

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

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 22, 2009 (October 22, 2009)**

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**Union Pacific Corporation**  
(Exact name of registrant as specified in its charter)

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**Utah**  
(State or other jurisdiction  
of Incorporation)

**1-6075**  
(Commission  
File Number)

**13-2626465**  
(IRS Employer  
Identification No.)

**1400 Douglas Street, Omaha, Nebraska**  
(Address of principal executive offices)

**68179**  
(Zip Code)

**(Registrant's telephone number, including area code): (402) 544-5000**

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 2.02 Results of Operations and Financial Condition.**

On October 22, 2009, Union Pacific Corporation issued a press release announcing its financial results for the quarter ended September 30, 2009. A copy of the press release is furnished herewith as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits.

- 99.1 Press Release of Union Pacific Corporation, dated October 22, 2009, announcing its financial results for the quarter ended September 30, 2009.

**SIGNATURES**

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

Dated: October 22, 2009

UNION PACIFIC CORPORATION

By: /s/ Robert M. Knight, Jr.  
Robert M. Knight, Jr.  
Executive Vice President – Finance and Chief Financial  
Officer

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**Exhibit Index**

99.1 Press Release of Union Pacific Corporation, dated October 22, 2009

UNION PACIFIC REPORTS THIRD QUARTER EARNINGS  
*Sets Record Third Quarter Operating Ratio in Tough Economy*

FOR IMMEDIATE RELEASE

Third Quarter 2009 Highlights

- **Operating income totaled \$967 million, down 20 percent.**
- **Net income declined 26 percent to \$517 million.**
- **Ongoing productivity initiatives, pricing gains and lower diesel fuel prices contributed to a record third quarter operating ratio of 73.7 percent.**
- **Customer Satisfaction Index of 88 is an all-time best, up 5 points.**

**Omaha, Neb., October 22, 2009** – Union Pacific Corporation (NYSE: UNP) today reported 2009 third quarter net income of \$517 million, or \$1.02 per diluted share, compared to \$703 million, or \$1.38 per diluted share in the third quarter 2008.

“Union Pacific’s third quarter results were clearly affected by the global recession and related decline in our rail traffic,” said Jim Young, Union Pacific chairman and chief executive officer. “In the face of that challenge, the Union Pacific team achieved a record third quarter operating ratio, as well as record customer satisfaction levels, by concentrating on our business fundamentals of safety, service, value and productivity.”

**Third Quarter Summary**

All six of Union Pacific’s business groups continue to be impacted by the slowdown in the global economy. Third quarter 2009 operating revenues totaled \$3.7 billion versus \$4.8 billion in the third quarter 2008. In addition:

- Business volumes, as measured by total revenue carloads, were down 15 percent versus the third quarter 2008. Reflecting lower volumes, year-over-year freight revenues declined 25 percent to \$3.5 billion in the third quarter 2009. Lower fuel surcharge revenue in the third quarter, down \$590 million year-over-year, contributed substantially to the decline.

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- Quarterly diesel fuel prices decreased 49 percent from an average of \$3.70 per gallon in the third quarter 2008 to an average of \$1.87 per gallon.
- Union Pacific's operating ratio improved 1.2 points to a third quarter record 73.7 percent, primarily due to ongoing efficiency initiatives, pricing gains and lower diesel fuel prices.
- The Company's Customer Satisfaction Index improved 5 points to 88, a quarterly best.
- Quarterly train speed, as reported to the Association of American Railroads, was 27.4 mph, up 3.7 mph or 16 percent versus the third quarter 2008. This improvement reflected productivity and operational improvements as well as lower volumes.

#### **Summary of Third Quarter Freight Revenues**

- Chemicals was down 16 percent.
- Energy was down 21 percent.
- Intermodal was down 22 percent.
- Agricultural was down 23 percent.
- Automotive was down 30 percent.
- Industrial Products was down 39 percent.

#### **Outlook**

"As we enter the final quarter of 2009, business volumes seem to have stabilized, but at very low levels for Union Pacific," Young said. "In this weak economic environment, we remain committed to maintaining a strong balance sheet and a solid cash position. Operationally, we are dedicated to leveraging the competitive advantages of our network as a safe, fuel efficient and environmentally friendly freight transportation provider, to attract new business, increase productivity and offer excellent customer service."

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## **About Union Pacific**

Union Pacific Corporation owns one of America's leading transportation companies. Its principal operating company, Union Pacific Railroad, links 23 states in the western two-thirds of the country. Union Pacific serves many of the fastest-growing U.S. population centers and provides Americans with a fuel-efficient, environmentally responsible and safe mode of freight transportation. Union Pacific's diversified business mix includes Agricultural Products, Automotive, Chemicals, Energy, Industrial Products and Intermodal. The railroad emphasizes excellent customer service and offers competitive routes from all major West Coast and Gulf Coast ports to eastern gateways. Union Pacific connects with Canada's rail systems and is the only railroad serving all six major gateways to Mexico, making it North America's premier rail franchise.

**Supplemental financial information is attached.**

**Investor contact is Jennifer Hamann, (402) 544-4227.**

**Media contact is Donna Kush, (402), 544-3753.**

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*This press release and related materials contain statements about the Corporation's future that are not statements of historical fact, including specifically the Corporation's outlook regarding economic conditions and future business volumes, future productivity and operating performance, competitiveness and quality of its service, and its ability to maintain its balance sheet and cash position and to attract new business. These statements are, or will be, forward-looking statements as defined by the Securities Act of 1933 and the Securities Exchange Act of 1934. Forward-looking statements also generally include, without limitation, information or statements regarding: projections, predictions, expectations, estimates or forecasts as to the Corporation's and its subsidiaries' business, financial, and operational results, and future economic performance; and management's beliefs, expectations, goals, and objectives and other similar expressions concerning matters that are not historical facts.*

*Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times that, or by which, such performance or results will be achieved. Forward-looking information, including expectations regarding operational and financial improvements and the Corporation's future performance or results are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statement. Important factors, including risk factors, could affect the Corporation's and its subsidiaries' future results and could cause those results or other outcomes to differ materially from those expressed or implied in the forward-looking statements. Information regarding risk factors and other cautionary information are available in the Corporation's Annual Report on Form 10-K for 2008, which was filed with the SEC on February 6, 2009. The Corporation updates information regarding risk factors if circumstances require such updates in its periodic reports on Form 10-Q and its subsequent Annual Reports on Form 10-K (or such other reports that may be filed with the SEC).*

*Forward-looking statements speak only as of, and are based only upon information available on, the date the statements were made. The Corporation assumes no obligation to update forward-looking information to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information. If the Corporation does update one or more forward-looking statements, no inference should be drawn that the Corporation will make additional updates with respect thereto or with respect to other forward-looking statements. References to our Web site are provided for convenience and, therefore, information on or available through the Web site is not, and should not be deemed to be, incorporated by reference herein.*

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**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
*Condensed Consolidated Statements of Income (unaudited)*

| <i>Millions, Except Per Share Amounts,<br/>For the Periods Ended September 30,</i> | <b>3rd Quarter</b> |               |                  | <b>Year-to-Date</b> |                 |                  |
|--|--------------------|---------------|------------------|---------------------|-----------------|------------------|
|  | <b>2009</b>        | <b>2008</b>   | <b>%</b>         | <b>2009</b>         | <b>2008</b>     | <b>%</b>         |
| <b>Operating Revenues</b>  |                    |               |                  |                     |                 |                  |
| Freight revenues   | \$ 3,471           | \$ 4,630      | (25)%            | \$ 9,832            | \$ 13,038       | (25)%            |
| Other revenues   | 200                | 216           | (7)              | 557                 | 646             | (14)             |
| Total operating revenues   | 3,671              | 4,846         | (24)             | 10,389              | 13,684          | (24)             |
| <b>Operating Expenses</b>  |                    |               |                  |                     |                 |                  |
| Compensation and benefits  | 999                | 1,123         | (11)             | 3,045               | 3,356           | (9)              |
| Fuel   | 466                | 1,135         | (59)             | 1,222               | 3,251           | (62)             |
| Purchased services and materials   | 403                | 481           | (16)             | 1,193               | 1,444           | (17)             |
| Depreciation   | 367                | 348           | 5                | 1,067               | 1,034           | 3                |
| Equipment and other rents  | 290                | 326           | (11)             | 914                 | 1,006           | (9)              |
| Other  | 179                | 218           | (18)             | 558                 | 659             | (15)             |
| Total operating expenses   | 2,704              | 3,631         | (26)             | 7,999               | 10,750          | (26)             |
| <b>Operating income</b>  | <b>967</b>         | <b>1,215</b>  | <b>(20)</b>      | <b>2,390</b>        | <b>2,934</b>    | <b>(19)</b>      |
| Other income   | 14                 | 23            | (39)             | 172                 | 67              | F                |
| Interest expense   | (156)              | (130)         | 20               | (447)               | (384)           | 16               |
| Income before income taxes   | 825                | 1,108         | (26)             | 2,115               | 2,617           | (19)             |
| Income taxes   | (308)              | (405)         | (24)             | (768)               | (940)           | (18)             |
| <b>Net income</b>  | <b>\$ 517</b>      | <b>\$ 703</b> | <b>(26)%</b>     | <b>\$ 1,347</b>     | <b>\$ 1,677</b> | <b>(20)%</b>     |
| <b>Share and Per Share</b>   |                    |               |                  |                     |                 |                  |
| Earnings per share - basic   | \$ 1.03            | \$ 1.39       | (26)%            | \$ 2.68             | \$ 3.27         | (18)%            |
| Earnings per share - diluted   | \$ 1.02            | \$ 1.38       | (26)             | \$ 2.67             | \$ 3.24         | (18)             |
| Weighted average number of shares - basic  | 503.1              | 506.6         | (1)              | 502.9               | 513.1           | (2)              |
| Weighted average number of shares - diluted  | 507.0              | 511.3         | (1)              | 505.4               | 517.8           | (2)              |
| Dividends declared per share   | \$ 0.27            | \$ 0.27       | -                | \$ 0.81             | \$ 0.71         | 14               |
| <b>Operating Ratio</b>   | <b>73.7%</b>       | <b>74.9%</b>  | <b>(1.2) pts</b> | <b>77.0%</b>        | <b>78.6%</b>    | <b>(1.6) pts</b> |
| <b>Effective Tax Rate</b>  | <b>37.3%</b>       | <b>36.6%</b>  | <b>0.7 pts</b>   | <b>36.3%</b>        | <b>35.9%</b>    | <b>0.4 pts</b>   |

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
*Freight Revenues Statistics (unaudited)*

| <i>For the Periods Ended September 30,</i> | <b>3rd Quarter</b> |                 |              | <b>Year-to-Date</b> |                  |              |
|--|--------------------|-----------------|--------------|---------------------|------------------|--------------|
|  | <b>2009</b>        | <b>2008</b>     | <b>%</b>     | <b>2009</b>         | <b>2008</b>      | <b>%</b>     |
| <b>Freight Revenues (Millions)</b>         |                    |                 |              |                     |                  |              |
| Agricultural                               | \$ 649             | \$ 848          | (23)%        | \$ 1,928            | \$ 2,382         | (19)%        |
| Automotive                                 | 227                | 324             | (30)         | 552                 | 1,039            | (47)         |
| Chemicals                                  | 551                | 659             | (16)         | 1,563               | 1,916            | (18)         |
| Energy                                     | 831                | 1,051           | (21)         | 2,353               | 2,827            | (17)         |
| Industrial Products                        | 557                | 906             | (39)         | 1,634               | 2,556            | (36)         |
| Intermodal                                 | 656                | 842             | (22)         | 1,802               | 2,318            | (22)         |
| <b>Total</b>                               | <b>\$ 3,471</b>    | <b>\$ 4,630</b> | <b>(25)%</b> | <b>\$ 9,832</b>     | <b>\$ 13,038</b> | <b>(25)%</b> |
| <b>Revenue Carloads (Thousands)</b>        |                    |                 |              |                     |                  |              |
| Agricultural                               | 215                | 243             | (12)%        | 630                 | 719              | (12)%        |
| Automotive                                 | 124                | 153             | (19)         | 314                 | 517              | (39)         |
| Chemicals                                  | 202                | 224             | (10)         | 570                 | 690              | (17)         |
| Energy                                     | 531                | 615             | (14)         | 1,522               | 1,758            | (13)         |
| Industrial Products                        | 235                | 329             | (29)         | 686                 | 979              | (30)         |
| Intermodal                                 | 728                | 834             | (13)         | 2,012               | 2,441            | (18)         |
| <b>Total</b>                               | <b>2,035</b>       | <b>2,398</b>    | <b>(15)%</b> | <b>5,734</b>        | <b>7,104</b>     | <b>(19)%</b> |
| <b>Average Revenue per Car</b>             |                    |                 |              |                     |                  |              |
| Agricultural                               | \$ 3,026           | \$ 3,486        | (13)%        | \$ 3,062            | \$ 3,314         | (8)%         |
| Automotive                                 | 1,827              | 2,114           | (14)         | 1,759               | 2,010            | (12)         |
| Chemicals                                  | 2,730              | 2,951           | (7)          | 2,742               | 2,778            | (1)          |
| Energy                                     | 1,564              | 1,709           | (8)          | 1,546               | 1,608            | (4)          |
| Industrial Products                        | 2,367              | 2,747           | (14)         | 2,381               | 2,609            | (9)          |
| Intermodal                                 | 901                | 1,010           | (11)         | 896                 | 950              | (6)          |
| <b>Average</b>                             | <b>\$ 1,706</b>    | <b>\$ 1,931</b> | <b>(12)%</b> | <b>\$ 1,715</b>     | <b>\$ 1,835</b>  | <b>(7)%</b>  |

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**  
*Condensed Consolidated Statements of Financial Position (unaudited)*

| <i>Millions of Dollars, Except Percentages</i>           | <b>Sep. 30,<br/>2009</b> | <b>Dec. 31,<br/>2008</b> |
|--|--------------------------|--------------------------|
| <b>Assets</b>  |                          |                          |
| Cash and cash equivalents                                | \$ 1,435                 | \$ 1,249                 |
| Other current assets                                     | 1,782                    | 1,564                    |
| Investments  | 1,013                    | 974                      |
| Net properties   | 37,122                   | 35,701                   |
| Other assets   | 337                      | 234                      |
| <b>Total assets</b>                                      | <b>\$ 41,689</b>         | <b>\$ 39,722</b>         |
| <b>Liabilities and Common Shareholders' Equity</b>       |                          |                          |
| Debt due within one year                                 | \$ 173                   | \$ 320                   |
| Other current liabilities                                | 2,575                    | 2,560                    |
| Debt due after one year                                  | 9,620                    | 8,607                    |
| Deferred income taxes                                    | 10,595                   | 10,282                   |
| Other long-term liabilities                              | 2,297                    | 2,506                    |
| <b>Total liabilities</b>                                 | <b>25,260</b>            | <b>24,275</b>            |
| <b>Total common shareholders' equity</b>                 | <b>16,429</b>            | <b>15,447</b>            |
| <b>Total liabilities and common shareholders' equity</b> | <b>\$ 41,689</b>         | <b>\$ 39,722</b>         |
| <b>Debt to Capital</b>                                   | <b>37.3%</b>             | <b>36.6%</b>             |
| <b>Adjusted Debt to Capital*</b>                         | <b>46.9%</b>             | <b>47.4%</b>             |

\* Adjusted Debt to Capital is a non-GAAP measure; however, we believe that it is important in evaluating our financial performance. See page 8 for a reconciliation to GAAP.

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
*Condensed Consolidated Statements of Cash Flows (unaudited)*

| Millions of Dollars,<br>For the Periods Ending September 30, | Year-to-Date    |               |
|--|-----------------|---------------|
|  | 2009            | 2008          |
| <b>Operating Activities</b>                                  |                 |               |
| Net income   | \$ 1,347        | \$ 1,677      |
| Depreciation   | 1,067           | 1,034         |
| Deferred income taxes  | 314             | 325           |
| Other - net  | (506)           | 2             |
| Cash provided by operating activities                        | 2,222           | 3,038         |
| <b>Investing Activities</b>                                  |                 |               |
| Capital investments  | (1,831)         | (2,017)       |
| Other - net  | 90              | 8             |
| Cash used in investing activities                            | (1,741)         | (2,009)       |
| <b>Financing Activities</b>                                  |                 |               |
| Debt issued  | 843             | 1,340         |
| Common shares repurchased                                    | -               | (1,410)       |
| Debt repaid  | (826)           | (735)         |
| Dividends paid   | (408)           | (344)         |
| Other - net  | 96              | 99            |
| Cash used in financing activities                            | (295)           | (1,050)       |
| <b>Net change in cash and cash equivalents</b>               | <b>186</b>      | <b>(21)</b>   |
| Cash and cash equivalents at beginning of year               | 1,249           | 878           |
| <b>Cash and cash equivalents end of period</b>               | <b>\$ 1,435</b> | <b>\$ 857</b> |
| <b>Free Cash Flow*</b>                                       |                 |               |
| Cash provided by operating activities                        | \$ 2,222        | \$ 3,038      |
| Cash used in investing activities                            | (1,741)         | (2,009)       |
| Dividends paid   | (408)           | (344)         |
| Free cash flow   | \$ 73           | \$ 685        |

\* Free cash flow is a non-GAAP measure; however, we believe that it is important in evaluating our financial performance and measures our ability to generate cash without incurring additional financing.

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
*Operating and Performance Statistics (unaudited)*

| <i>For the Periods Ended September 30,</i> | <i>3rd Quarter</i> |             |          | <i>Year-to-Date</i> |             |          |
|--|--------------------|-------------|----------|---------------------|-------------|----------|
|  | <i>2009</i>        | <i>2008</i> | <i>%</i> | <i>2009</i>         | <i>2008</i> | <i>%</i> |
| <b>Operating/Performance Statistics</b>    |                    |             |          |                     |             |          |
| Gross ton-miles (GTMs) (millions)          | <b>218,810</b>     | 262,355     | (17)%    | <b>626,242</b>      | 776,728     | (19)%    |
| Employees (average)                        | <b>43,248</b>      | 48,324      | (11)     | <b>43,989</b>       | 48,697      | (10)     |
| GTMs (millions) per employee               | <b>5.06</b>        | 5.43        | (7)      | <b>14.24</b>        | 15.95       | (11)     |
| Customer satisfaction index                | <b>88</b>          | 83          | 5 pts    | <b>87</b>           | 82          | 5 pts    |
| <b>Locomotive Fuel Statistics</b>          |                    |             |          |                     |             |          |
| Average fuel price per gallon consumed     | <b>\$ 1.87</b>     | \$ 3.70     | (49)%    | <b>\$ 1.65</b>      | \$ 3.36     | (51)%    |
| Fuel consumed in gallons (millions)        | <b>242</b>         | 297         | (19)     | <b>723</b>          | 940         | (23)     |
| Fuel consumption rate*                     | <b>1.107</b>       | 1.131       | (2)      | <b>1.155</b>        | 1.210       | (5)      |
| <b>AAR Reported Performance Measures</b>   |                    |             |          |                     |             |          |
| Average train speed (miles per hour)       | <b>27.4</b>        | 23.7        | 16 %     | <b>27.3</b>         | 22.9        | 19 %     |
| Average terminal dwell time (hours)        | <b>24.5</b>        | 24.4        | -        | <b>24.4</b>         | 24.7        | (1)      |
| Average rail car inventory (thousands)     | <b>281.5</b>       | 300.4       | (6)      | <b>283.2</b>        | 303.3       | (7)      |
| <b>Revenue Ton-Miles (Millions)</b>        |                    |             |          |                     |             |          |
| Agricultural                               | <b>19,563</b>      | 22,431      | (13)%    | <b>58,484</b>       | 67,027      | (13)%    |
| Automotive                                 | <b>2,619</b>       | 3,278       | (20)     | <b>6,566</b>        | 10,814      | (39)     |
| Chemicals                                  | <b>12,544</b>      | 13,668      | (8)      | <b>36,024</b>       | 42,166      | (15)     |
| Energy                                     | <b>57,391</b>      | 67,887      | (15)     | <b>164,134</b>      | 192,969     | (15)     |
| Industrial Products                        | <b>13,479</b>      | 18,648      | (28)     | <b>39,444</b>       | 55,293      | (29)     |
| Intermodal                                 | <b>18,411</b>      | 19,875      | (7)      | <b>51,009</b>       | 59,164      | (14)     |
| <b>Total</b>                               | <b>124,007</b>     | 145,787     | (15)%    | <b>355,661</b>      | 427,433     | (17)%    |

\* Fuel consumption is computed as follows: gallons of fuel consumed divided by gross ton-miles in thousands.

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
*Condensed Consolidated Statements of Income (unaudited)*

| <i>In Millions, Except per Share Amounts and Percentages</i> | 2009     |          |          |              |
|--|----------|----------|----------|--------------|
|  | 1st Qtr  | 2nd Qtr  | 3rd Qtr  | Year-to-Date |
| <b>Operating Revenues</b>                                    |          |          |          |              |
| Freight revenues   | \$ 3,240 | \$ 3,121 | \$ 3,471 | \$ 9,832     |
| Other revenues   | 175      | 182      | 200      | 557          |
| Total operating revenues                                     | 3,415    | 3,303    | 3,671    | 10,389       |
| <b>Operating Expenses</b>                                    |          |          |          |              |
| Compensation and benefits                                    | 1,070    | 976      | 999      | 3,045        |
| Fuel   | 386      | 370      | 466      | 1,222        |
| Purchased services and materials                             | 399      | 391      | 403      | 1,193        |
| Depreciation   | 345      | 355      | 367      | 1,067        |
| Equipment and other rents                                    | 317      | 307      | 290      | 914          |
| Other  | 226      | 153      | 179      | 558          |
| Total operating expenses                                     | 2,743    | 2,552    | 2,704    | 7,999        |
| <b>Operating income</b>                                      | 672      | 751      | 967      | 2,390        |
| Other income   | 23       | 135      | 14       | 172          |
| Interest expense   | (141)    | (150)    | (156)    | (447)        |
| Income before income taxes                                   | 554      | 736      | 825      | 2,115        |
| Income tax expense   | (192)    | (268)    | (308)    | (768)        |
| <b>Net income</b>  | \$ 362   | \$ 468   | \$ 517   | \$ 1,347     |
| <b>Share and Per Share</b>                                   |          |          |          |              |
| Earnings per share - basic                                   | \$ 0.72  | \$ 0.93  | \$ 1.03  | \$ 2.68      |
| Earnings per share - diluted                                 | \$ 0.72  | \$ 0.92  | \$ 1.02  | \$ 2.67      |
| Weighted average number of shares - basic                    | 502.7    | 502.9    | 503.1    | 502.9        |
| Weighted average number of shares - diluted                  | 504.6    | 505.3    | 507.0    | 505.4        |
| Dividends declared per share                                 | \$ 0.27  | \$ 0.27  | \$ 0.27  | \$ 0.81      |
| <b>Operating Ratio</b>                                       | 80.3%    | 77.3%    | 73.7%    | 77.0%        |
| <b>Effective Tax Rate</b>                                    | 34.7%    | 36.4%    | 37.3%    | 36.3%        |

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
*Freight Revenues Statistics (unaudited)*

|                                     | 2009            |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                     | 1st Qtr         | 2nd Qtr         | 3rd Qtr         | Year-to-Date    |
| <b>Freight Revenues (Millions)</b>  |                 |                 |                 |                 |
| Agricultural                        | \$ 661          | \$ 618          | \$ 649          | \$ 1,928        |
| Automotive                          | 162             | 163             | 227             | 552             |
| Chemicals                           | 513             | 499             | 551             | 1,563           |
| Energy                              | 807             | 715             | 831             | 2,353           |
| Industrial Products                 | 546             | 531             | 557             | 1,634           |
| Intermodal                          | 551             | 595             | 656             | 1,802           |
| <b>Total</b>                        | <b>\$ 3,240</b> | <b>\$ 3,121</b> | <b>\$ 3,471</b> | <b>\$ 9,832</b> |
| <b>Revenue Carloads (Thousands)</b> |                 |                 |                 |                 |
| Agricultural                        | 212             | 203             | 215             | 630             |
| Automotive                          | 97              | 93              | 124             | 314             |
| Chemicals                           | 180             | 188             | 202             | 570             |
| Energy                              | 521             | 470             | 531             | 1,522           |
| Industrial Products                 | 222             | 229             | 235             | 686             |
| Intermodal                          | 615             | 669             | 728             | 2,012           |
| <b>Total</b>                        | <b>1,847</b>    | <b>1,852</b>    | <b>2,035</b>    | <b>5,734</b>    |
| <b>Average Revenue per Car</b>      |                 |                 |                 |                 |
| Agricultural                        | \$ 3,116        | \$ 3,045        | \$ 3,026        | \$ 3,062        |
| Automotive                          | 1,675           | 1,755           | 1,827           | 1,759           |
| Chemicals                           | 2,843           | 2,659           | 2,730           | 2,742           |
| Energy                              | 1,550           | 1,520           | 1,564           | 1,546           |
| Industrial Products                 | 2,459           | 2,319           | 2,367           | 2,381           |
| Intermodal                          | 897             | 889             | 901             | 896             |
| <b>Average</b>                      | <b>\$ 1,755</b> | <b>\$ 1,685</b> | <b>\$ 1,706</b> | <b>\$ 1,715</b> |

**UNION PACIFIC CORPORATION AND SUBSIDIARY COMPANIES**
**Debt / Capital, Reconciliation to GAAP\***

| <i>Millions of Dollars, Except Percentages</i> | <b>Sep. 30,<br/>2009</b> | <i>Dec. 31,<br/>2008</i> |
|--|--------------------------|--------------------------|
| Debt (a)                                       | \$ 9,793                 | \$ 8,927                 |
| Equity   | 16,429                   | 15,447                   |
| Capital (b)                                    | \$ 26,222                | \$ 24,374                |
| Debt to capital (a/b)                          | 37.3%                    | 36.6%                    |

\* Total debt divided by total debt plus equity. Management believes this is an important measure in evaluating our balance sheet strength and is important in managing our credit ratios and financing relationships.

**Adjusted Debt / Capital, Reconciliation to GAAP\***

| <i>Millions of Dollars, Except Percentages</i> | <b>Sep. 30,<br/>2009</b> | <i>Dec. 31,<br/>2008</i> |
|--|--------------------------|--------------------------|
| Debt   | \$ 9,793                 | \$ 8,927                 |
| Net present value of operating leases          | 3,604                    | 3,690                    |
| Value of sold receivables                      | 400                      | 584                      |
| Unfunded pension and OPEB                      | 733                      | 733                      |
| Adjusted debt (a)                              | \$ 14,530                | \$ 13,934                |
| Equity   | 16,429                   | 15,447                   |
| Adjusted capital (b)                           | \$ 30,959                | \$ 29,381                |
| Adjusted debt to capital (a/b)                 | 46.9%                    | 47.4%                    |

\* Total debt plus net present value of operating leases plus value of sold receivables plus after-tax unfunded pension and OPEB obligation divided by total debt plus net present value of operating leases plus value of sold receivables plus after-tax unfunded pension and OPEB obligation plus equity. Operating leases were discounted using 6.3% at September 30, 2009 and 8.0% at December 31, 2008, respectively. The lower discount rate reflects changes to interest rates and our current financing costs. Management believes this is an important measure in evaluating the total amount of leverage in our capital structure including off-balance sheet obligations.