OUR NETWORK

- Track Miles: 14,400
- Work Force: 14,500
- 2013 Carloads (Million): 2.7
- Shipments Tendered Daily: 7,700
- Average Length of Haul (Miles): 844
- 2013 Revenue (Billion): $6.1
- 2013 Gross Ton Miles (Billion GTMS): 268
REVENUE BREAKOUT

GEOGRAPHIC DISTRIBUTION (% OF 2013 FREIGHT REVENUE)

- ASIA 31%
- EUROPE 5%
- CANADA 16%
- US 18%
- CROSS-BORDER 30%

TRAFFIC MIX (% OF 2013 FREIGHT REVENUE)

- BULK 42%
- MERCHANDISE 36%
- INTERMODAL 22%
- CANADIAN GRAIN 15%
- U.S. GRAIN 7%
- COAL 10%
- POTASH 5%
- FERTILIZERS & SULPHUR 5%
- METALS, MINERALS & CONSUMER PRODUCTS 10%
- CRUDE 6%
- AUTOMOTIVE 7%
- FOREST PRODUCTS 3%
SAFETY

INDUSTRY LEADING SAFETY PERFORMANCE

Personal injuries (1)(2)
(Injuries per 200,000 employee-hours)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>YTD Oct</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.85</td>
<td>1.55</td>
<td>1.69</td>
<td>1.66</td>
<td></td>
</tr>
</tbody>
</table>

Train accident frequency (1)(2)
(Accidents per million train-miles)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>YTD Oct</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.88</td>
<td>1.67</td>
<td>1.78</td>
<td>1.11</td>
<td></td>
</tr>
</tbody>
</table>
CAPITAL INVESTMENT

EXPECTING TO SPEND $1.4 TO $1.6 BILLION ANNUALLY

Our four year plan includes record levels of investment to meet growing demand.
INVESTING IN THE NETWORK AND TERMINALS

- Operating efficiencies (train speed, train weights, loco productivity, fuel efficiency)
- Terminal improvements (increased processing, reduce delays, lower cost)
- Add train capacity
- Create route redundancy
## Infrastructure Plans

- **US NETWORK**

### 2014
- (4) Siding Extensions - Portal Sub (1), Paynesville Sub (3)  
- Terminals/Yards (1) - St Paul Terminal  
- CTC (1 Subdivision) – Elbow Lake Sub

### 2015
- (5) Siding Extensions - Portal yard (1), Carrington Sub (1), Elbow Lake Sub (2), Newtown Sub (1)  
- (7) New Sidings - Paynesville Sub (1), Detroit Lakes Sub (2), Marquette Sub (2), Newtown Sub (1), Carrington Sub (1)  
- (3) Terminals/Yards – St Paul terminal con’t, River Jct, Lacrosse  
- CTC (1 Subdivision) – Carrington Sub

### 2016
- (4) Siding Extensions – Laredo Sub (1), Tracy Sub (1), Portal Sub (2)  
- (2) New Sidings – Paynesville Sub (1), Detroit Lakes Sub (1)  
- (3) Terminals/Yards – St Paul Con’t, Glenwood, Thief River Falls  
- CTC (1 Subdivision) – Portal Sub

## Capacity Enhancing Projects

<table>
<thead>
<tr>
<th>Year</th>
<th>Projects</th>
</tr>
</thead>
</table>
| 2014 | (4) Siding Extensions - Portal Sub (1), Paynesville Sub (3)  
- Terminals/Yards (1) - St Paul Terminal  
- CTC (1 Subdivision) – Elbow Lake Sub |
| 2015 | (5) Siding Extensions - Portal yard (1), Carrington Sub (1), Elbow Lake Sub (2), Newtown Sub (1)  
- (7) New Sidings - Paynesville Sub (1), Detroit Lakes Sub (2), Marquette Sub (2), Newtown Sub (1), Carrington Sub (1)  
- (3) Terminals/Yards – St Paul terminal con’t, River Jct, Lacrosse  
- CTC (1 Subdivision) – Carrington Sub |
| 2016 | (4) Siding Extensions – Laredo Sub (1), Tracy Sub (1), Portal Sub (2)  
- (2) New Sidings – Paynesville Sub (1), Detroit Lakes Sub (1)  
- (3) Terminals/Yards – St Paul Con’t, Glenwood, Thief River Falls  
- CTC (1 Subdivision) – Portal Sub |
TWIN CITIES – ALTERNATE ROUTE

• Routing westbound trains via CP’s Withrow & St. Paul subdivisions
• Eastbound trains continue to operate on BNSF’s St. Paul subdivision
PEOPLE INVESTMENT

- 599 hired in the Upper Plains
- 422 train and engine employees
- 174 hired in North Dakota

✓ providing accommodations for new hires, with first 6 months rent free,
✓ purchasing homes to house employees,
✓ developing land for additional accommodations,
✓ hiring qualified people where possible,
✓ attending all job fairs offered by schools in the ND region,
✓ providing significant signing bonus incentives for new employees, and
✓ assessing operation changes that could attract new employees.
WORKING WITH OUR CUSTOMERS

• Customers want a strong competitive alternative

• Collaboration to develop and deliver better transparency and accountability
  • Bifurcating car orders to spotlight less than train shippers and improve service on small block and single car shipments
  • Allocating trainload capacity to customers that ship in train load volumes
  • Improving communication with our customers, supply chain partners, and regulatory agencies

• The results, so far, have been improved service predictability, and delivering capacity by:
  • More visibility and predictability to “less than” trainload customers
  • Customer providing rolling 4 weeks of demand – allows CP to plan
  • Improving velocity by keeping train sets together
  • CP taking immediate action with connecting rail partners when required
  • Reducing work events and hand-offs – keep it simple
**IMPROVED PERFORMANCE – REACHING RECORD LEVELS**

**Open Distribution Status** (as of 12/5/14)

<table>
<thead>
<tr>
<th>State</th>
<th># Cars</th>
<th>Avg. Wait Weeks</th>
<th>Stations</th>
</tr>
</thead>
<tbody>
<tr>
<td>ND</td>
<td>1871</td>
<td>3.7</td>
<td>23</td>
</tr>
<tr>
<td>MN</td>
<td>407</td>
<td>1.8</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>330</td>
<td>2.0</td>
<td>5</td>
</tr>
</tbody>
</table>

**Dedicated Train Program** (as of 12/5/14)

<table>
<thead>
<tr>
<th>Lane</th>
<th>7 Day TPM</th>
<th>30 Day TPM</th>
<th>CYTD TPM</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>2.1</td>
<td>1.8</td>
<td>2.1</td>
</tr>
<tr>
<td>PNW</td>
<td>2.2</td>
<td>1.8</td>
<td>2.0</td>
</tr>
</tbody>
</table>

**US Grain Billings - Units**

*NORTH DAKOTA: GRAIN AND GRAIN PRODUCTS ARE UP 31% VS. 2013; 19% VS. THREE YEAR AVERAGE*
SUPPLY CHAIN REALITIES

• Grain supply chain is complex – lots of moving parts

• All components, not just rail, must perform to maximize throughput

• For CP, connecting rail partners and interchange fluidity are CRITICAL

• PNW: UP and BNSF via Kingsgate, BC
  • From 2.5 TPM to 1.8 TPM to 2.2 TPM

• Chicago: Organized Chaos?!?!?!?

• Tight controls, Route alternatives

• Chicago beyond: Oct. over 1800 cars dwelling over 4 days in the East. 10+ days to unload
SUPPLY CHAIN OPPORTUNITIES — CREATE VELOCITY

- 24 hour loading/billing loaded cars from the Origin
- 24 hour unloading/release of empty cars from Destinations
- Help smooth the peaks and valleys - continuous movement
- Pre-advice on shipment lanes - as much possible
- 24/7 operations - including weekends and holidays

Why…
✓ Creates velocity
✓ Improves service
✓ Enhances communication and predictability
✓ Drives asset utilization
✓ MOVES MORE GRAIN
TAKING IT TO THE NEXT LEVEL: GROWTH

1. Effective, transparent service products
2. Clear communication of service expectations and commercial terms
3. Improve ease of doing business
4. Origin grain handling development – projects underway
5. Create destination alternatives