



First Quarter 2023 Financial and Operating Results

April 24, 2023



TSX: CNR NYSE: CNI

Forward-looking statements



Certain statements included in this news release constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and under Canadian securities laws, including statements based on management's assessment and assumptions and publicly available information with respect to CN. By their nature, forward-looking statements involve risks, uncertainties and assumptions. CN cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although reasonable at the time they were made, subject to greater uncertainty. Forward-looking statements may be identified by the use of terminology such as "believes", "expects", "anticipates", "assumes", "outlook", "plans", "targets" or other similar words.

2023 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2023 outlook. The Company continues to assume negative North American industrial production in 2023. For the 2022/2023 crop year, the grain crop in Canada was above its three-year average (or in line when excluding the significantly lower 2021/2022 crop year) and the U.S. grain crop was in line with its three-year average. The Company continues to assume that the 2023/2024 grain crops in Canada and the U.S. will be in line with their respective three-year averages (excluding the significantly lower 2021/2022 crop year in Canada). CN assumes continued pricing above rail inflation upon contract renewals. CN assumes that in 2023, the value of the Canadian dollar in U.S. currency will be approximately \$0.75, and now assumes the average price of crude oil (West Texas Intermediate) will be approximately US\$80 per barrel (compared to its January 24, 2023 assumption of being approximately in the US\$75 - US\$80 range per barrel).

Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and other factors which may cause actual results, performance or achievements of CN to be materially different from the outlook or any future results, performance or achievements implied by such statements. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Important risk factors that could affect the forward-looking statements include, but are not limited to, general economic and business conditions, including factors impacting global supply chains such as pandemics and geopolitical conflicts and tensions; industry competition; inflation, currency and interest rate fluctuations; changes in fuel prices; legislative and/or regulatory developments; compliance with environmental laws and regulations; actions by regulators; increases in maintenance and operating costs; security threats; reliance on technology and related cybersecurity risk; trade restrictions or other changes to international trade arrangements; transportation of hazardous materials; various events which could disrupt operations, including illegal blockades of rail networks, and natural events such as severe weather, droughts, fires, floods and earthquakes; climate change; labor negotiations and disruptions; environmental claims; uncertainties of investigations, proceedings or other types of claims and litigation; risks and liabilities arising from derailments; timing and completion of capital programs; and other risks detailed from time to time in reports filed by CN with securities regulators in Canada and the United States. Reference should also be made to Management's Discussion and Analysis (MD&A) in CN's annual and interim reports, Annual Information Form and Form 40-F, filed with Canadian and U.S. securities regulators and available on CN's website, for a description of major risk factors relating to CN.

Forward-looking statements reflect information as of the date on which they are made. CN assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable securities laws. In the event CN does update any forward-looking statement, no inference should be made that CN will make additional updates with respect to that statement, related matters, or any other forward-looking statement. Information contained on, or accessible through, our website is not part of this presentation.

Non-GAAP measures

CN reports its financial results in accordance with United States generally accepted accounting principles (GAAP). CN also uses non-GAAP measures in this presentation that do not have any standardized meaning prescribed by GAAP, including adjusted net income, adjusted diluted earnings per share (EPS), adjusted operating income, adjusted operating ratio (referred to as adjusted performance measures), and free cash flow. These non-GAAP measures may not be comparable to similar measures presented by other companies. See the Q1 2023 Earnings Release filed on April 24th, 2023, which is incorporated by reference herein which may be found online on SEDAR at www.sedar.com, on the SEC's website at www.sec.gov through EDGAR, and on the Company's website at www.cn.ca in the Investors section.

This presentation also includes certain forward looking non-GAAP measures (adjusted diluted EPS). It is not practicable to reconcile, without unreasonable efforts, these forward-looking measures to the most comparable GAAP measures, due to unknown variables and uncertainty related to future results. Please see note on Forward Looking Statements above for further discussion.

All amounts in this presentation are expressed in Canadian dollars, unless otherwise noted.

On the call today



Tracy Robinson

President and CEO



Ed Harris

Chief Operating Officer



Doug MacDonald

Chief Marketing Officer



Ghislain Houle

Chief Financial Officer

Tracy Robinson

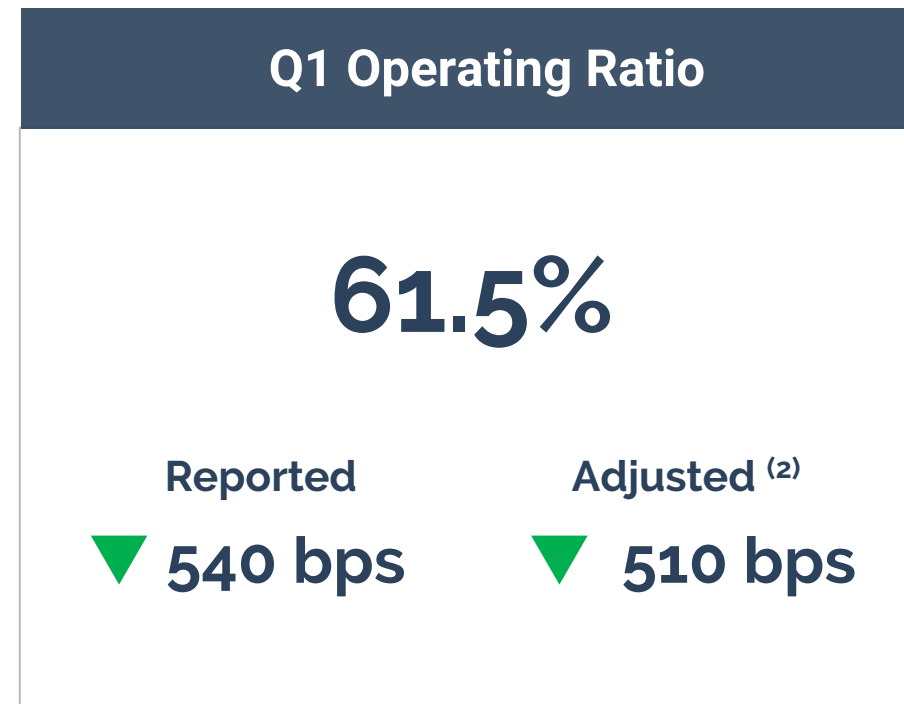
President and Chief Executive Officer



Strong start to the year – Updating our financial outlook ⁽¹⁾



- Diluted EPS of \$1.82, an increase of 38% on an adjusted basis ⁽²⁾, driven by disciplined scheduled operations against Canadian winter conditions
- Operating ratio of 61.5%, an improvement of 510bps on an adjusted basis ⁽²⁾, the outcome of strong execution
- Now expecting to deliver mid-single digit adjusted diluted EPS ⁽¹⁾⁽²⁾ growth in 2023



(1) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN's financial outlook.

(2) These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. For adjusted diluted EPS and adjusted operating ratio, see the section entitled "Adjusted performance measures" in the Q1 2023 Quarterly Review filed on April 24th, 2023, which are incorporated by reference herein, for an explanation of these non-GAAP measures.

(3) CN's full-year adjusted diluted EPS outlook exclude certain adjustments, which are expected to be comparable to adjustments made in prior years. However, management cannot individually quantify on a forward-looking basis the impact of these adjustments on its adjusted diluted EPS because these items, which could be significant, are difficult to predict and may be highly variable. As a result, CN does not provide a corresponding GAAP measure for, or reconciliation to, its adjusted diluted EPS outlook



Ed Harris

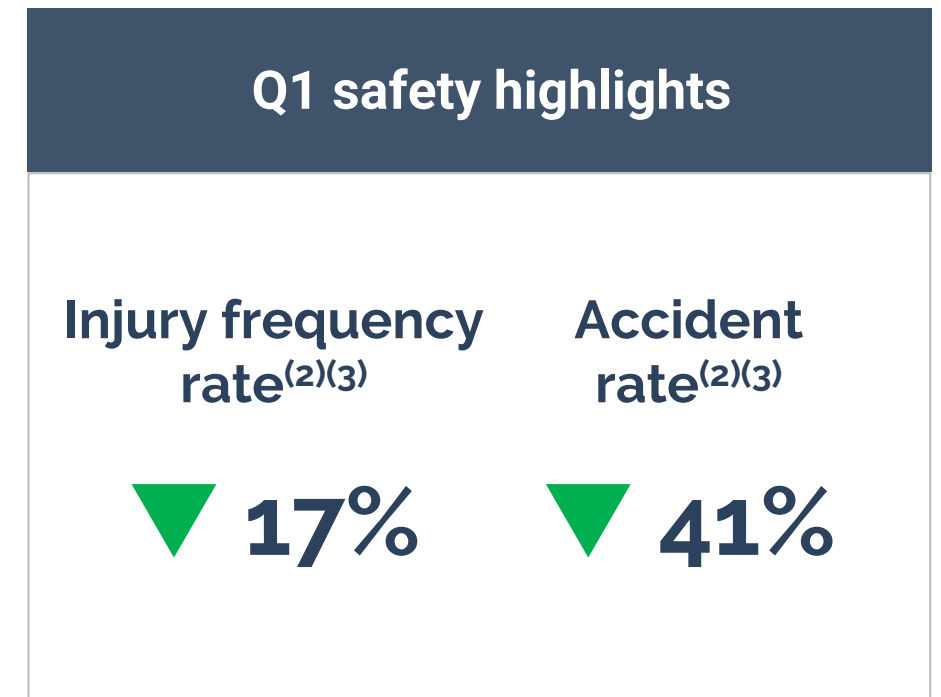
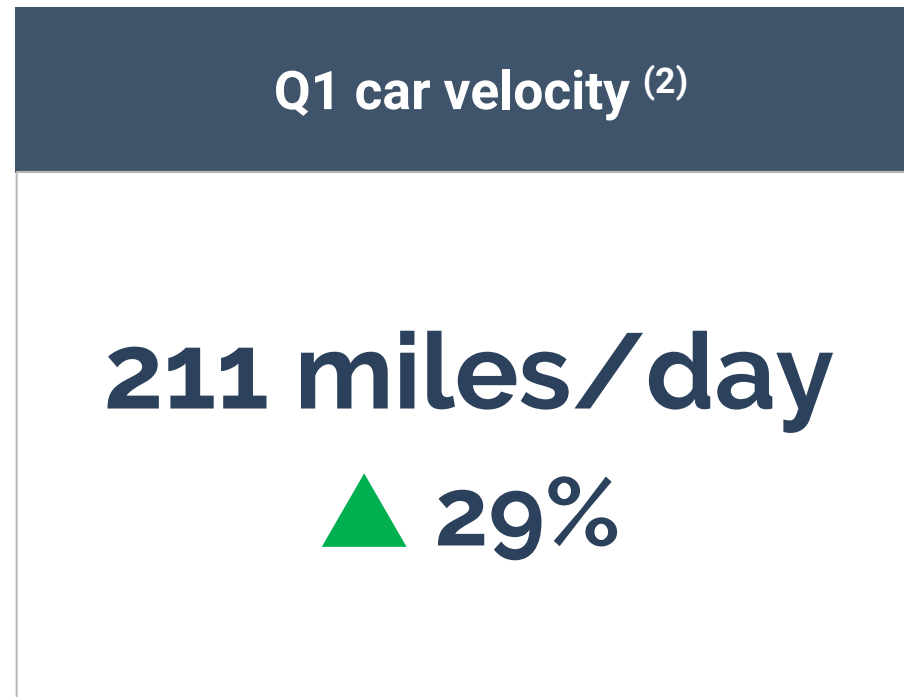
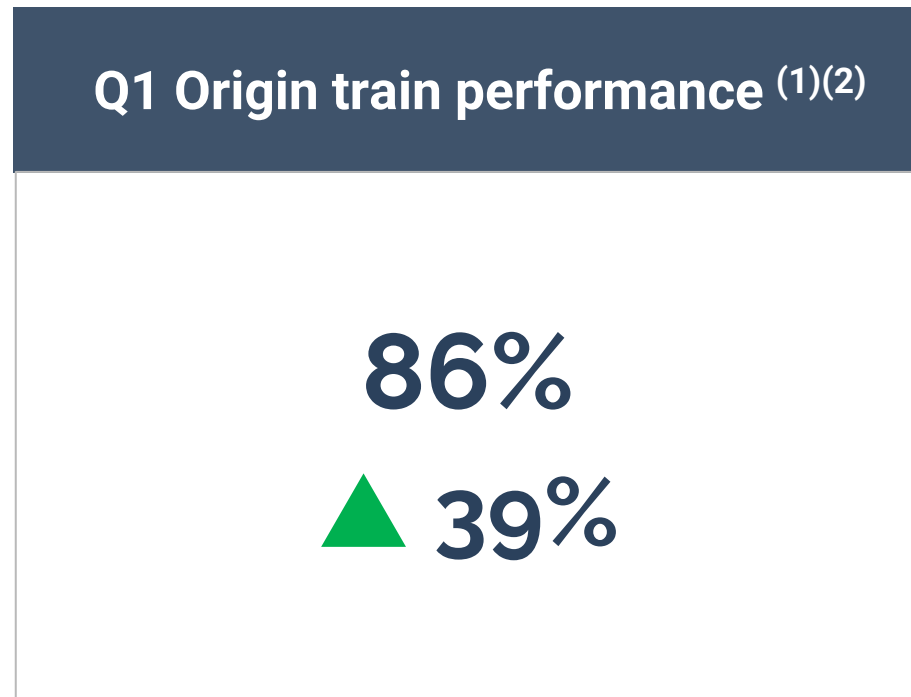
Chief Operating Officer

Q1 Operating highlights – Continuing to advance our scheduled operations



Driving operational efficiencies and building resiliency

- Solid safety improvement – safety at the heart of everything we do
- Running to the plan – Origin Train Performance of 86% in Q1, up 39% from Q1 2022 ⁽¹⁾
- Approaching record Q1 car velocity with 211 car miles per day ⁽²⁾



(1) Origin train performance, which is defined as the percentage of manifest, automotive, and domestic intermodal trains departing origin within allowance of the scheduled time, averaged 86% in Q1 2023, an improvement of 39% compared to 62% for the same period in 2022.

(2) Operating measures and safety indicators are unaudited and based on estimated data available at such time and are subject to change as more complete information becomes available.

(3) Based on Federal Railroad Administration (FRA) reporting criteria.

Doug MacDonald

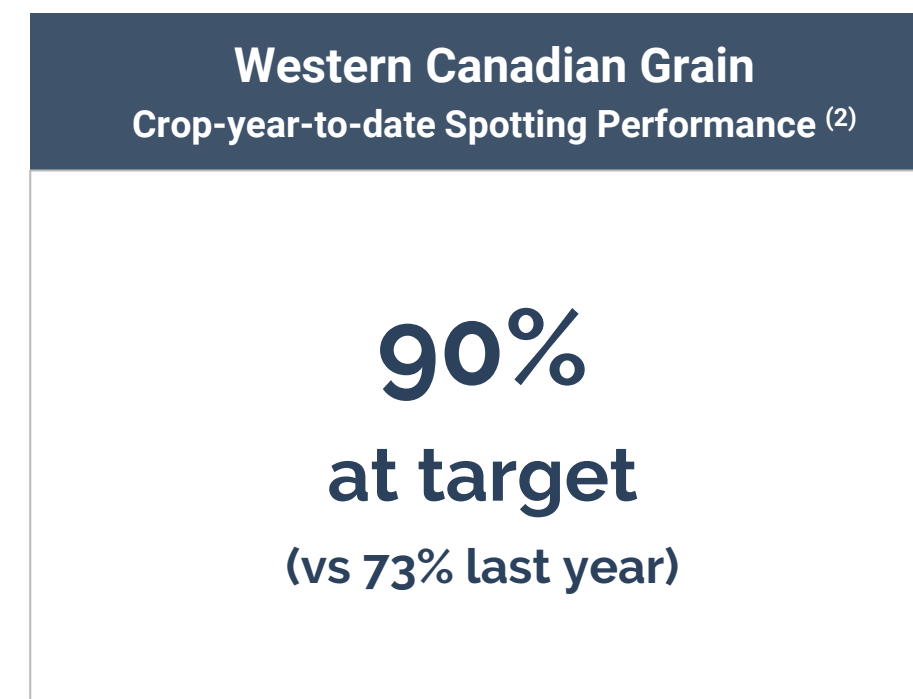
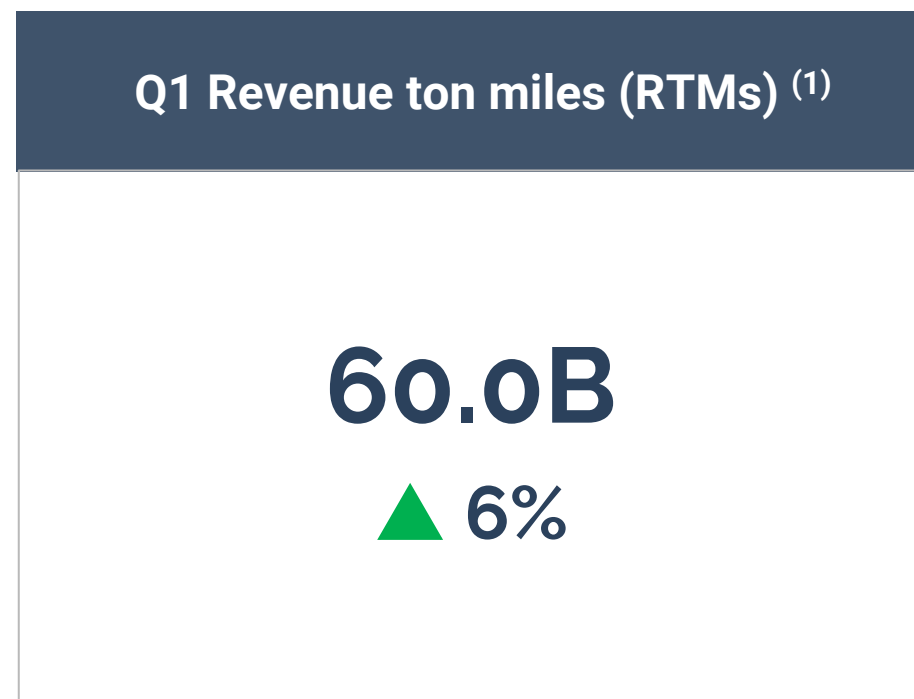
Chief Marketing Officer



Q1 Top-line performance driven by bulk segment



- Strong bulk shipments (Canadian grain and coal) partly offset by weakness in consumer-driven markets (intermodal, lumber, chemicals and plastics)
- Pricing on contract renewals remains above rail inflation
- Movement of top-5 Canadian Grain crop supported by strong customer service – crop-year-to-date average car spotting performance meeting our 90% target



(1) Operating measures are unaudited and based on estimated data available at such time and are subject to change as more complete information becomes available.

(2) Weekly spotting performance measures the number of empty cars spotted against the current week's planned number of empty cars to be spotted for the common hopper fleet.

Demand signaling a mild recession



Merchandise

- ↔ Forest Products
- ↓ Metals and Minerals
- ↔ Petroleum Products
- ↓ Chemicals and Plastics



Bulk

- ↑ Western Canadian Coal
- ↑ U.S. Coal
- ↑ Grain
- ↔ Fertilizers



Consumer Products

- ↓ International Intermodal
- ↓ Domestic Intermodal
- ↔ Automotive

Ghislain Houle

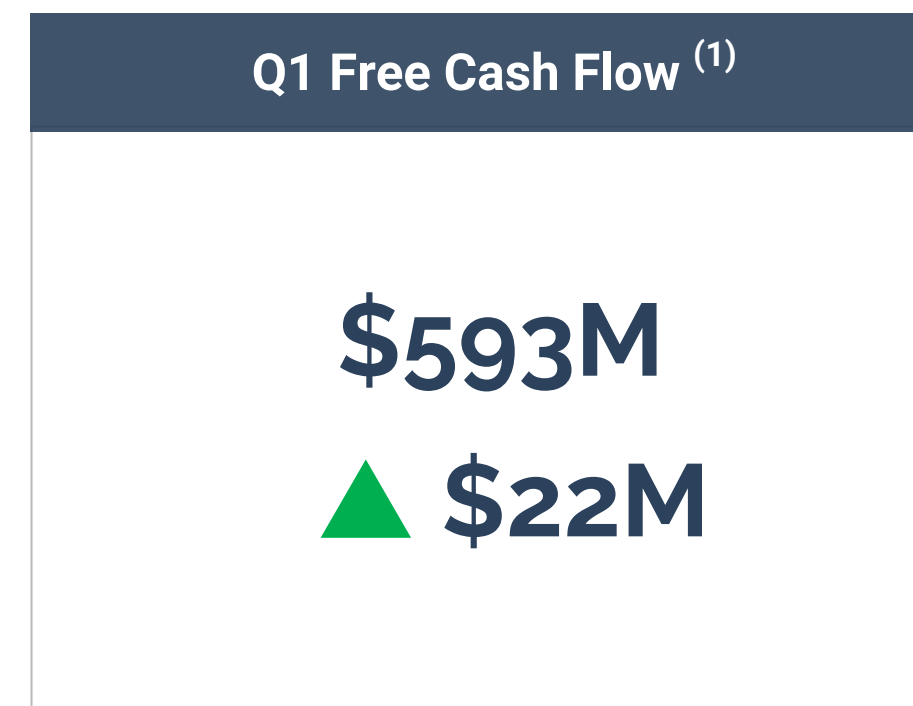
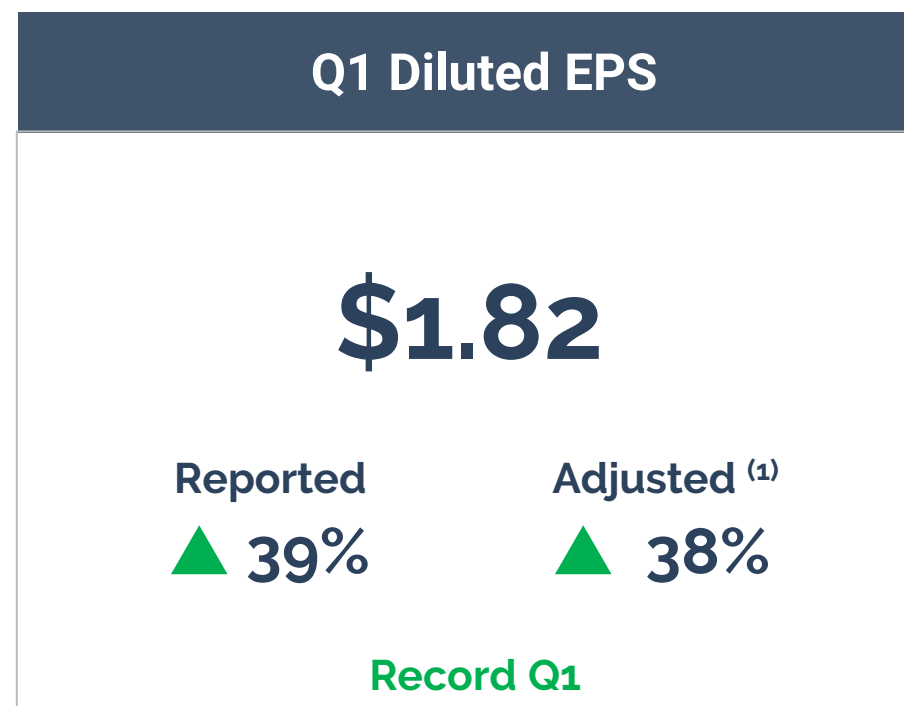
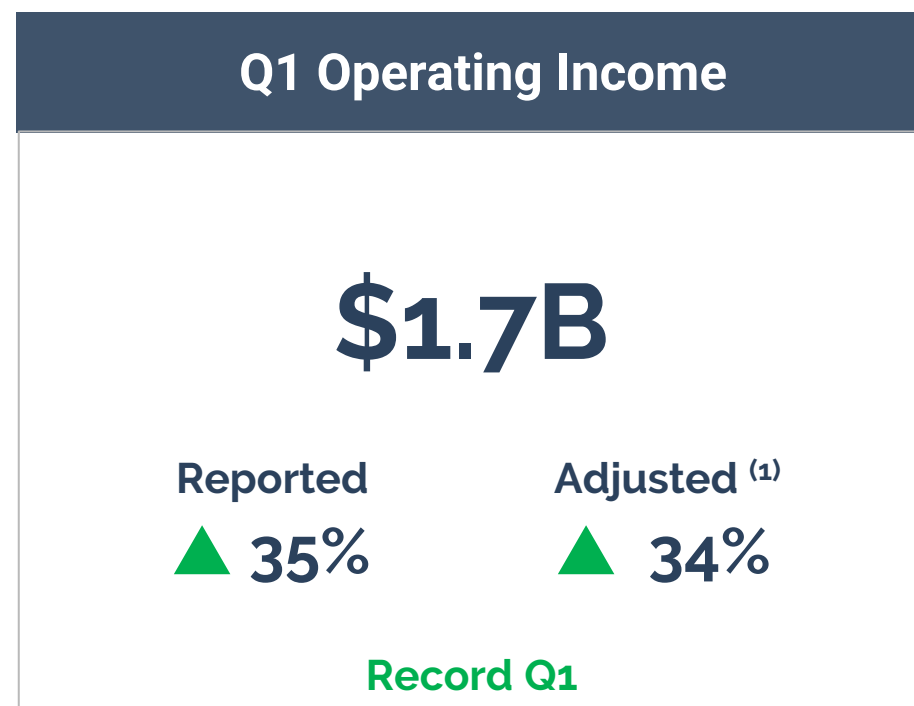
Chief Financial Officer



Q1 financial results - driving top-line to the bottom line



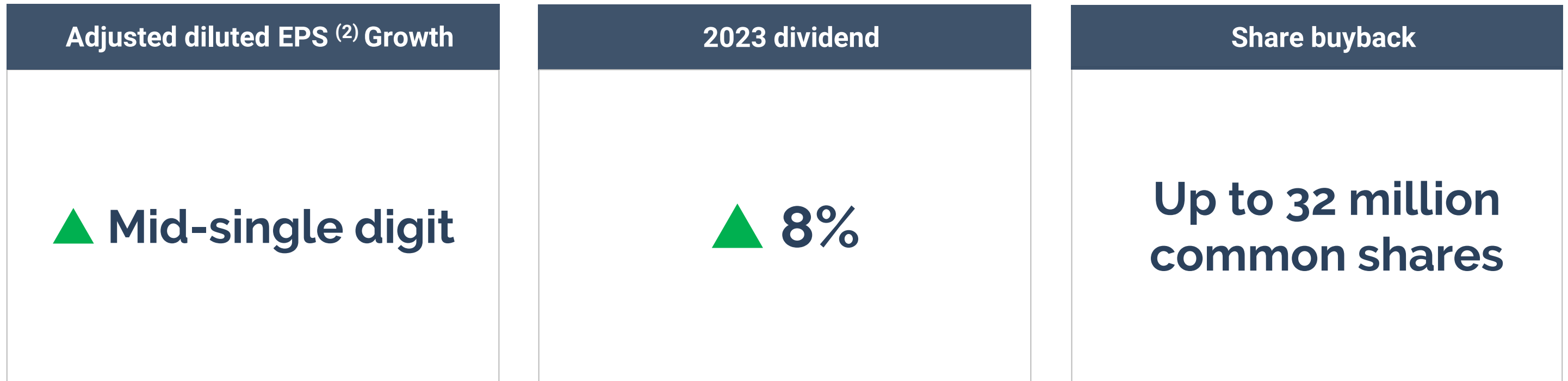
- Operating income up 34% on an adjusted basis, demonstrating strength and resiliency of the network
- Earnings growth of 38% on an adjusted basis, with 16% revenue growth and solid operating execution
- Free cash flow of nearly \$600M in the first quarter



(1) These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. For adjusted diluted EPS and adjusted Operating Income, see the section entitled "Adjusted performance measures" and for free cash flow, see the section entitled "Free cash flow" in the Q1 2023 Quarterly Review filed on April 24th, 2023, which are incorporated by reference herein, for an explanation of these non-GAAP measures.

Updating our 2023 financial outlook ⁽¹⁾

- Now expecting to deliver mid-single digit adjusted diluted EPS ⁽¹⁾⁽²⁾ growth over 2022, versus low single-digit previously
- North American industrial production still assumed to be negative in 2023
- Continue to reward long-term shareholders:
 - 8% growth in dividend for 2023
 - Executing on our 2023-2024 share repurchase program, in the range of \$4B



(1) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN's financial outlook.

(2) CN's full-year adjusted diluted EPS outlook excludes certain adjustments, which are expected to be comparable to adjustments made in prior years. However, management cannot individually quantify on a forward-looking basis the impact of these adjustments on its adjusted diluted EPS because these items, which could be significant, are difficult to predict and may be highly variable. As a result, CN does not provide a corresponding GAAP measure for, or reconciliation to, its adjusted diluted EPS outlook.

Tracy Robinson

President and Chief Executive Officer



May 2-3 Investor Day



ACCELERATING SUSTAINABLE PROFITABLE GROWTH

www.cn.ca/investors