

FINANCIAL HIGHLIGHTS

In 2001, TransCanada delivered on its commitment to provide solid, stable returns to shareholders, underpinned by profitable investments in our core businesses. Through the disciplined execution of our strategy to divest non-core assets, pay down debt and continually reduce operating costs, we further strengthened our balance sheet and increased discretionary cash flow.

As a result of our efforts, total shareholder return in 2001 was 21 per cent. In January 2002, the Board of Directors increased the quarterly dividend by 11 per cent, reflecting continued, sustainable growth in cash flow and earnings from continuing operations and significant improvements in their quality and predictability.

OPERATING RESULTS

December 31 (millions of dollars)

	2001	2000	1999
Income Statement			
Net income applicable to common shares from continuing operations	670	650	454
Net income/(loss) applicable to common shares	603	711	(80)
EBITDA* from continuing operations	3,005	2,901	2,555
Cash Flow			
Funds generated from continuing operations	1,514	1,283	1,041
Capital expenditures in continuing operations	440	518	1,323
Balance Sheet			
Long-term debt	9,347	9,928	11,591
Common shareholders' equity	5,429	5,230	4,935

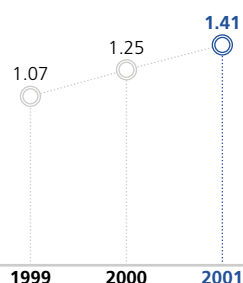
*Earnings before interest expense, income taxes, depreciation and amortization.

COMMON SHARE STATISTICS

Year ended December 31

	2001	2000	1999
Net income per share from continuing operations	\$ 1.41	\$ 1.37	\$ 0.94
Net (loss)/income per share from discontinued operations	\$ (0.14)	\$ 0.13	\$ (1.13)
Net income/(loss) per share – Basic and Diluted	\$ 1.27	\$ 1.50	\$ (0.19)
Funds generated per share from continuing operations	\$ 3.18	\$ 2.70	\$ 2.22
Common shares outstanding (millions)			
Average for the period	475.8	474.6	469.5
End of period	476.6	474.9	474.5

Net Earnings Per Share
from Continuing
Operations before
Unusual Items
(dollars)



Net Earnings
from Continuing
Operations before
Unusual Items
(millions of dollars)

