

Kansas City Southern and Subsidiaries
Consolidated Statements of Income
(In millions, except share and per share amounts)
(Unaudited)

	Three Months Ended December 31,		Years Ended December 31,	
	2019	2018	2019	2018
Revenues	\$ 729.5	\$ 694.0	\$2,866.0	\$ 2,714.0
Operating expenses:				
Compensation and benefits	137.1	128.3	529.1	495.7
Purchased services	56.3	51.5	219.2	200.7
Fuel	82.6	91.2	340.4	348.2
Mexican fuel excise tax credit	—	(11.1)	—	(37.7)
Equipment costs	26.8	30.2	108.6	126.1
Depreciation and amortization	88.0	89.6	350.7	346.7
Materials and other	64.4	66.4	262.9	265.9
Restructuring charges	38.3	—	168.8	—
Gain on insurance recoveries related to hurricane damage	—	(8.5)	—	(17.9)
Total operating expenses	493.5	437.6	1,979.7	1,727.7
Operating income	236.0	256.4	886.3	986.3
Equity in net earnings (losses) of affiliates	(2.6)	0.8	1.0	2.6
Interest expense	(31.8)	(28.2)	(115.9)	(110.0)
Debt retirement costs	(0.5)	—	(1.1)	(2.2)
Foreign exchange gain (loss)	7.6	(8.5)	17.1	7.8
Other income (expense), net	(1.2)	1.6	1.0	2.4
Income before income taxes	207.5	222.1	788.4	886.9
Income tax expense	79.6	60.3	247.6	257.5
Net income	127.9	161.8	540.8	629.4
Less: Net income attributable to noncontrolling interest	0.7	0.7	1.9	2.0
Net income attributable to Kansas City Southern and subsidiaries	127.2	161.1	538.9	627.4
Preferred stock dividends	—	—	0.2	0.2
Net income available to common stockholders	\$ 127.2	\$ 161.1	\$ 538.7	\$ 627.2
Earnings per share:				
Basic earnings per share	\$ 1.31	\$ 1.59	\$ 5.42	\$ 6.16
Diluted earnings per share	\$ 1.30	\$ 1.59	\$ 5.40	\$ 6.13
Average shares outstanding (in thousands):				
Basic	97,467	101,098	99,316	101,852
Potentially dilutive common shares	513	418	431	418
Diluted	97,980	101,516	99,747	102,270

Kansas City Southern and Subsidiaries
Revenue & Carload/Units by Commodity - Fourth Quarter 2019 and 2018

	Revenues (in millions)			Carloads and Units (in thousands)			Revenue per Carload/Unit			
	Fourth Quarter		%	Fourth Quarter		%	Fourth Quarter		%	
	2019	2018		Change	2019		2018	Change		2019
Chemical & Petroleum										
Chemicals	\$ 59.3	\$ 57.3	3%	23.0	24.5	(6)%	\$2,578	\$2,339	10%	
Petroleum	88.4	70.6	25%	41.8	35.4	18%	2,115	1,994	6%	
Plastics	38.4	36.1	6%	18.9	18.6	2%	2,032	1,941	5%	
Total	186.1	164.0	13%	83.7	78.5	7%	2,223	2,089	6%	

Industrial & Consumer Products

Forest Products	67.5	64.8	4%	27.9	28.7	(3)%	2,419	2,258	7%
Metals & Scrap	56.4	50.3	12%	28.7	26.3	9%	1,965	1,913	3%
Other	30.5	24.4	25%	23.8	21.6	10%	1,282	1,130	13%
Total	<u>154.4</u>	<u>139.5</u>	<u>11%</u>	<u>80.4</u>	<u>76.6</u>	<u>5%</u>	<u>1,920</u>	<u>1,821</u>	<u>5%</u>

Agriculture & Minerals

Grain	74.2	80.8	(8)%	36.8	37.5	(2)%	2,016	2,155	(6)%
Food Products	39.0	38.3	2%	15.6	15.4	1%	2,500	2,487	1%
Ores & Minerals	6.0	4.8	25%	7.8	6.2	26%	769	774	(1)%
Stone, Clay & Glass	8.1	7.8	4%	3.3	3.4	(3)%	2,455	2,294	7%
Total	<u>127.3</u>	<u>131.7</u>	<u>(3)%</u>	<u>63.5</u>	<u>62.5</u>	<u>2%</u>	<u>2,005</u>	<u>2,107</u>	<u>(5)%</u>

Energy

Utility Coal	31.8	28.7	11%	36.7	31.3	17%	866	917	(6)%
Coal & Petroleum Coke	11.3	11.0	3%	14.5	16.3	(11)%	779	675	15%
Frac Sand	5.3	7.0	(24)%	3.9	4.5	(13)%	1,359	1,556	(13)%
Crude Oil	14.3	18.6	(23)%	9.4	11.3	(17)%	1,521	1,646	(8)%
Total	<u>62.7</u>	<u>65.3</u>	<u>(4)%</u>	<u>64.5</u>	<u>63.4</u>	<u>2%</u>	<u>972</u>	<u>1,030</u>	<u>(6)%</u>

<i>Intermodal</i>	<u>97.2</u>	<u>98.2</u>	<u>(1)%</u>	<u>254.1</u>	<u>268.3</u>	<u>(5)%</u>	<u>383</u>	<u>366</u>	<u>5%</u>
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<i>Automotive</i>	<u>62.3</u>	<u>59.9</u>	<u>4%</u>	<u>36.4</u>	<u>38.9</u>	<u>(6)%</u>	<u>1,712</u>	<u>1,540</u>	<u>11%</u>
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TOTAL FOR COMMODITY GROUPS

	<u>690.0</u>	<u>658.6</u>	<u>5%</u>	<u>582.6</u>	<u>588.2</u>	<u>(1)%</u>	<u>\$1,184</u>	<u>\$1,120</u>	<u>6%</u>
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<i>Other Revenue</i>	<u>39.5</u>	<u>35.4</u>	<u>12%</u>						
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TOTAL	<u>\$729.5</u>	<u>\$694.0</u>	<u>5%</u>						
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**Kansas City Southern and Subsidiaries
Revenue & Carload/Units by Commodity - Years Ended December 31, 2019 and 2018**

	<i>Revenues</i>			<i>Carloads and Units</i>			<i>Revenue per Carload/Unit</i>			
	<i>(in millions)</i>		<i>%</i>	<i>(in thousands)</i>		<i>%</i>	<i>Years Ended</i>		<i>%</i>	
	<i>Years Ended</i>	<i>Years Ended</i>		<i>Years Ended</i>	<i>Years Ended</i>					
	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>	<u>2019</u>	<u>2018</u>	<u>Change</u>	
<i>Chemical & Petroleum</i>										
Chemicals	\$ 246.9	\$ 236.3	4%	99.6	103.5	(4)%	\$2,479	\$2,283	9%	
Petroleum	341.8	241.9	41%	163.4	120.3	36%	2,092	2,011	4%	
Plastics	148.5	143.9	3%	74.4	74.1	—	1,996	1,942	3%	
Total	<u>737.2</u>	<u>622.1</u>	<u>19%</u>	<u>337.4</u>	<u>297.9</u>	<u>13%</u>	<u>2,185</u>	<u>2,088</u>	<u>5%</u>	
<i>Industrial & Consumer Products</i>										
Forest Products	261.4	268.0	(2)%	109.2	119.8	(9)%	2,394	2,237	7%	
Metals & Scrap	232.9	208.2	12%	120.3	114.0	6%	1,936	1,826	6%	
Other	116.1	114.8	1%	91.4	91.1	—	1,270	1,260	1%	
Total	<u>610.4</u>	<u>591.0</u>	<u>3%</u>	<u>320.9</u>	<u>324.9</u>	<u>(1)%</u>	<u>1,902</u>	<u>1,819</u>	<u>5%</u>	
<i>Agriculture & Minerals</i>										

Grain	298.4	289.9	3%	146.1	144.1	1%	2,042	2,012	1%
Food Products	149.4	145.7	3%	60.5	59.5	2%	2,469	2,449	1%
Ores & Minerals	25.0	20.9	20%	32.8	24.8	32%	762	843	(10)%
Stone, Clay & Glass	33.5	29.9	12%	13.9	13.5	3%	2,410	2,215	9%
Total	506.3	486.4	4%	253.3	241.9	5%	1,999	2,011	(1)%
Energy									
Utility Coal	126.9	117.3	8%	139.2	125.6	11%	912	934	(2)%
Coal & Petroleum Coke	43.2	44.3	(2)%	57.6	63.4	(9)%	750	699	7%
Frac Sand	27.4	37.4	(27)%	19.6	24.2	(19)%	1,398	1,545	(10)%
Crude Oil	48.7	57.3	(15)%	28.3	35.4	(20)%	1,721	1,619	6%
Total	246.2	256.3	(4)%	244.7	248.6	(2)%	1,006	1,031	(2)%
Intermodal	370.2	382.8	(3)%	979.8	1,030.4	(5)%	378	372	2%
Automotive	255.6	253.2	1%	154.9	161.9	(4)%	1,650	1,564	5%
TOTAL FOR COMMODITY GROUPS	2,725.9	2,591.8	5%	2,291.0	2,305.6	(1)%	\$1,190	\$1,124	6%
Other Revenue	140.1	122.2	15%						
TOTAL	\$2,866.0	\$2,714.0	6%						

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