

CANADIAN NATIONAL NYSE-CNI E								RECENT PRICE	95.62	P/E RATIO	16.8 (Trailing: 18.0) Median: 20.0)	RELATIVE P/E RATIO	0.94	DIV'D YLD	2.8%	VALUE LINE	342											
TIMELINESS	4	Lowered 8/8/25	High: 75.9 Low: 51.1	71.1 52.0	70.0 46.2	84.5 67.1	91.9 70.4	96.5 72.3	113.0 65.1	136.2 100.7	137.2 103.8	126.7 104.0	134.0 99.0	108.7 91.1		Target Price Range 2028 2029 2030	320 200 160 120 100 80 60 40											
SAFETY	1	Raised 5/22/20	LEGENDS — 15.0 x "Cash Flow" p sh ... Relative Price Strength 2-for-1 split 12/13 Options: Yes Shaded area indicates recession															320 200 160 120 100 80 60 40										
TECHNICAL	5	Lowered 11/14/25																	200 160 120 100 80 60 40									
BETA	.95	(1.00 = Market)																	200 160 120 100 80 60 40									
18-Month Target Price Range																												
Low-High	\$85-\$148	Midpoint (% to Mid)	\$117 (20%)																									
2028-30 PROJECTIONS																												
Price	165	Gain %	Ann'l Total																									
High	165	(+75%)	17%																									
Low	135	(+40%)	11%																									
Institutional Decisions																												
4Q2024	102025	202025	Percent shares traded	7.5	5	2.5																						
to Buy	336	331	Hld's(\$000)	360	416	407	430420	421353	432133																			
2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	© VALUE LINE PUB. LLC	28-30									
.95	1.00	.98	1.01	.94	.86	.72	.75	.80	.73	.77	.78	.79	.74	.75	.73	.75	.75	Trans. Rate (Cdn.\$/US\$) A ^E	.75									
7.43	9.03	10.01	11.69	11.97	12.89	11.53	11.85	13.53	15.24	16.08	15.27	16.26	18.82	19.74	19.82	20.35	22.00	Revenues per sh	26.35									
2.34	3.06	3.41	3.98	4.03	4.41	4.33	4.73	5.25	5.73	6.23	5.94	6.53	7.53	8.73	7.37	8.00	8.65	"Cash Flow" per sh	11.10									
1.54	2.10	2.37	2.84	2.88	3.23	3.20	3.44	3.83	4.26	4.48	4.17	4.67	5.49	6.43	5.12	5.50	6.00	Earnings per sh B	8.25									
.48	.54	.64	.76	.81	.86	.90	1.12	1.25	1.40	1.65	1.75	1.87	2.32	2.34	2.48	2.64	2.80	Gross Div'ds Decl'd p sh C	3.70									
1.41	1.73	1.80	2.04	2.23	2.44	2.47	2.65	2.87	3.58	4.17	3.16	3.25	3.02	3.74	4.13	4.05	4.30	Cap'l Spending per sh	4.00									
11.33	12.28	11.84	12.99	14.66	14.31	13.67	14.61	17.89	17.86	19.45	21.72	25.54	23.52	23.60	24.47	24.60	23.45	Book Value per sh	25.75									
941.97	918.80	884.20	856.80	830.58	809.33	787.20	762.00	742.60	725.30	712.30	710.30	700.90	671.00	642.70	627.90	615.00	600.00	Common Shs Outstg D	570.00									
14.3	14.4	15.5	14.9	17.6	19.6	19.2	17.8	20.1	19.1	20.0	22.7	24.5	21.9	18.2	23.4	Bold figures are Avg Ann'l P/E Ratio		18.0										
.95	.92	.97	.95	.99	1.03	.97	.93	1.01	1.03	1.07	1.17	1.32	1.27	1.01	1.30	Value Line estimates		Relative P/E Ratio	1.00									
2.2%	1.8%	1.7%	1.8%	1.6%	1.4%	1.5%	1.8%	1.6%	1.7%	1.8%	1.8%	1.6%	1.9%	2.0%	2.1%	Avg Ann'l Div'd Yield		Avg Ann'l Div'd Yield	2.5%									
CAPITAL STRUCTURE as of 9/30/25								9080.0	9028.0	10050	11055	11456	10848	11393	12625	12688	12444	12500	13200	Revenues (\$mill)	15000							
Total Debt \$15.2 bill.	Due in 5 Yrs \$3.2 bill.							50.9%	54.3%	51.6%	47.6%	48.0%	49.6%	49.8%	50.1%	65.5%	47.7%	51.0%	50.5%	Operating Margin	53.5%							
LT Debt \$14.1 bill.	LT Interest \$632 mill.							834.0	919.0	988.0	1025.0	1199.6	1247.4	1257.6	1276.0	1370.0	1381.2	1500	1550	Depreciation (\$mill)	1670							
(48% of Cap'l)								2577.0	2686.0	2913.0	3129.0	3237.9	2970.4	3319.6	3777.1	4241.3	3247.0	3425	3655	Net Profit (\$mill)	4660							
Leases, Uncapitalized: Annual rentals \$153 mill.								26.6%	26.2%	24.1%	24.2%	22.3%	24.8%	24.0%	24.3%	13.3%	24.0%	25.0%	25.0%	Income Tax Rate	24.0%							
Pension Assets-12/24 \$13.8 bill. Oblig. \$10.7 bill.								28.4%	29.8%	29.0%	28.3%	28.3%	27.4%	29.1%	29.9%	33.4%	26.1%	27.4%	27.7%	Net Profit Margin	31.0%							
Pfd Stock None								6090.0	6760.0	d1430	d566.9	d1119	d135.0	240.9	d461.2	d1467.3	d990.6	d1240	d1275	Working Cap'l (\$mill)	d770							
Common Stock 617,700,000 shs.								6469.0	7086.0	6978.2	8360.4	9113.1	9416.9	9425.9	10607	12164	14401	14500	14000	Long-Term Debt (\$mill)	15000							
10764								11131	13286	12954	13855	15426	17900	15781	15168	15367	15130	14065	Sh. Equity (\$mill)	14665								
15.9%								15.9%	15.7%	15.3%	15.6%	15.0%	12.8%	13.0%	15.1%	16.5%	12.0%	12.5%	14.0%	Return on Total Cap'l	15.5%							
23.9%								1177.7	1201.3	1201.3	1032.1					23.4%	22.3%	22.6%	22.6%	Return on Shr. Equity	32.0%							
17.3%								3796.4	2902.5	3004.6						31%	37%	43%	41%	Retained to Com Eq	17.5%							
28%								32%	34%	31%	37%	43%	41%	39%	37%	48%	47%	All Div'ds to Net Prof	45%									
BUSINESS: Canadian National Railway operates Canada's largest railroad system with 20,000 route miles spanning East-West across Canada and North-South to the Gulf of Mexico through the U.S. Midwest. Acquired BC Rail and GLT mid-'04; E&E 1/09. Petroleum & Chemicals, 21% of '24 freight revenues; Metals & Minerals, 12%; Forest Products, 12%; Intermodal, 23%; Coal, 6%; Grain & Fertiliz-																												
er, 21%; Automotive, 5%. 2024 labor costs: 20% of revenue. 2024 operating ratio: 63.4%. Has about 24,700 employees. Offs/dirs. own less than 1% of stock (2024 40-F). Chairman: Robert Pace; President & CEO: Tracy Robinson. Incorporated: Canada. Address: 935 de La Gauchetiere St. West, Montreal, Quebec H3B 2M9. Telephone: 514-399-7212. Internet: www.cn.ca.																												
Canadian National is on track to post an earnings rebound this year. In the third quarter, revenues were about even with the prior year. A solid recovery in intermodal volume following last year's labor disruption was offset by lower shipments of metals, minerals, and forest products, which were hurt by higher tariffs. Strong cost control and lower fuel expense drove margins higher, and earnings per share rose 4% to \$1.32. Most efficiency measures improved, with revenue ton miles up 1% and network train speed accelerating by 2%. The operating ratio improved by 170 basis points to 61.4%.																												
Results in the fourth quarter should be the highest of the year. The grain crop is expected to reach a record level this year and it has come in later than usual, which will benefit the current period. The recovery in the intermodal business is expected to continue and the company is gaining share in the sector due to strong service performance. We also expect continued efficiency improvements as the company is in the midst of a multi-year program to modernize its locomotive fleet. Lower headcount is also expected to aid																												
Investors seeking solid long-term total returns at lower risk should consider these shares. For the year ahead, our system expects the stock to lag the broader market averages. However, the company has earned our highest ranks for Financial Strength (A+) and Safety (1). A healthy and growing dividend adds to the total-return potential out to late decade.																												
<i>Stuart J. Benway, CFA November 14, 2025</i>																												
(A) At yearend. (B) Diluted earnings. Excludes net nonrecurring gains (losses): '09, .65c; '10, 28c; '11, 56c; '12, 51c; '13, 3c; '14, 8c; '15, (4c); '16, 6c; '17, 1c. Next earnings report due																												
early February. May not sum due to changes in shares outstanding and exchange rates.																												
(C) Dividends subject to 15% Canadian non-resident tax. Dividends historically paid in late																												
(D) In millions, adjusted for stock split.																												
(E) All figures in U.S. dollars.																												
(F) Company's Financial Strength Stock's Price Stability																												
Price Growth Persistence																												
Earnings Predictability																												
(A+) 90 90 60 90																												