



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 . . .

- Produced 2012 earnings growth and margin expansion
 - Overcame substantial utility coal headwinds to sustain long-term performance
- Business mix has changed significantly since 2006
 - Coal now 20% of total volume while intermodal has grown to 38%
- Coal headwinds expected to continue well into 2013
 - While natural gas prices have risen, coal inventory levels remain high
- Continued intermodal and merchandise growth expected
 - Broad-based growth expected across both markets

3

How tomorrow moves



Earnings growth achieved despite coal headwinds

2012 Performance

<i>Dollars in millions</i>	2012	Variance
Revenue	\$11,756	—%
Expense	8,299	—%
Operating Income	3,457	1%
Operating Ratio	70.6%	30 bps
Net Earnings	\$ 1,859	2%
EPS	\$1.79	7%

■ Revenue factors

- Total coal revenue declined by \$519 million; volume down 16%
- Merchandise and intermodal revenue grew \$514 million
- Excluding export coal, pricing remained above inflation

■ Expense factors

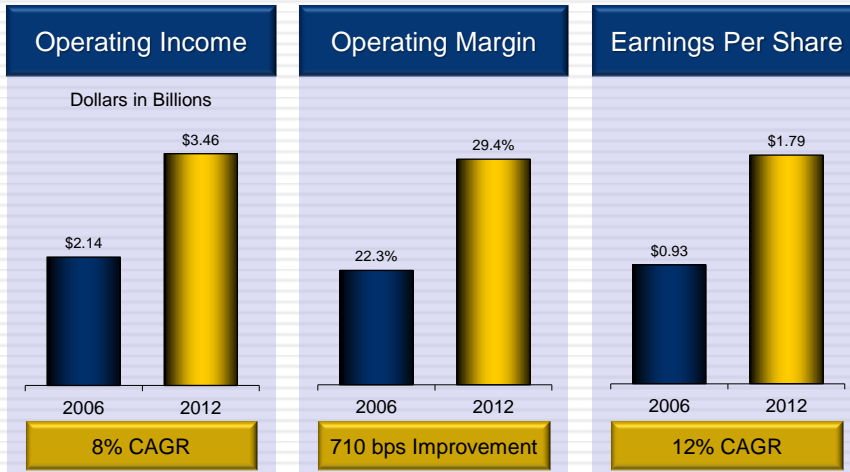
- Generated productivity savings of \$197 million
- Real estate gains and incentive compensation drove benefits
 - Cycling over \$100 million in 2013

4

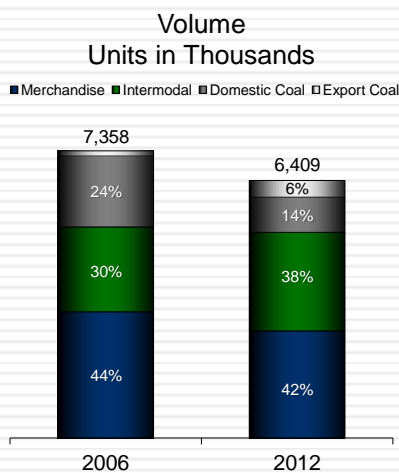
How tomorrow moves



Performance sustains CSX's strong track record. . .



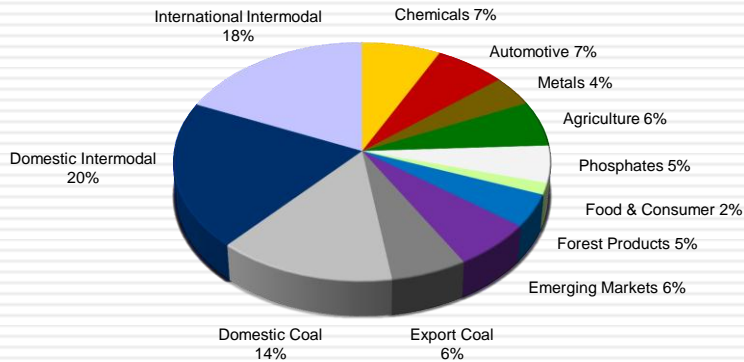
. . . despite significant volume decline and mix shift



- 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

Diverse business will drive long-term growth

2012 Volume by Market
6.4 Million Units



7

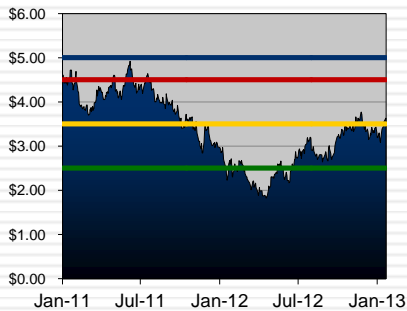
How tomorrow moves **CSX**

Gas prices have risen, but inventories remain high

Domestic Coal

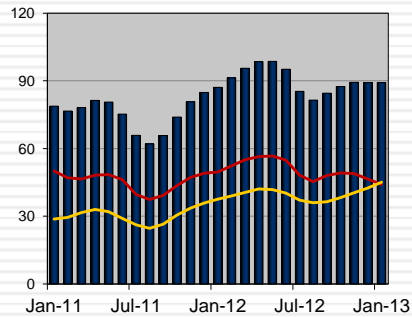
Henry Hub Natural Gas
Price (per mmbtu)

■ Nat Gas ■ PRB ■ ILB ■ NAPP ■ CAPP



Utility Stockpiles
Millions of Short Tons

■ Total ■ North ■ South



Source: Doyle Trading Consultants and PIRA

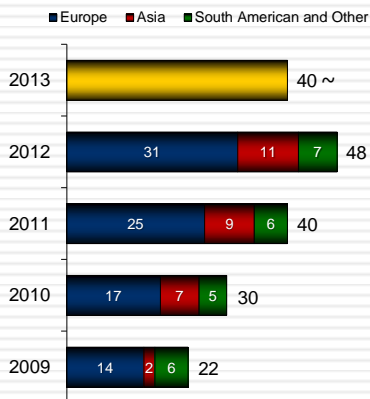
8

How tomorrow moves **CSX**

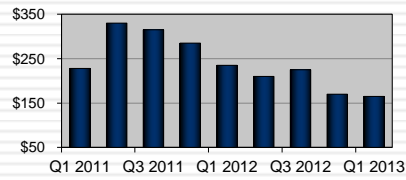
Export coal diversified, but challenged near-term

Export Coal

Export Tons in Millions



Queensland Price Per Ton (Met)



API2 Price Per Ton (Steam)

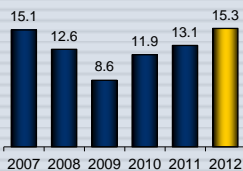


Auto and oil & gas industries drive Industrial sector

Industrial Sector

Automotive

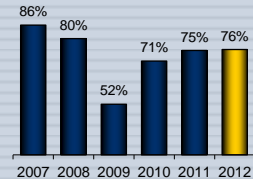
NALVP in Millions



- Production back to pre-recession levels
- Average vehicle age still remains high

Metals

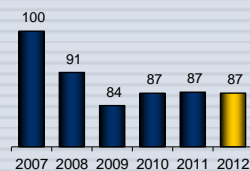
Steel Mill Utilization



- Near-term utilization struggling to exceed 80%
- Long-term growth driven by auto and oil & gas

Chemicals

Chemicals Production Index: 2007=100

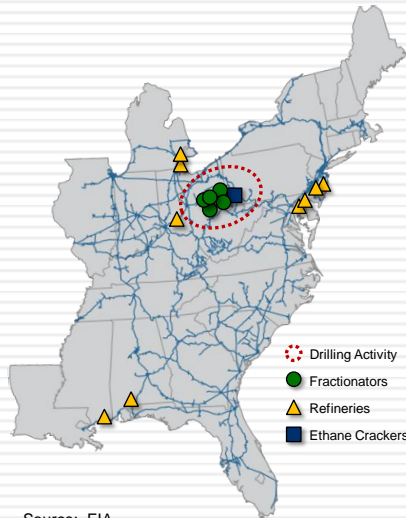


- Output remains below pre-recession levels
- U.S. companies benefiting from low natural gas prices

Source: Global Insights and Bloomberg

U.S. energy renaissance drives industrial growth

Industrial Sector



Source: EIA

- Drilling expected to increase
 - Supports Frac sand and metal pipe
- Growing liquids from drilling
 - LPG volumes increasing
- Eastern refineries increasing usage of domestic crude oil
 - Crude-by-rail volume growing
- Abundant natural gas to drive domestic chemical production
 - Long-term positive for plastics and petrochemicals volumes

11

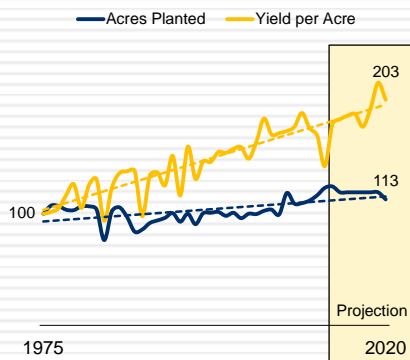
How tomorrow moves



Industry advancements improving crop yields

Agricultural Sector

U.S. Corn Production
Index: 1975=100



Source: USDA and ProExporter

- Drought in 2012 significantly impacted crop yields
 - Demand remains steady
 - Inventories near historic lows
- Soil conditions also impacted by 2012 drought
 - Increase in precipitation critical for 2013 growing season
- Fertilizer and advanced technologies drive crop yields

12

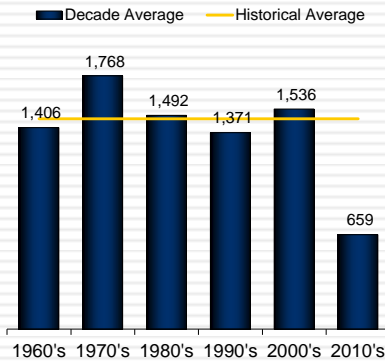
How tomorrow moves



Housing market drives nearly 6% of CSX's business

Construction Sector

U.S. Housing Starts in Thousands



Source: Global Insights

- Housing starts remain well below historical averages
 - 60% growth from 2012 required to reach 50-year average
- Housing starts drive about 5-6% of CSX business
 - Lumber and building products
 - Aggregates and waste
 - Metals and plastics
 - Intermodal
 - Appliances

13

How tomorrow moves

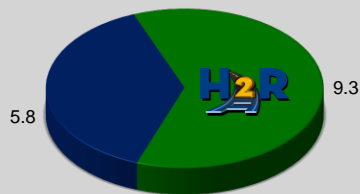


H2R, global consumption drive intermodal growth

Intermodal

Domestic Eastern Market 15 Million Units

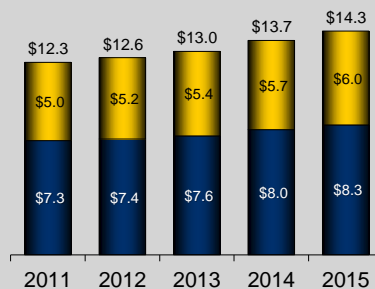
■ 2012 Eastern Intermodal Loads ■ Opportunity



Freight volume for lengths of haul over 550 miles

U.S. International Trade Dollars in Billions

■ Imports ■ Exports



Source: AAR CS54 data and Global Insight's Transearch data

14

How tomorrow moves



Investments enhance intermodal network capabilities

Intermodal



- Driving efficiencies through double-stack clearances
 - Double-stack volume is 80% today; over 90% by 2015
- New and expanded terminals address market opportunity
 - Expanded Worcester, Charlotte and Columbus recently
 - Baltimore, Winter Haven and Pittsburgh reflect new terminals
 - Montreal terminal will expand NAFTA trade opportunities

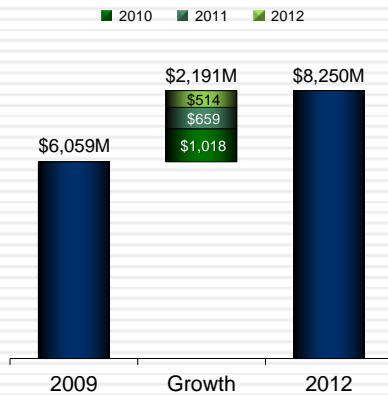
15

How tomorrow moves

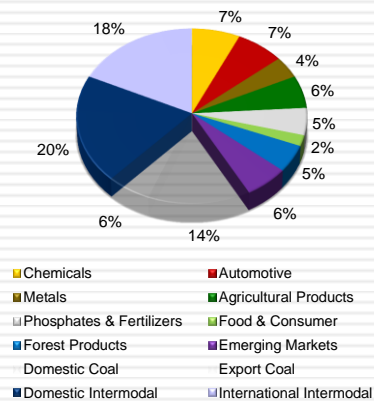


Merchandise and Intermodal growth remains strong

Merchandise and intermodal revenue has grown \$2.2B . . .



. . . and now represents nearly 80% of total volume



16

How tomorrow moves



Wrap-up . . .

- Earnings growth and margin expansion in 2012
 - *Merchandise and intermodal growth, plus productivity overcame coal headwinds*
- Coal markets will remain challenged in 2013
 - *Low gas prices, high inventories and lower global demand are key drivers*
- Merchandise/intermodal growth expected to exceed GDP
 - *Profitable growth across all markets supported by superior service product*
- New energy environment creates opportunities
 - *Crude-by-rail opportunity coming east; low gas prices reindustrializing America*



2013 **STIFEL NICOLAUS**
TRANSPORTATION & LOGISTICS CONFERENCE

