



Forward-Looking Statements

This information and other statements by the company may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act with respect to, among other items: projections and estimates of earnings, revenues, margins, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, dividends, share repurchases or other financial items, statements of management's plans, strategies and objectives for future operations, and management's expectations as to future performance and operations and the time by which objectives will be achieved, statements concerning proposed new services, and statements regarding future economic, industry or market conditions or performance. Forward-looking statements are typically identified by words or phrases such as "will," "should," "believe," "expect," "anticipate," "project," "estimate," "preliminary" and similar expressions. Forward-looking statements speak only as of the date they are made, and the company undertakes no obligation to update or revise any forward-looking statement. If the company updates any forward-looking statement, no inference should be drawn that the company will make additional updates with respect to that statement or any other forward-looking statements.

Forward-looking statements are subject to a number of risks and uncertainties, and actual performance or results could differ materially from that anticipated by any forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by any forward-looking statements include, among others: (i) the company's success in implementing its financial and operational initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry (such as the impact of industry competition, conditions, performance and consolidation); (iii) legislative or regulatory changes; (iv) the inherent business risks associated with safety and security; (v) the outcome of claims and litigation involving or affecting the company; (vi) natural events such as severe weather conditions or pandemic health crises; and (vii) the inherent uncertainty associated with projecting economic and business conditions.

Other important assumptions and factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the company's SEC reports, accessible on the SEC's website at www.sec.gov and the company's website at www.csx.com.

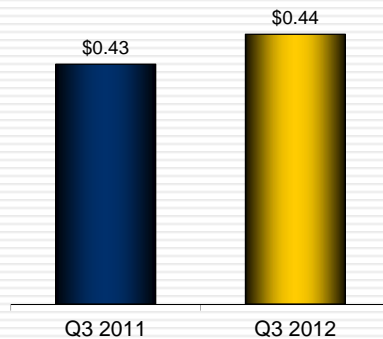
Executive Summary

Michael Ward
Chairman, President and
Chief Executive Officer

Third quarter performance . . .

Volume 1,600 Revenue \$2,894M Operating Income \$854M Operating Ratio 70.5% EPS \$0.44

Earnings Per Share

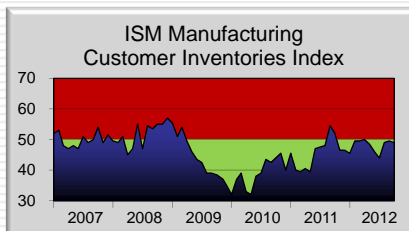
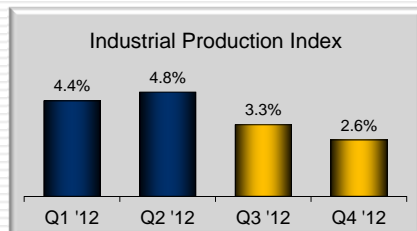
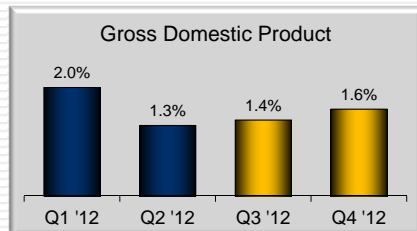


- Revenue declines 2%
 - Driven by lower volume and fuel recovery, and unfavorable mix
- Operational excellence
 - Safety, service and productivity partially offset lower revenue
- Financial performance
 - Operating income declines by 3% to \$854 million
 - Operating ratio steady at 70.5% on productivity/resource efficiency

Sales and Marketing Review

Clarence Gooden
Executive Vice President
Sales and Marketing

Indicators point to moderating second half economy

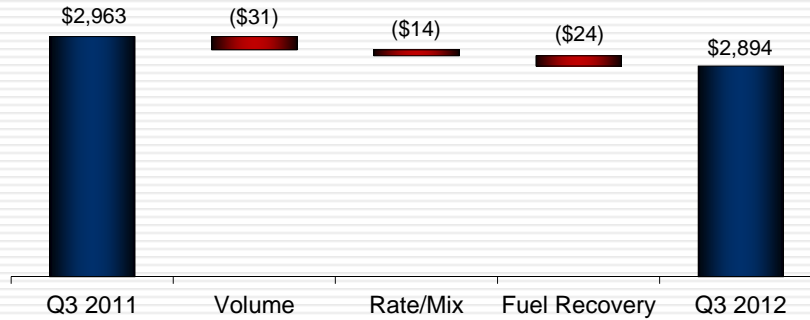


Source: Global Insight and ISM

Revenue decreases 2% year-over-year

Revenue \$2,894M Volume 1,600K RPU \$1,809

Third Quarter Revenue Dollars in Millions



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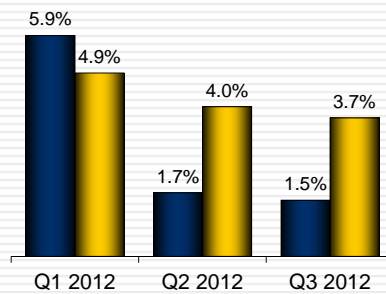
How tomorrow moves **CSX**

Core pricing solid across nearly all markets

Revenue \$2,894M Volume 1,600K RPU \$1,809

Same Store Sales Pricing Gains

■ Consolidated ■ Excluding Export Coal



- Changing global coal market conditions drive export pricing
- Inflation-plus pricing achieved on remaining business
- Remain focused on pricing above rail inflation long-term
- Strong service product is the foundation for success

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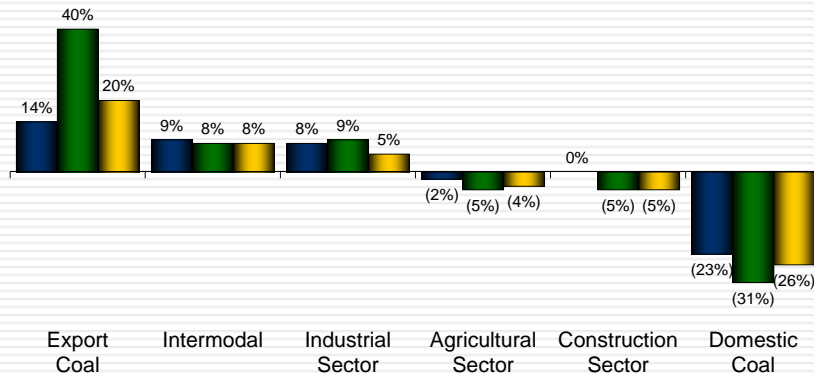
How tomorrow moves **CSX**

Volume declines 1% on moderating economy

Revenue \$2,894M Volume 1,600K RPU \$1,809

Year-over-year Change in Volume

■ First Quarter ■ Second Quarter ■ Third Quarter



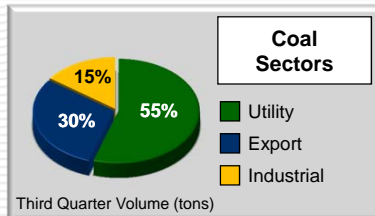
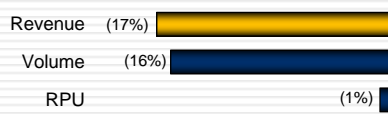
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How tomorrow moves [CSX]

Coal revenue decreases 17%

Revenue \$791M Volume 323K RPU \$2,449

Third Quarter Year-Over-Year Change



■ Third Quarter

- Lower electrical demand and gas prices impact utility volume
- Export coal growth driven by increased thermal demand
- Revenue per unit declines on lower export coal rates

■ Ongoing Drivers

- Export coal expected to decline in fourth quarter; second half still up
- Domestic coal headwind expected to continue well into 2013

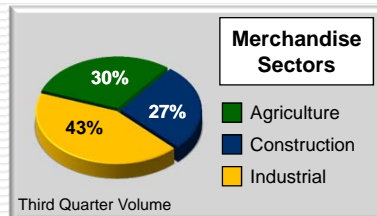
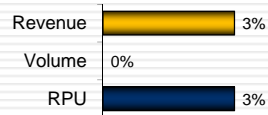
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How tomorrow moves [CSX]

Merchandise revenue increases 3%

Revenue \$1,609M Volume 655K RPU \$2,456

Third Quarter Year-Over-Year Change



■ Third Quarter

- Industrial growth driven by strong automotive demand
- Agricultural impacted by lower grain and ethanol shipments
- Revenue per unit increases 3%

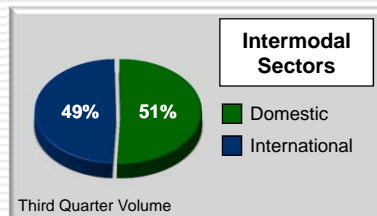
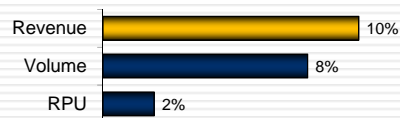
■ Ongoing Drivers

- Industrial growth expected to be driven by oil and gas market
- Agricultural expected to be driven by lower ethanol and crop yield
- Growth in housing offset by lower aggregates and waste shipments

Intermodal revenue increases 10%

Revenue \$399M Volume 622K RPU \$641

Third Quarter Year-Over-Year Change



■ Third Quarter

- Highway conversions drive record quarterly domestic volume
- Maersk traffic continues to drive strong international growth
- Revenue per unit increases on favorable pricing

■ Ongoing Drivers

- Strategic investments enhance growth and network operations
- High service levels and highway conversions driving growth

Overall outlook for fourth quarter is neutral

Outlook	Markets	Drivers
Favorable 57% of volume	<ul style="list-style-type: none"> ■ Intermodal ■ Chemicals ■ Forest Products ■ Phosphate & Fertilizer 	<ul style="list-style-type: none"> ■ Truck conversions and new customer gains ■ Solid industrial volume and energy market growth ■ Increased demand for lumber and panel products ■ Fundamentals support need for application
Neutral 10% of volume	<ul style="list-style-type: none"> ■ Automotive ■ Metals 	<ul style="list-style-type: none"> ■ While strong, now cycling tougher comparables ■ Scrap demand offsets domestic production
Unfavorable 33% of volume	<ul style="list-style-type: none"> ■ Agricultural Products ■ Food & Consumer ■ Emerging Markets ■ Export Coal ■ Utility & Industrial Coal 	<ul style="list-style-type: none"> ■ Drought has negative impact on fall harvest ■ Slow growth in food; lower manufactured products ■ Lower construction aggregates and waste volume ■ Softening global demand for metallurgical coal ■ Low natural gas prices driving low coal demand

Sales and Marketing wrap-up . . .

- **Economic backdrop remains favorable in 2012**
 - *Although growth is expected to remain moderate in fourth quarter*
- **Overall fourth quarter volume outlook is neutral**
 - *While 67% of markets are favorable or neutral, overall volume likely to be flat*
- **Overall coal weakness expected to continue**
 - *Natural gas prices, stockpile levels and global demand drive fourth quarter*
- **CSX standing out as a compelling value for customers**
 - *Providing strong service levels and offering environmentally friendly solutions*

Operations Review

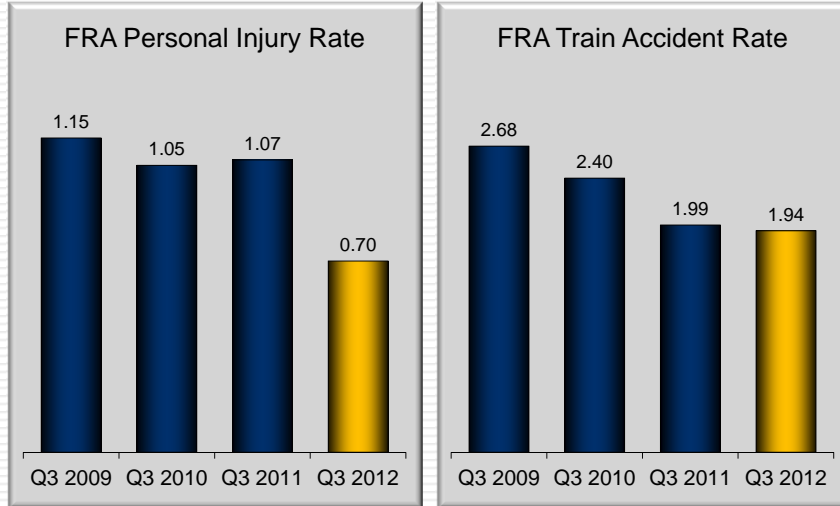
Oscar Munoz
Executive Vice President
Chief Operating Officer

Delivering performance excellence

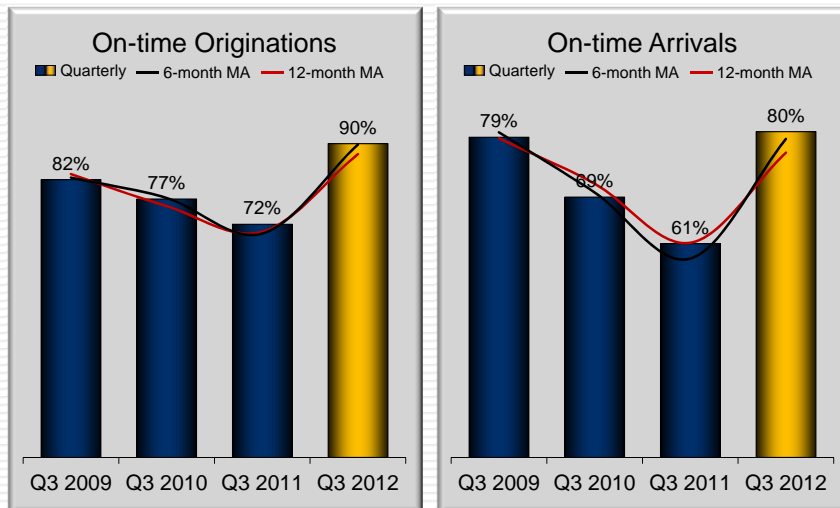
- Safety
 - Driving results that continue to be at or near all-time best levels
- Service
 - Customer service at record levels, driving resource efficiency
- Productivity
 - High service levels also driving improved asset utilization
- Strategy
 - Adapting to dynamic conditions and building for the future



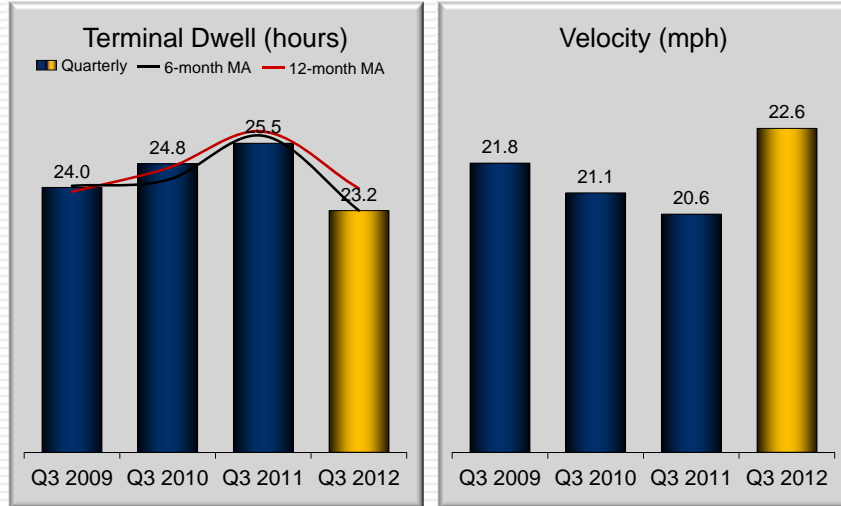
CSX is a leader in one of nation's safest industries



On-time performance at record third quarter levels



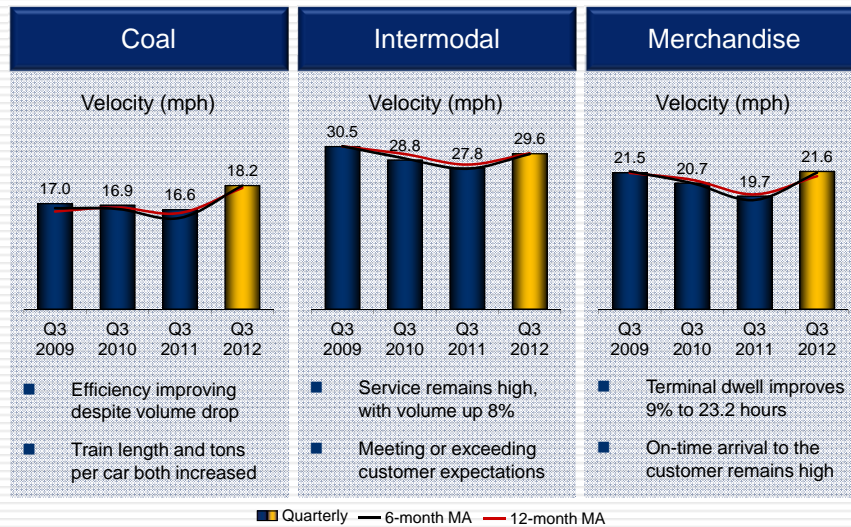
Improving dwell and velocity helps asset utilization



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How tomorrow moves **CSX**

Service at high levels across all three networks

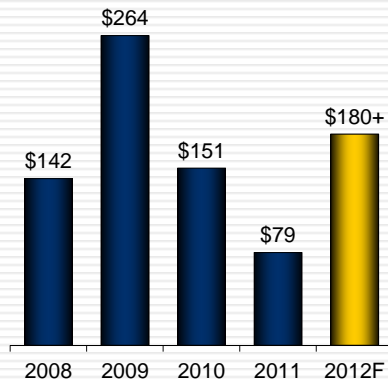


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How tomorrow moves **CSX**

Service and operating efficiency drive productivity

Productivity Savings in Millions



- Productivity savings on track to exceed \$180 million

- High service levels improving asset utilization
- Reduced overtime across all operating departments
- Fuel efficiency increasing

- Continuing to adjust resources to match volume

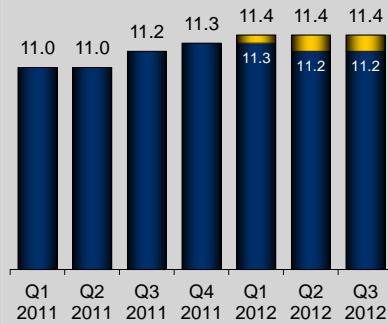
- Nearly 500 T&E employees now on furlough or retention boards
- More than 300 locomotives currently in storage

Note: Q3 2012 T&E employees on furlough or retention boards and stored locomotives averaged 182 and 273 respectively

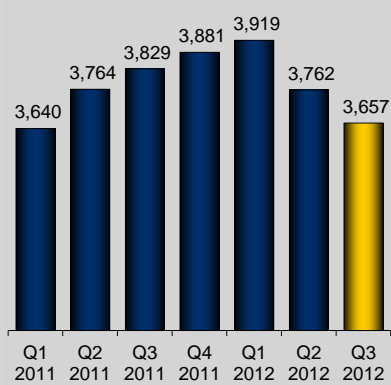
Proactively adjusting resources

Active T&E Employees in Thousands
Reflects Quarterly Average

■ Full-time ■ Furlough Retention Board



Active Locomotives
Reflects Quarterly Average



Operations wrap-up . . .

- CSX is a leader in one of the nation's safest industries
 - *FRA personal injury and train accident rates remain at all-time best levels*
- Company is driving strong service for customers
 - *Performance measures remain at consistently high levels*
- Expect to exceed \$180 million of productivity in 2012
 - *Targeted initiatives and efficiencies gained from strong service drive results*
- Creating shareholder value in a dynamic economy
 - *Resource alignment proves CSX's ability to adapt to changing conditions*

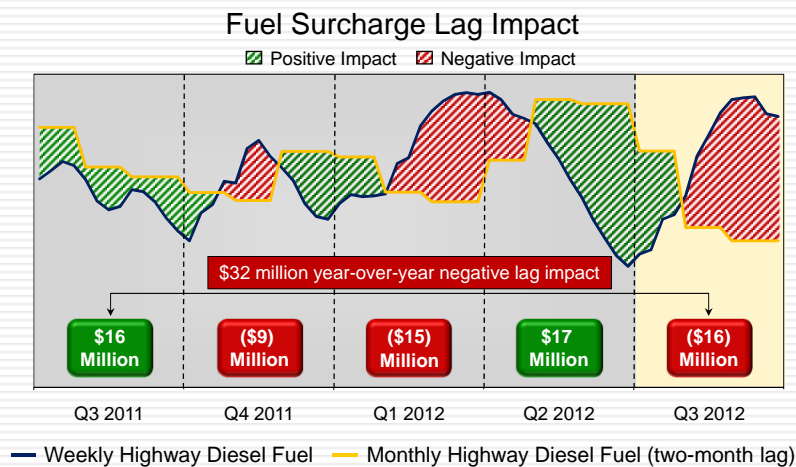
Financial Review

Fredrik Eliasson
Executive Vice President
Chief Financial Officer

Third quarter earnings summary . . .

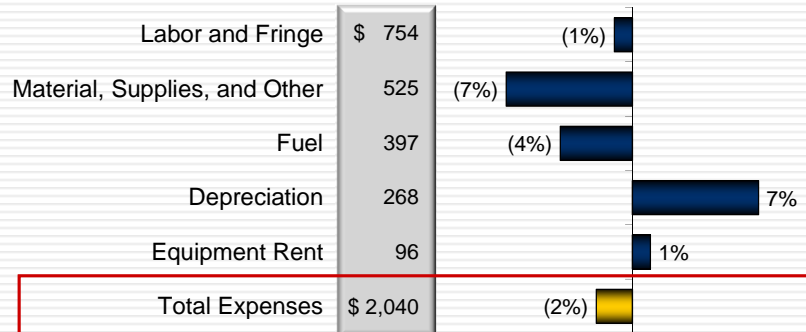
Third Quarter Results			
Dollars in millions, except EPS	2012	2011	Variance
Revenue	\$ 2,894	\$ 2,963	(2%)
Expense	2,040	2,085	2%
Operating Income	\$ 854	\$ 878	(3%)
Interest Expense	(138)	(138)	
Other Income (net)	5	6	
Income Taxes	(266)	(282)	
Net Earnings	\$ 455	\$ 464	(2%)
Fully Diluted Shares in Millions	1,040	1,077	
Earnings Per Share	\$ 0.44	\$ 0.43	2%

Fuel lag impact is \$32 million year-over-year



Expenses down 2% overall

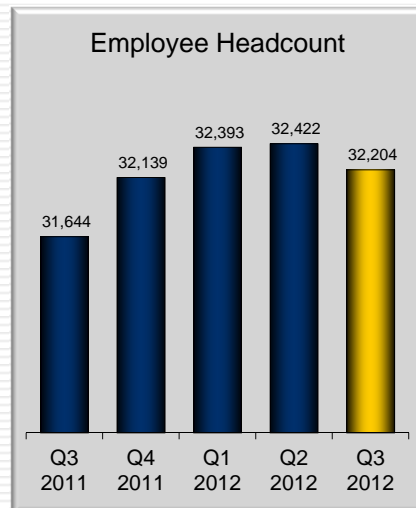
Third Quarter 2012 Operating Expenses and Year-Over-Year Percentage Change



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How tomorrow moves **CSX**

Labor and Fringe expense decreases 1%



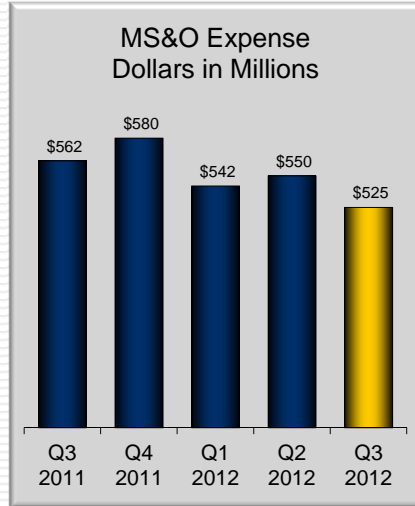
Third Quarter Labor Analysis in Millions

2011 Labor Expense	\$ 765
<u>Variance</u>	
Prior year Facility Closure	14
Crew Overtime	7
Inflation	(7)
Other	(3)
Subtotal	11
2012 Labor Expense	\$ 754

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How tomorrow moves **CSX**

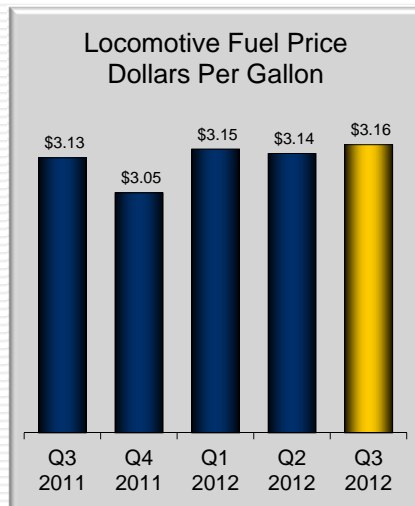
MS&O expense decreases 7%



Third Quarter MS&O Analysis in Millions

2011 MS&O Expense	\$ 562
	<u>Variance</u>
SunRail gain	30
Casualty, loss and damage	18
Volume	(8)
Inflation and Other	(3)
Subtotal	37
2012 MS&O Expense	\$ 525

Fuel expense decreases 4%



Third Quarter Fuel Analysis in Millions

2011 Fuel Expense	\$ 412
	<u>Variance</u>
Efficiency	8
Volume	7
Price	(3)
Non-locomotive fuel	3
Subtotal	15
2012 Fuel Expense	\$ 397

CSX's credit profile supports balanced approach

- The company's credit profile continues to improve
 - All key credit measures improve during the quarter
- CSX is on target to invest \$2.25 billion in 2012
 - Forward investment to average 16-17% of revenue plus PTC
- Dividend payout targeted at 30-35% of TTM earnings
 - Dividend increased 17% starting with the second quarter payment
- Current buyback program to be completed by year-end
 - Balance of \$234 million remains at the end of third quarter

Financial wrap-up . . .

- Cost reduction helps offset fuel lag and coal headwinds
 - Strong automotive and intermodal growth partially offsets decline in coal volume
 - Safety, service and productivity maintained at or near record levels
- Still expecting 2012 earnings growth/margin expansion
 - Weaker export coal and moderating economy make fourth quarter challenging
- Operating ratio target of 65% in 2015 more challenging
 - Based on stabilization in utility coal and over 40 million tons of export coal
 - Committed to outstanding service to help drive price, growth and productivity
 - Improving earnings and credit profile support balanced cash deployment

Concluding Remarks

Michael Ward
Chairman, President and
Chief Executive Officer

How tomorrow moves [CSX]

Relentless pursuit of excellence . . .



2012 **THIRD QUARTER**
EARNINGS CONFERENCE CALL

[CSX]
How tomorrow moves