

C O N T E N T S

Review of 1955	5
Rents	5
Other Income	6
Tax Accruals	6
Operating Results	6
Passenger Business	6
New Trains	8
Head-End Passenger Service	8
Freight Operations	8
Fast Freight Service	10
Industrial Development	10
Other New Services Offered	11
Higher Rates Asked	11
Wage and Working Rules	12
New Equipment	13
Freight Fleet Modernized	14
Freight Cars	15
Passenger Equipment Changes	16
Locomotives	17
August Floods	18
Property Improvements	18
Mystic Terminal Company	19
Boston and Maine Transportation Co.	20
Capital Changes	20
Changes in Long Term Debt	22
Equipment Financing	23
Employees	24
Executive Changes	24
Transportation Legislation	27
Conclusion	29
Financial Statements	30

**BOSTON
AND
MAINE
RAILROAD
123rd
ANNUAL
REPORT
1955**

for year ending December 31,

BOARD OF DIRECTORS

- * OLIVER D. APPLETON, Mount Kisco, N. Y.
- ANDREW J. BECK, Presque Isle, Me.
- * MAYNARD W. BULLIS, Boston, Mass.
- * BURTON M. CROSS, Augusta, Me.
- * JOHN S. DAWSON, Fairfield, Conn.
- ALONZO R. GILE, Franklin, N. H.
- W. EARLE GOSS, Franklin, N. H.
- NATHAN GREVIOR, Tilton, N. H.
- RODNEY A. GRIFFIN, II, Franklin, N. H.
- WILFRED N. HADLEY, Springfield, Vt.
- ALEX L. HILLMAN, Littleton, N. H.
- * PATRICK B. MCGINNIS, Charlemont, Mass.
- FRANCIS P. MURPHY, Nashua, N. H.
- ROBERT C. NORDBLOM, Boston, Mass.
- WILLIAM L. PHINNEY, Goffstown, N. H.
- * RUSSELL B. VALENTINE, New York, N. Y.
- * JAMES A. WALSH, Greenwich, Conn.
- MERRICK E. WHEELER, Springfield, Vt.
- * ARTHUR P. WILCOX, Rockland, Mass.
- * Members of the Executive Committee

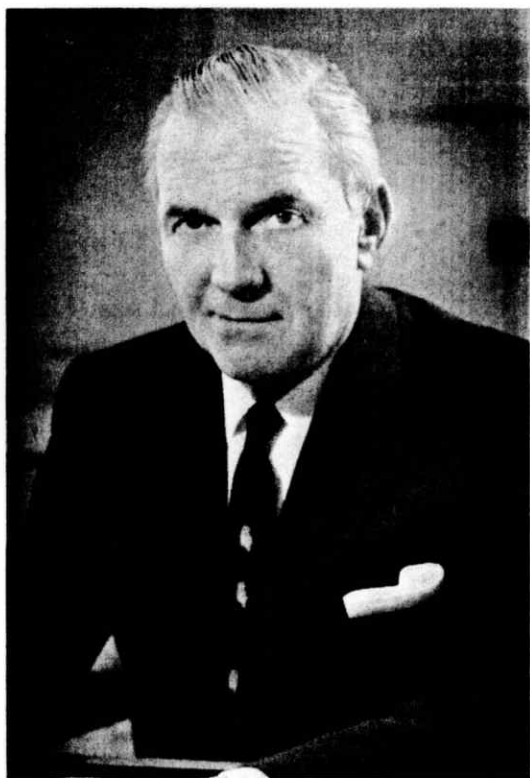
OFFICERS

OLIVER D. APPLETON, *Chairman of the Board of Directors*
PATRICK B. MCGINNIS, *President*
GEORGE F. GLACY, *Vice President — Accounting and Finance*
PATRICK J. MULLANEY, *Vice President — Traffic*
FRANK W. ROURKE, *Vice President — Operations*
GEORGE H. BOLTON, *Director of Purchases and Stores*
MAYNARD W. BULLIS, *Clerk of Corporation*
THOROLD S. CURTIS, *Treasurer*
RICHARD JACKSON, *General Solicitor*
STANLEY G. PHILLIPS, *Chief Engineer*

TRANSFER AGENTS

Old Colony Trust Company, 45 Milk Street, Boston, Mass.
The Hanover Bank, 70 Broadway, New York City

TO THE STOCKHOLDERS:



Patrick B. McGinnis

Since elected to office in April, 1955, your management has devoted much effort towards restoring the credit of the Boston and Maine Railroad. The importance of a sound credit standing is implicit in the fact that railroads, because of their large investment in plant and equipment, are heavy borrowers of funds. The better their credit, the less they must pay for the use of borrowed funds.

The particular need for a restored credit position on the Boston and Maine Railroad is evidenced by the fact that the Railroad's \$48 million principal amount of first mortgage 4% bonds mature on July 1, 1960. These bonds, which have for years sold at a substantial discount on the open market, must be refunded on or before that date. It is reassuring that progress is being made in building your Railroad's credit.

Of the \$48 million outstanding first mortgage bonds, approximately \$31 million are owned by fifty-three institutions. An approach to a plan for refunding these bonds prior to 1960 is being actively processed by officers of the Company. Discussions with institutions holding substantial amounts of these bonds have recently taken place.

It is anticipated that a start on a satisfactory solution to the 1960 bond maturity problem will be attained before the close of 1956.



REVIEW OF 1955

The Boston and Maine Railroad last year benefited from an aggressive program of freight and passenger solicitation and benefited also from the general improvement of northern New England's economy. The Railroad's operating revenues amounted to \$85,906,610, or 6% more than the \$81,232,991 volume of business reported for 1954. It is especially gratifying to report that, through close control of costs, a reduction was effected in 1955 operating expenses. These expenses amounted to 77% of revenues, compared with 85% a year earlier.

Net railway operating income for 1955, despite increases in both taxes and rental payments, increased to \$6,894,531, from \$3,243,965 a year earlier.

After miscellaneous deductions, \$7,469,048 remained available for fixed charges, compared with \$3,459,627 in 1954. After fixed and contingent interest charges, net income was \$3,322,667 in contrast with a deficit of \$552,908 reported for 1954. The 1954 deficit was reduced by a carry-back tax credit of \$2,997,685 in December, 1954.

The net income of the Boston and Maine Railroad in 1955 was equal, after dividend requirements on the \$5 preferred stock, to \$3.55 per share on the 547,608 shares of common stock outstanding at the year end.

RENTS

*Snow-Train passengers arriving at
North Conway, N. H.*

Rents payable in 1955 amounted to \$6,347,514, compared with \$5,659,580 the year before. Freight car rentals were \$5,890,729 against \$4,991,241 for 1954. The Interstate Commerce Commission in 1955 reversed a recommendation by one of its examiners that the per diem rate for using freight cars belonging to other railroads be reduced from \$2.40 per day to \$2.10 per day. The Boston and Maine, along with the New York, Susquehanna and Western, the New Haven and several other, smaller railroads which pay a higher proportion of per diem costs than larger railroads, had objected to the \$2.40 per day rate. This rate had become effective August 1, 1953 and replaced the \$2 per diem rate in effect until that time. The Boston and Maine, in conjunction with other railroads, is seeking reconsideration of the Interstate Commerce Commission decision.

OTHER INCOME

Other income to your Railroad in 1955 amounted to \$1,119,118 compared with \$743,756 a year earlier. The increase was principally due to interest received on the tax refund.

TAX ACCRUALS

Railway tax accruals aggregated \$6,934,991 in 1955, compared with \$3,031,320 in 1954. The Federal income tax of \$1,197,636 in 1955 contrasted with a 1954 Federal income tax credit of \$2,801,951, which included a credit of \$2,997,685 claimed under the carry-back provisions of the 1954 Internal Revenue Code. The provision made for taxes is shown in the following table:

	1955	1954
State and Municipal Taxes	\$2,953,610	\$2,983,524
Federal Payroll Taxes	2,772,933	2,812,380
Federal Income Taxes	1,197,636	Cr. 2,801,951
Other Taxes	10,812	37,367

OPERATING RESULTS

The volume of freight traffic handled in 1955, measured by gross ton miles, increased 6.7% over that of 1954, to the highest level since 1951. Net ton miles of revenue freight carried in 1955 were 8.4% higher than the previous year.

The increase in both gross and net ton miles reflects to some extent added traffic handled from the middle of June through the latter part of July due to a truck strike. It also reflects the movement of traffic diverted from other railroads during the periods between August 19th to about September 15th and again for ten days in October stemming from flood conditions on other railroads.

The average gross train load in 1955 was 2,532 tons, a new high record and 167 tons or 7.1% higher than in 1954. Average train speed, based on the road time between terminals, was 6.1% below that of 1954, which limited to 0.6% the year's gain in gross ton miles per train hour.

Miles per locomotive day for all road freight units in 1955 rose to a new high record of 134.1.

In passenger service, miles per locomotive day averaged 110.6, the highest since 1948, and an improvement over 1954 of 4.9 miles per day.

Average miles per day for all motor cars (principally Budd cars) rose to 207.3 for 1955 from 193.7 in 1954.

PASSENGER BUSINESS

As is true for the industry generally, passenger revenues in 1955

on the Boston and Maine Railroad continued to decline. For the year they amounted to \$9,993,817, a decrease of 5.6% from the passenger revenue of \$10,589,204 for the year before. The number of passengers carried was 13,966,613 or 5.3% less than the 14,744,536 carried in 1954. The number of commutation passengers declined 5.4%; other passengers, 5.1%. Mail revenue last year was \$3,127,336, an increase of 3.3% over the \$3,028,191 revenue for 1954. Express revenue was \$1,129,460, a reduction of 21.7% from the 1954 revenue of \$1,442,091. Revenue from the haulage of milk was \$1,323,105, a reduction of 1.1% from the 1954 revenue of \$1,337,330.

Continued decline in the volume of our passenger business has been particularly disappointing because of the strenuous efforts made to improve service to patrons. These efforts have assumed diverse forms. For example, the Railroad has supplied four new light-weight sleeping cars which, combined with similar equipment furnished by the New Haven and the Bangor and Aroostook railroads, have greatly improved two of our most important overnight trains—the “State of Maine” and the “Gull”. The “State of Maine” operates overnight between Portland and New York City, with through car service between Concord and New York; and the “Gull” operates between Boston and the Maritime provinces of Canada, with through car service between Boston and points in Aroostook County. The equipment of the “Red Wing,” overnight train between Boston and Montreal, has been improved also.

The Boston and Maine’s commuter business accounted for 28% of overall passenger revenues in 1955, but in terms of passengers carried, over 57% of the Boston and Maine’s total were commuters. In the City of Boston, the Boston and Maine carries more commuters than the other railroads serving the city.

In an effort to cope with the Boston and Maine’s passenger problem, particularly its commuter problem, the Railroad last year expanded its use of self-propelled rail diesel cars. The Boston and Maine fleet of Budd Highliners, as they are called, grew last year to 67. This is by far the largest fleet of such rail diesel cars in operation by any railroad anywhere in the world.

The rail diesel cars are particularly fitted to the Boston and Maine’s unique suburban service and are equally suited to regular passenger service. Rapid starts and stops, economy and quick turn-around ability recommend them highly. Most important is their flexibility in operations. The typical Boston and Maine Budd Highliner in any one day may be part of eight or ten trains which cover up to 350 miles. This mileage is significant when compared with the average commuter’s ride of only 15 miles.

NEW TRAINS

Picture opposite — One of the new Budd Highliner trains.

While the self-propelled diesel car has helped to slow the continuing rise of passenger deficits, the problem remains. The passenger deficit from operations is recognized as your Railroad's No. 1 problem. A specially constituted project group of selected railroad personnel has been assigned to the important task of studying and developing means to reduce the annual loss from passenger service. It is expected that gratifying evidence of their efforts will be noted shortly.

In one approach to a solution, particularly in regard to long-haul traffic, your management last year placed an order for a radically new, lightweight, low-center-of-gravity Talgo train from ACF Industries Inc. The train consists of five three-unit coaches and two lightweight locomotives. A test unit of this train made several trial runs over the Boston and Maine line last Fall. Delivery of the Talgo train is expected in November, 1956.

In the Summer of 1956, your Railroad expects to test another light-weight train, manufactured by General Motors Corporation. Like the Talgo and other new trains being offered by various manufacturers, it incorporates lightweight, low-center-of-gravity principles. It also promises reduced maintenance expenditures, lower operating costs and greater speed and comfort.

Your management believes that the new concepts embodied by these trains holds a part of the answer to the passenger service deficit problem. Representing a simultaneous approach to more attractive and more economic passenger service, the new passenger equipment promises faster and more comfortable service which may attract sufficient passenger volume to stem the tide of passenger losses.

HEAD-END PASSENGER SERVICE

Effective November 16, 1955, a new office, manager of head-end traffic, was created to handle all matters relating to procurement and handling of baggage, mail, express, milk, newspapers and other head-end passenger traffic. The new manager reports to the Vice President-Operations on operating matters and to the Vice President-Traffic on matters of rates and traffic procurement. Greater efficiency is afforded by the delegation of this responsibility to a single office which will continue intensive studies with the postal transportation service and railway express agency with the aim of improving their service and at the same time reduce the number of passenger-carrying trains handling mail and express to the detriment of the traveling public.

FREIGHT OPERATIONS

Freight revenues in 1955 amounted to \$66,346,979, an increase of

8.4% over the \$61,207,413 revenue from freight in 1954. Since the freight rate structure remained essentially unchanged, this increase resulted largely from an increased volume of traffic. The Railroad last year hauled substantial amounts of construction material for both public and private projects.

Less-than-carload shipments of the Railroad were increased during the year as a result of a strike in the New England trucking industry which extended from approximately mid-June to nearly the close of July. Although the extraordinary nature of this business inevitably caused traffic congestion and increased operating costs, the strike resulted in a substantial increase in railroad freight revenues during the normally slack mid-summer months.

FAST FREIGHT SERVICE

In cooperation with the Delaware and Hudson Company and their connections to the West, and with the New York Central, improved eastbound freight service through our Hudson River gateways was inaugurated on May 11, 1955, from Chicago and other western territory. The freight schedules were stepped up via these routes so that the Boston and Maine is today in a strong competitive position with all competing railroad routes into Boston and northern New England.

HURRICANE EFFECTS

Although Hurricane Diane, which visited our lines on August 18 and 19, 1955, inflicted considerable damage on our Connecticut River line, the Boston and Maine Railroad was fortunate in escaping the severe damage inflicted on our neighboring railroad systems. This was true also of the torrential rains of October 15 and 16, 1955. Having been spared from the brunt of these storms, your Railroad was able to install an emergency operation, handling a large amount of detour traffic for less fortunate neighboring railroads. In October, for a ten-day period, the Boston and Maine handled a large amount of traffic moving between New Haven territory and points west of the Hudson River, due to flood conditions which severed the New Haven Railroad's main line in Southern Connecticut.

INDUSTRIAL DEVELOPMENT

The Railroad's Industrial Development Department cooperates with state and community development organizations and seeks maximum industrial usage of privately-owned properties along the Boston and Maine's lines. Thirty-eight new industrial expansion projects involving 1,763,740 square feet of building space and costing \$14,403,231 were under development at the end of 1955 on properties adjacent to and served by the Railroad. Much of the

8,560,281 square feet of land sold by the Railroad last year will be used for industrial development purposes.

Industrial plant expansion, which will make a major contribution to the economy of the general area served by our lines, was in progress at the year-end at locations served directly by the Railroad or in Boston and Maine territory.

The new Peabody Industrial Center, located on a 125-acre site served by the Railroad, was officially opened in July, 1955. Development of other industrial centers on Route 128, a circumferential highway around Boston, is progressing, and several new plants in the Waltham, Massachusetts, area have recently been constructed or contracted for. A new industrial center is under development in Wakefield. Three such centers have been established in New Hampshire and still another is being organized there. Several other major development projects for manufacturing plants and distribution facilities on our lines are under way. Twenty-six side-track projects to serve industries along the Boston and Maine Railroad lines were completed in 1955.

OTHER NEW SERVICES OFFERED

Although much of the freight traffic into New England consists of bulk commodities or other raw materials, there is also a large volume of consumer goods of all kinds. Products manufactured in New England and moving out of New England consist in many instances of specialties, many of them moving in relatively small lots and requiring expedited service. To an ever-increasing extent, the New England traffic in both directions is becoming more susceptible to highway competition, and to meet this situation your management proposes to embark upon the operation of trailer-on-flat-car service. To this end, orders have been placed for equipment which will provide for the operation of trailer-on-flat-car service between Boston and other Boston and Maine stations and points in the mid-West, such as Chicago and St. Louis, operating over the lines of the Delaware and Hudson Railroad and connections beyond. Under this operation, the Boston and Maine Railroad and other participating carriers will provide the equipment and publish the rates for the complete service, including the trucking operation at the originating point and at the destination.

HIGHER RATES ASKED

On December 1, 1955, a temporary freight rate increase of approximately 15% (with various exceptions), originally granted in 1952, was made a permanent part of the freight rate structure. Increasing costs, principally caused by a rising spiral of wages, which had

taken place since the 15% increase was originally granted has forced the railroad industry generally to seek higher freight rates notwithstanding the improvement in revenues during the past year. The Boston and Maine Railroad joined with the other railroads of the country in a petition to the Interstate Commerce Commission to increase all freight rates by 7%. After a series of hearings, the Commission has granted the rail carriers a general increase, effective March 7, 1956, of 6% with various exceptions and maximums which will have the effect of reducing the overall figure somewhat.

WAGE AND WORKING RULES

The year 1955 was marked by a series of new wage contracts which called for substantial wage increases to virtually all railroad employees. All were negotiated on a national level through conference committees.

On April 1, 1955 there was effected a Health and Welfare Plan for non-operating employees as a result of a national agreement of August 21, 1954. This plan provided that the total cost of \$6.80 per month would be borne equally by employees and the Railroad. Subsequently, railway labor organizations requested that the carriers pay the entire cost. Acceptance of this proposal was recommended in December, 1955, by a Presidential Emergency Board and will become effective March 1, 1956.

On May 11 and 26, 1955, settlement was reached on the trainmen's 1954 demands for differential rates. The agreement provided for an increase in daily rate differential between yard conductors and brakemen from 85 cents to \$1.10 per day effective June 1, 1955, and for a 20 cent daily increase effective June 16, 1955 to both passenger and freight conductors. The latter also received higher rates scaled upward, depending on the length of freight trains.

Additional demands of the locomotive engineers were settled by a series of agreements in October, 1955, and increases provided became effective October 1, 1955.

The first of these agreements made with the trainmen on October 4, 1955 provided for a general wage increase of 10½ cents per hour, including four cents in lieu of a health and welfare plan. The agreements also called for a 60-cent increase in minimum daily guarantees in passenger service. Effective December 1, 1955, additional hourly wage increases were provided for the yard operating employees on the basis of the five day week as follows: 12¼ cents to car retarder operators and yard conductors; 10¼ cents to yard brakemen, 6¼ cents to switch tenders. A supplemental agreement provided for an

increase of 31 cents in basic daily rates for conductors effective October 1, 1955.

The October 14, 1955 firemen's agreement provided for hourly increases of 8 and 4½ cents respectively to road and yard firemen, four cents of which was in lieu of a health and welfare plan. Further provided was an increase in guaranteed daily earnings minima in passenger and local freight service.

The engineers' agreement reached October 27, 1955 provided for a general wage increase of 5% in basic daily rates, of which four cents an hour was allowed in lieu of a health and welfare plan. An additional 2% was granted as a "skill differential".

Recommendations of the emergency board were adopted by the non-operating organizations on December 21st. They were granted a 14½ cent hourly increase effective December 1, 1955, and a provision under which the carrier must bear full cost of health and welfare plan for non-operating employees effective March 1, 1956. This allowance is equivalent to a wage increase of approximately two cents per hour.

Pending settlement at the year's end were wage disputes with the American Train Dispatchers, Railroad Yardmasters of America, United Transport Service Employees representing dining car employees, and the American Railway Supervisors Association representing shop foremen, all of whom have served requests for substantial increases earlier in the year.

The total annual wage cost of agreements reached during 1955 is estimated at \$4,000,000 for the Boston and Maine Railroad.

NEW EQUIPMENT

During 1955, the Boston and Maine Railroad placed in service 58 Budd Highliner, self-propelled, stainless steel, air-conditioned diesel cars used primarily in the Boston suburban area. This equipment is used under a unique operating plan affording a high degree of utilization. Operation of the cars has permitted the withdrawal from revenue service of a total of 255 of the railroad's oldest conventional passenger units and the retirement of 72 steam locomotives. Substantial operating savings have resulted, and a reduction of layover facilities at Boston and other points has been accomplished.

The Boston and Maine Railroad now owns sixty-seven Budd rail diesel cars. Further studies have resulted in the purchase of thirty-four additional such units which are scheduled for delivery during the third quarter of 1956, bringing the Railroad's rail diesel car fleet to 101 units. They will afford additional operating savings and result in the retirement of 102 older coaches. With them, the Boston and



Maine Railroad should have the most modern and efficient commuter service of any railroad in the United States.

FREIGHT FLEET MODERNIZED

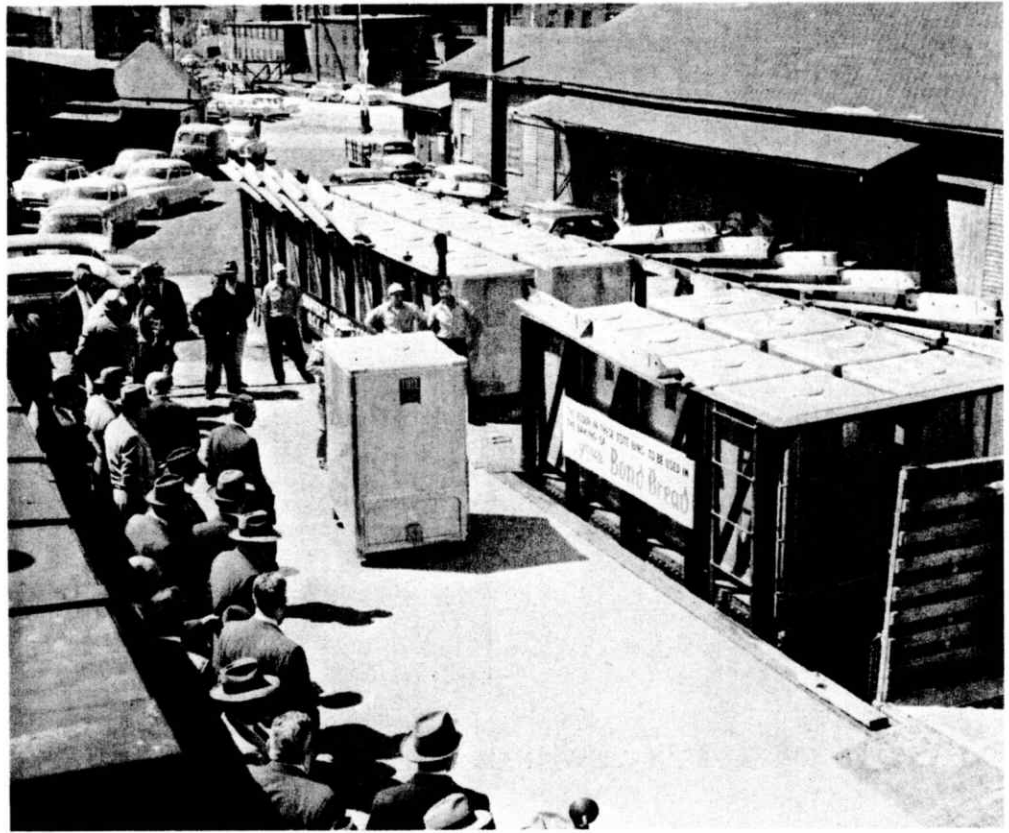
Two large orders for freight cars were placed during the year to provide for the needs of shippers in this area. A significant step was taken when your Board of Directors authorized the purchase of 1,000 new box cars of the most modern design. Each of these box cars, 50 feet long with 9-foot doors, is of all-steel construction and equipped with roller bearings and nailable steel flooring. They are the first so equipped ever ordered by the Boston and Maine Railroad. Delivery of these cars is expected in May of this year.

An additional order was placed for 1,000 freight cars, consisting of 539 forty-foot box cars, 300 open top hopper cars, 26 covered hopper cars, 100 flat cars and 35 insulated box cars for milk service, all of the most modern design and equipped with roller bearings.

During 1955, arrangements were made with two equipment companies under the terms of which 1,000 of our oldest box cars were to be sold, repaired in our shops at the purchaser's expense, and leased from the purchaser by the Railroad. This arrangement permitted

Left — Upgraded box cars at Concord, N. H. shops.

Right — New bulk container car.



upgrading of the cars, to be good for any type of loading. As of December 31, 1955, 568 cars had been so repaired and restored to revenue service.

With a view to improving its service as a transportation agency, and at the same time to strengthen its competitive position relative to other forms of transportation, your Railroad is expanding its use of specialized equipment. We have recently built specially designed cars for handling pulp wood and plasterboard. In addition, we have arranged to acquire a special type of covered hopper car for the haulage of bulk sugar.

FREIGHT CARS

Revenue freight cars owned and leased by the Boston and Maine Railroad at the end of 1955 totaled 4,570. The Railroad's freight car fleet was reduced by 69 during 1955, as shown below:

40	Retired on account of age and condition
14	Destroyed by accident off line
2	Sold to Claremont-Concord Railroad
13	Converted to non-revenue service
<hr/>	
69	

*This page — Bronze bells from
scrapped steam locomotives.*

*Page opposite — Steam loco-
motives being cut for scrap.*



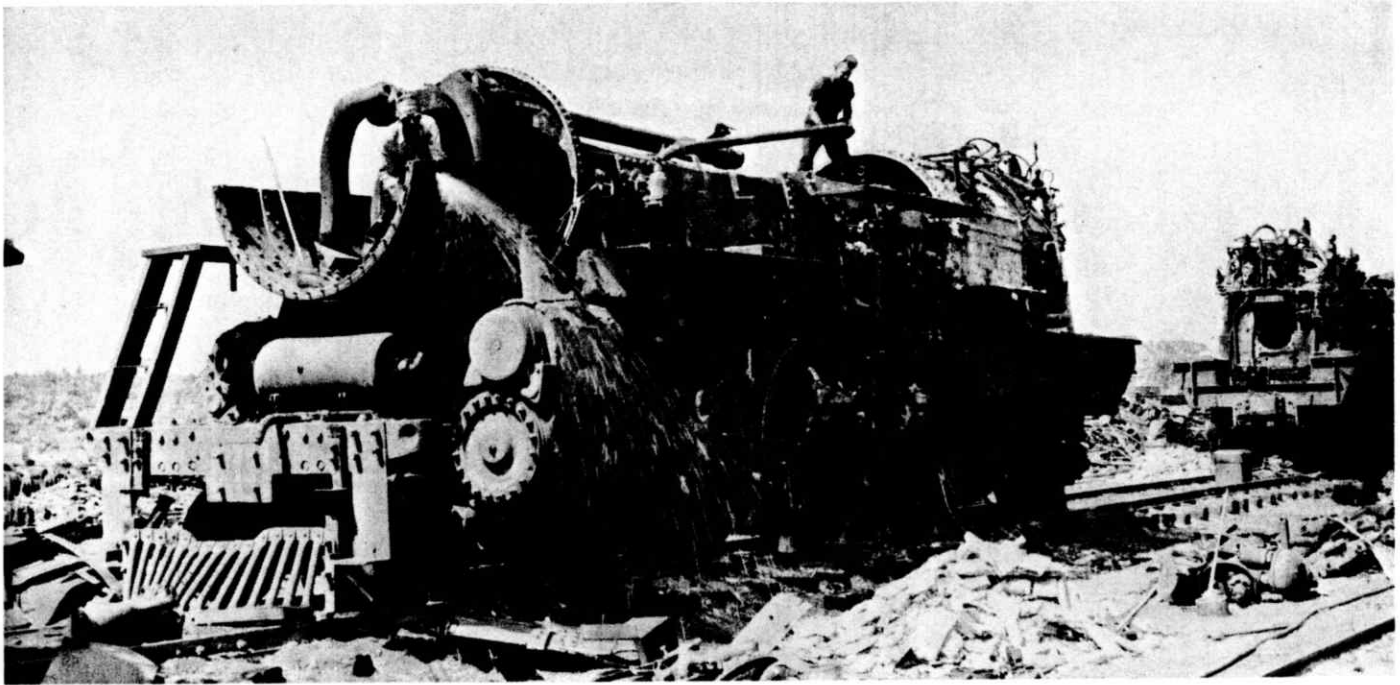
PASSENGER EQUIPMENT CHANGES

Boston and Maine Railroad as of December 31, 1955, owned 656 passenger cars, including 67 Budd rail diesel cars. During 1955, 234 cars were withdrawn from service, as follows:

- 4 Scrapped because of age
 - 2 Destroyed because of accident
 - 3 Destroyed on foreign lines
 - 219 Retired from investment account (185 sold)
 - 2 Converted to non revenue equipment
 - 1 Pullman car converted to baggage car
 - 2 Parlor cars converted to baggage cars
 - 1 Diner car converted to baggage car
-
- 234

During 1955, there were 66 additions to the Railroad's passenger car ownership, as follows:

- 58 Budd rail diesel cars, new
 - 4 Pullman tourist, second hand, converted to baggage
 - 1 Pullman sleeper, converted to baggage
 - 1 Diner converted to baggage
 - 2 Parlor cars converted to baggage
-
- 66



LOCOMOTIVES

The Boston and Maine Railroad as of December 31, 1955, owned 252 diesel locomotives, two more than a year earlier. During the year, 72 steam locomotives were retired. Diesel locomotive ownership as of December 31, 1955, was as follows:

		<i>Locomotives</i>	<i>Units</i>
Road Passenger	2000 HP	20	20
Road Passenger	2250 HP	1	1
Road Freight	3000 HP	4	8
Road Freight	2700 HP	24	48
Road Freight	1350 HP	14	14
Road Freight	1500 HP	1	1
Road Passenger or Freight . . .	3000 HP	2	4
Road Passenger or Freight . . .	2700 HP	3	6
Road Passenger or Freight . . .	1600 HP	26	26
Road Passenger or Freight . . .	1500 HP	36	36
Switchers	1200 HP	12	12
Switchers	1000 HP	28	28
Switchers	800 HP	14	14
Switchers	660 HP	27	27
Switchers	600 HP	31	31
Switchers	380 HP	9	9
		252	285

AUGUST FLOODS

Floods resulting from Hurricane "Diane" caused damage to the Railroad estimated at approximately \$370,500. The major damage was sustained in the area between Springfield and Northampton. The main line was restored for single track operation in three and one half days and for full double track operation three and one half days later.

Extensive damage was sustained also on three branches in the territory. At Worcester, a main line bridge within yard limits was damaged, requiring trestling to restore the line to traffic. In the vicinity of Boston, flooded tracks and minor washouts caused traffic interference affecting the four lines into Boston for short periods on both days of the storm. Partial service was maintained each day and full service was restored within twenty-four hours. Service on the Lexington, Marlboro and Central Massachusetts branches was also affected.

ACCIDENT

On February 28, 1956, during a severe snowstorm a tragic rear-end collision of two passenger trains occurred at Swampscott, Massachusetts, involving loss of life and injuries to passengers.

Your management feels the deepest sympathy for the relatives and friends of those who lost their lives and for those injured in this tragedy.

Your company wishes to report that its financial liability is adequately covered under its catastrophe insurance policy.

PROPERTY IMPROVEMENTS

Various improvements to the Boston and Maine Railroad properties were completed during 1955. Aside from work occasioned by flood damage, a total of 45.3 single track miles of stone ballasted track was resurfaced, nearly two-thirds of which was completed on the Portland Division main line. Various necessary track changes were pushed through to completion and five grade crossings were eliminated. Automatic crossing protection signals were installed at seven crossings, in most cases to replace manually-operated gates.

At the Boston classification yards, three new-type car retarders were installed to replace nine old-type retarders. Signal projects at various other locations were completed. Improvements to many freight, passenger yard and shop facilities were accomplished. In addition, extensive changes in engine terminal facilities, occasioned by the Railroad's dieselization program, were continued.

Other property improvements completed in 1955 include the building of new station shelters at several locations, the enlarge-

ment of parking facilities, the improvement and expansion of station platforms, the installation of new ticket office and heating equipment and the expansion of office building facilities.

Work equipment of the engineering department was expanded last year by the purchase of 121 units, ranging from snow plows to miscellaneous small tools and machines. In addition, 16 such units were added to replace older equipment. During the year, 100 structures and 42 segments of track totaling 9.10 miles were retired. Numerous other retirements were effected, including retirement of passenger car yard No. 1, near the North Station at Boston, releasing this important area for industrial development.

Cooperating with the Commonwealth of Massachusetts and the City of Worcester in the elimination of grade crossings at Lincoln Square, your Railroad in November, 1955, commenced laying tracks in a 1,500-foot, two-track tunnel constructed by the Commonwealth to relieve traffic congestion. The Railroad's operations will be moved underground at that location in June of 1956.

MYSTIC TERMINAL COMPANY

More than 300 ocean-going ships flying United States and foreign flags docked at the Hoosac and Mystic Piers in 1955. They carried 297,000 gross tons of cargo, including 19,000 tons of export grain. Handling this traffic required the loading or unloading of 5,324 freight cars, of which 3,719, or 70%, were routed over the Boston and Maine Railroad. Railroads handled 51% of the general cargo moving over the piers, a higher percentage than at any other Boston pier.

The Terminal company during the year completed arrangements with the Holland-America Line covering the regular berthing of their vessels at Hoosac piers. Holland-America Line serves Antwerp, Rotterdam, Amsterdam and Hamburg, as well as East Coast South America ports. The agreement with Holland-America partially offsets the effect of the withdrawal by Pan-Atlantic (Waterman) from your Company's piers early in 1955.

During 1955, repairs to the Hoosac Grain Elevator, made necessary by damages from the 1953-54 hurricanes, were largely completed. In the restoration, the latest type of electrically-operated elevating machinery was installed. For a period of two years, while the elevator was being repaired, it operated at a capacity of approximately 300,000 bushels. With its restoration to a full 900,000 bushel capacity and with demand for grain in the world markets at an all-time high, the prospects for the full utilization of this facility in 1956 are encouraging.

The operation of your Corporation's piers was benefited during 1955 through dredging of certain Mystic River approach channels by the Commonwealth of Massachusetts. In 1956, the Federal Government will begin its projected deepening and widening of the main river channel to further improve navigability in the area.

BOSTON AND MAINE TRANSPORTATION COMPANY

Due in part to reduced travel, your wholly-owned bus and truck subsidiary, Boston and Maine Transportation Company, in 1955 experienced a 14% decline in bus revenues and a 12.4% reduction in the number of bus miles operated. Expenses also decreased in spite of the fact that a bus union arbitration award during the year granted substantial increases and fringe benefits. The loss suffered from bus operations during the year far overshadowed the small profit earned from trucking operations. The trucking operations were seriously affected by the general Teamsters strike in effect in Southern New England from June 14th to July 27, 1955.

During the year, unprofitable bus service was discontinued between Concord, New Hampshire, and White River Junction, Vermont, and locally in the City of Concord. The Boston-Bellows Falls, Vermont, route was abandoned. Because of these and other service curtailments, the number of buses owned as of January 1, 1956 was 75, compared with 90 a year earlier, with little change in truck equipment.

CAPITAL CHANGES

At a special meeting of the Boston and Maine Railroad stockholders held October 20, 1955, it was voted to authorize the issuance of 5% income debentures due January 1, 2005, to be exchanged on a voluntary basis for the presently outstanding 5% preferred stock. This stock would have been exchanged on the basis of \$100 principal amount of the debentures plus \$5 in scrip certificates, for each share of preferred stock. At the time of the exchange, an amount on account of the first year's interest, covering 1955, and amounting to \$5.25 per \$105 of debentures and scrip, would have been paid in cash to preferred stockholders participating in the exchange.

The exchange of debentures for presently outstanding preferred stock would have benefited the Company through tax savings. The Internal Revenue Act provides that dividends on preferred stock must be paid from funds available after taxes, whereas interest paid on debentures is deductible for tax purposes. On February 29, 1956, Division 4 of the Interstate Commerce Commission denied your Corporation's application for approval of the plan. The issue of whether or not further action should be taken seeking ultimate approval of the plan will be considered. Meanwhile, your president

Opposite page — Fireboats celebrate arrival of S/S "Alcoa Roamer" at Mystic Pier on first trip to Boston.

will recommend to the Board of Directors at the next meeting to be held on March 22, 1956 that the Board declare a \$5 dividend on the 5% convertible preferred stock for the year 1955, payable in four quarterly instalments during 1956.

The Corporation's long term debt outstanding as of December 31, 1955 excluding treasury holdings and bonds deposited with Trustee in lieu of mortgaged property sold, amounted to \$90,492,886. This amount included conditional sale agreements of \$18,644,937. There are outstanding also 274,996 shares of \$5 preferred stock and 547,608 shares of common stock.

Long term debt at the 1955 year-end consisted of the following:

Fixed Interest:

4% Bonds due July 1, 1960	\$47,970,300
4¾% Bonds due April 1, 1961	897,000
5% Bonds due September 1, 1967	2,424,000
Collateral Notes due July 31, 1957	950,149
Conditional Sale Agreements	18,644,937
Total	<u>\$70,886,386</u>

Contingent Interest:

4½% Bonds due July 1, 1970	\$19,606,500
Total Debt	<u>\$90,492,886</u>

CHANGES IN LONG-TERM DEBT

Long-term debt outstanding in the hands of the public on December 31, 1955, amounted to \$90,492,886 of which \$18,644,937 represented equipment obligations. This was an increase of \$2,442,449 as compared to December 31, 1954.

Changes in the long-term debt during the year occurred as follows:

Increase in amount of debt in hands of public

Funded Debt reacquired:

4% Bonds due July 1, 1960	\$1,186,000
4½% Bonds due July 1, 1970	2,131,000
5% Bonds due May 1, 1955	1,237,000
Vt. Valley RR 4% Bonds due October 1, 1955	112,000
	<u>\$4,666,000</u>

Collateral Notes issued, due July 31, 1957 950,149

Net reduction in funded debt \$3,715,851

Equipment obligations added on account of new equipment acquired 9,836,422

Equipment obligations discharged during the year 3,678,122

Net increase in equipment obligations \$6,158,300

Total increase in long-term debt in hands of public \$2,442,449

Provision has been made for redemption of 4% Bonds of 1960 and 4½% Bonds of 1970 to meet Sinking Fund obligations for the year 1955. While the due dates as required by mortgages are May 1 and September 1, 1956, these obligations were anticipated by the delivery to the Trustees on February 28th of \$816,800 4% Bonds of 1960 and \$707,500 4½% Bonds of 1970. This satisfied our 1955 sinking funds.

EQUIPMENT FINANCING

Orders for new equipment placed last year will involve the expenditure of \$23,151,130. Delivery is expected during 1956 and early 1957. The character and net cost of this equipment is shown below:

<i>Number of Units</i>	<i>Description</i>	<i>Estimated Cost</i>	
		<i>Per Unit</i>	<i>Total</i>
1,000	Steel box cars, 50-ton capacity, 50 feet 6 inches in length	\$ 8,816	\$ 8,816,000
539	Steel box cars, 50-ton capacity, 40 feet 6 inches in length	8,635	4,654,300
35	Steel insulated box cars, 50-ton capacity, 40 feet 6 inches in length	20,100	703,500
300	Steel triple hopper cars, 70-ton capacity	8,860	2,658,000
26	Steel covered hopper cars, 70-ton capacity	9,100	236,600
90	Steel flat cars, 50-ton capacity, 53 feet 6 inches in length	9,936	894,240
10	Steel flat cars, 50-ton capacity, 53 feet 6 inches in length with bulkhead ends	10,269	102,690
30	RDC-9 lightweight stainless steel coaches with a seating capacity of 94 seats	146,834	4,405,000
2	RDC-1 lightweight stainless steel coaches with a seating capacity of 89 seats	170,800	341,600
2	RDC-2 lightweight stainless steel baggage-coaches with a seating capacity of 70 seats	169,600	339,200
	TOTAL		\$23,151,130

Funds to pay for these units of equipment are to be provided by the issuance and sale, from time to time, of \$18,510,000 principal amount of Boston and Maine Railroad Equipment Trust Certificates Series 1 and payment of the balance (20%) in cash by your Company.

On February 28, 1956, a bid was accepted for the sale of \$7,230,000 principal amount of these Equipment Trust Certificates. These \$7,230,000 Equipment Trust Certificates constitute the first installment to be issued, and will mature in fifteen annual installments on March 1, 1957 and on the first day of March in each year thereafter, to and including March 1, 1971. The certificates bear dividends at a rate of 4½%, payable semi-annually on the first days of September and March of each year beginning September 1, 1956.

EMPLOYEES

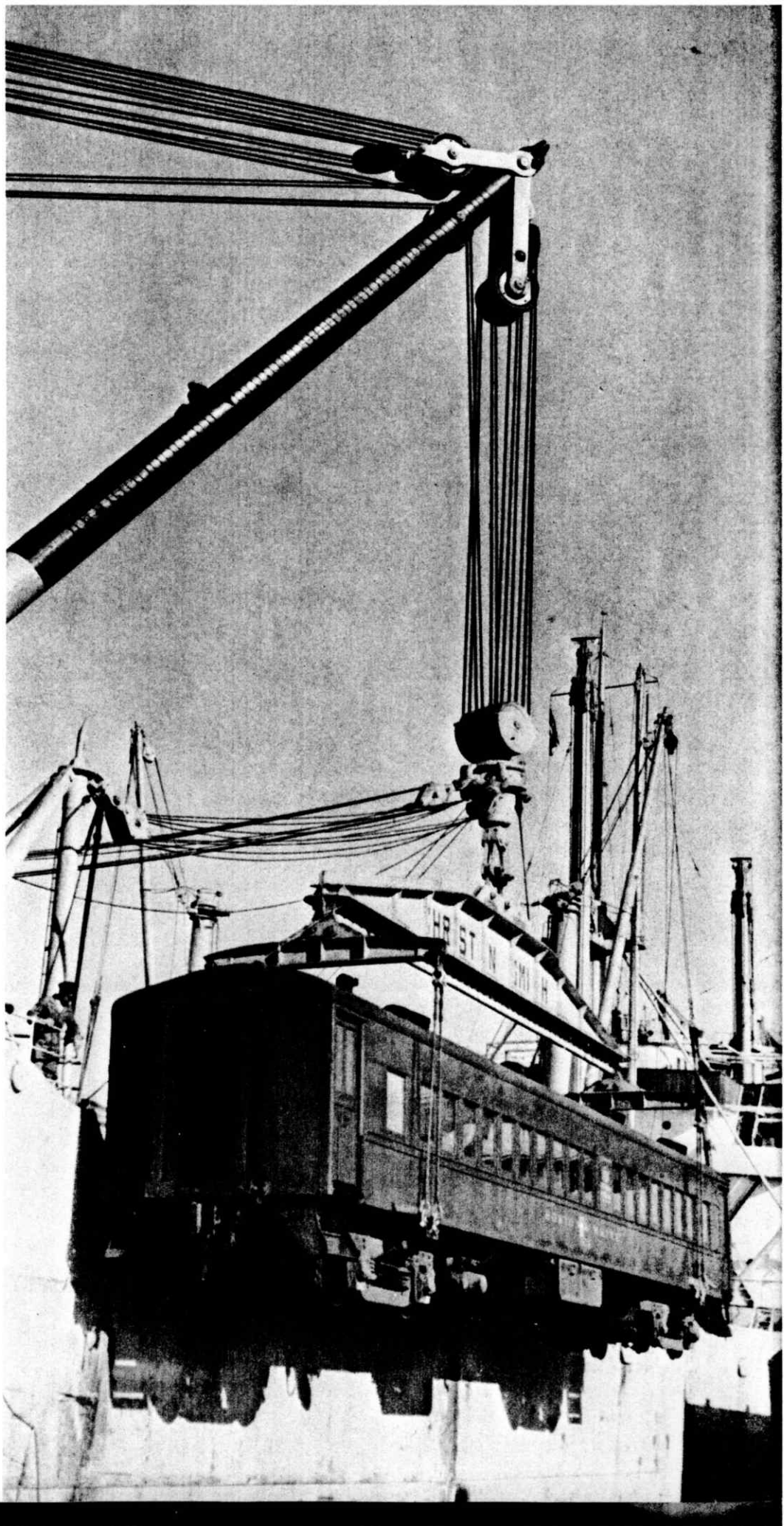
The progress made during the past year in strengthening the credit position of the Boston and Maine Railroad is the result in no small part of the industry and loyalty of the men and women on our lines.

Effective December 14, 1955, scholarships to benefit employees of the Railroad and dependent children of employees were made available from the Boston and Maine Railroad Employees Fund Inc., originally established in 1928. Resumption of scholarship awards from the Fund was made possible by improvement in the status of the Fund which had become depleted and inactive as of 1934.

EXECUTIVE CHANGES

At their annual meeting on April 13, 1955, stockholders elected nineteen new directors of the railroad as follows: Herbert Alpert, Boston, Massachusetts; Andrew J. Beck of Presque Isle, Maine; Maynard W. Bullis of Boston, Massachusetts; Burton M. Cross of Augusta, Maine, former Governor of Maine; John S. Dawson of Fairfield, Connecticut; Pierre Dumaine, of Wayland, Massachusetts; Alonzo R. Gile and W. Earle Goss of Franklin, New Hampshire; Nathan Grevior, of Tilton, New Hampshire; Rodney A. Griffin, II, of Franklin, New Hampshire; Wilfred N. Hadley of Springfield, Vermont; Alex L. Hillman of New York and Littleton, New Hampshire; Francis P. Murphy, of Nashua, New Hampshire, former Governor of that State; Robert C. Nordblom of Boston; William L. Phinney of Goffstown, New Hampshire; Russell B. Valentine, New York, New York; James A. Walsh, of Greenwich, Connecticut; Merrick E. Wheeler of Springfield, Vermont and Arthur P. Wilcox of Rockland, Massachusetts.

Following the stockholders meeting, the Board of Directors on April 14, 1955, elected Herbert Alpert as Vice President and General



Left — Passenger coach bound for Korea being loaded on S/S "Christian Smith".

Counsel. The following were selected members of the Executive Committee: Herbert Alpert, Burton M. Cross, John S. Dawson, Pierre Dumaine, Russell B. Valentine, James A. Walsh, and Arthur P. Wilcox.

At a meeting of the Executive Committee of the Board of Directors on April 18th, Loyd J. Kiernan was named Executive Vice President.

Effective June 1st, George H. Bolton was appointed Director of Purchases and Stores for the Railroad, succeeding Harrison M. Rainie, Vice President, who resigned to assume the office of Vice President, Purchases and Stores, of Maine Central Railroad Company and Portland Terminal Company. Mr. Bolton, who had served with the Boston and Maine since 1917, previously had been Purchasing Agent.

Effective September 15, 1955, the Board of Directors elected Maynard W. Bullis as Clerk of the Corporation. Mr. Bullis had been elected a member of the Board of Directors on April 13, 1955.

At a special meeting of stockholders held on October 20, 1955, Oliver D. Appleton and Patrick B. McGinnis were elected members of the Board of Directors.

At a meeting following the special stockholders' meeting, your Board of Directors elected Mr. Appleton as Chairman of the Board of Directors. Mr. Appleton, the owner of a substantial amount of the Corporation's stock, is a partner in the investment banking firm of Cyrus J. Lawrence & Sons and a trustee of St. Lawrence University.

At a meeting of the Board of Directors on December 22, 1955, the resignation of Loyd J. Kiernan as Executive Vice President, for reasons of ill health, was accepted with regret.

Mr. McGinnis had received from stockholders at their annual meeting on April 13, 1955, a mandate to become both President and director of the Boston and Maine Railroad. Mr. McGinnis was elected President of the Railroad on January 20, 1956.

The resignation of Herbert Alpert as Vice President, Director and General Counsel of the Boston and Maine Railroad was accepted with regret as of January 27, 1956. Mr. Alpert had contributed much to the progress of the Railroad during his tenure of office. The Board accepted also the resignation of Pierre Dumaine as a Director of the Corporation.

TRANSPORTATION LEGISLATION

A matter of vital importance now rests before the 84th Congress in Washington. It involves our nation's transportation policy, and the question of whether we shall have a new and constructive one or retain the old one which dates back to 1887.

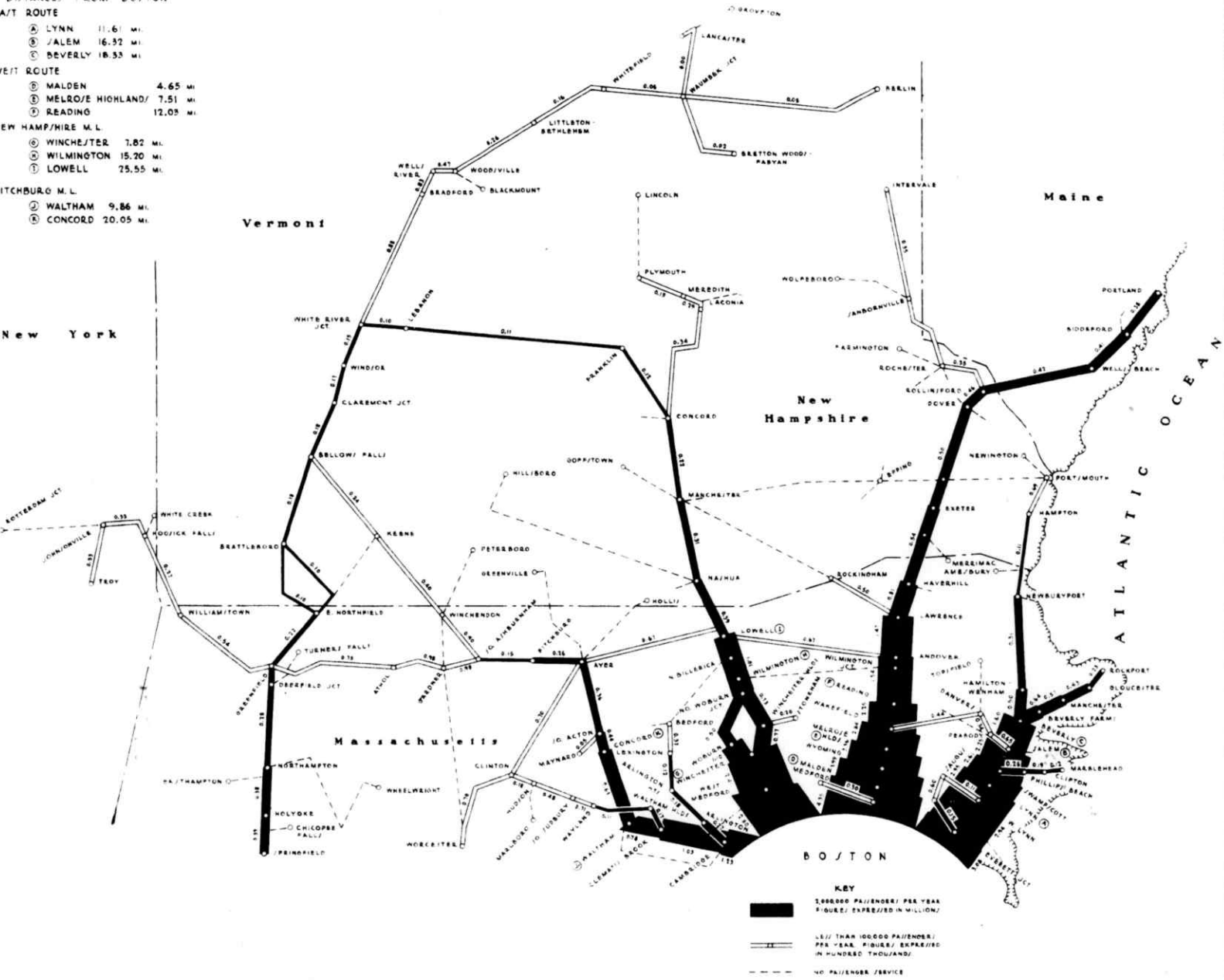
DISTANCE FROM BOSTON
A/T ROUTE

- ② LYNN 11.61 MI.
- ③ JALEM 16.92 MI.
- ④ BEVERLY 18.53 MI.

- FEET ROUTE
- ⑥ MALDEN 4.65 MI.
 - ⑦ MELROE HIGHLAND 7.51 MI.
 - ⑧ READING 12.03 MI.

- EW HAMP/HIRE M.L.
- ⑨ WINCHESTER 7.82 MI.
 - ⑩ WILMINGTON 15.20 MI.
 - ⑪ LOWELL 25.55 MI.

- ITCHBURG M.L.
- ⑫ WALTHAM 9.86 MI.
 - ⑬ CONCORD 20.05 MI.



**BOSTON AND MAINE RAILROAD PASSENGER TRAFFIC DENSITY
YEAR ENDING 1955**

A new policy was recommended unanimously by a President's Cabinet Committee on Transportation under the chairmanship of Sinclair Weeks, Secretary of Commerce. In its report, the Committee urged legislation which would place greater emphasis on competition among the various modes of transportation. Such legislation would permit carriers to compete for business on the basis of their inherent cost or service advantages as applied to each particular case. Under such conditions, the lowest cost carrier, provided his service was comparable with other carriers, could offer the best buy for the shipper's money. As matters stand today, a common carrier's rates are often set for him not on the basis of what he could profitably charge, but on the basis of the Interstate Commerce Commission's ruling as to what rate would attract a "fair share" of available traffic.

In addition to recommending greater reliance on competition, particularly with regard to rate making, the Cabinet Committee Report urges changes which would strengthen our common carrier system. The common carriers, which include all railroads and some trucks, must by law carry anything for anybody to any point. They are the backbone of our transportation system. Despite their recognized necessity, railroads' financial well being is threatened by practices of the growing roster of unregulated carriers. These carriers, by picking and choosing their business, have been able to skim the cream from the transportation business, leaving the unprofitable traffic for the common carriers which, unlike their unregulated competition, must serve everyone. The Cabinet Committee offers recommendations which would curtail the abuses now stemming from the indefinite language of existing legislation.

Many other benefits, both to the transportation system and to the economy, would result from the adoption of the Cabinet Committee recommendations. As the Committee pointed out, the potential savings in transportation costs run into billions of dollars a year. These savings, of course, would accrue to the public. The public includes all of us.

CONCLUSION

Both stockholders and employees contributed to the progress made by the Boston and Maine Railroad in 1955, and on their cooperation will depend the progress made in 1956. The national economy in general as well as that of the areas served by your Railroad are showing continued improvement. From present indications, the current year should prove one of further achievement by the Boston and Maine Railroad.

Sincerely,



Chairman of the Board



President

ASSETS

CURRENT ASSETS

Cash	\$ 7,664,314
U. S. Government obligations, at cost (\$1,000,000 pledged)	7,053,875
Special deposits	3,086,341
Receivables	6,138,233
Materials and supplies	5,226,897
Other current assets	1,736,370
TOTAL CURRENT ASSETS	<u>\$ 30,906,030</u>

DEFERRED CHARGES, ETC.	1,253,279
--------------------------------	-----------

TRANSPORTATION AND OTHER PHYSICAL PROPERTY

Road	\$195,707,200	
Equipment	72,914,658	
Acquisition adjustment	(3,442,178)	
Donations and grants	(213,165)	
Recorded depreciation and amortization, road	(7,138,503)	
Recorded depreciation and amortization, equipment	(24,760,175)	
Investment in transportation property (Note A)	\$233,067,837	
Miscellaneous physical property	684,507	
TOTAL TRANSPORTATION AND OTHER PHYSICAL PROPERTY		<u>233,752,344</u>

INVESTMENTS AND FUNDS

Affiliated companies (Note B)	\$ 2,354,245	
Other investments (Note C)	3,008,064	
Miscellaneous funds and deposits (Note D)	1,575,417	
TOTAL INVESTMENTS AND FUNDS		<u>6,937,726</u>
TOTAL ASSETS		<u>\$272,849,379</u>

(Denotes red figures)

The accompanying Notes to Financial Statements on page 34 are an integral part of this Balance Sheet

LIABILITIES AND CAPITAL
CURRENT LIABILITIES

Accounts and wages payable		\$ 9,959,843
Accrued vacation pay		2,335,588
Accrued taxes (Note E)		2,688,254
Interest payable		2,203,390
Other current liabilities		4,076,814
TOTAL CURRENT LIABILITIES		<u>\$ 21,263,889</u>

MISCELLANEOUS LIABILITIES

Injury, loss and damage, and other reserves	\$ 883,179	
Deferred liabilities	<u>1,581,654</u>	
TOTAL MISCELLANEOUS LIABILITIES		2,464,833

LONG-TERM DEBT

Fixed interest bonds:		
4%, due July 1, 1960	\$ 47,970,300	
4¾%, due April 1, 1961 (Note D)	902,000	
5%, due September 1, 1967 (Note D)	3,065,000	
Contingent interest bonds:		
4½%, due July 1, 1970	19,606,500	
Equipment obligations, due serially 1956-1969 (\$2,159,439 due within one year)	18,644,937	
Collateral notes due July 31, 1957 (secured by \$1,000,000 U. S. Treasury notes)	<u>950,149</u>	
TOTAL LONG-TERM DEBT		91,138,886

CAPITAL STOCK AND SURPLUS

Preferred stock, 5% cumulative, \$100 par value, 274,996.8 shares outstanding (Note F)	\$ 27,499,680	
Common stock, \$100 par value, 547,608.51 shares outstanding	54,760,851	
Unearned surplus	26,911,897	
Earned surplus, appropriated	2,844,835	
Earned surplus, unappropriated (Note G)	<u>45,964,508</u>	
TOTAL CAPITAL STOCK AND SURPLUS		157,981,771
TOTAL LIABILITIES AND CAPITAL		<u>\$272,849,379</u>

The accompanying Notes to Financial Statements on page 34 are an integral part of this Balance Sheet

BOSTON AND MAINE RAILROAD
STATEMENT OF INCOME

	<i>Year</i> <u>1955</u>	<i>Year</i> <u>1954</u>	<i>Increase</i> <i>(Decrease)</i>
OPERATING REVENUES			
Freight	\$66,346,979	\$61,207,413	\$ 5,139,566
Passenger, mail and express	14,250,613	15,059,486	(808,873)
All other	5,309,018	4,966,092	342,926
TOTAL	<u>\$85,906,610</u>	<u>\$81,232,991</u>	<u>\$ 4,673,619</u>
OPERATING EXPENSES			
Transportation	\$36,931,280	\$36,917,004	\$ 14,276
Maintenance of way	12,210,333	15,009,847	(2,799,514)
Maintenance of equipment	10,894,753	12,030,301	(1,135,548)
General and other	5,693,208	5,340,974	352,234
TOTAL	<u>\$65,729,574</u>	<u>\$69,298,126</u>	<u>\$(3,568,552)</u>
NET REVENUE FROM OPERATIONS	<u>\$20,177,036</u>	<u>\$11,934,865</u>	<u>\$ 8,242,171</u>
TAXES (EXCEPT FEDERAL INCOME), RENTS, OTHER INCOME AND DEDUCTIONS			
Property taxes, etc.	\$ 2,964,422	\$ 3,020,891	\$(56,469)
Payroll taxes	2,772,933	2,812,380	(39,447)
Equipment rents, net	5,937,980	5,205,302	732,678
Joint facility rents, net	409,534	454,278	(44,744)
Interest received on Federal income tax refund	(317,432)	—	(317,432)
Other interest, rent, and income, net	(257,085)	(215,662)	(41,423)
TOTAL	<u>\$11,510,352</u>	<u>\$11,277,189</u>	<u>\$ 233,163</u>
INCOME AVAILABLE FOR FIXED AND CONTINGENT CHARGES	<u>\$ 8,666,684</u>	<u>\$ 657,676</u>	<u>\$ 8,009,008</u>
FIXED AND CONTINGENT CHARGES			
Fixed interest and discount	\$ 2,731,091	\$ 2,558,257	\$ 172,834
Contingent interest	940,292	979,397	(39,105)
Rent for leased roads and equipment	474,998	474,881	117
TOTAL	<u>\$ 4,146,381</u>	<u>\$ 4,012,535</u>	<u>\$ 133,846</u>
INCOME (LOSS) BEFORE FEDERAL INCOME TAXES	<u>\$ 4,520,303</u>	<u>\$(3,354,859)</u>	<u>\$ 7,875,162</u>
FEDERAL INCOME TAXES (Credit in 1954) (Note E)	<u>1,197,636</u>	<u>(2,801,951)</u>	<u>3,999,587</u>
NET INCOME (Loss in 1954)	<u>\$ 3,322,667</u>	<u>\$(552,908)</u>	<u>\$ 3,875,575</u>
(Denotes red figures)			

The accompanying Notes to Financial Statements on page 34 are an integral part of this Statement of Income

BOSTON AND MAINE RAILROAD

STATEMENT OF EARNED SURPLUS FOR THE YEAR 1955

	<u>Appropriated</u>	<u>Unappropriated</u>	<u>Total</u>
BALANCE AT BEGINNING OF YEAR	\$ 42,252,439	\$ 3,680,391	\$45,932,830
 ADD			
Net income for 1955	—	3,322,667	3,322,667
Excess of principal over cost of bonds reacquired	—	852,759	852,759
Income from special funds, etc	141,451	—	141,451
Other items, net	(8,291)	84,928	76,637
	<u>\$ 42,385,599</u>	<u>\$ 7,940,745</u>	<u>\$50,326,344</u>
 DEDUCT			
Loss from obsolescence of steam locomotives, retired as result of substantial completion of dieselization program	\$ —	\$ 923,722	\$ 923,722
Provision for injury and loss and damage claims of prior years	—	350,000	350,000
Proxy contest expense 1955 in excess of estimated normal annual meeting expense	—	243,279	243,279
	<u>\$ —</u>	<u>\$ 1,517,001</u>	<u>\$ 1,517,001</u>
 TRANSFER			
Sinking fund provisions on bonds for year	\$ 1,162,127	\$(1,162,127)	\$ —
Amount no longer restricted	(40,702,891)	40,702,891	—
	<u>\$(39,540,764)</u>	<u>\$ 39,540,764</u>	<u>\$ —</u>
BALANCE AT END OF YEAR (Note G)	<u>\$ 2,844,835</u>	<u>\$ 45,964,508</u>	<u>\$48,809,343</u>
(Denotes red figures)			

The accompanying Notes to Financial Statements on page 34 are an integral part of this Statement of Earned Surplus

NOTES TO FINANCIAL STATEMENTS

Note A—The ledger balances for road and equipment as stated in the accounts as of December 31, 1955, are in accordance with the rules prescribed by the Interstate Commerce Commission, and are substantially in accord with original cost found by that Commission.

In accordance with the Interstate Commerce Commission accounting classification, beginning January 1, 1943, depreciation on depreciable road property was required to be, and has been recorded on the books at rates prescribed by the Commission, and the current provisions for depreciation are recorded at rates accepted by the Interstate Commerce Commission.

Note B—Investments in affiliated companies include \$698,038 (\$100,038 capital stock, \$348,000 mortgage note, \$250,000 cash advances, exclusive of current balances) in Boston & Maine Transportation Company, a wholly owned subsidiary operating buses and trucks. The operation of this company was conducted at a loss in 1955 of approximately \$180,000.

Note C—Other investments include \$238,570 of stock of Barre & Chelsea Railroad, which corporation, in December 1955, filed application with the Interstate Commerce Commission to abandon its line. The ultimate disposition of the application and the effect on the Boston and Maine Railroad's investment in the stock of Barre & Chelsea Railroad are not now determinable.

Note D—Miscellaneous funds and deposits include \$646,000 of Boston and Maine Railroad bonds deposited with Trustee in lieu of mortgaged property sold—\$641,000 5% due September 1, 1967, and \$5,000 4¾% due April 1, 1961.

Note E—Federal income and excess profits tax returns for years prior to 1942 have been settled. The tax liability re-

corded is believed to be adequate to cover possible claims for years subsequent to 1941.

For the period January 1, 1951 to December 31, 1955, amortization and depreciation deductions of \$3,775,904 were taken for tax purposes in excess of recorded depreciation, reducing tax liability by \$1,959,875. On February 17, 1956, the Railroad received a Certificate of Necessity which permits accelerated amortization of 80% of the cost (approximately \$9,000,000) of certain equipment acquired in 1955. Possible tax savings therefrom are not reflected in the tax liability shown herein.

In compliance with Interstate Commerce Commission accounting rules, only depreciation computed at rates prescribed by that Commission was recorded in determining net income.

Note F—A plan for the exchange of the presently outstanding 5% preferred stock for new 5% income debentures was approved by the stockholders on October 20, 1955. For further details, see comments on page 20. The plan is now before the Interstate Commerce Commission for approval.

Note G—Earned surplus, unappropriated, includes \$7,853,838 representing surplus earned by lessor companies before consolidation, together with premiums on capital stock, and this amount is retained in the account with the approval of the Interstate Commerce Commission.

The account also includes \$1,722,573 for donations before 1936 (chiefly fill for land at Boston Terminal), authorized by Interstate Commerce Commission as a credit prior to the effective date of present accounting classification.

As of December 31, 1955, no action had been taken by the Board of Directors for payment of dividend of \$1,374,984 earned on preferred stock, and therefore no provision was made on the books of account for this item.

Oppenheim, Appel, Payson & Co.

Certified Public Accountants

New York

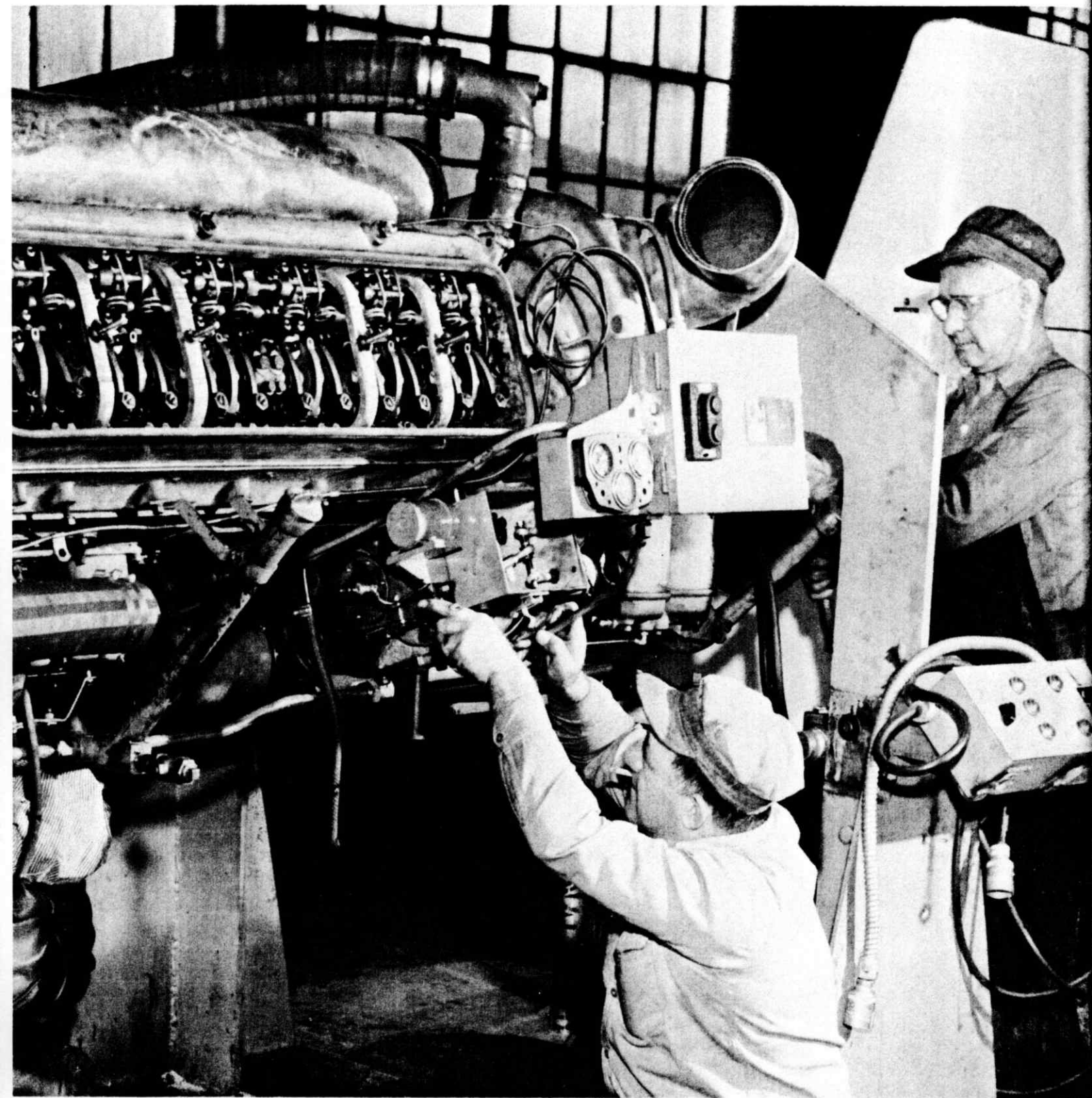
Board of Directors
Boston and Maine Railroad

We have examined the balance sheet of Boston and Maine Railroad as of December 31, 1955, and the related statements of income and earned surplus for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of income and earned surplus present fairly the financial position of Boston and Maine Railroad as of December 31, 1955, and the results of its operations for the year then ended, in conformity with principles of accounting prescribed or authorized by the Interstate Commerce Commission.

Oppenheim, Appel, Payson & Co.

February 27, 1956
New York, New York



A detailed financial and statistical supplement to this Report is available. For copies, please address: Maynard W. Bullis, Boston & Maine Railroad, Boston 14, Massachusetts

Boston and Maine mechanics overhauling one of the 275 Horsepower diesel engines used in our Budd Highliner cars at the Billerica Shops.

Boston and Maine Railroad

1955
FINANCIAL AND
STATISTICAL STATEMENTS

Twelve-month period ended December 31, 1955

compared with similar periods of 1954

H. I. JUDKINS
219 MAIN ST.
RUTLAND, MASS.
01543



BOSTON AND MAINE RAILROAD
PRINTED AT THE
UNIVERSITY OF MICHIGAN LIBRARY

M3118 BM .955 80.043

1955 FINANCIAL AND STATISTICAL STATEMENTS

TABLE OF CONTENTS

	PAGE
Income Account	1
Operating Revenues in Detail	2
Operating Expenses in Detail	2-5
Condensed General Balance Sheet	6, 7
Road and Equipment Changes	8
Equipment Obligations	9
Investments in Affiliated Companies	10
Other Investments	10
Train and Car Mileage Statistics	11
Operating Statistics and Averages	11, 12
Revenue Statistics	12
Operating and Traffic Statistics	13, 14
Mileage of Track	14

INCOME ACCOUNT

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31	
	1955	1954	1955	1954
Railway Operating Revenues.....	\$7,385,340	\$6,887,280	\$85,906,610	\$81,232,991
Railway Operating Expenses.....	6,157,888	5,990,887	65,729,574	69,298,126
Net Revenue from Railway Operations.....	\$1,227,452	\$ 896,393	\$20,177,036	\$11,934,865
Railway Tax Accruals:				
Federal Income Taxes — Boston & Maine R. R.....	\$ 444,500	\$2,997,685	\$ 1,000,000	\$ 2,997,685
Federal Income Taxes — Leased Lines.....	19,117	4,520	197,636	195,734
City, Town & State Taxes.....	255,870	228,095	2,953,610	2,983,524
Pay Roll Taxes.....	226,739	222,970	2,772,933	2,812,380
All Other Taxes.....	8,596	3,039	10,812	37,367
Total Railway Tax Accruals.....	\$ 65,822	\$2,539,061	\$ 6,934,991	\$ 3,031,320
Railway Operating Income.....	\$1,161,630	\$3,435,454	\$13,242,045	\$ 8,903,545
Rents Payable:				
Equipment Rents:				
Hire of Freight Cars — Net:				
Per Diem.....	\$ 320,311	\$ 266,886	\$ 3,951,698	\$ 3,150,600
Mileage & Other Basis.....	184,480	143,179	1,939,031	1,840,641
Other Equipment Rents — Net:	8,189	5,453	47,251	214,061
Joint Facility Rents — Net:				
Portland Terminal Company.....	37,216	44,994	474,061	508,890
Other.....	989	3,351	64,527	54,612
Total Rents Payable.....	\$ 549,207	\$ 457,161	\$ 6,347,514	\$ 5,659,580
NET RAILWAY OPERATING INCOME.....	\$ 612,423	\$2,978,293	\$ 6,894,531	\$ 3,243,965
Other Income:				
Miscellaneous Rents Income.....	\$ 31,370	\$ 26,348	\$ 395,214	\$ 292,963
Interest Income.....	17,462	33,332	541,740	251,281
Income from Sinking & Other Reserve Funds.....	1,065	999	115,269	110,156
All Other.....	17,684	41,321	66,895	89,356
Total Other Income.....	\$ 67,581	\$ 102,000	\$ 1,119,118	\$ 743,756
TOTAL INCOME.....	\$ 680,004	\$3,080,293	\$ 8,013,649	\$ 3,987,721
Misc. Deductions from Income:				
Miscellaneous Rents.....	\$ 31,616	\$ 33,394	\$ 363,582	\$ 356,209
Income Applied to Insurance Fund.....	—	—	111,239	106,294
Other Misc. Deductions from Income.....	7,854	9,022	69,780	65,591
Total Misc. Deductions from Income.....	\$ 39,470	\$ 42,416	\$ 544,601	\$ 528,094
Income Available for Fixed Charges.....	\$ 640,534	\$3,037,877	\$ 7,469,048	\$ 3,459,627
Fixed Charges:				
Rent for Leased Roads and Equipment.....	\$ 39,578	\$ 39,574	\$ 474,998	\$ 474,881
Interest on Bonds.....	176,528	183,228	2,147,975	2,218,592
Interest on Equipment Obligations.....	51,285	33,271	549,873	304,505
Other Fixed Interest.....	699	722	8,546	9,310
Amortization of Discount on Funded Debt.....	1,991	2,142	24,697	25,850
Total Fixed Charges.....	\$ 270,081	\$ 258,937	\$ 3,206,089	\$ 3,033,138
Income After Fixed Charges.....	\$ 370,453	\$2,778,940	\$ 4,262,959	\$ 426,489
Contingent Interest.....	73,593	81,248	940,292	979,397
NET INCOME.....	\$ 296,860	\$2,697,692	\$ 3,322,667	\$ 552,908
Ratio of Expenses to Revenues.....	83.38%	86.98%	76.51%	85.31%
Accelerated Amortization not included in Expenses, but considered in Federal Income Tax Accruals	\$ 59,247	\$ 58,637	\$ 710,962	\$ 703,645
<i>Times fixed charges earned.....</i>	<i>2.37</i>	<i>11.73</i>	<i>2.33</i>	<i>1.14</i>
<i>Times fixed charges and contingent interest earned.....</i>	<i>1.86</i>	<i>8.93</i>	<i>1.80</i>	<i>.86</i>
<i>Income available for fixed charges before Federal and State Income Tax.....</i>	<i>\$ 215,149</i>	<i>\$ 44,712</i>	<i>\$ 8,666,683</i>	<i>\$ 657,676</i>
<i>Times fixed charges earned before Federal and State Income Tax.....</i>	<i>.80</i>	<i>.17</i>	<i>2.70</i>	<i>.22</i>
<i>Times fixed charges and contingent interest earned before Federal and State Income Tax.....</i>	<i>.63</i>	<i>.13</i>	<i>2.09</i>	<i>.16</i>
<i>Percent. of Pay Roll to Railway Oper. Revenue.....</i>	<i>57.35</i>	<i>63.00</i>	<i>56.21</i>	<i>61.74</i>

NOTE — Italics Denote Deficits or Credits

OPERATING REVENUES

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31	
	1955	1954	1955	1954
TRANSPORTATION REVENUE:				
101 Freight.....	\$5,723,906	\$5,191,904	\$66,346,979	\$61,207,413
102 Passenger:				
Local.....	378,679	397,978	4,349,820	4,639,893
Commutation.....	228,127	258,427	2,780,499	2,895,916
Interline.....	260,754	246,421	2,863,498	3,053,395
Total	\$ 867,560	\$ 902,826	\$ 9,993,817	\$10,589,204
103 Baggage.....	\$ 703	\$ 647	\$ 19,984	\$ 10,679
105 Parlor and Chair Car.....	319	138	5,843	1,884
106 Mail.....	253,589	257,734	3,127,336	3,028,191
107 Express.....	99,265	99,681	1,129,460	1,442,091
108 Other Passenger-Train.....	18,739	20,159	246,425	252,869
109 Milk.....	107,179	107,867	1,323,105	1,337,330
110 Switching.....	71,043	76,261	805,015	793,222
Total Revenue from Transportation	\$7,142,303	\$6,657,217	\$82,997,964	\$78,662,883
INCIDENTAL REVENUE:				
131 Dining and Buffet.....	\$ 12,162	\$ 11,736	\$ 141,238	\$ 134,683
133 Station and Train Privileges.....	10,103	11,046	133,800	137,412
134 Parcel Room.....	196	260	2,681	3,125
135 Storage — Freight.....	4,253	2,656	55,845	33,135
136 Storage — Baggage.....	121	192	3,131	3,670
137 Demurrage.....	40,735	30,528	444,246	301,710
138 Communication.....	2,967	2,853	32,794	34,063
139 Grain Elevator.....	8,921	4,210	88,497	71,473
141 Power.....	11,546	8,029	112,946	90,654
142 Rents of Buildings and other Property.....	89,133	92,130	998,162	997,024
143 Miscellaneous.....	39,133	41,690	613,215	494,123
Total Incidental Revenue	\$ 219,270	\$ 205,330	\$ 2,626,555	\$ 2,301,072
JOINT FACILITY REVENUE — Net Cr.	\$ 23,767	\$ 24,733	\$ 282,091	\$ 269,036
TOTAL RY. OPER. REVENUES	\$7,385,340	\$6,887,280	\$85,906,610	\$81,232,991

OPERATING EXPENSES

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31	
	1955	1954	1955	1954
MAINTENANCE OF WAY AND STRUCTURES:				
201 Superintendence.....	\$ 91,429	\$ 82,007	\$ 961,385	\$1,001,265
Track Material:				
212-A Ties — Cross.....	\$ 11,305	\$ 886	\$ 197,720	\$ 570,792
212-B Ties — Switch & Bridge.....	2,177	6,677	15,419	44,848
214 Rails.....	20,085	327	18,257	294,331
216 Other Track Material.....	38,667	31,136	360,680	511,009
218 Ballast.....	6,516	246	24,687	103,954
Total Track Material	\$ 11,616	\$ 38,618	\$ 616,763	\$1,524,934
Roadway and Track:				
202 Roadway Maintenance.....	\$273,217	\$117,709	\$1,167,434	\$1,255,920
220 Track Laying and Surfacing.....	286,824	173,740	2,756,042	3,705,196
221 Fences, Snowsheds, and Signs.....	3,288	3,862	47,972	66,286
269 Roadway Machines.....	15,454	17,636	168,867	219,651
271 Small Tools and Supplies.....	17,890	19,234	183,259	219,005
272 Removing Snow, Ice and Sand.....	51,412	140,020	424,636	706,181
Total Roadway and Track	\$648,085	\$472,201	\$4,748,210	\$6,172,239
Bridges and Structures:				
206 Tunnels and Subways.....	\$ 2,504	\$ 3,814	\$ 36,285	\$ 46,385
208 Bridges, Trestles, and Culverts.....	25,218	21,570	266,456	360,012
227 Station and Office Buildings.....	58,331	64,332	537,238	701,963
229 Roadway Buildings.....	4,327	6,349	42,623	60,076
231 Water Stations.....	1,368	1,162	9,341	14,921
233 Fuel Stations.....	816	2,985	14,117	22,160
235 Shops and Enginehouses.....	61,119	40,635	458,985	555,410
237 Grain Elevators.....	1,406	892	14,164	13,001
241 Wharves and Docks.....	2,082	1,518	18,342	25,037
243 Coal and Ore Wharves.....	6	291	2,538	3,906
253 Power Plants.....	6,752	951	10,279	7,408
257 Power — Transmission Systems.....	6,482	4,421	68,121	77,578
Total Bridges and Structures	\$170,411	\$148,920	\$1,478,489	\$1,887,857

NOTE — Italics Denote Credits

OPERATING EXPENSES (Continued)

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31		
	1955	1954	1955	1954	
MAINTENANCE OF WAY AND STRUCTURES:					
(Continued)					
247	Communication Systems.....	\$ 7,144	\$ 5,923	\$ 101,775	\$ 99,941
249	Signals and Interlockers.....	\$ 80,607	\$ 93,793	\$ 1,022,355	\$ 1,197,622
Miscellaneous:					
270	Dismantling Retired Road Property.....	\$ 1,937	\$ 146,795	\$ 104,757	\$ 248,295
273	Public Improvements — Maintenance.....	38,799	19,853	308,234	304,369
274	Injuries to Persons.....	4,889	7,462	54,913	56,756
275	Insurance.....	5,605	2,574	34,656	31,808
276	Stationery and Printing.....	1,595	966	13,239	13,047
277	Other Expenses.....	7,567	446	182,821	7,100
	Total Miscellaneous.....	\$ 56,518	\$ 178,096	\$ 698,620	\$ 661,375
Joint Facilities:					
278	Maintg. Jt. Tks., Yds. & Other Fac. — Dr.....	\$ 58,720	\$ 51,753	\$ 730,704	\$ 663,394
279	Maintg. Jt. Tks., Yds. & Other Fac. — Cr.....	7,627	23,775	109,935	151,107
	Total Net Debit.....	\$ 51,093	\$ 27,978	\$ 620,769	\$ 512,287
	TOTAL EXPENDED.....	\$1,116,903	\$1,047,536	\$10,248,366	\$13,057,520
Depreciation, Retirements, Etc.:					
266	Road Property — Depreciation.....	\$ 142,512	\$ 144,031	\$ 1,710,178	\$ 1,728,263
267	Retirements — Road.....	163,468	24,275	251,789	224,064
280	Equalization — Way & Structures.....	417,595	27,945	—	—
	Total.....	\$ 111,615	\$ 196,251	\$ 1,961,967	\$ 1,952,327
	TOTAL MAINTENANCE OF WAY & STRUCTURES.....	\$1,005,288	\$1,243,787	\$12,210,333	\$15,009,847
MAINTENANCE OF EQUIPMENT:					
301	Superintendence.....	\$ 62,578	\$ 59,493	\$ 696,303	\$ 726,815
302	Shop Machinery.....	21,169	20,725	213,176	213,374
304	Power Plant Machinery.....	5,823	9,423	65,588	92,521
306	Dism. Ret. Shop & Pow.-Plt. Mach.....	678	—	1,734	297
308	Steam Locomotives — Repairs.....	5,716	28,310	170,879	528,703
311	Diesel Locomotives — Repairs.....	259,410	289,300	2,941,140	3,246,365
314	Freight-Train Cars — Repairs.....	177,938	178,027	1,868,052	2,152,109
317	Passenger-Train Cars — Repairs.....	248,729	256,464	1,468,867	2,024,237
317-M	Rail Passenger Motor Cars — Repairs.....	43,513	22,900	424,850	291,527
326	Work Equipment — Repairs.....	25,758	24,095	201,753	265,190
328	Miscellaneous Equipment — Repairs.....	194	114	2,743	2,110
329	Dismantling Retired Equipment.....	5,671	8,575	34,135	50,569
332	Injuries to Persons.....	6,313	3,619	72,372	48,454
333	Insurance.....	17,379	5,408	70,276	67,049
334	Stationery and Printing.....	1,657	725	12,072	9,416
335	Other Expenses.....	20,976	6,950	172,514	28,638
	Total (Excl. Jt. Fac. Deprn. & Retire.).....	\$ 861,550	\$ 914,128	\$ 8,416,454	\$ 9,747,374
Joint Facilities:					
336	Joint Maint. of Equip't Exps. — Dr.....	\$ 13,218	\$ 6,272	\$ 102,762	\$ 115,094
337	Joint Maint. of Equip't Exps. — Cr.....	733	728	9,416	8,567
	Total Net Debit.....	\$ 12,485	\$ 5,544	\$ 93,346	\$ 106,527
	TOTAL EXPENDED.....	\$ 874,035	\$ 919,672	\$ 8,509,800	\$ 9,853,901
Depreciation, Retirements, Etc.:					
305	Shop & Pow. Plt. Mach. — Deprec.....	\$ 7,857	\$ 7,368	\$ 94,273	\$ 88,416
330	Retirements — Equipment.....	—	—	112,605	—
331	Equipment — Depreciation.....	205,863	187,830	2,403,285	2,087,984
	Total.....	\$ 213,720	\$ 195,198	\$ 2,384,953	\$ 2,176,400
	TOTAL MAINT. OF EQUIPMENT.....	\$1,087,755	\$1,114,870	\$10,894,753	\$12,030,301

NOTE — Italics Denote Credits

OPERATING EXPENSES (Continued)

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31		
	1955	1954	1955	1954	
TRAFFIC:					
351	Superintendence.....	\$ 56,005	\$ 47,851	\$ 596,216	\$ 576,694
352	Outside Agencies.....	53,403	42,901	541,528	514,837
353	Advertising.....	65,648	16,307	209,405	193,459
354	Traffic Associations.....	5,071	5,628	62,049	60,003
356	Industrial and Immigration Bureaus.....	2,066	1,844	25,003	25,141
357	Insurance.....	220	26	331	292
358	Stationery and Printing.....	6,400	7,073	58,285	59,300
359	Other Expenses.....	462	—	3,827	—
	TOTAL TRAFFIC.....	\$ 188,835	\$ 121,630	\$ 1,496,644	\$ 1,429,726
	Passenger.....	\$ 89,312	\$ 39,720	\$ 479,917	\$ 462,771
	Freight.....	96,995	80,066	987,897	941,814
	Industrial.....	2,066	1,844	25,003	25,141
	Unassigned.....	462	—	3,827	—
TRANSPORTATION — RAIL LINE:					
Supervision:					
371	Superintendence.....	\$ 102,468	\$ 89,187	\$ 1,106,535	\$ 1,076,983
372	Dispatching Trains.....	34,797	33,470	414,264	425,690
	Total Supervision.....	\$ 137,265	\$ 122,657	\$ 1,520,799	\$ 1,502,673
Station Service:					
373	Station Employees.....	\$ 526,040	\$ 510,570	\$ 5,468,474	\$ 5,467,630
374	Weighing, Insp. & Demurrage Bureaus.....	3,634	2,812	20,962	21,843
376	Station Supplies and Expenses.....	65,463	62,570	544,125	540,115
	Total Station Service.....	\$ 595,137	\$ 575,952	\$ 6,033,561	\$ 6,029,588
Yard Service:					
377	Yardmasters and Yard Clerks.....	\$ 114,482	\$ 106,315	\$ 1,311,328	\$ 1,295,997
378	Yard Conductors and Brakemen.....	256,911	238,209	2,791,399	2,537,287
379	Yard Switch and Signal Tenders.....	30,985	32,317	359,434	395,491
380	Yard Enginemen.....	—	724	4,600	17,370
381	Yard Motormen.....	142,523	126,419	1,614,000	1,461,838
382	Yard Switching Fuel.....	25,137	20,545	243,615	226,413
385	Water for Yard Locomotives.....	187	51	1,244	1,120
386	Lubricants for Yard Locomotives.....	1,920	1,939	23,013	24,300
387	Other Supplies for Yard Locomotives.....	2,009	1,401	18,759	18,852
388	Enginehouse Expenses — Yard.....	22,255	25,309	248,863	252,188
389	Yard Supplies and Expenses.....	11,610	12,213	101,419	97,169
	Total Yard Service.....	\$ 608,019	\$ 565,442	\$ 6,717,674	\$ 6,328,025
Train Service — Passenger:					
392	Train Enginemen.....	\$ 3,128	\$ 25,574	\$ 109,311	\$ 357,403
393	Train Motormen.....	186,219	167,983	2,041,331	1,860,931
394	Train Fuel.....	112,979	136,815	1,199,463	1,472,453
397	Water for Train Locomotives.....	993	2,368	22,767	30,352
398	Lubricants for Train Locomotives.....	2,946	7,018	63,190	80,956
399	Other Supplies for Train Locomotives.....	2,369	4,389	54,172	74,680
400	Enginehouse Expense — Train.....	55,347	78,111	759,383	1,052,670
401	Trainmen.....	273,692	303,229	3,024,719	3,126,773
402	Train Supplies and Expenses.....	177,689	154,681	1,734,566	1,711,795
403	Operating Sleeping Cars.....	64,869	14,866	219,147	143,417
	Total Passenger Train Service.....	\$ 880,231	\$ 895,034	\$ 9,228,049	\$ 9,911,430
Train Service — Freight:					
392	Train Enginemen.....	\$ —	\$ 2,994	\$ 929	\$ 3,051
393	Train Motormen.....	156,781	152,402	1,757,974	1,623,033
394	Train Fuel.....	139,000	119,577	1,449,287	1,321,307
397	Water for Train Locomotives.....	548	182	6,138	4,322
398	Lubricants for Train Locomotives.....	12,160	9,397	105,573	102,924
399	Other Supplies for Train Locomotives.....	6,855	5,164	80,317	90,625
400	Enginehouse Expenses — Train.....	71,347	75,066	818,979	830,638
401	Trainmen.....	225,597	184,529	2,464,642	2,249,109
402	Train Supplies and Expenses.....	73,012	53,826	697,817	708,528
	Total Freight Train Service.....	\$ 685,300	\$ 597,149	\$ 7,381,656	\$ 6,933,537
	Total Train Service.....	\$1,565,531	\$1,492,183	\$16,609,705	\$16,844,967

NOTE — Italics Denote Credits

OPERATING EXPENSES (Continued)

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31	
	1955	1954	1955	1954
TRANSPORTATION — RAIL LINE: (Continued)				
Miscellaneous:				
404	\$ 79,408	\$ 60,390	\$ 785,254	\$ 776,744
405	133,830	132,492	1,518,639	1,522,327
406	7,899	5,918	81,864	73,370
407	3,598	6,241	70,303	66,509
410	16,673	10,938	138,209	167,360
411	10,527	5,943	94,231	32,645
414	16,846	2,054	38,476	23,856
Total Miscellaneous	\$ 268,781	\$ 223,976	\$ 2,726,976	\$ 2,662,811
Casualties:				
415	\$ 6,644	\$ 6,932	\$ 83,815	\$ 103,194
416	3,404	3,472	38,524	63,307
417	157	500	1,926	3,257
418	52,000	47,877	624,000	620,778
419	612	908	13,773	10,871
420	18,205	<i>43,865</i>	211,405	498,430
Total Casualties	\$ 81,022	\$ 15,824	\$ 973,443	\$ 1,299,837
Joint Facilities:				
390	\$ 277,704	\$ 224,287	\$ 2,828,945	\$ 2,724,817
391	42,574	38,798	470,970	458,762
412	3,364	3,016	48,414	46,440
413	4,963	5,194	57,267	63,392
Total Net Debit	\$ 233,531	\$ 183,311	\$ 2,349,122	\$ 2,249,103
TOTAL TRANSPORTATION	\$3,489,286	\$3,179,345	\$36,931,280	\$36,917,004
MISCELLANEOUS OPERATIONS:				
441	\$ 13,287	\$ 14,838	\$ 166,223	\$ 161,758
443	1,997	3,801	16,380	27,258
TOTAL MISCELLANEOUS	\$ 15,284	\$ 18,639	\$ 182,603	\$ 189,016
GENERAL:				
451	\$ 36,238	\$ 19,610	\$ 331,513	\$ 327,840
452	221,357	195,069	2,272,787	2,257,844
453	20,600	15,133	194,711	178,731
454	16,702	28,131	442,082	355,118
455	75	54	640	621
457	25,747	24,635	319,100	296,495
458	7,857	7,911	72,468	74,930
459	3,401	3,575	39,259	41,544
460	36,940	10,311	\$ 315,666	\$ 157,725
Total (Excluding Joint Facilities)	\$ 368,917	\$ 304,429	\$ 3,988,226	\$ 3,690,848
461	\$ 2,560	\$ 8,187	\$ 26,545	\$ 31,384
462	37	—	810	—
Total Net Debit	\$ 2,523	\$ 8,187	\$ 25,735	\$ 31,384
TOTAL GENERAL	\$ 371,440	\$ 312,616	\$ 4,013,961	\$ 3,722,232
GRAND TOTAL RY. OPER. EXP.	\$6,157,888	\$5,990,887	\$65,729,574	\$69,298,126
RATIO OF EXPENSES TO REVENUES:				
Maintenance of Way and Structures	11.68%	15.97%	12.23%	16.35%
Maintenance of Way and Structures — Depr.	1.93	2.09	1.99	2.13
Total Maintenance of Way and Structures	13.61	18.06	14.22	18.48
Maintenance of Equipment	11.84	13.35	9.77	12.13
Maintenance of Equipment — Depr.	2.89	2.84	2.91	2.68
Total Maintenance of Equipment	14.73	16.19	12.68	14.81
Traffic	2.56	1.76	1.74	1.76
Transportation	47.24	46.16	42.99	45.45
Miscellaneous	.21	.27	.21	.23
General	5.03	4.54	4.67	4.58
TOTAL	83.38%	86.98%	76.51%	85.31%
REVENUE STATISTICS:				
Miles of Road Operated — Total Transp. Serv.	1,574	1,576	1,575	1,664
Miles of Road Operated — Freight Service	1,562	1,564	1,564	1,653
Miles of Road Operated — Passenger Service	1,151	1,150	1,151	1,257
Gross Revenues per Mile of Road	\$ 4,692	\$ 4,370	\$ 54,544	\$ 48,818
Expenses per Mile of Road	3,912	3,801	41,733	41,646
Net Revenues per Mile of Road	780	569	12,811	7,172
Pass. Rev. per Mile of Road (Pass. Serv.)	754	785	8,683	8,424
Frnt. Rev. per Mile of Road (Frnt. Serv.)	3,664	3,320	42,421	37,028
Passenger Revenue per Passenger Train Mile*	2.57	2.67	2.64	2.71
Freight Revenue per Freight Train Mile	22.49	20.90	22.39	20.59

NOTE — *Italics Denote Credits*

*Includes Mail, Express and Milk Revenues

CONDENSED GENERAL BALANCE

ASSETS

INVESTMENTS:

701	Road.....	\$184,150,010	
	Equipment.....	73,583,847	
	General Expenditures.....	756,589	
702	Improvements on Leased Property.....	10,131,412	
	Total Road and Equipment		\$268,621,858
702½-A	Acquisition Adjustment.....	\$ 3,442,178	
702½-B	Donations and Grants.....	213,165	
702½-C	Accrued Depreciation — Road.....	7,053,521	
702½-D	Accrued Depreciation — Equipment.....	15,438,105	
702½-E	Accrued Amortization of Defense Projects — Road.....	84,988	
702½-F	Accrued Amortization of Defense Projects — Equipment.....	9,322,070	35,554,021
	Investment in Transportation Property		\$233,067,837
703	Sinking Funds.....		2,649
704	Capital and Other Reserve Funds:		
	Deposits with Trustee in Lieu of Mortgaged Property Sold		126,774
	Miscellaneous Items.....		635,923
705	Miscellaneous Physical Property.....		684,507
706	Investments in Affiliated Companies.....		2,354,245(A)
707	Other Investments.....		669,768
	Total Investments		\$237,541,703

CURRENT ASSETS:

708	Cash.....	\$ 7,649,314(B)	
709	Temporary Cash Investments.....	7,068,875(C)	
711	Special Deposits:		
	Interest Matured Unpaid.....	1,100,573	
	Dividends Matured Unpaid.....	7,223	
	Unsettled Per Diem Charges.....	1,569,810	
	Miscellaneous Items.....	408,735	
714	Net Balance Receivable from Agents and Conductors.....	2,503,924	
715	Miscellaneous Accounts Receivable.....	3,576,600	
716	Material and Supplies.....	5,226,897	
717	Interest and Dividends Receivable.....	57,709	
718	Accrued Accounts Receivable.....	1,647,788	
719	Other Current Assets.....	88,582	
	Total Current Assets		\$ 30,906,030

DEFERRED ASSETS:

720	Working Fund Advances.....	\$ 17,535	
721	Insurance and Other Funds.....	2,502,367	
722	Other Deferred Assets.....	175,459	
	Total Deferred Assets		\$ 2,695,361

UNADJUSTED DEBITS:

723	Prepayments.....	\$ 135,297	
725	Discount on Funded Debt.....	190,294	
727	Exchange Agent — Capital Stock Plan.....	759,777	
	Other Unadjusted Debits.....	734,694	
	Total Unadjusted Debits		\$ 1,820,062
	GRAND TOTAL		\$272,963,156

NOTE — Italics Denote Credits

- (A) Includes \$8,502 Pledged
 (B) Includes Cash in Transit \$834,293
 (C) Includes \$1,000,000 Pledged

SHEET, DECEMBER 31, 1955

LIABILITIES

STOCK:

751	Outstanding:		
	Common (\$100 Par)	(547,608 shares).....	\$54,760,851
	Preferred (\$100 Par)	(274,996 shares).....	27,499,680
	Total Stock — Par Value		\$ 82,260,531

DEBT:

	Fixed Interest:		
755	Series RR 4% Bonds due July 1, 1960.....		\$47,970,300
	Series JJ 4¾% Bonds due April 1, 1961.....		897,000
	Series AC 5% Bonds due September 1, 1967.....		2,424,000
	Collateral Notes due July 31, 1957.....		950,149
756½	Conditional Sale Agreements.....		18,644,937
	Total		\$70,886,386
	Contingent Interest:		
755	Series A 4½% Bonds due July 1, 1970.....		19,606,500
	Total Debt		\$ 90,492,886(A)

CURRENT LIABILITIES:

759	Traffic and Car Service Balances.....	\$ 5,243,803
760	Audited Accounts and Wages Payable.....	3,177,450
761	Miscellaneous Accounts Payable.....	1,538,590
762	Interest Matured Unpaid.....	1,107,546
763	Dividends Matured Unpaid.....	19,452
764	Unmatured Interest Accrued.....	1,095,844
766	Accrued Accounts Payable.....	5,845,269*
767	Taxes Accrued.....	2,688,254
768	Other Current Liabilities.....	547,681
	Total Current Liabilities	\$ 21,263,889

DEFERRED LIABILITIES:

769	Pension and Welfare Reserves.....	\$ 208,449
770	Other Deferred Liabilities.....	458,976
	Total Deferred Liabilities	\$ 667,425

UNADJUSTED CREDITS:

773	Insurance Reserves.....	\$ 50,000
778	Exchange Agent — Capital Stock Plan.....	759,777
	Other Unadjusted Credits.....	1,063,589
779	Accrued Depreciation — Leased Property.....	683,819
	Total Unadjusted Credits	\$ 2,557,185

SURPLUS:

784	Unearned Surplus.....	\$26,911,897
785	Earned Surplus — Appropriated.....	2,844,835
786	Earned Surplus — Unappropriated.....	45,964,508(B)
	Total Surplus	\$ 75,721,240
	GRAND TOTAL	\$272,963,156

NOTE — *Italics Denote Debits*

(A) Excludes Treasury Holdings and Bonds deposited with

Trustee in Lieu of Mortgaged Property Sold:

Treasury Holdings:

Series RR 4% Bonds, due July 1, 1960	\$4,653,800	
Series A 4½% Bonds, due July 1, 1970	1,889,000	
Series JJ 4¾% Bonds, due April 1, 1961	5,000	Deposited with Trustee
Series AC 5% Bonds, due September 1, 1967	641,000	Deposited with Trustee
	<u>\$7,188,800</u>	

(B) Includes Surplus earned by Lessor Companies before Consolidation.

* In Accordance with I.C.C. Requirements Vacation Accruals \$2,335,588 previously shown in Account 778, now in Account 766.

ROAD AND EQUIPMENT CHANGES

ITEM	Balance at Beginning of Year 1955	Additions and Betterments Jan. 1-Dec. 31, 1955	Credits for Property Re- tired Jan. 1- Dec. 31, 1955	Net Additions & Betterments Jan. 1-Dec. 31, 1955	Balance Dec. 31, 1955
ROAD (Accounts 701 and 702):					
1 Engineering	\$ 6,780,934	\$ 34,613	\$ 68,895	\$ 34,282	\$ 6,746,652
2 Land for Transportation Purposes	18,767,492	17,992	108,811	126,803	18,640,689
2½ Other Right-of-Way Expenditures	25,435	—	—	—	25,435
3 Grading	34,966,974	32,015	1,366	30,649	34,997,623
5 Tunnels and Subways	4,221,069	1,979	—	1,979	4,223,048
6 Bridges, Trestles and Culverts	26,826,457	95,713	19,640	76,073	26,902,530
8 Ties	6,574,483	14,825	74,158	59,333	6,515,150
9 Rails	13,791,516	131,250	207,441	76,191	13,715,325
10 Other Track Material	11,485,269	151,479	157,928	6,449	11,478,820
11 Ballast	7,528,814	37,831	22,355	15,476	7,544,290
12 Track Laying and Surfacing	7,851,170	57,617	84,033	26,416	7,824,754
13 Fences, Snowsheds and Signs	1,319,211	4,112	151	3,961	1,323,172
16 Station and Office Buildings	15,155,488	156,028	241,409	85,381	15,070,107
17 Roadway Buildings	344,159	9,012	20,405	11,393	332,766
18 Water Stations	245,890	1,030	92,803	91,773	154,117
19 Fuel Stations	762,339	28,783	5,150	23,633	785,972
20 Shops and Enginehouses	9,331,826	241,532	423,456	181,924	9,149,902
21 Grain Elevators	10,675	—	—	—	10,675
22 Storage Warehouses	149,118	—	—	—	149,118
23 Wharves and Docks	315,177	—	—	—	315,177
24 Coal and Ore Wharves	1,121,609	—	96	96	1,121,513
26 Communication Systems	635,655	1,743	—	1,743	637,398
27 Signals and Interlockers	13,309,704	306,609	129,178	177,431	13,487,135
29 Power Plants	466,507	19,043	533	18,510	485,017
31 Power Transmission Systems	1,198,074	45,897	49,860	3,963	1,194,111
35 Miscellaneous Structures	82,104	—	929	929	81,175
37 Roadway Machines	1,478,189	62,721	34,050	28,671	1,506,860
38 Roadway Small Tools	277,879	1,875	—	1,875	279,754
39 Public Improvements — Construction	6,558,074	270,766	61,421	209,345	6,767,419
44 Shop Machinery	2,300,956	38,467	262,378	223,911	2,077,045
45 Power Plant Machinery	1,358,752	15,921	54,091	38,170	1,320,582
TOTAL	\$195,240,999	\$ 1,742,869	\$2,120,537	\$ 377,668	\$194,863,331
EQUIPMENT:					
51 Steam Locomotives	\$ 2,923,201	\$ —	\$2,575,120	\$2,575,120	\$ 348,081
52 Diesel Electric Locomotives	35,489,621	432,945	—	432,945	35,922,566
53 Freight - Train Cars	12,097,914	13,482	1,448,371	1,434,889	10,663,025
54 Passenger - Train Cars					
Coaches	12,095,812	634,996	1,779,486	1,144,490	10,951,322
Pullman	840,522	—	27,397	27,397	813,125
Budd	1,492,291	9,636,054	—	9,636,054	11,128,345
57 Work Equipment	3,009,912	82,365	16,773	65,592	3,075,504
58 Miscellaneous Equipment	20,201	—	7,511	7,511	12,690
TOTAL	\$ 67,969,474	\$10,799,842	\$5,854,658	\$4,945,184	\$ 72,914,658
GENERAL:					
71 Organization Expenses	\$ 141,135	—	\$ —	\$ —	\$ 141,135
72 General Officers and Clerks	36,512	—	247	247	36,265
73 Law	57,465	—	149	149	57,316
74 Stationery and Printing	11,045	—	17	17	11,028
75 Taxes	13,683	—	117	117	13,566
76 Interest during Construction	589,427	—	17,727	17,727	571,700
77 Other Expenditures — General	12,938	—	79	79	12,859
TOTAL	\$ 862,205	—	\$ 18,336	\$ 18,336	\$ 843,869
GRAND TOTAL	\$264,072,678	\$12,542,711	*\$7,993,531	\$4,549,180	\$268,621,858

* DISPOSITION OF CREDITS

Account No.		
701	Road and Equipment Property — (Equipment Converted)	\$ 14,235
702½	Accrued Depreciation — Road and Equipment — Owned Road	5,122,732
708	Cash — (Land, Buildings, Equipment, Rail and Track Fastenings Sold)	1,816,695
716	Material and Supplies — (Usable Material)	133,938
779	Accrued Depreciation — Leased Property	44,775
531	Operating Expenses	317,360
621	Profit and Loss — Miscellaneous Debits	543,796
	Total Amount Credited to Investment in Road and Equipment	\$7,993,531

Note — Italics Denote Credits

CONDITIONAL SALE CONTRACTS
December 31, 1955

Dated	Interest Rate	Amount Outstanding 12/31/55	Principal Payable During 1956	Final Maturity	Equipment Covered
4-1-53	3 $\frac{5}{8}$ %	\$ 281,469	\$ 66,228	1960	3 Rail Diesel Passenger Cars.
9-1-53	3 $\frac{5}{8}$ %	95,948	22,576	1960	1 Rail Diesel Passenger Car.
12-1-53	3 $\frac{3}{4}$ %	219,507	46,212	1960	2 Rail Diesel Passenger Cars.
6-1-54	3 $\frac{1}{8}$ %	5,775,000	1,050,000	1961	46 Diesel Electric Rd. Switching Locos. 4 Diesel Electric Rd. Passenger Locos. 4 Diesel Electric Rd. Freight Locos. 64 Diesel Switching Locos. 3 Rail Diesel Passenger Cars.
6-1-54	3 $\frac{1}{2}$ %	3,150,000	A	1964	
10-1-54	3 $\frac{1}{4}$ %	5,603,000	862,000	1962	10 Diesel Electric Rd. Switching Locos. 55 Rail Diesel Passenger Cars.
10-1-54	3 $\frac{3}{4}$ %	2,586,000	B	1965	
11-1-54	3 $\frac{1}{2}$ %	159,424	39,856	1959	4 Railway Sleeping Cars.
11-1-54	4%	398,560	C	1969	
12-1-55	3 $\frac{3}{4}$ %	376,029	72,567	1960	3 Rail Diesel Passenger Cars.
Total Equipment Obligations		\$18,644,937	\$2,159,439		

Payments Maturing in Years Ending December 31

1956	\$2,159,439	1959	\$2,166,036	1962	\$1,951,856	1965	\$470,856	1968	\$39,856
1957	2,166,036	1960	2,074,686	1963	1,951,856	1966	39,856	1969	39,856
1958	2,166,036	1961	1,951,856	1964	1,426,856	1967	39,856		
		Total							
								\$18,644,937	

(A) First principal payment due 7-1-61
(B) First principal payment due 7-1-62
(C) First principal payment due 1-1-60

INVESTMENT IN AFFILIATED COMPANIES (Account 706)

	Number of Shares	Par Value	Book Value
STOCKS			
Boston and Maine Transportation Co.	1,000	\$100,000	\$ 100,038
Mystic Terminal Co.	50	5,000	5,000
North Station Hotel Building, Inc.	500	No Par	100
North Station Industrial Building, Inc. — Common	10,000	No Par	1(A)
North Station Industrial Building, Inc. — Preferred	1,320	132,000	1,001(A)
Pullman Company.	5,156	51,560	190,772
Railway Express Agency, Inc.	23	No Par	2,300
Springfield Terminal Railway Co. — Common	2,000	200,000	186,030
Troy Union Railroad.	75	7,500	7,500(A)
Total	20,124	\$496,060	\$ 492,742
	Rate of Interest	Par Value	Book Value
OTHER SECURED OBLIGATIONS (NOTES)			
Boston and Maine Transportation Co.	(B)	\$348,000	\$ 348,000
North Station Industrial Building, Inc.	5%	318,444	318,444
Total		\$666,444	\$ 666,444
UNSECURED NOTES			
North Station Industrial Building, Inc.	5%	\$200,000	\$ 200,000
Troy Union Railroad.	—	29,368	1
Total		\$229,368	\$ 200,001
INVESTMENT ADVANCES			
Boston and Maine Transportation Co.			\$ 250,000
Mystic Terminal Co.			80,000
Railway Express Agency, Inc.			665,058
Total			\$ 995,058
TOTAL INVESTMENTS IN AFFILIATED COMPANIES			\$2,354,245

(A) Pledged under General Mortgage dated December 1, 1919, and Supplemental Indenture dated July 1, 1940.

(B) 4½%, Non-cumulative, to the extent earned each year in excess of \$5,000 before income taxes by the Boston and Maine Transportation Co.

OTHER INVESTMENTS (Account 707)

	Number of Shares	Par Value	Book Value
STOCKS			
Barre & Chelsea Railroad.	1,600	\$160,000	\$ 238,570
Development Credit Corporation of Maine.	25	2,500	2,500
Massachusetts Business Development Corporation.	1,500	15,000	15,000
New Hampshire Business Development Corporation.	75	7,500	7,500
Northern Railroad.	496	49,600	53,568
Vermont Development Credit Corporation.	400	2,000	2,000
Vermont & Massachusetts Railroad.	20	2,000	2,170
Total	4,116	\$238,600	\$ 321,308
	Rate of Interest	Par Value	Book Value
OTHER SECURED OBLIGATIONS (NOTES)			
Boston Garden-Arena Corporation.	5%	\$ 64,760	\$ 64,760
Hirsch, Corinne.	4%	8,000	8,000
Republican Publishing Company, The.	4%	77,800	77,800
St. Johnsbury & Lamoille County Railroad.	4½%	39,125	39,125
Nassif Realty & Trust, Trustees of.	3%	85,000	85,000
Nassif Realty & Trust, Trustees of.	4%	44,975	44,975
Nassif Realty & Trust, Trustees of.	3%	28,800	28,800
Total		\$348,460	\$ 348,460
TOTAL OTHER INVESTMENTS			\$ 669,768

TRAIN AND CAR MILEAGE

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31	
	1955	1954	1955	1954
TRAIN MILEAGE:				
Revenue Service:				
Freight Train Miles — Ordinary	253,857	247,825	2,955,170	2,965,127
Passenger Train Miles:				
Loco-Propelled Trains — Steam	3,939	33,431	112,029	523,126
— Diesel	323,784	409,000	4,171,612	4,590,165
Motor Car Propelled Trains				
Budd Units	177,790	52,796	1,471,724	710,876
Other	10,367	16,286	137,146	231,809
TOTAL REVENUE TRAIN MILES	769,737	759,338	8,847,681	9,021,103
Non-Revenue Service:				
Work Train Miles	6,392	3,336	63,098	82,969
TOTAL TRAIN MILES	776,129	762,674	8,910,779	9,104,072
MOTIVE-POWER MILEAGE:				
Revenue Service:				
Freight Locomotive Miles:				
Principal	254,503	248,412	2,963,779	2,972,229
Helper	5,927	5,144	71,263	51,995
Light	11,789	9,262	120,819	99,762
Passenger Locomotive Miles:				
Principal	327,723	442,431	4,283,641	5,113,291
Helper	—	—	14	47
Light	7,836	15,035	117,375	170,613
Train Switching Locomotive Miles:				
Freight Train Switching	34,392	32,754	417,114	383,910
Yard Switching Locomotive Miles:				
Freight	142,896	134,802	1,646,052	1,510,386
Passenger	34,398	40,998	407,442	424,284
Work Service Locomotive Miles	9,297	6,462	104,781	128,275
Total Locomotive Miles	828,761	935,300	10,132,280	10,854,792
Total Motor Car Miles	528,272	95,289	4,009,357	1,201,835
TOTAL MOTIVE-POWER MILES	1,357,033	1,030,589	14,141,637	12,056,627
CAR MILEAGE:				
Freight Train Car Miles:				
Loaded Freight	9,624,113	8,846,771	116,558,915	107,590,237
Empty Freight	4,849,047	5,133,477	59,419,656	57,464,320
Passenger Equipment	133,256	62,979	929,023	1,746,041
Caboose	254,997	248,946	2,976,097	2,988,205
Passenger Train Car Miles:				
Passenger	877,246	1,349,679	12,051,414	15,143,995
Sleeping and Parlor	163,190	172,057	2,232,446	2,524,656
Club, Lounge and Dining	15,441	12,493	189,586	186,408
Other	1,107,139	1,278,094	13,477,676	13,225,636
Motor — Budd Units	517,791	78,769	3,870,150	966,778
Motor — Other	30,176	45,507	357,898	619,165
Work Service Car Miles	21,377	6,099	212,328	266,645
TOTAL CAR MILES	17,593,773	17,234,871	212,275,189	202,722,086

OPERATING STATISTICS AND AVERAGES

FREIGHT TRAIN SERVICE				
Gross Ton Miles (000) Cars and Contents	628,180	584,334	7,481,568	7,013,947
Net Ton Miles (000)	255,617	230,591	3,006,520	2,772,617
Train Hours	16,545	15,644	193,784	182,726
Loaded Cars per Train	37.9	35.7	39.4	36.3
Empty Cars per Train	19.1	20.7	20.1	19.4
Total Cars per Train	57.0	56.4	59.5	55.7
Gross Tons per Train	2,475	2,358	2,532	2,365
Net Tons per Train	1,007	930	1,017	935
Net Tons per Loaded Car	26.6	26.1	25.8	25.8
Per cent Loaded of Total Car Miles	66.5	63.3	66.2	65.2
Train Miles per Train Hour	15.4	15.9	15.3	16.3
Gross Ton Miles per Train Hour	37,968	37,352	38,608	38,385
PASSENGER TRAIN SERVICE				
Average Cars — Conventional Trains				
Coaches	2.68	3.05	2.81	2.96
Sleeping and Parlor Cars	0.50	0.39	0.52	0.49
Club, Lounge, Dining	0.05	0.03	0.04	0.04
Other Cars	3.35	2.88	3.13	2.56
Total Cars	6.58	6.34	6.51	6.07
Average Cars — Motor Car Trains				
Coaches	2.61	1.51	2.26	1.35
Other Cars	0.30	0.29	0.37	0.33
Total Cars	2.91	1.80	2.63	1.68
Average — All Trains	5.24	5.73	5.45	5.38
Train Miles per Train Hour	33.3	32.7	33.7	33.8

OPERATING STATISTICS AND AVERAGES (Continued)

ITEM	DECEMBER		TWELVE-MONTH PERIOD ENDED DECEMBER 31	
	1955	1954	1955	1954
YARD SERVICE				
Yard Switching Locomotive Hours — Freight — Steam	—	—	—	423
Diesel-Electric Locomotives	23,816	22,467	274,342	251,308
Yard Switching Locomotive Hours — Passenger — Diesel	5,733	6,833	67,907	70,714
Total Yard Switching Locomotive Hours	29,549	29,300	342,249	322,445
Average Hours per Serviceable Locomotives per Day	11.6	12.0	12.0	11.6
Average Hours for all Locomotives per Day	11.2	10.1	10.8	9.5
FUEL CONSUMPTION STATISTICS				
Freight Service				
Gals. Fuel Oil per 1000 G. T. M. including Locomotives	1.99	1.86	1.76	1.73
Passenger Service				
Steam Locomotives — Lbs. of coal per car mile	32.9	50.6	48.4	40.0
Diesel Locomotives — Gals. of Fuel Oil per car mile	0.38	0.36	0.32	0.34
Diesel Rail Motor Cars — Gals. of Fuel Oil per car mile	0.55	0.44	0.55	0.39
Yard Service				
Gals. of Fuel Oil per Switching Locomotive Hour	8.50	7.14	7.19	7.03
MOTIVE POWER AND CAR EQUIPMENT STATISTICS				
% Unserviceable of total locomotives at close of month				
Locomotives assigned to Yard Switching Service	1.1	4.3	6.9	8.6
Locomotives assigned to Road Freight Service	1.5	5.3	5.5	7.6
Locomotives assigned to Road Passenger Service	3.5	13.3	11.0	13.9
% Unserviceable of rail motor cars at close of month				
	—	12.5	3.8	11.8
% Unserviceable of the total freight cars on line				
	4.3	5.5	4.5	4.5
% Unserviceable of owned passenger train cars				
	6.6	6.6	11.8	12.8
Miles per Locomotive Day				
Serviceable Road Freight Locomotives	154.5	132.4	144.0	133.5
All Road Freight Locomotives	152.2	123.8	134.1	121.7
Serviceable Road Passenger Locomotives	125.9	124.0	126.9	124.8
All Road Passenger Locomotives	121.6	102.5	110.6	105.7
Miles per Motor Car Day				
Serviceable Motor Cars	243.5	219.5	215.4	219.5
All Motor Cars	243.5	180.8	207.3	193.7
Car Miles per Freight Car Day				
Serviceable Freight Cars	45.1	46.2	45.3	46.8
All Freight Cars	43.0	43.8	43.2	44.7
% Freight Cars on Line of Freight Cars Owned	208.7	186.9	209.4	186.7
% Home Cars of Total Freight Cars on Line	15.5	28.5	19.9	27.3

REVENUE STATISTICS

FREIGHT				
Number of tons of freight carried	1,514,037	1,408,592	18,078,157	16,597,252
Tons carried one mile	252,445,385	227,759,567	2,971,371,079	2,731,330,903
Average distance each ton carried	166.7	161.7	164.4	164.6
Average amount received for each ton	\$ 3.78	\$ 3.69	\$ 3.67	\$ 3.69
Average amount received for each ton per mile	2.267¢	2.280¢	2.233¢	2.241¢
PASSENGER				
Number of revenue passengers carried:				
Commutation and Multiple ride	654,194	747,024	7,974,484	8,428,437
All other	549,938	575,885	5,992,129	6,316,099
Total	1,204,132	1,322,909	13,966,613	14,744,536
Number of revenue passengers carried one mile:				
Commutation and Multiple ride	9,716,902	10,995,603	119,733,983	124,360,838
All other	20,972,178	21,242,033	235,148,727	247,224,871
Total	30,689,080	32,237,636	354,882,710	371,585,709
Average distance each passenger carried:				
Commutation and Multiple ride	14.9	14.7	15.0	14.8
All other	38.1	36.9	39.2	39.1
Total	25.5	24.4	25.4	25.2
Average amount received from each passenger:				
Commutation and Multiple ride	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.34
All other	\$ 1.16	\$ 1.12	\$ 1.20	\$ 1.22
Total	\$ 0.72	\$ 0.68	\$ 0.72	\$ 0.72
Average amount received from passenger per mile:				
Commutation and Multiple ride	2.35¢	2.35¢	2.32¢	2.33¢
All other	3.05¢	3.03¢	3.07¢	3.11¢
Total	2.83¢	2.80¢	2.82¢	2.85¢

OPERATING AND TRAFFIC STATISTICS

	1955	1954
FREIGHT SERVICE		
Total freight revenue.....	\$ 66,346,979	\$ 61,207,413
Per cent of total gross revenues.....	77.23	75.35
Tons of revenue freight.....	18,078,157	16,597,252
Tons of non-revenue freight.....	815,166	790,839
Total tons— revenue and non-revenue.....	18,893,323	17,388,091
Tons one mile — revenue.....	2,971,371,079	2,731,330,903
Tons one mile — non-revenue.....	35,247,804	42,093,684
Tons one mile — revenue and non-revenue.....	\$3,006,618,883	\$2,773,424,587
AVERAGES		
Miles of road operated.....	1,564	1,653
Revenue per mile of road.....	\$ 42,421	\$ 37,028
Ton miles per mile of road — revenue.....	1,899,854	1,652,348
Ton miles per mile of road — total.....	1,922,391	1,677,813
Revenue per ton.....	\$3.67	\$3.69
Revenue per ton mile.....	\$2.233	\$2.241
Miles per ton — revenue.....	164.36	164.57
Miles per ton — total.....	159.14	159.50
Tons per train — revenue.....	1002.58	918.96
Tons per train — total.....	1014.47	933.12
Tons per car — revenue.....	25.49	25.39
Tons per car — total.....	25.79	25.78
Cars per train — loaded.....	39.33	36.20
Cars per train — empty.....	20.05	19.33
Cars per train — total (including caboose, etc.).....	60.70	57.13
Revenue per train mile.....	\$22.39	\$20.59
PASSENGER SERVICE		
Passenger revenue.....	\$ 9,993,817	\$ 10,589,204
Per cent of total gross revenue.....	11.63	13.04
Passenger service train revenue.....	\$ 15,987,208	\$ 16,796,931
Revenue passengers carried:		
Interline.....	916,098	994,247
Local.....	5,076,031	5,321,852
Commutation.....	7,974,484	8,428,437
Total revenue passengers carried.....	13,966,613	14,744,536
Revenue passengers carried one mile.....	354,882,710	371,585,709

OPERATING AND TRAFFIC STATISTICS (Continued)

	1955	1954
AVERAGES		
Miles of road operated	1,151	1,257
Passengers per mile of road operated	308,326	295,613
Distance each passenger traveled	25.41	25.20
Passengers per train	60.23	61.36
Passengers per car	19.78	19.61
Cars per train	5.46	5.39
Revenue per passenger	\$0.72	\$0.72
Revenue per passenger mile	¢2.82	¢2.85
Train revenue per mile of road	\$13,890	\$13,363
Train revenue per train mile	\$ 2.71	\$ 2.77
TOTAL ALL TRAFFIC		
Operating revenues per revenue train mile	\$ 9.70	\$ 9.00
Operating expense per revenue train mile	\$ 7.42	\$ 7.68
Net operating revenue per revenue train mile	\$ 2.28	\$ 1.32

MILEAGE OF TRACK—DECEMBER 31, 1955

State	1st Track	2nd Track	3rd Track	Yards and Sidings	Total Track
TRACK OWNED					
Massachusetts	551.64	306.24	6.86	503.73	1,368.47
New Hampshire	589.81	70.06	—	189.33	849.20
Maine	42.74	39.89	—	14.78	97.41
New York	95.20	21.36	1.51	74.57	192.64
Vermont	78.86	15.72	—	15.30	109.88
Total Owned — Operated	1,358.25	453.27	8.37	797.71	2,617.60
TRACK LEASED					
Massachusetts	71.27	66.69	6.70	68.36	213.02
New Hampshire	69.31	—	—	18.23	87.54
Vermont	0.94	—	—	10.93	11.87
Total Leased — Operated	141.52	66.69	6.70	97.52	312.43
OPERATED UNDER TRACKAGE RIGHTS					
Massachusetts	19.80	0.24	—	—	20.04
New Hampshire	24.74	—	—	—	24.74
Maine	3.53	3.53	—	—	7.06
New York	2.03	9.37	0.99	—	12.39
Vermont	23.71	—	—	—	23.71
Total Trackage Rights	73.81	13.14	0.99	—	87.94
TOTAL OPERATED					
Massachusetts	642.71	373.17	13.56	572.09	1,601.53
New Hampshire	683.86	70.06	—	207.56	961.48
Maine	46.27	43.42	—	14.78	104.47
New York	97.23	30.73	2.50	74.57	205.03
Vermont	103.51	15.72	—	26.23	145.46
Grand Total	1,573.58	533.10	16.06	895.23	3,017.97
Comparison with 1954	<i>d 2.03</i>	<i>d 2.53</i>	—	<i>d 22.19</i>	<i>d 26.75</i>

d. Decrease.