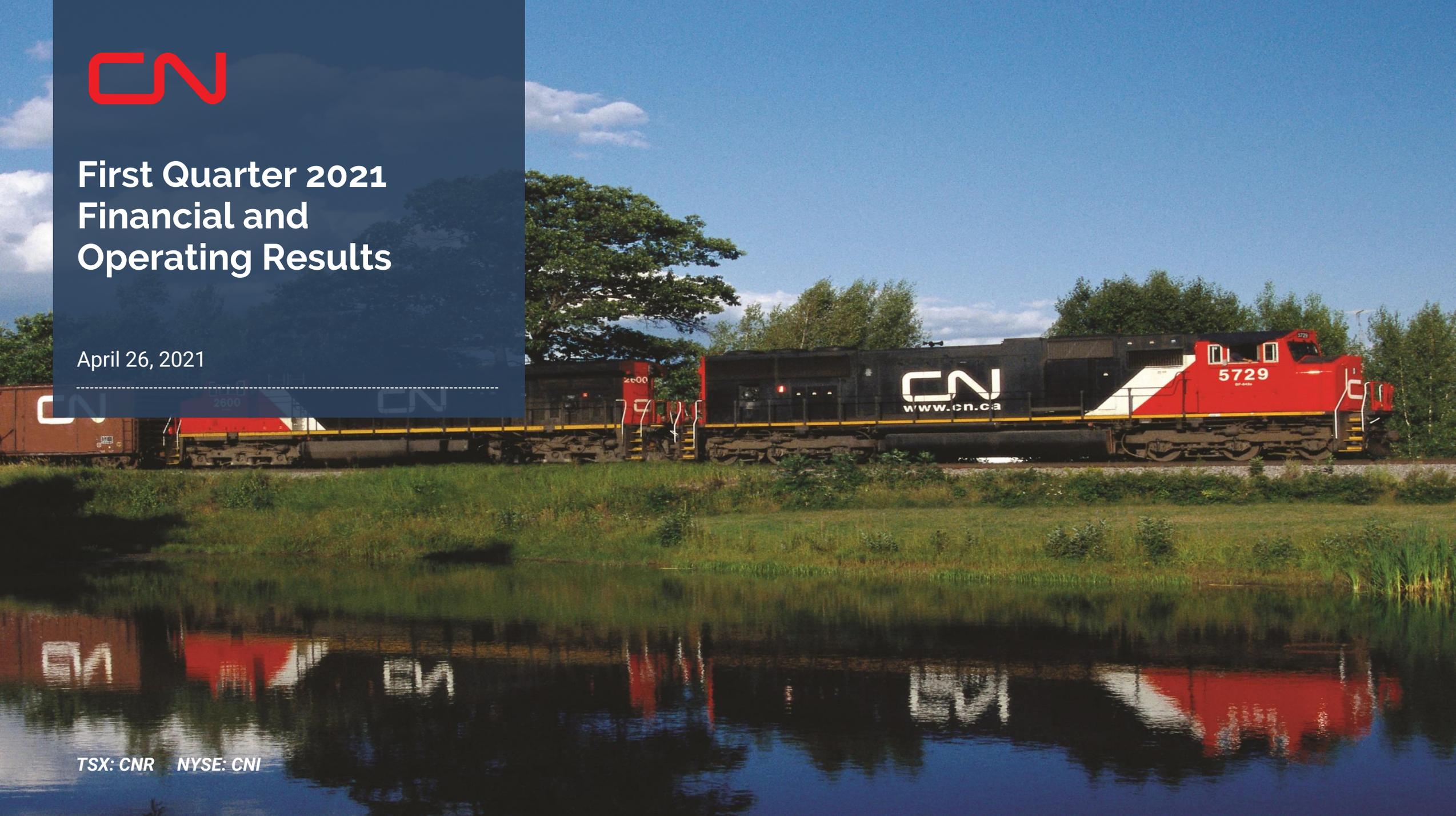




First Quarter 2021 Financial and Operating Results

April 26, 2021



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, including statements based on management's assessment and assumptions and publicly available information with respect to Kansas City Southern ("KCS"), regarding the proposed transaction between CN and KCS, the expected benefits and synergies of the proposed transaction, future opportunities for the combined company and future shareholder returns. 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 may be identified by the use of terminology such as "believes," "expects," "anticipates," "assumes," "outlook," "plans," "targets" or other similar words.

2021 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2021 outlook. The Company now assumes that North American industrial production for the year will increase in the high single-digit range (compared to its January 26, 2021 assumption of an increase in the mid single-digit range), and assumes U.S. housing starts of approximately 1.45 million units and U.S. motor vehicle sales of approximately 16 million units. For the 2020/2021 crop year, the grain crop in Canada was above its three-year average and the U.S. grain crop was in line with its three-year average. The Company assumes that the 2021/2022 grain crops in both Canada and the U.S. will be in line with their respective three-year averages. CN now assumes total RTMs in 2021 will increase in the high single-digit range versus 2020 (compared to its January 26, 2021 assumption of an increase in the mid single-digit range). CN assumes continued pricing above rail inflation. CN assumes that in 2021, the value of the Canadian dollar in U.S. currency will be approximately \$0.80, and now assumes that in 2021 the average price of crude oil (West Texas Intermediate) will be approximately US\$60 per barrel (compared to its January 26, 2021 assumption of approximately US\$50 per barrel). In 2021, CN plans to invest approximately C\$3.0 billion in its capital program, of which C\$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, performance or achievements of CN, or the combined company, 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 in this presentation include, but are not limited to: the outcome of any possible transaction between CN and KCS, including the possibility that a transaction will not be agreed to or that the terms of any definitive agreement will be materially different from those described; the parties' ability to consummate the proposed transaction; the conditions to the completion of the proposed transaction; that the regulatory approvals required for the proposed transaction may not be obtained on the terms expected or on the anticipated schedule or at all; CN's indebtedness, including the substantial indebtedness CN expects to incur and assume in connection with the proposed transaction and the need to generate sufficient cash flows to service and repay such debt; CN's ability to meet expectations regarding the timing, completion, accounting and tax treatments of the proposed transaction; the possibility that CN may be unable to achieve expected synergies and operating efficiencies within the expected time-frames or at all and to successfully integrate KCS' operations with those of CN; that such integration may be more difficult, time-consuming or costly than expected; that operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers or suppliers) may be greater than expected following the proposed transaction or the public announcement of the proposed transaction; the retention of certain key employees of KCS may be difficult; the duration and effects of the COVID-19 pandemic; general economic and business conditions, particularly in the context of the COVID-19 pandemic; 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; the adverse impact of any termination or revocation by the Mexican government of KCS de México, S.A. de C.V.'s Concession; 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.

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, First Quarter Results at www.cn.ca/financial-results.

This presentation also includes certain forward looking non-GAAP measures (Adjusted Diluted EPS, Adjusted EBITDA). It is not practicable to reconcile, without unreasonable efforts, these forward-looking measures to the most comparable GAAP measures (diluted EPS and Net income), 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.

Additional Information

No Offer or Solicitation

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Additional Information and Where to Find It

This presentation relates to a proposal which CN has made for an acquisition of KCS. In furtherance of this proposal and subject to future developments, CN (and, if a negotiated transaction is agreed, KCS) may file one or more registration statements, proxy statements, tender offer statements or other documents with the U.S. Securities and Exchange Commission (“SEC”) or applicable securities regulators in Canada. This presentation is not a substitute for any proxy statement, registration statement, tender offer statement, prospectus or other document CN and/or KCS may file with the SEC or applicable securities regulators in Canada in connection with the proposed transactions.

INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT(S), REGISTRATION STATEMENT(S), TENDER OFFER STATEMENT, PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC OR APPLICABLE SECURITIES REGULATORS IN CANADA CAREFULLY IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CN, KCS AND THE PROPOSED TRANSACTIONS. Any definitive proxy statement(s), registration statement or prospectus(es) and other documents filed by CN and KCS (if and when available) will be mailed to stockholders of CN and/or KCS, as applicable. Investors and security holders will be able to obtain copies of these documents (if and when available) and other documents filed with the SEC and applicable securities regulators in Canada by CN free of charge through at www.sec.gov and www.sedar.com. Copies of the documents filed by CN (if and when available) will also be made available free of charge by accessing CN’s website at www.CN.ca.

Participants

This presentation is neither a solicitation of a proxy nor a substitute for any proxy statement or other filings that may be made with the SEC and applicable securities regulators in Canada. Nonetheless, CN and its directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed transactions. Information about CN’s executive officers and directors is available in its 2021 Management Information Circular, dated March 9, 2021, as well as its 2020 Annual Report on Form 40-F filed with the SEC on February 1, 2021, in each case available on its website at www.CN.ca/investors/ and at www.sec.gov and www.sedar.com. Additional information regarding the interests of such potential participants will be included in one or more registration statements, proxy statements, tender offer statements or other documents filed with the SEC and applicable securities regulators in Canada if and when they become available. These documents (if and when available) may be obtained free of charge from the SEC’s website at www.sec.gov and www.sedar.com, as applicable.

JJ Ruest

President and Chief Executive Officer



CN's Foundation of Excellence and Core Strengths



Precision Scheduled Railroading pioneer; first to champion and integrate PSR across our full network

The first and leading North American railway, with a deep and rich history of operating in the U.S.

ESG leadership; the only Class I in Dow Jones Sustainability World Index

Culture of safety, efficiency, integrity, and diversity; combined with leadership in advanced technology

Strong balance sheet and disciplined capital allocation

Long-standing acquisition track record; strategic, accretive, and successful integrations

Becoming The Premier Railway of the 21st Century

Recap of our Superior Proposal to Combine With KCS



Higher Premium, More Upfront Cash

- ✓ Proposal of US\$325 per share; **21% premium to the CP proposal** ⁽¹⁾
- ✓ KCS shareholders will participate in the upside and value creation

Best in Class Combined Network, More Synergies

- ✓ CN and KCS will create the premier railway for the 21st century across the USMCA
- ✓ **EBITDA synergies approaching US\$1B** ⁽²⁾ – mainly driven by ESG-positive conversion of truck to rail
- ✓ Combination will create significant value for both CN and KCS shareholders

Lower Execution Risk

- ✓ **Plain vanilla voting trust structure identical to CP's** – KCS shareholders to receive their consideration at the time of closing into the voting trust (estimated in 2H/2021)
- ✓ Better M&A track record of executing and integrating transactions, notably in the U.S.
- ✓ No CN shareholder approval requirement

Good For Competition, Shippers, and our Combined Employees

- ✓ CN will comply with the current merger rules and demonstrate enhanced competition
- ✓ Bringing together two exceptional, talented, high performing teams

Better bid. Better partner. Better railway. Best solution.

(1) Based on CN and CP closing NYSE share prices of US\$118.13 and US\$365.37, as of April 19, 2021. Payable US\$200 in cash and 1.059 CN shares for each KCS share.

(2) Preliminary management estimates based on publicly available information. Please see website, First Quarter Results, www.cn.ca/financial-results, for an explanation of these non-GAAP measure.

Strong Progress on Proposed Combination Since April 20th



CN is fully engaged and on track towards a successful combination with KCS

- 1. The KCS Board determined that CN's proposal could reasonably be expected to lead to a "Company Superior Proposal" ⁽¹⁾**
 - We have begun to engage with the KCS Board and management team to complete our confirmatory diligence
 - We look forward to finalizing a definitive merger agreement to create the premier railway for the 21st century

- 2. We have filed a motion with the STB for the approval of our voting trust**
 - Named David Starling, former President & CEO of KCS, as trustee and requested that CN's voting trust be reviewed on the same schedule and basis as CP's

- 3. We have actively engaged with our major stakeholders – customers, employees, investors, and communities**
 - Very positive feedback and strong endorsement of the proposed combination from our key stakeholders
 - Overwhelming endorsement from our customers, with over 400 letters of support in under 1 week

(1) As defined in KCS' existing merger agreement with CP

Q1 Highlights and Guidance



Diluted EPS	
Reported	Adjusted ⁽¹⁾
\$1.37	\$1.23
▼ 4%	▲ 1%

Operating Ratio	
Reported	Adjusted ⁽¹⁾
62.5%	66.3%
▼ 320 bps	▲ 60 bps

Revenues
\$3.5B
flat

Free Cash Flow ⁽¹⁾
\$539M
▼ 6%

Fuel Efficiency ⁽²⁾
0.92
▼ 4%
\$12M savings, ~60k tons of CO ₂ avoided

RTMs
61.5B
▲ 5%
Intermodal growth: 19%; Grain & fertilizers growth: 26%

Updating 2021 financial outlook ⁽³⁾

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

(2) Fuel efficiency is defined as US gallons of locomotive fuel consumed per 1,000 GTMs.

(3) Please see Forward-Looking Statements at the beginning of the presentation for a summary of key assumptions and important risk factors underlying CN's 2021 financial outlook.



Rob Reilly

Executive VP and
Chief Operating Officer



Q1 Operating Metrics

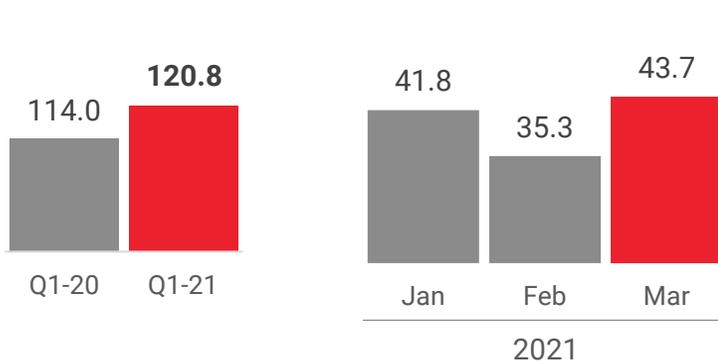


Quick recovery following polar vortex in February

Workload

Total GTMs, billions

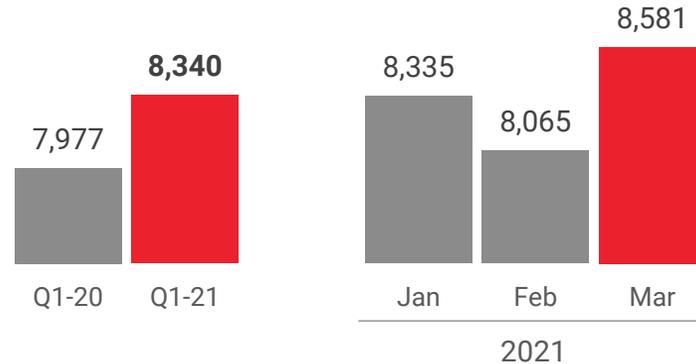
▲ 6%
vs Q1-20



Train Length

In feet

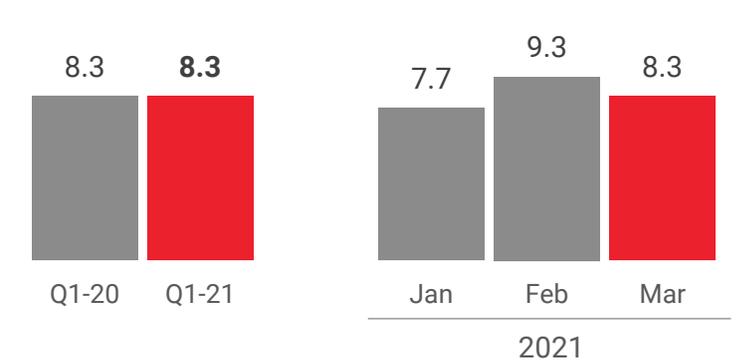
▲ 5%
vs Q1-20



Through Dwell

Entire railroad, hours

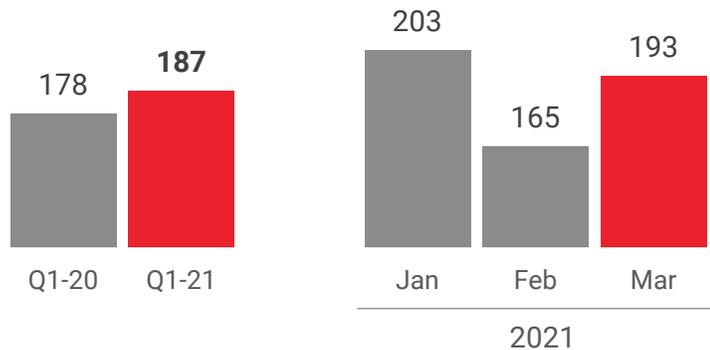
flat
vs Q1-20



Car Velocity

Car miles per day

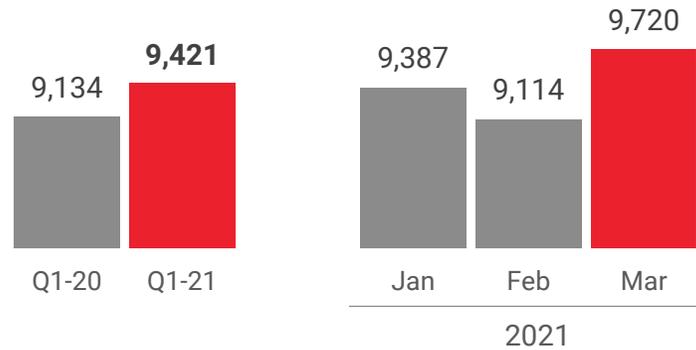
▲ 5%
vs Q1-20



Train Weight

Tons

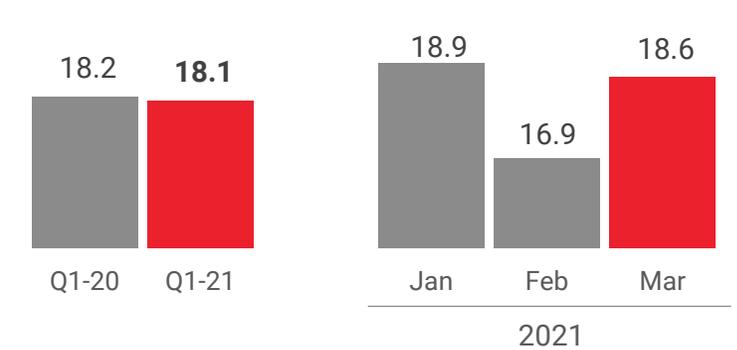
▲ 3%
vs Q1-20



Through Network Train Speed

miles per hour

▼ 1%
vs Q1-20



Realizing Efficiencies Across the Railroad

Capitalizing on our strong track record of efficiency, while improving safety and deploying technology to drive sustainable growth for the future

Better Fuel Efficiency

- Fuel efficiency improved by 4%, to 0.92 US gallons of locomotive fuel consumed per 1,000 gross ton miles, saving \$12 million and avoiding ~60K tons of CO2 emissions
- ~15% more fuel efficient than the average of the Class 1 peers
- Leveraging advanced technologies to realize continued fuel efficiency gains

Productivity Improvement

- Train and Engine (T&E) employee productivity ⁽¹⁾ up 8% YoY
- GTMs per average number of employees up 9% YoY
- Bringing back resources in a methodical way as demand increases

Advanced Technology Deployment

- Safety performance improving with **27% lower** injury frequency rate and **36% lower** FRA ⁽²⁾ accident rate YoY
- Leveraged innovative air repeater cars to keep long trains running, limiting impacts of February polar vortex
- Layering advanced technology and automation into every aspect of operations resulting in material improvements in safety and reliability, added capacity, and reduced costs
 - Expecting savings of ~\$50 million in 2021; ~\$100M in 2022; ~\$150M in 2023

Year over year (YOY) comparisons using Q1 2021 versus Q1 2020.

(1) GTMs per T&E employee.

(2) FRA: U.S. Federal Railroad Administration.

Demand Recovery Expected to Continue

Leveraging the continued economic recovery to further drive growth

Grain and Fertilizers

- Record Q1 for western Canadian grain movement, continued strong export demand driving very low carry-out supply levels
- Positive outlook for domestic and export potash after record Q1
- Continued optimism for export volumes of U.S. grain via U.S. Gulf Coast

Intermodal

- Container imports to Canadian and U.S. destinations remaining strong into summer with surged e-commerce and inventory replenishment
- Domestic shipments driven by strong consumer demand and e-commerce spending as broad economic recovery gains momentum (including refrigerated volumes)

Industrial Products

- Strong demand in renovation sector and housing market providing supportive backdrop for lumber and panel volumes; few mill restarts to alleviate tight inventories and record commodity prices
- Propane export volumes through Rupert ramping up
- Optimism for refined petroleum products, frac sand and crude as energy markets gradually recover

Automotive

- Global chip shortage continues to constrain auto production

Coal

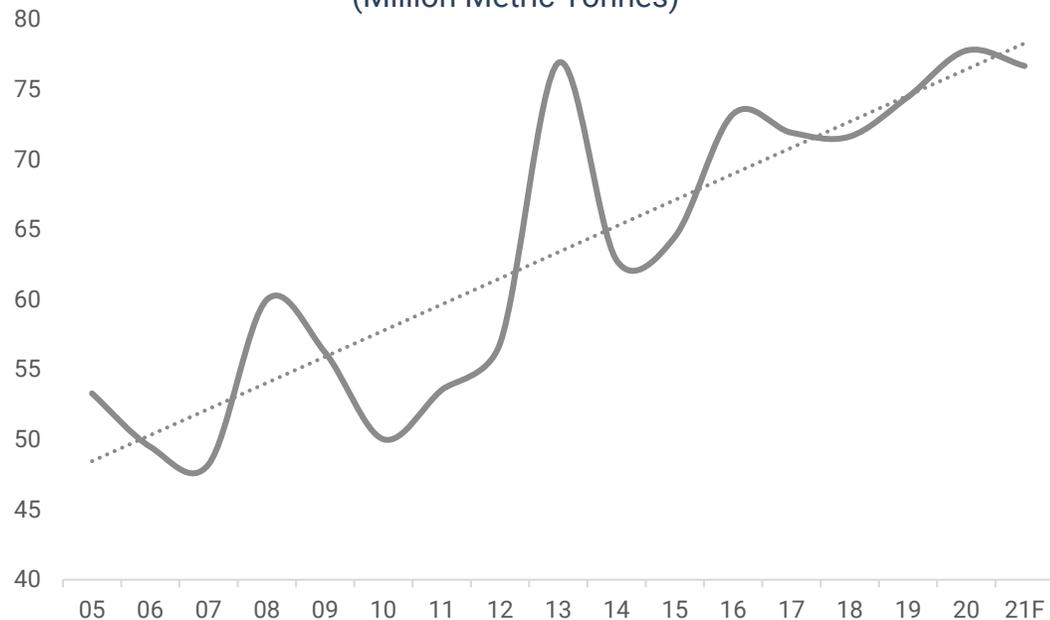
- Teck new contract volumes started in April and will continue to ramp up

Delivering Record Grain Performance

- March 2021 - Thirteenth consecutive record month of Canadian grain movement
- Attracted major grain customer expansion investment in Vancouver and 70% of new efficient high throughput grain elevators, providing CN with exclusive access to 24 new facilities

Positive Trends for Canadian Grain Production

Western Canada Grain Production (1)
(Million Metric Tonnes)



Massive Investments in Canadian Grain Supply Chain

- Customer investments in CN-served high-throughput unit train grain elevators
- Customer investments in grain unloading capacity in Vancouver – 50% increase all exclusively-served by CN
- CN investments in sidings, double track, and tunnel ventilation to increase capacity and resiliency in the Vancouver corridor
- 4,200 new high capacity grain hopper cars now cycling on our network, including CN and customer investments
 - 2,500 CN cars with future potential order of 3,600 more cars over the next few years
 - New hopper cars - shorter and lighter - can handle up to 30% more grain per train
 - CN's unique power-on dedicated set grain handling model takes full advantage of increased capacity of new cars

(1) Source of grain crop data for the crop years indicated: Statistics Canada.

(2) Please see Forward-Looking Statements at the beginning of the presentation for a summary of important risk factors.

Confidence in Ability to Deliver Strong Results as Economy Rebounds

- Network fluid and operating metrics improving
- Pipeline of solid growth opportunities
- Managing yield and driving productivity
- Capex plan for long-term growth and service resiliency
- Digital Scheduled Railroading as competitive advantage
- Advancing on ESG initiatives for all stakeholders
- Right talent in place to drive sustainable growth





Ghislain Houle

Executive VP and
Chief Financial Officer

Stable Q1 Earnings In-line with Expectations



<i>In millions of Canadian dollars, except EPS data, unless otherwise indicated</i>	2021	2020	Change Favorable (Unfavorable)
Revenues	\$ 3,535	\$ 3,545	-%
Operating expenses	2,208	2,330	
Operating income	1,327	1,215	9%
Interest expense	(130)	(139)	
Other components of net periodic benefit income	96	78	
Other income	(2)	11	
Income before income taxes	1,291	1,165	
Income tax expense	(317)	(154)	
Net income	\$ 974	\$ 1,011	(4%)
Adjusted net income ⁽¹⁾	\$ 872	\$ 870	-%
Diluted EPS	\$ 1.37	\$ 1.42	(4%)
Adjusted diluted EPS ⁽¹⁾	\$ 1.23	\$ 1.22	1%
Weighted-average number of diluted shares (in millions)	712.8	713.9	
Operating ratio	62.5%	65.7%	3.2 pts
Adjusted operating ratio ⁽¹⁾	66.3%	65.7%	(0.6) pts

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

Free Cash Flow



In millions of Canadian dollars, unless otherwise indicated

	YTD 2021
Net income	\$ 974
Non-cash adjustments	418
Income tax payments	(188)
Working capital items and other	(252)
Net cash provided by operating activities	952
Property additions	(412)
Other investing activities, net	(1)
Net cash used in investing activities	(413)
Free cash flow ⁽¹⁾	\$ 539
Total net indebtedness at end of period ⁽²⁾	\$ 11,881
Adjusted debt-to-adjusted EBITDA multiple ⁽¹⁾	1.99x

- Continual access to low-cost financing supports steady reinvestment and enables strategic agenda
- Capital expenditures:
 - Continued focus on productivity and safety-related investments including technology and basic maintenance, supporting the safety and integrity of the network
 - Capacity and rolling stock investments to support long-term profitable growth
 - Investing in technology, automation and innovation to enable the next competitive level of modern railroading operations
- Dividend increase of 7% announced in January
- Share repurchases will be paused due to KCS proposed combination

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

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

Updating 2021 Financial Outlook⁽¹⁾

- Now targeting double-digit adjusted diluted EPS growth versus 2020 adjusted diluted EPS of \$5.31 based on:⁽²⁾
 - High single-digit volume growth in terms of RTMs
 - Overall pricing above rail inflation at a minimum
 - Canadian to U.S. dollar exchange rate of approximately 80 cents vs 75 cents in 2020 (negatively impacting EPS in the range of 20-25 cents)
- Capital envelope in 2021 of approximately \$3.0B
- Targeting Free Cash Flow in the range of \$3.0 - \$3.3B in 2021⁽²⁾

(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 2021 financial outlook.

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



JJ Ruest

President and Chief Executive Officer



CN-KCS is Unique, Highly Strategic, and Value Accretive



Premier Canada-U.S.-Mexico railway network

Unparalleled stakeholder benefits: Safer, Faster, Cleaner, Stronger

Accelerate ESG-driven growth and enhanced choice for the customer

EBITDA synergies approaching US\$1B – preliminary estimate ⁽¹⁾

Strong balance sheet with rapid deleveraging profile

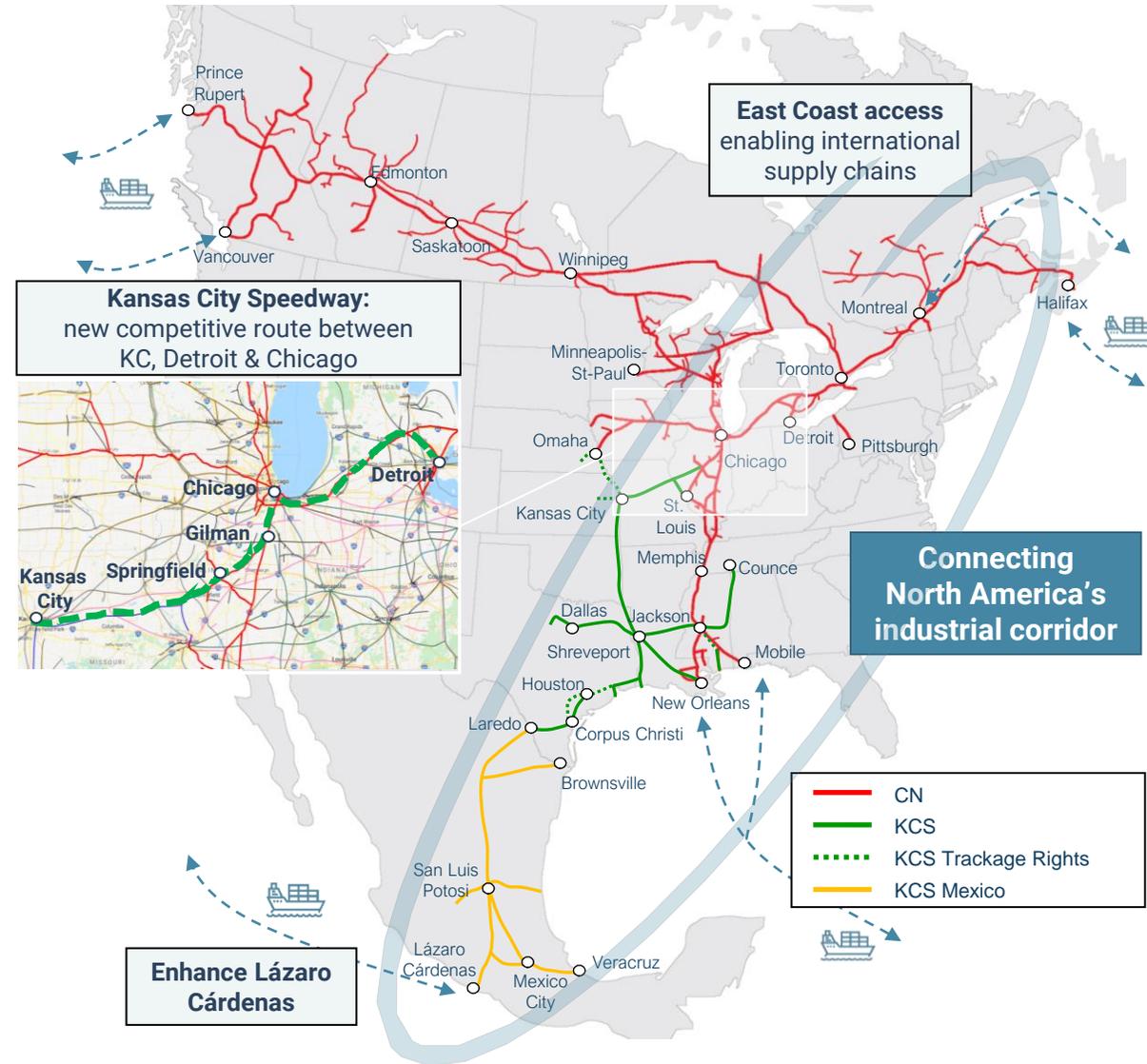
Expected to be highly value accretive to all shareholders ⁽²⁾

The best solution for the North American economy

(1) Management preliminary estimates based on public information.

(2) The combination is expected to be accretive to CN's Adjusted Diluted EPS, excluding incremental transaction-related amortization, in the first full year following CN's acquisition of control of KCS, and is expected to generate double-digit accretion upon the full realization of synergies thereafter. Please see website, First Quarter Results, www.cn.ca/financial-results, for an explanation of these non-GAAP measures.

Creating The Premier North American Railway for the 21st Century



Better Bid. Better Partner. Better Railway. Best Solution.