



North America's Railroad

NEWS RELEASE

CN announces new normal course issuer bid for repurchase of its shares, declares 4th quarter 2017 cash dividend

MONTREAL, Oct. 24, 2017 — CN (TSX: CNR) (NYSE: CNI) announced today that its Board of Directors has approved the repurchase of its shares under a new normal course issuer bid (Bid) and approved a fourth-quarter 2017 dividend.

The Bid permits CN to purchase, for cancellation, up to 31 million common shares, representing 4.9 per cent of the 629,138,132 common shares issued and outstanding of the Company not held by insiders on Oct. 16, 2017. On that date, 748,215,232 CN common shares were issued and outstanding.

The Bid – starting on Oct. 30, 2017, and ending no later than Oct. 29, 2018 – will be conducted through a combination of discretionary transactions and automatic repurchase plans through the facilities of the Toronto and New York stock exchanges, or alternative trading systems, if eligible, and will conform to their regulations.

Toronto Stock Exchange (TSX) rules will permit CN to purchase daily, through TSX facilities, a maximum of 294,618 common shares under the Company's Bid. Purchases under the Bid will be made by means of open market transactions or such other means as the TSX or a securities regulatory authority may permit, including private agreements or share repurchase programs under one or more issuer bid exemption orders issued by securities regulatory authorities in Canada.

The price to be paid by CN for its open market purchases of common shares will be the market price at the time of acquisition, plus brokerage fees. Purchases made under issuer bid exemption orders will be at a discount to the prevailing market price as per the terms of the order.

CN believes that the repurchase of its shares represents an appropriate and beneficial use of the Company's funds.

Ghislain Houle, CN executive vice-president and chief financial officer, said: "CN has a proven track record of solid financial results that has enabled the company to consistently re-invest in the business and return capital to shareholders. Over the last 10 years, CN invested approximately C\$20 billion in the business, while returning over C\$13 billion to its shareholders via share buybacks. The Company is well positioned to continue its policy of rewarding shareholders, and we are pleased to make this announcement today."

CN's current normal course issuer bid announced in October 2016 for the purchase of up to 33 million common shares expires on Oct. 29, 2017. As at the close of trading on Oct. 23, 2017, CN has repurchased 20,646,546 million common shares at a weighted-average price of C\$95.20 per share, excluding brokerage fees, returning C\$ 1.97 billion to its shareholders. Purchases were made on the open market and through share repurchase programs under

issuer bid exemption orders issued by securities regulatory authorities. CN will continue purchasing shares under this normal course issuer bid until Oct. 29, 2017.

CN's Board of Directors also approved a fourth-quarter 2017 dividend on the Company's common shares outstanding. A quarterly dividend of forty-one-and-one-quarter cents (C\$0.4125) per common share will be paid on Dec. 29, 2017, to shareholders of record at the close of business on Dec. 8, 2017.

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 potential purchases of common shares for cancellation under a normal course issuer bid. By their nature, forward-looking statements involve risks, uncertainties and assumptions, and are subject to the discretion of CN's Board of Directors in respect of the declaration of dividends. 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.

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; 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, 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 (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.

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.

CN is a true backbone of the economy whose team of approximately 23,000 railroaders transports more than C\$250 billion worth of goods annually for a wide range of business sectors, ranging from resource products to manufactured products to consumer goods, across a rail network of approximately 20,000 route-miles spanning Canada and mid-America. CN – Canadian National Railway Company, along with its operating railway subsidiaries – serves the cities and ports of Vancouver, Prince Rupert, B.C., Montreal, Halifax, New Orleans, and Mobile, Ala., and the metropolitan areas of Toronto, Edmonton, Winnipeg, Calgary, Chicago, Memphis, Detroit, Duluth, Minn./Superior, Wis., and Jackson, Miss., with connections to all points in North America. For more information about CN, visit the Company's website at www.cn.ca.

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Contacts:

Media

Patrick Waldron
Senior Manager
Media Relations
(514) 399-8803

Investment Community

Paul Butcher
Vice-President
Investor Relations
(514) 399-0052