



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.

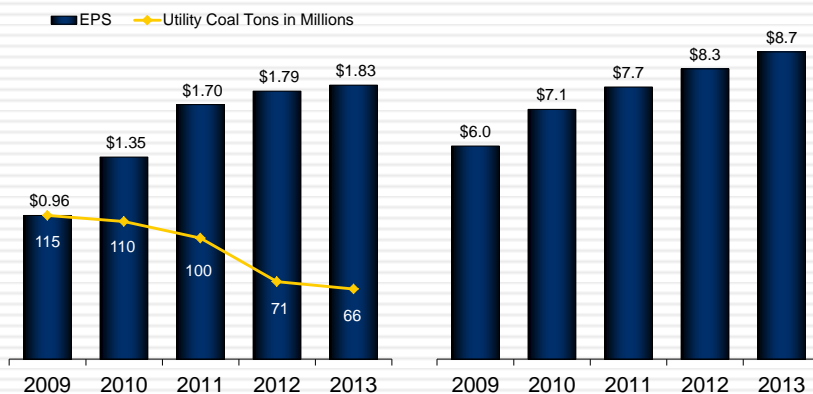
Executive summary . . .

- **CSX has overcome the transition in the energy markets**
 - *EPS strong on non-coal revenue growth, inflation-plus pricing and efficiency*
- **Second quarter volume has accelerated**
 - *Operations stable with gradual recovery expected in the second half of 2014*
- **Diverse portfolio key to sustainable earnings growth**
 - *Business is now the most diversified in the company's history*
- **Financial outlook remains positive long-term**
 - *Expect modest EPS growth in 2014 and double-digit beginning in 2015*

Earnings remain strong during energy transition

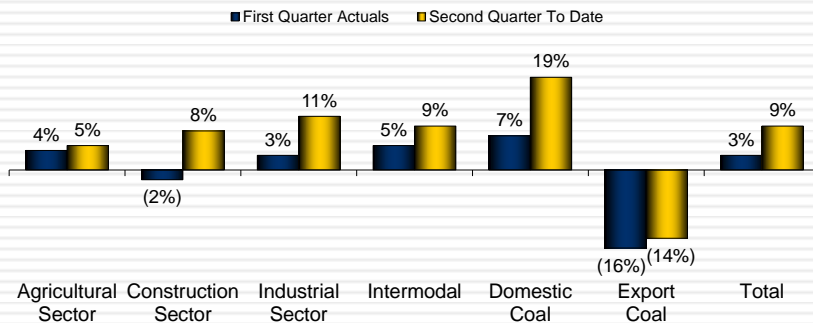
Record EPS despite significant decline in utility coal

Merchandise/Intermodal revenue grows \$2.7 billion



Strong volume growth expected in second quarter

Year-Over-Year Change in Volume

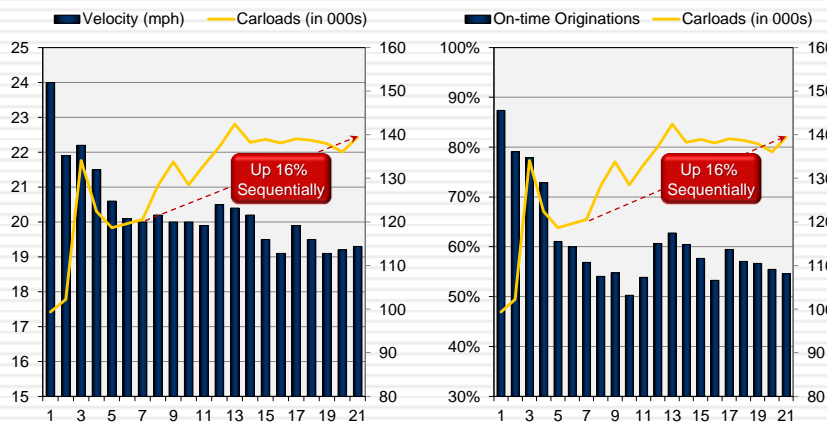


Second quarter EPS now expected to be flat to slightly up on volume strength

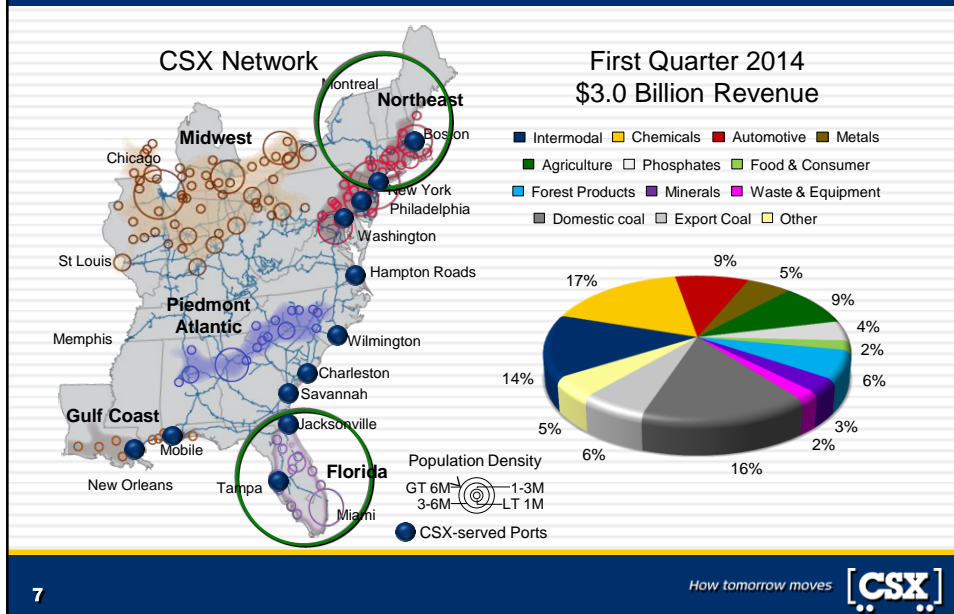
Note: Second quarter data is through week 21, ending May 23, 2014

Service levels stable; gradual recovery expected

2014 YTD Weekly Service Metrics vs. Volume

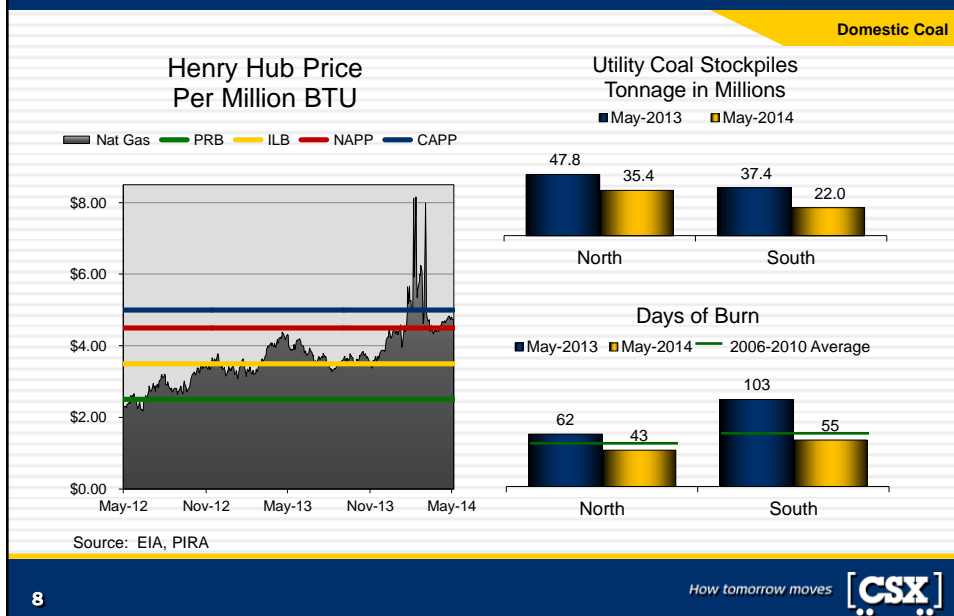


Network/diverse portfolio drive sustainable growth



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Domestic utility coal inventories are normalizing

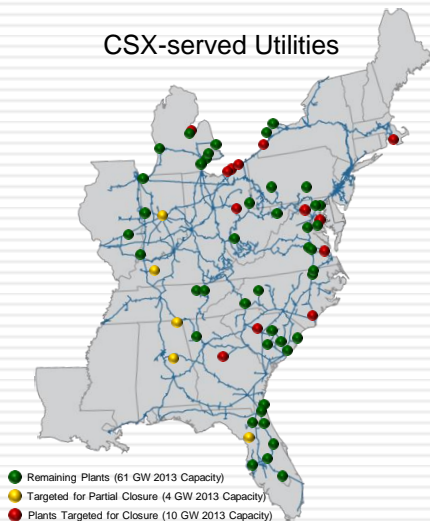


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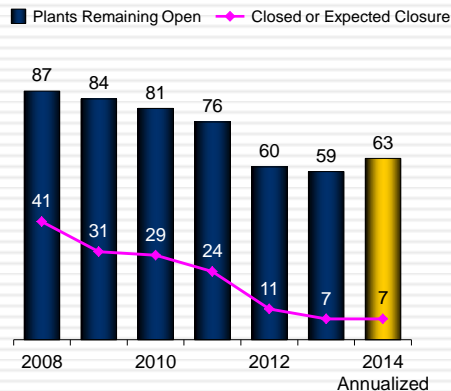
Volume to 2015 compliant utility plants is stabilizing

Domestic Coal

CSX-served Utilities



Utility Coal Volume Tonnage in Millions

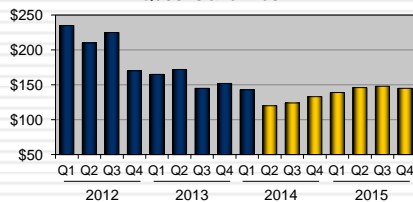


Note: 2014 annualized volume based on this year's first quarter

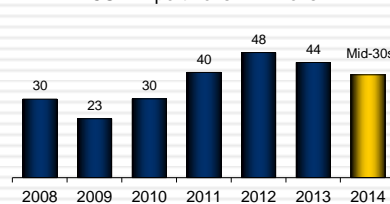
However, export coal market remains challenged

Export Coal

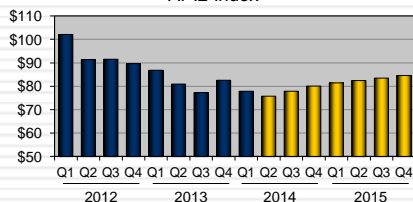
Queensland Index



CSX Export Tons in Millions



API2 Index



Export Coal Average Rate Per Ton

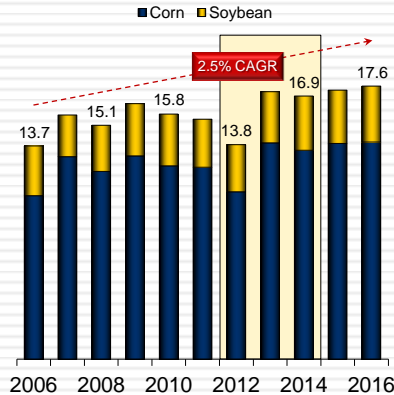


Source: ICAP Energy, Energy Publishing; second quarter 2014 export coal average rate per ton data through week 21

Agriculture outlook strong with record 2013 crop

Agricultural Sector

Corn and Soybean Production
Billions of Bushels



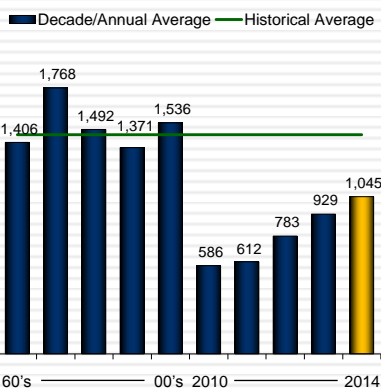
Source: USDA and ProExporter

- Record harvest in 2013 helps grain markets recover
 - Refills grain supply pipeline constrained during 2012 drought
- Initial 2014 crop projections are strong
 - Crop production constant, despite smaller corn acreage
- Lower corn prices spur growth
 - Ethanol production and poultry production rebound

Housing market continues to recover

Construction Sector

U.S. Housing Starts in Thousands



Source: Global Insights, U.S. Census Bureau

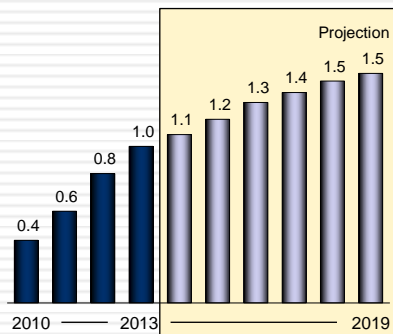
- Housing starts expected to grow 12% from 2013
 - Expectations for 2014 are still 30% below the historical average
- Housing starts drive about 6% of CSX business
 - Lumber and building products
 - Aggregates and waste
 - Metals and plastics
 - Intermodal
 - Appliances

Industrial growth driven by energy renaissance

Industrial Sector

Williston Basin
Daily Oil Production
(Million bbl/day)

■ Actual ■ Estimate



Source: North Dakota Pipeline Authority

- Chemicals driven by surging oil and gas industry
 - Crude volume could double in 2014; further growth long-term
 - Frac sand expected to rise about 10% in 2014, driven by Utica shale
- Metals growth on 5% forecasted increase in steel production
 - Oil and gas plays driving demand for drilling and transmission pipe
- Automotive strength continues
 - NALVP growth expected to again outpace GDP and IDP in 2014

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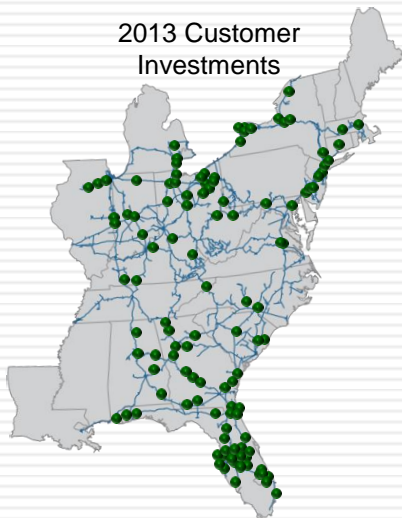
How tomorrow moves



Industrial development driving new long-term growth

Industrial Development

2013 Customer
Investments



- New or expansion projects on CSX totaled over 120 in 2013
 - About 570 over last five years
- Represents 150,000 carloads once projects are fully on-line
 - Nearly 620,000 over last five years
- Project pipeline healthy in 2014
 - Driven by substantial chemical related activity
- Customer investments totaled \$15 billion since 2009
 - Creating long-term growth

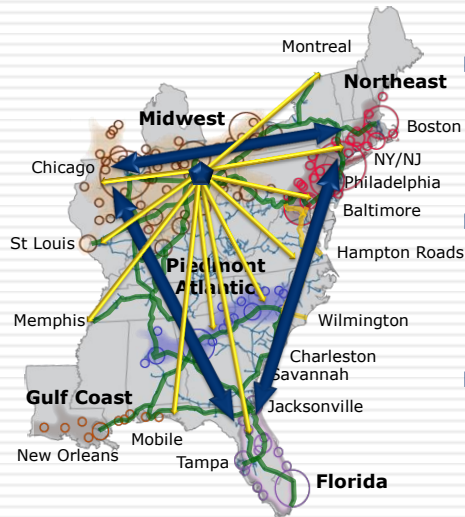
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How tomorrow moves



NW Ohio hub enhances network connectivity

Intermodal



- Hub and spoke coupled with corridor lanes key differentiator
 - Creates broader reach in eastern U.S. markets

- Approach combined with superior service drives growth
 - Over 125 new NW Ohio lanes driving 20% of total volume growth

- NW Ohio is at capacity and is being expanded 50% this year
 - Supports new investments in Montreal and Florida markets

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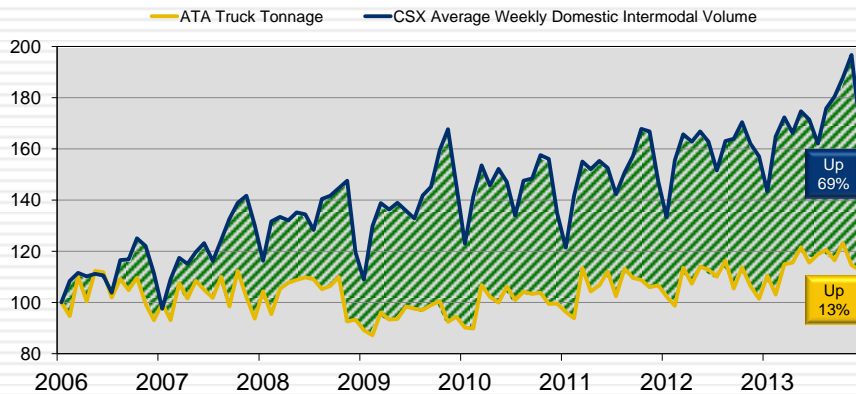
How tomorrow moves



CSX has successful H2R conversion platform . . .

Intermodal

Domestic Intermodal Volume versus ATA Truck Tonnage
Indexed: January 2006 = 100



Source: CSX Corporation and ATA

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How tomorrow moves



... and future opportunity aligns with CSX's network

Intermodal

Truckload Opportunity



- Total eastern opportunity is about 9 million truck loads
 - Reflects truckload moves greater than 550 miles
- Significant majority overlays CSX's intermodal network
 - H2R initiative designed to capture growth opportunity
- Capital investment will be required over time
 - Investments are scalable as volume increases

Long-term growth at margins on par with nearly all of Merchandise

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How tomorrow moves



Wrap-up . . .

- Expect broad-based strength to drive long-term growth
 - Nearly all markets now have positive trajectory, including domestic coal
- This year expected to be the last year of coal transition
 - Domestic growth now expected; export volume and price remain challenged
- Expect double-digit EPS growth beginning in 2015
 - Diverse business portfolio will drive growth on sustainable basis
- Targeting a mid-60s operating ratio longer-term
 - Profitable volume growth, inflation-plus pricing and efficiency gains drive success

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How tomorrow moves



