INVESTOR OVERVIEW
Post First Quarter 2018
AGENDA

- Business Update
- Company Overview
- Regulatory Framework
- Appendix
WELCOME BACK

Organization Priorities

• Quarterly dividend increased 5% to $0.23 per share, payable June 29, 2018
• New methodology and proactive approach to storm restoration efforts results in all-time Company record for speed of service restoration after nearly 500,000 customers lost power in mid-April ice storm
• Hydro One is progressing well throughout the Avista transaction with key achievements:
  • Approval received from the Federal Energy Regulatory Commission (FERC).
  • A settlement agreement was filed with state utility commissions in Washington, Idaho, and Alaska
  • An in-principle settlement agreement with all parties reached in Oregon, which will be filed with regulator later this month.
  • The US Antitrust Clearance and the US Federal Communication Commission (FCC)’s consent for the proposed merger were received
  • Anticipating a H2 2018 close of the Avista transaction
• Capital expenditure program delivering consistent and steady +5% growth to Rate Base
• Productivity initiatives are aligning customer and shareholder values
• Expecting recovery of $2.6 billion Deferred Tax Asset and have filed a Motion to Review and Vary the Decision with the OEB
• Key additions to executive leadership team Paul Dobson and Patrick Meneley will help Hydro One transform into a new era of growth
THE VALUE OF HYDRO ONE

ABOUT THE COMPANY

Transmission & Distribution

- 30,000 circuit KM’s of transmission lines across 98% of Ontario
- Largest Local Distribution Company in Ontario with 1.3 million end customers
- Expected combined 2018 Transmission & Distribution Rate Base of $19.7B
- Market Capitalization of ~$12.5 billion

Regulated and Privatized Operations

- 99% of revenue from regulated operations
- Privatization initiative by Province of Ontario to divest majority stake in Hydro One complete with post November 2015 IPO (15%), April 2016 secondary (15%), and May 2017 secondary (20%) offerings

HOW WE DID IN 2017

- Revenue Net of Purchased Power
  - 48% Transmission
  - 51% Distribution
  - 1% Other

- Total Assets
  - 36% $25.7B
  - 53% $1,291M
  - 11% $1,567M

- Regulated EBIT
  - 39% $1,291M
  - 61% $1,567M

- Capital Investments
  - 37% $1,567M

- Rate Base
  - 40% $18.6B
  - 60% $25.7B

WHY INVEST

Stable Operations

- Stable and growing cash flows with 99% of overall business fully rate-regulated
- No generation or material exposure to commodity prices

Financial Performance

- Predictable self-funding organic growth profile with +5% expected five year rate base CAGR
- Attractive 70% - 80% target dividend payout ratio
- Recently increased annualized dividend of $0.92 per share
- Strong balance sheet with investment grade “A” credit ratings

Investor Overview – Post First Quarter 2018

1) Company estimates subject to change and include amounts from March 2017 filed distribution rate application which is subject to OEB approval
2) Based on closing share price on March 29, 2018
EXECUTIVE LEADERSHIP TEAM

A leadership team with demonstrated experience transforming organizations and growing shareholder value.

Paul Dobson
Acting President and CEO and Chief Financial Officer

Greg Kiraly
Chief Operating Officer

Judy McKellar
EVP, Chief Human Resources Officer

Patrick Meneley
EVP, Chief Corporate Development Officer

Ferio Pugliese
EVP, Customer Care & Corporate Affairs

Jamie Scarlett
Chief Legal Officer
A LOOK AT THE ORGANIZATION

Corporate Structure

Hydro One Limited
TSX: H

Public Company

Public Debt Issuer

Hydro One Inc.

Hydro One Networks Inc.
Rate-Regulated Businesses (99% of revenue)

Hydro One Remote Communities Inc.

Hydro One Telecom Inc.
Non-Rate-Regulated Business

Our Role in the Electricity Grid

Our transmission and distribution system safely and reliably serves communities throughout Ontario. Our customers are suburban, rural and remote homes and businesses across our province.

We proudly own and operate ~$26 billion in assets and have annual revenues of approximately $6 billion.

Investor Overview – Post First Quarter 2018
PURPOSE, VALUES & STRATEGY

TURN ON THE POWER OF POSSIBILITY

SAFETY COMES FIRST
STAND FOR PEOPLE
EMPOWERED TO ACT
OPTIMISM CHARGES US
WIN AS ONE

Pillars
- Optimization & Innovation
- Diversification
- Growth

Customer Focus
ACHIEVEMENTS AND EFFICIENCIES

Paving New Paths in Productivity Savings (\$M)

- Generated productivity savings totaling \$89.5 million in 2017 (\$43.6 million in OM&A and \$45.9 million in capital)

- Move to Mobile transformed work processes and implemented technology that automated the scheduling & dispatching functions

- Strategic sourcing initiatives led to price reduction for materials and services as a result of consolidating spend across Hydro One and increasing competition among vendors

- Hydro One leveraged telematics data to identified underutilized fleet equipment causing a reduction of fleet size by 10%

- Optimal Cycle Protocol (OPC) is a state-of-the-art vegetation management program that was implemented in October 2017. OCP will shorten tree clearing and trimming cycle to 3 years from 8-10 years

Improving Customer Satisfaction (%)

Reducing the Fleet by 10%
THE REGULATED BUSINESS

Transmission & Distribution

**Transmission**
- Hydro One owns and operating 98% of Ontario’s transmission capacity
- Transmission produces reliable cash flow with low volatility under Ontario Energy Board (OEB) cost of service regulation and will transition to incentive rate making under OEB
- Growing rate base with planned annual capital investments of ~$1,000 - $1,500 million through 2022 with focus on refurbishing aging assets
- Continued shift to renewable and distributed generation sources helping drive expansion of transmission network
- 2018 allowed ROE of 9.00% with 40% / 60% deemed equity / debt capital structure

**Distribution**
- Distribution is a stable, rate-regulated business operating under OEB cost of service framework with transition to performance-based model in 2018
- Growing rate base with planned annual capex of ~$650 - $800 million through 2022
- 2018 expected ROE of 9.00% with 40% / 60% deemed equity/debt capital structure
- Recent OEB decision in place transitioning residential distribution rates to fully fixed
- Drivers of growth include rate base expansion, productivity improvements and continued consolidation of other LDC’s
- Recent Haldimand, Woodstock, Norfolk LDC acquisitions grew customer base by ~5%
HYDRO ONE TELECOM

Integral role in servicing grid assets

- Leverages Hydro One’s network fiber assets used to monitor and manage power grid circuitry
- Diverse, secure, low latency broadband connectivity across Ontario utilizing infrastructure constructed principally along electric transmission network
- Provincial fiber routes extend to Montreal and also include connection points in Buffalo and Detroit
- Provides fiber-optic broadband network services including leased circuits, dark fiber, Ethernet transport, Internet transit, data center connectivity and tower access
- Customers include data centers, cloud service providers, enterprises, ISPs, other Telco’s and public sector entities
- Currently expanding number of data center connections and launching managed security, cloud backup and data recovery solutions
$10B OF CAPITAL INVESTMENT DRIVING RATE BASE GROWTH

Consistent and predictable organic growth profile underpinned by required replacement of aging infrastructure

Projected Capital Investments* ($M)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,010</td>
<td>$1,217</td>
<td>$1,278</td>
<td>$1,486</td>
<td>$1,404</td>
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<tr>
<td></td>
<td>$641</td>
<td>$751</td>
<td>$715</td>
<td>$805</td>
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</tr>
</tbody>
</table>

Projected Rate Base Growth*

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$19,740</td>
<td>$20,800</td>
<td>$21,825</td>
<td>$22,937</td>
<td>$24,102</td>
</tr>
</tbody>
</table>

2018 - 2022 est. CAGR: +5%

Comments

• Organic growth underpinned by continued rate base expansion to renew and modernize grid
• Material amounts of deteriorated, end-of-service life infrastructure must be upgraded or replaced
• Little concentration risk as most projects within capex envelope are small to medium relative to total
• Investments not undertaken without reasonable assurance of regulatory recovery
• Equity issuance not anticipated for planned capital investment program which is self-funded

* Company estimates subject to change and include amounts from March 2017 filed distribution rate application which is subject to OEB approval
INFRASTRUCTURE INVESTMENTS

Clarington Transmission Station

Estimated Total Project Cost: $252 million
Capital Cost To Date: $228 million
Anticipated In-Service Date: 2018

Comprised of two 750MVA, 500/230 kV transformers and associated termination facilities to connect Hydro One’s bulk transmission network to Eastern Ontario upon retirement of the Pickering Nuclear Generation Station

Richview Transmission Station

Estimated Total Project Cost: $103 million
Capital Cost To Date: $88 million
Anticipated In-Service Date: 2019

Replacement of 50 year old end-of-life equipment at Richview Transformer Station to ensure the secure and reliable power supply to the City of Toronto and surrounding communities
Investor Overview – Post First Quarter 2018

Note: All financial metrics based on time of the initial announced of transaction

**Avista Business Overview**

<table>
<thead>
<tr>
<th>2016A</th>
<th>Revenue</th>
<th>$1,824</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EBITDA</td>
<td>$570</td>
</tr>
<tr>
<td></td>
<td>Net Income</td>
<td>$174</td>
</tr>
</tbody>
</table>

**2016 Rate Base**

- 78% Electric
- 22% Gas

**2016 Customers**

- 726,000
  - 46% Avista Gas Utilities
  - 2% AEL&P
  - 52% Avista Electric

**2016 Rate Base by State**

- WA Gas, 10%
- ID Gas, 5%
- OR Gas, 7%
- WA Electric, 49%
- ID Electric, 25%

**2016 Electric Generation**

- 49% Hydro
- 35% Natural Gas
- 4% Wind
- 10% Coal
- 2% Biomass

**Service Area**

- Service territories across WA, OR, ID, AK, and MT

**2016 Customers**

- 46% Avista Gas Utilities
- 2% AEL&P
- 52% Avista Electric

**2016 Electric Generation**

- 49% Hydro
- 35% Natural Gas
- 4% Wind
- 10% Coal
- 2% Biomass

**Note:**
1. Includes combined electric and gas customers
2. Based on maximum capacity and excludes Alaska generation
3. Based on an exchange rate of C$/US$ 1.264
PENDING AVISTA ACQUISITION

Hydro One will become a Top 20 North American investor owned utility with an attractive growth profile

Strategic Rationale & Transaction Details

Diversification
- Increases geographic, economic, regulatory and asset class diversification
- Adds complementary and growing gas distribution
- Provides exposure to regulated and predominantly clean generation

Building quality regulated asset scale
- Earnings and cash flow accretion in the first full year following close, excluding transaction costs
- On a pro forma basis increases Hydro One’s total assets from approximately $25.4 billion to approximately $34.9 billion
- Hydro One expected to continue growing dividend and to maintain 70-80% dividend payout ratio
- Planned pro forma rate base growth of approximately 6%, starting from a combined 2017 base of C$22.6 billion

Innovation and knowledge transfer
- Avista is a leader in utility innovation with a track record of investments in advanced technologies, including energy management solutions
- Opportunity to reduce operating costs and gain strategic benefits by leveraging and sharing innovation and best practices

Transaction Details
- Offer price of US$53.00 per Avista common share in cash, a 24% premium to Avista’s closing price on 18 July, 2017 of US$42.74
- Equity purchase price of US$3.4 billion (C$4.4 billion)
- Total enterprise value for Avista of US$5.3 billion (C$6.7 billion), including Avista debt assumed
- Planned financing is a combination of 5-year, 10-year and 30-year US$ denominated notes together with the fully executed convertible debenture offering

Access to new regulatory jurisdictions with higher ROEs and attractive allowed capital structures

Investor Overview – Post First Quarter 2018

Note: All financial metrics based on time of the initial announced of transaction
PENDING AVISTA ACQUISITION

Diversification across multiple geographies, economies, regulatory jurisdictions and utility businesses enhances stability and strategic positioning.

Hydro One

- '16 Rate Base: $17,831 (100% Electric)

Avista

- '16 Rate Base by Geography:
  - OR, 22%
  - WA, 28%
  - ID, 30%
  - AK, 11%

- '16 Rate Base: $3,877 (78% Electric)

Pro-Forma Hydro One

- '16 Rate Base: $21,708 (97% Electric)

'16 Net Income

- Ontario, 100%
- '16 Net Income: $721

Avista Service Territory

- '16 Net Income: $174

Note: Combination of Avista and Hydro One numbers as reported using an exchange rate of C$ / US$ 1.264
Note: Pro forma net income does not include any potential adjustments required as a result of the merger including funding costs or other expenses
Note: All financial metrics based on time of the initial announcement of transaction.
ONTARIO BUSINESS DEVELOPMENT
Finding growth opportunities in Ontario

Lake Superior Link

- Applied to the OEB to construct a new transmission line between Lakehead and Wawa
- Project cost to be roughly $636 million, which is over $100 million lower than other proponents
- Annual OM&A costs savings of $3 million versus competing bids
- 400 km, double-circuit 230kV transmission line that would be built primarily on or adjacent to Hydro One’s existing assets

Key points

Hydro One Sault Ste. Marie (Great Lakes Power Transmission)

- OEB approval received October 13, 2016 and transaction closed October 31, 2016
- Increased Hydro One’s transmission coverage to ~98% of province-wide capacity
- 560km of high voltage transmission lines, towers and stations
- $376 million purchase price, including approximately $150 million of assumed debt

Key points
STRONG BALANCE SHEET AND LIQUIDITY

Investment grade balance sheet with one of lowest debt costs in utility sector

**Significant Available Liquidity ($M)**

- Hydro One Limited: 250
- Hydro One Inc.: 989
- Commercial Paper Outstanding (Under $1.5B CP Program): 2,300

**Strong Investment Grade Credit Ratings (LT/ST/Outlook)**

- **S&P**: A / A-1/ negative¹
- **DBRS**: A (high) / R-1 (low) / stable
- **Moody’s**: A3 / Prime-2 / negative²

**Debt Maturity Schedule ($M)**

- Weighted average cost of debt: 4.2%
- Weighted average term (years): 15.5
- Debt to Capitalization³: 52.8%
- FFO to Net Debt: 13.9%

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(1) On July 19, 2017, S&P revised its outlook on Hydro One Limited and Hydro One Inc. to negative from stable while affirming the existing ratings. S&P indicated that the negative outlook on Hydro One Limited reflects its view that the Merger signals a shift in Hydro One Limited’s business strategy, which will align the company with its global peers removing the historical rationale for a one-notch rating uplift, and the execution and financing risk inherent in any large acquisition.

(2) On July 19, 2017, Moody’s affirmed the ratings of Hydro One Inc. and changed the outlook to negative from stable. Moody’s indicated that the negative outlook on Hydro One Inc. reflects its view that the Merger will reduce the probability of extraordinary support from the Province.

(3) The Hydro One Limited Universal Shelf of $8.0 billion filed in March 2016 expired on April 30, 2018. The Company plans to file a new Universal Base Shelf Prospectus in the second quarter of 2018.

(4) The Hydro One Inc. Medium Term Note Base Shelf Prospectus was filed in March 2018. The entire $4.0 billion amount is available for issuance until April 2020.

(5) Debt to capitalization ratio has been calculated as total debt (includes total long-term debt, convertible debentures and short-term borrowings, net of cash and cash equivalents) divided by total debt plus total shareholders’ equity, including preferred shares but excluding any amounts related to noncontrolling interest.

Investor Overview – Post First Quarter 2018
EQUITY MARKET CAP OVERVIEW

Approximate Ownership of Public Float

- 63% Institutional
- 37% Retail

Approximate Geographic Dispersion of Public Float

- 75% Canada
- 21% US
- 4% Rest of World

Equity Index Inclusions

- S&P/TSX Composite Index
- FTSE All-World (Canada)
- MSCI World (Canada)
- S&P/TSX Composite Low Volatility Index
- Dow Jones Canada Select Utilities
- S&P/TSX Utilities Index
- S&P/TSX Composite Dividend Index
- S&P/TSX Composite High Dividend Index

Comments

- 595 million common shares outstanding, listed on Toronto Stock Exchange (TSX: H)
- Equity market capitalization of ~$12.5 billion\(^1\) and public float of ~$7 billion
- Equity market capitalization amongst the top 30 of all listed Canadian companies
- Secondary offerings by Province increased liquidity without diluting public shareholders

\(^1\) Based on closing share price on March 29, 2018

Investor Overview – Post First Quarter 2018
COMMON SHARE DIVIDENDS
Consecutive annual 5% increase to dividend announced on May 15th, 2018

Dividend Statistics

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Yield¹</td>
<td>4.4%</td>
</tr>
<tr>
<td>Annualized Dividend²,³</td>
<td>$0.92 / share</td>
</tr>
</tbody>
</table>

(1) Based on closing share price on March 29, 2018
(2) Unless indicated otherwise, all common share dividends are designated as "eligible" dividends for the purpose of the Income Tax Act (Canada)

Expected Upcoming Quarterly Dividend Dates³

<table>
<thead>
<tr>
<th>Declaration Date</th>
<th>Record Date</th>
<th>Payment Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 14, 2018</td>
<td>June 12, 2018</td>
<td>June 29, 2018</td>
</tr>
<tr>
<td>August 13, 2018</td>
<td>September 11, 2018</td>
<td>September 28, 2018</td>
</tr>
<tr>
<td>November 5, 2018</td>
<td>December 11, 2018</td>
<td>December 31, 2018</td>
</tr>
</tbody>
</table>

(3) All dividend declarations and related dates are subject to Board approval.

Key Points

- Quarterly dividend increased to $0.23 per share ($0.92 annualized)
- Targeted dividend payout ratio remains at 70% - 80% of net income
- Attractive and growing dividend supported by stable, regulated cash flows and planned rate base growth
- No equity issuance anticipated to fund planned five year capital investment program
- Non-dilutive dividend reinvestment plan (DRIP) was implemented post IPO (shares purchased on open market, not issued from treasury)
REGULATORY STAKEHOLDERS

**Ontario**

**Who:** Provincial Government, Ministry of Energy  
**What:** Policy, legislation, regulations

**Who:** Ontario Energy Board (OEB)  
**What:** Independent electric utility price and service quality regulation

**Who:** Independent Electricity System Operator  
**What:** Wholesale power market rules, intermediary, North American reliability standards

**Who:** National Energy Board  
**What:** Federal regulator, international power lines and substations

**Who:** North American Electric Reliability Corporation  
**What:** Continent-wide bulk power reliability standards, certification, monitoring

**Who:** Northeast Power Coordinating Council  
**What:** Northeastern North American grid reliability, standards, compliance
CONSTRUCTIVE RATE REGULATOR (OEB)

Consistent, independent regulator with a transparent rate-setting process

- Transmission and distribution businesses rate-regulated by the Ontario Energy Board (OEB)
- Deemed debt / equity ratio of 60% / 40% for both transmission and distribution segments
- Hydro One has earned or exceeded its allowed ROE on a consolidated basis over past five years
- Reduced regulatory lag through forward-looking test years, revenue decoupling and adjustment mechanisms

### Transmission

<table>
<thead>
<tr>
<th>Current rate methodology</th>
<th>Allowed ROE</th>
<th>Expected rate base</th>
<th>Effective term of next application</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Service</td>
<td>2018 9.00%</td>
<td>2018 $11.87 billion</td>
<td>File in 2018 for 2019-22</td>
<td>Four-year incentive based rate filing expected to be filed later in 2018 for rates effective January 1, 2019</td>
</tr>
</tbody>
</table>

### Distribution

<table>
<thead>
<tr>
<th>Current rate methodology</th>
<th>Allowed ROE</th>
<th>Expected rate base</th>
<th>Effective term of next application</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Service</td>
<td>2018 9.00%</td>
<td>2018 $7.87 billion</td>
<td>Filed on 31st March, 2017 for 2018-22</td>
<td>Five-year incentive based rate filing made March 31, 2017. Decision for phased transition to fixed residential rates (decoupling) already in place.</td>
</tr>
</tbody>
</table>

(1) Transmission rate base includes 100% of B2M JV and Hydro One Sault Ste. Marie
(2) Distribution Rate Base includes recent LDC acquisitions and Hydro One Remote Communities
(3) Company estimates subject to change and include amounts from March 2017 filed distribution rate application which is subject to OEB approval
DISTRIBUTION SEGMENT INCENTIVE REGULATORY CONSTRUCT

The transition from cost of service to incentive based regulatory model coincident with transformation of business will create value for both customers and shareholders

- Filed March 31, 2017 under OEB’s Custom Incentive Rate Making model for 2018 – 2022 five year term
- 2018 is considered “rebasing” year where a cost of service forward test year rate model is applied
- Revenue requirement for each of the ensuing four years determined annually by
  - i) applying an inflation adjustment factor,
  - ii) offset by a productivity and stretch factor of 0.45%, and
  - iii) adding a capital factor (added revenue requirement to recover planned capital investments)
- ROE and short term debt rate set based on OEB approved Cost of Capital Parameter Update, issued November 23 2017. Additional update in 2021 requested
- 50% of earnings that exceed allowed ROE by more than 100 basis points in any year of the term of the filing shared with customers (actual sharing deferred until 2023 rebasing)
- Previously acquired Norfolk, Haldimand and Woodstock LDC’s brought into rate base in 2021
- Planned rate base CAGR of ~5% over five year term of filing
- Average annual impact on rates over the five year term of the rate application is approximately 3.5%
- Transmission segment incentive rate filing expected to be filed under same construct in 2018 for four year period 2019 – 2022
DELIVERING CLEAN AND SUSTAINABLE ENERGY

Transmitting and delivering some of the cleanest energy in North America

- Ontario was the first North American jurisdiction to fully eliminate coal electricity generation and leads Canada in wind and solar capacity
- Recent five year Ontario Climate Change Action Plan will further accelerate province’s leadership in reduction of greenhouse gas emissions
- One of only four utilities in Canada to achieve the Sustainable Energy Company designation from the Canadian Electrical Association
- Ontario electricity now generated by: nuclear 58%, hydro 23%, natural gas 10%, wind 7%, solar 2%
- Ranked as the top utility in Corporate Knights Canada’s 2016 Best Corporate Citizens on a set of 12 sustainability metrics, including carbon productivity and gender diversity in leadership
- Environmental stewards of thousands of kilometers of transmission grid corridor lands, including management of vegetation for habitat preservation and protection of species at risk
- ISO 14001 Compatible Environmental Management System to identify and proactively manage environmental risks for continual improvement
- Greener Choices program actively engages employees in sustainability improvement efforts for energy efficiency, recycling and waste reduction at work
WHY INVEST IN HYDRO ONE

A unique low-risk opportunity to participate in the transformation of a premium, large scale regulated electric utility

- One of the largest electric utilities in North America with significant scale and leadership position across Canada’s most populated province
- Unique combination of pure-play electric power transmission and local distribution, with no generation or material exposure to commodity prices
- 99% of business is rate-regulated in a constructive, stable, transparent and collaborative regulatory environment
- Predictable growth profile with expanding rate base and strong cash flows, together with broad support for refurbishment of aging infrastructure
- Opportunities to transform to a performance driven culture, capture productivity improvements and transition to incentive-based regulatory model
- One of the strongest investment grade balance sheets in the North American utility sector
- Increased $0.92 annualized dividend with 70% - 80% target payout ratio and opportunity for continued dividend growth with rate base expansion, continued consolidation and efficiency realization
- Float and liquidity increased without dilution as phased privatization by Province of Ontario was executed
- Blue chip fully independent board together with legislated governance structure allow company to operate autonomously, transform culture and drive shareholder value creation on multiple fronts
- Proven management team with demonstrated experience transforming organizations, accelerating performance and creating significant shareholder value
APPENDIX
# HYDRO ONE LIMITED

## 1Q18 FINANCIAL SUMMARY

<table>
<thead>
<tr>
<th>($ millions)</th>
<th>First Quarter</th>
<th>Full Year</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
<td>2017</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transmission</td>
<td>421</td>
<td>367</td>
<td>14.7%</td>
</tr>
<tr>
<td>Distribution</td>
<td>1,145</td>
<td>1,279</td>
<td>(10.5%)</td>
</tr>
<tr>
<td>Distribution (Net of Purchased Power)</td>
<td>394</td>
<td>390</td>
<td>1.0%</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>12</td>
<td>(16.7%)</td>
</tr>
<tr>
<td>Consolidated</td>
<td>1,576</td>
<td>1,658</td>
<td>(4.9%)</td>
</tr>
<tr>
<td><strong>Consolidated (Net of Purchased Power)</strong></td>
<td>825</td>
<td>769</td>
<td>7.3%</td>
</tr>
<tr>
<td><strong>OM&amp;A Costs</strong></td>
<td>270</td>
<td>271</td>
<td>(0.4%)</td>
</tr>
<tr>
<td><strong>Earnings Before Financing Charges and Income Taxes (EBIT)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transmission</td>
<td>213</td>
<td>164</td>
<td>29.9%</td>
</tr>
<tr>
<td>Distribution</td>
<td>157</td>
<td>153</td>
<td>2.6%</td>
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<tr>
<td>Other</td>
<td>(12)</td>
<td>(14)</td>
<td>14.3%</td>
</tr>
<tr>
<td>Consolidated</td>
<td>358</td>
<td>303</td>
<td>18.2%</td>
</tr>
<tr>
<td><strong>Net Income¹</strong></td>
<td>222</td>
<td>167</td>
<td>32.9%</td>
</tr>
<tr>
<td><strong>Adjusted Net Income¹,²</strong></td>
<td>210</td>
<td>167</td>
<td>25.7%</td>
</tr>
<tr>
<td><strong>Basic EPS</strong></td>
<td>$0.37</td>
<td>$0.28</td>
<td>32.1%</td>
</tr>
<tr>
<td><strong>Adjusted Basic EPS¹</strong></td>
<td>$0.35</td>
<td>$0.28</td>
<td>25.0%</td>
</tr>
<tr>
<td><strong>Capital Investments</strong></td>
<td>305</td>
<td>350</td>
<td>(12.9%)</td>
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<tr>
<td><strong>Assets Placed In-Service</strong></td>
<td></td>
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</tr>
<tr>
<td>Transmission</td>
<td>38</td>
<td>82</td>
<td>(53.7%)</td>
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<tr>
<td>Distribution</td>
<td>105</td>
<td>146</td>
<td>(28.1%)</td>
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<tr>
<td>Other</td>
<td>2</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Consolidated</td>
<td>145</td>
<td>228</td>
<td>(36.4%)</td>
</tr>
</tbody>
</table>

---

*Investor Overview – Post First Quarter 2018*

Financial Statements reported under U.S. GAAP

(1) Net Income is attributable to common shareholders and is after non-controlling interest, dividends to preferred shareholders, (2) Adjusted Net Income excludes items related to the Avista Corporation acquisition.
# TOP TRANSMISSION CAPITAL PROJECTS UNDERWAY

<table>
<thead>
<tr>
<th>Development Project Name</th>
<th>Location</th>
<th>Type</th>
<th>Anticipated In-Service Date</th>
<th>Estimated Cost</th>
<th>Capital Cost To-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarington Transmission Station</td>
<td>Oshawa area</td>
<td>New transmission station</td>
<td>2018</td>
<td>$252 million</td>
<td>$228 million</td>
</tr>
<tr>
<td></td>
<td>Southwestern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Niagara Reinforcement Project</td>
<td>Niagara area</td>
<td>New transmission line</td>
<td>2019</td>
<td>$119 million</td>
<td>$102 million</td>
</tr>
<tr>
<td></td>
<td>Southwestern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East-West Tie Station Expansion</td>
<td>Northern Ontario</td>
<td>New transmission connection and station expansion</td>
<td>2021</td>
<td>$157 million</td>
<td>$9 million</td>
</tr>
<tr>
<td>Northwest Bulk Transmission Line</td>
<td>Thunder Bay area</td>
<td>New transmission line</td>
<td>2024</td>
<td>$350 million</td>
<td>$1 million</td>
</tr>
<tr>
<td></td>
<td>Northwestern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sustainment Project Name</th>
<th>Location</th>
<th>Type</th>
<th>Anticipated In-Service Date</th>
<th>Estimated Cost</th>
<th>Capital Cost To-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruce A Transmission Station¹</td>
<td>Tiverton area</td>
<td>Stations sustainment</td>
<td>2020</td>
<td>$109 million</td>
<td>$109 million</td>
</tr>
<tr>
<td></td>
<td>Southwestern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richview TS Circuit Breaker Replacement</td>
<td>Toronto area</td>
<td>Stations sustainment</td>
<td>2019</td>
<td>$103 million</td>
<td>$88 million</td>
</tr>
<tr>
<td></td>
<td>Southwestern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lennox TS Circuit Breaker Replacement</td>
<td>Napanee area</td>
<td>Stations sustainment</td>
<td>2023</td>
<td>$95 million</td>
<td>$48 million</td>
</tr>
<tr>
<td></td>
<td>Southeastern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beck #2 TS Circuit Breaker Replacement</td>
<td>Niagara area</td>
<td>Stations sustainment</td>
<td>2022</td>
<td>$93 million</td>
<td>$54 million</td>
</tr>
<tr>
<td></td>
<td>Southwestern Ontario</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ The estimated cost to complete the Bruce A Transmission Station project is currently under review
# INDEPENDENT BOARD OF DIRECTORS

<table>
<thead>
<tr>
<th>Name</th>
<th>Current Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Denison, O.C., FCPA, FCA</td>
<td>Currently a Director of Royal Bank of Canada (Audit Committee Chair), Bell Canada, and Sinai Health Systems (Vice-Chair). Formerly President and CEO of the Canada Pension Plan Investment Board, President of Fidelity Investments Canada Limited and of Bentall Kennedy LP (Board Chair), and Director of Allison Transmission Holdings.</td>
</tr>
<tr>
<td>James Hinds</td>
<td>Currently a Director of Allbanc Split Corp., a mutual fund company and the former Board Chair of the Independent Electricity System Operator and of the Ontario Power Authority (Board Chair). A retired investment banker, he previously served as Managing Director of TD Securities Inc., and also held senior positions with CIBC Wood Gundy Inc. and Newcrest Capital Inc.</td>
</tr>
<tr>
<td>Ian Bourne, ICD.D, F.ICD</td>
<td>Currently a Director of Ballard Power Systems (Board Chair) and a Director of Canada Pension Plan Investment Board, Wajax Corporation, and the Canadian Public Accountability Board. Formerly the Board Chair and interim CEO of SNC-Lavalin Group, Executive Vice President and CFO of TransAlta Corporation, President and Director of TransAlta Power LP, and Director of Canadian Oil Sands Limited.</td>
</tr>
<tr>
<td>Charles Brindamour</td>
<td>Currently is Chief Executive Officer of Intact Financial Corporation, which, under his leadership, became an independent and widely-held Canadian company in 2009. Currently a board member of Intact Financial Corporation, of the C.D. Howe Institute and of the Insurance Bureau of Canada, and a member of the Advisory Committee of the Climate Change Adaptation Project, an initiative of the University of Waterloo.</td>
</tr>
<tr>
<td>Marcella (Marc) Caira</td>
<td>Currently a Director of Restaurant Brands International Inc. (Vice-Chairman), Director of Gildan Activewear, and Director of The Minto Group. Formerly President and CEO of Tim Hortons Inc., held extensive senior management and executive roles with Nestlé Canada, Nestlé S.A. and Parmalat North America Inc., including serving as COO of Parmalat Canada Inc. and President and CEO of Parmalat North America.</td>
</tr>
<tr>
<td>Hon. Frances L. Lankin, P.C., C.M.</td>
<td>Currently a member of the Senate of Canada and a Director of the Ontario Lottery and Gaming Corporation. Formerly an MPP and Cabinet Minister, Member of the Queen’s Privy Council for Canada and Member of its Security Intelligence Review Committee, President and CEO of the United Way – Toronto, and Director of the Institute of Corporate Directors and the National NewsMedia Council (Board Chair).</td>
</tr>
<tr>
<td>George Cooke</td>
<td>A Director of Hydro One since 2010. Currently a Director of OMERS Administration Corporation (Board Chair), CANATICS, and the Ontario Lottery and Gaming Corporation. Formerly President, CEO and Director of The Dominion of Canada General Insurance Company, a Director of the Insurance Bureau of Canada, a Director and Executive Vice President of E-L Financial Corporation Limited, Director of Empire Life Insurance and AECL (Atomic Energy of Canada Limited).</td>
</tr>
<tr>
<td>Jane Peverett, FCMA, ICD.D</td>
<td>Currently a Director of the Canadian Imperial Bank of Commerce (Audit Committee Chair), Canadian Pacific Railway, and Northwest Natural Gas. Formerly a Director of the Canadian Electricity Association, Encana Corporation (Audit Committee Chair), AEGIS Insurance Services, President and CEO of the British Columbia Transmission Corporation and President and CEO of Union Gas.</td>
</tr>
<tr>
<td>Margaret (Marianne) Harris</td>
<td>Currently a Director of the Investment Industry Regulatory Organization of Canada (Board Chair) and a Director of Sun Life Financial Inc., Sun Life Assurance Company of Canada and Loblaws Companies Limited. Formerly a Director of Agrimark Inc., Managing Director of the Bank of America Merrill Lynch, President of Corporate and Investment Banking for Merrill Lynch Canada Inc. and Head of the Financial Institutions Group at RBC Capital Markets.</td>
</tr>
</tbody>
</table>

Investor Overview – Post First Quarter 2018
DISCLAIMERS

In this presentation, all amounts are in Canadian dollars, unless otherwise indicated. Any graphs, tables or other information in this presentation demonstrating the historical performance of the Company or any other entity contained in this presentation are intended only to illustrate past performance of such entities and are not necessarily indicative of future performance of Hydro One. In this presentation, “Hydro One” refers to Hydro One Limited and its subsidiaries and other investments, taken together as a whole.

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Words such as “aim”, “could”, “would”, “expect”, “anticipate”, “intend”, “attempt”, “may”, “plan”, “will”, “believe”, “seek”, “estimate”, “goal”, “target”, and variations of such words and similar expressions are intended to identify such forward-looking information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied or forecasted in such forward-looking information. Hydro One does not intend, and it disclaims any obligation to update any forward-looking information, except as required by law.

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Hydro One prepares and presents its financial statements in accordance with U.S. GAAP. “Funds from Operations” or “FFO”, “Adjusted Net Income”, “Revenue Net of Purchased Power” and “Adjusted Earnings Per Share” are not recognized measures under U.S. GAAP and do not have standardized meanings prescribed by U.S. GAAP. These are therefore unlikely to be comparable to similar measures presented by other companies. Funds from Operations should not be considered in isolation nor as a substitute for analysis of Hydro One’s financial information reported under U.S. GAAP. “Funds from Operations” or “FFO” is defined as net cash from operating activities, adjusted for the following: (i) changes in non-cash balances related to operations, (ii) dividends paid on preferred shares, and (iii) non-controlling interest distributions.

Management believes that these measures will be helpful as a supplemental measure of the Company’s operating cash flows and earnings. For more information, see “Non-GAAP Measures” in Hydro One’s 2017 full year MD&A.
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ojaved@HydroOne.com
(416) 345-5943

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