



Changing Landscape of the Rail Industry

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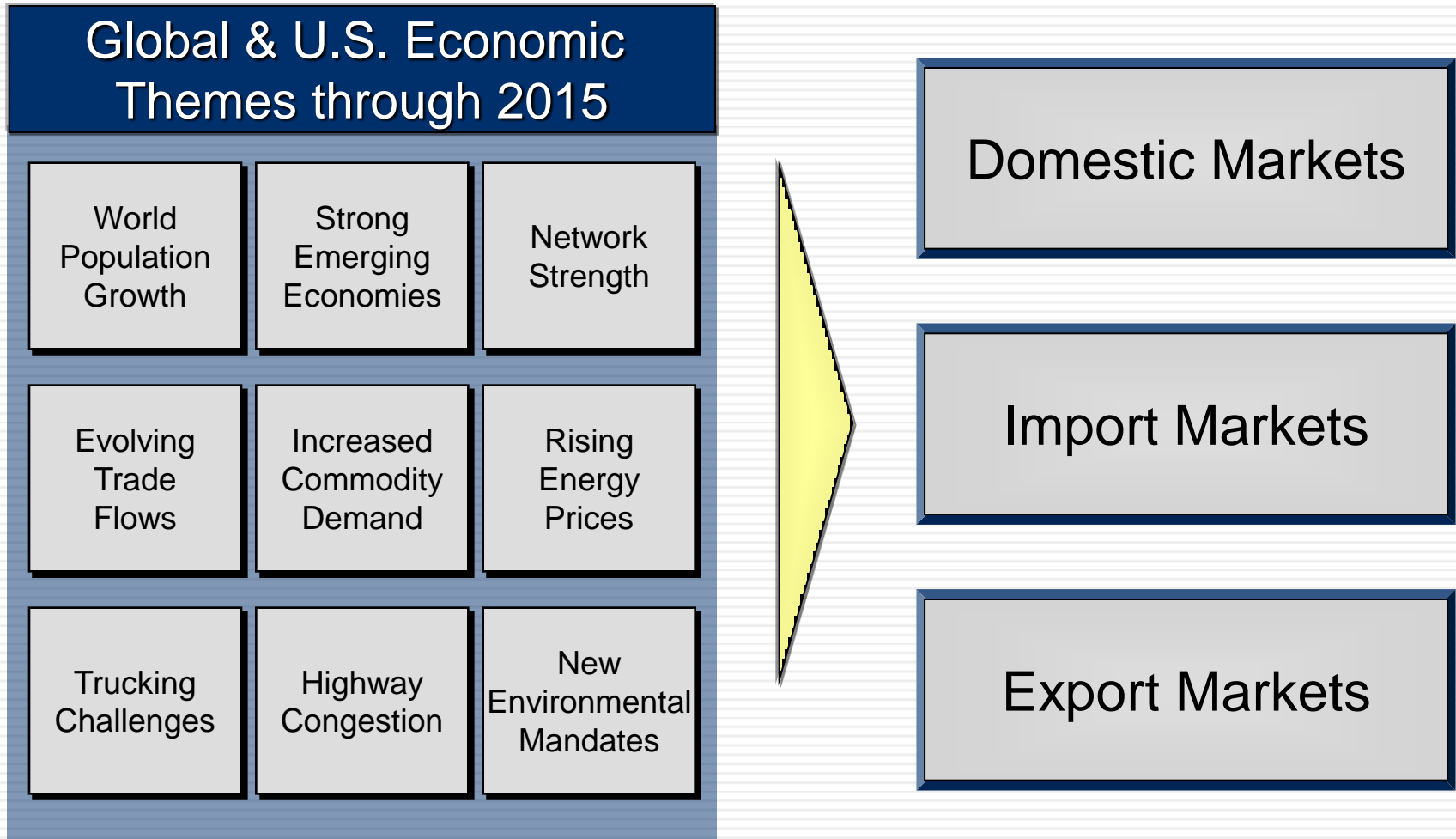
Economic environment still constructive for growth

Key U.S. Indicators	2011 Forecast	2012 Forecast
GDP	1.8%	2.0%
IDP	4.1%	2.8%
NALVP	12.9M	13.8M
Imports	5.6%	2.9%
Electricity Generation	0.3%	(0.4%)
Housing Starts	0.61M	0.73M
Unemployment	9.0%	8.8%

Source: Global Insight, EIA

- Macro and industrial economy is exhibiting modest growth
- Auto production growing to pre-recession level
- Import growth steady and consumer sentiment is improving
- Coal-fired power generation trend is unfavorable
- Housing expected to remain near historic low through 2012
- Unemployment likely to remain near 9%

Long-term trends favor CSX, rail transportation



The over-the-road alternative is challenged



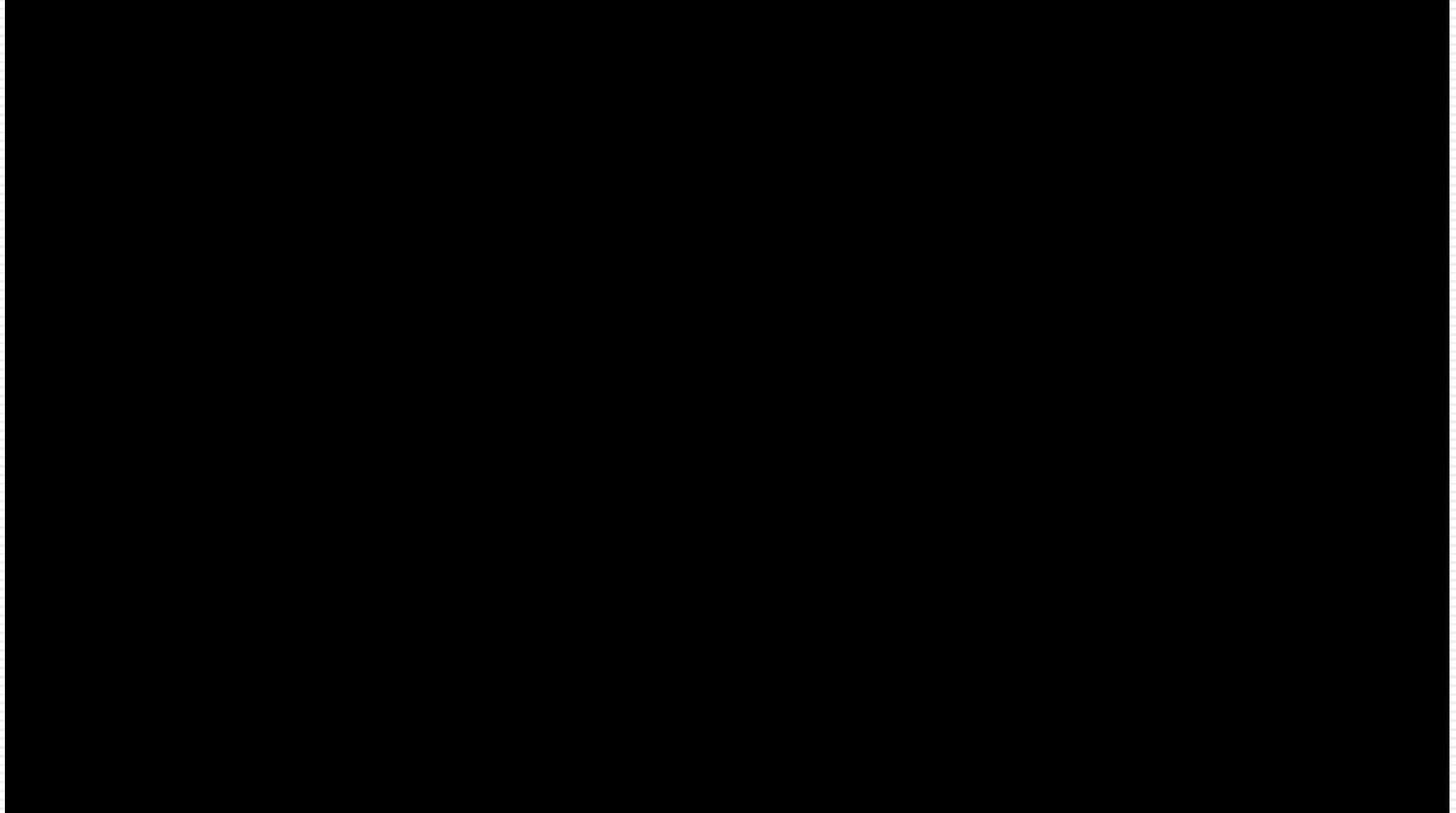
- Declining over-the-road productivity
 - *Highway congestion*
 - *Future regulations (HOS)*
- Costs will likely rise in the future
 - *Driver shortages pressure wages*
 - *New equipment purchases*
- Greening of the supply chain and exposure to spikes in diesel prices

How goods get to market is increasingly important



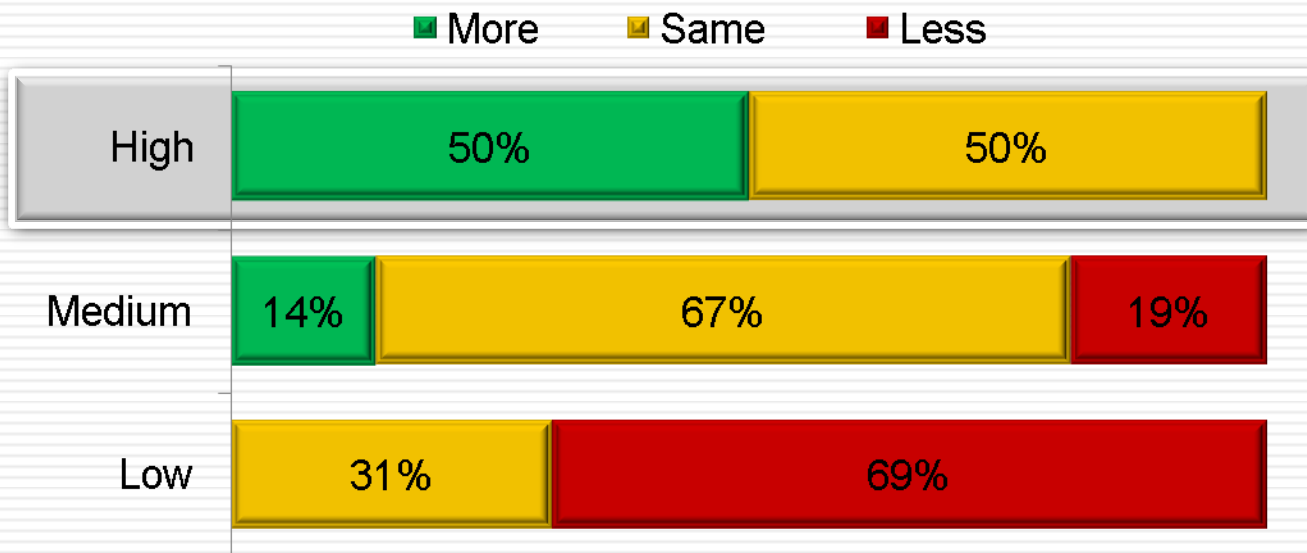
- CSX trains move a ton of freight nearly 500 miles on a gallon of fuel
- Invested more than \$1.5 billion to improve locomotive fuel efficiency
- Piloting new technologies to identify the most fuel-efficient throttle settings as trains move across the network

Rail is the environmentally responsible mode of choice



Growth starts with the Customer

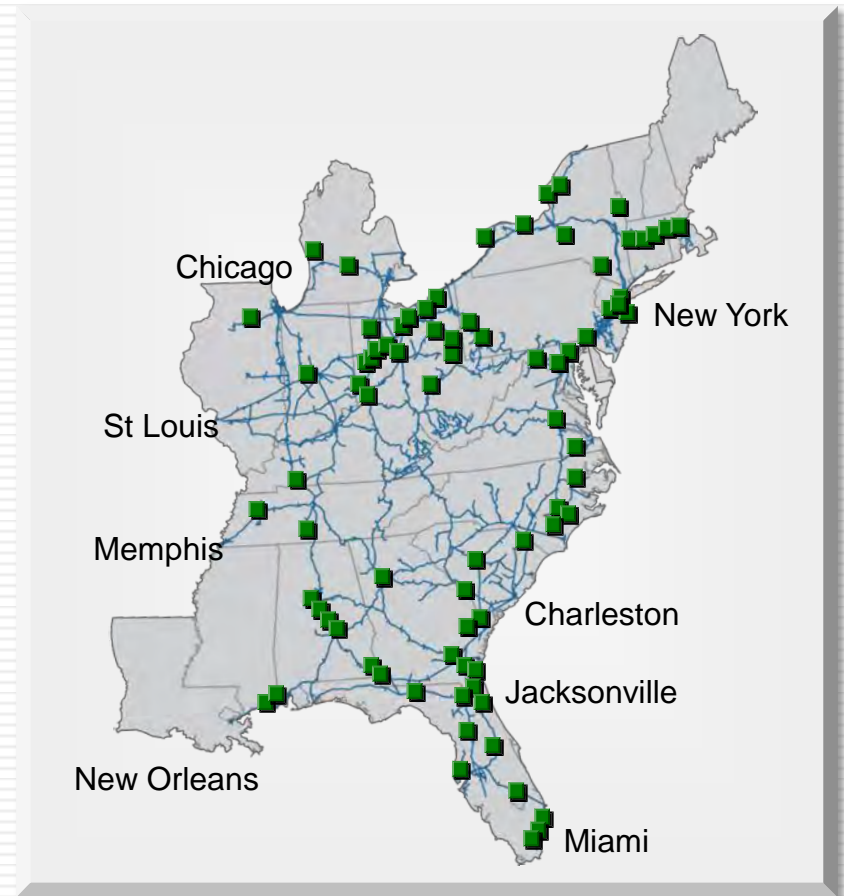
CSX Customer Satisfaction and Future Business Intent



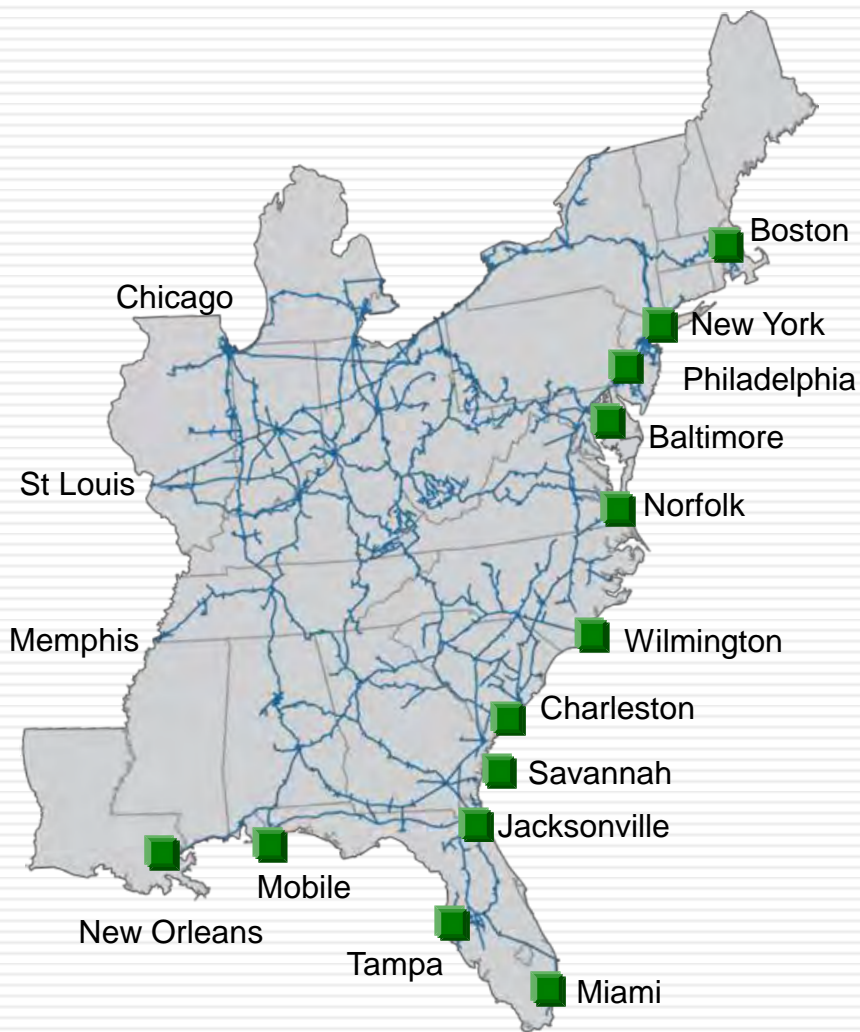
Source: JD Power & Associates, CSX Proprietary Survey

American industry embraces the rail renaissance

- **124** new or expanded facilities announced in 2011, representing nearly **\$1.4B** in customer investments
- Generate over **\$230M** in annual revenue at full production
- Southeast states continuing to attract new manufacturing plants
- Numerous firms in site searches (value of dollar / be closer to the customer)
- Significant opportunities in Marcellus & Utica Shale

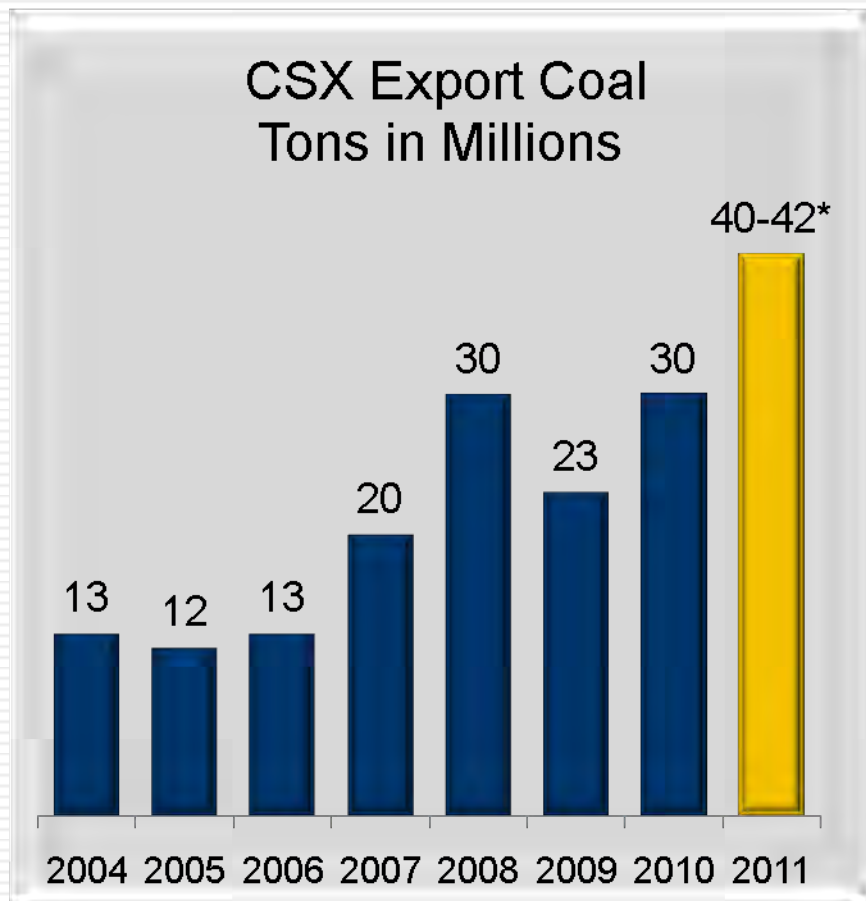


CSX serves key ports to capture global growth



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

Export Coal: Investing in new growth opportunities



* CSX Third Quarter Guidance

- Demand for export coal enjoyed strong growth in 2011
- Long-term global demand for coal likely to remain strong
 - Demand from emerging economies
 - US considered a stable supplier
- Capacity in place near-term and scalable longer-term
 - Better access to Illinois Basin
 - Curtis Bay Terminal in Baltimore
 - Throughput capacity at Mobile

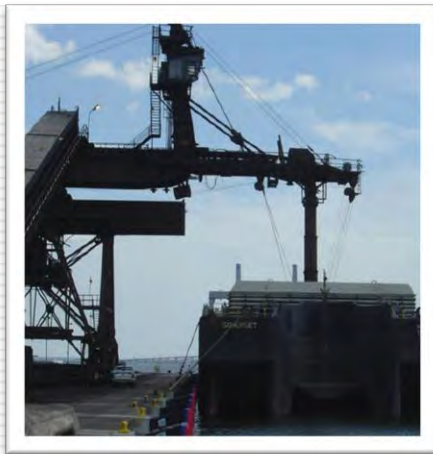
Public-private partnerships promote long-term growth



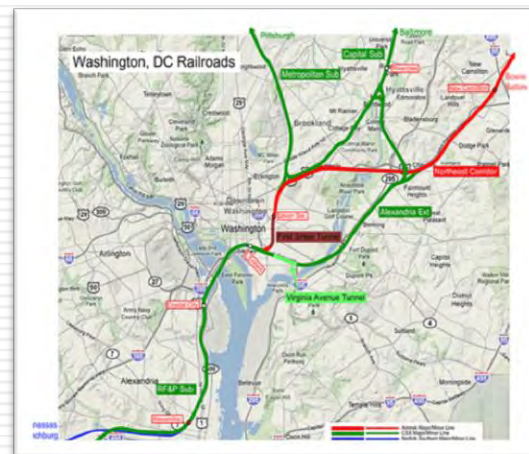
Central Florida



Western Massachusetts

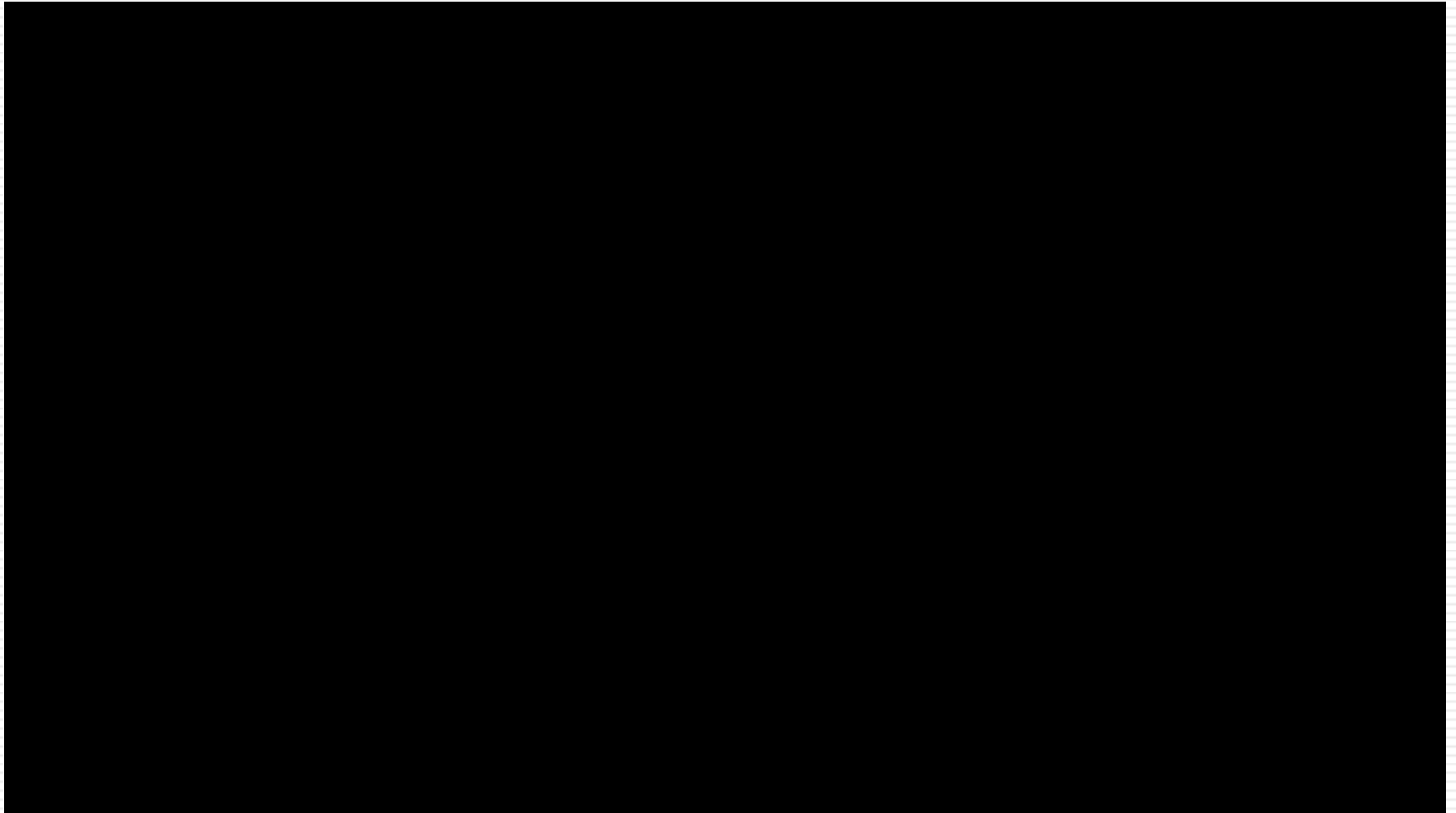


Baltimore, MD



Washington, DC

Rail also helps support business and job creation



First and last mile is key for carload service

"First Mile"



"Last Mile"

Improvement Opportunities

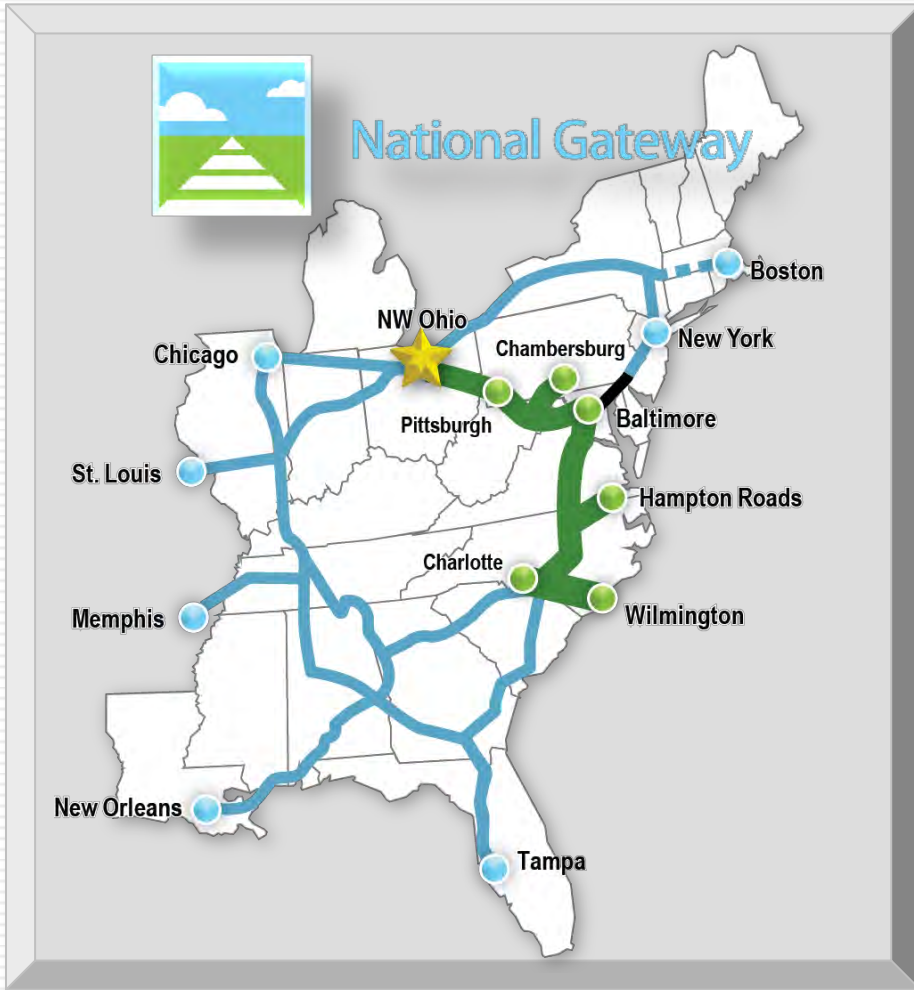
- Locomotive utilization
- Freight car utilization
- Crew resource demands
- First and last mile reliability



TSI Carload Objectives

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

Nothing brings it all together like the National Gateway



- National Gateway
 - *Double-stack capacity from Mid-Atlantic ports to Midwest*
 - *Connects more markets*
- Northwest Ohio
 - *New gateway to the West*
 - *Creates hub and spoke network*
- Supports new business
 - *Onboarding Maersk in 2012*
 - *Enables new Louisville services*

The future is here today at Northwest Ohio

