



**BERNSTEIN 34TH ANNUAL
STRATEGIC DECISIONS CONFERENCE**

James M. Foote
President and Chief Executive Officer





FORWARD-LOOKING DISCLOSURE

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.



NON-GAAP MEASURES DISCLOSURE

CSX reports its financial results in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). CSX also uses certain non-GAAP measures that fall within the meaning of Securities and Exchange Commission Regulation G and Regulation S-K Item 10(e), which may provide users of the financial information with additional meaningful comparison to prior reported results.

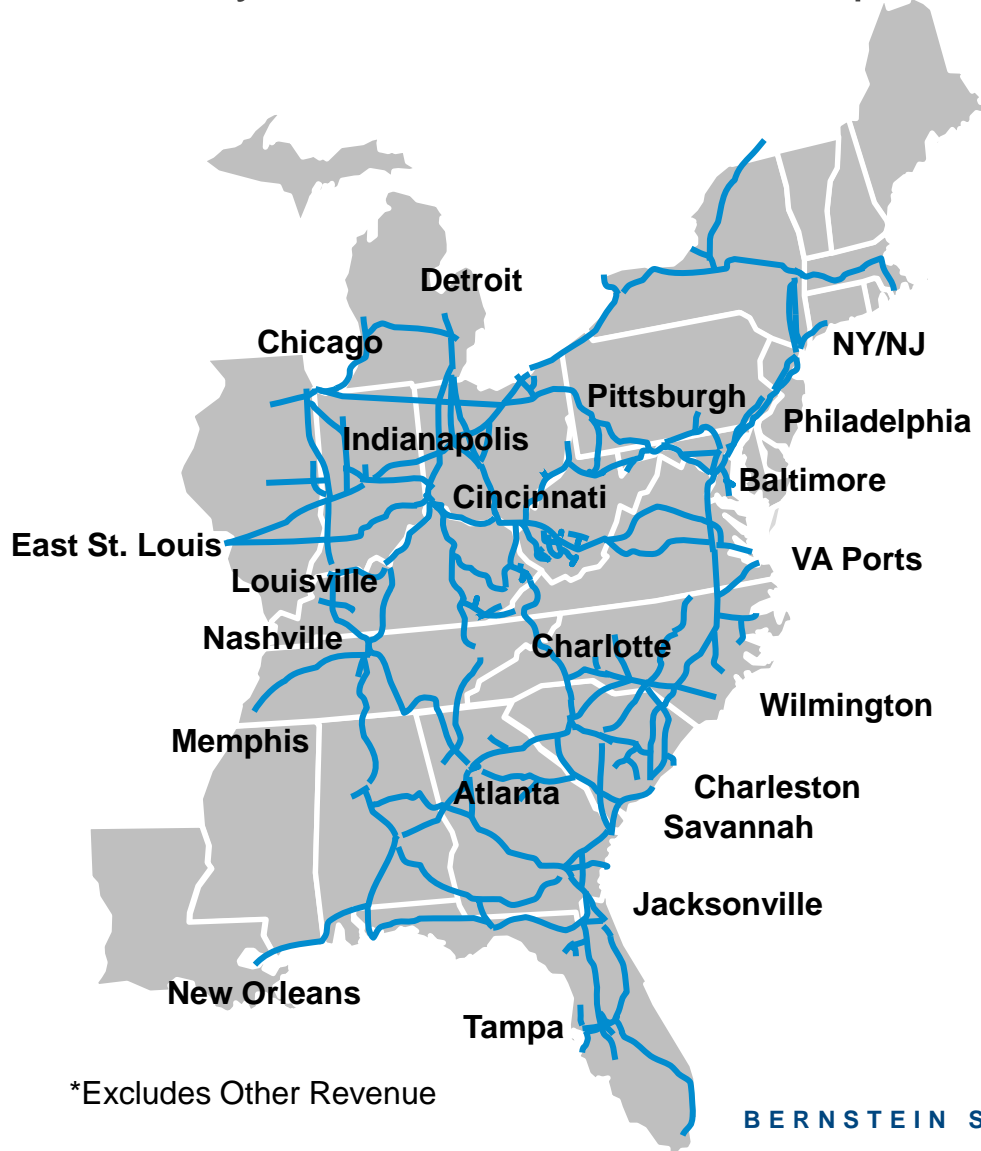
Non-GAAP measures do not have standardized definitions and are not defined by U.S. GAAP. Therefore, CSX's non-GAAP measures are unlikely to be comparable to similar measures presented by other companies. The presentation of these non-GAAP measures should not be considered in isolation from, as a substitute for, or as superior to the financial information presented in accordance with GAAP. Reconciliations of non-GAAP measures to corresponding GAAP measures are attached hereto in the Appendix of this presentation.



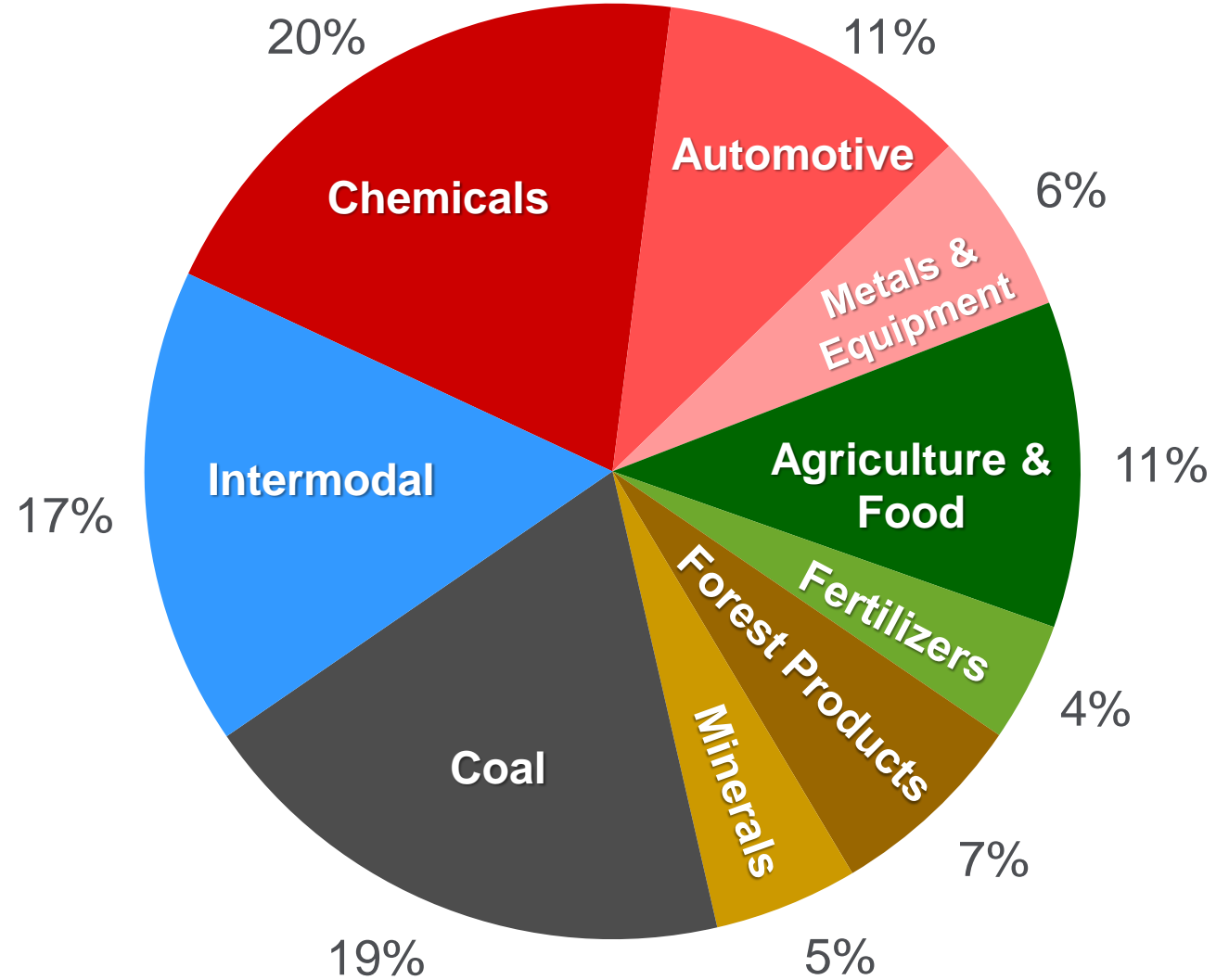
CSX: FAR-REACHING AND DIVERSE REVENUE BASE

CSX network reaches nearly two-thirds of the U.S. Population

LTM Revenue by Market: ~\$11 Billion*



*Excludes Other Revenue





TRANSFORMING CSX INTO THE BEST RUN RAILROAD IN NORTH AMERICA

**TRANSITIONING TO NEW
SCHEDULED RAILROAD BUSINESS MODEL**

SAFEST

CONSISTENT, RELIABLE SERVICE

BEST OPERATING MARGINS





STREAMLINING NETWORK AND ASSET BASE

Hump Yards	12	4	Removing large fixed cost centers
Operating Regions	9	4	Streamlining operations
Major Locomotive Shops	10	5	Reducing footprint While improving locomotive failure rate by 26%
Dispatching Offices	9	1	Consolidating to improve communication
Active Locomotive Fleet	~3,900*	~2,900	Improving locomotive efficiency
Cars On-Line	~128,000	~113,000	Reducing asset turn times

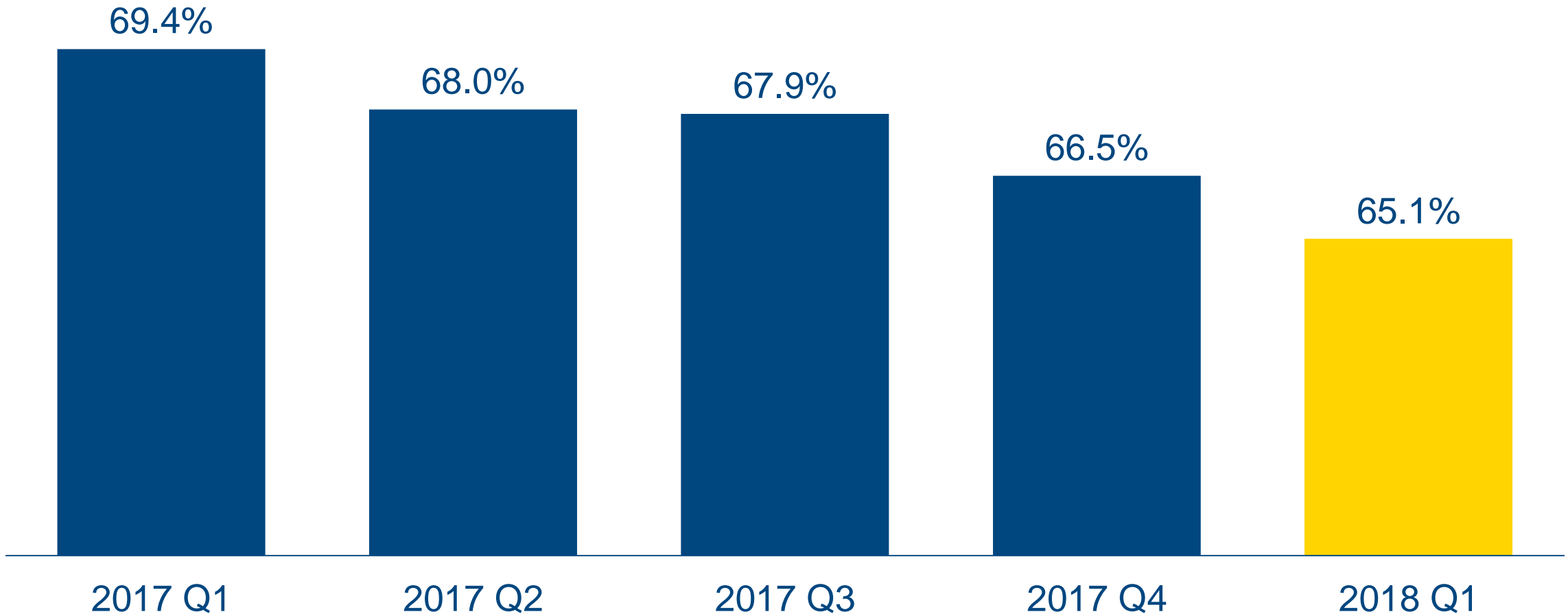
Note: Q1 2018 year-over-year changes

*As of January 1, 2017



CSX HAS MADE STEP FUNCTION MARGIN IMPROVEMENTS

Trailing Twelve-Month Adjusted Operating Ratio



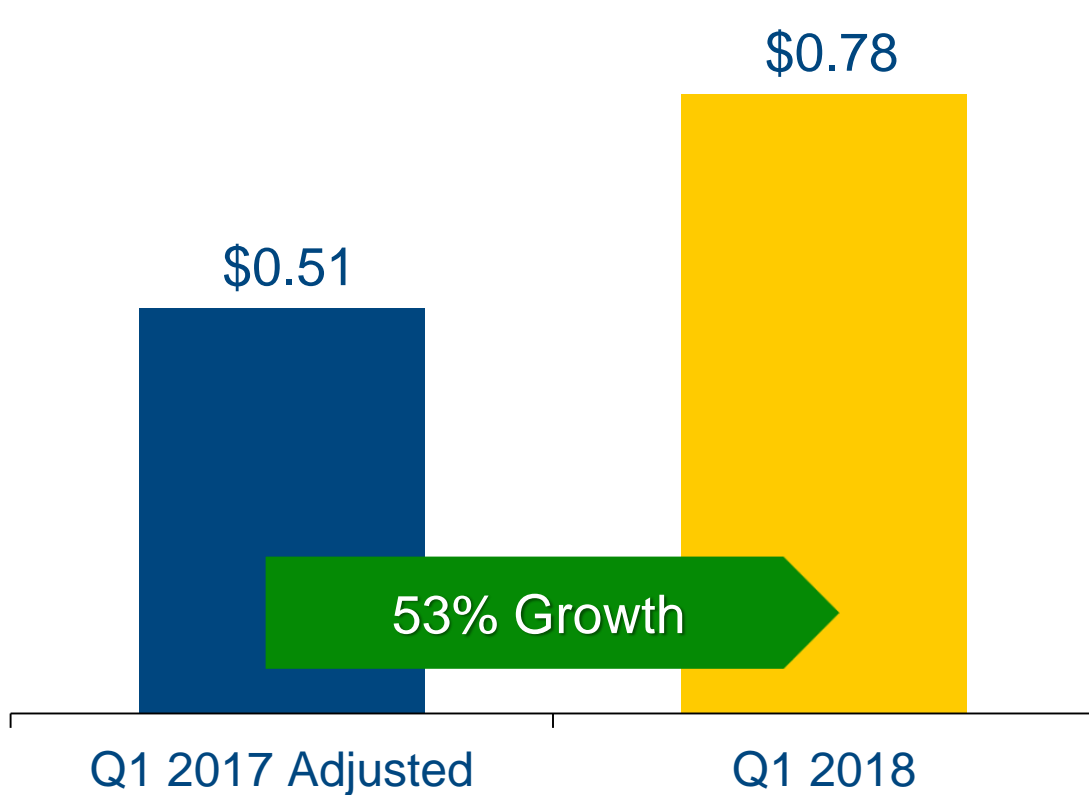
Note: Non-GAAP results exclude restructuring charges and tax reform benefit on equity earnings from affiliates, and further adjusted for a property sale gain of \$115M in Q4 2016. All periods include pension reclassification to conform to current presentation.



FIRST QUARTER FINANCIAL HIGHLIGHTS

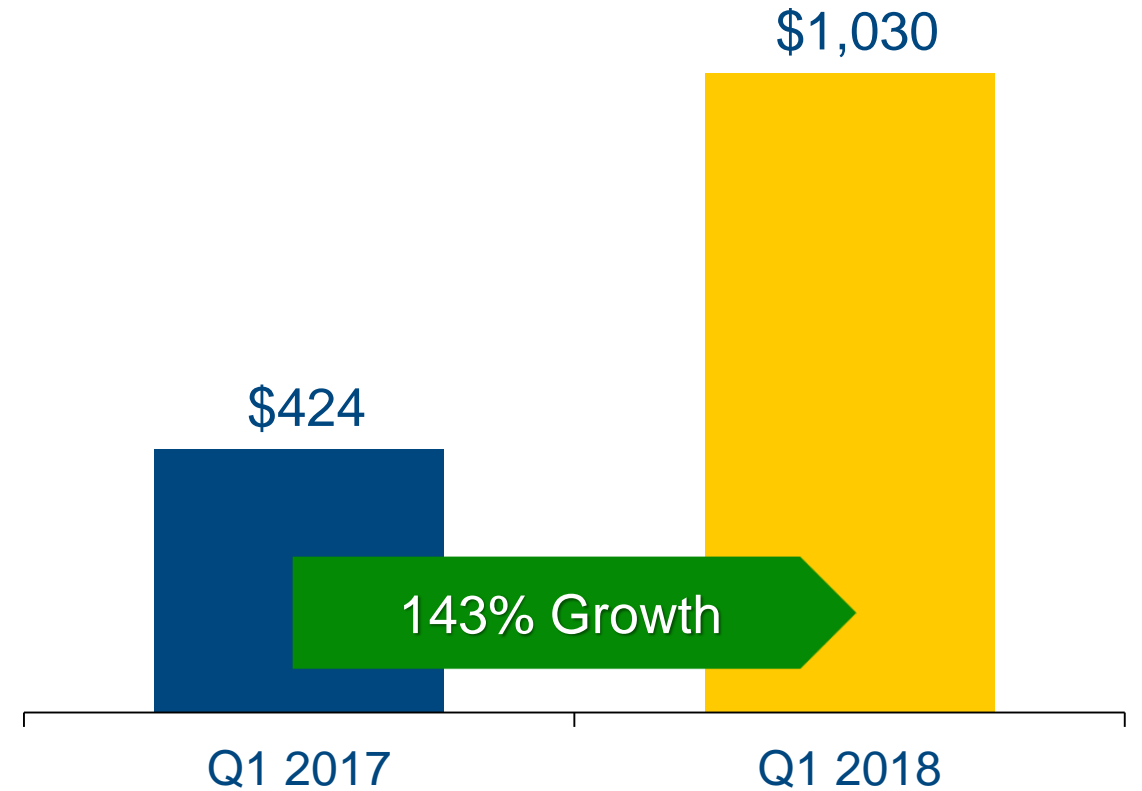
Earnings per Share

1st Quarter Record



Shareholder Distributions (\$M)

Expect Full Year Record

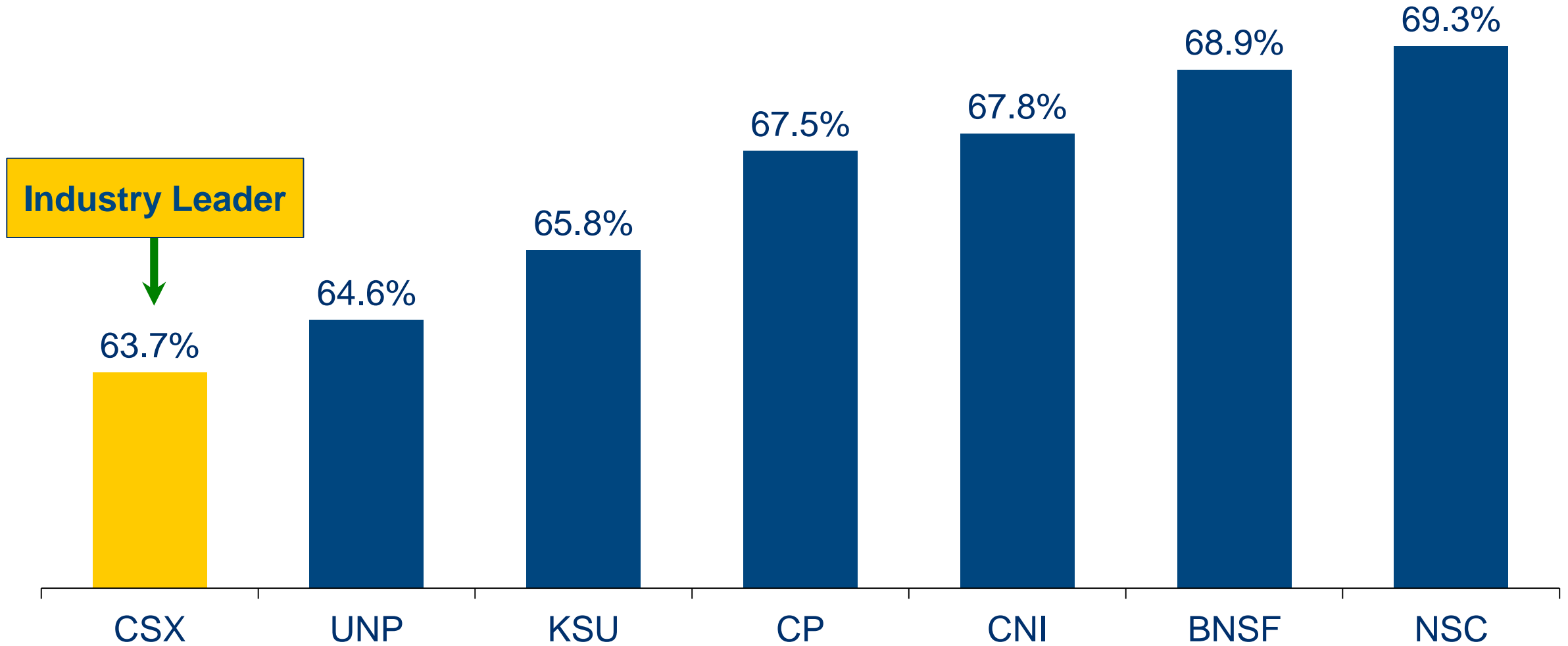


Note: Q1 2017 results adjusted for restructuring charges



CSX POSTED BEST MARGINS IN THE INDUSTRY

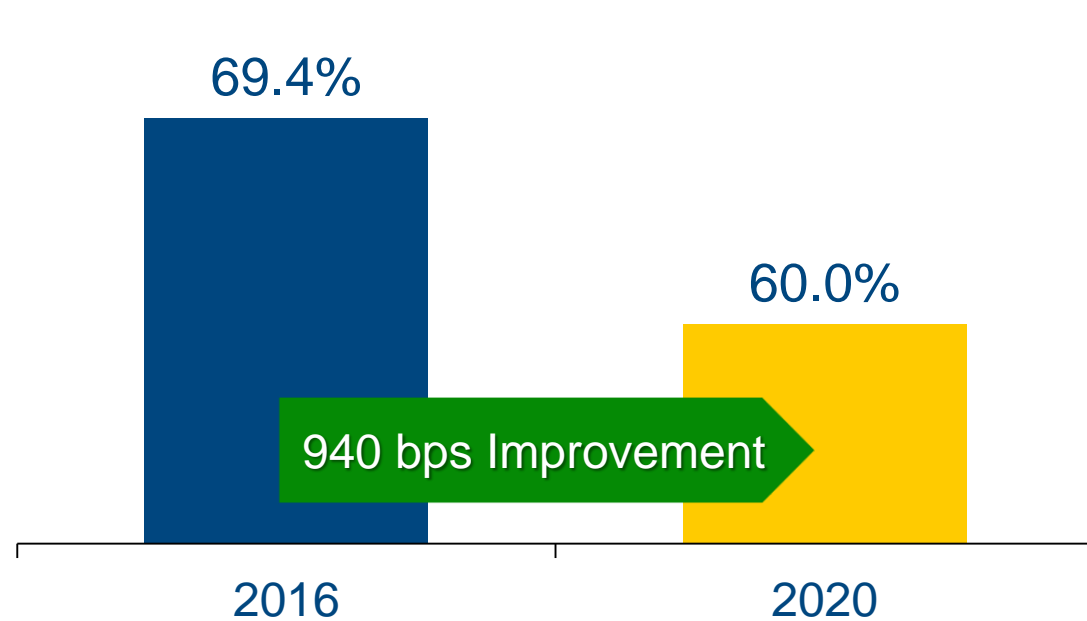
Q1 2018 Operating Ratio





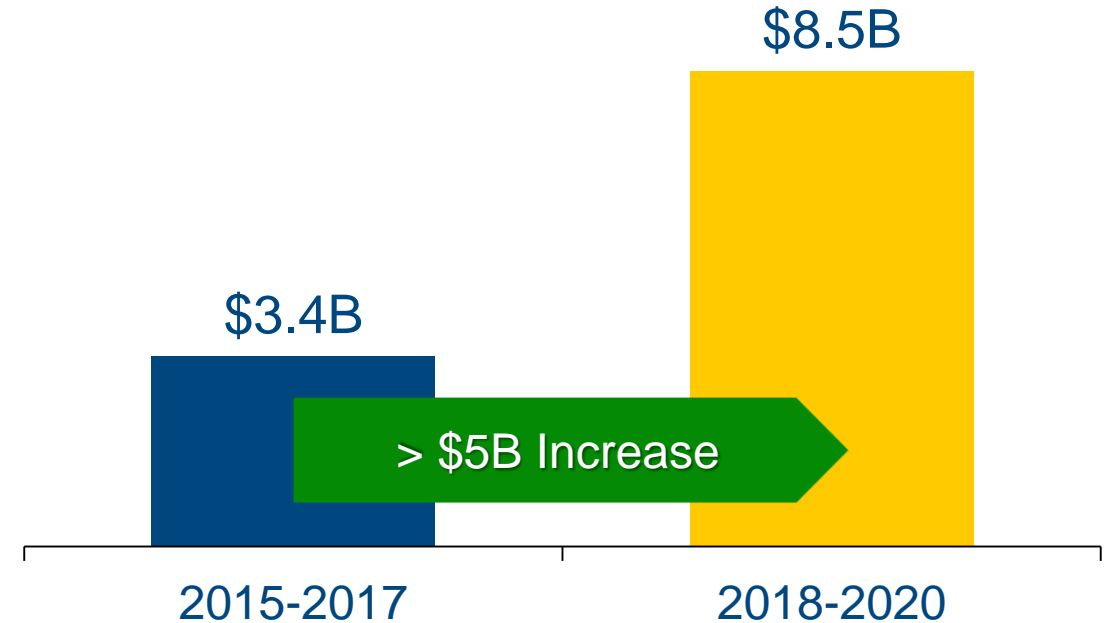
BECOMING THE BEST RAILROAD IN NORTH AMERICA

Operating Ratio



Improving margins with significant efficiency gains

3-Year Cumulative Free Cash Flow



Generating substantial cash to support shareholder distributions