



2013 J.P. MORGAN AVIATION, TRANSPORTATION AND DEFENSE CONFERENCE

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.

Presentation overview . . .

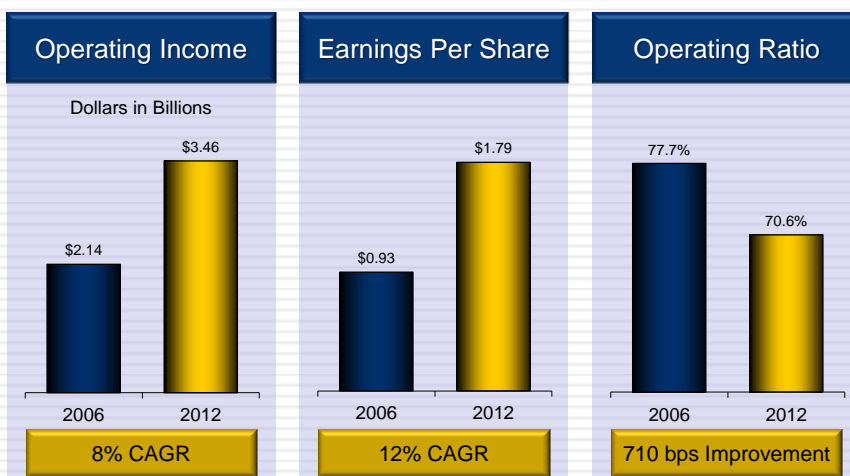
- **CSX dealing effectively with secular business shift**
 - *And earnings growth has supported strong cash deployment for shareholders*
- **First quarter volume declining 2% through eight weeks**
 - *Coal and merchandise volumes down, while intermodal continues to grow*
- **This year is expected to be another year of transition**
 - *The company will remain focused on key drivers more within its control*
- **Merchandise/intermodal expected to grow above GDP**
 - *Both automotive and housing are now driving the economic recovery*

3

How tomorrow moves



Financial performance strong since freight recession

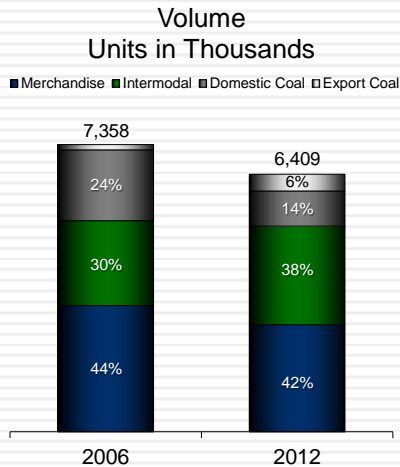


4

How tomorrow moves



Volume decline and mix shift has been significant



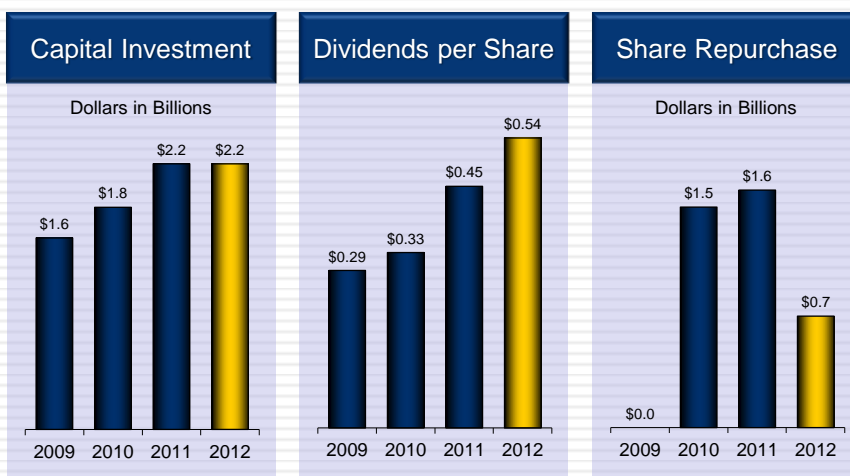
- Merchandise decline
 - Industrial and housing economies have suppressed recovery
- Intermodal growth
 - Driven by highway conversions and new customers
- Domestic coal decline
 - Driven by natural gas substitution
- Export coal growth
 - Driven by secular long-term global trends

5

How tomorrow moves



Cash deployment remains balanced and strong



Note: Capital investment excludes investments related to public-private reimbursable projects

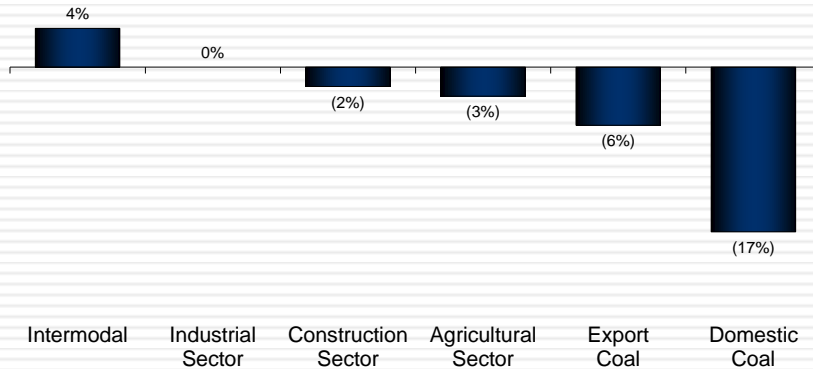
6

How tomorrow moves



Volume down 2% through first eight weeks

Year-over-year Change in Volume



Note: Volume data is through the first eight weeks ending February 22, 2013

7

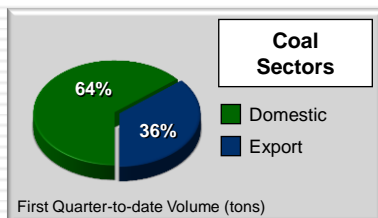
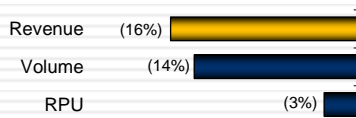
How tomorrow moves



Coal revenue down 16% quarter-to-date

Quarter-to-date: Revenue \$434M Volume 179K RPU \$2,426

First Quarter-to-date Year-Over-Year Change



Note: Volume, revenue and revenue per unit data is through the first eight weeks ending February 22, 2013

- Domestic volume down 17%
 - High stockpiles, especially in the south, continue to limit demand
- Export volume down 6%
 - Thermal shipments driving the majority of the decrease
- Overall RPU down 3%
 - Declines in export more than offsetting gains in domestic

8

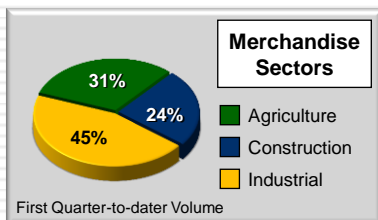
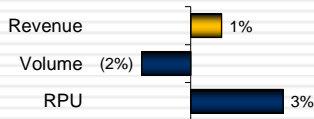
How tomorrow moves



Merchandise revenue up 1% quarter-to-date

Quarter-to-date: Revenue \$1,034M Volume 400K RPU \$2,587

First Quarter-to-date Year-Over-Year Change



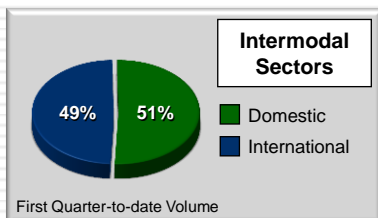
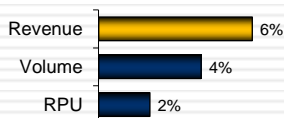
Note: Volume, revenue and revenue per unit data is through the first eight weeks ending February 22, 2013

- Industrial volume essentially flat
 - Chemicals offset lower metals and automotive volume
- Agricultural volume down 3%
 - Phosphates & fertilizer partially offsetting lower grain volume
- Construction volume down 2%
 - Building products growth offset by lower equipment and paper volume

Intermodal revenue up 6% quarter-to-date

Quarter-to-date: Revenue \$240M Volume 369K RPU \$651

First Quarter-to-date Year-Over-Year Change



Note: Volume, revenue and revenue per unit data is through the first eight weeks ending February 22, 2013

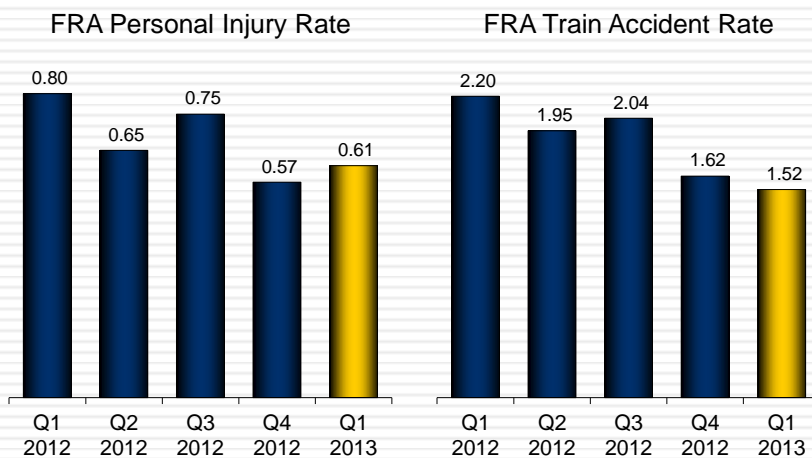
- Domestic volume up 7%
 - Highway-to-rail conversions continue to drive success
- International volume up 1%
 - New York port traffic temporarily being diverted to alternate ports
- Investments driving benefits
 - Growth, more fluid operations and enhanced double stack capability



CSX remains focused on drivers within its control

Safety	Service	Efficiency	Pricing
Producing leading results in one of the nation's safest industries	Providing customers with superior service at record levels	Continuing to drive strong efficiency savings to help offset inflation	Same store sales pricing remains above inflation across most markets

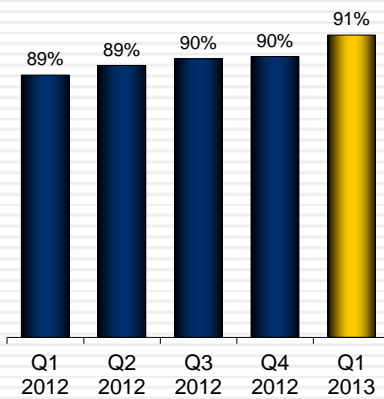
CSX is a leader in one of nation's safest industries



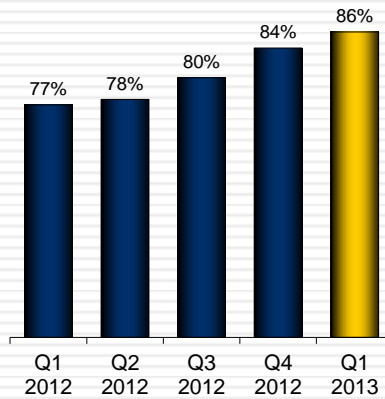
Note: First quarter 2013 safety data is through February 24, 2013

Customer service is at record levels

On-time Originations



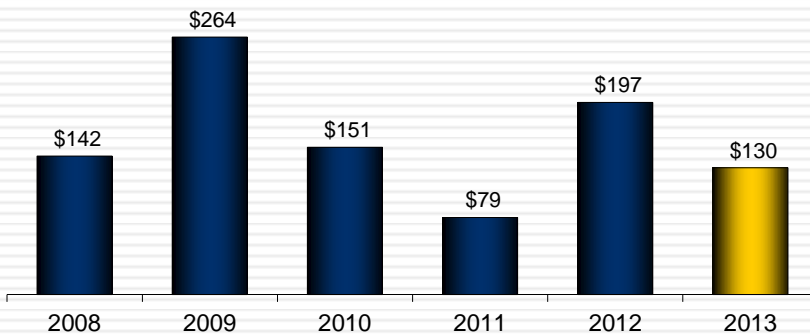
On-time Arrivals



Note: First Quarter 2013 service data is through the first eight weeks ending February 22, 2013

Superior service driving greater efficiency . . .

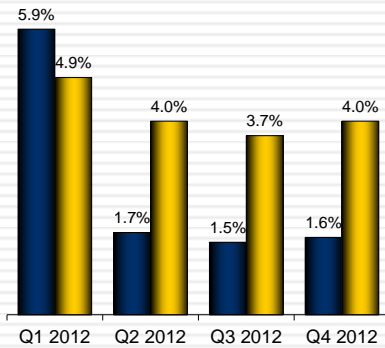
Produced \$833 million of efficiency savings over last five years and targeting \$130 million in 2013



... and inflation-plus pricing across most markets

Same Store Sales Pricing Gains

■ Overall ■ Excluding Export Coal

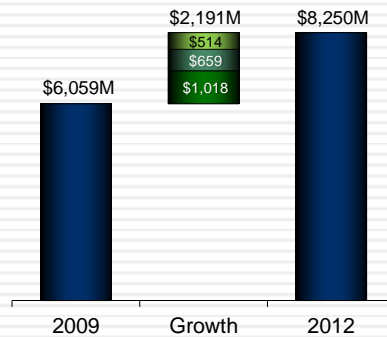
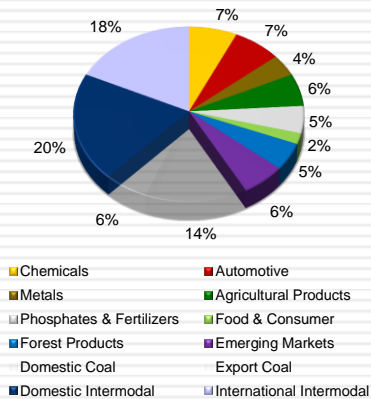


- Softening global coal market conditions drive export pricing
- Inflation-plus pricing achieved on remaining business
- Remain focused on pricing above rail inflation long-term
- Strong service product is the foundation for success

Merchandise and Intermodal growth remains strong

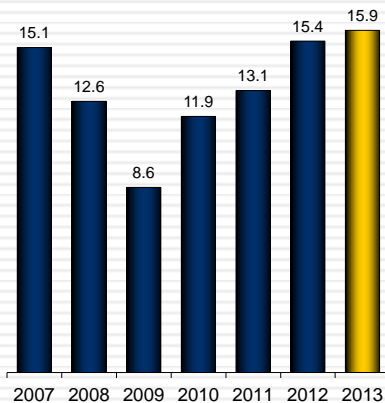
Merchandise and Intermodal now 80% of total volume . . .

. . . driven by \$2.2 billion of revenue growth since 2009



Automotive production above pre-recession levels

NALVP in Millions

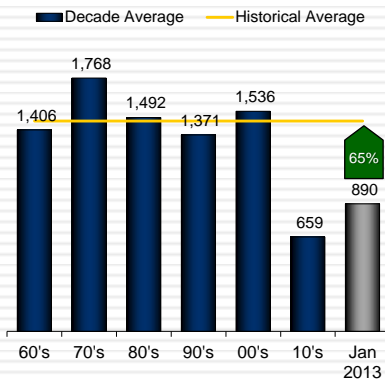


Source: Global Insights

- NALVP expected to increase 3% to 15.9 million units
 - Drives domestic and export business opportunities
- Automotive drives about 9% of CSX business
 - Passenger cars and trucks
 - Auto parts
 - Sheet steel
 - Plastics
 - Intermodal

Housing market continues improving off low base

U.S. Housing Starts in Thousands



Source: Global Insights

- Housing starts remain well below historical averages
 - 65% growth from current run rate to reach 50-year average
- Housing starts drive about 6% of CSX business
 - Lumber and building products
 - Aggregates and waste
 - Metals and plastics
 - Intermodal
 - Appliances

Wrap-up . . .

- **Secular business shift will continue in 2013**
 - *Expect merchandise/intermodal growth above GDP and coal declines to moderate*
- **CSX will remain focused on drivers more within its control**
 - *Remain focused on driving safety, service, efficiency and inflation-plus pricing*
- **First quarter volume expected to decline year-over-year**
 - *Expect overall growth for full-year 2013, driven by merchandise and intermodal*
- **Both auto and housing now supporting economic growth**
 - *Combined, these sectors drive approximately 15% of CSX's overall business*



2013 J.P. MORGAN
AVIATION, TRANSPORTATION
AND DEFENSE CONFERENCE

