Third Quarter 2019 Financial Results

October 22, 2019

TSX: CNR NYSE: CNI

Forward-Looking Statements

Certain statements included in this presentation constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and under Canadian securities laws. 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 may be identified by the use of terminology such as "believes," "expects," "anticipates," "assumes," "outlook," "plans," "targets," or other similar words.

2019 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2019 outlook. The Company now assumes that North American industrial production for the year will increase in the range of 0.5 to one per cent (compared to its July 23, 2019 assumption of approximately one per cent), and continues to assume U.S. housing starts of approximately 1.25 million units and U.S. motor vehicle sales of approximately 17 million units. For the 2018/2019 crop year, the grain crops in both Canada and the United States were in line with their respective three-year averages. The Company assumes that the 2019/2020 grain crop in Canada will be in line with the three-year average and that the 2019/2020 grain crop in the United States will be below the three-year average. CN now assumes RTM volume growth in 2019 will be slightly negative compared to 2018 (compared to its July 23, 2019 assumption that total RTMs would increase in the mid single digits). CN assumes continued pricing above rail inflation. CN assumes that in 2019, the value of the Canadian dollar in U.S. currency will be approximately $0.75, and now assumes that in 2019 the average price of crude oil (West Texas Intermediate) will be in the range of US$55 to US$60 per barrel (compared to its July 23, 2019 assumption in the range of US$60 to US$65 per barrel). In 2019, CN plans to invest approximately $3.9 billion in its capital program, of which $1.6 billion is targeted toward track and railway infrastructure maintenance.

Forward-looking statements are not guarantees of future performance and involve 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; 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 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 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 on SEDAR at www.sedar.com as well as on the U.S. Securities and Exchange Commission's website at www.sec.gov through EDGAR and available on CN's website at www.cn.ca/en/investor, for a description of major risk factors.

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). CN also uses non-GAAP measures in this presentation that do not have any standardized meaning prescribed by GAAP, including adjusted performance measures, constant currency, free cash flow and adjusted debt-to-adjusted EBITDA multiple. These non-GAAP measures may not be comparable to similar measures presented by other companies. For further details of these non-GAAP measures, including a reconciliation to the most directly comparable GAAP financial measures, refer to the Company's website, Third Quarter Results at www.cn.ca/financial-results.

CN's full-year adjusted diluted EPS outlook excludes the expected impact of certain income and expense items. However, management cannot individually quantify on a forward-looking basis the impact of these items on its 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.

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

JJ Ruest

President and Chief Executive Officer

Q3 Highlights – Productivity Gains and Cost Management

Diluted EPS	Operating ratio	Revenues
$1.66	57.9%	$3.8B
▲ 8%	▼ 160 bps	▲ 4%

Adjusted diluted EPS (1)	Fuel productivity (GTMs per US gallon of fuel)	RTMs
$1.66	1,130	60.8B
▲ 11%	▲ 4%	▼ 1%

(1) Please see website, Third Quarter Results, www.cn.ca/financial-results, for an explanation of this non-GAAP measure.

Rob Reilly

Executive VP and Chief Operating Officer

Strong Operating Performance and a Fluid Network

- Workloads (GTMs) up 1% in Q3 2019 vs. Q3 2018, with significant improvement in network fluidity year-over-year
- Sarnia tunnel derailment significantly impacted network fluidity in early Q3

Fluid Network

Car velocity (car miles per day)

Network train speed (miles per hour)

Record Q3 Workload

GTMs
(daily average, in millions)

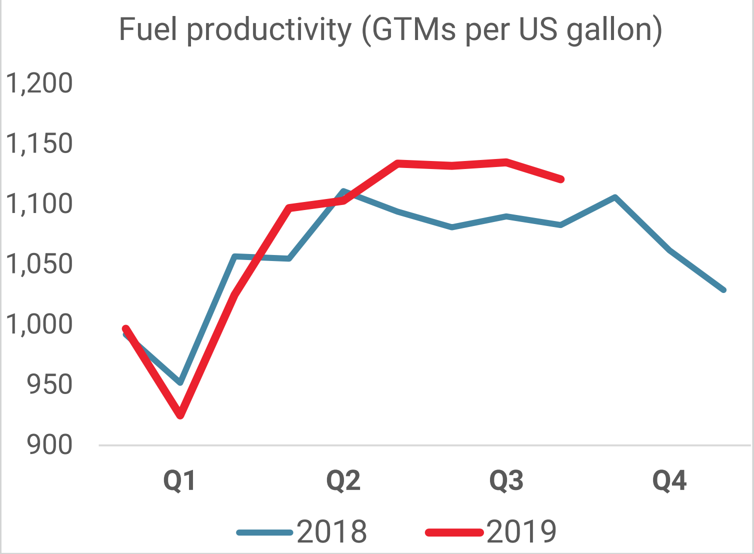
Q3 2017	1,285
Q3 2018	1,337
Q3 2019	1,352

+1% above 2018 and +5% above 2017

Productivity and Cost Control Heightening

- Sweating our assets
  - Reducing our car fleet by returning leases and selling less reliable and less productive railcars (5,000 railcars in the process to be returned)
  - Returning all leased locomotives
  - Managing crew level to lower demand
  - Aligning our mechanical operations to lower demand and younger fleet of rolling stock
- Record fuel productivity
  - Fuel efficiency up 4% in Q3
  - Better process, technology, higher matching of HHP to tonnage
- Safety
  - Meet and exceed all regulatory targets to protect our people and communities
- Ready for winter
  - Increasing air repeater cars in service by 40 (now 100 in total)

All-time record for fuel productivity in Q3



James Cairns
Senior VP, Rail Centric Supply Chain

Keith Reardon
Senior VP, Consumer Product Supply Chain

Weakening Demand Environment For the Rail Industry

Rail Centric Supply Chain

Coal

- Strong growth in Canada - ramp up of Coalspur's new mine
- Weak U.S. thermal coal exports. Volumes well below 2018 levels

Grain

- Canadian grain harvest delayed due to poor weather conditions - volumes pushed to 2020 as the harvest is quite late

Forest Product

- Lumber in a secular shift in British Columbia. Several saw mills curtailed production given low lumber price and high stumpage fees

Petroleum and chemicals

- Propane volume ramp up at the Altagas export facility in Prince Rupert
- Uncertainty around crude by rail volumes. Difficult comps in Q4 2019
- Solid market reach in refined petroleum. Connecting Alberta production with desirable end markets
- Prince Rupert plastic export transload sold out the first month of operation

Consumer Product Supply Chain

International intermodal market – focused on 2020 and beyond

- Prince Rupert currently running at nameplate capacity (1.3-1.4 M TEUs) with expansions planned for 2021 (250K TEUs) and 2022 (200k TEUs)
- Additional Cosco Vancouver business (started mid Q3) and The ONE returning to CN (effective June 2020)
- Enhancing export capabilities - new grain source-load export terminal in Regina (Nov 2019) and new plastic transload in Prince Rupert (Sept 2019). Phase 2 expansion in progress
- New CN-CSXT agreement for containers from NY/NJ/Philadelphia to Montreal and Toronto (Q3 2019)

Excess truck capacity impacting domestic intermodal volumes

- CargoCool and EMP growth outpacing the market substantially
- Stronger E-commerce volumes now moving by rail
- Leverage TransX product suites to convert truck to rail intermodal

Automotive volumes flat

- Vancouver autoport operational October 2019
- Impact of GM strike with union deal pending
- Strong carload trend at CN-served OEM locations in Michigan and Ontario
- New autoport facility near Minneapolis scheduled to open in Q3 2020

Rail Centric Supply Chain is comprised of the following: Petroleum and Chemicals, Metals and Minerals, Forest Products, Coal, and Grain and Fertilizers.

Consumer Product Supply Chain is comprised of the following: Intermodal and Automotive.

Please see Forward-Looking Statements at the beginning of the presentation.

Ghislain Houle

Executive VP and Chief Financial Officer

Q3 Earnings – Solid Results Despite Weaker Economy

In millions of Canadian dollars, except EPS data, unless otherwise indicated		**2019**		2018	Change Favorable (Unfavorable)
Revenues	**$**	**3,830**	$	3,688	4%
Operating expenses		**2,217**		2,196	
Operating income		**1,613**		1,492	8%
Interest expense		**(135)**		(121)	
Other components of net periodic benefit income		**81**		76	
Other income		**26**		48	
Income before income taxes		**1,585**		1,495	
Income tax expense		**(390)**		(361)	
Net income	**$**	**1,195**	$	1,134	5%
Diluted EPS	**$**	**1.66**	$	1.54	8%
Adjusted diluted EPS [(1)]	**$**	**1.66**	$	1.50	11%
Weighted-average diluted number of shares (in millions)		**720.9**		736.2	
Operating ratio		**57.9%**		59.5%	1.6 pts

(1) Please see website, Third Quarter Results, www.cn.ca/financial-results, for an explanation of this non-GAAP measure.

Q3 Operating Expenses – Tightly Controlling Costs

In millions of Canadian dollars, unless otherwise indicated	**2019**	2018	Change Favorable (Unfavorable)	Change at constant currency [(1)] Favorable (Unfavorable)	
Labor and fringe benefits	**$ 694**	$ 707	2%	2%	Largely due to lower incentive compensation; partly offset by higher headcount due to the inclusion of TransX
Purchased services and material	**552**	485	(14%)	(13%)	Mainly due to the inclusion of TransX
Fuel	**391**	437	11%	11%	Lower fuel prices (12% decrease in price/litre) and 4% productivity improvement to achieve record fuel efficiency
Depreciation and amortization	**372**	330	(13%)	(12%)	Largely driven by net asset additions
Equipment rents	**114**	127	10%	11%	Largely driven by lower locomotive lease expense
Casualty and other	**94**	110	15%	15%	Largely driven by decrease in workers compensation expense (annual true up)
Total operating expenses	**$ 2,217**	$ 2,196	(1%)	-%	

(1) Please see website, Third Quarter Results, www.cn.ca/financial-results, for an explanation of this non-GAAP measure.

Solid Free Cash Flow

In millions of Canadian dollars, unless otherwise indicated	**YTD 2019**
Net income	$ 3,343
Non-cash adjustments	1,654
Payments for income taxes	(644)
Working capital items and other	52
Net cash provided by operating activities	**4,405**
Property additions	(2,847)
Acquisition, net of cash acquired [1]	(167)
Other, net	(59)
Net cash used in investing activities	**(3,073)**
Net cash provided before financing activities	**1,332**
Adjustment: Acquisition, net of cash acquired [1]	**167**
Free cash flow [2]	**$ 1,499**
Total net indebtedness at end of period [3]	**$12,986**
Adjusted debt-to-adjusted EBITDA multiple [2]	**1.96x**

Reinvesting in the Business

Track infrastructure capacity projects nearing completion

140 new AC locomotives in 2019 (135 received)

Maintaining a Strong Balance Sheet

Committed to maintaining a strong balance sheet

1.96x Adjusted debt-to-adjusted EBITDA [2]

Rewarding Shareholders

18% dividend increase over prior year maintains uninterrupted track record of dividend growth

Continued progress on share buy back program

(1) *Relates to the acquisition of the TransX Group of Companies ("TransX"). See Note 3 – Business combination to CN's 2019 unaudited Interim Consolidated Financial Statements for additional information.*

(2) *Please see website, Third Quarter Results, www.cn.ca/financial-results, for an explanation of these non-GAAP measures.*

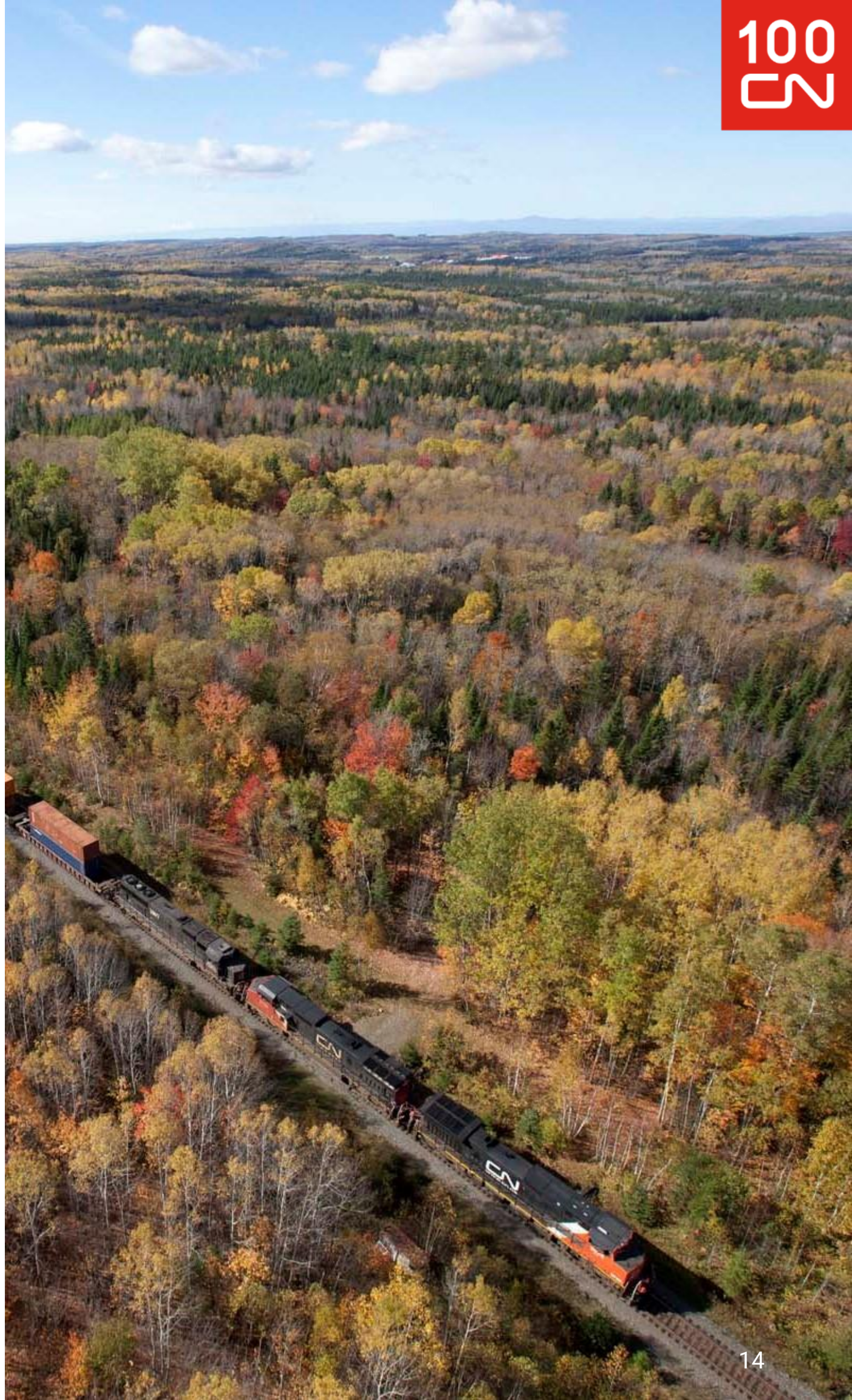
(3) *Long-term debt, including current portion, net of cash and cash equivalents, and restricted cash and cash equivalents.*

Revised 2019 Financial Outlook

- Now targeting to deliver adjusted diluted EPS growth in the high single-digit range versus 2018 adjusted diluted EPS of $5.50 based on [1] [2]:
  - Slightly negative volume growth in terms of RTMs
  - Overall pricing above rail inflation
  - Canadian to U.S. dollar exchange rate of approximately 75 cents

- Still aiming for a capital envelope at approximately $3.9B for 2019

- Targeting an adjusted dividend payout ratio of 35% [3]



(1) Please see website, Third Quarter Results, www.cn.ca/financial-results, for an explanation of this non-GAAP measure.

(2) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN's 2019 financial outlook.

(3) Adjusted dividend payout ratio is defined as dividends as a percentage of adjusted net income [1]. Please see Forward-Looking Statements at the beginning of the presentation.

JJ Ruest

President and Chief Executive Officer

Focused on Long-Term Sustainable, Profitable Growth

- Leveraging unique three-coast network to enable a portfolio of diverse long-term growth opportunities at low incremental cost
- Implementing operating technology (“connected” crews, automated track and train inspections)
- New Chief Digital Officer - scaling up administrative process automation
- Delivering sustainably (fuel efficiency, carbon footprint, employee turnover)

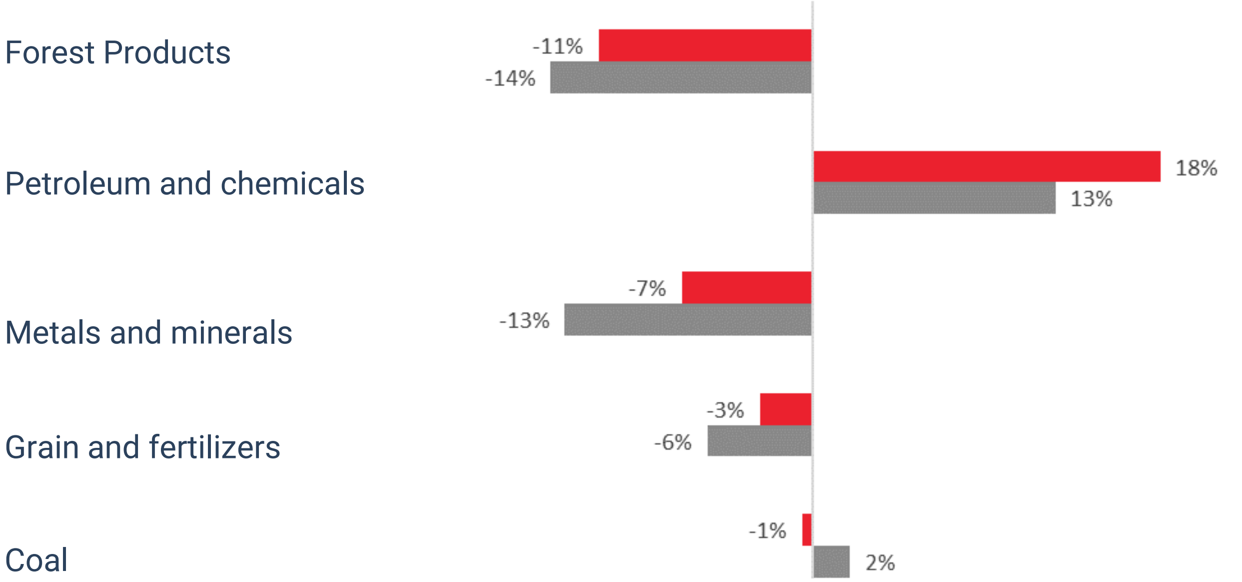
Appendix

Q3 Top Line Performance – a Tale of Two Economies

Highlights
% Change – Favorable (Unfavorable)

Revenues	4%
Rail Centric Supply Chain	1%
Consumer Products Supply Chain	13%
RTMs	(1%)
Rail Centric Supply Chain	(3%)
Consumer Products Supply Chain	2%

Rail Centric Supply Chain (Manufacturing, Natural Resources, Energy)



	% of Total Revenues [1]
Forest Products	12%
Petroleum and chemicals	21%
Metals and minerals	11%
Grain and fertilizers	14%
Coal	4%

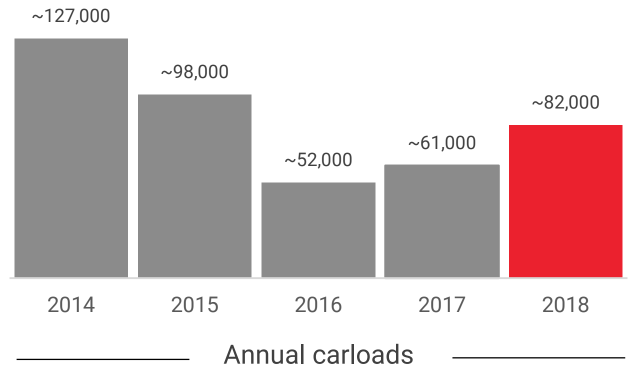
Consumer Products Supply Chain (Consumer Economy)

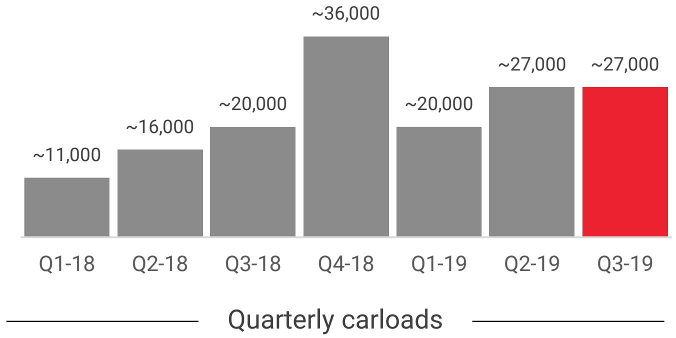
	% of Total Revenues [1]
Intermodal	27%
Automotive	6%

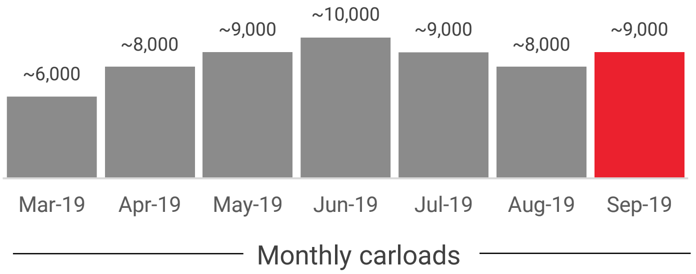
(1) Based on Q3 2019 revenue breakdown – Other revenues represent the remaining 5%

Crude Oil By Rail Trend

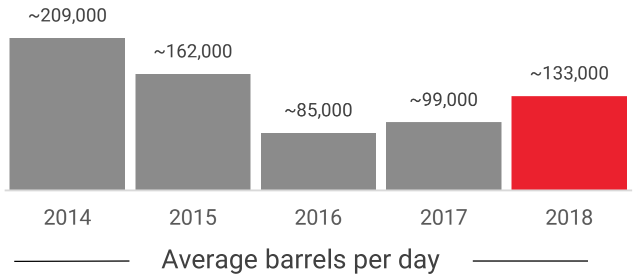
Crude Oil Shipments in Carloads

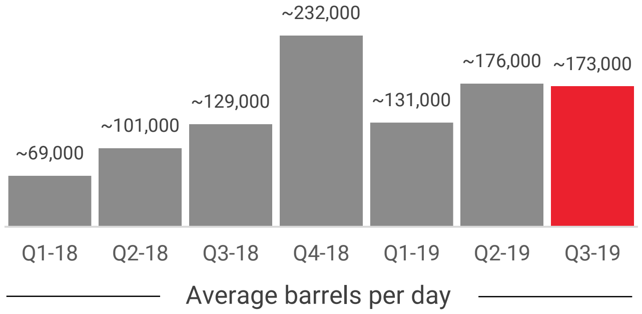


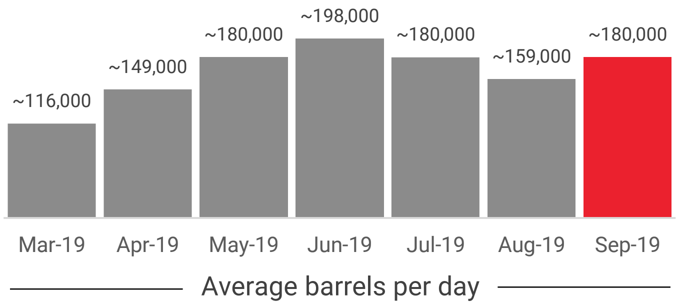




Crude Oil Shipments in Barrels Per Day





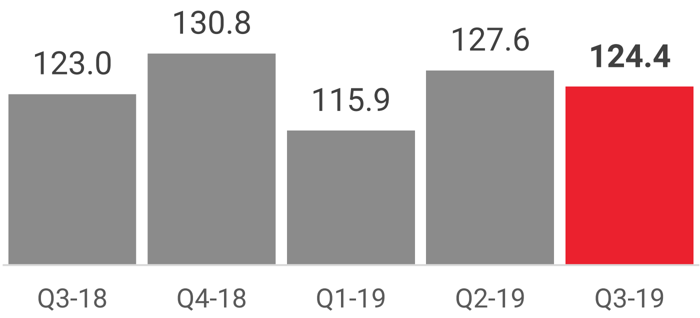


Tough comps in Q4 2019, given volatile market and lower crude WCS/WTI differentials

Good Q3 Operating Metrics

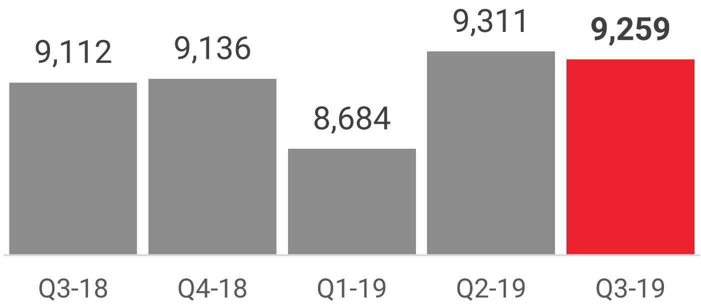
Workload
Total GTMs, billions

▲ 1% vs Q3-18



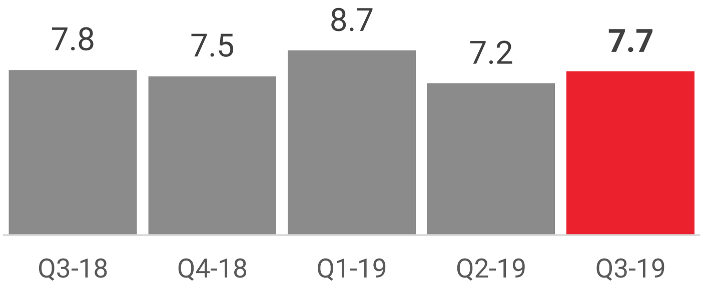
Train Productivity
GTMs per train mile

▲ 2% vs Q3-18



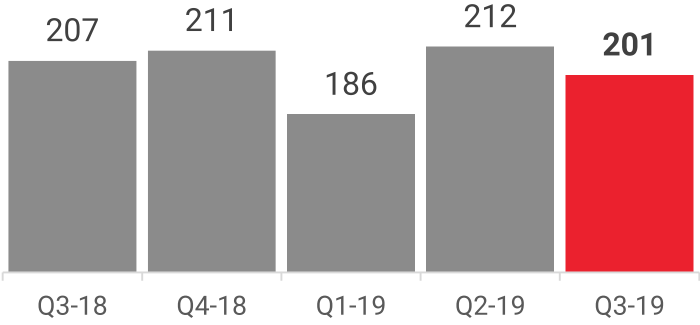
Through Dwell
Entire railroad, hours

▼ 1% vs Q3-18



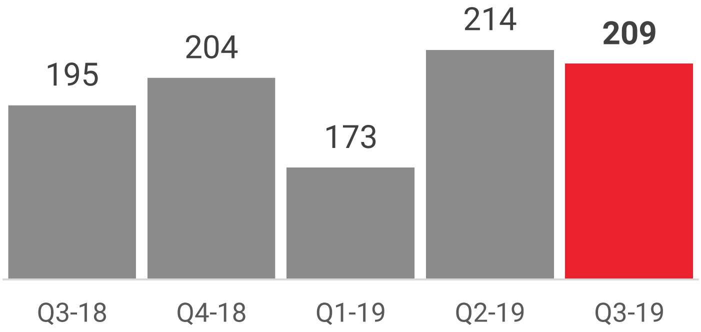
Locomotive Utilization
Trailing GTMs per total horsepower

▼ 3% vs Q3-18



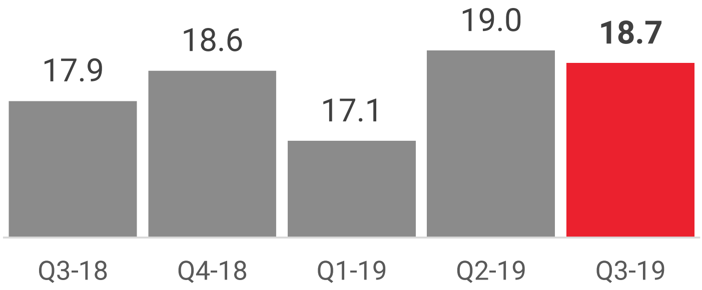
Car Velocity
Car miles per day

▲ 7% vs Q3-18

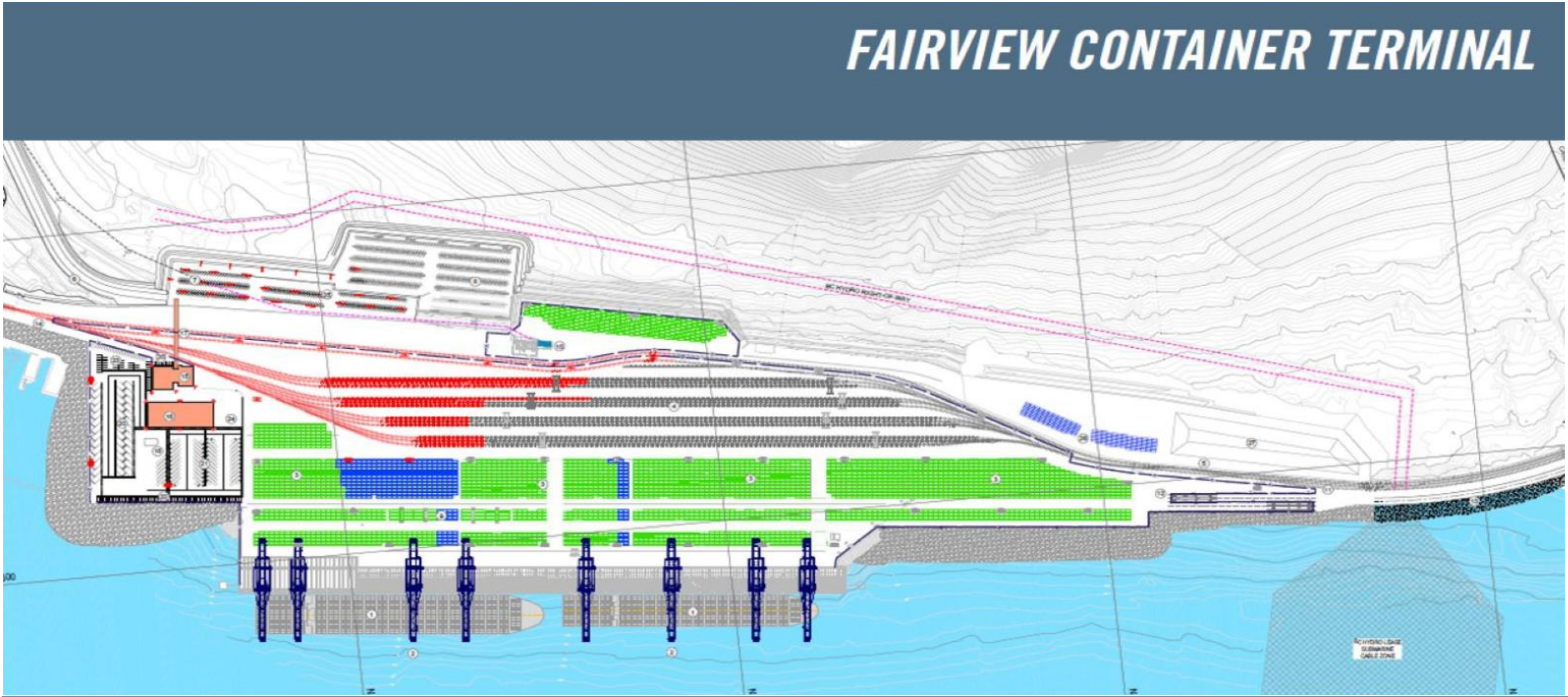


Through Network Train Speed
miles per hour

▲ 4% vs Q3-18

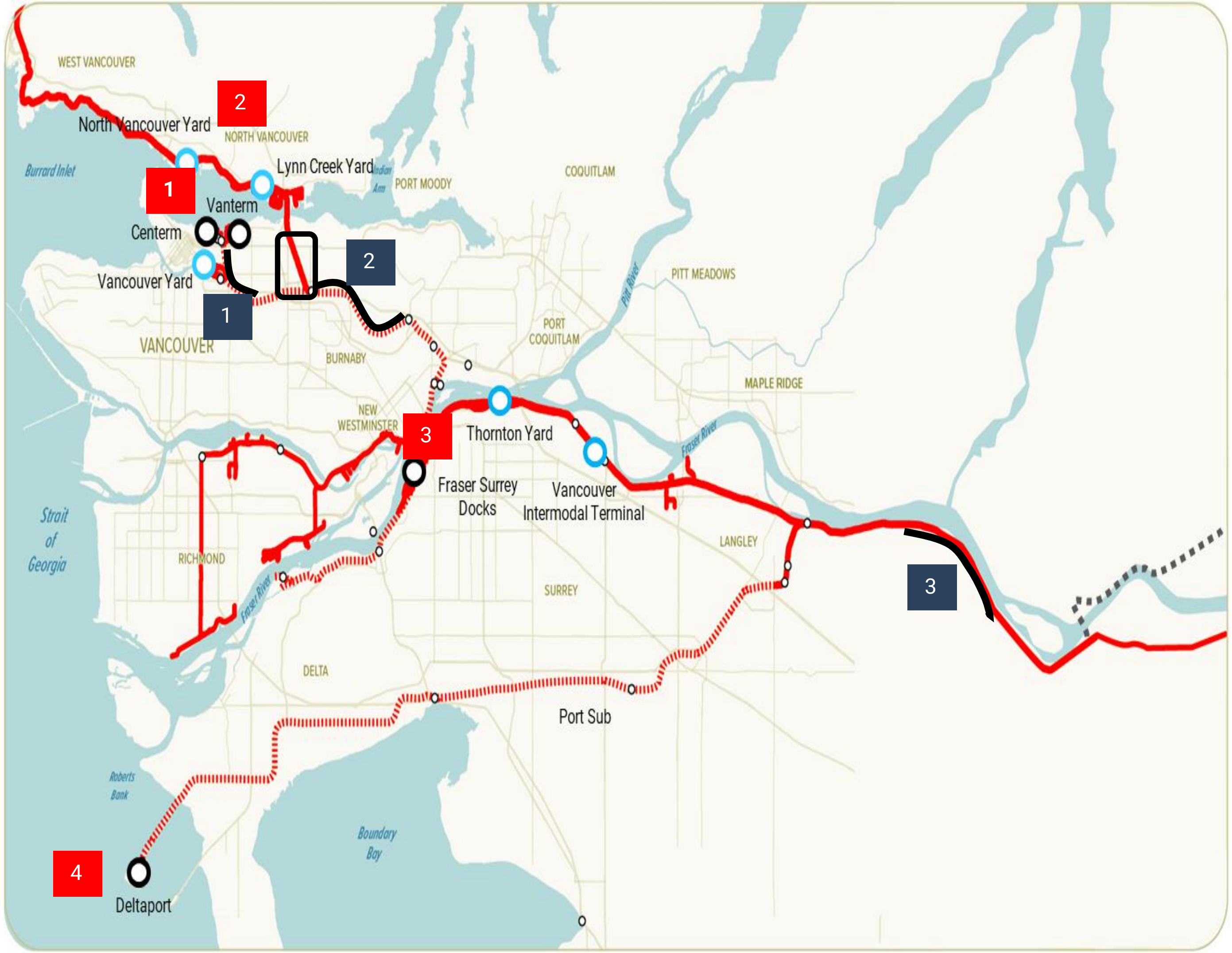


Port of Prince Rupert – Additional 450,000 TEU of Capacity by 2022



From 1.35M TEUs to 1.8M TEUs by 2022
Around $400M investments planned for Prince Rupert, jointly funded by CN, Prince Rupert Port Authority (PRPA) and the Canadian Federal government

Vancouver – Investing to Accommodate Future Growth



Rail investments (close to $300M jointly funded by CN, Port of Vancouver and Canadian Federal Government)

1 BI Line – 4.3 KM extension of double track (Q4-2021)

2 Improving rail access to North Shore
- 5.8 km staging track, and tunnel ventilation improvements (Q4 2020)
- Grade separation (Q1 2024)

3 Glen Valley 5.6 km double track (Q2 2021)

Customer investments – Over $1B in private sector investments

1 **Centerm** - increasing capacity from 600k TEU to 1.5M TEU (early 2022)
Vanterm increasing capacity from 850k TEU to 1.07M TEU (2020)

2 **Neptune** – Coal capacity from 12.2MT to 18.5MT (2021) and Potash capacity from 6MT to 11.5MT (completed)
Fibreco (Grain / wood pellets) – added grain
Kinder Morgan – increased agriculture products through terminal
Cargill (Grain) – added third dumper
Richardson International Ltd (Grain) – Increased storage and throughput 4-5MT capacity
G3 (Grain) – New grain terminal with 8MT capacity in 2020

3 **Fraser Surrey Docks –** DPW proposed acquisition of terminal

4 **Deltaport –** increased capacity from 1.3M TEU to 1.9M TEU (completed) and further expecting to increase to 2.4M TEU

Key Technology Projects In Deployment

Autonomous Track Inspection Program

Automated Train Inspection Program

500 Handheld devices in the hands of mechanics by the end of 2019

8,500 Handheld devices in the hands of crews by the end of 2019

Robotic Process Automation (RPA)

Smart Network Capacity Management (Digital Twin)