
**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES ACT OF 1934

Date of Report (Date of earliest event reported):

October 20, 2004



NORFOLK SOUTHERN CORPORATION

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
Of incorporation)

1-8339
(Commission
File Number)

52-1188014
(IRS Employer
Identification No.)

Three Commercial Place
Norfolk, Virginia 23510-9241
(Address of principal executive offices)

(757) 629-2680
(Registrant's telephone number, including area code)

No Change
(Former name or former address, if changed since last report)

Item 2.02 Results of Operations and Financial Condition and
Item 7.01 Regulation FD Disclosure

On October 20, 2004, the Registrant issued a Press Release, attached hereto as an Exhibit 99. The press release, which reports third quarter results, includes a non-GAAP financial measure, as defined by SEC Regulation G, which is reconciled within the release. Specifically, the release excludes a non-cash gain relating to the Conrail corporate reorganization from third quarter net income. This measure should be considered in addition to, not as a substitute for, net income reported in accordance with U.S. Generally Accepted Accounting Principles. Management believes that net income excluding this item may be more indicative of operating results for comparison to prior periods and to other companies, and it intends to use this non-GAAP financial measure for comparison purposes at its analysts' meeting scheduled today and in future comparisons to the third quarter of 2004.

SIGNATURES

NORFOLK SOUTHERN CORPORATION
(Registrant)

/s/ Dezora M. Martin

Name: Dezora M. Martin
Title: Corporate Secretary

Date: October 20, 2004

EXHIBIT INDEX

Exhibit
Number

Description

99	On October 20, 2004, the Registrant issued a Press Release, attached hereto as an Exhibit 99.
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NORFOLK SOUTHERN REPORTS RECORD REVENUES,
INCOME FROM RAILWAY OPERATIONS

For the third quarter 2004:

- Railway operating revenues increased 16 percent and set an all-time record of \$1.9 billion.
- Income from railway operations improved 51 percent to a record \$469 million.
- Net income was \$288 million, \$0.72 per diluted share.
- Operating ratio improved 5.8 percentage points to 74.7 percent.

NORFOLK, VA. - For the third-quarter of 2004, Norfolk Southern Corporation (NYSE: NSC) reported record revenues of \$1.9 billion, up 16 percent compared with the same period last year, and record third-quarter income from railway operations of \$469 million, up 51 percent compared with the third-quarter in 2003.

Third-quarter reported net income was \$288 million, or \$0.72 per diluted share, which included a non-cash gain of \$53 million, or \$0.13 per diluted share, from the Conrail corporate reorganization. Excluding the gain, net income was \$235 million, or \$0.59 per diluted share, an increase of 72 percent, compared with \$137 million, or \$0.35 per diluted share, in the same period last year.

The railway operating ratio for the third quarter improved 5.8 percentage points to 74.7 percent compared with 80.5 percent in the same period of 2003.

"By any measure, this was an extremely strong quarter for our company," said David R. Goode, chairman and chief executive officer. "We demonstrated uniform strength in the face of a robust peak traffic season, and our people and network performed well."

For the first nine months, reported net income was \$659 million, or \$1.66 per diluted share, which included the \$53 million, or \$0.13 per diluted share, gain on the Conrail reorganization. Excluding the gain, net income was \$606 million, or \$1.53 per diluted share, an increase of 25 percent, compared with \$483 million, or \$1.24 per diluted share, for the same period of last year. Net income for the first nine months of 2003 included a \$114 million, or \$0.29 per diluted share, gain due to a required industry-wide accounting change to account for the cost of removing railroad crossties, and a gain of \$10 million, or \$0.03 per diluted share, from discontinued motor carrier operations.

Railway operating revenues for the first nine months of 2004 increased 12 percent to a record \$5.4 billion compared with \$4.8 billion for the same period a year earlier.

The railway operating ratio for the first nine months improved 5.6 percentage points to 76.9 percent compared with 82.5 percent in the same period of 2003.

Third-quarter general merchandise revenues reached \$1.0 billion, an increase of 10 percent over the same quarter last year. For the first nine months, general merchandise revenues improved 8 percent to a record \$3.0 billion compared with the year-earlier period. All merchandise markets reported revenue gains compared with the same periods a year earlier.

Coal revenues increased 20 percent to \$447 million in the third quarter and improved 14 percent to \$1.3 billion for the first nine months of 2004 compared with the same periods last year. This growth principally was driven by increases in export and utility coal revenues.

Intermodal revenues grew 28 percent to a record \$404 million in the third quarter and improved 21 percent to a record

\$1.1 billion for the first nine months compared to the same periods of 2003. Significantly increased traffic volumes and higher average revenues helped drive the growth.

Third-quarter railway operating expenses were up \$101 million, or 8 percent, compared with third quarter last year. For the first nine months, railway operating expenses rose \$171 million, or 4 percent, over the same period in 2003. Both increases were primarily related to the higher business volumes.

Norfolk Southern Corporation is one of the nation's premier transportation companies. Its Norfolk Southern Railway subsidiary operates 21,500 route miles in 22 states, the District of Columbia and Ontario, Canada, serving every major container port in the eastern United States and providing superior connections to western rail carriers. NS operates the most extensive intermodal network in the East and is North America's largest rail carrier of automotive parts and finished vehicles.

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Norfolk Southern Corporation and Subsidiaries
Consolidated Statements of Income
(Unaudited)
(\$ millions except per share)

	Three Months Ended September 30,	
	2004	2003
	----	----
Railway operating revenues:		
Coal	\$ 447	\$ 372
General merchandise	1,006	911
Intermodal	404	315
	-----	-----
TOTAL RAILWAY OPERATING REVENUES	1,857	1,598
	-----	-----
Railway operating expenses:		
Compensation and benefits	570	531
Materials, services and rents	411	346
Conrail rents and services	79	105
Depreciation	150	128
Diesel fuel	98	86
Casualties and other claims	31	44
Other	49	47
	-----	-----
TOTAL RAILWAY OPERATING EXPENSES	1,388	1,287
	-----	-----
Income from railway operations	469	311
Other income - net (note 1)	40	12
Interest expense on debt	(121)	(123)
	-----	-----
Income before income taxes	388	200
Provision for income taxes:		
Current	76	(6)
Deferred	24	69
	-----	-----

Total income taxes	100	63
	-----	-----
NET INCOME	\$ 288	\$ 137
	=====	=====
Earnings per share:		
Basic	\$ 0.73	\$ 0.35
Diluted	\$ 0.72	\$ 0.35
Average shares outstanding (000's)	394,449	389,910

See notes to consolidated financial statements.

Norfolk Southern Corporation and Subsidiaries
Consolidated Statements of Income
(Unaudited)
(\$ millions except per share)

	Nine Months Ended September 30,	
	-----	-----
	2004	2003
	----	----
Railway operating revenues:		
Coal	\$ 1,269	\$ 1,115
General merchandise	2,998	2,773
Intermodal	1,096	904
	-----	-----
TOTAL RAILWAY OPERATING REVENUES	5,363	4,792
	-----	-----
Railway operating expenses:		
Compensation and benefits	1,680	1,592
Materials, services and rents	1,165	1,083
Conrail rents and services	282	314
Depreciation	409	384
Diesel fuel	311	283
Casualties and other claims	109	142
Other	167	154
	-----	-----
TOTAL RAILWAY OPERATING EXPENSES	4,123	3,952
	-----	-----
Income from railway operations	1,240	840
Other income - net (note 1)	50	57
Interest expense on debt	(363)	(373)
	-----	-----
Income from continuing operations before income taxes and accounting changes	927	524
Provision for income taxes:		
Current	156	49
Deferred	112	116
	-----	-----
Total income taxes	268	165
	-----	-----
Income from continuing operations before accounting changes	659	359
Discontinued operations - taxes on sale of motor carrier (note 2)	--	10
Cumulative effect of changes in accounting principles, net of taxes (note 3)	--	114
	-----	-----
NET INCOME	\$ 659	\$ 483
	=====	=====

Earnings per share:
Income from continuing operations
before accounting changes

Basic	\$ 1.68	\$ 0.92
Diluted	\$ 1.66	\$ 0.92
Net income		
Basic	\$ 1.68	\$ 1.24
Diluted	\$ 1.66	\$ 1.24
Average shares outstanding (000's)	392,693	389,598

See notes to consolidated financial statements.

Norfolk Southern Corporation and Subsidiaries
Consolidated Balance Sheets
(Unaudited)
(\$ millions)

	September 30, ----- 2004 ----	December 31, ----- 2003 ----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 475	\$ 284
Short-term investments	55	2
Accounts receivable - net	806	695
Materials and supplies	102	92
Deferred income taxes	191	189
Other current assets	177	163
	-----	-----
Total current assets	1,806	1,425
Investment in Conrail (note 1)	735	6,259
Properties less accumulated depreciation (note 1)	20,464	11,779
Other assets	1,462	1,133
	-----	-----
TOTAL ASSETS	\$ 24,467 =====	\$ 20,596 =====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,004	\$ 948
Income and other taxes	245	199
Due to Conrail	68	81
Other current liabilities	276	213
Current maturities of long-term debt	529	360
	-----	-----
Total current liabilities	2,122	1,801
Long-term debt (note 1)	7,019	6,800
Other liabilities	1,116	1,080
Due to Conrail (note 1)	--	716
Deferred income taxes	6,522	3,223
	-----	-----
TOTAL LIABILITIES	16,779	13,620
	-----	-----
Stockholders' equity:		
Common stock \$1.00 per share par value	417	412
Additional paid-in capital	620	521
Unearned restricted stock	(9)	(5)
Accumulated other comprehensive income (loss)	11	(44)
Retained income	6,669	6,112
	-----	-----
	7,708	6,996
Less treasury stock at cost, 20,938,125 and 21,016,125 shares, respectively	(20)	(20)
	-----	-----
TOTAL STOCKHOLDERS' EQUITY	7,688	6,976
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 24,467	\$ 20,596

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See notes to consolidated financial statements.

 Norfolk Southern Corporation and Subsidiaries
 Consolidated Statements of Cash Flow
 (Unaudited)
 (\$ millions)

	Nine Months Ended September 30,	
	2004	2003
	----	----
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 659	\$ 483
Reconciliation of net income to net cash provided by operating activities:		
Net cumulative effect of changes in accounting principles (note 3)	--	(114)
Depreciation	417	395
Deferred income taxes	112	116
Equity in earnings of Conrail	(45)	(41)
Gain on Conrail corporate reorganization (note 1)	(53)	--
Gains on properties and investments	(15)	(16)
Income from discontinued operations (note 2)	--	(10)
Changes in assets and liabilities affecting operations:		
Accounts receivable	(110)	(96)
Materials and supplies	(10)	5
Other current assets	70	86
Current liabilities other than debt	162	23
Other - net	24	(31)
	-----	-----
Net cash provided by operating activities	1,211	800
CASH FLOWS FROM INVESTING ACTIVITIES:		
Property additions	(669)	(536)
Property sales and other transactions	45	40
Investments, including short-term	(146)	(83)
Investment sales and other transactions	5	1
	-----	-----
Net cash used for investing activities	(765)	(578)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends	(102)	(86)
Common stock issued - net	71	5
Proceeds from borrowings (note 4)	202	218
Debt repayments	(426)	(385)
	-----	-----
Net cash used for financing activities	(255)	(248)
	-----	-----
Net increase (decrease) in cash and cash equivalents	191	(26)
CASH AND CASH EQUIVALENTS:		
At beginning of year	284	184
	-----	-----
At end of period	\$ 475	\$ 158
	=====	=====

SUPPLEMENTAL DISCLOSURES OF CASH-FLOW
 INFORMATION

Cash paid during the period for:

Interest (net of amounts capitalized)	\$ 311	\$ 334
Income taxes	\$ 78	\$ 62

See notes to consolidated financial statements.

 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

1. CONRAIL CORPORATE REORGANIZATION -

On August 27, 2004, NS, CSX and Conrail completed a corporate reorganization of Conrail that resulted in the direct ownership and control by Norfolk Southern Railway Company (NSR) of routes and assets that had previously been operated by NSR under operating and lease agreements with a Conrail subsidiary. As a part of the reorganization, NSR issued new unsecured debt obligations, which were exchanged for unsecured debt obligations of Consolidated Rail Corporation (CRC), a Conrail subsidiary. In addition, NSR entered into new lease and sublease arrangements with CRC to support CRC's secured debt and lease obligations, and the long-term note due to Conrail was eliminated. The reorganization did not affect the Shared Asset Areas, which continue to be owned and operated by CRC, and are reflected in NS' remaining Investment in Conrail as shown in the Consolidated Balance Sheet.

This distribution was accounted for at fair value, resulting in a net gain of \$53 million, which is included in Other income - net on the Consolidated Statement of Income. The gain increased net income by \$53 million, or 13 cents per diluted share.

2. DISCONTINUED OPERATIONS IN 2003 -

First-quarter 2003 results included an additional after-tax gain of \$10 million, or 3 cents per share (basic and diluted), related to the 1998 sale of NS' motor carrier subsidiary, North American Van Lines, Inc. This non-cash gain resulted from the resolution of tax issues related to the transaction.

3. CHANGES IN ACCOUNTING PRINCIPLES IN 2003 -

NS adopted Financial Accounting Standards Board (FASB) Statement No. 143, "Accounting for Asset Retirement Obligations" (SFAS No. 143), effective Jan. 1, 2003, and recorded a \$110 million net adjustment (\$182 million before taxes) for the cumulative effect of this change in accounting on years prior to 2003. Pursuant to SFAS No. 143, the cost to remove crossties must be recorded as an expense when incurred; previously these removal costs were accrued as a component of depreciation.

NS also adopted FASB Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN No. 46), effective Jan. 1, 2003, and recorded a \$4 million net adjustment (\$6 million before taxes) for the cumulative effect of this change in accounting on years prior to 2003. Pursuant to FIN No. 46, NS has consolidated a special-purpose entity that leases certain locomotives to NS.

The cumulative effect of these changes amounted to \$114 million, or 29 cents per share (basic and diluted).

4. PAYMENTS TO CONRAIL -

Payments made to Conrail in accordance with the operating and lease agreements in place before the Conrail corporate reorganization (see note 1) reduce NS' "Net cash provided by operating activities." A significant portion of these payments was borrowed back from a Conrail subsidiary. The net borrowings are included in NS' "Net cash used for financing activities" and totaled \$118 million in the first nine months of 2004 and \$174 million in the first nine months of 2003.