1907

THE PENNSYLVANIA RAILROAD COMPANY

SIXTY-FIRST ANNUAL REPORT

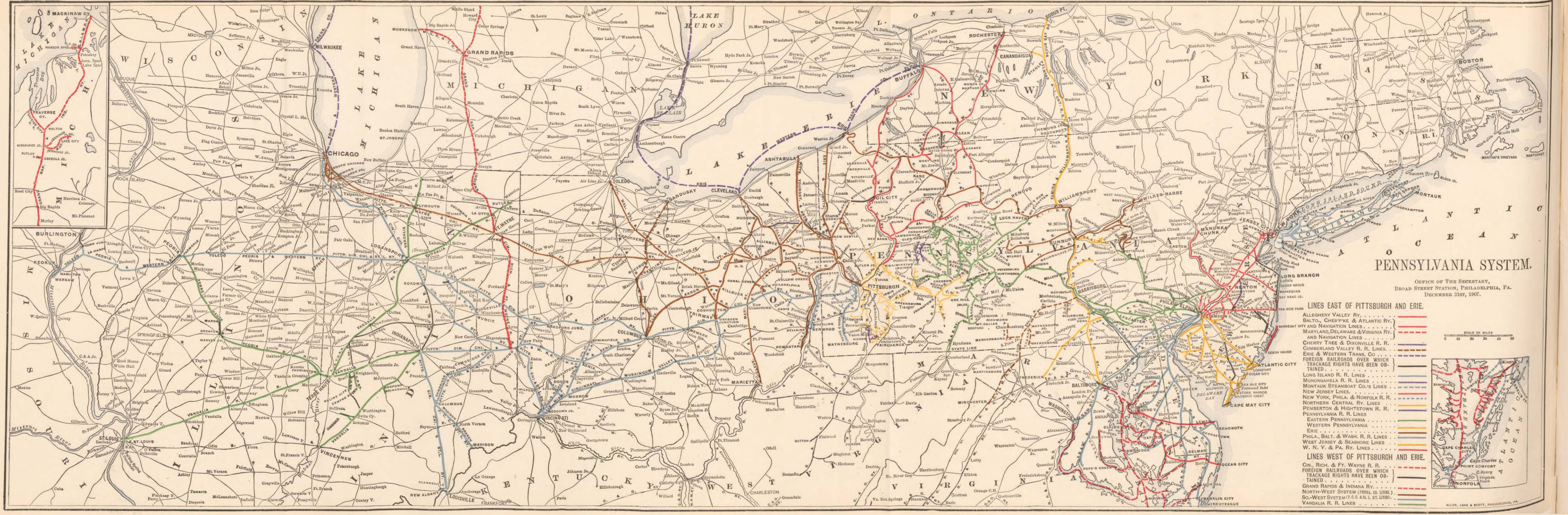
FOR THE YEAR 1907.

OFFICE OF THE SECRETARY,
BROAD STREET STATION,
PHILADELPHIA, PA.

Original document from the collection of
the University of Illinois Urbana
scanned by Google

Extracted from scans of a multi-year bound volume
and resampled to 600 dpi B&W
by Rob Schoenberg (robs@railfan.net)
http://PRR.Railfan.net

INDEX


PENNSYLVANIA SYSTEM.
Office of The Secretary,
Broad Street Station, Philadelphia, Pa.
December 31st, 1907.
LINES EAST OF PITTSBURGH AND ERIE.
Allegheny Valley Ry.
Balto., Ches'p'ke & Atlantic Ry. and Navigation Lines
Maryland, Delaware & Virginia Ry. and Navigation Lines
Cherry Tree & Dixonville R. R.
Cumberland Valley R. R. Lines.
Erie & Western Trans. Co
Foreign Railroads over which trackage rights have been obtained
Long Island R. R. Lines
Monongahela R. R. Lines
Montauk Steamboat Co.'s Lines
New Jersey Lines.
New York, Phila. & Norfolk R. R.
Northern Central Ry. Lines
Pemberton & Hightstown R. R.
Pennsylvania R. R. Lines
Eastern Pennsylvania
Western Pennsylvania
Erie
Phila., Balt. & Wash. R. R. Lines
West Jersey & Seashore Lines
W. N. Y. & Pa. Ry. Lines
LINES WEST OF PITTSBURGH AND ERIE.
Cin., Rich. & Ft. Wayne R. R.
Foreign Railroads over which trackage rights have been obtained
Grand Rapids & Indiana Ry.
North-West System (Penna. Co. Lines.)
So.-West System (P. C. C. & St. L. Ry. Lines).
Vandalia R. R. Lines
Scale of Miles
Allen, Lane & Scott, Philadelphia, Pa.

1907

THE PENNSYLVANIA RAILROAD COMPANY

SIXTY-FIRST ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

INDEX

TO THE STOCKHOLDERS.

FOR THE YEAR 1907.

Presented and adopted at the Annual Meeting of the Stockholders,
10th March, 1908

LIBRARY
UNIV. OF ILL.
URBANA

INDEX.

INDEX

p25782

DIRECTORS

OF

THE PENNSYLVANIA RAILROAD COMPANY

ELECTED BY THE STOCKHOLDERS.

	TERM EXPIRES		TERM EXPIRES
N. PARKER SHORTRIDGE, . .	1909.	THOMAS DeWITT CUYLER, .	1910.
CLEMENT A. GRISCOM, . .	1912.	JAMES McCREA, ...	1910.
WILLIAM H. BARNES, . . .	1911.	LINCOLN GODFREY, . . .	1910.
GEORGE WOOD, ...	1911.	RUDULPH ELLIS, ...	1909.
C. STUART PATTERSON, . .	1911.	HENRY C. FRICK, ...	1912.
EFFINGHAM B. MORRIS, . .	1910.	CHAS. E. INGERSOLL, . . .	1912.

PERCIVAL ROBERTS, Jr., term expires 1909.

ADDITIONAL MEMBERS OF THE BOARD SELECTED, BY THE ABOVE-NAMED DIRECTORS, ON 25TH MARCH, 1908, TO ACT AS VICE-PRESIDENTS FOR THE TERM OF ONE YEAR.

JOHN P. GREEN,	SAMUEL REA,
CHARLES E. PUGH,	JOHN B. THAYER.

OFFICERS

THE PENNSYLVANIA RAILROAD COMPANY,

APRIL, 1908.

President,
JAMES McCREA.

First Vice-President, JOHN P. GREEN.
Second Vice-President, CHARLES E. PUGH.
Third Vice-President, SAMUEL REA.
Fourth Vice-President, JOHN B. THAYER.
Fifth Vice-President, HENRY TATNALL.

Secretary,
LEWIS NEILSON.

Treasurer,
HENRY TATNALL.

Assistant to the President,	W. A. PATTON.
Assistant to the President,	E. T. POSTLETHWAITE.
Assistant to the First Vice-President,	C. M. BUNTING.
Assistant to the Second Vice-President,	J. B. HUTCHINSON.
Assistant to the Third Vice-President,	A. J. COUNTY.
Engineer of Branch Lines,	JOSEPH U. CRAWFORD.
Assistant Secretary,	ROBERT H. GROFF.
Assistant Secretary,	KANE S. GREEN.
Assistant to the Secretary,	J. W. MARSHALL.
Assistant Treasurer,	H. P. CONNER.
Assistant Treasurer,	GEO. A. WALKER.
Assistant to Treasurer,	J. W. MARSHALL.
Assistant to Treasurer,	TABER ASHTON.
Assistant to Treasurer,	J. S. VANZANDT.
Assistant to Treasurer,	S. E. DICKEY.
Assistant to Treasurer,	JOHN M. WOOD.
Cashier,	E. B. BROADAWAY.
Comptroller,	M. RIEBENACK.
Assistant Comptroller,	EDWARD A. STOCKTON.
Assistant to Comptroller,	JEFFERSON JUSTICE.
Freight Traffic Manager,	GEO. D. DIXON.
General Freight Agent in charge of through traffic,	E. P. BATES.
General Freight Agent in charge of local traffic,	ROBT. C. WRIGHT.
Assistant General Freight Agent,	GEO. D. OGDEN.
General Coal Freight Agent,	J. G. SEARLES.
Coal Freight Agent,	ROBT. H. LARGE.
Freight Claim Agent,	R. L. FRANKLIN.
Assistant Freight Claim Agent,	ALFRED E. FITLER.
Manager of Empire Line,	GEO. M. BALL.
Manager of Union Line,	E. A. DAWSON.
Passenger Traffic Manager,	J. R. WOOD.
General Passenger Agent,	GEO. W. BOYD.
Assistant General Passenger Agent,	R. M. PILE.
Chief Engineer,	A. C. SHAND.
Assistant Chief Engineer,	E. B. TEMPLE.
Assistant to Chief Engineer,	J. F. MURRAY.
Engineer of Bridges and Buildings,	HENRY R. LEONARD.
Chief of Motive Power,	THEO. N. ELY.
General Manager,	W. W. ATTERBURY.
General Superintendent of Transportation,	M. TRUMP.
Assistant to the General Manager,	HERBERT M. CARSON.
Superintendent of Freight Transportation,	R. M. PATTERSON.
Superintendent of Passenger Transportation,	C. M. SHEAFFER.
General Superintendent of Motive Power,	ALFRED W. GIBBS.
Chief Engineer of Maintenance of Way,	J. T. RICHARDS.
Engineer of Maintenance of Way	L. R. ZOLLINGER.
Superintendent of Telegraph,	JOHN B. FISHER.
General Superintendent Eastern Pennsylvania Division,	GEO. W. CREIGHTON.
General Superintendent Western Pennsylvania Division,	S. C. LONG.
General Superintendent New Jersey Division,	F. L. SHEPPARD.
General Superintendent Erie Division,	W. HEYWARD MYERS.
General Superintendent B. & A. V. Division,	R. L. O'DONNEL.
General Agent in the City of New York,	GEORGE T. SMITH.
Purchasing Agent,	D. S. NEWHALL.
Assistant Purchasing Agent,	SAMUEL PORCHER.
Assistant Purchasing Agent,	MONTGOMERY SMITH.
Assistant to the Purchasing Agent,	GEORGE H. GRONE.
Real Estate Agent,	B. W. CARSKADDON.
Assistant Real Estate Agent,	H. E. TRIPLER.
Assistant Real Estate Agent,	T. W. HULME.
General Counsel,	GEO. V. MASSEY.
General Solicitor,	FRANCIS I. GOWEN.
Assistant General Counsel,	PARKER B. PRINCE.
Assistant General Counsel,	GEORGE STUART PATTERSON.
Assistant General Counsel,	HENRY S. PRENTISS NICHOLS.
Assistant General Solicitor,	STACY B. LLOYD.
Assistant General Solicitor,	HENRY W. BIKLÉ.
Chief Claim Agent,	JOHN C. ROSE.
Superintendent Insurance Department,	R. H. NEWBERN.
Superintendent Voluntary Relief Department,	SPENCER MEADE.
Assistant Superintendent Voluntary Relief Department,	E. B. HUNT.
Superintendent Employes Saving Fund	LEWIS NEILSON.

SIXTY-FIRST ANNUAL MEETING.

PHILADELPHIA, 10th March, 1908.

The Annual Meeting of the stockholders of The Pennsylvania Railroad Company was held this day at 11 o'clock, A. M., at Horticultural Hall.

On motion of Mr. Bayard Henry, General Louis Wagner was called to the chair and Mr. Robt. H. Groff was chosen Secretary of the Meeting.

The Secretary read the call for the meeting, as follows:—

THE PENNSYLVANIA RAILROAD COMPANY
General Office, Broad Street Station.
PHILADELPHIA, 19th February, 1908.

The ANNUAL MEETING of the Stockholders of this Company will be held on Tuesday, the tenth day of March, 1908, at 11 o'clock A. M., in Horticultural Hall, Broad Street below Locust Street, Philadelphia, at which meeting there will be submitted for consideration, and action by the Stockholders, the Annual Report of the Company for the year ending 31st December, 1907; agreements for the acquisition by this Company of the franchises, corporate property rights and credits of each of the following Companies, namely: Southwest Connecting Railway Company, Junction Railroad Company and Bald Eagle Valley Railroad Company; and other appropriate subjects.

Stockholders may obtain copies of the Annual Report of the Company, and the necessary tickets of admission to the meeting, on and after the 3rd of March next, by personal application, or by letter, at the Secretary's office, Room 269, Broad Street Station, Philadelphia.

LEWIS NEILSON, Secretary.

Mr. J. Randall Williams offered the following resolution, which was, on motion duly seconded, adopted:—

Resolved, That the annual report having been published in pamphlet form for the information of the stockholders on 3rd March, and a comprehensive synopsis thereof advertised in the newspapers on 3rd March, its reading be dispensed with.

Mr. Wm. Wood offered the following resolution, which was, on motion duly seconded, adopted:—

Resolved, That the report of the President and Board of Directors for the year 1907, be and the same is hereby approved and adopted, and that the action of the Directors respecting the several matters therein reported, be and the same is hereby ratified and confirmed.

Colonel R. Dale Benson offered the following resolution, which was, on motion duly seconded, adopted:—

Resolved, That the Chairman of this meeting be requested to appoint a committee of seven stockholders of this Company, to recommend, after conferring with the President, three persons for election as Directors, to be voted for by the stockholders at the next annual election, to fill the vacancies then existing through expiration of term of service.

The Chairman named the following gentlemen as such committee:—

Messrs. R. Dale Benson, William Wood, Chas. C. Harrison, Saml. F. Houston, Saml. T. Bodine, W. W. Fitler and George H. McFadden.

Mr. John P. Green, First Vice-President of the Company, called the attention of the meeting to the General Remarks in the Annual Report in regard to the acquisition of the corporate property and franchises of the South West Connecting Railway Company, Junction Railroad Company, and Bald Eagle Valley Railroad Company, and stated that under the law authorizing such acquisition, it is necessary to have the action of the stockholders thereon, in pursuance of notice given in the call for the Annual Meeting:—

The agreement, dated the twenty-third day of October, 1907, for the acquisition by The Pennsylvania Railroad Company of the franchises, corporate property, rights and credits of the South West Connecting Railway Company, executed by each Company, under its corporate seal, duly attested, as required by law, pursuant to resolutions duly adopted by the Board of Directors of each Company, was then submitted to the meeting for approval or disapproval, and the same having been considered, the following resolution was, on motion of Mr. John P. Green, duly seconded, adopted by the stockholders:—

Resolved, That the agreement between The Pennsylvania Railroad Company and the South West Connecting Railway Company, dated the twenty-third day of October, 1907, for the acquisition by the former of the franchises, corporate property, rights and credits of the latter, submitted to and considered at this meeting, be and the same is hereby approved.

The agreement, dated the thirteenth day of February, 1908, for the acquisition by The Pennsylvania Railroad Company of the franchises, corporate property, rights and credits of the Junction Railroad Company, executed by each Company, under its corporate seal, duly attested, as required by law, pursuant to resolutions duly adopted by the Board of Directors of each Company, was then submitted to the meeting for approval or disapproval, and the same having been considered, the following resolution was, on motion of Mr. John P. Green, duly seconded, adopted by the stockholders:—

Resolved, That the agreement between The Pennsylvania Railroad Company and the Junction Railroad Company, dated the thirteenth day of February, 1908, for the acquisition by the former of the franchises, corporate property, rights and credits of the latter, submitted to and considered at this meeting, be and the same is hereby approved.

The agreement, dated the thirteenth day of February, 1908, for the acquisition by The Pennsylvania Railroad Company of the franchises, corporate property, rights and credits of the Bald Eagle Valley Railroad Company, executed by each Company, under its corporate seal, duly attested, as required by law, pursuant to resolutions duly adopted by the Board of Directors of each Company, was then submitted to the meeting for approval or disapproval, and the same having been considered, the following resolution was, on motion of Mr. John P. Green, duly seconded, adopted by the stockholders:—

Resolved, That the agreement between The Pennsylvania Railroad Company and the Bald Eagle Valley Railroad Company, dated the thirteenth day of February, 1908, for the acquisition by the former of the franchises, corporate property, rights and credits of the latter, submitted to and considered at this meeting, be and the same is hereby approved.

The Chairman having referred to the importance of the questions presented by the report, and to the fact that they were deserving of intelligent and dignified consideration by the shareholders, and the thanks of the stockholders having been tendered to the Chairman for the able and impartial manner in which he had presided over the meeting, the stockholders then, on motion, adjourned.

LOUIS WAGNER,
Chairman.

ROBT. H. GROFF,
Secretary.

1907

THE PENNSYLVANIA RAILROAD COMPANY

SIXTY-FIRST ANNUAL REPORT.

THE PENNSYLVANIA RAILROAD COMPANY,
GENERAL OFFICE,
PHILADELPHIA, PA., February 26th, 1908.

To the Stockholders of
The Pennsylvania Railroad Company.

The Board of Directors herewith submit their report for the year 1907, with such data relating to the railway and other corporations embraced in your System as will give a clear understanding of their physical and financial condition.

The statements immediately following show the Operating Results of the five General Divisions and the General Income Account of the Company, and cover all of the lines East of Pittsburgh and Erie operated directly by the Company, viz.:—

The Eastern Pennsylvania Division,			1,248.24 miles.
The Western Pennsylvania Division,			631.63 "
The New Jersey Division,	Railroads and ferries,	477.40 miles.	
	Delaware and Raritan Canal,	66.00 "	
	Total,		543.40 "
The Erie Division,			604.84 "
The Buffalo and Allegheny Valley Division,			830.18 "
Total,			3,858.29 "

Of these 3,858.29 miles, 1,705.27 are owned and the remaining 2,153.02 are operated under lease or as agent. The increase of 38.61 miles in the length of roads owned and operated is due to the completion of branches and to slight changes in the mileage thereof.

The statements in the appendix give the traffic and other statistics for the lines operated directly East of Pittsburgh and Erie, and show the financial results of all railway, ferry, canal, and other corporations East and West of Pittsburgh and Erie owned, operated, or controlled by, or affiliated in interest with The Pennsylvania Railroad System, the said railway, ferry, and canal lines having an aggregate mileage December 31st, 1907, as follows:—

East of Pittsburgh and Erie,	6,078.17 miles.
West of Pittsburgh and Erie,	5,097.57 "
Total,	11,175.74 "

PENNSYLVANIA DIVISION.

(Embracing Eastern Pennsylvania and Western Pennsylvania Divisions, excepting that portion of the Allegheny Valley Railway between Pittsburgh and Kiskiminetas Junction.)

MAIN LINE, PHILADELPHIA TO PITTSBURGH, AND BRANCHES.

OPERATING RESULTS

FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH THE YEAR 1906.

	1907.	1907.	1906.	INCREASE.	DECREASE.
EARNINGS.—From freight traffic,	$77,245,958.47	. . . .	$69,481,678.81	$7,764,279.66	
From passenger traffic,	16,243,490.80	. . . .	15,472,818.86	770,671.94	
From express traffic,	1,963,857.31	. . . .	1,592,765.76	371,091.55	
From transportation of mails,	1,647,526.76	. . . .	1,735,265.64	. . . . . .	$87,738.88
From miscellaneous sources,	701,542.29	. . . .	423,225.67	278,316.62	
Total Earnings,	. . . .	$97,802,375.63	$88,705,754.74	$9,096,620.89	
EXPENSES.—Maintenance of way and structures,	$11,610,084.00	. . . .	$9,794,594.67	$1,815,489.33	
Maintenance of equipment,	20,517,252.34	. . . .	16,627,679.95	3,889,572.39	
Traffic,	1,073,411.54	. . . .	937,428.62	135,982.92	
Transportation,	32,165,293.94	. . . .	28,099,458.00	4,065,835.94	
General expenses,	2,134,241.09	. . . .	1,931,549.56	202,691.53	
Total Expenses,	. . . .	$67,500,282.91	$57,390,710.80	$10,109,572.11	
Net Earnings from operation before deduction of taxes,	. . . .	$30,302,092.72	$31,315,043.94	. . . . . .	$1,012,951.22

NEW JERSEY DIVISION.

PHILADELPHIA TO NEW YORK, CAMDEN TO SOUTH AMBOY, AND BRANCHES, AND DELAWARE AND RARITAN CANAL.

OPERATING RESULTS

FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH THE YEAR 1906.

	1907.	1907.	1906.	INCREASE.	DECREASE.
EARNINGS.—From freight traffic,	$20,771,223.36	. . . .	$18,416,628.90	$2,354,594.46	
From passenger traffic,	12,319,820.48	. . . .	11,765,976.68	553,843.80	
From express traffic,	1,615,134.85	. . . .	1,331,657.91	283,476.94	
From transportation of mails,	586,055.00	. . . .	618,094.77	. . . . . .	$32,039.77
From miscellaneous sources,	450,541.59	. . . .	325,485.08	125,056.51	
From Delaware and Raritan Canal,	362,801.37	. . . .	308,300.96	54,500.41	
Total Earnings,	. . . .	$36,105,576.65	$32,766,144.30	$3,339,432.35	
EXPENSES.—Maintenance of way and structures,	$4,116,785.22	. . . .	$3,596,687.66	$520,097.56	
Maintenance of equipment,	5,013,813.32	. . . .	4,304,240.03	709,573.29	
Traffic,	532,421.47	. . . .	497,743.71	34,677.76	
Transportation,	17,880,836.40	. . . .	15,488,048.61	2,392,787.79	
General expenses,	620,554.25	. . . .	514,889.61	105,664.64	
Delaware and Raritan Canal,	480,509.47	. . . .	432,386.71	48,122.76	
Total Expenses,	. . . .	$28,644,920.13	$24,833,996.33	$3,810,923.80	
Net Earnings from operation before deduction of taxes,	. . . .	$7,460,656.52	$7,932,147.97	. . . . . .	$471,491.45

ERIE DIVISION.

SUNBURY TO ERIE, AND BRANCHES.

OPERATING RESULTS

FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH THE YEAR 1906.

	1907.	1907.	1906.	INCREASE.	DECREASE.
EARNINGS.—From freight traffic,	$12,815,460.79		$11,227,265.47	$1,588,195.32	
From passenger traffic,	1,770,970.53		1,708,869.96	62,100.57	
From express traffic,	202,960.51		163,287.22	39,673.29	
From transportation of mails,	90,478.80		90,247.70	231.10	
From miscellaneous sources,	184,125.67		49,140.05	134,985.62	
Total Earnings,		$15,063,996.30	$13,238,810.40	$1,825,185.90	
EXPENSES.—Maintenance of way and structures,	$2,145,054.50		$1,711,760.73	$433,293.77	
Maintenance of equipment,	2,866,210.95		2,599,736.61	266,474.34	
Traffic,	207,033.70		145,888.91	61,144.79	
Transportation,	5,656,412.66		4,954,886.87	701,525.79	
General expenses,	287,061.39		203,902.82	83,158.57	
Total Expenses,		$11,161,773.20	$9,616,175.94	$1,545,597.26	
Net Earnings from operation before deduction of taxes,		$3,902,223.10	$3,622,634.46	$279,588.64	

BUFFALO AND ALLEGHENY VALLEY DIVISION.

(Including that portion of Western Pennsylvania Division from Pittsburgh to Kiskiminetas Junction.)

PITTSBURGH TO BUFFALO AND ROCHESTER, AND BRANCHES.

OPERATING RESULTS

FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH THE YEAR 1906.

	1907.	1907.	1906.	INCREASE.	DECREASE.
EARNINGS.—From freight traffic,	$12,993,522.52		$10,835,314.92	$2,158,207.60	
From passenger traffic,	2,289,607.11		2,283,672.28	5,934.83	
From express traffic,	225,325.68		183,067.49	42,258.19	
From transportation of mails,	109,698.99		110,214.42		$515.43
From miscellaneous sources,	222,722.76		116,903.89	105,818.87	
Total Earnings,		$15,840,877.06	$13,529,173.00	$2,311,704.06	
EXPENSES.—Maintenance of way and structures,	$2,393,920.81		$1,957,455.38	$436,465.43	
Maintenance of equipment,	3,324,337.63		2,669,588.10	654,749.53	
Traffic,	221,837.86		190,950.86	30,887.00	
Transportation,	6,132,480.71		4,961,774.82	1,170,705.89	
General expenses,	227,795.03		184,992.02	42,803.01	
Total Expenses,		$12,300,372.04	$9,964,761.18	$2,335,610.86	
Net Earnings from operation before deduction of taxes,		$3,540,505.02	$3,564,411.82		$23,906.80

GENERAL INCOME ACCOUNT
OF THE PENNSYLVANIA RAILROAD COMPANY.
FOR THE YEAR ENDING DECEMBER 31st, 1907, IN COMPARISON WITH THE YEAR 1906.

	1907.	1907.	1906.	INCREASE.	DECREASE.
EARNINGS OF ALL LINES DIRECTLY OPERATED.					
From freight traffic,	$123,826,165.14	....	$109,960,888.10	$13,865,277.04	
From passenger traffic,	32,623,888.92	....	31,231,337.78	1,392,551.14	
From express traffic,	4,007,278.35	....	3,270,778.38	736,499.97	
From transportation of mails,	2,433,759.55	....	2,553,822.53	....	$120,062.98
From miscellaneous sources,	1,558,932.31	....	914,754.69	644,177.62	
From Delaware and Raritan Canal,	362,801.37	....	308,300.96	54,500.41	
GROSS EARNINGS,	....	$164,812,825.64	$148,239,882.44	$16,572,943.20	
EXPENSES.— Maintenance of way and structures,	$20,265,844.53	....	$17,060,498.44	$3,205,346.09	
Maintenance of equipment,	31,721,614.24	....	26,201,244.69	5,520,369.55	
Traffic,	2,034,704.57	....	1,772,012.10	262,692.47	
Transportation,	61,835,023.71	....	53,504,168.30	8,330,855.41	
General expenses,	3,269,651.76	....	2,835,334.01	434,317.75	
Delaware and Raritan Canal,	480,509.47	....	432,386.71	48,122.76	
OPERATING EXPENSES, EXCLUDING TAXES,	$119,607,348.28	....	$101,805,644.25	$17,801,704.03	
Taxes on Pennsylvania Railroad, $2,267,534.55					
Taxes on leased lines, 1,711,629.66					
Total taxes,	3,979,164.21	....	3,715,033.82	264,130.39	
OPERATING EXPENSES, INCLUDING TAXES,	....	123,586,512.49	$105,520,678.07	$18,065,834.42	
NET EARNINGS from operation,	....	$41,226,313.15	$42,719,204.37	......	$1,492,891.22
DEDUCT: Rentals paid roads operated on basis of net earnings,	....	4,877,065.33	6,788,658.18	....	1,911,592.85
NET OPERATING EARNINGS of The Pennsylvania Railroad Company,	....	$36,349,247.82	$35,930,546.19	$418,701.63	
To which add: OTHER INCOME,					
Interest from investments of Pennsylvania Railroad Company,	$10,440,955.21	....	11,741,184.33	....	$1,300,229.12
Interest on securities of United New Jersey Railroad and Canal Company, and other income,	234,472.00	....	346,108.94	....	111,636.94
Hire of equipment,	718,117.66	....	395,040.68	323,076.98	
Interest General Account,	2,095,111.58	....	.....	2,095,111.58	
Profits from sundry accounts,	195,769.66	....	62,629.35	133,140.31	
Rents,	109,680.21	....	239,298.89	....	129,618.68
		13,794,106.32	$12,784,262.19	$1,009,844.13	
GROSS INCOME,	....	$50,143,354.14	$48,714,808.38	$1,428,545.76	
DEDUCT PAYMENTS.—Fixed rentals of leased roads,	$4,249,169.28	....	$4,140,592.35	$108,576.93	
Interest on bonded debt,	10,412,487.18	....	7,387,652.11	3,024,835.07	
Interest on mortgages and ground-rents,	7,954.94	....	11,804.70	....	$3,849.76
Interest Car Trusts,	1,631,992.15	....	733,108.18	898,883.97	
Sinking Fund, Equipment Trust Gold Loan,	101,936.70	....	68,400.00	33,536.70	
Interest General Account,	....	....	479,799.29	....	479,799.29
Payments on account joint guaranty with Northern Central Railway Company on lines north of Elmira, and on miscellaneous accounts,	164,757.65	....	219,150.95	....	54,393.30
		16,568,297.90	$13,040,507.58	$3,527,790.32	
NET INCOME,	....	$33,575,056.24	$35,674,300.80	....	$2,099,244.56

From this Net Income for the year, the following amounts have been deducted:—		$33,575,056.24
PAYMENT TO THE TRUST OF OCTOBER, 1878, FOR THE PURCHASE OF SECURITIES GUARANTEED BY THE PENNSYLVANIA RAILROAD COMPANY, OR ISSUED OR GUARANTEED BY THE PENNSYLVANIA COMPANY,	$270,301.61	
PAYMENT TO PENNSYLVANIA R. R. COMPANY'S CONSOLIDATED MORTGAGE, Sinking Fund,	125,890.00	
Payment to Sinking Fund for First Mortgage Bonds, Sunbury, Hazleton and Wilkes-Barre Railway,	5,000.00	
Payment to Sinking Fund for First Mortgage Bonds, South-West Pennsylvania Railway,	2,660.00	
Portion of Principal of Car Trusts,	3,150,693.72	
EXTRAORDINARY EXPENDITURES (Amount expended in revision of grades and alignment, and for additional tracks, shops, yards, bridges, piers, stations and other terminal facilities, abolition of grade crossings and improvement of equipment),	3,260,651.42	
Cash dividends aggregating seven per cent.,	21,908,435.50	
Amount transferred to Extraordinary Expenditure Fund,	2,500,000.00	
		31,223,632.25
Balance transferred to Profit and Loss,		$2,351,423.99
Amount to credit of Profit and Loss December 31st, 1906,	$24,725,484.36	
Add profit from Northern Central Railway stock dividend, adjustment of value of securities owned in roads absorbed, and settlements of sundry accounts,	4,648,576.01	
	$29,374,060.37	
Deduct amount applied toward construction of New York Tunnel Line,	7,000,000.00	
		22,374,060.37
Amount to credit of Profit and Loss December 31st, 1907,		$24,725,484.36

FUNDED DEBT AND SINKING FUNDS.

The amount of funded debt, including real estate mortgages and ground rents, December 31st, 1907, was $270,974,645.13, being an increase of $79,413,374.31. This was due to the issue of $60,000,000 of three-year collateral notes, and to the taking upon your Balance Sheet of the bonded debt of the Philadelphia and Erie Railroad, $19,823,000, as a result of the absorption of that property hereinafter referred to, as against which were credited the redemptions of securities hereafter noted and the reduction in real estate mortgages and ground rents.

The amount of Consolidated Mortgage Bonds shows a reduction of $35,000, due to the fact that $27,000 of the bonds maturing May 1st, 1943, were retired under the Sinking Fund provisions of the Mortgage, and that $8,000 Bonds heretofore issued under said Mortgage and which matured June 15th and July 1st, 1905, but were not presented at maturity, were paid off during the year, so that there were outstanding December 31st, only $7,790 of these two issues.

Conversions were also made into Capital Stock of $7,000 of the ten-year three and a half per cent. Convertible Bonds issued November 1st, 1902, the amount outstanding being $19,993,500. Of the ten-year three and a half per cent. Convertible Bonds issued October 2d, 1905, $8,500 were converted during 1907, leaving outstanding $99,616,000.

The Trustee of the Sinking Fund for the redemption of the Trust Certificates, issued for the purchase of the shares of the capital stock of the Philadelphia, Wilmington and Baltimore Railroad Company, was able to purchase $85,000 certificates during the year under the provisions of the Sinking Fund. The total amount purchased and cancelled to December 31st, 1907, was $2,384,000, leaving outstanding $7,616,000.

The Trustee of the Sinking Fund for the redemption of the four and one-half per cent. Collateral Trust Loan was able to obtain $114,000 of these securities during the year under the provisions of the agreement. The amount of this loan outstanding December 31st, 1907, was $9,786,000.

Under the provisions of the four per cent. Equipment Trust Gold Loan, there was paid to the Trustee during the year, for the Sinking Fund, the sum of $132,925. The Trustee was able to obtain $31,000 of the bonds at less than par, and, in accordance with the terms thereof, the balance has been invested in additional equipment. The amount of this loan outstanding at the close of the year was $2,629,000.

In pursuance of the terms of the first mortgage of the Sunbury, Hazleton and Wilkes-Barre Railway Company, securing $1,000,000 of bonds due May 1st, 1928, the sum of $5,000 was paid over to the Trustees, to be applied to the purchase of these securities. The total amount of these securities called by the Trustees of the Sinking Fund up to and including December 31st, 1907, was $313,300, of which one bond for $100 had not been presented for payment.

In pursuance of the terms of the first mortgage of the South-West Pennsylvania Railway Company, securing $1,000,000 of Bonds due February 1st, 1917, a contribution of $2,660 was made to the Sinking Fund provided therein. The amount of this loan outstanding at the close of the year was $862,000.

SECURITIES OF OTHER CORPORATIONS.

The cost of the securities of other corporations held by your Company, December 31st, 1907, was $219,989,663.17, and the direct revenue received therefrom during the year was $10,440,955.21, being 4.75 per cent. upon the cost thereof. The increase in the cost thereof is due to the acquisition of the stock of the Bald Eagle Valley Railroad hereinafter referred to, to further investments in the securities of lines embraced in your system and to increased holdings of Car Trust and Water Trust Certificates.

CAR TRUSTS.

The issues of Car Trust securities during the year consisted of $2,782,000.00 of Pennsylvania General Freight Equipment Certificates of 1906, embracing a balance of $782,000.00 of Series W, and $1,000,000.00 each of the Certificates of Series X and Y, and $9,118,000.00 of like Certificates of 1907, embracing $1,000,000.00 each of Series A, B, C, D, E, F, G, H and I and $118,000.00 of Series J, an aggregate of $11,900,000.00. There were thus furnished for the Pennsylvania Railroad Company 1,000 steel long coke gondola cars; 5,918 steel hopper gondola cars; 476 steel underframe box cars and 334 steel underframe refrigerator cars; for the Pennsylvania Company 1,294 steel hopper gondola cars and 565 steel underframe box cars, and for the Cleveland, Akron and Columbus Railway Company 335 steel underframe box cars, 76 steel flat cars, 200 steel long gondola cars, and 70 steel underframe stock cars; an aggregate of 10,268 cars.

THE CAR TRUST SERIES IN EXISTENCE AT THE BEGINNING OF THE YEAR WERE:

Pennsylvania Rolling Stock Trust, Series E to K. Pennsylvania Car Trust, Series A to K. Pennsylvania Equipment Trust, Series A to K. Pennsylvania Steel Car Trust, Series A to K. Pennsylvania Steel Equipment Trust, Series A to K. Pennsylvania Steel Rolling Stock Trust, Series A to K. Pennsylvania Steel Freight Car Trust, Series A to K. Pennsylvania Steel Equipment Improvement Trust, Series A to K.

Pennsylvania General Freight Equipment Trust, Issue of 1906, twenty-two Series, A to V, and $218,000.00 of Series W.

THOSE ISSUED DURING THE YEAR WERE:

Pennsylvania General Freight Equipment Trust, Issue of 1906, $782,000.00 balance of Series W, and Series X and Y.

Pennsylvania General Freight Equipment Trust, Issue of 1907, Series A to I, and $118,000.00 of Series J.

THE TOTAL AMOUNT OF CERTIFICATES ISSUED UNDER ALL SERIES OF THE ABOVE CAR TRUSTS WAS, $114,118,000.00

THE PAYMENTS MADE ON ACCOUNT THEREOF DURING THE YEAR WERE AS FOLLOWS:

	TOTAL PAYMENTS.	APPLIED TO PAYMENT OF INTEREST.	BALANCE APPLIED TO REDEMPTION OF CERTIFICATES.
By The Pennsylvania Railroad Company,	$8,053,407.33	$1,631,992.15	$6,421,415.18*
By Susquehanna Coal Co.	354,572.33	130,110.33	224,462.00
By The Northern Central Railway Company,	124,992.37	30,788.44	94,203.93
By Allegheny Valley Railway Company,	58,490.61	9,949.50	48,541.11
By Western New York and Pennsylvania Railway Company,	217,214.06	43,958.22	173,255.84
By Philadelphia, Baltimore and Washington Railroad Company,	38,180.20	10,517.14	27,663.06
By West Jersey and Seashore Railroad Company,	5,555.23	1,530.25	4,024.98
By Cumberland Valley Railroad Company,	7,481.17	2,060.77	5,420.40
By Pennsylvania Company,	1,840,034.79	400,051.84	1,439,982.95
By Pittsburgh, Cincinnati, Chicago and St. Louis Ry. Co.	1,756,639.66	358,392.97	1,398,246.69
By Toledo, Peoria and Western Railway Company,	39,590.76	5,501.77	34,088.99
By Grand Rapids and Indiana Railway Company,	110,207.38	26,646.23	83,561.15
By Cincinnati and Muskingum Valley Railroad Company,	30,478.90	5,326.34	25,152.56
By Vandalia Railroad Company,	61,081.54	16,262.61	44,818.93
By Cleveland, Akron and Columbus Railway Company,	102,513.56	27,351.33	75,162.23
Total,	$12,800,439 89	$2,700,439.89	$10,100,000.00

Payments made on account of the principal of these certificates prior to January 1st, 1907,	31,200,000.00	
Total payments made on account of the principal of existing Car Trusts,		41,300,000.00
Amount of Car Trust certificates outstanding December 31st, 1907,		$72,818,000.00

ISSUED FOR CARS AS FOLLOWS:		BALANCE OF COST.
The Pennsylvania Railroad Company,	69,527 cars,	$47,649,204.91
Assigned and sublet.		
The Northern Central Railway Company,	954 "	719,551.68
Allegheny Valley Railway Company,	568 "	209,375.37
Western New York and Pennsylvania Railway Company,	1,552 "	1,063,546.75
Philadelphia, Baltimore and Washington Railroad Company,	252 "	248,967.54
West Jersey and Seashore Railroad Company,	36 "	36,224.82
Susquehanna Coal Company	2,000 "	2,020,157.98
Cumberland Valley Railroad Company,	48 "	48,783.60
†Pennsylvania Company,	14,081 "	10,128,294.67
†Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company,	13,534 "	8,695,548.58
Toledo, Peoria and Western Railway Company,	526 "	138,183.13
Grand Rapids and Indiana Railway Company,	746 "	612,824.75
Cincinnati and Muskingum Valley Railroad Company,	226 "	134,027.70
Vandalia Railroad Company,	411 "	358,551.44
Cleveland, Akron and Columbus Railway Company,	681 "	754,757.08
Total,	105,142 cars,	$72,818,000.00

* Of this amount $466,875.00 was charged to current operating expenses, being a payment made through the Freight Car Pool on account of cost of cars of greater capacity that replaced old equipment, and an advance charge of $196,153.54 was made on this account against Income to meet payments chargeable against this year's operations but not maturing until a later date.

† The amounts given for these Companies do not agree with those shown in the Accounts of these Companies for the reasons that the figures given above for the Pennsylvania Company include payments made for other lines in its system for which it is reimbursed, and that only a portion of the Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company payments is charged to Capital Account.

PERCENTAGE OF OPERATING EXPENSES TO GROSS EARNINGS.

	1907.	COMPARISON WITH 1906.	
		INCREASE.	DECREASE.
Pennsylvania Division,	69.02	4.32	
New Jersey Division, excluding Delaware and Raritan Canal,	78.80	3.62	
Delaware and Raritan Canal,	132.44	....	7.81
Erie Division,	74.10	1.46	
Buffalo and Allegheny Valley Division,	77.65	4.00	
Total,	72.57	3.89	

NOTE.—In the above statement of expenses taxes are not included. Including taxes the percentage of expenses would have been increased 2.4 per cent. beyond the figures shown for 1907.

TONNAGE.

	1907.	COMPARISON WITH 1906.		
		INCREASE.	DECREASE.	PERCENTAGE OF INCREASE OR DECREASE.
Pennsylvania Division,	142,086,579	41,021,867	....	40.59
New Jersey Division, excluding Delaware and Raritan Canal,	35,496,898	4,764,688	....	15.50
Delaware and Raritan Canal,	417,034	....	7,952	1.87
Erie Division,	26,353,114	3,507,449	....	15.35
Buffalo and Allegheny Valley Division,	19,873,449	2,569,959	....	14.85
Total,	*224,227,074	51,856,011	....	30.08

* The actual number of tons carried over the Five Grand Divisions, irrespective of the Divisions over which they passed, and thus avoiding duplication, was 132,284,515 Tons as compared with 118,438,169 Tons in 1906, an increase of 13,846,346 Tons, or 11.69 per cent.

The actual number of Tons of Coal and Coke carried over the Five Grand Divisions, irrespective of the Divisions over which they passed, and thus avoiding duplication, was 69,824,822 Tons as compared with 60,930,233 Tons in 1906, an increase of 8,894,589 Tons, or 14.60 per cent. The Tonnage Mileage of Coal and Coke of the Five Grand Divisions was 13,039,552,425 Tons One Mile as compared with 10,804,632,870 Tons One Mile in 1906, an increase of 2,234,919,555 Tons One Mile, or 20.68 per cent.

TONNAGE MILEAGE.

	1907.	COMPARISON WITH 1906.		
		INCREASE.	DECREASE.	PERCENTAGE OF INCREASE OR DECREASE.
Pennsylvania Division,	14,385,463,230	1,839,035,199	....	14.66
New Jersey Division, excluding Delaware and Raritan Canal,	2,091,454,930	301,098,749	....	16.82
Delaware and Raritan Canal,	9,330,411	....	700,848	6.99
Erie Division,	2,492,790,889	327,051,284	....	15.10
Buffalo and Allegheny Valley Division,	2,503,467,854	527,620,396	....	26.70
Total,	21,482,507,314	2,994,104,780	....	16.19

* FREIGHT TRAIN MILEAGE.

	1907.	Comparison with 1906.	
		Increase.	Percentage of Increase.
Pennsylvania Division,	24,147,238	1,406,618	6.19
New Jersey Division,	3,911,525	101,519	2.66
Erie Division,	4,321,021	145,276	3.48
Buffalo and Allegheny Valley Division,	5,011,786	796,814	18.90
Total,	37,391,570	2,450,227	7.01

AVERAGE EARNINGS, EXPENSES, AND NET EARNINGS PER MILE.

		Per Ton per Mile.			*Per Freight Train Mile		
		1907.	Comparison with 1906.		1907.	Comparison with 1906.	
			Increase or Decrease.	Per-centage.		Increase or Decrease.	Per-centage.
		Cents.	Cents.		Cents.	Cents.	
Pennsylvania Division,	Earnings,	0.537	D.0.017	3.07	319.9	I. 14.4	4.71
	Expenses,	0.364	I. 0.003	0.83	216.9	I. 17.5	8.78
	Net earnings,	0.173	D.0.020	10.36	103.0	D. 3.1	2.92
New Jersey Division, excluding Delaware and Raritan Canal,	Earnings,	0.993	D.0.036	3.50	531.0	I. 47.6	9.85
	Expenses,	0.843	D.0.018	2.09	450.9	I. 46.1	11.39
	Net earnings,	0.150	D.0.018	10.71	80.1	I. 1.5	1.91
Erie Division,	Earnings,	0.514	D.0.004	0.77	296.6	I. 27.7	10.30
	Expenses,	0.366	D.0.009	2.40	211.1	I. 16.6	8.53
	Net earnings,	0.148	I. 0.005	3.50	85.5	I. 11.1	14.92
Buffalo and Allegheny Valley Division,	Earnings,	0.519	D.0.029	5.29	259.3	I. 2.2	0.86
	Expenses,	0.382	D.0.010	2.55	190.9	I. 7.2	3.92
	Net earnings,	0.137	D.0.019	12.18	68.4	D. 5.0	6.81
Total,	Earnings,	0.577	D.0.018	3.03	331.2	I. 16.5	5.24
	Expenses,	0.413	D.0.002	0.48	237.2	I. 17.9	8.16
	Net earnings,	0.164	D.0.016	8.89	94.0	D. 1.4	1.47

Note.—In the above statements of Expenses, Taxes are not included. If included, the operating expenses would have been proportionately increased.

PASSENGERS.

	1907.	Comparison with 1906.	
		Increase.	Percentage of Increase.
Pennsylvania Division,	34,983,233	3,036,151	9.50
New Jersey Division,	24,420,052	1,580,949	6.92
Erie Division,	3,481,817	215,400	6.59
Buffalo and Allegheny Valley Division,	4,471,731	415,625	10.25
Total,	67,356,833	5,248,125	8.45

* Train mileage represents mileage of freight and passenger trains only, all helping, shifting, or work train mileage being excluded.

PASSENGER MILEAGE.

	1907.	COMPARISON WITH 1906. Increase.	Percentage of Increase.
Pennsylvania Division,	818,379,982	75,733,396	10.20
New Jersey Division,	612,018,759	43,202,282	7.60
Erie Division,	83,489,727	8,350,561	11.11
Buffalo and Allegheny Valley Division,	115,881,057	9,090,284	8.51
Total,	1,629,769,525	136,376,523	9.13

* PASSENGER TRAIN MILEAGE.

	1907.	COMPARISON WITH 1906. Increase.	Percentage of Increase.
Pennsylvania Division,	13,428,217	882,755	7.04
New Jersey Division,	7,426,772	141,488	1.94
Erie Division,	1,834,001	87,421	5.01
Buffalo and Allegheny Valley Division,	2,674,425	180,430	7.23
Total,	25,363,415	1,292,094	5.37

AVERAGE EARNINGS, EXPENSES, AND NET EARNINGS PER MILE.

		Per Passenger Per Mile. 1907.	Comparison with 1906. Increase or Decrease.	Percentage.	*Per Passenger Train Mile. 1907.	Comparison with 1906. Increase or Decrease.	Percentage.
		Cents.	Cents.		Cents.	Cents.	
Pennsylvania Division,	Earnings,	1.970	D. 0.113	5.42	150.2	D. 2.4	1.57
	Expenses,	1.848	I. 0.226	13.93	112.6	I. 16.6	17.29
	Net earnings,	0.122	D. 0.339	73.54	37.6	D. 19.0	33.57
New Jersey Division,	Earnings,	1.810	D. 0.055	2.95	181.9	I. 6.6	3.76
	Expenses,	1.517	I. 0.123	8.82	125.0	I. 16.1	14.78
	Net earnings,	0.293	D. 0.178	37.79	56.9	D. 9.5	14.31
Erie Division,	Earnings,	2.117	D. 0.157	6.90	114.0	I. 0.1	0.09
	Expenses,	2.445	I. 0.457	22.99	111.3	I. 25.8	30.18
	Net earnings,	Loss. 0.328	D. 0.614	....	2.7	D. 25.7	90.49
Buffalo and Allegheny Valley Division,	Earnings,	1.974	D. 0.164	7.67	100.4	D. 5.3	5.01
	Expenses,	2.358	I. 0.276	13.26	102.2	I. 13.1	14.70
	Net earnings,	Loss. 0.384	D. 0.440	....	Loss. 1.8	D. 18.4	....
Total,	Earnings,	1.918	D. 0.096	4.77	151.6	D. 0.2	0.13
	Expenses,	1.791	I. 0.204	12.85	115.1	I. 16.7	16.97
	Net earnings,	0.127	D. 0.300	70.26	36.5	D. 16.9	31.65

Note.—In the above statements of Expenses, Taxes are not included. If included, the operating expenses would have been proportionately increased.

* Train mileage represents mileage of freight and passenger trains only, all helping, shifting, or work train mileage being excluded.

PENNSYLVANIA LINES WEST OF PITTSBURGH.

PENNSYLVANIA COMPANY.

GENERAL INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH THE YEAR 1906.

EARNINGS OF ALL LINES DIRECTLY OPERATED.	1907.	1907.	1906.	INCREASE.	DECREASE.
From freight traffic,	$40,626,868.07	. . . .	$36,323,405.13	$4,303,462.94	
From passenger traffic,	7,574,324.38	. . . .	7,078,926.61	495,397.77	
From express traffic,	1,117,740.97	. . . .	906,031.62	211,709.35	
From transportation of mails,	946,117.56	. . . .	875,414.94	70,702.62	
From miscellaneous sources,	1,072,381.56	. . . .	853,027.92	219,353.64	
GROSS EARNINGS,	. . . .	$51,337,432.54	$46,036,806.22	$5,300,626.32	
EXPENSES.—Maintenance of way and structures,	$6,966,354.22	. . . .	$6,208,045.60	$758,308.62	
Maintenance of equipment,	9,078,617.99	. . . .	7,799,586.81	1,279,031.18	
Traffic,	749,971.16	. . . .	688,018.38	61,952.78	
Transportation,	17,748,291.68	. . . .	15,993,649.46	1,754,642.22	
General expenses,	861,672.73	. . . .	791,285.10	70,387.63	
Taxes,	1,530,721.04	. . . .	1,408,543.04	122,178.00	
OPERATING EXPENSES, INCLUDING TAXES,	. . . .	36,935,628.82	$32,889,128.39	$4,046,500.43	
NET EARNINGS from operation,	. . . .	$14,401,803.72	$13,147,677.83	$1,254,125.89	
DEDUCT: Rentals paid roads operated on basis of net earnings,	. . . .	3,441,386.44	2,958,800.44	482,586.00	
NET OPERATING EARNINGS of the Pennsylvania Company,	. . . .	$10,960,417.28	$10,188,877.39	$771,539.89	
To which add:					
Dividends and interest received from investments,	$11,791,800.55	. . . .	7,634,271.04	4,157,529.51	
Interest General Account,	. . . .	. . . .	1,493,696.01		$1,493,696.01
Rents,	63,102.56	. . . .	119,113.76	. . . . . .	56,011.20
		11,854,903.11	$9,247,080.81	$2,607,822.30	
GROSS INCOME,	. . . .	$22,815,320.39	$19,435,958.20	$3,379,362.19	
DEDUCT PAYMENTS.—Fixed rentals of leased roads,	$6,533,771.08	. . . .	$6,339,079.07	$194,692.01	
Interest on funded debt,	4,984,760.14	. . . .	4,014,568.70	970,191.44	
Interest, Car Trusts,	230,573.84	. . . .	53,646.23	176,927.61	
Payments on account of cars leased from the Pennsylvania R. R. Co., under Equipment Trust Gold Loan,	88,281.67	. . . .	91,555.00	. . . . . .	$3,273.33
Interest General Account,	825,054.80	. . . .	. . . .	825,054.80	
Advances to Cincinnati, Richmond and Ft. Wayne Railroad Company,	23,508.04	. . . .	3,220.93	20,287.11	
Hire of Equipment for leased roads,	232,883.69	. . . .	. . . .	232,883.69	
		12,918,833.26	$10,502,069.93	$2,416,763.33	
NET INCOME,	. . . .	$9,896,487.13	$8,933,888.27	$962,598.86	

From this Net Income for the year, the following amounts have been deducted:—		$9,896,487.13
Payment and redemption of 1334 Pennsylvania Company 3½ per cent. Gold Loan Certificates of 1901, drawn October 1st, 1907,	$1,334,000.00	
Contributions to Sinking Fund, Guaranteed Trust Certificates, Series "A," "B," and "C,"	197,966.00	
Contribution to Sinking Fund for redemption of Third Mortgage Bonds of Pittsburgh, Fort Wayne and Chicago Railway Company,	145,000.00	
Payments on account of principal of car trusts,	267,990.00	
Dividend of seven per cent. on capital stock,	4,200,000.00	
		6,144,956.00
		$3,751,531.13
Deduct amount transferred to Extraordinary Expenditure Fund,		2,500,000.00
Balance transferred to credit of Profit and Loss,		$1,251,531.13
Amount to credit of Profit and Loss, December 31st, 1906,	$7,839,743.32	
Amount paid in settlement of sundry old accounts, etc.,	104,138.98	
		7,735,604.34
Balance to credit of Profit and Loss, December 31st, 1907,		$8,987,135.47

THE PITTSBURGH, CINCINNATI, CHICAGO AND ST. LOUIS RAILWAY COMPANY.

GENERAL INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH THE YEAR 1906.

EARNINGS OF ALL LINES DIRECTLY OPERATED.	1907.	1907.	1906.	INCREASE.	DECREASE.
From freight traffic,	$27,626,157.87	. . . .	$25,191,920.89	$2,434,236.98	
From passenger traffic,	7,420,354.91	. . . .	7,021,852.26	398,502.65	
From express traffic,	1,253,664.43	. . . .	1,021,394.39	232,270.04	
From transportation of mails,	1,211,952.00	. . . .	1,228,872.06	. . . .	$16,920.06
From miscellaneous sources,	134,460.31	. . . .	21,461.33	112,998.98	
GROSS EARNINGS,	. . . .	$37,646,589.52	$34,485,500.93	$3,161,088.59	
EXPENSES.—Maintenance of way and structures,	$5,467,891.29	. . . .	$4,604,247.14	$863,644.15	
Maintenance of equipment,	7,262,520.96	. . . .	6,748,520.05	514,000.91	
Traffic,	750,532.45	. . . .	706,955.85	43,576.60	
Transportation,	13,478,336.67	. . . .	12,093,128.23	1,385,208.44	
General expenses,	681,191.17	. . . .	657,943.59	23,247.58	
Taxes,	1,212,701.05	. . . .	1,139,554.62	73,146.43	
OPERATING EXPENSES, INCLUDING TAXES,	. . . .	28,853,173.59	$25,950,349.48	$2,902,824.11	
NET EARNINGS from operation,	. . . .	$8,793,415.93	$8,535,151.45	$258,264.48	
DEDUCT:—Rentals paid roads operated on basis of net earnings,	. . . .	629,817.18	650,932.30	. . . .	$21,115.12
NET OPERATING EARNINGS of the Pittsburgh, Cincinnati, Chicago and St. Louis Ry. Co.,	. . . .	$8,163,598.75	$7,884,219.15	$279,379.60	
To which add:					
Dividends and interest received from investments,	$298,949.40	. . . .	146,404.73	152,544.67	
Rents,	106,247.72	. . . .	97,893.91	8,353.81	
Miscellaneous income,	153,264.82	. . . .	51,526.58	101,738.24	
		558,461.94	$295,825.22	$262,636.72	
GROSS INCOME,	. . . .	$8,722,060.69	$8,180,044.37	$542,016.32	
DEDUCT PAYMENTS:—Fixed rental of leased roads,	$728,622.17	. . . .	$711,301.50	$17,320.67	
Rental paid for use of tracks of other companies under contract,	106,213.11	. . . .	138,218.08	. . . .	$32,004.97
Interest on funded debt,	2,295,145.00	. . . .	2,324,440.00	. . . .	29,295.00
Interest, car trusts,	325,237.55	. . . .	330,654.98	. . . .	5,417.43
Interest, general account,	374,911.98	. . . .	154,622.30	220,289.68	
Advances to Cincinnati, Richmond and Ft. Wayne Railroad Company,	23,508.03	. . . .	3,220.93	20,287.10	
Hire of equipment,	63,180.69	. . . .	. . . .	63,180.69	
Miscellaneous,	10,356.23	. . . .	. . . .	10,356.23	
		3,927,174.76	$3,662,457.79	$264,716.97	
NET INCOME,		$4,794,885.93	$4,517,586.58	$277,299.35	

From this Net Income for the year, the following amounts have been deducted, viz.:—			$4,794,885.93
Contribution to Sinking Fund for P., C., C. & St. L. Ry. Co. consolidated mortgage bonds,		$444,390.00	
Payments on account of principal of car trusts,		596,133.08	
Dividend of five per cent. on preferred stock,	$1,372,980.00		
Dividend of four per cent. on common stock,	1,068,404.00		
		2,441,384.00	
			3,481,907.08
			$1,312,978.85
Deduct Extraordinary Expenditures in revising grades and alignment and other outlay not properly chargeable to capital account,			875,232.53
Balance transferred to credit of Profit and Loss,			$437,746.32
Amount to credit of Profit and Loss, December 31st, 1906,		$3,826,488.67	
Less amount paid in settlement of old accounts, etc.,		444,715.03	
			3,381,773.64
Balance to credit of Profit and Loss, December 31st, 1907,			$3,819,519.96

VANDALIA RAILROAD COMPANY.

GENERAL INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31st, 1907, AND COMPARISON WITH YEAR 1906.

EARNINGS OF ALL LINES DIRECTLY OPERATED.	1907.	1906.	INCREASE.	DECREASE.
From freight traffic,	$6,874,065.27	$5,977,223.41	$896,841.86	
From passenger traffic,	2,399,095.83	2,201,928.27	197,167.56	
From express traffic,	221,388.92	175,140.46	46,248.46	
From transportation of mails,	522,688.25	524,536.84	. . . . . .	$1,848.59
From miscellaneous sources,	35,948.14	26,030.31	9,917.83	
GROSS EARNINGS,	$10,053,186.41	$8,904,859.29	$1,148,327.12	
EXPENSES.—Maintenance of way and structures,	$1,413,658.86	$1,243,118.55	$170,540.31	
Maintenance of equipment,	1,951,177.16	1,673,675.97	277,501.19	
Traffic,	260,363.94	231,800.29	28,563.65	
Transportation,	3,867,968.29	3,364,129.65	503,838.64	
General expenses,	196,788.18	168,297.48	28,490.70	
Taxes,	257,516.36	250,868.48	6,647.88	
OPERATING EXPENSES, INCLUDING TAXES,	$7,947,472.79	$6,931,890.42	$1,015,582.37	
NET EARNINGS from operation,	$2,105,713.62	$1,972,968.87	$132,744.75	
To which add:				
Dividends and interest received from investments,	3,450.00	9,450.00	. . . . . .	$6,000.00
Interest, general account,	24,322.43	72,455.90	. . . . . .	48,133.47
GROSS INCOME,	$2,133,486.05	$2,054,874.77	$78,611.28	
DEDUCT PAYMENTS:—Rental of Terre Haute and Peoria Railroad, 30 per cent. of gross earnings,	$229,252.54	$212,868.57	$16,383.97	
Interest on funded debt,	643,189.74	634,000.00	9,189.74	
Interest, car trusts,	13,855.44	. . . .	13,855.44	
Rent paid for use of track of Evansville and Terre Haute Railroad, between Terre Haute and Rockville, Ind.,	9,000.00	9,000.00		
Rental of tracks, yards, terminals, and other property,	136,502.26	138,453.88	. . . . . .	$1,951.62
Hire of equipment,	17,930.36	. . . .	17,930.36	
Miscellaneous,	3,810.22	. . . .	3,810.22	
	$1,053,540.56	$994,322.45	$59,218.11	
NET INCOME,	$1,079,945.49	$1,060,552.32	$19,393.17	

From this Net Income for the year, the following amounts have been deducted, viz.:—		$1,079,945.49
Dividend of five per cent. on Capital Stock,	$729,320.00	
Extraordinary Expenditures for revision of grades and alignment, additional tracks, etc.,	80,542.24	
		809,862.24
Balance transferred to credit of Profit and Loss,		$270,083.25
Amount to credit of Profit and Loss, December 31, 1906,	$1,147,467.34	
Deduct amount paid in settlement of old accounts of constituent companies, etc.,	333,687.05	
		813,780.29
Balance to credit of Profit and Loss, December 31, 1907,		$1,083,863.54

PENNSYLVANIA LINES WEST OF PITTSBURGH.

SUMMARY OF CAPITAL EXPENDITURES.

The following statement shows the amounts expended during the past year for construction, equipment, and real estate on the Lines West of Pittsburgh:—

Pittsburgh, Fort Wayne and Chicago Railway,	$3,008,050.58	
Cleveland and Pittsburgh Railroad,	585,361.19	
Erie and Pittsburgh Railroad,	115,547.20	
Youngstown and Ravenna Railroad,	66,994.24	
Calumet Western Railway,	2,745.14	
Pittsburgh, Cincinnati, Chicago and St. Louis Railway,	1,102,020.33	
Little Miami Railroad,	291,187.15	
Englewood Connecting Railway,	18,481.30	
Pennsylvania Terminal Railway,	13,980.87	
Vandalia Railroad,	1,461,583.12	
Cincinnati and Muskingum Valley Railroad,	11,198.80	
Cleveland, Akron and Columbus Railway,	38,954.81	
Central Indiana Railway,	57,196.35	
Cincinnati, Lebanon and Northern Railway,	31,978.73	
Wheeling Terminal Railway,	186,035.87	
Sundry expenditures on various branch lines,	17,629.74	
Total amount expended for construction, equipment, and real estate during the year 1907,		$7,008,945.42

In these expenditures were included large outlays upon track elevation in Chicago and Allegheny City; upon the revision of line and construction of second and third tracks on the Pittsburgh, Cincinnati, Chicago and St. Louis Railway; the improvement of yards, docks, and other terminal facilities, the increase of sidings, the purchase of additional real estate and right of way, and especially upon additional motive power and equipment for both your Northwestern and Southwestern systems.

CAPITAL STOCK AND FUNDED DEBT.—LINES WEST OF PITTSBURGH.

The fifty millions of Pennsylvania Company eighteen months 4½ per cent. Collateral Improvement notes, which were issued May 1, 1906, as stated in your last report, and which were guaranteed principal and interest by your Company, were paid at maturity, November 1, 1907.

The Pennsylvania Company acquired by purchase during the year the entire capital stock and bonds of the Chicago, Indiana and Eastern Railway, a line extending from Converse to Muncie, Indiana, a distance of about forty-three miles, and under an agreement dated May 10, 1907, the road is operated by the Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company.

In order to provide for construction expenditures, underlying liens and other corporate purposes, the Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company authorized the creation of ten millions of bonds under its consolidated mortgage, to be known as series G, to bear date November 1, 1907, to run for fifty years, and to bear a rate of interest not exceeding four per cent. Of these bonds, $6,000,000 have been sold to the Pennsylvania Company, and the proceeds used in payment of construction expenditures heretofore made, and for other corporate purposes.

In pursuance of agreement between the Little Miami Railroad, the Pittsburgh, Cincinnati Chicago and St. Louis Railway, and The Pennsylvania Railroad Companies, the lease of the Little Miami Railroad of February 23, 1870, has been further modified. Under the provisions of this agreement the capital stock of the Little Miami Railroad Company has been increased to $10,000,000, being $5,000,000 above the amount now outstanding. This $5,000,000 is to be represented by four per cent. special guaranteed betterment stock, of which an amount equivalent to the three and a half per cent betterment bonds heretofore issued by that Company has been delivered to the lessee, and the bonds surrendered and cancelled. The balance of the stock is available from time to time for further betterment expenditures. It has also been provided that a General Mortgage may be created under which bonds can be issued at a rate of interest not exceeding four per cent., of which a portion is available for the redemption of the $1,500,000 of bonds maturing November 2, 1912: while the balance of the bonds, or the issue of the special guaranteed stock, may be used, at the option of the lessee, to pay for further betterment expenditures, as may be found most available with respect to economy of interest and negotiability. The necessary affirmative action having been taken by the shareholders of both the lessor and lessee companies, the modified lease is now in full force.

In pursuance of the Act of Assembly of March 22d, 1901, and under an agreement between the Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company and the Chartiers Railway Company, dated November 20, 1907, the former Company acquired the franchises and corporate property of the latter company, in payment for which it had issued to December 31, 1907, its Common Capital Stock to the amount of $3,853,800.00, and had also assumed the $625,000.00 First Mortgage 3½ per cent. bonds of the Chartiers Railway Company maturing October 1, 1931. These increases in stock and liabilities appear on its General Balance Sheet, as also the value at which this property was taken into its capital account.

SINKING FUNDS.—LINES WEST OF PITTSBURGH.

No further redemptions could be made of the four and one-half per cent. bonds secured by the $20,000,000 First Mortgage of the Pennsylvania Company, so that the amount outstanding at the close of the year was $19,467,000. Of the three and one-half per cent. Series A Guaranteed Trust Certificates of that Company, secured by the deposit of Pittsburgh, Fort Wayne and Chicago Railway Company Guaranteed Special Stock as collateral, $55,000 were retired under the terms of the Sinking Fund, and the amount of that series outstanding at the close of the year was $4,708,000. Of the certificates of Series B, $111,000 were redeemed, leaving the amount outstanding at the close of the year $9,363,000. Of the certificates of Series C, $56,000 were redeemed, leaving the amount outstanding at the close of the year $4,837,000. Under the provisions of the $20,000,000 three and one-half per cent. Gold Loan of the Pennsylvania Company of 1901, $1,334,000 thereof being one-fifteenth of the original issue, were drawn for payment, leaving the amount outstanding at the close of the year $12,008,000.

The report made by the Trustees of the Sinking Funds of the First and Second Mortgages of the Pittsburgh, Fort Wayne and Chicago Railway Company shows that they redeemed during the year $80,000 of the first mortgage and $181,000 of the second mortgage bonds, making the total amount redeemed to December 31st, 1907:—

First mortgage bonds,	$3,223,500.00
Second mortgage bonds,	3,576,000.00

and leaving outstanding $2,026,500 of first mortgage and $1,584,000 of second mortgage bonds.

With a balance of cash in the hands of the Trustees, uninvested, December 31st, 1907:—

On account of first mortgage sinking fund,	$1,224,592.21
On account of second mortgage sinking fund,	1,424,304.37
Total,	$2,648,896.58

Of the $10,000,000 of General Mortgage Bonds issued by the Cleveland and Pittsburgh Railroad Company, $82,000 were redeemed, leaving the amount outstanding $9,887,000.

Of the $4,500,000 of General Mortgage Bonds issued by the Erie and Pittsburgh Railroad Company, $45,000 were redeemed, leaving the amount outstanding $4,348,000.

Under the terms of the Sinking Fund provided for the redemption of the Consolidated Mortgage bonds of the Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company, $580,000 of these securities were redeemed and cancelled, the amount outstanding at the close of the year, including the $6,000,000 of Series G already referred to, being $49,859,000.

INCOME ACCOUNTS.

All transportation companies East and West of Pittsburgh and Erie, owned, operated or controlled by or affiliated in interest with the Pennsylvania Railroad System.

For the Year ending December 31st, 1907.

Companies East of Pittsburgh and Erie.	Gross Earnings.	Expenses.	Net Earnings.	Other Income.	Gross Income.	Interest, Rentals, Dividends, and other Charges including Extraordinary Expenses, and Extraordinary Expenditure Funds.	Surplus or Deficit.	Increase or Decrease in Net Profit as Compared with 1906.
Pennsylvania Railroad Company, ...	$164,812,825.64	$119,607,348.28	$45,205,477.36	$13,794,106.32	$58,999,583.68	$56,648,159.69	S. $2,351,423.99	I. $2,351,423.99
Philadelphia, Baltimore and Washington R. R. Co.,	17,255,571.86	13,456,230.73	3,799,341.13	743,050.59	4,542,391.72	4,542,391.72		
West Jersey and Seashore Railroad Company, . . .	5,654,903.71	4,426,039.94	1,228,863.77	79,193.35	1,308,057.12	1,293,220.87	S. 14,836.25	D. 259,892.41
Northern Central Railway Company, ...	13,237,498.00	10,570,022.37	2,667,475.63	1,247,424.74	3,914,900.37	3,387,303.52	S. 527,596.85	I. 298,084.98
Cumberland Valley Railroad Company, ...	2,935,107.03	1,821,578.89	1,113,528.14	13,642.50	1,127,170.64	1,127,170.64		
Independent companies, East	12,576,505.87	10,616,934.54	1,959,571.33	428,013.43	2,387,584.76	3,417,669.62	D. 1,030,084.86	D. 896,819.09
Companies East, total 1907, .	$216,472,412.11	$160,498,154.75	$55,974,257.36	$16,305,430.93	$72,279,688.29	$70,415,916.06	S. $1,863,772.23	I. $1,492,797.47
Companies East, total 1906, .	195,898,977.46	137,533,185.32	58,365,792.14	15,252,106.15	73,617,898.29	73,246,923.53	S. 370,974.76	
Increase, ...	$20,573,434.65	$22,964,969.43	. . . .	$1,053,324.78	. . . .	. . . .	S. $1,492,797.47	
Decrease, ...	. . . .	. . . .	$2,391,534.78	. . . .	$1,338,210.00	$2,831,007.47		
Companies West of Pittsburgh and Erie.								
Pennsylvania Company, . .	$51,337,432.54	$36,935,628.82	$14,401,803.72	$11,854,903.11	$26,256,706.83	$25,005,175.70	S. $1,251,531.13	I. $363,114.11
Pittsburgh, Cincinnati, Chicago and St. Louis Ry. Co.,	37,646,589.52	28,853,173.59	8,793,415.93	558,461.94	9,351,877.87	8,914,131.55	S. 437,746.32	I. 106,430.82
Vandalia Railroad Company	10,053,186.41	7,947,472.79	2,105,713.62	27,772.43	2,133,486.05	1,863,402.80	S. 270,083.25	I. 256,539.93
Grand Rapids and Indiana Railway Company, ...	5,063,668.76	4,170,402.92	893,265.84	22,960.52	916,226.36	855,262.08	S. 60,964.28	D. 51,468.27
Independent companies, West	6,212,236.62	4,749,247.85	1,462,988.77	211,160.13	1,674,148.90	1,534,874.43	S. 139,274.47	I. 306,098.12
Companies West, total 1907,	$110,313,113.85	$82,655,925.97	$27,657,187.88	$12,675,258.13	$40,332,446.01	$38,172,846.56	S. $2,159,599.45	I. $980,714.71
Companies West, total 1906,	99,999,187.78	74,010,580.71	25,988,607.07	9,783,727.46	35,772,334.53	34,593,449.79	S. 1,178,884.74	
Increase, ...	$10,313,926.07	$8,645,345.26	$1,668,580.81	$2,891,530.67	$4,560,111.48	$3,579,396.77	S. $980,714.71	
Grand total, 1907, . . .	$326,785,525.96	$243,154,080.72	$83,631,445.24	$28,980,689.06	$112,612,134.30	$108,588,762.62	S. $4,023,371.68	I. $2,473,512.18
Grand total, 1906, . . .	295,898,165.24	211,543,766.03	84,354,399.21	25,035,833.61	109,390,232.82	107,840,373.32	S. 1,549,859.50	
Increase, ...	$30,887,360.72	$31,610,314.69	. . . .	$3,944,855.45	$3,221,901.48	$748,389.30	S. $2,473,512.18	
Decrease, ...	. . . .	. . . .	$722,953.97					

TRAFFIC STATISTICS FOR ALL LINES OWNED, OPERATED OR CONTROLLED BY OR AFFILIATED IN INTEREST WITH THE PENNSYLVANIA RAILROAD SYSTEM EAST AND WEST OF PITTSBURGH AND ERIE.

FREIGHT.

	Number of Tons.		Number of Tons One Mile.	
	1907.	Comparison with 1906. Increase.	1907.	Comparison with 1906. Increase.
Lines East of Pittsburgh and Erie,	279,163,710	57,577,982	24,726,157,364	3,367,420,171
Lines West of Pittsburgh and Erie,	155,900,426	13,530,327	12,948,354,539	1,388,371,047
Total,	435,064,136	71,108,309	37,674,511,903	4,755,791,218

PASSENGER.

	Number of Passengers.		Number of Passengers One Mile.	
	1907.	Comparison with 1906. Increase.	1907.	Comparison with 1906. Increase.
Lines East of Pittsburgh and Erie,	120,045,653	9,945,849	2,806,815,020	240,316,311
Lines West of Pittsburgh and Erie,	33,001,393	2,587,833	1,019,326,971	110,179,410
Total,	153,047,046	12,533,682	3,826,141,991	350,495,721

GENERAL REMARKS.

The report of the Managers of the Trust created October 9th, 1878, hereto appended, shows that there has been paid to this Trust by the Company, from the creation of the Trust to December 31st, 1907, the sum of $6,015,239.07, that on that date securities amounting at par to $15,593,850.00 were held in the Trust, and that the total income therefrom has been $12,068,237.43. There was appropriated to the Trust for the year 1907 the sum of $270,301.61. The interest received on securities held in the Trust during the year averaged four and four-tenths per cent. on their cost.

The statement of the Insurance Fund hereto appended shows assets on hand at the end of the year of $5,721,986.01, being an increase, as compared with 1906, of $272,053.30.

There are also attached to the report full statements of the operations of the Employés' Voluntary Relief Department, the Employés Saving Fund, and the Pension Department. All these departments show excellent results and are fully meeting the purposes of their organization.

In pursuance of the power conferred by the Shareholders at the last meeting and for the purpose of meeting your capital requirements, an issue was made March 15th, 1907, under the terms of an agreement with the Fidelity Trust Company as Trustee, of $60,000,000, three year five per cent. collateral notes. This course was adopted by reason of the fact that under the financial conditions then existing, long term securities could not be placed on a satisfactory basis.

There was a heavy increase in the volume of freight traffic until the month of December, the tonnage and ton mileage for the year showing a large gain and the revenue an increase of more than twelve and a half per cent. over the previous year: but there was a material reduction in the gross and net earnings per ton per mile. While the increase in the passenger traffic, was much below the percentage shown in 1906 over 1905, being but nine and thirteen one-hundredths per cent. as against fourteen and forty-one one-hundredths per cent., the gross revenue therefrom increased barely four and one-half per cent., as compared with a gain in 1906 of fourteen per cent. over the preceding year. The expenses, also, were largely increased, the cost per passenger per mile showing an increased percentage of nearly thirteen per cent. and the cost per train mile an increase of nearly seventeen per cent. As a result there was a reduction of nearly one-third in the net earnings per passenger train mile: and while this was due in part to a more accurate distribution of expenses as between freight and passenger traffic, it was clearly shown that the lower fares which prevailed during a portion of the year had not stimulated traffic to the extent necessary to offset the loss of revenue and the higher cost of operation due to the increase in wages and cost of supplies. It may be noted here that the average rate received upon the entire system during the year was less than two cents per mile.

There was a further increase in taxes, the amount paid upon your own property and upon that of the lines operated by your Company for the year aggregating $3,979,164.21, as against $3,715,033.82 for the preceding year.

After meeting all liabilities and paying dividends aggregating seven per cent., and $3,150,693.72 on account of the maturing principal of Car Trusts, there was a surplus of $8,112,075.41, of which $3,260,651.42 was applied toward the Extraordinary Expenditures of the year, $2,500,000.00 transferred to the Extraordinary Expenditure Fund, and $2,351,423.99 credited to your Profit and Loss Account.

The heaviest outlays during the year between Pittsburgh and Jersey City were upon the extension of the four-track system on your Main Line, the revision of the low-grade freight line along the Conemaugh River, formerly known as the Western Pennsylvania Railroad, the extension and improvement of yards and terminal facilities at various points, the purchase of right of way in connection with the construction of further relief freight lines and the perfecting of your permanent water supply.

The four-track system on the Middle Division between Vandyke and Port Royal was put in service early in 1907. The work between Ryde and Mount Union, which was steadily prosecuted during the year, involved the construction of a new line ten miles in length, including two stone arch bridges over the Juniata, the elimination of grade crossings in the borough of Mount Union and a marked reduction in grade and curvature.

The section from Ryde to Vineyard was put in service in October, and that from Newton Hamilton to a point west of Mount Union at the end of the year. The portion between Vineyard and Newton Hamilton will be finished in May next, and with the completion of that section, the four-track system on the Middle Division will be continuous not only from Harrisburg to Petersburg, where it connects with the double track relief freight line over the Allegheny Mountain, but from Petersburg to Altoona, with the exception of about six and one-half miles between Spruce Creek tunnel and Tyrone Forge, where only three tracks have as yet been required.

On the Pittsburgh Division, the four-track system was completed in October from Sang Hollow to Bolivar, covering a revision of grade and alignment for about fourteen miles. The revision of the Sang Hollow Extension and the construction of a second track from Dornock Point to Bolivar Junction was completed during the year. The reduction of grade and double tracking of the Conemaugh Division, formerly the Western Pennsylvania Railroad, from Bolivar Junction to a point nearly six miles west, embracing a new single track bridge over the Conemaugh, was also practically finished; while the radical revision of this line between Blairsville and Tunnelton, a distance of about eight miles, is still in progress. In the prosecution of this latter work five double-track stone arch bridges have been built over the Conemaugh, the steel bridge at Social Hall double tracked, and a new double-track tunnel seven hundred and sixty feet in length constructed west of Bow Station, while the grade crossings on this section in the town of Blairsville will also be entirely eliminated. The work will be completed in the coming summer.

The four tracks between Beatty and Southwest Junction were all in service before the close of the year. This improvement involved the building of an entirely new line for a distance of four miles from Beatty to George and of an additional track from that point to Southwest Junction, and as a result the abandonment of the double track tunnel at Donohoe for passenger and through freight service.

The Westbound classification yard at Hollidaysburg was practically completed, and substantial progress made upon the Eastbound gravity classification yard at Pitcairn, a large portion of which is now in use, while further expenditures were made at Shire Oaks and Cochran yards, on your Monongahela Division.

The shop facilities at Altoona and other points were increased, and large additions made to your equipment under the usual car trust arrangement and also to your motive power.

On the New Jersey Division, the elevation of your tracks through Camden, New Jersey, for the purpose of eliminating grade crossings between the Delaware River and Cooper's Creek, was continued, and track elevation commenced on the Kensington branch in the northeastern part of Philadelphia. At Greenville, the storage yard for manufactured material and the classification yards were entirely completed and additional filling done with material from the New York station and tunnels. Work was also further prosecuted upon the Pacific Street terminal yard in Brooklyn.

The aggregate expenditures for construction, equipment, and real estate during the year upon your Main Line between New York and Pittsburgh, including $6,150,693.72 on account of the principal of Car Trusts, and $500,000 on account of the principal of Water Trust Certificates, were $19,812,455.98, of which $9,110,780.57 was charged to capital account, $5,530,826.75 against the income of the year, and $5,170,848.66 against the Extraordinary Expenditure Fund theretofore existing. There was also charged against the income for the year the amount of $880,518.39 advanced to the Western New York and Pennsylvania Railway and other subsidiary companies. On the Western New York and Pennsylvania Railway, the main outlay was on the construction of the Ebenezer Branch in South Buffalo, through which your system reaches the ore docks on the Lake front over its own line, and the transportation of a large amount of freight traffic through the City of Buffalo is avoided. Further expenditures were also made for the improvement of the yard and shops at Olean and of your terminal facilities at Buffalo, and on account of Car Trust Equipment, On the branch lines there were light expenditures on the Cambria and Clearfield and the Cherry Tree and Dixonville Railways. The Brownsville Extension of the Monongahela Division has been constructed for a distance of four and a half miles up the river, to a point of connection with your Pennsylvania, Monongahela and Southern Railroad, which is practically completed to Rice's Landing, a further distance of seven and a half miles. The Ten-Mile Run Branch, which is ultimately to extend from Ellsworth on the Monongahela Division to Millsboro on the Pennsylvania, Monongahela and Southern Railroad, a distance of fifteen and a half miles, has been constructed southerly from the first-named point for a distance of eight miles and northerly from the latter point for a distance of one and six-tenths miles. The Grindstone Branch has also been built from the old Redstone Extension, both these branches being for the purpose of supplying needful facilities for extensive coal and coke operations. The capital expenditure on the branch lines, which was met out of their own resources, aggregated $1,462,321.21.

On the line of the former Philadelphia and Erie Railroad, now absorbed by your Main Line, a connection is building at Newberry along Lycoming Creek between the main line of the Erie Division and the Elmira Division of the Northern Central Railway, and the line between Jersey Shore and McElhattan is being improved in grade and curvature.

In pursuance of the policy announced in the last report, the expenditures for the year were confined almost exclusively to the completion of work actually under way: and it is gratifying to note that with the exception of a portion of the relief freight lines for which no present necessity exists, substantially all the improvements outlined in the report for 1902, as essential to put your road in condition to meet the legitimate demands of your traffic, have been completed. As a result, the average daily mileage of the freight cars moved over your lines increased about twenty per cent. between 1903 and 1907. The expenditures for the present year will be practically confined to finishing the work now in progress on the main line, and to the Tunnel Extension into and through New York and the Terminal Station in that city.

The progress upon the Tunnel Extension has been satisfactory, although it has necessarily been delayed by the engineering, legal and municipal questions inseparable from so extensive an undertaking. It is expected that the entire work upon the tunnels and terminal station will be completed in 1910.

On the section between Harrison, east of Newark, where the Tunnel Extension leaves your New Jersey Division, and the western portal of the Bergen Hill Tunnels, substantial progress was made during the year upon the masonry, superstructure, and embankment necessary to carry your railroad across the Meadows above the grades of the railways and streets traversing that territory. The two tunnels through Bergen Hill have, with the exception of about seven hundred feet, been fully excavated. The concrete lining is being placed in the Bergen Hill Tunnels and also in the two tubes under the Hudson River, while the excavation is completed from the river to the Terminal Station approach at Tenth Avenue. From Tenth to Ninth Avenue more than half of the work has been finished, and on the Terminal Station site between Seventh and Ninth Avenues in New York City, practically all the retaining walls and foundations are in place. The steel viaducts for the support of the streets adjoining the station site and for the avenues crossing it are also nearing completion, while the steel structure of the station itself is in process of erection. The tunnel excavation from the terminal site eastwardly to the First Avenue shafts on the westerly side of the East River is completed, with the exception of the section between Fifth and Sixth Avenues, and nearly one-half of the concrete lining and other work on that portion of the line is completed. In the construction of the four tunnels under the East River, one of the iron tubes has already been completed, and the remaining tubes will be connected early in the present year.

The tunnels under Long Island City from the East River to East Avenue shaft in the Borough of Queens have been completely excavated and iron lined, and two-thirds of the concrete lining is in place. The work between the East Avenue shaft and the western end of Sunnyside Yard, near Thomson Avenue, where the tunnels reach the surface, is under construction.

It was not possible to actively proceed with the Sunnyside Yard, until a number of changes had been made in the City plans covering the relocation of certain streets and the construction of highways across the yard so as to eliminate grade crossings. But an agreement for this purpose having been reached in June last, the necessary work on the viaducts, embankments, and bridge masonry is now under way.

This yard will be about fifty-five hundred feet long and fifteen hundred and fifty feet across at the widest point, and is an important part of the Tunnel Extension. The Long Island Railroad and the New York Connecting Railroad eventually will be directly connected with your New York Tunnel Extension in the vicinity of the yard, and through these lines, the New York, New Haven and Hartford Railroad and its New England connections will be provided with a direct all-rail route to the South and West over your system.

By reference to the general balance sheet it will be seen that the total amount capitalized on account of the New York Tunnel Extension to December 31, 1907, is $39,541,414.45, but this does not embrace the sums charged off from time to time against income and profit and loss accounts. These latter sums aggregated $23,000,000.00 prior to 1907: and as from adjustments made during the year already noted, large credits accrued to your Profit and Loss account, an opportunity was afforded to charge off the further amount of $7,000,000.00 on account of the Tunnel Extension, making the total charges to date against Income and Profit and Loss accounts $30,000,000.00. There will also be substantial credits to the cost of this work arising from the sale of surplus real estate not permanently required for the uses of the Tunnel Company. During 1907, over $1,600,000.00 was received from this source, the main item being the consideration paid by the United States Government for the post office site conveyed to it on Eighth Avenue between Thirty-first and Thirty-third Streets.

The Companies engaged in its construction namely, the Pennsylvania, New York and Long Island Railroad Company, a corporation of the State of New York, and the Pennsylvania, New Jersey and New York Railroad Company, a corporation of the State of New Jersey, were, pursuant to the laws of both States, consolidated and merged on June 26, 1907, into the Pennsylvania Tunnel and Terminal Railroad Company.

Large expenditures were also made upon the Philadelphia, Baltimore and Washington, West Jersey and Seashore, and Long Island Railroad Systems, the funds for which have been temporarily advanced by your Company. The outlay upon the Philadelphia, Baltimore and Washington Railroad was in the completion of the elevated road through Wilmington and the erection of the new passenger station at that point, the construction of the joint coach yard and north approach to the new, Union Terminal Station at Washington, the revision of its line through that city, and the increase of its terminal yards at that point, and also of its motive power. The Union Station was opened for business on November 17th, 1907, and is ample for the needs of the railroads entering the city of Washington, while its architectural appearance is of a character commensurate with its importance and its location in the national capital.

On the West Jersey and Seashore Railroad, the main expenditure was upon the revision of its lines through Camden for the purpose of eliminating grade crossings, the construction of the freight connection between Haddonfield and Westville, the providing of further electric equipment and facilities, the contribution toward the grading and paving of Atlantic Avenue in Atlantic City, in pursuance of the contract heretofore entered into with the municipal authorities for that purpose, and the consequent reconstruction of your railroad on that avenue.

On the Long Island Railroad, the capital expenditure was upon additional running tracks at various points, the increase of terminal yards, the improvement of the Bay Ridge line, and the completion of the Atlantic Avenue improvement.

The prosperity which had existed for a number of years in all branches of industry and which had so exceptionally increased the traffic upon the railways, met with a severe check in November last, which is now largely affecting the revenues of your system. While a number of causes seriously disturbed public confidence, and thus brought on the financial panic which has so sharply affected the business interests of the country, an important one undoubtedly was the fear that, as the result of recent Federal and State legislation, the regulation of the railways had approached so nearly to an effort to control their management and revenues, that the investments therein were not assured of that protection to which they are justly entitled. Eventually, it may be assumed, the questions that arise will be fairly adjusted, but in the meantime, the railways have to face the loss of revenue consequent upon the enforced idleness of a large portion of their equipment, while to a proportionate number of their employes, this has necessarily brought about either an entire loss of employment or a material reduction in their hours of labor.

In Pennsylvania, notwithstanding the legal maximum charge was three cents per mile, and the rates on passenger travel had been adjusted from time to time, upon a careful consideration of the extent, frequency and character of the service rendered, and while the average rate received upon your lines was only about two cents a mile, a bill was passed, under which the railways of the State were forbidden to charge, under any circumstances, more than that rate for transportation within the State. In order to earn the average rate theretofore received, it would have been necessary to advance the special rates on commutation and excursion business, which are specially authorized by the Constitution, had been long in force, and had furnished the basis upon which communities had been built up, values fixed and methods of living established which promoted the health and comfort of the public; or in default of such action, the rate fixed by the law referred to would have reduced your earnings below a fair and proper return upon the capital invested.

For these reasons, legal proceedings were instituted in the Court of Common Pleas of the County of Philadelphia to restrain the enforcement of this law. After an exhaustive examination of the data and facts submitted, it was decided to be unconstitutional by reason of the fact that under its provisions injustice would be done to the owners of the railways, and this decision was affirmed on appeal by the Supreme Court of the State.

In pursuance of the action taken by the Shareholders at the last annual meeting, the Philadelphia and Erie Railroad has been merged into the main line: and in further pursuance of the policy of acquiring the minority interests in roads in your system, where such acquisition promotes efficiency and economy of operation and is to your general advantage, your Board has purchased on satisfactory terms all the individual interests in the Bald Eagle Valley Railroad, which extends from a point near Tyrone on your main line to Lock Haven on your Erie Division.

It has also been deemed advisable to absorb the Junction Railroad, three miles in length, which furnishes the connection in the city of Philadelphia between the Philadelphia, Baltimore and Washington Railroad, your Main Line, and the Philadelphia and Reading Railway, and the entire stock interest wherein is owned by your Company: and also the South-West Connecting Railway, a small branch, about a mile and three-quarters long, in the Connellsville coke region.

Your approval will therefore be asked of the necessary agreements covering the absorption of the Bald Eagle Valley Railroad, Junction Railroad and South-West Connecting Railway properties.

The charges to CAPITAL ACCOUNT during the year were as follows:—

COST OF ROAD:	Expenditure on the four-track system on Main Line, on double tracking Conemaugh Division, on Pitcairn, Hollidaysburg and other yards, and on Branches, shops and other facilities,	$5,394,932.13	
	Cost of Philadelphia and Erie Railroad, absorbed,	30,208,000.00	
	Amount transferred from Real Estate account, being property used for railroad purposes,	14,200,284.21	
			$49,803,216.34
EQUIPMENT:	Portion of cost of locomotives and freight and passenger cars,	$543,059.31	
	Portion of payments on account of principal of Car Trust Certificates,	3,000,000.00	
			3,543,059.31
			$53,346,275.65
REAL ESTATE:	Credits thereto on account of transfer to Cost of Road, as above,	$14,200,284.21	
	Less additional purchases,	172,789.13	
			*4,027,495.08
Total charges to Capital Account for 1907,			$39,318,780.57

It will be noted that the sum of $3,000,000, being a portion of the payments on account of Car Trust Equipment, has been charged to Capital Account. This was deemed advisable by reason of the fact that the large sums heretofore charged therefor against income had reduced the book value of your equipment to a figure below its actual value. Of the 247,699 freight cars now furnished by the lines in your system, more than one-half are either steel cars or of steel underframe construction.

The increase of CAPITAL STOCK during the year was as follows:—

Issued in exchange for Convertible Bonds of 1902,	$5,000.00
In exchange for Convertible Bonds of 1905,	5,650.00
In exchange for Allegheny Valley Railway Company Preferred Stock,	164,050.00
In exchange for Cumberland Valley Railroad Stock,	1,694,400.00
In exchange for Philadelphia and Erie Railroad Stock,	4,485,200.00
In exchange for Bald Eagle Valley Railroad Stock,	2,289,000.00
Total issue during 1907,	$8,643,300.00

Included in this amount are the balances held, as noted on the Balance-Sheet, to retire the small individual holdings of stock outstanding at the end of the year in the Allegheny Valley, Cumberland Valley, Bald Eagle Valley, and Philadelphia and Erie Railroads.

The Board have to record with the deepest regret the death on October sixth, in the 83d year of his age, of Mr. Alexander M. Fox, who had served continuously as one of your directors since 1871. His sound judgment and long experience made him a wise counselor, while his attractive personality and devotion to your interests had won the high regard and confidence of his associates.

Mr. Percival Roberts, Jr., was elected a Director on October 23d, to fill the vacancy thus created.

Mr. Hugh B. Ely, Superintendent of the Insurance Department, in which he had served continuously with the highest efficiency since its establishment in 1882, having died October 30th, Mr. R. H. Newbern, Assistant Superintendent of that Department, was appointed November 13th, 1907, to the position thus vacated.

The heavy increase of traffic upon your system having made a change of organization advisable, the Pennsylvania Railroad Grand Division was divided March 27th, 1907, into two General Divisions, the Eastern Pennsylvania and Western Pennsylvania Divisions, the former embracing that portion of the Main Line and branches east of Altoona, and the latter that portion west of Altoona and the section of the Allegheny Valley Railway between Pittsburgh and Kiskiminetas Junction. Mr. George W. Creighton was assigned to the charge of the Eastern Pennsylvania and Mr. S. C. Long promoted to be General Superintendent of the Western Pennsylvania Division.

Under a further amendment taking effect June 1st, 1907, and October 1st, 1907, respectively, Messrs. Taber Ashton, J. S. Vanzandt, S. E. Dickey, and John M. Wood were appointed Assistants to the Treasurer; Messrs. P. B. Prince, George S. Patterson, and Henry S. P. Nichols, Assistant General Counsel, and Mr. H. W. Biklé, Assistant General Solicitor.

The General Balance Sheet is hereto appended, together with a list of securities owned by the Company and a statement of the income therefrom; and also a statement of guaranties for which the Company is responsible, and of the financial results of the workings of the properties in connection with which the guaranties were made.

The Board desires to express to the officers and employes their acknowledgments of the efficiency and fidelity with which their duties have been performed during the past year.

By order of the Board,

JAMES McCREA,

President.

THE PENNSYLVANIA RAILROAD COMPANY.

ASSETS.

GENERAL BALANCE-SHEET.

DECEMBER 31st, 1907.

				COMPARISON WITH DECEMBER 31st, 1906.	
				INCREASE.	DECREASE.
ROAD AND EQUIPMENT.					
Cost of road,		$208,545,636.43		$49,803,216.34	
Real estate,		12,941,370.96			$14,027,495.08
Equipment,	$65,641,548.60				
Equipment, covered by 4 per cent. Equipment Trust Gold Loan, Girard Trust Company, Trustee:—					
Account Penna. R. R. Co., . $1,390,000.00					
Account Penna. Co., 1,610,000.00	3,000,000.00				
		68,641,548.60		3,543,059.31	
			$290,128,555.99		
Terminal property at Buffalo, Brooklyn, and other points,			932,648.44		24,475.75
SECURITIES.					
Stocks of railroad and other corporations,		$188,304,400.13		25,961,421.35	
Bonds of railroad and other corporations,		31,685,263.04			741,477.19
			219,989,663.17		
Leasehold interest in Harrisburg, Portsmouth, Mt. Joy and Lancaster Railroad,			1,882,550.00		
Accounts receivable: Sale of Norfolk and Western and Chesapeake and Ohio Stocks,			15,492,685.00		
Mortgages and ground-rents receivable,			3,011,521.41		157,880.70
Appraised value of securities not disposed of, received under the lease of United New Jersey Railroad and Canal,			3,283,460.25		
LOANS FOR CONSTRUCTION AND REAL ESTATE PURPOSES.					
Philadelphia, Baltimore and Washington Railroad Company,		$6,081,504.80		2,767,678.55	
West Jersey and Seashore Railroad Company,		2,528,930.73		2,128,930.73	
Long Island Railroad Company,		4,785,291.19		4,187,639.91	
Stuyvesant Real Estate Company,		2,423,776.54			241,985.58
Manor Real Estate and Trust Company,		2,592,989.60			59,235.54
			18,412,492.86		
NEW YORK TUNNEL EXTENSION.			39,541,414.45	10,706,381.19	
CURRENT ASSETS.					
Due from controlled companies, for advances for construction, and other purposes,		$6,119,165.71			3,491,217.30
Bills receivable,		341,092.49			1,155,555.88
Due from agents,		7,690,425.69			1,364,319.36
Miscellaneous assets,		4,381,474.97			197,127.28
Materials on hand,		15,929,924.73		6,601,893.83	
Cash:—					
Balances with London Joint Stock Bank Ltd., and others, for payment of interest,	$732,006.78			30,872.11	
In hands of Treasurer and on special deposit,	36,653,666.49				5,815,321.69
		37,385,673.27			
			71,847,756.86		
SINKING FUNDS.					
Pennsylvania Railroad Company Consolidated Mortgage Sinking Funds,	$1,824,450.00				
Less bonds redeemed and cancelled,	288,000.00				
		$1,536,450.00		98,890.00	
South-West Pennsylvania Railway Company, First Mortgage, Sinking Fund, $111,965.co					
Less cost of $38,000.00 bonds redeemed,	36,027.50				
		75,937.50		4,632.50	
Sunbury, Hazleton and Wilkes-Barre Railway Company First Mortgage Sinking Fund,		145,000.00		5,000.00	
Managers of Trust created October 9th, 1878,		6,015,239.07		225,956.17	
			7,772,626.57		
Insurance Fund,			10,000.00		
Total,			$672,305,375.00	$78,789,480.64	

THE PENNSYLVANIA RAILROAD COMPANY.

GENERAL BALANCE-SHEET.

LIABILITIES.

DECEMBER 31st, 1907.

				COMPARISON WITH DECEMBER 31st, 1906. Increase.	Decrease.
*Capital stock,			$314,594,650.00	$8,643,300.00	
Funded debt:—					
General mortgage sterling coupon bonds, 6 per cent., due July 1st, 1910,	$13,488,820.00				
General mortgage dollar coupon bonds, 6 per cent., due July 1st, 1910,	2,000,000.00				
General mortgage dollar registered bonds, 6 per cent., due July 1st, 1910,	4,509,000.00				
		$19,997,820.00			
Consolidated mortgage sterling coupon bonds, 6 per cent., due July 1st, 1905,	$6,790.00				
Consolidated mortgage dollar coupon bonds, 6 per cent., due June 15th, 1905,	1,000.00				$8,000.00
Consolidated mortgage dollar coupon bonds, 5 per cent., due September 1st, 1919,	1,500,000.00				
Consolidated mortgage dollar registered bonds, 5 per cent., due September 1st, 1919,	3,498,000.00				
Consolidated mortgage dollar coupon bonds, 4 per cent., due May 1st, 1943,	2,714,000.00				27,000.00
Consolidated mortgage sterling coupon and regist'd bonds, 3½ per cent., due July 1st, 1945,	4,850,000.00				
		12,569,790.00			
Collateral trust loan coupon bonds, 4½ per cent., due June 1st, 1913,		9,786,000.00			114,000.00
Equipment trust Gold loan coupon bonds, 4 per cent., due Sept. 1st, 1914,		2,629,000.00			31,000.00
P., W. & B. R. R. stock trust registered certificates, 4 per cent., due July 1st, 1921,		7,616,000.00			85,000.00
Real estate purchase money coupon and registered bonds, 4 per cent., due May 1st, 1923,		2,000,000.00			
Ten-year gold convertible 3½ per cent. coupon bonds, due Nov. 1st, 1912,		19,993,500.00			7,000.00
Ten-year Gold Convertible 3½ per cent. coupon and registered bonds, due October 1st, 1915,		99,616,000.00			8,500.00
Three year 5 per cent. collateral gold notes, due March 15th, 1910		60,000,000.00		60,000,000.00	
Phila. & Erie R.R. Co. genl. mtg. 6 per cent. coupon bonds, due July 1st, 1920,		8,680,000.00		8,680,000.00	
Phila. & Erie R.R. Co. genl. mtg. 5 per cent. reg. bonds, due July 1st, 1920,		5,263,000.00		5,263,000.00	
Phile. & Erie R.R. Co. genl. mtg. 4 per cent. reg. bonds, due July 1st, 1920,		5,880,000.00		5,880,000.00	
Pittsburgh, Virginia and Charleston Ry. Co., first mortgage 4 per cent. coupon and registered bonds due November 1st, 1943,		6,000,000.00			
River-front R. R. Co. first mortgage 4½ per cent. registered bonds, due May 1st, 1912,		212,000.00			
South-West Penna. Ry. Co. first mtg. 7 per cent. reg. bonds, due Feb. 1, 1917		862,000.00			
Sunbury and Lewistown Railway Company first mortgage 4 per cent. coupon bonds, due July 1st, 1936,		500,000.00			
Sunbury, Hazleton and Wilkes-Barre Railway Company first mortgage 5 per cent. coupon bonds, due May 1st, 1928,		1,000,000.00			
Sunbury, Hazleton and Wilkes-Barre Railway Company second mortgage 6 per cent. coupon and registered bonds, due May 1st, 1938,		1,349,500.00			
West Chester R. R. Co. first mortgage 5 per cent. registered bonds, due September 1st, 1919,		75,000.00			
Western Penna. R. R. Co. consolidated mortgage 4 per cent. coupon registered bonds, due June 1st, 1928,		4,000,000.00			
Mortgages and ground-rents payable,		2,945,035.13			129,125.69
			270,974,645.13		
Guaranteed securities under lease Harrisburg, Portsmouth, Mt. Joy and Lancaster Railroad:—					
Capital stock,		$1,182,550.00			
First mortgage 4 per cent. bonds,		700,000.00			
			1,882,550.00		
Appraised value of securities not disposed of, received under the lease of United New Jersey Railroad and Canal,			3,283,460.25		
Car Trust Principal charged out in advance,			1,424,870.96	618,928.54	
Taxes charged out, and awaiting settlement,			3,023,196.84	827,037.12	
Pennsylvania Company Deposit Account,			2,290,897.09		11,418,266.23
Extraordinary Expenditure Fund,			2,500,000.00		2,200,848.66
CURRENT LIABILITIES.					
Pay rolls and vouchers,		$20,226,163.61		1,122,133.30	
Net traffic balances due other roads,		475,916.37			2,109,540.63
Due controlled companies, other than traffic balances,		9,461,819.48		7,835.01	
Due Employés Saving, Relief, Insurance, and Sinking Funds,		1,258,704.06		193,303.15	
Interest accrued on Funded debt,		2,582,123.34		1,146,771.04	
Interest and dividends due and uncollected,		293,858.60		30,722.40	
Miscellaneous liabilities,		3,491,079.23		2,030,379.68	
			37,789,664.69		
SINKING FUNDS.					
Sinking Funds Pennsylvania Railroad Company Consolidated Mortgage, contributions to December 31st, 1907,		$1,824,450.00		125,890.00	
Sinking Fund Sunbury, Hazleton and Wilkes-Barre Ry. Company first mortgage, contributions to December 31st, 1907,		145,000.00		5,000.00	
Sinking Fund South-West Penn'a Ry. Co. first mortgage 7 per cent. registered bonds, contributions to December 31st, 1907.		111,965.00		2,660.00	
Fund for purchase of securities under Trust created October 9th, 1878,		6,285,540.68		270,301.61	
Pennsylvania Company, payments for leased equipment under Pennsylvania Railroad Company 4 per cent. Equipment Trust gold loan,		1,449,000.00		80,500.00	
			9,815,955.68		
Balance to credit of Profit and Loss,			24,725,484.36		
Total,			$672,305,375.00	$78,789,480.64	

* Included in this amount is the balance of Stock, $275,450.00, held to retire the outstanding holdings in the Allegheny Valley, Cumberland Valley, Bald Eagle Valley, and Philadelphia and Erie Railroads.

M. RIEBENACK,
Comptroller.

H. TATNALL,
Treasurer.

STOCKS OWNED BY THE PENNSYLVANIA RAILROAD COMPANY DECEMBER 31st, 1907.

Name of Company.	Shares.	Total Par.
Allegheny Valley Ry. Co., preferred,	338,547 Scp $1.27	$16,927,351.27
Allegheny Valley Ry. Co., common,	206,703	10,335,150.00
Arcade Real Estate Co.,	12,000	600,000.00
Bald Eagle Valley R. R. Co.,	30,602	1,530,100.00
Baltimore and Ohio R. R. Co., preferred,	142,736	14,273,600.00
Baltimore and Ohio R. R. Co., common,	57,250	5,725,000.00
Baltimore, Chesapeake and Atlantic Ry. Co., 5 per cent. preferred,	5,611 Scp $27.88	280,577.88
Baltimore, Chesapeake and Atlantic Ry. Co., common,	5,000	250,000.00
Barnegat R. R. Co.,	1,000	50,000.00
Bedford and Bridgeport Ry. Co.,	12,000	600,000.00
Bedford and Hollidaysburg R. R. Co.,	4,000	200,000.00
Belvidere Delaware R. R. Co.,	4,892	244,600.00
Burlington and Mt. Holly Traction R. R. Co.,	250	25,000.00
Cambria and Clearfield Ry. Co.,	96,677	4,833,850.00
Cherry Tree and Dixonville R. R. Co.,	5,000	250,000.00
Cleveland and Pittsburgh R. R. Co., 4 per cent. special guaranteed betterment,	84,619	4,230,950.00
Connecting Ry. Co.,	72,273	3,613,650.00
Cumberland Valley R. R. Co., common,	25,671	1,283,550.00
Cumberland Valley R. R. Co., first preferred,	4,489	224,450.00
Cumberland Valley R. R. Co., second preferred,	4,761	238,050.00
Cumberland Valley and Martinsburg R. R. Co.,	2,000	200,000.00
Delaware and Schuylkill Market Co.,	2,500	250,000.00
Delaware River R. R. and Bridge Co.,	26,000	1,300,000.00
Enola Realty Co.,	4,500	225,000.00
Erie and Western Transportation Co.,	49,993	2,499,650.00
Franklin and Parkers' Landing R. R. Co., instalment receipts,	7,000	35,000.00
Freehold and Jamesburg Agricultural R. R. Co.,	378	37,800.00
Girard Point Storage Co.,	20,000	2,000,000.00
Harrisburg, Portsmouth, Mt. Joy and Lancaster R. R. Co.,	7	350.00
Homer and Susquehanna R. R. Co., instalment receipts,	2,100	10,500.00
Johnsonburg R. R. Co.,	1,500	75,000.00
Junction R. R. Co.,	1,533	76,650.00
Kinkora and New Lisbon R. R. Co.,	800	40,000.00
Lancaster and Quarryville R. R. Co.,	7,000	350,000.00
Lehigh and Hudson River Railway Co.,	1,632	163,200.00
Lewisburg and Tyrone R. R. Co.,	22,209	1,110,450.00
Long Island R. R. Co.,	135,958	6,797,900.00
The Long Island R. R. Equipment Trust 4 per cent. certificates,	132	132,000.00
Manor Real Estate and Trust Co.,	40,000	2,000,000.00
Merchants' Warehouse Co.,	1,546	154,600.00
Millstone and New Brunswick R. R. Co.,	5	250.00
Mineral Railroad and Mining Co., instalment receipts,	16,667	100,002.00
Monongahela R. R. Co.,	14,280	714,000.00
New Jersey Warehouse and Guaranty Co.,	5,000	25,000.00
New York Bay R. R. Co.,	120,000	6,000,000.00
New York Connecting R. R. Co., common,	14,582	1,458,200.00
New York, New Haven and Hartford R. R. Co.,	10,000	1,000,000.00
Norfolk and Western Ry. Co., common,	62,460	6,246,000.00
Norfolk and Western Ry. Co., adjustment preferred,	32,460	3,246,000.00
Northern Central Ry. Co.,	211,544	10,577,200.00
Pennsylvania Annex,	5,000	250,000.00
Pennsylvania Canal Co.,	70,343	3,517,150.00
Carried forward,	....	$116,307,781.15

Name of Company.	Shares.	Total Par.
Brought forward,	....	$116,307,781.15
Pennsylvania Company, common,	1,200,000	$60,000,000.00
Pennsylvania Car Trust, 3½ per cent. gold certificates, dated February 1, 1900,	25	25,000.00
Pennsylvania Rolling Stock Trust, 3½ per cent., gold certificates, dated April 1, 1899,	5	5,000.00
Pennsylvania Steel Car Trust, 3½ per cent. gold certificates, dated October 1, 1902,	5	5,000.00
Pennsylvania Steel Equipment Trust, 3½ per cent. gold certificates, dated March 1, 1903,	5	5,000.00
Pennsylvania Steel Rolling Stock Trust, 3½ per cent. gold certificates, dated August 1, 1903,	6	6,000.00
Pennsylvania General Freight Equipment Trust 4 per cent. certificates, dated November 1. 1906,	2,582	2,582,000.00
Pennsylvania General Freight Equipment Trust 4 per cent. certificates, dated May 1, 1907,	1,000	1,000,000.00
Pennsylvania General Freight Equipment Trust 4 per cent. certificates, dated August 1, 1907,	8,118	8,118,000.00
Pennsylvania Steel Co. of New Jersey, 7 per cent. non-cumulative, preferred,	5,084	508,400.00
Pennsylvania, Monongahela and Southern R. R. Co.,	11,060	553,000.00
Pennsylvania Tunnel and Terminal R. R. Co.,	250,000	25,000,000.00
Pennsylvania and Newark R. R. Co.,	3,600	360,000.00
Pennsylvania R. R. Water Supply 4 per cent. Trust certificates,	3,500	3,500,000.00
Perth Amboy and Woodbridge R. R. Co.,	3,968	198,400.00
Philadelphia and Beach Haven R. R. Co.,	4,000	200,000.00
Philadelphia and Camden Ferry Co.,	12,083	604,150.00
Philadelphia and Delaware County R. R. Co.,	5,000	250,000.00
Philadelphia and Long Branch R. R. Co.,	15,300	765,000.00
Philadelphia and Trenton R. R. Co.,	6	600.00
Philadelphia, Baltimore and Washington R. R. Co.,	502,709½	25,135,475.00
Pine Run R. R. Co., instalment receipts,	600	3,000.00
Pittsburgh, Ft. Wayne and Chicago Ry. Co., guaranteed special,	3	300.00
Pittsburgh, Ft. Wayne and Chicago Ry. Co., regular guaranteed,	250	25,000.00
Pittsburgh Joint Stock Yards Co.,	10,000	1,000,000.00
Pomeroy and Newark R. R. Co.,	10,000	500,000.00
Richmond-Washington Co.,	4,450	445,000.00
Ridgway and Clearfield R. R. Co.,	9,820	491,000.00
Rocky Hill R. R. and Transportation Co.,	5	250.00
Roxborough R. R. Co., instalment receipts,	2,000	70,000.00
South West Connecting Ry. Co.,	160	16,000.00
Stewartstown R. R. Co. of Pennsylvania,	190	9,500.00
Summit Branch Mining Co.,	500	25,000.00
Susquehanna Coal Co.,	21,368	2,136,800.00
Tipton R. R. Co.,	865	43,250.00
The President, Managers and Company for erecting a bridge over the river Delaware at or near Trenton,	1,000	100,000.00
United New Jersey Railroad and Canal Co.,	13,500	1,350,000.00
Vincentown Branch of the Burlington County R. R. Co.,	126	3,150.00
West Jersey and Seashore R. R. Co., common,	81,938	4,096,900.00
West Jersey and Seashore R. R. Co., special guaranteed,	68	3,400.00
Western New York and Pennsylvania Ry. Co.,	388,053 $\frac{73}{100}$	19,402,686.50
York, Hanover and Frederick R. R. Co.,	8,000	400,000.00
Sundry stocks,	....	118,906.52
Total,	....	$275,368,949.17

The securities above named have been actually inspected and found correct.

H. TATNALL, *Treasurer.*

JNO. P. GREEN, W. H. BARNES, } *Trustees Consolidated Mortgage.*

M. RIEBENACK, *Comptroller.*

N. P. SHORTRIDGE, *Chairman Finance Committee and Trustee Consolidated Mortgage.*

GEORGE WOOD,
LINCOLN GODFREY,
C. E. INGERSOLL,
PERCIVAL ROBERTS, JR.

Committee Appointed by Board of Directors.

BONDS OWNED BY THE PENNSYLVANIA RAILROAD COMPANY DECEMBER 31st, 1907.

Name of Company.	Total Par.
Associates of the Jersey Co. 4 per cent. certificate of indebtedness,	$75,000.00
Bedford and Bridgeport Ry. Co. 5 per cent. certificate of indebtedness,	1,700,000.00
Belvidere Delaware R. R. Co. consolidated mortgage, 4 per cent. registered,	300,000.00
Cambria and Clearfield Ry. Co. general mortgage, 4 per cent. coupon, registered gold,	425,000.00
Cambria and Clearfield R. R. Co. first mortgage gold, 5 per cent. coupon registered,	634,000.00
Chartiers Ry. Co. first mortgage, 3½ per cent. gold coupon,	13,000.00
Cherry Tree and Dixonville R. R. Co. 4 per cent. certificate of indebtedness,	513,285.19
Cincinnati and Muskingum Valley R. R. Co. first mortgage, 4 per cent. coupon registered gold,	1,318,000.00
City of Philadelphia 3 per cent. serial loan, maturing December 31st, 1912,	40,200.00
City of Philadelphia 3 per cent. serial loan, maturing December 31st, 1913,	24,500.00
City of Philadelphia 3 per cent. serial loan, maturing December 31st, 1917,	110,000.00
City of Philadelphia 3½ per cent. serial loan, maturing December 31st, 1908,	100,000.00
City of Philadelphia 3½ per cent. serial loan, maturing December 31st, 1909,	100,000.00
City of Philadelphia 3½ per cent. serial loan, maturing December 31st, 1915,	70,000.00
City of Philadelphia 3½ per cent. serial loan, maturing December 31st, 1921,	40,000.00
City of Philadelphia 3½ per cent. serial loan, maturing December 31st, 1923,	70,000.00
City of Philadelphia 3½ per cent. serial loan, maturing December 31st, 1924,	20,000.00
Cleveland, Akron and Columbus Ry. Co. new first consolidated mortgage, 4 per cent. gold,	932,000.00
Columbia and Port Deposit Ry. Co. first mortgage, 4 per cent. coupon registered,	306,000.00
Enola Realty Co. 4 per cent. certificates of indebtedness,	120,000.00
Grand Rapids and Indiana R. R. Co. first mortgage, 7 per cent. gold coupon, extended at 4½ per cent.,	278,000.00
Grand Rapids and Indiana Ry. Co. second mortgage, 4 per cent. gold coupon,	888,000.00
International Navigation Co. of N. J. first mortgage, 5 per cent. coupon,	340,000.00
Johnsonburg R. R. Co. first mortgage, 6 per cent. coupon,	150,000.00
Junction R. R. Co. general mortgage, 3½ per cent. coupon, registered gold,	425,000.00
Lehigh & Hudson River Railway Co. 4 per cent. debenture coupon,	34,000.00
Lewisburg and Tyrone R. R. Co. 5 per cent. certificate of indebtedness,	294,174.65
Carried forward,	$9,320,159.84

Name of Company.	Total Par.
Brought forward,	$9,320,159.84
Lisbon Coal Co. 5 per cent. mortgage,	316,000.00
Manor Real Estate and Trust Co. 3½ per cent. certificates of indebtedness,	4,383,231.38
Monongahela R. R. Co. first mortgage, 3½ per cent. gold coupon,	693,000.00
New York Bay R. R. Co. Ad-Interim first mortgage 4 per cent. gold,	3,840,000.00
New York, New Haven and Hartford R. R. Co. 3½ per cent. convertible debenture certificates,	375,000.00
Pennsylvania Canal Co. general mortgage, 6 per cent. coupon,	384,000.00
Pennsylvania, Monongahela and Southern R. R. Co. first mortgage 4 per cent. coupon,	540,000.00
Pennsylvania R. R. Co. 4 per cent. equipment trust gold coupon, registered, Series A,	8,000.00
Philadelphia and Delaware County R. R. Co. first mortgage, 5 per cent. registered gold,	180,000.00
Philadelphia and Erie R. R. Co. general mortgage, 5 per cent. registered gold,	263,000.00
Philadelphia and Erie R. R. Co. general mortgage, 6 per cent. coupon, gold,	3,681,000.00
Philadelphia and Long Branch R. R. Co. first mortgage, 5 per cent. coupon,	750,000.00
Piedmont and Cumberland Ry. Co. first mortgage, 5 per cent. gold coupon,	100,000.00
South West Pennsylvania Ry. Co. first mortgage, 7 per cent. registered,	600,000.00
Sunbury, Hazleton and Wilkes-Barre Ry. Co. second mortgage, 6 per cent. registered,	498,000.00
Susquehanna Coal Co. 4 per cent. certificate of indebtedness,	6,000,000.00
Western New York and Pennsylvania Ry. Co. general mortgage, 4 per cent. coupon registered gold,	54,000.00
Western New York and Pennsylvania Ry. Co. income mortgage 5 per cent. coupon registered,	9,165,000.00
Western New York and Pennsylvania Ry. Co. income mortgage, bond scrip,	139.38
Western Pennsylvania R.R. Co. consolidated mortgage, 4 percent. registered coupon,	1,000.00
Wheeling Terminal Ry. Co. first mortgage, 4 per cent. gold,	1,263,000.00
York, Hanover and Frederick R. R. Co., mortgage, 4 per cent. coupon, registered gold,	150,000.00
Total,	$42,564,530.60

SUMMARY.

Par value of stocks (excluding New York Tunnel Stock)	$250,368,949 17
Par value of bonds,	42,564,530 60
	$292,933,479 77
Cost, as per general balance-sheet,	$219,989,663 17

Of the foregoing securities there are deposited under the Consolidated Mortgage and the Collateral Trust Loan:—

Stocks of a par value of,	$66,647,050 00
Bonds of a par value of,	14,877,000 00
Total	$81,524,050 00

The securities above named have been actually inspected and found correct.

H. TATNALL,
Treasurer.

JNO. P. GREEN,
W. H. BARNES,
Trustees Consolidated Mortgage.

N. P. SHORTRIDGE,
Chairman Finance Committee and Trustee Consolidated Mortgage.

M. RIEBENACK,
Comptroller.

GEORGE WOOD,
LINCOLN GODFREY,
C. E. INGERSOLL,
PERCIVAL ROBERTS, JR.

Committee Appointed by Board of Directors.

INCOME RECEIVED FROM SECURITIES

OWNED BY THE PENNSYLVANIA RAILROAD COMPANY DURING THE YEAR 1907.

Arcade Real Estate Co. stock,	$24,000.00
Associates of the Jersey Company 4 per cent. certificate of indebtedness,	4,000.00
Bald Eagle Valley R. R. Co. stock,	76,980.00
Baltimore and Ohio R. R. Co. preferred stock,	570,944.00
Baltimore and Ohio R. R. Co. common stock,	343,500.00
Baltimore, Chesapeake and Atlantic Ry. Co. preferred stock,	14,027.50
Bedford and Bridgeport Ry. Co. 5 per cent. certificate of indebtedness,	85,000.00
Belvidere Delaware R. R. Co. stock,	24,460.00
Belvidere Delaware R. R. Co. consolidated mortgage 4 per cent. registered bonds,	12,000.00
Cambria and Clearfield Ry. Co. general mortgage 4 per cent. coupon bonds,	21,213.54
Cambria and Clearfield R. R. Co. first mortgage 5 per cent. coupon registered bonds,	31,700.00
Chartiers Ry. Co. first mortgage 3½ per cent. coupon bonds,	455.00
Cherry Tree and Dixonville R. R. Co. 4 per cent. certificate of indebtedness,	19,343.11
Cherry Tree and Dixonville R. R. Co. stock,	10,000.00
Cincinnati and Muskingum Valley R. R. Co. first mortgage 4 per cent. coupon registered bonds,	52,720.00
City of Philadelphia 3 per cent. serial loans,	5,241.00
City of Philadelphia 3½ per cent. serial loans,	14,000.00
Cleveland and Pittsburgh R. R. Co. special guaranteed betterment stock,	88,660.00
Cleveland, Akron and Columbus Ry. Co. first consolidated mortgage 4 per cent. bonds,	37,280.00
Columbia and Port Deposit Ry. Co. first mortgage 4 per cent. coupon bonds,	12,240.00
Connecting Ry. Co. stock,	144,546.00
Cumberland Valley R. R. Co. preferred and common stock,	139,611.33
Delaware River R. R. and Bridge Co. stock,	65,000.00
Delaware and Schuylkill Market Co. stock,	10,000.00
Enola Realty Co. 4 per cent. certificates of indebtedness,	3,800.00
Erie and Western Transportation Co. stock,	99,986.00
Freehold & Jamesburg Agricultural R. R. Co. stock,	1,512.00
Grand Rapids and Indiana R. R. Co. first mortgage 4½ per cent. gold coupon bonds,	12,510.00
Grand Rapids and Indiana Ry. Co. second mortgage 4 per cent. gold coupon bonds,	35,520.00
Harrisburg, Portsmouth, Mt. Joy and Lancaster R. R. Co. stock,	26.25
International Navigation Co. of New Jersey first mortgage 5 per cent. bonds,	17,000.00
Junction R. R. Co. stock,	4,599.00
Junction R. R. Co. general mortgage 3½ per cent. bonds,	3,718.75
Lehigh and Hudson River Ry. Co. 4 per cent. debenture coupon bonds,	438.22
Lisbon Coal Co. 5 per cent. mortgage bonds,	15,800.00
Manor Real Estate and Trust Co. 3½ per cent. certificates of indebtedness,	153,413.10
Merchants' Warehouse Co. stock,	12,368.00
Monongahela R. R. Co. first mortgage 3½ per cent. coupon bonds,	24,534.71
New York Bay R. R. Co. stock,	40,000.00
New York Bay R. R. Co. 3½ per cent. certificate of indebtedness,	167,782.29
New York, New Haven and Hartford R. R. Co. stock,	80,000.00
New York, New Haven and Hartford R. R. Co. 3½ per cent. convertible debenture certificates,	13,125.00
Carried forward,	$2,493,054.80

Brought forward,	$2,493,054.80
Norfolk and Western Ry. Co. adjustment preferred stock,	129,840.00
Norfolk and Western Ry. Co. common stock,	312,300.00
Northern Central Ry. Co. stock,	799,166.00
Pennsylvania Car Trust 3½ per cent. gold certificates,	1,042.21
Pennsylvania Co. common stock,	4,200,000.00
Pennsylvania Co. 4½ per cent. collateral improvement notes,	437,310.95
Pennsylvania Steel Car Trust 3½ per cent. gold certificates,	175.00
Pennsylvania Steel Equipment Trust 3½ per cent. gold certificates,	306.25
Pennsylvania R. R. Co. 4 per cent. equipment trust gold coupon bonds, Series A,	320.00
Pennsylvania Rolling Stock Trust 3½ per cent. gold certificates,	175.00
Pennsylvania Steel Rolling Stock Trust 3½ per cent. gold certificates,	210.00
Pennsylvania General Freight Equipment Trust 4 per cent. certificates,	123,460.00
Pennsylvania Steel Co. of New Jersey 7 per cent. non-cumulative preferred stock,	35,588.00
Perth Amboy and Woodbridge R. R. Co. stock,	39,680.00
Philadelphia, Baltimore and Washington R. R. Co. stock,	972,531.00
Philadelphia and Camden Ferry Co. stock,	102,705.50
Philadelphia and Erie R. R. Co. general mortgage 5 per cent. registered bonds,	13,150.00
Philadelphia and Erie R. R. Co. consolidated general mortgage 6 per cent. coupon bonds,	220,860.00
Philadelphia and Trenton R. R. Co. stock,	60.00
Piedmont and Cumberland Ry. Co. first mortgage 5 per cent. coupon bonds,	5,000.00
Pittsburgh, Fort Wayne and Chicago Ry. Co. guaranteed special stock,	21.00
Pittsburgh, Fort Wayne and Chicago Ry. Co. regular guaranteed stock,	1,750.00
Pittsburgh Joint Stock Yards Co. stock,	40,000.00
Rocky Hill R. R. and Trans. Co. stock,	15.00
South West Pennsylvania Ry. Co. first mortgage 7 per cent. registered bonds,	42,000.00
Stewartstown R. R. Co. of Pennsylvania stock,	427.50
Sunbury, Hazleton and Wilkes-Barre Ry. Co. second mortgage 6 per cent. registered bonds,	29,880.00
The President, Managers and Company for erecting a bridge over the river Delaware at or near Trenton stock,	6,000.00
United New Jersey R. R. and Canal Co. stock,	135,000.00
Vincentown Branch of the Burlington County R. R. Co. stock,	189.00
West Jersey and Seashore R. R. Co. common stock,	245,814.00
West Jersey and Seashore R. R. Co. special guaranteed stock,	204.00
Western New York and Pennsylvania Ry. Co. gen'l mortg. 4 per cent. coupon reg'd bonds,	2,160.00
Western Pennsylvania R. R. Co. consolidated mortgage 4 per cent. gold coupon bonds,	40.00
Wheeling Terminal Railway Co. first mortgage 4 per cent. bonds,	50,520.00
Total,	$10,440,955.21

Examined and found correct.

M. RIEBENACK,
Comptroller.

H. TATNALL,
Treasurer.

REPORT OF THE MANAGERS OF THE PENNSYLVANIA RAILROAD COMPANY TRUST FUND FOR 1907.

DECEMBER 31st, 1907.

The Managers of the Trust created by The Pennsylvania Railroad Company October 9th, 1878, present the following report to the Board of Directors:—

RECEIPTS.

Cash received from The Pennsylvania Railroad Company, from the creation of the Trust to December 31st, 1906,	$5,789,282.90		
And during the year 1907, being the appropriation from earnings of 1906,	225,956.17		
		$6,015,239.07	
Amount realized from securities redeemed and sold to December 31st, 1906,	$12,089,698.44		
Amount realized from securities redeemed and sold during the year ending December 31st, 1907,	1,450,205.00		
		13,539,903.44	
Interest received upon deposits to December 31st, 1906,	$14,772.53		
And during the year ending December 31st, 1907,	641.56		
		15,414.09	
Interest received upon securities purchased to December 31st, 1906,	$11,398,310.52		
Interest received during the year ending December 31st, 1907, upon securities purchased,	669,926.91		
		12,068,237.43	
			$31,638,794.03

DISBURSEMENTS.

Cash paid for securities purchased and held in the Trust, and for securities paid at maturity and delivered to The Pennsylvania Railroad Company, to December 31st, 1906,	$29,273,071.48		
Paid for securities purchased during the year ending December 31st, 1907,	2,327,113.12		
		$31,600,184.60	
Expenses to December 31st, 1906,	$18,675.52		
And during the year ending December 31st, 1907,	1,000.00		
		19,675.52	
Balance on deposit December 31st, 1907:—			
With Pennsylvania Company for Insurances on Lives and Granting Annuities,		18,933.91	
			$31,638,794.03

	Par Value.	Costing
Amount of securities held in the Trust December 31st, 1906,	$14,692,190.00	$14,696,728.92
Securities purchased during 1907,	2,355,660.00	2,327,113.12
	$17,047,850.00	$17,023,842.04
Deduct securities redeemed, sold and exchanged during the year 1907,	1,454,000.00	1,450,205.00
Amount of securities held in the Trust December 31st, 1907,	$15,593,850.00	$15,573,637.04

LEWIS NEILSON,
Secretary of the Trust.

N. P. SHORTRIDGE,
JAMES McCREA,
JNO. P. GREEN,
W. H. BARNES,
GEORGE WOOD,
} *Managers of the Trust.*

NOTE.—The securities held in the Trust at date of December 31st, 1907, bear a rate of interest yielding 4.42 per cent. on their cost.

The Auditors appointed by the Board of Directors of The Pennsylvania Railroad Company to audit the accounts of the Managers of the Trust created October 9th, 1878, and make actual inspection of the securities held in and for the Trust, hereby certify that they have examined the accounts of the Managers of the Trust for the year ending December 31st, 1907, and find the same correct; that they also find that during the year ending December 31st, 1907, there have been purchased securities amounting, at par, to $2,355,660.00 costing, as evidenced by original bills of purchase exhibited to the auditors, $2,327,113.12; that they have made actual inspection of the securities held in the Trust, at date of December 31st, 1907 (with the exception of the coupons purchased, which have been examined for each year by persons duly appointed for that purpose by the Auditors for the time being), and find the total par value thereof to be $15,593,850.00.

	Par Value.	Costing
The securities held in the Trust December 31st, 1906, were shown by the audit of that date to be of	$14,692,190.00	
And to have cost		$14,696,728.92
During the year ending December 31st, 1907, of the securities held in the Trust there were redeemed, sold and exchanged	1,454,000.00	
Costing		1,450,205.00
Leaving balance of par value,	$13,238,190.00	
Costing		$13,246,523.92
There were purchased during the year ending December 31st, 1907, as before stated, securities of a par value of	2,355,660.00	
Costing		2,327,113.12
Which, added to the balance above, gives par value of securities held in the Trust, December 31st, 1907,	$15,593,850.00	
Costing		$15,573,637.04

And they further find that the balance in the hands of the Managers of the Trust, at date of December 31st, 1907, was eighteen thousand, nine hundred and thirty-three dollars and ninety-one cents ($18,933.91).

R. DALE BENSON,
C. S. W. PACKARD,
} *Auditors.*

REPORT OF THE SINKING FUNDS OF THE CONSOLIDATED MORTGAGE OF JULY 1, 1873, OF THE PENNSYLVANIA RAILROAD COMPANY.

DECEMBER 31st, 1907.

Sinking Fund.	For Bonds Maturing	Original Issue.	Redeemed and Cancelled.	Outstanding.
No. 1,	Sept. 1, 1919,	$5,000,000.00	$2,000.00	$4,998,000.00
No. 2,	May 1, 1943,	3,000,000.00	286,000.00	2,714,000.00
No. 3,	July 1, 1945,	4,850,000.00	....	4,850,000.00
Totals		$12,850,000.00	$288,000.00	$12,562,000.00

	No. 1.	No. 2.	No. 3.	Totals.
RECEIPTS.				
From Pennsylvania R. R. Co.—annual contribution from the creation of the Funds to December 31, 1907,	$1,149,560.00	$286,890.00	$388,000.00	1,824,450.00
From Interest on Investments,	621,171.35	....	44,717.26	665,888.61
From Profit on sale of Securities,	187.51	....	....	187.51
Total Receipts,	$1,770,918.86	$286,890.00	$432,717.26	$2,490,526.12
DISBURSEMENTS.				
For Pennsylvania R. R. Co. Consolidated Mortgage Bonds, redeemed and cancelled,	$2,000.00	$286,000.00	....	$288,000.00
For Expenses,	1,185.96	....	$100.00	1,285.96
For Interest accrued on mortgages purchased	1,114.19	....	....	1,114.19
Total Disbursements	$4,300.15	$286,000.00	$100.00	$290,400.15
Balance, being amount of Funds December 31, 1907.	$1,766,618.71	$890.00	$432,617.26	$2,200,125.97
Invested in securities and cash as follows:				
For Mortgages secured by real estate,	1,606,880.70	....	$348,100.00	1,954,980.70
For Pennsylvania Railroad Co. Consol. Mortgage 4% Bonds, issue of May 1, 1893, held uncancelled,	104,000.00	....	....	104,000.00
For Cash on deposit with Pennsylvania R. R. Co.,	55 738.01	890.00	84,517.26	141,145.27
Total amount of securities and cash	$1,766,618.71	$890.00	$432,617.26	$2,200,125.97

The securities above named are all in my possession.

H. TATNALL,
Treasurer.

Examined and found correct.

M. RIEBENACK,
Comptroller.

JAMES McCREA,
President.

H. TATNALL,
Treasurer.

N. P. SHORTRIDGE,
Chairman Finance Committee.

Trustees of the Sinking Funds.

The securities above named have been actually inspected and found correct.

N. P. SHORTRIDGE,
Chairman Finance Committee and Trustee Consolidated Mortgage.

JNO. P. GREEN,
W. H. BARNES,
Trustees Consolidated Mortgage.

GEORGE WOOD,
LINCOLN GODFREY,
C. E. INGERSOLL,
PERCIVAL ROBERTS, Jr.

M. RIEBENACK,
Comptroller.

Committee Appointed by Board of Directors.

STATEMENT OF THE INSURANCE FUND

FOR THE YEAR ENDING DECEMBER 31st, 1907.

ALL LINES EAST AND WEST, EXCEPT NORTHERN CENTRAL RAILWAY COMPANY.

RECEIPTS.

Balance December 31st, 1906,	$7,282.71	
Amounts received from securities matured,	500.00	
Contributions to fund, chargeable to operating expenses,	1,406,959.06	
Interest from securities,	231,660.31	
		$1,646,402.08

DISBURSEMENTS.

Amount paid for Fire, Marine, and other insurance,	$128,965.56	
Amount reimbursed operating department,	1,213,701.06	
Sundry expenses,	23,899.45	
Purchase of securities,	275,000.00	
Balance December 31st, 1907,	4,836.01	
		$1,646,402.08

ASSETS OF THE INSURANCE FUND:—

United States Government four per cent. bonds,	$100,000.00
City of Philadelphia three per cent. serial loan,	250,000.00
Philadelphia, Wilmington and Baltimore Railroad Company four per cent. registered bonds,	200,000.00
Philadelphia and Erie Railroad Company four per cent. registered bonds,	450,000.00
Erie and Pittsburgh Railroad Company three and one-half per cent. gold coupon bonds,	100,000.00
Pittsburgh, Youngstown and Ashtabula Railroad Company five per cent. bonds,	250,000.00
Philadelphia and Baltimore Central Railroad Company four and one-half per cent. registered bonds,	275,000.00
Pennsylvania Car Trust three and one-half per cent. gold certificates,	170,000.00
Ridgway and Clearfield Railroad Company five per cent. bonds,	491,000.00
Cambria and Clearfield Railroad Company five per cent. coupon registered bonds,	100,000.00
Pittsburgh, Cincinnati, Chicago and St. Louis Railway Co. consolidated four and one-half per cent. coupon bonds,	150,000.00
Pittsburgh, Cincinnati, Chicago and St. Louis Railway Co. three and one-half per cent. gold coupon bonds,	100,000.00
Northern Central Railway Company five per cent. bonds,	105,000.00
Pennsylvania Company three and one-half per cent. trust certificates,	675,000.00
Columbia and Port Deposit Railway Company four per cent. coupon bonds,	492,000.00
Freehold and Jamesburg Agricultural Railroad Company six per cent. bonds and certificates,	180,150.00
Sunbury, Hazleton and Wilkes-Barre Railway Company five per cent. bonds,	90,000.00
Allegheny Valley Railway Company mortgage four per cent. coupon registered bonds,	343,000.00
Grand Rapids and Indiana Railroad Company three and one-half per cent. gold coupon bonds,	350,000.00
Pennsylvania Equipment Trust three and one-half per cent. certificates,	41,000.00
Carried forward,	$4,912,150.00

Brought forward,	$4,912,150.00	
Chartiers Railway Company first mortgage three and one-half per cent. coupon bonds,	55,000.00	
Connecting Railway Company three and one-half per cent. bonds,	25,000.00	
Maryland Steel Company first mortgage five per cent. registered bonds,	180,000.00	
Cambria and Clearfield Railway Company general mortgage four per cent. coupon registered gold bonds,	320,000.00	
Pennsylvania Railroad Company five per cent. three year collateral gold notes,	225,000.00	
		$5,717,150.00
Balance December 31st, 1907,		4,836.01
Value of the Insurance Fund December 31st, 1907,		$5,721,986.01
Value of the Insurance Fund December 31st, 1906,		5,449,932.71
Increase, 1907,		$272,053.30

The securities above named are all in my possession.

H. TATNALL,
Treasurer.

Examined and found correct.

M. RIEBENACK,
Comptroller.

R. H. NEWBERN,
Superintendent Insurance Department.

Approved:

N. P. SHORTRIDGE,
GEORGE WOOD,
LINCOLN GODFREY,
Insurance Committee.

The securities above named have been actually inspected and found correct.

JNO. P. GREEN,
W. H. BARNES,
Trustees Consolidated Mortgage.

M. RIEBENACK,
Comptroller.

N. P. SHORTRIDGE,
Chairman Finance Committee and Trustee Consolidated Mortgage.

GEORGE WOOD,
LINCOLN GODFREY,
C. E. INGERSOLL,
PERCIVAL ROBERTS, JR.

Committee Appointed by Board of Directors.

STATEMENT OF THE PENNSYLVANIA RAILROAD VOLUNTARY RELIEF DEPARTMENT

FOR THE YEAR ENDING DECEMBER 31st, 1907.

RECEIPTS.

Cash balance, December 31st, 1906,	$673,396.71	
Contributions by members,	1,648,410.28	
Interest,	60,130.28	
Operating expenses paid by companies,	255,516.48	
		$2,637,453.75

DISBURSEMENTS.

Transferred to Relief Fund Surplus Account,	$47,355.67	
Death benefits, accident,	169,893.17	
Death benefits, sickness,	425,740.41	
Disablement benefits, accident,	318,123.35	
Disablement benefits, sickness,	565,912.23	
Superannuation allowances,	34,084.46	
Operating expenses,	255,516.48	
		1,816,625.77
Balance to credit of the Fund on deposit with Treasurer of The Pennsylvania Railroad Company,		$820,827.98

MEMBERSHIP.

Pennsylvania Railroad, December 31st, 1907,	83,933
Northern Central Railway, December 31st, 1907,	6,040
Philadelphia, Baltimore and Washington Railroad, December 31st, 1907,	7,605
West Jersey and Seashore Railroad, December 31st, 1907,	2,121
Total, December 31st, 1907,	99,699
Total, December 31st, 1906,	94,777
Increase,	4,922

RELIEF FUND SURPLUS ACCOUNT.

Amount to credit of this Fund, December 31st, 1906,	$751,256.25
Transferred from General Account, January 1st, 1907	47,355.67
Amount to credit of this Fund, December 31st, 1907	$798,611.92

To meet this Surplus Fund balance, the Relief Fund has the following assets:—

Par	Assets	Cost.	
$330,000.	Columbia and Port Deposit Railway Company 4 per cent. mortgage coupon bonds,		
$159,000.	Western New York and Pennsylvania Railway Company general mortgage 4 per cent. coupon gold bonds,		
$247,000.	Chesapeake and Ohio Railway Company general mortgage 4½ per cent. coupon registered gold bonds,	$798,256.25	
$47,000.	Cambria and Clearfield Railway Company general mortgage 4 per cent. coupon bonds,		
	Cash on deposit with Treasurer of The Pennsylvania Railroad Company, December 31st, 1907,	355.67	
$783,000.			$798,611.92

SPENCER MEADE,
Superintendent.

The cash and securities above named are all in my possession.

H. TATNALL,
Treasurer.

Examined and found correct.

M. RIEBENACK,
Comptroller.

The securities above named have been actually inspected and found correct.

N. P. SHORTRIDGE,
Chairman Finance Committee and Trustee Consolidated Mortgage.

JNO. P. GREEN,
W. H. BARNES,
Trustees Consolidated Mortgage.

GEORGE WOOD,
LINCOLN GODFREY,
C. E. INGERSOLL,
PERCIVAL ROBERTS, Jr.

M. RIEBENACK,
Comptroller.

Committee Appointed by Board of Directors.

STATEMENT OF THE PENNSYLVANIA RAILROAD EMPLOYES' SAVING FUND

FOR THE YEAR ENDING DECEMBER 31st, 1907.

RECEIPTS.

Amount of the Fund December 31st, 1906,			$4,384,821.33
Deposits,	$1,280,930.54		
Interest on securities and cash,	133,890.61		
Contributed by Companies for operating expenses,	7,936.88		
		$1,422,758.03	
Accrued interest on securities to December 31st, 1907,		37,930.81	
			1,460,688.84
			$5,845,510.17

DISBURSEMENTS.

Withdrawals,		$1,153,506.47	
Investments and adjustments thereof,		7,600.00	
Accrued interest paid in purchase of bonds,		933.34	
Operating expenses,		7,936.88	
			1,169,976.69
Total amount of Fund, December 31st, 1907,			$4,675,533.48
Representing:			
Amount due depositors December 31st, 1906,		$4,369,518.58	
Received from depositors during 1907,	$1,280,930.54		
Interest allowed depositors during 1907, at 3½ per cent.,	153,117.97		
		1,434,048.51	
		$5,803,567.09	
Withdrawals during 1907,		1,153,506.47	
Amount due depositors December 31st, 1907,			4,650,060.62
Balance,			$25,472.86

ASSETS.

This Fund is invested in the following securities:—

Allegheny Valley Railway Co. gen. mort. 4 per cent. coup. registered gold bonds, maturing Mar. 1st, 1942,	$272,000.00	
Belvidere Delaware R. R. Co. consol. mortgage 4 per cent. registered bonds, maturing Jan. 1st, 1933,	200,000.00	
Camden and Burlington County R. R. Co. first mort. 4 per cent. coup. bonds, maturing Feb. 1st, 1927,	350,000.00	
Chartiers Railway Company first mortgage 3½ per cent. coupon gold bonds, maturing Oct. 1st, 1931,	500,000.00	
Columbia and Pt. Deposit Railway Co. 4 per cent. mortgage coupon bonds, maturing Aug. 1st, 1940,	200,000.00	
Connecting Railway Co. mortgage 3½ per cent. gold coupon bonds, maturing Mar. 15th, 1932,	400,000.00	
Grand Rapids and Indiana Railroad Co. first mortgage 3½ per cent. bonds, maturing July 1st, 1941,	300,000.00	
Junction Railroad Co. general mort. 3½ per cent. registered coupon bonds, maturing April 1st, 1930,	300,000.00	
Pennsylvania Railroad Co. 4 per cent. Equipment Trust coupon bonds, maturing Sept. 1st, 1914,	100,000.00	
Philadelphia and Erie Railroad Co. gen. mort. 4 per cent. registered bonds, maturing July 1st, 1920,	300,000.00	
Philadelphia, Wilmington and Baltimore R. R. Co. 4 per cent. reg. deben. bonds, mat. Jan. 1st, 1926,	450,000.00	
Pennsylvania Co. 3½ per cent. guaranteed trust certificates, Series "A," maturing Sept. 1st, 1937,	100,000.00	
Pennsylvania Car Trust 3½ per cent. certificates, Series "C," maturing Nov. 1st, 1908,	100,000.00	
City of Philadelphia 3½ per cent. serial loan certificate, Series "G," maturing Dec. 31st, 1910,	100,000.00	
City of Philadelphia 3½ per cent. serial loan certificate, Series "R," maturing Dec. 31st, 1922,	100,000.00	
City of Philadelphia 3 per cent. serial loan of June 17th, 1898, Series "J," maturing Dec. 31st, 1917,	200,000.00	
Corporate Stock of the City of New York, 4½ per cent. certificates maturing May 1st, 1957,	100,000.00	
Pennsylvania Railroad Co. 5 per cent. three year collateral gold notes, maturing March 15th, 1910,	350,000.00	
Mortgage on property owned by The Associates of the Jersey Company, located at Pearl and Hudson Streets, Jersey City, N. J., bearing four per cent. interest,	90,000.00	
Mortgage on property owned by The United New Jersey Railroad and Canal Company at Harsimus Cove, N. J., bearing four per cent. interest,	65,000.00	
Total par value of securities,	$4,577,000.00	
Total value of securities,	4,567,400.00	
Cash on deposit with Treasurer of The Pennsylvania Railroad Co.,	84,157.92	
Amount due by agents,	9,123.00	
Accrued interest to December 31st, 1907,	37,930.81	
	$4,698,611.73	
Less outstanding orders on Treasurer,	23,078.25	
		$4,675,533.48

Amount in the Saving Fund, December 31st, 1907,	$4,675,533.48
Amount in the Saving Fund, December 31st, 1906,	4,384,821.33
Increase, 1907,	$290,712.15

DEPOSITORS.

The number of depositors in the Fund December 31st, 1907, is as follows:—

The Pennsylvania Railroad Company,	9,018
Philadelphia, Baltimore and Washington Railroad Company,	359
The Northern Central Railway Company,	552
West Jersey and Seashore Railroad Company,	212
Philadelphia and Camden Ferry Company,	22
The Erie and Western Transportation Company,	9
Total,	10,172

An increase of 655 compared with the preceding year.

LEWIS NEILSON,
Superintendent.

The securities above named are all in my possession.

H. TATNALL,
Treasurer.

Examined and found correct.

M. RIEBENACK,
Comptroller.

JNO. P. GREEN,
First Vice-President.
H. TATNALL,
Treasurer.
N. P. SHORTRIDGE,
Chairman Finance Committee.
Trustees of the Saving Fund.

The securities above named have been actually inspected and found correct.

JNO. P. GREEN,
W. H. BARNES,
Trustees Consolidated Mortgage.

M. RIEBENACK,
Comptroller.

N. P. SHORTRIDGE,
Chairman Finance Committee and Trustee Consolidated Mortgage.

GEORGE WOOD,
LINCOLN GODFREY,
C. E. INGERSOLL,
PERCIVAL ROBERTS, JR.

Committee Appointed by Board of Directors.

STATEMENT OF THE PENNSYLVANIA RAILROAD PENSION DEPARTMENT

FOR THE YEAR ENDING DECEMBER 31st, 1907.

RECEIPTS.

Amounts appropriated for the payment of pension allowances as follows:—

Pennsylvania Railroad Company,	$500,000.00	
Philadelphia, Baltimore and Washington Railroad Company,	43,000.00	
Northern Central Railway Company,	43,000.00	
West Jersey and Seashore Railroad Company,	11,000.00	
Philadelphia and Camden Ferry Company,	3,000.00	
		$600,000.00
Operating expenses paid by Companies,		5,226.19
		$605,226.19

DISBURSEMENTS.

Pension allowances paid to retired employés as follows:—

Pennsylvania Railroad Company,	70-year class,	$341,794.34		
	65-69-year class,		$69,939.38	
				$411,733.72
Philadelphia, Baltimore and Washington Railroad Company,	70-year class,	$36,208.72		
	65-69-year class,		$5,091.67	
				41,300.39
Northern Central Railway Company,	70-year class,	$34,524.97		
	65-69-year class,		$4,022.34	
				38,547.31
West Jersey and Seashore Railroad Company,	70-year class,	$6,816.72		
	65-69-year class,		$2,547.54	
				9,364.26
Philadelphia and Camden Ferry Company,	70-year class,	$1,337.58		
	65-69-year class,		328.56	
				1,666.14
All Companies,	70-year class,	$420,682.33		
	65-69-year class,		$81,929.49	
				502,611.82
Operating expenses,				5,226.19
				$507,838.01

PENSIONERS.

	Number of Pensioners January 1st, 1907.			Retired During 1907.			Died During 1907.			Number of Pensioners December 31st, 1907.		
	70 Year.	65-69 Year.	Total.	70 Year.	65-69 Year.	Total.	70 Year.	65-69 Year.	Total.	70 Year.	65-69 Year.	Total.
Pennsylvania Railroad Company,	1,336	254	1,590	150	90	240	164	25	189	1,322	319	1,641
Phila., Balt. and Wash. R. R. Co.,	143	16	159	16	11	27	15	2	17	144	25	169
Northern Central Railway Company,	136	22	158	16	10	26	9	4	13	143	28	171
West Jersey and Seashore R. R. Co.,	26	5	31	2	1	3	2	...	2	26	6	32
Philadelphia and Camden Ferry Co.,	3	...	3	3	1	4	...	...	...	6	1	7
All Companies,	1,644	297	1,941	187	113	300	190	31	221	1,641	379	2,020

Average age of balance of pensioners in 65 to 69-year class as of January 1st, 1908, ... 67 years, 10 months.
Average age of balance of pensioners in 70-year class as of January 1st, 1908, ... 74 years, 8 months.
Average age of balance of all pensioners as of January 1st, 1908, ... 73 years, 4 months.

The oldest employé receiving pension allowance during the year attained the age of 93 years.

Of the 113 employés retired from active service under the physical disqualification clause, 111 were relieved at their own request and upon the recommendation of their employing officers, and the balance (2) were relieved upon the recommendation of their employing officers alone.

CHAS. E. PUGH,
Chairman.

Examined and found correct,

M. RIEBENACK,
Comptroller.

M. RIEBENACK,
Secretary.

GUARANTIES FOR WHICH THE PENNSYLVANIA RAILROAD COMPANY IS LIABLE.

DECEMBER 31st, 1907.

LINES EAST OF PITTSBURGH.

(GUARANTIES ACCOUNT LEASE UNITED NEW JERSEY RAILROAD AND CANAL COMPANY SHOWN SEPARATELY.)

COMPANY	DESIGNATION OF SECURITIES.	MATURING.	AMOUNT OF GUARANTEED STOCK OR BONDS OUTSTANDING.	RATE PER YEAR OF DIVIDEND OR INTEREST.	YEARLY INTEREST OR DIVIDEND GUARANTEED.	Surplus Income after payment of guaranty in question and other obligations.
Allegheny Valley Ry Co.	First Mortgage Low Grade Division Bonds	April 1, 1910	$9,957,000.00	7 per cent.	$696,990.00	$734,271.20
	Second Mortgage Low Grade Division Bonds	$100,000 Jan. 1 each year	200,000.00	5 "	‡ 10,000.00	
	General Mortgage Coupon Registered Gold Bonds	Mar. 1, 1942	7,250,000.00	4 "	290,000.00	
Baltimore & Potomac R. R. Co.	First Mortgage, Main Line Bds.	April 1, 1911	$3,000,000.00	6 per cent.	‡ $180,000.00	Merged into Philadelphia, Baltimore & Washington R.R. Co. Net income of Philadelphia, Baltimore & Washington R. R. Co. $1,988,876.10
	First Mortgage, Tunnel Bonds.	July 1, 1911	1,500,000.00	6 "	‡ 90,000.00	
Delaware River R. R. and Bridge Co.	First Mortgage Coupon Bonds.	Aug. 1, 1936	$1,300,000.00	4 per cent.	$52,000.00	$7,903.10
Elmira & Williamsport R. R. Co.	Preferred Stock		$500,000.00	7 per cent.	* $35,000.00	$213,791.97
	Common Stock		O 500,000.00	5 "	* 25,000.00	
	First Mortgage Bonds	Jan. 1, 1910	O 963,000.00	6 "	* 57,780.00	
	Income Bonds	Oct. 1, 2862	O 570,000.00	5 "	* 28,500.00	
Girard Point Storage Co.	First Mortgage Registered Bds.	April 1, 1940	$2,128,000.00	3½ per cent.	$74,480.00	$36,675.73
Harrisburg, Portsmouth, Mt. Joy & Lancaster R. R. Co.	Capital Stock		$1,182,550.00	7 per cent.	$82,778.50	Operation included in those of P. R. R. Co.
	First Mortgage Registered Bds.	July 1, 1913	700,000.00	4 "	28,000.00	
Long Island R. R. Co.	Refunding Mortgage Bonds.	Mar. 1, 1949	$22,408,000.00	4 per cent.	$896,320.00	Def. $858,828.54
Manor Real Estate and Trust Co.	Real Estate Mortgage Bonds.	May 1, 1910	$250,000.00	4 per cent.	$10,000.00	Def. $72,784.12
Monongahela R. R. Co.	First Mortgage Bonds	Oct. 1, 1942	$1,386,000.00	3½ per cent.	§ $48,510.00	
New York & Long Branch R. R. Co.	Capital Stock		$2,000,000.00	7 per cent.	⊙$140,000.00	
	General Mortgage Bonds	Sept. 1, 1941	O 1,699,000.00	4 "	⊙ 67,960.00	
	" " "	Sept. 1, 1941	O 192,000.00	5 "	⊙ 9,600.00	
Pennsylvania Canal Co.	General Mortgage Bonds	July 1, 1910	O$1,564,000.00	6 per cent.	$93,840.00	Def. $120,616.24
Richmond-Washington Co.	Collateral Trust Mortgage Bonds	June 1, 1943	$9,500,000.00	4 per cent.	†$380,000.00	Def. $19,972.19
Ridgway & Clearfield R. R. Co	Mortgage Registered Bonds.	Nov. 1, 1923	O $491,000.00	5 per cent.	$24,550.00	Def. $20,791.56
Susquehanna Coal Co.	Mortgage Coupon Bonds	Jan. 1, 1911	$1,207,000.00	6 per cent.	$72,420.00	$32,241.57

‡ Jointly with Northern Central Ry. Co.
* Guaranteed under lease by Northern Central Ry. Co., the Northern Central's obligation being guaranteed by P. R. R. Co.
⊙ Jointly with C. R. R. of N. J.
† Jointly by P. R. R. Co., Atlantic Coast Line R. R. Co., Southern Ry. Co., Chesapeake & Ohio Ry. Co., Seaboard Air Line Ry., and Baltimore & Ohio R. R. Co.
§ Guaranteed (through acquisition of P. V. & C. Ry.) jointly with Pittsburgh & Lake Erie R. R. Co.
O Principal not guaranteed.

GUARANTIES FOR WHICH THE PENNSYLVANIA RAILROAD COMPANY IS LIABLE.—*Continued.*

DECEMBER 31st, 1907.

(UNDER LEASE, JUNE 30th, 1871, OF PROPERTY OF UNITED NEW JERSEY RAILROAD AND CANAL COMPANY, AND PHILADELPHIA AND TRENTON RAILROAD COMPANY.)

COMPANY.	DESIGNATION OF SECURITIES.	MATURING.	AMOUNT OF GUARANTEED STOCK OR BONDS OUTSTANDING.	RATE PER YEAR OF DIVIDEND OR INTEREST.	YEARLY INTEREST OR DIVIDEND GUARANTEED.	Surplus Income after payment of guaranty in question and other obligations.
United New Jersey R.R. and Canal Co.	Capital Stock	....	$21,240,400.00	10 per cent.	$2,124,040.00	$2,264,866.50
	General Mortgage Registered Bonds	Sept. 1, 1908	841,000.00	6 "	50,460.00	
	General Mortgage Registered Bonds	Feb. 1, 1923	1,824,000.00	4 "	72,960.00	
	General Mortgage Registered Coupon Bonds	Sept. 1, 1929	6,020,000.00	4 "	240,800.00	
	General Mortgage Registered and Coupon Bonds	Mar. 1, 1944	5,646,000.00	4 "	225,840.00	
	General Mortgage Registered and Coupon Bonds	Mar. 1, 1951	5,669,000.00	3½ "	198,415.00	
Philadelphia & Trenton R. R. Co.	Capital Stock	....	$494,100.00	10 per cent.	$49,410.00	Included in U.N.J. R.R.& C. Co.
Belvidere Delaware R. R. Co	Consolidated Mortgage Registered Bonds	Sept. 1, 1925	$500,000.00	4 per cent.	$20,000.00	$35,524.87
	Consolidated Mortgage Registered Bonds	Feb. 1, 1927	749,000.00	4 "	29,960.00	
	Consolidated Mortgage Coupon Bonds	Jan. 1, 1943	1,000,000.00	3½ "	35,000.00	
Camden & Burlington County R. R. Co.	Capital Stock	....	$381,925.00	6 per cent.	$22,915.50	Def. $51,175.35
	First Mortgage Coupon Bonds	Feb. 1, 1927	350,000.00	4 "	14,000.00	
Freehold & Jamesburg Agricultural R. R. Co.	Consolidated Mortgage Registered Bonds	July 1, 1909	$175,000.00	4 per cent.	$7,000.00	$3,511.02
Mt. Holly, Lumberton & Medford R. R. Co.	Capital Stock	....	$45,050.00	6 per cent.	$2,703.00	Def. $10,138.14
Rocky Hill R. R. & Transportation Co.	Capital Stock	....	$18,700.00	6 per cent.	$1,122.00	$2,994.33
Vincentown Branch of the Burlington Co. R. R. Co.	Capital Stock	....	$15,000.00	6 per cent.	$900.00	Def. $6,091.03
Connecting Ry. Co.	Capital Stock	....	$3,613,650.00	4 per cent.	$144,546.00	Included in U.N.J. R.R.& C. Co.
	Mortgage Bonds	Mar 15, 1932	O 991,000.00	3½ "	34,685.00	
	Phila. G. & C. H. R. R. Co., First Mortgage Registered Bonds	May 1, 1913	1,000,000.00	4½ "	45,000.00	

O Principal not guaranteed.

LINES WEST OF PITTSBURGH AND ERIE.

COMPANY.	DESIGNATION OF SECURITIES.	MATURING.	AMOUNT OF GUARANTEED STOCK OR BONDS OUTSTANDING.	RATE PER YEAR OF DIVIDEND OR INTEREST.	YEARLY INTEREST OR DIVIDEND GUARANTEED.	Surplus Income after payment of guaranty in question and other obligations.
*Cleveland & Pittsburgh R. R. Co.	Capital Stock	....	$11,247,592.89	7 per cent.	$786,977.68	$2,140,083.45
	Issue to Dec. 31st, 1907	....	8,274,050.00	4 "	330,962.00	
	General Mortgage, Series A	Jan. 1, 1942	3,000,000.00	4½ "	205,245.00	
	General Mortgage, " B	Oct. 1, 1942	1,561,000.00			
	General Mortgage, " B	" 1, 1942	439,000.00	3½ "	186,410 00	
	General Mortgage, " C	Nov. 1, 1948	2,979,000.00			
	General Mortgage, " D	Aug. 1, 1950	1,908,000.00			
*Erie & Pittsburgh R. R. Co.	Capital Stock	....	$3,119,550.00	7 per cent.	$218,368.50	$634,366.94
	General Mortgage	July 1, 1940	4,348,000.00	3½ "	152,180.00	
	Debenture	" 1, 1940	150,265.00	3½ "	5,259.27	
Grand Rapids & Indiana R. R. Co.	First Mortgage Extended	July 1, 1941	$4,455,000.00	4½ per cent.	$200,475.00	$299,915.90
			920,000.00	3½ "	32,200.00	
Indianapolis & Vincennes R. R. Co.	First Mortgage	Feb. 1, 1908	$1,608,000.00	7 per cent.	$112,560.00	Merged into Vandalia R. R. Co. Net Income of that Co. $1,079,945.49
Pennsylvania Company	First Mortgage	July 1, 1921	$19,467,000.00	4½ per cent.	$876,015.00	$9,698,521.13
	Guarant'd Trust Cert., Series A	Sept. 1, 1937	4,708 000.00	3½ "	164,780.00	
	Guarant'd Trust Cert., Series B	Feb. 1, 1941	9,363,000.00	3½ "	327,705.00	
	Guarant'd Trust Cert., Series C	Dec. 1, 1942	4,837,000.00	3½ "	169,295.00	
	Gold Loan of 1901	Nov. 1, 1916	12,008,000.00	3½ "	419,860.00	
	Guarant'd Trust Cert., Series D	Dec. 1, 1944	10,000,000.00	3½ "	350,000.00	
	Gold Loan of 1906	Apl. 1, 1931	20,000,000.00	4 "	800,000.00	
	French Franc Loan	June 15, 1921	48,262,548.26	3¾ "	1,809,845.56	
*Pittsburgh, Ft. Wayne & Chicago Ry. Co.	Capital Stock Issue to Dec. 31st, 1907. Original, $19,714,285.71 Gtd. Spl 38,806,400.00	....	$58,520,685.71	7 per cent.	$4,096,448.00	$1,057,406.66
	First Mortgage	July 1, 1912	2,026,500.00	7 "	392,735.00	
	Second Mortgage	" 1, 1912	1,584,000.00			
	Third Mortgage	" 1, 1912	2,000,000.00			
*Massillon & Cleveland R.R.Co.	Capital Stock	....	$200,000.00	....	$20,000.00	Def. $9,584.79
	First Mortgage	Jan. 1, 1920	37,000.00	5 per cent.		
Columbus & Xenia R. R. Co.	Capital Stock	....	$1,786,200.00	8 per cent.	$142,896.00	Def. $54,477.28
Little Miami R. R. Co.	Capital Stock	....	$4,943,100.00	8 per cent.	$395,448.00	
	Special Guaranteed Betterment Stock	....	3,197,950.00	4 "	127,918.00	
	First Mortgage Extended	Nov. 2, 1912	1,500,000.00	5 "	75,000.00	

* The leases under which these guaranties were made have been assigned to the Pennsylvania Company.

PENNSYLVANIA COMPANY.

ASSETS. GENERAL BALANCE-SHEET, DECEMBER 31st, 1907.

				COMPARISON WITH DECEMBER 31st, 1906.	
				INCREASE.	DECREASE.
Securities,		$188,663,758.58			$33,657,562.24
Equipment,		8,356,143.97			
Real estate,		896,722.88			60,025.00
Real estate in trust,		30,590.80			
Steubenville Extension Railroad, Lease,		1,238,572.92			
			$199,185,789.15		
CURRENT ASSETS.					
Due by leased roads for betterments,		$4,227,254.89		$1,406,562.80	
Due by other companies in current account,		2,778,812.84		464,518.13	
Due by Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company for advances,		900,000.00			3,350,000.00
Due by other companies for advances,		2,763,927.61			232,580.35
Due by station agents and ticket receivers,		1,089,199.31			330,986.85
Bills receivable,		597,843.27		1,364.73	
Material on hand,		3,294,991.81		896,855.69	
Miscellaneous assets,		7,631,999.40			184,300.79
Cash in hands of Treasurer,	$3,086,682.36			87,278.21	
Cash on special deposit,	2,290,897.09				13,322,835.72
Cash on deposit with financial agents to pay interest on funded debt,	471,122.50				11,992.50
		5,848,701.95			
			29,132,731.08		
SINKING FUNDS.					
For Pennsylvania Company first mortgage 4½ per cent. bonds,		$1,060,670.00			
Less 533 bonds redeemed and cancelled,		533,000.00			
			527,670.00	23,985.00	
For Leased Roads:—					
First mortgage bonds, Pittsburgh, Fort Wayne and Chicago Railway Company,			1,623,052.35	32,492.50	
Second mortgage bonds, Pittsburgh, Fort Wayne and Chicago Railway Company,			1,689,476.36	56,100.00	
General mortgage bonds, Cleveland and Pittsburgh Railroad Company,			112,981.30	81,982.50	
Total,			$232,271,700.24		$48,099,143.89

PENNSYLVANIA COMPANY.

GENERAL BALANCE-SHEET, DECEMBER 31st, 1907. LIABILITIES.

				COMPARISON WITH DECEMBER 31st, 1906.	
				INCREASE.	DECREASE.
Capital stock,			$60,000,000.00		
FUNDED DEBT.					
First mortgage 4½ per cent. bonds, due July 1st, 1921, issued,	$20,000,000.00				
Less 533 bonds in Sinking Fund,	533,000.00	$19,467,000.00			
Guaranteed 3½ per cent. Trust Certificates, Series "A," due September 1st, 1937,	$5,000,000.00				
Less 292 certificates retired through Sinking Fund,	292,000.00	4,708,000.00			$55,000.00
Guaranteed 3½ per cent. Trust Certificates, Series "B," due February 1st, 1941,	$10,000,000.00				
Less 637 certificates retired through Sinking Fund,	637,000.00	9,363,000.00			111,000.00
Guaranteed 3½ per cent. Trust Certificates, Series "C," due December 1st, 1942,	$5,000,000.00				
Less 163 certificates retired through Sinking Fund,	163,000.00	4,837,000.00			56,000.00
Guaranteed 3½ per cent. Gold Trust Certificates, Series "D," due December 1st, 1941,		10,000,000.00			
Three and one-half per cent. Gold Loan of 1901,	$20,000,000.00				
Less 7,992 certificates retired through Sinking Fund,	7,992,000.00	X 12,008,000.00			1,336,000.00
Four per cent. Gold Loan of 1906, due April 1st, 1931		20,000,000.00			
Three and three fourths per cent. French Franc Loan, due June 15th, 1921,		48,262,548.26			
Total funded debt,			128,645,548.26		
Collateral Improvement 4½ per cent. Notes (matured and paid November 1st, 1907),					50,000,000.00
Extraordinary Expenditure Fund,			4,327,401.64	$690,729.30	
Car Trust Principal charged out in advance,			914,078.59	914,078.59	
Taxes charged out and awaiting settlement,			869,463.00	869,463.00	
CURRENT LIABILITIES.					
Due lessor companies for supplies,		$803,410.51			
Due other companies in current account,		2,763,838.58		121,237.57	
Due for current expenditures in operating leased roads,		3,404,115.89			819,395.84
Miscellaneous liabilities,		4,993,050.52			1,416,263.35
Interest due and unpaid on funded debt,		471,122.50			1,192.50
Accrued interest on funded debt,		585,159.25			10,205.42
			13,020,697.25		
Contributions to Sinking Fund for First Mortgage 4½ per cent. bonds,			1,060,670.00	23,985.00	
Contributions to Sinking Fund for Guaranteed 3½ per cent. Trust Certificates,			1,025,618.83	197,966.00	
Contributions to Sinking Fund, 3½ per cent. Gold Loan of 1901,			8,226,333.34	1,334,000.00	
Fund for redemption of Third Mortgage Bonds of Pittsburgh, Fort Wayne and Chicago Railway Company, due July 1st, 1912,			1,241,573.85	212,501.61	
Trustees Sinking Fund, 4½ per cent. bonds,			527,670.00	23,985.00	
Appropriations for Sinking Funds of Leased Roads,			3,425,510.01	170,575.00	
Balance to credit of Profit and Loss,			8,987,135.47	1,147,392.15	
Total,			$232,271,700.24		$48,099,143.89

X Includes 12 certificates drawn for Sinking Fund, on which interest has ceased, but which have not been presented for redemption.

JNO. W. RENNER,
Comptroller.

THE PITTSBURGH, CINCINNATI, CHICAGO AND ST. LOUIS RAILWAY COMPANY.

ASSETS. GENERAL BALANCE-SHEET, DECEMBER 31st, 1907.

			Comparison with December 31st, 1906. Increase.	Decrease.
Cost of Road, Equipment, &c.				
Construction, right of way, and real estate,	$101,951,539.91		$9,506,619.45	
Equipment,	13,932,280.72		610,894.15	
Amount of securities issued in readjustment of funded debt now included in cost of road,				$4,087,500.00
Net amount of securities issued since October 1st, 1890, under the plan of reorganization of Columbus, Chicago and Indiana Central Railway Company now included in cost of road,				431,453.24
Total cost of road, &c.,		$115,883,820.63		
Securities of other companies,		7,130,885.31	1,558,955.25	
Current Assets.				
Due by other companies,	$2,216,592.38		689,230.42	
Due by Little Miami Railroad Company for betterments,	362,386.63			484,762.85
Due on miscellaneous accounts,	801,486.65			203,822.39
Due by station agents and ticket receivers,	607,887.26			160,023.64
Bills receivable,	8,228.95		6,728.95	
Material on hand,	2,503,342.71		377,855.23	
Cash in hands of Treasurer, $1,389,949.40; Cash deposited with financial agents for payment of interest on bonds, 165,938.34	1,555,887.74			64,072.33
Cash remitted by agents, in transit,	354,668.89			117,706.48
		8,410,481.21		
Sinking Funds.				
Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company Consolidated Mortgage Bonds,	$3,424,520.60			
Less bonds redeemed and cancelled,	3,424,000.00	520.60		262.90
Total,		$131,425,707.75	$7,200,679.62	

THE PITTSBURGH, CINCINNATI, CHICAGO AND ST. LOUIS RAILWAY COMPANY.

GENERAL BALANCE-SHEET, DECEMBER 31st, 1907. LIABILITIES.

				Comparison with December 31st, 1906. Increase.	Decrease.
Capital Stock.					
Capital stock common,	$28,639,200.00			$3,858,900.00	
Capital stock common—scrip,	450.82				$100.00
Capital stock common, reserved to meet conversion of outstanding capital stock of constituent companies:					
C., St. L. & P. R. R. Co., common stock,	436,767.00				5,000.00
C., St. L. & P. R. R. Co., preferred stock,	1,651.20				
J., M. & I. R. R. Co., common stock,	2,500.00				
Chartiers Ry. Co. stock,	15,000.00			15,000.00	
		$29,095,569.02			
Capital stock preferred,	$27,462,000.00			5,200.00	
Capital stock preferred—scrip,	524.34			50.00	
Capital stock preferred, reserved to meet conversion of outstanding capital stock of constituent companies:					
P., C. & St. L. Ry. Co., common stock,	23,700.00				450.00
S. & I. R. R. Co., common stock,	71,146.66				4,800.00
S. & I. R. R. Co., preferred stock,	750.00				
C., St. L. & P. R. R. Co., preferred stock,	3,301.42				
J., M. & I. R. R. Co., common stock,	2,500.00				
		27,563,922.42			
			$56,659,491.44		
Funded Debt.					
Con. Mtg. 4½ per ct. bonds, Series "A," P. C. C. & St. L. Ry. Co., due 1910		$10,000,000.00			
Con. Mtg. 4½ per ct. bonds, Series "B," P. C. C. & St. L. Ry. Co., due 1912		8,786,000.00			
Con. Mtg. 4½ per ct. bonds, Series "C," P. C. C. & St. L. Ry. Co., due 1912		1,379,000.00			
Con. Mtg. 4 per ct. bonds, Series "D," P. C. C. & St. L. Ry. Co., due 1945,	$5,120,000.00				
Less 137 bonds in Sinking Fund,	137,000.00	4,983,000.00			
Con. Mtg. 3½ per ct. bonds, Series "E," P. C. C. & St. L. Ry. Co., due 1949,	$11,998,000.00				
Less 3,287 bonds in Sinking Fund,	3,287,000.00	8,711,000.00			580,000.00
Con. Mtg. 4 per ct. bonds, Series "F," P. C. C. & St. L. Ry. Co., due 1953		10,000,000.00			
Con. Mtg. 4 per ct. bonds, Series "G" P. C. C. & St. L. Ry. Co., due 1957		6,000,000.00		6,000,000.00	
1st Mtg. (ext.) 5 per ct. reg. bonds, S. & I. R. R. Co., due 1914,		3,000,000.00			
Con. Mtg. 5 per ct. coup. bonds, C. St. L. & P. R. R. Co., due 1932,		1,195,000.00			6,000.00
Con. Mtg. 5 per ct. reg. bonds, C. St. L. & P. R. R. Co., due 1932,		311,000.00		6,000.00	
1st Mtg. 7 per ct. bonds, J. M. & I. R. R. Co., matured Oct. 1, 1906		2,000.00			7,000.00
2d Mtg. 7 per ct. bonds, J. M. & I. R. R. Co., due 1910,		1,967,000.00			
1st Mtg. 3½ per ct. bonds, Chartiers Ry. Co., due 1931,		625,000.00		625,000.00	
			56,959,000.00		
Collateral obligations,			2,500,000.00		
Car Trust Principal charged out in advance,			1,107,352.87	1,107,352.87	
Taxes charged out and awaiting settlement,			827,780.00	827,780.00	
Deferred Liabilities.					
Real estate of Columbus and Xenia R. R. Co. at Columbus, O., sold to Union Depot Co.,		$37,298.75			
Real estate of Dayton and Western R. R. Co. at Dayton, O., leased to Dayton Union Ry. Co.,		47,253.00	84,551.75		
Current Liabilities.					
Accounts payable for current expenditures,		$2,167,971.32			830,566.88
Due Pennsylvania Company, advances for construction, etc.,		900,000.00			3,350,000.00
Due other companies,		331,238.14			261,172.93
Matured interest on bonds,		180,175.75			2,037.50
Accrued interest on bonds,		528,416.25		45,468.75	
Miscellaneous liabilities,		675,823.07			892,459.18
Unclaimed dividends,					308.50
			4,783,624.53		
Sinking Funds.					
Contributions to Sinking Fund, P. C. C. & St. L. Ry. Co. consolidated mortgage bonds,			3,424,520.60	579,737.10	
Trustees' Sinking Fund consolidated mortgage bonds,			520.60		262.90
Dividend of 2½ per ct. on preferred stock, payable Jan. 15th, 1908,			686,550.00	127.50	
Dividend of 2 per ct. on common stock, payable Feb. 15th, 1908,			572,796.00	77,190.00	
Balance to credit of Profit and Loss,			3,819,519.96		6,968.71
Total,			$131,425,707.75	$7,200,679.62	

JNO. W. RENNER,
Comptroller.

VANDALIA RAILROAD COMPANY.

GENERAL BALANCE SHEET,

DECEMBER 31, 1907.

ASSETS.

			COMPARISON WITH DECEMBER 31, 1906.	
			INCREASE.	DECREASE.
COST OF ROAD, EQUIPMENT, &c.				
Construction, Right of Way, and Real Estate,	$23,887,900.31	. . . .	$874,984.91	
Equipment,	5,531,041.36	. . . .	586,598.21	
Total cost of road, &c.,	. . . .	$29,418,941.67		
One-fifth interest in Indianapolis Union Railway,	. . . .	165,535.12		
Securities of other companies,	. . . .	54,630.00	1,920.00	
CASH AND CURRENT ASSETS.				
Cash in hands of Treasurer,	$441,649.52	. . . .	. . . .	$416,974.00
(Cash on deposit,)	. . . . . .	. . . .	. . . . .	1,250,000.00
Cash on special deposit for renewal of equipment,	179,081.33	. . . .	. . . .	109,608.40
Cash in hands of financial agents to pay interest on bonds, &c.,	76,518.35	. . . .	1,192.00	
Cash remitted by agents, in transit,	194,959.13	. . . .	. . . .	97,651.32
Materials on hand,	674,856.39	. . . .	. . . .	32,975.90
Due by station agents and ticket receivers,	173,483.95	. . . .	. . . .	78,033.58
Due by individuals and companies,	334,245.85	. . . .	52,006.38	
Due on miscellaneous accounts,	537,685.03	. . . .	42,814.21	
Bills receivable,	3,089.54	. . . .	. . . .	1,495.20
		2,615,569.09		
Total,	. . . .	$32,254,675.88	. . . .	$427,222.69

VANDALIA RAILROAD COMPANY.

GENERAL BALANCE SHEET,

DECEMBER 31ST, 1907.

LIABILITIES.

			COMPARISON WITH DECEMBER 31st, 1906. Increase.	Decrease.
Capital stock,	$14,586,400.00		$446,500.00	
Capital stock—scrip,	50.00		20.00	
Capital stock, reserved to meet conversion of outstanding capital stock of constituent companies,	63,066.20			$446,550.00
		$14,649,516.20		
FUNDED DEBT.				
Vandalia Railroad Company Consolidated Mortgage Series "A" 4 per cent. Bonds, due February 1st, 1955,	$10,000,000.00			
Terre Haute and Indianapolis Railroad Company Consolidated First Mortgage 5 per cent. Bonds, due July 1st, 1925,	1,900,000.00			
Terre Haute and Logansport Railroad Company First Mortgage 6 per cent. Bonds, due January 1st, 1910,	500,000.00			
Indianapolis and Vincennes Railroad Company First Mortgage 7 per cent. Bonds, due February 1st, 1908,	1,608,000.00			92,000.00
		14,008,000.00		
CURRENT LIABILITIES.				
Accounts payable for current expenditures,	$768,354.02			114,213.93
Due other companies in current account,	250,438.69		17,072.61	
Matured interest on bonds,	68,385.39			759.61
Accrued interest on bonds,	215,526.28			723.73
Miscellaneous liabilities,	305,962.57			46,446.88
		1,608,666.95		
Taxes charged out and awaiting settlement,		271,250.00	271,250.00	
Car trust principal charged out in advance,		89,637.86	89,637.86	
Fund for renewal of equipment,		179,081.33		82,651.48
(Extraordinary Expenditure Fund,)				405,018.73
Dividend No. 6 (2¼ per cent.), payable February 15th, 1908,		364,660.00	265.00	
Balance to credit of Profit and Loss,		1,083,863.54		63,603.80
Total,		$32,254,675.88		$427,222.69

JNO. W. RENNER,
Comptroller.

APPENDIX

INCOME ACCOUNTS.

ALL CORPORATIONS EAST AND WEST OF PITTSBURGH AND ERIE OWNED, OPERATED, OR CONTROLLED BY OR AFFILIATED IN INTEREST WITH THE PENNSYLVANIA RAILROAD SYSTEM.

FOR THE YEAR ENDING DECEMBER 31st, 1907.

Mileage.	Pennsylvania Railroad Company. All Links Operated Directly.	Results of Operation by Operating Co.			Financial Results to Respective Companies Mentioned.							
		Gross Earnings.	Operating Expenses.	Net Earnings.	Rental Received by Respective Companies from Operating Company.	Other Income.	Gross Income.	Interest and other Charges.	Net Income.	Dividends.	Surplus or Deficit.	Increase or Decrease.
1,801.22	Pennsylvania Railroad,	$104,613,906.35	$72,069,512.26	$32,544,394.09	....	△15,743,975.07	$48,161,719.41	$14,990,514.78	$33,171,204.63	$21,908,435.50	S. 11,262,769.13	D. $363,722.61
	including Harrisburg, Portsmouth, Mt. Joy and Lancaster R. R., § Tipton Railroad, South-west Connecting Ry.,	....	....	....	$126,649.75	7,260.34	133,910.09	43,520.69	90,389.40	† 88,691.25	S. 1,698.15	I. 687.93
26.74	Pomeroy and Newark R. R.,	62,371.56	98,568.34	⊙Excess, 36,196.78	....	89.07	D. 36,107.71	2,012.48	D. 38,120.19	....	D. 38,120.19	D. 8,726.95
15.21	Lancaster and Quarryville R. R.,	32,278.49	42,528.69	⊙Excess, 10,250.20	....	239.03	D. 10,011.17	1,431.72	D. 11,442.89	....	D. 11,442.89	D 1,607.88
58.28	Bedford and Bridgeport Ry.,	431,698.65	285,060.67	146,637.98	146,637.98	....	146,637.98	128,555.82	18,082.16	....	S. 18,082.16	D. 36,045.51
11.77	Bedford and Hollidaysburg R. R.,	4,513.99	13,767.73	⊙Excess, 9,253.74	....	180.96	D. 9,072.78	425.94	D. 9,498.72	....	D. 9,498.72	I. 3,424.30
85.17	Lewisburg and Tyrone R. R.,	204,794.44	222,975.37	⊙Excess, 18,180.93	....	....	D. 18,180.93	30,959.65	D. 49,140.58	....	D. 49,140.58	I. 33,340.58
93.77	Bald Eagle Valley R. R.,	1,419,626.34	801,923.35	617,702.99	567,371.54	54,788.07	622,159.61	53,385.80	568,773.81	153,280.00	S. 415,493.81	I. 62,768.08
397.98	Cambria and Clearfield Ry.,	3,303,569.84	2,781,305.90	522,263.94	522,263.94	12,589.54	534,853.48	354,304.25	180,549.23	....	S. 180,549.23	I. 161,293.07
2.39	* Pine Run R. R.,	819.92	641.22	178.70	178.70	....	178.70	25.32	153.38	....	S. 153.38	
4.47	⊕Pennsylvania, Monongahela & Southern R. R.,	3,080.12	5,827.26	⊙Excess, 2,747.14	....	301.87	D. 2,445.27	380.45	D. 2,825.72	....	D. 2,825.72	
....	✢Philadelphia and Erie R. R.,	2,641,534.70	2,179,407.15	462,127.55	462,127.55	31,761.23	493,888.78	401,163.00	92,725.78	....	S. 92,725.78	
27.27	Ridgway and Clearfield R. R.,	111,268.58	106,809.67	4,458.91	25,250.47	....	25,250.47	25,250.47				
19.65	Johnsonburg R. R.,	36,908.95	53,728.50	⊙Excess, 16,819.55	....	....	D. 16,819.55	13,619.17	D. 30,438.72	....	D. 30,438.72	I. 2,790.85
228.27	United New Jersey R. R. and Canal Co. (including Philadelphia and Trenton, Connecting, and New York Bay R.R.'s) R.R.'s	32,480,195.29	25,391,963.74	7,088,231.55	4,705,656.95	● 388,478.76	4,705,656.95	2,581,616.95	2,124,040.00	† 2,124,040.00		
66.00	Canal	362,801.37	480,509.47	⊙Exc., 117,708.10								
1.00	Pennsylvania Annex,	124,317.22	178,962.02	⊙Excess, 54,644.80	....	415.93	D. 54,228.87	671.76	D. 54,900.63	....	D. 54,900.63	I. 64,283.16
8.09	Perth Amboy and Woodbridge R. R.,	269,021.94	170,295.59	98,726.35	98,726.35	....	98,726.35	16,221.73	82,504.62	45,680.00	S. 36,824.62	I. 2,448.98
6.56	Millstone and New Brunswick R. R.,	8,961.22	19,708.00	⊙Excess, 10,746.78	....	....	D. 10,746.78	2,169.38	D. 12,916.16	....	D. 12,916.16	I. 2,441.57
7.15	Rocky Hill R. R. and Transportation Co.,	23,015.60	18,799.27	4,216.33	1,222.00	....	1,222.00	75.00	1,147.00	† 1,122.00	S. 25.00	I. 30.00
83.08	Belvidere Delaware R. R.,	1,759,596.37	1,395,536.60	364,059.77	364,059.77	51,810.86	415,870.63	255,045.76	160,824.87	125,300.00	S. 35,524.87	D. 69,922.27
9.52	Delaware River R. R. and Bridge,	267,632.31	119,224.74	148,407.57	148,407.57	....	148,407.57	75,504.47	72,903.10	65,000.00	S. 7,903.10	D. 47,396.67
27.31	Freehold and Jamesburg Agricultural R. R.,	256,547.99	203,306.14	53,241.85	53,241.85	1,672.30	54,914.15	51,403.13	3,511.02	....	S. 3,511.02	D. 3,868.98
10.41	Kinkora and New Lisbon R. R.,	24,804.46	46,968.40	⊙Excess, 22,163.94	....	30.90	D. 22,133.04	2,395.75	D. 24,528.79	....	D. 24,528.79	I. 16,898.64
70.80	Philadelphia and Long Branch R. R.,	157,422.40	*201,941.95	⊙Excess, 44,519.55	....	148.48	D. 44,371.07	54,277.70	D. 98,648.77	....	D. 98,648.77	D. 4,844.70
12.12	Philadelphia and Beach Haven R. R.,	10,415.30	30,673.01	⊙Excess, 20,257.71	....	....	D. 20,257.71	1,881.92	D. 22,139.63	....	D. 22,139.63	I. 8,171.42
32.40	Camden and Burlington County R. R.,	342,212.11	355,971.96	⊙Excess, 13,759.85	37,415.50	....	37,415.50	14,147.59	23,267.91	† 22,915.50	S. 352.41	I. 553.28
2.77	Vincentown Branch of the Burlington Co. R. R.,	5,169.48	10,360.51	⊙Excess, 5,191.03	900.00	....	900.00	....	900.00	† 900.00		
5.94	Mt. Holly, Lumberton and Medford R. R.,	13,463.59	20,698.73	⊙Excess, 7,235.14	2,903.00	....	2,903.00	75.39	2,827.61	† 2,703.00	S. 124.61	I. 335.03
276.19	Allegheny Valley Ry.,	7,060,420.44	5,039,520.29	2,020,900.15	2,020,900.15	4,661.81	2,025,561.96	1,291,290.76	734,271.20	....	S. ‡ 734,271.20	D. 70,962.49
579.26	Western New York and Pennsylvania Ry.,	8,780,456.62	7,260,851.75	1,519,604.87	1,553,951.20	......	1,553,951.20	1,571,100.99	D. 17,149.79	....	D. 17,149.79	I. 53,027.97
81.46	Western New York and Pennsylvania Ry. (operated by the Pennsylvania Co.),	506,957.69	472,611.36	34,346.33								
◆ 3,970.79	Total,	◆ 164,812,825.64	◆ 119,607,348.28	◆ $45,205,477.36	$10,837,864.27							

⊙ Excess of operating expenses over gross earnings. † Dividends guaranteed by Proprietary Company. ◆ These totals do not include the figures of the New Castle Branch of the Western New York and Pennsylvania Railway Company, operated by the Pennsylvania Company. * From July 1st to December 31st, 1907. ⊕ From August 1st to December 31st, 1907. ✢ From January 1st to April 30th, 1907. § From February 10th to December 31st, 1907. ● The income from securities of the United New Jersey Railroad and Canal Company accrues to the Pennsylvania Railroad Company. △ There is included in this aggregate the surplus received from operation of fixed rental roads. ‡ $512,689.37 of extraordinary expenditures were charged against this Company's surplus of $734,271.20.

NOTE:—Included in above total mileage, 3,970.79, are 112.50 miles of line used under trackage rights.

NOTE:—IN THE ABOVE STATEMENTS OF OPERATING EXPENSES, TAXES ARE NOT INCLUDED.

Mileage.	Companies East of Pittsburgh and Erie Operated under their own Organizations and Subsidiary Lines.	Results of Operation by Operating Co.			Financial Results to Respective Companies Mentioned.							
		Gross Earnings.	Operating Expenses.	Net Earnings.	Rental Received by Respective Companies from Operating Co.	Other Income.	Gross Income.	Interest and other Charges.	Net Income.	Dividends.	Surplus or Deficit.	Increase or Decrease.
233.90	**Philadelphia, Baltimore and Washington R. R.**	$12,425,890.66	$9,469,505.50	$2,956,385.16	....	$743,050.59	$3,654,340.50	$1,665,464.40	$1,988,876.10	$972,630.00	S. $1,016,246.10	D. $826,564.12
	Including { Junction R. R.,	....	....	....	$45,095.25	....	45,095.25	30,095.25	15,000.00	† 15,000.00		
	Including { Elkton and Middletown R. R. of Cecil County,											
41.94	Columbia and Port Deposit Ry.,	287,454.22	222,674.35	64,779.87	64,779.87	76,779.80	141,559.67	87,428.32	54,131.35	....	S. 54,131.35	I. 15,799.38
80.19	Philadelphia and Baltimore Central R. R. (including Chester Creek R. R.),	1,293,168.91	1,197,164.87	96,004.04	96,004.04	13,056.33	109,060.37	181,140.97	D. 72,080.60	....	D. 72,080.60	I. 32,060.02
12.08	Philadelphia and Delaware County R. R.,	45,279.24	33,009.32	12,269.92	12,269.92	1,223.03	13,492.95	10,046.70	3,446.25	....	S. 3,446.25	D. 15,864.19
248.92	Delaware R. R.,	2,862,982.04	2,203,843.12	659,138.92	659,138.92	45,978.34	705,117.26	194,392.62	510,724.64	239,978.00	S. 270,746.64	D. 68,571.69
97.64	Delaware, Maryland and Virginia R. R.,	340,796.79	330,033.57	10,763.22	10,763.22	2,004.56	12,767.78	54,618.95	D. 41,851.17	....	D. 41,851.17	I. 28,672.99
714.67	Total,	$17,955,571.86	$13,456,230.73	$3,799,341.13	$888,051.22							
153.13	**Northern Central Ry.,**	$8,682,255.18	$6,723,128.19	$1,959,126.99	....	★$1,515,869.72	$3,474,996.71	$840,804.24	$2,634,192.47	$1,547,214.00	S. $1,086,978.47	D. $243,115.96
12.88	York Branch (Pennsylvania R. R.),	204,647.62	166,204.29	38,443.33	$38,443.33							
55.64	York, Hanover and Frederick R. R.,	274,614.13	262,616.46	11,997.67	11,997.67	237.89	12,235.56	18,542.73	D. 6,307.17	....	D. 6,307.17	D. 14,380.95
✠ 20.43	Lykens Valley R. R. and Coal Co.'s R. R.,	111,889.79	98,512.19	13,377.60	34,999.92							
38.89	Shamokin Valley and Pottsville R. R.,	790,636.04	576,388.94	214,247.10	137,971.77	1,120.00	139,091.77	85,804.77	53,287.00	† 52,167.00	S. 1,120.00	D. 12,200.79
73.49	Elmira and Williamsport R. R.,	1,924,906.08	1,556,540.97	368,365.11	154,573.14	341.42	154,914.56	94,820.99	60,093.57	† 60,000.00	S. 93.57	I. 284.57
105.93	Elmira and Lake Ontario R. R.,	1,248,549.16	1,186,631.33	61,917.83	61,917.83	....	61,917.83	130,659.81	D. 68,741.98	....	D. 68,741.98	I. 111,275.75
460.39	Total,	$13,237,498.00	$10,570,022.37	$2,667,475.63	$439,903.66							
371.62	**West Jersey and Seashore R. R.,**	$5,552,366.49	$4,334,862.96	$1,217,503.53	....	$79,193.35	$1,296,696.88	$694,474.67	$602,222.21	$584,736.00	S. $17,486.21	D. $257,242.45
1.00	Cooper's Point and Philadelphia Ferry,	66,936.54	64,067.51	2,869.03	$2,869.03	....	2,869.03	384.89	2,484.14	....	S. 2,484.14	I. 779.88
1.00	Kensington and New Jersey Ferry,	35,600.68	27,109.47	8,491.21	8,491.21	2,078.66	10,569.87	504.31	10,065.56	5,661.00	S. 4,404.56	D. 2,479.86
373.62	Total,	$5,654,903.71	$4,426,039.94	$1,228,863.77	$11,360.24							
108.10	**Cumberland Valley R. R.,**	$2,545,430.67	$1,493,088.75	$1,052,341.92	....	$13,642.50	$1,065,984.42	$80,883.29	$985,101.13	$142,228.00	S. $842,873.13	I. $116,180.75
33.65	Cumberland Valley and Martinsburg R. R.,	343,838.18	279,024.35	64,813.83	$64,813.83	142.37	64,956.20	24,482.63	40,473.57	....	S. 40,473.57	D. 14,999.86
21.40	Southern Pennsylvania Ry. and Mining Co.,	45,838.18	49,465.79	⊙Excess, 3,627.61	....	292.00	D. 3,335.61	2,303.24	D. 5,638.85	....	D. 5,638.85	D. 4,818.87
163.15	Total,	$2,935,107.03	$1,821,578.89	$1,113,528.14	$64,813.83							
391.75	**Long Island R. R.,**	$10,130,407.66	$8,526,584.51	$1,603,823.15	....	$332,069.18	$1,935,892.33	$2,794,720.87	D. $858,828.54	....	D. $858,828.54	I. $830,469.70
3.16	**Roslyn Connecting R. R.,**	16,311.51	22,338.93	⊙Excess, 6,027.42	....	1,175.24	D. 4,852.18	1,037.02	D. 5,889.20	....	D 5,889.20	I. 3,070.79
.....	**Montauk Steamboat Co., Limited,**	152,913.27	166,767.99	⊙Excess, 13,854.72	....	5,256.24	D. 8,598.48	12,486.92	D. 21,085.40	....	D. 21,085.40	D. 35,736.48
87.66	**Baltimore, Chesapeake and Atlantic Ry.,**	979,135.94	833,396.09	145,739.85	....	13,038.34	158,778.19	125,520.21	33,257.98	....	S. 33,257.98	D. 8,178.59
83.52	**Maryland, Delaware & Virginia Ry.,**	760,041.10	779,962.98	⊙Excess, 19,921.88	....	1,218.45	D. 18,703.43	115,206.20	D. 133,909.63	....	D. 133,909.63	I. 58,262.39
1.00	**Philadelphia and Camden Ferry,**	536,312.34	282,766.00	253,546.34	....	75,255.98	328,802.32	8,376.15	320,426.17	$243,440.00	S. 76,986.17	D. 30,517.72
.....	**Pennsylvania Canal Co.,**	1,384.05	5,118.04	⊙Excess, 3,733.99	....	....	D. 3,733.99	116,882.25	D. 120,616.24	....	D. 120,616.24	I. 2,356.38
567.09	Total,	$12,576,505.87	$10,616,934.54	$1,959,571.33								
	Coal Companies:—											
.....	⊕**Lykens Valley Coal Co.,**	$384,656.97	$401,820.58	⊙Ex., $17,163.61	....	$4,360.24	D. $12,803.37	$49.42	D. $12,852.79	....	D. $12,852.79	
.....	**Lytle Coal Co.,**	750,471.69	803,664.91	⊙Ex., 53,193.22	....	18,713.42	D. 34,479.80	14,750.00	D. 49,229.80	....	D. 49,229.80	D. $41,837.68
.....	**Mineral R. R. and Mining Co.,**	1,178,242.87	1,345,235.00	⊙Ex., 166,992.13	.....	257,906.36	90,914.23	3,851.34	87,062.89	....	S. 87,062.89	I. 177,371.44
.....	**Summit Branch Mining Co.,**	506,017.20	728,461.24	⊙Ex., 222,444.04	.....	14,422.57	D. 208,021.47	18,633.22	D. 226,654.69	....	D. 226,654.69	D. 115,323.35
.....	**Susquehanna Coal Co.,**	3,638,262.55	2,909,129.63	729,132.92	....	175,289.00	904,421.92	872,180.35	32,241.57	....	S. 32,241.57	I. 1,885.88
	Total,	$6,457,651.28	$6,188,311.36	$269,339.92								
.....	**Manor Real Estate and Trust Co.,**	$401,091.26	$38,483.86	$362,607.40	....	....	$362,607.40	$435,391.52	D. $72,784.12	....	D. $72,784.12	I. $101,378.06

⊙ Excess of operating expenses over gross earnings. † Dividends guaranteed by Proprietary Company. ✠ Includes 1.10 miles Summit Branch Coal Company's Railroad. ★There is included in this aggregate the surplus received from operation of fixed rental roads. ⊕ From January 1st to June 30th, 1907.

NOTE:—Included in the mileage shown above are lines used under trackage rights by the following roads: Philadelphia, Baltimore and Washington Railroad, 4.98 miles; Northern Central Railway, 12.63 miles; West Jersey and Seashore Railroad, 34.81 miles; Roslyn Connecting Railroad, .47 miles, and Maryland, Delaware and Virginia Railway 5.19 miles.

NOTE:—IN THE ABOVE STATEMENTS OF OPERATING EXPENSES, TAXES ARE NOT INCLUDED.

Mileage.	Companies West of Pittsburgh Operated under their own Organizations and Subsidiary Lines.	Results of Operation by Operating Co.			Financial Results to Respective Companies Mentioned.							
		Gross Earnings.	Operating Expenses.	Net Earnings.	Rental Received by Respective Companies from Operating Co.	Other Income.	Gross Income.	Interest and other Charges.	Net Income.	Dividends.	Surplus or Deficit.	Increase or Decrease.
	Pennsylvania Company.											
....	Proprietary Department,	$847,808.62	$255,979.30	$591,829.32	....	†$15,689,719.99	$16,281,549.31	$8,330,018.18	$7,951,531.13	$4,200,000.00	S.$3,751,531.13	I. $363,114.11
470.05	Pittsburgh, Ft. Wayne and Chicago Railway,	25,969,367.87	20,296,754.03	5,672,613.84	$4,615,207.18	....	4,615,207.18	568,875.68	4,046,331.50	‡ 4,046,331.50		
224.98	Cleveland and Pittsburgh Railroad,	11,518,977.36	7,868,048.08	3,650,929.28	1,510,845.83	....	1,510,845.83	414,139.48	1,096,706.35	‡ 1,096,706.35		
99.79	Erie and Pittsburgh Railroad,	2,470,496.79	1,448,411.78	1,022,085.01	387,718.07	....	387,718.07	168,312.40	219,405.67	‡ 219,405.67		
140.36	Pittsburgh, Youngstown and Ashtabula Railway,	5,565,734.27	3,254,596.88	2,311,137.39	2,311,137.39	40,998.42	2,352,135.81	226,980.95	2,125,154.86	783,412.00	S.1,341,742.86	I. 79,357.19
81.46	New Castle Branch—Western New York and Pennsylvania Railway,	506,943.64	459,981.91	46,961.73	46,961.73	....	46,961.73	41,107.22	5,854.51	....	S. 5,854.51	D. 5,142.63
3.51	Marginal Railroad Tracks, Beaver Falls, Pa.,	22,088.09	9,543.47	12,544.62								
12.23	Massillon and Cleveland Railroad,	35,483.14	25,067.93	10,415.21	20,000.00	....	20,000.00	4,000.00	16,000.00	‡ 16,000.00		
15.09	Pittsburgh, Ohio Valley and Cincinnati R. R.,	61,363.26	55,459.77	5,903.49	5,903.49	....	5,903.49	15,331.29	D. 9,427.80	....	D. 9,427.80	I. 7,505.53
240.20	Toledo, Walhonding Valley and Ohio Railroad,	3,046,739.70	2,379,160.59	667,579.11	667,579.11	....	667,579.11	287,024.19	380,554.92	64,700.00	S. 315,854.92	I. 39,103.49
103.13	Cleveland and Marietta Railway,	1,096,969.32	758,182.32	338,787.00	338,787.00	....	338,787.00	65,688.71	273,098.29	80,000.00	S. 193,098.29	I. 59,694.78
23.00	South Chicago and Southern Railroad,	195,460.48	124,442.76	71,017.72	71,017.72	25,113.06	96,130.78	4,993.80	91,136.98	33,700.00	S. 57,436.98	I. 11,191.02
1,413.80	Total,	$51,337,432.54	$36,935,628.82	$14,401,803.72	$9,975,157.52							
1,170.67	**Pitts., Cin., Chicago and St. Louis Railway,**	$32,341,302.38	$24,698,583.70	$7,642,718.68	....	$405,197.12	$8,047,915.80	‖ $4,293,552.95	$3,754,362.85	$2,441,384.00	S$1,312,978.85	I. $81,663.35
9.08	Ohio Connecting Railway,	395,208.01	67,019.16	328,188.85	$328,188.85	46,403.30	374,592.15	80,000.00	294,592.15	140,000.00	S. 154,592.15	I. 8,384.88
23.52	Chartiers Railway,	824,506.20	554,555.96	269,950.24	269,950.24	16,205.75	286,155.99	47,662.68	238,493.31	64,480.00	S. 174,013.31	D. 9,508.08
28.03	Pittsburgh, Wheeling and Kentucky Railroad,	418,408.32	351,403.14	67,005.18	67,005.18	15,106.98	82,112.16	52,929.92	29,182.24	60,150.00	D. 30,967.76	D. 4,107.96
194.87	Little Miami Railroad,	3,586,411.57	3,065,531.50	520,880.07	728,622.17	153,264.82	881,886.99	475,779.15	406,107.84	‡ 406,107.84		
2.33	Englewood Connecting Railway,	28,718.59	25,243.89	3,474.70	3,474.70	5,777.73	9,252.43	....	9,252.43	....	S. 9,252.43	I. 20,485.28
43.02	§ Chicago, Indiana and Eastern Railway,	52,034.45	90,836.24	* 38,801.79	....	....	D. 38,801.79	24,902.71	D. 63,704.50	....	D. 63,704.50	I. 63,704.50
1,471.52	Total,	$37,646,589.52	$28,853,173.59	$8,793,415.93	$1,397,241.14							
663.60	**Vandalia Railroad,**	$9,289,011.27	$7,229,979.44	$2,059,031.83	....	$27,772.43	$2,086,804.26	‖ $1,006,858.77	$1,079,945.49	$729,320.00	S. $350,625.49	D. $62,917.83
160.54	Terre Haute and Peoria Railroad,	764,175.14	717,493.35	46,681.79	$229,252.54	....	229,252.54	159,395.89	69,856.65	....	S. 69,856.65	I. 19,362.11
824.14	Total,	$10,053,186.41	$7,947,472.79	$2,105,713.62	$229,252.54							
425.66	**Grand Rapids and Indiana Railway,**	$4,149,694.34	$3,371,356.35	$778,337.99	....	$22,960.52	$801,298.51	$501,382.61	$299,915.90	$173,730.00	S. $126,185.90	D. $37,946.95
36.85	Muskegon, Grand Rapids and Indiana R. R.,	166,789.45	130,398.03	36,391.42	$36,391.42	....	36,391.42	41,771.71	D. 5,380.29	....	D. 5,380.29	I. 9,952.30
26.00	Traverse City Railroad,	89,271.64	85,882.64	3,389.00	3,389.00	....	3,389.00	9,915.50	D. 6,526.50	....	D. 6,526.50	I. 13,927.41
85.83	Cincinnati, Richmond and Ft. Wayne R. R.,	657,913.33	582,765.90	75,147.43	75,147.43	....	75,147.43	153,162.54	D. 78,015.11	....	D. 78,015.11	I. 65,089.08
574.34	Total,	$5,063,668.76	$4,170,402.92	$893,265.84	$114,927.85							
	Independent Companies.											
148.46	Cincinnati and Muskingum Valley Railroad,	$933,813.21	$744,144.56	$189,668.65	....	$43,034.48	$232,703.13	$86,040.39	$146,662.74	$80,000.00	S. $66,662.74	D. $1,877.83
28.16	Waynesburg and Washington Railroad,	143,889.11	112,978.20	30,910.91	....	6,156.08	37,066.99	....	37,066.99	16,044.00	S. 21,022.99	I. 1,811.06
20.56	Pittsburgh, Chartiers and Youghiogheny Railway,	467,535.18	260,327.11	207,208.07	....	....	207,208.07	30,837.03	176,371.04	94,000.00	S. 82,371.04	D. 25,676.66
193.45	Cleveland, Akron and Columbus Railway,	2,285,969.43	1,764,581.85	521,387.58	....	41,023.88	562,411.46	222,913.58	339,497.88	140,000.00	S. 199,497.88	I. 42,053.79
45.75	Cincinnati, Lebanon and Northern Railway,	336,195.37	280,420.48	55,774.89	....	40,825.10	96,599.99	72,561.25	24,038.74	....	S. 24,038.74	I. 4,212.37
117.58	Central Indiana Railway,	148,136.34	217,462.47	*69,326.13	....	....	D. 69,326.13	68,716.21	D. 138,042.34	....	D. 138,042.34	I. 44,071.91
247.70	Toledo, Peoria and Western Railway,	1,287,592.64	1,076,596.94	210,995.70	....	33,471.33	244,467.03	237,658.84	6,808.19	....	S. 6,808.19	I. 48,868.25
2.46	Louisville Bridge Company,	363,587.29	177,240.12	186,347.17	....	24,967.19	211,314.36	....	211,314.36	120,000.00	S. 91,314.36	I. 7,306.88
9.65	Wheeling Terminal Railway,	245,518.05	115,496.12	130,021.93	....	21,682.07	151,704.00	70,408.89	81,295.11	40,000.00	S. 41,295.11	I. 2,706.93
813.77	Total,	$6,212,236.62	$4,749,247.85	$1,462,988.77								
	Walhonding Coal Company,	$31,747.53	$2,337.95	$29,409.58	....	$186.51	$29,596.09	$15,824.92	$13,771.17	$13,125.00	S. $646.17	I. $356.67

* Excess of operating expenses over gross earnings. † There is included in this aggregate the surplus received from operation of fixed rental roads. ‡ Dividends guaranteed by Proprietary Company.
‖ Includes the deficit from operation of fixed rental roads. § May 1 to December 31, 1907.
NOTE:—Included in the mileage shown above are lines operated under trackage rights by the following:—Pennsylvania Company, 73.38 miles, Pittsburgh, Cincinnati, Chicago & St. Louis Railway, 56.73 miles, Vandalia Railroad, 21.54 miles, Toledo, Peoria and Western Railway, 17.00 miles, and Pittsburgh, Chartiers & Youghiogheny Railway, .87 mile.

EASTERN PENNSYLVANIA DIVISION.

LINES OWNED.		Miles Dec. 31st, 1907.	Inc. or Dec. as compared with 1906.
Filbert Street Extension,	Broad St. St'n, Philadelphia, Pa., to West Philadelphia, Pa.,	.98	
Pennsylvania Railroad,	West Philadelphia, Pa., to Columbia, Pa.,	80.21	D. .05
Pennsylvania Railroad,	Harrisburg, Pa., to Altoona, Pa.,	131.70	D. .32
West Philadelphia Elevated Branch,	Thirty-fourth Street Bridge to Arsenal Bridge,	2.06	D. .13
Delaware Extension,	in city of Philadelphia, Pa.,	7.83	D. .03
Girard Point Branch,	" " "	1.65	D. .92
Swanson Street Branch,	" " "	1.25	
Schuylkill River Branch,	" " "	3.16	
Fifty-second Street Branch,	" " "	.72	
Schuylkill Division,	West Philadelphia to Pottsville, Pa., and branches,	112.61	I. .71
Trenton Branch,	Glenloch, Pa., to near Falsington, Pa.,	42.87	I. .20
Philadelphia and Thorndale Branch,	near Glenloch Station to Thorndale, Pa.,	10.46	I. .14
West Chester Branch,	Frazer, Pa., to West Chester, Pa.,	6.99	I. .17
New Holland Branch,	Downingtown to Conestoga Junction, Pa.,	39.20	I. 1.62
Atglen and Susquehanna Branch,	Parkesburg to near Shock's Mills Bridge,	44.91	I. .04
York Haven and Rowenna Branch,	near Shock's Mills Bridge to Junct. Balto. Div. N. C. Ry.,	5.19	
Lancaster Cut-off,	Conestoga Junction to Dillerville Junction, Pa.,	2.56	I. .14
South Columbia Branch,	in Columbia, Pa.,	.50	I. .01
Enola Branch,	Marysville to Junction Baltimore Div. Northern Central Ry.,	5.11	I. .02
Tyrone Branch,	Tyrone, Pa., to Vail, Pa.,	3.15	
Hollidaysburg Branch,	Altoona, Pa., to New Portage Junction, Pa.,	6.31	D. 2.34
Morrison's Cove Branch,	Morrison's Cove Junction, Pa., to Henrietta, Pa.,	18.54	D. .02
Martinsburg Branch,	Martinsburg Junction, Pa., to Martinsburg, Pa.,	.77	I. .07
Bloomfield Branch,	Roaring Spring, Pa., to Ore Hill, Pa.,	3.23	I. .23
Petersburg Branch,	Junction New Portage Branch, Pa., to Petersburg, Pa.,	32.45	I. 2.39
Canoe Creek Branch,	Canoe Creek Junction to Moore's Mill,	2.62	
Crissman Branch,	Junction Canoe Creek Branch to terminus,	1.25	I. .01
Clapper Branch,	Junction Canoe Creek Branch to terminus,	.84	I. .08
Springfield Branch,	Springfield Junction, Pa., to Oreminea, Pa.,	8.30	I. .10
Clover Creek Branch,	Clover Creek Junction, Pa., to near Calcite Station,	2.84	I. .46
Pennsylvania Railroad,	at Tyrone Station,	.22	I. .22
Total lines owned,	Δ	580.48	I. 2.80
LINES OPERATED UNDER CONTRACT.			
Pomeroy and Newark Railroad,	Pomeroy, Pa., to Pencader, Del.,	26.74	I. .04
Lancaster and Quarryville R. R.,	Lancaster, Pa., to Quarryville, Pa.,	15.21	
Harrisburg, Portsmouth, Mt. Joy and Lancaster Railroad,	Dillerville, Pa., to Harrisburg, Pa., Columbia, Pa., to Branch Intersection, Pa.,	52.57	D. .09
Bedford and Bridgeport Railway,	Mt. Dallas, Pa., to Penna. and Maryland State Line and branch,	49.06	D. .11
Bedford and Hollidaysburg Railroad,	Cessna to near Imler, Pa.,	11.77	D. .04
Lewisburg and Tyrone R. R. (E. Pa. Div. portion),	Tyrone, Pa., to Fairbrook, Pa., and branches,	27.23	I. .01
Bald Eagle Valley Railroad (E. Pa. Div. portion),	Vail, Pa., to Lock Haven, Pa., and branches,	84.35	D. .21
Cambria and Clearfield Railway,	Cresson Junc., to Hoovers Mill Branch Junc., Vail to Grampian, Bellwood to near Horatio, Cresson to Irvona, Kaylor to Black Lick, } and branches	393.41	I. .63
Pine Run Railroad,	Irvona to Irvona Coal & Coke Company's Colliery No. 10,	2.39	I. 2.39
Tipton Railroad	Tipton to Tipton Run Coal Mines	5.03	I. 5.03
Total lines operated under contract,		667.76	I. 7.65
Grand total Eastern Pennsylvania Division,		1,248.24	I. 10.45

In addition to above total of 1,248.24 miles, the Eastern Pennsylvania Division uses 20.10 miles of line under trackage rights.

Δ In addition to this the Pennsylvania Railroad Company owns 625.40 miles operated as part of the Western Pennsylvania Division, 8.03 miles operated as part of the New Jersey Division, 490.56 miles operated as part of the Erie Division, and .80 miles operated as part of Buffalo and Allegheny Valley Divison, making a total of 1,705.27 miles of road owned.

The Pennsylvania Railroad Company also owns lines which are operated by other corporations, as follows:— The York Branch, 12.88 miles, and the Rockville Branch, 2.67 miles, operated by the Northern Central Railway Company; and the Winfield Branch, 9.16 miles, operated by the Winfield Railroad Company.

WESTERN PENNSYLVANIA DIVISION.

LINES OWNED.		Miles Dec. 31, 1907.	Inc. or Dec. as compared with 1906.
Pennsylvania Railroad,	Altoona to Pittsburgh, Pa.,	113.12	D. 1.17
New Portage Branch,	Duncansville to Gallitzin,	14.92	I. .01
Lilly Branch,	Lilly, Pa., to coal mines,	2.13	I. .01
Ben's Creek Branch,	Portage, Pa., to coal mines,	4.50	I. .56
Martin's Branch,	near Portage, Pa., to coal tipple,	3.62	I. .01
Sonman Branch,	Sonman, Pa., to terminus,	.89	I. .03
Summerhill Branch,	Summerhill, Pa., to South Fork, Pa.,	1.99	I. .04
South Fork Branch,	South Fork to Ashtola, Pa., and branches,	47.39	I. .66
Bradenville Branch,	Bradenville Junction to Coke Works,	3.93	I. .04
	Ligonier Junction to Coal Works,	.90	D. .01
Brush Creek Branch,	Jeannette, Pa., to terminus,	.51	D. .03
Johnstown Branch,	near Conemaugh, Pa., to Johnstown, Pa.,	1.60	I. .08
Sang Hollow Extension,	near Sheridan to J. D. Tower,	13.37	D. 3.76
Pennsylvania Railroad,	Bolivar to Allegheny, Pa., and branches,	111.75	I. .43
Indiana Branch,	Blairsville Intersection, Pa., to Indiana, Pa., and branches,	20.30	I. .11
Alexandria Branch,	Donohoe, Pa., to near Dundale Station,	10.04	I. 1.92
South-west Branch,	near Greensburg to Fairchance, Pa., and branches,	123.44	D. .44
Bull Run Branch,	Jeannette, Pa., to terminus,	.91	I. .19
Manor Branch,	Manor, Pa., to Claridge, Pa.,	4.26	D. .04
Youghiogheny Branch,	near Shafton, Pa., to Gratztown Junction, Pa.,	10.95	I. .76
Turtle Creek Branch,	Stewart, Pa., to Export, Pa.,	10.56	D. .30
Lyons Run Branch,	Saunders, Pa., to terminus,	3.86	D. .01
East Pittsburgh Branch,	Stewart, Pa., to Carnegie's Union R. R.,	2.40	
Port Perry Branch,	near Turtle Creek Station, Pa., to near Thomson, Pa.,	2.02	D. .04
Brilliant Branch,	near East Liberty Station to near Aspinwall, Pa., and branch,	4.02	I. 1.07
Duquesne Way Elevated Branch,	near Union Station, Pittsburgh, to Fourth St., Pittsburgh,	.74	I. .08
Pennsylvania Railroad,	Pittsburgh, South Side, to 4.45 miles south of West Brownsville, Pa., passenger station, and branches,	111.28	I. 6.90
Total lines owned,		625.40	I. 7.10
LINES OPERATED UNDER CONTRACT.			
Pennsylvania, Monongahela and Southern Railroad,	Junction with Monongahela Division to Millsboro, Pa.,	4.47	I. 4.47
South-west Connecting Railway,	Junct. with Bessemer Branch, to Marguerite Coke Works,	1.76	
Total lines operated under contract,		6.23	I. 4.47
Grand total Western Pennsylvania Division,		631.63	I. 11.57

In addition to above total of 631.63 miles, the Western Pennsylvania Division uses 3.42 miles of line under trackage rights.

NEW JERSEY DIVISION.

LINES OWNED.			Miles, Dec. 31st, 1907.	Increase or Decrease as compared with 1906.
Pennsylvania Railroad,	Trenton Branch,		2.80	D. .02
	Delaware Avenue Branch,		3.53	
	Commerce Street Branch,		.76	D. .03
	Canal Street Branch,		.31	
	Thirty-fourth Street Branch,		.63	
Total lines owned,			8.03	

LINES OPERATED UNDER CONTRACT.				
United New Jersey Railroad and Canal Company:—				
Railroads and Ferries:				
New Jersey and Pennsylvania State Line in Delaware River at Trenton, N. J., to Jersey City, N. J.,		56.71	....	I. .03
Hudson River Ferries,		1.00		
Camden, N. J., to South Amboy, N. J.,		61.23	....	I. .01
Connection with Freehold and Jamesburg Agricultural Railroad,	at Jamesburg, N. J.,	.28		
Connection with Kinkora and New Lisbon Railroad,	at Kinkora, N. J.,	.31		
Connection with Delaware River Railroad and Bridge Company's Branch No. 1,	at Fish House, N. J.,	.25		
Connection with Camden and Burlington County Railroad,	at Pavonia, N. J.	.19		
Connection with West Jersey and Seashore Railroad, Atlantic City Division,	at Camden, N. J.	.10	....	D. .07
BRANCHES.				
Harsimus Branch,	Bergen Hill, N. J., to Harsimus Cove, N. J.,	1.57	....	I. .02
Centre Street Branch,	Harrison, N. J., to Canal Street, Newark, N. J.,	1.34		
Bonhampton Branch,	Metuchen, N. J., to Bonhampton, N. J.,	1.80	....	D. .09
★Kingston Branch,	Monmouth Junction, N. J., to Kingston, N. J.,	4.28	....	I. .12
Jamesburg Branch,	Monmouth Junction, N. J., to Jamesburg, N. J.,	5.45	....	D. .01
Princeton Branch,	Princeton Junction, N. J., to Princeton, N. J.,	3.06		
⊙Millham Branch,	Millham Junction, N. J., to Coalport, in Trenton, N. J.,	2.01	....	I. .90
Bordentown Branch,	Trenton, N. J., to Bordentown, N. J.,	6.07	....	D. .03
Florence Branch,	Florence, N. J., to Wood's Iron Works,	2.04	....	D. .10
South Trenton Branch,	Coalport, Trenton, to Hamilton Ave., Trenton, N. J.,	.95	....	I. .95
			148.64	
Pennsylvania Annex,	Jersey City to Brooklyn,		1.00	
New York Bay Railroad,	near Waverly, N. J., to Greenville Transfer Bridges, and branches,		13.56	D. .01
Perth Amboy and Woodbridge Railroad,	near Rahway, N. J., to Perth Amboy, N. J.,		6.43	I. .10
Millstone and New Brunswick Railroad,	Millstone Junction, N. J., to East Millstone, N. J.,		6.56	D. .05
Rocky Hill Railroad and Transportation Co.,	Kingston, N. J., to Rocky Hill, N. J.,		2.87	I. .49
Belvidere Delaware Railroad,	Trenton, N. J., to Manunka Chunk, N. J., and branches,		81.07	I. .16
Philadelphia and Trenton Railroad,	Kensington, Philadelphia, Pa., to New Jersey and Pennsylvania State Line in Delaware River at Trenton, N. J.,		26.37	I. .07
Connecting Railway,	Frankford to Girard Avenue, West Philadelphia, Pa., North Philadelphia to Chestnut Hill, Pa., near Allen Lane Station to near Fort Hill, Pa., — and branches		36.19	D. .47
Delaware River Railroad and Bridge,	Philadelphia, Pa. (Frankford Junction), to Pensauken, N. J., and branches,		9.52	
Freehold and Jamesburg Agricultural Railroad,	Jamesburg Junction, N. J., to Sea Girt, N. J.,		27.31	I. .02
Kinkora and New Lisbon Railroad,	Kinkora, N. J., to near Lewistown, N. J.,		10.41	
Camden and Burlington County Railroad,	Pavonia, N. J., to Pemberton, N. J.,	22.35	....	I. .08
	Burlington and Mount Holly Branch,	7.12	....	I. .01
	connection with Philadelphia and Long Branch Railroad, near Birmingham, N. J.	.39		
			29.86	
Mount Holly, Lumberton and Medford Railroad,	Mount Holly, N. J., to Medford, N. J.,		5.94	
Vincentown Branch of the Burlington County Railroad,	Ewansville, N. J., to Vincentown, N. J.,		2.77	I. .01
Philadelphia and Long Branch Railroad,	near Birmingham, N. J., to Bay Head Junction, N. J., and branches,		48.75	I. .04
Philadelphia and Beach Haven Railroad,	Manahawken, N. J., to Beach Haven, N. J.,		12.12	I. .09
Total railroads and ferries,			477.40	
Delaware and Raritan Canal (U. N. J. R. R. and C. Co.),	Bordentown, N. J., to New Brunswick, N. J., with feeder from Raven Rock, N. J., to Trenton, N. J.,		66.00	
Grand total New Jersey Division,			543.40	I. 2.22

In addition to above the New Jersey Division uses 28.02 miles of line under trackage rights.
★ Included in the operations of the Rocky Hill Railroad and Transportation Co.
⊙ Included in the operations of the Belvidere Delaware Railroad.

ERIE DIVISION.

LINES OWNED.		Miles.	Miles Dec. 31st, 1907.	Increase or Decrease as compared with 1906.
Pennsylvania Railroad,	Sunbury, Pa., to Tomhicken, Pa.,	43.22	. . . .	D. .16
	in Hazleton	.12	. . . .	I. .12
	Catawissa, Pa., to Wilkes-Barre, Pa..	43.34	. . . .	I. .25
	Nanticoke to Glenlyon, Pa.,	5.13	. . . .	I. .44
	Nanticoke to West Nanticoke, Pa.,	2.18	. . . .	I. 1.10
	Rock Glen Junction, Pa., to Nescopec, Pa.,	11.97	. . . .	I. .01
	Pottsville, Pa., to New Boston Junction, Pa.,	9.90	. . . .	I. .04
	Morea, Pa., to Morea Breaker,	1.31	. . . .	I. .31
	Frackville to Shenandoah, Pa.,	4.70	. . . .	D. .28
	near Shenandoah Station, Pa.,toWm.Penn Colliery,	2.56	. . . .	I. .02
	Lewistown, Pa., to Milroy, Pa.,	11.14		
	Lewistown Junc., Pa., to Selinsgrove Junc., Pa.,	44.61	. . . .	D. .06
			180.18	
	Sunbury, Pa., to Erie, Pa.,	289.67	. . . .	I.289.67
	near Queen's Run, Pa., to North Fork Junction,	6.14	. . . .	I. 6.14
	Allen's (Williamsport, Pa.) to Nisbet, Pa.,	7.47	. . . .	I. 7.47
	near Newberry, Pa., to Williamsport, Pa.,	2.17	. . . .	I. 2.17
	in city of Williamsport,	4.93	. . . .	I. 4.93
			310.38	
			490.56	
LINES OPERATED UNDER CONTRACT.				
Philadelphia and Erie Railroad,	Sunbury, Pa., to Erie, Pa.,		. . . .	D287.56
Tangascootac Branch,	near Queen's Run to North Fork Junction,		. . . .	D. 5.81
Williamsport and Linden Branch,	Allen's (Williamsport, Pa.) to Nisbet, Pa.,		. . . .	D. 7.39
Williamsport Lumber Branch,	near Newberry, Pa., to Williamsport, Pa.,		. . . .	D. 1.93
Canal Branch,	in city of Williamsport,		. . . .	D. 4.59
Lewisburg and Tyrone Railroad (Erie Division portion),	Montandon, Pa., to near Lemont, Pa.,		57.94	I. .10
Bald Eagle Valley Railroad (Erie Division portion),	near Lemont, Pa., to Bellefonte, Pa.,		9.42	D. .03
Ridgway and Clearfield Railroad,	Ridgway, Pa., to Falls Creek, Pa.,		27.27	I. .12
Johnsonburg Railroad,	Johnsonburg, Pa., to Clermont, Pa.,		19.65	D. .04
Total Erie Division,			604.84	I. 5.04

In addition to above, the Erie Division uses 35.69 miles of line under trackage rights.

BUFFALO AND ALLEGHENY VALLEY DIVISION.

LINE OWNED.			Miles. Dec. 31st, 1907.	Increase or Decrease as compared with 1906
Pennsylvania Railroad,	Brilliant Branch—near Nadine Station to 3,307 feet east of Lexington Avenue Bridge, Pittsburgh, Pa.,		.80	I. .04
LINES OPERATED UNDER CONTRACT.		Miles.		
Allegheny Valley Railway,	South Oil City to Pittsburgh, Pa., and branches,	140.68	....	I. .07
	Red Bank, Pa., to Driftwood, Pa., and branch,	123.04	....	I. 1.71
			263.72	
Brookville Railway,	Junction Brookville Branch Allegheny Valley Railway to Silver City, Pa.,		11.27	D. .81
Western New York and Pennsylvania Railway:				
	Buffalo, N. Y., to Emporium, Pa.,	118.48	....	I. .08
	Buffalo, N. Y., to Oil City, Pa., and branches,	160.02	....	I. 6.36
	Oil City, Pa., to Irvineton, Pa.,	50.19		
	Warren, Pa., to Olean, N. Y.,	59.65	....	D. .40
			388.34	
Union Terminal Railroad,	in Buffalo, N. Y.,		2.32	
McKean and Buffalo Railroad,	Larabee, Pa., to Clermont, Pa.,		22.25	D. .06
Genesee Valley Canal Railroad,	Rochester, N. Y., to Hinsdale, N. Y., and branch,		101.43	I. 2.89
Genesee Valley Terminal Railroad,	near Rochester to Lincoln Park, N. Y.,		2.38	D. .08
Rochester, New York and Pennsylvania Railroad,	Nunda Junction, N. Y., to Swains, N. Y.,		11.94	D. .06
Kinzua Railway,	Kinzua, Pa., to Gates Siding, Pa.,		12.96	D. .23
Bradford Railway,	in Bradford, Pa.,		.66	
Kinzua Valley Railroad,	Morrison Junction, Pa., to West Line, Pa.,		9.82	D. .18
Olean, Bradford and Warren Railway,	Bradford, Pa., to Tarport, Pa.,		2.29	
Total Buffalo and Allegheny Valley Division,			830.18	I. 9.33

In addition to above, the Buffalo and Allegheny Valley Division uses 25.27 miles of line under trackage rights.

SUMMARY.

Eastern Pennsylvania Division,		1248.24	I. 10.45
Western Pennsylvania Division,		631.83	I. 11.57
New Jersey Division:	Miles.		
Railroad and ferries,	477.40		
Canal,	66.00		
		543.40	I. 2.22
Erie Division,		604.84	I. 5.04
Buffalo and Allegheny Valley Division,		830.18	I. 9.33
		*3858.29	I. 38.61

* In addition to above total of 3,858.29 miles the Pennsylvania Railroad Company uses 112.50 miles of line under trackage rights, as shown in detail under each of the five grand divisions.

Earnings, Expenses, Net Earnings, and Rentals from 1850 to 1907 inclusive.

ALL LINES OPERATED DIRECTLY.

Year.	Miles.	Gross Earnings.	Operating Expenses.	Net Earnings.	Rentals Paid.	Net Earnings to Penna. R. R. Co.
*1850, . . .	No record.	$339,452.51	$172,244.28	$167,208.23	. . . .	$167,208.23
1851, . . .	"	1,039,565.49	706,640.19	332,925.30	. . . .	332,925.30
1852, . . .	"	1,943,827.81	1,326,801.94	617,025.87	. . . .	617,025.87
1853, . . .	"	2,774,889.37	1,673,681.29	1,101,208.08	. . . .	1,101,208.08
1854, . . .	"	3,512,295.13	2,049,918.53	1,462,376.60	. . . .	1,462,376.60
1855, . . .	"	4,270,015.56	2,440,738.02	1,829,277.54	. . . .	1,829,277.54
1856, . . .	"	4,720,193.71	2,814,567.98	1,905,625.73	. . . .	1,905,625.73
1857, . . .	"	4,855,669.76	3,000,742.90	1,854,926.86	. . . .	1,854,926.86
1858, . . .	"	5,185,330.68	3,021,885.04	2,163,445.64	. . . .	2,163,445.64
1859, . . .	367.	5,362,355.21	3,130,738.15	2,231,617.06	. . . .	2,231,617.06
1860, . . .	367.	5,932,701.48	3,636,299.08	2,296,402.40	. . . .	2,296,402.40
1861, . . .	438.	7,300,000.95	3,653,062.76	3,646,938.19	$128,847.96	3,518,090.23
1862, . . .	645.	10,729,978.57	5,652,412.47	5,077,566.10	260,163.37	4,817,402.73
1863, . . .	716.	12,628,071.31	7,087,651.46	5,540,419.85	380,723.30	5,159,696.55
1864, . . .	797.	15,890,205.64	11,461,741.49	4,428,464.15	540,881.35	3,887,582.80
1865, . . .	856.	19,533,310.28	14,913,969.41	4,619,340.87	848,778.46	3,770,562.41
1866, . . .	887.	19,124,934.63	14,726,484.53	4,398,450.10	1,019,412.25	3,379,037.85
1867, . . .	890.	18,673,916.30	13,941,538.39	4,732,377.91	962,147.80	3,770,230.11
1868, . . .	896.	20,037,747.67	13,697,035.73	6,340,711.94	1,186,647.34	5,154,064.60
1869, . . .	915.	20,513,517.02	14,321,479.55	6,192,037.47	1,341,280.48	4,850,756.99
1870, . . .	927.	20,675,751.53	13,591,878.62	7,083,872.91	947,073.13	6,136,799.78
1871, . . .	1,028.	22,262,100.58	14,296,696.68	7,965,403.90	1,202,040.33	6,763,363.57
1872, . . .	1,530.	36,448,503.36	24,112,901.01	12,335,602.35	4,746,166.08	7,589,436.27
1873, . . .	1,574.	39,983,138.91	26,237,850.05	13,745,288.86	5,117,926.18	8,627,362.68
1874, . . .	1,599.	37,386,427.27	22,357,349.59	15,029,077.68	6,230,864.26	8,798,213.42
1875, . . .	1,631.	34,464,104.38	21,094,461.31	13,369,643.07	6,201,728.53	7,167,914.54
1876, . . .	1,690.	36,891,060.99	22,081,229.34	14,809,831.65	6,308,828.92	8,501,002.73
1877, . . .	1,782.	31,117,146.18	19,028,467.24	12,088,678.94	6,351,242.12	5,737,436.82
1878, . . .	1,782.	31,636,734.58	18,468,993.71	13,167,740.87	5,994,433.17	7,173,307.70
1879, . . .	1,872.	34,620,279.17	20,382,740.15	14,237,539.02	6,245,113.16	7,992,425.86
1880, . . .	1,875.61	41,260,072.49	24,625,047.57	16,635,024.92	7,029,072.53	9,605,952.39
1881, . . .	1,956.	44,124,182.83	26,709,809.93	17,414,372.90	7,116,391.18	10,297,981.72
1882, . . .	2,047.06	49,079,833.62	30,647,405.45	18,432,428.17	7,906,169.52	10,526,258.65
1883, . . .	2,102.16	51,083,252.10	31,747,150.44	19,336,101.66	8,417,123.32	10,918,978.34
1884, . . .	2,267.81	48,566,917.84	30,527,016.02	18,039,901.82	8,592,606.66	9,447,295.16
1885, . . .	2,316.41	45,615,033.55	29,479,764.84	16,135,268.71	8,530,931.69	7,604,337.02
1886, . . .	2,387.77	50,379,077.00	32,619,594.61	17,759,482.39	8,935,245.73	8,824,236.66
1887, . . .	2,412.34	55,671,313.13	37,086,584.80	18,584,728.33	9,136,177.95	9,448,550.38
1888, . . .	2,435.72	58,172,077.66	39,331,153.14	18,840,924.52	9,608,649.23	9,232,275.29
1889, . . .	2,456.07	61,514,445.11	41,096,805.64	20,417,639.47	10,042,171.73	10,375,467.74
1890, . . .	2,500.72	66,202,259.83	44,980,554.67	21,221,705.16	10,421,046.18	10,800,658.98
1891, . . .	2,573.46	67,426,840.81	45,947,444.62	21,479,396.19	10,482,132.76	10,997,263.43
1892, . . .	2,657.57	68,841,844.76	48,819,361.30	20,022,483.46	10,228,271.91	9,794,211.55
1893, . . .	2,723.75	66,375,223.83	46,996,017.28	19,379,206.55	9,971,695.64	9,407,510.91
1894, . . .	2,737.07	58,704,284.58	40,363,746.57	18,340,538.01	8,956,440.95	9,384,097.06
1895, . . .	2,741.42	64,627,178.72	44,510,656.31	20,116,522.41	8,896,061.39	11,220,461.02
1896, . . .	2,787.46	62,096,502.66	43,459,326.91	18,637,175.75	8,824,163.09	9,813,012.66
1897, . . .	2,813.35	64,223,113.15	43,257,626.59	20,965,486.56	9,718,430.42	11,247,056.14
1898, . . .	2,821.71	65,603,737.95	44,510,015.85	21,093,722.10	10,315,771.90	10,777,950.20
1899, . . .	2,847.44	72,922,984.95	50,344,633.64	22,578,351.31	11,320,448.82	11,257,902.49
1900, . . .	3,715.94	88,539,827.21	58,099,206.02	30,440,621.19	12,224,520.34	18,216,100.85
1901, . . .	3,739.24	101,329,795.22	65,259,543.08	36,070,252.14	14,643,144.34	21,427,107.80
1902, . . .	3,705.70	112,663,330.13	75,051,071.17	37,612,258.96	11,605,948.17	26,006,310.79
1903, . . .	3,723.61	122,626,419.49	84,773,056.09	37,853,363.40	12,097,232.61	25,756,130.79
1904, . . .	† 3,888.55	118,145,270.06	81,802,988.18	36,342,281.88	11,202,964.15	25,139,317.73
1905, . . .	⊙ 3,907.08	133,921,992.28	93,390,410.28	40,531,582.00	12,346,754.42	28,184,827.58
1906, . . .	⊕ 3,964.68	148,239,882.44	101,805,644.25	46,434,238.19	12,552,212.75	33,882,025.44
1907, . . .	§ 3,970.79	164,812,825.64	119,607,348.28	45,205,477.36	10,837,864.27	34,367,613.09

* From September 1st, 1849, to December 31st, 1850.
† Includes 140.94 miles of line operated under trackage rights.
⊙ Includes 143.38 miles of line operated under trackage rights.
⊕ Includes 145.00 miles of line operated under trackage rights.
§ Includes 112.50 miles of line operated under trackage rights.

TONNAGE, MILEAGE, EARNINGS, EXPENSES, AND AVERAGES ON FREIGHT BUSINESS FROM 1864 TO 1907 INCLUSIVE.

ALL LINES OPERATED DIRECTLY.

YEAR.	TONS.	TONS ONE MILE.	EARNINGS.	AVERAGE EARNINGS PER TON PER MILE.	EXPENSES.	AVERAGE EXPENSES PER TON PER MILE.	AVERAGE NET EARNINGS PER TON PER MILE.
				CENTS.		CENTS.	CENTS.
1864,	3,189,259	436,591,940	$10,907,036.77	2.498	$8,336,168.69	1.909	0.589
1865,	3,090,681	452,183,478	12,277,490.68	2.715	10,610,867.32	2.347	0.368
1866,	4,001,455	579,839,073	13,453,592.72	2.320	10,625,075.12	1.832	0.488
1867,	4,501,232	646,231,881	13,464,201.69	2.083	9,974,596.36	1.544	0.539
1868,	5,518,729	806,376,652	14,983,779.28	1.858	9,712,567.62	1.204	0.654
1869,	6,294,066	927,714,156	15,439,739.81	1.664	10,602,820.27	1.143	0.521
1870,	7,041,688	1,014,652,970	15,252,314.99	1.503	9,971,625.98	0.983	0.520
1871,	8,404,334	1,244,328,216	16,852,662.82	1.354	10,777,144.98	0.866	0.488
1872,	13,246,456	1,629,613,645	23,797,237.02	1.460	16,181,517.88	0.993	0.467
1873,	15,647,509	1,870,537,537	26,987,820.76	1.443	18,286,725.39	0.978	0.465
1874,	15,604,922	1,916,591,690	24,715,418.15	1.290	15,554,659.70	0.812	0.478
1875,	15,772,722	2,026,190,425	22,807,660.00	1.126	14,362,136.16	0.709	0.417
1876,	17,064,953	2,221,739,198	21,132,560.23	0.951	14,657,083.29	0.660	0.291
1877,	16,382,268	2,086,659,438	21,149,389.38	1.014	12,834,226.82	0.615	0.399
1878,	17,597,447	2,368,330,428	21,961,447.75	0.927	12,752,696.07	0.538	0.389
1879,	22,867,162	2,974,925,881	24,500,960.21	0.824	14,287,532.62	0.480	0.344
1880,	26,051,091	3,239,482,799	29,750,291.99	0.918	17,490,054.88	0.540	0.378
1881,	30,895,376	3,631,829,468	31,128,521.00	0.857	18,773,389.24	0.517	0.340
1882,	34,181,016	3,911,845,087	34,205,596.31	0.874	21,685,852.22	0.554	0.320
1883,	35,684,662	4,059,970,201	35,764,506.82	0.881	22,807,493.84	0.562	0.319
1884,	36,632,571	4,134,657,237	33,242,301.60	0.804	21,399,835.67	0.518	0.286
1885,	39,481,385	4,446,470,651	30,895,747.98	0.695	20,435,253.72	0.460	0.235
1886,	42,833,499	4,584,355,908	34,623,877.39	0.755	22,566,369.73	0.492	0.263
1887,	50,033,297	5,214,900,569	38,080,823.85	0.730	25,912,845.49	0.497	0.233
1888,	55,708,046	5,796,816,928	40,175,773.83	0.693	27,944,386.20	0.482	0.211
1889,	58,373,489	6,170,513,980	42,302,176.16	0.686	29,182,838.01	0.473	0.213
1890,	66,648,730	6,994,332,633	45,783,597.23	0.655	32,404,558.91	0.463	0.192
1891,	66,500,209	7,081,702,979	46,650,184.10	0.659	32,363,057.68	0.457	0.202
1892,	71,120,736	7,582,760,849	47,460,452.77	0.626	34,479,972.67	0.455	0.171
1893,	69,129,790	7,426,109,131	45,606,999.25	0.614	33,211,201.34	0.447	0.167
1894,	63,972,269	6,902,828,482	40,412,551.20	0.585	28,630,373.98	0.415	0.170
1895,	77,598,378	8,152,343,461	45,922,018.18	0.563	32,338,868.22	0.397	0.166
1896,	72,322,609	7,707,883,205	43,500,713.27	0.564	31,521,301.55	0.409	0.155
1897,	78,927,656	8,535,158,008	45,770,174.10	0.536	31,498,826.46	0.369	0.167
1898,	84,220,747	9,214,565,495	45,939,773.48	0.499	32,744,026.12	0.355	0.144
1899,	100,054,226	10,875,076,597	51,395,733.16	0.473	37,376,428.13	0.344	0.129
1900,	108,847,515	11,922,671,210	64,390,452.51	0.540	43,395,536.62	0.364	0.176
1901,	121,699,340	12,696,352,464	73,899,939.16	0.582	48,391,006.19	0.381	0.201
1902,	133,433,845	14,024,198,051	82,249,169.41	0.586	56,648,712.67	0.404	0.182
1903,	145,558,716	14,846,639,121	89,895,722.67	0.605	63,703,929.02	0.429	0.176
1904,	132,975,037	14,223,451,129	86,014,076.11	0.605	60,250,569.13	0.424	0.181
1905,	156,533,351	16,885,485,241	100,093,828.25	0.593	70,500,600.79	0.418	0.175
1906,	171,946,077	18,478,371,275	109,960,888.10	0.595	76,631,301.86	0.415	0.180
1907,	223,810,040	21,473,176,903	123,816,999.03	0.577	88,699,264.83	0.413	0.164

PASSENGERS, MILEAGE, EARNINGS, EXPENSES, AND AVERAGES ON PASSENGER BUSINESS FROM 1864 TO 1907 INCLUSIVE.

ALL LINES OPERATED DIRECTLY.

YEAR.	PASSENGERS.	PASSENGERS ONE MILE.	EARNINGS.	AVERAGE EARNINGS PER PASSENGER PER MILE.	EXPENSES.	AVERAGE EXPENSES PER PASSENGER PER MILE.	AVERAGE NET EARNINGS PER PASSENGER PER MILE.
				CENTS.		CENTS.	CENTS.
1864,	2,952,696	163,094,736	$4,357,880.64	2.672	$3,125,572.80	1.916	0.756
1865,	3,611,086	232,019,815	6,376,079.14	2.748	4,303,071.37	1.855	0.893
1866,	3,368,983	162,395,880	4,681,191.66	2.883	4,101,409.41	2.526	0.357
1867,	3,983,028	147,540,084	4,256,343.52	2.885	3,966,942.03	2.689	0.196
1868,	4,376,498	156,632,079	4,241,585.82	2.708	3,984,468.11	2.544	0.164
1869,	4,880,401	169,772,834	4,304,101.45	2.535	3,718,659.28	2.190	0.345
1870,	5,014,924	169,972,984	4,364,481.43	2.568	3,611,554.05	2.125	0.443
1871,	5,384,869	172,678,024	4,483,535.42	2.596	3,504,276.14	2.029	0.567
1872,	13,967,690	361,676,659	9,637,166.69	2.665	6,915,345.64	1.912	0.753
1873,	15,057,153	372,048,475	9,887,634.75	2.658	7,613,540.51	2.046	0.612
1874,	15,020,063	364,532,316	9,488,968.56	2.603	6,251,057.94	1.715	0.888
1875,	14,456,864	344,234,876	8,857,619.67	2.573	6,191,289.39	1.799	0.774
1876,	18,363,366	623,208,759	12,817,473.64	2.057	6,572,572.70	1.055	1.002
1877,	13,007,832	298,752,730	6,940,498.97	2.323	5,326,087.97	1.783	0.540
1878,	12,792,305	292,725,524	6,759,426.43	2.309	5,013,723.42	1.713	0.596
1879,	13,602,401	314,260,989	7,085,949.36	2.255	5,370,228.17	1.709	0.546
1880,	16,575,042	382,787,186	8,504,387.22	2.222	6,407,692.10	1.674	0.548
1881,	18,985,409	446,316,555	9,602,768.67	2.152	7,207,500.69	1.615	0.537
1882,	21,887,992	496,202,927	11,160,816.55	2.249	8,252,581.22	1.663	0.586
1883,	23,081,858	505,180,481	11,605,253.42	2.297	8,215,365.70	1.626	0.671
1884,	25,164,131	512,873,485	11,582,198.17	2.258	8,314,586.21	1.621	0.637
1885,	27,642,018	568,664,914	11,087,445.00	1.950	8,337,776.94	1.466	0.484
1886,	31,090,271	576,906,276	12,194,830.84	2.114	9,292,592.61	1.611	0.503
1887,	35,785,769	657,362,557	13,968,909.51	2.125	10,363,715.40	1.577	0.548
1888,	38,168,374	681,684,854	14,259,507.77	2.092	10,517,506.83	1.543	0.549
1889,	40,189,893	727,312,735	15,140,342.75	2.082	11,106,425.34	1.527	0.555
1890,	43,810,382	778,818,917	16,177,150.55	2.077	11,710,227.29	1.504	0.573
1891,	44,810,727	795,098,618	16,331,444.85	2.054	12,725,352.33	1.600	0.454
1892,	46,648,572	843,819,609	16,709,533.94	1.980	13,332,046.93	1.580	0.400
1893,	44,135,320	813,652,864	16,264,101.22	1.999	12,884,347.53	1.584	0.415
1894,	38,596,160	693,010,056	13,703,799.46	1.977	10,961,541.83	1.582	0.395
1895,	37,452,437	712,072,950	13,909,506.33	1.953	11,331,489.73	1.591	0.362
1896,	36,170,220	699,799,213	13,744,556.70	1.964	11,070,381.51	1.582	0.382
1897,	34,997,524	693,279,336	13,506,671.28	1.948	10,729,968.01	1.548	0.400
1898,	35,962,566	745,962,679	14,410,746.46	1.932	10,688,916.33	1.433	0.499
1899,	38,029,922	823,304,623	16,010,831.80	1.945	11,753,978.58	1.428	0.517
1900,	41,922,569	918,198,602	18,181,081.77	1.980	13,453,457.86	1.465	0.515
1901,	46,698,595	1,050,463,693	20,928,395.37	1.992	15,563,611.29	1.482	0.510
1902,	50,287,009	1,165,609,033	23,421,170.86	2.009	16,984,215.63	1.457	0.552
1903,	53,657,638	1,249,805,273	25,345,210.57	2.028	19,596,798.26	1.568	0.460
1904,	51,763,370	1,218,521,705	24,375,018.20	2.000	20,194,259.14	1.657	0.343
1905,	55,781,809	1,305,299,112	26,282,196.28	2.014	21,296,151.76	1.632	0.382
1906,	62,108,708	1,493,393,002	30,074,868.06	2.014	23,695,246.82	1.587	0.427
1907,	67,356,833	1,629,769,525	31,252,644.89	1.918	29,183,139.91	1.791	0.127

FREIGHT TRAFFIC STATISTICS.

ALL LINES OPERATED DIRECTLY.

	Pennsylvania Division.	New Jersey Division.	Erie Division.	Buffalo and Allegheny Valley Division.	Total.	Comparison with 1906. Increase.	Decrease.
Miles of road, ...	*1,903.39	*503.42	*640.53	*855.45	*3,902.79	6.11	
Freight earnings (rail), ...	$77,245,958.47	$20,771,223.36	$12,815,460.79	$12,993,522.52	$123,826,165.14	$13,865,277.04	
Per cent. of total earnings, . .	78.98	58.11	85.07	82.03	75.30	0.97	
Number of tons carried, . . .	142,086,579	35,496,898	26,353,114	19,873,449	⊙132,284,515	⊙13,846,346	
Number of tons carried one mile,	14,385,463,230	2,091,454,930	2,492,790,889	2,503,467,854	21,473,176,903	2,994,805,628	
Average miles each ton was carried, ...	101.24	58.92	94.59	125.97	162.33	6.31	
Number of tons carried per mile of road, ...	74,649	70,511	41,143	23,232	33,895	3,500	
Number of tons carried one mile per mile of road, . . .	7,557,812	4,154,493	3,891,763	2,926,492	5,502,007	759,926	
Freight earnings per mile of road, ...	$40,583.36	$41,260.23	$20,007.59	$15,189.11	$31,727.60	$3,508.48	
Freight expenses per mile of road, ...	$27,516.86	$35,031.01	$14,239.09	$11,184.85	$22,727.14	$3,061.35	
Net earnings from freight per mile of road, ...	$13,066.50	$6,229.22	$5,768.50	$4,004.26	$9,000.46	$447.13	
Average earnings per ton (cents), ...	54.3	58.5	48.6	65.4	93.6	0.8	
Average earnings per ton per mile (cents), ...	0.537	0.993	0.514	0.519	0.577	. . . .	0.018
Average cost per ton per mile (cents), ...	0.364	0.843	0.366	0.382	0.413	. . . .	0.002
Average number of tons in loaded car, ...	27.89	26.67	24.68	28.18	27.38	1.92	
Average train load, tons, . . .	596	535	577	500	574	45	
Average number loaded cars in train, ...	21.36	20.05	23.37	17.72	20.97	0.20	
Average number empty cars in train, ...	13.80	10.75	9.45	9.62	12.42	0.44	
Revenue freight train mileage,	24,147,238	3,911,525	4,321,021	5,011,786	37,391,570	2,450,227	
Revenue freight train mileage per mile of road, ...	12,686	7,770	6,746	5,859	9,581	614	
Freight earnings per revenue freight train mile (cents), . .	319.9	531.0	296.6	259.3	331.2	16.5	
Freight expenses per revenue freight train mile (cents), . .	216.9	450.9	211.1	190.9	237.2	17.9	

*Pennsylvania Division includes . . . . 23.52 miles of line used under trackage rights.
New Jersey Division includes . . . . 28.02 miles of line used under trackage rights.
Erie Division includes . . . . 35.69 miles of line used under trackage rights.
Buffalo and Allegheny Valley Division includes . . . . 25.27 miles of line used under trackage rights.

Total includes, ... 112.50 miles of line used under trackage rights.

⊙Duplication eliminated, as per note on page 10.

PASSENGER TRAFFIC STATISTICS.

ALL LINES OPERATED DIRECTLY.

	Pennsylvania Division.	New Jersey Division.	Erie Division.	Buffalo and Allegheny Valley Division	Total.	Comparison with 1906.	
						Increase.	Decrease.
Miles of road,	*1,903.39	*503.42	*640.53	*855.45	*3,902.79	6.11	
Passenger earnings (rail),	$16,243,490.80	$11,127,496.54	$1,770,970.53	$2,289,607.11	$31,431,564.98	$1,356,696.92	
Per cent. of total earnings,	16.61	31.13	11.76	14.45	19.11	....	1.22
Number of passengers carried,	34,983,233	24,420,052	3,481,817	4,471,731	67,356,833	5,248,125	
Number of passengers carried one mile,	818,379,982	612,018,759	83,489,727	115,881,057	1,629,769,525	136,376,523	
Average miles each passenger was carried,	23.39	25.06	23.98	25.91	24.20	0.16	
Number of passengers carried per mile of road,	18,379	48,508	5,436	5,227	17,259	1,320	
Number of passengers carried one mile per mile of road,	429,959	1,215,722	130,345	135,462	417,591	34,343	
Passenger earnings per mile of road,	$8,533.98	$22,103.80	$2,764.85	$2,676.49	$8,053.61	$335.54	
Passenger expenses per mile of road,	$7,946.33	$18,443.18	$3,186.75	$3,193.99	$7,477.51	$1,396.63	
Net earnings from passengers per mile of road,	$587.65	$3,660 62	Loss, $421.90	Loss $517.50	$576.10	....	$1,061.09
Average earnings from each passenger (cents),	46.1	45.4	50.8	51.2	46.4	....	2.0
Average earnings per passenger per mile (cents),	1.970	1.810	2.117	1.974	1.918	....	0.096
Average cost per passenger per mile (cents),	1.848	1.517	2.445	2.358	1.791	0.204	
Average number of passengers per train,	61	82	46	43	64	2	
Passenger train mileage,	13,428,217	7,426,772	1,834,001	2,674,425	25,363,415	1,292,094	
Passenger train mileage per mile of road,	7,055	14,753	2,863	3,126	6,499	322	
Passenger earnings per train mile (cents),	120.1	149.1	96.4	85.5	123.2	....	1.7
Passenger expenses per train mile (cents),	112.6	125.0	111.3	102.2	115.1	16.7	
Passenger train earnings,	$20,171,588.00	$13,506,671.96	$2,091,432 43	$2,685,630.67	$38,455,323.06	$1,918,681.21	
Passenger train earnings per mile of road,	$10,597.72	$26,829.83	$3,265.16	$3,139.44	$9,853.29	$476.94	
Passenger train earnings per train mile (cents),	150.2	181.9	114.0	100.4	151.6	....	0.2

EARNINGS AND EXPENSES PER MILE OF ROAD.

	Pennsylvania Division.	New Jersey Division.	Erie Division.	Buffalo and Allegheny Valley Division	Total.	Comparison with 1906.	
						Increase.	Decrease.
Gross earnings per mile of road,	$51,383.26	$68,574.00	$23,518.02	$18,517.59	$41,823.61	$4,162.30	
Operating expenses per mile of road,	35,463.19	53,474.19	17,425.84	14,378.83	30,204.65	4,457.98	
Net earnings per mile of road,	15,920.07	15,099.81	6,092.18	4,138 76	11,618.96	....	$295.68

* Pennsylvania Division includes .... 23.52 miles of line used under trackage rights.
New Jersey Division includes .... 28.02 miles of line used under trackage rights.
Erie Division includes .... 35.69 miles of line used under trackage rights.
Buffalo and Allegheny Valley Division includes .... 25.27 miles of line used under trackage rights.

Total includes .... 112.50 miles of line used under trackage rights.

CLASSIFICATION OF FREIGHT TRAFFIC.

ALL LINES OPERATED DIRECTLY.

	Penna. Div.	New Jersey Div., excluding D. & R. Canal.	Erie Div.	B. & A. V. Div.	Total 1907.	Comparison with 1906. Increase.
Products of Agriculture.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Grain,	2,478,264	668,623	783,731	472,122	4,402,740	1,673,220
Flour,	927,227	301,156	363,810	207,110	1,799,303	504,840
Other mill products,	612,783	169,789	243,961	94,630	1,121,163	333,775
Hay,	400,222	111,766	113,271	46,882	672,141	206,702
Tobacco,	92,618	33,204	13,552	5,087	144,461	33,798
Cotton,	71,508	54,259	6,212	1,189	133,168	46,969
Fruits and vegetables,	1,143,855	622,566	455,215	326,377	2,548,013	534,520
Other articles,	373,618	185,660	119,509	103,042	781,829	241,291
Products of Animals.						
Live stock,	660,575	206,321	45,545	25,462	937,903	144,982
Dressed meats,	375,732	147,212	4,745	6,260	533,949	205,128
Other packing-house products,	254,238	68,703	27,181	20,578	370,700	128,656
Poultry, game, and fish,	103,530	70,456	9,461	1,604	185,051	41,866
Wool,	23,184	18,158	3,536	840	45,718	6,726
Hides and leather,	159,763	103,462	96,134	66,389	425,748	55,212
Other articles,	309,467	310,066	74,377	52,695	746,605	92,118
Products of Mines.						
Anthracite coal,	7,674,208	5,335,066	5,484,992	442,134	18,936,400	3,832,000
Bituminous coal,	56,673,492	12,507,874	6,859,186	6,136,579	82,177,131	28,569,100
Coke,	16,669,583	540,192	812,068	1,452,859	19,474,702	1,765,933
Ores,	6,120,912	51,010	1,799,333	1,410,366	9,381,621	1,642,653
Stone, sand, and like articles,	9,323,707	1,974,643	1,053,083	953,806	13,305,239	893,327
Other articles,	1,026,642	188,562	219,117	187,964	1,622,285	556,257
Products of Forests.						
Lumber,	4,272,774	2,001,475	1,574,060	1,003,031	8,851,340	105,848
Other articles,	393,658	172,240	463,129	338,967	1,367,994	145,337
Manufactures.						
Petroleum and other oils,	1,044,128	400,487	488,451	821,387	2,754,453	664,870
Sugar,	343,176	191,464	57,763	23,263	615,666	45,718
Naval stores,	25,900	7,174	7,738	10,957	51,769	6,544
Iron—pig and bloom,	4,106,244	690,626	481,713	846,521	6,125,104	962,871
Iron and steel rails,	1,219,790	260,356	86,311	137,184	1,703,641	243,065
Castings and machinery,	3,221,587	929,754	640,769	542,534	5,334,644	983,482
Bar and sheet metal,	5,032,486	921,235	665,139	1,090,528	7,709,388	1,784,359
Cement, brick, and lime,	3,532,039	1,384,101	868,141	670,413	6,454,694	486,629
Agricultural implements,	79,236	29,290	23,651	11,658	143,835	79,155
Wagons, carriages, tools, &c.,	282,722	74,477	25,790	69,336	452,325	205,892
Wines, liquors, and beers,	265,102	91,356	43,330	38,715	438,503	63,485
Household goods and furniture,	152,500	56,630	31,445	24,299	264,874	58,013
Other articles,	7,682,808	2,890,069	1,685,005	1,248,043	13,505,925	2,532,308
Merchandise,	1,181,016	454,630	130,226	111,812	1,877,684	494,696
Miscellaneous,	3,776,285	1,272,786	492,434	870,826	6,412,331	1,492,618
Total,	142,086,579	35,496,898	26,353,114	19,873,449	223,810,040	51,863,963

EXPENSES IN DETAIL.—ALL LINES OPERATED DIRECTLY.

ACCOUNTS.	PENNSYLVANIA DIVISION.		NEW JERSEY DIVISION.		ERIE DIVISION.		B. & A. V. DIVISION.		TOTAL.	
	1907.	INCREASE OR DECREASE.	1907.	INCREASE OR DECREASE.	1907.	INCREASE OR DECREASE.	1907.	INCREASE OR DECREASE.	1907.	INCREASE OR DECREASE.
MAINTENANCE OF WAY AND STRUCTURES.										
Engineering and Superintendence	$202,496.07		$70,555.55		$39,262.92		$49,810.64		$362,125.18	
Superintendence	260,540.54		91,358.62		53,290.71		70,241.29		475,431.16	
Other Track Material	370,555.79		114,947.07		35,933.59		109,156.47		630,592.92	
Roadway Cleaning and Policing	757,688.99		181,505.69		113,002.62		158,651.01		1,210,848.31	
Removal of Snow, Sand, and Ice	30,279.22		4,299.13		6,467.52		6,501.08		47,546.95	
Ballast	429,702.38		85,749.45		55,963.44		160,265.50		731,680.77	
Rails	490,048.59		113,627.20		117,492.61		168,120.52		889,288.92	
Ties	1,188,217.47		422,099.60		336,091.88		289,320.97		2,235,729.92	
Track Appliances	438,454.96		165,626.00		87,599.13		90,621.64		782,301.73	
Roadway Tools	62,347.20		24,814.44		7,436.69		10,409.76		105,008.09	
Roadway Tools and Supplies	61,976.50		25,290.49		10,648.70		10,336.64		108,252.33	
Other Roadway Maintenance	132,057.47		48,577.82		22,420.22		20,050.92		223,106.43	
Roadway and Track (Applying track material)	1,031,741.98		366,399.49		186,887.14		241,473.88		1,826,502.49	
Roadway and Track (Track maintenance)	1,496,877.75		424,278.59		249,127.70		310,023.12		2,480,307.16	
Roadway and Track (Roadway repairing, cleaning, and policing)	758,462.74		139,609.20		137,360.01		139,443.21		1,174,875.16	
Tunnels	6,417.38		8.73						6,426.11	
Bridges, Trestles, and Culverts	427,151.25		261,031.68		316,532.43		131,358.90		1,136,074.26	
Buildings and Grounds	1,171,987.84		365,698.69		92,568.45		105,251.57		1,735,506.55	
Buildings, Fixtures, and Grounds	1,192,975.48		431,144.98		119,483.94		97,261.00		1,840,865.40	
Docks and Wharves	77,037.37		363,925.98		5,304.80		32.05		446,300.20	
Signal and Interlocking Plants	582,331.63		210,815.89		54,760.94		51,909.68		899,818.14	
Fences, Road Crossings, and Signs	64,093.38		42,521.79		15,221.62		13,363.62		136,100.41	
Over and Under Grade Crossings	23,566.08		25,614.75		4,887.98		8,625.77		62,694.58	
Grade Crossings, Fences, Cattle Guards, and Signs	51,286.83		27,833.36		11,976.14		23,683.95		114,780.28	
Telegraph and Telephone Lines	202,967.48		62,222.99		70,626.12		54,124.50		389,941.09	
Snow and Sand Fences and Snow Sheds	175.63		94.68		338.29		1,788.33		2,396.93	
Work Equipment—Repairs	134,812.97		23,967.57		12,825.45		33,818.49		205,424.48	
Work Equipment—Renewals	6,375.89		1,369.86		430.59		1,386.07		9,562.41	
Work Equipment—Depreciation	14,436.79		4,453.54		13,164.06		9,047.01		41,101.40	
Injuries to Persons	6,095.10		538.79		568.39		624.04		8,726.32	
Stationery and Printing	24,231.38		10,142.43		5,220.22		5,967.48		45,561.51	
Insurance	33,726.26		19,568.16		4,625.51		2,834.34		60,754.27	
Other Expenses	7,447.51		5,565.63		3,198.90		647.89		16,859.93	
Maintaining Joint Tracks, Yards, and Other Facilities—Dr							17,769.47			
Maintaining Joint Tracks, Yards, and Other Facilities—Cr	130,279.90		18,472.62		45,664.21				176,647.26	
Total	$11,610,084.00	I. $1,815,489.33	$4,116,785.22	I. $520,097.56	$2,145,054.50	I. $433,293.77	$2,393,920.81	I. $436,465.43	$20,265,844.53	I. $3,205,346.09
MAINTENANCE OF EQUIPMENT.										
Superintendence	$601,913.51		$202,016.46		$91,551.03		$133,911.93		$1,029,392.93	
Steam Locomotives—Repairs	7,260,963.36		1,423,561.94		700,211.67		980,068.10		10,364,805.07	
Steam Locomotives—Depreciation	60,033.84		116,225.00		Cr. 1,566.86		100,519.12		275,211.10	
Passenger Train Cars—Repairs	1,465,552.46		706,394.06		162,209.62		216,769.19		2,550,925.33	
Carried forward	$9,388,463.17		$2,448,197.46		$952,405.46		$1,431,268.34		$14,220,334.43	

NOTE.—The items shown in the above statements in plain type represent figures for the entire year. Those in italics represent figures for either the first six months or the last six months of the year.

ACCOUNTS.	PENNSYLVANIA DIVISION. 1907.	Increase or Decrease.	NEW JERSEY DIVISION. 1907.	Increase or Decrease.	ERIE DIVISION. 1907.	Increase or Decrease.	B. & A. V. DIVISION. 1907.	Increase or Decrease.	TOTAL. 1907.	Increase or Decrease.
Brought forward	$9,388,463.17		$2,448,197.46		$952,405.46		$1,431,268.34		$14,220,334.43	
Passenger Train Cars—Renewals	*23,007.13*		*12,110.74*		*2,798.14*		*3,840.03*		*41,756.04*	
Passenger Train Cars—Depreciation	*146,839.38*		*77,294.93*		*17,858.71*		*24,508.37*		*266,501.39*	
Freight Train Cars—Repairs	8,569,201.54		1,183,853.93		1,414,634.26		1,336,420.80		12,504,110.53	
Freight Train Cars—Renewals	*394,809.79*		*57,300.62*		*68,911.06*		*63,471.72*		*584,493.19*	
Freight Train Cars—Depreciation	*1,324,851.98*		*192,188.82*		*231,799.81*		*213,109.43*		*1,961,950.04*	
Cars—Repairs of Work	*88,668.54*		*31,428.79*		*4,366.62*		*23,063.55*		*147,527.50*	
Floating Equipment—Repairs	11,297.25		584,348.45						595,645.70	
Floating Equipment—Depreciation			*137,708.96*						*137,708.96*	
Shop Machinery and Tools	653,451.30		131,513.82		86,823.50		57,765.21		929,553.83	
Watchmen	*44,722.72*		*17,321.28*		*4,306.42*		*2,664.40*		*69,014.91*	
Shops—Heating and Lighting	*76,608.65*		*31,081.45*		*11,358.98*		*10,085.89*		*129,134.97*	
Injuries to Persons	*4,504.30*		*1,010.10*		*654.52*		*929.19*		*7,098.11*	
Stationery and Printing	69,571.93		23,092.73		11,234.30		14,395.01		118,293.97	
Insurance	160,305.36		51,055.91		22,787.36		16,498.20		250,646.83	
Other Expenses	59,066.26		16,831.44		10,312.38		18,335.33		104,545.41	
Maintaining Joint Equipment at Terminals—Dr.			*627.31*							
Equipment Borrowed—Dr.			*16,846.58*		*42,314.57*		*111,151.95*			
Maintaining Joint Equipment at Terminals—Cr.	*68,515.47*				*16,355.14*		*3,169.88*		*87,413.18*	
Equipment Loaned—Cr.	*429,601.40*								*259,288.39*	
Total	$20,517,252.34	I. $3,889,572.39	$5,013,813.32	I. $709,573.29	$2,866,210.95	I. $266,474.34	$3,324,337.63	I. $654,749.53	$31,721,614.24	I. $5,520,369.55
Traffic Expenses.										
Superintendence (Passenger)	$90,196.24		$64,866.45		$11,235.98		$25,796.46		$192,095.13	
Superintendence (Freight)	174,716.00		60,489.29		36,020.64		51,616.24		322,842.17	
Outside Agencies (Passenger)	160,884.72		98,673.46		14,913.78		19,705.92		294,177.88	
Outside Agencies (Freight)	335,751.98		95,175.59		93,009.72		49,886.95		573,824.24	
Advertising (Passenger)	159,398.81		138,287.47		19,241.33		31,080.82		348,008.43	
Advertising (Freight)	276.06		153.52		106.84		84.00		620.42	
Traffic Associations (Passenger)	*2,801.19*		*2,073.99*		*295.20*		*439.55*		*5,609.93*	
Traffic Associations (Freight)	*7,683.46*		*2,487.44*		*895.19*		*1,268.02*		*12,334.11*	
Fast Freight Lines	*13,042.20*		*3,780.74*		*3,813.11*		*4,026.00*		*24,662.05*	
Industrial and Immigration Bureaus	*10,643.57*		*8,995.87*		*785.31*		*1,053.94*		*30,478.69*	
Stationery and Printing (Passenger)	48,658.00		36,744.74		9,560.63		12,926.44		107,889.81	
Stationery and Printing (Freight)	54,503.22		19,423.53		16,790.22		23,663.26		114,380.23	
Insurance (Passenger)	*40.16*		*13.30*				*1.86*		*55.41*	
Insurance (Freight)	*525.91*								*525.91*	
Other Expenses (Passenger)	*5,186.11*		*1,205.23*		*334.95*		*288.40*		*7,014.69*	
Other Expenses (Freight)	*103.91*		*50.76*		*30.80*				*185.47*	
Total	$1,073,411.54	I. $135,982.92	$532,421.47	I. $34,677.76	$207,033.70	I. $61,144.79	$221,837.86	I. $30,887.00	$2,034,704.57	I. $262,692.47
Transportation Expenses.										
Superintendence	$1,076,563.40		$301,127.75		$176,675.89		$218,987.69		$1,773,354.73	
Dispatching Trains (Dispatching)	*111,504.36*		*30,619.43*		*30,134.83*		*22,999.55*		*195,258.17*	
Dispatching Trains (Interlockers, block, and other signals)	*293,786.74*		*42,194.86*		*70,508.80*		*70,006.06*		*476,496.46*	
Station Employees (Passenger)	968,795.69		637,204.64		82,627.46		105,779.30		1,794,407.09	
Carried forward	$2,450,650.19		$1,011,146.68		$359,946.98		$417,772.60		$4,239,516.45	

Note.—The items shown in the above statements in plain type represent figures for the entire year. Those in italics represent figures for either the first six months or the last six months of the year.

ACCOUNTS.	PENNSYLVANIA DIVISION.		NEW JERSEY DIVISION.		ERIE DIVISION.		B. & A. V. DIVISION.		TOTAL.	
	1907.	Increase or Decrease.	1907.	Increase or Decrease.	1907.	Increase or Decrease.	1907.	Increase or Decrease.	1907.	Increase or Decrease.
Brought forward	$2,450,650.19		$1,011,146.68		$359,946.98		$417,772.60		$4,230,516.45	
Station Employees (Freight)	2,904,780.21		3,650,463.25		620,950.39		658,259.06		7,834,453.81	
Station Supplies	*219,007.66*		*251,043.99*		*30,744.25*		*23,240.81*		*524,036.71*	
Station Supplies and Expenses	*234,033.70*		*366,303.16*		*60,135.94*		*40,098.42*		*701,471.22*	
Weighing and Car Service Associations	*29,458.13*		*10,248.72*		*2,491.80*		*4,896.66*		*47,095.31*	
Stock Yards and Grain Elevators	4,092.29		34,540.83		178.40				38,811.52	
Coal and Ore Docks	*889.08*		*83.89*		*84,836.79*				*85,809.76*	
Yardmasters and their Clerks	800,748.04		355,627.13		170,787.54		122,898.46		1,450,061.17	
Yardmen	*1,360,337.32*		*575,253.31*		*189,860.55*		*244,102.58*		*2,369,553.76*	
Yard Conductors and Brakemen	*1,477,472.07*		*584,301.42*		*243,018.78*		*275,311.34*		*2,580,103.61*	
Yard Switch and Signal Tenders	*163,847.91*		*79,065.00*		*13,915.46*		*11,800.30*		*269,528.67*	
Yard Supplies and Expenses	*72,282.48*		*13,287.54*		*3,514.43*		*3,510.12*		*92,594.57*	
Yard Enginemen	1,334,630.72		609,702.07		195,812.02		295,161.87		2,435,306,68	
Engine House Expenses (Yard)	*127,984.80*		*50,597.36*		*19,937.57*		*27,886.62*		*226,406.35*	
Fuel for Yard Locomotives (Cost of fuel)	827,345.60		608,307.38		170,970.43		200,619.63		1,807,243.04	
Fuel for Yard Locomotives (Operation of fuel stations for yard locomotives)	*17,061.21*		*11,170.69*		*3,658.40*		*5,196.34*		*37,086,64*	
Water for Yard Locomotives	*21,611.46*		*23,095.10*		*3,600.68*		*5,135.02*		*53,443.16*	
Lubricants for Yard Locomotives	*8,556.83*		*5,799 83*		*1,804.32*		*2,609.61*		*18,770.59*	
Other Supplies for Yard Locomotives	*19,861.52*		*6,910.37*		*2,262.62*		*4,640.52*		*33,684.03*	
Operating Joint Yards and Terminals—Dr			*82,329.63*							
Operating Joint Yards and Terminals—Cr	*816,787.57*				*89 861.22*		*16,608.06*		*840,927.22*	
Road Enginemen (Passenger)	*931,106.87*		*505,891.99*		*119,811.55*		*172,606.80*		*1,729,417.21*	
Road Enginemen (Freight)	*3,390,483.53*		*428,511.58*		*534,020.78*		*537,769.78*		*4,890,785.67*	
Enginehouse Expenses (Road)	*626,841.98*		*165,756.79*		*77,794.06*		*69,877.14*		*940,269.97*	
Fuel for Road Locomotives (Passenger—Cost of fuel at point of issue)	875,725.06		913,907.58		134,004.94		137,475.76		2,061,113.34	
Fuel for Road Locomotives (Freight—Cost of fuel at point of issue)	3,790,621.65		897,561.81		813,793.36		858,159.34		6,360,136.16	
Fuel for Road Locomotives (Operation of fuel stations for road locomotives)	*67,122.37*		*28,445.85*		*18,796.94*		*9,767.42*		*124,132.58*	
Water for Road Locomotives	*225,484.75*		*66,182.75*		*18,532.64*		*25,430.40*		*335,630.54*	
Lubricants for Road Locomotives	*57,613.26*		*14,016.49*		*6,819.68*		*15,595.63*		*94,045.06*	
Other Supplies for Road Locomotives	*148,525.94*		*28,187.06*		*16,336.83*		*22,482.76*		*215,532.59*	
Road Trainmen (Passenger)	1,084,332.38		548,266.95		131,649.44		187,843.37		1,952,002.14	
Road Trainmen (Freight)	3,654,456.06		666,210.86		597,793.38		634,883.27		5,553,343.57	
Train Supplies and Expenses (Passenger)	681,085.78		336,558.65		71,556.90		101,092.49		1,190,293.82	
Train Supplies and Expenses (Freight)	555,145.27		118,441.01		103,930.20		115,025.97		892,542.45	
Enginehousemen	*684,875.91*		*176,318.25*		*83,590.62*		*77,950.42*		*1,022,735.20*	
Fuel Stations, Operation of	*93,857.63*		*36,867.01*		*26,279.04*		*14,898.50*		*171,902.18*	
Locomotives, Water Supply for	*271,351.60*		*85,836.36*		*18,836.77*		*28,940.14*		*404,964.96*	
Locomotives, Stores for	*97,857.75*		*29,228.07*		*11,691.69*		*21,352.95*		*160,130.46*	
Locomotives, Other Supplies for	*174,549.89*		*29,601.02*		*20,356.79*		*20,443.44*		*244,951.14*	
Interlockers, Block and Other Signals (Operation)	319,621.10		142,184.37		23,257.35		27,983.41		513,046.23	
Crossing Flagmen and Gatemen	108,913.91		135,496.58		37,624.82		32,051.08		314,086.39	
Drawbridge Operation	*1,554.99*		*27,915.50*						*29,470.49*	
Clearing Wrecks	428,512.46		62,486.34		32,075.97		102,868.46		625,883.23	
Carried forward	$29,528,403.88		$13,774,050.22		$4,987,119.88		$5 541,881.23		$53,831,455.21	

NOTE.—The items shown in the above statements in plain type represent figures for the entire year. Those in italics represent figures for either the first six months or the last six months of the year.

ACCOUNTS.	PENNSYLVANIA DIVISION. 1907.	PENNSYLVANIA DIVISION. Increase or Decrease.	NEW JERSEY DIVISION. 1907.	NEW JERSEY DIVISION. Increase or Decrease.	ERIE DIVISION. 1907.	ERIE DIVISION. Increase or Decrease.	B. & A. V. DIVISION. 1907.	B. & A. V. DIVISION. Increase or Decrease.	TOTAL. 1907.	TOTAL. Increase or Decrease.
Brought forward	$20,528,403.88		$13,774,050.22		$4,087,119.88		$5,541,881.23		$53,831,455.21	
Telegraph and Telephone (Operation)	760,171.22		362,580.05		222,071.47		155,767.45		1,501,491.09	
Signalmen	364,302.96		154,213.92		21,912.50		46,302.41		586,731.79	
Policemen	71,954.80		97,222.28		6,457.12		12,482.50		188,116.79	
Car Service	27,947.26		56,973.32		87,423.88		73,487.96		245,832.42	
Rent of Tracks, Yards, and Terminals	88,286.58		10,769.89		122,824.85		40,993.44		262,874.76	
Rent of Buildings and Other Property	3,610.36		156,309.07		2,971.92		11,256.55		174,148.80	
Operating Floating Equipment (Operation)	10,123.83		1,738,054.30		4,420.58		341.03		1,752,948.74	
Operating Floating Equipment (Fuel)	186.60		366,727.79						366,914.39	
Operating Floating Equipment (Elevation and longshore labor)			364,320.23						364,320.23	
Stationery and Printing	375,543.67		239,600.11		70,251.90		87,156.07		772,551.75	
Insurance	300,324.29		186,064.02		41,972.54		47,480.22		575,841.07	
Other Expenses	125,483.57		51,013.86		10,166.43		13,814.50		200,478.36	
Loss and Damage	208,164.15		149,441.03		37,363.25		29,739.08		424,707.51	
Loss and Damage (Freight)	200,031.81		128,559.13		45,018.15		39,749.40		413,258.49	
Loss and Damage (Baggage)	4,853.35		4,253.79		3,657.79		929.23		13,694.16	
Damage to Property	18,672.01		10,388.76		585.38		4,362.13		34,008.28	
Damage to Stock on Right of Way	2,343.68		25.83		598.95		1,373.06		4,341.52	
Injuries to Persons	71,597.25		31,256.43		6,489.12		32,273.92		141,616.72	
Operating Joint Tracks—Dr.							3 000.53			
Operating Joint Tracks—Cr.	6,607.42		989.43		15,802.05				20,308.37	
Total	$32,165,203.94	I. $4,065,835.94	$17,880,836.40	I. $2,392,787.79	$5 656,412.66	I. $701,525.79	$6,132,480.71	I. $1,170,705.89	$61,835,023.71	I. $8,330,855.41
GENERAL EXPENSES.										
General Officers	$143,770.48		$50,054.52		$20,303.95		$19,807.58		$233,945.53	
Salaries and Expenses of General Officers	98,437.00		33,373.03		15,284.74		14,418.19		161,512.96	
Salaries and Expenses of Clerks and Attendants	1,023,475.65		319,447.55		152,925.97		123,635.88		1,619,485.05	
General Office Supplies and Expenses	251,972.66		10,202.66		21,034.25		2,613.16		285,822.73	
Relief Department Expenses	135,562.08		39,674.33		20,195.07		21,002.10		216,433.58	
Insurance	482.40				74.01		.90		557.40	
Stationery and Printing	144,164.27		43,390.10		14,088.70		13,450.95		215,094.02	
Pensions	118,726.92		53,923.59		19,406.02		7,727.70		199,784.23	
Other Expenses	95,173.34		12,946.96		7,583.33		4,132.77		119,836.40	
Law Expenses	124,876.34		57,360.58		15,221.83		21,098.14		218,556.89	
General Administration Joint Tracks, Yards, and Terminals—Dr.			180.93		43.52					
General Administration, Joint Tracks, Yards, and Terminals—Cr.	2,409.14						92.34		2,277.03	
Total	$2,134,241.09	I. $202,691.53	$620,554.25	I. $105,664.64	$287,061.39	I. $83,158.57	$227,795.03	I. $42,803.01	$3,269,651.76	I. $434,317.75
SUMMARY.										
Maintenance of Way and Structures	$11,610,084.00	I. $1,815,489.33	$4,116,785.22	I. $520,097.56	$2,145,054.50	I. $433,203.77	$2,393,920.81	I. $436,465.43	$20,265,844.53	I. $3,205,346.09
Maintenance of Equipment	20,517 252.34	I. 3,889,572.39	5,013,813.32	I. 709,573.29	2,866,210.95	I. 266,474.34	3,324,337.63	I. 654,749.53	31,721,614.24	I. 5,520,369.55
Traffic Expenses	1,073,411.54	I. 135,082.92	532,421.47	I. 34,677.76	207,033.70	I. 61,144.79	221,837.86	I. 30,887.00	2,034,704.57	I. 262,692.47
Transportation Expenses	32,165,203.94	I. 4,065,835.94	17,880,836.40	I. 2,392,787.79	5,656,412.66	I. 701,525.79	6,132,480.71	I. 1,170,705.89	61,835,023.71	I. 8,330,855.41
General Expenses	2,134,241.09	I. 202,691.53	620,554.25	I. 105,664.64	287,061.39	I. 83,158.57	227,795.03	I. 42 803.01	3,269,651.76	I. 434,317.75
Total	$67,500,282.01	I. $10,109,572.11	$28,164,410.66	I. $3,762,801 04	$11,161,773.20	I. $1,545,507.26	$12,300,372.04	I. $2,335,610.86	$110,126,838.81	I. $17,753,581.27

NOTE.—The items shown in the above statements in plain type represent figures for the entire year. Those in italics represent figures for either the first six months or the last six months of the year.

EQUIPMENT OWNED BY THE PENNSYLVANIA RAILROAD COMPANY.

DECEMBER 31st, 1907.

	Total Authorized Equipment Dec. 31st, 1906.	Available for Service Dec. 31st, 1906.	Acquired during 1907.	Destroyed or Transferred to Other Classes during 1907.	Built to Fill Vacancies or Transferred from Other Classes during 1907.	Total Increase or Decrease.	Available for Service Dec. 31st, 1907.	Total Authorized Equipment Dec. 31st, 1907.	Capacity of Equipment Available for Service, 1907.	Capacity of Equipment Available for Service, 1906.	Valuation as Carried on General Ledger Dec. 31st, 1907.	Valuation as Carried on General Ledger Dec. 31st, 1906.
LOCOMOTIVES.									Tractive Power—Pounds.			
Passenger,	708	712	. . .	50	28	D. 22	690	690	13,891,231	13,836,650		
Freight,	2,135	2,135	. . .	14	17	I. 3	2,138	2,138	73,261,467	72,867,645		
Shifting,	367	368	. . .	44	58	I. 14	382	382	8,977,078	8,175,988		
Total,	3,210	*3,215	. . .	108	103	D. 5	3,210	3,210	96,129,776	94,880,283	$31,206,047.12	$30,890,875.71
PASSENGER CAR EQUIPMENT.									Seating Capacity—Persons			
Passenger,	1,136	1,136	. . .	140	140	. . .	1,136	1,136	71,338	67,374		
Passenger—second class,	66	66	. . .	62	63	I. 1	67	67	3,886	3,752		
Dining,	43	43	. . .	. . .	. . .	. . .	43	43	1,302	1,302		
Passenger-baggage,	218	218	. . .	6	5	D. 1	217	217	9,200	9,211		
Passenger-baggage-mail,	13	13	. . .	. . .	. . .	. . .	13	13	298	298		
Baggage-mail,	72	72	. . .	. . .	. . .	. . .	72	72				
Baggage,	116	116	. . .	18	20	I. 2	118	118				
Baggage-express,	264	264	. . .	1	. . .	D. 1	263	263				
Refrigerator-express,	56	56	. . .	1	. . .	D. 1	55	55				
Postal-letter,	35	35	. . .	9	. . .	D. 9	26	26				
Postal-paper,	12	12	. . .	1	. . .	D. 1	11	11				
Postal-storage,	21	21	. . .	. . .	. . .	. . .	21	21				
Postal-Interchangeable,	17	17	. . .	. . .	10	I. 10	27	27				
Dynamometer,	2	2	. . .	2	. . .	D. 2						
Air Brake Instruction,	1	1	. . .	. . .	. . .	. . .	1	1				
Total,	2,072	2,072	. . .	240	238	D. 2	2,070	2,070	86,024	81,937	$6,778,101.21	$6,764,973.31
FREIGHT CAR EQUIPMENT.									Tons	Tons		
Box,	14,458	14,458	. . .	536	1,793	I. 1,257	15,715	15,715	570,380	496,575		
Refrigerator,	720	720	. . .	43	43	. . .	720	720	19,730	18,830		
Stock,	1,948	1,948	. . .	192	. . .	D 192	1,756	1,756	55,490	61,060		
Gondolas,	27,994	27,745	325	1,839	920	D 594	27,151	27,151	1,049,990	1,044,180		
Flat,	86	84	. . .	. . .	5	I. 5	89	89	4,665	4,478		
Cabin,	1,611	1,611	63	83	83	I. 63	1,674	1,674				
Tank,	533	531	. . .	8	. . .	D. 8	523	523	bbls. 48,520	bbls. 49,280		
Box (Empire Line),	4,996	4,996	. . .	125	125	. . .	4,996	4,996	tons 176,290	tons 173,550		
Refrigerator (Empire Line),	60	60	. . .	. . .	. . .	. . .	60	60	1,600	1,600		
Total,	52,406	52,153	388	2,826	2,969	I. 531	52,684	52,684	bbls. 48,520 tons 1,878,145	bbls. 49,280 tons 1,800,273	$23,726,567.58	$20,511,807.58
MAINTENANCE OF WAY CAR EQUIPMENT.												
Cabin,	72	70	2	7	5	. . .	70	74				
Tool and block,	213	205	6	11	12	I. 7	212	219				
Pile driver,	1	1	. . .	. . .	. . .	. . .	1	1				
Snow plows,	3	3	. . .	. . .	. . .	. . .	3	3				
Snow sweepers,	2	2	2	. . .	. . .	I. 2	4	4				
Derricks,	87	84	1	. . .	2	I. 3	87	88				
Stone, wood and flat,	1,123	1,089	. . .	29	63	I. 34	1,123	1,123				
Hand cars,	885	879	15	35	36	I. 16	895	900				
Hand truck,	1,191	1,186	25	28	15	I. 12	1,198	1,199				
Test weight,	5	5	1	. . .	. . .	I. 1	6	6				
Water tanks,	1	1	. . .	. . .	. . .	. . .	1	1				
Steam Shovel,	1	1	. . .	. . .	. . .	. . .	1	1				
Dynamometer,	. . .	. . .	2	. . .	. . .	I. 2	2	2				
Total,	3,584	3,526	54	110	133	I. 77	3,603	3,621	. . . . .	. . . . .	$177,425.55	$177,425.55
FLOATING EQUIPMENT.												
Steam ferry-boats,	12	12	. . .	. . .	. . .	. . .	12	12				
Tug boats,	35	35	. . .	1	. . .	D. 1	34	34				
Steam lighters,	4	4	. . .	. . .	1	I. 1	5	5				
Barges,	112	112	3	. .	. . .	I. 3	115	115				
Flat and Dump scows,	36	36	. . .	. . .	. . .	. . .	36	36				
Car floats,	86	86	2	3	3	I. 2	88	88				
Canal barges,	21	21	. . .	. . .	. . .	. . .	21	21				
Dredgers,	3	3	. . .	. . .	. . .	. . .	3	3				
Total,	309	309	5	4	4	I. 5	314	314	. . . . .	. . . . .	$2,135,188.26	$2,135,188.26
											$64,023,329.72	$60,480,270.41
Shop Tools and Machinery,											1,618,218.88	1,618,218.88
Total valuation of equipment as per general ledger,											$65,641,548.60	$62,098,489.29

NOTE:—This statement embraces only the equipment absolutely owned by the Company, and, therefore, does not include 75,340 freight cars, with a capacity of 3,528,520 tons, leased under the various car trusts and under the Equipment Trust Gold Loan.

* Includes 25 locomotives built as additions to the equipment in latter part of 1906 and paid for in 1907.

EQUIPMENT LEASED UNDER CAR TRUSTS,

DECEMBER 31st, 1907.

	Date at which Cars will become Property of P. R. R.	Number.	Capacity. (Tons.)
Pennsylvania Rolling Stock Trust.			
Series E steel hopper gondola,	October 1st, 1908,	1,000	51,175
Series E and F box,	October 1st, 1908,	2,000	81,010
Series F and G long and coke gondola,	October 1st, 1908,	1,946	78,850
Series H and I box,	April 1st, 1909,	2,000	81,170
Series I and K hopper gondola,	April 1st, 1909,	1,910	77,070
Pennsylvania Car Trust.			
Series A steel hopper gondola,	November 1st, 1909	500	25,470
Series A and C long and coke gondola,	November 1st, 1909,	1,284	52,030
Series A, B, and C box,	November 1st, 1909,	430	17,380
Series F, G, H, I, and K box,	February 1st, 1910,	4,000	161,750
Series K steel hopper gondola,	February 1st, 1910,	500	25,590
Series K long and coke gondola,	February 1st, 1910,	325	13,150
Pennsylvania Equipment Trust.			
Series A and B box,	December 1st, 1910,	563	22,810
Series B long and coke gondola,	December 1st, 1910,	1,000	40,470
Series C, D, and E steel hopper gondola,	June 1st, 1911,	2,000	101,435
Series E steel flat,	June 1st, 1911,	500	20,010
Series E and F box,	June 1st, 1911,	437	17,610
Series F box, steel underframe,	June 1st, 1911,	675	33,750
Series G and H box, steel underframe,	March 1st, 1912,	1,325	66,250
Series H, I, and K steel hopper gondola,	March 1st, 1912,	2,273	115,285
Pennsylvania Steel Car Trust.			
Series A and B steel hopper gondola,	July 1st, 1912,	727	36,825
Series C, D, and E steel underframe box,	July 1st, 1912,	2,000	100,000
Series G steel underframe long gondola,	July 1st, 1912,	343	17,150
Series H, I, and K steel underframe long gondola,	October 1st, 1912,	2,116	105,800
Pennsylvania Steel Equipment Trust.			
Series A, B, C, D, and E steel underframe long gondola,	December 1st, 1912,	3,541	177,050
Series K steel hopper gondola,	March 1st, 1913,	693	35,135
Pennsylvania Steel Rolling Stock Trust.			
Series A steel hopper gondola,	May 1st, 1913,	807	41,010
Series C, D, and E steel underframe long gondola,	May 1st, 1913,	2,247	112,350
Series F steel underframe long gondola,	August 1st, 1913,	253	12,650
Series F and G steel flat,	August 1st, 1913,	600	30,000
Series H steel underframe refrigerator,	May 1st, 1915,	500	22,500
Pennsylvania Steel Freight Car Trust.			
Series B, C, and D steel underframe refrigerator,	September 1st, 1915,	1,000	45,000
Series D, E, F, and G all steel coke gondola,	September 1st, 1915,	3,000	150,000
Series G steel underframe box,	September 1st, 1915,	197	9,850
Series H, I, and K steel underframe box,	June 1st, 1916,	1,005	50,250
Series K all steel long and coke gondola,	June 1st, 1916,	670	33,500
Pennsylvania Steel Equipment Improvement Trust.			
Series A, B, G, H, I, and K, all steel long and coke gondola,	January 1st, 1916,	3,765	188,250
Penna. General Freight Equipt. Trust.—Issue of 1906.			
Series C, D, E, F, G, N, O, Q, R, and S steel underframe box,	Feb., May, Aug., and Nov. 1st, 1916,	5,000	250,000
Series D, G, H, I, K, L, M, N, O, P, and Q all steel long and coke gondolas,	Feb., May, and Aug., 1st, 1916,	8,000	400,000
Series J, X, and Y steel underframe refrigerator,	May and November 1st, 1916,	1,000	45,000
Series Y steel hopper gondola,	November 1st, 1916,	62	3,100
Penna. General Freight Equipt. Trust.—Issue of 1907.			
Series A, B, C, D, E, F, and G steel hopper gondola,	May, Aug., and Nov. 1st, 1917,	5,656	282,800
Series G, H, and J steel underframe box,	November 1st, 1917,	658	32,900
Series H and I steel coke gondola,	November 1st, 1917,	1,000	50,000
Total,		69,508	3,313,385

EQUIPMENT LEASED UNDER EQUIPMENT TRUST GOLD LOAN,

DECEMBER 31ST, 1907.

Kind of Cars.	Built under Original Provisions of Trust.	Built under Provision of Sinking Fund from Creation of Trust to December 31st, 1906.	Built under Provision of Sinking Fund during 1907.	Total, December 31st, 1907.	Capacity. (Tons.)
Assigned to Pennsylvania R. R.					
Long and Coke gondola cars,	500	1,929	......	2,429	93,570
Hopper gondola cars,	2,500	......	56	2,556	93,465
Box cars,	......	382	......	382	12,700
Refrigerator cars,	......	402	......	402	12,250
Flat cars,	......	63	......	63	3,150
Total,	3,000	2,776	56	5,832	215,135
Assigned to Pennsylvania Co.					
Box cars,	2,000	......	......	2,000	65,010
Long gondola cars,	1,000	......	......	1,000	34,730
Total,	3,000	......	......	3,000	99,740
Aggregate,	6,000	2,776	56	8,832	314,875

EQUIPMENT AVAILABLE FOR SERVICE ON LINES OF THE PENNSYLVANIA RAILROAD SYSTEM.

	Pennsylvania R. R. Co.	Philadelphia, Baltimore and Washington R. R. Co.	Northern Central Ry. Co.	West Jersey and Seashore R. R. Co.	Allegheny Valley Ry. Co	Western New York and Pennsylvania Ry. Co.	Pennsylvania and North-western R. R. Co.	Cumberland Valley R. R. Co.	Baltimore, Chesapeake and Atlantic Ry. Co.	Maryland, Delaware and Virginia Ry. Co.	Long Island R. R. Co.	New York and Rockaway Beach Ry. Co.	Pennsylvania Co.
LOCOMOTIVES.													
Passenger,	690	220	45	70	28	22	6	21	6	4	111	5	150
Freight,	2,138	44	153	2	49	71	29	40	4	3	56		627
Shifting,	382	59	21	11	25	27	2	4			23		189
Total,	3,210	323	219	83	102	120	37	65	10	7	190	5	[illegible]
PASSENGER CAR EQUIPMENT.													
Passenger,	1,203	201	93	167	46	73	1	49	15	15	366	77	339
Parlor,									2	2	57		
Dining,	38												25
Passenger-combination,	230	60	20	● 30	1	5		8		4	84	6	41
Baggage,	112	28	12	† 20	7	9		7	2	1	45		
Baggage-combination,	323	45	34	‡ 13	10	16			3		17	2	151
Express,								8					
Horse car,	18	1		2							1		9
Refrigerator-express,	55												
Postal,	85		3										29
Air-brake instruction,	1												
Passenger (electric motor),				79				2					
Street,				60							9		
Café,	5												8
Total,	2,070	395	162	371	64	103	1	74	22	22	579	85	602
FREIGHT CAR EQUIPMENT.													
Box,	41,383	1,721	2,678	275	666	783	23	295	47	30	621		17,919
Refrigerator,	3,682			2									1,178
Stock,	1,756		4					24					1 542
Gondola,	77,754	1,787	6,450	222	2,749	5,198	738	263	26		709		30,520
Flat, Stone, and Lime,	1,252	219	75	9	13	1		50		7	113		1,685
Cabin,	1,674	117	129	17	35	62	2	30	3	1	25		532
Tank,	523					10							
Miscellaneous,													
Total,	128024	3,844	9,336	525	3,463	6,054	763	668	76	38	1,468		53,376
MAINTENANCE OF WAY CAR EQUIPMENT.													
Cabin and camp,	70	16	10	8	25	39	4	37	2	2	35		
Tool and block,	212	22	25	13	10	18	1	3			9		41
Snow plows and sweepers,	7	2		2		8	1	1			6		2
Derricks,	87	14	11	2	6	7	1	4			7		21
Steam shovels,	1				1	3							3
Stone and wood trucks, ballast and flat cars,	1,123	89	30	16	61	90	9	16			96		
Gravel dump cars,								18					
Hand cars, velocipedes, &c.,	895	166	102	87	77	145	14	37	14	12			689
Hand trucks,	1,198	198	171	93	80	119	18	43	14	12			529
Miscellaneous,	10					6		10			15		10
Total,	3,603	507	349	221	260	435	48	169	30	26	168		1,295
FLOATING EQUIPMENT.													
Steam ferry-boats,	•15			⊙ 10							11		
Passenger and freight steam boats		1							17	13			
Steam launches,				5									
Tug boats,	35		1	1									
Steam lighters,	4												
Barges,	115												
Flat and dump scows,	36								4	2			
Car floats,	83												
Canal barges,	21												
Dredgers,	3												
Total,	317	1	1	16					21	15	11		

	Pittsburgh, Cincinnati, Chicago and St. Louis Ry. Co.	Little Miami R. R. Co.	Vandalia R. R. Co.	Terre Haute and Peoria R. R. Co.	Cincinnati and Muskingum Valley R. R. Co.	Grand Rapids and Indiana Ry. Co.	Toledo, Peoria and Western Ry. Co.	Waynesburg and Washington R. R. Co. (narrow gauge).	Cleveland, Akron and Columbus Ry. Co.	Cincinnati, Lebanon and Norther Ry. Co.	Pittsburgh, Chartiers and Youghiogheny Railway Co.	Central Indiana Railway Co.	Total Equipment.	Total Capacity of Equipment.
LOCOMOTIVES.														Tractive Power, Pounds.
Passenger,	140	17	47	6	7	41	10	3	9	3	1	2	1,670	32,271,711
Freight,	309	31	112	12	14	47	18	3	30	5	5	7	3,869	120,476,724
Shifting,	108	20	46		2	4			8	3	3	1	938	21,469,502
Total,	617	68	205	[illegible]	23	92	28	6	47	11	9	10	6,477	180,217,937
PASSENGER CAR EQUIPMENT.														Seating Capacity, Persons.
Passenger,	251	31	72	5	12	50	19	7	24	13	2	2	3,199	194,077
Parlor,			1										62	2,103
Dining,						3							60	1,962
Passenger-combination,	45	4	16	2	2	14	5	2	5	2	2	2	590	23,207
Baggage,	7	10	9			15	4	2					290	
Baggage-combination,	96	6	21	2	5	13	4	1	10				772	
Express,		3	3										14	
Horse car,	9												40	
Refrigerator-express,													55	
Postal,	47	2	18										184	
Air-brake instruction,													1	
Passenger (electric motor),													81	4,652
Street,													69	3,980
Café,													13	434
Total,	455	56	140	9	19	101	32	12	39	15	4	4	5,436	230,475
FREIGHT CAR EQUIPMENT.														Capacity, Tons.
Box,	8,246	478	2,116	390	76	1,584	1,252	41	1,596	15		67	82,302	3,157,923
Refrigerator,	180		48			100	6			1			5,203	191,900
Stock,	1,452	105	308	11	28	93	109	18	98				5,550	203,570
Gondola,	11,204		4,578	83	434	940	405	68	678	1	40	185	145,049	6,322,711
Flat, Stone, and Lime,	1,120	119	284		28	630	8	11	117	20	10	11	5,782	237,583
Cabin,	390	11	107	13	16	58	16	2	32	2	2	4	3,280	
Tank,													533	Bbls. 49,500
Miscellaneous,														
Total,	22,598	713	7 441	504	582	3,411	1,796	140	2,521	39	52	267	247,699	10,113,707 Bbls. 49,500
MAINTENANCE OF WAY CAR EQUIPMENT.														
Cabin and camp,	1	1					18					3	271	
Tool and block,	18	2	34	5	1	43	3		1	2		1	464	
Snow plows and sweepers,						5							34	
Derricks,	14	1	4		1	5	1		1				187	
Steam shovels,	4		3	1		1	1					1	19	
Stone and wood trucks, ballast and flat cars,			22			39	12		53				1,656	
Gravel dump cars,			71				5					40	134	
Hand cars, velocipedes, &c.,	550	62	236	29	52	181	47	4		10		24	3,433	
Hand trucks,	408	61	193	23	41	150	41	8		12		18	3,430	
Miscellaneous,	5		13	1		1			2				73	
Total,	1,000	127	576	59	95	425	128	12	57	24		87	9,701	
FLOATING EQUIPMENT.														
Steam ferry-boats,													36	
Passenger and freight steam boats													31	
Steam launches,													5	
Tug boats,													37	
Steam lighters,													4	
Barges,													115	
Flat and dump scows,													42	
Car floats,													88	
Canal barges,													21	
Dredgers,													3	
Total,													382	

● Includes two electric cars. † Includes two electric cars. ‡ Includes six electric cars.

• Includes three ferry boats belonging to Pennsylvania Annex. ⊙ Includes seven ferry boats owned by the Philadelphia and Camden Ferry Company.

COMPARISON OF THE CONDITION OF THE MOTIVE POWER EQUIPMENT.

CONDITION.	PENNSYLVANIA DIVISION.			NEW JERSEY DIVISION.			ERIE DIVISION.			* B. & A. V. DIVISION.			TOTAL.		
	DEC. 31st, 1907. Number	DEC. 31st, 1907. Per Ct.	DEC. 31st, 1906. Per Ct.	DEC. 31st, 1907. Number	DEC. 31st, 1907. Per Ct.	DEC. 31st, 1906. Per Ct.	DEC. 31st, 1907. Number	DEC. 31st, 1907. Per Ct.	DEC. 31st, 1906. Per Ct.	DEC. 31st, 1907. Number	DEC. 31st, 1907. Per Ct.	DEC. 31st, 1906. Per Ct.	DEC. 31st, 1907. Number	DEC. 31st, 1907. Per Ct.	DEC. 31st, 1906. Per Ct.
In service in good working order, . .	1,849	$78\frac{5}{10}$	$81\frac{3}{10}$	414	$79\frac{2}{10}$	$80\frac{5}{10}$	246	$87\frac{5}{10}$	$78\frac{3}{10}$	253	$81\frac{9}{10}$	$73\frac{6}{10}$	2,762	$79\frac{6}{10}$	$80\frac{3}{10}$
Stored in good working order, . . .	53	$2\frac{3}{10}$	. . .	14	$2\frac{7}{10}$	. . .	. . .	. . .	. . .	. . .	. . .	. . .	67	$1\frac{9}{10}$	. . .
In service requiring repairs, ...	92	$3\frac{9}{10}$	5	37	$7\frac{1}{10}$	7	18	$6\frac{4}{10}$	$14\frac{9}{10}$	28	$9\frac{1}{10}$	$14\frac{9}{10}$	175	$5\frac{1}{10}$	7
In shop under repairs, ...	142	6	$6\frac{2}{10}$	28	$5\frac{3}{10}$	$6\frac{8}{10}$	16	$5\frac{7}{10}$	$6\frac{8}{10}$	18	$5\frac{8}{10}$	$5\frac{5}{10}$	204	$5\frac{9}{10}$	$6\frac{2}{10}$
In shop awaiting repairs, ...	61	$2\frac{6}{10}$	$3\frac{1}{10}$	12	$2\frac{3}{10}$	$0\frac{6}{10}$	1	$0\frac{4}{10}$	. . .	8	$2\frac{6}{10}$	$4\frac{8}{10}$	82	$2\frac{4}{10}$	$2\frac{6}{10}$
Leased, ...	36	$1\frac{5}{10}$	$1\frac{6}{10}$	1	$0\frac{2}{10}$	$2\frac{7}{10}$	. .	. . .	. . .	. .	. . .	. . .	37	$1\frac{1}{10}$	$1\frac{5}{10}$
Condemned, ...	. . .	. . .	. . .	17	$3\frac{3}{10}$	$2\frac{7}{10}$	. .	. . .	. . .	2	$0\frac{6}{10}$	$1\frac{3}{10}$	19	$0\frac{5}{10}$	$0\frac{6}{10}$
Loaned temporarily to Pennsylvania Division, ...	. . .	. . .	. . .	. . .	. . .	$0\frac{2}{10}$	. .	. . .	. . .	. .	. . .	. . .	. .	. . .	$0\frac{1}{10}$
Loaned temporarily to New Jersey Div.	19	$0\frac{8}{10}$	$1\frac{1}{10}$	. . .	. . .	. . .	. .	. . .	. . .	. .	. . .	. . .	19	$0\frac{5}{10}$	$0\frac{7}{10}$
Loaned temporarily to Erie Division	52	$2\frac{2}{10}$	$1\frac{6}{10}$	. . .	. . .	. . .	. .	. . .	. . .	. .	. . .	. . .	52	$1\frac{5}{10}$	$1\frac{1}{10}$
Loaned temporarily to B. & A.V. Div.,	52	$2\frac{2}{10}$	$0\frac{1}{10}$	. . .	. . .	. . .	. .	. . .	. . .	. .	. . .	. . .	52	$1\frac{5}{10}$	$0\frac{1}{10}$

* Includes Pennsylvania Railroad assigned locomotives.

MILEAGE OF LOCOMOTIVES.

	PASSENGER.	FREIGHT.	NON-REVENUE.	TOTALS.
Pennsylvania Division, 1907, ...	15,466,991	44,478,557	3,050,934	62,996,482
Pennsylvania Division, 1906, ...	14,067,059	41,523,397	3,281,615	58,872,071
Increase, ...	1,399,932	2,955,160	. . . . . .	4,124,411
Decrease, ...	. . . . . .	. . . . . .	230,681	
New Jersey Division, 1907, ...	8,378,642	9,301,224	476,431	18,156,297
New Jersey Division, 1906, ...	8,256,859	9,124,411	556,224	17,937,494
Increase, ...	121,783	176,813	. . . . . .	218,803
Decrease, ...	. . . . . .	. . . . . .	79,793	
Erie Division, 1907, ...	1,960,546	7,125,066	434,863	9,520,475
Erie Division, 1906, ...	1,845,496	6,760,824	352,198	8,958,518
Increase, ...	115,050	364,242	82,665	561,957
Buffalo and Allegheny Valley Division, 1907, ...	2,948,510	8,211,210	571,755	11,731,475
Buffalo and Allegheny Valley Division, 1906, ...	2,723,126	7,074,913	533,181	10,331,220
Increase, ...	225,384	1,136,297	38,574	1,400,255
Total, 1907, ...	28,754,689	69,116,057	4,533,983	102,404,729
Total, 1906, ...	26,892,540	64,483,545	4,723,218	96,099,303
Increase, ...	1,862,149	4,632,512	. . . . . .	6,305,426
Decrease, ...	. . . . . .	. . . . . .	189,235	

COST PER 100 MILES RUN BY LOCOMOTIVES FOR REPAIRS, FUEL, STORES, AND ENGINEHOUSEMEN.

	REPAIRS.	FUEL.	STORES.	ENGINEHOUSEMEN.	TOTALS.
Pennsylvania Div., 1907, ...	$11.20	$9.17	$0.27	$2.40	$23.04
Pennsylvania Div., 1906, ...	9.32	8.81	0.33	2.26	20.72
Increase, ...	$1.88	$0.36			
New Jersey Division, 1907, ...	$8.69	$13.69	$0.28	$2.22	$24.88
New Jersey Division, 1906, ...	8.25	12.62	0.33	1.74	22.94
Increase, ...	$0.44	$1.07			
Erie Division, 1907, ...	$7.97	$12.35	$0.22	$2.00	$22.54
Erie Division, 1906, ...	7.83	12.53	0.27	1.65	22.28
Increase, ...	$0.14				
Decrease, ...	. . . .	$0.18			
Buffalo and Allegheny Valley Div., 1907,	$10.42	$10.73	$0.35	$1.58	$23.08
Buffalo and Allegheny Valley Div., 1906,	8.88	9.56	0.40	1.40	20.24
Increase, ...	$1.54	$1.17			
Total, 1907, ...	$10.36	$10.46	$0.28	$2.24	$23.34
Total, 1906, ...	9.40	9.96	0.33	2.01	21.70
Increase, ...	$0.96	$0.50			

NOTE:—For the year 1907, the figures given above for "Stores," cover, for the second six months of the year, simply the cost of "Lubricants," to conform to the new system of Disbursement accounts in effect July 1, 1907; likewise the figures shown for "Enginehousemen" cover "Enginehouse Expenses" for the second six months of the year. Consequently these two items are not strictly comparative with the figures given for the year 1906, and therefore no increase or decrease can be shown for the same or for the total of above Costs per 100 Miles Run.

PASSENGER EQUIPMENT MILEAGE.

ALL LINES OPERATED DIRECTLY.

KIND OF CARS.	MILEAGE.				TOTAL.		COMPARISON WITH 1906.		PER CENT.
	PENNA. DIVISION.	NEW JERSEY DIVISION.	ERIE DIVISION.	B. & A. V. DIVISION.	1907.	1906.	INCREASE.	DECREASE.	
Passenger, Coach, . .	30,203,165	18,844,499	3,941,857	5,708,489	58,698,010	54,448,043	4,249,967	. . . . . .	7.81
Passenger, Combined,	6,007,365	3,508,656	709,734	1,119,572	11,345,327	10,957,704	387,623	. . . . . .	3.54
Passenger, 2d-class, .	808,290	280,800	23,522	2,034	1,114,646	668,386	446,260	. . . . . .	66.77
* Passenger, Non-Revenue, ...	100,064	49,570	. . . . . .	. . . . . .	149,634	. . . . . .	149,634	. . . . . .	. . .
Dining, ...	1,938,397	1,420,639	104,899	197,602	3,661,537	3,494,214	167,323	. . . . . .	4.79
Parlor, ...	. . . . . .	1,775	. . . . . .	. . . . . .	1,775	5,863	. . . . . .	4,088	69.73
W. J. & S. R. R. Electric:									
Coach, ...	. . . . . .	1,073	. . . . . .	. . . . . .	1,073	2,699	. . . . . .	1,626	60.24
Combined, . . .	. . . . . .	178	. . . . . .	. . . . . .	178	. . . . . .	178	. . . . . .	. . .
Baggage Mail, . .	. . . . . .	16	. . . . . .	. . . . . .	16	554	. . . . . .	538	97.11
Baggage, ...	. . . . . .	180	. . . . . .	. . . . . .	180	. . . . . .	180	. . . . . .	. . .
Pullman, ...	16,603,826	10,227,750	1,259,314	1,449,231	29,540,121	27,641,612	1,898,509	. . . . . .	6.87
Postal, ...	4,496,355	1,594,398	29,270	. . . . . .	6,120,023	6,128,742	. . . . . .	8,719	0.14
Postal-Storage, . . .	2,016,516	558,678	368	. . . . . .	2,575,562	2,574,400	1,162	. . . . . .	0.05
Baggage-Express, . .	17,070,790	5,484,227	2,523,936	2,840,129	27,919,082	26,886,542	1,032,540	. . . . . .	3.84
Refrigerator-Express, .	347,757	21,988	1,129	454	371,328	140,771	230,557	. . . . . .	163.78
Total, ...	79,592,525	41,994,427	8,594,029	11,317,511	141,498,492	132,949,530	8,548,962	. . . . . .	6.43

* Mileage of "Non-Revenue cars of the passenger class" is made by old passenger cars not considered in the equipment. Cars bear temporary numbers with letter "P" prefixed. Mileage is from July 1st to December 31st, 1907, inclusive.

FREIGHT EQUIPMENT MILEAGE.

ALL LINES OPERATED DIRECTLY.

	MILEAGE.				TOTAL.		COMPARISON WITH 1906.	PER CENT.
	PENNA. DIV.	N.J. DIV.	ERIE DIV.	B. & A.V. DIV.	1907.	1906.	INCREASE.	
Loaded—eastward,	371,429,604	54,524,728	62,804,890	25,157,249	513,916,471	474,353,586	39,562,885	8.34
Empty—eastward,	41,040,341	5,977,251	13,014,52	39,282,133	99,314.247	90,565,533	8,748,714	9.66
Total—eastward,	412,469,945	60,501,979	75,819,412	64,439,382	613,230,718	564,919,119	48,311,599	8.55
Loaded—westward,	144,441,226	23,906,789	38,187,842	63,676,128	270,211,985	251,432,063	18,779,922	7.47
Empty—westward,	292,178,961	36,058,302	27,813,060	8,956,274	365,006,597	327,873,883	37,132,714	11.33
Total—westward,	436,620,187	59,965,091	66,000,902	72,632,402	635,218,582	579,305,946	55,912,636	9.65
Loaded—total,	515,870,830	78,431,517	100,992,732	88,833.377	784,128,456	725,785,649	58,342,807	8.04
Empty—total,	333,219,302	42,035,553	40,827,582	48,238,407	464,320,844	418,439,416	45,881,428	10.96
Grand total,	849,090,132	120,467,070	141,820,314	137,071,784	1,248,449,300	1,144,225,065	104,224,235	9.11

TRACK MILEAGE.

DECEMBER 31ST, 1907.

	First Track.	Second Track.	Third Track.	Fourth Track.	Company's Sidings.	Total.
Pennsylvania Division,	1,918.21	850.95	362.98	314.10	2,039.58	5,485.82
New Jersey Division,	475.40	178.03	81.30	81.04	695.77	1,511.54
Erie Division,	604.84	170.67	24.48	......	352.81	1,152.80
Buffalo and Allegheny Valley Division,	791.84	59.65	......	......	378.35	1,229.84
Total, 1907,	3,790.29	1,259.30	468.76	395.14	3,466.51	9,380.00
Total, 1906,	3,756.12	1,251.05	468.67	390.08	3,370.77	9,236.69
Increase,	34.17	8.25	0.09	5.06	95.74	143.31

STEEL RAILS AND TIES USED FOR RENEWALS.

	Rails—Tons.	Cross-Ties.
Pennsylvania Division,	37,340	1,555,040
New Jersey Division,	6,856	431,458
Erie Division,	9,123	362,660
Buffalo and Allegheny Valley Division,	11,937	424,133
Philadelphia, Baltimore and Washington Railroad Company,	4,634	441,274
Northern Central Railway Company,	7,404	273,423
West Jersey and Seashore Railroad Company,	1,587	151,760
Cumberland Valley Railroad Company,	1,496	50,554
Pennsylvania Company,	27,403	680,599
Pittsburgh, Cincinnati, Chicago and St. Louis Railway Company,	26,775	668,771
Grand Rapids and Indiana Railway Company,	4,854	168,407
Vandalia Railroad Company,	7,255	283,160
Long Island Railroad Company,	2,829	137,942
Baltimore, Chesapeake and Atlantic Railway Company,	335	21,764
Maryland, Delaware and Virginia Railway Company,	50	24,676
Total,	149,878	5,675,621

1907

8128
R62