

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported): January 18, 2001

Union Pacific Corporation

(Exact Name of Registrant as Specified in its Charter)

Utah	1-6075	13-2626465
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1416 Dodge Street, Omaha, Nebraska	68179
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(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (402) 271-5777

N/A

(Former Name or Former Address, if Changed Since Last Report)

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Item 5. Other Events.

Attached as an Exhibit is the Press Release issued by Union Pacific Corporation on January 18, 2001 announcing Union Pacific Corporation's financial results for the fourth quarter of 2000, which is incorporated herein by reference.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

99 Press Release dated January 18, 2001 announcing Union Pacific Corporation's financial results for the fourth quarter of 2000.

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: January 18, 2001

UNION PACIFIC CORPORATION

By: /s/ James R. Young
James R. Young
Executive Vice President - Finance

EXHIBIT INDEX

Exhibit Description

99 Press Release dated January 18, 2001 announcing Union Pacific Corporation's financial results for the fourth quarter of 2000.

UNION PACIFIC REPORTS INCREASE IN INCOME FOR 2000

EARNINGS PER SHARE INCREASES TO \$3.61 BEFORE CHARGE

FOR IMMEDIATE RELEASE:

Omaha, NE, January 18, 2001 - Union Pacific Corporation (NYSE: UNP) today reported that income from continuing operations increased 17 percent to \$914 million in 2000 from \$783 million in 1999, before a \$72 million after-tax charge for workforce reduction costs. This equates to \$3.61 per diluted share (excluding the workforce reduction charge) in 2000 and \$3.12 in 1999. Net income for the year totaled \$842 million, or \$3.34 per diluted share. This represents a 4 percent increase over the \$810 million the company earned in 1999.

Net income for the fourth quarter was \$229 million, or \$.90 per diluted share, excluding the after-tax charge of \$72 million, or \$.27 per diluted share. Net income for the fourth quarter of 1999 was \$242 million, or \$.95 per diluted share.

In commenting on the company's performance, Dick Davidson, chairman and chief executive officer, said, "In 2000, our unparalleled rail franchise and our well-balanced commodity mix allowed us to successfully meet the needs of our customers and produce solid financial results. The introduction of new products and services in 2000 has already begun to improve our profitability, and the numbers show that our yield strategy is working. We are expanding our markets and better integrating our operations with other railroads while lowering our costs.

"As the economy slowed near year-end, we took decisive steps to adjust our operations appropriately and our entire company is now focused on how we will operate during this economic downturn," Davidson said. "This is not to say that the current economic downturn will not be a challenge. However, Union Pacific has never been better positioned to turn such a challenge into an opportunity."

For fourth quarter, Union Pacific Corporation, excluding Overnite, reported operating income of \$438 million (excluding the workforce reduction charge)

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compared to \$499 million for the same period in 1999. The Railroad's commodity revenue was up 2 percent to \$2.6 billion for the quarter with 9 percent gains in Intermodal and Automotive and a 7 percent gain in Energy. Rising fuel costs were only partially offset by other productivity improvements, driving the operating ratio up 2.8 percentage points to 83.6 percent (excluding the workforce reduction charge).

Overnite Transportation had a dramatic turnaround from a year ago with fourth quarter operating income of \$16 million compared to an operating loss of \$13 million in 1999. Revenue rose 6 percent to \$274 million from \$259 million, while Overnite's operating ratio fell 11.3 percentage points to 94.0 percent.

Union Pacific Corporation is one of America's leading transportation companies. Its principle operating company, Union Pacific Railroad, is the largest railroad in North America, covering 23 states across the western two-thirds of the United States. A strategically advantageous route structure enables the company to serve customers in critical and fast growing markets. It is a leading hauler of low-sulfur coal used in electrical power generation and has broad coverage of the large chemical-producing areas along the Gulf Coast. With long-haul routes between all West Coast ports and eastern gateways, and as the only railroad to serve all six major gateways to Mexico, Union Pacific has the premier rail franchise in North America. The corporation also owns Overnite Transportation, a nationwide less-than-truckload carrier, and Fenix, a group of technology companies.

Supplemental financial information is attached.

Additional information is available at our website: www.up.com. Our contact for investors is Mary Jones at 402 271-6111. Our media contact is John Bromley who can be reached at 402 271-3475.

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This press release and related material may contain statements about the Corporation's future that are not statements of historical fact. These statements are "forward-looking statements" for purposes of applicable securities laws, and are based on current information and/or management's good faith belief as to future events. Forward-looking statements include projections and estimates of earnings, revenues, cost-savings, expenses, or other financial items; statements of management's plans, strategies and objectives for future operation, and management's expectations as to

future performance and operations and the time by which objectives will be achieved; statements concerning proposed new products and services; and statements regarding future economic, industry or market conditions or performance.

Forward-looking statements are subject to risks and uncertainties. Actual performance or results could differ materially from that anticipated by the forward-looking statement. Important factors that could cause such differences include the Corporation's success in implementing its financial and operational initiatives; the impact of industry competition, conditions, performance and consolidation; legislative and/or regulatory developments, including initiatives to re-regulate the rail business; natural events such as severe weather, floods and earthquakes; adverse general economic conditions, both within the United States and globally; changes in fuel prices; changes in labor costs; labor stoppages; and the outcome of claims and litigation.

Forward-looking statements speak only as of the date the statement was 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 any forward-looking statement, no inference should be drawn that the Corporation will make additional updates with respect to that statement or any other forward-looking statements.

UNION PACIFIC CORPORATION

STATEMENTS OF CONSOLIDATED INCOME

For the Three Months Ended December 31

(Dollars in Millions, Except Per Share Amounts)

(Unaudited)

	2000	1999	Pct Chg
Operating Revenue	\$ 2,952	\$ 2,856	+ 3
Operating Expense - a)	2,613	2,370	+ 10
Operating Income	339	486	- 30
Other Income - Net	69	58	+ 19
Interest Expense	(180)	(179)	+ 1
Income Before Income Taxes	228	365	- 38
Income Tax Expense	(71)	(123)	- 42
Net Income	\$ 157	\$ 242	- 35
Basic Earnings Per Share	\$ 0.64	\$ 0.98	- 35
Diluted Earnings Per Share	\$ 0.63	\$ 0.95	- 34
Diluted Earnings Per Share - Pro Forma - b)	\$ 0.90	\$ 0.95	- 5
Average Basic Shares Outstanding (MM)	246.5	246.7	
Average Diluted Shares Outstanding (MM) - c)	248.0	270.0	

a) 2000 includes a workforce reduction charge of \$115 million pre-tax (\$72 million after-tax).

b) Diluted Earnings Per Share - Pro Forma excludes the effect of the \$72 million after-tax charge (\$0.27 per diluted share) and includes 21.8 million anti-dilutive common stock equivalents.

c) 2000 excludes 21.8 million anti-dilutive common stock equivalents.

UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED INCOME

For the Year Ended December 31

(Dollars in Millions, Except Per Share Amounts)

(Unaudited)

	2000	1999	Pct	Chg
	-----	-----		
Operating Revenue	\$ 11,878	\$ 11,237	+	6
Operating Expense - a)	9,975	9,433	+	6
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Operating Income	1,903	1,804	+	5
Other Income - Net	130	131	-	1
Interest Expense	(723)	(733)	-	1
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Income Before Income Taxes	1,310	1,202	+	9
Income Tax Expense	(468)	(419)	+	12
	-----	-----		
Income From Continuing Operations	842	783	+	8
Income From Discontinued Operations - b)	-	27		U
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Net Income	\$ 842	\$ 810	+	4
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Basic Earnings Per Share:				
Income From Continuing Operations	\$ 3.42	\$ 3.17	+	8
Diluted Earnings Per Share:				
Income From Continuing Operations	\$ 3.34	\$ 3.12	+	7
Income From Discontinued Operations	-	0.10		U
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Net Income	\$ 3.34	\$ 3.22	+	4
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Diluted Earnings Per Share - Pro Forma - c)	\$ 3.61	\$ 3.12	+	16
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Average Basic Shares Outstanding (MM)	246.5	246.6		
Average Diluted Shares Outstanding (MM)	269.5	269.8		

a) 2000 includes a workforce reduction charge of \$115 million pre-tax (\$72 million after-tax or \$0.27 per diluted share).

b) Represents an adjustment of a liability established in connection with the discontinued operation of a former subsidiary.

c) Diluted Earnings Per Share - Pro Forma excludes the effect of the \$72 million after-tax charge (\$0.27 per diluted share) in 2000 and excludes the Income from Discontinued Operations in 1999.

UNION PACIFIC RAILROAD

REVENUE DETAIL

Periods Ended December 31

(Unaudited)

Fourth Quarter				Year-to-Date			
2000	1999	Pct	Chg	2000	1999	Pct	Chg
Commodity Revenue (000):							
\$ 353,158	\$ 377,009	-	6	\$ 1,400,295	\$1,419,187	-	1
305,339	280,887	+	9	1,182,429	1,047,829	+	13
391,815	400,422	-	2	1,639,930	1,594,980	+	3
548,659	511,347	+	7	2,153,545	2,167,901	-	1
466,362	480,376	-	3	1,985,044	1,896,546	+	5
490,710	452,189	+	9	1,908,928	1,725,055	+	11

\$2,556,043	\$2,502,230	+	2	\$10,270,171	\$9,851,498	+	4

Revenue Carloads:							
221,356	240,907	-	8	872,830	911,007	-	4
205,911	186,342	+	11	815,260	707,395	+	15
223,460	234,431	-	5	935,917	929,962	+	1
498,152	469,302	+	6	1,930,535	1,872,292	+	3
337,516	353,095	-	4	1,430,738	1,397,707	+	2
735,219	711,067	+	3	2,916,003	2,737,531	+	7

2,221,614	2,195,144	+	1	8,901,283	8,555,894	+	4

Average Revenue per Car:							
\$1,595	\$1,565	+	2	\$1,604	\$1,558	+	3
1,483	1,507	-	2	1,450	1,481	-	2
1,753	1,708	+	3	1,752	1,715	+	2
1,101	1,090	+	1	1,116	1,158	-	4
1,382	1,360	+	2	1,387	1,357	+	2
667	636	+	5	655	630	+	4

\$1,151	\$1,140	+	1	\$1,154	\$1,151	-	-

OVERNITE TRANSPORTATION COMPANY

REVIEW OF OPERATIONS

Periods Ended December 31

(Dollars in Millions, Except Operating Statistics)

(Unaudited)

Fourth Quarter		Pct Chg		Year-to-Date		Pct Chg
2000	1999			2000	1999	
\$ 274	\$ 259	+ 6	Operating Revenues	\$ 1,113	\$ 1,062	+ 5
			Operating Expenses			
156	157	- 1	Salaries and Benefits	650	651	-
24	31	- 23	Rent Expense	97	95	+ 2
12	11	+ 9	Depreciation	48	46	+ 4
19	14	+ 36	Fuel and Utilities	72	49	+ 47
12	13	- 8	Materials and Supplies	48	49	- 2
35	46	- 24	Other	145	152	- 5
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258	272	- 5	Total	1,060	1,042	+ 2
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\$ 16	\$ (13)	F	Operating Income	\$ 53	\$ 20	+ F
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			Operating Statistics:			
1,821	1,837	- 1	Millions of Pounds Hauled - LTL	7,510	7,949	- 6
1,946	1,954	-	Millions of Pounds Hauled - Combined	8,024	8,396	- 4
\$ 13.84	\$ 13.25	+ 4	Revenue/CWT - LTL	\$ 13.66	\$ 12.64	+ 8
\$ 13.44	\$ 12.83	+ 5	Revenue/CWT - Combined	\$ 13.25	\$ 12.26	+ 8
11,459	11,562	- 1	Average Employees	11,260	11,695	- 4
98(cent)	65(cent)	+ 51	Average Fuel Price Per Gallon	90(cent)	54(cent)	+ 67
14,185	13,017	+ 9	Fuel Consumed in Gallons (000s)	57,169	55,818	+ 2
94.0	105.3	- 11.3 pt.	Operating Ratio (%)	95.2	98.1	- 2.9 pt.

UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

As of December 31

(Dollars in Millions)

(Unaudited)

	2000	1999
	-----	-----
Assets:		
Cash and Temporary Investments	\$ 105	\$ 175
Other Current Assets	1,180	1,139
Investments	740	753
Properties - Net	28,196	27,519
Other Assets	278	302
	-----	-----
Total	\$ 30,499	\$ 29,888
	-----	-----
Liabilities and Stockholders' Equity:		
Current Portion of Long Term Debt	\$ 207	\$ 214
Other Current Liabilities	2,755	2,671
Long Term Debt	8,144	8,426
Deferred Income Taxes	7,143	6,715
Other Long Term Liabilities	2,088	2,361
Convertible Preferred Shares	1,500	1,500
Common Stockholders' Equity	8,662	8,001
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Total	\$ 30,499	\$ 29,888
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UNION PACIFIC CORPORATION
STATEMENTS OF CONSOLIDATED CASH FLOWS

For the Year Ended December 31

(Dollars in Millions)

(Unaudited)

	2000	1999
	-----	-----
Operating Activities:		
Income From Continuing Operations	\$ 842	\$ 783
Depreciation	1,140	1,083
Deferred Income Taxes	447	529
Other	(471)	(526)
	-----	-----
Cash Provided by Operations	1,958	1,869
	-----	-----
Investing Activities:		
Capital Investments	(1,783)	(1,834)
Other	241	220
	-----	-----
Cash Used by Investing Activities	(1,542)	(1,614)
	-----	-----
Financing Activities:		
Dividends Paid	(199)	(198)
Debt Repaid	(796)	(692)
Financings and Other - Net	509	634
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Cash Used by Financing Activities	(486)	(256)
	-----	-----
Net Change in Cash and Temporary Investments	\$ (70)	\$ (1)
	-----	-----
Free Cash Flow after Dividends	\$ 217	\$ 57
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