

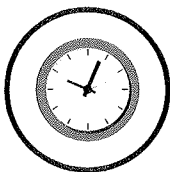
POTENTIAL TRANSACTION BETWEEN THE TRUSTEES OF THE CINCINNATI SOUTHERN RAILWAY (CSR) AND NORFOLK SOUTHERN

LEARN MORE about the Cincinnati Southern Railway at **CincinnatiSouthernRailway.org**

The City of Cincinnati currently receives approximately \$25 million annually in proceeds from the Railway. **The Cincinnati Southern Railway (CSR) stands to realize \$1.62 billion in proceeds from this sale** and the proceeds would be placed into an infrastructure trust that would be used for existing infrastructure maintenance and would benefit current and future generations of our community.

The Build our Future infrastructure trust, managed by the CSR Board, would **solely fund the rehabilitation, modernization, or replacement of existing infrastructure** such as streets, bridges, municipal buildings, parks, and green space. The City would not be able to use the funds received for payment of debt service or for the construction of new infrastructure improvements.

WHY WOULD THE CSR SELL THE RAILROAD?



The current **lease expires in 2026**



The City has to **manage the long-term risks of owning of a railway**, particularly in the age of rapidly advancing technology.



A sale would **represent substantial value for the City of Cincinnati** and an improvement over the present leasing agreement.



A resulting infrastructure trust would **fund significant projects** for the City that will benefit generations to come.

WHY NORFOLK SOUTHERN?

Norfolk Southern and its employees have been operating the Cincinnati Southern Railway for virtually the entire life span of the railroad. Their status as the current operator expedites the overall transaction process.



NEXT STEPS

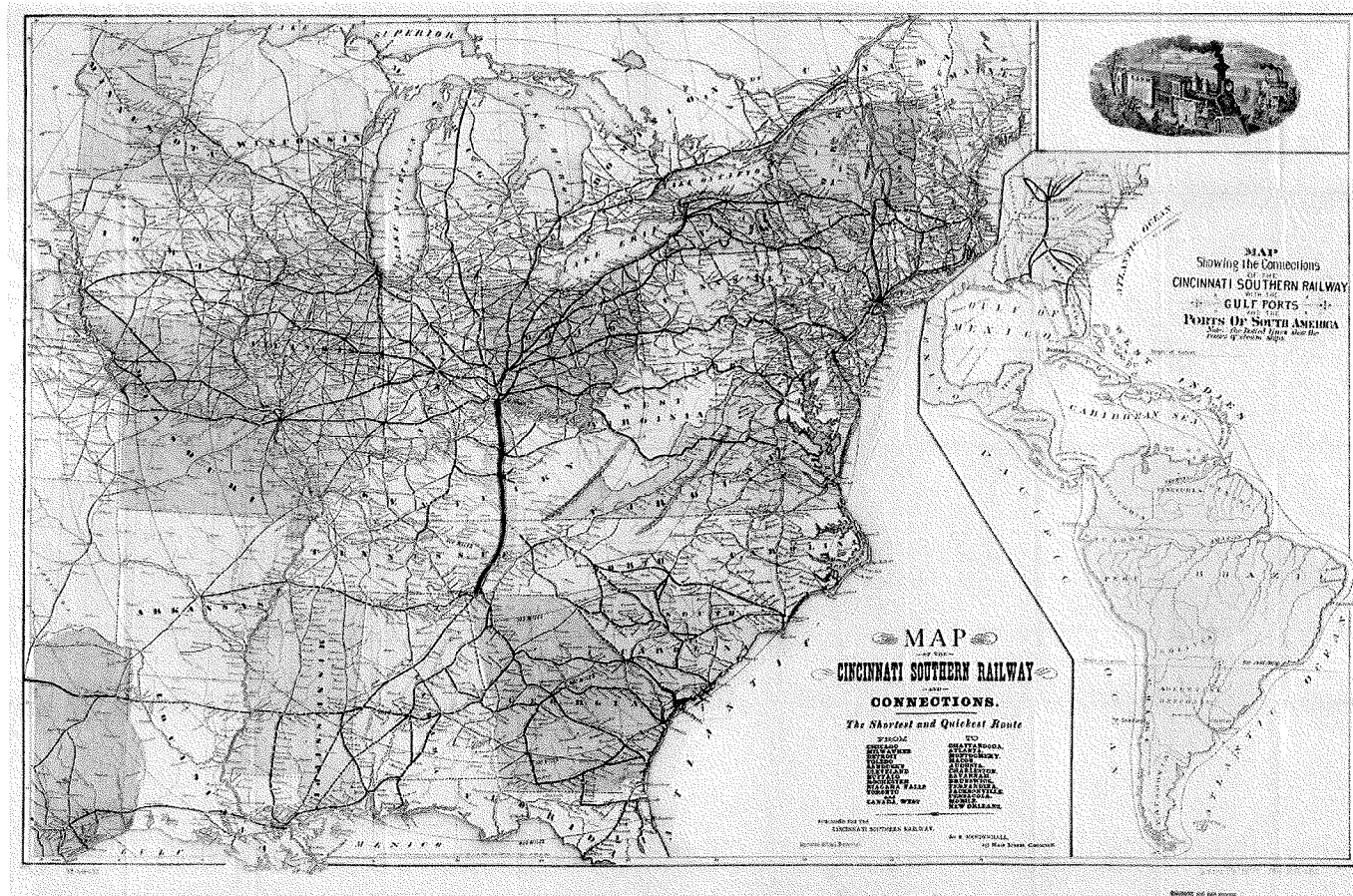
The sale is subject to voter approval, meaning the voters of Cincinnati ultimately make the final decision, likely on the November 2023 ballot. Any transaction requires regulatory clearance from the U.S. Surface Transportation Board.

HISTORY OF THE CINCINNATI SOUTHERN RAILWAY

The Cincinnati Southern Railway (CSR), which is a rail line located between Cincinnati and Chattanooga, TN, was constructed by the City of Cincinnati in the late 19th Century and completed in 1880. It was the vision of Edward A. Ferguson, who championed a rail connection to and from the South. The Ohio Constitution empowered the city to build and own the road itself.

Shortly after completion of the Cincinnati Southern Railway, the city contracted a railroad to operate and maintain the rail line. In October 1881, the Trustees entered into a lease agreement with The Cincinnati, New Orleans and Texas Pacific Railway Company (CNOTP). That lease has continued in effect to present day and expires in 2026. CNOTP became a subsidiary of Southern Railway in 1893 and is now a subsidiary of Norfolk Southern and operations on the Cincinnati Southern Railway look much like any other Norfolk Southern operation. Norfolk Southern uses the approximately 337-mile rail line to both serve local industries along the route and as part of a larger rail corridor that moves freight between Chicago and the Southeast.

Additional historical information, including public meeting minutes, is available on the CSR's website: **CincinnatiSouthernRailway.org**



City of Cincinnati



Mayor Aftab Pureval

FOR IMMEDIATE RELEASE: November 21, 2022

MEDIA CONTACT: Helena Battipaglia, helena.battipaglia@cincinnati-oh.gov, (513) 508-9662

Mayor Aftab, Cincinnati Southern Railway, Norfolk Southern Announce Proposed Historic Opportunity

CINCINNATI – Monday afternoon, Mayor Aftab will be joined by the Cincinnati Southern Railway Board of Trustees and Norfolk Southern Corporation (NYSE: NSC) senior executives for a transformational announcement.

Where: Cincinnati Union Terminal, Cincinnati Dining Room
1301 Western Ave, Cincinnati, OH 45203

When: November 21, 2022, 12:00 p.m. EST.

Who: Mayor Aftab Pureval
Paul Muething, Board of Trustees Chairman, Cincinnati Southern Railway
Mike McClellan, Senior Vice President and Chief Strategy Officer, Norfolk Southern Corporation



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Mayor Aftab Announces Proposed Sale of Cincinnati Southern Railway to Norfolk Southern for \$1.6 Billion

Funds to be used for Building Our Future Infrastructure Trust

CINCINNATI – Mayor Aftab, the Board of Trustees of the Cincinnati Southern Railway and Norfolk Southern Corporation (NYSE: NSC) announced the proposed sale of substantially all the assets of the Cincinnati Southern Railway (CSR) for \$1.6 billion to Norfolk Southern Railway Company, an operating subsidiary of Norfolk Southern. The railway line, currently operated by Norfolk Southern under a lease agreement, runs from Cincinnati to Chattanooga, TN and is owned by Board of Trustees of the Cincinnati Southern Railway for the benefit of the City of Cincinnati.

The closing of the sale is subject to approval by the voters of Cincinnati, regulatory clearance from the U.S. Surface Transportation Board, and passage of proposed state law changes. Importantly, the transaction would not represent any change in day-to-day rail operations, and traffic would not be expected to fluctuate to any significant degree.

“This is an historic opportunity to deliver great value to citizens of Cincinnati and realize a substantial return on the investment and foresight of our predecessors,” Mayor Aftab said. “We are fortunate that a number of events have brought us to this point and will provide for the transportation needs of our city for decades to come. This transaction marks a seminal moment for the City of Cincinnati, and I look forward to submitting it to voters for their approval.”

The CSR Trustees have proposed placing the proceeds of the sale into an infrastructure trust—the Building Our Future Trust Fund. Investment returns from the trust will be transferred annually to the City of Cincinnati for funding the rehabilitation or modernization of existing

infrastructure—such as our roads, bridges, parks, recreation facilities, and other infrastructure necessary for delivering core public services.

The construction of the Cincinnati Southern Railway was completed in 1880 and was the vision of state Sen. Edward A. Ferguson. The Cincinnati Southern Railway is governed by its Board of Trustees, which is comprised of five members, each serving a five-year term, who are appointed by the mayor and approved by Cincinnati City Council. While the line has been continuously owned by the CSR Trustees, since 1881 it has been operated under a lease agreement by The Cincinnati, New Orleans, and Texas Pacific Railway Company, today a subsidiary of Norfolk Southern.

Chairman of the CSR Board of Trustees, Paul Muething noted, “We trustees, and those who have served before us, have taken great care and pride in our stewardship of the Cincinnati Southern Railway over the years. This transaction gives us the ability to deliver transformative and perpetual value to the city and its citizens.”

“The Cincinnati Southern Railway plays a critical role in Norfolk Southern’s railroad operations and our nation’s supply chain infrastructure,” Norfolk Southern Senior Vice President and Chief Strategy Officer Mike McClellan said. “Through this sale, our customers and the nation’s economy will have certainty around future operations and the health of the railroad. We appreciate the efforts of Mayor Aftab and the Board of Trustees to reach a deal that provides long-term benefits to the citizens of Cincinnati and businesses of all sizes who rely on freight rail for base products and finished goods.”

About Cincinnati Southern Railway

An Ohio law enabling the creation of the Cincinnati Southern Railway was enacted on May 4, 1869. A resolution was adopted designating Chattanooga as the southern terminus one month later. The Cincinnati Southern Railway was intended to expand the economy of Cincinnati.

Construction of the railroad was a huge engineering task. The approximately 337-mile railroad was built through rugged terrain which included 27 tunnels and 105 bridges.

Understanding that it would be difficult for a city to run a railroad, it was decided that the line would be leased to a rail operator. In October 1881 a lease was awarded to the Cincinnati, New Orleans and Texas Pacific (CNO&TP) Railway. In 1893, the CNO&TP came under the control of the Southern Railway (and as a result of a merger, now Norfolk Southern).

The City of Cincinnati receives approximately \$25 million per year from Norfolk Southern for the lease. In the 1980s, the "Smale" Commission recommended the funds from the lease be dedicated to City infrastructure projects.

The ownership of the Cincinnati Southern Railway makes Cincinnati the only municipality in the county to own an interstate railroad.

About Norfolk Southern

Since 1827, Norfolk Southern Corporation (NYSE: NSC) and its predecessor companies have safely moved the goods and materials that drive the U.S. economy. Today, it operates a customer-centric and operations-driven freight transportation network. Committed to furthering sustainability, Norfolk Southern helps its customers avoid 15 million tons of yearly carbon emissions by shipping via rail. Its dedicated team members deliver more than 7 million carloads annually, from agriculture to consumer goods, and is the largest rail shipper of auto products and metals in North America. Norfolk Southern also has the most extensive intermodal network in the eastern U.S., serving a majority of the country's population and manufacturing base, with connections to every major container port on the Atlantic coast as well as the Gulf of Mexico and Great Lakes. Learn more by visiting www.NorfolkSouthern.com.