

CANADIAN NATIONAL RAILWAY CO

Form 6-K

April 12, 2018

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## **FORM 6-K**

# **SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Report of Foreign Issuer**

**Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934**

**For the month of April 2018**

**Commission File Number: 001-02413**

## **Canadian National Railway Company**

(Translation of registrant's name into English)

**935 de la Gauchetiere Street West**

**Montreal, Quebec**

**Canada H3B 2M9**

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes  No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

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SIGNATURES

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

**Canadian National Railway Company**

Date: April 12, 2018

By: /s/ Cristina Circelli  
Name: Cristina Circelli  
Title: Deputy Corporate Secretary and General Counsel

CANADIAN NATIONAL RAILWAY COMPANY

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| Items | Description  |
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| 1     | <u>Presentation changes resulting from the adoption of new accounting standard</u> |

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Item 1

**Presentation changes resulting from the adoption of new accounting standard**

Effective January 1, 2018, Canadian National Railway Company (the Company or CN) adopted *Accounting Standards Update (ASU) 2017-07 Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. CN is making this filing to present the Company's originally reported financial information for past periods, adjusted on a basis consistent with the new standard. Beginning with the quarter ended March 31, 2018, CN's financial information will reflect the adoption of the standard with comparative periods presented accordingly.

The ASU requires employers that sponsor defined benefit pension plans and/or other postretirement benefit plans to report the service cost component in the same line item or items as other compensation costs. The other components of net periodic benefit cost are required to be presented in the statement of income separately from the service cost component and outside a subtotal of income from operations. The new guidance allows only the service cost component to be eligible for capitalization. The guidance must be applied retrospectively for the presentation of the service cost component and other components of net periodic benefit cost in the statement of income and prospectively for the capitalization of the service cost component of net periodic benefit cost.

As a result of the adoption of this ASU, the classification of the components of pension and postretirement benefit costs other than current service cost are now shown outside of Operating income in a separate caption entitled Other components of net periodic benefit income in the Company's Consolidated Statements of Income. The guidance allowing only the service cost component to be eligible for capitalization will not have a significant impact on the Company's Consolidated Financial Statements.

Table of Contents**Consolidated Statements of Income - unaudited**

| In millions, except per share data              | Adjusted for New Standard (1) |                 |                 | Originally Reported (2) |                 |                 | Change       |              |              |
|---|-------------------------------|-----------------|-----------------|-------------------------|-----------------|-----------------|--------------|--------------|--------------|
|   | 2017                          | 2016            | 2015            | 2017                    | 2016            | 2015            | 2017         | 2016         | 2015         |
| <b>Revenues</b>                                 | 13,041                        | \$ 12,037       | \$ 12,611       | \$ 13,041               | \$ 12,037       | \$ 12,611       | \$           | \$           | \$           |
| <b>Operating expenses</b>                       |                               |                 |                 |                         |                 |                 |              |              |              |
| Labor and fringe benefits                       | 2,536                         | 2,399           | 2,517           | 2,221                   | 2,119           | 2,406           | 315          | 280          | 111          |
| Purchased services and material                 | 1,769                         | 1,592           | 1,729           | 1,769                   | 1,592           | 1,729           |              |              |              |
| Fuel  | 1,362                         | 1,051           | 1,285           | 1,362                   | 1,051           | 1,285           |              |              |              |
| Depreciation and amortization                   | 1,281                         | 1,225           | 1,158           | 1,281                   | 1,225           | 1,158           |              |              |              |
| Equipment rents                                 | 418                           | 375             | 373             | 418                     | 375             | 373             |              |              |              |
| Casualty and other                              | 432                           | 363             | 394             | 432                     | 363             | 394             |              |              |              |
| <b>Total operating expenses</b>                 | <b>7,798</b>                  | <b>7,005</b>    | <b>7,456</b>    | <b>7,483</b>            | <b>6,725</b>    | <b>7,345</b>    | <b>315</b>   | <b>280</b>   | <b>111</b>   |
| <b>Operating income</b>                         | <b>5,243</b>                  | <b>5,032</b>    | <b>5,155</b>    | <b>5,558</b>            | <b>5,312</b>    | <b>5,266</b>    | <b>(315)</b> | <b>(280)</b> | <b>(111)</b> |
| Interest expense                                | (481)                         | (480)           | (439)           | (481)                   | (480)           | (439)           |              |              |              |
| Other components of net periodic benefit income | 315                           | 280             | 111             |                         |                 |                 | 315          | 280          | 111          |
| Other income                                    | 12                            | 95              | 47              | 12                      | 95              | 47              |              |              |              |
| <b>Income before income taxes</b>               | <b>5,089</b>                  | <b>4,927</b>    | <b>4,874</b>    | <b>5,089</b>            | <b>4,927</b>    | <b>4,874</b>    |              |              |              |
| Income tax recovery (expense)                   | 395                           | (1,287)         | (1,336)         | 395                     | (1,287)         | (1,336)         |              |              |              |
| <b>Net income</b>                               | <b>5,484</b>                  | <b>\$ 3,640</b> | <b>\$ 3,538</b> | <b>\$ 5,484</b>         | <b>\$ 3,640</b> | <b>\$ 3,538</b> |              |              |              |
| <b>Earnings per share</b>                       |                               |                 |                 |                         |                 |                 |              |              |              |
| Basic   | 7.28                          | \$ 4.69         | \$ 4.42         | 7.28                    | \$ 4.69         | \$ 4.42         | \$           | \$           | \$           |
| Diluted   | 7.24                          | \$ 4.67         | \$ 4.39         | 7.24                    | \$ 4.67         | \$ 4.39         | \$           | \$           | \$           |
| <b>Weighted-average number of shares</b>        |                               |                 |                 |                         |                 |                 |              |              |              |
| Basic   | 753.6                         | 776.0           | 800.7           | 753.6                   | 776.0           | 800.7           |              |              |              |
| Diluted   | 757.3                         | 779.2           | 805.1           | 757.3                   | 779.2           | 805.1           |              |              |              |

Amounts expressed in Canadian dollars and prepared in accordance with United States generally accepted accounting principles.

(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's 2017 audited Annual Consolidated Financial Statements.

**Supplemental Annual Financial information - unaudited**

The following table provides additional annual information on the impact of the reclassification of Other components of net periodic benefit income on CN's operating ratio due to the adoption of ASU 2017-07. The operating ratio is defined as operating expenses as a percentage of revenues.

**Financial Ratio**

|                 | Adjusted for New Standard (1) |       |       | Originally Reported (2) |       |       | 2017 | Change |      |
|-----------------|-------------------------------|-------|-------|-------------------------|-------|-------|------|--------|------|
|                 | 2017                          | 2016  | 2015  | 2017                    | 2016  | 2015  |      | 2016   | 2015 |
| Operating ratio | 59.8%                         | 58.2% | 59.1% | 57.4%                   | 55.9% | 58.2% | 2.4% | 2.3%   | 0.9% |

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(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's 2017 audited Annual Consolidated Financial Statements.

Table of Contents**Consolidated Statements of Income - unaudited**

| In millions, except per share data              | Adjusted for New Standard (1) |          |          |          | Originally Reported (2) |          |          |          | Change |      |      |      |
|---|-------------------------------|----------|----------|----------|-------------------------|----------|----------|----------|--------|------|------|------|
|   | 2017                          |          |          |          | 2017                    |          |          |          | 2017   |      |      |      |
|   | Q1                            | Q2       | Q3       | Q4       | Q1                      | Q2       | Q3       | Q4       | Q1     | Q2   | Q3   | Q4   |
| <b>Revenues</b>                                 | \$ 3,206                      | \$ 3,329 | \$ 3,221 | \$ 3,285 | \$ 3,206                | \$ 3,329 | \$ 3,221 | \$ 3,285 | \$     | \$   | \$   | \$   |
| <b>Operating expenses</b>                       |                               |          |          |          |                         |          |          |          |        |      |      |      |
| Labor and fringe benefits                       | 659                           | 607      | 605      | 665      | 580                     | 527      | 525      | 589      | 79     | 80   | 80   | 76   |
| Purchased services and material                 | 440                           | 432      | 424      | 473      | 440                     | 432      | 424      | 473      |        |      |      |      |
| Fuel  | 342                           | 329      | 312      | 379      | 342                     | 329      | 312      | 379      |        |      |      |      |
| Depreciation and amortization                   | 323                           | 326      | 316      | 316      | 323                     | 326      | 316      | 316      |        |      |      |      |
| Equipment rents                                 | 101                           | 103      | 107      | 107      | 101                     | 103      | 107      | 107      |        |      |      |      |
| Casualty and other                              | 117                           | 117      | 78       | 120      | 117                     | 117      | 78       | 120      |        |      |      |      |
| <b>Total operating expenses</b>                 | 1,982                         | 1,914    | 1,842    | 2,060    | 1,903                   | 1,834    | 1,762    | 1,984    | 79     | 80   | 80   | 76   |
| <b>Operating income</b>                         | 1,224                         | 1,415    | 1,379    | 1,225    | 1,303                   | 1,495    | 1,459    | 1,301    | (79)   | (80) | (80) | (76) |
| Interest expense                                | (122)                         | (123)    | (119)    | (117)    | (122)                   | (123)    | (119)    | (117)    |        |      |      |      |
| Other components of net periodic benefit income | 79                            | 80       | 80       | 76       |                         |          |          |          | 79     | 80   | 80   | 76   |
| Other income                                    | 2                             | 1        | 5        | 4        | 2                       | 1        | 5        | 4        |        |      |      |      |
| <b>Income before income taxes</b>               | 1,183                         | 1,373    | 1,345    | 1,188    | 1,183                   | 1,373    | 1,345    | 1,188    |        |      |      |      |
| Income tax recovery (expense)                   | (299)                         | (342)    | (387)    | 1,423    | (299)                   | (342)    | (387)    | 1,423    |        |      |      |      |
| <b>Net income</b>                               | \$ 884                        | \$ 1,031 | \$ 958   | \$ 2,611 | \$ 884                  | \$ 1,031 | \$ 958   | \$ 2,611 | \$     | \$   | \$   | \$   |
| <b>Earnings per share</b>                       |                               |          |          |          |                         |          |          |          |        |      |      |      |
| Basic   | \$ 1.16                       | \$ 1.36  | \$ 1.28  | \$ 3.50  | \$ 1.16                 | \$ 1.36  | \$ 1.28  | \$ 3.50  | \$     | \$   | \$   | \$   |
| Diluted   | \$ 1.16                       | \$ 1.36  | \$ 1.27  | \$ 3.48  | \$ 1.16                 | \$ 1.36  | \$ 1.27  | \$ 3.48  | \$     | \$   | \$   | \$   |
| <b>Weighted-average number of shares</b>        |                               |          |          |          |                         |          |          |          |        |      |      |      |
| Basic   | 761.3                         | 756.1    | 751.1    | 746.2    | 761.3                   | 756.1    | 751.1    | 746.2    |        |      |      |      |
| Diluted   | 764.5                         | 759.7    | 755.0    | 750.0    | 764.5                   | 759.7    | 755.0    | 750.0    |        |      |      |      |

Amounts expressed in Canadian dollars and prepared in accordance with United States generally accepted accounting principles.

(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's unaudited Interim Consolidated Financial Statements.

**Supplemental Quarterly Financial information - unaudited**

The following table provides additional quarterly information on the impact of the reclassification of Other components of net periodic benefit income on CN's operating ratio due to the adoption of ASU 2017-07. The operating ratio is defined as operating expenses as a percentage of revenues.

**Financial ratio**

|                 | Adjusted for New Standard (1) |       |       |       | Originally Reported (2) |       |       |       | Change |      |      |      |
|-----------------|-------------------------------|-------|-------|-------|-------------------------|-------|-------|-------|--------|------|------|------|
|                 | 2017                          |       |       |       | 2017                    |       |       |       | 2017   |      |      |      |
|                 | Q1                            | Q2    | Q3    | Q4    | Q1                      | Q2    | Q3    | Q4    | Q1     | Q2   | Q3   | Q4   |
| Operating ratio | 61.8%                         | 57.5% | 57.2% | 62.7% | 59.4%                   | 55.1% | 54.7% | 60.4% | 2.4%   | 2.4% | 2.5% | 2.3% |

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(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's unaudited Interim Consolidated Financial Statements.



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| In millions, except per share data              | Adjusted for New Standard (1)<br>2016 |          |          |          | Originally Reported (2)<br>2016 |          |          |          | Change<br>2016 |      |      |      |
|---|---------------------------------------|----------|----------|----------|---------------------------------|----------|----------|----------|----------------|------|------|------|
|   | Q1                                    | Q2       | Q3       | Q4       | Q1                              | Q2       | Q3       | Q4       | Q1             | Q2   | Q3   | Q4   |
| <b>Revenues</b>                                 | \$ 2,964                              | \$ 2,842 | \$ 3,014 | \$ 3,217 | \$ 2,964                        | \$ 2,842 | \$ 3,014 | \$ 3,217 | \$             | \$   | \$   | \$   |
| <b>Operating expenses</b>                       |                                       |          |          |          |                                 |          |          |          |                |      |      |      |
| Labor and fringe benefits                       | 657                                   | 547      | 568      | 627      | 590                             | 469      | 495      | 565      | 67             | 78   | 73   | 62   |
| Purchased services and material                 | 408                                   | 377      | 379      | 428      | 408                             | 377      | 379      | 428      |                |      |      |      |
| Fuel  | 235                                   | 243      | 261      | 312      | 235                             | 243      | 261      | 312      |                |      |      |      |
| Depreciation and amortization                   | 307                                   | 296      | 312      | 310      | 307                             | 296      | 312      | 310      |                |      |      |      |
| Equipment rents                                 | 95                                    | 92       | 92       | 96       | 95                              | 92       | 92       | 96       |                |      |      |      |
| Casualty and other                              | 112                                   | 72       | 68       | 111      | 112                             | 72       | 68       | 111      |                |      |      |      |
| <i>Total operating expenses</i>                 | 1,814                                 | 1,627    | 1,680    | 1,884    | 1,747                           | 1,549    | 1,607    | 1,822    | 67             | 78   | 73   | 62   |
| <i>Operating income</i>                         | 1,150                                 | 1,215    | 1,334    | 1,333    | 1,217                           | 1,293    | 1,407    | 1,395    | (67)           | (78) | (73) | (62) |
| Interest expense                                | (123)                                 | (116)    | (118)    | (123)    | (123)                           | (116)    | (118)    | (123)    |                |      |      |      |
| Other components of net periodic benefit income | 67                                    | 78       | 73       | 62       |                                 |          |          |          | 67             | 78   | 73   | 62   |
| Other income                                    | 5                                     | (1)      |          | 91       | 5                               | (1)      |          | 91       |                |      |      |      |
| <i>Income before income taxes</i>               | 1,099                                 | 1,176    | 1,289    | 1,363    | 1,099                           | 1,176    | 1,289    | 1,363    |                |      |      |      |
| Income tax recovery (expense)                   | (307)                                 | (318)    | (317)    | (345)    | (307)                           | (318)    | (317)    | (345)    |                |      |      |      |
| <b>Net income</b>                               | \$ 792                                | \$ 858   | \$ 972   | \$ 1,018 | \$ 792                          | \$ 858   | \$ 972   | \$ 1,018 | \$             | \$   | \$   | \$   |
| <b>Earnings per share</b>                       |                                       |          |          |          |                                 |          |          |          |                |      |      |      |
| Basic   | \$ 1.01                               | \$ 1.10  | \$ 1.26  | \$ 1.33  | \$ 1.01                         | \$ 1.10  | \$ 1.26  | \$ 1.33  | \$             | \$   | \$   | \$   |
| Diluted   | \$ 1.00                               | \$ 1.10  | \$ 1.25  | \$ 1.32  | \$ 1.00                         | \$ 1.10  | \$ 1.25  | \$ 1.32  | \$             | \$   | \$   | \$   |
| <b>Weighted-average number of shares</b>        |                                       |          |          |          |                                 |          |          |          |                |      |      |      |
| Basic   | 786.1                                 | 778.9    | 772.3    | 766.7    | 786.1                           | 778.9    | 772.3    | 766.7    |                |      |      |      |
| Diluted   | 789.0                                 | 782.0    | 775.7    | 770.1    | 789.0                           | 782.0    | 775.7    | 770.1    |                |      |      |      |

Amounts expressed in Canadian dollars and prepared in accordance with United States generally accepted accounting principles.

(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's unaudited Interim Consolidated Financial Statements.

**Supplemental Quarterly Financial information - unaudited**

The following table provides additional quarterly information on the impact of the reclassification of Other components of net periodic benefit income on CN's operating ratio due to the adoption of ASU 2017-07. The operating ratio is defined as operating expenses as a percentage of revenues.

**Financial ratio**

|                 | Adjusted for New Standard (1) |       |       |       | Originally Reported (2) |       |       |       | Change |      |      |      |
|-----------------|-------------------------------|-------|-------|-------|-------------------------|-------|-------|-------|--------|------|------|------|
|                 | 2016                          |       |       |       | 2016                    |       |       |       | 2016   |      |      |      |
|                 | Q1                            | Q2    | Q3    | Q4    | Q1                      | Q2    | Q3    | Q4    | Q1     | Q2   | Q3   | Q4   |
| Operating ratio | 61.2%                         | 57.2% | 55.7% | 58.6% | 58.9%                   | 54.5% | 53.3% | 56.6% | 2.3%   | 2.7% | 2.4% | 2.0% |

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(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's unaudited Interim Consolidated Financial Statements.

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| In millions, except per share data              | Adjusted for New Standard (1)<br>2015 |          |          |          | Originally Reported (2)<br>2015 |          |          |          | Change<br>2015 |      |      |      |
|---|---------------------------------------|----------|----------|----------|---------------------------------|----------|----------|----------|----------------|------|------|------|
|   | Q1                                    | Q2       | Q3       | Q4       | Q1                              | Q2       | Q3       | Q4       | Q1             | Q2   | Q3   | Q4   |
| <b>Revenues</b>                                 | \$ 3,098                              | \$ 3,125 | \$ 3,222 | \$ 3,166 | \$ 3,098                        | \$ 3,125 | \$ 3,222 | \$ 3,166 | \$             | \$   | \$   | \$   |
| <b>Operating expenses</b>                       |                                       |          |          |          |                                 |          |          |          |                |      |      |      |
| Labor and fringe benefits                       | 692                                   | 575      | 617      | 633      | 668                             | 542      | 588      | 608      | 24             | 33   | 29   | 25   |
| Purchased services and material                 | 457                                   | 434      | 401      | 437      | 457                             | 434      | 401      | 437      |                |      |      |      |
| Fuel  | 361                                   | 327      | 293      | 304      | 361                             | 327      | 293      | 304      |                |      |      |      |
| Depreciation and amortization                   | 296                                   | 285      | 287      | 290      | 296                             | 285      | 287      | 290      |                |      |      |      |
| Equipment rents                                 | 94                                    | 83       | 93       | 103      | 94                              | 83       | 93       | 103      |                |      |      |      |
| Casualty and other                              | 159                                   | 92       | 73       | 70       | 159                             | 92       | 73       | 70       |                |      |      |      |
| <i>Total operating expenses</i>                 | 2,059                                 | 1,796    | 1,764    | 1,837    | 2,035                           | 1,763    | 1,735    | 1,812    | 24             | 33   | 29   | 25   |
| <i>Operating income</i>                         | 1,039                                 | 1,329    | 1,458    | 1,329    | 1,063                           | 1,362    | 1,487    | 1,354    | (24)           | (33) | (29) | (25) |
| Interest expense                                | (104)                                 | (105)    | (111)    | (119)    | (104)                           | (105)    | (111)    | (119)    |                |      |      |      |
| Other components of net periodic benefit income | 24                                    | 33       | 29       | 25       |                                 |          |          |          | 24             | 33   | 29   | 25   |
| Other income                                    | 4                                     | 16       | 11       | 16       | 4                               | 16       | 11       | 16       |                |      |      |      |
| <i>Income before income taxes</i>               | 963                                   | 1,273    | 1,387    | 1,251    | 963                             | 1,273    | 1,387    | 1,251    |                |      |      |      |
| Income tax recovery (expense)                   | (259)                                 | (387)    | (380)    | (310)    | (259)                           | (387)    | (380)    | (310)    |                |      |      |      |
| <b>Net income</b>                               | \$ 704                                | \$ 886   | \$ 1,007 | \$ 941   | \$ 704                          | \$ 886   | \$ 1,007 | \$ 941   | \$             | \$   | \$   | \$   |
| <b>Earnings per share</b>                       |                                       |          |          |          |                                 |          |          |          |                |      |      |      |
| Basic   | \$ 0.87                               | \$ 1.10  | \$ 1.26  | \$ 1.19  | \$ 0.87                         | \$ 1.10  | \$ 1.26  | \$ 1.19  | \$             | \$   | \$   | \$   |
| Diluted   | \$ 0.86                               | \$ 1.10  | \$ 1.26  | \$ 1.18  | \$ 0.86                         | \$ 1.10  | \$ 1.26  | \$ 1.18  | \$             | \$   | \$   | \$   |
| <b>Weighted-average number of shares</b>        |                                       |          |          |          |                                 |          |          |          |                |      |      |      |
| Basic   | 809.4                                 | 803.5    | 797.6    | 792.4    | 809.4                           | 803.5    | 797.6    | 792.4    |                |      |      |      |
| Diluted   | 814.3                                 | 808.0    | 801.9    | 796.3    | 814.3                           | 808.0    | 801.9    | 796.3    |                |      |      |      |

Amounts expressed in Canadian dollars and prepared in accordance with United States generally accepted accounting principles.

(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's unaudited Interim Consolidated Financial Statements.

**Supplemental Quarterly Financial information - unaudited**

The following table provides additional quarterly information on the impact of the reclassification of Other components of net periodic benefit income on CN's operating ratio due to the adoption of ASU 2017-07. The operating ratio is defined as operating expenses as a percentage of revenues.

**Financial ratio**

|                 | Adjusted for New Standard (1) |       |       |       | Originally Reported (2) |       |       |       | Change |      |      |      |
|-----------------|-------------------------------|-------|-------|-------|-------------------------|-------|-------|-------|--------|------|------|------|
|                 | 2015                          |       |       |       | 2015                    |       |       |       | 2015   |      |      |      |
|                 | Q1                            | Q2    | Q3    | Q4    | Q1                      | Q2    | Q3    | Q4    | Q1     | Q2   | Q3   | Q4   |
| Operating ratio | 66.5%                         | 57.5% | 54.7% | 58.0% | 65.7%                   | 56.4% | 53.8% | 57.2% | 0.8%   | 1.1% | 0.9% | 0.8% |

(1) Reflects the adoption of ASU 2017-07 for the presentation of net periodic benefit cost for pensions and postretirement benefits.

(2) Derived from the Company's unaudited Interim Consolidated Financial Statements.