



NEWS RELEASE

Enbridge Income Fund Holdings Inc. Announces First Quarter Results

HIGHLIGHTS

- First quarter earnings totaled \$6.8 million (\$0.27 per common share).
- First quarter cash dividend of \$0.288 per common share declared on March 15, 2011.
- Saskatchewan System Phase II expansion contributed to the Fund's first quarter cash flow growth.
- The Fund's joint Bakken expansion program on track for January 2013.
- ENF and the Fund receive proposal from Enbridge to acquire three renewable energy assets.
- The Company announces switch to monthly dividend payment frequency effective with the July 2011 dividend.

CALGARY, ALBERTA, May 9, 2011 – Enbridge Income Fund Holdings Inc. (TSX: ENF.TO) (ENF or the Company) announced today earnings of \$6.8 million, or \$0.27 per common share, reflecting the performance of its investment in Enbridge Income Fund (the Fund) for the three months ended March 31, 2011. Results for the first quarter of 2011 represented the first full quarter of activity for the Company following the Fund's restructuring in December 2010.

The Company declared a first quarter dividend of \$0.288 per share, supported by strong performance of its investment in the Fund. The Fund's cash available for distribution (CAFD) totaled \$31.7 million for the first quarter of 2011, an increase of 32% compared with the same period of 2010, primarily due to increased cash flow from its Saskatchewan System expansion.

"The Fund continues to deliver strong financial performance and reliable cash flow from its portfolio of strategically located energy infrastructure assets," said John Whelen, President of Enbridge Income Fund Holdings Inc. "This quarter saw steady contributions from our natural gas transmission and green power assets and a solid uptick in earnings and cash flow from our crude oil and liquids transportation business following the substantial completion of the Phase II expansion project on the Saskatchewan System. The Phase II expansion is a good example of how we seek to generate organic growth through maximizing the potential of our existing asset base.

"There are more growth opportunities on the horizon," noted Mr. Whelen. "Last year we announced the \$190 million Bakken Expansion Program which will further increase the capacity of our crude oil transportation system to accommodate growing production from the Bakken and Three Forks formations in North Dakota. We expect this project to be completed over the next two years and to begin generating additional earnings and cash flow for the Fund in early 2013.

"Last week, we announced that our affiliate Enbridge Inc. has offered to sell the Fund a portfolio of wind and solar power generation facilities with a total capacity of close to 370 MW for a proposed price of \$1.3 billion. This proposed transaction, which is being carefully reviewed by a Special Committee of our Independent Directors, would substantially expand and diversify our asset base. If recommended by the Special Committee, the proposed transfer would be subject to all necessary approvals, including approval by the Boards of the Company and the Fund and regulatory approval."

FIRST QUARTER 2011 REVIEW

The unaudited interim financial statements and Management's Discussion and Analysis (MD&A) of both ENF and the Fund, which contain additional notes and disclosures, are available on the Company's website at www.enbridgeincomefund.com.

- The Company adopted International Financial Reporting Standards (IFRS) effective January 1, 2011 with full restatement of prior periods previously reported under Canadian GAAP. The notes to the interim financial statements discuss the impact of the transition to IFRS on the Company's financial position.
- The Company's earnings for the three months ended March 31, 2011 were \$6.8 million (\$0.27 per common share). The Company had no operating activities during the comparable period of 2010. The Company's earnings reflected distribution income received on its investment in the Fund, which declared first quarter distributions of \$0.346 per unit for the three months ended March 31, 2011, net of income taxes.
- The Company declared its first quarterly dividend on March 15, 2011 of \$0.288 per share, which represented a level consistent with annual distributions paid to unit holders of the Fund in 2010.
- The Fund's cash available for distribution for the three months ended March 31, 2011 was \$31.7 million, an increase of 32% from the three months ended March 31, 2010. This increase is primarily representative of higher cash contributions from the Saskatchewan System and a one-time distribution from Alliance Canada.
- Strong cash flows from the Fund's operating segments were partially offset by increased corporate costs in the first quarter of 2011, the largest being increased interest expense on higher debt balances used primarily to fund the Saskatchewan System Phase II expansion project.
- On May 9, 2011, the Company's Board of Directors declared a second quarter dividend of \$0.288 per share. The dividend is payable on July 15, 2011 to shareholders of record on June 30, 2011. The Company also announces amendment of its dividend payment frequency from quarterly to monthly. The dividend payment frequency change is expected to commence with the July 2011 monthly dividend, which would be payable on August 15, 2011.

ABOUT ENBRIDGE INCOME FUND HOLDINGS INC.

Enbridge Income Fund Holdings Inc. is a publicly traded corporation. The Company holds an investment in Enbridge Income Fund, a premier income fund in Canada with a low-risk profile focused on energy infrastructure assets. The Fund's assets include a 50% interest in the Canadian segment of the Alliance Pipeline, a 100% interest in the various pipelines comprising the Saskatchewan System and a 50% interest in each of NRGreen Limited Partnership and the Sunbridge wind project, as well as a 33% interest in each of the Magrath and Chin Chute wind projects. Information about Enbridge Income Fund Holdings Inc. is available on the Company's web site at www.enbridgeincomefund.com.

FORWARD LOOKING INFORMATION

In the interest of providing the Company's shareholders and potential investors with information about the Company and its investee, the Fund, and the Fund's subsidiaries and joint ventures, including management's assessment of the Company's and the Fund's future plans and operations, certain information provided in this News Release constitutes forward-looking statements or information (collectively, "forward-looking statements"). This information may not be appropriate for other purposes. Forward-looking statements are typically identified by words such as "anticipate", "expect", "project", "estimate", "forecast", "plan", "intend", "target", "believe" and similar words suggesting future outcomes or statements regarding an outlook. In particular, forward-looking statements include:

- *expected costs related to projects under construction;*
- *expected scope and in-service dates for projects under construction;*
- *expected timing and amount of recovery of capital costs of assets;*
- *expected capital expenditures;*
- *expected future dividends and Fund distributions;*

- the Fund's expected cash available for distribution.

Although the Company believes that these forward-looking statements are reasonable based on the information available on the date such statements are made and processes are used to prepare the information, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Material assumptions include assumptions about: the expected supply and demand for crude oil, natural gas and natural gas liquids; prices of crude oil, natural gas and natural gas liquids; expected exchange rates; inflation; interest rates; the availability and price of labour and pipeline construction materials; operational reliability; customer project approvals; maintenance of support and regulatory approval for the Fund's projects; anticipated in-service dates and weather. Assumptions regarding the expected supply and demand of crude oil, natural gas and natural gas liquids, and the prices of these commodities, are material to and underlay all forward-looking statements. These factors are relevant to all forward-looking statements as they may impact current and future levels of demand for the Fund's services. Similarly, exchange rates, inflation and interest rates impact the economies and business environments in which the Company and the Fund operates, may impact levels of demand for the Fund's services and cost of inputs, and are therefore inherent in all forward-looking statements. Due to the interdependencies and correlation of these macroeconomic factors, the impact of any one assumption on a forward-looking statement cannot be determined with certainty, particularly with respect to expected earnings and associated per unit or per share amounts, or estimated future distributions or dividends. The most relevant assumptions associated with forward-looking statements on projects under construction, including estimated in-service dates and expected capital expenditures, include: the availability and price of labour and pipeline construction materials; the effects of inflation on labour and material costs; the effects of interest rates on borrowing costs; and the impact of weather and customer and regulatory approvals on construction schedules.

The Company's forward-looking statements, and forward looking statements with respect to the Fund, are subject to risks and uncertainties pertaining to operating performance, regulatory parameters, project approval and support, weather, economic conditions, exchange rates, interest rates and commodity prices, including but not limited to those risks and uncertainties discussed in this News Release and in the Company's and the Fund's other filings with Canadian securities regulators. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these are interdependent and the Company's and the Fund's future course of action depends on management's assessment of all information available at the relevant time. Except to the extent required by law, the Company and the Fund assume no obligation to publicly update or revise any forward-looking statements made in this News Release or otherwise, whether as a result of new information, future events or otherwise. All subsequent forward-looking statements whether written or oral, attributable to the Company or the Fund or persons acting on the Company's or the Fund's behalf, are expressly qualified in their entirety by these cautionary statements.

NON-GAAP MEASURES

This News Release contains references to the Fund's cash available for distribution. Cash available for distribution represents the Fund's cash available to fund distributions on Trust Units and ECT Preferred Units as well as for debt repayments and reserves. This measure is important to shareholders as the Company's objective is to provide a predictable flow of dividends to shareholders and the Company's cash flows are derived from its investment in the Fund. Cash available for distribution is not a measure that has standardized meaning prescribed by Canadian Generally Accepted Accounting Principles (GAAP) and is not considered a GAAP measure. Therefore, this measure may not be comparable with similar measures presented by other issuers. The Fund's Cash Available for Distribution reconciliation is as follows:

	Three months ended, March 31	
	2011	2010
<i>(millions of Canadian dollars)</i>		
Cash provided by operating activities	47.3	23.6
Add/(deduct):		
ECT preferred unit distributions	-	11.0
Alliance Canada maintenance capital expenditures	(0.4)	(0.6)
Alliance Canada other cash retained	(8.7)	(10.7)
Green Power cash retained	(0.4)	(0.3)
Saskatchewan System maintenance capital expenditures	(0.7)	(1.0)
Change in operating assets and liabilities in the period	(5.4)	2.0
Cash available for distribution	31.7	24.0

SELECTED FINANCIAL HIGHLIGHTS

ENBRIDGE INCOME FUND HOLDINGS INC.

	Period ended March 31,	
	2011	2010
<i>(millions of Canadian dollars, except share and per share amounts)</i>		
Earnings	6.8	-
Earnings per common share, basic and diluted	0.27	-
Cash provided by operating activities	-	-
Dividends declared	7.2	-
Dividends per common share	0.288	-
Number of common shares outstanding	25,125,000	-

ENBRIDGE INCOME FUND¹

	Three months ended March 31,	
	2011	2010
<i>(millions of Canadian dollars, except unit and per unit amounts)</i>		
Earnings		
Alliance Canada	13.3	14.5
Saskatchewan System	9.9	4.9
Green Power	0.9	0.9
Corporate	(11.6)	(16.7)
	12.5	3.6
Cash available for distribution ²		
Alliance Canada	19.6	18.0
Saskatchewan System	18.9	9.0
Green Power	1.4	1.7
Corporate	(8.2)	(4.7)
	31.7	24.0
Cash provided by operating activities	47.3	23.6
Cash distributions declared	25.2	20.9
Distributions per trust unit	0.346	0.288
Distributions per ECT preferred unit	0.346	0.288
Number of units outstanding		
ECT preferred units	38,023,750	38,023,750
Trust units	34,625,000	34,625,000

¹ Financial Highlights for Enbridge Income Fund have been extracted from financial statements prepared in accordance with pre-changeover accounting standards, Part V of the CICA Handbook.

² See Non-GAAP Measures.

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