



First Quarter 2015 Operations Update

Mark Manion

Executive Vice President

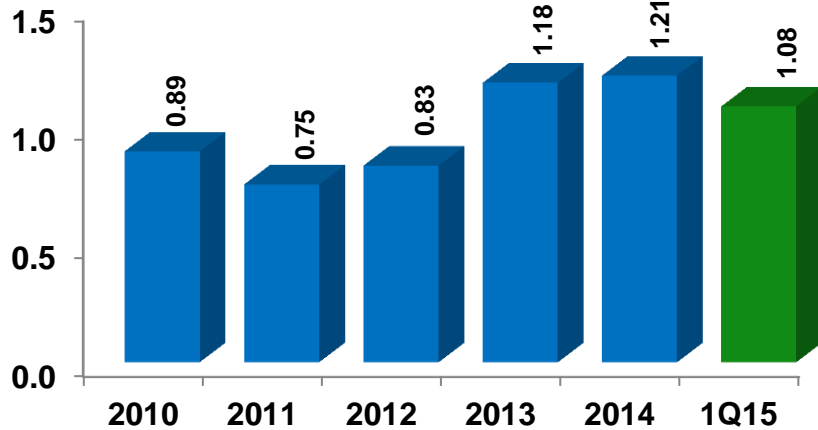
and Chief Operating Officer

Safety Performance

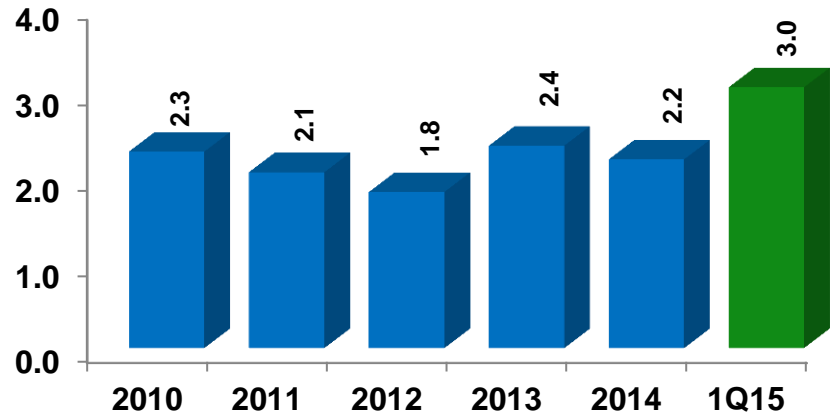
2010 – 1st QTR 2015

Safety initiatives led to employee injury reduction in first quarter.

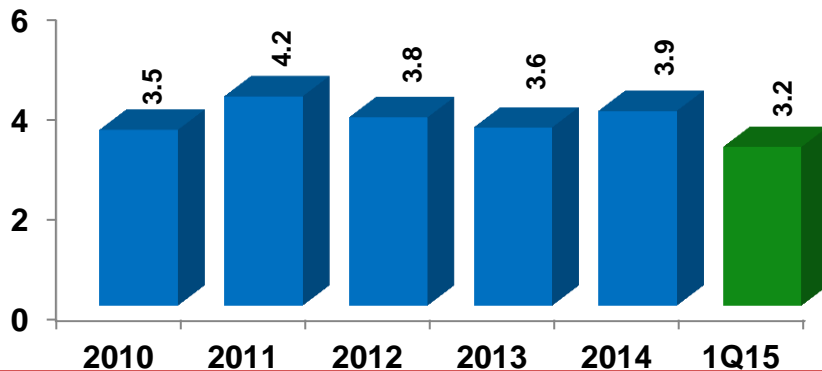
Reportable Personal Injuries
(Per 200,000 Employee-Hours)



Train Incidents
(Per Million Train Miles)



Crossing Accidents
(Per Million Train Miles)



1Q15 vs. 1Q14 COMPARISON

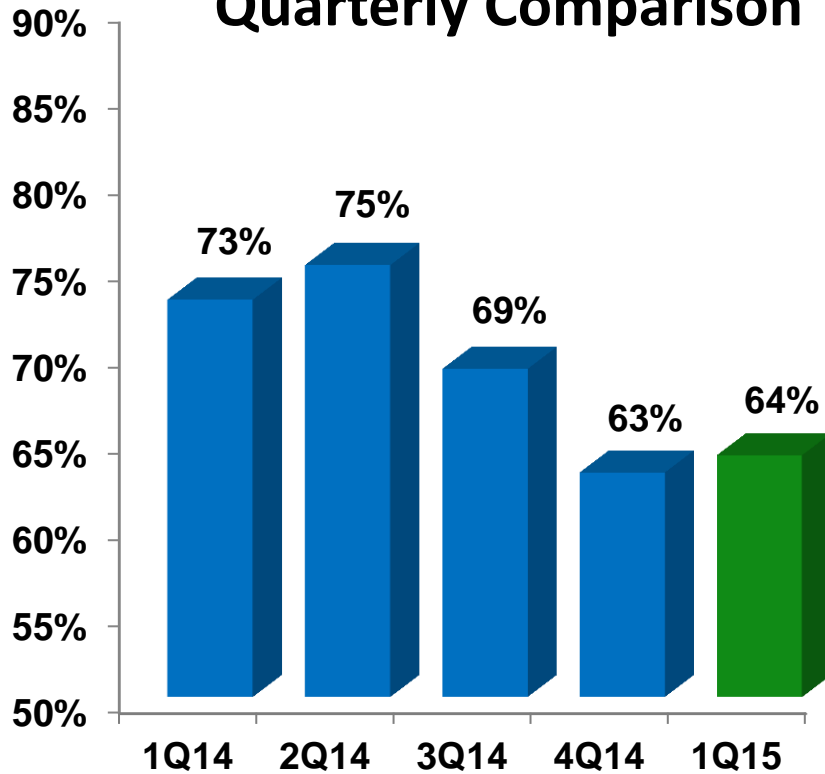
- Injury rate (1.08) down significantly over last year (1.49)
- Train Incident rate (3.0) is up over last year (2.6)
- Grade Crossing Accident rate (3.2) is down slightly over last year (3.8)

Composite Service Performance

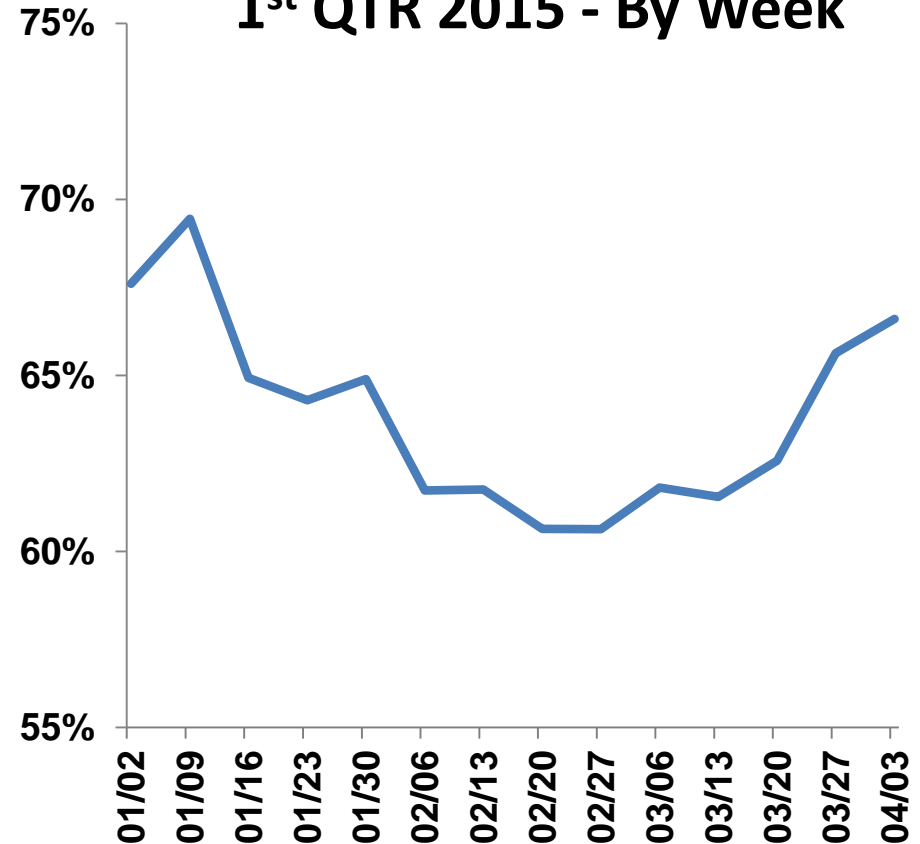
2014 – 1st QTR 2015

The quarter over quarter gain in service despite challenging weather conditions is a positive indication that NS service has turned the corner.

Quarterly Comparison



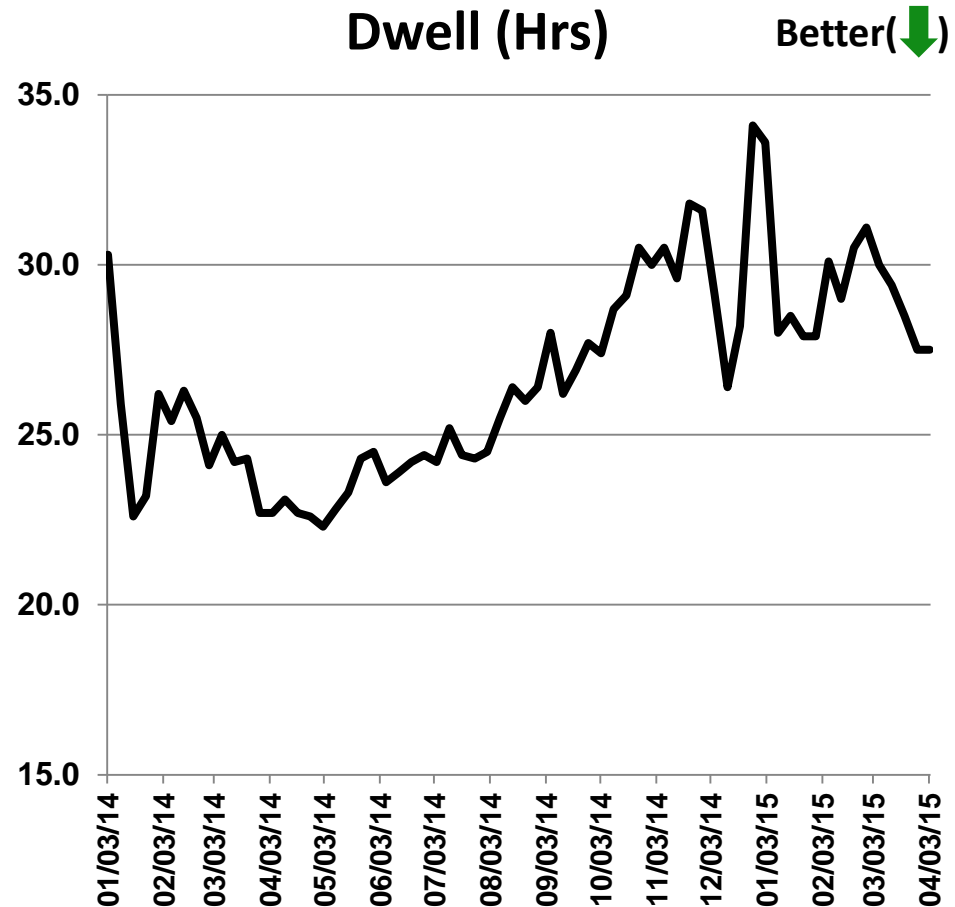
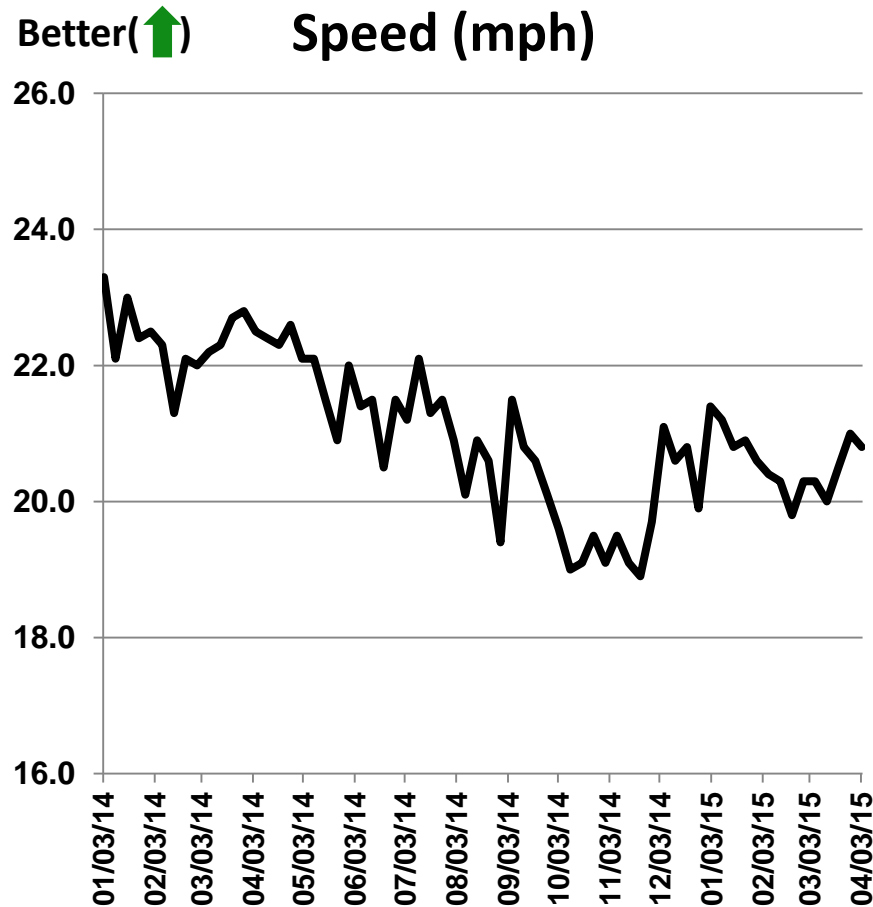
1st QTR 2015 - By Week



Train Speed & Terminal Dwell

2014 – 1st QTR 2015

Recovery in Train Speed and Dwell indicates the effects of winter have abated.



Going Forward

Additional Crews and Locomotives: March 1st vs. July 1st

Additional resources will be available during the 2nd quarter, which will improve service and asset utilization.

1. Additional Crew Resources:

- Qualified conductors +600
- Locomotive Engineers +50

2. Additional Locomotives: +200

- SD90MAC receipts +40
- Reduction in B/O percentage +160



Going Forward

Infrastructure: March 1st vs. July 1st

3. Infrastructure

- Chicago Connection Track: April 10th
- Goshen, IN Siding Extension: April 27th
- Bellevue Plan
 - Phase 2-A: April 6th
 - Phase 2-B: June/July

