

# Forward-looking information and Non-GAAP measures

This presentation includes certain forward looking information, including future oriented financial information or financial outlook, which is intended to help current and potential investors understand management's assessment of our future plans and financial outlook, and our future prospects overall. Statements that are forward-looking are based on certain assumptions and on what we know and expect today and generally include words like anticipate, expect, believe, may, will, should, estimate or other similar words.

Forward-looking statements do not guarantee future performance. Actual events and results could be significantly different because of assumptions, risks or uncertainties related to our business or events that happen after the date of this presentation. Our forward-looking information in this presentation includes statements related to future dividend and earnings growth and the future growth of our core businesses, among other things.

Our forward looking information is based on certain key assumptions and is subject to risks and uncertainties, including but not limited to: our ability to successfully implement our strategic priorities and whether they will yield the expected benefits, our ability to implement a capital allocation strategy aligned with maximizing shareholder value, the operating performance of our pipeline and energy assets, amount of capacity sold and rates achieved in our pipeline businesses, the amount of capacity payments and revenues from our power generation assets due to plant availability, production levels within supply basins, construction and completion of capital projects, costs for labour, equipment and materials, the availability and market prices of commodities, access to capital markets on competitive terms, interest, tax and foreign exchange rates, performance and credit risk of our counterparties, regulatory decisions and outcomes of legal proceedings, including arbitration and insurance claims, changes in environmental and other laws and regulations, competition in the pipeline, power and storage sectors, unexpected or unusual weather, acts of civil disobedience, cyber security and technological developments, economic conditions in North America as well as globally and our ability to effectively anticipate and assess changes to government policies and regulations. You can read more about these risks and others in our May 2, 2019 Quarterly Report to Shareholders and 2018 Annual Report filed with Canadian securities regulators and the SEC and available at [www.transcanada.com](http://www.transcanada.com).

As actual results could vary significantly from the forward-looking information, you should not put undue reliance on forward-looking information and should not use future-oriented information or financial outlooks for anything other than their intended purpose. We do not update our forward-looking statements due to new information or future events, unless we are required to by law.

This presentation contains reference to certain financial measures (non-GAAP measures) that do not have any standardized meaning as prescribed by U.S. generally accepted accounting principles (GAAP) and therefore may not be comparable to similar measures presented by other entities. These non-GAAP measures may include Comparable Earnings, Comparable Earnings per Common Share, Comparable Earnings Before Interest, Taxes, Depreciation and Amortization (Comparable EBITDA), Funds Generated from Operations, Comparable Funds Generated from Operations, Comparable Distributable Cash Flow (DCF) and Comparable DCF per Common Share. Reconciliations to the most directly comparable GAAP measures are included in this presentation and in our May 2, 2019 Quarterly Report to Shareholders filed with Canadian securities regulators and the SEC and available at [www.transcanada.com](http://www.transcanada.com).

Positioned for  
the future.



 TC Energy

# Our footprint

## One of North America's largest Natural Gas Pipeline networks

- 92,600 km (57,500 mi) of pipeline
- 653 Bcf of storage capacity
- 23 Bcf/d; ~25% of continental demand

## Premier Liquids Pipeline system

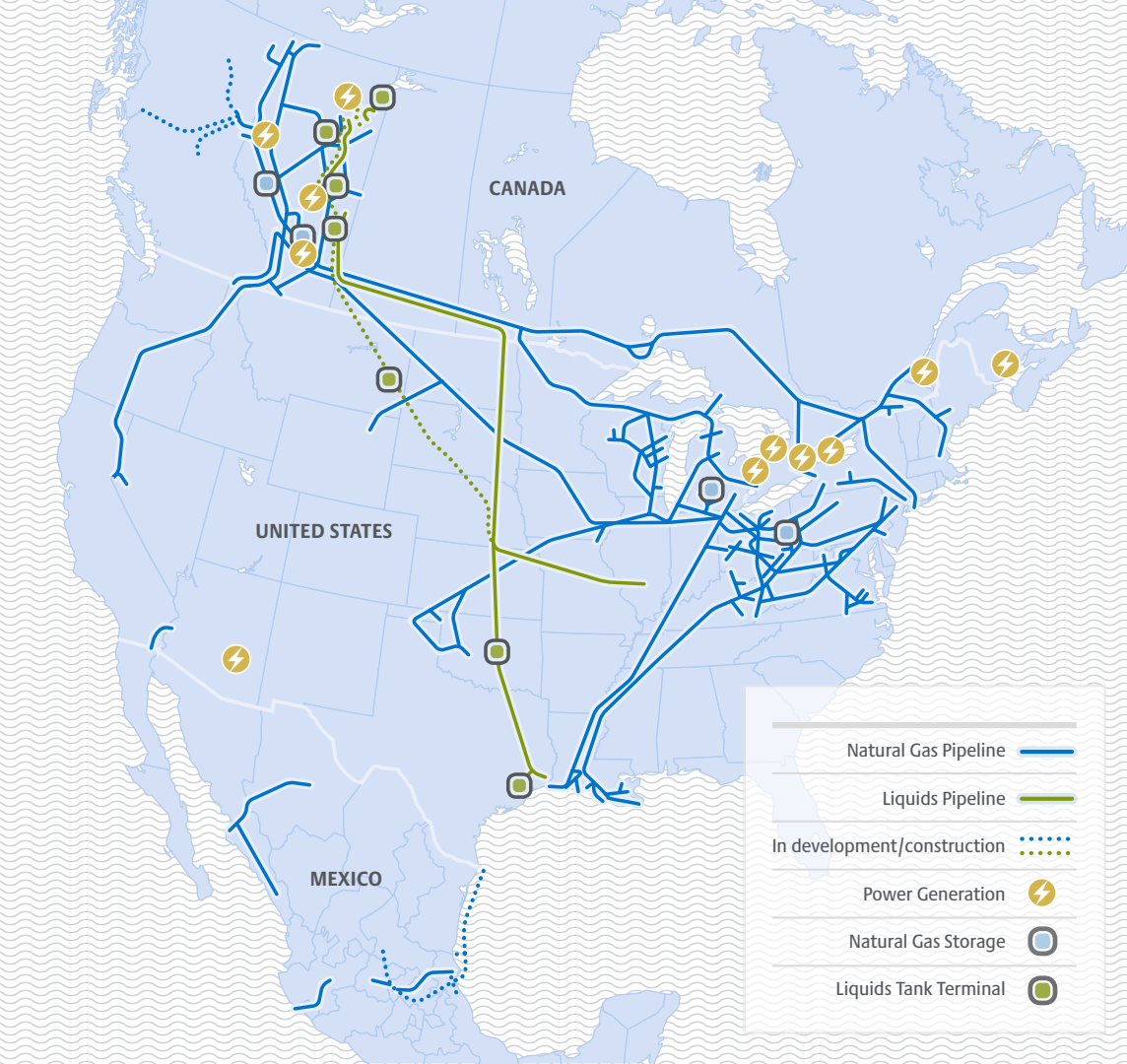
- 4,900 km (3,000 mi) of pipeline
- 590,000 Bbl/d Keystone System transports ~20% of Western Canadian exports

## One of the largest private sector power generators in Canada

- 11 power plants, 6,600 MW\*
- Primarily long-term contracted assets

## Enterprise Value ~\$110 billion

*\*Includes Napanee (under construction)*



Portfolio of critical energy infrastructure assets



# Key accomplishments in 2018

## ✓ Record performance from base businesses

- Maximized throughput and enhanced contracting on Natural Gas Pipelines
- Increased utilization of Keystone

## ✓ Advanced \$30-billion secured capital program

- \$4 billion in new assets entered service in 2018
- Placed another \$5 billion of assets in service in first quarter 2019
- Added over \$12 billion of secured growth

## ✓ Progressed over \$20 billion of projects under development

- Includes Keystone XL and remainder of Bruce Power Life Extension program

## ✓ Maintained financial strength and flexibility

- Raised \$8.2 billion in capital markets on compelling terms
- \$1.1 billion realized from Cartier Wind sale and reimbursement of Coastal GasLink pre-FID costs
- US\$465 million to be realized in 2019 from sale of Coolidge Generating Station

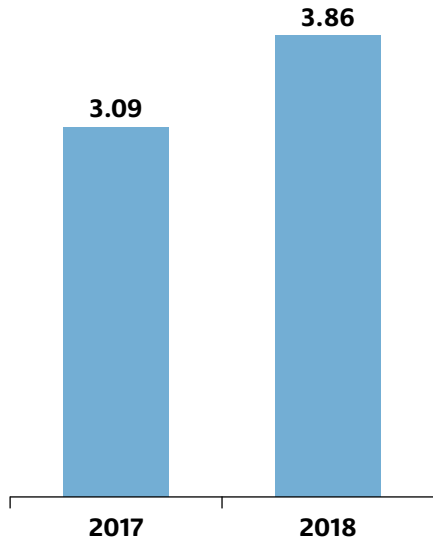


Delivered record cash flow and earnings

# 2018 financial highlights

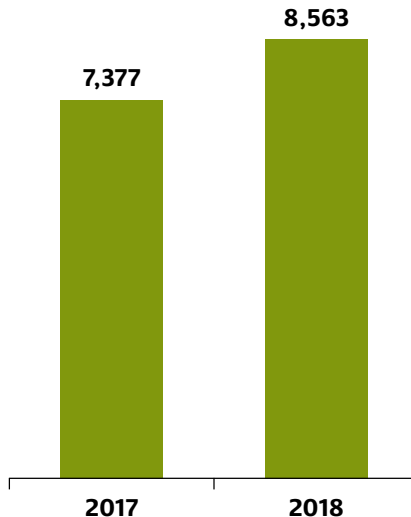
## Comparable earnings per common share\* (Dollars)

25% Increase



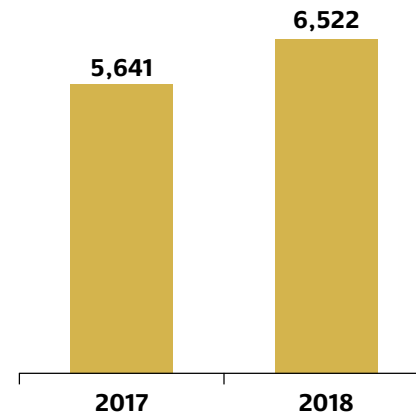
## Comparable EBITDA\* (\$Millions)

16% Increase



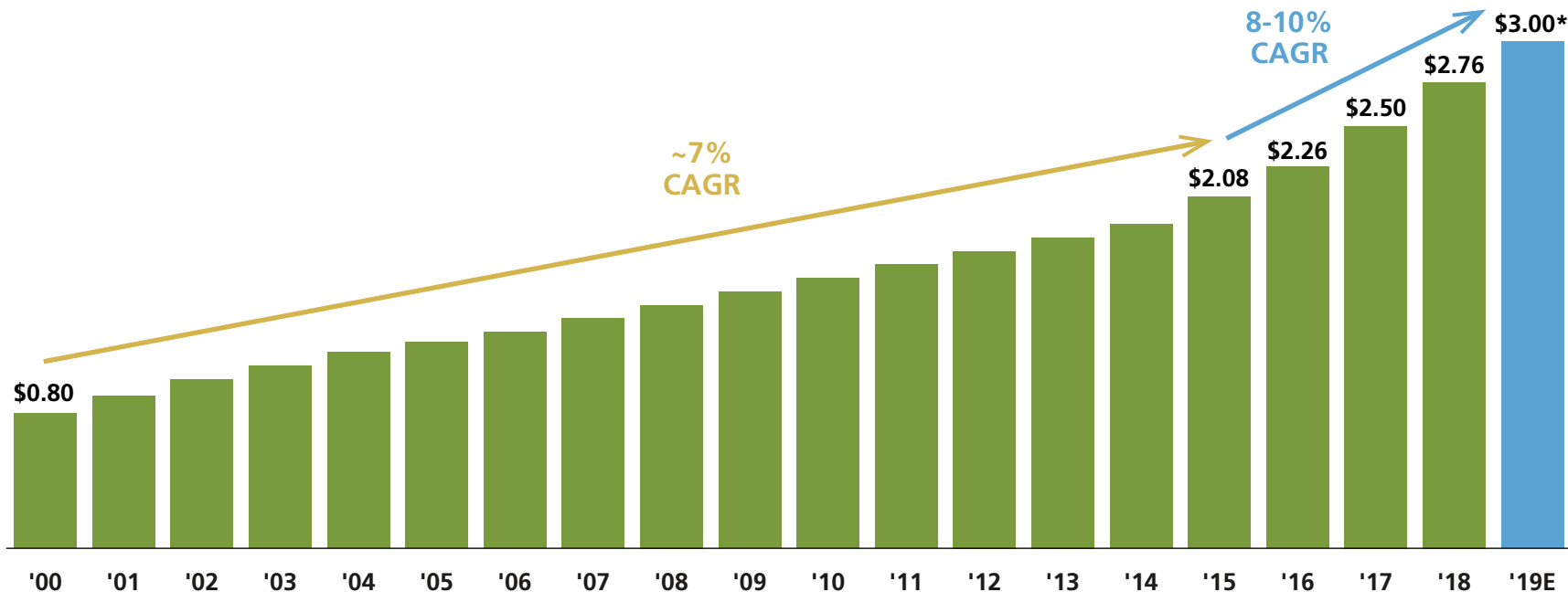
## Comparable funds generated from operations\* (\$Millions)

16% Increase



\* Comparable Earnings per Common Share, Comparable EBITDA and Comparable Funds Generated from Operations are non-GAAP measures. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information.

# Dividend growth continues



\*Annualized based on second quarter declaration of \$0.75 per share. CAGR is compound average annual growth rate.



Common share dividend increased 8.7% for 2019, nineteenth consecutive annual increase

# Delivering long-term shareholder value

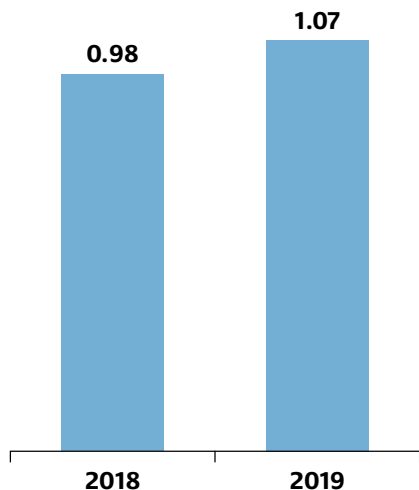


➔ 13% average annual total shareholder return since 2000

# First quarter 2019 financial highlights

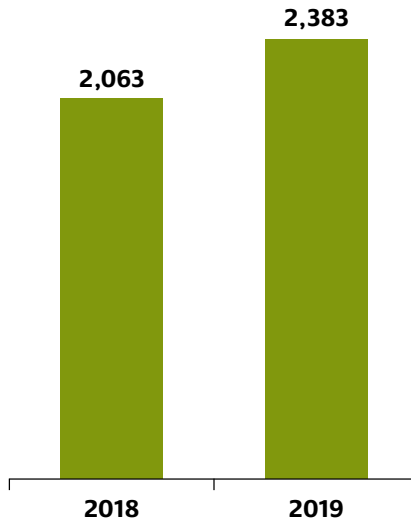
## Comparable earnings per common share\* (Dollars)

9% Increase



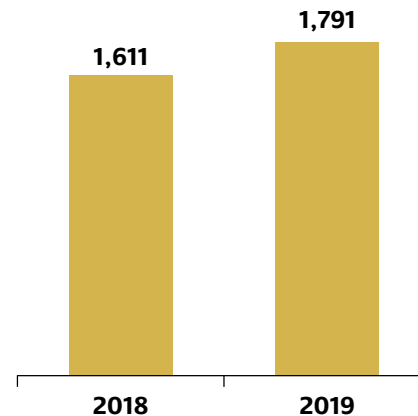
## Comparable EBITDA\* (\$Millions)

16% Increase



## Comparable funds generated from operations\* (\$Millions)

11% Increase



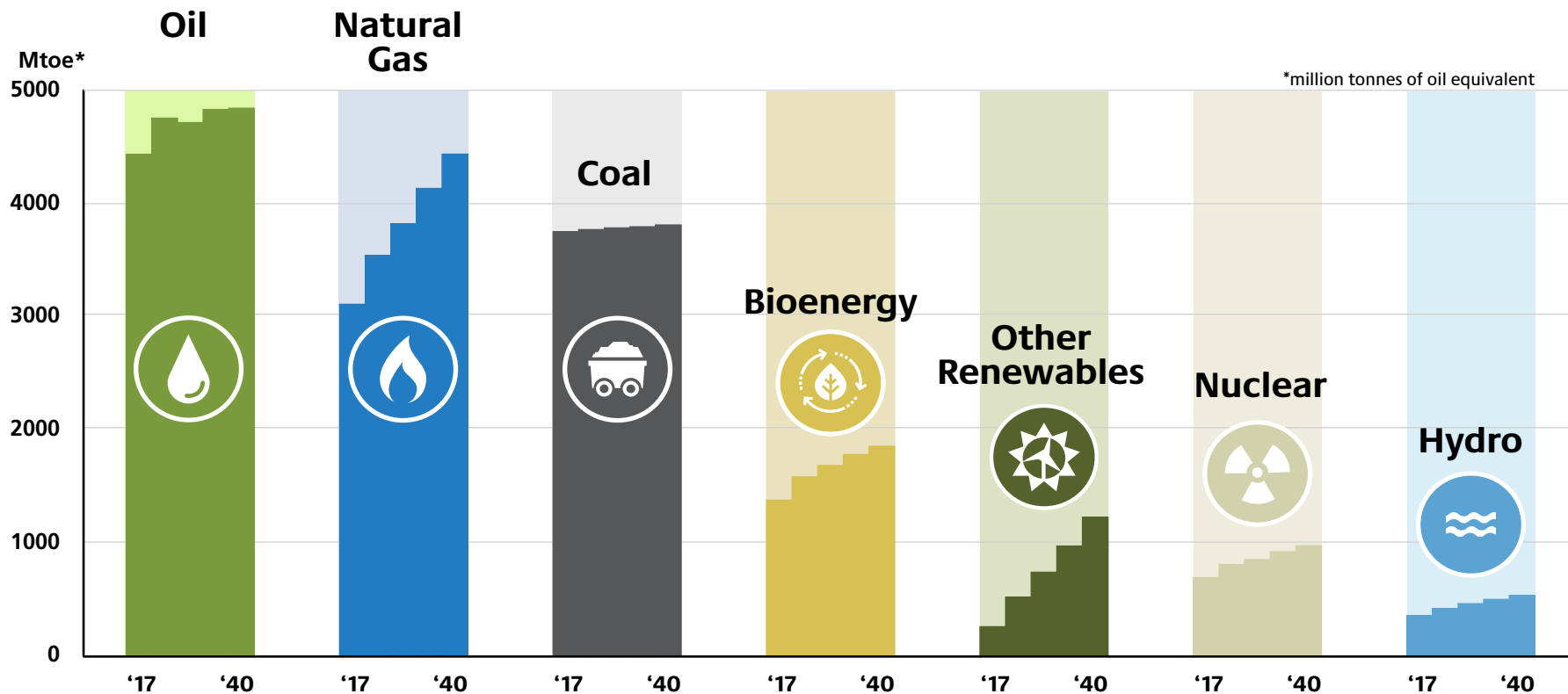
\* Comparable Earnings per Common Share, Comparable EBITDA and Comparable Funds Generated from Operations are non-GAAP measures. See the forward-looking information and non-GAAP measures slide at the front of this presentation for more information.



# Committed to sustainability

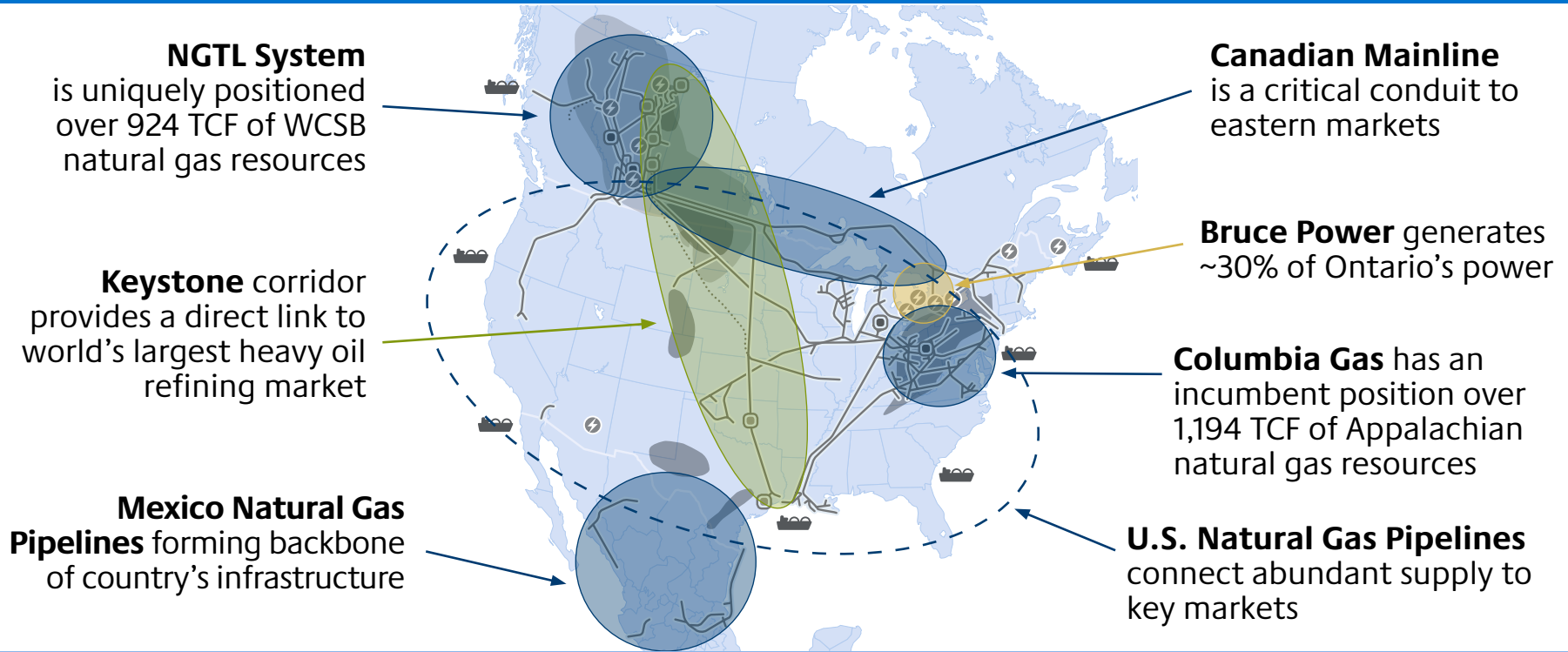


# Global energy demand expected to continue to grow



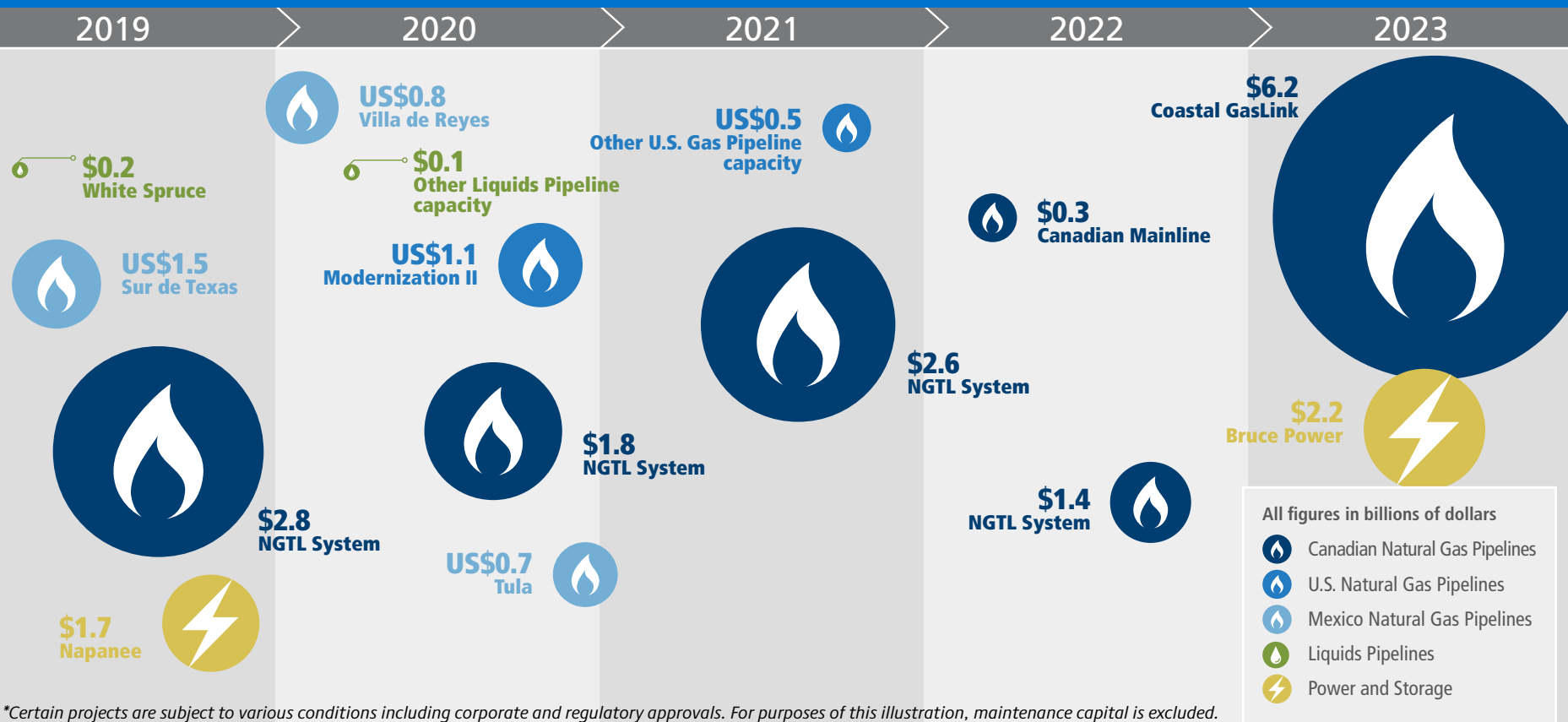
Source: International Energy Agency

# Multiple growth platforms that cannot be replicated



➔ Driving over \$50 billion of growth opportunities

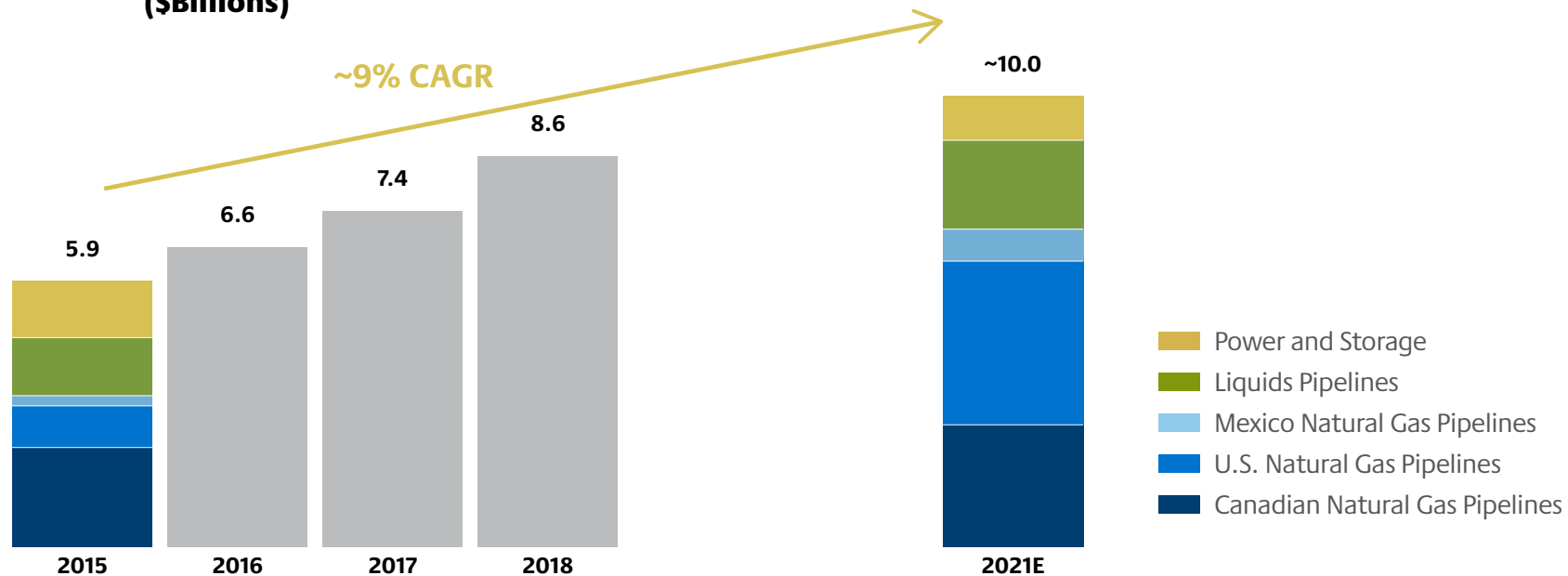
# Advancing \$30-billion secured capital program\*



\*Certain projects are subject to various conditions including corporate and regulatory approvals. For purposes of this illustration, maintenance capital is excluded.

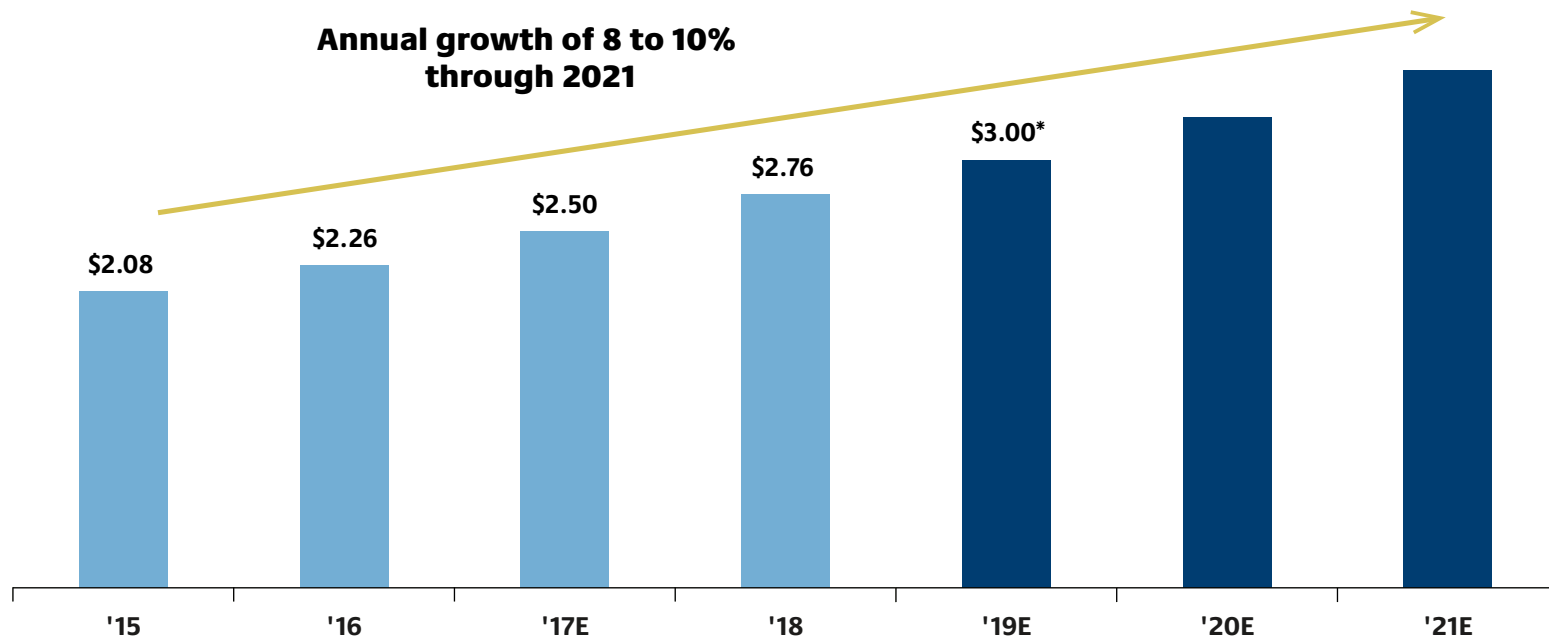
# Secured capital program drives significant growth

## Comparable EBITDA outlook (\$Billions)



~95% of Comparable EBITDA to come from regulated assets or long-term contracts

# Dividend growth outlook



\* Annual rate based on second quarter dividend declared of \$0.75 per share.



Supported by expected growth in earnings and cash flow and continued strong coverage ratios



# \$20+ billion of projects under development

## Natural Gas Pipelines

- Expansions across our extensive network including NGTL, Columbia and other pipelines serving premium markets

## Liquids Pipelines

- Keystone XL
- Grand Rapids Phase II
- Heartland Pipeline
- Keystone Hardisty Terminal

## Power and Storage

- Bruce Power Life Extension
- Pursue growth in contracted power



Over \$20 billion of future growth opportunities



# Key takeaways

## **Record performance from asset base**

- Comparable EBITDA, FGFO, and EPS reached all-time highs in 2018
- Record results continued in first quarter 2019
- Demand for our services has never been greater

## **Visible growth program underpinned by energy fundamentals**

- \$30-billion secured capital program underway
- Advancing \$20+ billion of projects under development

## **Attractive, growing dividend**

- 8.7% increase in 2019
- Expected annual dividend growth of 8-10% through 2021

## **Maintained financial strength and flexibility**

- Growing cash flow underpinned by regulated assets or long-term contracts
- Numerous levers available to fund growth

## **Committed to responsible development**



Bright future ahead

