



Raymond James Institutional Investors Conference

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Agenda

- ❑ **NS Business Outlook**
- ❑ **Resource Initiatives**
- ❑ **Financial Objectives**



Railway Volume

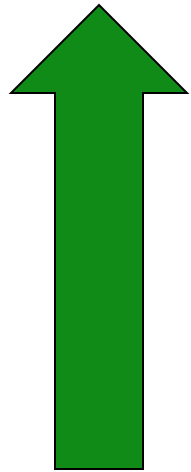
First Quarter through Week 9 2011 vs. 2010

	1QTD 2011 Units	vs. 2010	
		Abs.	% Chg.
Agriculture	109,476	(4,108)	(4%)
Chemicals	66,201	(1,979)	(3%)
MetCon	99,618	7,142	8%
Paper	56,496	1,319	2%
Automotive	52,406	4,212	9%
Merchandise	384,197	6,586	2%
Intermodal	520,282	47,250	10%
Coal	284,256	34,223	14%
Total	1,188,735	88,059	8%

Source: AAR carloadings, which are reported weekly and may not equal NS' reported volumes.

Outlook – Business Portfolio

General Merchandise



Chemicals

- Manufacturing recovery

Agriculture

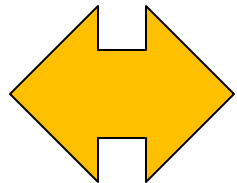
- Build out of ethanol network and export grain growth

Automotive

- New business, improved auto production and sales

Steel

- Recovery in global steel production

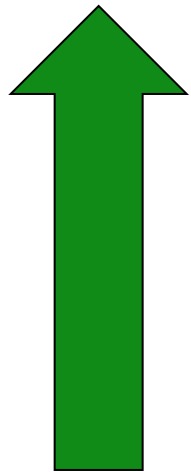


Forest Products

- Uncertainty in housing, but improving paper markets

Outlook – Business Portfolio

Intermodal



Domestic Intermodal

- Truckload conversions

International Intermodal

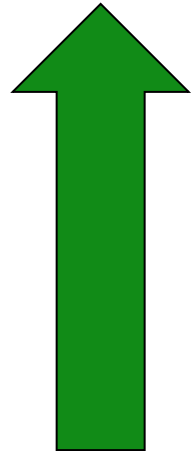
- Improving imports/exports

Premium

- New business opportunity

Outlook – Business Portfolio

Coal



Utility Coal

- Falling stockpiles and increased electricity generation

Export Coal

- Improving exports

Domestic Met Coal

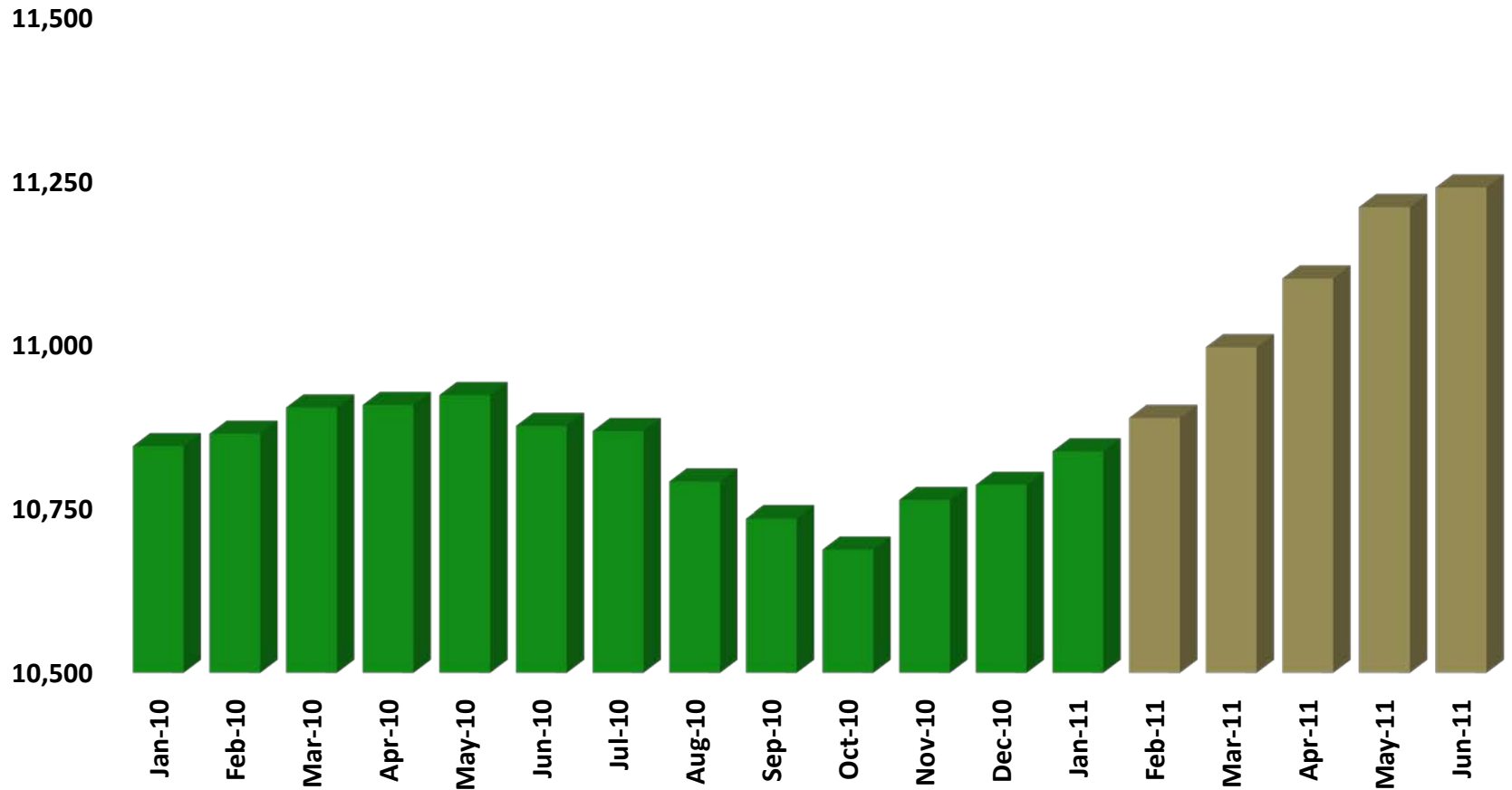
- Recovery in global steel production

Resource Initiatives - Locomotives



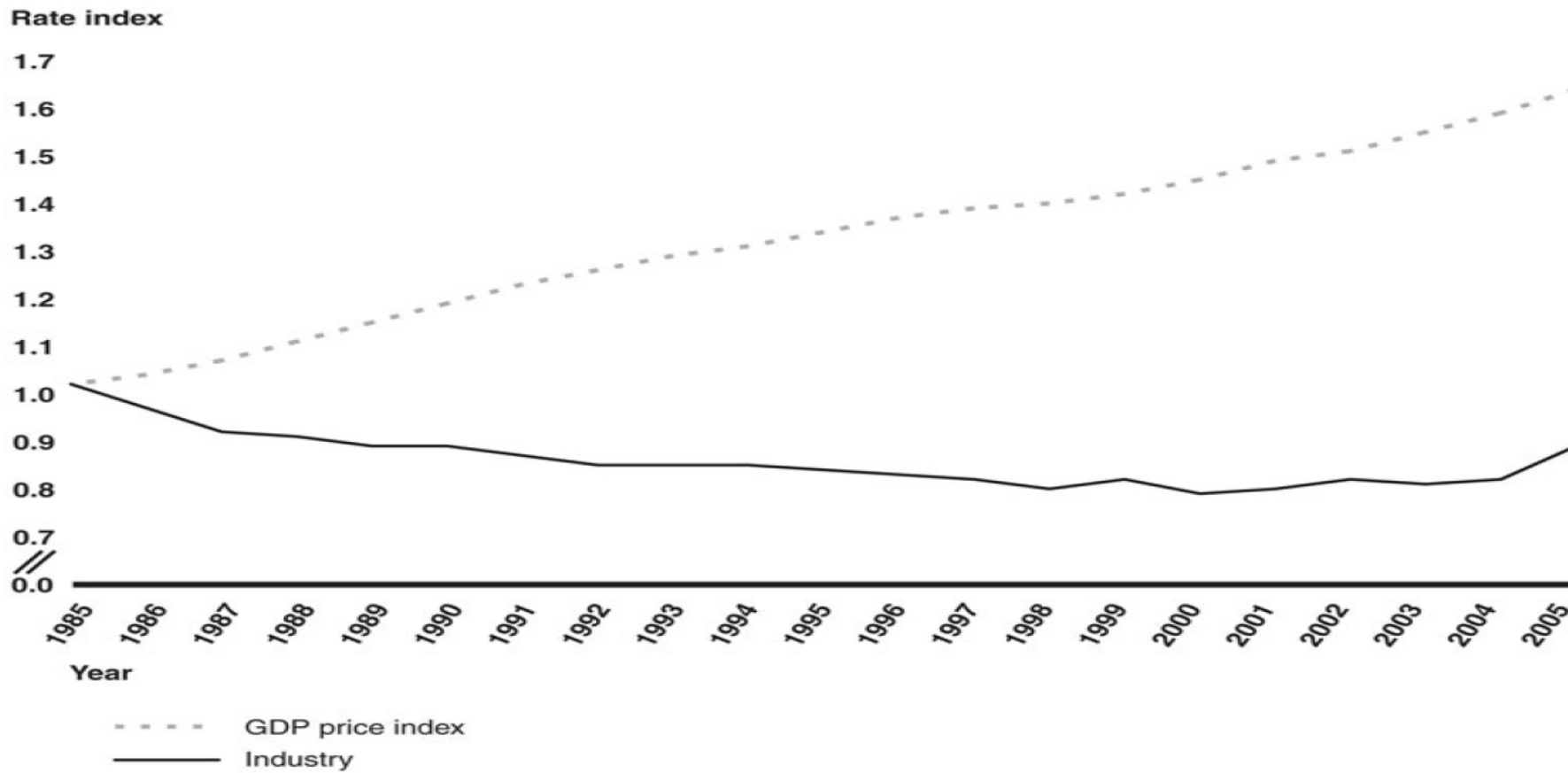
T&E Employment Count

Net of Furloughs, Trainees, and Projected Attrition



Financial Objectives

Figure 1: Trends in Industry Rail Rates, 1985-2005



Source: GAO analysis of STB data.

Financial Objectives

“La Scala”

Same Customer And Lane Analysis

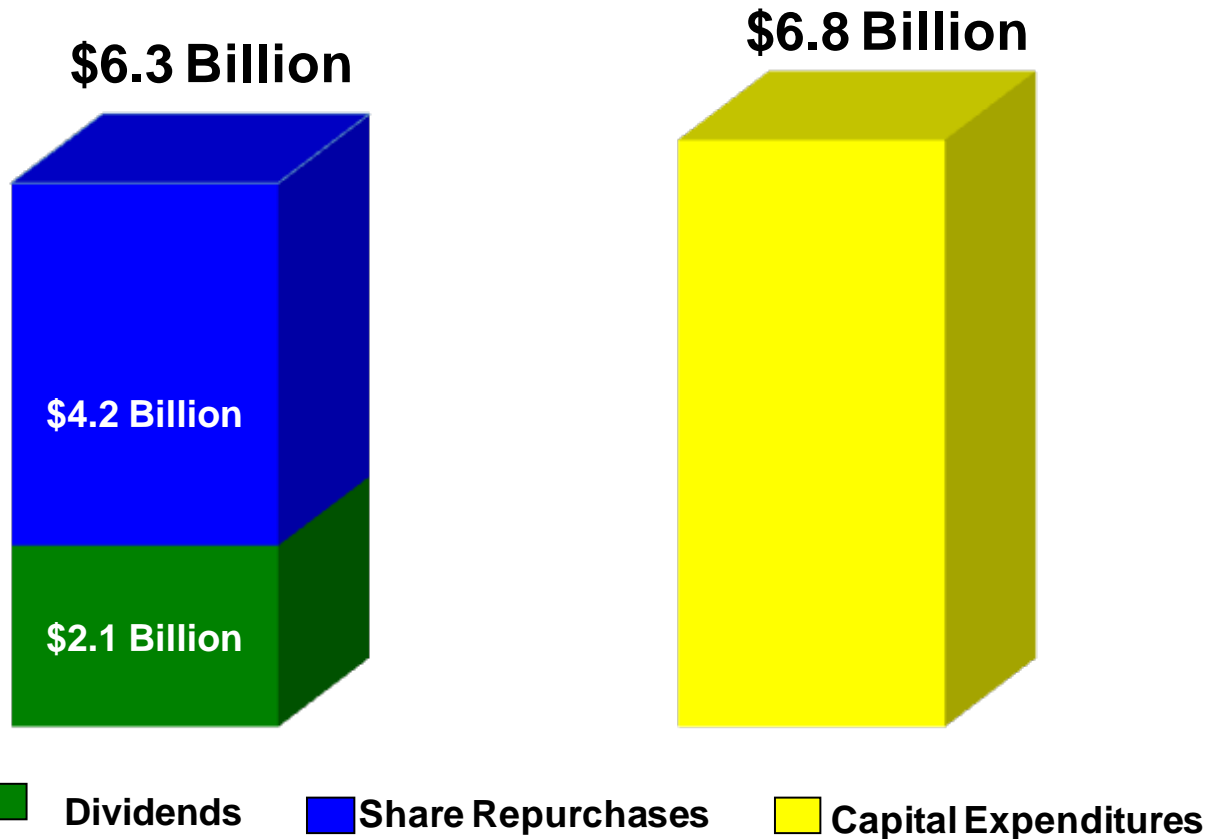


Financial Objectives

- Margin Expansion
- Operating Ratio Improvement
 - Continued global demand for coal
 - Price to the market
 - Intermodal volumes and pricing
 - Collective bargaining on health care costs

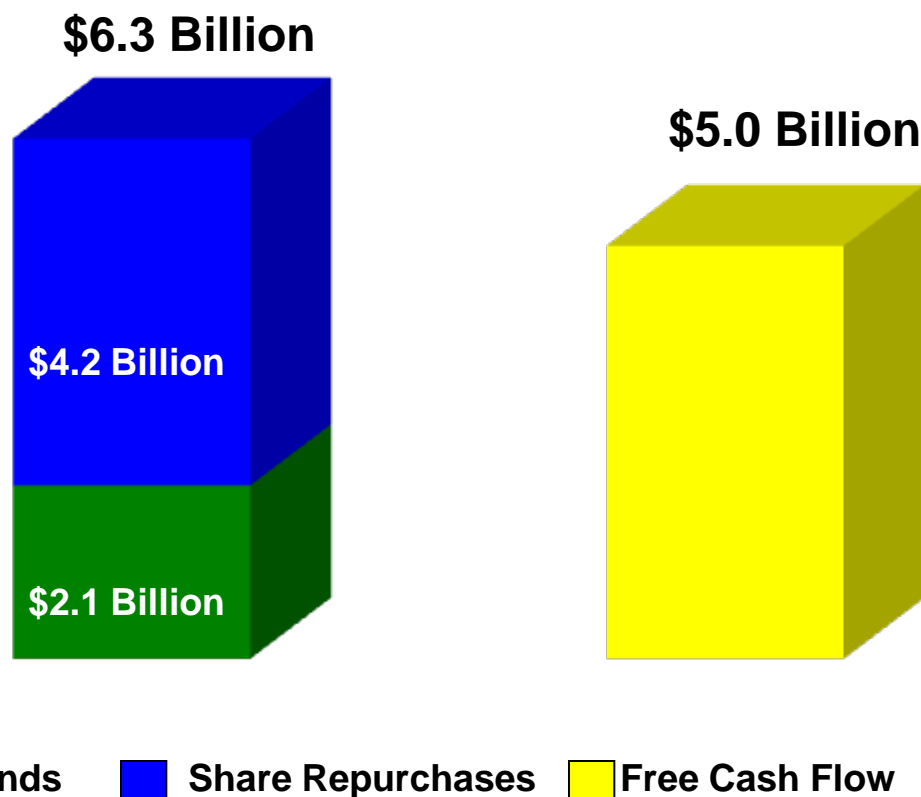
Balanced Cash Flow Utilization*

2006-2010



*Please see reconciliation to GAAP posted on our website

Total Shareholder Distributions Relative to Free Cash Flow* 2006-2010



•All of NS' Free Cash Flow Returned to Shareholders

*Please see reconciliation to GAAP posted on our website