



2014 FIRST QUARTER EARNINGS CONFERENCE CALL

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

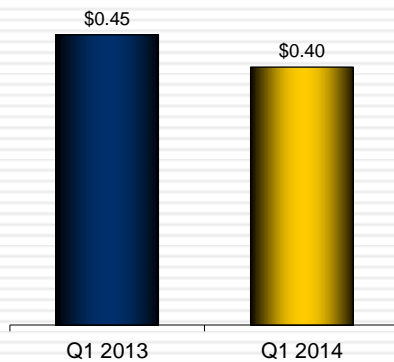
Michael Ward
Chairman, President and
Chief Executive Officer

How tomorrow moves [CSX]

First quarter performance . . .

Volume 1,620K Revenue \$3,012M Operating Income \$739M Operating Ratio 75.5% EPS \$0.40

Earnings Per Share

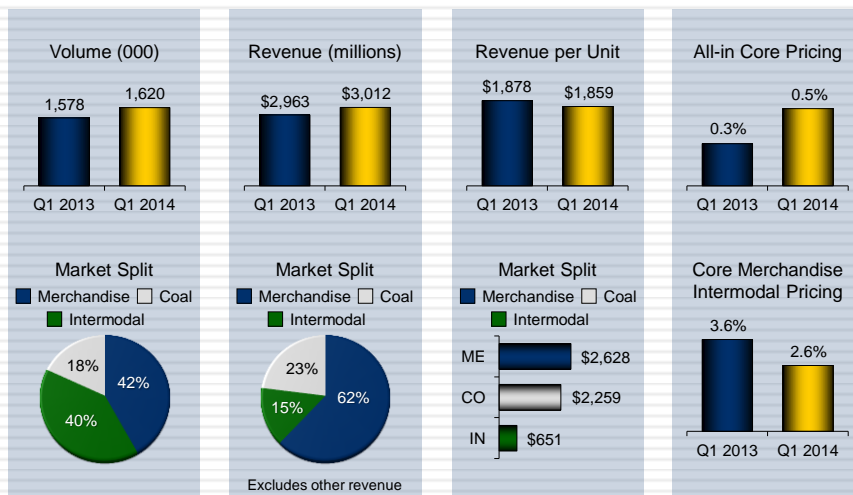


- Revenue increases 2%
 - Merchandise and Intermodal growth offsets coal decline
- Operations impacted
 - Costs increase on winter weather
 - Resources in place to gradually restore service levels
- Financial results
 - Operating income declines 16% to \$739 million
 - Operating ratio increases 520 basis points to 75.5%

Sales and Marketing Review

Clarence Gooden
 Executive Vice President
 Chief Sales and Marketing Officer

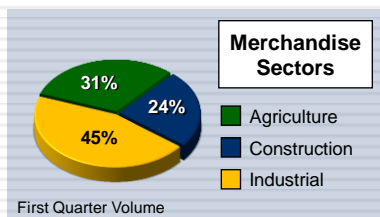
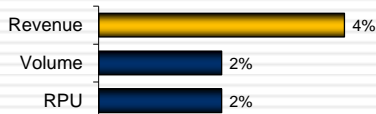
Sales and Marketing summary . . .



Merchandise revenue increases 4%

Revenue \$1,787M Volume 680K RPU \$2,628

First Quarter Year-Over-Year Change



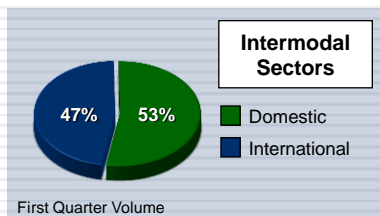
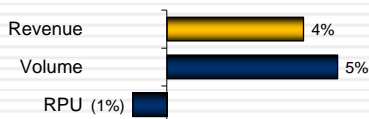
First Quarter Summary

- Strong 2013 harvest continues to drive Agricultural Sector growth
 - Broad strength in feed grain and ethanol shipments
- Construction Sector down on weather-related challenges
 - Impact offsets continued recovery in housing and construction markets
- Energy-related volume leads growth in Industrial Sector
 - Growth more than offsets declines in metals and automotive markets

Intermodal revenue increases 4%

Revenue \$421M Volume 647K RPU \$651

First Quarter Year-Over-Year Change



First Quarter Summary

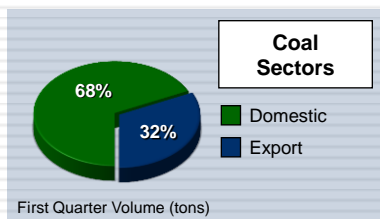
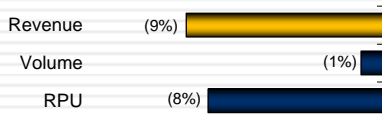
- Domestic and international growth drives first quarter record
 - Highway-to-rail conversions and recovering economy driving growth
- Core pricing gains and higher fuel recovery offset by mix
- Terminal and capacity investment driving sustainable growth
 - Winter Haven now operational; Montreal to open in late 2014



Coal revenue decreases 9%

Revenue \$662M Volume 293K RPU \$2,259

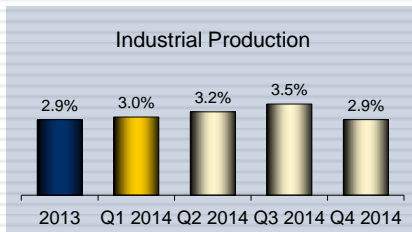
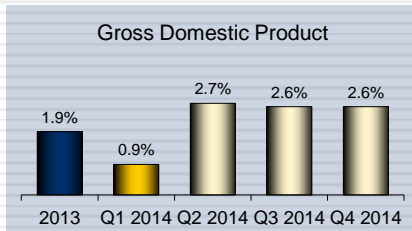
First Quarter Year-Over-Year Change



First Quarter Summary

- Export volume declines 15%
 - Reflects soft global market conditions
- Domestic volume increases 8%
 - Reflects gains in northern utility volumes, including competitive gain
- RPU impacted by lower export rates and negative mix

Underlying macro-economy constructive for growth



Source: April ISM and Global Insight, with quarterly figures representing the year-over-year change

Overall outlook for second quarter is favorable

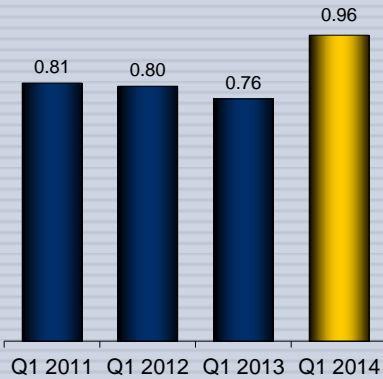
Outlook	Markets	Drivers
Favorable 83% of volume	■ Agricultural Products	■ Strong 2013 harvest shipments to continue
	■ Food & Consumer	■ Increase in food and beverage shipments
	■ Chemicals	■ Strength in energy-related markets continues
	■ Metals	■ Steel production expected to increase
	■ Forest Products	■ Recovery in residential construction continues
	■ Minerals	■ Construction market driving aggregate demand
	■ Waste & Equipment	■ Increase in wind energy shipments
	■ Intermodal	■ H2R conversions and organic growth to continue
	■ Domestic Coal	■ Normalizing inventory levels increasing demand
	Neutral 17% of volume	■ Export Coal
■ Automotive		■ Project modest growth for N.A. vehicle production
■ Phosphate & Fertilizer		■ Moderate increase in short-haul phosphate rock

Operations Review

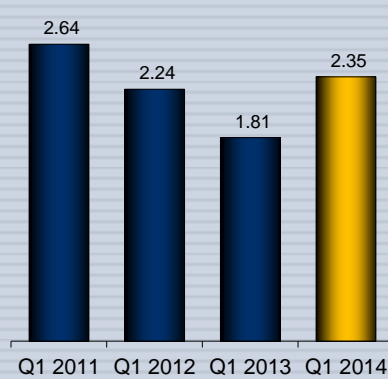
Oscar Munoz
Executive Vice President
Chief Operating Officer

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

FRA Personal Injury Rate



FRA Train Accident Rate



Network performance impacted by weather

On-time Originations



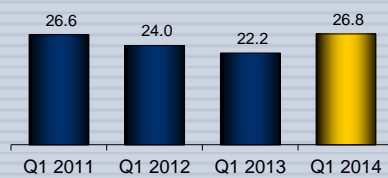
Train Velocity (mph)



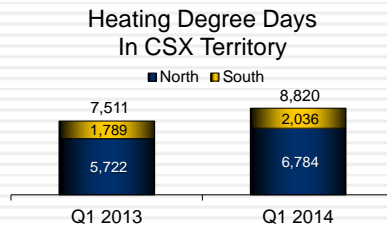
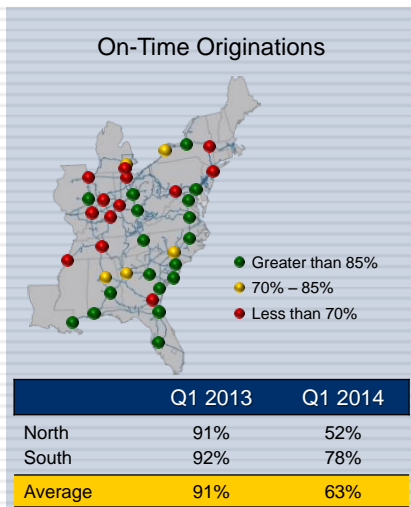
On-time Arrivals



Terminal Dwell (hours)



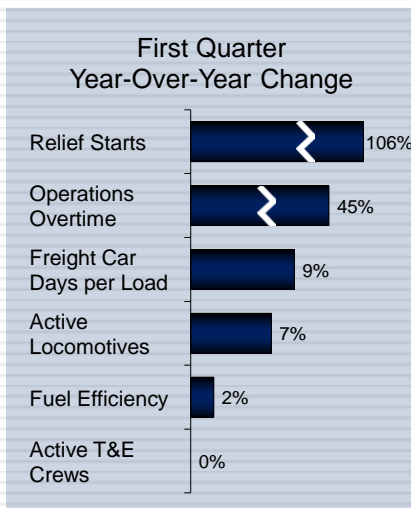
Winter's impact widespread across CSX's network



Total Snowfall in Inches

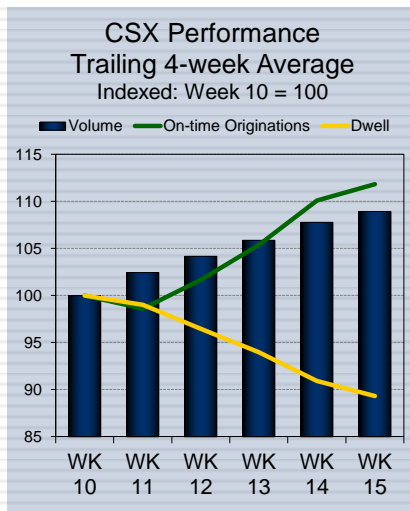
City	2014	vs. 2013
Chicago, IL	85	216%
Northwest Ohio	82	252%
Albany, NY	68	39%
Indianapolis, IN	53	58%
Baltimore, MD	39	384%
Louisville, KY	25	179%

As a result, operating costs are up significantly



- Overtime up across all operating departments
 - Weather-driven track, signal, loco failures up significantly
- Locomotives pulled out of storage and leased
 - Offsets loss of availability and helps with recoverability
- Crew availability remains at prior year levels
 - Adequately resourced with crews completing training

Service recovering; costs will linger in second quarter



- Higher resource investments will ensure recoverability
 - Service recovery is necessary to handle projected volume growth
- Chicago remains challenging for CSX and the industry
 - Recovery will take longer due to the complexity of interchange
- Making progress to restore fluidity, but it will take time
 - Extra resources deployed until service returns to normal

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How tomorrow moves



Operations wrap-up . . .

- Service impacts have been widespread due to weather
 - Northern region hit harder, but effects were felt across the network
- CSX adequately resourced for recovery
 - Dedicated to returning to high levels achieved prior to severe weather
- Unlikely to achieve \$130 million productivity target
 - Cost impacts likely to linger into the second quarter
- Focused on long-term commitment to service
 - Driving efficiency, but not through near-term cuts that could impact customers

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How tomorrow moves



Financial Review

Fredrik Eliasson
Executive Vice President
Chief Financial Officer

How tomorrow moves 

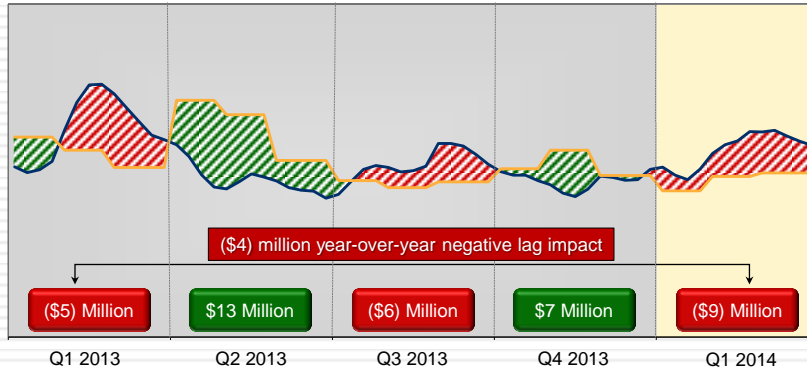
First quarter earnings summary . . .

	First Quarter Results		
Dollars in millions, except EPS	2014	2013	Variance
Revenue	\$ 3,012	\$ 2,963	2%
Expense	2,273	2,083	(9%)
Operating Income	\$ 739	\$ 880	(16%)
Interest Expense	(140)	(147)	
Other Income (net)	7	(3)	
Income Taxes	(208)	(268)	
Net Earnings	\$ 398	\$ 462	(14%)
Fully Diluted Shares in Millions	1,008	1,023	
Earnings Per Share	\$ 0.40	\$ 0.45	(11%)

Fuel lag headwind is \$4 million year-over-year

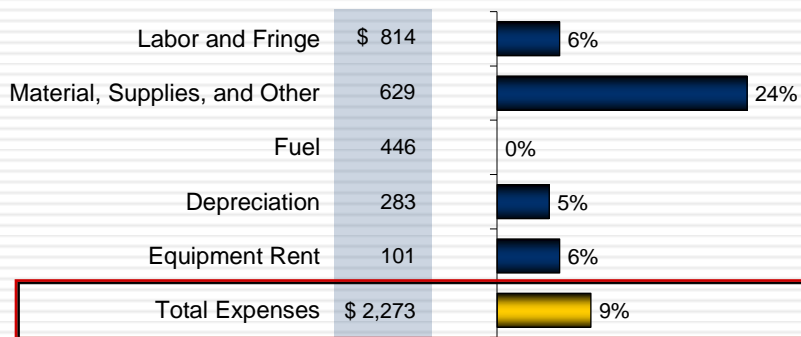
Fuel Surcharge Lag Impact

— Weekly Highway Diesel — Monthly Highway Diesel (two-month lag) ■ Negative Impact ■ Positive Impact

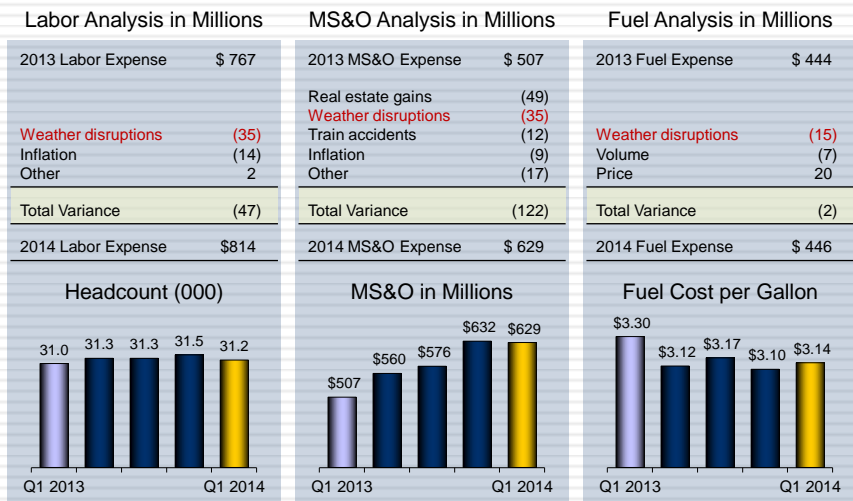


Total expense increases 9% overall

First Quarter Operating Expenses and Year-Over-Year Percentage Change



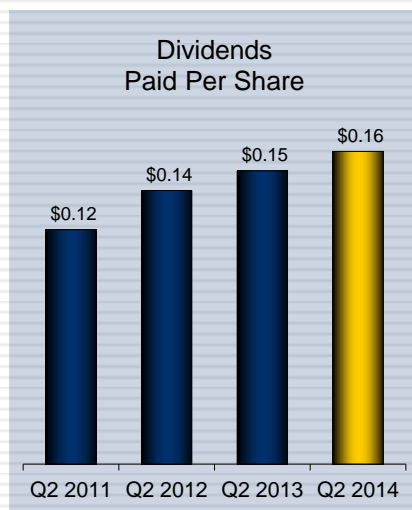
First quarter expense analysis . . .



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How tomorrow moves **CSX**

Increasing dividend 7% starting in second quarter



- Weather impact not reflective of core earning power
 - Temporarily reduces trailing twelve month earnings per share
- Expect full-year EPS to better reflect true earning power
 - Full-year results expected to support payout ratio of 30%-35%
- Builds on eleven increases over the last eight years
 - Dividend has increased at a CAGR of 20% over the period

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How tomorrow moves **CSX**

Financial wrap-up . . .

- Core earning power remains strong
 - *Broad-based strength across markets will drive long-term growth*
- Near-term focus on restoring service
 - *Productivity gains will be balanced against restoring superior service levels*
- Expect modest earnings growth for full year 2014
 - *Overcome first quarter shortfall with improving domestic coal environment*
- Double-digit earnings growth sustainable starting in 2015
 - *Continue to target a mid-60s operating ratio longer-term*

Concluding Remarks

Michael Ward
Chairman, President and
Chief Executive Officer

Relentless pursuit of excellence . . .



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A collage of three images: a CSX freight train crossing a long bridge over a lake with mountains in the background; a city skyline with several tall buildings; and a close-up of a train engine's front end. The collage is set against a dark blue background with a yellow bar at the bottom right.

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The CSX logo and tagline are repeated in a smaller size in the bottom right corner of the collage, positioned above the yellow bar.