

CANADIAN NATIONAL RAILWAY CO  
Form 6-K  
October 25, 2012

FORM 6-K  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16  
of the Securities Exchange Act of 1934

For the month of October, 2012

Commission File Number: 001-02413

Canadian National Railway Company  
(Translation of registrant's name into English)

935 de la Gauchetiere Street West  
Montreal, Quebec  
Canada H3B 2M9  
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes  No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A



Canadian National Railway Company

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Items

1. Press Release dated October 22, 2012 entitled, "CN reports Q3-2012 net income of C\$664 million, or C\$1.52 per diluted share"

"Diluted Q3-2012 EPS increased 10 per cent over adjusted diluted EPS of C\$1.38 for Q3-2011(1)"

2. Interim Consolidated Financial Statements and Notes thereto (U.S. GAAP)

3. Management's Discussion and Analysis (U.S. GAAP)

4. Certificate of CEO

5. Certificate of CFO
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CANADIAN NATIONAL RAILWAY COMPANY  
PRESS RELEASE

Item 1

North America's Railroad

CN reports Q3-2012 net income of C\$664 million,  
or C\$1.52 per diluted share

Diluted Q3-2012 EPS increased 10 per cent over adjusted diluted EPS of C\$1.38 for Q3-2011 (1)

MONTREAL, Oct. 22, 2012 — CN (TSX: CNR)(NYSE: CNI) today reported its financial and operating results for the third quarter and nine-month period ended Sept. 30, 2012.

Third-quarter 2012 highlights

- Net income was C\$664 million, or C\$1.52 per diluted share, compared with year-earlier net income of C\$659 million, or C\$1.46 per diluted share.
- Q3-2012 diluted earnings per share (EPS) increased 10 per cent over year-earlier adjusted diluted EPS of C\$1.38 that excluded an after-tax gain of C\$0.08 per diluted share on the sale of substantially all of the assets of IC RailMarine Terminal Company during Q3-2011. (1)
- Revenues for the most recent quarter increased eight per cent to C\$2,497 million, while revenue ton-miles rose seven per cent and carloadings increased three per cent.
- Operating income increased five per cent to C\$985 million.
- The operating ratio increased by 1.3 points to 60.6 per cent.
- Free cash flow for the first nine months of 2012 was C\$1,036 million, including the impact of Q1-2012 voluntary pension plan contributions totalling C\$450 million, compared with free cash flow of C\$1,328 million for the same period of 2011. (1)

Claude Mongeau, president and chief executive officer, said: “CN’s focus on operational and service excellence helped the Company post a solid third-quarter performance, with revenue growth in all our business segments and solid improvement in most of our key operating metrics.

“Petroleum and chemicals led the way with a 15 per cent increase in revenues, largely as a result of higher shipments of crude oil originating in western Canada. CN’s crude oil volume in the quarter rose to a run rate of 40,000 carloads on an annualized basis.

“We continued to improve service and were able to make solid progress in our key velocity, efficiency and safety metrics across our network.”

Mongeau also said: “While cautious about the strength of the economy, we see continued opportunities to grow our business in the longer term. Through our agenda of supply chain collaboration, CN expects to increase revenues slightly faster than general growth in the North American economy and to accommodate this growth at low incremental cost.”

CANADIAN NATIONAL RAILWAY COMPANY  
PRESS RELEASE

New CN share repurchase program

Mongeau said: “With our strong balance sheet and expectations of continued shareholder value creation, we are pleased to announce that CN’s Board of Directors has approved a new share repurchase program for up to C\$1.4 billion in common shares. This will be executed through a normal course issuer bid to purchase for cancellation a maximum of 18 million shares.”

Foreign currency impact on results

Although CN reports its earnings in Canadian dollars, a large portion of its revenues and expenses is denominated in U.S. dollars. As such, the Company’s results are affected by exchange-rate fluctuations. On a constant currency basis that excludes the impact of fluctuations in foreign currency exchange rates, CN’s third-quarter and first nine-month 2012 net income would have been lower by C\$8 million, or C\$0.02 per diluted share and C\$25 million, or C\$0.06 per diluted share, respectively. (1)

Third-quarter 2012 revenues, traffic volumes and expenses

The eight per cent rise in third-quarter revenues mainly resulted from higher freight volumes, due in part to growth in North American and Asian economies and the Company’s performance above market conditions in a number of segments; freight rate increases; and the positive translation impact of the weaker Canadian dollar on U.S.-dollar-denominated revenues.

Revenues increased for petroleum and chemicals (15 per cent), coal (13 per cent), grain and fertilizers (10 per cent), automotive (nine per cent), metals and minerals (seven per cent), intermodal (six per cent), and forest products (three per cent).

Revenue ton-miles, measuring the relative weight and distance of rail freight transported by CN, increased seven per cent from the year-earlier period.

Rail freight revenue per revenue ton-mile, a measurement of yield defined as revenue earned on the movement of a ton of freight over one mile, increased two per cent over the third-quarter 2011 performance, driven by freight rate increases and the positive translation impact of the weaker Canadian dollar, partly offset by a lower fuel surcharge and an increase in the average length of haul.

Operating expenses for the third quarter increased by 10 per cent to C\$1,512 million, mainly due to higher labor and fringe benefits expense, increased purchased services and material expense, as well as increased volume-related fuel costs.

Forward-Looking Statements

Certain information included in this news release constitutes “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and under Canadian securities laws. CN cautions that, by their nature, these forward-looking statements involve risks, uncertainties and assumptions. The Company cautions that its assumptions may not materialize and that current economic conditions render such assumptions, although reasonable at the time they were made, subject to greater uncertainty. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the Company or the rail industry to be materially different from the outlook or any future results or performance implied by such statements. To the extent that CN has provided guidance that are non-GAAP financial measures, the Company may not be able to provide a reconciliation to the GAAP measures, due

to unknown variables and uncertainty related to future results. Key assumptions used in determining forward-looking information are set forth below.

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CANADIAN NATIONAL RAILWAY COMPANY  
PRESS RELEASE

Key assumptions

CN remains comfortable with the 2012 financial guidance issued on July 25, 2012, in its second-quarter 2012 financial and operational results news release. CN expects to deliver up to 15 per cent growth in adjusted diluted EPS for 2012, over adjusted diluted EPS of C\$4.84 in 2011. Also, CN expects to generate free cash flow of approximately C\$1 billion for 2012 – taking into consideration a potential C\$250 million additional voluntary pension contribution in the fourth quarter. (1)

CN's 2012 outlook is based on a number of economic and market assumptions. The Company is forecasting that North American industrial production for 2012 will increase by about 3.0 per cent. For the year, CN also expects U.S. housing starts to be approximately 750,000 units, and U.S. motor vehicles sales to be approximately 14.5 million units. In addition, CN is assuming the 2012/2013 U.S. grain crop will be well below, and the 2012/2013 Canadian grain crop will be slightly higher, than the five-year average. With the assumptions above, CN assumes carload growth in the mid-single digit range, along with continued pricing improvement above inflation. CN also assumes the Canadian-U.S. exchange rate to be around parity for 2012 and that the price of crude oil (West Texas Intermediate) for the year to be approximately US\$95 per barrel. In 2012, CN plans to invest approximately C\$1.8 billion in capital programs, of which more than C\$1 billion will be targeted on track infrastructure to maintain a safe and fluid railway network. In addition, the Company will invest in projects to support a number of productivity and growth initiatives.

Important risk factors that could affect the forward-looking statements include, but are not limited to, the effects of general economic and business conditions, industry competition, inflation, currency and interest rate fluctuations, changes in fuel prices, legislative and/or regulatory developments, compliance with environmental laws and regulations, actions by regulators, various events which could disrupt operations, including natural events such as severe weather, droughts, floods and earthquakes, labor negotiations and disruptions, environmental claims, uncertainties of investigations, proceedings or other types of claims and litigation, risks and liabilities arising from derailments, and other risks detailed from time to time in reports filed by CN with securities regulators in Canada and the United States. Reference should be made to "Management's Discussion and Analysis" in CN's annual and interim reports, Annual Information Form and Form 40-F filed with Canadian and U.S. securities regulators, available on CN's website, for a summary of major risk factors.

CN assumes no obligation to update or revise forward-looking statements to reflect future events, changes in circumstances, or changes in beliefs, unless required by applicable Canadian securities laws. In the event CN does update any forward-looking statement, no inference should be made that CN will make additional updates with respect to that statement, related matters, or any other forward-looking statement.

1) See discussion and reconciliation of non-GAAP adjusted performance-measures in the attached supplementary schedule, Non-GAAP Measures.

CN – Canadian National Railway Company and its operating railway subsidiaries – spans Canada and mid-America, from the Atlantic and Pacific oceans to the Gulf of Mexico, serving the ports of Vancouver, Prince Rupert, B.C., Montreal, Halifax, New Orleans, and Mobile, Ala., and the key metropolitan areas of Toronto, Buffalo, Chicago, Detroit, Duluth, Minn./Superior, Wis., Green Bay, Wis., Minneapolis/St. Paul, Memphis, and Jackson, Miss., with connections to all points in North America. For more information on CN, visit the Company's website at [www.cn.ca](http://www.cn.ca).

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CANADIAN NATIONAL RAILWAY COMPANY  
CONSOLIDATED STATEMENT OF INCOME (U.S. GAAP) - unaudited  
(In millions, except per share data)

Item2

	Three months ended September 30		Nine months ended September 30	
	2012	2011	2012	2011
Revenues	\$ 2,497	\$ 2,307	\$ 7,386	\$ 6,651
<b>Operating expenses</b>				
Labor and fringe benefits	476	396	1,489	1,301
Purchased services and material	304	271	908	825
Fuel	369	350	1,124	1,030
Depreciation and amortization	227	218	687	653
Equipment rents	64	60	185	165
Casualty and other	72	74	230	220
Total operating expenses	1,512	1,369	4,623	4,194
Operating income	985	938	2,763	2,457
Interest expense	(84)	(85)	(256)	(256)
Other income (Note 3)	18	70	320	380
Income before income taxes	919	923	2,827	2,581
Income tax expense (Note 7)	(255)	(264)	(757)	(716)
Net income	\$ 664	\$ 659	\$ 2,070	\$ 1,865
<b>Earnings per share (Note 10)</b>				
Basic	\$ 1.53	\$ 1.47	\$ 4.73	\$ 4.11
Diluted	\$ 1.52	\$ 1.46	\$ 4.71	\$ 4.08
<b>Weighted-average number of shares</b>				
Basic	433.9	448.3	437.3	453.4
Diluted	435.9	451.4	439.6	456.9

See accompanying notes to unaudited consolidated financial statements.



CANADIAN NATIONAL RAILWAY COMPANY  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (U.S. GAAP) - unaudited  
(In millions)

	Three months ended September 30		Nine months ended September 30	
	2012	2011	2012	2011
Net income	\$ 664	\$ 659	\$ 2,070	\$ 1,865
Other comprehensive income (loss)				
Foreign exchange gain (loss) on:				
Translation of the net investment in foreign operations	(210)	495	(199)	315
Translation of US dollar-denominated long-term debt designated as a hedge of the net investment in U.S. subsidiaries	202	(471)	189	(302)