

2025 THIRD QUARTER CONFERENCE CALL



10.16.2025





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.

OPENING COMMENTS

Steve Angel

President and Chief Executive Officer



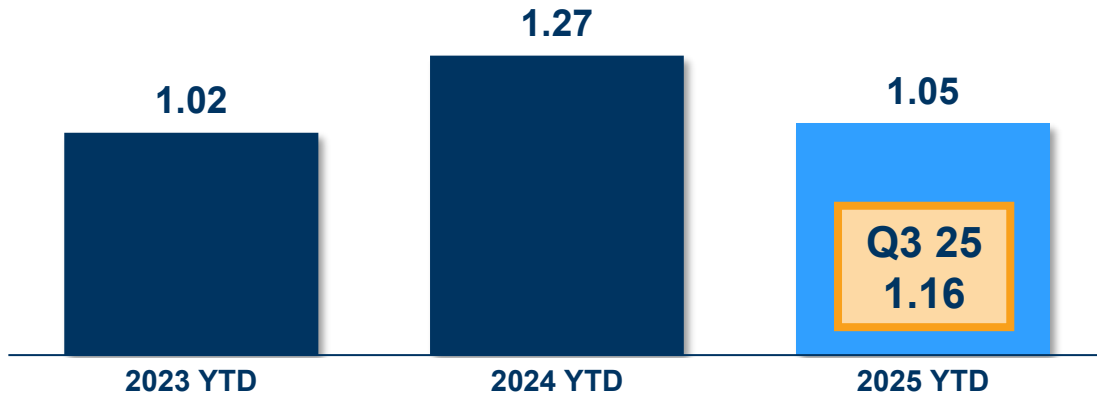
OPERATIONS REVIEW

Mike Cory

Executive Vice President and Chief Operating Officer



FRA Personal Injury Frequency Index

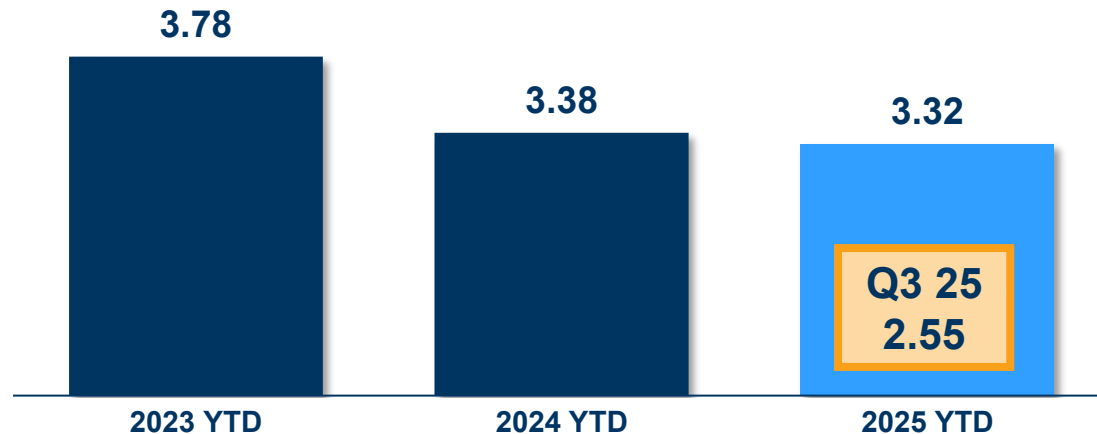


➤ FRA injury rate 17% lower year-to-date, with 21% fewer total injuries

➤ Injuries resulting in lost time down 23% year-to-date

➤ FRA train accident safety performance in Q3 was the best quarter since the end of 2023

FRA Train Accident Rate

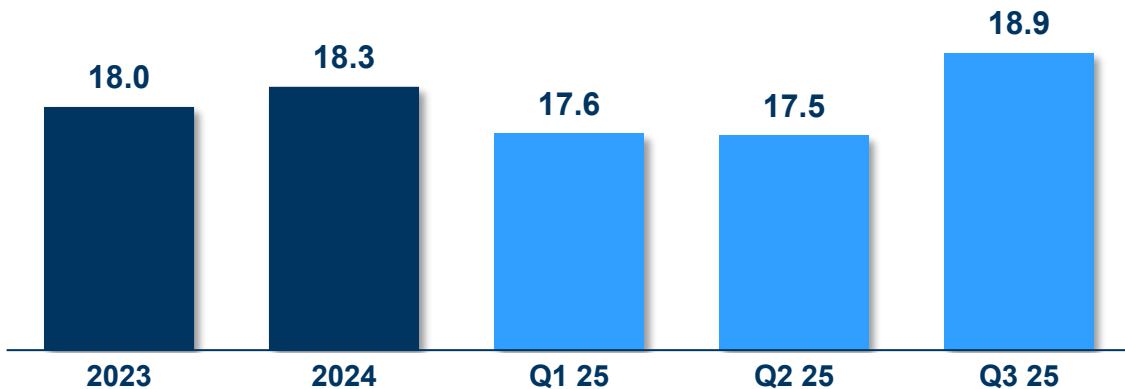


➤ Continue to see improvement in human-factor accidents, which are down 16% year-to-date

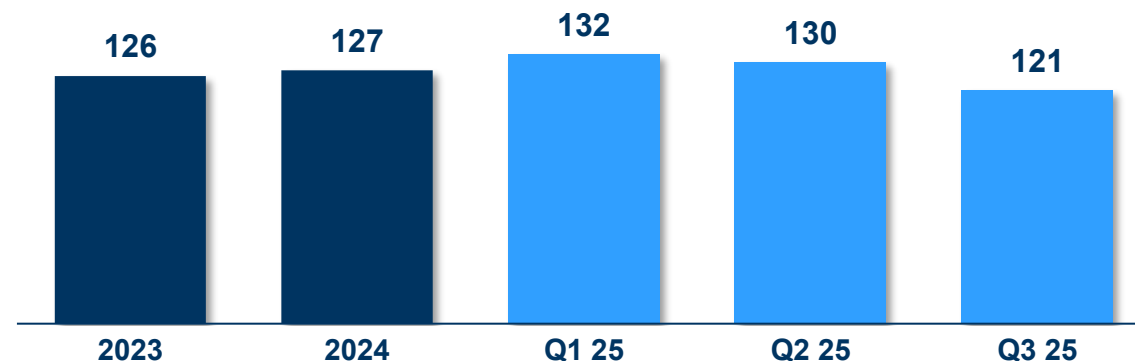


Third Quarter Key Operating Metrics

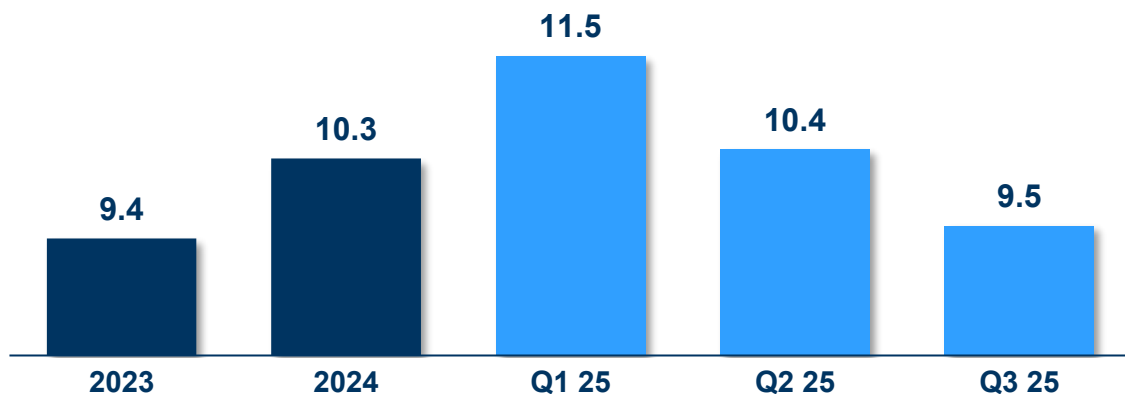
Velocity (MPH)



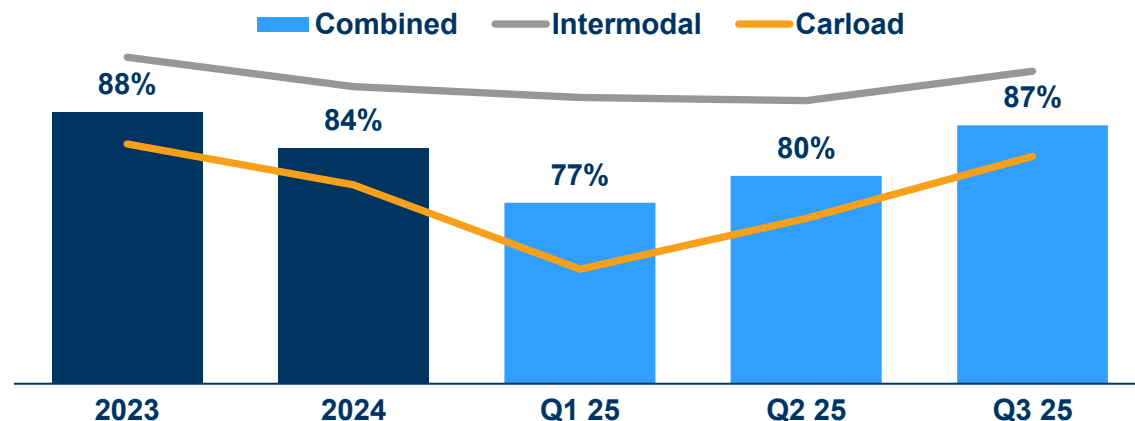
Cars Online (000s)



Dwell (Hours)



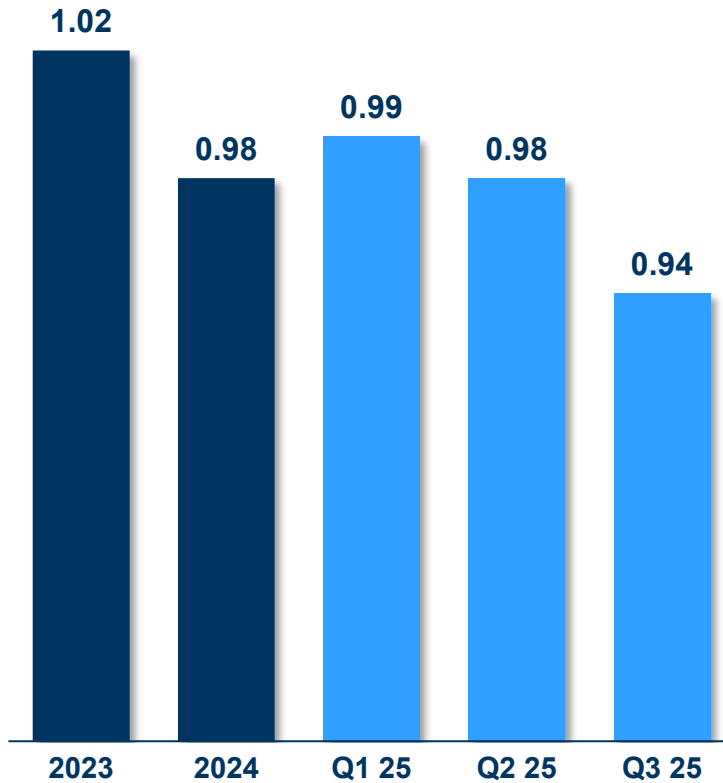
Trip Plan Compliance



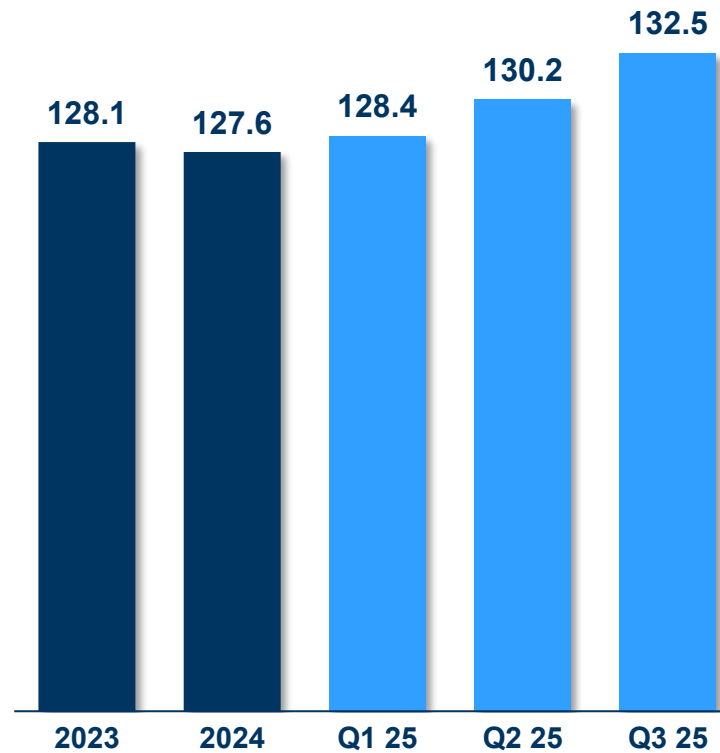


Third Quarter Efficiency Metrics

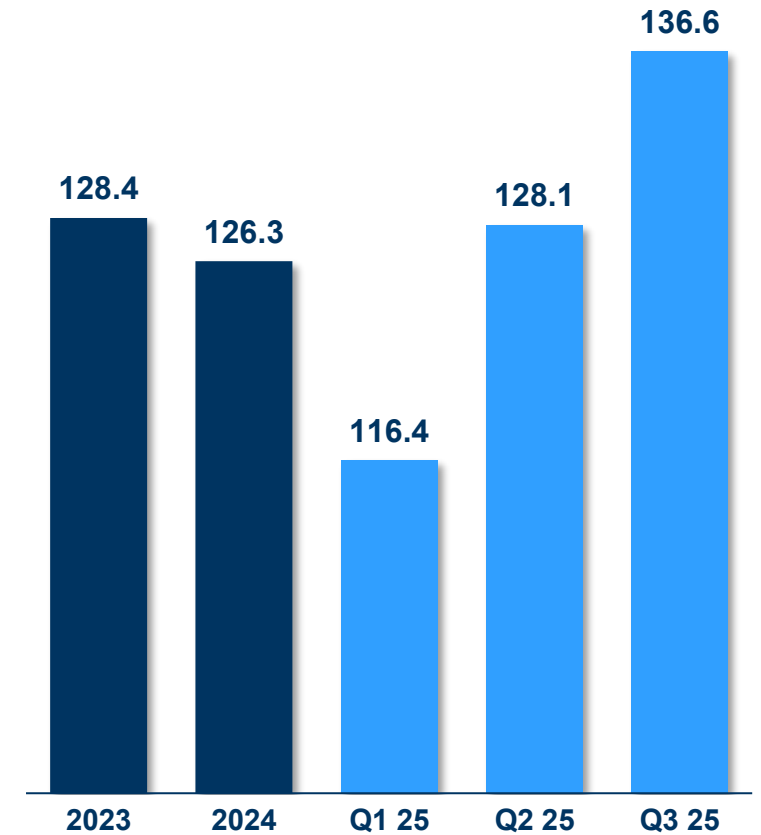
Fuel Efficiency
(Gal/kGTM)



GTMs / Available Horsepower



Car Miles / Day



Howard St Tunnel – Sept 26



Blue Ridge Subdivision – Oct 2



SALES & MARKETING REVIEW

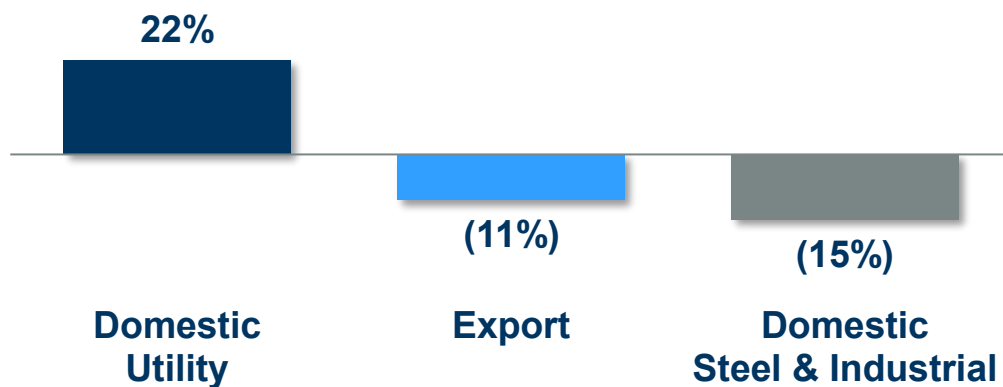
Kevin Boone

Executive Vice President and Chief Commercial Officer

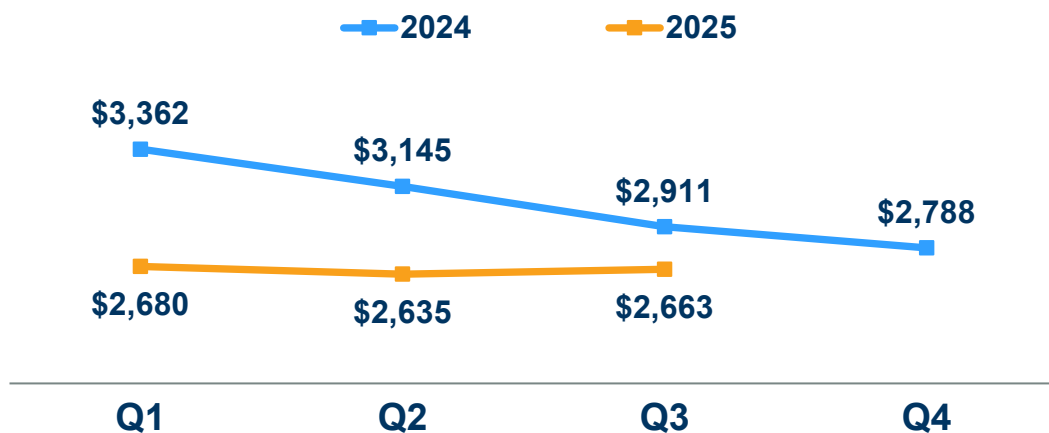


	Q3 25 Volume YoY		Q3 25 Revenue YoY		
Minerals		8%		12%	Record aggregates shipments, continued infrastructure demand
Fertilizers		7%		7%	Improved production at key phosphate producer
Metals & Equipment		5%		8%	Strength in scrap and pipe due to competitive wins and construction project activity
Automotive		1%		2%	Increased vehicle production
Forest Products	(7%)		(5%)		Plant closures and temporary outages, soft housing market
Chemicals	(7%)		(4%)		Broader market softness, tariff and trade uncertainties
Agriculture & Food	(7%)		(8%)		Softer feed grain, soybean, and ethanol shipments
Merchandise	(1%)		(1%)		

Q3 25 Tonnage YoY

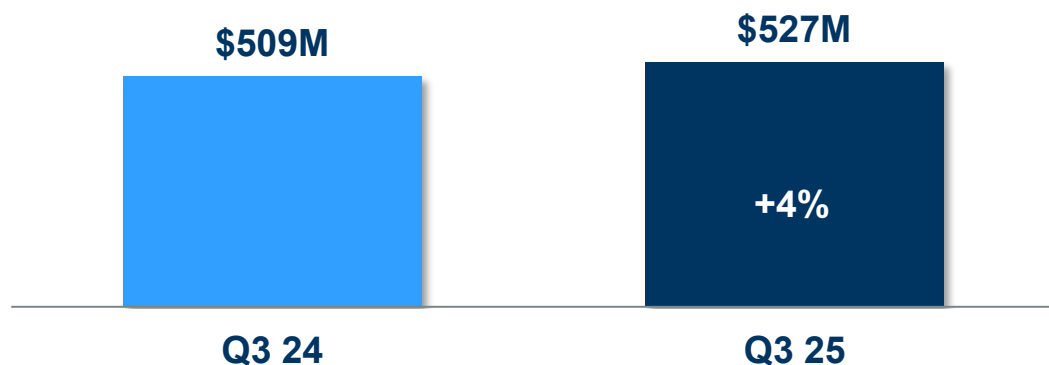


Coal Revenue per Unit



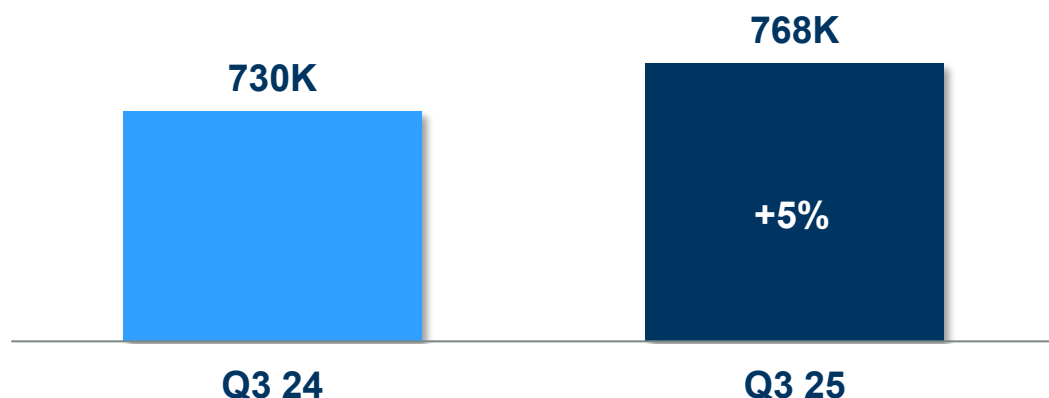
- › **Q3 Coal Revenue down (11%) YoY** primarily due to lower global benchmark pricing, as well as declines in Export and Steel & Industrial volume
- › **Export Coal** saw favorable trends through the quarter driven by strong operational performance and a mine reopening
 - YoY headwind from export benchmark price continuing to diminish into Q4
- › **Steel & Industrial Coal** impacted by weak steel markets and tariff impacts
- › Long-term outlook for **Domestic Utility Coal** remains strong, supported by growing power demand and coal plant retirement extensions

Q3 Intermodal Revenue



- › Intermodal saw **solid revenue and volume growth** despite soft trucking market conditions
- › Strong **International** shipments drove 3Q results, benefiting from higher port volumes and growth with key customers
 - Recent, more moderate run-rate expected to continue through the remainder of the year

Q3 Intermodal Volume



- › Momentum in **Domestic** volumes supported by new service partnerships and share wins

FINANCIAL REVIEW

Sean Pelkey

Executive Vice President and Chief Financial Officer

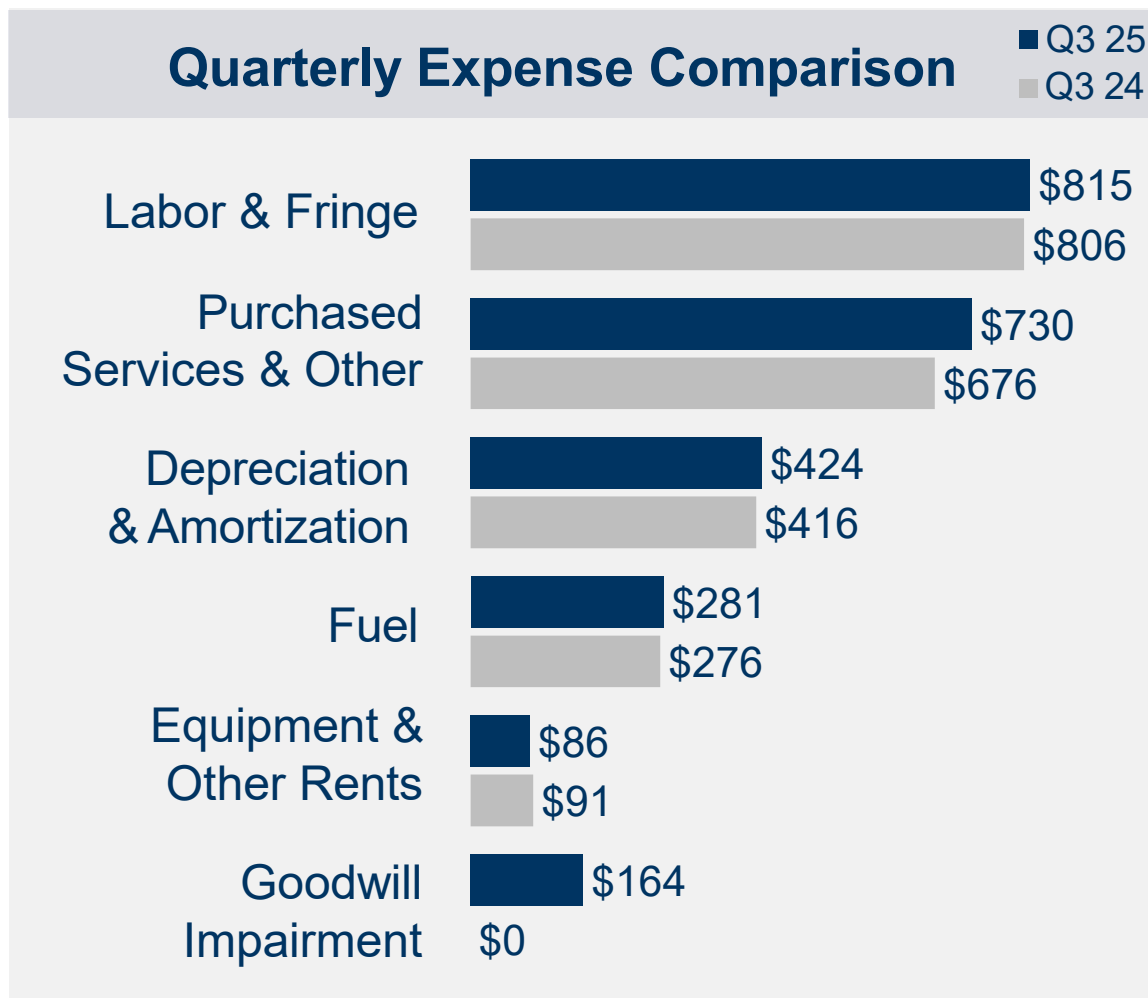




Third Quarter Earnings Summary

Third Quarter Income Statement

<i>Dollars in Millions</i>	Q3 2025 GAAP	Goodwill Impairment	Q3 2025 Adjusted	Q3 2024	GAAP Variance	Adjusted Variance
Revenue	\$3,587	-	\$3,587	\$3,619	(1%)	(1%)
Expense	2,500	(164)	2,336	2,265	(10%)	(3%)
Operating Income	\$1,087	164	\$1,251	\$1,354	(20%)	(8%)
Interest Expense & Other Income - Net	(189)	-	(189)	(170)	(11%)	(11%)
Income Tax Expense	(204)	(40)	(244)	(290)	30%	16%
Net Earnings	\$694	\$124	\$818	\$894	(22%)	(9%)
Earnings Per Share	\$0.37	\$0.07	\$0.44	\$0.46	(20%)	(4%)
Operating Margin	30.3%	4.6%	34.9%	37.4%	(710 bps)	(250 bps)
Income Tax Rate	22.7%	0.3%	23.0%	24.5%	180 bps	150 bps
Average Shares Outstanding, Assuming Dilution (<i>Millions</i>)	1,867	-	1,867	1,940	4%	4%



- Labor variance includes severance costs and inflation, offset by reduced incentive compensation and rail headcount efficiency
- PS&O efficiency gains more than offset by a prior-year favorable inventory adjustment, restructuring & advisory costs, network disruptions, inflation, and other net increases
- Depreciation expense up due to a larger asset base
- Fuel and Rents impacted by re-route costs, as well as a higher gallon price and inflation, offset by efficiency and other items



Third Quarter Cash Flow and Distributions

Property Additions

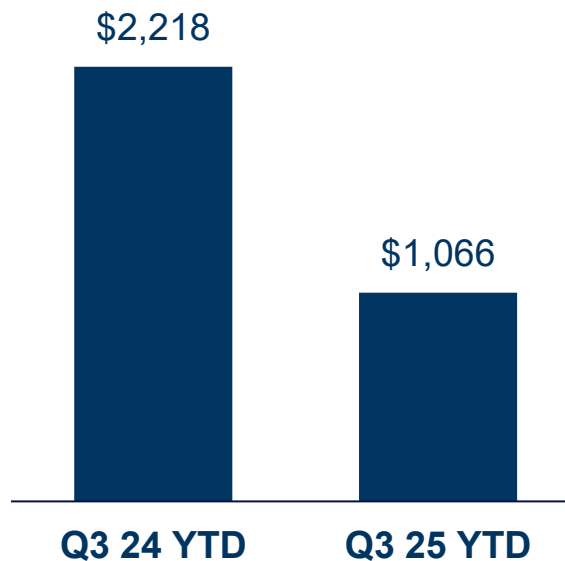
In Millions

■ Core Spend ■ Blue Ridge Rebuild



Free Cash Flow Before Dividends*

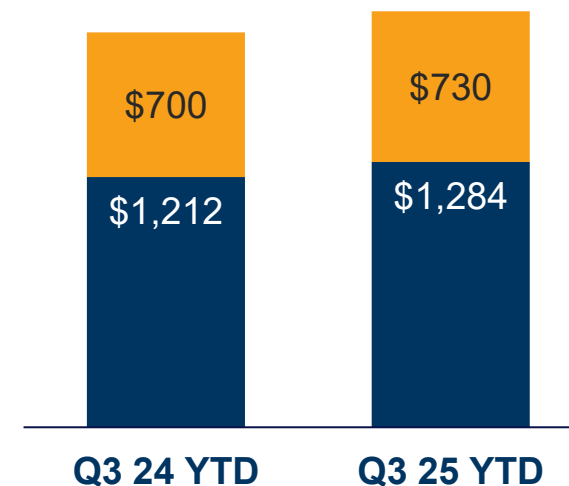
In Millions



Shareholder Distributions

In Millions

■ Buybacks ■ Dividends



* See Appendix for Non-GAAP reconciliation

- › Overall year-over-year volume growth in FY25
- › Building on strong operating performance and efficiency gains into Q4
- › FY25 Capex of \$2.5 billion excluding hurricane rebuild spending
- › Balanced and opportunistic approach to capital returns

CLOSING REMARKS

Steve Angel

President and Chief Executive Officer



APPENDIX

Non-GAAP Reconciliations





Non-GAAP Reconciliation of Adjusted Operating Results

Quarter Ended Sept. 30, 2025

Dollars in millions, except per share amounts	Operating Income	Operating Margin	Net Earnings	Net Earnings Per Share, Assuming Dilution
GAAP Operating Results	\$ 1,087	30.3%	\$ 694	\$ 0.37
Goodwill Impairment	164	4.6%	124	0.07
Adjusted Operating Results (non-GAAP)	\$ 1,251	34.9%	\$ 818	\$ 0.44

Nine Months Ended Sept. 30, 2025

Dollars in millions, except per share amounts	Operating Income	Operating Margin	Net Earnings	Net Earnings Per Share, Assuming Dilution
GAAP Operating Results	\$ 3,411	32.2%	\$ 2,169	\$ 1.16
Goodwill Impairment	164	1.6%	124	0.06
Adjusted Operating Results (non-GAAP)	\$ 3,575	33.8%	\$ 2,293	\$ 1.22



Non-GAAP Free Cash Flow Reconciliation

Free Cash Flow

Dollars in millions	Nine Months Ended	
	Sep 30, 2025	Sep 30, 2024
Net Cash Provided by Operating Activities	\$ 3,227	\$ 3,859
Property Additions	(2,225)	(1,691)
Proceeds and Advances from Property Dispositions	64	50
Free Cash Flow Before Dividends (non-GAAP)	\$ 1,066	\$ 2,218

Note: Year-to-date 2025 free cash flow includes over \$850 million of cash outflows for Blue Ridge spending and previously postponed tax payments

CSX