Ontario

Province of Ontario Investor Presentation

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August 14, 2026

2026–27 First Quarter Finances Highlights

- As of the *2026–27 First Quarter Finances*, Ontario's 2026–27 deficit is projected to be $13.8 billion, consistent with the outlook published in the *2026 Budget*.
- In the *2026 Budget*, Ontario's real GDP is projected to rise 1.0 per cent in 2026, 1.7 per cent in 2027, 1.8 per cent in 2028, and 2.0 per cent in 2029. Ontario's nominal GDP is projected to rise 3.2 per cent in 2026, 3.9 per cent in 2027, and 3.7 per cent in 2028, and 3.9 per cent in 2029.
- The net debt-to-GDP ratio is projected to be 37.7 per cent in 2026–27, matching the *2026 Budget* projection. The net debt-to-revenue (formerly net debt-to-operating revenue) is forecast to be 211 per cent in 2026–27. The net interest-to-revenue (formerly interest on debt-to-operating revenue) is forecast to be 6.7 per cent in 2026–27.
- To date, Ontario completed $28.8 billion in long-term borrowing in 2026–27. Total long-term public borrowing is forecast to be $46.2 billion.

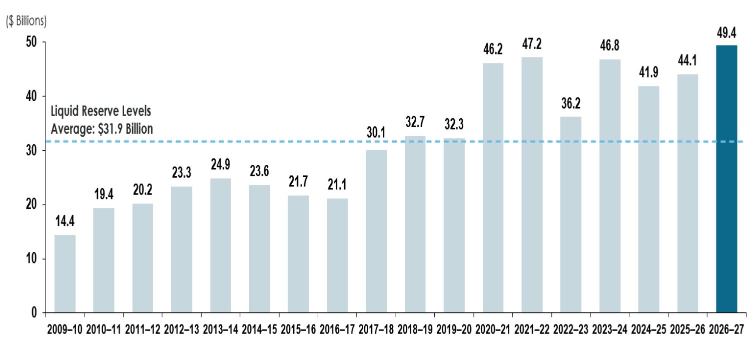
2026–27 Borrowing Program

($ Billions)	2026–27		
	2026 Budget	Change from *2026 Budget*	Current Outlook
Deficit/(Surplus)	13.8	–	13.8
Provincial Investment in Capital Assets	28.0	–	28.0
Amortization of Capital Assets[1]	(10.2)	–	(10.2)
Non-Cash and Cash Timing Adjustments	(2.5)	–	(2.5)
Net Loans and Investments	5.2	–	5.2
Debt Maturities/Redemptions	26.9	–	26.9
Total Funding Requirement	**61.2**	**–**	**61.2**
Decrease/(Increase) in Short-Term Borrowing	(6.0)	–	(6.0)
Increase/(Decrease) in Year-End Cash and Cash Equivalents	(8.0)	(1.0)	(9.0)
Total Long-Term Public Borrowing	**47.2**	**(1.0)**	**46.2**

[1] Starting in the *2025 Budget*, Amoritization of Capital Assets will be reflected in a separate line in this table to reflect the increasing impact of the capital plan on the borrowing program.
Note: Numbers may not add due to rounding. *Source:* Ontario Financing Authority.

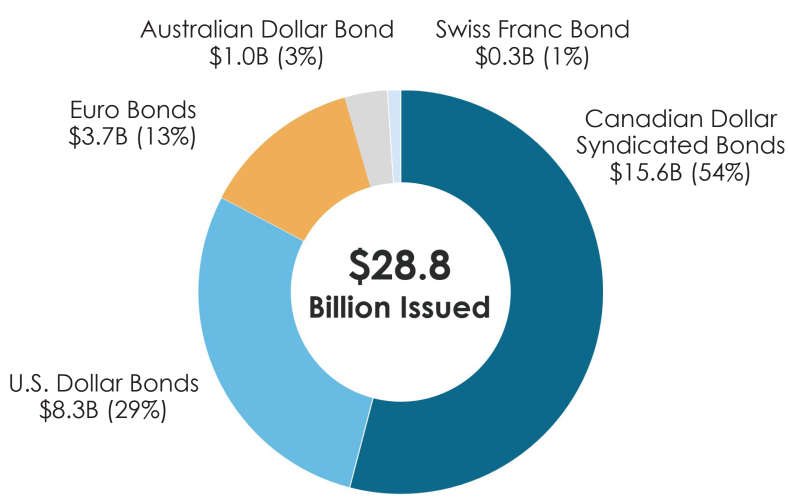
Liquidity

- Ontario balances the objective of minimizing the cost of holding liquid reserves against the need to always have enough cash on hand to pay its bills, invest in capital assets, refinance maturing debt and pay interest.
- As of August 12, 2026, liquid reserve levels were $51.4 billion.



As of July 31, 2026.
Source: Ontario Financing Authority.

2026–27 Borrowing Program

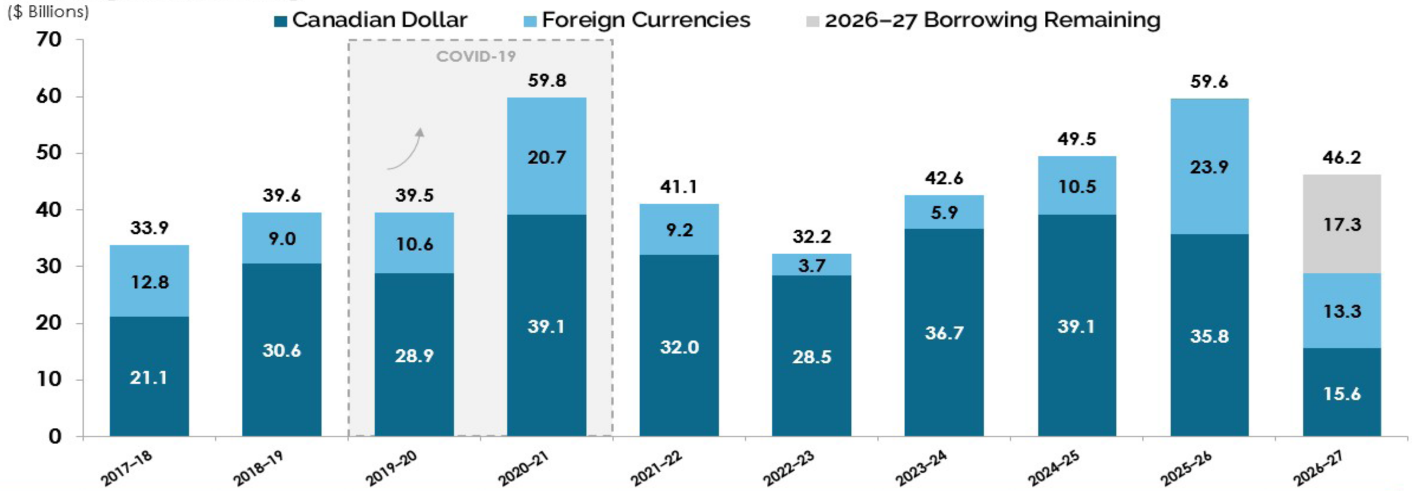


Note: Numbers may not add due to rounding.
As of August 14, 2026

Long-Term Borrowing

- Ontario had completed $28.8 billion or 62.4 per cent of its $46.2 billion 2026–27 long term borrowing program. Approximately $15.6 billion or 54.0 per cent was completed in Canadian dollars, with the remaining $13.3 billion or 46.0 per cent completed primarily in U.S. dollars and euros.
- Due to the extension of the term of debt in recent years, the impact on interest on debt in the short term and medium term has been lessened. Ontario has issued $165.5 billion of bonds, or almost one third of total debt, with maturities of 30 years or longer since 2010–11. This includes $4.7 billion so far in 2026–27.

Total Long-Term Borrowing



	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
Foreign	38%	23%	27%	35%	22%	12%	14%	21%	40%	46%
Domestic	62%	77%	73%	65%	78%	88%	86%	79%	60%	54%
Weighted-Average Term	12.1	12.9	14.5	12.0	14.5	15.0	15.2	14.1	12.5	12.2

Note: Numbers may not add due to rounding.
As of August 14, 2026.

Canadian Dollar Issuance

- Ontario accounted for 74.7 per cent of Canadian provincial bond trading in 2025. As of December 31, 2025, Ontario accounted for 12.1 per cent of the FTSE Universe Bond Index, 11.9 per cent of the FTSE Mid Bond Index, and 20.8 per cent of the FTSE Long Bond Index.
- Regular issuance of 5-year, 10-year and 30-year issues, which are re-opened to achieve benchmark size (17 issues so far in 2026–27).

Canadian Dollar Benchmark Bonds (As of August 14, 2026)

Term	Ontario		Canada	
5 yr (old)	2.95% September 8, 2030	$3.50B	2.75% September 1, 2030	$42.00B
5 yr (new)	3.00% September 8, 2031	$4.25B	2.75% March 1, 2031	$42.00B
7 yr	3.65% June 2, 2033	$12.95B	2.75% June 1, 2033	$19.00B
10 yr (old)	3.90% June 2, 2036	$10.25B	3.25% December 1, 2035	$42.00B
10 yr (new)	3.85% December 2, 2036	$4.00B	3.25% June 1, 2036	$41.00B
Long (old)	4.60% December 2, 2055	$12.25B	2.75% December 1, 2055	$28.75B
Long (new)	4.45% December 2, 2056	$12.00B	3.50% December 1, 2057	$35.00B

Foreign Issuance

- Foreign currency borrowing helps diversify Ontario's investor base. Dependent on market conditions, the Province borrows in U.S. dollars, euros, British pound sterling, Australian dollars, Swiss francs, and other currencies.
- In 2025–26, for the first time, Ontario issued euro denominated 30-year bond, raising $0.6 billion at lower cost than issuing in Canada after being hedged back to Canadian dollars.

USD Issues

Term	Coupon and Issue Date	Amount
10 year	4.85% May 21, 2026	US$ 3.00B
5 year	4.05% April 9, 2026	US$ 3.00B
3 year	3.80% January 21, 2026	US$ 3.50B

Other Currencies

Term	Coupon and Issue Date	Amount
10 year	3.45% July 7, 2026	€ 2.00B
10 year	5.45% June 12, 2026	AUD$ 1.00B
10 year	3.15% February 26, 2026	€ 3.00B

Protect Ontario Account Investment Fund

- The Province will invest up to $4 billion into the Fund and has initiated a competitive process to partner with an investment manager capable of delivering on investments that advance Ontario's strategic policy goals.
- The Protect Ontario Account Investment Fund will leverage private sector experience, while crowding in investment capital from Ontario based pension funds along with financial institutions and other global investors.
- The fund will focus on developing new economy and enabling industries such as artifical intelligence, defence, advanced manufacturing, life sciences, and research and development in the critical minerals sector.

Green Bonds

- Ontario remains the largest issuer of Canadian dollar Green Bonds, totalling $24.6 billion with $19.85 billion outstanding. A total of 29 projects have received or will receive funding from Ontario's 21 Green Bond issues.
- On November 17, 2025, for the first time ever, the Province issued a dual-tranche Green Bond. This is comprised of a $600 million re-opening of Ontario's 30-year Green Bond, and a new 5-year Canadian dollar Green Bond Floating Rate Note (FRN) for $1.5 billion.
- Ontario plans to continue its leadership in the Canadian dollar Green Bond market and, subject to market conditions, will issue multiple Green Bonds each fiscal year.

Fiscal Outlook

- As of the *2026–27 First Quarter Finances*, the province's 2026–27 deficit is projected to be $13.8 billion, consistent with the outlook published in the *2026 Budget*.
- Total revenues in 2026–27 are projected to be $232.0 billion, $0.1 billion higher than forecasted in the *2026 Budget*.
- Program expenses in 2026–27 is projected to be $ $227.1 billion, $0.1 billion higher than forecasted in the *2026 Budget*.
- Ontario is forecast to pay $17.2 billion in interest costs in 2026–27, consistent with the outlook presented in the *2026 Budget*.
- The net debt-to-GDP ratio is projected to be 37.7 per cent in 2026–27, matching the *2026 Budget* projection.
- Ontario incorporates prudence in the form of a reserve to protect the fiscal outlook against unforeseen adverse changes in the province's revenue and expense, including those resulting from changes in Ontario's economic performance. With the release of the *2026–27 First Quarter Finances*, the reserve has remained unchanged at $1.5 billion in 2026–27.

Fiscal Plan ($ Billions)	Actuals								Interim	Current Outlook
	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
Revenue	**151.3**	**154.8**	**157.1**	**165.7**	**185.8**	**194.4**	**209.0**	**226.2**	**226.6**	**232.0**
Expense										
Programs	142.5	148.7	152.3	169.0	170.5	186.4	195.2	212.1	222.4	227.1
Interest and other Debt Servicing Charges	12.5	13.3	13.5	13.1	13.3	13.9	14.5	15.1	16.0	17.2
Total Expense	**155.0**	**162.1**	**165.7**	**182.0**	**183.8**	**200.3**	**209.7**	**227.3**	**238.4**	**244.3**
Reserve	–	–	–	–	–	–	–	–	0.5	1.5
Surplus/(Deficit)	**(3.7)**	**(7.3)**	**(8.6)**	**(16.3)**	**2.0**	**(5.9)**	**(0.7)**	**(1.1)**	**(12.3)**	**(13.8)**

Notes: Numbers may not add due to rounding.
Sources: Ontario Treasury Board Secretariat and Ontario Ministry of Finance.

Interest and other Debt Servicing Charges (IOD)

- Interest and Other Debt Servicing Charges in 2026–27 is projected to remain unchanged at $17.2 billion, consistent with the *2026 Budget*.

Credit Ratings (Long-Term/Short-Term)

Moody's Investor Service	Aa3 / P-1
Fitch	AA- / F1+
Morningstar DBRS	AA / R-1 (high)
S&P Global Ratings	AA- / A-1+

Risk Management

	Exposure[1]	Policy Limit
Foreign Exchange	0.13%	3.0%
Net Interest Rate Resetting	7.1%	35.0%

[1] Of outstanding debt, as of July 31, 2026.

Debt Burden Reduction Strategy

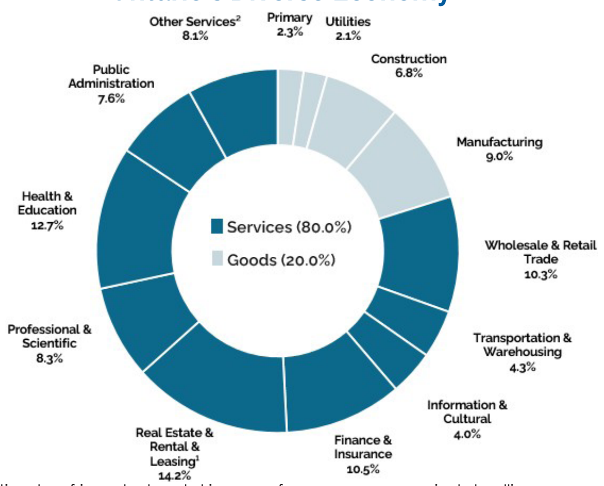
(Per Cent)	Targets	2026–27 Forecast		
		2025 Budget	*2026 Budget*	*Current Outlook*
Net-Debt-to-GDP[1]	<40.0	38.9	37.7	37.7
Net Debt-to-Revenue[1]	<200	215	211	211
Interest-to-Revenue	<7.5	6.7	6.7	6.7

[1]For 2026–27 and future years, Net Debt reflects financial assets less financial liabilities and is aligned with Net Financial Liabilities, as will be reported in the *Public Accounts of Ontario 2026–27*. A one-year restatement will be provided in the *Public Accounts of Ontario 2026–27*.
Source: Ontario Financing Authority.

Ontario's Economic Update

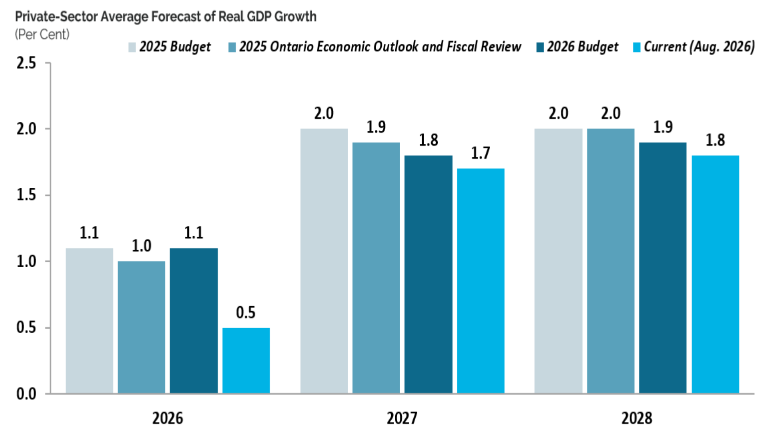
- Ontario's economy proved to be resilient in 2025, continuing to grow and add jobs as as the province navigated the changing landscape.
- In the *2026 Budget*, Ontario's real GDP is projected to rise 1.0 per cent in 2026, 1.7 per cent in 2027, 1.8 per cent in 2028, and 2.0 per cent in 2029. Ontario's nominal GDP is projected to rise 3.2 per cent in 2026, 3.9 per cent in 2027, and 3.7 per cent in 2028, and 3.9 per cent in 2029. For the purposes of prudent fiscal planning, these projections were set slightly below the average of private-sector forecasts.
- The Ministry of Finance continues to develop scenarios to assess the potential impact of U.S. trade policy on Ontario's economy over the projection period. As significant uncertainty remains regarding the international trade environment, these alternative scenarios should not be considered the best case or the worst case. Rather, they illustrate a broader range of possible outcomes.

Ontario's Diverse Economy



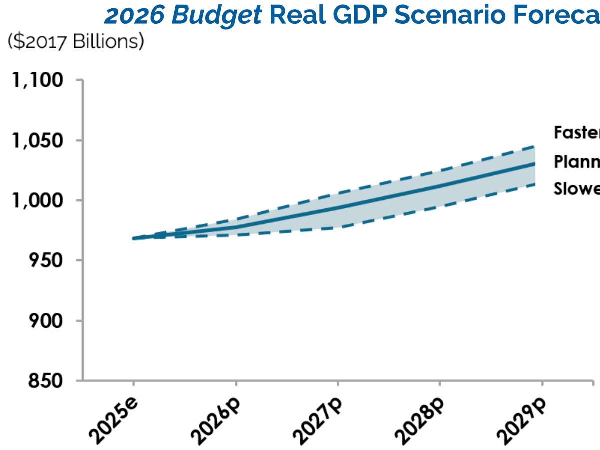
[1] Includes estimate of imputed rental income from owner occupied dwellings.
[2] Other services include: management of companies and enterprises; administrative and support waste management and remediation services; arts, entertainment and recreation; accommodation and food services; and other services.
Note: Numbers may not add due to rounding.
Source: Statistics Canada and Ontario Ministry of Finance.

Ontario Real GDP Growth Outlook Revised Downward



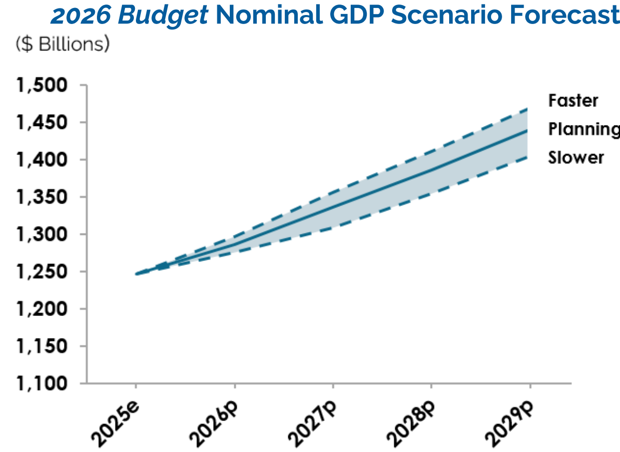
Sources: Ontario Ministry of Finance Survey of Forecasters (April 3, 2025, September 12, 2025, and January 16, 2026, and August 5, 2026).

2026 Budget Real GDP Scenario Forecasts



Real GDP Growth Scenarios (Per Cent)	2026p	2027p	2028p	2029p
Faster Growth Scenarios	1.6	2.2	1.9	2.1
Planning Projection	**1.0**	**1.7**	**1.8**	**2.0**
Slower Growth Scenarios	0.3	0.6	1.8	2.0

2026 Budget Nominal GDP Scenario Forecasts



Nominal GDP Growth Scenarios (Per Cent)	2026p	2027p	2028p	2029p
Faster Growth Scenarios	4.0	4.6	4.0	4.2
Planning Projection	**3.2**	**3.9**	**3.7**	**3.9**
Slower Growth Scenarios	2.3	2.6	3.5	3.7

e = estimate.
p = Ontario Ministry of Finance planning projection based on external sources as of January 16, 2026 and alternative scenarios.
Source: Ontario Ministry of Finance.

The Ontario Financing Authority is an agency of the Province of Ontario responsible for provincial borrowing and debt management activities

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