

April 27, 2016

CANADIAN UTILITIES REPORTS FIRST QUARTER 2016 EARNINGS

CALGARY, Alberta – Canadian Utilities Limited (TSX: CU, CU.X)

Canadian Utilities today announced first quarter adjusted earnings for 2016 of \$197 million compared to \$130 million in 2015.

Higher earnings compared to the first quarter of 2015 were mainly the result of continued capital investment and growth in rate base within the Regulated Utilities and business-wide cost reduction initiatives. Earnings in the first quarter of 2015 were reduced by a one-time earnings impact resulting from retroactive regulatory decisions that were received in that quarter.

Canadian Utilities invested \$343 million in the first quarter of 2016, 80 per cent of which was in the Company's Regulated Utilities and in long-term contracted capital assets. These investments either earn a return under a regulatory business model or are under commercially secured long-term contracts.

On April 7, 2016, Canadian Utilities declared a second quarter dividend for 2016 of 32.50 cents per Class A Non-Voting and Class B Common Share, a 10 per cent increase over the dividends declared in the same period of 2015. Canadian Utilities' annual dividend per share has increased for 44 consecutive years.

RECENT DEVELOPMENTS

- Distributed generation aligns with the Company's strategy of taking a creative and innovative approach to meeting our customers' needs by building a fleet of portable natural gas-fired units that can be deployed for temporary or permanent projects. In the first quarter of 2016, ATCO Power signed a 10-year contract to build and operate a two unit, 3 MW natural gas fired power facility, located southeast of Grande Prairie, Alberta. With a capital investment of \$8 million, this project is under construction and will be operational in the second quarter of 2016.
- In April 2016, ATCO Structures & Logistics expanded its international modular structures business by acquiring 50 per cent ownership of Sabinco Soluciones Modulares S.A. (Sabinco). The transaction included the purchase of a land position and the provision of funds for a future manufacturing facility. Headquartered in Santiago, Chile, Sabinco's fleet of nearly 2,500 space rental and workforce housing units accounts for approximately 10 per cent of the Chilean market. Sabinco's established presence in Chile also provides a strong foundation upon which the partnership can expand, with potential growth opportunities identified in other South American markets. Canadian Utilities has a 24.5 per cent ownership position in ATCO Structures & Logistics.

FINANCIAL SUMMARY AND RECONCILIATION OF ADJUSTED EARNINGS

A financial summary and reconciliation of adjusted earnings to earnings attributable to equity owners is provided below:

(\$ Millions except share data)	For the Three Months Ended March 31	
	2016	2015
Adjusted earnings ⁽¹⁾	197	130
Gain on sale of joint operation ⁽²⁾	13	-
Rate-regulated activities ⁽²⁾	(35)	32
Dividends on equity preferred shares	17	12
Earnings attributable to equity owners	192	174
Weighted average shares outstanding (millions of shares)	266.6	263.6

(1) Adjusted earnings are earnings attributable to equity owners after adjusting for the timing of revenues and expenses associated with rate-regulated activities and dividends on equity preferred shares of Canadian Utilities. Adjusted earnings also exclude one-time gains and losses, significant impairments and items that are not in the normal course of business or a result of day-to-day operations. Adjusted earnings present earnings on the same basis as was used prior to adopting International Financial Reporting Standards (IFRS) - that basis being the U.S. accounting principles for rate-regulated entities - and they are a key measure used to assess segment performance, to reflect the economics of rate regulation and to facilitate comparability of Canadian Utilities' earnings with other Canadian rate-regulated companies.

(2) Refer to Note 3 of the consolidated financial statements for descriptions of the adjustments.

Earnings attributable to equity owners were \$192 million in the first quarter of 2016 compared to \$174 million in the same period of 2015.

In the first quarter of 2016, the Company recorded a gain on sale of joint operation of \$13 million related to the sale of the Company's 51.3 per cent interest in the Edmonton Ethane Extraction Plant. Timing adjustments made in rate-regulated accounting lowered earnings attributable to equity owners by \$35 million in the first quarter.

This news release should be used as a preparation for reading the full disclosure documents. Canadian Utilities' consolidated financial statements and management's discussion and analysis for the first quarter ended March 31, 2016 will be available on the Canadian Utilities website (www.canadianutilities.com), via SEDAR (www.sedar.com) or can be requested from the Company.

With nearly 5,500 employees and assets of approximately \$18 billion, Canadian Utilities Limited is an ATCO company. ATCO is a diversified global corporation delivering service excellence and innovative business solutions in Structures & Logistics (workforce housing, innovative modular facilities, construction, site support services, and logistics and operations management); Electricity (power generation, distributed generation, and electricity distribution, transmission and infrastructure development); Pipelines & Liquids (natural gas transmission, distribution and infrastructure development, energy storage, and industrial water solutions); and Retail Energy (electricity and natural gas retail sales). More information can be found at www.canadianutilities.com.

Media & Investor Inquiries:

B.R. (Brian) Bale
Senior Vice President &
Chief Financial Officer
403-292-7502

Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", and similar expressions.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

The Company's actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company.

The Company believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Any forward-looking information contained in this news release represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.