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CSX TAKES FIRST STEP TOWARD NEW LOGISTICS CENTER

Winter Haven City Commission to Consider 1,250-Acre Property Transaction

WINTER HAVEN, Fla. – JANUARY 18, 2006 – CSX Corporation today said that it has proposed a property purchase agreement for consideration by the Winter Haven City Commission on January 23. The agreement would be the first step in developing an Integrated Logistics Center (ILC) in Winter Haven, the first such facility in the Southeast.

The proposed ILC would include a truck, rail, and warehousing hub and terminal for the transfer and storage of containerized consumer goods.

“This is an ideal location to serve the rapidly growing Florida market,” said Clarence Gooden, CSX chief commercial officer. “We are committed to integrating our facility plan with Winter Haven’s standards and needs.”

The 1,250-acre ILC would be located north of Old Bartow-Lake Wales Road and west of the CSX Transportation railroad tracks.

“This project will be a tremendous asset to our community,” said David Greene, Winter Haven city manager. “As experiences with similar facilities have shown, the ILC could generate more than 8,000 jobs in Winter Haven and Polk County as companies establish nearby warehousing, manufacturing and logistics operations.”

The ILC is being sited in cooperation with the State of Florida.

“Florida’s growth management goals ensure the efficient movement of people and goods,” said Florida Department of Transportation Secretary Denver Stutler, Jr. “The new logistics center should help reduce long-haul transportation costs for shippers and provide improved freight mobility.”

Economic research shows that over a 10-year period, operations like the proposed ILC could produce more than \$10 billion in economic activity and add \$900 million in state and federal tax revenue.

As part of the site development, the city plans to redesign the waste water treatment plant operations that currently occupy the site.

CSX Corporation, headquartered in Jacksonville, traces its Florida heritage to the first railroads established in the state in the 19th century. Today, the company employs 6,000 Floridians with an annual state payroll of more than \$400 million. The company’s 1,750-mile Florida transportation network connects the state’s major cities and ports.

CSX Corporation, based in Jacksonville, Fla., is one of the leading transportation companies, providing rail, intermodal and rail-to-truck transload services. The company's transportation network spans 22,000 miles, serving 22 eastern states and the District of Columbia, and connects to more than 70 ocean, river and lake ports. More information about CSX Corporation and its subsidiaries is available at the company's web site, www.csx.com.

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