Montana Department of
REVENUE

2014 Capitalization Rate Study

Railroads

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Class I Railroads
2014 Assessment Year

Equity Measures Calculated:

E/P estimates:

	ALL	Median	
	4.99%	5.57%	Yahoo
	5.02%	5.13%	Value Line
	5.01%	5.35%	Average of E/Ps
Inverse of P/E Ratios:			
	5.10%	5.68%	Yahoo
	5.44%	5.81%	Value Line
	5.27%	5.74%	Average of Inverse of the P/E
	6.45%	6.67%	Inverse of median P/E, Value Line
	5.14%	5.55%	Average of all above except median P/E
Mean =	5.40%	5.77%	
Median =	5.10%	5.68%	

Equity Measure NUOI = 6.40%

Debt Measure Calculated, Current Yield:

	Annual	4th Qtr	
	5.50%	5.67%	ALL
	5.43%	5.60%	BBB- & Above
	5.45%	5.62%	BB- & Above
Mean =	5.46%	5.63%	
Median =	5.45%	5.62%	

Debt Measure = 5.70%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate						
Equity	85.00%	x	6.40%	=	5.44%	
Debt	15.00%	x	5.70%	=	0.86%	
	100%				6.30%	
			Direct Cap Rate NUOI	=		**6.50%**

Gross Cash Flow / Price:

Mean	Median	
6.79%	6.85%	Value Line

Equity Measure Gross = 7.00%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)						
Equity	85.00%	x	7.00%	=	5.95%	
Debt	15.00%	x	5.70%	=	0.86%	
	100%				6.81%	
Direct Cap Rate GCF				=		**7.00%**

MONTANA DEPARTMENT OF REVENUE

Direct Capitalization Rate Study
Industry: Class III Railroads
2014 Assessment Year

Equity Measures Calculated:

E/P estimates:

	ALL	Median	
	4.99%	4.99%	Yahoo
	4.58%	4.58%	Value Line
	4.78%	4.78%	Average of E/Ps

Inverse of P/E Ratios:

	5.07%	5.07%	Yahoo
	4.73%	4.73%	Value Line
	4.90%	4.90%	Average of Inverse of the P/E
	5.56%	5.56%	Inverse of median P/E, Value Line
	4.84%	4.84%	Average of all above except median P/E
Mean =	4.98%	4.98%	
Median =	4.99%	4.99%	

Equity Measure NUOI = 5.60%

Debt Measure Calculated, Current Yield:

	Annual	4th Qtr	
	5.50%	5.67%	ALL
	5.43%	5.60%	BBB- & Above
	5.45%	5.62%	BB- & Above
Mean =	5.46%	5.63%	
Median =	5.45%	5.62%	

Debt Measure = 5.90%

Industry Market Capital Structure Net Utility Operating Income (NUOI) Rate						
Equity	68.00%	x	5.60%	=	3.81%	
Debt	32.00%	x	5.90%	=	1.89%	
	100%				5.70%	
			Direct Cap Rate NUOI		=	**5.75%**

Gross Cash Flow / Price:

Mean	Median	
6.82%	6.82%	Value Line

Equity Measure Gross = 6.90%

Industry Market Capital Structure Gross Cash Flow Rate (GCF)						
Equity	68.00%	x	6.90%	=	4.69%	
Debt	32.00%	x	5.90%	=	1.89%	
	100%				6.58%	
Direct Cap Rate GCF					=	**6.75%**

MONTANA DEPARTMENT OF REVENUE

Yield Capitalization Rate Study
Industry: Railroads
2014 Assessment Year

Equity Measures Calculated:		**Class I**	**Class III**
Dividend Growth Model		18.50%	
Capital Asset Pricing Model		10.61%	11.16%
	Mean =	14.55%	11.16%
	Equity Measure FCF =	**10.75%**	**11.16%**

Debt Measures Calculated, Yield to Maturity:

	ALL DEBT		**20 YEAR PLUS DEBT**	
	Annual	**4th Qtr**	**Annual**	**4th Qtr**
ALL	3.90%	4.15%	5.05%	5.33%
BBB- & Above	3.83%	4.09%	5.05%	5.33%
BB- & Above	3.87%	4.12%	---	---
Mean =	3.87%	4.12%	5.05%	5.33%
Median =	3.87%	4.12%	5.05%	5.33%

Debt Measure = 5.35%

CLASS I

Yield Cap Rate Free Cash Flow						
Equity	85.00%	x	10.75%	=	9.14%	
Debt	15.00%	x	5.35%	=	0.80%	
	100.00%				9.94%	
Weighted Average Cost of Capital (WACC) =						**10.00%**

CLASS III

Yield Cap Rate Free Cash Flow						
Equity	68.00%	x	11.16%	=	7.59%	
Debt	32.00%	x	5.35%	=	1.71%	
	100.00%				9.30%	
Weighted Average Cost of Capital (WACC) =						**10.25%**

Where Assumed Growth Rate = Inflation **Growth = 1.50%**

see appendix for calculation 2.32%

US Inflation Calculator 12/31/2013 1.50%

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Railroads
2014 Assessment Year

A	B	C	D	E	F	G	H	I	J	K	L	M
Company	Ticker Symbol	(VL) Financial Strength	(VL) Shares (000)	(YAHOO) Avg. Price Common 4th Quarter	(VL) Book Value Per Share H/D	Mkt. Value Common DxE	(VL) Book Value Common (000)	(VL) Book Value Preferred (000)	Mkt. Value Preferred (000) IxL	(VL) Book Value Debt (000)	Mkt/Book Debt Ratio	Mkt. Value Debt (000) KxL
Can. National Railway	CNI	A	856,800	57.02	12.988	48,854,736	11,128,000	0	0	6,386,000	1.00	6,386,000
Union Pacific	UNP	A+	469,500	168.00	42.337	78,876,000	19,877,000	0	0	8,801,000	1.00	8,801,000
Kansas City South'n	KSU	A	110,100	123.83	28.070	13,633,683	3,090,500	6,100	6,100	1,547,600	1.00	1,547,600
Norfolk Southern	NSC	A	314,000	92.28	31.083	28,975,920	9,760,000	0	0	8,432,000	1.00	8,432,000
CSX Corp.	CSX	B++	1,020,500	28.77	8.821	29,359,785	9,002,000	0	0	9,052,000	1.00	9,052,000
Can. Pacific Railway	CP	B++	173,900	151.32	29.603	26,314,548	5,148,000	0	0	4,682,000	1.00	4,682,000
Genesee & Wyoming	GWR	B+	47,100	96.05	31.739	4,523,955	1,494,900	399,500	399,500	1,770,600	1.00	1,770,600
SUMS & AVERAGES - ALL						230,538,627	59,500,400	405,600	405,600	40,671,200		40,671,200
CLASS I SUMS & AVERAGES - ALL						226,014,672	58,005,500	6,100	6,100	38,900,600		38,900,600
CLASS I MEDIAN VALUE												
CLASS III SUMS & AVERAGES - ALL						4,523,955	1,494,900	399,500	399,500	1,770,600		1,770,600

** All **Negative** values left out of calculations*

INDUSTRY MARKET STRUCTURE						
	CLASS I RAILROADS		CLASS III RAILROADS		ALL RAILROADS	
COMMON	85.00%	226,014,672	68.00%	4,523,955	85.00%	230,538,627
DEBT	15.00%	38,906,700	32.00%	2,170,100	15.00%	41,076,800
TOTAL	100.00%	264,921,372	100.00%	6,694,055	100.00%	271,615,427

2014 Notes/Rational for Changes to Guideline Companies
Genesee & Wyoming acquired Rail America on Jan. 11, 2013

MONTANA DEPARTMENT OF REVENUE

Support for Industry Capital Structure
Industry: Railroads
2014 Assessment Year

A	B	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
Company	Ticker Symbol	(YAHOO) EPS ltst 12mo	(YAHOO) E/P N/E	(VL) EPS	(VL) E/P P/E	(VL) CF/S	(VL) CF/P R/E	(YAHOO) P/E	(YAHOO) Inverse of P/E 1/T	(VL) P/E	(VL) Inverse of P/E 1/V	(VL) Median P/E	(VL) Inverse of Median P/E 1/X	(VL) Beta
Can. National Railway	CNI	3.15	5.52%	2.63	4.61%	4.25	7.45%	17.80	5.62%	17.78	5.62%	15.00	6.67%	1.10
Union Pacific	UNP	9.42	5.61%	9.50	5.65%		0.00%	17.42	5.74%	16.69	5.99%	15.00	6.67%	1.15
Kansas City South'n	KSU	3.18	2.57%	3.95	3.19%	3.95	3.19%	37.76	2.65%	28.73	3.48%	26.00	3.85%	1.25
Norfolk Southern	NSC	6.04	6.55%	5.60	6.07%		0.00%	14.88	6.72%	15.80	6.33%	13.00	7.69%	1.15
CSX Corp.	CSX	1.83	6.36%	1.85	6.43%	2.95	10.25%	15.25	6.56%	15.12	6.61%	14.00	7.14%	1.25
Can. Pacific Railway	CP	5.06	3.34%	6.30	4.16%	9.45	6.25%	30.16	3.32%	21.79	4.59%	15.00	6.67%	1.25
Genesee & Wyoming	GWR	4.79	4.99%	4.40	4.58%	6.55	6.82%	19.73	5.07%	21.15	4.73%	18.00	5.56%	1.30
SUMS & AVERAGES - ALL			4.99%		4.96%		6.79%		5.10%		5.34%		6.32%	1.21
CLASS I SUMS & AVERAGES - ALL			4.99%		5.02%		6.79%		5.10%		5.44%		6.45%	1.19
CLASS I MEDIAN VALUE			5.57%		5.13%		6.85%		5.68%		5.81%		6.67%	1.20
CLASS III SUMS & AVERAGES - ALI			4.99%		4.58%		6.82%		5.07%		4.73%		5.56%	1.30

Class I Industry Beta = 1.20
Class III Industry Beta = 1.30

** All **Negative** values left out of calculations*

2014 Notes/Rational for Changes to Gui
Genesee & Wyoming acquired Rail A

MONTANA DEPARTMENT OF REVENUE

Capital Asset Pricing Model
Industry: Railroads
2014 Assessment Year

$$K_E = R_F + \beta (R_M - R_F)$$

	Class I	Class III
K_E = Cost of Equity	**10.61%**	**11.16%**
R_F = Risk Free Rate	3.96%	3.96%
β= Beta	1.20	1.30
R_M = Market Rate of Return	9.50%	9.50%
R_P = Equity Risk Premium (RM - RF)	5.54%	5.54%

Risk Premium other sources:

Dr. Aswath Damodaran	http://pages.stern.nyu.edu/~adamodar/	1/1/2014 implied premium	4.96%
Dr. Aswath Damodaran	http://pages.stern.nyu.edu/~adamodar/	1/1/2013 implied premium	5.78%
Duff & Phelps	March 20, 2013 Table Equity Risk Premiun	2/28/13 until further notice	5.00%

R_m = Investor's Market Rate of Return

2013 Not updated for 2014

Ibbotson, SBBI, Large Company, Average Annual Return, ***Arithmetic** Average, Ex-Post	R_M=	11.80%	11.80%
Ibbotson, SBBI, Large Company, Average Annual Return, ***Geometric** Average, Ex-Post	R_M=	9.80%	9.80%
3 Stage Dividend Growth Model, S & P 500, See Exhibit, Ex Ante	R_M=	9.00%	9.00%
	Mean =	10.20%	10.20%
	Median =	9.80%	9.80%
	R_M=	9.50%	**9.50%**

R_f = Risk Free Rate

Internal Revenue Service, Rev Rule 2013-26 Table 2 December 9, 2013

Rev Rule 2012-31 Table 2

Annual Rates	Short Term - AFR	R_f =	0.25%
	Mid Term - AFR	R_f =	1.57%
	Long Term - AFR	R_f =	3.32%

The ValueLine Investment Survey January 10, 2014

U.S. Treasury Securities December 31, 2013

1 Year	R_f =	0.12%
10 Year	R_f =	3.03%
30 Year	R_f =	3.96%

Federal Reserve Statistical Release

Treasury constant Maturities, December 31, 2013

Market yield on U.S. Treasury securities, Annual Averages

1 year constant maturity, quoted on investment basis	R_f =	0.13%
10-year constant maturity, quoted on investment basis	R_f =	3.04%
30-year constant maturity, quoted on investment basis	R_f =	3.96%
	Mean =	2.15%
	Median =	3.03%
	Weighted Mean =	2.75%
	R_f =	**3.96%**

U.S. Treasury Securities Long-Term December 31, 2013

20 year constant maturity	R_f = **3.72%**
30 year constant maturity	R_f = **3.96%**

MONTANA DEPARTMENT OF REVENUE

Dividend Growth Model
Industry: Railroads
2014 Assessment Year

$$K_E = D1 / P_O + G_A$$

KE= Cost of Equity
D1= Expected Dividends
Po= Current Price Per Share
G= Sustainable Growth

CLASS I RAILROADS

Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Dividend Growth (G_1)	Ke 1 Year
Can. National Railway	CNI	57.02	0.90	1.58%	13.50%	15.08%
Can. Pacific Railway	CP	151.32	1.44	0.95%	16.00%	16.95%
CSX Corp.	CSX	28.77	0.64	2.22%	16.50%	18.72%
Kansas City South'n	KSU	123.83	0.94	0.76%	35.50%	36.26%
Norfolk Southern	NSC	92.28	2.10	2.28%	9.00%	11.28%
Union Pacific	**UNP**	**168.00**	**3.16**	**1.88%**	**14.00%**	**15.88%**

Weighted Mean= 18.89%
Median= 16.42%
Mean= 19.03%

Cost of Equity, (K_E) = 18.50%

CLASS III RAILROADS

Company Name	Ticker	Stock Price (Po)	Expected Dividend (D1)	Dividend Yield (D1/P0)	Dividend Growth (G_1)	Ke 1 Year
Genesee & Wyoming	GWR	96.05	Nil		NiL	
RailAmerica Inc.	RA					

Weighted Mean=
Median=
Mean=

Cost of Equity, (K_E) = N/A

MONTANA DEPARTMENT OF REVENUE

Historical Stock Price Analysis From YAHOO Finance
Industry: Railroads
2014 Assessment Year

Ticker	Company		Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	End of Year Closing	Annual Average	Yahoo P-E	Yahoo EPS lst 12 mo
CNI	Can. National Railway	high	$ 48.02	$ 50.95	$ 51.85	$ 50.27	$ 52.22	$ 51.62	$ 51.19	$ 50.66	$ 51.37	$ 55.98	$ 57.05	$ 58.40	$ 57.02	$50.56	17.80	3.15
	Stock Split 2:1 Dec 2013	low	$ 45.67	$ 47.27	$ 48.08	$ 46.91	$ 48.19	$ 46.48	$ 48.28	$ 46.71	$ 46.91	$ 50.64	$ 55.06	$ 53.75				
CP	Can. Pacific Railway	high	$ 118.07	$ 122.22	$ 130.81	$ 130.68	$ 139.99	$ 133.50	$ 129.79	$ 126.22	$ 129.81	$ 145.41	$155.30	$ 156.96	$ 151.32	$127.96	30.16	5.06
		low	$ 103.82	$ 112.51	$ 120.60	$ 115.60	$ 121.66	$ 113.82	$ 118.30	$ 115.54	$ 116.51	$ 122.50	$143.31	$ 148.22				
CSX	CSX Corp.	high	$ 22.67	$ 23.10	$ 24.67	$ 24.69	$ 26.36	$ 25.44	$ 25.79	$ 26.68	$ 26.90	$ 26.85	$ 27.53	$ 28.80	$ 28.77	$24.73	15.25	1.83
		low	$ 20.01	$ 21.45	$ 22.62	$ 23.26	$ 24.03	$ 22.40	$ 22.89	$ 24.46	$ 24.68	$ 25.04	$ 26.06	$ 27.02				
GBX	Greenbrier Cos Inc.	high	$ 19.94	$ 22.71	$ 22.98	$ 23.64	$ 25.24	$ 25.33	$ 24.75	$ 24.05	$ 25.50	$ 28.00	$ 33.20	$ 33.57	$ 32.84	$23.95	(145.52)	(0.22)
		low	$ 15.77	$ 19.39	$ 19.85	$ 20.05	$ 21.46	$ 22.05	$ 21.10	$ 22.20	$ 22.57	$ 23.60	$ 27.37	$ 30.46				
GWR	Genesee & Wyoming	high	$ 86.31	$ 90.81	$ 94.80	$ 93.27	$ 93.61	$ 91.96	$ 94.54	$ 95.00	$ 95.61	$ 102.20	$100.23	$ 97.45	$ 96.05	$89.91	19.73	4.79
		low	$ 78.11	$ 83.71	$ 87.08	$ 79.22	$ 81.39	$ 81.72	$ 83.94	$ 83.16	$ 87.14	$ 90.82	$ 94.15	$ 91.59				
KSU	Kansas City South'n	high	$ 95.13	$ 107.32	$ 112.25	$ 111.16	$ 118.88	$ 112.45	$ 118.68	$ 112.05	$ 113.24	$ 124.55	$125.96	$ 124.10	$ 123.83	$109.18	37.76	3.18
		low	$ 84.52	$ 93.45	$ 99.76	$ 100.35	$ 103.57	$ 102.03	$ 107.19	$ 104.02	$ 105.24	$ 107.84	$120.60	$ 116.05				
NSC	Norfolk Southern	high	$ 71.24	$ 73.79	$ 77.42	$ 78.08	$ 81.00	$ 78.36	$ 78.20	$ 76.55	$ 78.91	$ 88.99	$ 88.42	$ 93.17	$ 92.28	$76.98	14.88	6.04
		low	$ 62.65	$ 68.18	$ 72.21	$ 72.26	$ 74.89	$ 70.27	$ 71.51	$ 71.86	$ 71.88	$ 76.08	$ 85.00	$ 86.55				
UNP	Union Pacific	high	$ 136.19	$ 138.51	$ 143.00	$ 149.27	$ 161.00	$ 159.21	$ 165.18	$ 164.55	$ 161.91	$ 158.07	$163.22	$ 168.24	$ 168.00	$150.47	17.42	9.42
		low	$ 127.32	$ 131.51	$ 135.50	$ 135.75	$ 145.39	$ 148.45	$ 153.66	$ 152.04	$ 152.62	$ 149.23	$151.43	$ 160.02				
RA	RailAmerica Inc.	high					Acquired by Genesee & Wyoming on Jan 11, 2013											
		low																
PRRR	Pioneer Railcorp	high	$ 6.77	$ 7.05	$ 7.00	$ 7.60	$ 6.60	$ 6.25	$ 6.65	$ 6.58	$ 7.95	$ 10.25	$ 9.96	$ 10.25	$ 10.25	$7.14	31.05	0.31
		low	$ 4.80	$ 5.76	$ 6.51	$ 6.53	$ 6.08	$ 6.11	$ 6.00	$ 6.05	$ 6.00	$ 7.25	$ 8.26	$ 9.00				
PWX	Providence & Worcester R	high	$ 16.93	$ 16.43	$ 16.13	$ 16.49	$ 16.95	$ 16.95	$ 17.69	$ 19.15	$ 20.60	$ 22.00	$ 21.24	$ 20.27	$ 19.55	$17.30	55.33	0.35
		low	$ 13.56	$ 14.34	$ 14.56	$ 14.55	$ 15.36	$ 15.18	$ 15.21	$ 17.10	$ 17.00	$ 19.14	$ 20.01	$ 18.46				

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2014 Assessment Year

STANDARD & POOR'S BOND GUIDE
CURRENT YIELD

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Avg Full Year	Avg 4th QTR
Canadian Pac Ry Co	4	136447AW9	Perpetual Cons D	1/1/2022	AA-	5.42	5.38	5.28	5.05	5.36	5.33	5.27	5.24	5.36	5.33	5.00	5.35	5.28%	5.23%
Canadian National Railway Company	7.62	136375AY8	Deb	5/15/2023	A	5.58	5.61	5.61	5.56	5.69	5.89	5.96	6.09	6.03	6.00	6.02	6.14	5.85%	6.05%
Canadian National Railway Company	6.8	136375BA9	Nt	7/15/2018	A	5.43	5.43	5.44	5.42	5.51	5.64	5.57	5.66	5.62	5.60	5.62	5.71	5.55%	5.64%
Canadian National Railway Company	6.9	136375BD3	Nt	7/15/2028	A	5.11	5.14	5.10	4.87	5.15	5.38	5.29	5.32	5.41	5.18	5.29	5.42	5.22%	5.30%
Canadian National Railway Company	6.71	136375BE1	Puttable Reset Se	7/15/2036	A	4.77	4.77	4.74	4.64	4.87	5.12	5.17	5.33	5.27	5.22	5.24	5.27	5.03%	5.24%
Northern Pac.Ry	3	665585JP1	GenLn Mtg	01/01/2047	A	4.54	4.61	4.47	4.28	4.25	4.34	4.58	4.58	5.17	4.91	4.87	4.87	4.62%	4.88%
Northern Pac.Ry	3	665585KH7	Gen LnMtg-Stpd	01/01/2047	A	4.83	4.83	4.47	4.28	4.25	4.34	4.58	4.58	5.17	4.91	4.87	4.87	4.67%	4.88%
Union Pacific Corp.	7	907818AZ1	Deb	02/01/2016	A	5.98	5.99	6.01	6.03	6.08	6.14	6.12	6.17	6.17	6.19	6.21	6.26	6.11%	6.22%
Union Pacific Corp.	7	907818AZ1	Deb	2/1/2016	A	5.98	5.99	6.01	6.03	6.08	6.14	6.12	6.17	6.17	6.19	6.21	6.26	6.11%	6.22%
Union Pacific Corp.	7.12	907818BY3	Deb	02/01/2028	A	5.33	5.35	5.37	5.24	5.45	5.64	5.58	5.64	5.52	5.39	5.54	5.66	5.48%	5.53%
Union Pacific Corp.	6.62	907818CF3	Deb	02/01/2029	A	5.10	4.97	4.97	4.88	5.12	5.33	5.35	5.49	5.41	5.37	5.48	5.51	5.25%	5.45%
Union Pacific Corp.	5.38	907818CT3	Nts	05/01/2014	A	5.08	5.10	5.11	5.13	5.15	5.16	5.18	5.20	5.23	5.24	5.27	5.29	5.18%	5.27%
Union Pacific Corp.	6.25	907818CU0	Deb	05/01/2034	A	4.93	4.96	4.95	4.73	4.99	5.23	5.16	5.37	5.29	5.22	5.41	5.52	5.15%	5.38%
Union Pacific Corp.	4.88	907818CV8	Sr Nt	1/15/2015	A	4.52	4.53	4.54	4.55	4.57	4.59	4.60	4.61	4.62	4.63	4.65	4.66	4.59%	4.65%
Union Pacific Corp.	5.65	907818CW6	Nts	05/01/2017	A	4.84	4.85	4.84	4.84	4.92	5.01	4.97	5.03	5.00	5.00	4.96	5.02	4.94%	4.99%
Union Pacific Corp.	6.15	907818CX4	Deb	05/01/2037	A	4.82	4.85	4.86	4.70	4.96	5.24	5.10	5.33	5.22	5.20	5.33	5.45	5.09%	5.33%
Burlington Northern	8.75	121897WQ1	Deb	02/25/2022	BBB+	6.20	6.24	6.24	6.14	6.35	6.53	6.50	6.62	6.55	6.52	6.63	6.73	6.44%	6.63%
Burlington NorthernR.R.	3.8	121899CC0	Con Mtg L	01/01/2020	BBB+	3.72	3.72	3.71	3.66	3.75	3.84	3.82	3.88	3.84	3.82	3.87	3.90	3.79%	3.86%
Burlington NorthernR.R.	6.55	121899CD8	Con Mtg K	01/01/2020	BBB+	5.65	5.66	5.51	5.45	5.61	5.78	5.82	5.91	5.79	5.77	5.85	5.84	5.72%	5.82%
Burlington NorthernR.R.	6.55	121899CE6	Con Mtg O	01/01/2020	BBB+	5.65	5.66	5.51	5.45	5.61	5.78	5.82	5.91	5.79	5.77	5.85	5.84	5.72%	5.82%
Burlington NorthernR.R.	8.15	121899CF3	Con Mtg N	01/01/2020	BBB+	6.52	6.54	6.54	6.46	6.61	6.76	6.81	6.91	6.79	6.76	6.86	6.92	6.71%	6.85%
Burlington NorthernR.R.	8.15	121899CG1	Con Mtg P	01/01/2020	BBB+	6.52	6.54	6.54	6.46	6.61	6.76	6.81	6.91	6.79	6.76	6.86	6.92	6.71%	6.85%
Burlington NorthernR.R.	3.2	121899CH9	Con Mtg M	01/01/2045	BBB+	4.58	4.61	4.47	4.28	4.25	4.48	4.56	4.73	4.55	4.48	4.62	4.69	4.53%	4.60%
Burlington Northn Santa Fe Cor	6.1	12189QAA8	MTN Ser A	02/27/2027	BBB+	5.15	5.16	5.17	4.95	5.21	5.45	5.41	5.58	5.48	5.40	5.53	5.66	5.35%	5.53%
Burlington Northn Santa Fe Cor	6.53	12189QAB6	MTN Ser A	07/15/2037	BBB+	5.21	5.24	5.25	5.08	5.32	5.59	5.56	5.72	5.64	5.56	5.65	5.69	5.46%	5.63%
Burlington Northern Santa Fe Corp.	7	12189TAA2	Deb	12/15/2025	BBB+	5.20	5.22	5.21	5.10	5.35	5.58	5.55	5.71	5.62	5.48	5.57	5.69	5.44%	5.58%
Burlington Northern Santa Fe Corp.	6.88	12189TAB0	Deb	02/15/2016	BBB+	5.96	5.98	6.00	6.01	5.97	6.02	6.03	6.08	6.09	6.09	6.12	6.17	6.04%	6.13%
Burlington Northern Santa Fe Corp.	7.29	12189TAD6	Deb	06/01/2036	BBB+	5.32	5.35	5.36	5.16	5.43	5.71	5.74	5.94	5.86	5.74	5.79	5.81	5.60%	5.78%
Burlington Northern Santa Fe	7.25	12189TAF1	Deb	08/01/2097	BBB+	5.34	5.38	5.41	5.17	5.52	5.90	5.84	6.16	6.05	5.93	6.06	6.18	5.75%	6.06%
Burlington Northern Santa Fe Corp.	6.88	12189TAG9	Deb	12/01/2027	BBB+	5.44	5.46	5.46	5.00	5.24	5.50	5.46	5.63	5.51	5.45	5.59	5.73	5.46%	5.59%
Burlington Northern Santa Fe Corp.	6.7	12189TAJ3	Deb	08/01/2028	BBB+	5.41	5.42	5.43	5.03	5.31	5.57	5.53	5.71	5.60	5.51	5.66	5.80	5.50%	5.66%
Burlington Northern Santa Fe Corp.	7.08	12189TAK0	Deb	05/13/2029	BBB+	5.68	5.59	5.55	5.39	5.62	5.85	5.84	5.94	5.88	5.81	5.91	5.98	5.75%	5.90%
Burlington Northern Santa Fe	6.75	12189TAN4	Deb	03/15/2029	BBB+	5.59	5.50	5.46	5.30	5.52	5.75	5.71	5.87	5.81	5.71	5.81	5.88	5.66%	5.80%
Burlington Northern Santa Fe Corp.	8.12	12189TAQ7	Deb	04/15/2020	BBB+	6.19	6.11	6.12	6.06	6.23	6.40	6.43	6.46	6.41	6.38	6.46	6.50	6.31%	6.45%
Burlington Northern Santa Fe Corp.	7.95	12189TAR5	Deb	08/15/2030	BBB+	5.73	5.76	5.74	5.57	5.81	6.05	6.01	6.19	6.05	5.97	6.04	6.09	5.92%	6.03%
Burlington Northern Santa Fe Corp.	4.3	12189TAV6	Nts	07/01/2013	BBB+	4.23	4.24	4.25	4.27									4.25%	
Burlington Northern Santa Fe	4.88	12189TAW4	Fixed Rt Sr Nt	01/15/2015	BBB+	4.52	4.53	4.54	4.54	4.57	4.58	4.60	4.62	4.63	4.63	4.65	4.67	4.59%	4.65%
Burlington Northern Santa Fe Corp.	6.2	12189TAX2	Deb	08/15/2036	BBB+	4.96	4.99	5.01	4.85	5.08	5.39	5.37	5.47	5.43	5.28	5.41	5.49	5.23%	5.39%
Burlington Northern Santa Fe	5.65	12189TAY0	Deb	05/01/2017	BBB+	4.81	4.81	4.82	4.82	4.90	4.97	4.98	5.01	4.96	4.94	4.96	5.03	4.92%	4.98%
Burlington Northern Santa Fe Corp.	6.15	12189TAZ7	Deb	05/01/2037	BBB+	4.88	4.91	4.90	4.75	5.03	5.34	5.19	5.42	5.40	5.30	5.42	5.40	5.16%	5.37%
CSX Corp.	8.62	126408AM5	Deb	05/15/2022	BBB+	6.33	6.35	6.34	6.26	6.44	6.65	6.66	6.81	6.73	6.67	6.81	6.93	6.58%	6.80%
CSX Corp.	8.1	126408AQ6	Deb	09/15/2022	BBB+	6.12	6.14	6.11	6.03	6.23	6.44	6.44	6.59	6.51	6.41	6.55	6.66	6.35%	6.54%
CSX Corp.	5.3	126408GF4	Nts	02/15/2014	BBB+	5.06	5.07	5.09	5.11	5.13	5.15	5.17	5.19	5.21	5.23	5.25	5.27	5.16%	5.25%
CSX Corp.	5.6	126408GJ6	Nts	05/01/2017	BBB+	4.82	4.83	4.81	4.80	4.88	4.97	4.97	5.03	5.00	4.98	4.94	4.98	4.92%	4.97%
CSX Corp.	6.15	126408GK3	Nts	05/01/2037	BBB+	4.98	5.01	5.05	4.87	5.10	5.36	5.28	5.46	5.38	5.31	5.42	5.50	5.23%	5.41%
Norfolk Southern Corp.	7.7	655844AE8	Nts	05/15/2017	BBB+	6.14	6.12	6.14	6.16	6.27	6.38	6.40	6.40	6.37	6.38	6.41	6.48	6.30%	6.42%
Norfolk Southern Corp.	7.05	655844AF5	Nts	05/01/2037	BBB+	5.01	5.04	5.03	4.83	5.22	5.51	5.46	5.62	5.60	5.54	5.65	5.73	5.35%	5.64%
Norfolk Southern Corp.	7.8	655844AJ7	Nts	05/15/2027	BBB+	5.64	5.65	5.65	5.56	5.85	6.10	5.92	6.07	6.02	5.93	6.04	6.14	5.88%	6.04%
Norfolk Southern Corp.	7.9	655844AK4	Nt	5/15/2097	BBB+	5.22	5.14	5.12	4.93	5.33	5.69	5.66	5.89	5.72	5.64	5.82	5.95	5.51%	5.80%
Norfolk Southern Corp.	7.25	655844AQ1	Sr Nts	02/15/2031	BBB+	5.28	5.26	5.25	5.12	5.38	5.61	5.64	5.79	5.75	5.70	5.83	5.82	5.54%	5.78%
Norfolk Southern Corp.	6	655844AV0	Fixed Rt Sr Nt	3/15/2105	BBB+	5.00	5.02	4.95	4.76	5.12	5.52	5.52	5.63	5.53	5.45	5.49	5.64	5.30%	5.53%
Norfolk Southern Corp.	5.59	655844AW8	Nts	05/17/2025	BBB+	4.62	4.64	4.60	4.54	4.76	4.96	4.99	5.11	4.93	4.90	5.02	5.11	4.85%	5.01%
Norfolk Southern Corp.	5.64	655844AX6	Nts	05/17/2029	BBB+	4.78	4.81	4.83	4.71	4.92	5.12	5.15	5.28	5.14	5.07	5.17	5.21	5.02%	5.15%
CSX Corp.	6	126408GH0	Nts	10/01/2036	BBB	4.96	4.99	5.03	4.87	5.10	5.34	5.29	5.42	5.34	5.29	5.39	5.47	5.21%	5.38%

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2014 Assessment Year

STANDARD & POOR'S BOND GUIDE
CURRENT YIELD

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Avg Full Year	Avg 4th QTR
Csx Corp MTN BE	6.8	12641LBU6	MTN Ser C	12/1/2028	BBB	5.23	5.25	5.23	5.18	5.46	5.72	5.72	5.82	5.70	5.60	5.68	5.83	5.54%	5.70%
Kansas City Southern	7	485170AF1	Deb	12/15/2025	BB-	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28	6.28%	6.28%
Consolidated Rail	9.75	209864AT4	Deb	06/15/2020	NR	7.46	7.48	7.48	7.31	7.52	7.70	7.76	7.88	7.64	7.61	7.72	7.84	7.62%	7.72%
Missouri Pacific RR.	4.75	606198LF4	GenIncA	01/01/2020	NR	4.79	4.79	5.26	5.10	5.10			4.35	4.35	5.16	5.16	5.16	4.92%	5.16%
Missouri Pacific RR.	4.75	606198LG2	GenIncB	01/01/2030	NR	4.89	5.00	5.26	5.10	4.94	4.80	4.80	5.27	4.80	5.27	5.27	5.48	5.07%	5.34%
Missouri Pacific RR.	5	606198LH0	IncDeb	01/01/2045	NR	5.81	5.68	5.49	5.88	5.37	5.88	5.50	5.98	6.02	6.01	6.02	6.06	5.81%	6.03%
Norfolk Southern Corp.	9	655844AA6	Nts	03/01/2021	NR	6.83	6.70	6.69	6.60	6.81	7.01	7.05	7.17	7.13	7.14	7.23	7.35	6.98%	7.24%
			Counts of data			61	61	61	61	60	59	59	60	60	60	60	60	61	60

NOTES:
Data downloaded from the S&P website and missing data supplemented from month end Bond Guides when available.
means the data was not available in S&P Guide
means issuance matured or called

	Annual	4th Qtr
AA's	5.28%	5.23%
A's	5.26%	5.40%
BBB's	5.51%	5.69%
BB's	6.28%	6.28%
NR's	6.08%	6.30%
ALL	5.50%	5.67%
BBB- & Above	5.43%	5.60%
BB- & Above	5.45%	5.62%

**Investment Grade (BBB- & Above)*

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2014 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Avg Full Year	Avg 4th QTR
Canadian Pac Ry Co	4	136447AW9	Perpetual Cons D	1/1/2022	AA-	8.21	8.11	7.90	7.29	8.18	8.11	8.00	7.94	8.31	8.26	7.31	8.39	8.00%	7.99%
Canadian National Railway Compar	7.62	136375AY8	Deb	5/15/2023	A	3.40	3.44	3.41	3.27	3.56	3.99	4.13	4.42	4.25	4.16	4.19	4.45	3.89%	4.27%
Canadian National Railway Compar	6.8	136375BA9	Nt	7/15/2018	A	1.95	1.88	1.82	1.72	1.99	2.48	2.13	2.44	2.20	2.02	2.05	2.39	2.09%	2.15%
Canadian National Railway Compar	6.9	136375BD3	Nt	7/15/2028	A	3.87	3.91	3.83	3.38	3.91	4.34	4.16	4.20	4.36	3.92	4.12	4.34	4.03%	4.13%
Northern Pac.Ry	3	665585JP1	GenLn Mtg	01/01/2047	A	5.12	5.21	5.04	4.80	4.77	4.89	5.18	5.18	5.89	5.60	5.55	5.55	5.23%	5.57%
Northern Pac.Ry	3	665585KH7	Gen LnMtg-Stpd	01/01/2047	A	5.47	5.48	5.04	4.80	4.77	4.89	5.18	5.18	5.89	5.60	5.55	5.55	5.28%	5.57%
Union Pacific Corp.	7	907818AZ1	Deb	02/01/2016	A	1.20	1.18	1.12	1.07	1.27	1.48	1.19	1.34	1.23	1.13	1.12	1.27	1.22%	1.17%
Union Pacific Corp.	7	907818AZ1	Deb	2/1/2016	A	1.20	1.18	1.12	1.07	1.27	1.48	1.19	1.34	1.23	1.13	1.12	1.27	1.22%	1.17%
Union Pacific Corp.	7.12	907818BY3	Deb	02/01/2028	A	4.11	4.13	4.16	3.89	4.28	4.62	4.50	4.61	4.39	4.12	4.39	4.60	4.32%	4.37%
Union Pacific Corp.	6.62	907818CF3	Deb	02/01/2029	A	4.07	3.81	3.81	3.64	4.08	4.44	4.48	4.73	4.58	4.49	4.69	4.74	4.30%	4.64%
Union Pacific Corp.	5.38	907818CT3	Nts	05/01/2014	A	0.84	0.80	0.63	0.59	0.68	0.57	0.55	0.51	0.72	0.59	0.77	0.81	0.67%	0.72%
Union Pacific Corp.	6.25	907818CU0	Deb	05/01/2034	A	4.32	4.36	4.34	3.99	4.40	4.76	4.65	4.98	4.85	4.74	5.03	5.19	4.63%	4.99%
Union Pacific Corp.	4.88	907818CV8	Sr Nt	1/15/2015	A	0.85	0.83	0.79	0.78	0.84	0.92	0.87	0.83	0.73	0.65	0.58	0.56	0.77%	0.60%
Union Pacific Corp.	5.65	907818CW6	Nts	05/01/2017	A	1.59	1.57	1.46	1.36	1.75	2.17	1.89	2.18	1.95	1.82	1.48	1.80	1.75%	1.70%
Union Pacific Corp.	6.15	907818CX4	Deb	05/01/2037	A	4.31	4.35	4.36	4.12	4.51	4.90	4.70	5.03	4.88	4.84	5.03	5.19	4.69%	5.02%
Burlington Northern	8.75	121897WQ1	Deb	02/25/2022	BBB+	3.44	3.51	3.46	3.18	3.67	4.07	3.95	4.21	4.02	3.90	4.14	4.35	3.83%	4.13%
Burlington NorthernR.R.	3.8	121899CC0	Con Mtg L	01/01/2020	BBB+	3.46	3.48	3.43	3.17	3.61	4.01	3.93	4.20	4.01	3.90	4.14	4.30	3.80%	4.11%
Burlington NorthernR.R.	6.55	121899CD8	Con Mtg K	01/01/2020	BBB+	3.90	3.91	3.41	3.17	3.66	4.21	4.30	4.56	4.17	4.05	4.29	4.25	3.99%	4.20%
Burlington NorthernR.R.	6.55	121899CE6	Con Mtg O	01/01/2020	BBB+	3.90	3.91	3.41	3.17	3.66	4.21	4.30	4.56	4.17	4.05	4.29	4.25	3.99%	4.20%
Burlington NorthernR.R.	8.15	121899CF3	Con Mtg N	01/01/2020	BBB+	4.00	4.02	3.96	3.71	4.09	4.49	4.59	4.85	4.45	4.33	4.58	4.74	4.32%	4.55%
Burlington NorthernR.R.	8.15	121899CG1	Con Mtg P	01/01/2020	BBB+	4.00	4.02	3.96	3.71	4.09	4.49	4.59	4.85	4.45	4.33	4.58	4.74	4.32%	4.55%
Burlington NorthernR.R.	3.2	121899CH9	Con Mtg M	01/01/2045	BBB+	5.13	5.17	5.00	4.75	4.71	5.02	5.12	5.34	5.12	5.03	5.21	5.30	5.08%	5.18%
Burlington Northn Santa Fe Cor	6.1	12189QAA8	MTN Ser A	02/27/2027	BBB+	4.34	4.36	4.36	3.92	4.43	4.90	4.82	5.13	4.93	4.77	5.04	5.28	4.69%	5.03%
Burlington Northn Santa Fe Cor	6.53	12189QAB6	MTN Ser A	07/15/2037	BBB+	4.77	4.81	4.81	4.57	4.91	5.29	5.25	5.47	5.35	5.24	5.36	5.42	5.10%	5.34%
Burlington Northern Santa Fe Corp.	7	12189TAA2	Deb	12/15/2025	BBB+	3.62	3.64	3.61	3.37	3.88	4.35	4.27	4.58	4.39	4.08	4.26	4.50	4.05%	4.28%
Burlington Northern Santa Fe Corp.	6.88	12189TAB0	Deb	02/15/2016	BBB+	1.70	1.68	1.67	1.62	1.21	1.42	1.32	1.49	1.36	1.20	1.22	1.42	1.44%	1.28%
Burlington Northern Santa Fe Corp.	7.29	12189TAD6	Deb	06/01/2036	BBB+	4.67	4.71	4.72	4.43	4.82	5.20	5.25	5.53	5.41	5.24	5.31	5.33	5.05%	5.29%
Burlington Northern Santa Fe	7.25	12189TAF1	Deb	08/01/2097	BBB+	5.32	5.36	5.39	5.15	5.51	5.89	5.83	6.16	6.04	5.92	6.06	6.17	5.73%	6.05%
Burlington Northern Santa Fe Corp.	6.88	12189TAG9	Deb	12/01/2027	BBB+	4.44	4.46	4.46	3.57	4.03	4.50	4.42	4.73	4.50	4.37	4.64	4.88	4.42%	4.63%
Burlington Northern Santa Fe Corp.	6.7	12189TAJ3	Deb	08/01/2028	BBB+	4.54	4.56	4.56	3.82	4.33	4.80	4.72	5.03	4.84	4.67	4.94	5.18	4.67%	4.93%
Burlington Northern Santa Fe	6.75	12189TAN4	Deb	03/15/2029	BBB+	4.87	4.71	4.64	4.35	4.74	5.12	5.05	5.33	5.21	5.04	5.21	5.32	4.97%	5.19%
Burlington Northern Santa Fe Corp.	8.12	12189TAQ7	Deb	04/15/2020	BBB+	3.24	2.96	2.96	2.74	3.18	3.63	3.66	3.71	3.52	3.39	3.59	3.64	3.35%	3.54%
Burlington Northern Santa Fe Corp.	7.95	12189TAR5	Deb	08/15/2030	BBB+	4.69	4.73	4.69	4.40	4.79	5.17	5.10	5.38	5.14	5.00	5.11	5.19	4.95%	5.10%
Burlington Northern Santa Fe Corp.	4.3	12189TAV6	Nts	07/01/2013	BBB+	0.50	0.50	0.39	0.58									0.49%	
Burlington Northern Santa Fe	4.88	12189TAW4	Fixed Rt Sr Nt	01/15/2015	BBB+	0.87	0.85	0.79	0.63	0.74	0.82	0.76	0.92	0.91	0.62	0.66	0.75	0.78%	0.68%
Burlington Northern Santa Fe Corp.	6.2	12189TAX2	Deb	08/15/2036	BBB+	4.47	4.51	4.54	4.30	4.64	5.08	5.06	5.20	5.14	4.92	5.11	5.22	4.85%	5.08%
Burlington Northern Santa Fe	5.65	12189TAY0	Deb	05/01/2017	BBB+	1.44	1.34	1.33	1.23	1.61	1.99	1.93	2.03	1.68	1.47	1.48	1.87	1.62%	1.61%
Burlington Northern Santa Fe Corp.	6.15	12189TAZ7	Deb	05/01/2037	BBB+	4.39	4.43	4.42	4.20	4.61	5.04	4.83	5.16	5.13	4.98	5.16	5.12	4.79%	5.09%
CSX Corp.	8.62	126408AM5	Deb	05/15/2022	BBB+	3.94	3.96	3.91	3.67	4.08	4.53	4.52	4.83	4.64	4.48	4.77	5.01	4.36%	4.75%
CSX Corp.	8.1	126408AQ6	Deb	09/15/2022	BBB+	4.02	4.04	3.96	3.72	4.18	4.63	4.62	4.93	4.74	4.48	4.77	5.01	4.43%	4.75%
CSX Corp.	5.3	126408GF4	Nts	02/15/2014	BBB+	0.72	0.65	0.68	0.70	0.74	0.79	0.74	0.82	0.95	0.75	0.91	0.84	0.77%	0.83%
CSX Corp.	5.6	126408GJ6	Nts	05/01/2017	BBB+	1.66	1.64	1.48	1.33	1.71	2.15	2.07	2.41	2.16	1.95	1.60	1.79	1.83%	1.78%
CSX Corp.	6.15	126408GK3	Nts	05/01/2037	BBB+	4.54	4.58	4.64	4.37	4.71	5.07	4.97	5.22	5.10	5.00	5.16	5.27	4.89%	5.14%
Norfolk Southern Corp.	7.7	655844AE8	Nts	05/15/2017	BBB+	1.57	1.41	1.37	1.33	1.72	2.13	2.10	2.01	1.78	1.67	1.70	1.94	1.73%	1.77%
Norfolk Southern Corp.	7.05	655844AF5	Nts	05/01/2037	BBB+	4.32	4.36	4.34	4.04	4.61	5.03	4.95	5.18	5.15	5.06	5.21	5.31	4.80%	5.19%
Norfolk Southern Corp.	7.8	655844AJ7	Nts	05/15/2027	BBB+	4.20	4.22	4.21	4.02	4.55	5.00	4.65	4.91	4.82	4.65	4.84	5.00	4.59%	4.83%
Norfolk Southern Corp.	7.9	655844AK4	Nt	5/15/2097	BBB+	5.19	5.11	5.09	4.90	5.31	5.67	5.65	5.88	5.71	5.62	5.81	5.94	5.49%	5.79%
Norfolk Southern Corp.	7.25	655844AQ1	Sr Nts	02/15/2031	BBB+	4.27	4.22	4.20	3.98	4.41	4.77	4.83	5.06	4.99	4.90	5.11	5.09	4.65%	5.03%
Norfolk Southern Corp.	6	655844AV0	Fixed Rt Sr Nt	3/15/2105	BBB+	4.99	5.01	4.94	4.75	5.11	5.51	5.52	5.63	5.53	5.44	5.49	5.64	5.30%	5.52%
Norfolk Southern Corp.	5.59	655844AW8	Nts	05/17/2025	BBB+	3.49	3.51	3.41	3.25	3.78	4.23	4.28	4.54	4.14	4.05	4.34	4.53	3.96%	4.31%

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2014 Assessment Year

STANDARD & POOR'S BOND GUIDE
BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Avg Full Year	Avg 4th QTR
Norfolk Southern Corp.	5.64	655844AX6	Nts	05/17/2029	BBB+	4.12	4.16	4.19	3.97	4.36	4.72	4.78	5.01	4.76	4.61	4.80	4.87	4.53%	4.76%
CSX Corp.	6	126408GH0	Nts	10/01/2036	BBB	4.54	4.58	4.64	4.40	4.74	5.08	5.02	5.21	5.09	5.00	5.16	5.27	4.89%	5.14%
Csx Corp MTN BE	6.8	12641LBU6	MTN Ser C	12/1/2028	BBB	4.19	4.21	4.17	4.07	4.58	5.03	5.02	5.18	4.98	4.80	4.94	5.18	4.70%	4.97%
Kansas City Southern	7	485170AF1	Deb	12/15/2025	BB-	5.78	5.78	5.78	5.78	5.78	5.78	5.78	5.78	5.78	5.78	5.78	5.78	5.78%	5.78%
Consolidated Rail	9.75	209864AT4	Deb	06/15/2020	NR	4.76	4.78	4.73	4.27	4.76	5.16	5.26	5.51	4.87	4.75	4.99	5.25	4.92%	5.00%
Norfolk Southern Corp.	9	655844AA6	Nts	03/01/2021	NR	4.32	3.96	3.91	3.62	4.13	4.58	4.63	4.89	4.77	4.75	4.94	5.20	4.48%	4.96%
			Counts of data			56	56	56	56	55	55	55	55	55	55	55	55	56	55

NOTES:
Data downloaded from the S&P website and missing data supplemented from month end Bond Guides when available.
means the data was not available in S&P Guide
means issuance matured or called

	Annual	4th Qtr
AA's	8.00%	7.99%
A's	3.15%	3.29%
BBB's	3.98%	4.29%
BB's	5.78%	5.78%
NR's	4.70%	4.98%
ALL	3.90%	4.15%
BBB- & Above	3.83%	4.09%
BB- & Above	3.87%	4.12%

**Investment Grade (BBB- & Above)*

MONTANA DEPARTMENT OF REVENUE

Support for Debt Rating
Industry: Railroads
2014 Assessment Year

STANDARD & POOR'S BOND GUIDE
20 YR PLUS - BOND YIELD TO MATURITY

Company Name	Coupon	CUSIP	Issue	Maturity Date	S&P Bond Rating	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Avg Full Year	Avg 4th QTR
Northern Pac.Ry	3	665585JP1	GenLn Mtg	01/01/2047	A	5.12	5.21	5.04	4.80	4.77	4.89	5.18	5.18	5.89	5.60	5.55	5.55	5.23%	5.57%
Northern Pac.Ry	3	665585KH7	Gen LnMtg-Stpd	01/01/2047	A	5.47	5.48	5.04	4.80	4.77	4.89	5.18	5.18	5.89	5.60	5.55	5.55	5.28%	5.57%
Union Pacific Corp.	6.25	907818CU0	Deb	05/01/2034	A	4.32	4.36	4.34	3.99	4.40	4.76	4.65	4.98	4.85	4.74	5.03	5.19	4.63%	4.99%
Union Pacific Corp.	6.15	907818CX4	Deb	05/01/2037	A	4.31	4.35	4.36	4.12	4.51	4.90	4.70	5.03	4.88	4.84	5.03	5.19	4.69%	5.02%
Burlington NorthernR.R.	3.2	121899CH9	Con Mtg M	01/01/2045	BBB+	5.13	5.17	5.00	4.75	4.71	5.02	5.12	5.34	5.12	5.03	5.21	5.30	5.08%	5.18%
Burlington Northn Santa Fe Cor	6.53	12189QAB6	MTN Ser A	07/15/2037	BBB+	4.77	4.81	4.81	4.57	4.91	5.29	5.25	5.47	5.35	5.24	5.36	5.42	5.10%	5.34%
Burlington Northern Santa Fe Corp.	7.29	12189TAD6	Deb	06/01/2036	BBB+	4.67	4.71	4.72	4.43	4.82	5.20	5.25	5.53	5.41	5.24	5.31	5.33	5.05%	5.29%
Burlington Northern Santa Fe	7.25	12189TAF1	Deb	08/01/2097	BBB+	5.32	5.36	5.39	5.15	5.51	5.89	5.83	6.16	6.04	5.92	6.06	6.17	5.73%	6.05%
Burlington Northern Santa Fe Corp.	6.2	12189TAX2	Deb	08/15/2036	BBB+	4.47	4.51	4.54	4.30	4.64	5.08	5.06	5.20	5.14	4.92	5.11	5.22	4.85%	5.08%
Burlington Northern Santa Fe Corp.	6.15	12189TAZ7	Deb	05/01/2037	BBB+	4.39	4.43	4.42	4.20	4.61	5.04	4.83	5.16	5.13	4.98	5.16	5.12	4.79%	5.09%
CSX Corp.	6.15	126408GK3	Nts	05/01/2037	BBB+	4.54	4.58	4.64	4.37	4.71	5.07	4.97	5.22	5.10	5.00	5.16	5.27	4.89%	5.14%
Norfolk Southern Corp.	7.05	655844AF5	Nts	05/01/2037	BBB+	4.32	4.36	4.34	4.04	4.61	5.03	4.95	5.18	5.15	5.06	5.21	5.31	4.80%	5.19%
Norfolk Southern Corp.	7.9	655844AK4	Nt	5/15/2097	BBB+	5.19	5.11	5.09	4.90	5.31	5.67	5.65	5.88	5.71	5.62	5.81	5.94	5.49%	5.79%
Norfolk Southern Corp.	6	655844AV0	Fixed Rt Sr Nt	3/15/2105	BBB+	4.99	5.01	4.94	4.75	5.11	5.51	5.52	5.63	5.53	5.44	5.49	5.64	5.30%	5.52%
CSX Corp.	6	126408GH0	Nts	10/01/2036	BBB	4.54	4.58	4.64	4.40	4.74	5.08	5.02	5.21	5.09	5.00	5.16	5.27	4.89%	5.14%
			Counts of data			14	14	14	14	14	14	14	14	14	14	14	14	14	14

NOTES:
Data downloaded from the S&P website and missing data supplemented from month end Bond Guides when available.
means the data was not available in S&P Guide
means issuance matured or called

	Annual	4th Qtr
AA's	---	---
A's	4.96%	5.29%
BBB's	5.09%	5.35%
BB's	---	---
NR's	---	---
ALL	5.05%	5.33%
BBB- & Above	5.05%	5.33%
BB- & Above	---	---

**Investment Grade (BBB- & Above)*