

ATCO REPORTS 2015 THIRD QUARTER EARNINGS

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

ATCO today announced third quarter 2015 adjusted earnings of \$66 million, compared to \$85 million in 2014.

Lower earnings compared to the third quarter of 2014 were mainly the result of a regulatory decision recorded in the third quarter of 2014. Lower comparable results were also due to the impact of the GCOC regulatory decision received earlier in 2015, forgone earnings as a result of the sale of the Company's information technology and services business in the third quarter of 2014 and lower ATCO Structures & Logistics earnings.

Earnings in ATCO Structures & Logistics are lower mainly as a result of lower profit margins and lower project activity due to the conclusion of several major projects in late 2014 and early 2015. Also contributing to ATCO Structures & Logistics' lower earnings were reduced fleet rental rates and utilizations, and lodging occupancy levels and room rates, all due to a weakened demand from customers whose business activity is exposed to commodity price declines. These decreases were partly offset by improved results in Emissions Management and business-wide cost reduction initiatives.

ATCO invested \$329 million in the third quarter and \$946 million for the year to date in the Alberta Utilities. This investment was for projects to replace aging infrastructure as well as new infrastructure to meet Alberta's long-term natural gas and electricity demand, and improve reliability for customers.

On October 16, 2015, ATCO declared a fourth quarter dividend for 2015 of 24.75 cents per Class I Non-Voting and Class II Voting Share. This represents a 15 per cent increase on the dividends declared in the same period in 2014. ATCO's annual dividend per share has increased for 22 consecutive years.

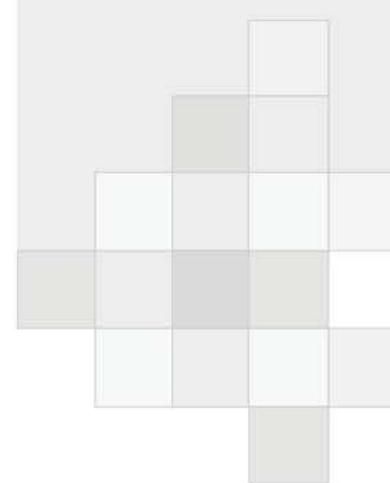
RECENT DEVELOPMENTS

- In the third quarter, ATCO Structures & Logistics entered into a contract with BC Hydro to manufacture, install and operate a 1,600-person workforce housing facility for workers constructing the Site C Clean Energy Project on the Peace River in northeast BC. The contract is valued at \$470 million. The manufacture and install phase is expected to be completed in mid-2016. Lodge-related services will be provided until 2022.

October 23, 2015

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- In the third quarter of 2015, ATCO Energy Solutions completed construction on the industrial water supply projects for the North West Redwater Partnership and Air Products Canada Ltd. Both projects are expected to be in operation and contributing to earnings in the fourth quarter of 2015.
- On August 7, 2015, the Company's subsidiary, Canadian Utilities Limited, issued \$125 million of 5.25% Cumulative Redeemable Second Preferred Shares Series EE under its base shelf prospectus. On September 24, 2015, Canadian Utilities issued \$250 million of 4.50% Cumulative Redeemable Second Preferred Shares Series FF under its base shelf prospectus. The proceeds of both issuances were used for capital expenditures, to repay indebtedness, and for other general corporate purposes.

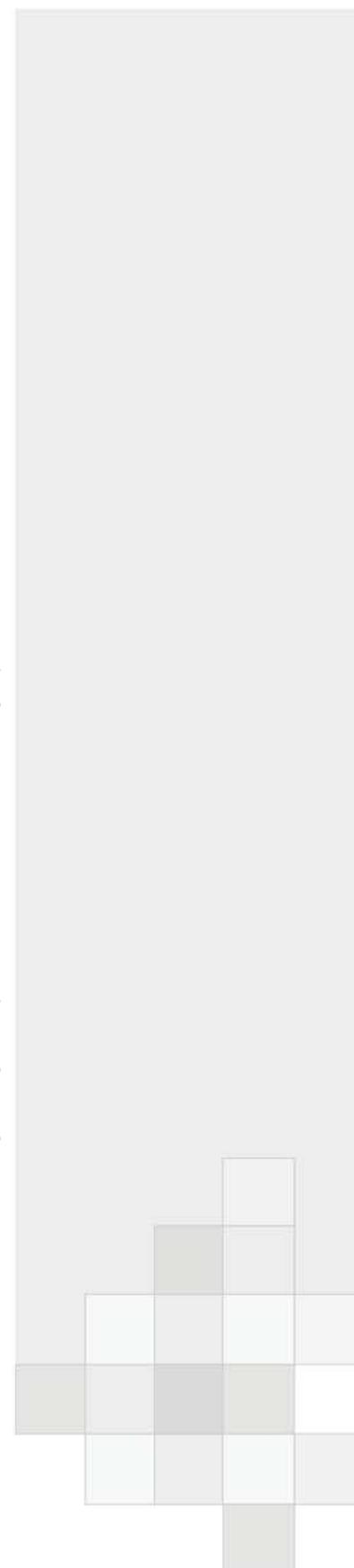
FINANCIAL SUMMARY AND RECONCILIATION OF ADJUSTED EARNINGS

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 September 30		For the Nine Months Ended September 30	
	2015	2014	2015	2014
Adjusted earnings ⁽¹⁾	66	85	201	257
Restructuring costs ⁽²⁾	(3)	-	(6)	-
Gain on sale of information technology services ⁽²⁾	-	74	-	74
Impairments ⁽²⁾	-	-	(13)	(6)
Rate-regulated activities:				
Changes in income taxes ⁽²⁾	-	-	(34)	-
Other ⁽²⁾	(10)	(26)	7	1
Earnings attributable to Class I and Class II Shares	53	133	155	326
Weighted average shares outstanding (millions of shares)	114.8	114.9	114.8	114.9

(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 descriptions of the adjustments.



Earnings attributable to Class I and Class II Shares were \$53 million in the third quarter of 2015 compared to \$133 million in the same period of 2014. In the third quarter of 2014, the Company recorded a one-time, after-tax gain of \$74 million related to the sale of ATCO I-Tek. Without the one-time gain, third quarter 2014 earnings attributable to Class I and Class II Shares were \$59 million before timing adjustments associated with rate-regulated activities.

In the third quarter and first nine months of 2015, the Company recorded restructuring costs of \$3 million and \$6 million that were included in Earnings attributable to Class I and Class II Shares. These costs were primarily related to staff reductions and associated severance costs as well as the restructuring of a fuel supply contract in ATCO Power. The Company estimates that restructuring the fuel supply contract at the Battle River generating plant may reduce the fuel purchase obligation by more than \$125 million over the expected life of the units.

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 third quarter ended September 30, 2015, will be available on the ATCO website (www.atco.com), via SEDAR (www.sedar.com) or can be requested from the Company.

With nearly 9,000 employees and assets of approximately \$19 billion, ATCO is a diversified global corporation delivering service excellence and innovative business solutions through leading companies engaged in Structures & Logistics (manufacturing, logistics and noise abatement), Utilities (pipelines, natural gas and electricity transmission and distribution) and Energy (power generation and sales, industrial water infrastructure, natural gas gathering, processing, storage and liquids extraction). More information can be found at www.atco.com.

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.

