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# **NS 2009 INVESTOR DAY**

**Norfolk Southern Investor Day  
James A. Squires  
Executive Vice President Finance &  
Chief Financial Officer  
June 3, 2009**

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# FUNDAMENTAL FINANCIAL FOCUS

- Free Cash Flow Generation
- Return on Invested Capital
- Return to Shareholders
- Capital Structure to Support Business and Strategy
- Cost Control Initiatives

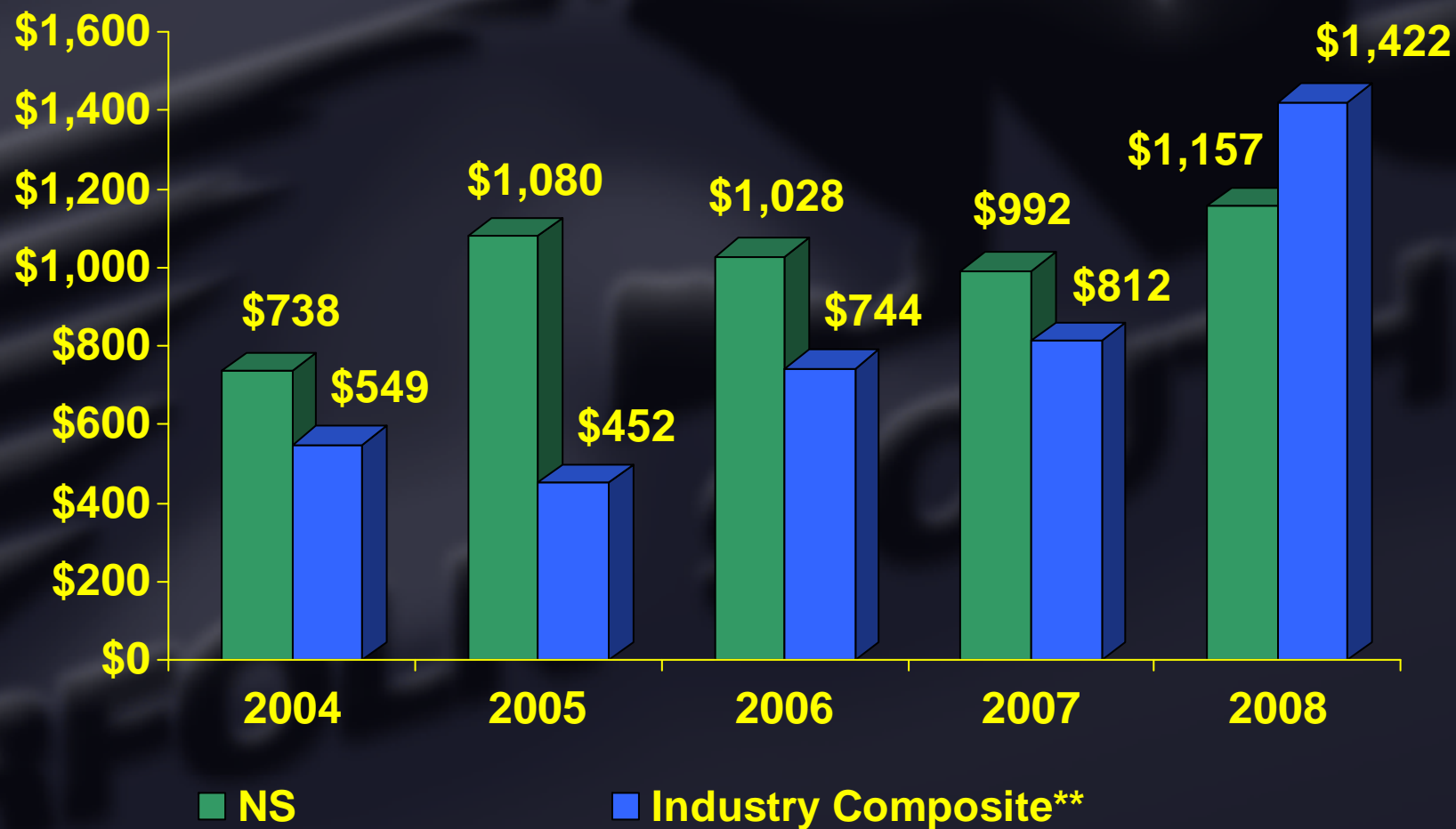
# FREE CASH FLOW GENERATION\*

(\$ Millions)



\*Please see reconciliation to GAAP posted on our website

# COMPARATIVE FREE CASH FLOW\*



\*Please see reconciliation to GAAP posted on our website

\*\* Industry Composite comprised of BNSF, CSX and UP

# RETURN ON INVESTED CAPITAL\*

Norfolk Southern versus Industry Composite\*\*



\*Please see reconciliation to GAAP posted on our website

\*\* Industry Composite comprised of BNSF, CSX and UP

# DIVIDENDS

(\$ Millions)



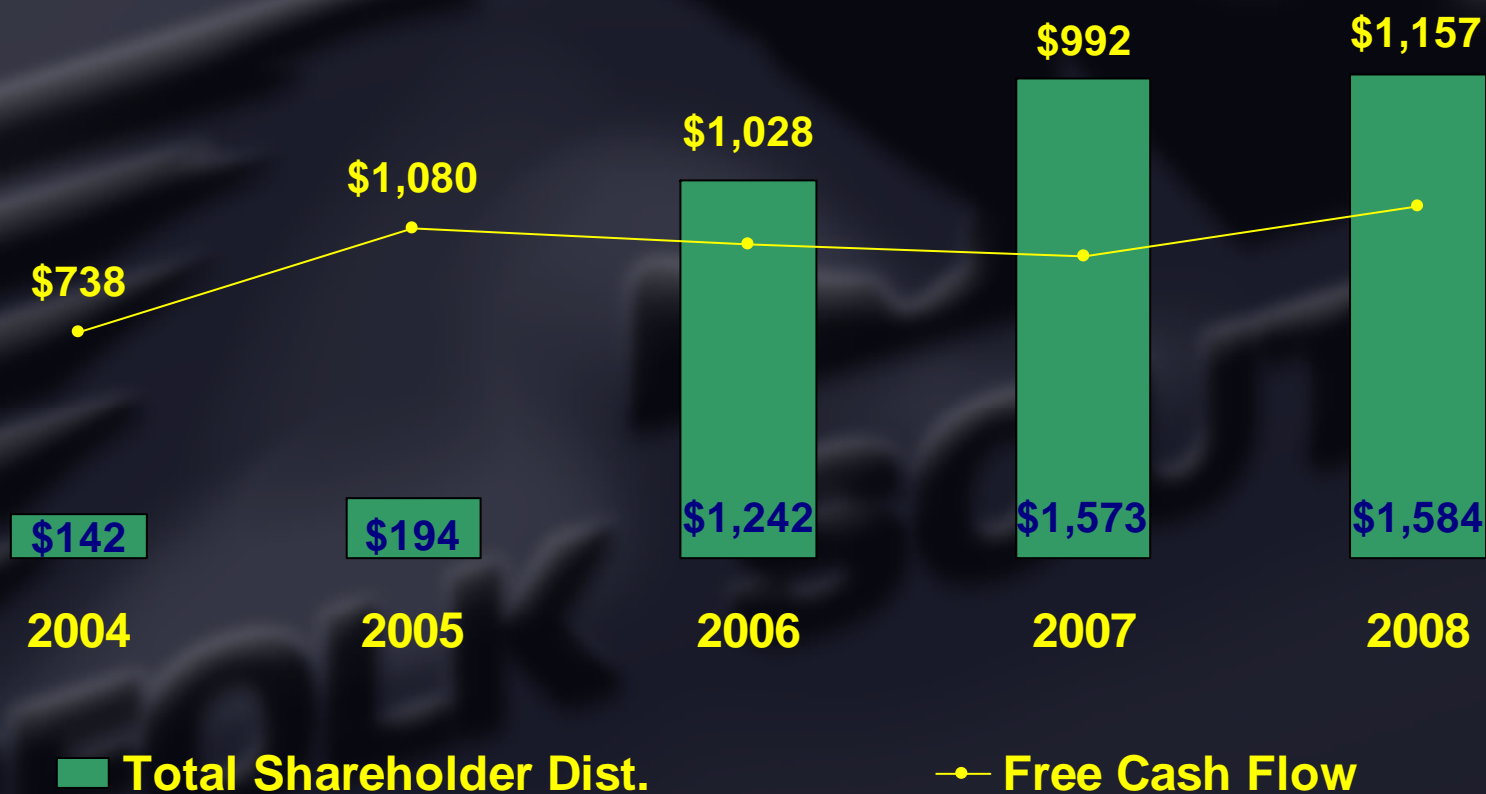
# SHARE REPURCHASES

(\$ Millions)



# TOTAL SHAREHOLDER DISTRIBUTIONS\* RELATIVE TO FREE CASH FLOW\*

(\$ Millions)



\*Please see reconciliation to GAAP posted on our website

# BALANCED CASH FLOW UTILIZATION

(\$ Millions)

Total Shareholder Distributions\* vs. Capital Expenditures



■ Dividends    ■ Share Repurchases    ■ Capital Expenditures

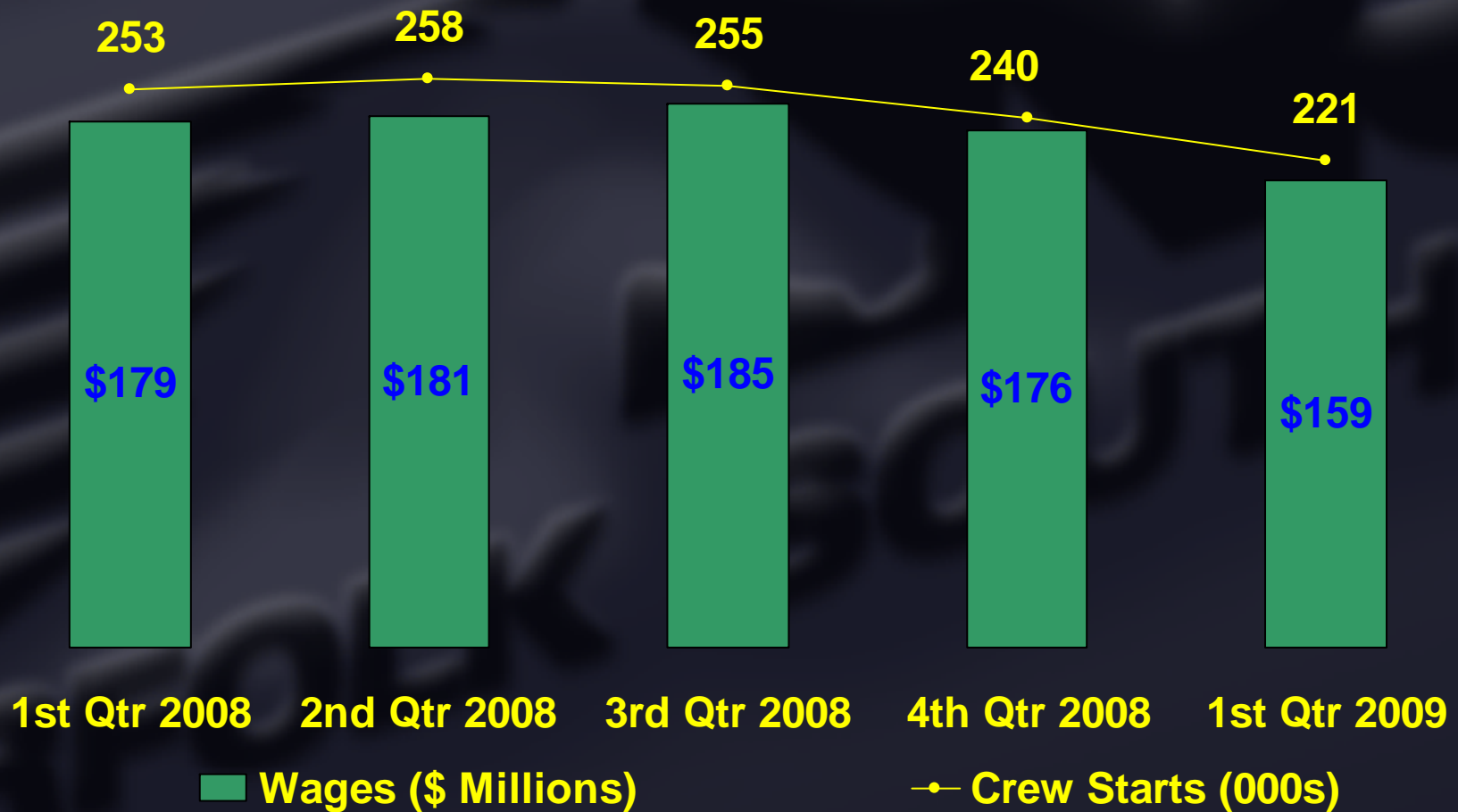
\*Please see reconciliation to GAAP posted on our website

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# **COST CONTROL INITIATIVES**

- **Train and engine crew starts and wages**
- **Incentive compensation - bonus**
- **Fuel consumption**
- **Equipment rents**
- **Intermodal operations**
- **Casualties and claims**

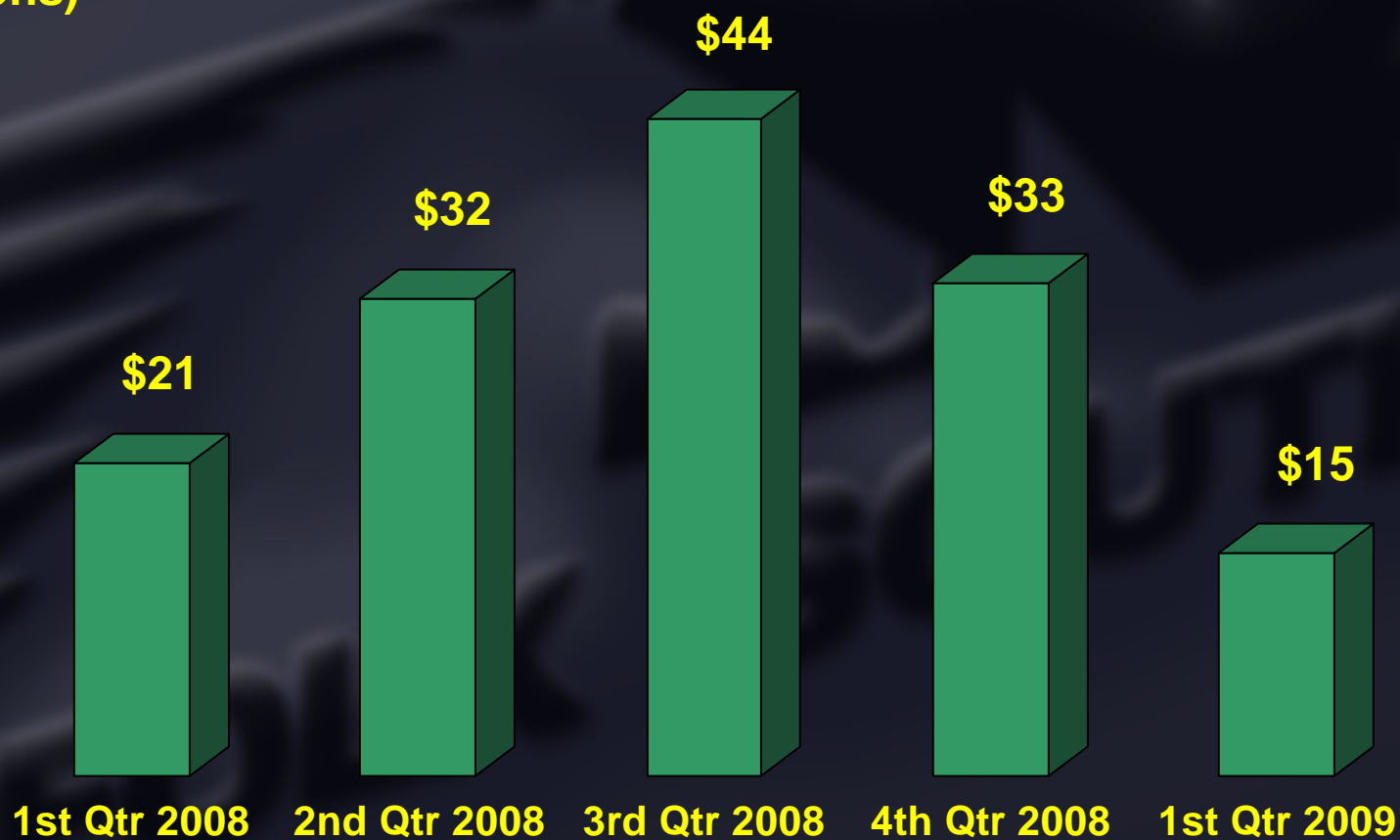
# TRAIN CREW STARTS AND WAGES



# INCENTIVE COMPENSATION –

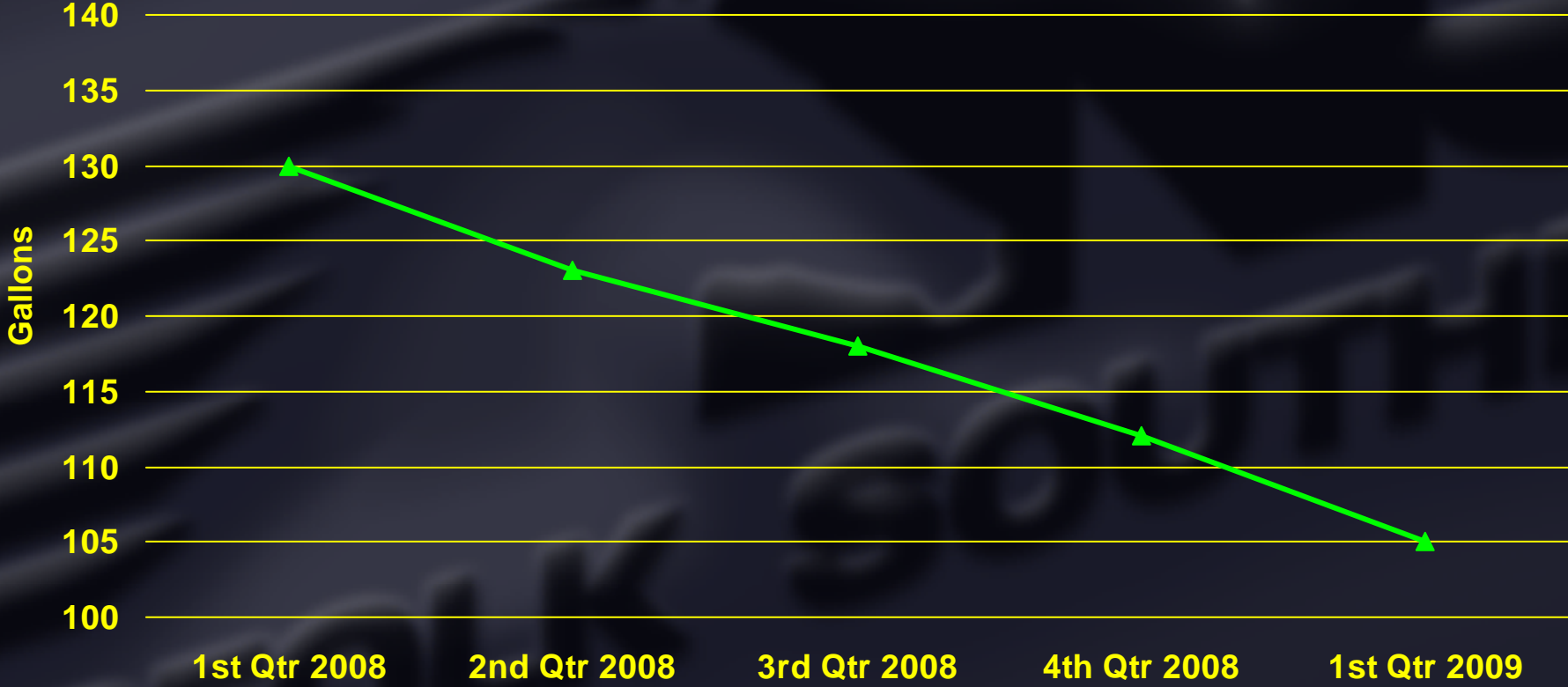
## Salaried and Union Bonus

(\$ Millions)



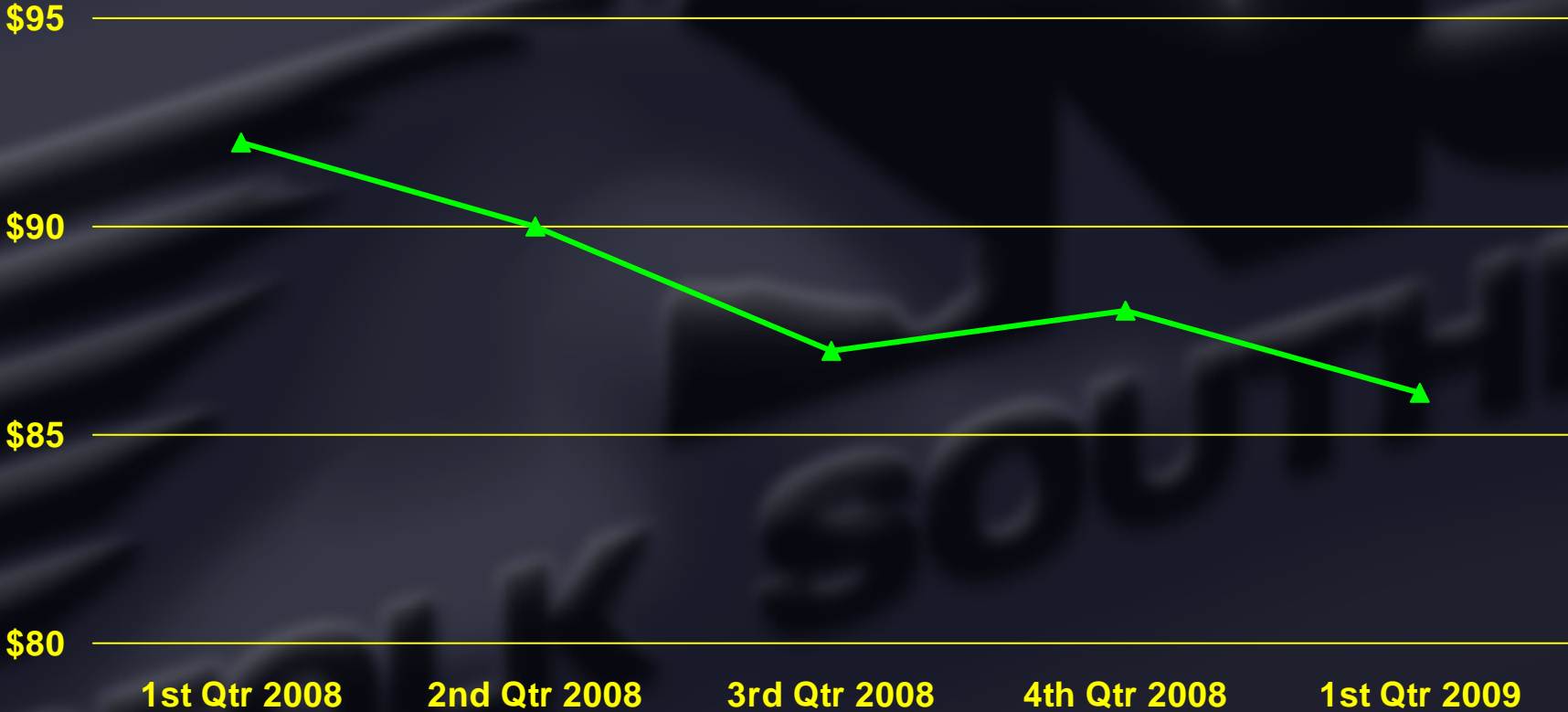
# FUEL CONSUMPTION

(Millions of Gallons)



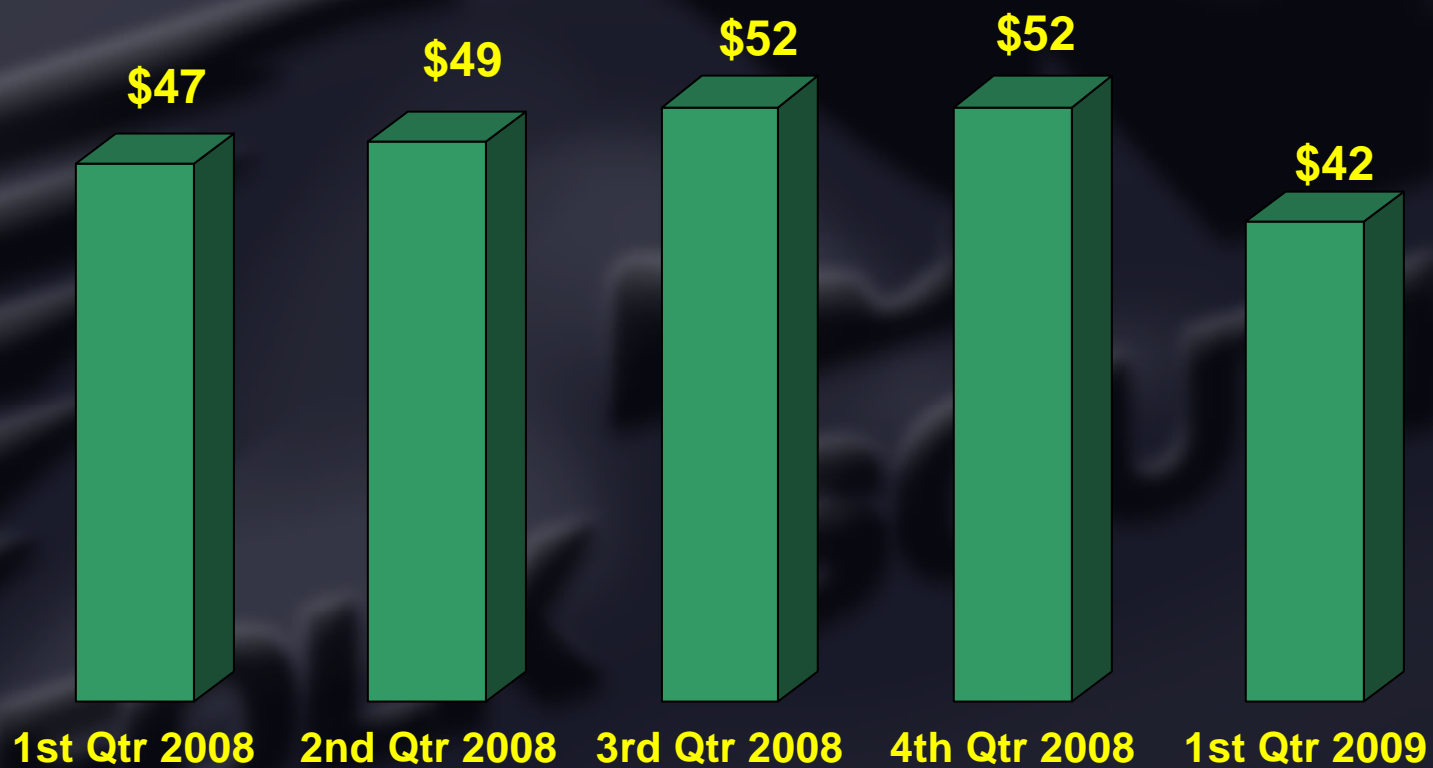
# EQUIPMENT RENTS

(\$ Millions)



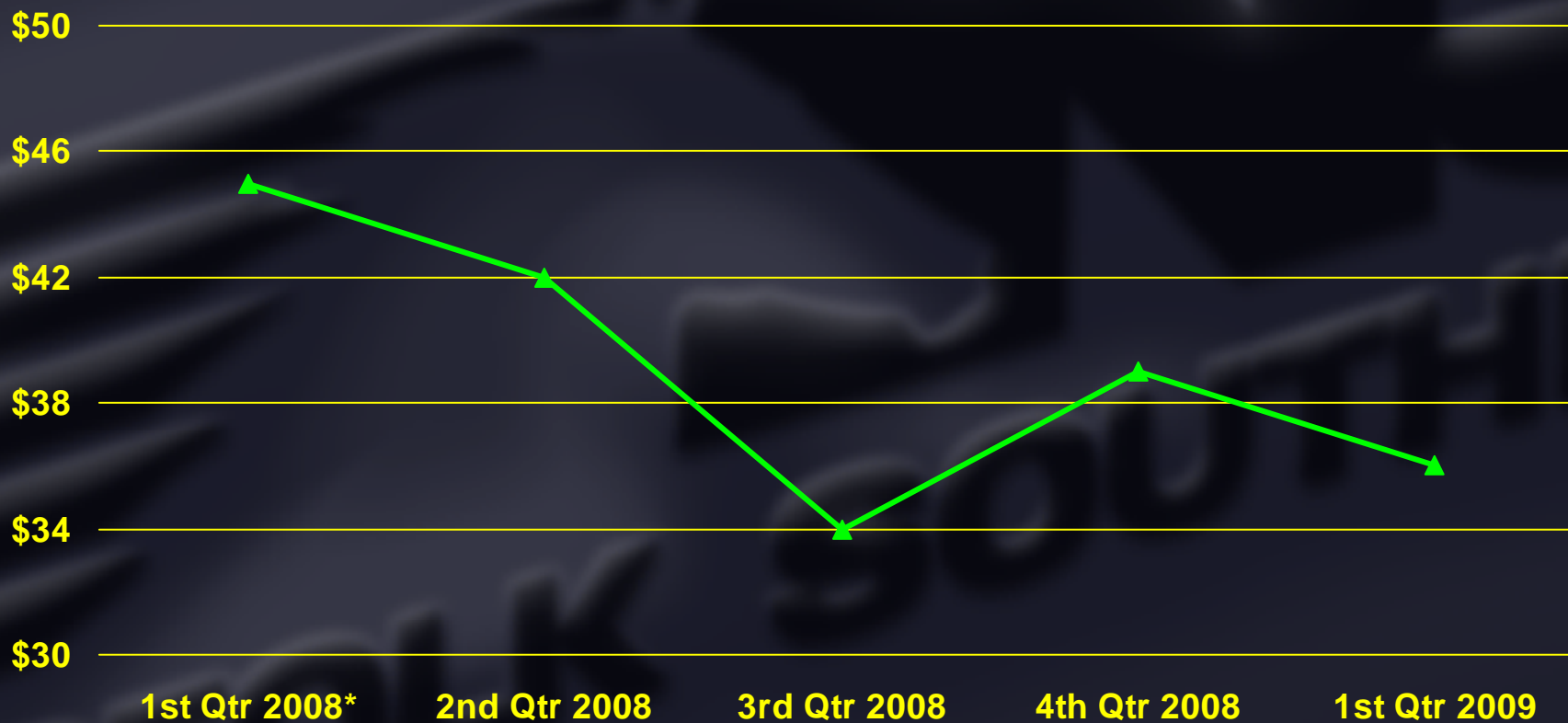
# INTERMODAL OPERATIONS

(\$ Millions)



# CASUALTIES AND CLAIMS

(\$ Millions)



\*1<sup>st</sup> Qtr 2008 excludes settlement costs related to Graniteville

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**June 3, 2009**

**The David R. Goode Building  
Atlanta, Georgia**