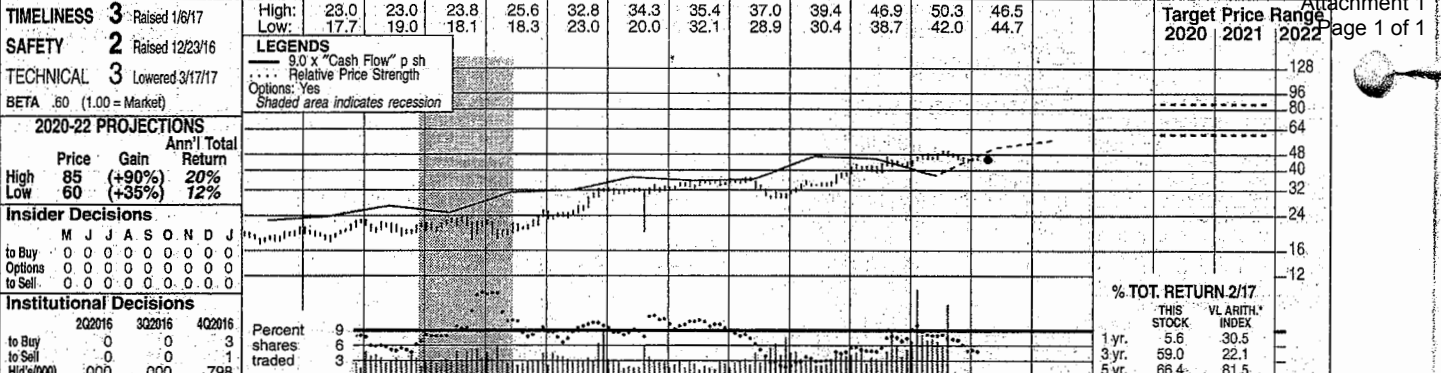


EMERA INC. TSE-EMA.TO RECENT PRICE **45.25** P/E RATIO **19.8** (Trailing: 30.2 Median: 16.0) RELATIVE P/E RATIO **1.01** DIV'D YLD **4.6%** VALUE LINE **1218** August 14, 2017 Item No. 35 Attachment 1 Page 1 of 1



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC 20-22	
10.24	11.38	11.37	10.42	10.81	10.51	12.62	11.87	12.75	13.55	16.81	15.72	16.78	20.67	18.95	20.36	31.30	32.95	Revenues per sh ^E	38.85
2.27	1.96	2.37	2.38	2.52	2.65	2.98	2.75	3.45	3.54	4.11	3.93	4.00	5.20	5.09	4.20	5.75	6.30	"Cash Flow" per sh ^E	8.25
1.16	.84	1.16	1.14	1.10	1.12	1.32	1.26	1.52	1.65	1.97	1.76	1.64	2.82	2.71	1.51	2.65	3.05	Earnings per sh ^A	4.50
.85	.86	.86	.88	.89	.89	.90	.97	1.03	1.16	1.31	1.36	1.41	1.48	1.66	2.00	2.16	2.32	Div'ds Decl'd per sh ^C	2.80
1.95	1.02	1.12	1.39	1.17	1.75	2.26	4.86	2.89	4.60	3.93	3.41	2.42	3.02	2.51	4.91	4.65	4.55	Cap'l Spending per sh	4.25
12.06	12.36	12.12	12.28	12.41	12.69	12.20	13.78	13.31	14.16	11.80	12.60	15.68	18.60	23.71	31.92	31.50	31.30	Book Value per sh ^B	32.55
98.00	107.80	108.26	108.87	110.10	110.93	111.47	112.21	112.98	114.62	122.83	130.98	132.89	143.78	147.21	210.02	215.00	220.00	Common Shs Outstg ^D	235.00
14.4	19.8	14.4	15.9	17.2	18.0	15.7	17.2	14.0	16.1	16.2	19.4	20.1	12.3	15.5	30.8	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	16.0
.74	1.08	.82	.84	.92	.97	.83	1.04	.93	1.02	1.02	1.23	1.13	.65	.78	1.62			Relative P/E Ratio	1.00
5.1%	5.2%	5.1%	4.9%	4.7%	4.4%	4.3%	4.5%	4.8%	4.4%	4.1%	4.0%	4.3%	4.3%	4.0%	4.3%			Avg Ann'l Div'd Yield	3.9%

CAPITAL STRUCTURE as of 12/31/16		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC 20-22
Total Debt \$15313 mill. Due in 5 Yrs \$2000.0 mill.		1339.5	1331.9	1440.2	1553.7	2064.4	2058.6	2230.2	2971.9	2789.3	4277.0	6725	7250	Revenues (\$mill)	9135					
LT Debt \$14268 mill. LT Interest \$645.0 mill.		43.3%	39.4%	40.8%	38.5%	30.5%	33.5%	34.5%	35.7%	30.8%	27.6%	28.0%	28.5%	Operating Margin	30.0%					
(Total int. coverage: 1.7x)		180.7	165.0	214.2	214.9	263.2	294.4	313.6	341.5	352.2	593.0	645	695	Depreciation (\$mill)	860					
(68% of Cap'l)		151.3	144.1	175.7	194.2	247.7	231.9	236.8	432.9	427.5	299.4	605	705	Net Profit (\$mill)	1095					
Leases, Uncapitalized Annual rentals \$31.2 mill.		34.7%	28.6%	21.7%	---	---	---	14.5%	20.1%	17.0%	NMF	21.0%	21.0%	Income Tax Rate	21.0%					
Pension Assets-12/15 \$1204.7 mill.		11.3%	10.8%	12.2%	12.5%	12.0%	11.3%	10.6%	14.6%	15.3%	7.0%	9.0%	9.7%	Net Profit Margin	12.0%					
Oblig. \$1469.7 mill.		d15.8	d198.3	d88.5	92.2	191.6	d68.0	d368.6	312.0	514.3	d1213.0	d1050	d800	Working Cap'l (\$mill)	750					
Pfd Stock \$725.0 mill. Pfd Div'ds \$28.0 mill.		1600.2	2159.2	2454.9	3141.9	3273.5	3201.1	3363.7	3660.3	3750.8	14270	14175	14070	Long-Term Debt (\$mill)	13775					
Common Stock 210,020,000 shs.		1620.4	1681.2	1503.5	1773.6	1599.2	2050.4	2608.2	3398.8	4200.1	6704.0	6775	6900	Shr. Equity (\$mill)	7650					
MARKET CAP: \$9.5 billion (Large Cap)		6.3%	5.3%	6.1%	5.7%	6.9%	6.4%	5.5%	7.4%	6.7%	3.0%	4.5%	5.0%	Return on Total Cap'l	7.0%					
CURRENT POSITION 2014 2015 12/31/16 (\$MILL.)		9.3%	8.6%	11.7%	10.9%	15.5%	11.3%	9.1%	12.7%	10.2%	4.5%	9.0%	10.0%	Return on Shr. Equity	14.5%					
Cash Assets 221.1 1073.4 404.0		3.8%	2.3%	4.0%	3.6%	5.8%	3.2%	1.5%	7.4%	4.5%	NMF	1.5%	2.5%	Retained to Com Eq	5.5%					
Receivables 534.1 578.1 1014.0		86%	75%	68%	70%	66%	77%	87%	55%	63%	125%	81%	76%	All Div'ds to Net Prof	63%					
Inventory (Avg Cst) 294.5 314.3 472.0		<p>BUSINESS: Emera Inc. is geographically diverse energy and services company. It invests in electricity generation, transmission, and distribution, as well as gas transmission and utility energy services. Also provides energy marketing, trading, and other energy-related management services. Has investments throughout North America, and in four Caribbean countries. Acquired TECO Energy 7/16.</p> <p>Emera completed a transformational year. Among the highlights was its \$3.4 billion acquisition of TECO Energy, which closed on July 1, 2016. The move broadened the Nova Scotia-based energy and services company's geographic exposure by adding operations in Florida and New Mexico, which are faster-growing markets. Also, the percentage of profits coming from regulated business rises to more than 90%, providing added stability. (The dividend is now more than covered by regulated earnings.) It also sold its stake in Algonquin Power & Utilities Corp., netting an aftertax gain of \$189 million, or \$1.26 per common share.</p> <p>Earnings should rebound strongly this year. The TECO acquisition costs amounted to \$166 million after taxes, or \$0.97 a share. Stripping those out, along with \$248 million in mark-to-market losses at Emera Energy and the aforementioned sales gain, adjusted share net for 2016 would have come in at \$2.77, up 23% from the prior year on a like basis. Factoring in a full-year contribution from TECO, and assuming no outsized energy market effects, we look for the bottom line to recover about 60% of lost ground in 2017 and forge ahead to new heights next year.</p> <p>Capital spending will remain elevated for a while. The company has a number of projects on tap for the next few years, including large-scale solar power development at Tampa Electric, and expanded natural gas distribution to industrial and residential customers at Peoples Gas and New Mexico Gas. Altogether, it's projecting \$6.5 billion in expenditures for 2017 through 2020.</p> <p>Long-term investors should look here. Although the stock is ranked to move in step with the broader market averages in the year ahead, our projections suggest above-average total return potential out to 2020-2022.</p> <p>The company's dividend growth plans should appeal to income investors. The stock's yield is already attractive at the recent quotation, compared to the Value Line median of 2.0%. However, management plans to increase it by 8% a year through 2020, with an overall aim of keeping the payout ratio between 70% and 75% of adjusted net profits.</p>																		
Debt Due 353.7 289.9 1437.0		<p>Mario Ferro March 24, 2017</p>																		
Other 408.9 629.8 621.0																				
Current Assets 1458.6 2595.6 2511.0																				
Accts Payable 370.7 394.2 1242.0																				
Current Liab. 1146.6 2081.3 3724.0																				

Cal-endar	QUARTERLY REVENUES (\$ mill.) ^E				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	1050	566.6	562.4	792.6	2971.9
2015	900.3	537.0	654.0	698.0	2789.3
2016	877.0	499.4	1387.0	1513.6	4277.0
2017	1725	1600	1700	1700	6725
2018	1850	1725	1825	1850	7250

Cal-endar	EARNINGS PER SHARE ^{A,E}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	1.03	.31	.20	1.28	2.82
2015	1.09	.07	.24	1.31	2.71
2016	.30	1.39	d.52	.34	1.51
2017	.70	.60	.65	.70	2.65
2018	.80	.70	.75	.80	3.05

Cal-endar	QUARTERLY DIVIDENDS PAID ^{C,E}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2013	.35	.35	.35	.363	1.41
2014	.362	.362	.363	.388	1.48
2015	.388	.40	.40	.475	1.66
2016	.475	.475	.5225	.5225	2.00
2017	.523				

(A) Diluted earnings. Next earnings report due early May. (B) Includes intangibles. In 2016, \$6213.0 mill., or \$29.58 per share. (C) Common dividends historically paid in the middle of February, May, August, and November. (D) In millions. (E) All data in Canadian dollars.

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