

CSX CORP
Form 10-Q
July 18, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission

File

Number

1-8022

CSX CORPORATION

(Exact name of registrant as specified in its charter)

Virginia

62-1051971

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

500 Water Street, 15th Floor, Jacksonville, FL

32202

(904) 359-3200

(Address of principal executive offices)

(Zip Code)

(Telephone number, including area code)

No
Change

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (check one)

Large Accelerated Filer Accelerated Filer Non-accelerated Filer Smaller Reporting Company

Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ()

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes () No (X)

There were 858,810,557 shares of common stock outstanding on June 30, 2018 (the latest practicable date that is closest to the filing date).

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CSX CORPORATION

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENTS (Unaudited)

(Dollars in millions, except per share amounts)

	Second Quarters		Six Months	
	2018	2017	2018	2017
Revenue	\$3,102	\$2,933	\$5,978	\$5,802
Expense				
Labor and Fringe	669	751	1,365	1,546
Materials, Supplies and Other	469	496	951	1,067
Depreciation	329	327	652	647
Fuel	270	198	525	416
Equipment and Other Rents	112	105	213	204
Restructuring Charge (Note 1)	—	115	—	225
Equity Earnings of Affiliates	(30)	(16)	(55)	(29)
Total Expense	1,819	1,976	3,651	4,076
Operating Income	1,283	957	2,327	1,726
Interest Expense	(157)	(137)	(306)	(274)
Restructuring Charge - Non-Operating (Note 1)	—	(7)	—	(70)
Other Income - Net	18	14	35	27
Earnings Before Income Taxes	1,144	827	2,056	1,409
Income Tax Expense	(267)	(317)	(484)	(537)
Net Earnings	\$877	\$510	\$1,572	\$872
Per Common Share (Note 2)				
Net Earnings Per Share, Basic	\$1.02	\$0.55	\$1.80	\$0.94
Net Earnings Per Share, Assuming Dilution	\$1.01	\$0.55	\$1.79	\$0.94
Average Shares Outstanding (In millions)	864			