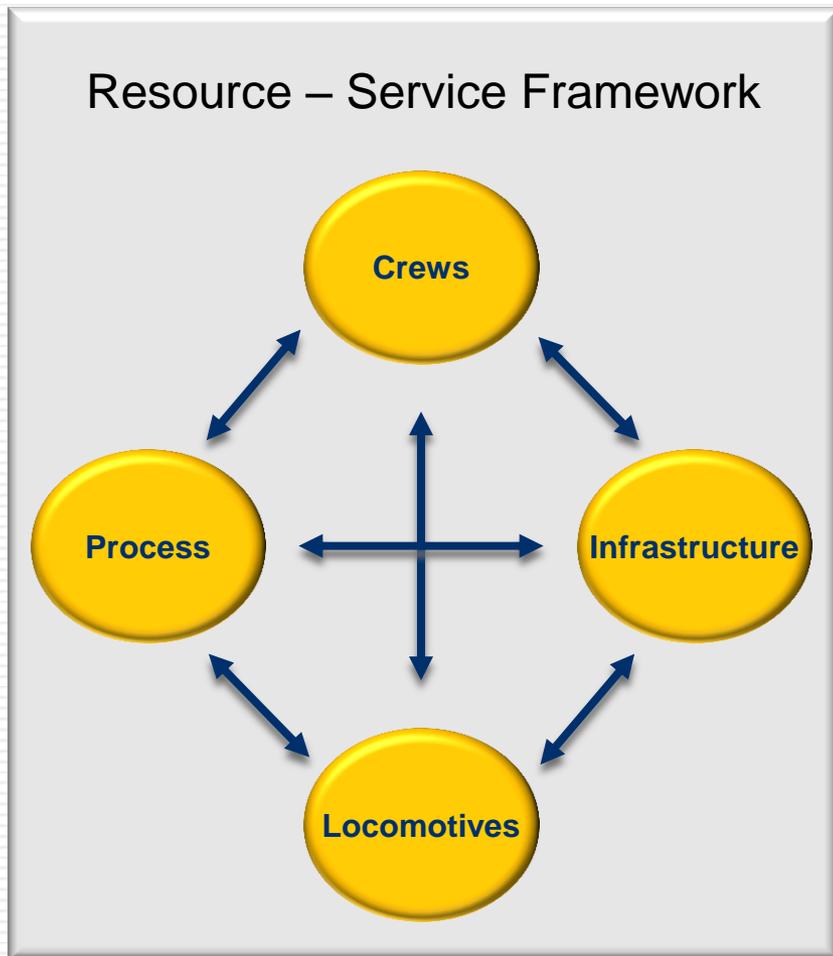




Continuing Our Commitment: *On the Road to Recovery*



CSX striving to address all key service drivers



- Service levels have stabilized
 - *Seeing improvements in key markets and key locations*
- Improvements expected to continue into 2015
- CSX is taking significant action to address each key service enabler
 - *Adding additional locomotives*
 - *Hiring new train crew employees*
 - *Accelerating capacity projects*
 - *Adjusting operating processes*

Adding resources to promote service recovery in the face of step-function increase in demand

Locomotives

Completed

- CSX has already increased its active locomotive count by over 375 units or 10% versus 2013
- Added 35 net new locomotive shop personnel to accelerate output

In the Pipeline

- Continuing to increase fleet size by bringing on leases, utilizing foreign horsepower, and accelerating rebuilds and heavy repairs

Future Plans

- At the beginning of Q3 2014, CSX signed a purchase agreement for 300 new locomotives with deliveries starting in early 2015

Additional locomotives will drive system-wide on time originations and arrivals higher, aid in network fluidity and recoverability, and support continued traffic growth

Train Crews

Completed

- To date in 2014, CSX has promoted 726 new conductors and 379 new engineers, increasing the active T&E workforce by almost 300
- Leveraged transfers, vacation buy backs, and retirement deferrals

In the Pipeline

- Given the lead time for adding crews, Q1 hiring is just now starting to produce qualified crews
- CSX has ~750 crew employees in various stages of qualifying

Future Plans

- Crew hiring will remain aggressive through the end of 2014 and into 2015, focusing on critical areas such as the Northern Tier

Incremental crews in key geographies will increase on time originations and arrivals and reduce dwell across the Northern Tier

Accelerating infrastructure projects and adapting processes to provide fluidity and capacity

Infrastructure

Completed

- River Line, Trenton, New Rock projects support service and growth
- Elsdon Sub acquisition and Thornton Junction CREATE project cutover add capacity and flexibility in the Chicago area

In the Pipeline

- Adding additional Chicago Gateway options and Selkirk staging tracks to reduce Northern Tier congestion and transit delays
- Casky Yard investment supports grain harvests, Illinois Basin coal

Future Plans

- Advancing infrastructure spending with focus on projects that help address constrained corridors and alleviate service impacts
- Investigating new terminal projects to help fluidity, recoverability

Increased terminal and line-of-road capacity in key locations will help streamline interchange, improve throughput capabilities and increase network velocity

Process

Completed

- Changed routing protocols to improve freight flows and interline interchange efficiency
- Now utilizing alternative gateways to alleviate Chicago congestion

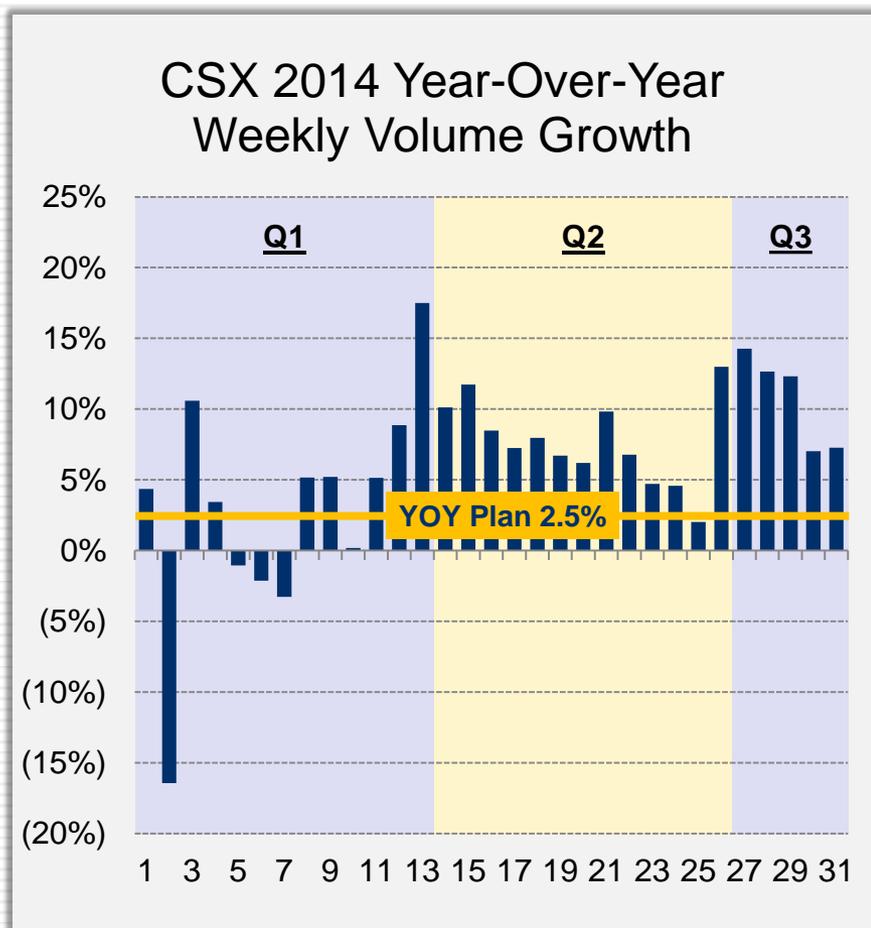
Pipeline/Future

- Winterizing assets to prepare for potential repeat of harsh weather
- Championing inter-railroad communication at local, regional and executive levels to holistic approach to interline customer service

Process changes provide near-term relief and longer-term strategic improvement as volumes grow and traffic mix shifts

Solving crew and locomotive shortages significantly improves near-term service, but long-term success requires a multi-dimensional approach

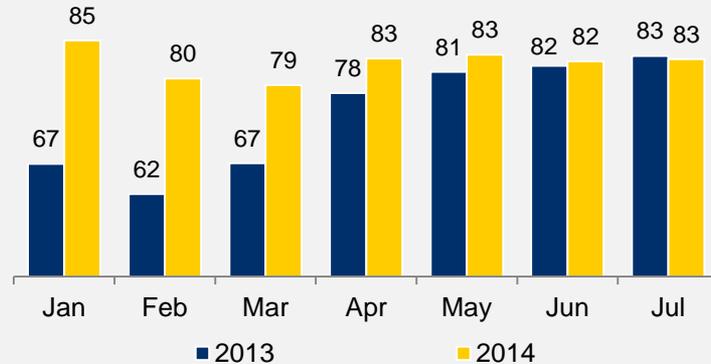
Demand remains strong; may lengthen recovery cycle



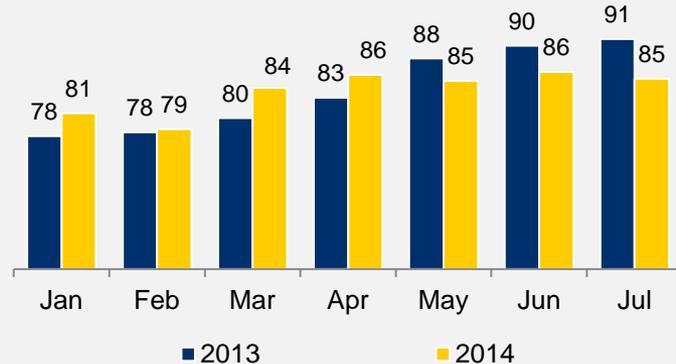
- Robust volume growth experienced in Q2 has continued into Q3 without the normal summer slowdown
 - Since week 12, CSX delivering 9% more volume in 2014 versus 2013, albeit at lower than desired service levels
 - Along many corridors on the Northern Tier, the traffic growth is even higher
- Spike in demand strains crew and locomotive resources in key areas
 - Volume growth continues to consume new resources as they become available
- Fall traffic peak on the horizon
 - Demand may reach highest point in 2014

Local service performance remains strong even with increased traffic

Local Originations (%)
2013 vs. 2014



Customers Switched (%)
2013 vs. 2014



- CSX committed to strong “First Mile, Last Mile” performance
- Local serving yards remain fluid even with volume growth in 2014
- Service Excellence training continues with field employees
- CSX investing in new tools and information transparency
 - *New estimated arrival at customer notification (EAC)*

Customers can help by sharing anticipated demand

- Help us to improve overall planning and asset availability
 - *Turn assets at origin and destination to help improve equipment velocity*
 - *Do not over-order when order fill rates are below expectation*
- Please, always communicate service issues through the appropriate channels at CSX so we can better assist you
 - *Bilateral communication between CSX and our customers will help improve the overall service levels, especially on the local service level*
- Prepare accordingly for future demand needs
 - *Evaluate the opportunity to forward position inventory*

CSX is committed to growing with you.
CSX will continue relentless efforts to restore service.
CSX will invest to deliver long-term Service Excellence.

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.