



Third Quarter 2026 Financial and Operating Results

October 30th, 2026



CNR
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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," "goals," or other similar words.

2026 Key Assumptions

CN has made a number of economic and market assumptions in preparing its 2026 outlook. The 2025/2026 grain crops in Canada and the U.S. were above their respective five-year averages. The Company now assumes that the 2026/2027 grain crops in Canada and the U.S. will be above their respective five-year averages (compared to its January 30, 2026 assumption that the 2026/2027 grain crops in Canada and the U.S. will be in line with their respective five-year averages). CN continues to assume low single-digit RTM growth. CN continues to assume that for the balance of 2026, the value of the Canadian dollar in U.S. currency will be \$0.71 and the average price of crude oil (West Texas Intermediate) will be in the range of US\$80 - US\$110 per barrel. The Company notes there is a heightened demand risk as a result of volatile macroeconomic conditions, geopolitical conflicts 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 or 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 and other regulatory claims or proceedings; increases in maintenance and operating costs; security threats; reliance on technology, including the use of artificial intelligence, 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 may also use 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



Disciplined execution driving strong third-quarter results

Performance highlights

- Solid operational and commercial performances converting broad-based volume growth into earnings
- Increased cash generation supporting continued shareholder returns and free cash flow conversion
- 2026 guidance reaffirmed, currently tracking more towards the upper end of the range

Q3 Total Revenues	
Reported	At constant currency ⁽¹⁾
\$4.8B	\$4.7B
▲ 15%	▲ 14%

Q3 Diluted EPS		
Reported	Adjusted ⁽¹⁾	Adjusted at constant currency ⁽¹⁾
\$2.00	\$2.16	\$2.14
▲ 9%	▲ 18%	▲ 17%

Q3 Operating Ratio	
Reported	Adjusted ⁽¹⁾
63.7%	61.0%
▲ 230 bps	▼ 40 bps

YTD Cash Flow		
Free cash flow ⁽¹⁾	Net cash provided by operating activities	Net cash used in investing activities
\$2.9B	\$4.8B	\$1.9B
▲ 25%	▼ 1%	▼ 25%

(1) These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. See Appendix "Non-GAAP measures" for an explanation of these non-GAAP measures.

Delivering on our commitments through operational, commercial and financial discipline



Pat Whitehead



Chief Operating Officer

Operational discipline translating into operating leverage

Network operations

Employee Productivity Gains



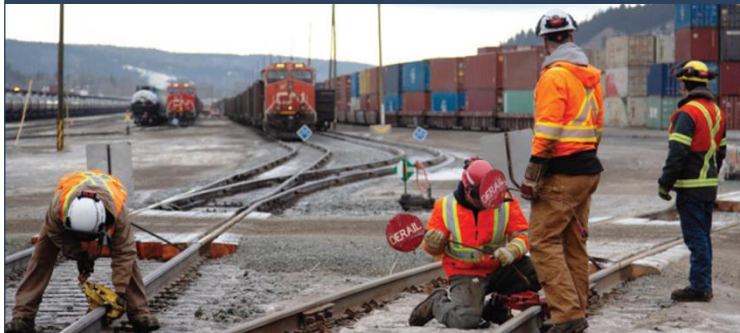
Right-sized Resources

Resource alignment enabling the right balance between volumes and operating capacity

▲ 7%

GTM's PER AVERAGE NUMBER OF EMPLOYEES
Q3 2026 vs. Q3 2025

Improved Locomotive Utilization



Driving Efficiencies

Continuous focus on asset utilization

▲ 5%

TRAILING GTM's PER TOTAL HORSEPOWER
Q3 2026 vs. Q3 2025

Record Q3 Fuel Efficiency



Plan Discipline

Scheduled railroading and continuous improvement approach underpinning fluid movement of trains across the network

▼ 2%

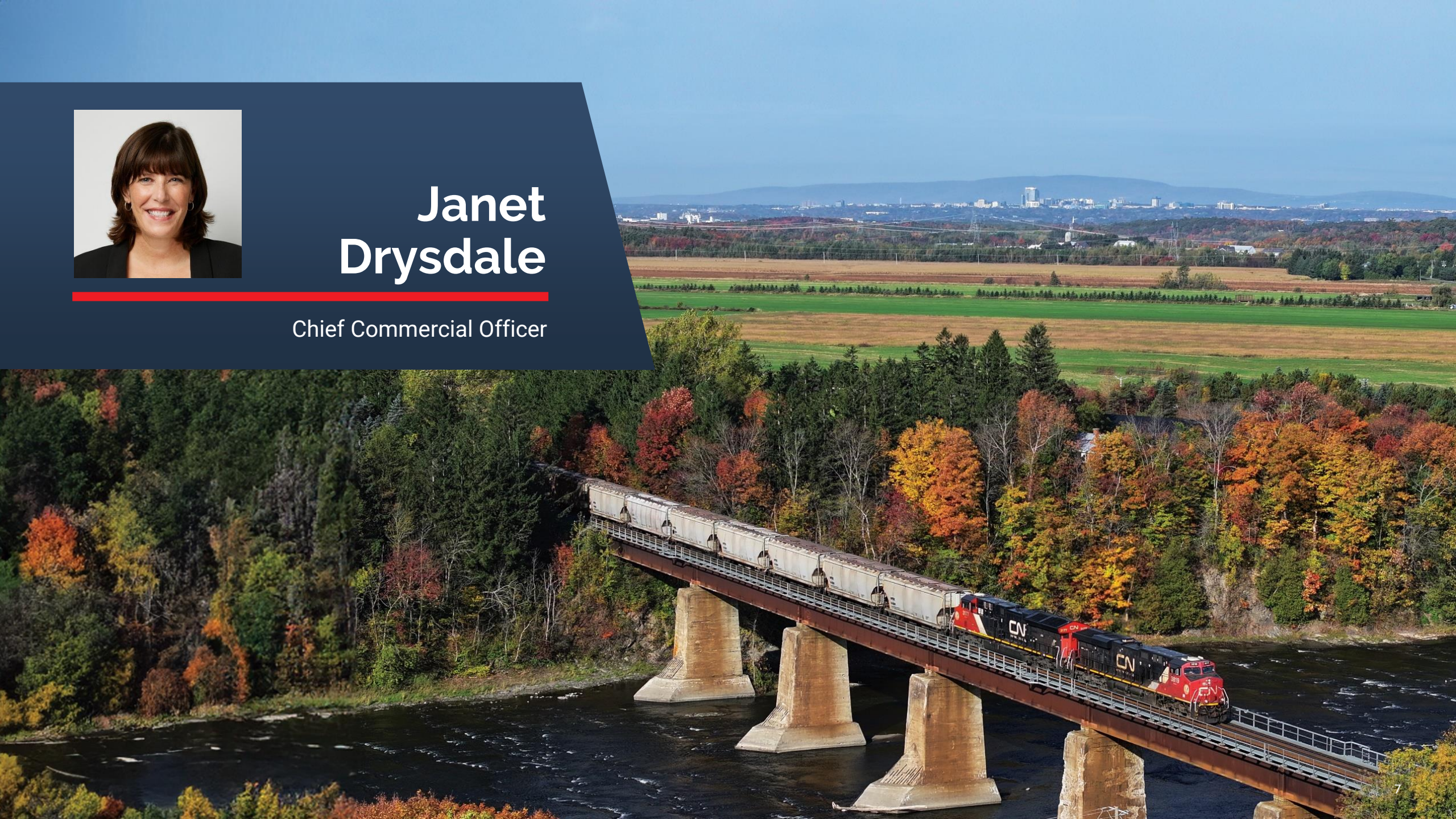
U.S. GALLONS PER 1,000 GTM's
Q3 2026 vs. Q3 2025

Fast Track continues to deliver broad-based productivity gains



Janet Drysdale

Chief Commercial Officer



Broad-based volume gains

Revenue highlights

- Revenue increase supported by volume growth and higher fuel surcharge
- Gains led by grain, energy, automotive, and metals and minerals
- Pricing discipline and commercial execution driving profitable growth

Q3 Revenues

\$4.8B

▲ 15%

Q3 Revenues at Constant Currency ⁽¹⁾

\$4.7B

▲ 14%

Q3 RTMs ⁽²⁾

59.4B

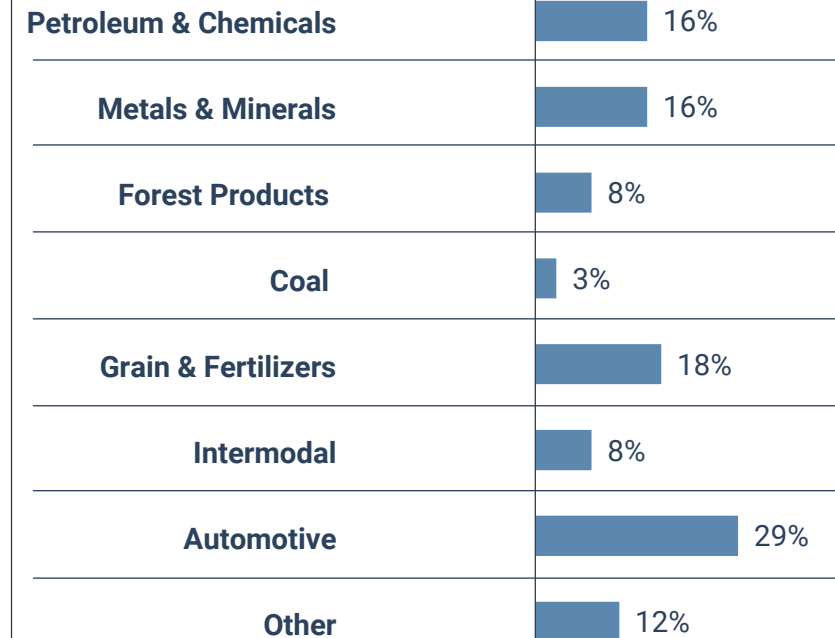
▲ 4%

Q3 Carloads ⁽²⁾

1.4M

– %

Q3 Revenue Variance on a Constant Currency Basis ⁽¹⁾ (Q3 2026 vs Q3 2025)



(1) This non-GAAP measure does not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. See Appendix "Non-GAAP measures" for an explanation of these non-GAAP measures.

(2) Operating measures are unaudited and based on estimated data available at such time and are subject to change as more complete information becomes available.

CN uses RTMs as the primary measure of volumes, taking into account the length of haul and weight in the movement by multiplying the weight in tons of the shipment lading being transported by the number of miles that the shipment is transported on company lines.

Commercial intensity and reliable service converting opportunities into growth

Focused commercial execution

Balance-of-year outlook versus 2025

Merchandise		Bulk Products		Consumer Products	
  	Petroleum and Chemicals <ul style="list-style-type: none"> Refined growth supported by the Greater Toronto Fuel Terminal New crude oil business Additional NGL fractionation capacity supporting incremental exports 	  	Grain <ul style="list-style-type: none"> CDN – Lapping 2025-2026 record crop U.S. – Normalized export program 	  	International Intermodal <ul style="list-style-type: none"> Demarketed lower-profitability volume
	Metals and Minerals <ul style="list-style-type: none"> Longer-haul metal shipments Frac sand demand expected to grow in Northeast British-Columbia Continued weak fundamentals for iron ore 		Coal <ul style="list-style-type: none"> CDN – Dependent on mine-level production and terminal operations U.S. – Market conditions for thermal exports improving 		Domestic Intermodal <ul style="list-style-type: none"> Full-year effect of service-based wins Improving market fundamentals
	Forest Products <ul style="list-style-type: none"> Flat housing starts, compounded by U.S. tariffs and duties 		Fertilizers <ul style="list-style-type: none"> Higher potash volume offset by reduced fertilizer shipments from plant outage 		Automotive <ul style="list-style-type: none"> Strong imports to Canada and share gains, partly offset by flat production

On-track to achieve low single-digit RTM growth for the year



Ghislain Houle

Chief Financial Officer



Execution driving strong earnings and free cash flow

Third quarter highlights

- Adjusted EPS growth of 18%, driven by increased volume and productivity gains
- Adjusted operating ratio improved despite higher year-over-year fuel prices, negatively impacting operating ratio by 60 bps
- Year-to-date free cash flow increased 25%, reflecting disciplined capital spending
- Continued share repurchases under the current program

Q3 Diluted EPS		
Reported	Adjusted ⁽¹⁾	Adjusted at constant currency ⁽¹⁾
\$2.00	\$2.16	\$2.14
▲ 9%	▲ 18%	▲ 17%

Q3 Operating Ratio	
Reported	Adjusted ⁽¹⁾
63.7%	61.0%
▲ 230 bps	▼ 40 bps

YTD Cash Flow		
Free cash flow ⁽¹⁾	Net cash provided by operating activities	Net cash used in investing activities
\$2.9B	\$4.8B	\$1.9B
▲ 25%	▼ 1%	▼ 25%

Q3 Diluted Number of Shares
605M
▼ 3%

(1) These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. See Appendix "Non-GAAP measures" for an explanation of these non-GAAP measures.

Profitable growth and financial discipline translating into shareholder value

Operating expense review

Constant currency

- > **Labor** up on general wage increases and higher incentive compensation expense; partly offset by lower average headcount and productivity gains
- > **Purchased Services & Material** up on higher trucking and vessel expenses associated with increased volume, higher material costs, and higher advisory costs related to rail consolidation matters
- > **Fuel** up on higher prices, with the impact of higher volumes offset by record Q3 fuel efficiency

(1) This non-GAAP measure does not have any standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. See Appendix "Non-GAAP measures" for an explanation of these non-GAAP measures.

Q3 OPEX Variance on a Constant Currency Basis ⁽¹⁾ (Q3 2026 vs Q3 2025, in \$M)

Labor & Fringe	+6%		51
Purch Svcs & Material	+11%		63
Fuel	+56%		234
Depr'n & Amort	-2%	-8	
Equipment Rents	+4%		4
Other	-2%	-4	

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

Tightly managing the expense base amid a higher-volume environment

Reaffirming full-year EPS guidance

2026 financial outlook ⁽¹⁾

- With third-quarter performance consistent with the full-year outlook, reaffirming mid-to-high single-digit adjusted diluted EPS growth on low single-digit RTM growth
- Currently tracking more towards the upper end of the range
- Fourth quarter expected to unfold broadly as anticipated

2026 Earnings Guidance

Assuming low single-digit RTM growth year over year

**Mid-to-high
single-digit**

**ADJUSTED DILUTED
EPS GROWTH ⁽²⁾**

2026 Capex Guidance

Disciplined investment

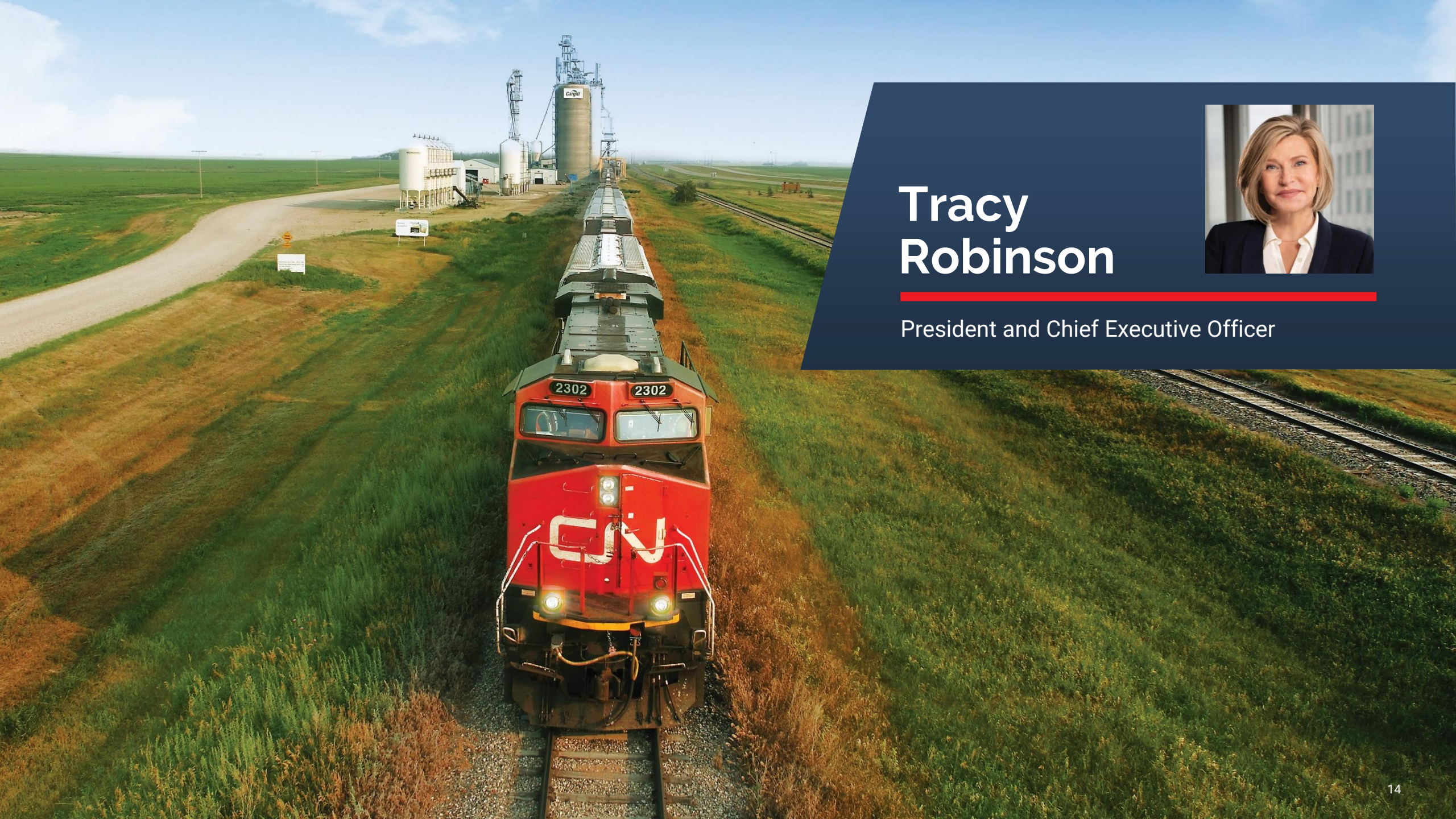
\$2.8B

CAPITAL EXPENDITURES
Net of amounts reimbursed
by customers

(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.

Performance and financial discipline supporting the full-year outlook



Tracy Robinson

President and Chief Executive Officer



Built to convert growth into earnings and free cash flow

Closing remarks

- Delivering on our commitments with consistency and discipline
- Reliable service, productivity and available capacity supporting efficient growth
- Broad-based growth and diversified franchise creating long-term opportunity



Built for growth with capacity and operating leverage

Appendix



Non-GAAP measures

This presentation makes reference to non-GAAP measures that do not have any standardized meaning prescribed by GAAP, including adjusted net income, adjusted earnings per share, adjusted operating income, adjusted operating expense, adjusted operating ratio, 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. From management's perspective, these non-GAAP measures are useful measures of performance and provide investors with supplementary information to assess the Company's results of operations and liquidity. These non-GAAP measures should not be considered in isolation or as a substitute for financial measures prepared in accordance with GAAP.

Adjusted Performance Measures

Adjusted net income, adjusted diluted earnings per share, adjusted operating income, adjusted operating expenses and adjusted operating ratio are non-GAAP measures that are used to set performance goals and to measure CN's performance and may include the following adjustments:

- i. operating expense adjustments: workforce reduction program, advisory costs related to rail consolidation matters, depreciation expense on the deployment of a replacement system, advisory fees related to shareholder matters, asset impairments and held-for-sale recoveries, business acquisition-related costs;
- ii. non-operating expense adjustments: business acquisition-related financing fees, merger termination income, gains and losses on disposal of property; and
- iii. the effect of changes in tax laws including rate enactments and changes in tax positions affecting prior years.

These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies.

For the three and nine months ended September 30, 2026, the Company's adjusted net income was \$1,307 million, or \$2.16 per diluted share, and \$3,670 million, or \$6.03 per diluted share, respectively. The adjusted figures for the three and nine months ended September 30, 2026 exclude:

- asset impairments related to CN's decision to discontinue the development of certain components of its dispatching and back office information technology projects before completion of \$118 million, or \$87 million after tax (\$0.14 per diluted share) recorded in the third quarter in Asset impairments within the Consolidated Statements of Income, representing the full carrying amount of the affected software components, which had no alternative use and were no longer expected to provide future economic benefits;
- advisory costs related to the analysis and advocacy for the U.S. Surface Transportation Board (STB) review of the impacts to fair competition pertaining to the potential merger between Union Pacific and Norfolk Southern, including participation in ongoing merger-related regulatory proceedings, discovery activities and efforts to secure competitive access conditions, of \$14 million, or \$11 million after-tax (\$0.02 per diluted share) and \$48 million, or \$36 million after tax (\$0.05 per diluted share), respectively, recorded in Purchased services and material within the Consolidated Statements of Income; and
- the sale of a portion of the Newmarket subdivision located in Washago and Sundridge, Ontario, Canada, together with rail fixtures, for cash proceeds of \$84 million, which resulted in a gain of \$66 million, or \$57 million after-tax (\$0.09 per diluted share) recorded in the first quarter in Other income within the Consolidated Statements of Income.

For the three and nine months ended September 30, 2025, the Company's net income was \$1,139 million, or \$1.83 per diluted share, and \$3,472 million, or \$5.54 per diluted share, respectively. There were no adjustments in the third quarter and the first nine months of 2025.

Non-GAAP measures

Adjusted Net Income and Earnings per Share

Adjusted net income is defined as Net income in accordance with GAAP adjusted for certain significant items. Management believes that adjusted net income provides additional insight to management and investors into the Company's operations and underlying business trends as well as facilitates period-to-period comparisons, as it excludes certain significant items that are not reflective of CN's underlying business operations and could distort the analysis of trends in business performance. Adjusted diluted earnings per share is defined as adjusted net income divided by the weighted-average diluted shares outstanding. This measure helps management and investors evaluate the Company's profitability on a per-share basis, facilitating the assessment of period-over-period performance by removing the impact of significant, non-recurring items. The following table provides a reconciliation of Net income and Earnings per share in accordance with GAAP, as reported for the three and nine months ended September 30, 2026 and 2025, to the non-GAAP adjusted performance measures presented herein:

unaudited

In millions, except per share data

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Net income	\$ 1,209	\$ 1,139	\$ 3,604	\$ 3,472
Adjustments:				
Operating expense adjustments:				
Asset impairments	118	—	118	—
Advisory costs related to rail consolidation matters	14	—	48	—
Non-operating expense adjustment:				
Gain on disposal of property	—	—	(66)	—
Tax adjustment:				
Tax effect of adjustments ⁽¹⁾	(34)	—	(34)	—
Total adjustments	\$ 98	\$ —	\$ 66	\$ —
Adjusted net income	\$ 1,307	\$ 1,139	\$ 3,670	\$ 3,472
Diluted earnings per share	\$ 2.00	\$ 1.83	\$ 5.93	\$ 5.54
Impact of adjustments, per share	0.16	—	0.10	—
Adjusted diluted earnings per share	\$ 2.16	\$ 1.83	\$ 6.03	\$ 5.54

(1) The tax impact of adjustments is based on the nature of the item for tax purposes and related tax rates in the applicable jurisdiction.

Non-GAAP measures

Adjusted Operating Income, Operating Expenses and Operating Ratio

Adjusted operating income is defined as Operating income in accordance with GAAP adjusted for certain significant operating expense items that are not reflective of CN's underlying business operations. This measure helps management and investors assess the Company's core operating results by excluding items that may distort the analysis of ongoing business performance. Adjusted operating expenses is defined as Operating expenses in accordance with GAAP adjusted for certain significant operating expense items that are not reflective of CN's underlying business operations. This measure provides management and investors with a view of ongoing costs which exclude unusual or non-recurring items, enabling more accurate assessment of cost management and resource allocation across reporting periods. Adjusted operating ratio is defined as adjusted operating expenses as a percentage of revenues. For management and investors, the adjusted operating ratio serves as a key performance indicator of cost management and overall operational effectiveness, as it demonstrates how effectively management controls costs relative to total revenue by excluding unusual or non-recurring items. The following table provides a reconciliation of Operating income, Operating expenses and operating ratio, as reported for the three and nine months ended September 30, 2026 and 2025, to the non-GAAP adjusted performance measures presented herein:

unaudited

In millions, except percentages

	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Operating income	\$ 1,730	\$ 1,606	\$ 5,060	\$ 4,854
Adjustments:				
Asset impairments	118	—	118	—
Advisory costs related to rail consolidation matters	14	—	48	—
Total adjustments	\$ 132	\$ —	\$ 166	\$ —
Adjusted operating income	\$ 1,862	\$ 1,606	\$ 5,226	\$ 4,854
Operating expenses	\$ 3,041	\$ 2,559	\$ 8,843	\$ 7,986
Total adjustments	(132)	—	(166)	—
Adjusted operating expenses	\$ 2,909	\$ 2,559	\$ 8,677	\$ 7,986
Operating ratio	63.7 %	61.4 %	63.6 %	62.2 %
Impact of adjustments	(2.7)%	— %	(1.2)%	— %
Adjusted operating ratio	61.0 %	61.4 %	62.4 %	62.2 %

Non-GAAP measures

Constant Currency

Financial results at constant currency allow results to be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons in the analysis of trends in business performance. Measures at constant currency are considered non-GAAP measures and do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. Financial results at constant currency are obtained by translating the current period results denominated in US dollars at the weighted average foreign exchange rates used to translate transactions denominated in US dollars of the comparable period of the prior year. The weighted average foreign exchange rates were \$1.399 and \$1.385 per US\$1.00 for the three and nine months ended September 30, 2026, respectively and \$1.378 and \$1.400 per US\$1.00 for the three and nine months ended September 30, 2025, respectively. On a constant currency basis, the Company's net income for the three and nine months ended September 30, 2026 would have been lower by \$10 million (\$0.02 per diluted share) and higher by \$16 million (\$0.03 per diluted share), respectively. The following table provides a reconciliation of the impact of constant currency and related percentage change at constant currency on the financial results, as reported for the three and nine months ended September 30, 2026:

	Three months ended September 30				Nine months ended September 30			
	2026	Constant currency impact	2025	% Change at constant currency Fav (Unfav)	2026	Constant currency impact	2025	% Change at constant currency Fav (Unfav)
unaudited								
<i>In millions, except per share data</i>								
Revenues								
Petroleum and chemicals	\$ 1,000	\$ (9)	\$ 854	16%	\$ 2,869	\$ 16	\$ 2,577	12%
Metals and minerals	561	(6)	477	16%	1,557	11	1,496	5%
Forest products	495	(6)	451	8%	1,424	10	1,406	2%
Coal	246	(2)	237	3%	708	2	725	(2%)
Grain and fertilizers	923	(7)	775	18%	2,952	17	2,560	16%
Intermodal	1,065	(4)	980	8%	3,114	7	2,928	7%
Automotive	284	(3)	217	29%	776	4	677	15%
Total freight revenues	4,574	(37)	3,991	14%	13,400	67	12,369	9%
Other revenues	197	(2)	174	12%	503	1	471	7%
Total revenues	4,771	(39)	4,165	14%	13,903	68	12,840	9%
Operating expenses								
Labor and fringe benefits	871	(5)	815	(6%)	2,674	11	2,597	(3%)
Purchased services and material	628	(3)	562	(11%)	1,892	3	1,715	(10%)
Fuel	662	(10)	418	(56%)	1,804	16	1,349	(35%)
Depreciation and amortization	496	(4)	500	2%	1,466	5	1,482	1%
Equipment rents	108	(1)	103	(4%)	326	3	326	(1%)
Other	158	(1)	161	2%	563	3	517	(9%)
Asset impairments	118	—	—	—%	118	—	—	—%
Total operating expenses	3,041	(24)	2,559	(18%)	8,843	41	7,986	(11%)
Operating income	1,730	(15)	1,606	7%	5,060	27	4,854	5%
Interest expense	(245)	3	(227)	(7%)	(720)	(5)	(679)	(7%)
Other components of net periodic benefit income	133	—	125	6%	399	—	376	6%
Other income	3	—	3	—%	83	—	44	89%
Income before income taxes	1,621	(12)	1,507	7%	4,822	22	4,595	5%
Income tax expense	(412)	2	(368)	(11%)	(1,218)	(6)	(1,123)	(9%)
Net income	\$ 1,209	\$ (10)	\$ 1,139	5%	\$ 3,604	\$ 16	\$ 3,472	4%
Diluted earnings per share	\$ 2.00	\$ (0.02)	\$ 1.83	8%	\$ 5.93	\$ 0.03	\$ 5.54	8%
Adjusted net income ⁽¹⁾								
Adjusted diluted earnings per share ⁽¹⁾	\$ 2.16	\$ (0.02)	\$ 1.83	17%	\$ 6.03	\$ 0.03	\$ 5.54	9%

Footnote to the table follows on the following page.

Non-GAAP measures

Constant Currency (continued)

- (1) These non-GAAP measures do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. See the section of this MD&A entitled Adjusted performance measures for an explanation and reconciliation of these non-GAAP measures. Adjusted net income at constant currency and adjusted diluted EPS at constant currency allow results to be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons in the analysis of trends in business performance. For the three months ended September 30, 2026, the Adjusted net income at constant currency was \$1,297 million, calculated as adjusted net income of \$1,307 million, adjusted for the impact of fluctuations in foreign currency exchange rates of \$10 million. For the nine months ended September 30, 2026, the Adjusted net income at constant currency was \$3,686 million, calculated as adjusted net income of \$3,670 million, adjusted for the impact of fluctuations in foreign currency exchange rates of \$16 million. For the three months ended September 30, 2026, the Adjusted diluted EPS at constant currency was \$2.14, calculated as adjusted diluted EPS of \$2.16, adjusted for the impact of fluctuations in foreign currency exchange rates of \$0.02 per diluted share. For the nine months ended September 30, 2026, the Adjusted diluted EPS at constant currency was \$6.06, calculated as adjusted diluted EPS of \$6.03, adjusted for the impact of fluctuations in foreign currency exchange rates of \$0.03 per diluted share.

Non-GAAP measures

Free Cash Flow

Free cash flow is a useful measure of liquidity as it demonstrates the Company's ability to generate cash for debt obligations and for discretionary uses such as payment of dividends, share repurchases, and strategic opportunities. The Company defines its free cash flow measure as the difference between net cash provided by operating activities and net cash used in investing activities, adjusted for the impact of (i) business acquisitions and combinations; and (ii) merger transaction-related payments, cash receipts and cash income taxes, which are items that are not indicative of operating trends. Free cash flow does not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. The following table provides a reconciliation of net cash provided by operating activities in accordance with GAAP, as reported for the three and nine months ended September 30, 2026 and 2025, to the non-GAAP free cash flow presented herein:

unaudited <i>In millions</i>	Three months ended September 30		Nine months ended September 30	
	2026	2025	2026	2025
Net cash provided by operating activities	\$ 1,904	\$ 1,913	\$ 4,780	\$ 4,822
Net cash used in investing activities	(828)	(1,120)	(1,862)	(2,481)
Free cash flow	\$ 1,076	\$ 793	\$ 2,918	\$ 2,341

Non-GAAP measures

Adjusted Debt-to-Adjusted EBITDA Multiple

Management believes that the adjusted debt-to-adjusted EBITDA multiple is a useful credit measure because it reflects the Company's ability to service its debt and other long-term obligations. The Company calculates the adjusted debt-to-adjusted EBITDA multiple as adjusted debt divided by the last twelve months of adjusted EBITDA. Adjusted debt is defined as the sum of Long-term debt and Current portion of long-term debt as reported on the Company's Consolidated Balance Sheets as well as Operating lease liabilities, including current portion and pension plans in deficiency recognized on the Company's Consolidated Balance Sheets due to the debt-like nature of their contractual and financial obligations. Adjusted EBITDA is calculated as Net income excluding Interest expense, Income tax expense, Depreciation and amortization, operating lease cost, Other components of net periodic benefit income, Other income (loss), and other significant items that are not reflective of CN's underlying business operations and which could distort the analysis of trends in business performance. Adjusted debt and adjusted EBITDA are non-GAAP measures used to compute the adjusted debt-to-adjusted EBITDA multiple. These measures do not have any standardized meaning prescribed by GAAP and therefore, may not be comparable to similar measures presented by other companies. The following table provides a reconciliation of debt and Net income in accordance with GAAP, reported as at and for the twelve months ended September 30, 2026 and 2025, to the adjusted measures presented herein, which have been used to calculate the non-GAAP adjusted debt-to-adjusted EBITDA multiple:

unaudited In millions, unless otherwise indicated		As at and for the twelve months ended September 30,		2026	2025
Debt ⁽¹⁾		\$		22,812	\$ 21,120
Adjustments:					
Operating lease liabilities, including current portion ⁽²⁾				534	452
Pension plans in deficiency ⁽³⁾				333	341
Adjusted debt		\$		23,679	\$ 21,913
Net income		\$		4,852	\$ 4,618
Interest expense				954	910
Income tax expense				1,639	1,485
Depreciation and amortization				1,922	1,971
Operating lease cost ⁽⁴⁾				150	159
Other components of net periodic benefit income				(525)	(489)
Other income				(127)	(42)
Adjustments:					
Workforce reduction program ⁽⁵⁾				34	—
Advisory costs related to rail consolidation matters ⁽⁶⁾				63	—
Asset impairments ⁽⁷⁾				118	—
Adjusted EBITDA		\$		9,080	\$ 8,612
Adjusted debt-to-adjusted EBITDA multiple (times)				2.61	2.54

- (1) Represents the aggregate of Current portion of long-term debt and Long-term debt as disclosed on the Consolidated Balance Sheets.
 (2) Represents the present value of operating lease payments.
 (3) Represents the total funded deficit of all defined benefit pension plans with a projected benefit obligation in excess of plan assets.
 (4) Represents the operating lease costs recorded in Purchased services and material and Equipment rents within the Consolidated Statements of Income.

- (5) Relates to employee termination benefits and severance costs related to a workforce reduction program, recorded in the fourth quarter of 2025.
 (6) Represents advisory costs related to the analysis and advocacy for the STB review of the impacts to fair competition pertaining to the potential merger between Union Pacific and Norfolk Southern.
 (7) Represents an impairment related to the discontinued development of portions of certain components of its dispatching and back office information technology projects before completion recorded in Asset impairments within the Consolidated Statements of Income.