

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(in millions of Canadian dollars, except per share data)	Share capital	Additional paid-in capital	Accumulated other comprehensive loss	Retained earnings	Total shareholders' equity
Balance at December 31, 2017	\$ 2,032	\$ 43	\$ (1,741)	\$ 6,103	\$ 6,437
Net income	—	—	—	1,951	1,951
Other comprehensive loss (Note 8)	—	—	(302)	—	(302)
Dividends declared (\$2.5125 per share)	—	—	—	(358)	(358)
Effect of stock-based compensation expense	—	11	—	—	11
CP Common Shares repurchased (Note 20)	(66)	—	—	(1,061)	(1,127)
Shares issued under stock option plan (Note 20)	36	(12)	—	—	24
Balance at December 31, 2018	2,002	42	(2,043)	6,635	6,636
Impact of accounting change	—	—	—	(5)	(5)
Balance at January 1, 2019, as restated	2,002	42	(2,043)	6,630	6,631
Net income	—	—	—	2,440	2,440
Other comprehensive loss (Note 8)	—	—	(479)	—	(479)
Dividends declared (\$3.1400 per share)	—	—	—	(434)	(434)
Effect of stock-based compensation expense	—	15	—	—	15
CP Common Shares repurchased (Note 20)	(54)	—	—	(1,086)	(1,140)
Shares issued under stock option plan (Note 20)	45	(9)	—	—	36
Balance at December 31, 2019	1,993	48	(2,522)	7,550	7,069
Impact of accounting change (Note 2)	—	—	—	(1)	(1)
Balance at January 1, 2020, as restated	1,993	48	(2,522)	7,549	7,068
Net income	—	—	—	2,444	2,444
Other comprehensive loss (Note 8)	—	—	(292)	—	(292)
Dividends declared (\$3.5600 per share)	—	—	—	(479)	(479)
Effect of stock-based compensation expense	—	17	—	—	17
CP Common Shares repurchased (Note 20)	(58)	—	—	(1,419)	(1,477)
Shares issued under stock option plan (Note 20)	48	(10)	—	—	38
Balance at December 31, 2020	\$ 1,983	\$ 55	\$ (2,814)	\$ 8,095	\$ 7,319

See Notes to Consolidated Financial Statements.