

# FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
Expires: February 28, 2011  
Estimated average burden  
hours per response.....0.5

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Check this box if no longer  
subject to Section 16. Form 4 or  
Form 5 obligations may continue.  
See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility  
Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* Warren K. Erdman Kansas City Southern PO Box 219335 Kansas City MO 64121-9335	2. Issuer Name and Ticker or Trading Symbol Kansas City Southern [KSU]	5. Relationship of Reporting Person(s) to Issuer (check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)  Executive Vice President
	3. Date of Earliest Transaction Required to be Reported (Month/Day/Year) 08/05/2008	
	4. If amendment, Date Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More Than One Reporting Person

### Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (mm/dd/yy)	2A. Deemed Execution Date, if any (mm/dd/yy)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, & 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3, & 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/05/2008		M		3,087	A	\$2.6604	65,169 (2)	D	
Common Stock	08/05/2008		M		72	A	\$2.7665	65,241 (2)	D	
Common Stock	08/05/2008		M		71	A	\$5.1637	65,312 (2)	D	
Common Stock	08/05/2008		M		66,734	A	\$5.75	132,046 (2)	D	
Common Stock	08/05/2008		S		69,964	D	\$51.94 (1)	62,082 (2)	D	
Common Stock								934.026	I	Held by ESOP (3)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Form 4 (cont.)  
Name and Address of Reporting Person  
Warren K. Erdman  
Kansas City Southern  
PO Box 219335  
Kansas City MO 64121-9335

Issuer Name and Ticker or Trading Symbol  
Kansas City Southern [KSU]

Period Of Report  
08/05/2008

**Table II -Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (mm/dd/yy)	3A. Deemed Execution Date, if any (mm/dd/yy)	4. Transaction Code (Instr. 8)		5. No. of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, & 5)		6. Date Exercisable and Expiration Date (mm/dd/yy)		7. Title and Amount of Underlying Securities (Instr. 3 & 4)		8. Price of Derivative Security (Instr. 5)	9. No. of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3, & 4)	10. Ownership Form of Derivative Securities: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Option (Right to Buy) (4)	\$2.6604	08/05/2008		M (4)			3,000	01/01/2000	11/16/2008	Common Stock	3,000	\$0	0	D	
LSAR (5)	\$2.6604	08/05/2008		J (4)			3,000	(5)	(5)	Common Stock	3,000	\$0	0	D	
Option (Right to Buy) (5)	\$2.6604	08/05/2008		M (4)			87	(6)	11/16/2008	Common Stock	87	\$0	0	D	
LSAR (5)	\$2.6604	08/05/2008		J (4)			87	(5)	(5)	Common Stock	87	\$0	0	D	
Option (Right to Buy) (5)	\$2.7665	08/05/2008		M (4)			72	(6)	01/25/2009	Common Stock	72	\$0	0	D	
LSAR (5)	\$2.7665	08/05/2008		J (4)			72	(5)	(5)	Common Stock	72	\$0	0	D	
Option (Right to Buy) (5)	\$5.1637	08/05/2008		M (4)			71	(7)	02/28/2010	Common Stock	71	\$0	0	D	
LSAR (5)	\$5.1637	08/05/2008		J (4)			71	(5)	(5)	Common Stock	71	\$0	0	D	
Option (Right to Buy) (5)	\$5.75	08/05/2008		M (4)			15,400	07/13/2003	07/12/2010	Common Stock	15,400	\$0	0	D	
LSAR (5)	\$5.75	08/05/2008		J (4)			15,400	(5)	(5)	Common Stock	15,400	\$0	0	D	
Option (Right to Buy) (5)	\$5.75	08/05/2008		M (4)			51,334	07/13/2001	07/12/2010	Common Stock	77,000	\$0	25,666	D	
LSAR (5)	\$5.75	08/05/2008		J (4)			51,334	(5)	(5)	Common Stock	77,000	\$0	25,666	D	
Option (Right to Buy) (5)	\$14.34							(8)	02/26/2011	Common Stock	480		480	D	

Form 4 (cont.)  
Name and Address of Reporting Person  
Warren K. Erdman  
Kansas City Southern  
PO Box 219335  
Kansas City MO 64121-9335

Issuer Name and Ticker or Trading Symbol  
Kansas City Southern [KSU]

Period Of Report  
08/05/2008

**Table II -Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (mm/dd/yy)	3A. Deemed Execution Date, if any (mm/dd/yy)	4. Transaction Code (Instr. 8)		5. No. of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, & 5)		6. Date Exercisable and Expiration Date (mm/dd/yy)		7. Title and Amount of Underlying Securities (Instr. 3 & 4)		8. Price of Derivative Security (Instr. 5)	9. No. of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3, & 4)	10. Ownership Form of Derivative Securities: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
LSAR (5)	\$14.34							(5)	(5)	Common Stock	480		480	D	
Option (Right to Buy) (5)	\$13.42							02/06/2002	02/05/2012	Common Stock	513		513	D	
LSAR (5)	\$13.42							(5)	(5)	Common Stock	513		513	D	
Option (Right to Buy) (5)	\$12.55							01/16/2003	01/15/2013	Common Stock	670		670	D	
LSAR (5)	\$12.55							(5)	(5)	Common Stock	670		670	D	
Option (Right to Buy) (5)	\$12.55							01/16/2008	01/15/2013	Common Stock	15,000		15,000	D	
LSAR (5)	\$12.55							(5)	(5)	Common Stock	15,000		15,000	D	
Option (Right to Buy) (5)	\$14.60							01/02/2005	01/01/2014	Common Stock	6,000		6,000	D	
LSAR (5)	\$14.60							(5)	(5)	Common Stock	6,000		6,000	D	
Option (Right to Buy) (5)	\$14.53							02/09/2004	02/08/2014	Common Stock	699		699	D	
LSAR (5)	\$14.53							(5)	(5)	Common Stock	699		699	D	

Explanation of Responses:

- (1) - The price in Column 4 is a weighted average price. The prices actually ranged from \$51.73 to \$52.13. The reporting person will provide to the issuer, any security holder of the issuer, or the SEC staff, upon request, information regarding the number of shares sold at each price within the range.
- (2) - Includes 7,012 performance shares that were earned on February 28, 2008 when the KCS Compensation and Organization Committee determined that the 2007 performance goals were met. These performance shares will not vest until January 17, 2010 contingent upon continued employment by the reporting person through that date. With respect to these shares, the reporting person does not have the right to vote, receive, or be entitled to receive, cash or non-cash dividends or any other beneficial rights as a shareholder of the Company.

Form 4 (cont.)  
Name and Address of Reporting Person  
Warren K. Erdman  
Kansas City Southern  
PO Box 219335  
Kansas City MO 64121-9335

Issuer Name and Ticker or Trading Symbol  
Kansas City Southern [KSU]

Period Of Report  
08/05/2008

Explanation of Responses (cont.)

- (3) - A total of 934.026 shares are held in the reporting person's account under the KCS Employee Stock Ownership Plan.
- (4) - Options exercised in Rule 16b-3 exempt transaction. LSARs canceled with respect to such shares.
- (5) - Limited Rights and Limited Stock Appreciation Rights ("LSARs") are granted in tandem with stock options. Limited Rights and LSARs become exercisable only following a change-in-control of the Company in lieu of related options and are exercisable only for cash. Limited Rights and LSARs terminate when the related options are exercised or terminated.
- (6) - These options became exercisable in installments: 25% on 06/23/99, 25% on 06/23/00 and 50% on 06/23/01.
- (7) - These options became exercisable in installments: 25% on 03/01/00, 25% on 06/23/00 and 50% on 06/23/01.
- (8) - 240 options became exercisable on 02/27/01 and 240 options became exercisable on 06/23/01.

By: Brian P. Banks, Attorney-in-fact  
\*\*Signature of Reporting Person

8/7/2008  
Date