

Q3 2024 EARNINGS CALL



October 22, 2024



FORWARD-LOOKING STATEMENTS / NON-GAAP MEASURES

This presentation and the related materials contain "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended. These statements relate to future events or future performance of Norfolk Southern Corporation (NYSE: NSC) ("Norfolk Southern," "NS," the "Company," "we," "our," or "us") and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or our achievements or those of our industry to be materially different from those expressed or implied by any forward-looking statements. In some cases, forward-looking statements may be identified by the use of words like "may," "will," "could," "would," "should," "expect," "anticipate," "believe," "project," or other comparable terminology. The Company has based these forward-looking statements on management's current expectations, assumptions, estimates, beliefs, and projections. While the Company has based these forward-looking statements on those expectations, assumptions, estimates, beliefs, and projections it views as reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which involve factors or circumstances that are beyond the Company's control, including but not limited to: (i) the Company's ability to successfully implement its operational and productivity initiatives; (ii) changes in domestic or international economic, political or business conditions, including those affecting the transportation industry; (iii) natural events such as severe weather conditions; (iv) the outcome of claims, litigation, and governmental proceedings involving or affecting the Company, including those with respect to the Eastern Ohio incident; and (v) the nature and extent of the Company's environmental remediation obligations with respect to the Eastern Ohio incident. These and other important factors, including those discussed under "Risk Factors" in the Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission (the "SEC"), may cause actual results, benefits, performance, or achievements to differ materially from those expressed or implied by these forward-looking statements. Please refer to these and our subsequent SEC filings for a full discussion of those risks and uncertainties we view as most important.

Forward-looking statements are not, and should not be relied upon as, a guarantee of future events or performance, nor will they necessarily prove to be accurate indications of the times at or by which any such events or performance will be achieved. As a result, actual outcomes and results may differ materially from those expressed in forward-looking statements. The forward-looking statements herein are made only as of the date they were first issued, and unless otherwise required by applicable securities laws, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

In addition to disclosing financial results in accordance with U.S. GAAP, the accompanying presentation contains non-GAAP financial measures. These non-GAAP measures should be viewed as a supplement to and not a substitute for our U.S. GAAP measures, and the financial results calculated in accordance with U.S. GAAP and reconciliations from these results should be carefully evaluated. Reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP can be found on slides 13, 20, and 21 hereto, as well as on our website at www.norfolksouthern.com on the Investors page under Events and Presentations for this event.

01 OPENING REMARKS



Mark George
President
& Chief Executive Officer



02

OPERATIONS OVERVIEW



John Orr

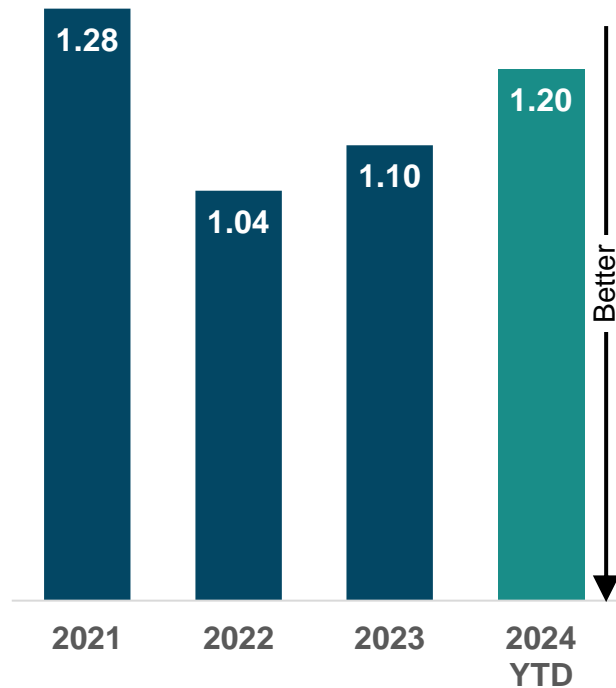
Executive Vice President
& Chief Operating Officer



SAFETY UPDATE

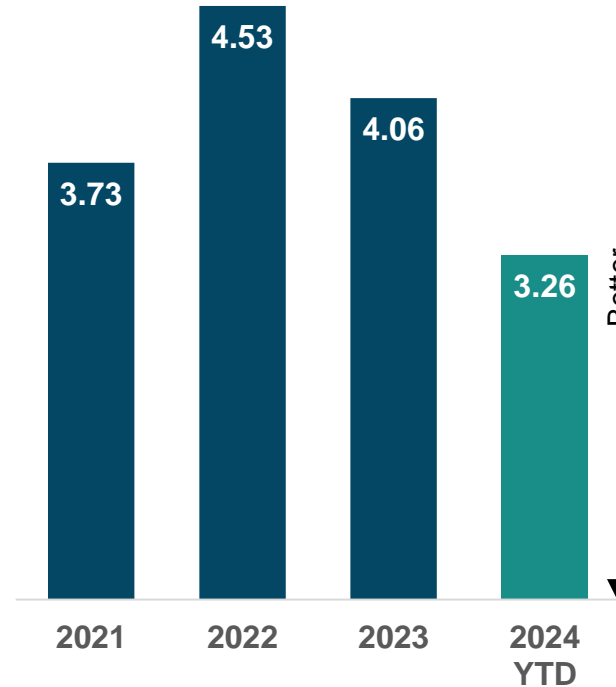
Sustained positive performance has significantly reduced mainline accident rate. Focus remains on leading causes of injuries.

FRA Personal Injury Index



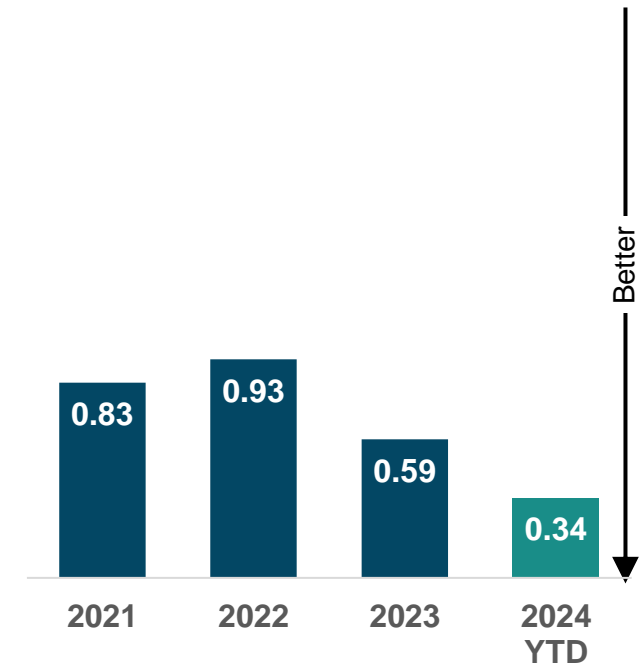
FRA Personal Injury Index calculates the number of reportable injuries/illnesses per year per 200,000 hours worked.

FRA Accident Rate



FRA Train Accident Rate calculates the total number of reportable accidents per million train miles.

FRA Mainline Accident Rate

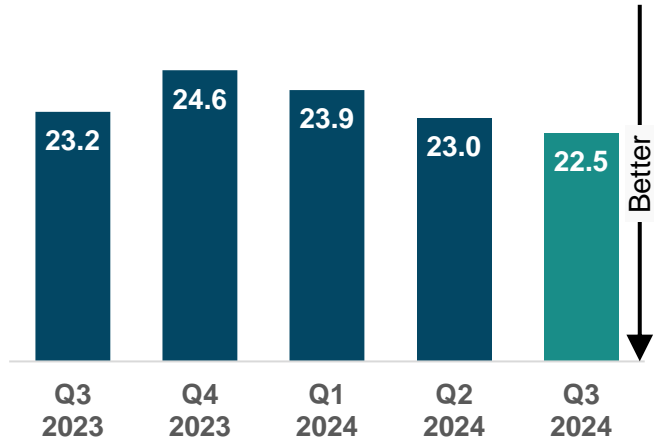


FRA Mainline Accident Rate calculates the total number of reportable events occurring on that portion of the track that connects stations (other than auxiliary track) on which trains operate (a "Mainline") per one million Mainline miles.

NETWORK UPDATE

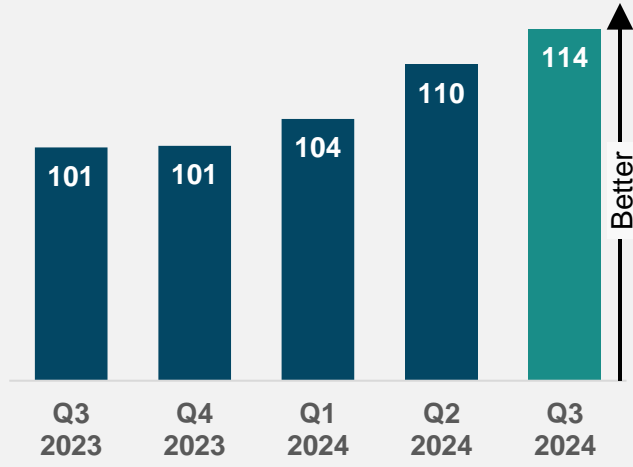
Network Health

Terminal Dwell (hours)



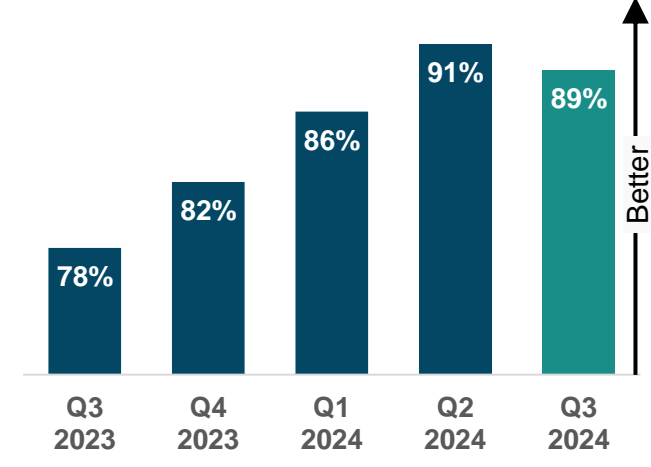
Asset Efficiency

Car Miles per Day

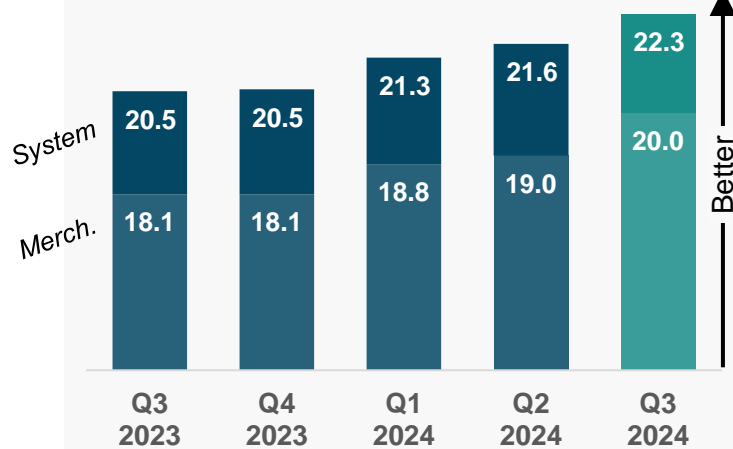


Customer Facing

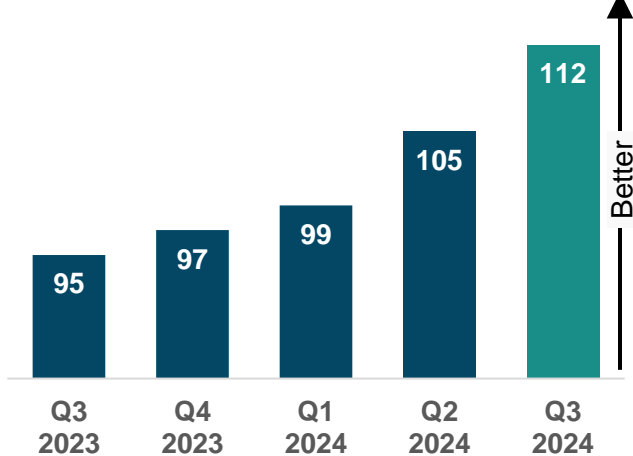
Intermodal Svc Composite



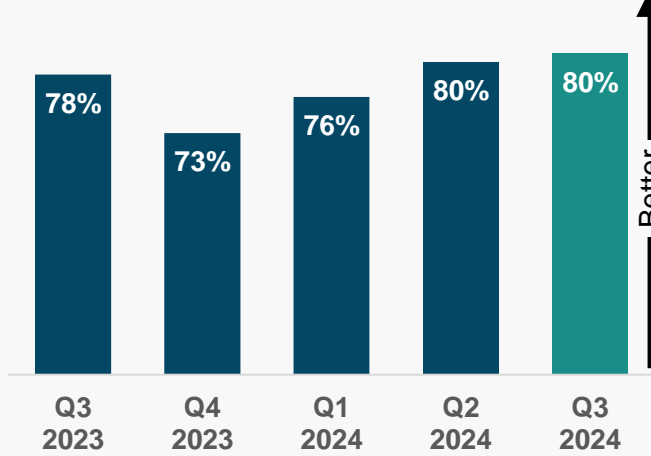
Train Speed (mph)



GTMs / Avail HP

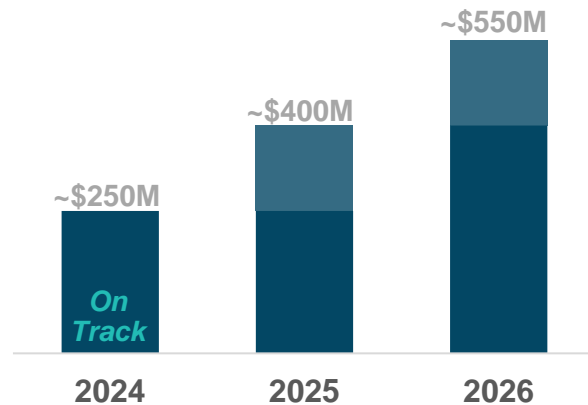


Merch. Trip Plan Compliance



UPDATE: CLOSING THE MARGIN GAP

Annualized Productivity



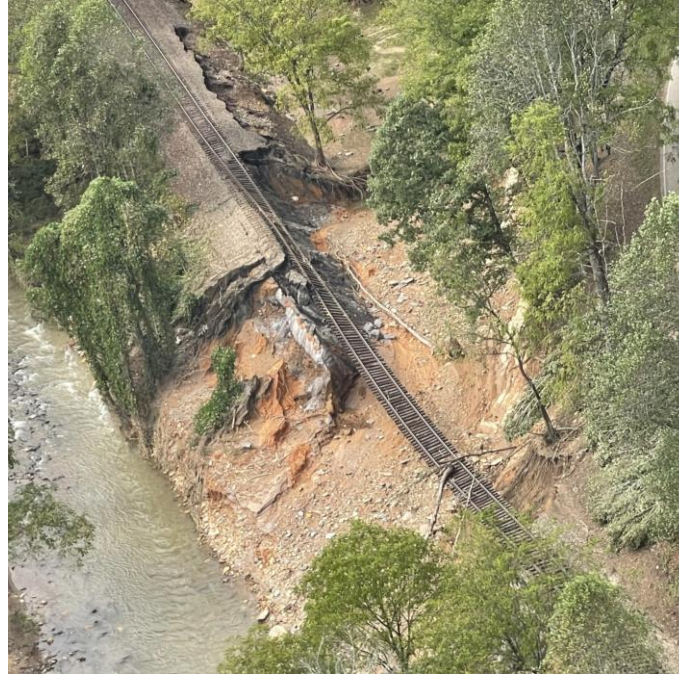
	Q2	Q3
Active Locomotives Reduced	300+ YTD	500+ YTD
Cars On Line Reduced	7,000+ YTD	8,000+ YTD
Cost Structure Improvement OPEX ⁽¹⁾ per GTM	6% vs Q1	9% vs Q1
Fuel Efficiency Improvement Gallons per kGTM	4% y/y	5% y/y

Initiatives In-Flight

- Recent labor agreements build resiliency and productivity of the workforce
- Merchandise: terminal densification improvements to leverage scale, create capacity, and reduce handlings. Drive further block optimization and velocity.
- Further improvement of train weight relative to HP distribution to increase GTMs per Available HP by an additional 8%
- Increase Car Miles per Day by an additional 5%
- Improve fuel efficiency through operating and distribution enhancements
- Pulling all levers on purchased services, contractor efficiency, material mgmt.

HURRICANE HELENE RECOVERY EFFORTS

- Most significant weather system to impact NS network since Hurricane Katrina
- 35 miles of track damage
- 54 slide fences damaged
- 5 bridges damaged
- 150k tons of ballast
- Over 15,000 downed trees cleared
- 1000+ locations with commercial power out
- All core routes open within 72hrs of landfall



03

MARKET OVERVIEW



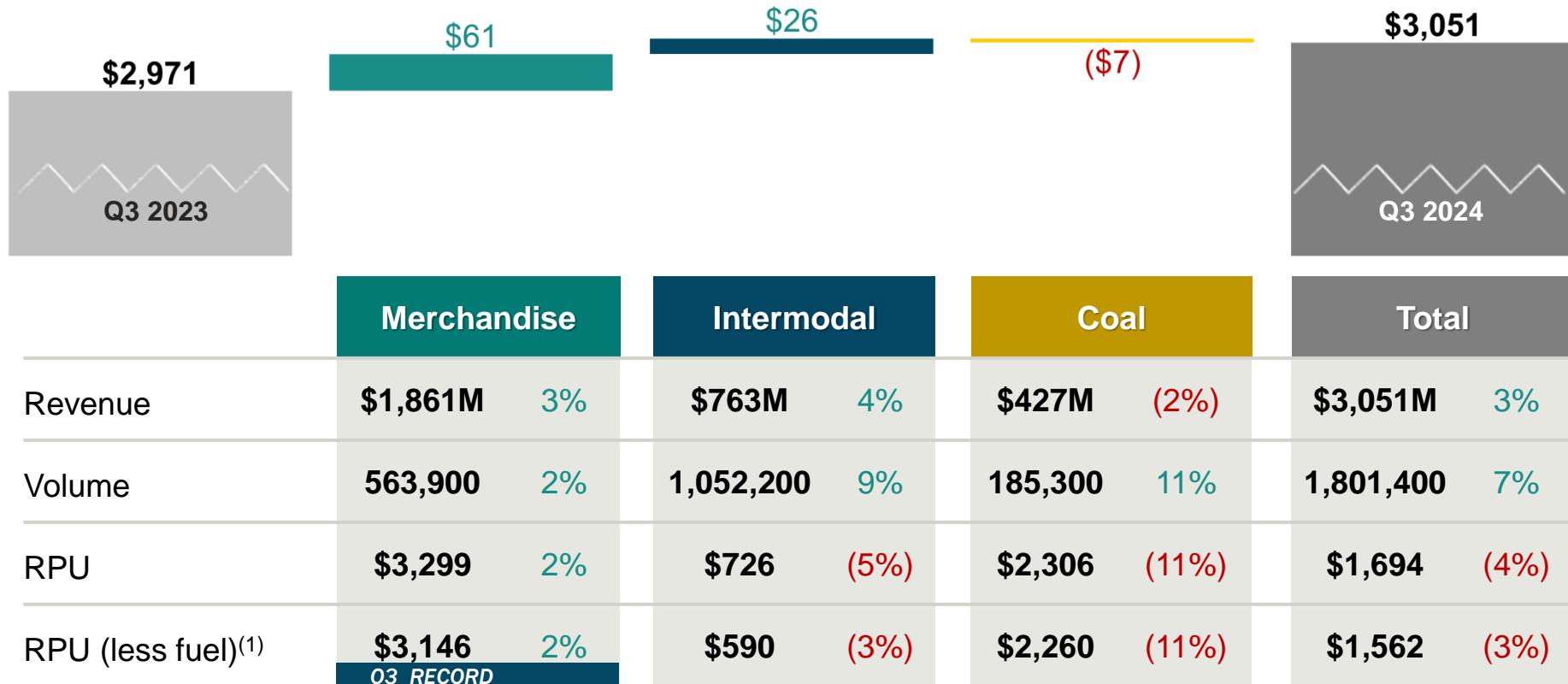
Ed Elkins

Executive Vice President
& Chief Marketing Officer



3RD QUARTER 2024 RESULTS

Q3 2024 vs. Q3 2023 / Revenue change \$ millions / favorable / unfavorable



37 out of 38 consecutive quarters of y-o-y RPU (less fuel)⁽¹⁾ growth in Merchandise

Q4 MARKET OUTLOOK

Merchandise

-  Vehicle Production
-  Agriculture Markets
-  Steel Demand

Intermodal

-  Import/Export Demand
-  Truck Capacity
-  Premium Market

Coal

-  Seaborne Coal Prices
-  Export Demand
-  Utility Coal Demand

04

Q3 FINANCIAL RESULTS



Jason Zampi

Executive Vice President,
Chief Financial Officer & Treasurer



THIRD QUARTER RESULTS

\$ in millions, except EPS

		Non-GAAP adjustments Increase / (Decrease)			
	GAAP Q3'24	E. Ohio Incident	Gains on Railway Line Sales	Restructuring and Other Charges	Adjusted Q3'24
Revenues	\$3,051	-	-	-	\$3,051
Operating expenses	\$1,455	\$159	\$380	(\$60)	\$1,934
Operating ratio	47.7%	520 bps	1250 bps	(200) bps	63.4%
Operating income	\$1,596	(\$159)	(\$380)	\$60	\$1,117
Income taxes	\$328	(\$39)	(\$93)	\$15	\$211
Net income	\$1,099	(\$120)	(\$287)	\$45	\$737
EPS - diluted	\$4.85	(\$0.53)	(\$1.27)	\$0.20	\$3.25

E. Ohio Detail	
Insurance	(\$288)
Legal & Env	\$104
Other	\$25
Net	(\$159)

THIRD QUARTER ADJUSTED RESULTS ⁽¹⁾

\$ in millions, except EPS

favorable / unfavorable

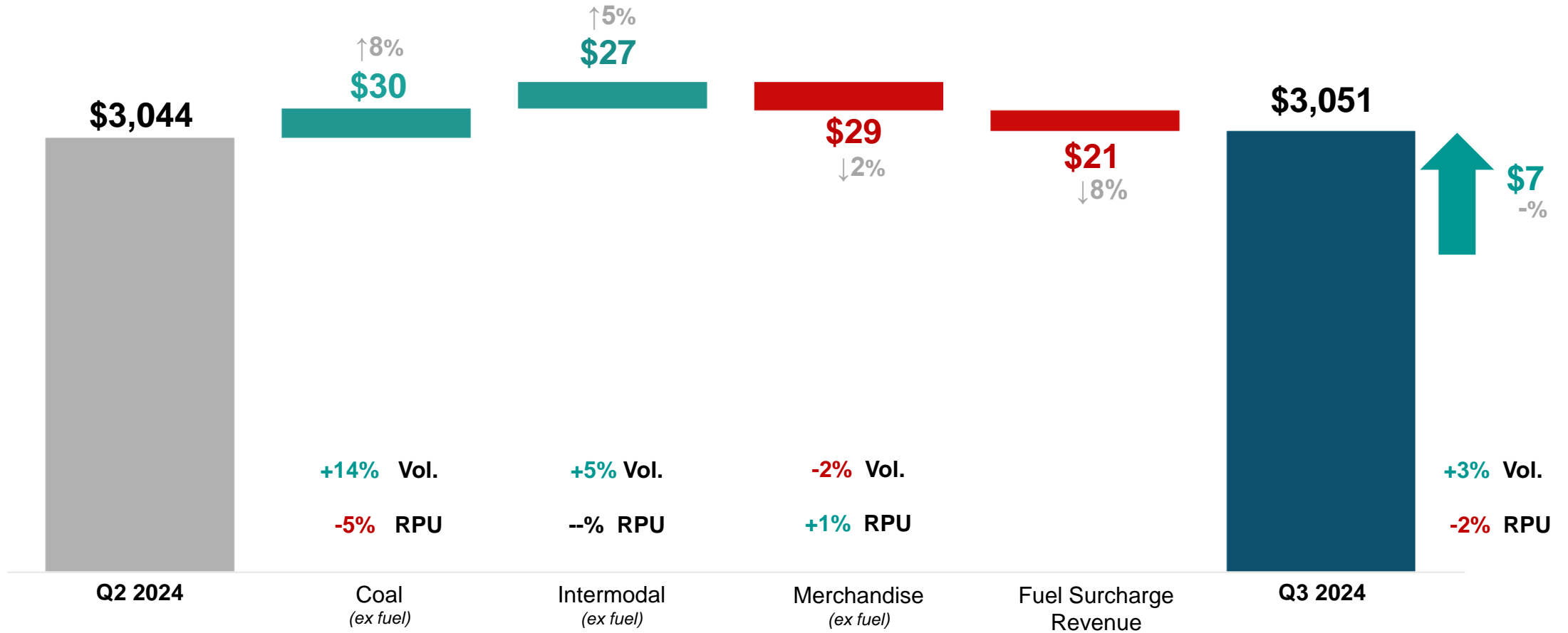
	Adjusted ⁽¹⁾			Y-o-Y		Q3-Q2	
	Q3'24	Q3'23	Q2'24	Variances		Variances	
Revenues	\$3,051	\$2,971	\$3,044	\$80	3%	\$7	-%
Operating expenses	\$1,934	\$2,052	\$1,981	(\$118)	(6%)	(\$47)	(2%)
Operating ratio	63.4%	69.1%	65.1%	↓570 bps		↓170 bps	
Operating income	\$1,117	\$919	\$1,063	\$198	22%	\$54	5%
Net income	\$737	\$601	\$694	\$136	23%	\$43	6%
EPS - diluted	\$3.25	\$2.65	\$3.06	\$0.60	23%	\$0.19	6%

(1) Adjusted results modifies Q3'24 GAAP results for expenses associated with gains on railway line sales, the Eastern Ohio incident, and restructuring and other charges (as reflected on the preceding slide). The Q3'23 GAAP results are adjusted for charges related to the Eastern Ohio incident (see appendix slide for further details). Adjusted results modifies Q2'24 GAAP results for expenses associated with the Eastern Ohio incident, restructuring and other charges, and shareholder advisory costs (see appendix slide for further details). All presentations of revenues above and on the preceding slide refer to U.S. GAAP revenue. Please see the reconciliation to GAAP posted on our website on the Investors page under Events and Presentations for this event.

SEQUENTIAL OPERATING REVENUES

Q3 2024 vs. Q2 2024

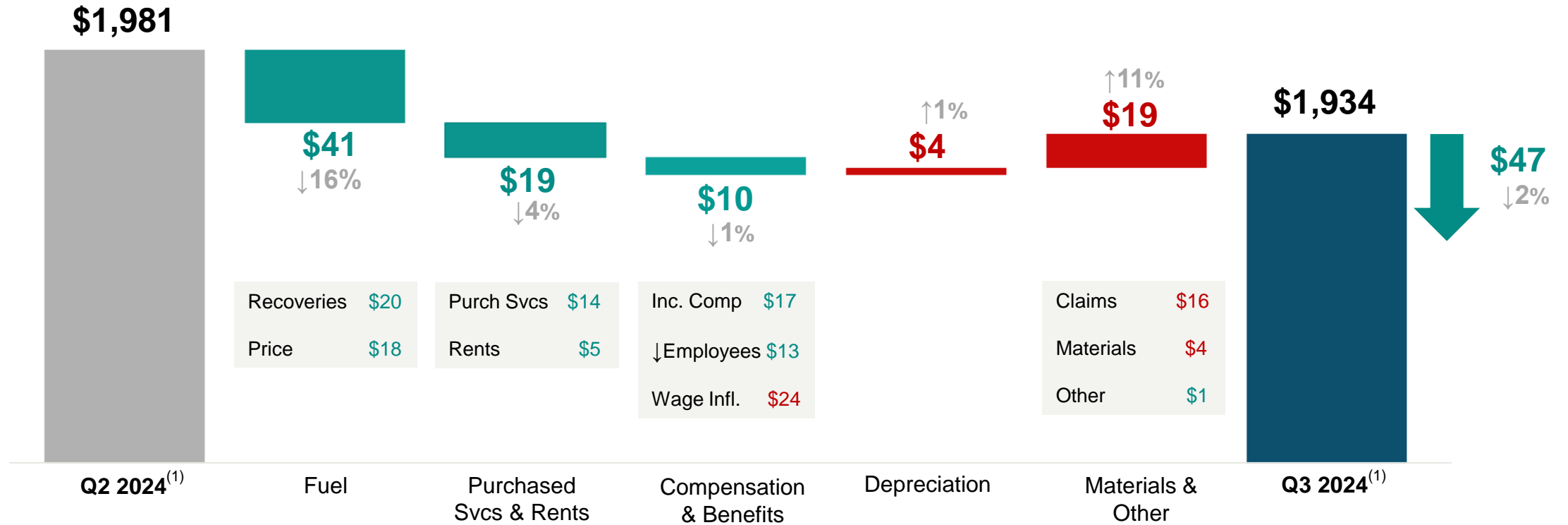
\$ millions
favorable / unfavorable



SEQUENTIAL OPERATING EXPENSES

Adjusted Q3 2024⁽¹⁾ vs. Adjusted Q2 2024⁽¹⁾

\$ millions
favorable / unfavorable



(1) Adjusted results modifies Q3'24 and Q2'24 GAAP results for expenses associated with gains on railway line sales, the Eastern Ohio incident, and restructuring and other charges. Please see the reconciliation to GAAP posted on our website on the Investors page under Events and Presentations for this event.

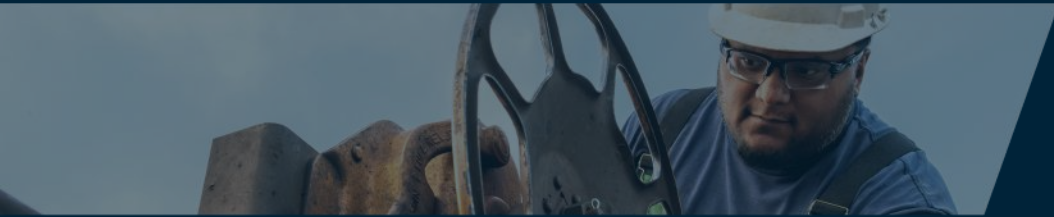
05

CLOSING REMARKS



Mark George
President
& Chief Executive Officer





Thank You

www.norfolksouthern.com



APPENDIX

RECONCILIATION OF Q3 2023 NON-GAAP MEASURES

\$ in millions, except EPS

	GAAP Q3'23	Non-GAAP adjustment Increase / (Decrease) E. Ohio Incident Costs	Adjusted ⁽¹⁾ Q3'23
Revenues	\$2,971	-	\$2,971
Operating expenses	\$2,215	(\$163)	\$2,052
Operating ratio	74.6%	(550) bps	69.1%
Operating income	\$756	\$163	\$919
Income tax expense	\$136	\$40	\$176
Net income	\$478	\$123	\$601
EPS – diluted	\$2.10	\$0.55	\$2.65

(1) Adjusted results modifies Q3'23 GAAP results for expenses associated with the Eastern Ohio incident. All presentations of revenues above refer to U.S. GAAP revenue. Please see reconciliation to GAAP posted on our website on the Investors page under Events and Presentations for this event.

RECONCILIATION OF Q2 2024 NON-GAAP MEASURES

\$ in millions, except EPS

	GAAP Q2'24	Non-GAAP adjustments Increase / (Decrease)			Adjusted ⁽¹⁾ Q2'24
		E. Ohio Incident Costs	Restructuring and Other Charges	Shareholder Advisory Costs	
Revenues	\$3,044	-	-	-	\$3,044
Operating expenses	\$1,913	\$65	\$3	-	\$1,981
Operating ratio	62.8%	220 bps	10 bps	-	65.1%
Operating income	\$1,131	(\$65)	(\$3)	-	\$1,063
Other income-net	\$17	-	(\$20)	\$29	\$26
Income tax expense	\$207	(\$16)	(\$7)	\$7	\$191
Net income	\$737	(\$49)	(\$16)	\$22	\$694
EPS - diluted	\$3.25	(\$0.22)	(\$0.07)	\$0.10	\$3.06

(1) Adjusted results modifies Q2'24 GAAP results for expenses associated with the Eastern Ohio incident, restructuring and other charges, and shareholder advisory costs. All presentations of revenues above refer to U.S. GAAP revenue. Please see reconciliation to GAAP posted on our website on the Investors page under Events and Presentations for this event.