CSX Corporation

CONSOLIDATED INCOME STATEMENTS *(Unaudited)*

(Dollars in Millions, Except Per Share Amounts)

	Quarters Ended				Six Months Ended			
	Jun. 30, 2025	Jun. 30, 2024	*$ Change*	*% Change*	**Jun. 30, 2025**	Jun. 30, 2024	*$ Change*	*% Change*
Revenue	**$ 3,574**	$ 3,701	*$ (127)*	*(3)%*	**$ 6,997**	$ 7,382	*$ (385)*	*(5)%*
Expense								
Labor and Fringe	**791**	766	*(25)*	*(3)*	**1,612**	1,571	*(41)*	*(3)*
Purchased Services and Other	**710**	691	*(19)*	*(3)*	**1,484**	1,411	*(73)*	*(5)*
Depreciation and Amortization	**427**	410	*(17)*	*(4)*	**852**	820	*(32)*	*(4)*
Fuel	**269**	301	*32*	*11*	**544**	626	*82*	*13*
Equipment and Other Rents	**94**	85	*(9)*	*(11)*	**181**	169	*(12)*	*(7)*
Total Expense	**2,291**	2,253	*(38)*	*(2)*	**4,673**	4,597	*(76)*	*(2)*
Operating Income	**1,283**	1,448	*(165)*	*(11)*	**2,324**	2,785	*(461)*	*(17)*
Interest Expense	**(212)**	(209)	*(3)*	*(1)*	**(421)**	(419)	*(2)*	—
Other Income - Net	**22**	28	*(6)*	*(21)*	**48**	69	*(21)*	*(30)*
Earnings Before Income Taxes	**1,093**	1,267	*(174)*	*(14)*	**1,951**	2,435	*(484)*	*(20)*
Income Tax Expense	**(264)**	(304)	*40*	*13*	**(476)*	(592)	*116*	*20*
Net Earnings	**$ 829**	$ 963	*$ (134)*	*(14)%*	**$ 1,475**	$ 1,843	*$ (368)*	*(20)%*
Operating Margin	**35.9 %**	39.1 %			**33.2 %**	37.7 %		
Per Common Share								
Net Earnings Per Share, Assuming Dilution	**$ 0.44**	$ 0.49	*$ (0.05)*	*(10)%*	**$ 0.78**	$ 0.94	*$ (0.16)*	*(17)%*
Average Shares Outstanding, Assuming Dilution *(Millions)*	**1,869**	1,948			**1,881**	1,955		

CSX Corporation

CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in Millions)

	(Unaudited) Jun. 30, 2025	Dec. 31, 2024
ASSETS		
Cash and Cash Equivalents	**$ 387**	$ 933
Short-Term Investments	**6**	72
Other Current Assets	**1,912**	1,815
Properties - Net	**36,248**	35,658
Investment in Affiliates and Other Companies	**2,574**	2,520
Other Long-Term Assets	**1,802**	1,766
Total Assets	**$ 42,929**	$ 42,764
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Maturities of Long-Term Debt	**$ 616**	$ 606
Other Current Liabilities	**2,367**	2,670
Long-Term Debt	**18,550**	17,897
Deferred Income Taxes - Net	**7,718**	7,725
Other Long-Term Liabilities	**1,301**	1,359
Total Liabilities	**30,552**	30,257
Total Shareholders' Equity	**12,377**	12,507
Total Liabilities and Shareholders' Equity	**$ 42,929**	$ 42,764

CSX Corporation

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS *(Unaudited)*

(Dollars in Millions)

	Six Months Ended	
	Jun. 30, 2025	Jun. 30, 2024
OPERATING ACTIVITIES		
Net Earnings	**$ 1,475**	$ 1,843
Adjustments to Reconcile Net Earnings to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	**852**	820
Deferred Income Tax Expense	**(1)**	14
Other Operating Activities - Net [(a)]	**(436)**	(504)
Net Cash Provided by Operating Activities	**1,890**	2,173
INVESTING ACTIVITIES		
Property Additions [(b)]	**(1,495)**	(1,066)
Proceeds from Sales of Short-Term Investments	**69**	81
Proceeds and Advances from Property Dispositions	**49**	43
Business Acquisitions, Net of Cash Acquired	**(14)**	(50)
Other Investing Activities	**(63)**	(56)
Net Cash Used in Investing Activities	**(1,454)**	(1,048)
FINANCING ACTIVITIES		
Shares Repurchased [(c)]	**(1,172)**	(810)
Dividends Paid	**(488)**	(468)
Long-term Debt Repaid	**(3)**	(4)
Long-term Debt Issued	**600**	—
Other Financing Activities	**81**	42
Net Cash Used in Financing Activities	**(982)**	(1,240)
Net Decrease in Cash and Cash Equivalents	**(546)**	(115)
CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents at Beginning of Period	**933**	1,353
Cash and Cash Equivalents at End of Period	**$ 387**	$ 1,238

a) ***Other Operating Activities - Net:*** *During the six months ended June 30, 2025, the Company made $429 million of federal and state tax payments related to the 2024 tax year, which were previously postponed under tax relief announcements for those impacted by the 2024 hurricane season. The prior year period reflects the payment of $387 million of federal and state taxes related to the 2023 tax year, which were also previously postponed under hurricane-related tax relief announcements.*

b) ***Property Additions:*** *Property additions for the six months ended June 30, 2025, include approximately $295 million related to rebuilding the Blue Ridge subdivision as a result of impacts from Hurricane Helene.*

c) ***Shares Repurchased:*** *During second quarters and six months ended 2025 and 2024, the Company engaged in the following repurchase activities:*

	Quarters Ended		Six Months Ended	
	Jun. 30, 2025	Jun. 30, 2024	**Jun. 30, 2025**	Jun. 30, 2024
Shares Repurchased *(Millions)*	**14**	16	**38**	23
Cost of Shares *(Dollars in Millions)* [(1)]	**$ 401**	$ 563	**$ 1,152**	$ 810
Average Cost per Share Repurchased	**$ 28.28**	$ 34.51	**$ 30.39**	$ 35.08
Excise Taxes Paid for Net Share Repurchases *(Dollars in Millions)*	**$ 19.9**	$ —	**$ 19.9**	$ —

[(1)] Amounts exclude the impact of excise tax on net share repurchases imposed as part of the Inflation Reduction Act of 2022.

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VOLUME AND REVENUE *(Unaudited)*

Volume (Thousands of Units); Revenue (Dollars in Millions); Revenue Per Unit (Dollars)

Quarters Ended June 30, 2025 and June 30, 2024

	Volume			Revenue			Revenue Per Unit		
	2025	2024	% Change	**2025**	2024	% Change	**2025**	2024	% Change
Chemicals	**164**	174	(6)%	**$ 701**	$ 722	(3)%	**$ 4,274**	$ 4,149	3 %
Agricultural and Food Products	**117**	115	2	**418**	406	3	**3,573**	3,530	1
Automotive	**103**	105	(2)	**320**	336	(5)	**3,107**	3,200	(3)
Minerals	**99**	97	2	**218**	207	5	**2,202**	2,134	3
Forest Products	**70**	74	(5)	**250**	269	(7)	**3,571**	3,635	(2)
Metals and Equipment	**70**	68	3	**224**	230	(3)	**3,200**	3,382	(5)
Fertilizers	**47**	50	(6)	**126**	126	—	**2,681**	2,520	6
Total Merchandise	**670**	683	(2)	**2,257**	2,296	(2)	**3,369**	3,362	—
Intermodal	**729**	716	2	**491**	506	(3)	**674**	707	(5)
Coal	**181**	179	1	**477**	563	(15)	**2,635**	3,145	(16)
Trucking	**—**	—	—	**211**	221	(5)	**—**	—	—
Other	**—**	—	—	**138**	115	20	**—**	—	—
Total	**1,580**	1,578	— %	**$ 3,574**	$ 3,701	(3)%	**$ 2,262**	$ 2,345	(4)%

Six Months Ended June 30, 2025 and June 30, 2024

	Volume			Revenue			Revenue Per Unit		
	2025	2024	% Change	**2025**	2024	% Change	**2025**	2024	% Change
Chemicals	**330**	341	(3)%	**$ 1,399**	$ 1,415	(1)%	**$ 4,239**	$ 4,150	2 %
Agricultural and Food Products	**232**	229	1	**826**	813	2	**3,560**	3,550	—
Automotive	**190**	199	(5)	**591**	629	(6)	**3,111**	3,161	(2)
Minerals	**178**	177	1	**399**	381	5	**2,242**	2,153	4
Forest Products	**140**	147	(5)	**499**	531	(6)	**3,564**	3,612	(1)
Metals and Equipment	**135**	138	(2)	**433**	450	(4)	**3,207**	3,261	(2)
Fertilizers	**95**	97	(2)	**262**	262	—	**2,758**	2,701	2
Total Merchandise	**1,300**	1,328	(2)	**4,409**	4,481	(2)	**3,392**	3,374	1
Intermodal	**1,445**	1,417	2	**984**	1,012	(3)	**681**	714	(5)
Coal	**353**	367	(4)	**938**	1,195	(22)	**2,657**	3,256	(18)
Trucking	**—**	—	—	**413**	436	(5)	**—**	—	—
Other	**—**	—	—	**253**	258	(2)	**—**	—	—
Total	**3,098**	3,112	— %	**$ 6,997**	$ 7,382	(5)%	**$ 2,259**	$ 2,372	(5)%

CSX Corporation

VOLUME AND REVENUE

Total revenue decreased 3% in second quarter 2025 when compared to second quarter 2024, due to decreases in export coal revenue, including the impact of lower benchmark rates, as well as lower fuel recovery and declines in merchandise volume. These decreases were partially offset by higher pricing in merchandise and increases in other revenue.

Fuel Surcharge

Fuel surcharge revenue is included in the individual markets and does not include amounts for trucking. Fuel lag is the estimated revenue effect resulting from the difference between highway diesel prices in the quarter and the prices used for fuel surcharge, which are on a two-month lag for non-intermodal traffic.

	Quarters Ended		Six Months Ended	
(Dollars in Millions)	**Jun. 30, 2025**	Jun. 30, 2024	**Jun. 30, 2025**	Jun. 30, 2024
Fuel Surcharge Revenue	**$ 222**	$ 275	**$ 439**	$ 552
Fuel Lag Favorable (Unfavorable) [a]	**$ 4**	$ 15	**$ (1)**	$ 21

[a] The Company's fuel lag calculation model was enhanced during first quarter 2025 and comparative prior year results are updated to conform to current presentation. The impact of this change is not material and fuel surcharge revenue is not impacted.

Merchandise Volume

Chemicals - Decreased due to lower shipments of plastics, including the impact of a temporary outage at a customer location, as well as lower shipments of crude oil, petroleum products, and other industrial chemicals.

Agricultural and Food Products - Increased due to higher shipments of domestic feed grain.

Automotive - Decreased due to lower North American vehicle production.

Minerals - Increased primarily due to higher shipments of cement and aggregates.

Forest Products - Decreased due to lower shipments of paper products, which includes the impact of both temporary outages and permanent plant closures, as well as lower shipments of building products.

Metals and Equipment - Increased due to higher scrap and steel shipments, partially offset by lower equipment shipments.

Fertilizers - Decreased due to lower shipments of phosphates, fertilizers and potash.

Intermodal Volume

International shipments increased driven by higher port volumes and growth with key customers. Domestic shipments decreased due to the impacts of a continued soft trucking environment.

Coal Volume

Domestic coal increased due to higher shipments to utility plants, partially offset by lower thermal shipments to river terminals and reduced shipments to steel manufacturing locations. Export coal decreased due to lower metallurgical coal shipments, including the impact of outages at customer facilities.

	Quarters Ended			Six Months Ended		
(Millions of Tons)	**Jun. 30, 2025**	Jun. 30, 2024	*Change*	**Jun. 30, 2025**	Jun. 30, 2024	*Change*
Coal Tonnage						
Domestic	**10.2**	9.5	*7 %*	**19.4**	19.1	*2 %*
Export	**10.1**	10.6	*(5)*	**20.3**	22.2	*(9)*
Total Coal	**20.3**	20.1	*1 %*	**39.7**	41.3	*(4)%*

Trucking Revenue

Trucking revenue decreased $10 million versus the prior year due to lower fuel surcharge and rates.

Other Revenue

Other revenue increased $23 million primarily due to a decrease in the reserve for freight in transit, driven by sequential improvement in transit times, as well as higher haulage revenue.

CSX Corporation

EXPENSE

Expenses of $2.3 billion increased $38 million, or 2%, in second quarter 2025 when compared to second quarter 2024.

Labor and Fringe expense increased $25 million due to the following:

- An increase of $18 million was due to inflation.
- All other net costs increased $7 million as higher trucking headcount from the conversion of previously independent affiliates and higher incentive compensation expense were partially offset by other non-significant items.

Purchased Services and Other expense increased $19 million due to the following:

- Inflation and higher volume-related costs associated with intermodal and other terminals drove an increase of $21 million.
- Increased costs of approximately $14 million were due to the effects of network disruptions and congestion, including rerouting impacts.
- Gains on property dispositions were flat at $8 million in both years.
- All other net costs decreased $16 million, which includes the prior year impact of an unfavorable inventory adjustment as well as current year trucking savings from affiliate conversions, partially offset by lower insurance recoveries.

Depreciation and Amortization expense increased $17 million as a result of a larger asset base.

Fuel costs decreased $32 million primarily as a result of a 12% decrease in locomotive fuel prices, partially offset by the impact of additional gross ton-miles associated with reroutes.

Equipment and Other Rents expense increased $9 million due to increased net car hire costs driven by inflation and the impact of reroutes on car cycle times.

Employee Counts *(Estimated)*

	Quarters Ended			Six Months Ended		
Average:	**Jun. 30, 2025**	Jun. 30, 2024	*Change*	**Jun. 30, 2025**	Jun. 30, 2024	*Change*
Rail	**21,300**	21,390	*(90)*	**21,365**	21,452	*(87)*
Trucking	**2,210**	1,922	*288*	**2,103**	1,895	*208*
Total	**23,510**	23,312	*198*	**23,468**	23,347	*121*
Ending:						
Rail	**21,310**	21,329	*(19)*			
Trucking	**2,233**	1,946	*287*			
Total	**23,543**	23,275	*268*			

Fuel Expense

	Quarters Ended		Six Months Ended	
(Dollars and Gallons in Millions, Except Price Per Gallon)	**Jun. 30, 2025**	Jun. 30, 2024	**Jun. 30, 2025**	Jun. 30, 2024
Estimated Locomotive Fuel Consumption *(Gallons)*	**97.2**	93.6	**190.1**	190.4
Price per Gallon *(Dollars)*	**$ 2.33**	$ 2.66	**$ 2.37**	$ 2.76
Total Locomotive Fuel Expense	**$ 226**	$ 249	**$ 451**	$ 525
Non-Locomotive Fuel Expense	**43**	52	**93**	101
Total Fuel Expense	**$ 269**	$ 301	**$ 544**	$ 626

CSX Corporation

OPERATING STATISTICS *(Estimated)*

In the second quarter of 2025, velocity decreased by 4% and dwell increased by 2% versus prior year. Carload trip plan performance decreased by 6% and intermodal trip plan performance decreased by 4%. Network performance and service metrics, including on-time originations and arrivals, showed improvement over the course of the quarter with performance meaningfully stronger in June 2025 compared to April 2025. The Company continues to focus on operational improvements and executing the operating plan to deliver safe, reliable, and efficient service to customers.

The personal injury frequency index of 0.99 in second quarter 2025 improved 26% compared to prior year, while the FRA train accident rate of 3.70 increased by 29%. Safety is a top priority at CSX, and the Company is committed to reducing risk and enhancing the overall safety of its employees, customers, and communities in which it operates.

	Quarters Ended			Six Months Ended		
	Jun. 30, 2025	Jun. 30, 2024	*Improvement / (Deterioration)*	**Jun. 30, 2025**	Jun. 30, 2024	*Improvement / (Deterioration)*
Operations Performance						
Train Velocity *(Miles Per Hour)*	**17.5**	18.2	*(4)%*	**17.6**	18.2	*(3)%*
Dwell *(Hours)*	**10.4**	10.2	*(2)%*	**11.0**	9.9	*(11)%*
Cars Online	**129,738**	126,164	*(3)%*	**130,962**	125,442	*(4)%*
On-Time Originations	**69 %**	74 %	*(7)%*	**68 %**	75 %	*(9)%*
On-Time Arrivals	**55 %**	64 %	*(14)%*	**55 %**	67 %	*(18)%*
Carload Trip Plan Performance	**75 %**	80 %	*(6)%*	**72 %**	81 %	*(11)%*
Intermodal Trip Plan Performance	**90 %**	94 %	*(4)%*	**90 %**	94 %	*(4)%*
Fuel Efficiency	**0.98**	0.97	*(1)%*	**0.98**	0.99	*1 %*
Revenue Ton-Miles *(Billions)*						
Merchandise	**33.2**	32.7	*2 %*	**65.5**	64.7	*1 %*
Coal	**9.3**	8.8	*6 %*	**17.7**	18.2	*(3)%*
Intermodal	**7.5**	7.2	*4 %*	**14.6**	14.3	*2 %*
Total Revenue Ton-Miles	**50.0**	48.7	*3 %*	**97.8**	97.2	*1 %*
Total Gross Ton-Miles *(Billions)*	**99.6**	96.8	*3 %*	**193.5**	192.6	*— %*
Safety						
FRA Personal Injury Frequency Index	**0.99**	1.33	*26 %*	**0.96**	1.28	*25 %*
FRA Train Accident Rate	**3.70**	2.86	*(29)%*	**3.63**	3.47	*(5)%*

Certain operating statistics are estimated and can continue to be updated as actuals settle. The methodology for calculating train velocity, dwell, cars online and trip plan performance differs from that used by the Surface Transportation Board. The Company will continue to report these metrics to the Surface Transportation Board using the prescribed methodology.

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NON-GAAP MEASURES *(Unaudited), continued*

The following table reconciles operating income (the most directly comparable GAAP measure) to Economic Profit (non-GAAP measure).

	Six Months Ended	
(Dollars in Millions)	**Jun. 30, 2025**	Jun. 30, 2024
Operating Income	**$ 2,324**	**$ 2,785**
Add: Depreciation, Amortization, and Operating Lease Expense	907	877
Remove: Unusual Items [(a)]	—	—
Taxes [(b)]	(485)	(549)
Gross Cash Earnings	2,746	3,113
Operating Assets		
Current Assets (Less Cash and Short-term Investments)	1,893	1,950
Gross Properties	53,003	50,841
Other Assets	4,349	4,222
Operating Liabilities		
Non-Interest Bearing Liabilities [(c)]	(11,118)	(10,887)
Gross Operating Assets [(d)]	48,127	46,126
Capital Charge [(e)]	(1,925)	(1,845)
Economic Profit (Non-GAAP) calculated as GCE less Capital Charge	$ 821	$ 1,268

(a) Unusual items are defined by management as unique events with greater than $100 million full year operating income impact, consistent with the terms of the Company's long-term incentive plan agreements. There were no unusual items for either period presented.

(b) The tax percentage rate was 15% for both periods presented. This rate is applied to the sum of operating income, depreciation, amortization and operating lease expense, and unusual items.

(c) Non-interest bearing liabilities represents all liabilities excluding debt, long-term lease liabilities, and commercial paper ($75 million outstanding in other current liabilities as of June 30, 2025, and none outstanding in any other period).

(d) Gross operating assets reflects an average of the year-to-date quarter-end amounts reported for each period presented.

(e) The capital charge of 8% for both years is calculated as the minimum return multiplied by gross operating assets. This is an annualized rate equivalent to 2% per quarter.

Free Cash Flow

Management believes that Free Cash Flow ("FCF") is supplemental information useful to investors as it is important in evaluating the Company’s financial performance. More specifically, FCF measures cash generated by the business after reinvestment. This measure represents cash available for both equity and bond investors to be used for dividends, share repurchases or principal reduction on outstanding debt. FCF is calculated by using net cash from operations and adjusting for property additions and proceeds and advances from property dispositions. FCF should be considered in addition to, rather than a substitute for, cash provided by operating activities.

The following table reconciles cash provided by operating activities (GAAP measure) to FCF before dividends (non-GAAP measure).

	Six Months Ended	
(Dollars in Millions)	**Jun. 30, 2025**	Jun. 30, 2024
Net Cash Provided by Operating Activities	**$ 1,890**	**$ 2,173**
Property Additions	(1,495)	(1,066)
Proceeds and Advances from Property Dispositions	49	43
Free Cash Flow (before payment of dividends)	$ 444	$ 1,150