



Q4 2025 EARNINGS REVIEW

January 28, 2026





FORWARD-LOOKING STATEMENTS

This investor presentation contains forward-looking information and forward-looking statements within the meaning of applicable securities laws in both the United States (“U.S.”) and Canada (collectively, “forward-looking statements”). Forward-looking statements include, but are not limited to, statements concerning expectations, beliefs, plans, goals, objectives, assumptions and statements about possible future events, conditions, and results of operations or performance. Forward-looking statements may contain statements with the words or headings such as “financial expectations”, “key assumptions”, “anticipate”, “believe”, “expect”, “project”, “estimate”, “forecast”, “plan”, “intend”, “target”, “will”, “outlook”, “guidance”, “should” or similar words suggesting future outcomes. All statements other than statements of historical fact may be forward-looking statements. This presentation contains forward-looking statements concerning, but not limited to, financial targets for 2024-2028 and our ability to deliver on our 2026 financial guidance; our ability to deliver on our long-term value proposition; estimated capital expenditures; strategic initiatives and investments; the success of our business and our customers; the realization of anticipated benefits and synergies of the Canadian Pacific Railway Limited (“CP”)-Kansas City Southern (“KCS”) combination and the opportunities arising therefrom; our operations, priorities and plans (including sustainability-related targets and plans); and anticipated financial and operational performance, business prospects and demand for our services and growth opportunities. The forward-looking statements contained in this presentation are based on current expectations, estimates, projections and assumptions, having regard to Canadian Pacific Kansas City Limited’s (“CPKC’s” or the “Company’s”) experience and its perception of historical trends, and include, but are not limited to, expectations, estimates, projections and assumptions relating to: changes in business strategies; North American and global economic growth and conditions; commodity demand growth; sustainable industrial and agricultural production; commodity prices and interest rates; foreign exchange rates; core adjusted effective tax rates; performance of our assets and equipment; sufficiency of our budgeted capital expenditures in carrying out our business plan; geopolitical conditions, applicable laws, regulations and government policies, including without limitation, those relating to regulation of rates, tariffs, import/export, trade, taxes, wages, labour and immigration; the availability and cost of labour, services and infrastructure; labour disruptions; the satisfaction by third parties of their obligations to CPKC; and carbon markets, evolving sustainability strategies, and scientific or technological developments. Although CPKC believes the expectations, estimates, projections and assumptions reflected in the forward-looking statements presented herein are reasonable as of the date hereof, there can be no assurance that they will prove to be correct. Current conditions, economic and otherwise, render assumptions, although reasonable when made, subject to greater uncertainty. Undue reliance should not be placed on forward-looking statements as actual results may differ materially from those expressed or implied by forward-looking statements. By their nature, CPKC’s forward-looking statements involve numerous inherent risks and uncertainties that could cause actual results to differ materially from the forward looking statements, including, but not limited to, the following factors: changes in business strategies and strategic opportunities; general Canadian, U.S., Mexican and global social, economic, political, credit and business conditions; risks associated with agricultural production such as weather conditions and insect populations; the availability and price of energy commodities; the effects of competition and pricing pressures, including competition from other rail carriers, trucking companies and maritime shippers in Canada, the U.S. and Mexico; North American and global economic growth and conditions; industry capacity; shifts in market demand; changes in commodity prices and commodity demand; uncertainty surrounding timing and volumes of commodities being shipped by CPKC; inflation; geopolitical instability; changes in laws, regulations and government policies, including, without limitation, those relating to regulation of rates, tariffs, import/export, trade, wages, labour and immigration; changes in taxes and tax rates; potential increases in maintenance and operating costs; changes in fuel prices; disruption of fuel supplies; uncertainties of investigations, proceedings or other types of claims and litigation; compliance with environmental regulations; labour disputes; changes in labour costs and labour difficulties; risks and liabilities arising from derailments; transportation of dangerous goods; timing of completion of capital and maintenance projects; sufficiency of budgeted capital expenditures in carrying out business plans; services and infrastructure; the satisfaction by third parties of their obligations; currency and interest rate fluctuations; exchange rates; effects of changes in market conditions and discount rates on the financial position of pension plans and investments; trade restrictions, including the imposition of any tariffs, or other changes to international trade arrangements; the effects of current and future multinational trade agreements on or other developments affecting the level of trade among Canada, the U.S. and Mexico; climate change and the market and regulatory responses to climate change; anticipated in-service dates; success of hedging activities; operational performance and reliability; customer, regulatory and other stakeholder approvals and support; regulatory and legislative decisions and actions; the adverse impact of any termination or revocation by the Mexican government of Kansas City Southern de México, S.A. de C.V.’s Concession; public opinion; various events that could disrupt operations, including severe weather, such as droughts, floods, avalanches, volcanism and earthquakes, and cybersecurity attacks, as well as security threats and governmental response to them, and technological changes; acts of terrorism, war or other acts of violence or crime or risk of such activities; insurance coverage limitations; material adverse changes in economic and industry conditions; the outbreak of a pandemic or contagious disease and the resulting effects on economic conditions; the demand environment for logistics requirements and energy prices; restrictions imposed by public health authorities or governments; fiscal and monetary policy responses by governments and financial institutions; disruptions to global supply chains; the realization of anticipated benefits and synergies of the CP-KCS transaction and the timing thereof; the satisfaction of the conditions imposed by the U.S. Surface Transportation Board in its March 15, 2023 decision; the successful integration of KCS into the Company; the focus of management time and attention on the CP-KCS integration and other disruptions arising from the CP-KCS integration; estimated future dividends; financial strength and flexibility; debt and equity market conditions, including the ability to access capital markets on favourable terms or at all; cost of debt and equity capital; improvement in data collection and measuring systems; industry-driven changes to methodologies; and the ability of the management of CPKC to execute key priorities, including those in connection with the CP-KCS transaction. The foregoing list of factors is not exhaustive. These and other factors that could cause actual results to differ materially from those described in the forward-looking statements contained in this presentation are detailed from time to time in reports filed by CPKC with securities regulators in Canada and the United States, which can be accessed on SEDAR+ (www.sedarplus.ca) and EDGAR (www.sec.gov). Reference should be made to “Part I - Item 1A - Risk Factors” and “Part II - Item 7 - Management’s Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements” in CPKC’s annual report on Form 10-K and “Part II - Item 1A – Risk Factors” and “Part I - Item 2 – Management’s Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Statements” in the CPKC’s interim reports on Form 10-Q. The forward-looking statements contained in this presentation are made as of the date hereof. Except as required by law, CPKC undertakes no obligation to update publicly or otherwise revise any forward-looking statements, or the foregoing assumptions and risks affecting such forward-looking statements, whether as a result of new information, future events or otherwise.



BASIS OF PRESENTATION & NON-GAAP MEASURES

BASIS OF PRESENTATION

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

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

NON-GAAP MEASURES

CPKC presents Non-GAAP measures, including Core adjusted operating ratio, Core adjusted diluted earnings per share (“EPS”), FX-adjusted revenue and operating expense percent variance, Core adjusted operating income, Core adjusted income and Core adjusted effective tax rate, to provide a basis for evaluating underlying earnings trends in CPKC's current periods' financial results that can be compared with the results of operations in prior periods and facilitate a multi-period assessment of long-term profitability.

These Non-GAAP measures have no standardized meaning and are not defined by GAAP and, therefore, may not be comparable to similar measures presented by other companies. The presentation of these Non-GAAP measures is not intended to be considered in isolation from, as a substitute for, or as superior to the financial information presented in accordance with GAAP.

Although CPKC has provided forward-looking Non-GAAP measures (Core adjusted diluted EPS, Core adjusted effective tax rate, Core adjusted free cash conversion and Core adjusted return on invested capital (“ROIC”)) management is unable to reconcile, without unreasonable efforts, the forward-looking Core adjusted diluted EPS, Core adjusted effective tax rate, Adjusted free cash and Core adjusted ROIC to the most comparable GAAP measures (Diluted EPS, effective tax rate, net cash provided by operating activities and Return on average shareholders’ equity), due to unknown variables and uncertainty related to future results. These unknown variables and uncertainty may include unpredictable transactions of significant value. In recent years, the Company has recognized acquisition-related costs, KCS purchase accounting, adjustments to provisions and settlements of Mexican taxes, changes in income tax rates, a gain on sale of an equity investment, and a change to an uncertain tax item. These or other similar, large unforeseen transactions affect diluted EPS, effective tax rate, net cash flow from operating activities, and return on average shareholders' equity but may be excluded from CPKC's Core adjusted diluted EPS, Core adjusted effective tax rate, Core adjusted free cash conversion, and Core adjusted ROIC. Additionally, the Canadian-to-U.S. dollar and Mexican peso-to-U.S. dollar exchange rates are unpredictable and can have a significant impact on CPKC's reported results but may be excluded from CPKC's Core adjusted diluted EPS, Core adjusted effective tax rate, Core adjusted free cash conversion and Core adjusted ROIC.

Beginning in the first quarter 2025, Core adjusted operating ratio, Core adjusted diluted EPS, Core adjusted operating income, and Core adjusted income and have been used in continuity of the Non-GAAP measures previously known as Core adjusted combined operating ratio, Core adjusted combined diluted EPS, Core adjusted combined operating income and Core adjusted combined income respectively. No adjustments are required to the previously presented Non-GAAP measures as reported in 2024 to present them on a comparable basis, as KCS was consolidated within the Company's results throughout the whole year and therefore, no combination adjustments exist.

For further information regarding Non-GAAP measures, including reconciliations to the most directly comparable GAAP measures, see the Non-GAAP Measures supplement to the Q4 2025 Earnings Release on our website at investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile.



KEITH CREEL

PRESIDENT &
CHIEF EXECUTIVE OFFICER



HIGHLIGHTS

- Strong operational execution and cost control delivered record margins
- Unique self-help wins offsetting areas of demand softness
- Record grain harvests and continued synergy growth in 2026
- Disciplined capital investment including 100 new locomotives
- 2026 Guidance:
 - Mid single-digit volume growth
 - Low double-digit Core adjusted diluted EPS growth⁽¹⁾

Q4	2025
Total Revenues \$3.9 billion 1%	Total Revenues \$15.1 billion 4%
Operating Ratio 58.9% -80 bps	Operating Ratio 62.8% -160 bps
Core Adjusted Operating Ratio ⁽¹⁾ 55.9% -120 bps	Core Adjusted Operating Ratio ⁽¹⁾ 59.9% -140 bps
Diluted EPS \$1.20 (6%)	Diluted EPS \$4.51 13%
Core Adjusted Diluted EPS ⁽¹⁾ \$1.33 3%	Core Adjusted Diluted EPS ⁽¹⁾ \$4.61 8%



MARK REDD

CHIEF OPERATING OFFICER

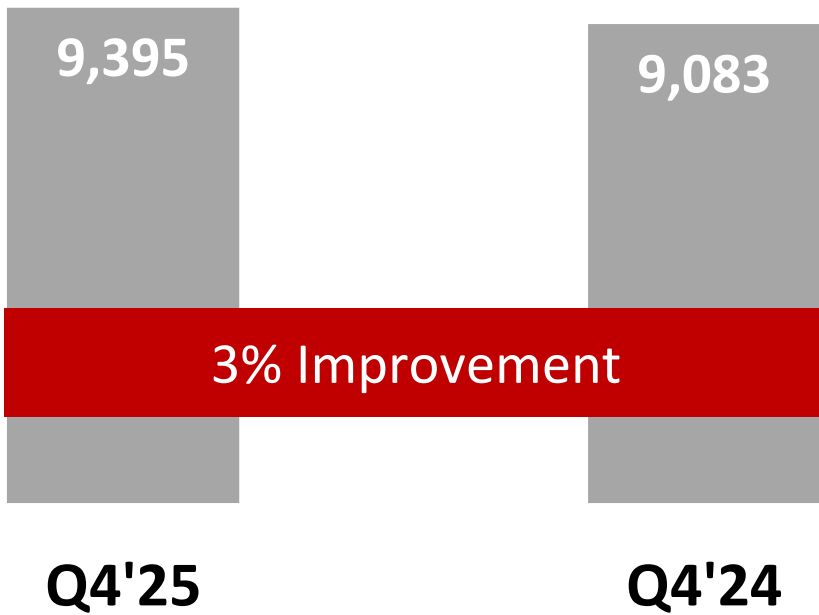


OPERATING PERFORMANCE

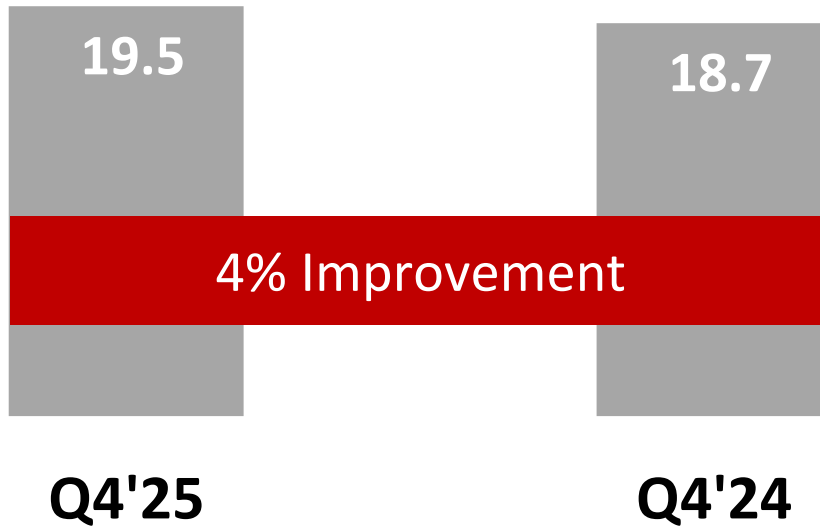
VS. Q4 2024

- Record CPKC operating results across key metrics driving strong network performance
- Industry-leading safety record
- Continued labour progress with 16 new 5-year agreements ratified
- Investment in Tier IV locomotives improving the efficiency and reliability of our fleet
 - 100 received in 2025
 - 100 scheduled for delivery in 2026

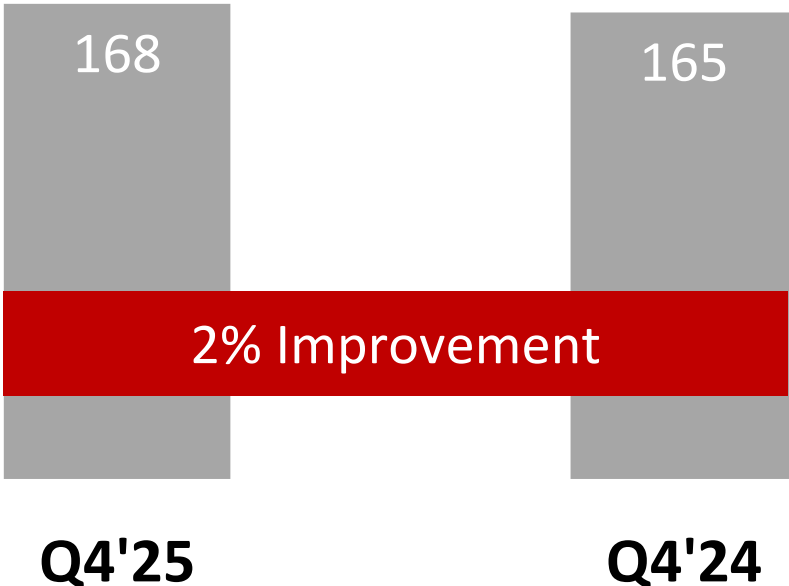
Average train weight
(tons)



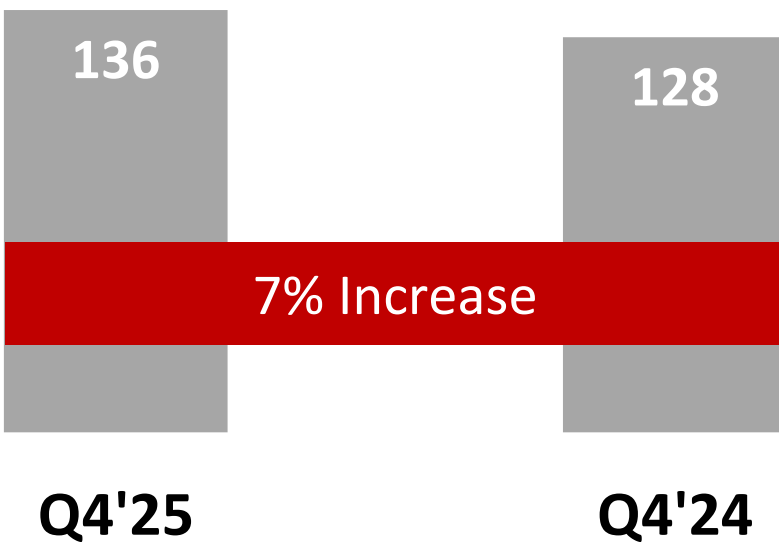
Average train speed
(miles per hour)



Locomotive productivity
(GTM / operating horsepower)



Car miles per car day
(car velocity)





JOHN BROOKS

CHIEF MARKETING OFFICER



REVENUE HIGHLIGHTS

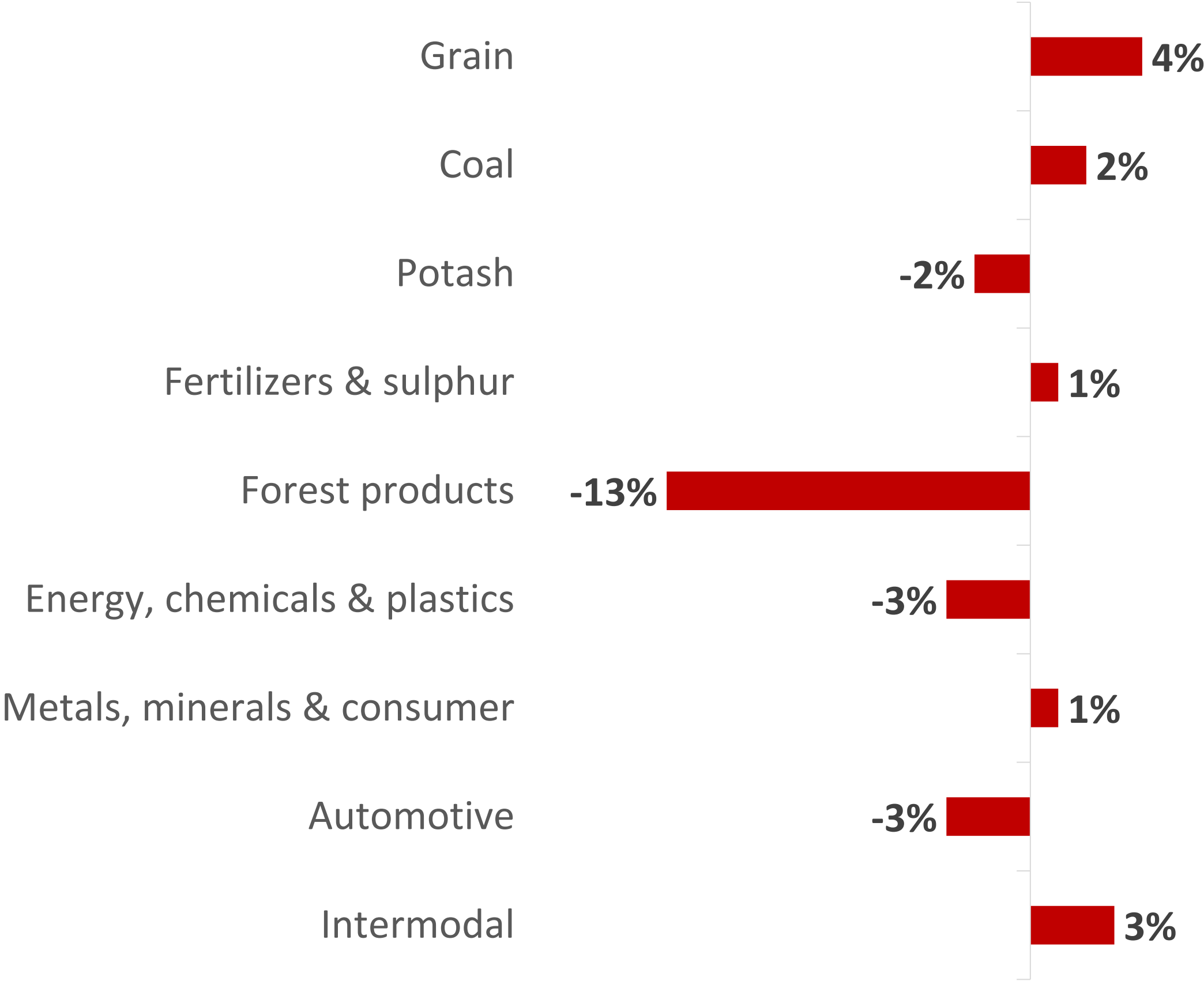
VS. Q4 2024

TOTAL REVENUE

1%

RTMs:	-%
\$/RTM:	1%
Carloads:	1%
\$/Carload:	-%

FX-ADJUSTED REVENUE VARIANCE⁽¹⁾



REVENUE UPDATE

VS. Q4 2024

BULK

FX-Adj Revenue⁽¹⁾ +3% | RTMs +1%

- Growth in **Canadian Grain** driven by a stronger harvest
- **U.S. Grain** growth from higher exports and higher volumes to Mexico
 - Expect **Grain** strength during the first half of 2026, benefitting from stronger harvests and new crush capacity
- Expect **Potash** to be a strong contributor to base business performance in 2026
- Lower **Coal** volumes in Q4 from mix impacts and port maintenance

MERCHANDISE

FX-Adj Revenue⁽¹⁾ -3% | RTMs -4%

- **ECP** performance impacted by lower crude and refined fuels, along with softer base demand, partially offset by land bridge growth
- **Forest Products** pressured by tariffs and macro softness
- **MMC** growth from synergies and industrial development trends, partially offset by tariff impact
- **Automotive** volumes impacted by chip shortage in the quarter. Anticipate continued growth in 2026

INTERMODAL

FX-Adj Revenue⁽¹⁾ +3% | RTMs +4%

- Continued solid performance in **Intermodal**
 - **International Intermodal** growth driven by Gemini alliance out of CPKC-served ports and lapping last year's work stoppage
 - **Domestic Intermodal** growth driven by strong 180/181 and refrigerated volumes
 - Robust opportunity pipeline with refrigerated shipments and SMX service connecting Mexico and Dallas with the U.S. southeast



NADEEM
VELANI

CHIEF FINANCIAL OFFICER



FINANCIAL PERFORMANCE

VS. Q4 2024

Fourth Quarter

<i>(in millions, except percentages and per share data)</i>		2025	2024	Change	FX Adjusted Change ⁽¹⁾
Total revenues	\$	3,923	\$ 3,874	1%	1%
Total operating expenses		2,310	2,314	-%	(1%)
Operating income as reported	\$	1,613	\$ 1,560	3%	
Core adjusted operating income⁽¹⁾		1,730	1,663	4%	
Net income attributable to controlling shareholders as reported	\$	1,077	\$ 1,201	(10%)	
Core adjusted income ⁽¹⁾		1,199	1,202	-%	
Diluted earnings per share as reported	\$	1.20	\$ 1.28	(6%)	
Core adjusted diluted earnings per share⁽¹⁾		1.33	1.29	3%	
Weighted-average number of diluted shares outstanding		898.4	934.8	(4%)	
Operating ratio as reported		58.9%	59.7%	(80 bps)	
Core adjusted operating ratio⁽¹⁾		55.9%	57.1%	(120 bps)	

FINANCIAL PERFORMANCE

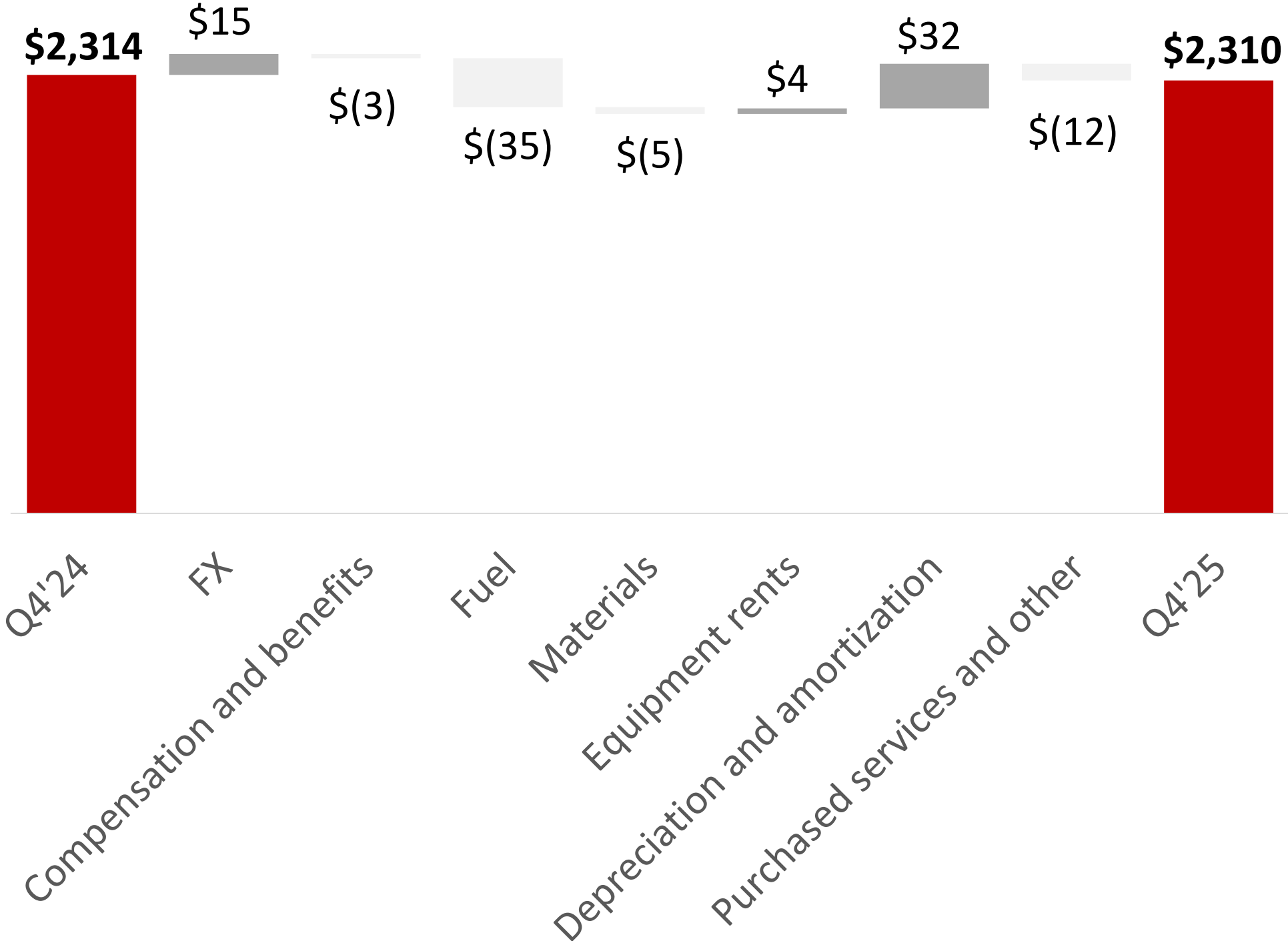
Full Year 2025 VS. Full Year 2024

	Full Year					FX Adjusted Change ⁽¹⁾
(in millions, except percentages and per share data)		2025		2024	Change	
Total revenues	\$	15,078	\$	14,546	4%	3%
Total operating expenses		9,469		9,367	1%	-%
Operating income as reported	\$	5,609	\$	5,179	8%	
Core adjusted operating income ⁽¹⁾		6,048		5,623	8%	
Net income attributable to controlling shareholders as reported	\$	4,141	\$	3,718	11%	
Core adjusted income ⁽¹⁾		4,226		3,973	6%	
Diluted earnings per share as reported	\$	4.51	\$	3.98	13%	
Core adjusted diluted earnings per share ⁽¹⁾		4.61		4.25	8%	
Weighted-average number of diluted shares outstanding		917.1		934.6	(2%)	
Operating ratio as reported		62.8%		64.4%	(160 bps)	
Core adjusted operating ratio ⁽¹⁾		59.9%		61.3%	(140 bps)	

OPERATING EXPENSES

VS. Q4 2024

(in millions, except percentages)	Fourth Quarter		Change	FX Adjusted Change ⁽¹⁾
	2025	2024		
Compensation and benefits ⁽²⁾	\$ 621	\$ 619	-%	-%
Fuel	430	459	(6%)	(8%)
Materials ⁽³⁾	112	116	(3%)	(4%)
Equipment rents	97	94	3%	4%
Depreciation and amortization ⁽⁴⁾	519	488	6%	7%
Purchased services and other ⁽⁵⁾	531	538	(1%)	(2%)
Total operating expenses	\$ 2,310	\$ 2,314	-%	(1%)



(1) For a full description and reconciliation of Non-GAAP Measures, see CPKC’s Q4 2025 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC’s SEDAR+ profile

(2) Compensation and benefits includes an acquisition-related recovery of \$5M in Q4 2025 and acquisition-related costs of \$1M in Q4 2024, and adjustments to provisions and settlements of Mexican taxes of \$nil in Q4 2025 and \$7M recovery in Q4 2024

(3) Materials includes acquisition-related costs of \$nil in Q4 2025 and \$1M in Q4 2024

(4) Depreciation and amortization includes purchase accounting of \$105M in Q4 2025 and \$87M in Q4 2024

(5) Purchased services and other includes acquisition-related costs of \$16M in Q4 2025 and \$20M in Q4 2024 and purchase accounting of \$1M in Q4 2025 and \$1M in Q4 2024

BELOW THE LINE

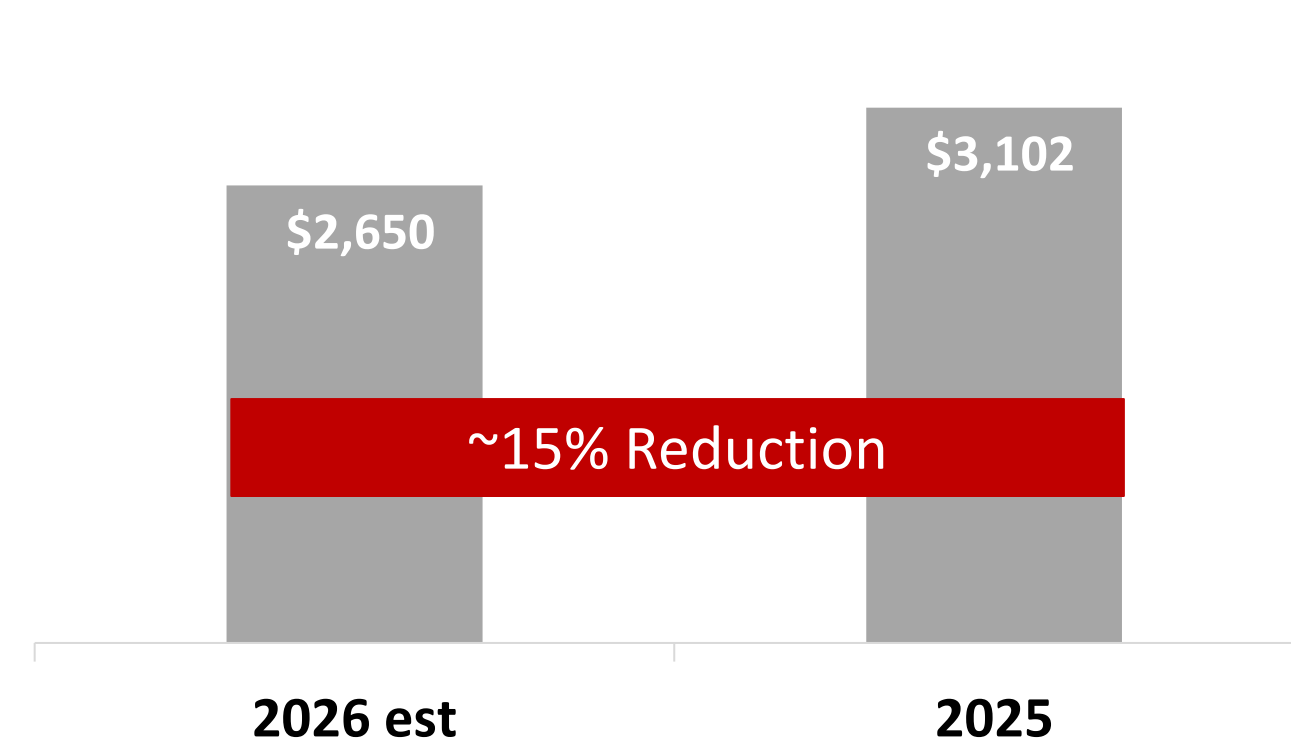
VS. Q4 2024

<i>(in millions, except percentages)</i>	Fourth Quarter		Change
	2025	2024	
Other income ⁽¹⁾	\$ -	\$ (1)	100%
Other components of net periodic benefit recovery ⁽²⁾	(94)	(87)	8%
Net interest expense ⁽³⁾	230	203	13%
Income tax expense ⁽⁴⁾	400	246	63%

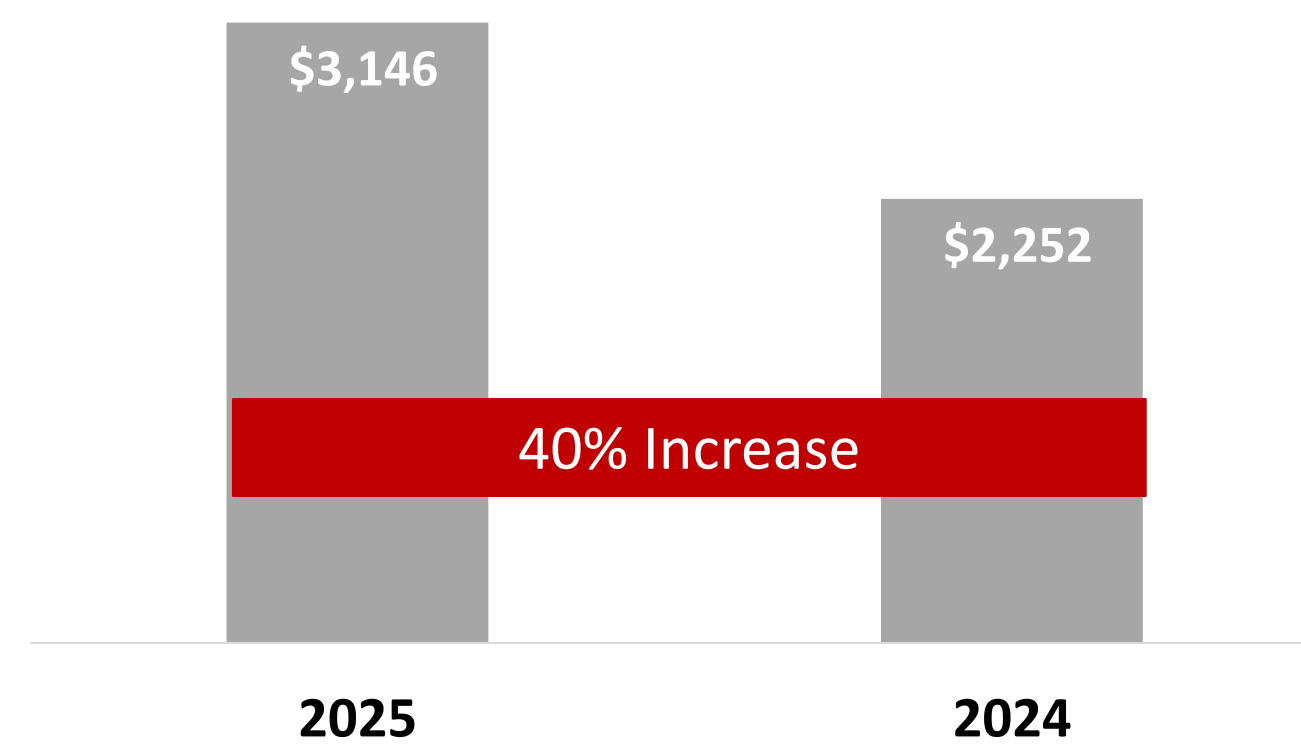
(1) Other income includes purchase accounting of \$nil in Q4 2025 and \$1M in Q4 2024
(2) Other components of net periodic benefit recovery includes acquisition-related costs of \$9M in Q4 2025 \$nil in Q4 2024
(3) Net interest expense includes purchase accounting of \$5M in Q4 2025 and \$6M in Q4 2024
(4) Income tax expense includes tax recoveries from pre-tax significant items and purchase accounting impact of \$7M in Q4 2025 and \$29M in Q4 2024. Q4 2024 also includes a \$78M tax recovery from an income tax rate change

CASH FLOW GENERATION

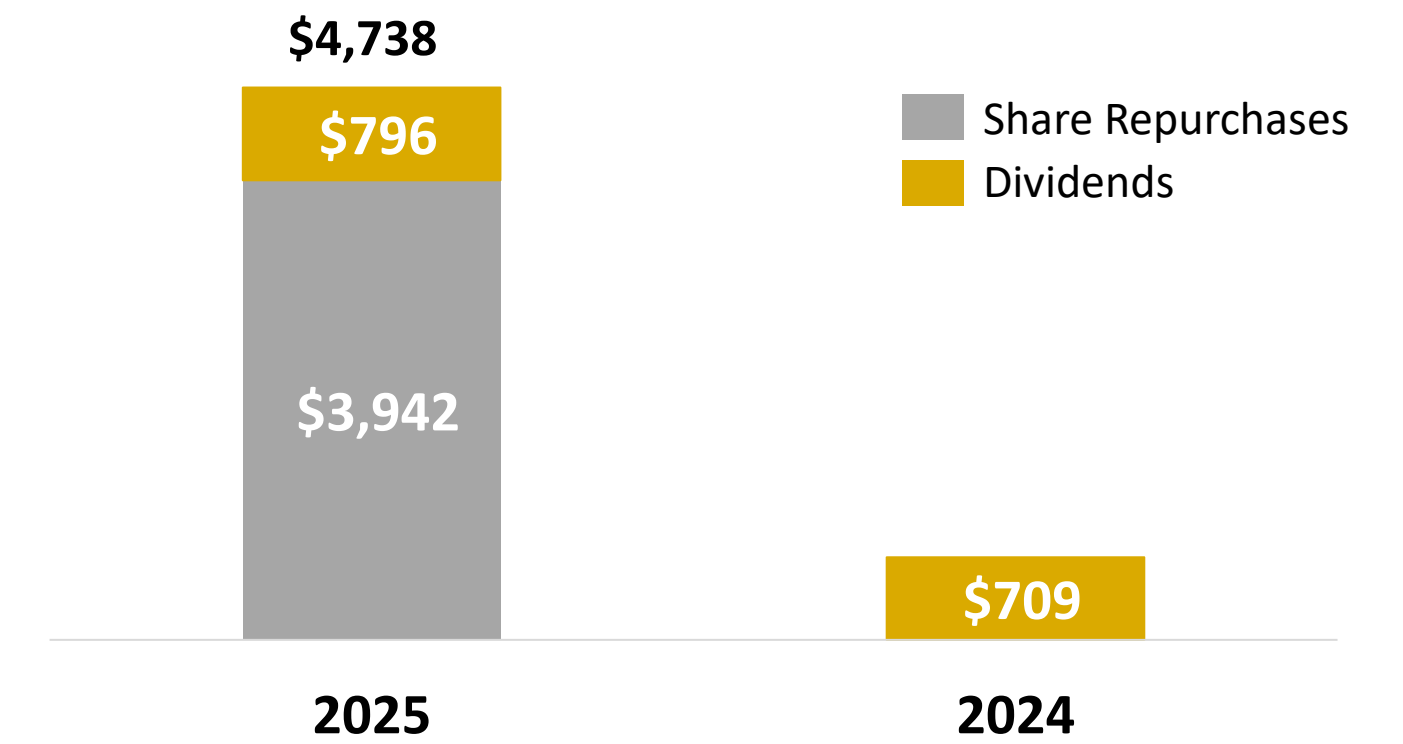
Additions to Properties



Net cash used in financing activities



Shareholder Returns



- Effective capital deployment:
 - 2025 capital expenditures \$3.1B, driven by maintenance project pull-forward
 - 2026 capital expenditures outlook \$2.65B, a ~15% reduction from 2025
- Balanced, opportunistic shareholder returns:
 - Completed previously announced 4% share repurchase program in late October 2025
 - Announcing new 5% share repurchase program in 2026

INVESTOR RELATIONS CONTACTS

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2026 OUTLOOK⁽¹⁾

LOW DOUBLE-DIGIT CORE ADJUSTED DILUTED EPS⁽¹⁾ GROWTH

vs. 2025 Core adjusted diluted EPS⁽¹⁾ of \$4.61

MID-SINGLE DIGIT RTM GROWTH

CAPITAL EXPENDITURES ~\$2.65B

Assumptions

- Other components of net periodic benefit recovery will be \$441M in 2026
- Core adjusted effective tax rate of approximately 24.75%⁽¹⁾

(1) For a full description and reconciliation of Non-GAAP Measures and forward-looking Non-GAAP Measures, see CPKC's Q4 2025 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC's SEDAR+ profile



OUTLOOK FOR LONG-TERM GROWTH: 2024 – 2028⁽¹⁾

High single-digit revenue growth

Double-digit Core adjusted EPS⁽²⁾ growth

Capital expenditures of \$2.6 to \$2.8 billion per year

Adjusted free cash⁽²⁾ conversion of
Core adjusted income⁽²⁾ of ~90%

Return to double-digit Core adjusted ROIC⁽²⁾

Strong margin improvement through
cost control and operating leverage

Key Assumptions

- Exchange rate of \$1.35 CAD/USD
- On-Highway Diesel price of \$4.15 USD/U.S. gallon
- Other components of net periodic benefit recovery of \$330 million to \$370 million
- Annualized 2024 – 2028 Core adjusted effective tax rate of approximately 25.5%⁽²⁾, excluding significant items

CPKC'S SUSTAINABILITY LEADERSHIP

Advancing our commitment to sustainable, long-term growth

■ Sustainability Disclosures and Publications

- Published [2025 CDP Response](#) in October 2025
- Published [2024 Sustainability Data Report](#) in July 2025
- Published [Task Force on Climate-related Financial Disclosures \(TCFD\) Index](#) in March 2025
- Published [Climate Mileposts](#) report in February 2025, providing a progress update on the transition to low-carbon freight rail

■ Low carbon innovation

- Continuing biofuel trial in British Columbia, while actively evaluating opportunities to expand testing of renewable fuel use in operations

■ Continue to make progress on hydrogen locomotive program

- Added two new low horsepower units operating in weekly revenue service; successful completion of high horsepower fleet testing
- Executed ERA commitment of fueling infrastructure construction in Lethbridge and weekly revenue service testing of low horsepower units

■ Investing in our communities

- Raised >\$2M and collected >175k pounds of food for foodbanks in 190 communities across our network through the annual Holiday Train Program
- Raised >\$690k and awareness for veterans facing homelessness in Canada and the U.S. through Spin for a Veteran



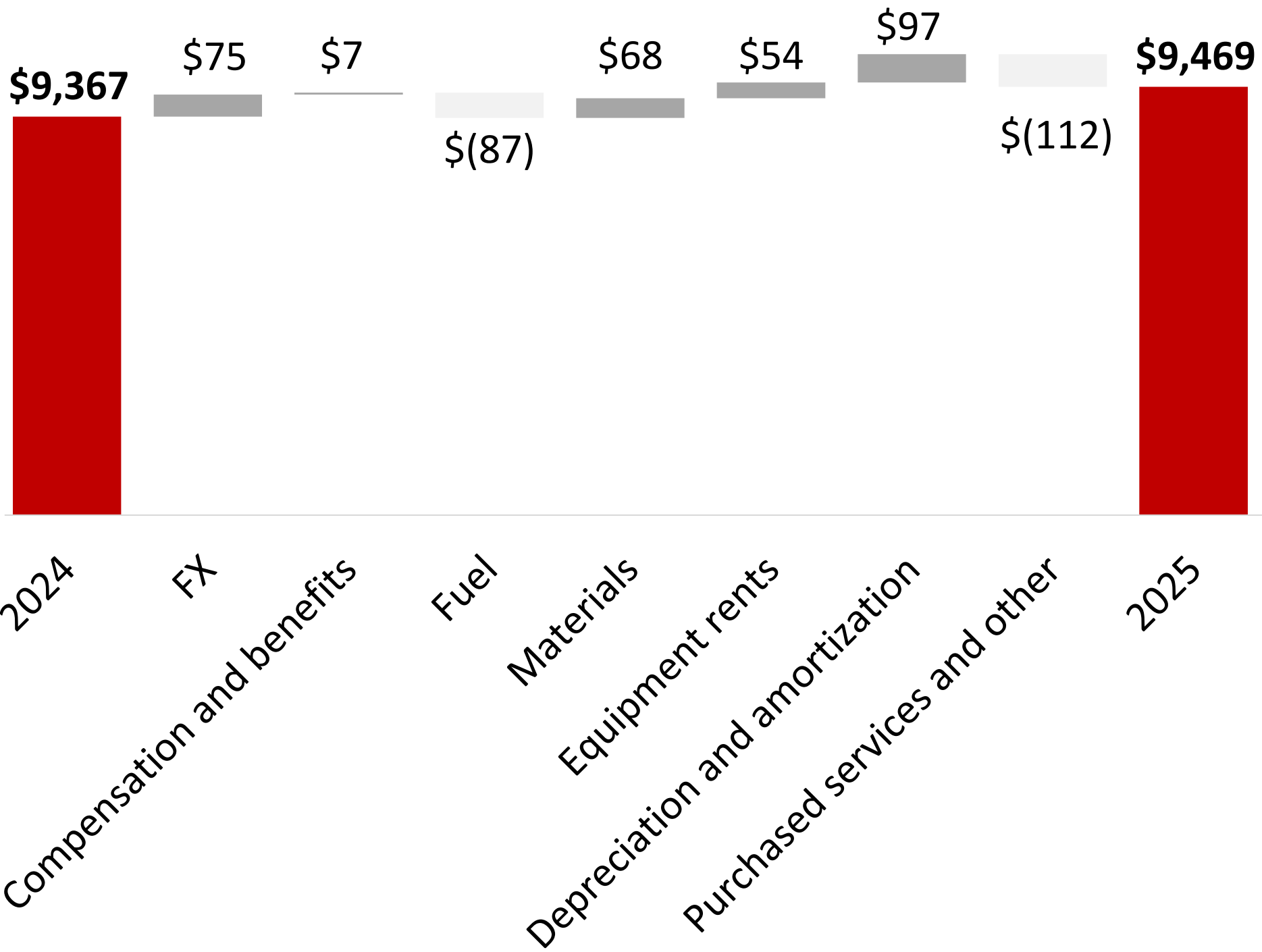
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OPERATING EXPENSES

Full Year 2025 VS. Full Year 2024

	Full Year			
(in millions, except percentages)	2025	2024	Change	FX Adjusted Change ⁽¹⁾
Compensation and benefits ⁽²⁾	\$ 2,581	\$ 2,565	1%	-%
Fuel	1,731	1,802	(4%)	(5%)
Materials ⁽³⁾	474	406	17%	17%
Equipment rents	408	347	18%	15%
Depreciation and amortization ⁽⁴⁾	2,019	1,900	6%	5%
Purchased services and other ⁽⁵⁾	2,256	2,347	(4%)	(5%)
Total operating expenses	\$ 9,469	\$ 9,367	1%	-%



(1) For a full description and reconciliation of Non-GAAP Measures, see CPKC’s Q4 2025 Earnings Release on investor.cpkcr.com and on SEDAR+ at www.sedarplus.ca under CPKC’s SEDAR+ profile

(2) Compensation and benefits includes acquisition-related costs of \$11M in 2025 and \$18M in 2024 and adjustments to provisions and settlements of Mexican taxes of \$nil in 2025 and a \$4M recovery in 2024

(3) Materials includes acquisition-related costs of \$1M in 2025 and \$6M in 2024

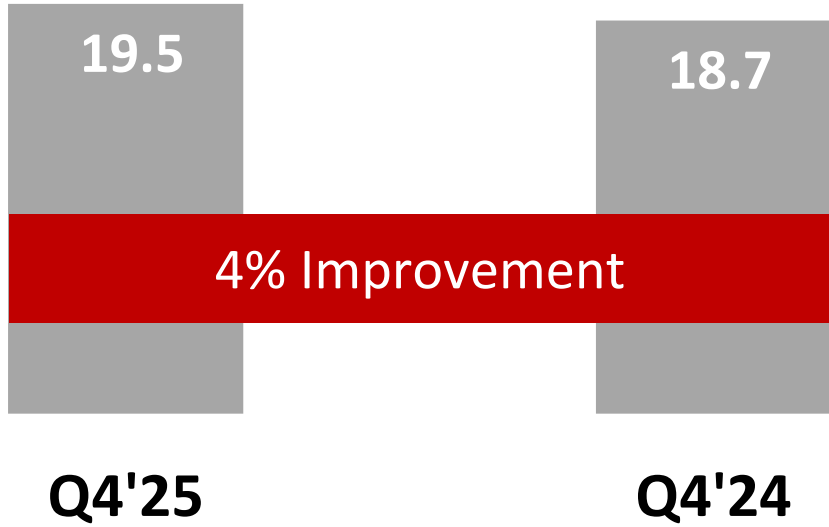
(4) Depreciation and amortization includes purchase accounting of \$373M in 2025 and \$333M in 2024

(5) Purchased services and other includes acquisition-related costs of \$51M in 2025 and \$88M in 2024 and purchase accounting of \$3M in 2025 and \$3M in 2024

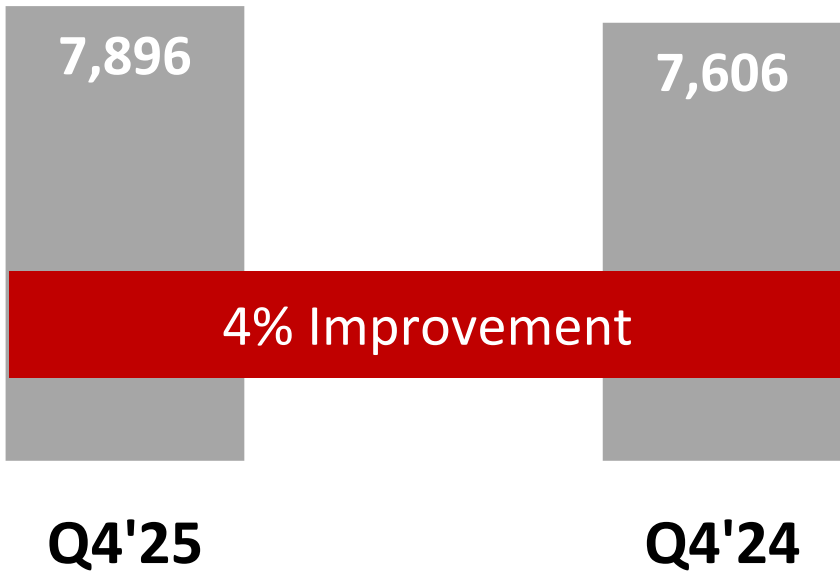
OPERATING PERFORMANCE

VS. Q4 2024

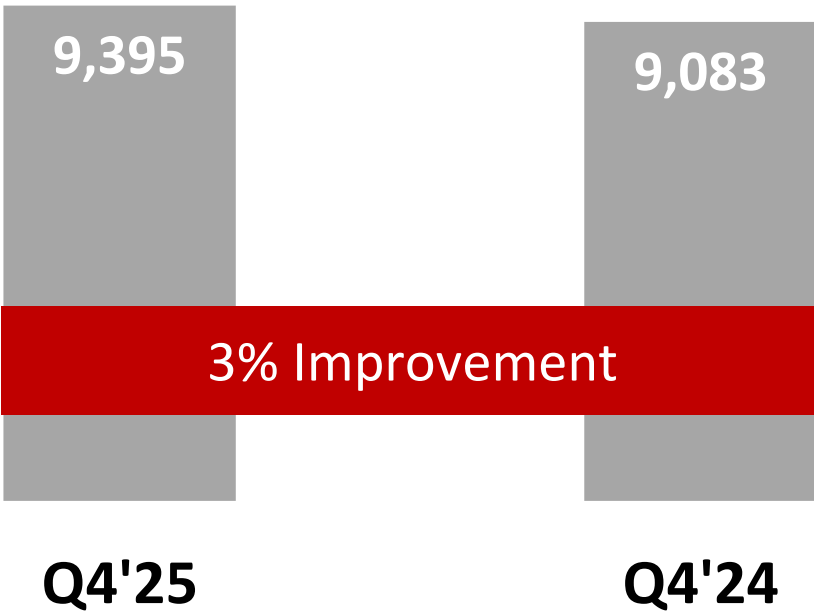
Average train speed
(miles per hour)



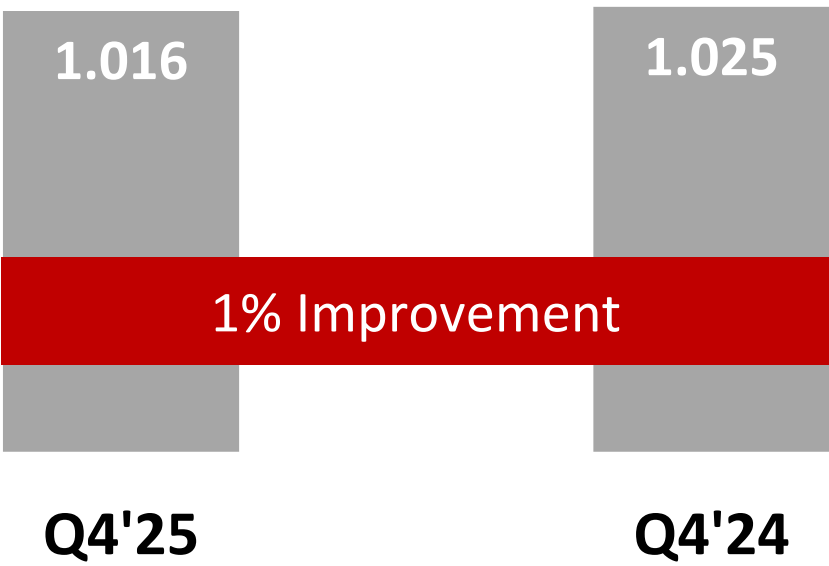
Average train length
(feet)



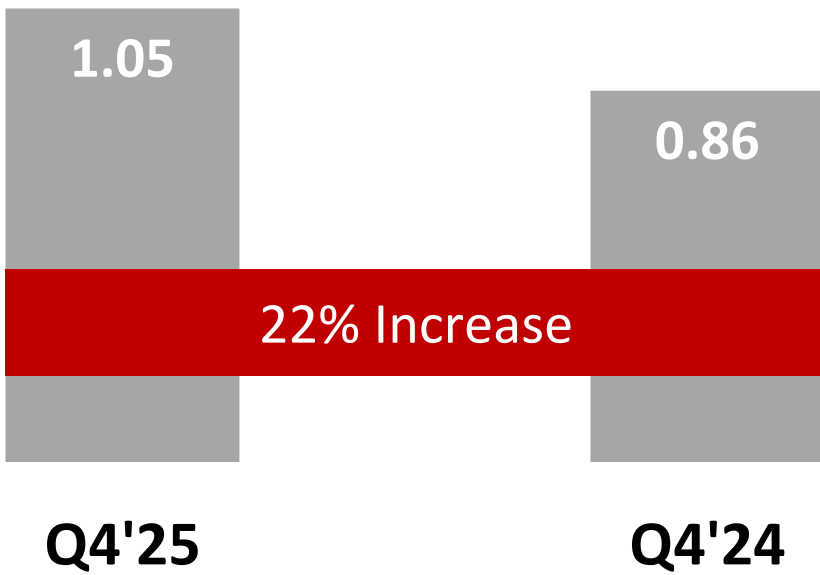
Average train weight
(tons)



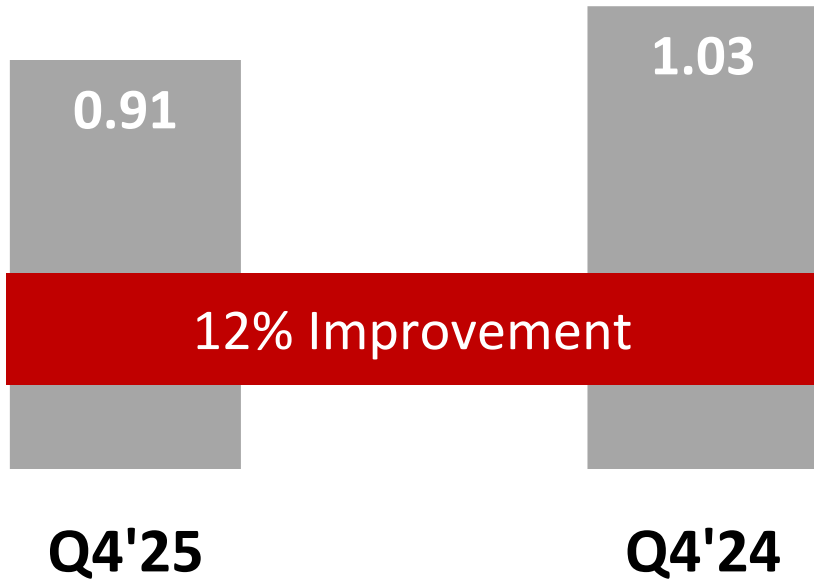
Fuel efficiency
(U.S. gallons of locomotive fuel / 1,000 GTMs)



FRA personal injuries⁽¹⁾
(per 200,000 employee-hours)



FRA train accident frequency
(per million train-miles)

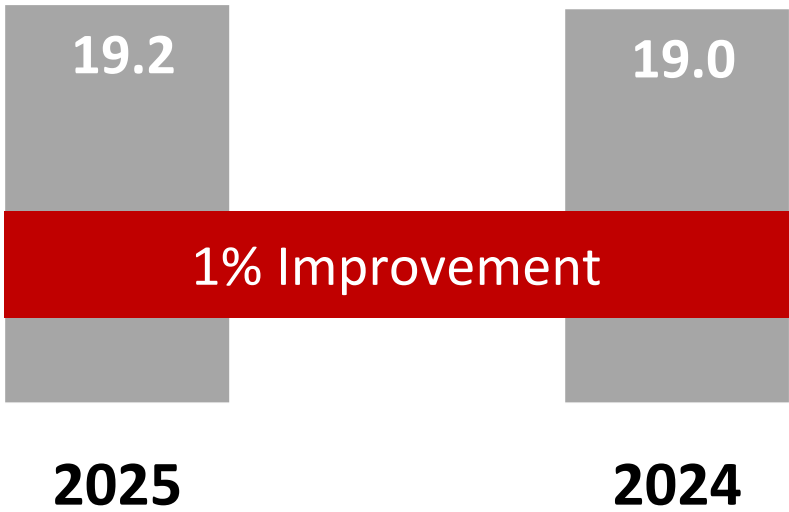


(1) FRA personal injuries per 200,000 employee-hours for the three months ended December 31, 2024 have been restated to reflect new information available within specified periods stipulated by the FRA but that exceed the Company's financial reporting timeline

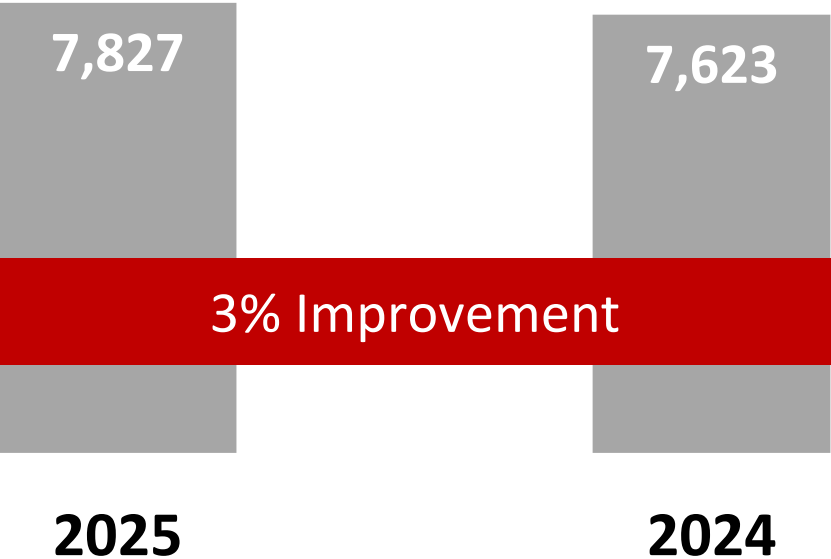
OPERATING PERFORMANCE

Full Year 2025 VS. Full Year 2024

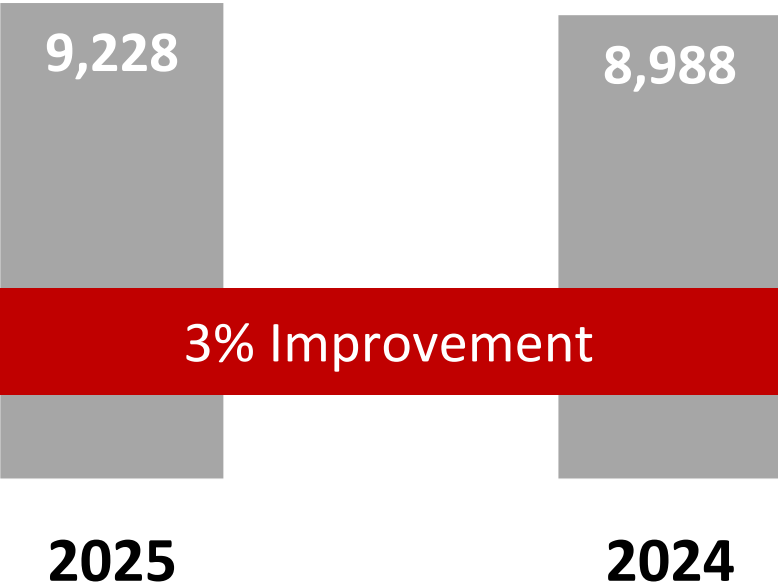
Average train speed
(miles per hour)



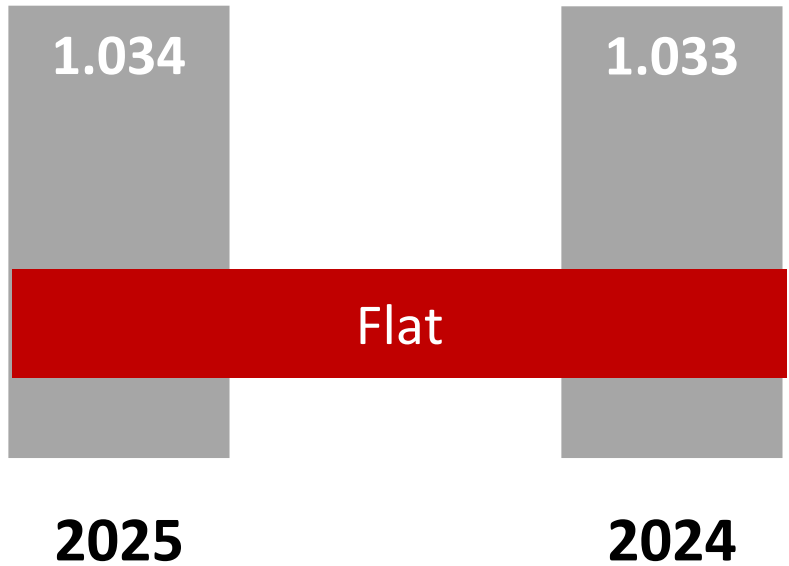
Average train length
(feet)



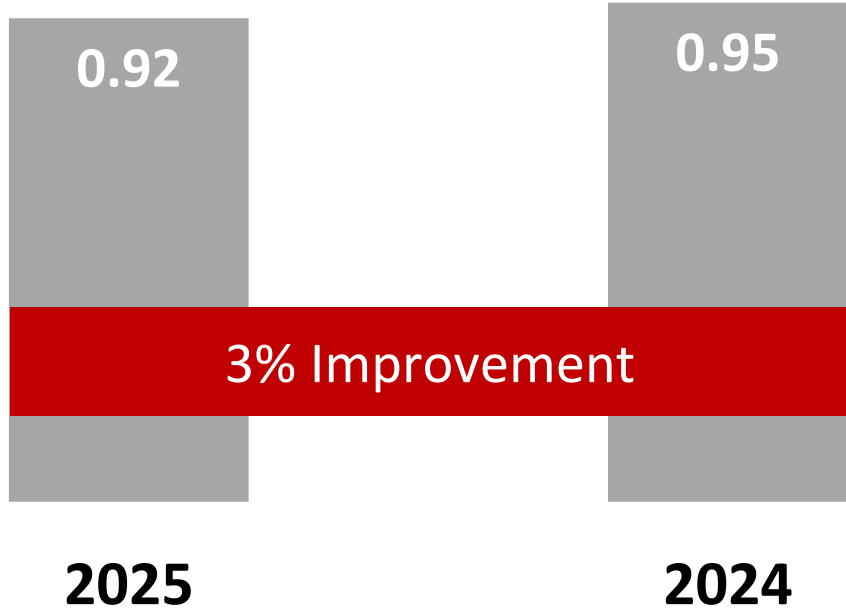
Average train weight
(tons)



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)

