

ALTAGAS REPORTS STRONG FIRST QUARTER 2025 RESULTS**Reiterating 2025 Guidance and Robust Long-term Growth Outlook**

Calgary, Alberta (May 1, 2025)

AltaGas Ltd. ("AltaGas" or the "Company") (TSX: ALA) reported first quarter 2025 financial results and provided an update on its operations, projects and other corporate developments.

FIRST QUARTER HIGHLIGHTS

(all financial figures are unaudited and in Canadian dollars unless otherwise noted)

FINANCIAL RESULTS

- Normalized EPS¹ was \$1.15 in the first quarter of 2025 compared to \$1.14 in the first quarter of 2024, while GAAP EPS² was \$1.31 in the first quarter of 2025 compared to \$1.38 in the first quarter of 2024.
- Normalized EBITDA¹ was \$689 million in the first quarter of 2025 compared to \$660 million in the first quarter of 2024, while income before income taxes was \$513 million in the first quarter of 2025 compared to \$541 million in the first quarter of 2024. The four percent year-over-year growth in normalized EBITDA was driven by strong Utilities performance that offset lower Midstream contribution.
- The Utilities segment reported normalized EBITDA of \$501 million in the first quarter of 2025 compared to \$437 million in the first quarter of 2024, while income before taxes was \$446 million in the first quarter of 2025 compared to \$384 million in the first quarter of 2024. The 15 percent year-over-year growth in normalized Utilities EBITDA was principally driven by strong performance from WGL's retail business, colder weather in Michigan and D.C., active cost management, contributions from Utilities modernization investments and asset optimization activities.
- The Midstream segment reported normalized EBITDA of \$197 million in the first quarter of 2025 compared to \$247 million in the first quarter of 2024, while income before taxes was \$204 million in the first quarter of 2025 compared to \$297 million in the first quarter of 2024. Strong operational execution across the Midstream segment was impacted by lower global export margins due to reduced merchant spreads and higher tolling volumes, the absence of two favourable one-time items that were present in the first quarter of 2024, and lower contribution from the Mountain Valley Pipeline ("MVP") due to recording equity earnings post the pipeline going into service compared to the Allowance for Funds Used During Construction ("AFUDC") last year.

OPERATIONAL AND BUSINESS HIGHLIGHTS

- AltaGas posted record first quarter global export volumes of 119,241 Bbl/d of liquified petroleum gases ("LPGs") to Asia. The four percent year-over-year increase included shipments from 12 very large gas carriers ("VLGCs") from the Ridley Island Propane Export Terminal ("RIPET") and seven VLGCs from the Ferndale Terminal ("Ferndale").
- Volumes across the balance of AltaGas' Midstream value chain were strong, including gas processing volumes increasing 11 percent year-over-year, led by AltaGas' Montney footprint, where volumes were up 16 percent year-over-year largely due to the Townsend and Blair Creek facilities.
- AltaGas' focus on operational excellence at the Utilities continued to be demonstrated in the first quarter of 2025 where Washington Gas' operating and maintenance ("O&M") costs were down 11 percent year-over-year. This reduction was achieved despite colder weather on a year-over-year basis across all of the Company's Utilities jurisdictions, which normally drives higher costs due to increased asset usage and overtime costs.

- AltaGas continued to execute long-term contracting across its global exports' platform. AltaGas entered into a 15-year tolling agreement with Keyera for 12,500 Bbl/d of LPG export capacity at REEF and a long-term agreement with one of the world's leading global chemicals companies for 8,000 Bbl/d of butane export capacity at REEF. AltaGas has now exceeded its 2027 tolling target across its global exports portfolio and will continue to evaluate additional long-term contracts.
- MVP performed well during the first quarter of 2025, exceeding expectations due to optimization activities and flowing interruptible volumes at premium rates during demand peaks. Despite this strong performance, MVP contribution was down year-over-year as AltaGas began recording equity earnings once the pipeline was brought into service compared to AFUDC recorded in the same quarter of 2024. The 2.0 Bcf/d pipeline is backed by 20-year contracts with investment grade counterparties. MVP is expandable by 475 MMcf/d through additional compression and extendable into North Carolina through the Southgate project. Both projects are advancing towards final investment decisions ("FID"). AltaGas continues to evaluate a potential monetization of its interest in MVP with proceeds to be used for leverage reduction.
- In February 2025, the Public Service Commission of D.C. ("PSC of D.C.") ordered an additional extension of PROJECTpipes 2 from May 1, 2025 through December 31, 2025 with an additional US\$34 million of modernization capital being added to the pre-approved program. This will ensure uninterrupted pipeline modernization work continues while the PSC of D.C. continues to review Washington Gas' proposed new modernization program – the District Strategic Accelerated Facility Enhancement ("SAFE").

PROJECT UPDATES

- Construction of the Ridley Island Energy Export Facility ("REEF") remains on budget and schedule to achieve its 2026 year-end in-service date ("ISD"). Uplands work continues with overburden removal finished and rock blasting nearing completion, while offsite equipment fabrication is progressing according to the execution plan. Progress on the jetty has accelerated and is recovering from winter weather delays. Approximately 60 percent of total project costs are now incurred or committed, further de-risking the project's capital budget.
- Construction of the Pipestone II deep cut facility continues to be on track for a late 2025 ISD. Facility construction is 76 percent complete with the project fully contracted under long term take-or-pay agreements and principally all capital costs are incurred or committed under fixed price agreements. Pipestone II will provide critical gas processing and liquids handling capacity to the Pipestone region in the Alberta Montney.
- AltaGas has reached a positive FID on the RIPET methanol removal project. This project will allow RIPET cargos to reach all Asian markets, while ensuring fungible propane between RIPET and REEF. Capital cost for the project is estimated to be \$55 million; an approximate five times capex-to-EBITDA build multiple. The project is targeted to be online by 2026 year-end.
- AltaGas continues to advance growth projects across the Utilities segment. In addition to continued new meter growth and execution of existing asset modernization programs, SEMCO is in late stages of getting regulatory approval for the Keweenaw Pipeline Connector, which has a capital cost of approximately US\$120 million and a 2027 ISD. Washington Gas continues to work with a number of developers that are seeking natural gas for new data centers in Northern Virginia. These business development initiatives will complement AltaGas' already robust Utilities growth outlook.
- AltaGas continues to advance regulatory, engineering and commercial work for growth projects. This includes Pipestone III, North Pine, the Dimsdale natural gas storage expansion project, and additional capacity at REEF, once operational. These organic opportunities will further extend AltaGas' Midstream growth outlook towards the end of the decade.

OUTLOOK AND OTHER HIGHLIGHTS

- Following AltaGas' strong first quarter of 2025, the Company is reiterating its 2025 full year guidance, including normalized EBITDA of \$1,775 million to \$1,875 million and normalized EPS of \$2.10 to \$2.30. AltaGas is also reiterating its expectation of five to seven percent compounded annual growth rate ("CAGR") guidance on dividends to 2029.

- On April 1, 2025, Washington Gas issued the remaining US\$100 million in private placement notes with a 4.84 percent coupon, due on April 1, 2035, as part of the note purchase agreement executed on October 1, 2024.

CEO MESSAGE

"We are pleased with our strong start to 2025" said Vern Yu, President and Chief Executive Officer of AltaGas. "Our first quarter results reflect progress on our strategic priorities where we have de-risked our business, optimized our assets, and continued to pursue growth opportunities that will deliver long-term value for our stakeholders.

"Our diversified business and strong contract profile allowed AltaGas to drive steady returns, despite the significant market volatility in the first quarter. Over the past five years, we have cut our commodity price exposure in half where today approximately 85 percent of AltaGas' normalized EBITDA is now comprised of cost-of-service, take-or-pay and fee-for-service contracts.

"Our Utilities delivered a strong first quarter. The combination of strong retail performance, colder temperatures relative to 2024, further cost management, significant investments in pipeline modernization programs, and asset optimization activities all contributed to this performance. We continue to focus on delivering the best outcomes for all stakeholders by delivering the lowest possible cost to our customers.

"Our Midstream business produced another quarter of strong operational execution with record first quarter global export volumes to Asia, ensuring more Canadian production realizes premium global prices. Our gas processing volumes were up 11 percent year-over-year, led by our Montney and Northeastern B.C. footprint. While the recent commodity price volatility has created some uncertainty for select upstream development, we believe our assets will continue to realize strong forward growth through this market volatility.

"Strong commercial success for the first phase of REEF has allowed us to accelerate the regulatory and engineering work for its next phases. Demand for capacity at REEF highlights the importance of building energy infrastructure that connects Canadian energy to premium global markets.

"Our long-term strategy of having a diversified business mix provides steady and ratable earnings growth for our shareholders. Our unique ability to connect Western Canada's growing energy supply to premium demand markets in Asia will increase in value over time. We are excited for the future as we continue to leverage our strategic asset base and compound long-term value across our enterprise."

RESULTS BY SEGMENT

Normalized EBITDA ⁽¹⁾	Three Months Ended March 31	
(\$ millions)	2025	2024
Utilities	\$ 501	\$ 437
Midstream	197	247
Corporate/Other	(9)	(24)
Normalized EBITDA ⁽¹⁾	\$ 689	\$ 660

(1) Non-GAAP financial measure; see discussion in Non-GAAP Financial Measures section of this news release.

Income (Loss) Before Income Taxes	Three Months Ended March 31	
(\$ millions)	2025	2024
Utilities	\$ 446	\$ 384
Midstream	204	297
Corporate/Other	(137)	(140)
Income (Loss) Before Income Taxes	\$ 513	\$ 541

BUSINESS PERFORMANCE

Midstream

The Midstream segment reported normalized EBITDA of \$197 million in the first quarter of 2025 compared to \$247 million in the first quarter of 2024, while income before income taxes was \$204 million in the first quarter of 2025 compared to \$297 million in the first quarter of 2024. Strong operational execution across the Midstream segment was impacted by lower export margins due to reduced merchant spreads and higher tolled volumes relative to last year. The segment also saw increased operating and administrative expenses and lower contribution from MVP as AltaGas moved to recording equity earnings, once the pipeline was placed into service, relative to AFUDC last year. Year-over-year performance was also negatively impacted by the absence of two one-time items that had positively impacted AltaGas' results in the first quarter of 2024. This included the monetization of certain hedges to avoid an imbalance of financial and physical merchant barrels over 2024 and a positive asset retirement obligation ("ARO") adjustment related to the reclamation of AltaGas' Alton facility.

AltaGas exported 119,241 Bbl/d of LPGs to Asia in the first quarter of 2025, including 12 VLGCs at RIPET and seven VLGCs at Ferndale. This represented another first quarter record with volumes up four percent year-over-year. This strong operating performance came despite certain interruptions related to cold weather delays experienced by CN in February. AltaGas continues to focus on operational execution that will position the Company to deliver continued year-over-year export volume growth over the balance of 2025.

The importance of market diversification and the strategic advantage of AltaGas' global exports platform is being reinforced in the current market with U.S. and global tariffs. AltaGas provides its customers the opportunity for protection against U.S. tariff impacts and ensures access to the highest priced global markets. As Canadian production continues to grow, we believe it is critical to connect more of Canada's vital energy products to premium global markets for the benefit of all Canadians. AltaGas is positioned to benefit from the long-term fundamentals of growing Canadian natural gas and NGL production, strong Asian demand and the Company's structural shipping advantage from the west coast.

Performance across the balance of the Midstream platform was largely in line with the Company's expectations for the first quarter of 2025. Highlights include 16 percent year-over-year growth in Montney gas processing volumes, led by Townsend and Blair Creek. While the recent commodity price volatility has created some uncertainty for select upstream development, we believe AltaGas' assets will continue to realize strong forward growth through this market volatility.

Consistent with the Company's de-risking focus, AltaGas' Midstream operations are well-hedged for 2025 with approximately 89 percent of the remaining 2025 expected global export volumes tolled or financially hedged. Merchant volumes are hedged at an average Far East Index ("FEI") to North American financial hedge price of US\$20.96/Bbl while tolling volumes are in line with historical rates. Approximately 85 percent of the Company's 2025 expected frac exposed volumes are hedged at US\$26.32/Bbl, prior to transportation costs. AltaGas continues to actively manage risk across the Midstream platform through commercial contracting and a systematic hedging program to manage its commodity price exposure. For the remainder of 2025, AltaGas has materially hedged all of its expected Baltic freight exposure through time charters, financial hedges, and tolled volumes.

Midstream Hedge Program	Q2 2025	Q3 2025	Q4 2025	Remainder of 2025
Global Exports volumes hedged (%) ⁽¹⁾	97	98	71	89
Average propane/butane FEI to North America hedge (US\$/Bbl) ^{(2) (3)}	20.40	18.91	27.88	20.96
Fractionation volume hedged (%) ⁽³⁾	76	86	94	85
Frac spread hedge rate - (US\$/Bbl) ⁽³⁾	26.27	26.27	26.42	26.32

(1) Approximate expected volumes hedged based on AltaGas' internally assumed export volumes. Hedged amounts include contracted tolling volumes and financial hedges. AltaGas is hedged at a higher percentage for firmly committed volumes.

(2) Does not include physical differential to FSK for C3 volumes. Butane is hedged as a percentage of WTI.

(3) Approximate average for the period.

Utilities

Utilities reported normalized EBITDA of \$501 million in the first quarter of 2025 compared to \$437 million in the first quarter of 2024, while income before income taxes was \$446 million in the first quarter of 2025 compared to \$384 million in the first quarter of 2024. Strong year-over-year growth was principally driven by strong performance at WGL's retail business, colder weather in Michigan and D.C., active cost management, contributions from asset modernization investments, and asset optimization activities.

During the first quarter of 2025, AltaGas continued to focus efforts on ensuring long-term operating costs are aligned with existing rate structures and its allowed costs in each jurisdiction. In the first quarter, Washington Gas' regulated O&M costs were 11 percent lower year-over-year. These cost savings came despite colder weather, which typically drives higher operating expenses due to increased asset usage and overtime costs. This continued focus on cost controls will provide Washington Gas with room to make additional rate base investments to expand and modernize its network while minimizing increases to customer bills.

AltaGas continued to actively invest in its Utilities business during the first quarter of 2025 with \$127 million of capital deployed across the Company's Utilities network. This included investing approximately \$52 million in the quarter toward the Company's asset modernization programs. These investments improve the safety and reliability of the system while connecting customers to the critical energy they rely on everyday. AltaGas remains committed to making these investments, while balancing the need for ongoing customer affordability.

Washington Gas continues to work with the PSC of D.C. on the August 2024 rate case where requested rates are designed to collect an incremental US\$34 million in annual revenue, net of US\$12 million in Accelerated Replacement Program ("ARP") surcharge. Included in the filing was a proposed weather normalization adjustment that seeks to remove fluctuations in weather-related usage. Given the anticipated timelines, new rates are not expected to impact AltaGas' 2025 financial performance. Washington Gas also has a US\$215 million asset modernization extension application under review in D.C. through its District SAFE plan. In February 2025, the PSC of D.C. ordered an additional extension of the existing PROJECTpipes 2 from May 1, 2025 through December 31, 2025 with an additional US\$34 million of modernization capital being added for this period to ensure uninterrupted pipeline modernization work continues while District SAFE is being reviewed.

Corporate/Other

The Corporate/Other segment reported normalized EBITDA for the first quarter of 2025 of a loss of \$9 million, compared to a loss of \$24 million in the same quarter of 2024. Loss before income taxes in the Corporate/Other segment was \$137 million in the first quarter of 2025, compared to \$140 million in the same quarter of 2024. The year-over-year normalized EBITDA loss narrowed due to higher contribution from Blythe, which had limited operations in the first quarter of 2024 due to downtime related to planned maintenance.

CONSOLIDATED FINANCIAL RESULTS

	Three Months Ended March 31	
(\$ millions)	2025	2024
Normalized EBITDA ⁽¹⁾	\$ 689	\$ 660
Add (deduct):		
Depreciation and amortization	(128)	(116)
Interest expense	(115)	(107)
Normalized income tax expense	(98)	(100)
Preferred share dividends	(5)	(4)
Other ⁽²⁾	(1)	5
Normalized net income ⁽¹⁾	\$ 342	\$ 338
Net income applicable to common shares	\$ 392	\$ 408
Normalized funds from operations ⁽¹⁾	\$ 551	\$ 510
(\$ per share, except shares outstanding)		
Shares outstanding - basic (millions)		
During the period ⁽³⁾	298	295
End of period	299	296
Normalized net income - basic ⁽¹⁾	1.15	1.14
Normalized net income - diluted ⁽¹⁾	1.14	1.14
Net income per common share - basic	1.31	1.38
Net income per common share - diluted	1.31	1.37

(1) Non-GAAP financial measure; see discussion in *Non-GAAP Financial Measures* section at the end of this news release.

(2) "Other" includes accretion expense, net income applicable to non-controlling interests, foreign exchange gains (losses), and unrealized foreign exchange losses on intercompany balances.

(3) Weighted average.

Normalized EBITDA for the first quarter of 2025 was \$689 million compared to \$660 million for the same quarter in 2024. The largest factors contributing to the year-over-year increase are described in the Business Performance sections above.

Income before income taxes was \$513 million for the first quarter of 2025 compared to \$541 million for the same quarter in 2024. The decrease was mainly due to lower unrealized gains on risk management contracts, higher depreciation and amortization expense, higher interest expense, and foreign exchange losses compared to foreign exchange gains in the same quarter of 2024, partially offset by the same previously referenced factors impacting normalized EBITDA and lower transaction costs related to acquisitions and dispositions. Please refer to the "Three Months Ended March 31" section of the Q1 2025 Management's Discussion and Analysis ("MD&A") for further details on the variance in income before income taxes and net income applicable to common shareholders.

Normalized net income was \$342 million or \$1.15 per share for the first quarter of 2025, compared to \$338 million or \$1.14 per share reported for the same quarter of 2024.

Normalized FFO was \$551 million or \$1.85 per share for the first quarter of 2025, compared to \$510 million or \$1.73 per share for the same quarter in 2024. The increase was mainly due to the same previously referenced factors impacting normalized EBITDA, the impact of non-cash items included in normalized EBITDA, and higher distributions from equity investments, partially offset by higher normalized current income tax expense, higher interest expense, and foreign exchange losses compared to foreign exchange gains in the first quarter of 2024.

Interest expense for the first quarter of 2025 was \$115 million, compared to \$107 million for the same quarter in 2024. The increase was mainly due to the issuance of additional subordinated hybrid notes in the third quarter of 2024 as well as a higher average Canadian/U.S. dollar exchange rate, partially offset by a decrease in average debt balances, higher capitalized interest, and lower average interest rates. Interest expense recorded on the subordinated hybrid notes in the first quarter of 2025 was \$34 million, compared to \$13 million in the third quarter of 2023.

Income tax expense was \$113 million for the first quarter of 2025, compared to an income tax expense of \$125 million for the same quarter of 2024. The decrease in income tax expense was mainly due to lower income before income taxes.

FORWARD FOCUS, GUIDANCE AND FUNDING

AltaGas continues to focus on executing its corporate strategy of building a diversified platform that operates long-life energy infrastructure assets that connect customers and markets and are positioned to provide resilient and growing value for the Company's stakeholders.

Following a strong first quarter of 2025, AltaGas is reiterating its previously disclosed 2025 guidance as follows:

- 2025 Normalized EPS guidance of \$2.10–\$2.30, compared to normalized EPS of \$2.18 and GAAP EPS of \$1.95 in 2024; and
- 2025 Normalized EBITDA guidance of \$1,775 million–\$1,875 million, compared to actual normalized EBITDA of \$1.77 billion and income before taxes of \$746 million in 2024.

AltaGas is focused on delivering resilient and growing normalized EPS and normalized FFO per share while targeting lower financial leverage ratios. This strategy is designed to support steady dividend growth and provide the opportunity for ongoing capital appreciation for long-term shareholders.

AltaGas is maintaining a disciplined, self-funded 2025 capital program of approximately \$1.4 billion, excluding ARO. The Company is allocating approximately 51 percent of its consolidated 2025 capital to its Utilities business, approximately 45 percent to the Midstream business and the balance to the Corporate/Other segment.

QUARTERLY COMMON SHARE DIVIDEND AND PREFERRED SHARE DIVIDENDS

The Board of Directors approved the following schedule of Dividends:

Type ⁽¹⁾	Dividend (per share)	Period	Payment Date	Record
Common Shares	\$0.315	n.a.	30-Jun-25	16-Jun-25
Series A Preferred Shares	\$0.19125	31-Mar-25 to 29-Jun-25	30-Jun-25	16-Jun-25
Series B Preferred Shares	\$0.34268	31-Mar-25 to 29-Jun-25	30-Jun-25	16-Jun-25
Series G Preferred Shares	\$0.376063	31-Mar-25 to 29-Jun-25	30-Jun-25	16-Jun-25

(1) Dividends on common shares and preferred shares are eligible dividends for Canadian income tax purposes.

CONFERENCE CALL AND WEBCAST

AltaGas will hold a conference call today, May 1, 2025, at 9:00 a.m. MT (11:00 a.m. ET) to discuss first quarter of 2025 results and other corporate developments.

Date:	Thursday, May 1, 2025
Time:	9:00 a.m. MT (11:00 a.m. ET)
Webcast:	https://app.webinar.net/ZjpMOZP8I5A
Dial-in (Audio only):	+1 437 900 0527 or toll free at +1 888 510 2154

Shortly after the conclusion of the call a replay will be available on the Company's website or by dialing +1 289 819 1450 or toll free +1 888 660 6345. Passcode 06300 #.

AltaGas' Consolidated Financial Statements and accompanying notes for the first quarter of 2025, as well as its related MD&A, are now available online at www.altagas.ca. All documents will be filed with the Canadian securities regulatory authorities and will be posted under AltaGas' SEDAR+ profile at www.sedarplus.ca.

NON-GAAP MEASURES

This news release contains references to certain financial measures that do not have a standardized meaning prescribed by U.S. GAAP and may not be comparable to similar measures presented by other entities. The non-GAAP measures and their reconciliation to U.S. GAAP financial measures are shown below and within AltaGas' Management's Discussion and Analysis (MD&A) as at and for the period ended March 31, 2025. These non-GAAP measures provide additional information that Management believes is meaningful regarding AltaGas' operational performance, liquidity and capacity to fund dividends, capital expenditures, and other investing activities. Readers are cautioned that these non-GAAP measures should not be construed as alternatives to other measures of financial performance calculated in accordance with U.S. GAAP.

Normalized EBITDA

	Three Months Ended March 31	
(\$ millions)	2025	2024
Income before income taxes (GAAP financial measure)	\$ 513	\$ 541
Add:		
Depreciation and amortization	128	116
Interest expense	115	107
EBITDA	\$ 756	\$ 764
Add (deduct):		
Transaction costs related to acquisitions and dispositions ⁽¹⁾	—	5
Unrealized gains on risk management contracts ⁽²⁾	(85)	(117)
Losses (gains) on sale of assets ⁽³⁾	2	(1)
Transition and restructuring costs ⁽⁴⁾	11	13
Provisions on assets	2	—
Accretion expenses	1	1
Foreign exchange losses (gains) ⁽⁵⁾	2	(5)
Normalized EBITDA	\$ 689	\$ 660

(1) Comprised of transaction costs related to acquisitions and dispositions of assets and/or equity investments in the period. These costs are included in the "operating and administrative" line item on the Consolidated Statements of Income. Transaction costs include expenses, such as legal fees, that are directly attributable to the acquisition or disposition.

(2) Included in the "revenue", "cost of sales", and "foreign exchange gains (losses)" line items on the Consolidated Statements of Income. Please refer to Note 12 of the unaudited condensed interim Consolidated Financial Statements as at and for the three months ended March 31, 2025 for further details regarding AltaGas' risk management activities.

(3) Included in the "other income" line item on the Consolidated Statements of Income.

(4) Comprised of transition and restructuring costs (including CEO transition). These costs are included in the "operating and administrative" line item on the Consolidated Statements of Income.

(5) Excludes unrealized losses (gains) on foreign exchange forward contracts that have been entered into for the purpose of cash management. These losses (gains) are included above in the line "unrealized gains on risk management contracts".

EBITDA is a measure of AltaGas' operating profitability prior to how business activities are financed, assets are amortized, or earnings are taxed. EBITDA is calculated from the Consolidated Statements of Income using income before income taxes adjusted for pre-tax depreciation and amortization and interest expense.

AltaGas presents normalized EBITDA as a supplemental measure. Normalized EBITDA is used by Management to enhance the understanding of AltaGas' earnings over periods, as well as for budgeting and compensation related purposes. The metric is frequently used by analysts and investors in the evaluation of entities within the industry as it excludes items that can vary substantially between entities depending on the accounting policies chosen, the book value of assets, and the capital structure.

Normalized Net Income

	Three Months Ended March 31	
(\$ millions)	2025	2024
Net income applicable to common shares (GAAP financial measure)	\$ 392	\$ 408
Add (deduct) after-tax:		
Transaction costs related to acquisitions and dispositions ⁽¹⁾	—	4
Unrealized gains on risk management contracts ⁽²⁾	(65)	(89)
Losses on sale of assets ⁽³⁾	1	2
Provisions on assets	1	—
Transition and restructuring costs ⁽⁴⁾	9	9
Unrealized foreign exchange losses on intercompany balances ⁽⁵⁾	4	4
Normalized net income	\$ 342	\$ 338

- (1) Comprised of transaction costs related to acquisitions and dispositions of assets and/or equity investments in the period. The pre-tax costs are included in the "operating and administrative" line item on the Consolidated Statements of Income. Transaction costs include expenses, such as legal fees, which are directly attributable to the acquisition or disposition.
- (2) The pre-tax amounts are included in the "revenue", "cost of sales", and "foreign exchange gains (losses)" line items on the Consolidated Statements of Income. Please refer to Note 12 of the unaudited condensed interim Consolidated Financial Statements as at and for the three months ended March 31, 2025 for further details regarding AltaGas' risk management activities.
- (3) The pre-tax amounts are included in the "other income" line item on the Consolidated Statements of Income.
- (4) Comprised of transition and restructuring costs (including CEO transition). These pre-tax costs are included in the "operating and administrative" line item on the Consolidated Statements of Income.
- (5) Relates to unrealized foreign exchange losses on intercompany accounts receivable and accounts payable balances between a U.S. subsidiary and a Canadian entity, where the impact to the U.S. subsidiary is recorded through accumulated other comprehensive income as a gain (loss) on foreign currency translation, and the impact to the Canadian entity is recorded through the "foreign exchange gains (losses)" line item on the Consolidated Statements of Income.

Normalized net income and normalized net income per share are used by Management to enhance the comparability of AltaGas' earnings, as these metrics reflect the underlying performance of AltaGas' business activities.

Normalized Funds from Operations

	Three Months Ended March 31	
(\$ millions)	2025	2024
Cash from operations (GAAP financial measure)	\$ 627	\$ 557
Deduct:		
Net change in operating assets and liabilities	(87)	(71)
Funds from operations	\$ 540	\$ 486
Add (deduct):		
Transaction costs related to acquisitions and dispositions ⁽¹⁾	—	5
Transition and restructuring costs ⁽²⁾	11	13
Current tax expense on asset sales ⁽³⁾	—	6
Normalized funds from operations	\$ 551	\$ 510

- (1) Comprised of transaction costs related to acquisitions and dispositions of assets and/or equity investments in the period. These costs exclude non-cash amounts and are included in the "operating and administrative" line item on the Consolidated Statements of Income. Transaction costs include expenses, such as legal fees, which are directly attributable to the acquisition or disposition.
- (2) Comprised of transition and restructuring costs (including CEO transition). These pre-tax costs are included in the "operating and administrative" line item on the Consolidated Statements of Income.
- (3) Included in the "current income tax expense" line item on the Consolidated Statements of Income.

Normalized funds from operations and funds from operations are used to assist Management and investors in analyzing the liquidity of the Corporation. Management uses these measures to understand the ability to generate funds for capital investments, debt repayment, dividend payments, and other investing activities.

Funds from operations and normalized funds from operations as presented should not be viewed as an alternative to cash from operations or other cash flow measures calculated in accordance with GAAP.

Invested Capital and Net Invested Capital

	Three Months Ended March 31	
(\$ millions)	2025	2024
Cash used in investing activities (GAAP financial measure)	\$ 352	\$ 275
Add (deduct):		
Net change in non-cash capital expenditures ⁽¹⁾	(30)	(14)
AFUDC ⁽²⁾	—	1
Contributions from non-controlling interests ⁽³⁾	(70)	(6)
Net invested capital	\$ 252	\$ 256
Asset dispositions	—	1
Invested capital	\$ 252	\$ 257

(1) Comprised of non-cash capital expenditures included in the "accounts payable and accrued liabilities" line item on the Consolidated Balance Sheets. Please refer to Note 18 of the unaudited condensed interim Consolidated Financial Statements as at and for the three months ended March 31, 2025 for further details.

(2) AFUDC is the amount that a rate-regulated enterprise is allowed to recover for its cost of financing assets under construction, and excludes any AFUDC within investments accounted for by the equity method. AFUDC is included in the "property, plant and equipment" line item on the Consolidated Balance Sheets.

(3) Excludes cash received from advance cash calls related to forecasted capital spend.

Invested capital is a measure of AltaGas' use of funds for capital expenditure activities. It includes expenditures relating to property, plant, and equipment and intangible assets, capital contributed to long term investments, and contributions from non-controlling interests. Net invested capital is invested capital presented net of cash paid for business acquisitions and proceeds from disposals of assets and equity investments in the period. Net invested capital is calculated based on the investing activities section in the Consolidated Statements of Cash Flows, adjusted for items such as non-cash capital expenditures, AFUDC, and contributions from non-controlling interests. Invested capital and net invested capital are used by Management, investors, and analysts to enhance the understanding of AltaGas' capital expenditures from period to period and provide additional detail on the Company's use of capital.

CONSOLIDATED FINANCIAL REVIEW

	Three Months Ended March 31	
<i>(\$ millions, except effective income tax rates)</i>	2025	2024
Revenue	3,969	3,655
Normalized EBITDA ⁽¹⁾	689	660
Income before income taxes	513	541
Net income applicable to common shares	392	408
Normalized net income ⁽¹⁾	342	338
Total assets	26,164	23,901
Total long-term liabilities	13,729	12,666
Invested capital ⁽¹⁾	252	257
Cash used in investing activities	(352)	(275)
Dividends declared ⁽²⁾	94	88
Cash from operations	627	557
Normalized funds from operations ⁽¹⁾	551	510
Normalized effective income tax rate (%) ⁽¹⁾	21.9	22.4
Effective income tax rate (%)	22.1	23.1

	Three Months Ended March 31	
<i>(\$ per share, except shares outstanding)</i>	2025	2024
Net income per common share - basic	1.31	1.38
Net income per common share - diluted	1.31	1.37
Normalized net income - basic ⁽¹⁾	1.15	1.14
Normalized net income - diluted ⁽¹⁾	1.14	1.14
Dividends declared ⁽²⁾	0.32	0.30
Cash from operations	2.10	1.89
Normalized funds from operations ⁽¹⁾	1.85	1.73
Shares outstanding - basic (millions)		
During the period ⁽³⁾	298	295
End of period	299	296

(1) Non-GAAP financial measure or non-GAAP financial ratio; see discussion in *Non-GAAP Financial Measures* section of the MD&A.

(2) Dividends declared per common share per quarter: \$0.2975 per share beginning March 2024, increased to \$0.315 per share effective March 2025.

(3) Weighted average.

ABOUT ALTAGAS

AltaGas is a leading North American infrastructure company that connects customers and markets to affordable and reliable sources of energy. The Company operates a diversified, lower-risk, high-growth Utilities and Midstream business that is focused on delivering resilient and durable value for its stakeholders.

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FORWARD-LOOKING INFORMATION

This news release contains forward-looking information (forward-looking statements). Words such as "may", "can", "would", "could", "should", "likely", "will", "intend", "plan", "anticipate", "believe", "aim", "seek", "future", "commit", "propose", "contemplate", "estimate", "focus", "strive", "forecast", "expect", "project", "potential", "target", "guarantee", "potential", "objective", "continue", "outlook", "guidance", "growth", "long-term", "vision", "opportunity" and similar expressions suggesting future events or future performance, as they relate to the Company or any affiliate of the Company, are intended to identify forward-looking statements. In particular, this news release contains forward-looking statements with respect to, among other things, business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Specifically, such forward-looking statements included in this document include, but are not limited to, statements with respect to the following: AltaGas' commitment to evaluating additional long-term tolling contracts; the belief that the MVP expansion and Southgate expansion are advancing towards FID; the potential monetization of AltaGas' interest in MVP and the use of proceeds therefrom; the potential District SAFE modernization program and the anticipated benefits therefrom; the expectation that REEF will remain on budget and on schedule to achieve its 2026 year-end in-service-date; the expectation that construction of Pipestone II will remain on schedule for a late 2025 in-service-date; anticipated benefits of Pipestone II; projected capital cost for the RIPET methanol removal project, AltaGas' ability to meet the project's targeted online date of 2026 year-end, and the anticipated benefits of the project; AltaGas' commitment to advancing growth projects across the Utilities segment including new meter growth and execution for existing asset monetization programs; progress on the Keweenaw Pipeline Connector project, projected capital cost of the project, the anticipated benefits therefrom and timing for obtaining regulatory approval and the estimated 2027 in-service-date; advancement of preliminary work with data center developers and their effect on the Utilities growth outlook; AltaGas' commitment to advancing Midstream growth projects including Pipestone III, North Pine, the Dimsdale natural gas storage expansion project and REEF optimization and their effect on the Midstream growth outlook; the Company's 2025 guidance including normalized EBITDA of \$1,775 million to \$1,875 million and normalized EPS of \$2.10 to \$2.30; the Company's expectation of five to seven percent CAGR guidance on dividends to 2029; anticipated benefits of AltaGas' cost management strategy; the belief that AltaGas' assets will continue to realize strong forward growth through market volatility; the importance of building energy infrastructure that connects Canadian energy to global markets; AltaGas' long-term strategy of having a diversified business to provide steady and ratable earnings growth for shareholders; the anticipated benefits of AltaGas' ability to connect Western Canadian energy supply to premium demand markets in Asia; the

Company's focus on operational execution and its ability to deliver continued year-over-year export volume growth through 2025; the strategic advantage of AltaGas' global exports platform and the belief that AltaGas can provide its customers the opportunity for protection against U.S. tariff impacts and ensure access to the highest priced global markets; the belief that AltaGas is positioned to benefit from the long-term fundamentals of growing Canadian natural gas and NGL production, strong Asian demand and the Company's structural shipping advantage from the west coast; the Company's hedging program and AltaGas' 2025 Midstream Hedge Program quarterly estimates; AltaGas' commitment to investing in its Utilities business while balancing the need for customer affordability; the expectation that new rates for Washington Gas from the PSC of D.C. will not impact AltaGas' 2025 financial performance; anticipated approval of Washington Gas' asset modernization programs; AltaGas' ability to execute its corporate strategy including; the Company's focus on growing normalized EPS and normalized FFO per share while targeting lower leverage ratios to support steady dividend growth and provide ongoing capital appreciation for long-term shareholders; AltaGas' commitment to maintaining an disciplined, self-funded 2025 capital program of approximately \$1.4 billion, excluding ARO; the allocation of consolidated 2025 capital to the Company's Utilities, Midstream and Corporate/Other segments; and AltaGas' dividend policy.

These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events, and achievements to differ materially from those expressed or implied by such statements. Such statements reflect AltaGas' current expectations, estimates, and projections based on certain material factors and assumptions at the time the statement was made. Material assumptions include: effective tax rates; U.S./Canadian dollar exchange rates; inflation; interest rates, credit ratings, regulatory approvals and policies; expected commodity supply, demand and pricing; volumes and rates; propane price differentials; degree day variance from normal; pension discount rate; financing initiatives; the performance of the businesses underlying each sector; impacts of the hedging program; weather; frac spread; access to capital; future operating and capital costs; timing and receipt of regulatory approvals; seasonality; planned and unplanned plant outages; timing of in-service dates of new projects and acquisition and divestiture activities; taxes; operational expenses; returns on investments; dividend levels; and transaction costs.

AltaGas' forward-looking statements are subject to certain risks and uncertainties which could cause results or events to differ from current expectations, including, without limitation: health and safety risks; operating risks; infrastructure; natural gas supply risks; volume throughput; service interruptions; transportation of petroleum products; market risk; inflation; general economic conditions; cybersecurity, information, and control systems; climate-related risks; environmental regulation risks; regulatory risks; litigation; changes in law; Indigenous and treaty rights; dependence on certain partners; political uncertainty and civil unrest; risks related to conflict, including the conflicts in Eastern Europe and the Middle East; decommissioning, abandonment and reclamation costs; reputation risk; weather data; capital market and liquidity risks; interest rates; internal credit risk; foreign exchange risk; debt financing, refinancing, and debt service risk; counterparty and supplier risk; technical systems and processes incidents; growth strategy risk; construction and development; underinsured and uninsured losses; impact of competition in AltaGas' businesses; counterparty credit risk; composition risk; collateral; rep agreements; market value of the common shares and other securities; variability of dividends; potential sales of additional shares; labor relations; key personnel; risk management costs and limitations; commitments associated with regulatory approvals for the acquisition of WGL; cost of providing retirement plan benefits; failure of service providers; risks related to pandemics, epidemics or disease outbreaks; and the other factors discussed under the heading "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2024 ("AIF") and set out in AltaGas' other continuous disclosure documents.

Many factors could cause AltaGas' or any particular business segment's actual results, performance or achievements to vary from those described in this press release, including, without limitation, those listed above and the assumptions upon which they are based proving incorrect. These factors should not be construed as exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this news release as intended, planned, anticipated, believed, sought, proposed, estimated, forecasted, expected, projected or targeted and such forward-looking statements included in this news release, should not be unduly relied upon. The impact of any one assumption, risk, uncertainty, or other factor on a particular forward-looking statement cannot be determined with certainty because they are interdependent and AltaGas' future decisions and actions will depend on management's assessment of all information at the relevant time. Such statements speak only as of the date of this news release. AltaGas does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law. The forward-looking statements contained in this news release are expressly qualified by these cautionary statements.

Financial outlook information contained in this news release about prospective financial performance, financial position, or cash flows is based on assumptions about future events, including economic conditions and proposed courses of action, based on AltaGas management's assessment of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this news release should not be used for purposes other than for which it is disclosed herein.

Additional information relating to AltaGas, including its quarterly and annual MD&A and Consolidated Financial Statements, AIF, and press releases are available through AltaGas' website at www.altagas.ca or through SEDAR+ at www.sedarplus.ca.