



## NEWS RELEASE

### Enbridge Income Fund Holdings Inc. Announces Second Quarter Results; Declares Monthly Dividend

#### HIGHLIGHTS

*(all financial figures are unaudited and in Canadian dollars)*

- Enbridge Income Fund Holdings Inc. (the Company) delivered earnings of \$21.7 million for the second quarter ended June 30, 2014 (\$0.38 per common share) compared to earnings of \$21.8 million for the same quarter of 2013 (\$0.39 per common share); year-to-date earnings were \$43.4 million (\$0.77 per common share) as compared to earnings of \$42.9 million for the six months ended June 30, 2013 (\$0.78 per common share).
- The Company's investee, Enbridge Income Fund (the Fund), generated cash available for distribution (CAFD) of \$148.0 million in the first six months of 2014, an increase of 4.8% compared to the same period of the prior year primarily as a result of increased contributions from the Liquids Transportation and Storage segment, driven by increased volumes on the Fund's crude oil pipeline systems as well as a full period of cash flow from the Bakken Expansion which commenced service on March 1, 2013.
- The Fund's credit facility was amended and extended for an additional year to 2017.
- A monthly dividend of \$0.1146 per common share was declared by the Company's Board of Directors to be paid on September 15, 2014.

**CALGARY, ALBERTA, July 29, 2014** – Enbridge Income Fund Holdings Inc. (TSX: ENF.TO) (ENF or the Company) announced today earnings of \$21.7 million or \$0.38 per common share for the three month period ended June 30, 2014 and earnings of \$43.4 million or \$0.77 per common share for the six month period ended June 30, 2014.

The Company's financial performance is a direct reflection of the Fund's ability to generate cash for distribution to its unitholders. The Fund's CAFD totaled \$148.0 million for the six months ended June 30, 2014 compared with \$141.2 million in the prior year. The improvement in CAFD was primarily due to increased cash flow generated by the Liquids Transportation and Storage segment resulting from improved throughputs as well as a full period of cash flow from the Bakken Expansion which commenced service on March 1, 2013.

"The Fund's objective is to provide reliable and predictable cash returns for shareholders and we have continued to deliver," said Perry Schuldhaus, President of Enbridge Income Fund Holdings Inc. "The second quarter demonstrated that the Fund's diversified portfolio of energy transportation and generation assets continues to produce predictable cash flows. While performance from our wind power assets was weaker in the second quarter, the solar assets as well as the Saskatchewan Liquids Transportation assets contributed to both the quarterly and year-to-date increases in CAFD.

"The Fund's strategy includes further growth through acquisition and development of complementary energy infrastructure. We remain well positioned to respond to acquisition opportunities including through asset drop downs into the Fund from our sponsor, Enbridge Inc., as contemplated in Enbridge's announced funding strategy."

The Company's Board of Directors declared a monthly cash dividend of \$0.1146 per common share to be paid on September 15, 2014 to shareholders of record at the close of business on September 2, 2014. The dividend is designated an eligible dividend for Canadian tax purposes which qualifies for the enhanced dividend tax credit.

## **SECOND QUARTER 2014 REVIEW**

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

- The Company's earnings for the second quarter ended June 30, 2014 were \$21.7 million (\$0.38 per common share) compared with \$21.8 million (\$0.39 per common share) for the same quarter ended June 30, 2013. Second quarter 2014 earnings reflected a 1% per unit increase in the Fund's distribution to the Company commencing November 2013. Earnings for the second quarter ended June 30, 2014 were impacted by higher income tax expense compared to the same quarter ended June 30, 2013 as a result of an increase in the estimated taxability of distributions paid by the Fund.
- The Fund generated cash available for distribution of \$74.5 million and \$148.0 million for the three and six months ended June 30, 2014, respectively. CAFD for the six month period ended June 30, 2014 reflected increased contributions from the Liquids Transportation and Storage segment, driven by an increase in volumes on the Fund's pipeline systems as well as a full period of cash flow from the Bakken Expansion which commenced service on March 1, 2013. The solar assets within the Green segment delivered increased cash flows for the three and six month periods ended June 30, 2014 compared to the same periods of the prior year. Contributions from the wind assets were lower during the second quarter of 2014 as compared to the same quarter of 2013 due to weaker wind resource and a transformer outage at the Greenwich Wind facility. Alliance Canada continued to produce predictable cash flows for both the three and six months ended June 30, 2014. The year-to-date period for the Alliance segment reflects contributions from the Fund's investee, Sable NGL Services L.P. (Sable), an equity investment that holds 20 million cubic feet per day (mmcf/d) of capacity on the Alliance System. During the six months ended June 30, 2014, Sable benefitted from the large differential between the cost for natural gas purchased in Alberta and the sales price for natural gas in the Chicago area as a result of unusually cold weather in the first quarter of 2014.
- In June 2014, the Fund amended its existing \$500 million credit facility with a syndicate of commercial banks, by extending the maturity date to June 2017. Indebtedness drawn under this credit facility as of June 30, 2014 was \$16 million.
- The Company's Board of Directors declared monthly dividends of \$0.1146 per common share for each of April, May and June 2014. In addition, monthly dividends of \$0.1146 per common share were declared on July 15, 2014 and July 28, 2014 for payment to shareholders on August 15, 2014 and September 15, 2014, respectively.

## **ABOUT ENBRIDGE INCOME FUND HOLDINGS INC.**

Enbridge Income Fund Holdings Inc. is a publicly traded corporation. The Company, through its investment in Enbridge Income Fund, holds high quality, low risk energy infrastructure assets. The Fund's assets include interests in more than 500 megawatts of renewable and alternative power generation capacity, a portfolio of liquids transportation and storage businesses and a 50 per cent interest in the Canadian segment of the Alliance Pipeline. Information about Enbridge Income Fund Holdings Inc. is available on the Company's website at [www.enbridgeincomefund.com](http://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 earnings or earnings per share;*
- *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, Fund distributions and taxability thereof;*
- *the Fund's expected cash available for distribution; and*
- *expected future actions of regulators.*

*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, 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, changes in tax law and tax rate increases, 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 (CAFD). CAFD represents the Fund's cash available to fund distributions on Fund 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. CAFD is not a measure that has standardized meaning prescribed by United States Generally Accepted Accounting Principles (U.S. GAAP) and is not considered a U.S. GAAP measure. Therefore, this measure may not be comparable with similar measures presented by other issuers. The Fund's CAFD reconciliation is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
<i>(millions of Canadian dollars)</i>				
Cash provided by operating activities	95.6	85.5	148.7	135.1
Add/(deduct):				
Green Power maintenance capital expenditures	(0.1)	(0.4)	(0.4)	(0.5)
Green Power joint venture cash distributed/(retained)	-	-	0.2	(0.1)
Liquids Transportation and Storage maintenance capital expenditures	(2.3)	(1.1)	(2.9)	(2.2)
Change in operating assets and liabilities in the period	(18.7)	(13.0)	2.4	8.9
Cash available for distribution	74.5	71.0	148.0	141.2

### Media

Graham White  
(403) 508-6563 / (888) 992-0997  
E-mail: [graham.white@enbridge.com](mailto:graham.white@enbridge.com)

### Investment Community

Teri Majer  
(403) 508-3185  
E-mail: [teri.majer@enbridge.com](mailto:teri.majer@enbridge.com)

## SELECTED FINANCIAL AND OPERATING HIGHLIGHTS

<b>ENBRIDGE INCOME FUND HOLDINGS INC.</b>	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
<i>(unaudited; millions of Canadian dollars, except share and per share amounts)</i>				
Earnings	21.7	21.8	43.4	42.9
Earnings per common share, basic and diluted	\$0.38	\$0.39	\$0.77	\$0.78
Cash provided by operating activities	21.9	28.0	40.1	45.4
Dividends declared	19.4	18.9	38.8	37.2
Dividends per common share	\$0.344	\$0.334	\$0.688	\$0.668
Number of common shares outstanding			56,491,000	56,491,000

<b>ENBRIDGE INCOME FUND<sup>1</sup></b>	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
<i>(unaudited; millions of Canadian dollars, except unit and per unit amounts)</i>				
<b>Earnings</b>				
Green Power	23.7	27.6	54.4	53.7
Liquids Transportation and Storage <sup>2</sup>	23.3	17.9	42.5	20.6
Alliance Canada	14.1	14.2	34.2	26.5
Corporate <sup>2</sup>	(31.9)	(32.5)	(65.6)	(60.0)
	29.2	27.2	65.5	40.8
<b>Cash available for distribution<sup>3</sup></b>				
Green Power	39.7	43.3	85.8	84.5
Liquids Transportation and Storage	40.1	33.9	76.2	67.0
Alliance Canada	19.2	17.1	38.7	35.0
Corporate	(24.5)	(23.3)	(52.7)	(45.3)
	74.5	71.0	148.0	141.2
<b>Cash provided by operating activities</b>	95.6	85.5	148.7	135.1
<b>Distributions</b>				
Cash distributions declared	56.2	55.7	112.4	110.1
Distributions per trust unit and ECT preferred unit	\$0.406	\$0.403	\$0.812	\$0.805
<b>Units outstanding</b>				
ECT preferred units			72,465,750	72,465,750
Trust units			65,991,000	65,991,000
<b>Operating Results</b>				
Green Power <i>(thousands of megawatt hours produced)</i>				
Wind Facilities	233.8	274.0	596.8	628.3
Solar Facilities	50.5	49.1	80.9	73.0
Waste Heat Facilities	17.6	16.2	38.1	35.4
Liquids Transportation and Storage <i>(thousands of barrels per day)</i>				
Westspur System	181.8	158.1	179.0	159.7
Saskatchewan Gathering System	144.7	113.2	139.4	112.6
Weyburn System	31.8	30.8	31.7	31.3
Virden System	22.3	22.3	24.2	23.5
Bakken Expansion	55.0	5.9	32.1	3.0
Alliance Canada <i>(millions of cubic feet per day)</i>	1,530.0	1,552.0	1,593.0	1,593.0

<sup>1</sup> Financial Highlights for Enbridge Income Fund have been extracted from consolidated financial statements prepared in accordance with U.S. GAAP.

<sup>2</sup> Earnings for the six months ended June 30, 2013 are presented after the effects of the \$12.0 million after tax write-off of rate regulated assets.

<sup>3</sup> See Non-GAAP Measures.