



# INVESTOR DAY 2017

JUNE 14, 2017 | MONTREAL, QC

## Forward-Looking Statements

This presentation contains statements about future events and financial and operating performance that constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and under Canadian securities laws, including but not limited to, statements concerning management’s expectations with respect to CN’s future plans and operations, its strategic agenda and initiatives, potential opportunities, financial and operating performance, planned capital investments, and cost-management programs. Forward-looking statements may be identified by the use of terminology such as “believes,” “expects,” “anticipates,” “assumes,” “outlook,” “plans,” “targets,” or other similar words. By their nature, forward-looking statements involve risks, uncertainties and assumptions. The Company 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 are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the Company to be materially different from the outlook or any future results or performance 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, the effects of general economic and business conditions; changes in business strategies; 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; trade restrictions; transportation of hazardous materials; various events which could disrupt operations, including natural events such as severe weather, droughts, 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 or completion of capital programs; impacts from accounting pronouncements not yet adopted; and other risks detailed from time to time in reports filed by CN with securities regulators in Canada and the United States. Reference should be made to Management’s Discussion and Analysis 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 and assumptions.

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.

## Non-GAAP Measures

CN reports its financial results in accordance with United States generally accepted accounting principles (GAAP). This presentation may also contain non-GAAP measures that do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. For further details of non-GAAP measures, including a reconciliation to the most directly comparable GAAP financial measures, reference should be made to Management’s Discussion and Analysis in CN’s annual and interim reports, and other reports filed by CN from time to time with Canadian and U.S. securities regulators, which are available on CN’s website.



**INVESTOR DAY**  
2017

**Luc Jobin**  
President and  
Chief Executive Officer

2010

**\$8,297M**  
in revenues

**63.6% OR**

**\$2.24**  
reported diluted EPS

**\$0.54**  
dividends per share

**We Have Delivered**

**6%** CAGR

**770** basis points improvement

**13%** CAGR  
(14% CAGR\*)

**19%** CAGR

\*Adjusted diluted EPS

2016

**\$12,037M**  
in revenues

**55.9% OR**

**\$4.67**  
reported diluted EPS

**\$1.50**  
dividends per share

# Deepening Our Strategic Agenda



**CREATING  
VALUE FOR  
CUSTOMERS**

**CREATING  
VALUE FOR  
SHAREHOLDERS**

**DELIVERING  
SAFELY  
& RESPONSIBLY**

**TOGETHER**

**PLAYING  
OUR ROLE AS  
A BACKBONE  
OF THE ECONOMY**

**DELIVERING  
OPERATIONAL  
AND SERVICE  
EXCELLENCE**

# A Leading North American Transportation & Logistics Company

Foundational Building Blocks

Opportunities in a  
Changing Environment

Focused on Delivering Results





# Foundational

## Building Blocks

# Our Great Franchise

3 coast access

Integrated rail and logistics services

85% origination

75% of North American consumers

Diversified portfolio



# Operational Excellence

Delivering safely and responsibly

Disciplined execution

Continuous improvement mindset

Nimbleness

Investing to gain efficiency



# Service Excellence

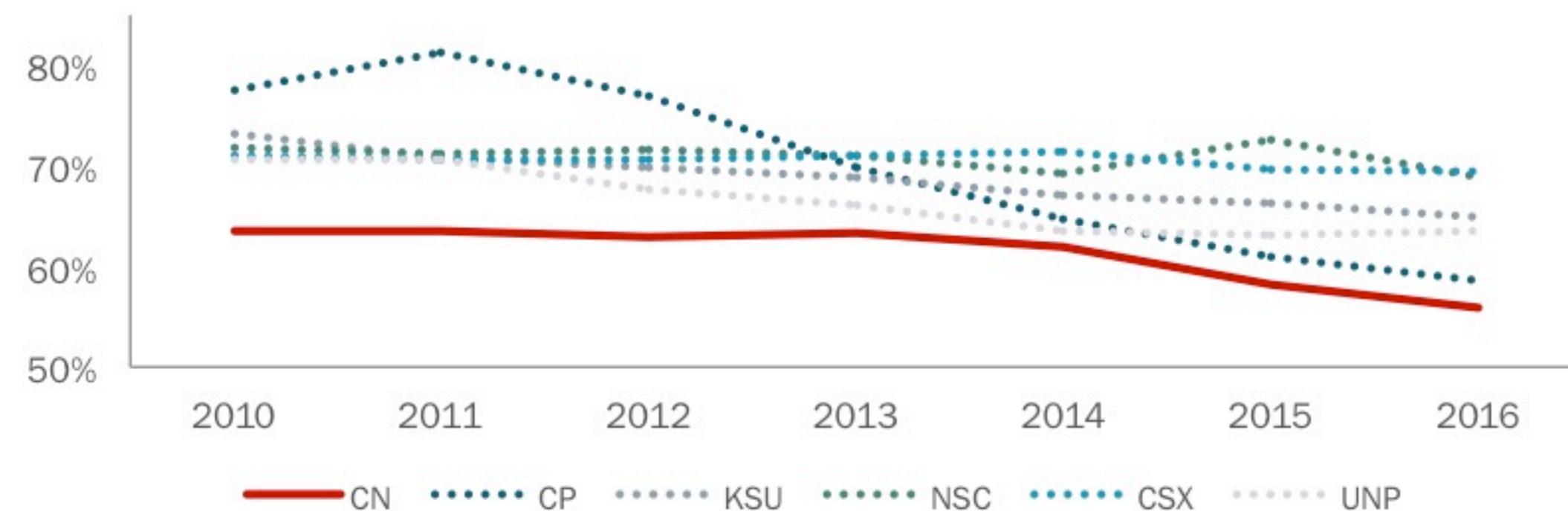
Customer service as customers see it  
Lower supply chain cost and disruption  
Key metrics to measure success  
End-to-end supply chain focus  
Investing in opportunities to grow  
with our customers



Creating value for our customers

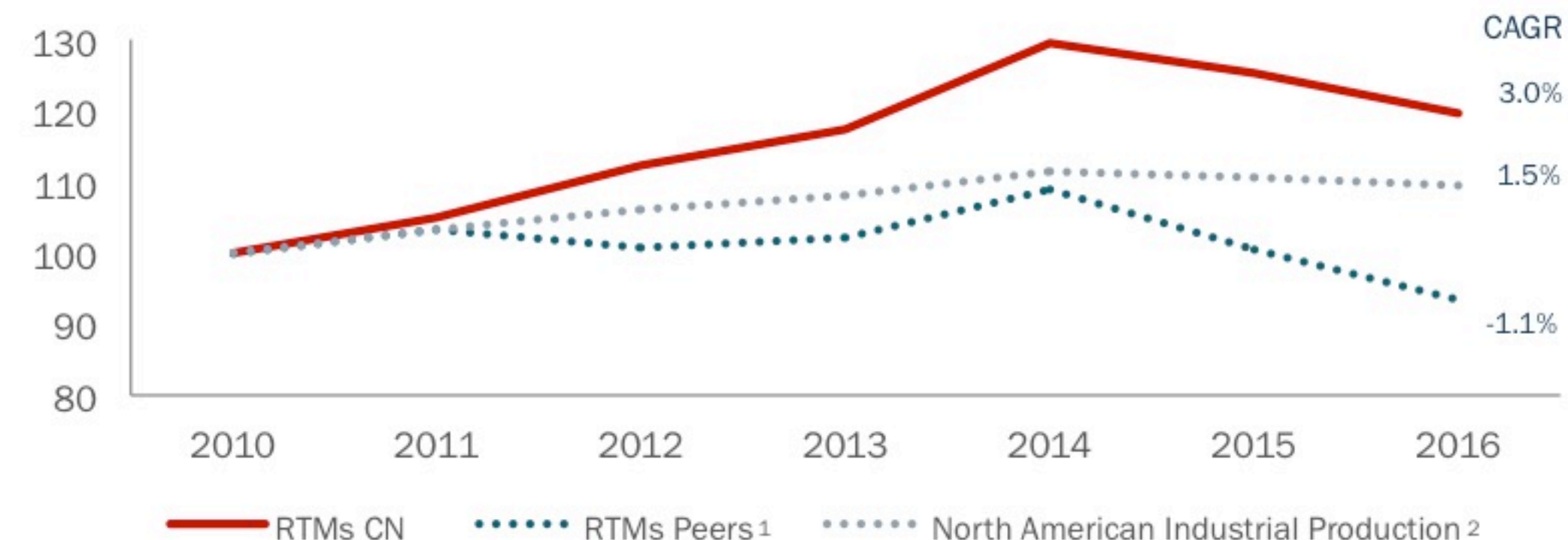
# Results Through Balancing Operational and Service Excellence

**Industry-leading Operating Ratio**  
(Expenses / Revenues)



Source: Company reports

**Outpacing the Economy and Our Peers**  
(Index - 2010=100)



<sup>1</sup> Includes CP, NSC, CSX, UNP, KSU

<sup>2</sup> Sources for Industrial Production: U.S. Federal Reserve, Statistics Canada



# Our Team





# Opportunities

## in a Changing Environment

# Leveraging Technology to Solve Business Challenges



Remote  
Monitoring

Engineering  
Reliability Analytics

The Connected  
Railroad

Big Data

Innovation  
in Safety

**Supply Chains  
are Global  
and Complex**

**Evolving with  
Customers'  
Expectations**

# Adapting to Macro Trends

North American economy

Infrastructure

Trade deals

Environment

Regulations



The background is a solid teal color with a subtle, darker teal gradient. Overlaid on this are intricate, light blue circuit-like patterns. These patterns consist of thin, angular lines that zigzag and branch out, resembling a printed circuit board. Interspersed among these lines are various geometric shapes, including circles of different sizes and small squares, some of which are also light blue. The overall effect is a high-tech, digital aesthetic.

Focused on  
**Delivering Results**



**Helping our  
Customers Win**



**Calibrating for  
Optimal Performance**



**Delivering for  
our Shareholders**

# Deepening Our Strategic Agenda



**CREATING  
VALUE FOR  
CUSTOMERS**

**CREATING  
VALUE FOR  
SHAREHOLDERS**

**DELIVERING  
SAFELY  
& RESPONSIBLY**

**TOGETHER**

**PLAYING  
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**DELIVERING  
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EXCELLENCE**



**“A true industry leader sets  
tomorrow's vision in motion today.”**

**– CN Team**