

April 27, 2016

ATCO REPORTS 2016 FIRST QUARTER EARNINGS

CALGARY, Alberta – ATCO Ltd. (TSX: ACO.X, ACO.Y)

ATCO today announced first quarter adjusted earnings for 2016 of \$121 million compared to \$78 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, higher occupancy levels in the Lodging business and higher Modular Structures project activity in ATCO Structures & Logistics, 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.

ATCO invested \$364 million in the first quarter of 2016, 76 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, ATCO declared a second quarter dividend for 2016 of 28.50 cents per Class I Non-Voting and Class II Voting Share, a 15 per cent increase over the quarterly dividends declared in the same period of 2015. ATCO's annual dividend per share has increased for 23 consecutive years.

RECENT DEVELOPMENTS

- In February 2016, ATCO Structures & Logistics completed Phase I of the Site C Clean Energy Workforce Housing Project. ATCO Structures & Logistics is installing and will operate this \$470 million, 1,600-bed workforce housing facility for workers constructing BC Hydro's Site C Clean Energy Project on the Peace River in northeast British Columbia.
- In March 2016, ATCO Structures & Logistics completed the Chevron-operated Wheatstone Project in Western Australia. The total value of ATCO Structures & Logistics' scope of work was \$384 million Australian.
- In April 2016, ATCO 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.

FINANCIAL SUMMARY AND RECONCILIATION OF ADJUSTED EARNINGS

A financial summary and reconciliation of adjusted earnings to earnings attributable to Class I and Class II Shares is provided below:

(\$ Millions except share data)	For the Three Months Ended March 31	
	2016	2015
Adjusted earnings ⁽¹⁾	121	78
Gain on sale of joint operation ⁽²⁾	7	-
Rate-regulated activities ⁽²⁾	(19)	16
Earnings attributable to Class I and Class II Shares	109	94
Weighted average shares outstanding (millions of shares)	114.7	114.8

(1) Adjusted earnings are earnings attributable to Class I and Class II Shares after adjusting for the timing of revenues and expenses associated with rate-regulated activities. 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 ATCO's earnings with other Canadian rate-regulated companies.

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

Earnings attributable to Class I and Class II Shares were \$109 million in the first quarter of 2016 compared to \$94 million in the same period of 2015.

In the first quarter of 2016, the Company recorded a gain on sale of joint operation of \$7 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 Class I and Class II Shares by \$19 million in the first quarter.

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

With nearly 8,000 employees and assets of approximately \$19 billion, 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.ATCO.com.

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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.