

2011 CSX CORPORATION
INVESTOR & FINANCIAL ANALYST CONFERENCE



Welcoming Comments

DAVID BAGGS
ASSISTANT VICE PRESIDENT – TREASURY & INVESTOR RELATIONS

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, volumes, rates, cost-savings, expenses, taxes, liquidity, capital expenditures, share repurchases, dividends 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 "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.



Relentless Pursuit of Excellence

MICHAEL WARD
CHAIRMAN, PRESIDENT & CHIEF EXECUTIVE OFFICER

Three words propel CSX's vision . . .

To be the safest, most progressive North American Railroad, **relentless** in the **pursuit** of customer and employee **excellence**

. . . and drive top-tier performance

- Operating income has more than tripled since 2003
  - *Increased from $861 million in 2003 to $3.1 billion in 2010*
- Operating ratio improved 1,750 bps over that period
  - *Declined from 88.6% in 2003 to 71.1% in 2010*
- Earnings per share has increased five fold
  - *Increased from $0.77 in 2003 to $4.06 in 2010*
- Capital deployment has become more balanced
  - *Invested over $10 billion since 2003; increased dividends nine times including recent actions; repurchased nearly $6 billion of shares since 2006*

Note: See GAAP Reconciliation for 2003

How tomorrow moves . . .

- Tomorrow is about global **growth**
- Tomorrow is about profitable **growth**
- Tomorrow is about shareholder value **growth**
- Tomorrow is about **growing** to a 65% operating ratio

How tomorrow is taking shape for CSX . . .

Evolving Marketplace	■ Transportation marketplace continues evolving in favor of rail — *Trucking challenges and global trade position CSX well*
Global Economy	■ A dynamic macro-economy is creating global opportunities — *Imports, exports, organic growth and industrial development*
Customer Focus	■ Build on safety and productivity to enhance customer service — *Evolve TSI from trainload success to carload business success*
Shareholder Value	■ Superior value will continue to be created for shareholders — *Financial targets expected to again drive top-tier results*



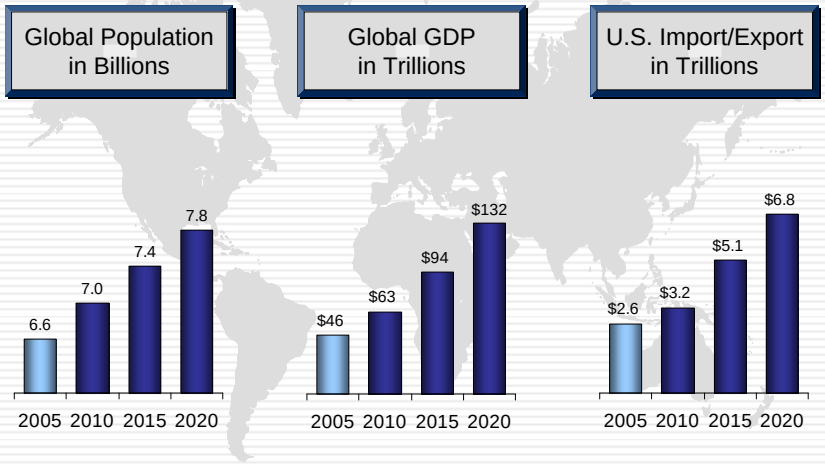
The Evolving Transportation Marketplace

LES PASSA
VICE PRESIDENT – STRATEGIC PLANNING

Evolving transportation marketplace supports growth

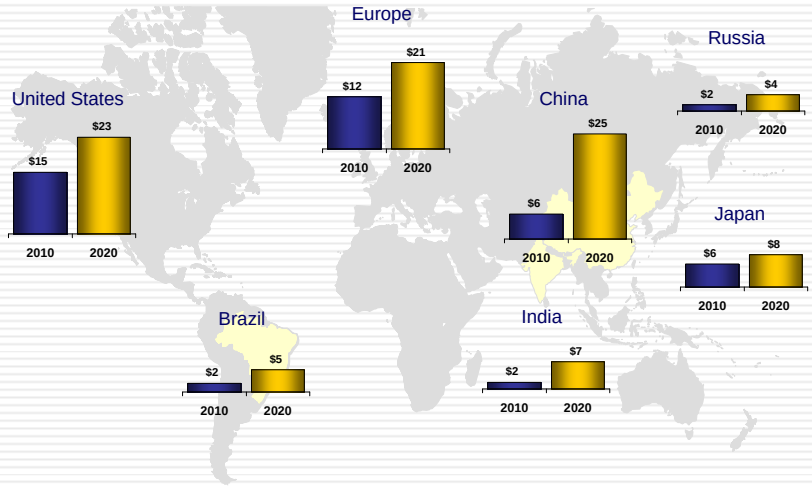
- Global market opportunities are increasing
- CSX's network is a competitive advantage
- Competitive environment is favorable
- Industry positioned as efficient and sustainable
- CSX has proven its ability to execute and deliver

Rail demand expected to benefit from global trends



Source: UN, Department of Economic and Social Affairs, Population Division (2011) – Global Insight

Global growth forecast is led by developing nations



Source: Global Insight GDP forecast (trillions of dollars); Europe includes Germany, UK, Spain, France, Italy, Netherlands

Developing economies will play a larger role

Largest Economies Ranked by GDP

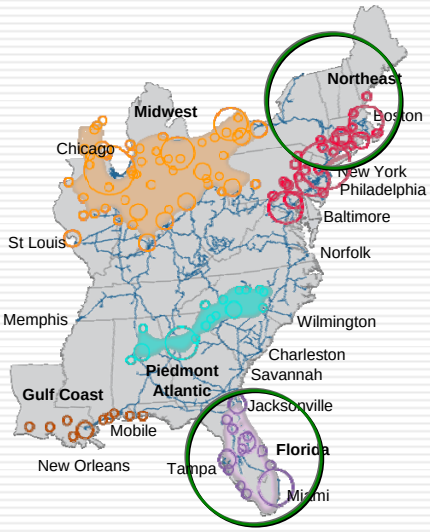
Rank	2000	2010	2020
1	United States	United States	China
2	Japan	China	United States
3	Germany	Japan	Japan
4	United Kingdom	Germany	India
5	France	France	Brazil
6	China	United Kingdom	Germany

Source: Global Insight

Global supply chains will continue to evolve

- Panama Canal capacity doubles by 2015
- Vessel queues reduced with Panama Canal expansion
- Larger ships move to all-water routes
- New supply chains create opportunity for eastern ports
- CSX positioned for global competition

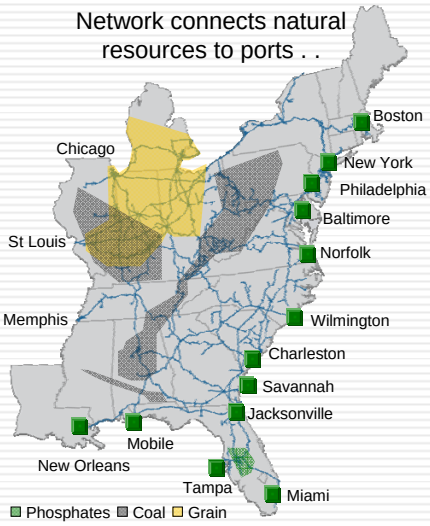
CSX's network provides competitive advantage



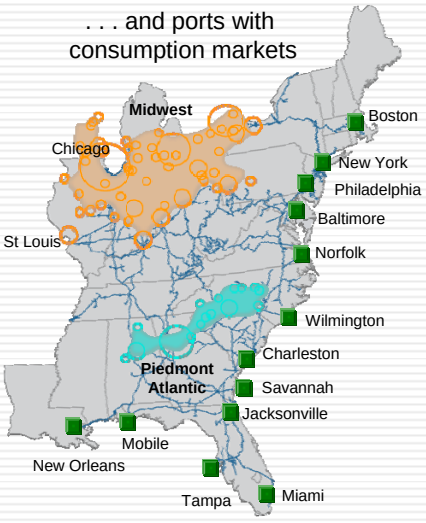
- CSX serves over two thirds of U.S. population
- Significant majority of U.S. consumption in the east
- Connects all mega-regions in the eastern U.S.
- Network positioned to compete for new businesses
- Superior market reach into Northeast and Florida

Network positioned for long-term profitable growth

Network connects natural resources to ports . .



. . . and ports with consumption markets



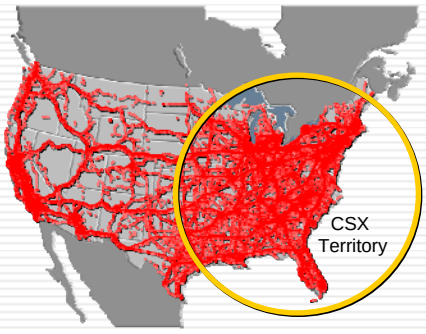
Structural changes continue to impact trucking

Fuel Prices	Environmental Mandates	Driver Shortages
		
Higher fuel prices favor rail. Diesel prices up 42% since 2006	Progressively more stringent environmental mandates	Increased regulations in hours of service, safety reporting and background checks

Source: US EIA Weekly Retail On-Highway Diesel Prices

Rail is a solution to freight infrastructure challenges

2020 Highway Congestion



- Freight demand projected to grow more than 60% by 2040
- Vehicle highway miles are beginning to grow again
- Recession amplifies funding challenges for highways
- Repairs and maintenance are disruptive and prolonged

Source: USDOT FHWA Freight Analysis Framework

Grow to 65 initiative has strong and broad foundation

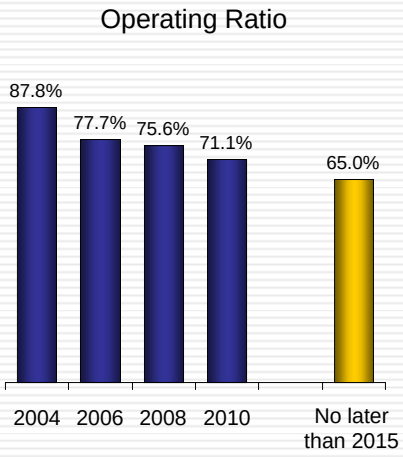
Growth

Safety

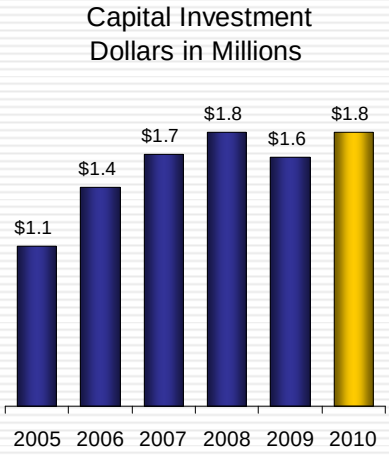
Service

Productivity

Price



CSX continues to invest for the long-term



- Supports ongoing equipment and infrastructure needs
- Provides funding for key strategic investments
  - *Growth initiatives*
  - *Productivity projects*
  - *Technology applications*
- Foundation for consistent and reliable service
- Improves competitiveness of US transportation system

Technology is key to future improvements

Safety



Customer Experience

ShipCSX

Asset Utilization

Computerized
Maintenance,
Overhaul, and
Repair

Service Improvement

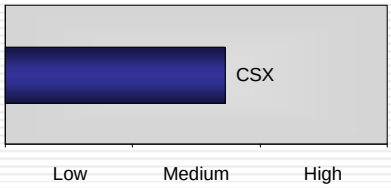


CSX has potential to improve customer satisfaction

Service Industry
Customer Satisfaction

Low Satisfaction Industries
Airlines
Electric Utility

High Satisfaction Industries
Insurance
Hotels



Source: JD Power & Associates

- CSX performance consistent with industry competitors
- Benchmarking best-in-class practices
- Improved service results in higher customer satisfaction
- Higher satisfaction affects modal choice

How tomorrow is taking shape strategically. . .

Global Trends	■ Global economic growth to continue ■ Import and export growth increase rail profile
Competitive Environment	■ Trucking competition facing headwinds ■ US infrastructure challenges favor rail solution
Grow to 65	■ Next milestone with sustained growth ■ Proven ability to execute and deliver
Focus on Growth	■ Increased margins support strategic investments ■ Enhance customer service to secure new business



Leveraging the Dynamic Global Economy

CLARENCE GOODEN
EXECUTIVE VICE PRESIDENT & CHIEF COMMERCIAL OFFICER

The path to continued growth …

Global Growth	■ Macro trends supporting continued expansion ■ Increasing impact of international trade ■ Port strategies leverage CSX's network
Domestic Growth	■ Outlook for the domestic markets ■ New market development ■ New industrial development
Customer Focus	■ Customer satisfaction and business intent ■ Service improvement strategies ■ Capturing the value of rail transportation

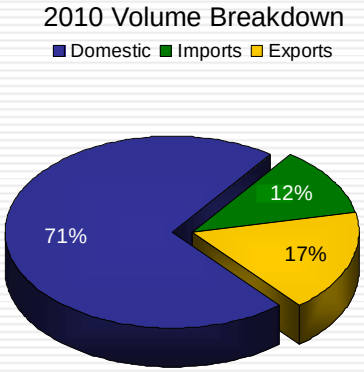
Long-term trends favor CSX

Global & U.S. Economic Themes through 2015

World Population Growth	Strong Emerging Economies	New Environmental Mandates
Evolving Trade Flows	Increased Commodity Demand	Rising Energy Prices
Trucking Challenges	Highway Congestion	Network Strength

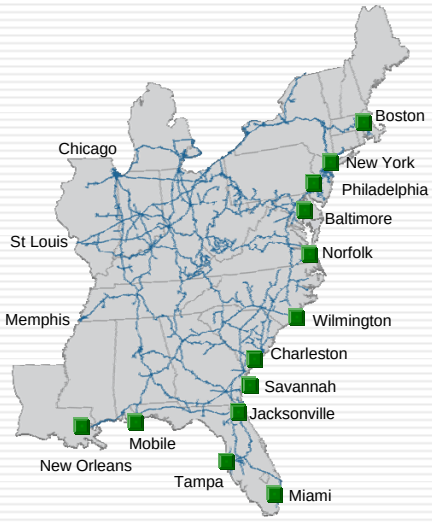
- Export Markets
- Import Markets
- Domestic Markets

Increasing global impact on CSX traffic volume . . .



- Global trade accounts for nearly 30% of volume
- Additional domestic traffic influenced by global trade
- Domestic traffic remains the largest share of business

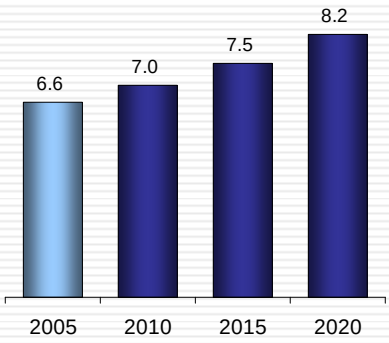
CSX serves key ports to capture global growth



- CSX has strong position at all eastern and gulf ports
- Port strategy positions CSX well long-term
- Port capacity investments will support growth

World coal demand continues to expand

World Coal Consumption
Tons in Billions

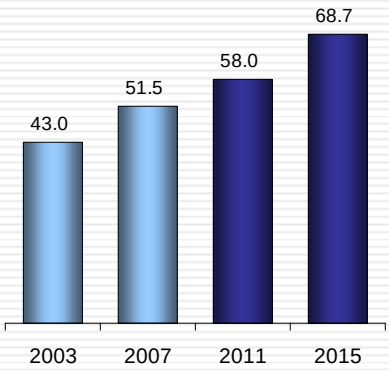


Source: Energy Information Administration

- Coal is 40% of global energy use and increasing
- China and India represent half of global consumption
- CSX positioned to capitalize on global demand

Strong global phosphate demand also expected

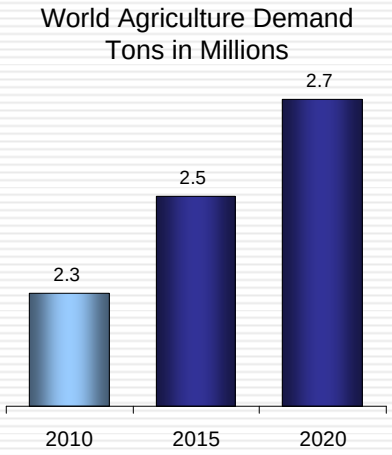
World Phosphate Demand
Tons in Millions



Source: Global Industry Analysts, Incorporated

- Global demand increasing in developing countries
  - *Growing food requirements and standard of living*
  - *Cost structure advantages will drive local planting*
- Domestic potential
  - *Serving the U.S. Midwest via interline services*
  - *Transforming carload business into efficient unit train network*

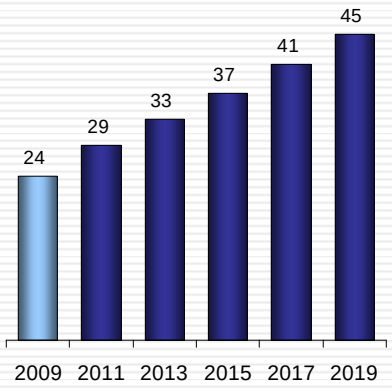
Demand for U.S. agricultural exports also strong



- Low world stocks of total grains and seeds continues
- Emerging economies drive increased demand for U.S. grain and soybeans
- Domestic market sustained by increasing population

Source: USDA Economic Research Service. Agricultural includes wheat, rice, corn, barley, sorghum and soybeans

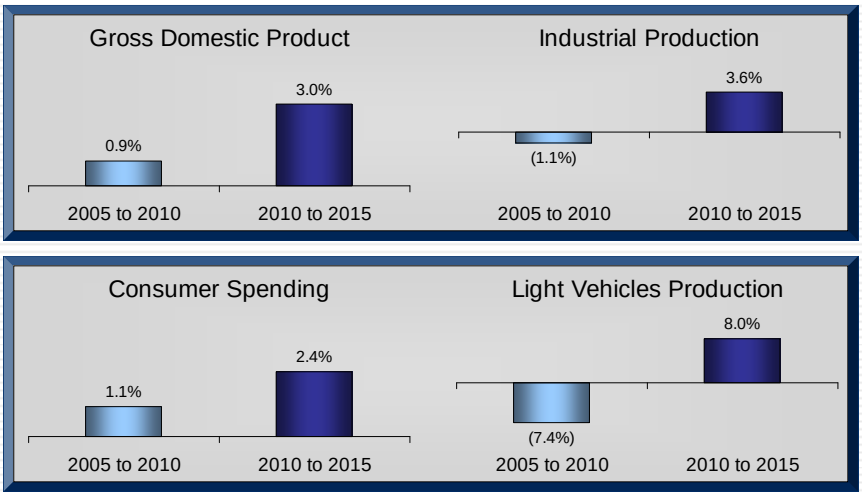
Container volume expected to increase 6% annually



- Global economies will drive ongoing container growth
- Weak dollar spurs exports; stable domestic economy encourages imports
- All-water conversions likely to stabilize near-term
- Intermodal service, network, investments position CSX to capture increasing demand

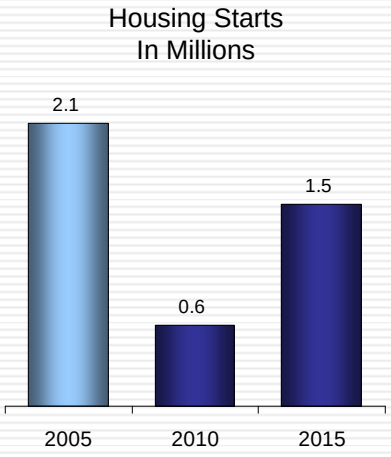
Source: TTX, PIERS/JOC, TranSystems 2011

Domestic opportunity driven by economic strength



Source: Global Insight – May 2011, Compound Annual Growth Rates

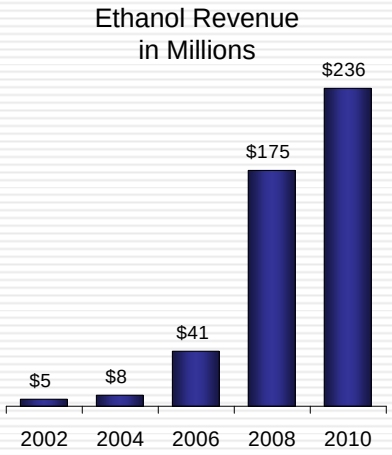
Housing will slowly recover



- Growth expected off low base
  - *20%+ CAGR over five years*
  - *Return to normal levels by 2015*
- Challenges remain
  - *Distressed sales*
  - *Restrictive lending*
- Network well positioned
  - *Service to distribution centers*
  - *Focused on service excellence*

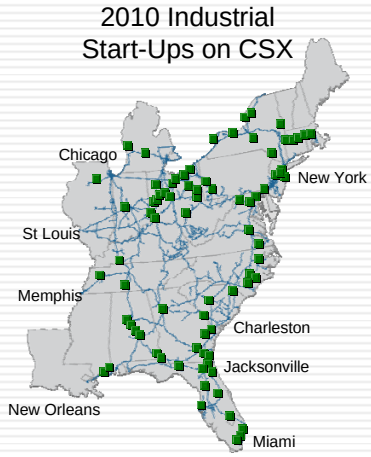
Source: U.S. Department of Commerce and Wells Fargo Securities

CSX will continue to develop new markets



- Ethanol is a growing market
  - *Driven by global energy demand and rising prices*
  - *Increased mix should generate continued growth*
- CSX constantly tapping new market opportunities
  - *Perishable goods*
  - *Biomass – wood pellets*
  - *Fracturing sand for natural gas drilling*

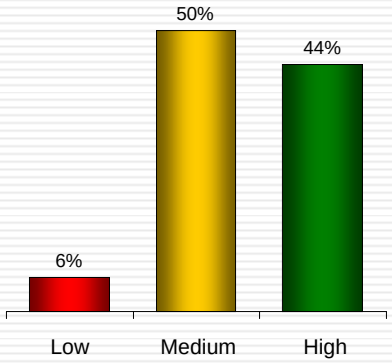
Industrial development efforts drive new business



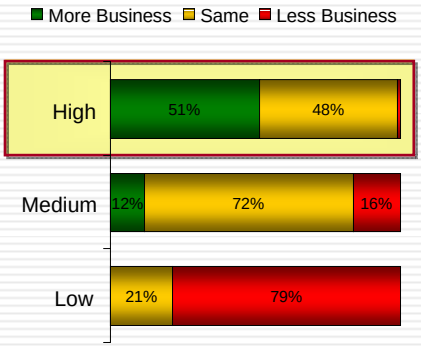
- Economic development is attracting industrial start-ups
- Over 130 new or expanded customer facilities announced on CSX in 2010
  - *Customers invested nearly $3.6 billion of private capital*
- Industrial development relies on strong customer focus
  - *Site certification program*
  - *Facility design expertise*

High customer satisfaction drives business growth

CSX Customer Satisfaction
2010 Score Distribution



Customer Satisfaction and
Future Business Intent



Source: JD Power & Associates

Total Service Integration focused on customers



- TSI aligns customer needs with operational capabilities
- Creates more reliable service and better asset utilization
- Trainload services continue to deliver results
- Beginning to set foundation for enhanced carload service

Volume to exceed economy; price above inflation

Volume Summary

- Global demand will drive export and import business
- Domestic business to grow organically with economy
- Industrial development will add new customers
- Striving for customer service excellence

Pricing Summary

- Rail prices declined about 50% since Staggers Act
- Price expected to exceed rail inflation
- Continue to capture the value of rail transportation
  - *Safer and more reliable*
  - *Environmentally friendly*

How tomorrow is taking shape for customers . . .

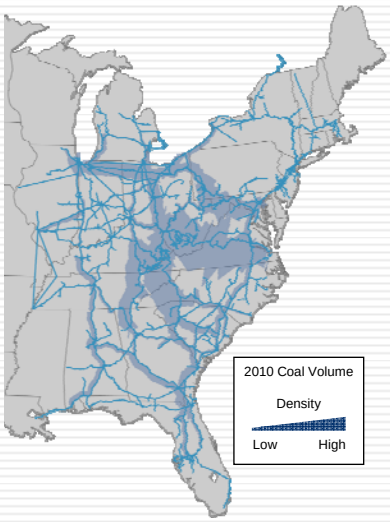
Global Growth	■ Help customers capture growing share of global trade ■ Grow overall in excess of GDP and IDP ■ Improve service and capacity at ports
Domestic Growth	■ Convert trucks off of the highway ■ Develop new markets and customers ■ Offer customers valuable rail transportation solutions
Customer Focus	■ Understand evolving customer needs ■ Improve service and customer satisfaction ■ Provide more transparent and proactive communications



Fueling the Global Economy's Growing Energy Needs

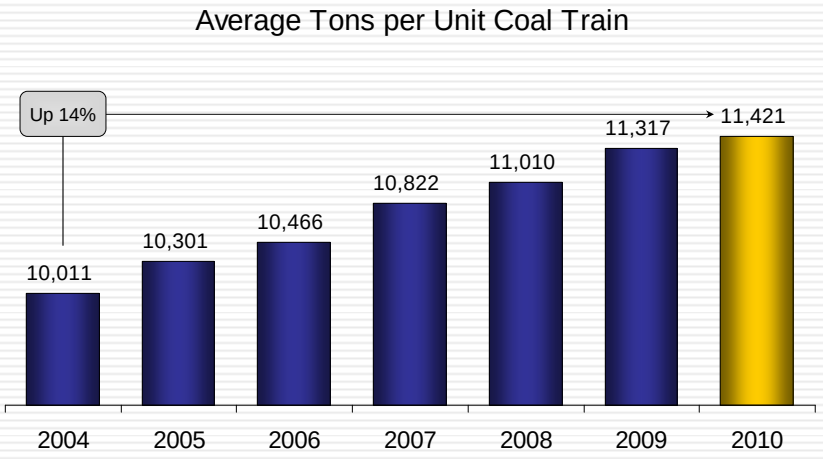
CHRIS JENKINS
VICE PRESIDENT – COAL & AUTOMOTIVE SERVICE GROUPS

Summary of Coal market . . .

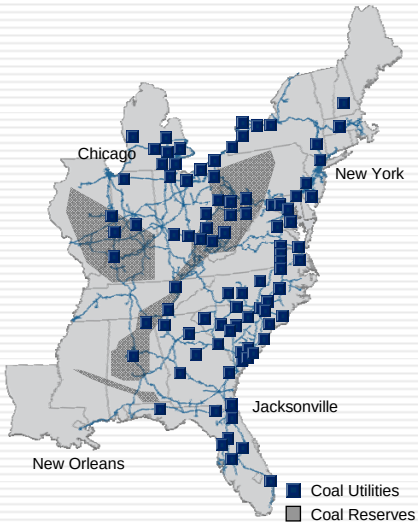


- Market accounts for 25% of CSX volume; 31% of revenue
- Serves global energy and industrial demand
- Metallurgical coal expected to be 69% of 2011 exports
- Primarily consists of unit train service; driving high margins

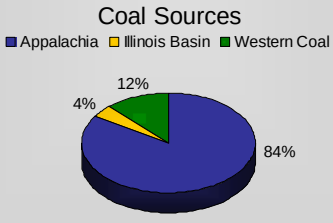
CSX and customer efforts drive more tons per train



Domestic coal sources and destinations are diverse

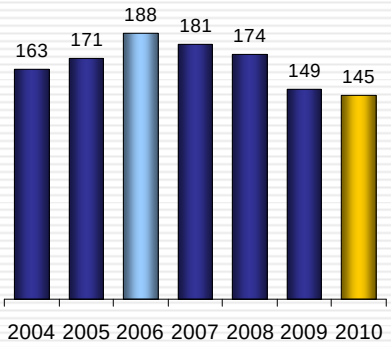


- CSX sources coal from about 125 origins
- Coal is shipped to nearly 200 destinations



Domestic coal demand is down from 2006 peak

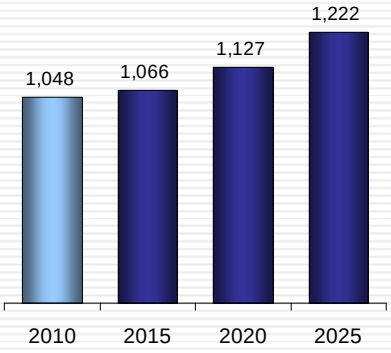
CSX Domestic Coal
Tons in Millions



- Low natural gas prices driven by supply gains
- Industrial demand is also driven by low gas prices
- Utilities are facing higher than normal stockpile levels
- Many older, less efficient plants are currently idle
  - *Same plants proposed for closure through 2015*

Domestic coal will grow gradually from current base

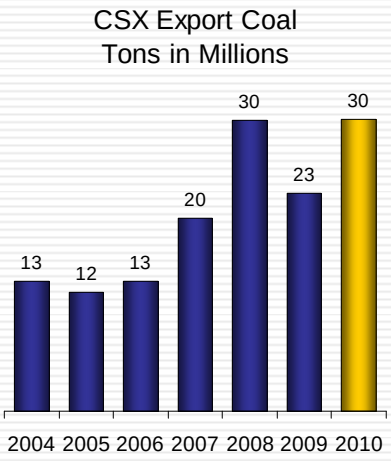
U.S. Coal Consumption
Tons in Millions



Source: Energy Information Administration

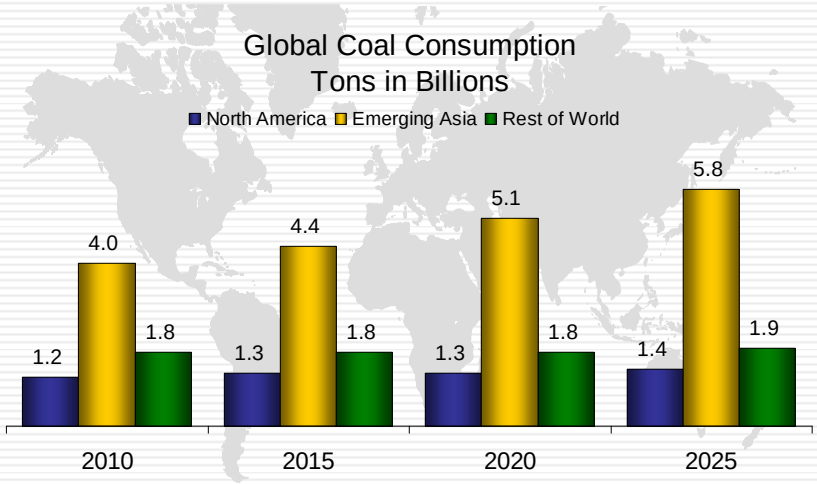
- Near-term outlook is stable for domestic coal
  - *Current demand level likely represents a trough*
- U.S. coal plentiful; still most cost efficient energy source
- Future demand increasingly sourced beyond Appalachia
  - *CSX connects to all major U.S. coal reserves*

Export coal is a strong growth story for CSX



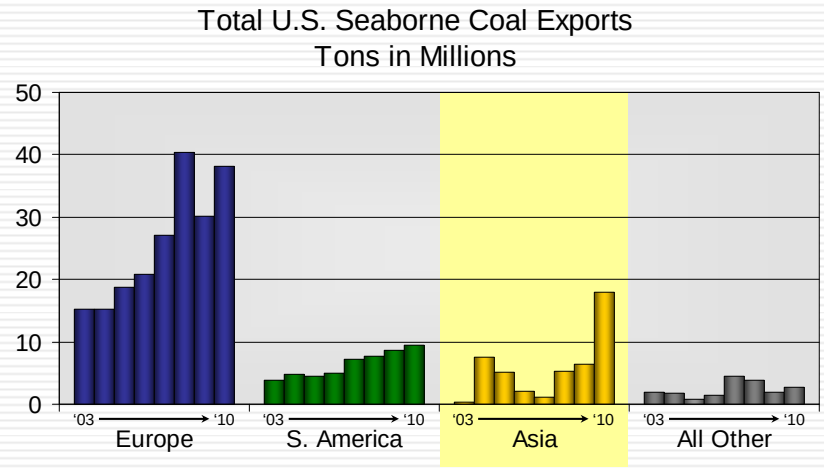
- Demand for export coal from the U.S is growing
- CSX expects to ship about 40 million tons during 2011
- Long-term global demand for coal likely to remain strong
- Capacity in place near-term and scalable longer-term

Long-term global growth driven by Asian economies



Source: U.S. Energy Information Administration

Seaborne demand for U.S. coal is increasing

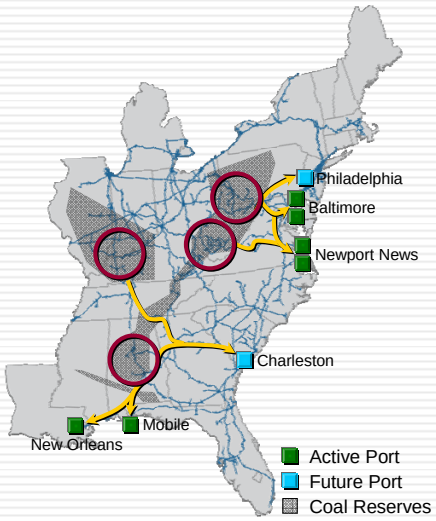


Source: Energy Information Administration

Export growth focus is China, India, Brazil, Europe

- China driven by economic expansion
  - *Coal demand to increase 500 to 800 million tons by 2015*
- India faces strong growth and limited supply
  - *Projecting nearly 65% growth in demand over five years*
- Brazil lacks metallurgical coal and U.S. is natural supplier
  - *Demand driven primarily by steel production*
- Europe faces mine closures and supply diversion to Asia
  - *U.S. coal is competitive due to proximity and reliability*

CSX serves multiple ports, all with ground storage



- Baltimore, MD (2 terminals)
  - *Northern Appalachia*
- Newport News, VA (2 terminals)
  - *Northern and Central Appalachia*
- Mobile, AL
  - *Southern Appalachia*
- New Orleans, LA
  - *Southern Appalachia*
- Philadelphia, PA (2011)
  - *Northern Appalachia*
- Charleston, SC (2013)
  - *Southern Appalachia and Illinois Basin*

Export coal operations at Curtis Bay . . .

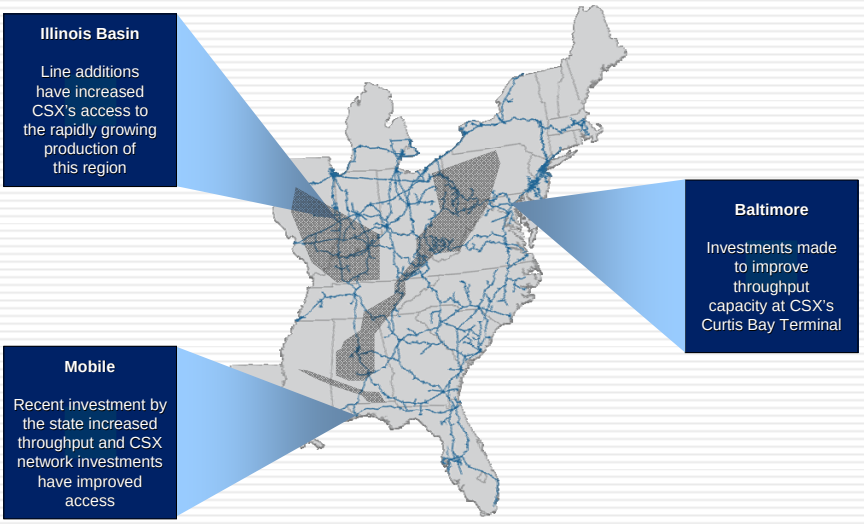


- Cape-size ship, docked at Curtis Bay, represents largest dry bulk vessel
- The vessel measures 850 feet from bow to stern and is 145 feet wide
- Several of these type vessels are loaded each month at Curtis Bay

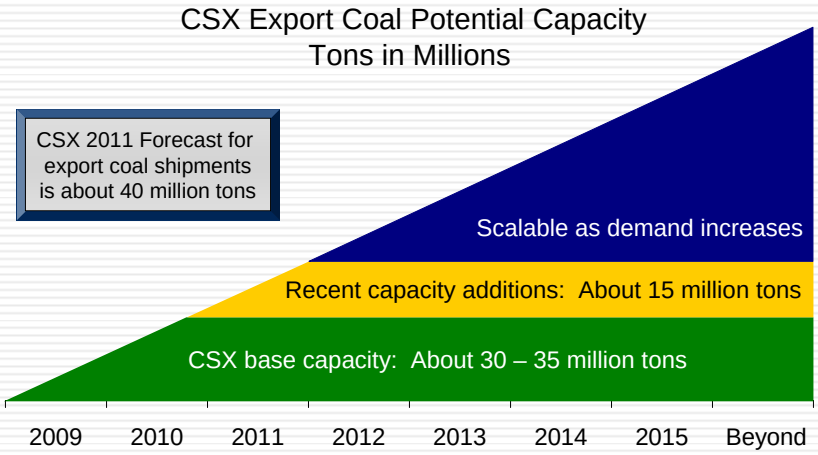


- From the bridge of the vessel, eight cargo holds can be seen
- Each cargo hold is capable of loading 200 carloads of coal

Recent investments position CSX well



Capacity is significant and scalable longer-term



Customers will share in future investments

Investment Responsibility

CSX	Shared Responsibility	Customer/Port Operator
Standardized Coal Cars	Port track capacity and network connectivity	Specialized Coal Cars
Locomotives		Car Dumpers
Line Capacity		Ship Loaders
		Port Capacity

How tomorrow is taking shape for coal . . .

Domestic Coal	■ Current demand level likely represents the bottom ■ Stable near-term domestic volume with strong core pricing
Export Growth	■ Developing economies driving demand ■ U.S. emerges as a stable supplier
Scalable Capacity	■ Capacity in place near-term ■ Cost sharing with customers can increase capacity further

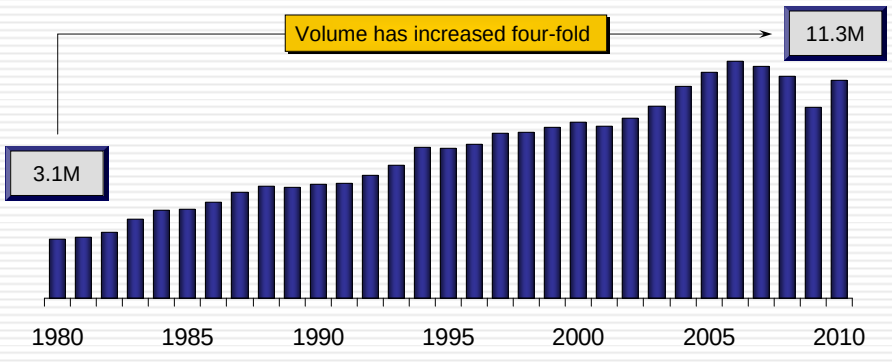


Driving Intermodalism to the Next Level

BILL CLEMENT
VICE PRESIDENT – INTERMODAL

Intermodal industry volume has steadily grown . . .

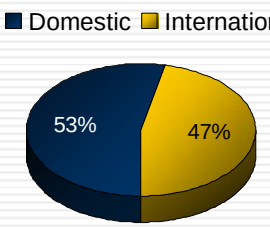
U.S. Intermodal Volume
Units in Millions



Source: Association of American Railroads

Summary of CSX's intermodal market

CSX Intermodal
Volume Breakdown
2010



2.2 million units and $1.3 billion of revenue in 2010

- Business poised to meet growing demand
- Focused on converting truck traffic to intermodal profitably
- Key investments support long-term growth

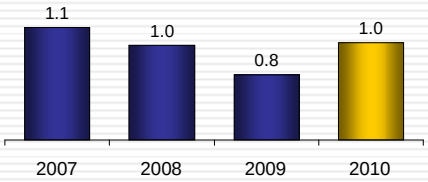
CSX is well positioned in the international market

INTERNATIONAL MARKET



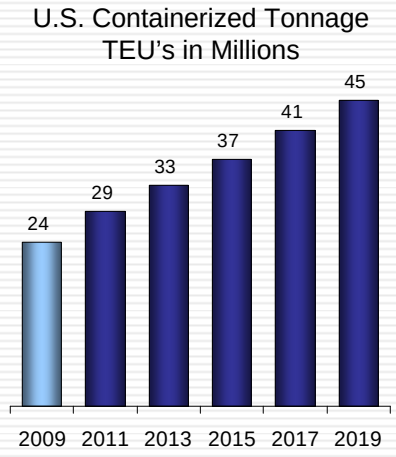
CMA CGM · msc · APL · HAMBURG SÜD · Hapag-Lloyd · MAERSK · HYUNDAI

International Market
Volume in Millions



- Looking Forward
  - *Grow organically with existing customer base*
  - *Support customer growth with NW Ohio terminal*
  - *Continue to expand and open new markets*

CSX international market to grow with global trade



Source: TTX, PIERS/JOC, TranSystems 2011

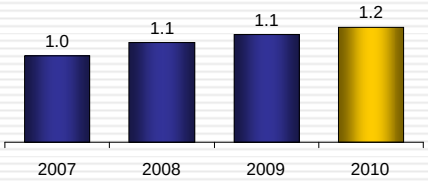
- Partnered with strong international customers
- Customer focus, service reliability and network enhancements will further generate new opportunities
- Well positioned for Panama Canal expansion and expanding international trade

Domestic has grown steadily through recession

DOMESTIC MARKET



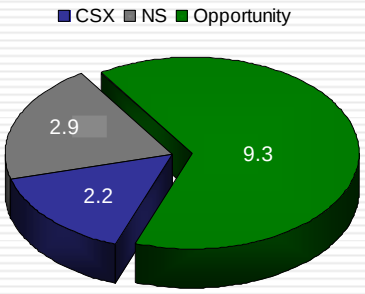
UMAX PACER SCHNEIDER NATIONAL SWIFT ups J.B. HUNT



- Looking Forward
  - *Stimulate growth through over-the-road conversions*
  - *Customer focus & service reliability drive unique value*
  - *Expand and open new markets, including Mexico*

Truckload conversion opportunity is substantial

Addressable Eastern Truckload Market
14 Million Units



Freight volume for lengths of haul over 550 miles

Market Strategy

- Broad market reach to convert truck freight through "wholesale" channel partners
- Enhance service reliability and customer satisfaction
- Network investments improve flexibility and quality of service offerings

Sources: Global Insight's Transearch data and company reports

Domestic go-to-market strategy is wholesale-based

CSX

Sells "wholesale" Intermodal service to Channel Partners

Wholesale Channel Partner

Retails intermodal to "End Customer" and provides logistics support and other transportation-related services

"End Customer" or Beneficial Cargo Owner

Purchases wide range of services, including intermodal trucking, warehousing, etc.



Truckload Carriers

Intermodal Marketing Companies (IMC's)

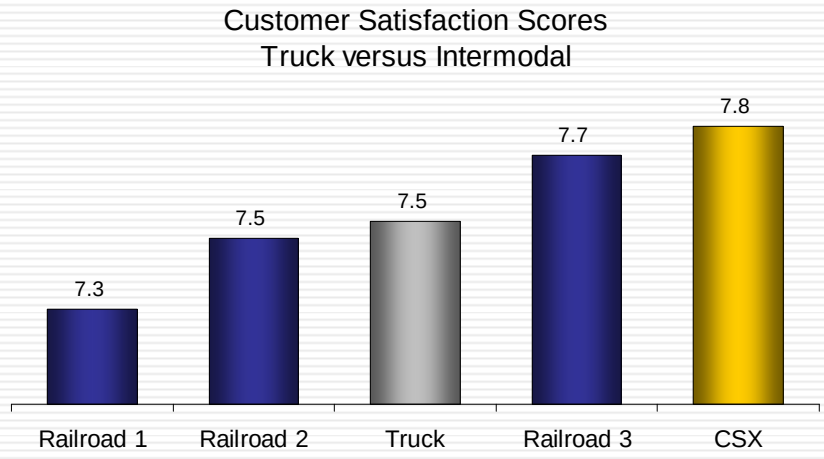
Freight Brokers

WAL★MART

TARGET

SMALL BUSINESS AMERICA

CSX highly rated intermodal service drives value



Source: JD Power & Associates

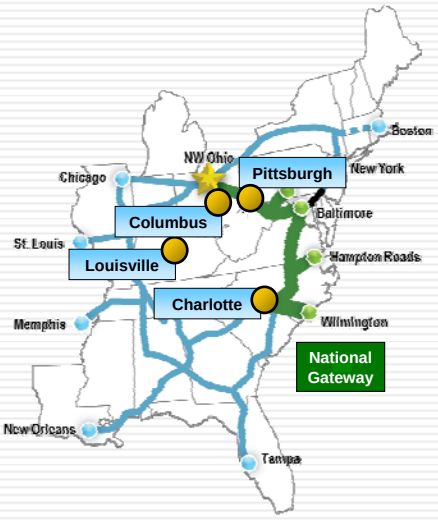
Infrastructure projects support strategic growth



National Gateway

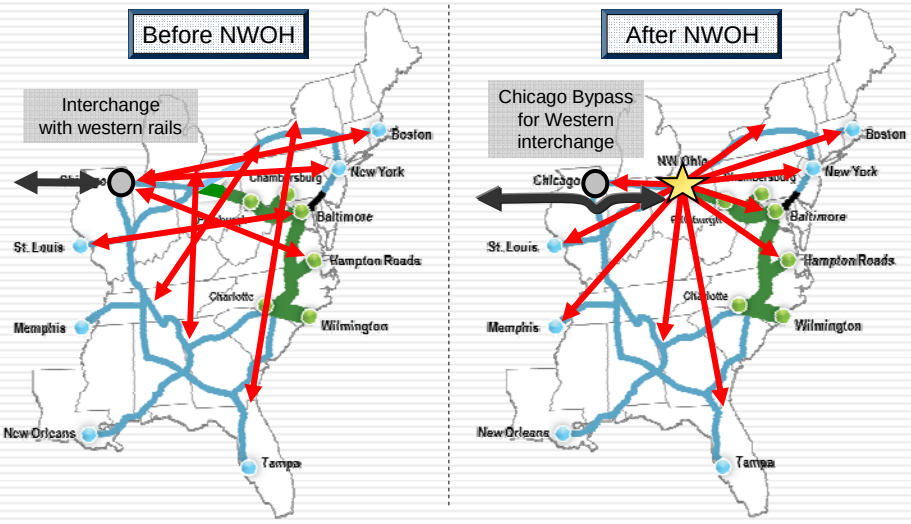
- Approximately $850 million public/private partnership
- CSX-funded terminal capacity
- Public/CSX-funded double-stack capacity from ports to Midwest

New market opportunities drive greater reach

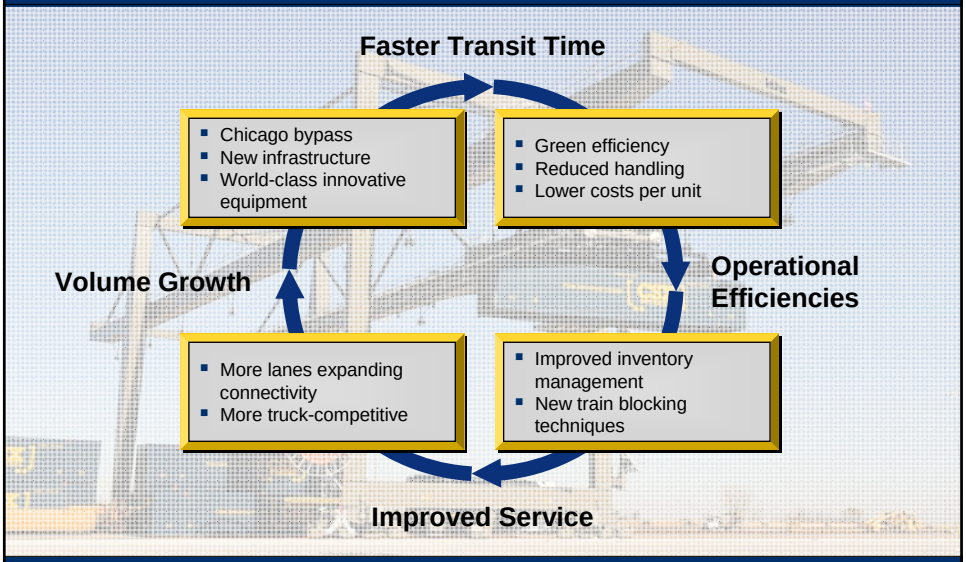


- National Gateway
  - *Double stack clearances*
- Northwest Ohio
  - *Currently operational*
  - *Anchor to National Gateway*
- New and Expanded Terminals
  - *Louisville, KY (New)*
  - *Charlotte, NC (Expanded)*
  - *Columbus, OH (Expanded)*
  - *Pittsburgh, PA (New)*

Northwest Ohio creates new hub and spoke network



Northwest Ohio network benefits . . .



How tomorrow is taking shape for intermodal . . .

Customer Focus	Expanding service offerings to meet needs of current and future customers
Service Reliability	Creating truck-competitive service to profitably convert over-the-road freight
Network Capabilities	Making infrastructure improvements to support customer growth & network reach



CSX How tomorrow moves

Delivering Customer Service Excellence

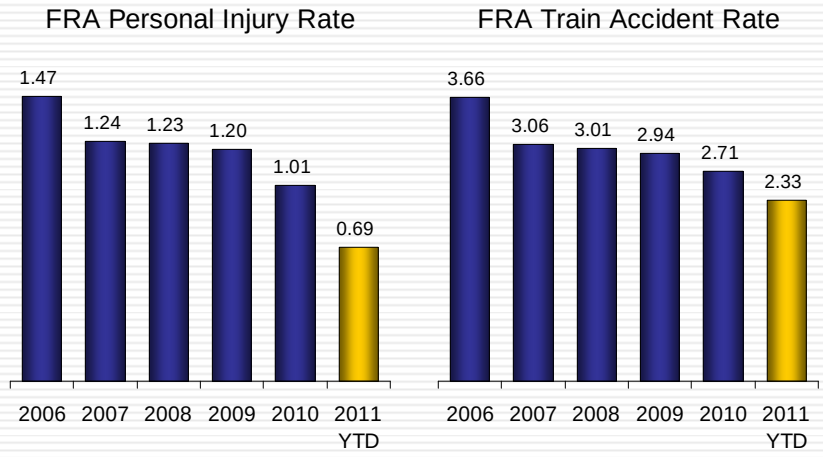
DAVID BROWN
EXECUTIVE VICE PRESIDENT & CHIEF OPERATING OFFICER

Building operating performance excellence

- Culture of commitment driving enhanced performance
  - — Safety
    A leader in one of Nation's safest industries
  - — Productivity
    Evolving focus from Process to Assets
  - — Operations Reliability
    Total Service Integration ("TSI") and One Plan improved reliability
  - — Customer Service
    Carload TSI to meet next level of customer needs

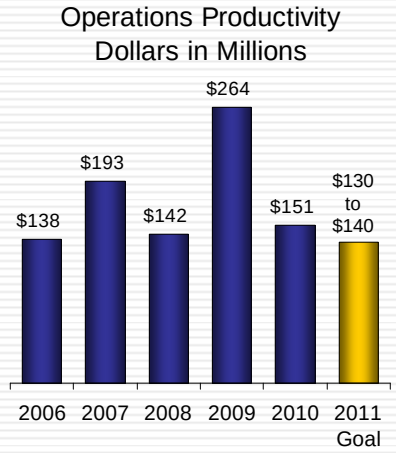


Focus on safety driving industry-leading results



Note: Year-to-date 2011 safety data is through April 30, 2011

CSX productivity historically focused on process



Process Improvement Teams

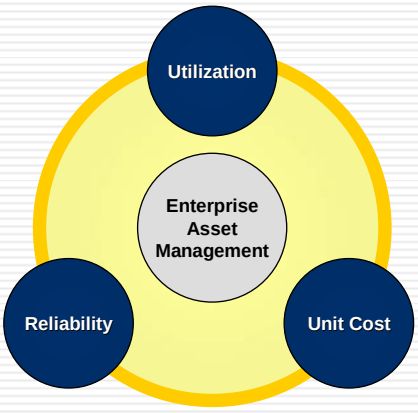
- Locomotives
- Infrastructure
- Cars and Terminals
- Train and Engine

Targeting $130 - $140 million in annual productivity through 2015

Evolving focus to deliver enterprise wide changes

2005-2010	Evolution	2011-2015
Drive to 75	Vision	Grow to 65
Process Improvement: Rigorous focus on Operating Expense	Identification	Full Asset Management: Operating Expense & Capital
Drive goal attainment through financial budget process	Culture	Drive goal attainment through understood measures of reliability, utilization, unit cost
Accountability through cross-functional teams	Execution	Focus on assets at the detailed level

Enterprise Asset Management will drive productivity



Identify assets and measures

Determine best-in-class levels

Develop drivers

Create action plans

Deliver productivity results

TSI initiative driving both service and reliability





CSX offers two types of service

Trainload

- Coal
- Grain
- Phosphates
- Intermodal
- Automobiles
- Aggregates

Customer release → Line of road → Customer delivery

Trainload service typically has fewer train movements and limited handlings

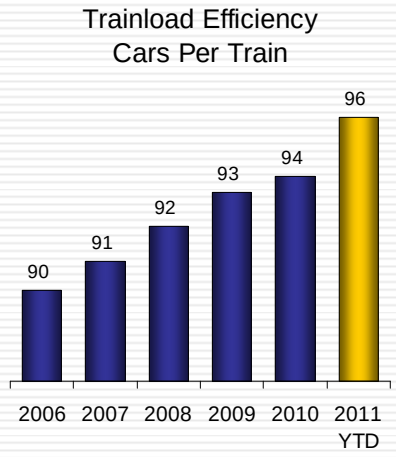
Carload

- Chemicals
- Forest Products
- Metals
- Appliances

Customer release → Local train → Serving yard → Line of road → Intermed yard → Line of road → Serving yard → Local train → Customer delivery

Carload service generally has multiple train movements and handlings

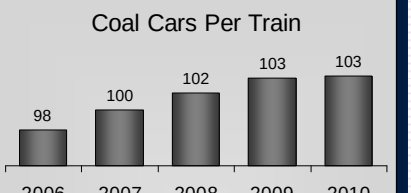
TSI has improved efficiency in trainload service

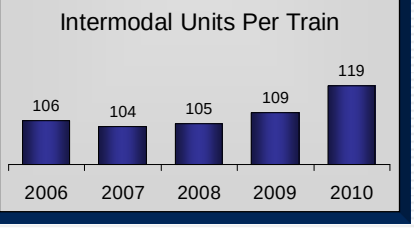


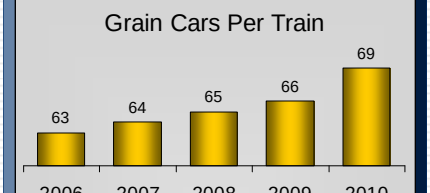
Note: Year-to-date 2011 data is through April 30, 2011

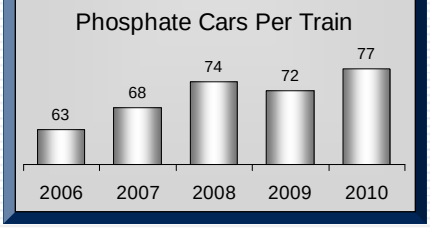
- Introduced in 2007; focused on trainload operations
- Aligned customer needs with operating capabilities
- Created more reliable service and better asset utilization
- Expect TSI trainload service to continue to deliver results

TSI success is evident across trainload markets









High capacity cars to drive further trainload efficiency

Current Fleet Represented by High Capacity Cars

	Agriculture	Coal
Industry	58%	70%
CSX	11%	53%

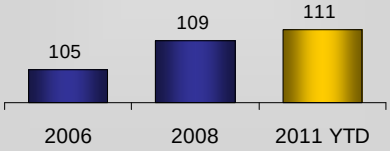
Projected CSX Fleet

2011 YE	18%	65%
2015 YE	34%	81%

Note: Year-to-date 2011 data is through April 30, 2011

- Fleet attrition supports drive to increase carload capacity
- Optimal strategy is to replace with 286K capacity cars

Trainload Tons Per Car



Carload service is more dynamic







- Value
  - *Represents over 40% of revenue*
- Scope
  - *5,000-plus customer locations*
  - *Unique customer facilities*
  - *High degree of variability by day*
- Resources
  - *12 hump yards, 24 flat yards, 250 total processing yards*
  - *Road crew starts average 3,500 per week*
  - *Local crew starts average 2,900 per week*

Note: Local and Road crew starts are based on 2011 year-to-date data

ONE Plan addressed line-of-road reliability

Pre-ONE Plan Levels

- On-time Originations ~ 50%
- Arrivals ~ 40%
- Terminal dwell ~30 hours
- Velocity ~20 miles per hour

Post-ONE Plan Levels

- On-time Originations ~80%
- Arrivals ~70%
- Terminal dwell ~24 hours
- Velocity ~21 miles per hour

Note: Pre-One Plan is based on 2004 data and Post-One Plan is based on 2006-2010 average data

First and last mile is key for carload service

"First Mile" | "Last Mile"

Improvement Opportunities

- Locomotive utilization
- Freight car utilization
- Crew resource demands
- First and last mile reliability

Carload TSI Objective

Carload TSI creates a new local service product that will improve reliability and consistency for the customer and efficiency for CSX

Working with customers will drive reliability higher

Local trains will be designed to reflect
CSX and customer capabilities and commitments

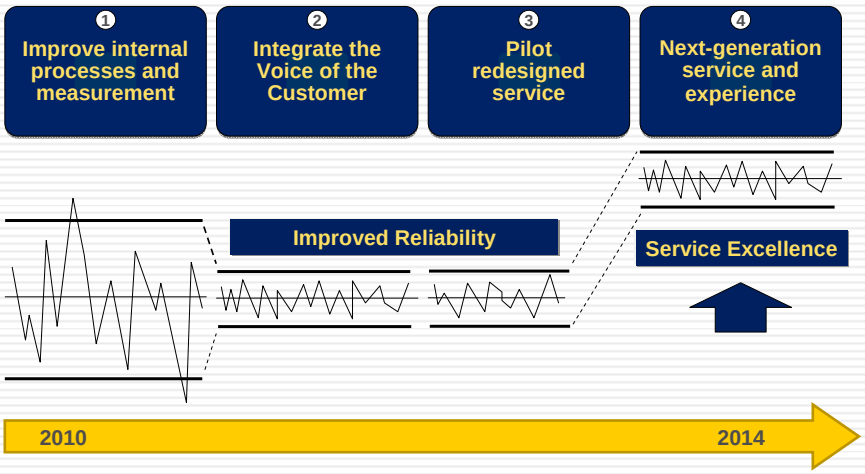
CSX Capabilities

- Executable schedule
- Appropriate resources
- Work flow information availability

Customer Capabilities

- Sufficient storage capacity
- Appropriate access to facility
- Electronic communication

Carload TSI to be implemented in four broad phases



How tomorrow is taking shape for operations . . .

Safety	■ Continued focus is producing industry-leading results ■ Safety and security of rail is a recognized public benefit
Productivity	■ Expect annual productivity savings of $130 – $140 million ■ Shifts from process focus to Enterprise Asset Management
Operations Reliability	■ Aligning customer needs with operational capabilities ■ Trainload TSI will continue to drive results
Customer Service	■ Carload TSI will drive more reliable service and efficiency ■ Superior customer service to drive profitable growth



Creating Superior Value for CSX Shareholders

OSCAR MUNOZ
EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER

Financial performance has been top tier . . .

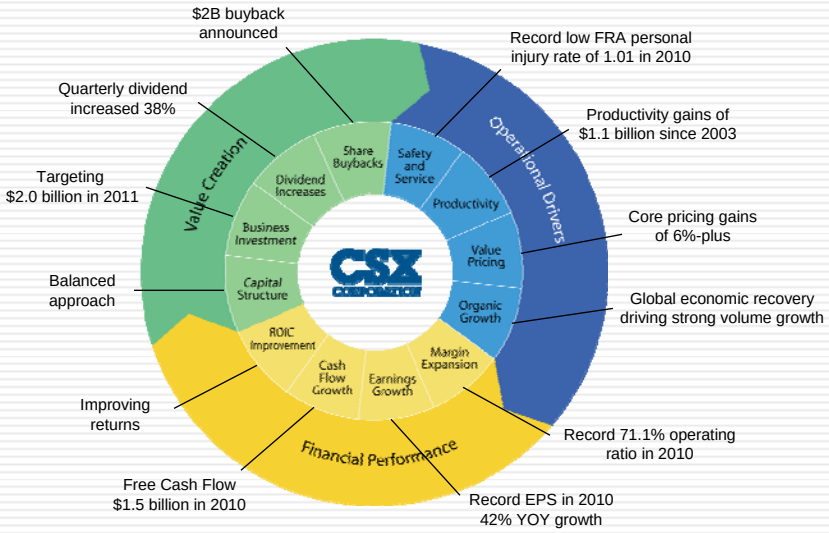
	CSX Performance	Rail Peer Performance	S&P 500 Performance	CSX's S&P Ranking
Operating Income CAGR 2003 – 2010	20%	11%	8%	**Top 16%**
Margin Increase (bps) 2003 – 2010	1,750	740	230	**Top 8%**
EPS CAGR 2003 – 2010	27%	14%	4%	**Top 4%**

Note: See GAAP Reconciliation for 2003

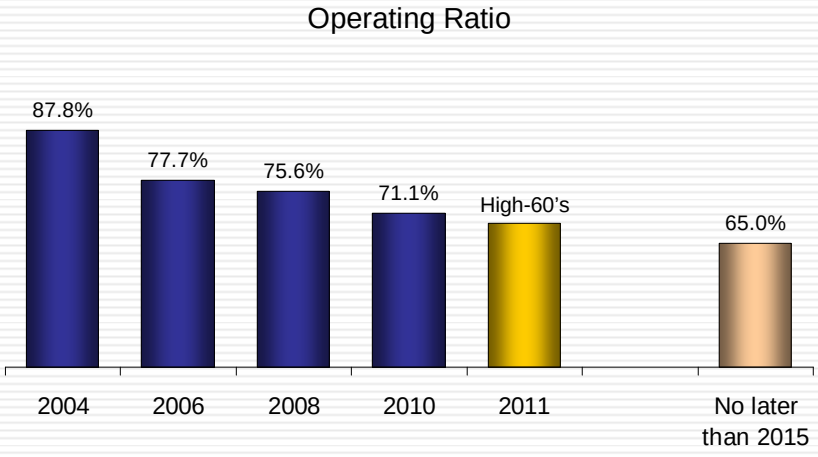
. . . and CSX shareholders have realized the value

	CSX Performance	Rail Peer Performance	S&P 500 Performance	CSX's S&P Ranking
Dividend CAGR 2003 – 2010	25%	17%	4%	**Top 7%**
Buybacks as % of Market Cap 2006 – 2010	33%	15%	15%	**Top 11%**
Stock Appreciation 2003 – 2010	260%	169%	13%	**Top 8%**

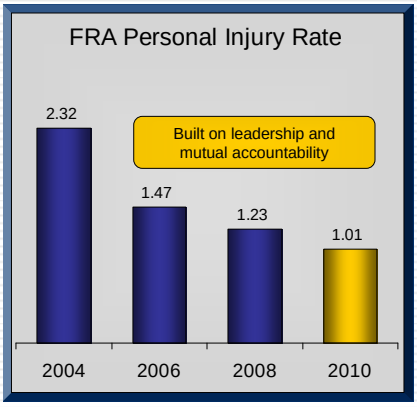
The track to long-term value creation at CSX

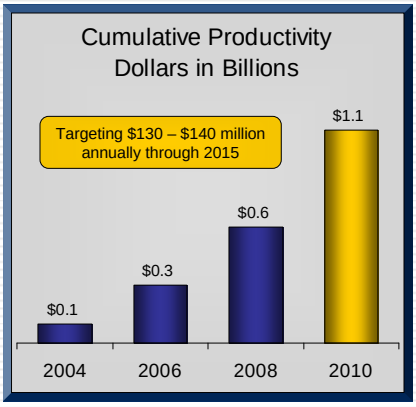


CSX targeting "Grow to 65" operating ratio by 2015



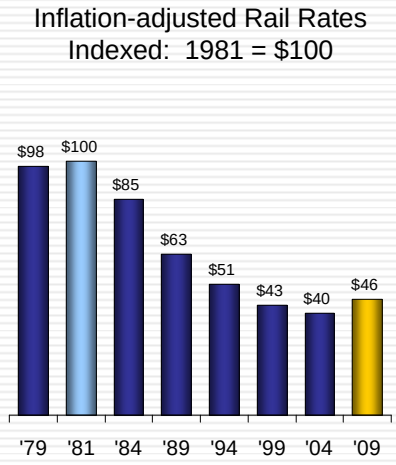
Safety and productivity producing strong results





Safety and productivity set the foundation for service excellence

Pricing stays above inflation, reflecting value of rail



Source: Association of American Railroads

- Service improvements helped drive rail pricing since 2003
- Focus on customer service keeps pricing above inflation
- Competitive environment favors railroads
  - *High fuel costs*
  - *Highway congestion*
  - *Driver shortages*

Profitable growth will be broad based through 2015



- Resilient U.S. and global economies will drive merchandise growth
- Automotive rebounding and housing to recover gradually
- TSI service improvement will drive organic growth



- Trucking industry forming stronger partnerships with rail
- Network and service driving strong domestic and international intermodal growth



- Export coal driven by global economic expansion
- CSX export franchise is diversified and has the capacity to grow
- Expect stable domestic volume with improving core pricing

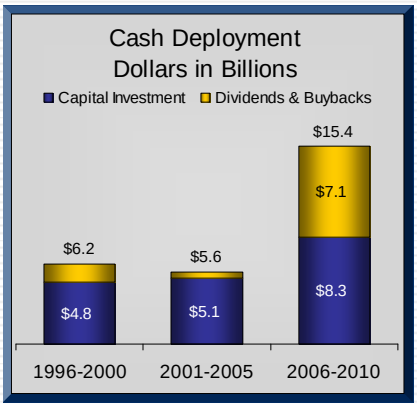
Financial performance will reflect strong growth



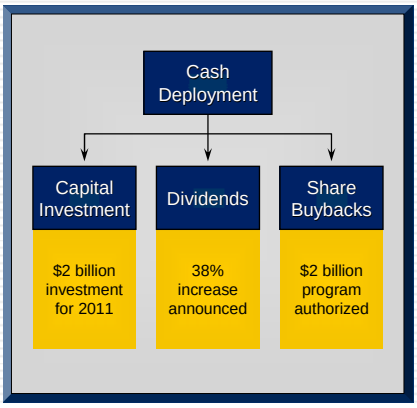
	2010 Base	2011 – 2015 Guidance
Operating Income	$3.1 billion	12% – 14% CAGR
Operating Ratio	71.1%	65% by 2015
Earnings Per Share	$4.06	18% – 20% CAGR

Performance supports strong cash deployment

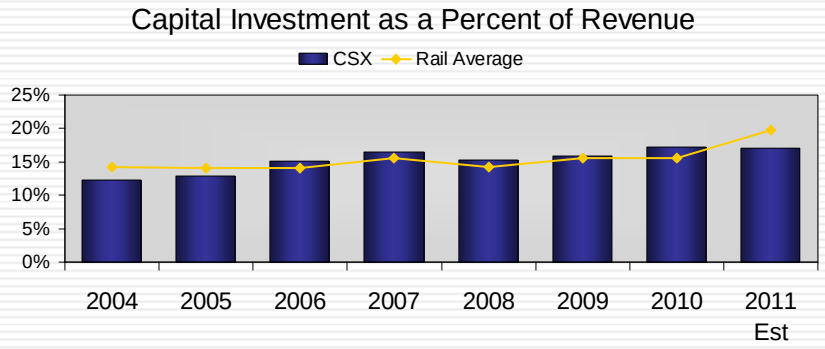
CSX has pursued balanced approach since 2005 . . .



. . . and recent actions underscore it will continue



Historical capital investment is in line with peers . . .



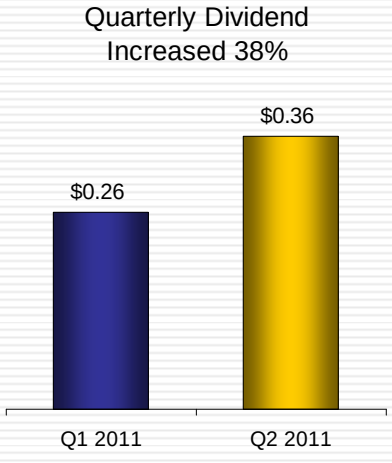
. . . and CSX's capital investment is expected to average 18% of revenue through 2015

Note: Rail average includes CSX, NS, UP, BN; 2011 capital based on public statements and consensus estimates

Investment broad based to meet business needs

	Strategic	Infrastructure	Equipment	Regulatory
Scope	Capacity, automation, commercial facilities and technology	30,000 track miles and 14,000 bridges	4,000 active locomotives, 78,000 cars	Emissions standards for locomotives, security and PTC
Drivers	Return driven projects	Safety, tonnage and age profile	Safety, profitable demand, age profile	Federal and state regulatory mandates

Announced dividend defines new CSX policy



- Targeting dividend payout ratio of 30% – 35% of EPS
- Payout will be measured on trailing twelve months EPS
- Announced increase equates to 33% payout on TTM basis
- Increases expected to be announced annually in May

New $2.0 billion buyback announced through 2012

- Previous share buyback programs totaled $5.9 billion
  - *Average price per share paid during the programs was $47.74*
  - *About one-third of market capitalization has been repurchased since 2005*
- Excess cash and Free Cash Flow will fund the 2011 – 2012 share buybacks
- Expect about $1B of annual share repurchases primarily funded by Free Cash Flow from 2013 – 2015

Expecting credit profile to improve

How tomorrow is taking shape for shareholders . . .

Sustained Performance	▪ CSX has delivered strong performance since 2003 ▪ Results have outperformed the peer group and broader S&P 500 ▪ Represents strong foundation for the future
2011–2015 Guidance	▪ Builds on the success of the last seven years ▪ Leveraging service excellence and a growing global economy ▪ Confident that broad-based initiatives will deliver top-tier results
Cash Deployment	▪ Guidelines for investment, dividends and buybacks conveyed ▪ Reflects strong momentum and confidence in long-term outlook



Closing Comments

MICHAEL WARD
CHAIRMAN, PRESIDENT & CHIEF EXECUTIVE OFFICER

Relentless pursuit of excellence . . .

CSX
How tomorrow moves™



2011 CSX CORPORATION
INVESTOR & FINANCIAL ANALYST CONFERENCE

GAAP Reconciliation Disclosure

CSX reports its financial results in accordance with generally accepted accounting principles ("GAAP"). However, management believes that certain non-GAAP financial measures used to manage the company's business that fall within the meaning of Regulation G (Disclosure of Non-GAAP Financial Measures) by the SEC may provide users of the financial information with additional meaningful comparisons to prior reported results.

In press releases and presentation slides for stock analysts, CSX has provided financial information adjusted for certain items, which are non-GAAP financial measures. The company's management evaluates its business and makes certain operating decisions (e.g., budgeting, forecasting, employee compensation, asset management and resource allocation) using these adjusted numbers.

Likewise, this information facilitates comparisons to financial results that are directly associated with ongoing business operations as well as provides comparable historical information. Lastly, earnings forecasts prepared by stock analysts and other third parties generally exclude the effects of items that are difficult to predict or measure in advance and are not directly related to CSX's ongoing operations. A reconciliation between GAAP and the non-GAAP measure is provided. These non-GAAP measures should not be considered a substitute for GAAP measures.

GAAP Reconciliation

Full Year Results	
Dollars in millions	2003
Operating Income	$ 499
Casualty Reserve Adjustments	232
Legal Settlements	108
Restructuring Charge	22
Comparable Operating Income	$ 861
Operating Ratio	93.4%
Casualty Reserve Adjustments	(3.1%)
Legal Settlements	(1.4%)
Restructuring Charge	(0.3%)
Comparable Operating Ratio	88.6%
EPS from Continuing Operations	$ 0.27
Casualty Reserve Adjustments	0.32
Legal Settlements	0.15
Restructuring Charge	0.03
Comparable EPS from Continuing Operations	$ 0.77

Note: Results have been adjusted for the retrospective change in accounting policy for rail grinding



2011 CSX CORPORATION
INVESTOR & FINANCIAL ANALYST CONFERENCE