Q1 2023 EARNINGS REVIEW

APRIL 26, 2023

FORWARD LOOKING STATEMENTS

CPKC

BASIS OF PRESENTATION & NON-GAAP MEASURES

BASIS OF PRESENTATION

Except where noted, all figures are in millions of Canadian dollars.

Financial information is prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), unless otherwise noted.

Financial and operating results described in this presentation, unless the context indicates otherwise, represent the financial and operating results of CP for the three months ended March 31, 2023, during which time KCS was held in voting trust and accounted for as an equity investment under the equity method of accounting.

NON-GAAP MEASURES

CPKC presents Non-GAAP measures in this presentation to provide a basis for evaluating underlying earnings and liquidity trends in CPKC's business that can be compared with the prior period's results.

It should be noted that CPKC's Non-GAAP measures as described in this presentation, have no standardized meanings and are not defined by U.S. GAAP and, therefore, may not be comparable to similar measures presented by other companies.

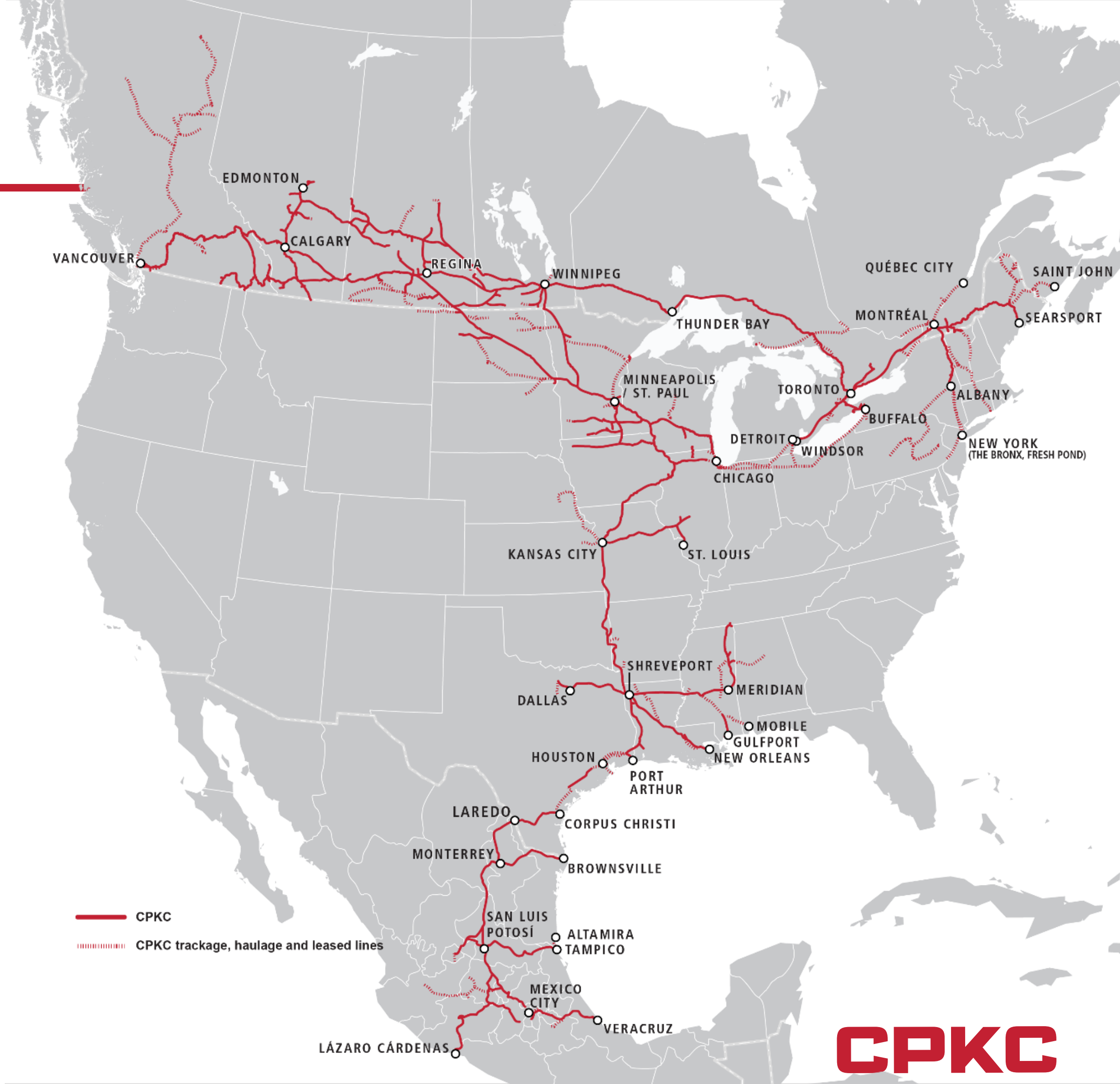
For further information regarding Non-GAAP measures, including reconciliations to the most directly comparable GAAP measure, see the Non-GAAP Measures supplement to the Q1 2023 Earnings Release on our website at investor.cpkcr.com, CPKC's 2023 Q1 MD&A available on SEDAR at www.sedar.com under CPKC's SEDAR profile and "Non-GAAP Financial Information (Regulation G)" on page 10 of KCS' Q1 2023 Financial Report on our website at investor.cpkcr.com.

KEITH CREEL

PRESIDENT & CHIEF EXECUTIVE OFFICER

HIGHLIGHTS

- Continued best-in-class safety record
- Solid financial and operating results
- Strong progress with newly ratified labor agreements
- Celebrated first day as CPKC on April 14; quickly building momentum
- Excited to share further progress updates at our investor day on June 27 & 28 in Kansas City, Missouri



CPKC

JOHN BROOKS

CHIEF MARKETING OFFICER

REVENUE HIGHLIGHTS Q1

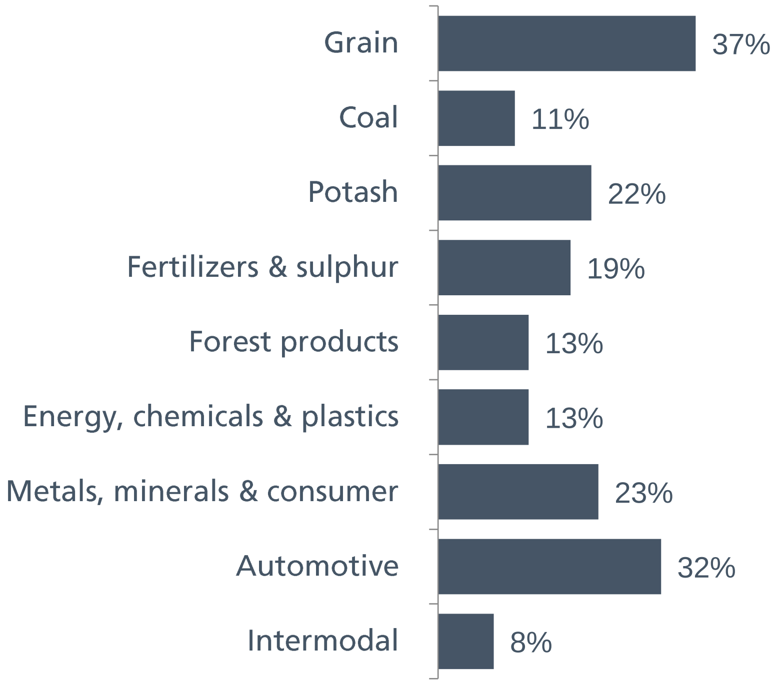
TOTAL REVENUE

+23%

VS Q1 2022

- RTMs: +11%
- FX: +4%
- Fuel: +6%
- Price / Mix / Other: +1%

FX-adjusted revenue variance[1]



(1) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q1 2023 Earnings Release on investor.cpkcr.com and CPKC's 2023 Q1 MD&A available on SEDAR at www.sedar.com under CPKC's SEDAR profile

(2) Financial and operating results are representative of CP standalone for the three months ended March 31, 2023 and March 31, 2022

CPKC

REVENUE UPDATE

BULK: 41%

- Record-breaking January of 2.3 million metric tonnes of Canadian grain and grain products
- Volume growth in both export and domestic potash
- Modest decline in met coal volumes, expect growth the remainder of 2023

MERCHANDISE: 37%

- Significant volume growth driven by the plastics portfolio
- MMC growth driven by higher volumes of frac sand with strong pricing
- Inventory re-stocking and business wins contributed to strong automotive performance

INTERMODAL: 22%

- Self-help wins with CMA CGM and growth at the Port of Saint John offset softer demand in the base business
- Softer domestic demand led to small volume decline
- Recently announced contract wins will continue to strengthen the intermodal book

(1) Financial and operating results are representative of CP standalone for the three months ended March 31, 2023 and March 31, 2022
(2) Business mix shown represents percentage of Q1 2023 freight revenue

CPKC

NADEEM VELANI

CHIEF FINANCIAL OFFICER

CP
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CPKC

FINANCIAL PERFORMANCE – Q1

(in millions, except percentages and per share data)	First Quarter 2023		2022	Change %	FX Adjusted Change%(1)
Total revenues	$ 2,266		$ 1,838	23%	19%
Total operating expenses	1,437		1,303	10%	7%
Operating income	**829**		**535**	**55%**	**47%**
Adjusted operating income(1)	**841**		**555**	**52%**	
Net income	$ 800		$ 590	36%	
Core adjusted income(1)	$ 840		$ 628	34%	
Diluted earnings per share	**$ 0.86**		**$ 0.63**	**37%**	
Core adjusted diluted earnings per share(1)	**$ 0.90**		**$ 0.67**	**34%**	
Weighted average number of diluted shares outstanding	**933.5**		**932.7**	**--%**	
Operating ratio	**63.4 %**		**70.9 %**	**(750) bps**	
Adjusted operating ratio(1)	**62.9 %**		**69.8 %**	**(690) bps**	

(1) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q1 2023 Earnings Release on investor.cpkcr.com and CPKC's 2023 Q1 MD&A available on SEDAR at www.sedar.com under CPKC's SEDAR profile
(2) Financial and operating results are representative of CP standalone for the three months ended March 31, 2023 and March 31, 2022

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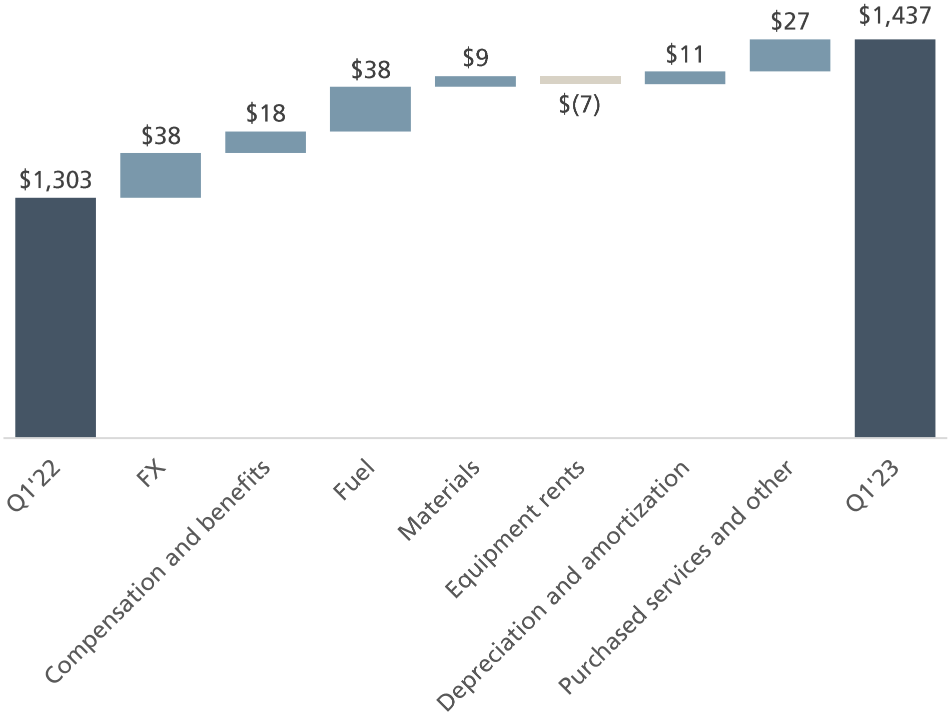
OPERATING EXPENSES – Q1

(in millions, except percentages)	First Quarter 2023	2022	Change %	FX Adjusted Change%[1]
Compensation and benefits	438	413	6%	4%
Fuel	326	273	19%	13%
Materials	72	62	16%	14%
Equipment rents	30	35	(14)%	(19)%
Depreciation and amortization	225	210	7%	5%
Purchased services and other[2]	346	310	12%	8%
Total operating expenses	**1,437**	**1,303**	10%	7%



(1) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q1 2023 Earnings Release on investor.cpkcr.com and CPKC's 2023 Q1 MD&A available on SEDAR at www.sedar.com under CPKC's SEDAR profile
(2) Purchased services and other includes acquisition-related costs of $12 million in Q1 2023 and $20 million in Q1 2022
(3) Financial and operating results are representative of CP standalone for the three months ended March 31, 2023 and March 31, 2022

CPKC

FREE CASH

(in millions of Canadian dollars)	For the three months ended March 31 2023		For the three months ended March 31 2022	
Cash provided by operating activities	**$**	**881**	**$**	**613**
Cash used in investing activities		(401)		(206)
Effect of foreign currency fluctuations on U.S. dollar-denominated cash and cash equivalents		4		—
Less:				
Acquisition-related costs		(11)		(17)
Free cash[1]	**$**	**495**	**$**	**424**
Return on average shareholders' equity[2]		**10.1%**		**13.6%**
Adjusted ROIC[1]		**7.3%**		**8.2%**
Long-term debt to Net income ratio[3]		**5.1**		**6.9**
Adjusted net debt to Adjusted EBITDA ratio[1]		**3.5**		**4.7**
Combined adjusted net debt to Combined adjusted EBITDA ratio[1]		**3.6**		**4.1**

(1) For a full description and reconciliation of Non-GAAP Measures, see CPKC's Q1 2023 Earnings Release on investor.cpkcr.com and CPKC's 2023 Q1 MD&A available on SEDAR at www.sedar.com under CPKC's SEDAR profile
(2) Return on average shareholders' equity is defined as Net income divided by average shareholders' equity, averaged between the beginning and ending balance over a trailing 12-month period.
(3) Long-term debt to Net income ratio is defined as long-term debt, including long-term debt maturing within one year, divided by Net income.
(4) Financial and operating results are representative of CP standalone for the three months ended March 31, 2023 and March 31, 2022

KEITH CREEL

PRESIDENT & CHIEF EXECUTIVE OFFICER

INVESTOR RELATIONS CONTACTS

MAEGHAN ALBISTON
Vice-President

CHRIS DE BRUYN
Assistant Vice-President

ASHLEY THORNE
Managing Director

403-319-3591
investor@cpkcr.com
investor.cpkcr.com

APPENDIX

BELOW THE LINE – Q1

(in millions, except percentages)	First Quarter 2023		2022	Change %
Equity earnings of Kansas City Southern[(1)]	$ (204)		$ (198)	3%
Other expense (income)	2		(1)	(300)%
Other components of net periodic benefit recovery	(86)		(101)	(15)%
Net interest expense	154		160	(4)%
Income tax expense	163		85	92%

(1) 2023 Q1 Equity earnings of KCS includes $10M of acquisition-related costs and $42 million of purchase accounting from the amortization of the basis differences; 2022 Q1 Equity earnings of KCS includes $13M of acquisition-related costs and $40 million of purchase accounting from the amortization of the basis differences

CPKC

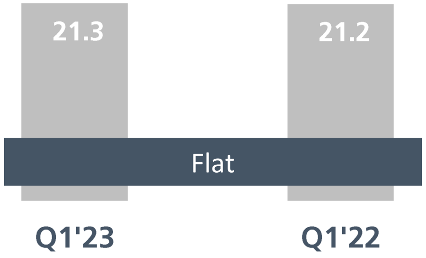
KCS FIRST QUARTER RESULTS

	Q1 2023	Q1 2022	Change %
Carloads/Units (in thousands)	584.5	575.2	+2%
Revenues (in millions, $ USD)	$877.3	$778.2	+13%
Reported Operating Ratio (percent)	65.6%	62.6%	+300 bps
Adjusted Operating Ratio[(1)] (percent)	64.6%	60.9%	+370 bps

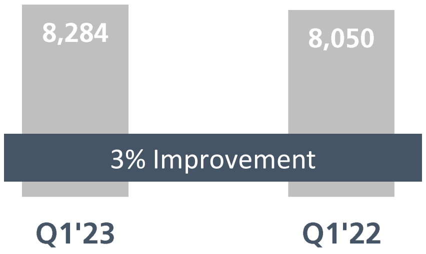
(1) For a full description and reconciliation of Non-GAAP Measures, see "Non-GAAP Financial Information (Regulation G)" on page 10 of KCS' Q1 2023 Financial Report on our website at investor.cpk

Q1 OPERATING PERFORMANCE

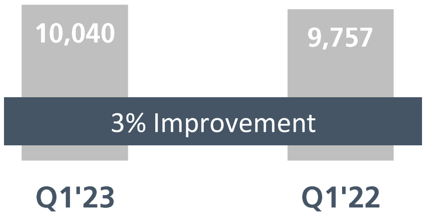
Average train speed
(miles per hour)



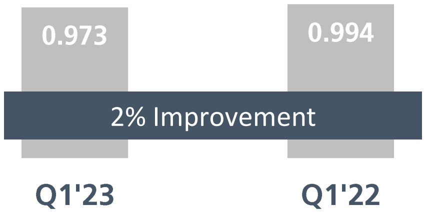
Average train length
(feet)



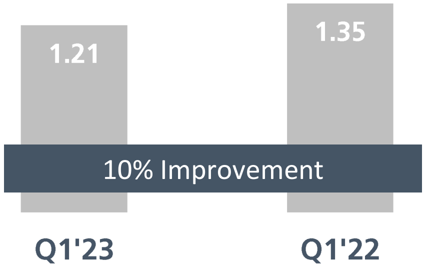
Average train weight
(tons)



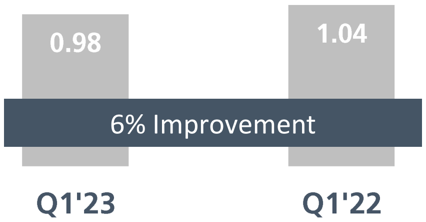
Fuel Efficiency
(U.S. gallons of locomotive fuel/1,000 GTMs)



FRA personal injuries
(per 200,000 employee-hours)



FRA train accident frequency
(per million train-miles)



(1) Financial and operating results are representative of CP standalone for the three months ended March 31, 2023 and March 31, 2022
(2) Federal Railroad Administration ("FRA") personal injuries per 200,000 employee-hours for the three months ended March 31, 2022, previously reported as 1.31, was restated to 1.35 in this Earnings Release. This restatement reflects new information available within specified periods stipulated by the FRA but that exceed the CP's financial reporting timeline