



Second Quarter 2025 Financial and Operating Results

July 22, 2025



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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 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.

2025 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2025 outlook. The Company continues to assume slightly positive growth in North American industrial production in 2025. For the 2024/2025 crop year, the grain crop in Canada was in line with its five-year average and the U.S. grain crop was above its five-year average. The Company continues to assume that the 2025/2026 grain crop in Canada will be in line with its five-year average and that the U.S. grain crop will be above its five-year average. CN now assumes RTM growth will be in the low single-digit range (compared to its January 30, 2025 assumption of low to mid single digit range). CN now assumes that in 2025, the value of the Canadian dollar in U.S. currency will be in the range of \$0.70 to \$0.75 (compared to its January 30, 2025 assumption of approximately \$0.70), and continues to assume that in 2025 the average price of crude oil (West Texas Intermediate) will be in the range of US\$60 - US\$70 per barrel. The Company notes there is a heightened demand risk as a result of the volatile macroeconomic conditions and global trade tensions.

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 in this presentation 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; trade restrictions, trade barriers, or the imposition of tariffs or other changes to international trade arrangements; 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; 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 and other

types of claims and litigation; risks and liabilities arising from derailments; timing and completion of capital programs; the availability of and cost competitiveness of renewable fuels and the development of new locomotive propulsion technology; reputational risks; supplier concentration; pension funding requirements and volatility; 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.

The achievement of CN's climate goals is subject to several risks and uncertainties, including those disclosed in the MD&A in CN's annual and interim reports. There can be no certainty that the Company will achieve any or all of these goals within the stated timeframe, or that achieving any of these goals will meet all of the expectations of its stakeholders or applicable legal requirements.

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 incorporated by reference into 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. These non-GAAP measures may not be comparable to similar measures presented by other companies.

CN's outlook, guidance, or targets 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, 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 outlook, guidance or targets.

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



Tracy Robinson



President and Chief Executive Officer

Steady performance amidst volatility

Performance highlights

- Continued challenging and uncertain macro environment
- Volumes held up against a strong comparable period in 2024, but unfavorable mix impact
- Continue to pull cost levers to protect margins and deliver earnings, with urgency
- Building momentum in margin improvement

(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.

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Q2 Operating Ratio

61.7%

▼ 50 bps vs adjusted ⁽²⁾
▼ 230 bps vs reported

Q2 Diluted EPS

\$1.87

▲ 2% vs adjusted ⁽²⁾
▲ 7% vs reported

Q2 RTMs ⁽¹⁾

59.2B

▼ 1%

Q2 Total Revenues

\$4.3B

▼ 1%

Delivered 2% adjusted diluted EPS ⁽²⁾ growth on 1% decrease in RTMs



Derek Taylor

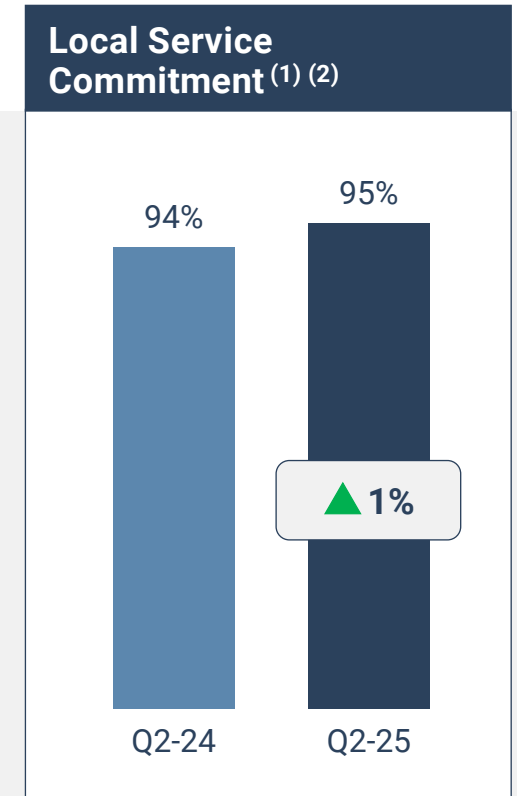
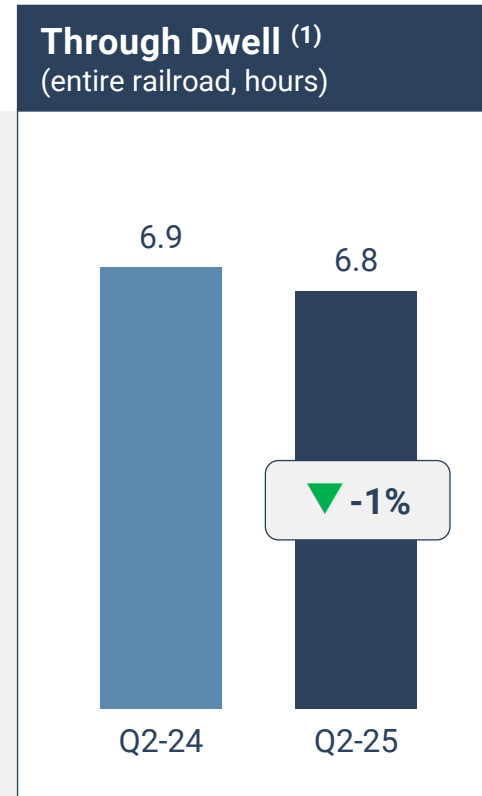
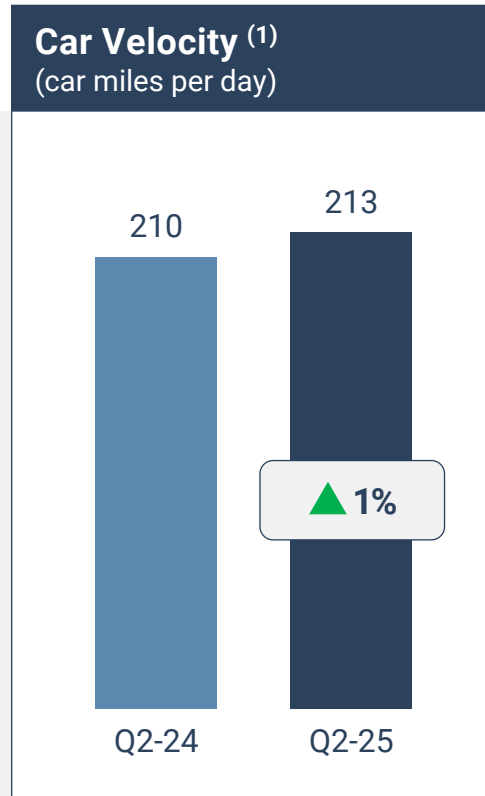
Chief Field Operating Officer



Solid operating results

Key operating measures

- > Across the board improvement in operating metrics
- > Decisive action to align manifest train package with volumes
- > Maintaining tension between costs and service



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(2) Local Service Commitment is defined as the percentage of cars that successfully completed their Daily Operating Plan.

Pulling all levers to protect margins while maintaining fluidity



Pat Whitehead



Chief Network Operating Officer

Update on key efficiency initiatives

Network operations

Plan Discipline



Adherence to the Plan allows for swift recovery of operations following any manner of disruptions

▼ 4%

TRAIN DELAYS CAUSED BY WORK BLOCKS
YTD 2025 vs. YTD 2024

(1) Train and engine employees (locomotive engineers and conductors).

(2) Tie installation efficiency, measured as ties installed / workblock hour

Right-sized Resources

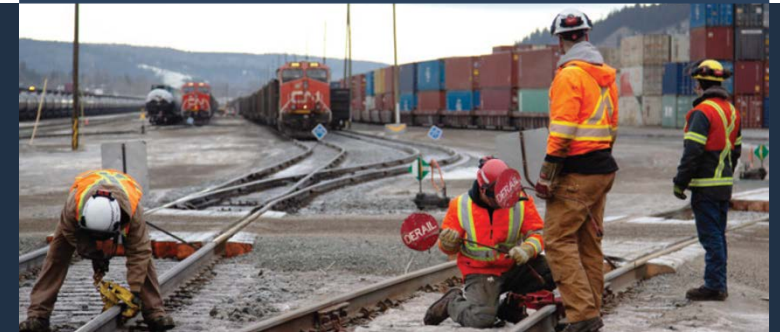


Resource alignment enabling the right tension between volumes and operating capacity

▲ 11%

GTMS/T&E (1) EMPLOYEE
Q2 2025 vs. Q2 2024

Driving Efficiencies



Improving **locomotive reliability** and **engineering productivity**, reducing costly failures, and driving down unit costs

▲ 7%

TIE INSTALLATION EFFICIENCY (2)
Q2 2025 vs. Q2 2024

Well positioned to drive margin improvement



Janet Drysdale

Interim Chief Commercial Officer



Growth in bulk offset by lower merchandise

Revenue highlights

- > Noticeable tariff impact emerged in Q2
- > Year over year fuel surcharge headwind persisted, along with the removal of surcharge related to the Canadian federal carbon tax program
- > Strong Bulk movements, grain and potash
- > Domestic intermodal growth offset by lower international with blank sailings
- > Combination of weaker market fundamentals and customer outages in Merchandise

Q2 Revenues	Q2 Revenues at Constant Currency ⁽¹⁾	Q2 Revenue Variance on a Constant Currency Basis ⁽¹⁾ (Q2 2025 vs Q2 2024)	
\$4.3B ▼ 1%	\$4.2B ▼ 2%	Petroleum & Chemicals	-6%
		Metals & Minerals	-7%
		Forest products	-9%
		Coal	0%
		Grain & Fertilizers	12%
		Intermodal	-3%
		Automotive	-6%
		Other	2%
Q2 RTMs ⁽²⁾	Q2 Carloads ⁽²⁾		
59.2B ▼ 1%	1.4M - %		

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Meaningful shift in traffic mix impacted revenue yields

Updated volume outlook reflects meaningful tariff impacts

Balance of year outlook versus last year

Merchandise	Bulk Products	Consumer Products
<p>Petroleum</p> <ul style="list-style-type: none"> Refinery turnarounds concluding early Q3 NGL exports growth through Rupert 	<p>Grain</p> <ul style="list-style-type: none"> CDN – Historically low carry-out stocks to start Q3; strong seasonal Q4 program US – Benefitting from growth initiatives in ethanol and IANR volumes 	<p>International Intermodal</p> <ul style="list-style-type: none"> Reflects share gains and recovery of volumes lost due to labor disruptions H2 outlook for NA imports has softened due to pull-forward and US tariff impact
<p>Chemicals and Plastics</p> <ul style="list-style-type: none"> Share gains in plastics Partly offset by impact of 2 chemical plant closures in Eastern Canada 	<p>Coal</p> <ul style="list-style-type: none"> CDN - Incremental metallurgical production gains US - Softer global thermal coal demand 	<p>Domestic Intermodal</p> <ul style="list-style-type: none"> Recovery of volumes lost due to labor disruptions and transcontinental share gains on strong service
<p>Metals and Minerals</p> <ul style="list-style-type: none"> Shifting of metals flows due to tariffs Frac sand ramping through H2 	<p>Fertilizers</p> <ul style="list-style-type: none"> Lower domestic Potash fill program in Q3, strong export through Saint John in Q4 	<p>Automotive</p> <ul style="list-style-type: none"> Impact of tariffs impacting production forecasts and flows
<p>Forest Products</p> <ul style="list-style-type: none"> Ongoing weak market fundamentals and impact of US trade measures 		

Now assuming low single-digit RTM growth for the year



Ghislain Houle

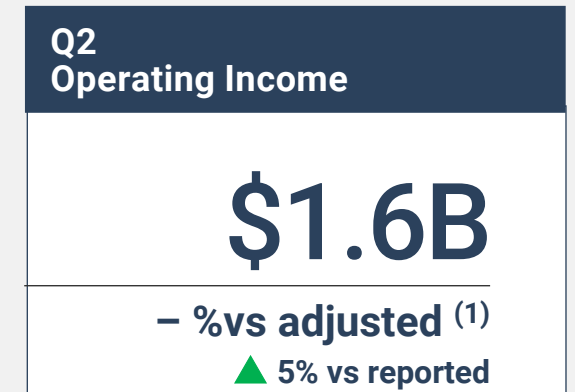
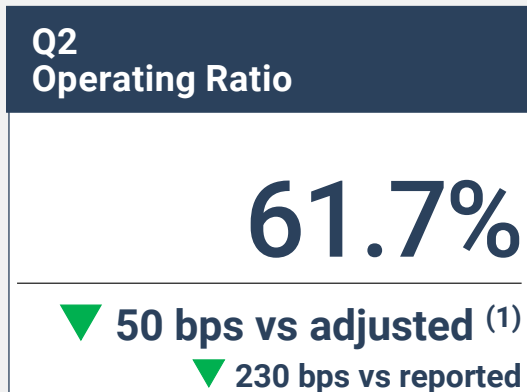
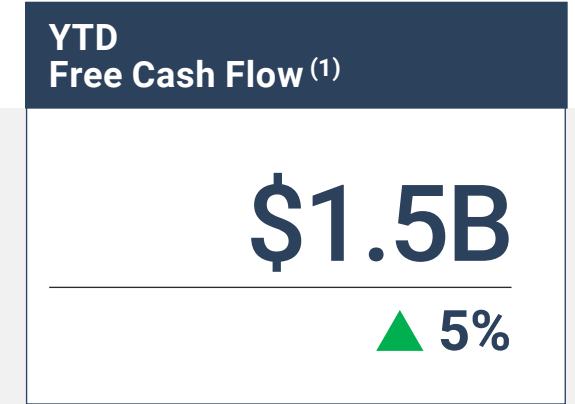
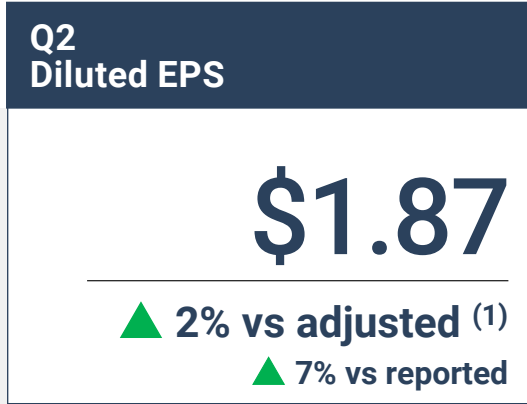


Chief Financial Officer

Resilient financial results in challenging environment

Second Quarter highlights

- > 2% adjusted diluted EPS ⁽¹⁾ growth
- > Revenues decreased by 1% on 1% lower RTMs and flat carloads
- > Expenses decreased by 5% mainly due to lower fuel expenses
- > Continued to adjust cost structure to align with volumes, supporting margin expansion
- > YTD free cashflow increased 5% mostly on lower capital spend



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Delivered 50 bps of year-over-year OR improvement

Breakdown of earnings drivers

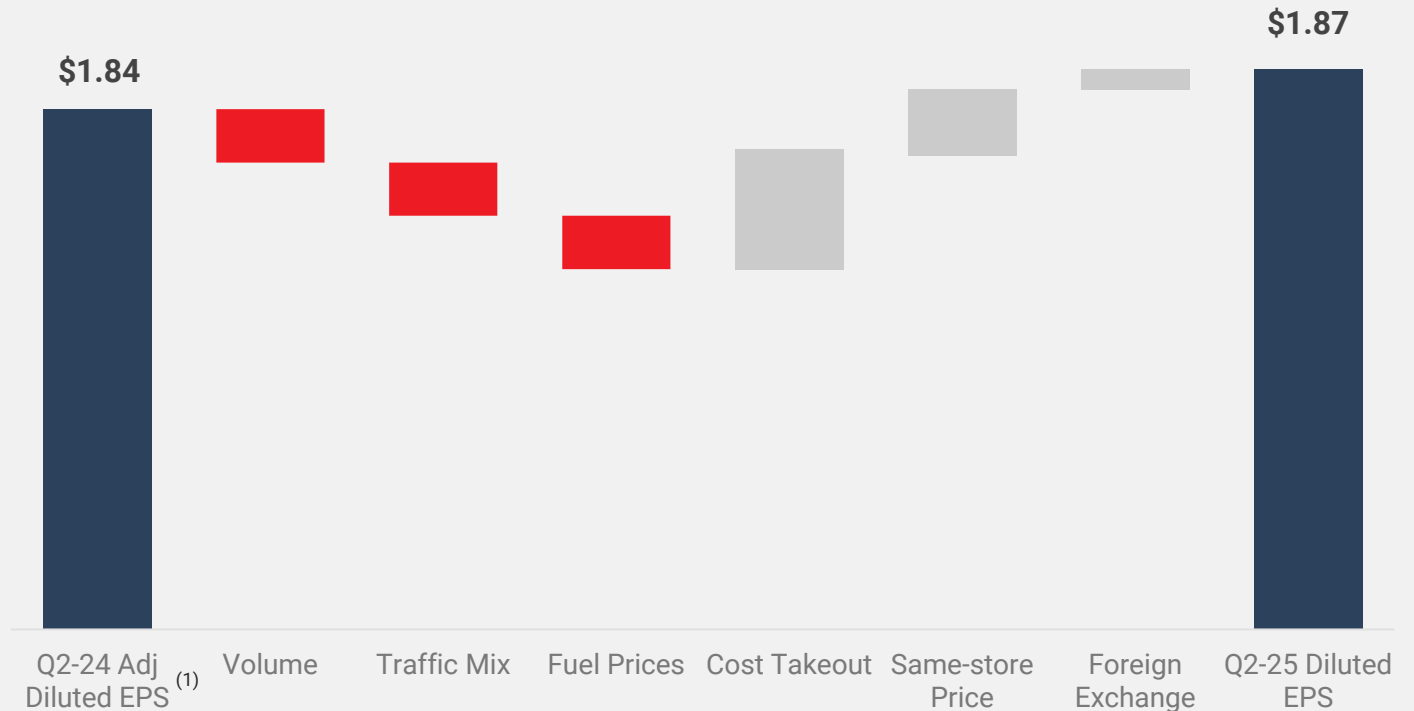
Second Quarter highlights

> Earnings impacted by

- > Lower volumes amid macro and tariff overhangs
- > Unfavorable traffic mix shifts
- > \$0.04 fuel price headwind

> More than offset by

- > Strong cost take-out including lower headcount
- > Same store pricing above rail cost inflation
- > \$0.02 F/X tailwind



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Higher earnings driven by strong cost management despite lower revenues

Operating expenses

Constant currency

- Labor up due to general wage increase, largely offset by improved productivity
- Purchased Services and Materials flat: higher repairs and maintenance offset by lower contracted services
- Fuel down due to lower fuel price and the impact of elimination of Canadian federal carbon tax program
- Depreciation and Amortization up due to a higher depreciable asset base
- Other up mainly due to higher incident costs and higher software and support costs

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Q2 adjusted OPEX variance on a constant currency basis ⁽¹⁾ (Q2 2025 vs Q2 2024, in \$M)			
Labour & Fringe	+1%		8
Purch Svcs & Material	- %	-2	
Fuel	-25%	-138	
Depr'n & Amort	+4%		20
Equipment Rents	+2%		2
Other	+25%		37

A positive percentage indicates an increase in year-over-year expense

Managing costs in a softer than expected volume environment

Revised EPS outlook reflects volume and exchange shifts

2025 Financial outlook ⁽¹⁾

- Shifting U.S. tariff policies are the central headwind affecting North America supply chains
 - Persistent uncertainty weighing on Merchandise and Intermodal volumes; continued soft market conditions impacting Forest Products
- Now assuming volume growth in terms of RTMs in the low single-digit range versus last year and continued traffic mix headwinds
- Earnings outlook further pressured by strengthening Canadian dollar
- Now expect to deliver mid to high single-digit adjusted diluted EPS ⁽²⁾ growth compared to 2024; removing 2024-2026 financial outlook given revised 2025 guidance and only 1 year left
- To continue same-store pricing ahead of rail inflation and incremental margin improvement, looking to reduce capital plan of \$3.4B by ~\$50M, execution on our share repurchase program

Revised 2025 EPS Guidance

Expect to deliver

Mid single-digit to
High single-digit

ADJUSTED DILUTED
EPS GROWTH ⁽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 financial outlook.
 2) CN's outlook, guidance, or targets 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, 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 outlook, guidance or targets.

Growth agenda impeded and range of outcomes has widened given economic impact of tariff policy



Tracy Robinson



President and Chief Executive Officer

Reacting with urgency

Closing remarks

- > Updated assumptions and guidance reflect evolving environment
- > Acting with urgency to align resources with demand
- > Staying close to our customers



Driving shareholder value creation is our priority



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