City and New England.

The second project, which is expected to be completed this summer, will increase transportation capacity between Rochester and Syracuse, N. Y., where the traffic density is extremely high. New track and signal installations will provide greater flexibility of train movement.

Centralized traffic control was installed on the Illinois Division between Mattoon and Pana, Ill. Concentrating at one point the control of a 39-mile stretch of track, this signaling improvement contributes to smoother operations.

The Central installed about \$3,250,000 worth of new rail during 1950, most of it on main line track. It also made further acquisitions of mechanized equipment that will increase efficiency in track maintenance work.

Less-than-carload service enlarged

The Central's constant steps to improve its less-than-carload merchandise freight service made further progress in 1950. The expedited Pacemaker freight service, often employing specially equipped cars that transport merchandise freight at passenger train speeds, was broadened to include cars serving a number of additional cities. Attractiveness of the service to shippers was further enhanced by the improvement of schedules to provide second-morning arrival in Chicago of shipments from New York and other eastern points.

The Central has applied to the Interstate Commerce Commission for authority to expand, principally in the main line territory between Buffalo and Chicago, its use of coordinated rail-truck transport in the movement of less-than-carload freight. The use of highway trucks to haul merchandise freight between principal stations and smaller, outlying ones has been practiced by the Central for many years and since 1949 has been greatly expanded in the Big Four district. The anticipated further extension follows a detailed study of the potential reductions in costs and improvements in service.

Branch lines watched carefully

Just as the Central constructs new trackage and makes other improvements when they will prove profitable, your railroad constantly watches existing operations and facilities to determine whether their continuance is economically justifiable.

Particular attention is paid to the traffic on branch lines. If there is any sizeable decline in business and revenue, studies are made to decide whether abandonment is desirable. As a result of these studies, since 1929 permission has been obtained to abandon all or a portion of 72 unprofitable branch lines totaling 962 miles of railroad. These abandonments have made the Central much stronger today than it otherwise would have been.

Stockholder assistance helpful

The management continues to appreciate greatly the assistance of those stockholders who, whenever they properly can, use their efforts to help increase the Central's business. Other stockholders might note that new industries on the railroad, or routing of new freight or passenger traffic over the Central, helps improve your company's earnings.

Noted, but not celebrated

Like people, a company generally celebrates principal anniversaries. But 1951, though it is the 125th anniversary of the Central's founding, also is a year of international conflict. Under the circumstances, it was thought better to employ our full energies on preparedness. So the anniversary is being quietly noted, but not celebrated.

Railroads present their case

An outstanding event of 1951 was the presentation of the railroads' case before the Senate interstate and foreign commerce committee, which is studying land and water transportation. Industry spokesmen outlined, in well-documented detail, the unfair handicaps imposed on the railroads by subsidized competition, and offered specific suggestions for legislative, regulatory and other remedies.

It is hoped that the committee's report, due this year, will be another step in the direction of removing inequalities which have been preventing the railroads from achieving the financial strength they

need for their vital role in peace and in war. Meanwhile the railroads, which do not accept or desire subsidies, must compete with competitors nourished by government-expended taxpayer moneys impartially estimated to total \$2,500,000,000 annually.

Jacob Aronson passes away

Jacob Aronson, who because of illness retired Dec. 28, 1950, as vice president and general counsel, passed away Jan. 13. Mr. Aronson, who had been the head of the Central's law department since 1933, had served your company and the railroad industry for 44 years with outstanding ability and distinction.

The seaway is back again

Garbed this year as a national defense measure, the costly St. Lawrence seaway and power project is back before Congress. In striking contrast to rail-

ALSO OF INTEREST

road transportation, the seaway would be extremely vulnerable to bombing and sabotage and would be usable only seven months of the year. It is entirely unessential in war or peace, economically unsound, and would confront the railroads with further subsidized competition and add to the already heavy burdens of the nation's taxpayers.

A new type of competitor

Construction of a 130-mile belt conveyor for hauling ore, coal and limestone between Lake Erie and the Ohio River is proposed in Ohio. By hauling only a few selected items used in steelmaking, the conveyor would seriously erode the revenues needed for railroad service. But it would not offer the public any replacement for railroads, which must and do transport everything offered them regardless of whether they make or lose money on a particular service. The Central's Ohio stockholders were advised in February of the urgency of the problem, which is pending before the Ohio legislature.

THE NEW YORK CENTRAL RAILROAD COMPANY

BALANCE SHEET

ASSETS

Properties and property funds:

	Dec. 31, 1950	Dec. 31, 1949
Road and roadway structures.....	\$ 736,508,578	\$ 731,823,025
Equipment	645,850,082	622,630,140
Recorded depreciation and amortization—roadway structures and equipment	Cr. 389,856,498	Cr. 382,511,353
Improvements on leased property.....	127,002,288	129,166,181
Miscellaneous physical property.....	56,821,019	52,203,262
Recorded depreciation — miscellaneous physical property.....	Cr. 21,625,134	Cr. 20,688,499
Funds segregated for investment in property.....	9,009,623	10,414,485
	<u>\$1,163,709,958</u>	<u>\$1,143,037,241</u>

Investments and advances, at or below cost:

	Dec. 31, 1950	Dec. 31, 1949
Affiliated companies	\$ 411,763,351	\$ 410,122,193
Other companies (Note B).....	42,940,247	44,073,249
	<u>\$ 454,703,598</u>	<u>\$ 454,195,442</u>

Current assets (Note C):

	Dec. 31, 1950	Dec. 31, 1949
Cash and United States Government securities.....	\$ 77,352,603	\$ 65,641,838
Material and supplies.....	51,684,854	53,066,839
Accounts receivable, accrued income and other current assets.....	79,231,868	49,764,465
	<u>\$ 208,269,325</u>	<u>\$ 168,473,142</u>

Other assets:

	Dec. 31, 1950	Dec. 31, 1949
Funds segregated for certain equipment repairs (Note D).....	\$ 6,000,000	—
Insurance deposits and working fund advances.....	2,238,131	\$ 2,211,436
Deferred receivables, prepayments and unadjusted debits.....	8,539,744	7,123,026
	<u>\$ 16,777,875</u>	<u>\$ 9,334,462</u>
	<u>\$ 1,843,460,756</u>	<u>\$ 1,775,040,287</u>

LIABILITIES

Funded debt:

	Dec. 31, 1950	Dec. 31, 1949
Mortgage bonds	\$ 464,383,000	\$ 468,531,000
Debenture bonds	5,500,000	5,500,000
Equipment obligations	161,619,040	151,775,480
	<u>\$ 631,502,040</u>	<u>\$ 625,806,480</u>
	<u>\$ 151,505,103</u>	<u>\$ 107,850,715</u>

Current liabilities (Notes C and F)

Deferred liabilities:

	Dec. 31, 1950	Dec. 31, 1949
Liability to affiliated and lessor companies (Note G).....	\$ 49,402,947	\$ 48,562,504
Accrued depreciation on leased property (Note H).....	72,477,602	73,946,089
Estimated liability for injury and damage claims.....	22,359,800	19,007,616
Liability to New York State — grade crossing eliminations.....	25,402,952	26,207,966
Insurance reserves	6,994,681	6,278,569
Income appropriated for certain equipment repairs (Note D).....	6,000,000	—
Other deferred liabilities and unadjusted credits.....	5,287,632	8,387,970
	<u>\$ 187,925,614</u>	<u>\$ 182,390,714</u>

Stockholders' equity:

	Dec. 31, 1950	Dec. 31, 1949
Capital stock outstanding — 6,447,410 shares without par value.....	\$ 562,332,426	\$ 562,332,426
Income invested in properties or retained for working capital.....	310,195,573	296,659,952
	<u>\$ 872,527,999</u>	<u>\$ 858,992,378</u>

Contingent items (Note I)

\$1,843,460,756	\$1,775,040,287
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For notes please see page 25

THE NEW YORK CENTRAL RAILROAD COMPANY

INCOME ACCOUNT

	1950	1949
Railway operating revenues:		
Freight	\$544,621,430	\$500,919,039
Passenger	116,597,098	122,451,363
Mail (Note J)	45,637,150	26,441,917
Express	8,330,547	6,662,402
Other	44,498,544	40,829,678
<i>Total</i>	<u>\$759,684,769</u>	<u>\$697,304,399</u>
Railway operating expenses:		
Maintenance of way and structures (Note K)	\$ 93,109,909	\$ 91,310,666
Maintenance of equipment (Notes D and K)	157,292,816	138,391,389
Traffic	11,832,379	11,746,679
Transportation	336,101,691	319,547,396
General and other	34,511,465	36,042,177
<i>Total</i>	<u>\$632,848,260</u>	<u>\$597,038,307</u>
Net revenue from railway operations	<u>\$126,836,509</u>	<u>\$100,266,092</u>
Railway tax accruals:		
United States and Canadian income taxes	16,392,816	1,669,090
Other taxes	52,220,497	49,187,973
Equipment and joint facility rents—net debit (Note L)	20,747,773	17,113,554
<i>Total</i>	<u>\$ 37,475,423</u>	<u>\$ 32,295,475</u>
Net railway operating income	<u>\$ 37,475,423</u>	<u>\$ 32,295,475</u>
Other income (Note L):—		
Dividend income:		
Affiliated companies	8,077,258	4,803,017
Other companies	1,598,306	1,560,922
Interest income	5,352,189	5,490,990
Miscellaneous rent income, less expenses (Note K)	6,585,920	6,141,040
Net profit from separately operated properties	1,685,669	1,501,521
Miscellaneous income (net)	1,167,567	610,750
<i>Total</i>	<u>\$ 61,942,332</u>	<u>\$ 52,403,715</u>
Income available for fixed charges		
Fixed charges:		
Rent for leased roads and equipment (Note L)	\$ 19,953,371	\$ 19,463,898
Interest on funded debt, including amortization of discount	22,939,445	22,377,750
Other interest expense	734,346	834,251
<i>Total</i>	<u>\$ 43,627,162</u>	<u>\$ 42,675,899</u>
<i>Total</i>	<u>\$ 18,315,170</u>	<u>\$ 9,727,816</u>
Net income	<u>\$ 18,315,170</u>	<u>\$ 9,727,816</u>

INCOME INVESTED in PROPERTIES or RETAINED for WORKING CAPITAL

Balance at January 1, 1950	\$296,659,952
Net income for the year 1950, as above	\$ 18,315,170
Net gain on sale or retirement of properties and other property adjustments	1,650,319
Other credits (net)	17,526
	19,983,015
Dividend appropriation—\$1 per share	\$316,642,967
Balance at December 31, 1950	6,447,394
	\$310,195,573

For notes please see page 25

THE NEW YORK CENTRAL RAILROAD COMPANY and subsidiary companies

CONSOLIDATED BALANCE SHEET

ASSETS

Properties and property funds:

	Dec. 31, 1950	Dec. 31, 1949
Road and roadway structures	\$1,631,106,433	\$1,626,039,404
Equipment	1,020,241,522	965,294,184
Recorded depreciation and amortization—roadway structures and equipment	<i>Cr.</i> 725,120,044	<i>Cr.</i> 693,201,284
Improvements on leased property	4,892,301	4,958,325
Miscellaneous physical property	126,911,954	122,195,302
Recorded depreciation, depletion and amortization—		
miscellaneous physical property	<i>Cr.</i> 39,530,588	<i>Cr.</i> 37,845,099
Funds segregated for investment in property	10,917,985	12,928,861
	<hr/>	<hr/>
	\$2,029,419,563	\$2,000,369,693

Properties leased from noncontrolled lessor companies (per contra):

Road and roadway structures	\$ 85,046,337	\$ 86,016,116
Equipment	1,917,060	1,917,060
Recorded depreciation—roadway structures and equipment	<i>Cr.</i> 7,999,450	<i>Cr.</i> 7,909,467
	<hr/>	<hr/>
	\$ 78,963,947	\$ 80,023,709

Deposit with trustee, covering Cleveland Union Terminals Company mortgage bonds called for redemption on April 1, 1951

\$ 44,714,961

—

Investments and advances, at or below cost:

Affiliated companies	\$ 42,867,551	\$ 42,513,430
Other companies (Note B)	41,986,312	43,164,549
	<hr/>	<hr/>
	\$ 84,853,863	\$ 85,677,979

Current assets (Note C):

Cash and government securities	\$ 137,341,046	\$ 118,241,855
Material and supplies	66,911,376	64,288,234
Accounts receivable, accrued income and other current assets	86,351,269	55,022,829
	<hr/>	<hr/>
	\$ 290,603,691	\$ 237,552,918

Other assets:

Funds segregated for certain equipment repairs (Note D)	\$ 6,000,000	—
Insurance deposits and working fund advances	2,599,898	\$ 2,570,551
Deferred receivables, prepayments and unadjusted debits	10,802,853	9,905,464
	<hr/>	<hr/>
	\$ 19,402,751	\$ 12,476,015

\$2,547,958,776

\$2,416,100,314

For notes please see page 25

(See Note A for principles of consolidation)

LIABILITIES

Funded debt (Note E):

	Dec. 31, 1950	Dec. 31, 1949
Mortgage bonds	\$ 812,393,725	\$ 779,052,825
Equipment obligations	201,463,155	171,128,285
Other	12,660,000	13,056,600
	<u>\$1,026,516,880</u>	<u>\$ 963,237,710</u>

Properties leased from noncontrolled lessor companies (per contra)

(Aggregate annual rental approximately \$5,250,000)

Less—Mortgage bonds guaranteed by New York Central (included in funded debt as explained in Note E)

21,025,000	21,025,000
<u>\$ 57,938,947</u>	<u>\$ 58,998,709</u>
<u>\$ 167,964,726</u>	<u>\$ 122,494,083</u>

Current liabilities (Notes C and F)

Deferred liabilities:

Liability to affiliated and lessor companies (Note G)	\$ 10,515,934	\$ 10,394,671
Accrued depreciation on leased property	2,706,783	3,113,855
Estimated liability for injury and damage claims	25,139,608	21,263,210
Liability to New York State—grade crossing eliminations.....	25,402,953	26,207,966
Insurance reserves	7,466,191	6,700,323
Income appropriated for certain equipment repairs (Note D).....	6,000,000	—
Other deferred liabilities and unadjusted credits	6,806,549	8,741,884
	<u>\$ 84,038,018</u>	<u>\$ 76,421,909</u>

Minority interests in net assets of consolidated subsidiaries, represented by:

Preferred stock	\$ 2,460,917	\$ 2,490,767
Common stock	40,277,217	40,307,367
Income invested in properties or retained for working capital.....	35,736,538	34,154,192
	<u>\$ 78,474,672</u>	<u>\$ 76,952,326</u>

Stockholders' equity:

Capital stock outstanding—6,447,410 shares without par value.....	\$ 562,332,426	\$ 562,332,426
Excess of net assets (at acquisition) of consolidated subsidiaries over amount of investment	58,834,195	58,953,981
Income invested in properties or retained for working capital.....	511,858,912	496,709,170
	<u>\$1,133,025,533</u>	<u>\$1,117,995,577</u>

Contingent items (Note I)

<u>\$2,547,958,776</u>	<u>\$2,416,100,314</u>
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For notes please see page 25

THE NEW YORK CENTRAL RAILROAD COMPANY and subsidiary companies
(See Note A for principles of consolidation)

CONSOLIDATED INCOME ACCOUNT

	1950	1949
Railway operating revenues:		
Freight	\$588,725,851	\$539,758,523
Passenger	117,957,569	123,899,171
Mail (Note J)	45,825,165	26,555,991
Express	8,420,903	6,732,045
Other	82,996,189	75,221,987
<i>Total</i>	<u>\$843,925,677</u>	<u>\$772,167,717</u>
Railway operating expenses:		
Maintenance of way and structures (Note K)	\$102,324,774	\$100,137,340
Maintenance of equipment (Notes D and K)	180,515,413	161,987,537
Traffic	12,853,012	12,741,690
Transportation	369,053,868	351,479,408
General and other	39,575,387	39,839,903
<i>Total</i>	<u>\$704,322,454</u>	<u>\$666,185,878</u>
Net revenue from railway operations	<u>\$139,603,223</u>	<u>\$105,981,839</u>
Railway tax accruals:		
United States and Canadian income taxes	26,573,926	5,825,877
Other taxes	58,762,160	56,235,629
Equipment and joint facility rents—net credit (Note L)	<i>Cr.</i> 430,454	<i>Cr.</i> 3,913,120
Net railway operating income	<u>\$ 54,697,591</u>	<u>\$ 47,833,453</u>
Other income (Note L):—		
Dividend income:		
Affiliated companies	653,712	853,240
Other companies	1,697,916	1,716,922
Interest income	2,197,359	2,205,113
Miscellaneous rent income, less expenses (Note K)	6,752,650	6,395,743
Net profit from operations of certain noncarrier subsidiary companies (Note M)	1,360,527	1,500,431
Miscellaneous income (net)	884,792	308,493
<i>Total</i>	<u>\$ 68,244,547</u>	<u>\$ 60,813,395</u>
Fixed charges:		
Rent for leased roads and equipment (Note L)	\$ 5,612,224	\$ 5,774,377
Interest on funded debt, including amortization of discount	36,839,170	36,050,848
Other interest expense	762,107	919,601
<i>Total</i>	<u>\$ 43,213,501</u>	<u>\$ 42,744,826</u>
Portion of net income applicable to stocks of consolidated subsidiaries held by minority interests:		
Dividends paid	\$ 3,558,809	\$ 2,992,270
Undistributed net income	1,858,112	1,605,658
<i>Total</i>	<u>\$ 5,416,921</u>	<u>\$ 4,597,928</u>
Net income	<u>\$ 19,614,125</u>	<u>\$ 13,470,641</u>

**CONSOLIDATED INCOME INVESTED in PROPERTIES
or RETAINED for WORKING CAPITAL**

Balance at January 1, 1950	<u>\$496,709,170</u>
Net income for the year 1950, as above	\$ 19,614,125
Net gain on sale or retirement of properties and other property adjustments	1,976,086
Other credits (net)	6,925
<i>Total</i>	<u>21,597,136</u>
Dividend appropriation—\$1 per share	\$518,306,306
Balance at December 31, 1950	<u>6,447,394</u>
	<u>\$511,858,912</u>

For notes please see page 25

THE NEW YORK CENTRAL RAILROAD COMPANY and subsidiary companies

NOTES TO FINANCIAL STATEMENTS

NOTE A: The accompanying consolidated financial statements include the accounts of The New York Central Railroad Company and subsidiary companies of which the Central controls, directly or indirectly, in excess of 50% of the equity stock. The consolidated balance sheet also includes properties of noncontrolled lessor companies which are operated by the Central under lease arrangements as well as the related funded debt guaranteed by the Central. (Also see Note M.)

NOTE B: Includes certain securities carried on the books at Dec. 31, 1950, at \$29,194,866, which had a total quoted market value at that date of \$28,956,813.

NOTE C: Canadian dollar balances have been included in the accompanying statements on a dollar for dollar basis. The consolidated balance sheet at Dec. 31, 1950, includes net current assets of approximately Canadian \$5,400,000, of which approximately Canadian \$2,520,000 represents amounts carried on the books of the Central.

NOTE D: During 1950 the Central contracted for certain major equipment repairs to be completed during 1951 at an estimated cost of \$6,000,000. With the approval of the Interstate Commerce Commission, this amount was charged to income (maintenance of equipment) in 1950 and the required funds were segregated at Dec. 31, 1950.

NOTE E: Mortgage bonds of noncontrolled lessor companies in the amount of \$21,025,000, guaranteed as to both principal and interest by the Central, less \$9,701,000 of such bonds which are owned by the Central, have been included as funded debt in the consolidated balance sheet. Consolidated funded debt includes subsidiary companies' obligations in the amount of \$4,551,200 which are guaranteed by the Central only as to interest, and obligations in the amount of \$37,618,871 which are not guaranteed as to either principal or interest.

NOTE F: Not including items of funded debt and deferred liabilities maturing by their terms in 1951 aggregating \$21,898,066 for the Central and, excluding debt for which funds have been deposited, an additional \$11,357,351 on a consolidated basis. Of this latter amount \$7,518,049 is guaranteed by the Central.

NOTE G: Represents principally liabilities to lessor companies for equipment and material taken over by the Central under terms of the leases.

NOTE H: Represents mainly recorded depreciation on properties of lessor companies operated by the Central.

NOTE I: The balance sheet of the Central does not include the company'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 Dec. 31, 1950, in the prin-

cipal amount of \$416,345,524, of which \$356,217,644 is included in funded debt in the consolidated balance sheet. A similar contingent liability of a consolidated subsidiary company amounted to \$10,272,000.

The companies' tax liabilities for 1941 and subsequent years have not been finally determined by the Treasury Department.

Although reparation suits brought by the U.S. Government before the Interstate Commerce Commission against the nation's railroads, including the Central, involve claims for large but unspecified amounts, no provision therefor has been made in the accompanying statements, because in the opinion of company officials, no significant recovery against the Central or its subsidiaries may reasonably be expected.

NOTE J: Mail revenue of the Central for the year 1950 includes approximately \$17,827,000 accrued at Dec. 31, 1950, covering a retroactive adjustment of U.S. mail rates agreed to by the railroads and the government in the latter part of the year. Of this amount, approximately \$12,787,000 applies to years prior to 1950.

NOTE K: Charges for depreciation, amortization and depletion included in the accompanying income accounts amounted to:

Charged to	New York Central		Consolidated	
	1950	1949	1950	1949
Maintenance of way and structures	\$11,503,604	\$10,492,628	\$12,807,957	\$11,766,079
Maintenance of equipment	26,912,343	25,489,099	32,194,240	30,497,386
Miscellaneous rent income, less expenses	1,229,935	1,193,225	1,305,440	1,273,056
Other accounts	42,831	40,585	923,295	836,136
Total	\$39,688,713	\$37,215,537	\$47,230,932	\$44,372,657

NOTE L: Certain dividend and interest income is substantially offset by charges included in the following accounts:

	New York Central		Consolidated	
	1950	1949	1950	1949
Rent for leased roads and equipment	\$3,514,153	\$3,728,953	\$253,537	\$253,316
Joint facility rents	1,453,651	1,454,467	201,107	201,913

NOTE M: Includes \$1,115,278 in 1950 and \$843,485 in 1949 representing profits of Despatch Shops, Inc. (a consolidated subsidiary) on car construction and repair work performed almost entirely for the Central and other consolidated companies. Intercompany profit on car construction included in these amounts has not been eliminated from the consolidated statements because it is impracticable to do so.

PRICE WATERHOUSE & Co.

56 PINE STREET
NEW YORK 5

To the Board of Directors and Stockholders of

THE NEW YORK CENTRAL RAILROAD COMPANY:

We have examined the accompanying financial statements of The New York Central Railroad Company and of the Company and its subsidiary companies consolidated as at December 31, 1950. 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 financial statements, together with the notes, present fairly the financial position of The New York Central Railroad Company and of the Company and its subsidiary companies consolidated at December 31, 1950, and the results of operations for the year then ended, in conformity with principles and methods of accounting prescribed or authorized by the Interstate Commerce Commission.

PRICE WATERHOUSE & Co.

March 9, 1951

MATURING OBLIGATIONS

Of the total funded debt of The New York Central Railroad Company and its lessor companies outstanding on Dec. 31, 1950, the following amounts, includ-

ing 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	Year	Equipment Obligations	Bonds and Miscellaneous	Total
1951	\$20,934,200	\$ 5,371,170	\$26,305,370	1957	\$ 12,408,920	\$ 2,164,395	\$ 14,573,315
1952	18,344,200	12,737,166	31,081,366	1958	9,468,920	662,875	10,131,795
1953	17,973,560	3,464,166	21,437,726	1959	5,548,920	15,389,677	20,938,597
1954	17,358,920	719,166	18,078,086	1960	5,548,920	13,147,562	18,696,482
1955	15,808,920	718,528	16,527,448	Total	<u>\$137,574,400</u>	<u>\$72,386,233</u>	<u>\$209,960,633</u>
1956	14,178,920	18,011,528	32,190,448				

The New York Central Railroad Company

Statistics and Other Data for the Year

1950

THE NEW YORK CENTRAL RAILROAD COMPANY

Changes in organization

Appointments:

- January 1, Cedric S. Hill, Assistant to Vice-President, New York.
- March 1, Harry D. Johnston, General Manager, Boston and Albany Railroad, Boston.
 Richard G. May, Manager Freight Transportation, New York.
 Karl A. Borntrager, General Manager, Big Four District, Cincinnati.
 Dwight A. Fawcett, Assistant Vice-President, Chicago.
- July 1, Carl L. Jellinghaus, Resident Vice President-Assistant to President, Detroit.
 Edward W. Brunck, Freight Traffic Manager, Detroit.
- September 1, William L. Parsons, General Attorney, Boston and Albany Railroad, Boston.
- November 1, Karl A. Borntrager, General Manager, Michigan Central District, Detroit.
 Edward J. Gibbons, General Manager, Big Four District, Cincinnati.
 Wilbur F. Davis, Assistant General Manager, Lines West, Cleveland.

Retirements:

- March 31, Adam Haug, Senior Assistant Comptroller, New York.
 John H. Colley, Assistant Passenger Traffic Manager, Chicago.
- June 30, Oswald R. Bromley, Freight Traffic Manager, Detroit.
- August 31, George H. Fernald, Counsel, Boston and Albany Railroad, Boston.
- October 31, Frank McElroy, General Manager, Michigan Central District, Detroit.
- December 28, Jacob Aronson, Vice-President and General Counsel, New York.
- December 31, Frederick L. Wheeler, General Attorney, New York.
 James P. Dervin, Freight Traffic Manager, New York.
 Edward W. Brunck, Freight Traffic Manager, Detroit.

* * *

Effective January 1, 1951, Frank J. Jerome, who had been Vice-President, Operations and Maintenance with offices in New York, since September 1, 1947, was appointed Executive Vice-President.

Stockholders

At the end of the year, the capital stock of the Company was registered in the names of 49,577 holders (an average holding of 130.04 shares) a decrease of 5,720 holders compared with December 31, 1949.

Pensions

There were 1,276 retired employees 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 to these persons totaled \$620,434.75.

Also there were 349 retired employees 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 from the fund held by the Trustee were \$314,661.20.

New York Central Railroad Equipment Trust of 1950

This trust was established by Agreement dated January 1, 1950, and there were issued thereunder \$9,600,000, par value, of 2 3/4% Equipment Trust Certificates maturing in annual installments of \$640,000 each on January 1, in the years 1951 to 1965, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 20—1,200 H.P. Diesel-electric switching locomotives, 10—600 H.P. Diesel-electric switching locomotives, 5—1,000 H.P. Diesel-electric switching locomotives, 14—1,500 H.P. Diesel-electric road switching locomotives, 5—1,000 H.P. Diesel-electric road switching locomotives, 4 "A" unit and 3 "B" unit 2,000 H.P. Diesel-electric road freight locomotives and 46 electric multiple-unit passenger coaches. 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 1950

This trust was established by Agreement dated June 15, 1950, and there were issued thereunder \$11,100,000, par value, of 2 3/4% Equipment Trust Certificates maturing in annual installments of \$740,000 each on June 15, in the years 1951 to 1965, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 16—1,200 H.P. Diesel-electric road switching locomotives, 12—1,500 H.P. Diesel-electric road switching locomotives, 10—1,200 H.P. Diesel-electric switching locomotives, 35—600 H.P. Diesel-electric switching locomotives, 500—55-ton steel box cars and 38 electric multiple unit passenger coaches. 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 1950

This trust was established by Agreement dated November 15, 1950, and there were issued thereunder \$4,800,000, par value, of 2 3/4% Equipment Trust Certificates maturing in annual installments of \$320,000 each on November 15, in the years 1951 to 1965, inclusive, representing approximately 80% of the cost of the equipment included in the trust, consisting of 1,000—70-ton high side steel gondola cars. These certificates are guaranteed as to payment of par value and dividends by endorsement by the Company.

Purchase of Diesel-Electric Locomotives under Conditional Sale Agreements

Under date of May 1, 1950, the Company entered into two conditional sale agreements for purchase of Diesel-electric locomotives, providing for payment of approximately 20% of the purchase price upon delivery of the locomotives and approximately 80% in 60 equal consecutive quarterly installments, with interest on the unpaid balances of the deferred installments at the rate of 2.84% per annum. One of these agreements was with American Locomotive Company and covered 4—2250 H.P. "A" unit passenger locomotives, 8—1600 H.P. road switching locomotives and 19—1000 H.P. switching locomotives. The other was with General Motors Corporation, Electro-Motive Division, and covered 18—1200 H.P. switching locomotives. The deferred installments under both agreements are payable to The National City Bank of New York, assignee of the respective locomotive builders.

Leases of Box Cars

During the year the Company entered into three leases with The Equitable Life Assurance Society of the United States for the leasing by the Society to the Company of a total of 3,500 55-ton box cars, constructed or to be constructed by Pullman-Standard Car Manufacturing Company. Each lease is for a term of 15 years, with the right, at the Company's option, of extension for an additional 10 years, during which extended period the Company may cancel the lease as respects any car or cars at any time. The leases provide for a daily rental per car, decreasing at three year intervals during the original 15-year term, and reduced to 20 cents per car during the extended term, if extended. The leases contain no option or provision for purchase of the cars by the Company. The first lease is dated May 11, 1950, and covers 1,500 cars and the others are dated September 1 and November 1, 1950, and cover 1,000 cars each.

Purchase of Signal Equipment under Conditional Sale Agreements

During the year the Company entered into three conditional sale agreements with General Railway Signal Company for the purchase, installed, of railway signaling equipment, providing for payment of approximately 20% of the cost upon completion of installation and acceptance of the equipment and the balance in 60 equal consecutive monthly installments. One of these agreements, dated April 5, 1950, covers equipment costing \$159,133.68 installed on the CLEVELAND, CINCINNATI, CHICAGO & ST. LOUIS RAILWAY between Mattoon and Pana, Illinois; another, dated May 29, 1950, covers equipment, to cost \$544,030.73, to be installed partly on railroad owned by this Company and partly on the WEST SHORE RAILROAD, between Chili Junction and Wayneport, New York; and the third, dated May 29, 1950, covers equipment estimated to cost \$225,000 to be installed on this Company's railroad at Fort Plain, New York.

Guaranty of Indiana Harbor Belt Railroad Equipment Trust Certificates

The Company joined with INDIANA HARBOR BELT RAILROAD COMPANY and the latter's other proprietor companies in endorsing upon \$1,800,000, par value, of INDIANA HARBOR BELT RAILROAD Equipment Trust of 1950, 2 1/4% Equipment Trust Certificates, dated February 15, 1950, due February 15, 1951-1965, a guaranty whereby INDIANA HARBOR BELT RAILROAD COMPANY to the extent of 100% thereof, this Company and THE MICHIGAN CENTRAL RAILROAD COMPANY each to the extent of 30% thereof, and the CHICAGO AND NORTH WESTERN RAILWAY COMPANY and the CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY each to the extent of 20% thereof, severally unconditionally guaranteed the due and punctual payment of the par value of the certificates and of the dividends thereon. These certificates were issued and guaranteed pursuant to agreements dated February 15, 1950.

The Cleveland Union Terminals Company

During the year the Company, jointly and severally with THE CLEVELAND, CINCINNATI, CHICAGO AND ST. LOUIS RAILWAY COMPANY and THE NEW YORK, CHICAGO AND ST. LOUIS RAILROAD COMPANY, guaranteed by endorsement, pursuant to Guaranty Agreement dated December 1, 1950, the payment of the principal of and the interest on \$40,000,000, principal amount, of The Cleveland Union Terminals Company First Mortgage 3 1/4% Serial Bonds, Series D-1951 to Series D-1966, inclusive, comprising sixteen series of \$2,500,000 each, due December 1, 1951 to 1966, inclusive, respectively. These bonds were issued on December 27, 1950, by the Terminals Company under its First Mortgage Indenture dated April 1, 1922, as modified by Supplemental Indenture dated December 1, 1950, and were sold at competitive bidding at the price of 99.3899% of principal amount and accrued interest. The proceeds of sale with other funds provided by the Terminals Company are to be applied to the redemption of the following previously issued and outstanding First Mortgage Sinking Fund Gold Bonds of the Terminals Company, all of which are being called for redemption on April 1, 1951, at 105% of principal amount and accrued interest:

Series A 5 1/2%, due April 1, 1972,	\$ 8,351,300
Series B 5%, due April 1, 1973,	16,704,100
Series C 4 1/2%, due October 1, 1977,	16,559,000
Total	\$41,614,400

The net savings obtained by the Terminals Company from this refinancing are estimated at \$12,143,840.

Peoria and Eastern Railway Equipment Trust of 1950

During the year there were issued and sold \$2,025,000, par value, of PEORIA AND EASTERN RAILWAY Equipment Trust of 1950, 2 7/8% Equipment Trust Certificates dated of the cost of 7—1200 H.P. Diesel-electric switching and 14—1500 H.P. Diesel-electric road switching locomotives. To aid the sale of the certificates this Company (which has an interest in a majority of the capital stock of THE PEORIA AND EASTERN RAILWAY COMPANY and operates its railway under an operating agreement which will expire on April 1, 1960, unless renewed or extended) joined with THE PEORIA AND EASTERN RAILWAY COMPANY in endorsing on the certificates due prior to April 1, 1960, a joint and several guaranty of the payment of par value and dividends; and upon the certificates due subsequent to April 1, 1960, a guaranty and agreement whereby THE PEORIA AND EASTERN RAILWAY COMPANY guarantees payment of the par value and dividends. This Company also agreed, upon demand of the bearer or registered holder of the certificates, to purchase the same, at par value and accrued dividends, in case any of the dividend warrants thereon the due date of which is subsequent to April 1, 1960, or the par value of the certificates, is not promptly paid when due.

New York State Realty and Terminal Company

A contract was entered into for the sale of the apartment house property at 300 Park Avenue, New York City, subject to permanent easements to the railroad in respect to its terminal facilities.

An agreement was entered into under the terms of which the lessee of the 270 Park Avenue property took up an option to acquire the building and furniture located thereon and entered into a new lease of the air rights over the land for an initial term of 25 years with renewal privileges. The final accounting determination resulted in a charge to profit and loss of \$172,978.

Changes in Funded Debt

The amount outstanding on December 31, 1949
was increased by issue of:

Equipment Trust of 1950, 2 3/4% Equipment Trust Certificates	\$9,600,000 00	
Second Equipment Trust of 1950, 2 3/4% Equipment Trust Certificates	11,100,000 00	
Third Equipment Trust of 1950, 2 3/4% Equipment Trust Certificates	4,800,000 00	
Equipment Agreements dated May 1, 1950, 2.84% assigned to The National City Bank of New York	4,468,800 00	29,968,800 00
		<hr/>
		\$655,775,280 00

and has been reduced by:

Retirement of Indiana, Illinois & Iowa Railroad First Mortgage 4% bonds, due July 1, 1950	3,999,000 00
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Principal installments due annually under equipment trust agreements:

Trust of 1937, March 15, 1950	\$286,000 00
Trust of 1940, June 1, 1950	1,040,000 00
Trust of 1941, February 15, 1950	1,090,000 00
Second trust of 1941, July 15, 1950	1,500,000 00
Trust of 1943, June 1, 1950	530,000 00
Trust of 1944, September 1, 1950	1,550,000 00
Trust of 1945, May 1, 1950	750,000 00
Second trust of 1945, August 15, 1950	880,000 00
Trust of 1946, January 1, 1950	1,770,000 00
Trust of 1947, January 1, 1950	2,000,000 00
Second trust of 1947, August 15, 1950	940,000 00
Trust of 1948, January 15, 1950	1,280,000 00
Second trust of 1948, March 15, 1950	1,260,000 00
Third trust of 1948, September 15, 1950	1,380,000 00
Trust of 1949, January 1, 1950	648,000 00
Second trust of 1949, March 15, 1950	820,000 00
Third trust of 1949, May 15, 1950	715,000 00
Fourth trust of 1949, July 15, 1950	760,000 00
Fifth trust of 1949, October 1, 1950	608,000 00
	<hr/>
	19,807,000 00

Promissory notes matured, covering quarterly installments 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

Agreements dated May 1, 1950, assigned to National City Bank of New York

148,960 00	318,240 00	24,124,240 00
		<hr/>
		\$631,651,040 00

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

New York & Putnam R. R. Co. First Consolidated Mortgage 4% due October 1, 1993

149,000 00

leaving the unmatured funded debt actually outstanding on December 31, 1950

\$631,502,040 00

On December 31, 1950, there also was outstanding and included under deferred liabilities \$25,402,952.64 payable over a period of years to the STATE OF NEW YORK for this Company's proportion of the cost of grade crossing eliminations.

Important Improvements

Application was filed with the Interstate Commerce Commission for a Certificate of Public Convenience and Necessity permitting the abandonment of the portion of the Cape Vincent Branch extending from Limerick, New York, to the end of the line at Cape Vincent, New York, a distance of about 15.75 miles.

The new passenger station known as the Central Union Terminal at Toledo, Ohio, was placed in service with appropriate dedication ceremonies.

Engine terminal improvements are in progress at Englewood, Illinois, where a new 135 foot turntable is being installed, together with alterations in the enginehouse. New power-house boilers are being installed in the enginehouse at Collinwood, Ohio.

Improvements in classification, coach and repair yards and shops were completed or in progress at Rensselaer and Utica, New York; Detroit, Michigan; and Englewood, Illinois. These improvements include rearrangement and expansion of tracks, and office and shop facilities.

Additional facilities for the storage of Diesel fuel oil and for inspection and servicing of Diesel-electric power were installed or in the process of being installed at West Springfield, Massachusetts; Harmon, Rochester, Corning and Watertown, New York; Stanley, Ohio; and Englewood, Illinois. The work includes new storage tanks and facilities for complete servicing of Diesel-electric locomotives.

Grade crossing elimination or reconstruction projects were completed at one location in New York, one in Ohio, and one in Indiana; while eight projects were under construction in New York.

Highway grade crossing protection improvement consisting of automatic flashing light signals and electric short arm gates were continued at many locations.

The equipment in the electric power substation at 110th Street and Park Avenue, New York City, was being replaced with a rectifier of greater efficiency to insure more reliability of service.

Signal improvements to provide more efficient and economical control of traffic were in progress or completed during the year. These include the installation of centralized traffic control between Mattoon and Pana, Illinois; facilities for remote control of switches on the Bay City Branch near Bay City Junction, Detroit, Michigan. Also provided was a universal track layout with long crossovers and electric interlocking control from the passenger station at Fort Plain, New York, to replace the present interlockings and track layout at Palatine Bridge, St. Johnsville and Little Falls, New York.

A new icing platform involving relocation of various tracks and facilities with a new connection between the main line and the West Shore tracks, together with signal improvements, was constructed at Wayneport, New York. This eliminated the need to ice cars at both the Niagara Frontier and Selkirk and permitted the abandonment of the present interlocking plant and signal station at Palmyra, east of Wayneport.

To promote economy of operation through the tunnel on the West Shore Railroad at West Point, New York, the westbound main track was lowered to provide sufficient clearances for westbound freight trains hauling loads of more than usual height. Such trains formerly had to be operated through the tunnel on the eastbound main track and against the current of traffic.

Application was filed with the Public Service Commission, State of New York, to discontinue the passenger stations at Claremont Park and 183rd Street, New York City. Consolidating the business at these stations with business at adjoining stations would expedite operations of trains in the Harlem Cut.

New York, Ontario and Western Railway Company

The Trustees of the NEW YORK, ONTARIO AND WESTERN RAILWAY COMPANY advertised for bids for the sale of the property in its entirety or by sections. This Company submitted a bid for the purchase of the 13 mile section between Fulton and Oswego, New York, which bid, however, was rejected by the Trustees.

The Interstate Commerce Commission, in Finance Docket No. 16693, on July 19, 1950, approved and authorized trackage rights over the line of railroad owned by the NEW YORK, ONTARIO AND WESTERN RAILWAY COMPANY between Fulton and Oswego, New York, on more favorable terms than had been granted heretofore. This makes feasible the handling of freight traffic via this trackage section which affords a shorter distance than the route previously used via Pulaski, New York. Agreement was made with the NEW YORK, ONTARIO AND WESTERN RAILWAY COMPANY in regard to these trackage rights on September 6, 1950.

The Boston Terminal Company

The Interstate Commerce Commission, on July 19, 1950, approved the plan of reorganization of The Boston Terminal Company, which includes the acquisition of the Terminal Company's properties by this Company and THE NEW YORK, NEW HAVEN AND HARTFORD RAILROAD COMPANY and the settlement of bondholders and reorganization claims as submitted to the Rockland-Atlas National Bank of Boston, Trustees under Indenture securing the first mortgage bonds of THE BOSTON TERMINAL COMPANY. The settlement will not go into effect until approved by the Federal Court and the Massachusetts Bankruptcy Court at which time it will be again referred to the creditors by the Interstate Commerce Commission.

Mileage operated

The mileage operated by the Company at the close of 1950 and 1949 was as follows:

	1950	1949	Decrease
Main line and branches	3,623.29	3,629.89	.60
Lines operated under lease or contract	6,300.74	6,301.20	.46
Trackage rights	803.35	803.80	.45
	10,727.38	10,734.89	7.51

The decrease of 6.60 miles of main line and branches was due to a reclassification of 2.38 miles from main track to side track at Watertown Junction, N. Y., and the abandonment of 4.22 miles of the Lewiston Branch under authority of Interstate Commerce Commission Finance Docket No. 16781.

The decrease of .46 mile in lines operated under lease or contract arose from track being shortened as follows:

WEST SHORE RAILROAD between Churchill and Buffalo, N. Y., .42 mile;

BOSTON AND ALBANY RAILROAD, Athol Branch, .02 mile; Saxonville Branch, .02 mile.

The decrease of .45 mile in trackage rights resulted from removal of .35 mile of switchbacks and turnouts from the NICHOLAS, FAYETTE AND GREENBIER RAILROAD at Hawley, Nallen, and Meadow Creek, West Virginia, and discontinuance of trackage rights over .34 mile on the Baltimore and Ohio Railroad at Athens, Ohio. These reductions were partially offset by increases of .23 mile in trackage over the BALTIMORE AND OHIO RAILROAD at Ivorydale Junction, Ohio, and .01 mile over the INDIANAPOLIS UNION RAILWAY at Indianapolis, Indiana.

INCOME ACCOUNT

(AS REPORTED TO THE INTERSTATE COMMERCE COMMISSION)

	Year Ended Dec. 31, 1950	Year Ended Dec. 31, 1949	Increase or Decrease
OPERATING INCOME			
RAILWAY OPERATIONS			
Railway operating revenues	10,727.38 miles operated	10,734.89 miles operated	7.51 miles
Railway operating expenses	\$759,684,768 50	\$697,304,399 06	\$62,380,369 44
	632,848,259 81	597,038,306 84	35,809,952 97
NET REVENUE FROM RAILWAY OPERATIONS	\$126,836,508 69	\$100,266,092 22	\$26,570,416 47
Railway tax accrals	\$68,613,312 86	\$50,857,063 29	\$17,756,249 57
RAILWAY OPERATING INCOME	\$58,223,195 83	\$49,409,028 93	\$8,814,166 90
Equipment rents, net debit	\$18,518,285 29	\$15,032,050 19	\$3,486,235 10
Joint facility rents, net debit	2,229,487 81	2,081,504 28	147,983 53
NET RAILWAY OPERATING INCOME	\$37,475,422 73	\$32,295,474 46	\$5,179,948 27
OTHER INCOME			
Revenues from miscellaneous operations	\$557,125 24	\$567,131 21	\$10,005 97
Income from lease of road and equipment	1,367,624 40	1,276,829 97	90,794 43
Miscellaneous rent income	4,775,406 09	4,514,707 36	260,698 73
Income from nonoperating property	2,552,097 11	2,345,363 82	206,733 29
Separately operated properties—profit	1,709,120 23	1,591,725 97	117,394 26
Dividend income	9,675,563 95	6,363,938 65	3,311,625 30
Income from funded securities	4,470,056 07	4,396,850 79	73,205 28
Income from unfunded securities and accounts	684,324 41	879,365 81	195,041 40
Income from sinking and other reserve funds	197,808 74	214,773 58	16,964 84
Release of premiums on funded debt	2,841 22	6,032 11	3,190 89
Miscellaneous income	(266,294 32)	73,164 14	193,130 18
TOTAL OTHER INCOME	\$26,258,261 78	\$22,229,883 41	\$4,028,378 37
TOTAL INCOME	\$63,733,684 51	\$54,525,357 87	\$9,208,326 64
MISCELLANEOUS DEDUCTIONS FROM INCOME			
Expenses of miscellaneous operations	\$421,363 64	\$453,324 74	\$31,961 10
Taxes on miscellaneous operating property	72,750 04	70,713 07	2,036 97
Miscellaneous rents	358,105 34	337,199 41	20,905 93
Miscellaneous tax accrals	741,583 58	719,030 80	22,552 78
Separately operated properties—loss	23,451 12	90,204 97	66,753 85
Miscellaneous income charges	174,098 70	451,170 01	277,071 31
TOTAL MISCELLANEOUS DEDUCTIONS	\$1,791,352 42	\$2,121,643 00	\$330,290 58
INCOME AVAILABLE FOR FIXED CHARGES	\$61,942,332 09	\$52,403,714 87	\$9,538,617 22
FIXED CHARGES			
Rent for leased roads and equipment	\$19,953,371 01	\$19,463,897 82	\$489,473 19
Interest on funded debt	22,764,957 15	22,211,922 27	553,034 88
Interest on unfunded debt	734,345 81	834,251 14	99,905 33
Amortization of discount on funded debt	174,487 88	165,827 74	8,660 14
TOTAL FIXED CHARGES	\$43,627,161 85	\$42,675,898 97	\$951,262 88
NET INCOME	\$18,315,170 24	\$9,727,815 90	\$8,587,354 34
INCLUDED IN RAILWAY OPERATING EXPENSES ARE:			
Road property depreciation	\$11,503,603 90	\$10,492,628 12	\$1,010,975 78
Equipment depreciation and amortization	\$25,927,412 36	\$24,536,739 19	\$1,390,673 17
Shop and power-plant machinery depreciation	\$984,930 75	\$952,359 65	\$32,571 10
Included in other income and rent for leased roads and equipment are certain inter-company transactions representing credits and corresponding debits amounting to	\$3,514,153 45	\$3,728,953 08	\$214,799 63
Also included in other income are items representing interest and dividends amounting to	\$1,453,660 79	\$1,454,467 04	\$806 25
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.			

Italics indicate decrease.

COMPARATIVE GENERAL BALANCE SHEET

(AS REPORTED TO THE INTERSTATE COMMERCE COMMISSION)

ASSETS

December 31, 1949	INVESTMENTS	December 31, 1950	Increase or Decrease
\$734,828,538 33		\$739,577,088 72	\$4,748,550 39
Investment in road			
283,427,392 74		305,836,051 13	22,408,658 39
339,202,747 20		340,014,030 86	811,283 66
129,166,180 56		127,002,287 97	2,163,892 59
Cr. 839,212 28		Cr. 839,212 28	—
Cr. 2,166,301 12		Cr. 2,229,298 88	62,997 76
\$1,483,619,345 43			
	INVESTMENT IN TRANSPORTATION PROPERTY	\$1,509,360,947 52	\$25,741,602 09
	Cr. \$34,644,150 96	Cr. \$39,442,904 93	\$4,798,753 97
	Cr. 252,826,133 15	Cr. 261,064,067 73	8,237,934 58
	Accrued depreciation—Road		
	Accrued depreciation—Equipment		
	Accrued amortization of defense		
	Cr. 4,118,166 73	Cr. 4,109,446 18	8,720 55
	Accrued amortization of defense		
	Cr. 90,922,902 05	Cr. 85,240,078 75	5,682,823 30
	TOTAL ACCRUED DEPRECIATION AND AMORTIZATION	Cr. 389,856,497 59	\$7,345,144 70
	INVESTMENT IN TRANSPORTATION PROPERTY LESS		
	RECORDED DEPRECIATION AND AMORTIZATION		
	Capital and reserve funds	\$1,119,504,449 93	\$18,396,457 39
	Maintenance funds	9,009,622 81	1,404,862 57
		6,000,000 00	6,000,000 00
	\$52,203,261 78	\$56,821,018 53	\$4,617,756 75
	Accrued depreciation—Miscellaneous		
	Cr. 20,688,498 61	Cr. 21,625,133 76	936,635 15
	MISCELLANEOUS PHYSICAL PROPERTY LESS RECORDED DEPRECIATION	35,195,884 77	\$3,681,121 60
	Investments in affiliated companies (Note A)		
	\$179,714,513 64	Stocks	\$180,152,741 84
	46,004,243 09	Bonds	46,031,685 36
	274,108 16	Other secured obligations	274,108 16
	34,455,074 32	Unsecured notes	35,955,074 32
	149,674,254 16	Investment advances	149,349,741 14
	TOTAL INVESTMENTS IN AFFILIATED COMPANIES	411,763,350 82	\$1,641,157 45
	Other investments (Note A)		
	\$27,570,434 72	Stocks	\$27,570,934 72
	3,617,123 25	Bonds	3,630,710 75
	1,718,564 21	Other secured obligations	1,707,817 33
	279 30	Unsecured notes	792 41
	11,166,847 46	Investment advances	10,029,992 23
	TOTAL OTHER INVESTMENTS	42,940,247 44	\$1,133,001 50
	TOTAL INVESTMENTS	\$1,624,413,555 77	\$27,180,872 37
	CURRENT ASSETS (NOTE B)		
	\$36,330,186 79	Cash	\$43,121,732 37
	25,392,681 67	Temporary cash investments	26,170,002 34
	3,918,969 96	Special deposits	8,060,868 33
	3,222 32	Loans and bills receivable	—
	15,477,316 82	Net balance receivable from agents and conductors	19,939,626 24
	20,115,229 67	Miscellaneous accounts receivable	43,169,598 92
	53,066,839 16	Material and supplies	51,684,853 67
	1,841,755 82	Interest and dividends receivable	1,909,847 91
	11,850,815 00	Accrued accounts receivable	13,544,013 29
	476,124 99	Other current assets	668,781 82
	TOTAL CURRENT ASSETS	\$208,269,324 89	\$39,796,182 69
	DEFERRED ASSETS		
	\$269,053 46	Working fund advances	\$276,455 44
	1,942,382 68	Insurance and other funds	1,961,676 19
	2,249,119 58	Other deferred assets	2,850,318 15
	\$4,460,555 72	TOTAL DEFERRED ASSETS	\$5,088,449 78
	UNADJUSTED DEBITS		
	\$384,775 73	Prepayments	\$920,404 08
	823,397 87	Discount on funded debt	798,983 54
	3,665,732 29	Other unadjusted debits	3,970,038 14
	\$4,873,905 89	TOTAL UNADJUSTED DEBITS	\$5,689,425 76
	\$1,775,040,287 21		\$1,843,460,756 20

Italics indicate decrease.

Please see page 38 for notes.

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
(AS REPORTED TO THE INTERSTATE COMMERCE COMMISSION)

		LIABILITIES		
December 31, 1949	Stock	December 31, 1950	Increase or Decrease	
\$562,332,426 40	Capital stock	\$562,332,426 40	—	
LONG TERM DEBT				
\$468,531,000 00	Funded debt unmatured	\$464,383,000 00	\$4,148,000 00	
5,500,000 00	Mortgage bonds	5,500,000 00	—	
\$474,031,000 00	Debenture bonds			
151,775,480 00		\$469,883,000 00	\$4,148,000 00	
42,292,070 59		161,619,040 00	9,843,560 00	
\$668,098,550 59		43,469,669 65	1,177,599 06	
\$1,230,430,976 99	TOTAL LONG TERM DEBT	\$674,971,709 65	\$6,873,159 06	
	TOTAL CAPITALIZATION	\$1,237,304,136 05	\$6,873,159 06	
CURRENT LIABILITIES (NOTE D)				
\$8,887,134 97	Traffic and car-service balances—credit	\$10,940,351 71	\$2,053,216 74	
31,589,574 14	Audited accounts and wages payable	46,124,554 87	14,534,980 73	
14,715,285 99	Miscellaneous accounts payable	17,265,925 87	2,550,639 88	
3,123,626 84	Interest matured unpaid	3,162,925 53	39,298 69	
154,516 53	Dividends matured unpaid	3,256,484 05	3,101,967 52	
5,175,859 48	Unmatured interest accrued	5,151,871 54	23,987 94	
15,135,698 07	Accrued accounts payable	20,981,973 08	5,846,275 01	
18,122,048 06	Taxes accrued	30,136,149 29	12,014,101 23	
10,946,970 70	Other current liabilities	14,484,866 79	3,537,896 09	
\$107,850,714 78	TOTAL CURRENT LIABILITIES	\$151,505,102 73	\$43,654,387 95	
DEFERRED LIABILITIES				
\$4,216,763 42	Liability to Boston and Albany Railroad Company for equipment	\$4,216,763 42	—	
30,575,572 97	Other deferred liabilities (Note E)	29,636,093 59	\$939,479 38	
\$34,792,336 39	TOTAL DEFERRED LIABILITIES	\$33,852,857 01	\$939,479 38	
UNADJUSTED CREDITS				
\$3,567 22	Premium on funded debt	\$726 00	\$2,841 22	
6,278,568 42	Insurance reserves	6,994,680 67	716,112 25	
—	Maintenance reserve	6,000,000 00	6,000,000 00	
25,078,082 56	Other unadjusted credits (Note F)	27,249,315 39	2,171,232 83	
73,946,089 04	Accrued depreciation—Leased property	70,358,364 97	3,587,724 07	
\$105,306,307 24	TOTAL UNADJUSTED CREDITS	\$110,603,087 03	\$5,296,779 79	
SURPLUS				
\$35,854 38	Unearned surplus	\$44,207 28	\$8,352 90	
8,074,842 19	Earned surplus—Appropriated	8,140,303 34	65,461 15	
288,549,255 24	Earned surplus—Unappropriated (Note G)	302,011,062 76	13,461,807 52	
\$296,659,951 81	TOTAL SURPLUS	\$310,195,573 38	\$13,535,621 57	
\$1,775,040,28 7 21		\$1,843,460,756 20	\$68,420,468 99	

Italics indicate decrease.

Please see page 38 for notes.

COMPARATIVE GENERAL BALANCE SHEET NOTES

NOTE A—Carried at cost or less.	
NOTE B—As of December 31, 1950, includes \$3,783,782.54 in Canadian funds.	
NOTE C—As of December 31, 1950, comprises liability to lessor companies for which the New York Central is obligated to make settlement:	
Equipment.....	\$26,000,044 96
Material and supplies.....	\$15,248,065 98
Miscellaneous.....	\$2,221,558 71
NOTE D—As of December 31, 1950, includes \$1,261,663.44 payable in Canadian funds.	
NOTE E—As of December 31, 1950, includes:	
Amounts payable to State of New York as New York Central proportion of certain grade crossing eliminations.....	\$25,402,952 64
NOTE F—As of December 31, 1950, includes accruals for injuries to persons and loss and damage—freight.....	\$21,551,096 98
NOTE G—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	\$18,315,170 24
Non-cash charges to income:	
Provision for depreciation—road and equipment—and amortization of equipment	\$39,627,394 53
Less—Applicable to leased property for which settlement was made with lessors	10,385,428 13
Personal injuries, loss and damage and insurance, increase of reserves over expenditures	29,241,966 40
Proceeds from sale of property, easements, funds released by trustees and fire loss recoveries	3,938,078 68
Repayment of advances—affiliated companies—net	1,095,442 46
Other miscellaneous items—net	4,132 73
	122,590 92

TOTAL ADDITIONS

\$52,717,381 43

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	\$24,848,281 06
Retirement of long term debt (bonds and equipment obligations—cost)	24,124,635 68
Purchase of securities of affiliated companies—cost	485,627 97
Installments on grade crossing elimination indebtedness	669,648 03
Dividend #77, payable December 27, 1950	6,447,393 95
	TOTAL DEDUCTIONS
	\$56,575,586 69
	DECREASE IN WORKING CAPITAL
	\$ 3,858,205 26

INVESTMENTS

IMPROVEMENTS ON LEASED OR CONTROLLED PROPERTY

Amsterdam, Chuctanunda and Northern Railroad	\$21,448 66
Beech Creek Extension Railroad	1,472,611 27
Beech Creek Railroad	9,988 21
Boston and Albany Railroad	727,396 54
Chicago, Kalamazoo and Saginaw Railway	4,148 22
Cleveland, Cincinnati, Chicago and St Louis Railway	1,070,674 87
Detroit, Hillsdale and South Western Railroad	157,537 58
Detroit, Toledo & Milwaukee Railroad	540 60
Erie and Kalamazoo Railroad	160,668 34
Fort Wayne and Jackson Railroad	354,895 25
Grand Central Terminal Improvements, New York	52,233,188 10
Hudson River bridges at Albany	1,505,900 73
Hudson River Connecting Railroad	188,579 03
Improvements on leased piers, New York	654,211 88
Improvements to ticket office, Chicago, Illinois	98,331 15
Joliet and Northern Indiana Railroad	169,780 17
Kalamazoo, Allegan and Grand Rapids Railroad	17,324 82
Lake Erie, Alliance & Wheeling Railroad	2,630,481 81
Mahoning and Shenango Valley Railway	5,101 70
Mahoning Coal Railroad	284,872 53
Michigan Central Railroad	101,179 43
Mt. Gilead Short Line Railway	13,217 99
New Jersey Junction Railroad	610,449 45
New York and Harlem Railroad	31,584,969 83
New York State Realty and Terminal Company	3,198,896 33
Shenango Valley Railroad	3,959 36
Stewart Railroad	469 30*
Stockyards, New York—West Side	1,220,954 15
Toledo and Ohio Central Railway	333,866 76
Troy and Greenbush Railroad	238,925 55
Wallkill Valley Railroad	224,696 94
West Shore Railroad	27,703,960 02

TOTAL

\$127,002,287 97

* Credit.

INVESTMENTS

INVESTMENTS IN MISCELLANEOUS PHYSICAL PROPERTY

Land, Buildings, etc.

At New York

At New York		SUBSTRUCTURES		BUILDINGS, ETC.		TOTAL	
230 Park Avenue (N. Y. C. Building) Offices	00,000,012	\$938,925	17	\$13,581,049	15	\$14,519,974	32
247 Park Avenue (Park-Lexington Buildings) Offices	00,000,000	210,397	44	—	—	210,397	44
250 Park Avenue (Postum Building) Offices	00,000,000	305,254	63	—	—	305,254	63
277 Park Avenue Apartment	00,000,000,2	388,196	43	6,542	79	394,739	22
290 Park Avenue Apartment	00,000,000,1	195,515	76	—	—	195,515	76
299 Park Avenue (Park Lane Hotel)	00,000,000,1	319,843	77	1,164,443	75	1,484,287	52
300 Park Avenue Apartment	00,000,000,0	225,470	16	1,196,085	20	1,421,555	36
301-315 Park Avenue (Waldorf-Astoria Hotel)	00,000,000,0	211,554	30	7,005,662	25	7,217,216	55
320-330 Park Avenue Apartment	00,000,000,2	59,363	43	1,334,612	12	1,393,975	55
340-350 Park Avenue Apartment	00,000,000,0	36,121	50	269,609	39	305,730	89
420 Lexington Avenue (Graybar Building) Offices	00,000,000,0	640,361	36	—	—	640,361	36
379 Madison Avenue Offices	00,000,000,1	71,334	64	—	—	71,334	64
385 Madison Avenue Offices	00,000,000,3	123,413	41	415,366	93	538,780	34
109-129 East 42nd Street (Commodore Hotel)	00,000,000,4	267,297	27	2,520,641	08	2,787,938	35
33-55 East 43rd Street (Biltmore Hotel)	00,000,000,4	—	—	3,873,567	85	3,873,567	85
35-59 East 45th Street (Roosevelt Hotel)	00,000,000,0	226,103	59	2,426,938	51	2,653,042	10
115 East 48th Street (Barclay Hotel)	00,000,000,5	111,833	75	1,715,463	28	1,827,297	03
50 Vanderbilt Avenue (Yale Club)	00,000,000,1	51,027	31	—	—	51,027	31
52 Vanderbilt Avenue (Vanderbilt Concourse) Offices	00,000,000,0	47,479	01	—	—	47,479	01
Spring and Washington Streets	00,000,000,0	—	—	1,595,687	14	1,595,687	14
Land, West 17th Street	00,000,000,0	—	—	500,268	42	500,268	42
Leroy, Morton and West Streets	00,000,000,0	—	—	681,516	20	681,516	20
501-557 West 30th Street	00,000,000,0	—	—	373,103	89	373,103	89
422 Eleventh Avenue	00,000,000,0	—	—	695,130	51	695,130	51
West 59th Street and Eleventh Avenue	00,000,000,0	—	—	182,531	11	182,531	11
Putnam bridge across Harlem River	00,000,000,0	—	—	243,121	00	243,121	00
Kingsbridge (Marble Hill)	00,000,000,0	—	—	548,162	73	548,162	73
Mellish Warehouse, West 59th Street	00,000,000,0	—	—	315,993	55	315,993	55
Old West Shore Freight House, West 36th Street	00,000,000,0	—	—	103,860	54	103,860	54
Buildings, Port Morris	00,000,000,0	—	—	4,372,329	69	4,372,329	69
Miscellaneous—various locations	00,000,000,0	—	—	86,693	23	86,693	23
TOTAL—AT NEW YORK		\$4,429,492	93	\$45,208,380	31	\$49,637,873	24
Land and Buildings, Yonkers, New York	00,000,000,0	—	—	100,502	38	100,502	38
Land and Buildings, White Plains, New York	00,000,000,0	—	—	215,743	75	215,743	75
Land and Buildings, Jersey City, New Jersey	00,000,000,0	—	—	285,995	75	285,995	75
Land and Buildings, Syracuse, New York	00,000,000,0	—	—	85,448	56	85,448	56
Land and Buildings, Buffalo, New York	00,000,000,0	—	—	860,440	28	860,440	28
Land, Keating to Browns, Pennsylvania	00,000,000,0	—	—	604,427	89	604,427	89
Land, Fairport Harbor, Ohio	00,000,000,0	—	—	367,163	28	367,163	28
Land, Collinwood, Ohio	00,000,000,0	—	—	71,859	75	71,859	75
Land and Buildings, Cleveland, Ohio	00,000,000,0	—	—	1,072,122	07	1,072,122	07
Land and Buildings, Rockport, Ohio	00,000,000,0	—	—	353,212	54	353,212	54
Land and Buildings, Holland, Ohio	00,000,000,0	—	—	209,545	33	209,545	33
Buildings, Toledo, Ohio	00,000,000,0	—	—	466,537	20	466,537	20
Land and Buildings, Chicago, Illinois	00,000,000,0	—	—	968,742	61	968,742	61
Land, Buildings, etc., various locations	00,000,000,0	—	—	766,766	44	766,766	44
Stockyards, Buffalo, New York	00,000,000,0	—	—	612,878	90	612,878	90
Track material leased	00,000,000,0	—	—	47,797	81	47,797	81
Special assessments for paving, etc., various locations	00,000,000,0	—	—	93,960	75	93,960	75
TOTAL		\$4,429,492	93	\$52,391,525	60	\$56,821,018	53

INVESTMENTS IN AFFILIATED COMPANIES—STOCKS

		TOTAL OUTSTANDING	Shares	Par value	Ledger value
00 000,000	00 000,000	\$500,000 00	825	\$82,500 00	\$1 00
Battle Creek & Sturgis Railway Company		5,179,000 00	51,790	5,179,000 00	488,277 51
Beech Creek Extension Railroad Company		6,000,000 00	54,013	2,700,650 00	1,782,729 00
Beech Creek Railroad Company		500,000 00	1,000	100,000 00	1 00
The Boston Terminal Company		400,000 00	2,000	200,000 00	200,000 00
The Canadian Pacific Car and Passenger Transfer Company, Ltd.		500,000 00	5,000	250,000 00	250,000 00
Cherry Tree and Dixonville Railroad Company		450,000 00	1,800	180,000 00	1,800 00
Chicago, Kalamazoo and Saginaw Railway Company		500,000 00	5,000	500,000 00	750,000 00
The Chicago River and Indiana Railroad Company		825,000 00	16,500	825,000 00	82,200 00
Clearfield Bituminous Coal Corporation		47,028,800 00	464,264	46,426,400 00	43,919,009 87
The Cleveland, Cincinnati, Chicago and St. Louis Railway Company—common			8/6	133 33	320 00
—common scrip					
—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	\$64,960,283 33	\$55,989,318 90
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
Illinois Northern Railway Company	5,000 00	600	60,000 00	120,451 20
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	20,073	1,001,850 00	1,548,535 00
—preferred	661,367 00	10,453	522,650 00	524,272 50
The Mahoning State Line Railroad Company	100,000 00	48	2,400 00	2,400 00
Merchants Despatch Transportation Corporation	78,750 shares	78,750	None	1,200,000 00
The Michigan Central Railroad Company	18,736,400 00	186,891	18,689,100 00	31,291,000 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
—preferred	1,343,950 00	26,579	1,328,950 00	4,471,981 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
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	80 00
—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

\$165,178,693 33 \$180,152,741 84

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, 4 1/2%, 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, 4 1/2%, 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, 4 1/2%, 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	28,000 00	7,000 00	7,000 00
The Grand River Valley Railroad Company 4%, due Sept. 1, 1959	1,434,000 00	4,000 00	3,110 00
Jackson, Lansing & Saginaw Railroad Co. first mortgage 3 1/2%, due Sept. 1, 1951	555,000 00	47,000 00	47,422 27

Carried forward \$43,440,000 00 \$42,031,458 15

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

INVESTMENTS

HELD BY THIS COMPANY

INVESTMENTS IN AFFILIATED COMPANIES—BONDS (concluded)

	TOTAL OUTSTANDING	Par value	Ledger value
	Brought forward		
The Lake Erie and Pittsburg Railway Co. first mortgage—series A, 4½%, due July 1, 1965	\$3,410,000 00	1,705,000 00	1,705,000 00
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, 3¾%, 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, 2361	46,744,500 00	26,000 00	22,472 21
TOTAL	\$48,642,500 00	\$46,031,685 36	
TOTAL	\$296,186 17	\$274,108 16	

INVESTMENTS IN AFFILIATED COMPANIES—OTHER SECURED OBLIGATIONS

The Toledo and Ohio Central Railway Company, notes

INVESTMENTS IN AFFILIATED COMPANIES—UNSECURED NOTES

Despatch Shops Inc.	\$1,500,000 00	\$1,500,000 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	83,898 66	1 00
TOTAL	\$36,529,139 93	\$35,955,074 32

INVESTMENTS IN AFFILIATED COMPANIES—INVESTMENT ADVANCES

Beech Creek Railroad Company	\$2,335,520 31
The Boston Terminal Company	60,899 53
Central Indiana Railway Company	38,610 00
Cherry Tree and Dixonville Railroad Company	36,907 87
The Chicago River and Indiana Railroad Company	4,300,000 00
The Cincinnati Union Terminal Company	884,963 89
Clearfield Bituminous Coal Corporation	917,395 59
The Cleveland, Cincinnati, Chicago and St. Louis Railway Company	48,367,392 61
The Cleveland Union Terminals Company	36,161,734 38
Dayton Union Railway Company	386,837 59
The Federal Valley Railroad Company	49,057 73
The Hudson River Connecting Railroad Corporation	462,952 14
Illinois Northern Railway Company	29,751 26
Indiana Harbor Belt Railroad Company	120,000 00
The Lake Erie, Alliance & Wheeling Railroad Company	198,509 82
The Lake Erie and Pittsburg Railway Company	84,683 66
The Lakefront Dock and Railroad Terminal Company	884,662 50
Lansing Manufacturers Railroad	207,990 43
Lansing Transit Railway Company	9,461 15
The Mackinac Transportation Company	362 91
The Mahoning State Line Railroad Company	15 51
The Michigan Central Railroad Company	927,471 51
New York State Realty and Terminal Company	22,841,900 26
Nicholas, Fayette and Greenbrier Railroad Company	2,040,379 02
Ottawa and New York Railway Company	173,177 02
The Owasco River Railway	6,216 67
The Pittsburgh, McKeesport and Youghiogheny Railroad Company	8,924,793 69
Railway Express Agency, Incorporated	4,035,588 65
The St. Lawrence & Adirondack Railway Company	440,980 18
The Toledo and Ohio Central Railway Company	14,053,326 86
Union Depot Company (Columbus, Ohio)	135,428 40
Hotel Waldorf-Astoria Corporation	232,770 00
TOTAL	\$149,349,741 14

INVESTMENTS

HELD BY THIS COMPANY			
OTHER INVESTMENTS—STOCKS	TOTAL OUTSTANDING	SHARES	Par value
The Delaware, Lackawanna and Western Railroad Company		132,825	\$6,641,250 00
Pittsfield and North Adams Railroad Corporation		722	72,200 00
Reading Company, common	130,000 00	262,900	13,145,000 00
Reading Company, first preferred	100,000 00	136,800	6,840,000 00
Reading Company, second preferred	100,000 00	300,300	15,015,000 00
United States Cold Storage Corporation, common		35,000	None
Other companies		459,4621	47,103 96
		TOTAL	\$41,760,553 96
			\$27,570,934 72
OTHER INVESTMENTS—BONDS			
Boston and Albany Railroad Company 3½% Terminal bonds of 1901, due January 1, 1951			\$360,000 00
Boston and Albany Railroad Company 3½% refunding bonds of 1902, due April 1, 1952			2,501,000 00
The Kalamazoo, Allegan and Grand Rapids Railroad Company 5% first mortgage bonds, due July 1, 1968			840,000 00
U. S. War Savings Bonds, series F, maturing August 1, 1954			100,000 00*
Other companies			6,766 00
		TOTAL	\$3,807,766 00
			\$3,630,710 75
OTHER INVESTMENTS—OTHER SECURED OBLIGATIONS			
Detroit Coal Company—Land contract			\$13,635 03
Linden Securities Corporation			1,633,236 00
Robbins—Land contract			1,288 73
Wilkinson—Land contract			1,260 57
Wolf Warehouse, Inc.—Land contract			58,397 00
		TOTAL	\$1,707,817 33
			\$1,707,817 33
OTHER INVESTMENTS—UNSECURED NOTES			
Consolidated Cement Corporation			\$180 00
Niagara Frontier Transit System Inc.			612 41
		TOTAL	\$792 41
			\$792 41
OTHER INVESTMENTS—INVESTMENT ADVANCES			
Boston and Albany Railroad Company			\$10,029,992 23
* Maturity value			

EXPENDITURES IN 1950 ADDITIONS AND BETTERMENTS ON OWNED PROPERTY

ROAD

	EXPENDITURES	RETIREMENTS	NET DEBIT
Engineering	\$172,407 22	\$83,551 65	\$88,855 57
Land for transportation purposes	42,010 79*	78,489 70	120,500 49*
Other right-of-way expenditures	20,968 27	—	20,968 27
Grading	162,248 83	464,239 91	301,991 08*
Tunnels and subways	—	12,197 00	12,197 00*
Bridges, trestles, and culverts	525,933 27	160,573 85	365,359 42
Ties	166,377 19	75,123 03	91,254 16
Rails	209,239 55	77,023 59	132,215 96
Other track material	545,790 22	81,149 48	464,640 74
Ballast	38,961 91	30,686 14	8,275 77
Track laying and surfacing	257,982 26	56,921 79	201,060 47
Fences, snowsheds, and signs	6,316 15	2,709 77	3,606 38
Station and office buildings	854,618 05	316,855 11	537,762 94
Roadway buildings	108,475 80	22,816 94	85,658 86
Water stations	84,955 73	466,046 20	381,090 47*
Fuel stations	174,637 82	45,021 36	129,616 46
Shops and enginehouses	743,177 89	164,496 51	578,681 38
Wharves and docks	78,070 00*	14,322 00	92,392 00*
Coal and ore wharves	56,137 64	—	56,137 64
Telegraph and telephone lines	2,224,566 62	336,127 37	1,888,439 25
Signals and interlockers	941,481 93	303,749 95	637,731 98
Power plants	6,961 76	34,738 96	27,777 20*
Power-transmission systems	314,821 82	11,343 02	303,478 80
Miscellaneous structures	9,012 70	16,194 08	7,181 38*
Roadway machines	304,691 05	116,940 81	187,750 24
Roadway small tools	2,495 64	1,816 00	679 64
Public improvements—Construction	211,910 32	129,916 51	81,993 81
Shop machinery	274,350 32	243,135 32	31,215 00
Power-plant machinery	115,720 14	80,686 44	35,033 70
Unapplied construction material and supplies	914 25*	—	914 25*
General officers and clerks	—	2,445 00	2,445 00*
Law	—	1,491 00	1,491 00*
Stationery and printing	—	179 00	179 00*
Taxes	—	835 00	835 00*
Interest during construction	82,852 56*	149,482 62	232,335 18*
Other expenditures—General	—	537 00	537 00*
 TOTAL ROAD	 \$8,330,392 50	 \$3,581,842 11	 \$4,748,550 39

EQUIPMENT†

Steam locomotives	\$228,299 09	\$9,200,441 28	\$8,972,142 19*
Other locomotives	22,373,285 55	—	22,373,285 55
Freight-train cars	9,538,365 17	9,586 078 82	47,713 65*
Passenger-train cars	11,073,023 57	2,058,208 94	9,014,814 63
Floating equipment	157,937 13	292,506 62	134,569 49*
Work equipment	1,327,575 29	548,276 40	779,298 89
Miscellaneous equipment	287,001 54	80,033 23	206,968 31
 TOTAL EQUIPMENT	 \$44,985,487 34	 \$21,765,545 29	 \$23,219,942 05
 NET INCREASE FOR THE YEAR			\$27,968,492 44
Investment in road and equipment as of December 31, 1949			\$1,357,458,678 27
 TOTAL AS OF DECEMBER 31, 1950			 \$1,385,427,170 71

* Credit.

† Including trust equipment.

**EXPENDITURES IN 1950 FOR ADDITIONS AND BETTERMENTS
ON OWNED PROPERTY**

ANALYSIS OF CHANGES IN EQUIPMENT INVESTMENT ACCOUNT

EQUIPMENT ADDED, INCLUDING BETTERMENTS	TRUST	OWNED	TOTAL	TRANSFERRED TO OWNED EQUIPMENT ON MATURITY OF TRUSTS
Steam locomotives	\$8,645 53	\$219,653 56	\$228,299 09	\$3,565,548 40
Other locomotives	16,300,474 82	6,072,810 73	22,373,285 55	60,241 12
Freight-train cars	9,171,376 03	366,989 14	9,538,365 17	—
Passenger-train cars	8,769,863 33	2,303,160 24	11,073,023 57	—
Floating equipment	—	157,937 13	157,937 13	—
Work equipment	—	1,327,575 29	1,327,575 29	—
Miscellaneous equipment	—	287,001 54	287,001 54	—
TOTAL	\$34,250,359 71	\$10,735,127 63	\$44,985,487 34	\$3,625,789 52
 EQUIPMENT RETIRED				
Steam locomotives	\$3,407,268 61*	\$5,793,172 67	\$9,200,441 28	\$3,565,548 40
Other locomotives	—	—	—	60,241 12
Freight-train cars	4,739,996 84*	4,846,081 98	9,586,078 82	—
Passenger-train cars	68,646 35*	1,989,562 59	2,058,208 94	—
Floating equipment	—	292,506 62	292,506 62	—
Work equipment	—	548,276 40	548,276 40	—
Miscellaneous equipment	—	80,033 23	80,033 23	—
TOTAL	\$8,215,911 80	\$13,549,633 49	\$21,765,545 29	\$3,625,789 52
 NET INCREASE IN TRUST EQUIPMENT				\$22,408,658 39
NET INCREASE IN OWNED EQUIPMENT				811,283 66
 NET INCREASE IN EQUIPMENT INVESTMENT				\$23,219,942 05

* Includes equipment transferred to M C R R and C C C & St L Ry ownership:

Steam locomotives	\$3,376,921 30
Freight-train cars	1,374,164 37
Passenger-train cars	65,284 35

EXPENDITURES IN 1950 FOR ADDITIONS AND BETTERMENTS ON LEASED PROPERTY

Beech Creek Extension Railroad	\$18,226 02
Boston and Albany Railroad	8,151 26
Cleveland, Cincinnati, Chicago and St. Louis Railway	1,512 17*
Detroit, Hillsdale and South Western Railroad	76 39*
Erie and Kalamazoo Railroad	3,243 08
Fort Wayne and Jackson Railroad	5,283 23
Grand Central Terminal Improvements, New York	168,385 28
Hudson River bridges at Albany	1,831 07
Joliet and Northern Indiana Railroad	18,528 24
Kalamazoo, Allegan and Grand Rapids Railroad	27,252 78*
Lake Erie, Alliance & Wheeling Railroad	20,460 53
Mahoning and Shenango Valley Railway	127 59*
Mahoning Coal Railroad	35,108 83
New Jersey Junction Railroad	251 48*
New York and Harlem Railroad	4,404,319 15*
New York State Realty and Terminal Company property	1,057,975 51
Toledo and Ohio Central Railway	1,234 95*
Troy and Greenbush Railroad	9,712 74
Wallkill Valley Railroad	1,005 99*
West Shore Railroad	924,982 12
 NET DECREASE FOR THE YEAR	 \$2,163,892 59*

* Credit

EXPENDITURES IN 1950 ON MISCELLANEOUS PHYSICAL PROPERTY

Buildings, Port Morris, N. Y.	\$4,372,329 69
Old West Shore, Freight House, 36th Street, New York, N. Y.	103,860 54
Mellish Warehouse, West 59th Street, New York, N. Y.	315,993 55
Hotel Biltmore, New York, N. Y.	413,870 35
Buildings, Buffalo, N. Y.	762,372 86
Buildings, Cleveland, Ohio	286,305 64
Building, 230 Park Avenue, New York, N. Y.	82,259 98
Building, 299 Park Avenue, New York, N. Y.	39,767 94
Land, Cleveland, Ohio	59,964 45
Buildings, Albany, N. Y.	54,611 45
Buildings, Gary, Ind.	23,794 00
Buildings, Grand Rapids, Mich.	27,796 38
Lewiston Branch, Suspension Bridge to Lewiston, N. Y.	23,510 97
Building, 115 East 48th Street, New York, N. Y.	24,205 64
Land and Buildings, Dunkirk, N. Y.	16,415 38
Miscellaneous—various locations	11,941 79
 NET INCREASE FOR THE YEAR	 \$6,619,000 61

Less:

Building and Substructure, 270 Park Avenue, New York, N. Y.	\$1,703,919 40
Land, 8th Avenue, 157th Street, New York, N. Y.	46,793 98
Land, Rockport, Ohio	64,667 70
Buildings, Chicago, Ill.	65,036 71
Land, Cleveland, Ohio	25,723 37
Stockyards, Buffalo, N. Y.	18,556 14
Land, Depew, N. Y.	19,205 92
Land, Poland to Prospect Junction, N. Y.	19,075 71
Land and Buildings, Yonkers, N. Y.	16,458 74
Miscellaneous—various locations	21,806 19
 NET INCREASE FOR THE YEAR	 \$2,001,243 86

Investment in miscellaneous physical property as of December 31, 1949

TOTAL AS OF DECEMBER 31, 1950 \$56,821,018 53

CAPITALIZATION

DECEMBER 31, 1950

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
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—Spuyten Duyvil & Pt Morris first ③	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 ⑧	1894	Oct. 1, 1993	3,987,000 00	3,752,000 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 ③	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 ②*†	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 ②*†	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 ②	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			\$690,488,000 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 00Ø
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	\$464,383,000 00

DEBENTURE BONDS

N Y C & H R R R Co	1900	July 1, 2000	\$5,500,000 00	\$5,500,000 00	3½%	Jan. and July
TOTAL BONDS ACTUALLY OUTSTANDING						

* 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".

Ø \$420,000 held by Hartford Accident and Indemnity Company and included in balance sheet account "Insurance and other funds".

\$600,000 held by Hartford Accident and Indemnity Company and included in balance sheet account "Insurance and other funds".

CAPITALIZATION

FUNDED DEBT

EQUIPMENT TRUST OBLIGATIONS	Date of issue	Date of final maturity	Amount of authorized issue	Amount issued and now outstanding	Rate of interest	Payable on
Equipment trust certificates	(5)	1937	Mar. 15, 1952	4,290,000 00	3,572,000 00	2 1/4%
Equipment trust certificates	(5)	1941	Feb. 15, 1951	10,900,000 00	1,090,000 00	1 1/8%
Equipment trust certificates	(2)	1941	July 15, 1951	15,000,000 00	1,500,000 00	2 1/4%
Equipment trust certificates	(9)	1943	June 1, 1953	5,300,000 00	1,590,000 00	2%
Equipment trust certificates	(9)	1944	Sept. 1, 1954	15,500,000 00	6,200,000 00	1 1/8%
Equipment trust certificates	(2)	1945	May 1, 1955	7,500,000 00	3,750,000 00	1 1/8%
Equipment trust certificates	(10)	1945	Aug. 15, 1955	8,800,000 00	4,400,000 00	1 1/2%
Equipment trust certificates	(8)	1946	Jan. 1, 1956	17,700,000 00	10,620,000 00	1 1/2%
Equipment trust certificates	(5)	1947	Jan. 1, 1957	20,000,000 00	14,000,000 00	2%
Equipment trust certificates	(2)	1947	Aug. 15, 1957	9,400,000 00	6,580,000 00	2 1/8%
Equipment trust certificates	(9)	1948	Jan. 15, 1958	12,800,000 00	10,240,000 00	2 5/8%
Equipment trust certificates	(10)	1948	Mar. 15, 1958	12,600,000 00	10,080,000 00	2 3/8%
Equipment trust certificates	(8)	1948	Sept. 15, 1958	13,800,000 00	11,040,000 00	2 1/2%
Equipment trust certificates	(2)	1949	Jan. 1, 1964	9,720,000 00	9,072,000 00	2 5/8%
Equipment trust certificates	(9)	1949	Mar. 15, 1964	12,300,000 00	11,480,000 00	2 5/8%
Equipment trust certificates	(10)	1949	May 15, 1964	10,725,000 00	10,010,000 00	2 5/8%
Equipment trust certificates	(5)	1949	July 15, 1964	11,400,000 00	10,640,000 00	2 3/4%
Equipment trust certificates	(2)	1949	Oct. 1, 1964	9,120,000 00	8,512,000 00	2 3/4%
Equipment trust certificates	(9)	1950	Jan. 1, 1965	9,600,000 00	9,600,000 00	2 3/4%
Equipment trust certificates	(8)	1950	June 15, 1965	11,100,000 00	11,100,000 00	2 3/4%
Equipment trust certificates	(10)	1950	Nov. 15, 1965	4,800,000 00	4,800,000 00	2 3/4%
TOTAL EQUIPMENT TRUST OBLIGATIONS ACTUALLY OUTSTANDING				\$156,876,000 00		
OTHER EQUIPMENT OBLIGATIONS						
Equipment agreement—series A	(11)	1945	Apr. 1, 1953	1,142,080 00	356,900 00	1.45%
Equipment agreement—series B	(11)	1945	Apr. 1, 1953	212,160 00	66,300 00	1.45%
Equipment agreement	(12)	1950	May 1, 1965	1,393,200 00	1,346,760 00	2.84%
Equipment agreement	(12)	1950	May 1, 1965	3,075,600 00	2,973,080 00	2.84%
TOTAL EQUIPMENT AGREEMENTS ACTUALLY OUTSTANDING				\$ 4,743,040 00		
TOTAL EQUIPMENT OBLIGATIONS ACTUALLY OUTSTANDING						
TOTAL FUNDED DEBT ACTUALLY OUTSTANDING				\$161,619,040 00		
TOTAL FUNDED DEBT ACTUALLY OUTSTANDING						

TRUSTEES:

- (1) Continental Illinois National Bank and Trust Company of Chicago
(formerly Illinois Trust and Savings Bank)
(2) Guaranty Trust Company of New York
(8) Central Hanover Bank and Trust Company, New York (formerly
Central Union Trust Company)
(4) Manufacturers Trust Company, New York (formerly Metropolitan
Trust Company)
(6) Irving Trust Company, New York (formerly Knickerbocker Trust
Company)

- (6) United States Trust Company of New York
(7) Bankers Trust Company, New York
(8) The Chase National Bank of the City of New York
(9) The First National Bank of the City of New York
(10) J. P. Morgan & Co., Incorporated

ASSIGNEE:

- (11) Public National Bank and Trust Company of New York
(12) The National City Bank of New York

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, 1950	Decrease
The New York Central Railroad Company	\$744,296,923 22	\$656,904,992 64	\$87,391,930 58
Lessor companies	364,511,029 23	256,996,625 00	107,514,404 23
	\$1,108,807,952 45	\$913,901,617 64	\$194,906,334 81

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

	December 31, 1932	Average Interest Rate	December 31, 1950	Average Interest Rate
The New York Central Railroad Company	\$31,745,871 00	4.265%	\$23,511,987 98	3.579%
Lessor companies	15,656,751 00	4.295%	10,870,310 00	4.229%
	\$47,402,622 00		\$34,382,297 98	

Reduction in annual interest 1950 under 1932

The New York Central Railroad Company	\$8,233,883 02
Lessor companies	4,786,441 00
	\$13,020,324 02

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

RAILWAY OPERATING REVENUES

REVENUES FROM TRANSPORTATION

			1950	1949	Increase or Decrease
Freight:					
Anthracite coal			\$10,734,623 14	\$9,729,140 73	\$1,005,482 41
Bituminous coal			106,400,190 47	82,399,022 31	24,001,168 16
Coke			5,397,994 68	4,507,446 43	890,548 25
Iron ore			8,352,352 25	6,673,089 69	1,679,262 56
All other freight			413,736,269 49	397,610,339 79	16,125,929 70
Total freight			\$544,621,430 03	\$500,919,038 95	\$43,702,391 08
Passenger					
Baggage			116,597,097 85	122,451,363 40	5,854,265 55
Parlor and chair car			321,328 50	367,233 16	45,904 66
Mail			347,738 33	1,171,056 95	823,318 62
Express			45,637,149 46	26,441,916 90	19,195,232 56
Other passenger-train			8,330,547 45	6,662,402 43	1,668,145 02
Milk			1,622,986 80	1,021,539 53	601,447 27
Switching			1,317,213 39	1,783,893 27	466,679 88
Water transfers—freight			11,183,838 64	9,899,124 00	1,284,714 64
Water transfers—passenger			207,886 69	242,834 05	34,947 36
Water transfers—vehicles and live stock			253,001 24	153,560 16	99,441 08
Water transfers—other			237,876 04	268,261 46	30,385 42
			82,347 64	117,591 09	35,243 45
TOTAL			\$730,760,442 06	\$671,499,815 35	\$59,260,626 71

INCIDENTAL AND JOINT FACILITY

Dining and buffet		\$8,874,604 92	\$9,470,482 17	\$595,877 25
Hotel and restaurant		—	2,364 00	2,364 00
Station, train, and boat privileges		1,272,957 33	1,304,221 70	31,264 37
Parcel room		44,927 13	63,178 41	18,251 28
Storage—freight		446,947 64	632,051 64	185,104 00
Storage—baggage		58,083 56	57,877 03	206 53
Demurrage		2,891,277 47	1,973,348 53	917,928 94
Telegraph and telephone		81 78	4,170 57	4,088 79
Grain elevator		481,907 02	477,703 17	4,203 85
Power		2,469,849 47	2,629,410 43	159,560 96
Rents of buildings and other property		5,370,734 94	3,070,711 18	2,300,023 76
Miscellaneous		5,753,990 27	5,227,644 62	526,345 65
Joint facility—Cr.		2,768,521 60	2,456,329 41	312,192 19
Joint facility—Dr.		1,509,556 69	1,564,909 15	55,352 46
TOTAL		\$28,924,326 44	\$25,804,583 71	\$3,119,742 73
GRAND TOTAL		\$759,684,768 50	\$697,304,399 06	\$62,380,369 44

RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES

Superintendence		\$6,614,398 35	\$6,741,780 61	\$127,382 26
Roadway maintenance		5,613,200 12	5,945,932 03	332,731 91
Tunnels and subways		249,952 37	231,072 57	18,879 80
Bridges, trestles, and culverts		2,180,639 09	2,140,243 41	40,395 68
Elevated structures		117,863 33	126,630 79	8,767 46
Ties		5,154,953 98	4,374,396 78	780,557 20
Rails		748,903 95	2,662,470 40	1,913,566 45
Other track material		4,623,668 60	5,597,901 77	974,233 17
Ballast		2,532,144 02	1,773,459 27	758,684 75
Track laying and surfacing		20,445,060 84	19,440,084 07	1,004,976 77
Fences, snowsheds, and signs		388,394 94	522,112 61	133,717 67
Station and office buildings		4,524,549 40	4,805,037 24	280,487 84
Roadway buildings		383,310 94	444,685 61	61,374 67
	<i>Carried forward</i>	\$53,577,039 93	\$54,805,807 16	

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES (concluded)

		1950	1949	Increase or Decrease
	<i>Brought forward</i>	\$53,577,039 93	\$54,805,807 16	
Water stations		625,408 92	809,786 72	\$184,377 80
Fuel stations		510,894 96	558,931 81	48,036 85
Shops and enginehouses		3,269,113 74	3,474,227 23	205,113 49
Grain elevators		17,751 35	65,053 03	47,301 68
Storage warehouses		2,656 33	1,322 70	1,333 63
Wharves and docks		384,154 17	357,123 47	27,030 70
Coal and ore wharves		556,855 46	493,603 02	63,252 44
Telegraph and telephone lines		1,682,286 23	1,522,507 82	159,778 41
Signals and interlockers		6,970,384 06	6,898,125 16	72,258 90
Power plants		136,264 33	163,557 49	27,293 16
Power-transmission systems		1,384,949 13	1,477,767 11	92,817 98
Miscellaneous structures		35,382 02	41,698 20	6,316 18
Road property—depreciation		11,503,603 90	10,492,628 12	1,010,975 78
Retirements—road		1,659,335 99	1,579,436 46	79,899 53
Roadway machines		1,084,159 84	1,369,786 32	285,626 48
Dismantling retired road property		660,905 15	549,462 00	111,443 15
Small tools and supplies		1,689,147 40	1,717,895 41	28,748 01
Removing snow, ice, and sand		4,102,773 48	1,677,916 09	2,424,857 39
Public improvements—maintenance		978,596 27	1,080,063 61	101,467 34
Injuries to persons		976,514 70	791,140 58	185,374 12
Insurance		445,598 97	464,015 80	18,416 83
Stationery and printing		86,158 71	90,600 93	4,442 22
Other expenses		130,609 62	70,927 76	59,681 86
Maintaining joint tracks, yards, and other facilities—Dr.		4,034,634 30	4,218,720 07	184,085 77
Maintaining joint tracks, yards, and other facilities—Cr.		3,430,723 88	3,512,389 97	81,666 09
Right-of-way expenses		35,453 47	50,951 47	15,498 00
TOTAL		\$93,109,908 55	\$91,310,665 57	\$1,799,242 98

MAINTENANCE OF EQUIPMENT

Superintendence		\$5,302,617 07	\$5,355,565 14	\$52,948 07
Shop machinery		2,614,411 23	2,512,529 86	101,881 37
Power-plant machinery		655,754 99	629,573 04	26,181 95
Shop and power-plant machinery—depreciation		984,930 75	952,359 65	32,571 10
Dismantling retired shop and power-plant machinery		22,622 62	15,449 61	7,173 01
Steam locomotives—repairs		44,697,020 07	42,965,170 48	1,731,849 59
Other locomotives—repairs		10,828,319 25	8,645,742 75	2,182,576 50
Freight-train cars—repairs		35,368,774 53	32,067,758 71	3,301,015 82
Passenger-train cars—repairs		16,991,667 87	13,982,008 44	3,009,659 43
Floating equipment—repairs		1,875,316 78	1,871,642 62	3,674 16
Work equipment—repairs		2,187,691 75	1,685,004 77	502,686 98
Miscellaneous equipment—repairs		213,823 70	194,373 65	19,450 05
Dismantling retired equipment		397,690 33	301,941 92	95,748 41
Retirements—equipment		48,921 96*	51,730 65*	2,808 69
Equipment—depreciation		23,649,789 21	22,144,691 61	1,505,097 60
Equipment—Amortization of defense projects		2,277,623 15	2,392,047 58	114,424 43
Injuries to persons		1,098,154 18	746,620 72	351,533 46
Insurance		1,032,180 73	987,795 68	44,385 05
Stationery and printing		173,438 76	179,022 86	5,584 10
Other expenses		242,820 91	34,047 05	208,773 86
Joint maintenance of equipment—Dr.		967,160 37	1,009,116 50	41,956 13
Joint maintenance of equipment—Cr.		240,070 19	229,343 08	10,727 11
Deferred maintenance—equipment	Ø	6,000,000 00	—	6,000,000 00
TOTAL		\$157,292,816 10	\$138,391,388 91	\$18,901,427 19

TRAFFIC

Superintendence		\$4,795,791 79	\$4,947,483 66	\$151,691 87
Outside agencies		4,454,721 80	4,499,778 37	45,056 57
Advertising		1,339,802 02	1,000,910 61	338,891 41
Traffic associations		446,340 12	472,693 31	26,353 19
Fast freight lines		232 61	1,478 52	1,245 91
Industrial and immigration bureaus		145,142 72	263,278 41	118,135 69
Insurance		835 68	887 49	51 81
Stationery and printing		643,182 34	552,652 40	90,529 94
Other expenses		6,329 97	7,516 55	1,186 58
TOTAL		\$11,832,379 05	\$11,746,679 32	\$85,699 73

* Credit.

Italics indicate decrease.

Ø Accrual to cover estimated cost of repairs to 3,000 gondola cars under contract: work to be undertaken and completed during 1951.

RAILWAY OPERATING EXPENSES

TRANSPORTATION

	1950	1949	Increase or Decrease
Superintendence	\$8,246,412 75	\$7,796,555 50	\$449,857 25
Dispatching trains	2,096,276 31	1,971,549 75	124,726 56
Station employees	51,964,121 30	50,121,380 59	1,842,740 71
Weighing, inspection, and demurrage bureaus	564,896 06	551,279 21	13,616 85
Coal and ore wharves	1,459,084 88	1,233,818 58	225,266 30
Station supplies and expenses	3,957,187 96	3,836,586 32	120,601 64
Yardmasters and yard clerks	11,949,483 06	11,483,236 05	466,247 01
Yard conductors and brakemen	28,849,461 25	26,408,340 39	2,441,120 86
Yard switch and signal tenders	4,222,105 83	4,033,678 88	188,426 95
Yard enginemen	9,856,116 24	10,212,187 28	356,071 04
Yard motormen	8,614,580 79	6,723,325 14	1,891,255 65
Yard switching fuel	7,461,089 56	7,268,492 86	192,596 70
Yard switching power produced	70,287 87	73,245 37	2,957 50
Yard switching power purchased	266,256 70	266,306 81	50 11
Water for yard locomotives	643,712 10	629,608 32	14,103 78
Lubricants for yard locomotives	218,994 59	228,369 78	9,375 19
Other supplies for yard locomotives	247,030 58	240,883 34	6,147 24
Enginehouse expenses—yard	4,392,823 59	4,304,841 55	87,982 04
Yard supplies and expenses	999,431 32	940,579 47	58,851 85
Operating joint yards and terminals—Dr.	11,799,145 70	11,133,516 30	665,629 40
Operating joint yards and terminals—Cr.	4,169,718 17	3,952,833 48	216,884 69
Train enginemen	19,765,549 67	20,206,830 95	441,281 28
Train motormen	7,496,885 01	6,346,809 44	1,150,075 57
Train fuel	41,451,319 27	39,713,815 21	1,737,504 06
Train power produced	337,951 90	356,375 01	18,423 11
Train power purchased	1,101,730 17	1,143,239 90	41,509 73
Water for train locomotives	2,903,104 49	2,915,920 55	12,816 06
Lubricants for train locomotives	1,429,178 83	1,626,144 50	196,965 67
Other supplies for train locomotives	634,192 09	646,063 59	11,871 50
Enginehouse expenses—train	11,455,371 00	10,937,454 75	517,916 25
Trainmen	36,625,613 79	35,331,205 77	1,294,408 02
Train supplies and expenses	22,715,622 71	20,355,746 64	2,359,876 07
Signal and interlocker operation	7,278,789 14	7,080,221 20	198,567 94
Crossing protection	4,386,329 63	4,296,328 68	90,000 95
Drawbridge operation	404,836 12	374,799 20	30,036 92
Telegraph and telephone operation	1,445,024 55	1,394,276 45	50,748 10
Operating floating equipment	5,468,177 35	5,533,882 22	65,704 87
Stationery and printing	1,115,220 45	1,373,947 92	258,727 47
Other expenses	444,536 18	186,689 21	257,846 97
Operating joint tracks and facilities—Dr.	1,979,776 16	1,879,213 91	100,562 25
Operating joint tracks and facilities—Cr.	2,338,757 07	2,185,266 97	153,490 10
Insurance	403,947 01	512,835 98	108,888 97
Clearing wrecks	851,643 54	534,326 93	317,316 61
Damage to property	548,496 85	351,720 41	196,776 44
Damage to live stock on right-of-way	27,760 44	30,576 17	2,815 73
Loss and damage—freight	7,221,833 01	8,318,120 31	1,096,287 30
Loss and damage—baggage	50,707 33	81,660 91	30,953 58
Injuries to persons	7,188,071 45	4,699,509 52	2,488,561 93
TOTAL	\$336,101,691 34	\$319,547,396 37	\$16,554,294 97

MISCELLANEOUS OPERATIONS

	1950	1949	Increase or Decrease
Dining and buffet service	\$11,579,891 08	\$12,563,099 39	\$983,208 31
Hotels and restaurants	845 73	1,534 97	689 24
Grain elevators	316,667 13	371,771 94	55,104 81
Producing power sold	1,706,394 24	1,799,743 97	93,349 73
Other miscellaneous operations	38,115 38	48,305 50	10,190 12
Operating joint miscellaneous facilities—Dr.	78,401 10	61,545 25	16,855 85
Operating joint miscellaneous facilities—Cr.	449,465 82	467,306 49	17,840 67
TOTAL	\$13,270,848 84	\$14,378,694 53	\$1,107,845 69

Italics indicate decrease.

RAILWAY OPERATING EXPENSES

GENERAL	1950	1949	Increase or Decrease
Salaries and expenses of general officers	\$1,481,925 21	\$1,591,473 91	\$109,548 70
Salaries and expenses of clerks and attendants	12,652,474 85	12,779,733 99	127,259 14
General office supplies and expenses	1,032,268 80	927,684 56	104,584 24
Law expenses	1,256,603 15	1,358,694 38	102,091 23
Insurance	10,216 44	13,798 43	3,581 99
Pensions and gratuities \varnothing	3,232,954 23	3,489,313 47	256,359 24
Stationery and printing	545,755 74	571,296 37	25,540 63
Valuation expenses	397 45	629 29	231 84
Other expenses	850,780 26	738,258 20	112,522 06
General joint facilities—Dr.	256,252 39	273,945 76	17,693 37
General joint facilities—Cr.	79,012 59	81,346 22	2,333 63
TOTAL	\$21,240,615 93	\$21,663,482 14	\$422,866 21
GRAND TOTAL	\$632,848,259 81	\$597,038,306 84	\$35,809,952 97

\varnothing Includes \$2,400,811.61 in 1950 and \$2,253,500.00 in 1949 representing accrual for Company's funded retirement plan.

RATIO OF RAILWAY OPERATING EXPENSES
TO RAILWAY OPERATING REVENUES

	1950	1949
Maintenance of way and structures	12.26	13.09
Maintenance of equipment	20.70	19.85
Traffic	1.56	1.68
Transportation	44.24	45.83
Miscellaneous operations	1.75	2.06
General	2.79	3.11
TOTAL	83.30	85.62

RAILWAY TAX ACCRUALS

	1950	1949	Increase or Decrease
UNITED STATES GOVERNMENT			
Income: normal and surtax	\$15,218,170 82	\$1,669,089 74	\$13,549,081 08
Railroad retirement excise	21,970,867 08	20,926,405 95	1,044,461 13
Railroad unemployment insurance	1,852,325 90	1,749,980 86	102,345 04
Capital stock	—	128,887 00	128,887 00
Other	178,635 78	192,175 15	13,539 37
TOTAL	\$39,219,999 58	\$24,666,538 70	\$14,553,460 88
STATE, COUNTY, AND MUNICIPAL			
Real and personal property	\$24,108,416 62	\$23,132,329 68	\$976,086 94
Special franchise	1,660,948 85	1,605,185 91	55,762 94
Gross earnings or income	1,432,247 16	1,295,910 89	136,336 27
Capital stock	537,108 73	542,038 75	4,930 02
Transportation privilege	34,675 18	22,509 82	12,165 36
Sales, excise, liquor, and sundry others	49,967 36	75,647 71	25,680 35
Railroad Commission and Public Service assessments	18,311 33	13,478 95	4,832 38
Motor vehicle license	32,946 45	29,849 63	3,096 82
Workmen's compensation	6,444 58	4,271 48	2,173 10
TOTAL	\$27,881,066 26	\$26,721,222 82	\$1,159,843 44
FOREIGN			
Canadian income	\$1,174,644 84	\$846,725 34*	\$2,021,370 18
Canadian real and personal property	191,105 92	179,203 30	11,902 62
Canadian, other	73,574 99	76,321 19	2,746 20
Mexican income on per diem earnings	\$72,719 39	60,502 62	12,418 65
Mexican unemployment	201 88	72,921 27	—
TOTAL	\$1,512,247 02	\$530,698 23*	\$2,042,945 25
GRAND TOTAL	\$68,613,312 86	\$50,857,063 29	\$17,756,249 57

* Credit.

Italics indicate decrease.

OTHER TAX ACCRUALS

	1950	1949	Increase or Decrease
MISCELLANEOUS OPERATING PROPERTY			
United States Government: Income and other State, County, and Municipal	\$14,315 15	\$15,341 63	\$1,026 48
	58,434 89	55,371 44	3,063 45
	TOTAL	\$72,750 04	\$70,713 07
			\$2,036 97
MISCELLANEOUS TAX ACCRUALS			
State, County, and Municipal	\$741,583 58	\$719,030 80	\$22,552 78

HIRE OF EQUIPMENT ACCOUNT

	1950	1949	Increase or Decrease
PAID			
Freight-train cars	\$68,682,193 04	\$51,738,625 45	\$16,943,567 59
Locomotives	54,959 30	39,110 54	15,848 76
Passenger-train cars	1,490,358 17	1,497,890 14	7,531 97
Floating equipment	495,222 99	670,515 24	175,292 25
Work equipment	8,206 64	9,363 79	1,157 15
	TOTAL	\$70,730,940 14	\$53,955,505 16
			\$16,775,434 98
RECEIVED			
Freight-train cars	\$50,832,657 80	\$37,579,820 53	\$13,252,837 27
Locomotives	129,316 01	133,228 65	3,912 64
Passenger-train cars	1,168,145 29	1,148,071 50	20 073 79
Floating equipment	10,299 06	154 75	10,144 31
Work equipment	72,236 69	62,179 54	10,057 15
	TOTAL	\$52,212,654 85	\$38,923,454 97
			\$13,289,199 88
	NET DEBIT BALANCE	\$18,518,285 29	\$15,032,050 19
			\$3,486,235 10

JOINT FACILITY RENT ACCOUNT

	1950	1949	Increase
Amount PAID for use of facilities maintained by other companies	\$8,940,970 90	\$8,575,339 26	\$365,631 64
Amount RECEIVED for use of facilities maintained by this Company	6,711,483 09	6,493,834 98	217,648 11
	NET DEBIT	\$2,229,487 81	\$2,081,504 28
			\$147,983 53

SEPARATELY OPERATED PROPERTIES

	NET PROFIT	
PITTSBURGH, MCKEESPORT AND YOUGHIOGHENY RAILROAD, this Company's proportion—one-half of profit		\$1,674,858 22
CENTRAL INDIANA RAILWAY, this Company's proportion—one-half of loss		23,451 12
MACKINAC TRANSPORTATION COMPANY, this Company's proportion—one-third of profit		33,411 68
OWASCO RIVER RAILWAY, this Company's proportion of profit		850 33
		\$1,685,669 11

Italics indicate decrease.

DIVIDEND INCOME

	1950	1949	Increase or Decrease
Beech Creek Railroad Company	\$108,026 00	\$108,026 00	—
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	—
The Delaware, Lackawanna and Western Railroad Company	33,206 25	33,206 25	—
Despatch Shops, Inc.	1,180,000 00	—	\$1,180,000 00
Detroit Manufacturers' Railroad	8,925 00	8,925 00	—
Detroit River Tunnel Company	240,000 00	240,000 00	—
Detroit Terminal Railroad Company	50,000 00	—	50,000 00
Fort Wayne Union Railway Company	1,600 00	—	1,600 00
Indiana Harbor Belt Railroad Company	456,000 00	—	456,000 00
The Indianapolis Union Railway Company	40,000 00	40,000 00	—
The Mahoning Coal Railroad Company	1,026,170 00	1,241,882 50	215,712 50
Merchants Despatch Transportation Corporation	1,260,000 00	472,500 00	787,500 00
New Gauley Coal Corporation	26,079 64	36,603 00	10,523 36
Niagara Junction Railway Company	45,000 00	30,000 00	15,000 00
Northern Refrigerator Line, Inc.	800,000 00	300,000 00	500,000 00
The Pittsburgh and Lake Erie Railroad Company	2,169,920 00	1,735,936 00	433,984 00
Pittsfield and North Adams Railroad Corporation	3,610 00	3,610 00	—
The Pullman Company	56,326 50	56,326 50	—
Reading Company	1,443,816 66	1,400,000 00	43,816 66
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	95,200 00	87,500 00	7,700 00
The Wallkill Valley Railroad Company	11,550 00	11,550 00	—
The Zanesville Terminal Company	7,500 00	—	7,500 00
Other companies' stock	3 00	9,102 50	9,099 50
TOTAL	\$9,675,563 95	\$6,363,938 65	\$3,311,625 30

INCOME FROM FUNDED SECURITIES

	1950	1949	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.:			
3½% terminal bonds—1951	12,553 53	12,530 00	\$ 23 53
3½% refunding bonds—1952	87,347 45	87,150 00	197 45
Central Detroit Warehouse Company—Land Contract	—	2,758 85	2,758 85
Cherry Tree and Dixonville R. R. Co. 4½% first mortgage bonds, series A —1966	25,515 00	25,515 00	—
Chicago and Harrisburg Coal Company—Advances	15,291 78	12,058 22	3,233 56
Clearfield Bituminous Coal Corporation—Notes and advances	47,848 55	72,390 20	24,541 65
The Cleveland, Cincinnati, Chicago and St. Louis Railway Co.:			
4½% refunding and improvement mortgage bonds, series E—1977	171,495 00	171,495 00	—
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 69	1,252,553 69	—
Despatch Shops, Inc.—Notes	26,589 05	57,616 45	31,027 40
Indiana Harbor Belt Railroad Company—Advances	4,428 97	11,361 85	6,932 88
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 Pittsburgh Railway Co. 4½% first mortgage bonds—1965	76,822 50	77,508 75	686 25
Linden Securities Corporation—Advances	222,714 00	148,476 00	74,238 00
Louisville & Jeffersonville Bridge and R. R. Co.—Advances †	319,413 21	320,373 75	960 54
New York State Realty and Terminal Company—Advances	67,047 97	69,125 06	2,077 09
The Peoria and Eastern Railway Co.:			
4% first consolidated mortgage bonds—1960	6,820 00	6,820 00	—
Open accounts, etc.	12,872 54*	34,681 64*	21,809 10
The Pittsburgh, McKeesport and Youghiogheny R. R. Co.—Notes	18,000 00	18,000 00	—
Railway Express Agency, Inc.—Advances	205,300 34	205,301 00	66
The Toledo and Ohio Central Railway Co.:			
3¾% refunding an improvement mortgage bonds, series A—1960	77,512 50	77,512 50	—
Union Depot Company (Columbus, Ohio)—Advances	13,525 70	13,525 70	—
United States Treasury Certificates of Indebtedness	13,367 40	79,754 95	66,387 55
United States Treasury Notes—Series A	201,705 25	186,418 74	15,286 51
United States Treasury Notes—Series B—1951	55,802 07	—	55,802 07
United States Treasury Bond due 6/15/54-52	38,031 54	—	38,031 54
Wolf Warehouse Company, Inc.—Land Contract	2,529 26	2,876 51	347 25
Miscellaneous	6,053 85	5,750 21	303 64
TOTAL	\$4,470,056 07	\$4,396,850 79	\$73,205 28

* Debit.

† Includes \$139,413.21 in 1950 and \$140,373.75 in 1949 as interest on advances to C. C. C. & St. L. Ry. Co. for Louisville & Jeffersonville Bridge and Railroad Co.

Italics indicate decrease.

INTEREST ON FUNDED DEBT

MORTGAGE BONDS	Rate	Amount
Indiana, Illinois & Iowa Railroad Co first mortgage	4%	\$79,341 11
Chicago, Indiana & Southern Railroad Co fifty-year gold	4%	567,720 00
Jamestown, Franklin & Clearfield Railroad Co first mortgage	4%	431,880 00
N Y C & H R R Co—Spuyten 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%	155,064 89
Lake Shore & Michigan Southern Railway Co gold mortgage	3½%	1,750,000 00
N Y C & H R R Co gold mortgage	3½%	3,290,000 00
N Y C & H R R Co—Lake Shore collateral gold	3½%	742,245 00
N Y C & H 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%	4,320,360 00
N Y C R R Co refunding and improvement mortgage, series C	5%	3,199,700 00
		\$18,880,691 00
DEBENTURE BONDS		
N Y C & H R R Co of 1900	3½%	192,500 00
EQUIPMENT OBLIGATIONS		
Equipment trust certificates of March 15, 1937	2½%	\$14,210 62
Equipment trust certificates of June 1, 1940	2%	8,667 00
Equipment trust certificates of February 15, 1941	1½%	22,990 84
Equipment trust certificates of July 15, 1941	2½%	52,031 25
Equipment trust certificates of June 1, 1943	2%	36,217 00
Equipment trust certificates of September 1, 1944	1½%	135,620 16
Equipment trust certificates of May 1, 1945	1½%	64,997 50
Equipment trust certificates of August 15, 1945	1½%	74,250 00
Equipment trust certificates of January 1, 1946	1½%	159,300 00
Equipment trust certificates of January 1, 1947	2%	280,000 00
Equipment trust certificates of August 15, 1947	2½%	152,305 85
Equipment trust certificates of January 15, 1948	2½%	270,199 47
Equipment trust certificates of March 15, 1948	2½%	245,631 75
Equipment trust certificates of September 15, 1948	2½%	299,125 00
Equipment trust certificates of January 1, 1949	2½%	238,140 00
Equipment trust certificates of March 15, 1949	2½%	305,832 67
Equipment trust certificates of May 15, 1949	2½%	269,798 25
Equipment trust certificates of July 15, 1949	2½%	303,922 50
Equipment trust certificates of October 1, 1949	2½%	246,625 00
Equipment trust certificates of January 1, 1950	2½%	261,800 00
Equipment trust certificates of June 15, 1950	2½%	164,495 83
Equipment trust certificates of November 15, 1950	2½%	11,366 67
Equipment conditional sales agreements	2.84%	67,181 92
Other equipment obligations	1.45%	7,056 87
		3,691,766 15
	TOTAL	\$22,764,957 15

RENT FOR LEASED ROADS AND EQUIPMENT

BEECH CREEK EXTENSION RAILROAD		
Interest at 3½% on \$2,882,000 first mortgage bonds		\$111,419 61
Interest at 4% on \$3,964,000 consolidated mortgage gold bonds		158,560 00
Organization expenses		120 00
		\$270,099 61
BEECH CREEK RAILROAD		
Dividend at 4% on 120,000 shares of capital stock (\$50 par value)		\$240,000 00
Organization expenses		763 54
		240,763 54
	Carried forward	\$510,863 15

RENT FOR LEASED ROADS AND EQUIPMENT

	Brought forward	\$510,863 15
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	
Cash rental	2,000,000 00	
Organization expenses	10,664 50	\$2,604,294 50
PITTSFIELD AND NORTH ADAMS RAILROAD		
Cash rental	\$22,500 00	
Organization expenses	176 80	22,676 80
WARE RIVER RAILROAD		
Cash rental	\$52,500 00	
Organization expenses	218 01	52,718 01
PROVIDENCE, WEBSTER AND SPRINGFIELD RAILROAD		
Cash rental (25% of the gross earnings for the year ended December 31, 1950)	4,911 23	
TOTAL RENT FOR BOSTON AND ALBANY AND ITS LEASED ROADS		2,684,600 54
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	109,800 00	
Interest at 4% on \$6,542,000 St Louis Division first collateral trust mortgage bonds	259,520 00	
Interest at 4% on \$419,000 Cincinnati Northern Railroad first mortgage bonds	16,760 00	
Interest adjustment on foreign debenture bonds, matured	2 87	
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	5,040 59	\$5,306,038 46
CENTRAL RAILROAD OF INDIANAPOLIS		
Cash rental	8,026 90	
PEORIA AND EASTERN RAILWAY		
Under operating contract	658,868 91	
TOTAL RENT FOR CLEVELAND, CINCINNATI, CHICAGO AND ST. LOUIS RY AND ITS LEASED AND OPERATED ROADS		5,972,934 27
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>		\$9,380,425 84

RENT FOR LEASED ROADS AND EQUIPMENT

	Brought forward	\$9,380,425 84
HUDSON RIVER CONNECTING RAILROAD—Organization expenses		40 00
KALAMAZOO, ALLEGAN AND GRAND RAPIDS RAILROAD		
Interest at 5% on \$840,000 first mortgage bonds	\$42,000 00	
Cash rental	36,600 00	
Organization expenses	25 00	78,625 00
MAHONING COAL RAILROAD		
Cash rental (40% of the gross earnings for the year ended December 31, 1950)		2,279,743 56
MICHIGAN CENTRAL LINES		
MICHIGAN CENTRAL RAILROAD		
Interest at 3½% on \$10,661,000 first mortgage bonds	\$389,639 23	
Interest at 4½% on \$11,634,000 refunding and improvement mortgage bonds, series C	523,530 00	
Interest at 4% on \$1,434,000 Grand River Valley Railroad first mortgage bonds	57,367 22	
Interest at 3½% on \$555,000 Jackson Lansing and Saginaw Railroad first mortgage bonds	19,425 00	
Interest at 4% on \$1,500,000 Joliet and Northern Indiana Railroad first mortgage bonds	60,000 00	
Interest at 3% on \$40,000 Bay City and Battle Creek Railway first mortgage bonds	1,318 67	
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	23,789 00	
Organization expenses	2,397 41	\$1,201,466 53
BATTLE CREEK & STURGIS RAILWAY		
Interest at 3% on first mortgage bonds	\$4,230 75	
Organization expenses	77 00	4,307 75
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	1,248 59	1,912,998 59
DETROIT MANUFACTURERS' RAILROAD		
Cash rental	\$15,000 00	
Organization expenses	500 00	15,500 00
DETROIT RIVER TUNNEL		
Interest at 4½% on \$18,000,000 first mortgage bonds	\$810,000 00	
Cash rental	240,000 00	
Organization expenses	435 59	1,050,435 59
JOLIET AND NORTHERN INDIANA RAILROAD—Organization expenses	37 99	
LANSING MANUFACTURERS RAILROAD—Organization expenses	2 00	
LANSING TRANSIT RAILWAY—Organization expenses	2 00	
CHICAGO, KALAMAZOO AND SAGINAW RAILWAY—Organization expenses	2 00	
TOTAL RENT FOR MICHIGAN CENTRAL RAILROAD AND ITS LEASED ROADS		4,184,752 45
NEW JERSEY JUNCTION RAILROAD		
Interest at 4% on \$1,700,000 first mortgage bonds	\$68,000 00	
Organization expenses	269 58	68,269 58
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 common and preferred capital stock in the hands of the public (\$50 par value)	49,940 00	
Organization expenses, etc.	2,724 46	785,464 46
Carried forward		\$16,777,320 89

RENT FOR LEASED ROADS AND EQUIPMENT

Brought forward

\$16,777,320 89

OHIO CENTRAL LINES

TOLEDO AND OHIO CENTRAL RAILWAY

Interest at 4% on \$229,000 first mortgage bonds, St. Mary's Division	\$9,415 22
Interest at 3 3/4% 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	95,560 00
Organization expenses	1,628 50

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 between Valleyfield and Beauharnois, Quebec, leased from Canadian National Railways	10,000 00
Organization expenses	51 40

TROY AND GREENBUSH RAILROAD

Cash rental	19,250 00
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WALLKILL VALLEY RAILROAD

Dividend at 3 1/2% on 3,300 shares of capital stock	\$11,550 00
Organization expenses	5 00

WEST SHORE RAILROAD

Interest at 4% on \$46,744,500 first mortgage bonds	\$1,869,800 00
Organization expenses	2,374 80

VARIOUS COMPANIES for siding, team and yard tracks

RENT FOR LEASED EQUIPMENT

GRAND TOTAL

\$19,953,371 01

NOTE: The Company received \$3,514,153.45 representing dividends and interest on its holdings of securities of lessor companies.

EQUIPMENT IN SERVICE

INCLUDING EQUIPMENT OF LEASED LINES

DECEMBER 31, 1949

DECEMBER 31, 1950

	Number of units	Average tractive power (lbs)	INSTALLED during 1950	RETIRED during 1950	Number of units	Owned	Held under equip- ment trusts	Held under lease or other forms of title	Average tractive power (lbs)
									DECEMBER 31, 1949
<i>Locomotives</i>									
Steam—freight	1,468	55,235	—	146	1,322	834	54	434	55,727
Steam—passenger	490	38,635	—	40	450	247	50	153	48,889
Steam—freight or passenger	54	60,852	—	—	54	27	27	—	60,852
Steam—switching	777	44,275	—	81	696	447	—	249	45,266
TOTAL—STEAM	2,789	49,374	—	267	2,522	1,555	131	836	51,730
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	42,204
TOTAL—ELECTRIC	139	55,166	—	—	139	127	—	12	55,166
Diesel-electric—freight—"A" Unit	143	59,765	19	—	162①	6	149	7	60,288
Diesel-electric—freight—"B" Unit	63	57,783	3	—	66	4	62	—	58,080
Diesel-electric—passenger—"A" Unit	46	54,765	4	—	50	2	44	4	54,584
Diesel-electric—passenger—"B" Unit	18	52,292	—	—	18	1	17	—	52,292
Diesel-electric—freight or passenger—"A" Unit	8	59,363	—	—	8	—	8	—	59,363
Diesel-electric—freight or passenger—"B" Unit	4	60,312	—	—	4	—	4	—	60,312
Diesel-electric—road switch	20	61,721	69	—	89	—	67	22	61,603
Diesel-electric—switching	323	53,472	124	16	431②	58	233	140	55,397
TOTAL—DIESEL-ELECTRIC	625	55,791	219	16	828	71	584	173	57,180
TOTAL	3,553	50,566	219	283	3,489	1,753	715	1,021	53,160

① Includes 7 units leased from Indiana Harbor Belt Railroad Company.

② Includes 3 units leased from Indiana Harbor Belt Railroad Company.

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, 1949

DECEMBER 31, 1950

	Number of units	Average capacity tons	INSTALLED during 1950	RETIRIED during 1950	Number of units	Owned	Held under equipment trusts	Held under lease or other forms of title	Average capacity tons
<i>Freight-train cars</i>									
Box cars	66,867	51.81	2,010	1,269	67,608	23,364	17,331	26,913	51.99
Flat cars	1,537	61.97	502	138	1,901	510	1,194	197	65.27
Stock cars	1,688	40.00	—	28	1,660	1,041	—	619	40.00
Gondola and hopper cars	64,866	58.72	762	2,703	62,925	27,162	12,630	23,133	58.93
Container cars	724	63.33	—	255	469	384	—	85	67.28
Caboose cars	1,914	—	—	33	1,881	1,184	49	648	—
TOTAL	137,596	55.14	3,274	4,426	136,444	53,645	31,204	51,595	55.32
<i>Passenger-train cars (see Note)</i>									
		Average seating capacity							Average seating capacity
Coaches	1,761	79	15	98	1,678 ^E	1,001	324	353	79
Combination coaches	211	46	—	—	211 ^F	141	22	48	46
Parlor cars	37	37	6	—	43 ^G	21	19	3	39
Dining cars	240	—	8	1	247 ^H	118	67	62	—
Lounge and observation cars	29	—	—	—	29 ^I	5	23	1	—
Postal cars	258	—	—	5	253	180	8	65	—
Baggage, express and other non-passenger carrying cars	2,138 ^J	—	9	80	2,067 ^J	1,561	121	385	—
<i>Passenger rail motor cars</i>									
Coaches	330	85	86	—	416 ^K	334	82	—	94
Combination coaches	19	52	—	1	18	18	—	—	53
Other passenger-train rail motor cars	13	—	—	3	10	9	—	1	—
TOTAL	5,036	—	124	188	4,972	3,388	666	918	—
<i>Company service rail equipment</i>									
Officers' and business cars	20	—	2	—	22	16	—	6	—
Ballast cars	801	—	1	179	623	470	—	153	—
Derrick cars	292	—	3	7	288	229	—	59	—
Steam shovels	14	—	—	9	5	5	—	—	—
Wrecking cars	185	—	15	21	179	134	—	45	—
Other company service cars	7,490	—	1,143	552	8,081	7,330	5	746	—
TOTAL	8,802	—	1,164	768	9,198	8,184	5	1,009	—
	DECEMBER 31, 1949				INSTALLED during 1950	RETIRIED during 1950	DECEMBER 31, 1950		
	Number of units	Average capacity					Number of units	Average capacity	
<i>Marine equipment</i>									
Ferry boats	8	—	—	—	—	—	8	—	—
Tugs, steel	24	—	—	—	—	—	24	—	—
Steam lighters	3	350 tons	—	—	—	1	2	350 tons	—
Diesel-propelled lighter	1	450 tons	—	—	—	—	1	450 tons	—
Hoisting barges	20	308 tons	—	—	—	1	19	311 tons	—
Barges, scows and grainboats	203	311 tons	5	—	13	13	195	300 tons	—
Car floats	41	15 cars	2	—	1	1	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	—	—	—
Other company service equipment	8	—	—	—	—	1	7	—	—
TOTAL OWNED	312	—	—	7	—	18	301	—	—

^E Includes 968 air-conditioned units.^F Includes 66 air-conditioned units.^G Air-conditioned units.^H Includes 245 air-conditioned units.^I Includes 28 air-conditioned units.^J Includes 24 air-conditioned units.^K Includes 86 air-conditioned units.

NOTE: Excludes 402 lightweight sleeping cars, 367 standard-weight sleeping cars, and 4 lightweight lounge-barber-dormitory cars leased to The Pullman Company for operation.

TABLE OF TRACKS

DECEMBER 31, 1950

MAIN LINE OWNED	BETWEEN	STATE	MILES OF MAIN TRACK			PASSING TRACKS, CROSS-OVERS, AND ETC.			YARDS SIDINGS TOTAL	
			First	Second	All Other	69.19	821.38	2,764.66		
New York Central Railroad	Mott Haven, N.Y. 1462' W of State Line sta	N.Y.	499.68	499.65	874.76	17.39	46.57	239.80		
	W of State Line sta. 10846' E of Conneaut	Penna	43.96	43.96	87.92					
	E of Conneaut. 16462' W of Edgerton	Ohio	242.96	242.86	349.81	72.74	427.63	1,336.00		
	W of Edgerton. 4311' E of East Side	Ind	152.56	152.55	60.87	46.90	157.09	569.97		
	E of East Side. Chicago	Ill	14.00†	14.01†	19.08	4.24†	68.28†	119.61		
			953.16	953.03	1,392.44	210.46	1,520.95	5,030.04		
	TOTAL MAIN LINE OWNED									
BRANCHES OWNED										
30th Street Branch	Spuyten Duyvil. St. John's Park	N.Y.	12.14	12.14	—	4.11	63.06	91.45		
Putnam Branch	Sedgwick Ave., New York. Putnam Jct.	"	52.09	3.01	—	10.07	9.10	74.27		
Schenectady Detour Branch	Carman. South Schenectady	"	3.69	—	—	.27	.45	4.41		
Troy & Schenectady Branch	Schenectady. Green Island	"	20.92	—	—	1.79	6.57	29.28		
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	—	—	7.44	24.63	197.19		
Saranac Branch	Lake Clear Junction. Saranac Lake	"	5.89	—	—	.36	1.46	7.71		
Lake Placid Branch	Lake Placid. Saranac Lake	"	10.07	—	—	.63	2.71	13.41		
Ottawa Branch	Helena. International Boundary	"	4.70	—	—	.23	—	4.93		
Ogdensburg Branch	Utica. Ogdensburg	"	134.30	.51	—	8.70	32.29	175.80		
Clayton Branch	Rivergate. Clayton	"	15.78	—	—	.45	2.07	18.30		
Rome Branch	Rome. Richland	"	45.31	—	—	5.55	19.02	69.88		
Syracuse Junction Branch	East Syracuse. Syracuse Junction	"	8.22	8.11	13.40	1.43	5.96	37.12		
Watertown Branch	Syracuse (Signal Station J. G.). Massena	"	158.65	27.02	—	27.66	75.18	288.51		
Phoenix Branch	Woodard. Fulton (N. Y. C. Jct.)	"	15.84	—	—	.64	4.77	21.25		
Ontario Branch	Pulaski. Suspension Bridge	"	175.28	—	—	14.87	54.71	244.86		
Rochester Branch	Windsor Beach. State St., Rochester	"	7.30	—	—	.88	2.95	11.13		
Sackets Harbor Siding	Watertown Junction. Sackets Harbor	"	—	—	—	.03	4.16	4.19		
Cape Vincent Branch	Watertown Junction. Cape Vincent	"	24.10	—	—	.92	4.57	29.59		
Dexter Branch	Dexter Junction. Dexter	"	1.19	—	—	.30	.84	2.33		
Carthage Branch	Watertown. Newton Falls	"	63.54	—	—	2.91	9.37	75.82		
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	—	—	.67	2.14	15.82		
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	—	—	11.24	35.70	143.83		
Canandaigua Branch	Canandaigua. Holcomb	"	8.45	—	—	.46	1.66	10.57		
Lyons-Newberry Branch	Batavia. Caledonia	"	17.68	—	—	1.31	3.77	22.76		
	Lyons. 205' S of Lawrenceville	"	85.73	82.53	—	11.31	51.57	231.14		
	S of Lawrenceville. Newberry Junction	Penna	95.33	37.11	—	14.89	25.63	172.96		
Penn Yan Branch	Dresden. Penn Yan	N.Y.	6.55	—	—	.57	2.58	9.70		
Corning Branch	Corning Junction. Corning	"	—	—	—	.03	3.42	3.45		
Cowanesque Valley Branch	C V Junction. Westfield	Penna	24.48	—	—	1.57	1.54	27.59		
Antrim Branch	Wellsboro Junction. Wellsboro	"	4.58	—	—	.98	3.67	9.23		
Falls Branch	Ames St., Rochester. Suspension Bridge	N.Y.	74.01	73.83	—	8.21	91.39	247.44		
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	—	.94	3.12	40.80		
Gardenville Branch	Depew. Bay View	"	13.19	12.74	—	1.02	102.49	129.44		
Buffalo Belt Branch	William St., Buffalo. North Buffalo Junction	"	6.72	6.72	—	1.12	23.34	37.90		
Niagara Branch	Seneca St., Buffalo. Lewiston	"	26.32	25.23	3.40	4.92	69.93	129.80		
Wonalancet Branch	North Buffalo Junction. Harriet	"	4.32	—	—	.61	20.56	25.49		
Dupont Branch	Wonalancet Branch. Industries	"	.71	—	—	.21	2.57	3.49		
Catskill Mountain Branch	Kingston Point. Oneonta	"	107.03	—	—	11.10	7.63	125.76		
Valley Branch	Dunkirk. 650' S of Fentonville	"	42.12	—	—	3.10	5.57	50.79		
Youngstown Branch	S of Fentonville. Titusville	Penna	48.25	—	—	1.97	5.63	55.85		
Oil City Branch	Ashtabula Harbor. Andover Junction	Ohio	26.90	5.90	2.47	6.22	101.76	143.25		
	Andover. 3582' E of Simons	"	6.14	.09	—	.79	1.72	8.74		
Clearfield Branch	E of Simons. Oil City	Penna	55.00	—	—	9.37	13.67	78.04		
Low Grade Line	Polk Junction. Rose Siding	"	61.06	—	—	7.48	3.19	71.73		
Peter's Creek Extension	Carson. Mann	Ohio	18.10	18.10	—	1.42	7.89	45.51		
Cleveland Short Line	Peters Junction. Cornelius Mine	W. Va.	13.39	—	—	.66	3.47	17.52		
Norwalk Branch	Collinwood. Belt Junction	Ohio	20.41	20.31	9.14	11.06	70.82	131.74		
Detroit Branch	Elyria Junction. Millbury Junction	"	78.75	—	—	8.43	13.47	100.65		
Old Road	Air Line Junction. 4352' N of Alexis	"	7.29	6.51	—	3.05	20.61	37.46		
	N of Alexis. D & M Junction	Detroit	51.37	.07	—	7.70	31.52	90.66		
	Air Line Junction. Vulcan	Ohio	2.75	1.00	—	.13	1.03	4.91		
	Palmyra. 6965' E of Vistula	Mich	101.96	—	—	10.71	21.09	133.76		
	E of Vistula. Elkhart	Ind	14.70	—	—	.69	.37	15.76		
	<i>Carried forward</i>		2,150.73	351.72	28.41	235.72	1,095.93	3,862.51		

† Includes 6.35 miles 1st main; 6.40 miles 2nd main; .43 mile passing tracks, cross-overs, etc., and .19 mile yards and sidings owned jointly and equally with Chicago, Rock Island and Pacific Railway.

TABLE OF TRACKS

LINES OPERATED UNDER LEASE OR CONTRACT—AFFILIATED

LINES OPERATED UNDER LEASE OR CONTRACT		AFFILIATES					
Battle Creek & Sturgis Railway	.08	—	—	.04	.06		.18
Beech Creek Extension Railroad	125.98	6.66	—	16.44	25.65	174.73	
Beech Creek Railroad	118.09	8.79	—	10.31	104.01	241.20	
Cleveland, Cincinnati, Chicago and St. Louis Railway and subsidiaries	2,440.72①	661.89	35.55	430.86	1,229.54②	4,798.56	
Cleveland Union Terminals	—	—	—	.06	2.51	2.57	
Detroit, Toledo & Milwaukee Railroad	—	—	—	—	1.63	1.63	
Hudson River Connecting Railroad	24.42	20.30	8.79	3.14	127.68	184.33	
Kalamazoo, Allegan and Grand Rapids Railroad	58.47	—	—	5.88	7.78	72.13	
Lake Erie, Alliance & Wheeling Railroad	92.09	—	—	11.95	37.31	141.35	
Mahoning Coal Railroad and subsidiaries	70.56	35.45	3.74	9.58	51.74	171.07	
Michigan Central Railroad and subsidiaries	1,442.86③	594.71	24.51	211.04	1,006.98④	3,280.10	
New Jersey Junction Railroad	4.44	4.34	—	1.06	8.91	18.75	
New York and Harlem Railroad	134.42	52.30	26.54	26.66	82.87	322.79	
Ottawa and New York Railway	57.27	—	—	2.31	4.65	64.23	
St. Lawrence & Adirondack Railway	43.48	—	—	5.60	11.21	60.29	
Toledo and Ohio Central Railway and subsidiaries	656.04	24.76	1.89	128.14	331.41	1,142.24	
West Shore Railroad and subsidiary	481.01	195.98	22.55	61.37	290.03	1,050.94	
TOTAL	5,749.93	1,605.18	123.57	924.44	3,323.97	11,727.09	

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	346.16	218.24	57.71	55.96	274.58	952.65
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	—	—	2.56	2.67	27.05
Fort Wayne and Jackson Railroad	96.80	.50	—	4.88	15.39	117.57
Great Lakes Steel Corporation track	—	—	—	—	.48	.48
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	—	.70	11.02	22.78
TOTAL	550.81	224.25	63.89	67.46	315.39	1,221.80
TOTAL LINES OPERATED UNDER LEASE OR CONTRACT	6,300.74	1,829.43	187.46	991.90	3,639.36	12,948.89

* 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 Carmi, Ill., owned jointly with Louisville and Nashville Railroad.

① .18 mile at Marion, Ind., owned jointly with N Y C & StL R R and .20 mile in Calif., III., 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.

② Includes .109 miles at Speedway, Ind., owned jointly by the F & B and B & C and .31 mile at Danville owned jointly by the F & B and C & E P 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 I & 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.

Mich., owned jointly by the Chicago, Kalamazoo & Saginaw Railway and Grand Trunk Western Railway.

TABLE OF TRACKS

LINES OPERATED UNDER TRACKEAGE RIGHTS	MILES OF MAIN TRACK			PASSING TRACKS, CROSS-OVERS, ETC.	YARDS AND SIDINGS	TOTAL
	First	Second	All Other			
Baltimore and Ohio Railroad	88.75	31.62	—	.51	.61	121.49
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	6.46	3.38	16.84
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	—	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	10.88	10.98	—	—	—	21.86
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‡	118.88	—	—	8.10	29.62	156.60
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 (formerly 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	—	—	.12	.53	.80
TOTAL TRACKEAGE RIGHTS		803.35	359.60	17.48	65.25	95.86
TOTAL OPERATED MILEAGE		10,727.38	3,567.82	1,625.79	1,584.81	6,587.01
						24,092.81

RECAPITULATION

STATE OR PROVINCE	OWNED		LEASE OR CONTRACT		OTHERWISE OPERATED		TOTAL	
	1st track miles	All track miles						
New York	2,032.89	5,502.26	690.00	1,553.14	82.02	91.03	2,804.91	7,146.43
Pennsylvania	333.62	656.16	245.90	424.84	208.96	285.43	788.48	1,366.43
Ohio	403.30	1,808.26	1,477.96	3,020.00	201.11	436.79	2,082.37	5,265.05
Indiana	382.44	1,069.94	1,057.99	2,028.75	92.40	144.56	1,532.83	3,243.25
Illinois	137.87	314.34	683.38	1,294.29	65.73	162.15	886.98	1,770.78
Michigan	319.78	433.90	1,212.68	2,435.43	7.76	13.73	1,540.22	2,883.06
Massachusetts	—	—	293.12	839.53	.77	1.24	293.89	840.77
Kentucky	—	—	—	—	2.12	2.86	—	2.86
Missouri	—	—	—	—	8.18	17.36	—	17.36
New Jersey	—	—	23.27	181.71	—	—	23.27	181.71
West Virginia	13.39	17.52	142.94	231.90	118.88	156.60	275.21	406.02
Province of Quebec	—	—	46.56	57.37	14.37	28.74	60.93	86.11
Province of Ontario	—	—	426.94	881.93	1.05	1.05	427.99	882.98
TOTAL	3,623.29	9,802.38	6,300.74	12,948.89	803.35	1,341.54	10,727.38	24,092.81

* Owned jointly with the Pennsylvania Railroad.

† Owned jointly with the Chesapeake and Ohio Railway.

TRAIN, LOCOMOTIVE AND CAR MILEAGE STATISTICS

TRAIN MILEAGE				Increase or Decrease
REVENUE SERVICE		1950	1949	
Freight train-miles		36,122,988	34,711,323	1,411,665
Passenger train-miles (passenger-carrying trains)		28,790,288	32,171,016	3,380,728
Passenger train-miles (milk trains)		445,856	530,668	84,812
Passenger train-miles (other passenger service trains)		6,396,743	6,294,687	102,056
TOTAL REVENUE TRAIN MILEAGE		71,755,875	73,707,694	1,951,819
Work service train-miles		1,650,678	1,426,892	223,786
TOTAL TRAIN MILEAGE		73,406,553	75,134,586	1,728,033
LOCOMOTIVE MILEAGE				
REVENUE SERVICE				
Freight locomotive-miles		40,552,484	39,030,026	1,522,458
Passenger locomotive-miles (passenger-carrying and other trains)		35,644,769	39,236,939	3,592,170
Passenger locomotive-miles (milk trains)		462,419	548,085	85,666
Train switching locomotive-miles		5,140,185	4,869,140	271,045
Yard switching locomotive-miles		30,102,430	28,883,507	1,218,923
TOTAL REVENUE LOCOMOTIVE MILEAGE		111,902,287	112,567,697	665,410
Work service locomotive-miles		1,977,003	1,716,044	260,959
TOTAL LOCOMOTIVE MILEAGE		113,879,290	114,283,741	404,451
CAR MILEAGE				
REVENUE SERVICE				
Freight-train car-miles in freight trains				
Loaded		1,310,822,069	1,217,931,459	92,890,610
Empty		766,742,356	773,878,756	7,136,400
Caboose		37,066,469	35,611,781	1,454,688
Total		2,114,630,894	2,027,421,996	87,208,898
Freight-train car-miles in passenger trains				
Loaded		1,421,157	973,542	447,615
Empty		196,399	67,699	128,700
Total		1,617,556	1,041,241	576,315
Total freight-train car mileage		2,116,248,450	2,028,463,237	87,785,213
Passenger-train car-miles in passenger trains				
Coaches		94,677,560	105,692,245	11,014,685
Combination coaches		11,378,003	12,164,874	786,871
Sleeping and parlor cars		117,529,291	123,076,308	5,547,017
Dining, club, lounge and observation cars		25,235,515	27,348,430	2,112,915
Business cars		638,567	719,529	80,962
Other passenger-train cars (milk)		9,269,250	9,536,276	267,026
Other passenger-train cars (other)		133,503,360	139,038,525	5,535,165
Crew coaches		6,968,233	6,981,371	13,138
Total		399,199,779	424,557,558	25,357,779
Passenger-train car-miles in freight trains				
Coaches		154,200	160,865	6,665
Combination coaches		75,427	134,003	58,576
Sleeping and parlor cars		19,006	91,045	72,039
Dining, club, lounge and observation cars		4,349	1,039	3,310
Business cars		905	1,599	694
Other passenger-train cars (milk)		1,486,609	1,411,970	74,639
Other passenger-train cars (other)		2,796,218	2,674,381	121,837
Crew coaches		90,740	171,680	80,940
Total		4,627,454	4,646,582	19,128
Total passenger-train car mileage		403,827,233	429,204,140	25,376,907
TOTAL REVENUE CAR MILEAGE		2,520,075,683	2,457,667,377	62,408,306
Work service car-miles		3,592,606	2,895,529	697,077
TOTAL CAR MILEAGE		2,523,668,289	2,460,562,906	63,105,383

MILES OF ROAD

Average miles of road operated	10,732.71	10,726.09	6.62
Average miles of road operated in freight service	10,691.25	10,684.63	6.62
Average miles of road operated in passenger service	6,520.64	6,561.86	41.22

Italics indicate decrease.

FREIGHT AND PASSENGER SERVICE STATISTICS

				Increase or Decrease
FREIGHT SERVICE				
Freight revenue		1950	1949	
Tons of revenue freight		\$544,621,430.03	\$500,919,038.95	\$43,702,391.08
Tons of non-revenue freight		165,834,716	147,786,794	18,047,922
Tons of revenue and non-revenue freight		12,946,617	12,564,682	381,935
Net ton miles (revenue)		178,781,333	160,351,476	18,429,857
Net ton miles (revenue and non-revenue)		39,064,645,973	34,378,663,479	4,685,982,494
Gross ton miles—excluding locomotives and tenders		41,623,362,628	37,143,572,280	4,479,790,348
Train hours		92,083,904,270	84,217,770,694	7,866,133,576
Freight cars on line (average)		2,213,396	2,036,155	177,241
<i>AVERAGES PER MILE OF ROAD</i>				
Freight revenue		\$50,940.86	\$46,882.21	\$4,058.65
Net ton miles (revenue)		3,653,889	3,217,581	436,308
Net ton miles (revenue and non-revenue)		3,893,218	3,476,356	416,862
Freight train-miles		3,378.74	3,248.72	130.02
<i>AVERAGES PER TRAIN-MILE</i>				
Freight revenue		\$15.08	\$14.43	\$.65
Net ton miles (revenue)		1,081.43	990.42	91.01
Net ton miles (revenue and non-revenue)		1,152.27	1,070.07	82.20
Loaded car-miles		36.29	35.09	1.20
Empty car-miles		21.23	22.29	1.06
Total car-miles, including caboose		58.54	58.41	.13
<i>MISCELLANEOUS AVERAGES</i>				
Revenue per ton		\$3.28	\$3.39	\$.11
Revenue per ton per mile	cents	1.394	1.457	.063
Net ton miles (revenue) per loaded car-mile		29.77	28.20	1.57
Net ton miles (revenue and non-revenue) per loaded car-mile		31.72	30.47	1.25
Percent of loaded to total car-miles		63.11	61.16	1.95
Miles per revenue ton		235.56	232.62	2.94
Miles per ton (revenue and non-revenue)		232.82	231.64	1.18
Net ton miles (revenue and non-revenue) per train hour		18,805.20	18,242.02	563.18
Gross ton miles per train hour—excluding locomotives and tenders		41,603.00	41,361.18	241.82
Freight car-miles per freight car day		33.61	35.44	1.83
Net ton miles (revenue and non-revenue) per freight car day		672.93	660.45	12.48
PASSENGER SERVICE				
Interline and local passenger revenue		\$107,293,360.03	\$113,528,889.38	\$6,235,529.35
Commutation passenger revenue		\$ 9,303,737.82	\$ 8,922,474.02	\$ 381,263.80
Total passenger revenue		\$116,597,097.85	\$122,451,363.40	\$5,854,265.55
Passenger service train revenue		\$183,048,666.70	\$159,899,405.64	\$23,149,261.06
Interline passengers carried		4,518,873	5,296,103	777,230
Local passengers carried		15,485,640	18,148,635	2,662,995
Commutation passengers carried		26,622,549	38,173,509	11,550,960
Total revenue passengers carried		46,627,062	61,618,247	14,991,185
Total revenue passenger miles		3,928,972,714	4,649,869,910	720,897,196
<i>AVERAGES PER MILE OF ROAD</i>				
Passenger revenue		\$17,881.24	\$18,661.08	\$779.84
Passenger service train revenue		\$28,072.19	\$24,368.00	\$3,704.19
Revenue passenger miles		602,544	708,621	106,077
Passenger train-miles		5,464.63	5,942.88	478.25
<i>AVERAGES PER TRAIN-MILE</i>				
Passenger revenue		\$4.05	\$3.81	\$.24
Passenger service train revenue		\$5.14	\$4.10	\$1.04
Revenue passenger miles		136.47	144.54	8.07
Passenger-carrying car-miles		7.57	7.30	.27
Passenger train car-miles		11.20	10.89	.31
<i>MISCELLANEOUS AVERAGES</i>				
Revenue per passenger		\$2.50	\$1.99	\$.51
Revenue per passenger mile	cents	2.968	2.633	.335
Revenue passenger miles per car-mile		18.03	19.80	1.77
Miles per revenue passenger		84.26	75.46	8.80
Operating revenues per mile of road		\$70,817.36	\$64,956.83	\$5,860.53
Operating expenses per mile of road		\$58,993.74	\$55,616.62	\$3,377.12
Net operating revenue per mile of road		\$11,823.62	\$9,340.21	\$2,483.41

Italics indicate decrease.

FREIGHT COMMODITY STATISTICS

Increase or Decrease	NUMBER OF CARLOADS		TOTAL REVENUE FREIGHT	NUMBER OF TONS (2,000 pounds)		Increase or Decrease
	1949	1950		1950	1949	
			PRODUCTS OF AGRICULTURE			
20,258	112,753	92,495	Grain	4,632,512	5,683,455	1,050,943
7,222	93,916	86,694	Grain products	2,462,685	2,731,750	269,065
65	31,384	31,449	Fresh fruits	430,946	437,677	6,731
6,465	49,279	42,814	Fresh vegetables	660,189	797,380	137,191
4,461	74,112	69,651	All other products of agriculture	2,230,733	2,470,048	239,315
38,341	361,444	323,103	TOTAL PRODUCTS OF AGRICULTURE	10,417,065	12,120,310	1,703,245
			ANIMALS AND PRODUCTS			
5,688	50,197	44,509	Livestock	515,812	583,829	68,017
3,809	71,506	67,697	Packinghouse products	891,948	974,644	82,696
2,335	13,934	11,599	Dairy products	189,272	225,814	36,542
3,312	19,349	22,661	All other animals and products	546,263	467,776	78,487
8,520	154,986	146,466	TOTAL ANIMALS AND PRODUCTS	2,143,295	2,252,063	108,768
			PRODUCTS OF MINES			
5,527	108,996	114,523	Anthracite coal	6,489,204	6,030,947	458,257
218,316	909,485	1,127,801	Bituminous coal	65,199,403	52,388,353	12,811,050
7,704	64,828	72,532	Coke	2,586,846	2,311,998	274,848
15,196	112,779	127,975	Iron ore	8,955,402	8,028,085	927,317
1,567	23,956	22,389	Non-ferrous ores and concentrates	1,297,886	1,374,418	76,532
6,559	17,173	23,732	Sand, industrial	1,406,296	996,516	409,780
718	61,804	61,086	Gravel and sand and crushed stone	3,572,074	3,613,059	40,985
10,036	44,308	54,344	Fluxing stone and raw dolomite	3,666,648	3,016,797	649,851
10,336	81,418	91,754	All other products of mines	4,203,437	3,706,333	497,104
271,389	1,424,747	1,696,136	TOTAL PRODUCTS OF MINES	97,377,196	81,466,506	15,910,690
			PRODUCTS OF FORESTS			
26,159	118,085	144,244	TOTAL PRODUCTS OF FORESTS	4,033,412	3,336,869	696,543
			MANUFACTURES AND MISCELLANEOUS			
2,316	70,388	72,704	Petroleum and products	1,969,017	1,914,376	54,641
1,883	104,512	106,395	Chemicals	3,851,427	3,623,736	227,691
3,929	28,468	24,539	Fertilizers, N.O.S.	965,945	1,185,623	219,678
8,151	35,489	43,640	Non-ferrous metals	1,877,979	1,541,011	336,968
12,128	39,547	51,675	Pig iron, billets, blooms, rods and slabs	2,799,944	2,151,161	648,783
12,399	160,022	147,623	Manufactured iron and steel	5,287,533	5,496,976	209,443
4,275	59,450	55,175	Machinery and parts	1,018,446	1,079,281	60,835
13,016	137,186	124,170	Motor vehicles	1,065,306	1,159,030	93,724
36,403	141,850	178,253	Vehicle parts, N.O.S.	3,014,976	2,432,990	581,986
3,241	61,099	57,858	Cement	2,599,924	2,807,441	207,517
2,329	24,738	27,067	Brick	997,527	952,629	44,898
4,893	31,109	36,002	Lime and plaster	1,130,852	974,526	156,326
13,391	59,658	73,049	Woodpulp and scrap paper	1,940,612	1,606,041	334,571
7,579	86,366	93,945	Paper and paper articles	2,258,223	2,156,740	101,483
12,726	67,094	79,820	Paperboard and building paper	2,026,643	1,730,186	296,457
1,373	33,738	35,111	Glass and glassware	686,370	678,501	7,869
13,997	58,657	72,654	Refrigerators, stoves, and parts	797,222	655,737	141,485
2,954	23,282	20,328	Liquors and beverages	554,209	622,725	68,516
2,145	63,706	65,851	Canned goods	1,553,640	1,564,387	10,747
11,205	81,479	92,684	Feed, animal, and poultry	2,475,732	2,239,323	236,409
19,515	49,067	68,582	Scrap iron	2,993,231	2,164,433	828,798
21,286	356,417	377,703	All other manufactures and miscellaneous	7,840,724	7,615,186	225,538
131,506	1,773,322	1,904,828	TOTAL MANUFACTURES AND MISCELLANEOUS	49,705,482	46,352,039	3,353,443
13,414	32,521	45,935	Forwarder Traffic—Carload	564,821	458,881	105,940
395,607	3,865,105	4,260,712	GRAND TOTAL—CARLOAD TRAFFIC	164,241,271	145,986,668	18,254,603
			All L. C. L. Freight	1,593,445	1,800,126	206,681
			GRAND TOTAL—CARLOAD AND L. C. L. TRAFFIC	165,834,716	147,785,794	18,047,922

Italics indicate decrease.

CAPITAL STOCK OF LESSOR COMPANIES

DECEMBER 31, 1950

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	1,001,850		498,150
	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	18,689,100		47,300
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	1,328,950		15,000
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		
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 ^Ø		
	Preferred	3,701,400	3,701,400		
Troy and Greenbush Railroad Association	Capital	275,000			275,000
The Wallkill Valley Railroad Company	Capital	330,000		330,000	
West Shore Railroad Company	Capital	10,000,000	10,000,000		
	TOTAL	\$186,300,815	\$123,201,450	\$14,359,600	\$48,739,765

[#] Company also holds \$133 scrip.[‡] Includes \$125,000 held for Boston and Albany Railroad Company.^{*} Held by The Chesapeake and Ohio Railway Company.^Ø Company also holds \$80 scrip.

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, 1950, 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 OUTSTANDING	TOTAL HELD BY PUBLIC AND GUARANTEED BY N Y C R R C O.
Battle Creek & Sturgis Ry. Co.	First mortgage bonds, 3%	Dec. 1, 1989	\$141,000	\$141,000
Beech Creek Extension R. R. Co.	First mortgage bonds, 3½%	April 1, 1951	2,882,000	2,882,000
Boston and Albany R. R. Co.	*Terminal bonds, 3½%	Jan. 1, 1951	1,000,000	640,000
	*Refunding bonds, 3½%	April 1, 1952	3,858,000	1,357,000
	*Refunding bonds, 5%	Oct. 1, 1963	3,627,000	3,627,000
	*Improvement bonds, 4¼%	Aug. 1, 1978	5,700,000	5,700,000
The Cleveland, Cincinnati, Chicago and St. Louis Ry. Co.	Refunding & improvement mortgage bonds, series E, 4½%	July 1, 1977	43,706,000	39,895,000
	St. Louis Division, first collateral trust mortgage bonds, 4%	Nov. 1, 1990	10,000,000	6,380,000
	Cin. Wabash & Mich. Div. mortgage bonds, 4%	July 1, 1991	3,895,000	3,895,000
	General mortgage gold bonds, series A, 4%	June 1, 1993	28,579,000	28,579,000
	General mortgage gold bonds, series B, 5%	June 1, 1993	4,488,600	4,161,000
The Chicago, Indianapolis and St. Louis Short Line Ry. Co.	First mortgage bonds, 4%	April 1, 1953	2,745,000	2,745,000
The Cincinnati Northern R. R. Co.	First mortgage bonds, 4%	July 1, 1951	1,000,000	419,000
The Michigan Central R. R. Co.	First mortgage bonds, 3½%	May 1, 1952	10,661,000	10,661,000
	Refunding & improvement mortgage bonds, series C, 4½%	Jan. 1, 1979	11,634,000	11,634,000
The Jackson, Lansing and Saginaw R. R. Co.	First mortgage bonds, 3½%	Sept. 1, 1951	555,000	508,000
Toledo, Canada Southern and Detroit Ry. Co.	First mortgage bonds, 4%	Jan. 1, 1956	3,100,000	3,100,000
Joliet and Northern Indiana R. R. Co.	First mortgage bonds, 4%	July 10, 1957	1,500,000	1,500,000
The Grand River Valley R. R. Co.	First mortgage bonds, 4%	Sept. 1, 1959	1,434,000	1,430,000
Bay City and Battle Creek Ry. Co.	First mortgage bonds, 3%	Dec. 1, 1989	40,000	40,000
The Canada Southern Ry. Co.	First & refunding mortgage bonds, 5%	Oct. 1, 1962	29,235,000	29,235,000
Detroit River Tunnel Co.	First mortgage bonds, 4½%	May 1, 1961	18,000,000	18,000,000
New Jersey Junction R. R. Co.	First mortgage bonds, 4%	Feb. 1, 1986	1,700,000	1,700,000
The New York and Harlem R. R. Co.	Gold mortgage bonds, 3½%	May 1, 2000	12,000,000	9,156,000
The St. Lawrence & Adirondack Ry. Co.	4% mortgage bonds, series A and B	July 1, 2043	7,820,000	7,820,000
The Toledo and Ohio Central Ry. Co.	First mortgage bonds, 5%	July 1, 1996	800,000	800,000
	Second mortgage bonds, 6%	Oct. 1, 1996	400,000	400,000
The Kanawha & Michigan Ry. Co.	First mortgage bonds (St. Mary's Division), 4%	Feb. 1, 1951	229,000	229,000
West Shore R. R. Co.	Refunding & improvement mortgage bonds, series A, 3¾%	June 1, 1960	14,567,000	12,500,000
	First preference income bonds (St. Mary's Division) 4%	Feb. 1, 1951	9,000	4,000
	First mortgage bonds, 4%	April 1, 1990	2,389,000	2,389,000
	First mortgage bonds, 4%	Jan. 1, 2361	46,744,500	46,718,500
TOTAL LESSOR COMPANIES				\$258,245,500

Please see page 71 for Reconciliation with Note I on Consolidated Balance Sheet.

* Secured by mortgage dated April 1, 1935.

WHOLLY OWNED SUBSIDIARIES

Merchants Despatch Transportation Corporation	Equipment obligations	Various	\$9,573,200
Northern Refrigerator Line, Inc.	Equipment obligations	Various	5,973,125
TOTAL WHOLLY OWNED SUBSIDIARIES			\$15,546,325

STATEMENT AS OF DECEMBER 31, 1950, 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.

OTHER THAN LESSOR COMPANIES		DUE	PRINCIPAL AMOUNT OUTSTANDING	TOTAL HELD BY PUBLIC	HELD BY PUBLIC AND GUARANTEED BY N Y C R R C O.
THE BOSTON TERMINAL COMPANY:					
First Mortgage	3½%	February 1, 1947	\$13,992,000	\$13,992,000	\$4,197,600
	4%	July 1, 1950	1,163,000	1,163,000	348,900
CHERRY TREE AND DIXONVILLE RAILROAD COMPANY:					
First Mortgage—series A*	4½%	August 1, 1966	1,134,000	567,000	
THE CHICAGO RIVER AND INDIANA RAILROAD CO.:					
Equipment Obligations		Various	1,129,050	1,129,050	
THE CINCINNATI UNION TERMINAL COMPANY:					
First Gold Mortgage—series E	3¾%	February 1, 1969	11,133,000	11,133,000	11,133,000
First Gold Mortgage—series F	2.6%	March 1, 1971	2,100,000	2,100,000	2,100,000
First Gold Mortgage—series G	2¾%	August 1, 1974	22,487,000	22,487,000	22,487,000
THE CLEVELAND UNION TERMINALS COMPANY:					
First Sinking Fund Gold Mortgage—series A	5½%	April 1, 1972	12,000,000	8,398,300(a)	8,398,300 (a)
First Sinking Fund Gold Mortgage—series B	5%	April 1, 1973	25,000,000	16,794,600(b)	16,794,600 (b)
First Sinking Fund Gold Mortgage—series C	4½%	October 1, 1977	23,000,000	16,623,000(c)	16,623,000 (c)
First Mortgage Serial Bonds—series D	3½%	December 1, 1966†	40,000,000	40,000,000	40,000,000
THE DAYTON UNION RAILWAY COMPANY:					
General Mortgage—series B	3½%	December 1, 1965	2,400,000	2,400,000	2,400,000
FORT WAYNE UNION RAILWAY COMPANY:					
General Mortgage	6%	September 1, 1974	28,000	21,000	
INDIANA HARBOR BELT RAILROAD COMPANY:					
General Mortgage Gold	4%	July 1, 1957	4,225,000	4,225,000	4,225,000
General Mortgage Gold	4½%	July 1, 1957	4,900,000	4,900,000	4,900,000
Equipment Obligations		Various	8,343,740	8,343,740	5,006,244
THE INDIANAPOLIS UNION RAILWAY COMPANY:					
Refunding and Improvement Mortgage—series C	2½%	June 1, 1986	5,834,000	5,834,000	5,834,000
JEFFERSON COAL COMPANY:					
Purchase Money Mortgage	—	January 1, 1952	14,600	14,600	
THE LAKE ERIE AND PITTSBURG RAILWAY COMPANY:					
First Mortgage—series A*	4½%	July 1, 1965	3,410,000	1,705,000	
THE LAKEFRONT DOCK AND RAILROAD TERMINAL COMPANY:					
First Mortgage Sinking fund—series A	3½%	June 1, 1968	8,758,000	8,758,000	8,758,000
THE MONONGAHELA RAILWAY COMPANY:					
First Mortgage—series B	3½%	February 1, 1966	9,772,000	9,772,000	
THE PEORIA AND EASTERN RAILWAY COMPANY:					
First Consolidated Mortgage	4%	April 1, 1960	4,721,700	4,551,200	∅
P. & E. Ry.—Income Mortgage	4%†	April 1, 1990	4,000,000	4,000,000	
Equipment obligations	2½%	November 15, 1965	2,025,000	2,025,000	2,025,000
PEORIA AND PEKIN UNION RAILWAY COMPANY:					
First Mortgage Gold	3½%	January 1, 1975	2,500,000	2,500,000	
Equipment obligations		Various	497,613	497,613	
THE PITTSBURGH & LAKE ERIE RAILROAD CO.:					
Equipment obligations		Various	10,000,000	10,000,000	
TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS:					
Refunding and Improvement Mortgage—series C	4%	July 1, 2019	7,852,075	7,852,075	490,755
Refunding and Improvement Mortgage—series D	2½%	October 1, 1985	38,058,000	38,058,000	2,378,625
Equipment obligations		Various	1,791,309	1,791,309	
THE TOLEDO TERMINAL RAILROAD COMPANY:					
First Mortgage	4½%	November 1, 1957	6,000,000	6,000,000	
THE TORONTO HAMILTON AND BUFFALO RAILWAY CO.:					
Notes—Bank	2¾%	November 1, 1955	1,000,000	1,000,000	
Equipment obligations		Various	3,000,000	3,000,000	
YOUNGSTOWN AND SOUTHERN RAILWAY CO.:					
Unsecured promissory notes	2½%	September 15, 1955	1,000,000	1,000,000	
		TOTAL		\$262,635,487	\$158,100,024

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

(a) Includes \$47,000 called for redemption under sinking fund provisions but not presented.

(b) Includes \$90,500 called for redemption under sinking fund provisions but not presented.

(c) Includes \$64,000 called for redemption under sinking fund provisions but not presented.

† Date of final maturity.

† When earned.

∅ Guaranteed as to interest only.

Please see page 71 for Reconciliation with Note H on Consolidated Balance Sheet.

INCOME ACCOUNT FOR THE CALENDAR

RAILWAY OPERATING REVENUES:	1941	1942	1943
Freight.....	\$336,878,403	\$428,254,134	\$480,665,605
Passenger.....	66,609,863	112,259,031	162,017,837
All other.....	44,301,389	53,152,931	63,441,391
TOTAL RAILWAY OPERATING REVENUES.....	\$447,789,655	\$593,666,096	\$706,124,833
RAILWAY OPERATING EXPENSES:			
Maintenance.....	\$145,610,642	\$177,643,386	\$210,326,326
Transportation.....	162,457,180	197,544,216	234,558,397
All other.....	23,370,289	27,481,996	32,452,376
TOTAL RAILWAY OPERATING EXPENSES.....	\$331,438,111	\$402,669,598	\$477,337,099
NET REVENUE FROM RAILWAY OPERATIONS.....	\$116,351,544	\$190,996,498	\$228,787,734
RAILWAY TAX ACCRUALS (Note A).....	\$ 43,411,829	\$ 82,890,104	\$122,035,845
RAILWAY OPERATING INCOME.....	\$ 72,939,715	\$108,106,394	\$106,751,889
EQUIPMENT RENTS, NET DEBIT.....	\$ 12,767,648	\$ 15,300,710	\$ 16,095,342
JOINT FACILITY RENTS, NET DEBIT.....	2,753,307	2,406,189	2,132,250
NET RAILWAY OPERATING INCOME.....	\$ 57,418,760	\$ 90,399,495	\$ 88,524,297
OTHER INCOME:			
Revenues from miscellaneous operations.....	\$ 569,571	\$ 598,849	\$ 439,770
Income from lease of road and equipment.....	301,757	292,992	287,580
Miscellaneous rent income.....	3,246,714	3,349,927	4,254,857
Income from nonoperating property.....	1,299,468	403,304	1,594,218
Separately operated properties—Profit.....	1,734,936	2,216,517	1,821,325
Dividend income (Note B).....	7,513,672	6,919,987	5,335,004
Income from funded securities.....	4,229,668	4,109,322	4,191,012
Income from unfunded securities and accounts.....	38,317	151,868	995,290
Income from sinking and other reserve funds.....	62,897	29,524	31,593
Release of premiums on funded debt.....	—	29,601	23,727
Miscellaneous income.....	86,788	176,699	451,708
Delayed income credits (Note C).....	—	—	1,707,622
TOTAL OTHER INCOME.....	\$ 19,083,788	\$ 18,278,590	\$ 21,133,706
TOTAL INCOME.....	\$ 76,502,548	\$108,678,085	\$109,658,003
MISCELLANEOUS DEDUCTIONS FROM INCOME:			
Expenses of miscellaneous operations.....	\$ 364,679	\$ 522,783	\$ 366,317
Taxes on miscellaneous operating property.....	107,435	106,840	90,626
Miscellaneous rents.....	274,408	279,621	275,072
Miscellaneous tax accruals.....	503,898	503,047	556,255
Separately operated properties—Loss.....	4,312	3,624	7,723
Miscellaneous income charges.....	196,482	231,546	291,502
Delayed income debits (Note C).....	—	9,434,993	—
TOTAL MISCELLANEOUS DEDUCTIONS.....	\$ 1,451,214	\$ 11,082,454	\$ 1,587,495
INCOME AVAILABLE FOR FIXED CHARGES.....	\$ 75,051,334	\$ 97,595,631	\$108,070,508
FIXED CHARGES:			
Rent for leased roads and equipment.....	\$ 22,077,464	\$ 22,392,182	\$ 21,095,814
Interest on funded debt.....	25,409,167	24,533,511	23,563,322
Interest on unfunded debt.....	1,319,141	1,587,756	672,121
Amortization of discount on funded debt.....	—	—	5,201
TOTAL FIXED CHARGES.....	\$ 48,805,772	\$ 48,513,449	\$ 45,336,458
TIMES FIXED CHARGES EARNED.....	1.54	2.01	2.38
NET INCOME TRANSFERRED TO EARNED SURPLUS (Note D).....	\$ 26,245,562	\$ 49,082,182	\$ 62,734,050
INCLUDED IN OPERATING EXPENSES ARE:			
Equipment depreciation (Note E).....	\$ 18,240,005	\$ 17,891,829	\$ 17,670,746
Road property, shop, and power-plant machinery depreciation.....	4,761,044	9,544,822	9,546,561
Equipment amortization.....	631,470	6,584,330	10,522,829
Road property amortization.....	—	102,609	284,494
TOTAL.....	\$ 23,632,519	\$ 34,123,590	\$ 38,024,630
Included in other income and rent for leased roads and equipment are certain inter-company transactions representing credits and corresponding debits amounting to.....	\$ 4,160,093	\$ 3,979,537	\$ 3,092,960

*Italics indicate deficit.

Please see page 70 for notes.

YEARS 1941 TO 1950, INCLUSIVE

1944	1945	1946	1947	1948	1949	1950
\$468,283,532	\$418,643,637	\$409,199,396	\$496,734,880	\$561,361,243	\$ 500,919,039	\$544,621,430
180,965,132	169,444,180	148,109,502	133,187,777	136,168,197	122,451,363	116,597,098
65,714,721	66,275,982	59,475,857	73,417,870	82,331,315	73,933,997	98,466,241
<u>\$714,963,385</u>	<u>\$654,363,799</u>	<u>\$616,784,755</u>	<u>\$703,340,527</u>	<u>\$779,860,755</u>	<u>\$ 697,304,399</u>	<u>\$759,684,769</u>
 \$233,724,228	 \$282,794,989	 \$225,243,837	 \$242,210,219	 \$269,117,394	 \$ 229,702,055	 \$250,402,725
261,400,205	260,458,406	290,364,318	319,631,654	349,151,141	319,547,396	336,101,691
36,715,200	37,427,575	42,743,338	44,694,984	49,074,431	47,788,856	46,343,844
<u>\$531,839,633</u>	<u>\$580,680,970</u>	<u>\$558,351,493</u>	<u>\$606,536,857</u>	<u>\$667,342,966</u>	<u>\$ 597,038,307</u>	<u>\$ 632,848,260</u>
 \$183,123,752	 \$ 73,682,829	 \$ 58,433,262	 \$ 96,803,670	 \$112,517,789	 \$ 100,266,092	 \$ 126,836,509
 \$ 98,372,903	 \$ 6,423,158	 \$ 23,953,409	 \$ 52,435,502	 \$ 54,161,593	 \$ 50,857,063	 \$ 68,613,313
 \$ 84,750,849	 \$ 67,259,671	 \$ 34,479,853	 \$ 44,368,168	 \$ 58,356,196	 \$ 49,409,029	 \$ 58,223,196
 \$ 16,354,369	 \$ 14,397,298	 \$ 16,508,443	 \$ 17,447,864	 \$ 18,732,019	 \$ 15,032,050	 \$ 18,518,285
2,637,396	2,918,052	2,524,191	2,400,743	2,402,586	2,081,504	2,229,488
<u>\$ 65,759,084</u>	<u>\$ 49,944,321</u>	<u>\$ 15,447,219</u>	<u>\$ 24,519,561</u>	<u>\$ 37,221,591</u>	<u>\$ 32,295,475</u>	<u>\$ 37,475,423</u>
 \$ 591,703	 \$ 487,935	 \$ 502,138	 \$ 517,692	 \$ 540,576	 \$ 567,131	 \$ 557,125
275,670	261,316	233,464	447,094	617,356	1,276,830	1,367,625
4,482,216	4,495,427	4,086,857	4,279,936	4,432,221	4,514,707	4,775,406
1,831,268	2,567,759	2,011,801	2,327,143	2,009,998	2,345,364	2,552,097
1,065,989	516,530	2,493	1,501,183	2,024,531	1,591,726	1,709,120
5,343,773	4,630,969	4,056,573	6,692,465	6,616,564	6,363,939	9,675,564
4,210,473	4,743,028	4,164,294	4,354,558	4,516,626	4,396,851	4,470,056
1,626,804	1,753,557	1,755,973	913,501	802,622	879,366	684,325
37,239	36,964	35,495	82,957	214,082	214,773	197,809
21,139	18,311	15,348	12,299	9,188	6,032	2,841
542,151	794,262	165,521	88,565	99,909	73,164	266,294
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>\$ 20,028,425</u>	<u>\$ 20,306,058</u>	<u>\$ 17,029,957</u>	<u>\$ 21,217,393</u>	<u>\$ 21,883,673</u>	<u>\$ 22,229,883</u>	<u>\$ 26,258,262</u>
<u>\$ 85,787,509</u>	<u>\$ 70,250,379</u>	<u>\$ 32,477,176</u>	<u>\$ 45,736,954</u>	<u>\$ 59,105,264</u>	<u>\$ 54,525,358</u>	<u>\$ 63,733,685</u>
 \$ 478,331	 \$ 416,181	 \$ 447,818	 \$ 494,964	 \$ 496,320	 \$ 453,325	 \$ 421,364
74,180	75,727	77,334	82,605	74,659	70,713	72,750
283,797	264,931	267,904	265,716	280,007	337,199	358,105
586,304	794,460	821,513	818,135	706,559	719,031	741,584
98,987	94,794	144,785	42,707	—	90,205	23,451
237,828	115,926	208,351	207,813	247,364	451,170	174,099
2,050,342	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>\$ 3,809,769</u>	<u>\$ 1,762,019</u>	<u>\$ 1,967,705</u>	<u>\$ 1,911,940</u>	<u>\$ 1,804,909</u>	<u>\$ 2,121,643</u>	<u>\$ 1,791,353</u>
<u>\$ 81,977,740</u>	<u>\$ 68,488,360</u>	<u>\$ 30,509,471</u>	<u>\$ 43,825,014</u>	<u>\$ 57,300,355</u>	<u>\$ 52,403,715</u>	<u>\$ 61,942,332</u>
 \$ 20,753,411	 \$ 19,741,893	 \$ 18,998,372	 \$ 19,575,066	 \$ 20,132,441	 \$ 19,463,898	 \$ 19,953,371
22,745,736	21,838,397	21,273,929	21,102,395	21,331,215	22,211,922	22,764,957
2,675,500	2,455,119	618,889	750,973	986,434	834,251	734,346
13,154	40,426	67,549	90,498	123,169	165,828	174,488
<u>\$ 46,187,801</u>	<u>\$ 44,075,835</u>	<u>\$ 40,958,739</u>	<u>\$ 41,518,932</u>	<u>\$ 42,573,259</u>	<u>\$ 42,675,899</u>	<u>\$ 43,627,162</u>
1.77	1.55	0.74	1.06	1.35	1.23	1.42
<u>\$ 35,789,939</u>	<u>\$ 24,412,525</u>	<u>\$ 10,449,268*</u>	<u>\$ 2,306,082</u>	<u>\$ 14,727,096</u>	<u>\$ 9,727,816</u>	<u>\$ 18,315,170</u>
 \$ 18,585,779	 \$ 17,766,840	 \$ 18,858,012	 \$ 19,583,365	 \$ 20,892,372	 \$ 22,144,692	 \$ 23,649,789
10,667,198	10,611,865	11,052,242	11,098,997	11,275,627	11,444,988	12,488,535
11,179,224	54,016,373	1,606,413	2,393,011	2,392,857	2,392,048	2,277,623
599,067	3,244,738	Cr 45,675	—	—	—	—
<u>\$ 41,031,268</u>	<u>\$ 85,639,816</u>	<u>\$ 31,470,992</u>	<u>\$ 33,075,373</u>	<u>\$ 34,560,856</u>	<u>\$ 35,981,728</u>	<u>\$ 38,415,947</u>
 \$ 3,184,562	 \$ 3,225,577	 \$ 3,070,482	 \$ 3,251,961	 \$ 3,494,518	 \$ 3,728,953	 \$ 3,514,153

STATEMENT OF EARNED SURPLUS—UNAPPROPRIATED—FOR

	1941	1942	1943
CREDIT BALANCE AT BEGINNING OF YEAR.....	\$178,079,442.84	\$174,468,421.11	\$201,606,204.74
CREDITS:			
Credit balance transferred from income.....	\$ 26,245,561.80	\$49,082,182.48	\$ 62,734,050.00
Credits from retired road and equipment.....	155,441.26	51,972.14	—
Delayed income credits (Note B).....	4,127,980.41	—	—
Donations.....	14,407.29	15,891.64	—
Miscellaneous credits (Note C).....	796,580.64	705,063.23	793,558.72
TOTAL CREDITS.....	\$ 31,339,971.40	\$ 49,855,109.49	\$ 63,527,608.72
DEBITS:			
Debit balance transferred from income.....	—	—	—
Dividend appropriations of surplus.....	—	\$ 6,447,393.95	\$ 9,671,090.93
Surplus appropriated for investment in physical property.....	\$ 53,193.18	97,958.38	123,736.14
Debt discount extinguished through surplus (Note D).....	17,342.44	—	—
Debits from retired road and equipment (Note E).....	3,185,105.75	3,532,832.69	—
Miscellaneous appropriations of surplus.....	—	—	279,615.33
Miscellaneous debits (Note F).....	31,695,351.76	12,639,140.84	1,572,442.87
TOTAL DEBITS.....	\$ 34,950,993.13	\$ 22,717,325.86	\$ 11,646,885.27
CREDIT BALANCE AT END OF YEAR.....	\$174,468,421.11	\$201,606,204.74	\$253,486,928.19

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. The year 1950 includes \$1,921,661.59 representing excess of depreciation accruals and salvage over value of leased equipment retired.

NOTE D—Represents unamortized discount, commission and expense on funded debt. During 1941 and 1942, 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 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 1941 to 1950 were:

Year	DIVIDENDS RECEIVED FROM SUBSIDIARIES	EQUITY OF THE N. Y. C. R. R. CO. IN NET INCOME OF SUBSIDIARIES
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
1949.....	2,508,436	6,149,753
1950.....	5,409,920	5,755,938
TOTAL.....	\$30,260,877	\$45,604,541

* Restated

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 1950 were: Steam locomotives, 3.39%; Other locomotives, 3.73%; Freight-train cars, 3.15%; Passenger-train cars, 3.09%; Floating equipment, 2.78%; Work equipment, 3.38%; and Miscellaneous equipment, 14.46%.

TEN-YEAR PERIOD 1941 TO 1950, INCLUSIVE (Note A)

1944	1945	1946	1947	1948	1949	1950
\$ 253,486,928.19	\$ 276,384,152.73	\$ 290,786,934.30	\$ 263,030,739.62	\$ 265,627,623.95	\$ 278,648,663.43	\$ 288,549,255.24
\$ 35,789,938.93	\$ 24,412,525.22	—	\$ 2,306,081.78	\$ 14,727,096.12	\$ 9,727,815.90	\$ 18,315,170.24
—	—	—	—	—	—	—
—	—	—	—	—	—	—
159,858.76	1,677,086.99	\$ 2,012,244.42	3,280,178.57	2,577,114.79	827,431.19	2,392,221.20
\$ 35,949,797.69	\$ 26,089,612.21	\$ 2,012,244.42	\$ 5,586,260.35	\$ 17,304,210.91	\$ 10,555,247.09	\$ 20,707,391.44
\$ 9,671,090.93	\$ 9,671,090.93	\$ 10,449,267.67	—	—	—	—
26,904.09	45,521.51	131,515.21	\$ 914,255.15	\$ 3,223,696.98	\$ 155,083.92	\$ 6,447,393.95
—	—	—	—	141,415.34	—	65,461.15
—	—	—	—	—	—	—
Cr. 279,615.33	—	—	—	—	—	—
3,634,193.46	1,970,218.20	19,187,656.22	2,075,120.87	918,059.11	499,571.36	732,728.82
\$ 13,052,573.15	\$ 11,686,830.64	\$ 29,768,439.10	\$ 2,989,376.02	\$ 4,283,171.43	\$ 654,655.28	\$ 7,245,583.92
\$ 276,384,152.73	\$ 290,786,934.30	\$ 263,030,739.62	\$ 265,627,623.95	\$ 278,648,663.43	\$ 288,549,255.24	\$ 302,011,062.76

NOTE E—The year 1941 represents 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.

RECONCILIATION OF NOTES TO FINANCIAL STATEMENTS—NOTE I ON PAGE 25 WITH STATEMENTS OF FUNDED DEBT AND OTHER OBLIGATIONS OF LESSOR AND OTHER THAN LESSOR COMPANIES ON PAGES 66 AND 67

The New York Central Railroad Company's contingent liability, either sole or joint with other companies, as guaranteed or under leases or otherwise with respect to the securities or obligations of other companies outstanding at December 31, 1950.

Lessor companies	\$258,245,500
Other than lessor companies	158,100,024
TOTAL	\$416,345,524

of which there is included in funded debt in the consolidated balance sheet:

Lessor companies	\$258,245,500
Other than lessor companies, guaranteed by N. Y. C. R. R. Co.:	
The Cleveland Union Terminals Company first gold mortgage bonds	\$41,815,900
The Cleveland Union Terminals Company first mortgage serial bonds	40,000,000
Indiana Harbor Belt Railroad Company	
general mortgage gold bonds and equipment obligations	14,131,244
The Peoria and Eastern Railway Company equipment trust certificates	2,025,000
TOTAL	\$356,217,644

Contingent liability of The Pittsburgh and Lake Erie Railroad Company, a consolidated subsidiary company:

The Monongahela Railway Company first mortgage—series B bonds	\$9,772,000
Youngstown and Southern Railway Company \$1,000,000 unsecured promissory note—P. & L. E. R. R. Co.'s proportion of guarantee 50%	500,000
TOTAL	\$10,272,000

Organization of The New York Central Railroad Company

December 31, 1950

DIRECTORS

Harold S. Vanderbilt	Malcolm P. Aldrich	Gustav Metzman
New York	New York	New York
Robert F. Loree	Raymond D. Starbuck	Alexander C. Nagle
Madison, N. J.	New York	New York
Edward B. Greene	James A. Farley	William H. Vanderbilt
Cleveland	New York	Williamstown, Mass.
George Whitney	Carl P. Dennett	Albert B. Dick, Jr.
New York	Boston	Chicago
William E. Levis	Lawrence N. Murray	Winthrop W. Aldrich
Toledo	Pittsburgh	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	Edward B. Greene
Robert F. Loree	Raymond D. Starbuck
George Whitney	Gustav Metzman
	Alexander C. Nagle

OFFICERS

Gustav Metzman	President	New York
Frank J. Jerome	Executive Vice-President†	New York
Martin J. Alger	Vice-President, Traffic	New York
Willard F. Place	Vice-President, Finance	New York
Lawrence W. Horning	Vice-President, Personnel and Public Relations	New York
Frank S. Austin	Vice-President, Purchases and Stores	New York
Boynton S. Voorhees	Vice-President	New York
John J. Brinkworth	Vice-President	Chicago
Fred A. Dawson	Vice-President	New York
Carl L. Jellinghaus	Resident Vice-President, Assistant to President	Detroit
Joseph M. O'Mahoney	Secretary	New York
Gustave H. Howe	Treasurer	New York
George H. Albach	Comptroller	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.

† Effective January 1, 1951.

