

ALASKA RAILROAD CORPORATION



Corporate Address: P.O. Box 107500, Anchorage, Alaska 99510
327 Ship Creek Avenue, Anchorage, Alaska 99501

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Contact: Tim Thompson, Public Affairs Officer
907-265-2695
907-748-2079

Alaska Railroad Corporation Releases 2005 Annual Report

ANCHORAGE-The Alaska Railroad Corporation (ARRC) released its 2005 Annual Report today posting earnings of \$12.7 million on total revenues of \$144.0 million.

"The Alaska Railroad had another solid year in 2005," said Governor Bill Sheffield, the new Chairman of the Alaska Railroad Board. "The Board has worked diligently to provide direction and build on the continuing success of this enterprise. Our work as a board will continue to support management's efforts to enhance Alaska's economic growth."

This year's report highlights consisted of the best ever safety records for the Railroad, historical gravel movement, and Passenger revenues that well surpassed projected budgets. In addition, 2005 saw the opening of the Fairbanks Intermodal Depot and Facility, the Anchorage Operations Center, the introduction of first class GoldStar Service, and a continued Capital Projects campaign totaling nearly \$80 million.

"In 2005, we made a concerted effort to position ourselves for future growth by investing in new technology, new equipment and improved infrastructure all of which enhance our safety, capacity, and customer service," Pat Gamble, ARRC President and CEO said. "These investments better prepare the Railroad for the transportation challenges that appear on Alaska's horizon."

The Alaska Railroad Corporation is a self-sustaining, state-owned corporation that operates without state subsidy. The Railroad generates revenue through year-round passenger and freight service to a number of communities from Seward to Fairbanks and through its management of Real Estate holdings along the railbelt.

An electronic copy of the annual report is available on the ARRC web site at:

www.akrr.com/arrc190.html

Hard copies will be mailed shortly, and may be obtained by e-mail at corpinfo@akrr.com.