

Reconciliation of Non-GAAP Performance Measures

Information presented by James A. Squires during NS' Investor Day presentation on June 8, 2011 (posted elsewhere on our web site) included non-GAAP financial measures, as defined by SEC Regulation G. Non-GAAP performance measures should be considered in addition to, not as a substitute for, the financial performance reported in accordance with U.S. generally accepted accounting principles (GAAP).

Baseline Capital Program

(\$ in millions)

Plan Year Ended December 31,	2011
Property additions	\$ 2,223
Purchase of freight cars historically leased	(334)
PTC, including upgrades to systems and track structure that will be accelerated for implementation	(146)
Baseline capital program ¹	<u>\$ 1,743</u>

¹Baseline capital program as used here is a projection of the 2011 capital budget excluding certain investments.