

CSX Transportation Intermodal

How tomorrow moves



CSX at a glance...

Company Overview

- America's first railroad
 - *Founded in 1827, headquartered in Jacksonville, FL*
- Largest rail network in east
 - *21,000 route miles in 23 states, serving 70 ports*
- Significant resources
 - *Over 4,000 locomotives, 70,000 freight cars, 30,000 employees*
- Ranked 231 on Fortune 500
 - *\$12 billion of revenue in 2013*

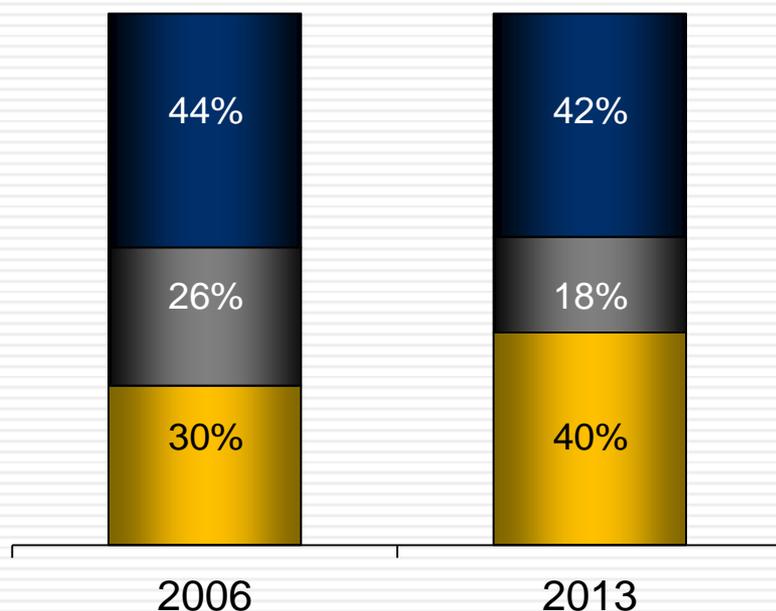
Intermodal at CSX

- Far-reaching, dynamic network
 - *Hub and spoke design provides unique service capabilities*
- Aggressive capital investment
 - *CSXT prepared for significant industry growth*
- Customer and service focus
 - *Minimizing variability in service, while meeting customer needs*
- Highway-to-Rail "H2R" strategy
 - *Over-the-road conversion*

Intermodal is a growing part of the CSX portfolio

Volume Portfolio by Business

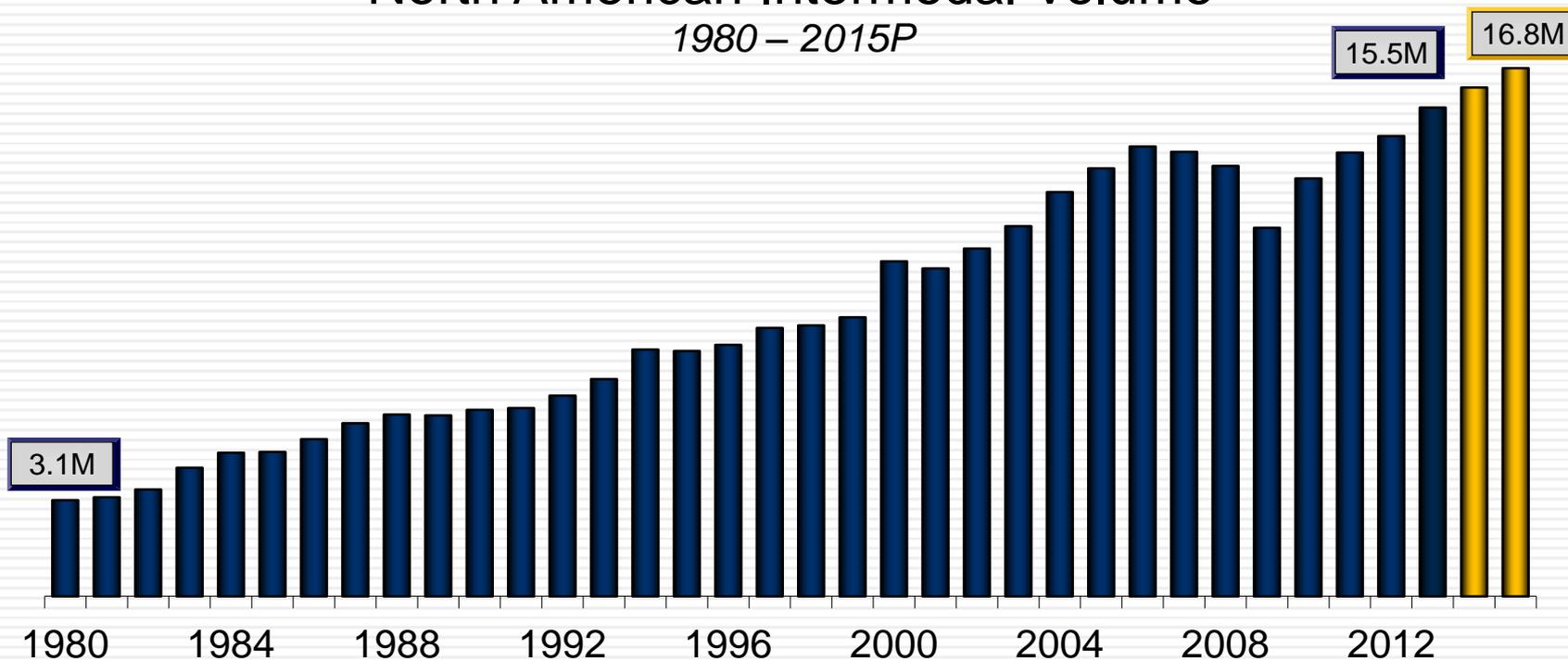
■ Intermodal ■ Coal ■ Other Commodities



- Industrial and housing economies have suppressed recovery
- Domestic coal decline driven by natural gas substitution
 - *Export coal growth driven by secular long-term global trends*
- Intermodal growth fueled by highway conversions and network/service development

Intermodal industry maintains growth trajectory

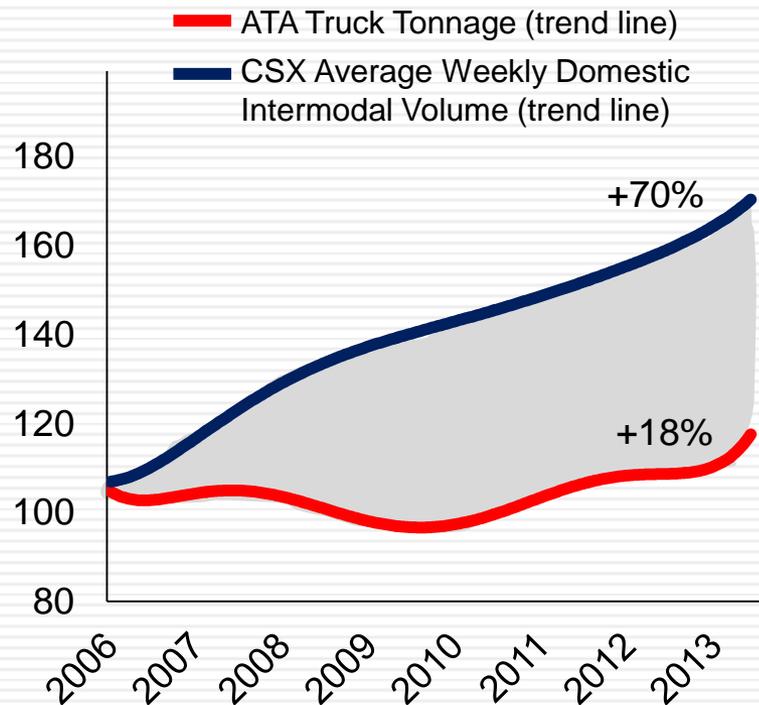
North American Intermodal Volume
1980 – 2015P



Intermodal accounted for about 22% revenue for major U.S. railroads in 2013, more than any other single commodity group

CSX outpacing truck growth, expect it to continue

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



Source: CSX Corporation and ATA

- Shipper confidence in intermodal reflected in results
 - *CSXT experienced record volumes in 2013*
- Intermodal gaining market share in surface freight
 - *Investment in containerization facilitates additional growth*
- Highway-to-rail (H2R) conversion provides supply chain benefits
 - *Scalable capacity, sustainable savings*

Highway conversions drive intermodal growth

Advantages of Rail



If just 10% of the freight that currently moves by truck were diverted to rail instead, fuel savings would approach

one billion gallons
per year



A single train can carry the load of more than
280 trucks.



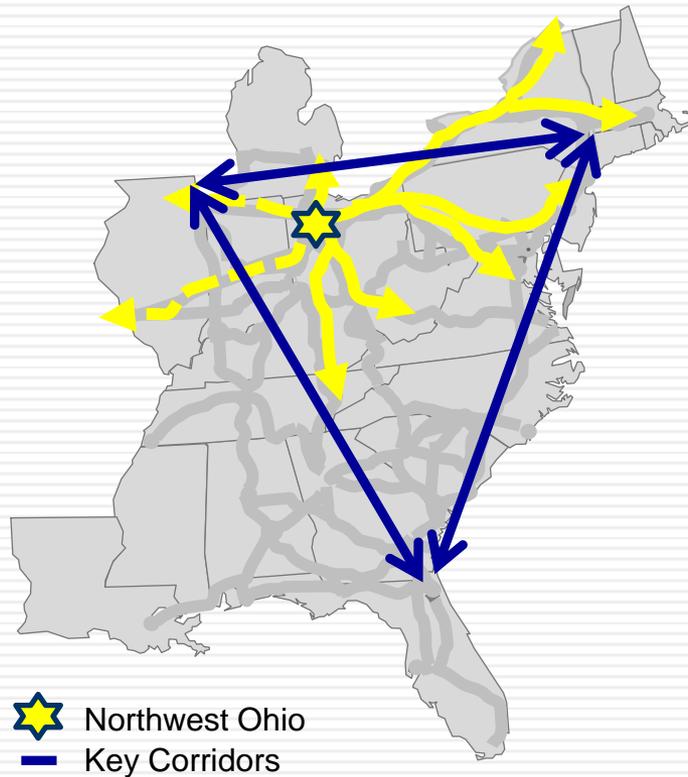
Upgraded locomotives lower fuel consumption by 10 million gallons annually - enough energy to power

over 11,000 homes
for a year

- Rail provides a sustainable transportation solution
 - *Intermodal meets shippers' supply chain requirements and needs*
- Rail is more cost effective, fuel efficient, and environmentally desirable
 - *Trucking faces capacity challenges*
 - *Intermodal offers scalable capacity*
- Infrastructure investments, productivity gains produce reliable, strong service

Network strategy differentiates CSXT, drives growth

CSXT Intermodal Network



- Corridor approach in dense lanes between major markets
 - *Strong, reliable service product*
- Hub-and-spoke supplements corridor approach
 - *Increases flexibility and reliability*
 - *Connects mid-tier markets*
 - *Differentiates network offering*
- CSXT provides shippers the ability to reach more markets
 - *Creating a truck-like intermodal network*
 - *Added 180 new lanes since 2013*

Louisville evidence of spoke impact

Hub Network Impact on Louisville



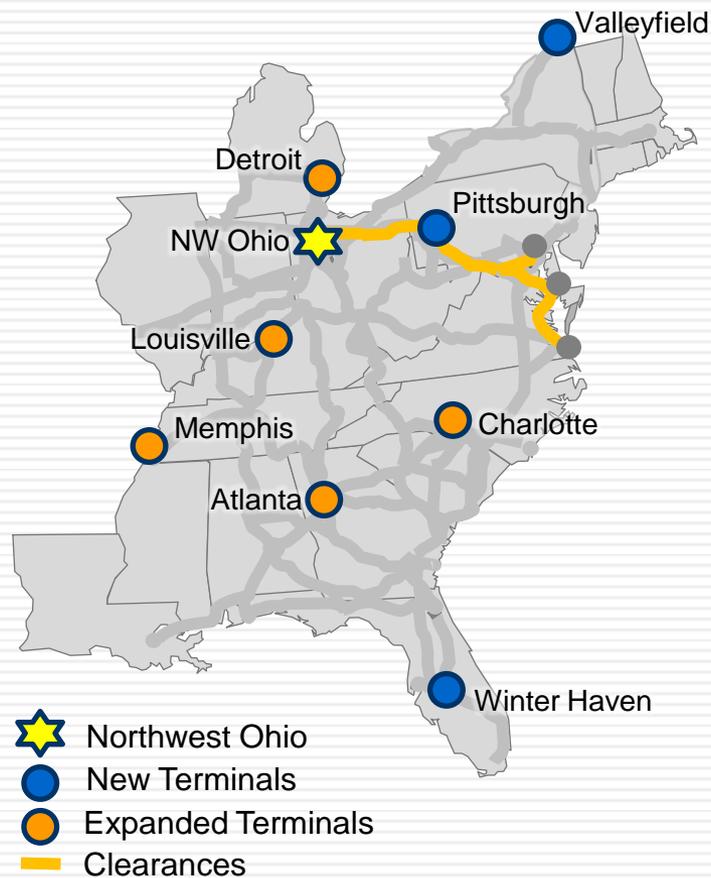
- Louisville terminal opened on CSXT network in 2012
- Louisville market reach expanded through NW Ohio hub, building freight density
 - *Created 60% of the service offerings in Louisville*

Louisville Service	Markets Served
Point-to-Point ¹	10
Hub Impact	15
All Markets	25

¹Conceptual service design of Louisville offerings without a hub-enabled network

Intermodal investments prepare for future growth

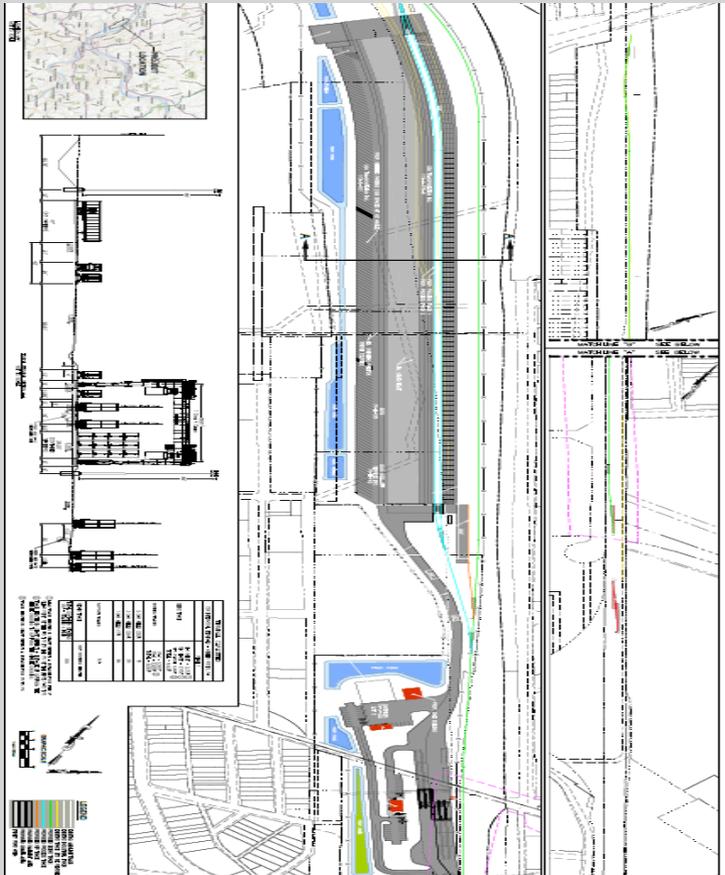
CSXT Intermodal Terminal Network



- New intermodal terminals currently being sited
 - *Winter Haven, FL (2014)*
 - *Valleyfield, Quebec (2014)*
 - *Pittsburgh, PA (2016)*
- Phase II of the National Gateway will double stack clear into mid-Atlantic ports
- Productivity and service gains from innovative terminal design, clearance projects
 - *Invested \$500M+ over past five years*

Pittsburgh terminal will enhance PA infrastructure...

Pittsburgh Terminal Design



- Create economic opportunity for residents and increased distribution opportunities
 - Provide western PA shippers direct intermodal rail access
 - Located on former Pittsburgh & Lake Erie Railroad Yard
- Terminal will generate approximately 360 jobs during construction
 - Once operational, the facility will support 40 on-site jobs, 40 drayage jobs, 100 indirect jobs

...and offer shippers statewide intermodal access

CSXT Intermodal in Pennsylvania



Pennsylvania Terminals

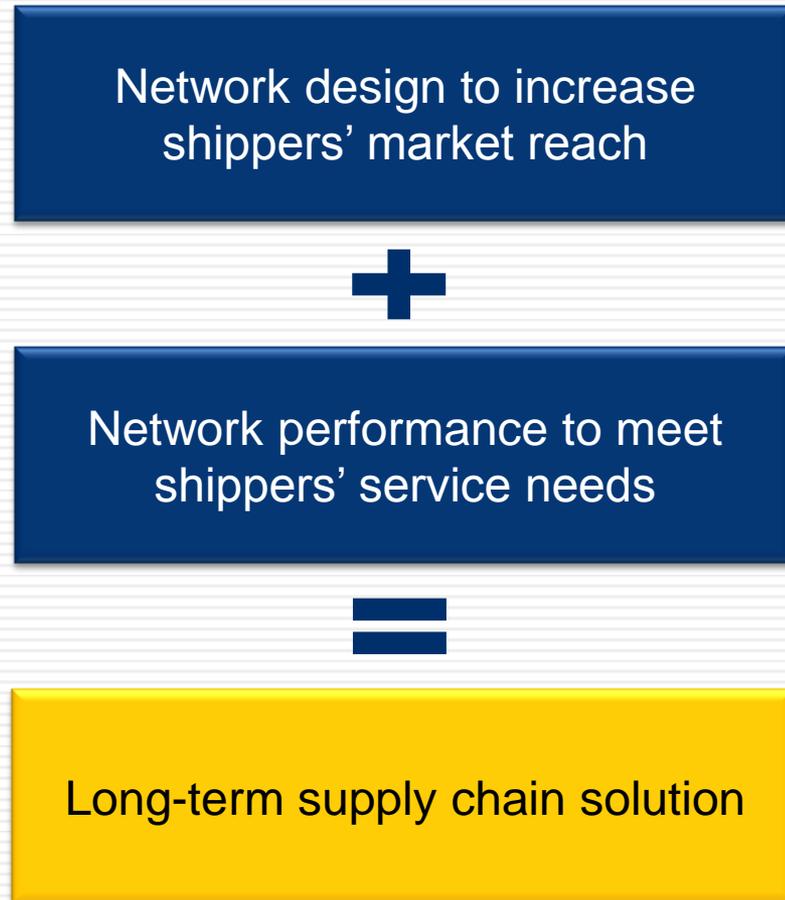
Pittsburgh – 50K Units (Targeted Opening in 2016)

Chambersburg – 150K Units (Targeted for Expansion)

Philadelphia – 250K Units

- CSXT will have extensive coverage in Pennsylvania with the addition of Pittsburgh
- Currently, CSXT provides shippers a diverse portfolio of service offerings
 - *Outbound, CSX offers service to 35+ domestic and 15+ international markets*
 - *Inbound, CSX offers service from 40 domestic and 15+ international markets*

CSXT: Building a sustainable competitive advantage



- Network strategy enables unique connectivity
 - *Continued strategic investment in infrastructure and terminals*
- Deliver a strong service product to shippers
 - *Continued focus on the customer experience*
- Intermodal offers sustainable savings, scalable capacity
 - *Continued modal conversion supported by macro trends*