ALTAGAS REPORTS STRONG SECOND QUARTER 2024 RESULTS

Driven by Record Global Export Volumes and Strong Utilities Cost Management

Calgary, Alberta (August 1, 2024)

AltaGas Ltd. ("AltaGas" or the "Company") (TSX: ALA) reported second quarter 2024 financial results and provided an update on its operations and other corporate developments.

HIGHLIGHTS

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

- Normalized EPS[1] was $0.14 in the second quarter of 2024 compared to $0.07 in the second quarter of 2023, while GAAP EPS[2] was a $0.14 loss in the second quarter of 2024 compared to $0.47 in the second quarter of 2023. Normalized EPS growth was driven by strong performance across the enterprise.
- Normalized EBITDA[1] was $295 million in the second quarter of 2024 compared to $239 million in the second quarter of 2023, while loss before income taxes was $46 million in the second quarter of 2024 compared to income before taxes of $182 million in the second quarter of 2023. The quarter included strong year-over-year growth in the Midstream and Utilities businesses, driven by record global export volumes, strong cost management, and the benefit of recent capital investments.
- Normalized FFO per share[1] was $0.61 in the second quarter of 2024 compared to $0.53 in the second quarter of 2023, while cash from operations per share[3] was $1.52 in the second quarter of 2024 compared to $1.32 in the second quarter of 2023.
- The Utilities segment reported normalized EBITDA of $122 million in the second quarter of 2024 compared to $102 million in the second quarter of 2023, while income before taxes was $31 million in the second quarter of 2024 compared to $105 million in the second quarter of 2023. The largest drivers of the year-over-year growth in Utilities normalized EBITDA were active cost management, contribution from continued investments in rate base, and strong performance from the Retail business.
- The Midstream segment reported normalized EBITDA of $175 million in the second quarter of 2024 compared to $134 million in the second quarter of 2023, while income before taxes was $46 million in the second quarter of 2024 compared to $181 million in the second quarter of 2023. The largest contributors to the year-over-year increase in Midstream normalized EBITDA were record global export volumes, strong fractionation and liquids handling contribution, and the addition of the Pipestone gas processing and storage assets. AltaGas exported a record of 123,285 Bbl/d of liquified petroleum gases ("LPGs") to Asia in the quarter, a seven percent year-over-year increase.
- AltaGas continued to advance key Midstream growth projects in the second quarter. This included AltaGas and Royal Vopak reaching a positive final investment decision ("FID") on the Ridley Island Energy Export Facility ("REEF"), a large-scale LPG and bulk liquids terminal on Ridley Island, B.C. REEF is a $1.35 billion project slated to come online near 2026 year-end, with an initial export capacity of 55,000 Bbls/d of propane and butane and will have large expansion opportunities. The partnership continues to de-risk the project, having executed fixed price engineering, procurement and construction ("EPC") contracts for approximately 40 percent of projected costs with an additional 10 percent expected to be awarded in the coming weeks and the remaining balance to be awarded over the project execution plan.

(1) Non-GAAP measure; see discussion and reconciliation to US GAAP financial measures in the advisories of this news release or in AltaGas' Management's Discussion and Analysis (MD&A) as at and for the period ended June 30, 2024, which is available on www.sedarplus.ca. (2) GAAP EPS is equivalent to Net income applicable to common shares divided by shares outstanding. (3) GAAP FFO per share is equivalent to cash from operations divided by shares outstanding.

- Work continued on the Pipestone II expansion project in the Alberta Montney during and subsequent to quarter-end with the two acid gas injection wells drilled, completed and awaiting tie-in. Work is also currently advancing on the gas gathering system with cooperative weather conditions to date. 92 percent of the Pipestone expansion project costs are now fixed, and we remain on budget and on track for a late 2025 in-service date.
- The Mountain Valley pipeline ("MVP") in the Appalachian Basin was completed and placed into service in June of 2024 with firm service contracts coming into effect July 1, 2024. The 2.0 Bcf/d pipeline is fully subscribed with 20-year contracts with investment grade counterparties. The pipeline is expandable by an additional 500 MMcf/d through additional compression. AltaGas has a ten percent non-operated equity stake in the pipeline and the Company is evaluating a sale of its interest to accelerate AltaGas' deleveraging strategy.
- During the second quarter of 2024, AltaGas executed an agreement to construct and contract an additional time charter for a very large gas carrier ("VLGC") for a ten-year term with optional extensions. The time charter is expected to be commissioned in late 2026. The agreement represents AltaGas' fifth time charter with three currently operating and two under construction. This fifth agreement will further reduce and de-risk AltaGas' shipping costs, with materially all of AltaGas' expected Baltic freight exposure protected through time charters, financial hedges, and tolled volumes in 2024.
- Subsequent to the quarter, AltaGas issued $250 million of senior unsecured medium-term notes with a 5.60 percent coupon, due on March 14, 2054. The net proceeds were used to pay down amounts drawn on the syndicated credit facility, which was incurred when the Company repaid its term loan on June 28, 2024.
- Following a strong second quarter, AltaGas is reiterating the Company's 2024 full year guidance, including normalized EPS[1] of $2.05 to $2.25, and normalized EBITDA[1] of $1,675 million to $1,775 million.

CEO MESSAGE

"We're pleased with our strong second quarter results, which reflect the strength of operating businesses and the structural tailwinds behind them. Performance in the quarter was modestly ahead of our expectations and positions AltaGas well to deliver on our 2024 guidance" said Vern Yu, President and Chief Executive Officer. "As we look ahead we will continue to execute on our strategic priorities of lowering the business risk profile, executing on our organic growth projects and sustainably growing our earnings and cash flows.

"Midstream performance was strong in the second quarter, including record global export volumes. These volumes highlight the strength of our export business. Performance across the other parts of the Midstream segment were also strong with gas processing volumes up six percent, fractionation and liquids handling volumes up 14 percent, and extraction volumes up 32 percent on a year-over-year basis.

"We continue to focus on de-risking our Midstream operations to generate stable and predictable results. This includes recently finalizing long-term agreements for an additional 18 percent of REEF's Phase I throughput capacity. We continue to have advanced tolling negotiations with multiple counterparties for more than 100 percent of REEF's initial capacity. These agreements build on AltaGas' previously announced success in securing 56 percent of our expected export volumes under tolling agreements, which started in the second quarter of 2024. During the second quarter we also executed an additional agreement to construct a fifth VLGC time charter, which continues to lock in maritime shipping costs and de-risk long-term operations.

"Performance in our Utilities business was in line with our expectations and continued to deliver stable earnings growth for the enterprise, despite warmer-than-normal weather in Michigan and the District of Columbia ("D.C."). The quarter included the benefit of active cost management through reduced operating and administrative costs, increased revenue from ongoing rate base investments across our network, and strong Retail performance. Our Utilities capital investment during the quarter was focused on meeting the needs of our expanding customer base and supporting long-term safety and reliability needs through our asset modernization programs. Our natural gas

Utilities have a bright future as the lowest cost and most reliable form of residential and commercial heating across our jurisdictions.

"We're excited about AltaGas' long-term outlook and the value that can be created through continuing to execute on our strategic plan. We remain very positive on the macro fundamentals for natural gas, natural gas liquids ("NGLs") and the outlook for both our businesses. We continue to make significant progress optimizing and expanding our Midstream business, including filling remaining latent capacity, while constructing the REEF and Pipestone II projects that support our next phase of growth. We also continue to make large investments in our Utilities to meet our customers' long-term needs and ensure that we are positioned to deliver the critical energy required to keep society moving forward."

RESULTS BY SEGMENT

Normalized EBITDA [(1)]		Three Months Ended June 30		
($ millions)		**2024**		2023
Utilities	**$**	**122**	$	102
Midstream		**175**		134
Corporate/Other		**(2)**		3
Normalized EBITDA [(1)]	**$**	**295**	$	239

(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 June 30		
($ millions)		**2024**		2023
Utilities	**$**	**31**	$	105
Midstream		**46**		181
Corporate/Other		**(123)**		(104)
Income (Loss) Before Income Taxes	**$**	**(46)**	$	182

BUSINESS PERFORMANCE

Midstream

The Midstream segment reported normalized EBITDA of $175 million in the second quarter of 2024 compared to $134 million in the second quarter of 2023, while income before income taxes was $46 million in the second quarter of 2024 compared to $181 million in the second quarter of 2023. The largest drivers of the year-over-year increase in Midstream normalized EBITDA included strong performance from the global exports business driven by record volumes, stronger contributions from the fractionation and liquids handling business, the addition of the Pipestone gas processing and storage assets, and the absence of wildfire impacts that were present in the second quarter of 2023. These factors were partially offset by the absence of certain acquisition-related commercial disputes and contingencies that were present in the second quarter of 2023, higher operating and administrative expenses, lower sales of greenhouse gas credits, and lower contribution at the extraction facilities due to higher re-injection of ethane volumes.

AltaGas continues to actively de-risk the Midstream platform with a focus on generating stable and predictable earnings and cash flow. We have recently finalized long-term agreements for an additional 18 percent of REEF's Phase I throughput capacity and continue to have advanced tolling discussions with multiple counterparties for more than 100 percent of REEF's initial capacity. A portion of these incremental long-term volumes will be moved through AltaGas' export platform immediately while others will be delivered as REEF enters service. These agreements build on our previously announced success in securing 56 percent of AltaGas' expected export volumes under tolling agreements starting in the second quarter of 2024. These announcements are aligned with AltaGas' long-term target of reaching approximately 60 percent tolling across its global export platform by 2027.

During the second quarter of 2024, AltaGas executed an agreement to construct and contract an additional VLGC time charter for a ten-year term with optional extensions. The time charter is expected to be commissioned during 2026. The agreement represents AltaGas' fifth time charter with three time charters currently operating and two under construction. This fifth agreement will further reduce and de-risk AltaGas' maritime shipping costs, with materially all of AltaGas' expected Baltic freight exposure protected through time charters, financial hedges, and tolled volumes in 2024.

AltaGas exported 123,285 Bbls/d of LPGs to Asia in the second quarter of 2024, including 12 VLGCs at RIPET, and 8 VLGCs at Ferndale. This represented a seven percent year-over-year increase from the second quarter of 2023 and was underpinned by strong execution at both terminals, increased LPG supply in Western Canada, and robust demand in Asia.

Over the longer-term, AltaGas continues to see growing demand for LPG exports driven by the Company's structural shipping advantage to Asia and access to low-cost Canadian supply. This structural advantage was amplified in recent quarters due to the restricted vessel traffic through the Panama Canal, which has resulted in additional demand for reliable and ratably-sourced Canadian LPGs. This highlights the mutual benefits of a growing Canadian-Pacific energy partnership and the critical role Canada can play in providing long-term energy security.

Late in the second quarter, MVP was completed and placed into service with firm service contracts effective July 1, 2024. The interstate natural gas pipeline spans more than 300 miles from Northwestern West Virginia to Southern Virginia, where it connects into Transco Pipeline system. MVP has 2.0 Bcf/d of capacity, which is fully subscribed with 20-year contracts with investment grade counterparties. The pipeline is expandable by an additional 500 MMcf/d through incremental low-cost compression. As previously disclosed, AltaGas has a 10 percent non-operated equity stake in the pipeline and the Company is evaluating a sale of its interest to accelerate AltaGas' deleveraging strategy.

In line with the Company's de-risking focus, AltaGas' Midstream operations are well-hedged for 2024 with approximately 87 percent of the remaining 2024 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 approximately US$16.96/Bbl. Tolling volumes are in line with historical tolls. Approximately 86 percent of the Company's 2024 expected frac exposed volumes are hedged at approximately US$25.64/Bbl, prior to transportation costs.

Midstream Hedge Program	**Q3 2024**	**Q4 2024**	**Remainder of 2024**
Global Exports volumes hedged (%) (1)	93	80	87
Average propane/butane FEI to North America hedge (US$/Bbl) (2) (3)	16.66	17.28	16.96
Fractionation volume hedged (%) (3)	92	80	86
Frac spread hedge rate - (US$/Bbl) (3)	26.75	24.54	25.64

(1) Approximate expected volumes hedged. Includes contracted tolling volumes and financial hedges. Based on AltaGas' internally assumed export volumes. 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

The Utilities segment reported normalized EBITDA of $122 million in the second quarter of 2024 compared to $102 million in the second quarter of 2023, while income before income taxes was $31 million in the second quarter of 2024 compared to $105 million in the second quarter of 2023. The largest drivers of the year-over-year growth in Utilities normalized EBITDA included active cost management, contribution from continued investments in rate base on behalf of our customers, strong performance from the Retail business, and the positive impact of the D.C. rate case. These factors were partially offset by the impact of the Maryland and Virginia rate cases, decreased asset optimization activities at Washington Gas, and warmer weather in Michigan, where AltaGas does not have weather normalization.

During the second quarter of 2024, AltaGas took several active steps focused on ensuring the Company's long-term operating costs are aligned with existing rate structures and allowed operations and maintenance costs in each jurisdiction. These cost efficiencies will also provide additional room to continue to make ongoing rate base investments to expand and modernize the network while managing customer bills. Looking ahead, AltaGas will continue to manage costs for the long-term benefit of our customers while maintaining the same regulatory and capital discipline.

AltaGas continued to make investments across its Utilities assets to improve the safety and reliability of the system on behalf of customers during the second quarter of 2024. This included investing $178 million across the Utilities network, with approximately $92 million through the Company's various asset modernization programs. These investments continue to be directed towards improving the safety and reliability of the system and connecting customers to the critical energy they require to carry out everyday life. These investments should also reduce leak rates and bring long-term operating cost benefits to our customers. AltaGas will continue to make these critical investments, while balancing the need for ongoing customer affordability, which is particularly important during the current economic environment of higher interest rates and affordability challenges.

During the quarter, SEMCO Energy submitted its Main Replacement Program ("MRP") and Infrastructure Reliability Improvement Program ("IRIP") amendment application, seeking approval from the Michigan Public Service Commission ("MPSC") to extend these modernization programs for approximately US$46 million and US$68 million, respectively, for the period 2025 to 2027. This will allow AltaGas to make critical long-term investments in Michigan to reinforce our network and deliver safe and reliable operations.

Corporate/Other

In the Corporate/Other segment, normalized EBITDA was a loss of $2 million in the second quarter of 2024 compared to normalized EBITDA of $3 million in the same quarter of 2023, while loss before income taxes was $123 million in the second quarter of 2024 compared to a loss of $104 million in the second quarter of 2023. After some extended downtime in the first quarter, the Blythe Power Plant operated at full capacity in the second quarter of 2024 and is expected to remain operating at capacity for the remainder of the year.

CONSOLIDATED FINANCIAL RESULTS

	Three Months Ended June 30	
($ millions)	**2024**	2023
Normalized EBITDA [1]	**$ 295**	$ 239
Add (deduct):		
Depreciation and amortization	**(117)**	(112)
Interest expense	**(111)**	(93)
Normalized income tax expense	**(13)**	(6)
Preferred share dividends	**(4)**	(7)
Other [2]	**(9)**	(1)
Normalized net income [1][3]	**$ 41**	$ 20
Net income (loss) applicable to common shares	**$ (42)**	$ 133
Normalized funds from operations [1]	**$ 180**	$ 150
($ per share, except shares outstanding)		
Shares outstanding - basic (millions)		
During the period [4]	**297**	282
End of period	**297**	282
Normalized net income - basic [1][3]	**0.14**	0.07
Normalized net income - diluted [1][3]	**0.14**	0.07
Net income (loss) per common share - basic	**(0.14)**	0.47
Net income (loss) per common share - diluted	**(0.14)**	0.47

(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), unrealized foreign exchange losses on intercompany balances and NCI portion of non-GAAP adjustments. The portion of non-GAAP adjustments applicable to non-controlling interests are excluded in the computation of normalized net income to ensure consistency of normalizations applied to controlling and non-controlling interests. These amounts are included in the “net income applicable to non-controlling interests” line item on the Consolidated Statements of Income.

(3) In the fourth quarter of 2023, AltaGas changed its non-GAAP policy to exclude the impact of unrealized foreign exchange losses (gains) on intercompany balances between Canadian and U.S. entities. Prior periods have been restated to reflect this change. Please refer to the Q2 2024 MD&A for additional details.

(4) Weighted average.

Normalized EBITDA for the second quarter of 2024 was $295 million compared to $239 million for the same quarter in 2023. The largest factors contributing to the year-over-year increase are described in the Business Performance sections above.

Loss before income taxes was $46 million for the second quarter of 2024 compared to income before income taxes of $182 million for the same quarter in 2023. The decrease was mainly due to unrealized losses on risk management contracts compared to unrealized gains in the second quarter of 2023, higher interest expense, the absence of favourable working capital adjustments related to the Alaska Utilities Disposition in the second quarter of 2023, higher transition and restructuring costs, and higher depreciation and amortization expense, partially offset by the same previously referenced factors impacting normalized EBITDA. Please refer to the *"Three Months Ended June 30"* section of the Q2 2024 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 $41 million or $0.14 per share for the second quarter of 2024, compared to $20 million or $0.07 per share reported for the same quarter of 2023.

Normalized FFO was $180 million or $0.61 per share for the second quarter of 2024, compared to $150 million or $0.53 per share for the same quarter in 2023. The increase was mainly due to the same previously referenced factors impacting normalized EBITDA and the impact of non-cash items included in normalized EBITDA, partially offset by higher interest expense and higher normalized current income tax expense.

Depreciation and amortization expense was $117 million for the second quarter of 2024, compared to $112 million for the same quarter in 2023. The increase was mainly due to depreciation expense on the Pipestone Assets and the impact of new assets placed in-service.

Interest expense for the second quarter of 2024 was $111 million, compared to $93 million for the same quarter in 2023. The increase was mainly due to higher average interest rates, higher average debt balances, and incremental hybrid interest costs due to the issuance of additional hybrid notes in the third quarter of 2023 which replaced preferred shares, and a higher average Canadian/U.S. dollar exchange rate, partially offset by higher capitalized interest. Interest expense recorded on the subordinated hybrid notes in the second quarter of 2024 was $13 million compared to $8 million in the second quarter of 2023.

Income tax recovery was $12 million for the second quarter of 2024, compared to an income tax expense of $38 million for the same quarter of 2023. The decrease in income tax expense was mainly due to lower income before income taxes.

FORWARD FOCUS, GUIDANCE AND FUNDING

AltaGas continues to execute on its long-term 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.

AltaGas expects to achieve its previously disclosed 2024 guidance, including:

- 2024 normalized EPS guidance of $2.05 - $2.25, compared to normalized EPS of $1.90 and GAAP EPS of $2.27 in 2023; and
- 2024 normalized EBITDA guidance of $1,675 million - $1,775 million, compared to normalized EBITDA of $1,575 million and income before taxes of $912 million in 2023.

AltaGas is focused on delivering resilient and growing normalized EPS and FFO per share while targeting lower 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 capital program of approximately $1.3 billion, excluding asset retirement obligations ("ARO"). The Company is allocating approximately 54 percent of AltaGas' consolidated 2024 capital to its Utilities business, approximately 42 percent to the Midstream business and the balance to the Corporate/Other segment.

The Company expects to maintain an equity self-funding model in 2024, for the fifth consecutive year, and will fund capital requirements through a combination of internally generated cash flows and investment capacity associated with rising EBITDA levels. Asset sales will be considered on an opportunistic basis, with any potential proceeds to be used to reduce outstanding debt and continue to increase the financial flexibility of AltaGas.

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	$0.2975	n.a.	27-Sep-24	16-Sep-24
Series A Preferred Shares	$0.19125	30-Jun-24 to 29-Sep-24	27-Sep-24	16-Sep-24
Series B Preferred Shares	$0.47332	30-Jun-24 to 29-Sep-24	27-Sep-24	16-Sep-24
Series G Preferred Shares	$0.265125	30-Jun-24 to 29-Sep-24	27-Sep-24	16-Sep-24
Series H Preferred Shares	$0.49846	30-Jun-24 to 29-Sep-24	27-Sep-24	16-Sep-24

(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, August 1, 2024, at 8:00 a.m. MT (10:00 a.m. ET) to discuss second quarter of 2024 results and other corporate developments.

Date:	Thursday, August 1, 2024
Time:	8:00 a.m. MT (10:00 a.m. ET)
Webcast:	https://app.webinar.net/lgkqJE3AQyR
Dial-in (Audio only):	1-416-764-8659 or toll free at 1-888-664-6392

Shortly after the conclusion of the call a replay will be available on the Company's website or by dialing 416-764-8677 or toll free 1-888-390-0541. Passcode 686116#.

AltaGas' Consolidated Financial Statements and accompanying notes for the second quarter of 2024, 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 June 30, 2024. 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.

Change in Composition of Non-GAAP Measures

In the fourth quarter of 2023, Management changed the composition of certain of AltaGas' non-GAAP measures such that normalized net income now excludes the impact of unrealized intercompany foreign exchange gains (losses) resulting from intercompany balances between a U.S. subsidiary and a Canadian entity, where the foreign exchange impact in the U.S. subsidiary is recorded through gain (loss) on foreign currency translation in the Consolidated Statements of Comprehensive Income (Loss) and the Canadian entity revaluation is recorded through the foreign exchange gain (loss) line item on the Consolidated Statements of Income (Loss). This change was made as a result of Management's assessment that excluding these intercompany foreign exchange impacts from normalized net income is more representative of the Company's ongoing financial performance. Prior period calculations of the relevant non-GAAP measures have been restated to reflect this change. The following table summarizes the impact of this change on the periods presented in this news release:

Increase as result of change	Three Months Ended June 30		Six Months Ended June 30	
($ millions, except where noted)	**2024**	2023	**2024**	2023
Normalized net income [1]	**$ —**	$ 4	**$ —**	$ 6
Normalized income tax expense	**$ —**	$ 1	**$ —**	$ 2
Normalized effective tax rate (%)	**— %**	0.6 %	**— %**	— %

(1) Corresponding per share amounts have also been adjusted.

Normalized EBITDA

		Three Months Ended June 30			Six Months Ended June 30
($ millions)		**2024**	2023	**2024**	2023
Income (loss) before income taxes (GAAP financial measure)	**$**	**(46)**	$ 182	**$ 495**	$ 802
Add:					
Depreciation and amortization		**117**	112	**233**	223
Interest expense		**111**	93	**218**	198
EBITDA	**$**	**182**	$ 387	**$ 946**	$ 1,223
Add (deduct):					
Transaction costs related to acquisitions and dispositions (1)		**2**	4	**7**	20
Unrealized losses (gains) on risk management contracts (2)		**90**	(150)	**(27)**	(115)
Losses (gains) on sale of assets (3)		**3**	(11)	**2**	(319)
Transition and restructuring costs (4)		**18**	5	**31**	5
Wind-up of pension plan (5)		**—**	2	**—**	2
Accretion expenses		**1**	2	**2**	5
Foreign exchange gains		**(1)**	—	**(6)**	—
Normalized EBITDA	**$**	**295**	$ 239	**$ 955**	$ 821

(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 "cost of sales" and "operating and administrative" line items on the Consolidated Statements of Income (Loss). Transaction costs include expenses, such as legal fees, that are directly attributable to the acquisition or disposition.

(2) Included in the "revenue" and "cost of sales" line items on the Consolidated Statements of Income (Loss). Please refer to Note 13 of the unaudited condensed interim Consolidated Financial Statements as at and for the three and six months ended June 30, 2024 for further details regarding AltaGas' risk management activities.

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

(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 (Loss).

(5) Relates to the completion of the wind-up of the Canadian defined benefit pension plan in the second quarter of 2023. The settlement charge is included in the "other income" line on the Consolidated Statements of Income (Loss).

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 (Loss) using income (loss) 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 June 30		Six Months Ended June 30	
($ millions)	**2024**	2023	**2024**	2023
Net income (loss) applicable to common shares (GAAP financial measure)	**$ (42)**	$ 133	**$ 366**	$ 578
Add (deduct) after-tax:				
Transaction costs related to acquisitions and dispositions [1]	**2**	2	**6**	15
Unrealized losses (gains) on risk management contracts [2]	**68**	(116)	**(21)**	(89)
Losses (gains) on sale of assets [3]	**2**	(9)	**4**	(217)
Transition and restructuring costs [4]	**15**	4	**24**	4
Wind-up of pension plan [5]	**—**	2	**—**	2
Unrealized foreign exchange losses (gains) on intercompany balances [6]	**(4)**	4	**—**	6
Normalized net income	**$ 41**	$ 20	**$ 379**	$ 299

(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 "cost of sales" and "operating and administrative" line items on the Consolidated Statements of Income (Loss). 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” and “cost of sales” line items on the Consolidated Statements of Income (Loss). Please refer to Note 13 of the unaudited condensed interim Consolidated Financial Statements as at and for the three and six months ended June 30, 2024 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 (Loss).

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

(5) Relates to the completion of the wind-up of the Canadian defined benefit pension plan in the second quarter of 2023. The settlement charge is included in the "other income" line on the Consolidated Statements of Income.

(6) Relates to unrealized foreign exchange losses (gains) 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 loss on foreign currency translation, and the impact to the Canadian entity is recorded through the "foreign exchange gains" line item on the Consolidated Statements of Income (Loss). In the fourth quarter of 2023, AltaGas changed its non-GAAP policy to exclude the impact of unrealized foreign exchange losses (gains) on intercompany balances between Canadian and U.S. entities. The amounts presented in this table reflect the restated figures to align with the revised policy. Please refer to the Q2 2024 MD&A for further details.

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 June 30		Six Months Ended June 30	
($ millions)	**2024**	2023	**2024**	2023
Cash from operations (GAAP financial measure)	**$ 452**	$ 373	**$ 1,009**	$ 964
Add (deduct):				
Net change in operating assets and liabilities	**(292)**	(231)	**(364)**	(422)
Asset retirement obligations settled	**—**	3	**—**	5
Funds from operations	**$ 160**	$ 145	**$ 645**	$ 547
Add (deduct):				
Transaction costs related to acquisitions and dispositions [(1)]	**2**	4	**7**	20
Transition and restructuring costs [(2)]	**18**	5	**31**	5
Current tax expense (recovery) on asset sales [(3)]	**—**	(4)	**7**	38
Normalized funds from operations	**$ 180**	$ 150	**$ 690**	$ 610

(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 "cost of sales" and "operating and administrative" line items on the Consolidated Statements of Income (Loss). 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). The pre-tax costs are included in the "operating and administrative" line item on the Consolidated Statements of Income (Loss).

(3) Included in the "current income tax expense (recovery)" line item on the Consolidated Statements of Income (Loss).

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.

Invested Capital and Net Invested Capital

	Three Months Ended June 30		Six Months Ended June 30	
($ millions)	**2024**	2023	**2024**	2023
Cash used in (from) investing activities (GAAP financial measure)	**$ 305**	$ 231	**$ 580**	$ (638)
Add (deduct):				
Net change in non-cash capital expenditures [(1)]	**11**	(7)	**(4)**	(35)
AFUDC [(2)]	**1**	—	**1**	—
Contributions from non-controlling interests	**(11)**	—	**(17)**	—
Net Invested Capital	**$ 306**	$ 224	**$ 560**	$ (673)
Asset dispositions	**1**	—	**2**	1,072
Invested capital	**$ 307**	$ 224	**$ 562**	$ 399

(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 19 of the unaudited condensed interim Consolidated Financial Statements as at and for the three and six months ended June 30, 2024 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.

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 proceeds from disposals of assets in the period. Net invested capital is calculated based on the investing activities section in the Consolidated Statements of Cash Flows, adjusted for items including the net change in 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

($ millions, except effective income tax rates)	Three Months Ended June 30 2024	Three Months Ended June 30 2023	Six Months Ended June 30 2024	Six Months Ended June 30 2023
Revenue	**2,775**	2,631	**6,430**	6,679
Normalized EBITDA (1)	**295**	239	**955**	821
Income (loss) before income taxes	**(46)**	182	**495**	802
Net income (loss) applicable to common shares	**(42)**	133	**366**	578
Normalized net income (1) (2)	**41**	20	**379**	299
Total assets	**23,932**	21,336	**23,932**	21,336
Total long-term liabilities	**12,524**	11,196	**12,524**	11,196
Invested capital (1)	**307**	224	**562**	399
Cash from (used in) investing activities	**(305)**	(231)	**(580)**	638
Dividends declared (3)	**88**	79	**176**	158
Cash from operations	**452**	373	**1,009**	964
Normalized funds from operations (1)	**180**	150	**690**	610
Normalized effective income tax rate (%) (1) (2)	**21.0**	16.2	**22.2**	20.3
Effective income tax rate (%)	**26.2**	21.2	**22.9**	25.2

($ per share, except shares outstanding)	Three Months Ended June 30 2024	Three Months Ended June 30 2023	Six Months Ended June 30 2024	Six Months Ended June 30 2023
Net income (loss) per common share - basic	**(0.14)**	0.47	**1.24**	2.05
Net income (loss) per common share - diluted	**(0.14)**	0.47	**1.23**	2.04
Normalized net income - basic (1) (2)	**0.14**	0.07	**1.28**	1.06
Normalized net income - diluted (1) (2)	**0.14**	0.07	**1.27**	1.06
Dividends declared (3)	**0.30**	0.28	**0.60**	0.56
Cash from operations	**1.52**	1.32	**3.41**	3.42
Normalized funds from operations (1)	**0.61**	0.53	**2.33**	2.16
Shares outstanding - basic (millions)				
During the period (4)	**297**	282	**296**	282
End of period	**297**	282	**297**	282

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

(2) In the fourth quarter of 2023, AltaGas changed its non-GAAP policy to exclude the impact of unrealized foreign exchange losses (gains) on intercompany balances between Canadian and U.S. entities. Prior periods have been restated to reflect this change. Please refer to the Q2 2024 MD&A for additional details.

(3) Dividends declared per common share per quarter: $0.28 per share beginning March 2023, increased to $0.2975 per share effective March 2024.

(4) 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: the Company's 2024 guidance including normalized earnings per share of $2.05 to $2.25 and normalized EBITDA of $1,675 to $1,775 million; the Company's ability to deliver on its 2024 guidance; de-risking the REEF project; the status of EPC contracts for REEF and plans to award additional EPC contracts; the Pipestone II expansion project including advancing on the gas gathering system and the anticipated in-service date; AltaGas' intention to sell its ten percent interest in MVP and the use of proceeds therefrom; expected timing for the new time charter to be commissioned and the anticipated benefits of AltaGas' VLGCs; AltaGas' ability to execute on its strategic priorities; the Company's focus on de-risking the Midstream operations and the benefits therefrom; the status of tolling negotiations for REEF's initial capacity; the role and importance of natural gas utilities for residential and commercial heating; the Company's focus on optimizing and expanding its Midstream business; AltaGas' continued investment in its Utilities business, the benefits therefrom and its ability to deliver energy to its customers; AltaGas' long-term target of reaching approximately 60 percent tolling across its global platform and the timing thereof; the expectation that 56 percent of 2024 global export volumes will be under tolling agreements starting in the second quarter of 2024 and the anticipated benefits of such tolling contracts; the Company's structural shipping advantage to Asia and its effect on demand for LPG exports; Canada's role in providing long-term energy security; the Company's hedging program and AltaGas' 2024 Midstream Hedge Program quarterly estimates; the Company's ability to continue making rate base investments and the benefits therefrom; AltaGas' intention to manage costs for the long-term benefits of its customers while maintaining regulatory and capital discipline; SEMCO Energy's MRP and IRIP amendment application and AltaGas' ability to make critical long-term investments in Michigan should the MPSC approve the application; the expectation that Blythe will operate at capacity for the remainder of 2024; AltaGas' ability to execute its long-term corporate strategy; AltaGas' focus on *growing normalized EPS and FFO per share while targeting lower leverage ratios; the allocation of consolidated 2024 capital to the Company's Utilities, Midstream and Corporate/Other segments; AltaGas' commitment to maintaining an equity self-funding model in 2024 and that it will fund capital requirements through a combination of internally generated cash flows and investment capacity associated with rising EBITDA; opportunistic consideration of asset sales and the anticipated proceeds therefrom; 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 common shares and other securities; variability of dividends; potential sales of additional shares; labor relations; key personnel; risk management costs and limitations; 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 Company's Annual Information Form for the year ended December 31, 2023 ("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.