

## NEWS RELEASE

### Enbridge Income Fund Holdings Inc. Announces Third Quarter Results

#### HIGHLIGHTS

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

- Earnings for Enbridge Income Fund Holdings Inc. (the Company) were \$21.7 million for the third quarter and \$65.1 million for the nine months, or \$0.38 and \$1.15 per common share, respectively
- Earnings for the Company's investee, Enbridge Income Fund (the Fund), were \$24.3 million and \$89.8 million for the third quarter and nine months
- The Fund's adjusted earnings were \$21.4 million and \$90.2 million for the third quarter and nine months
- The Fund generated third quarter and nine months CAFD of \$58.9 million and \$206.9 million
- The Fund agreed to purchase assets of \$1.76 billion from Enbridge Inc.

**CALGARY, ALBERTA, November 4, 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 months ended September 30, 2014 and earnings of \$65.1 million or \$1.15 per common share for the nine months ended September 30, 2014.

On September 22, 2014, the Company and Enbridge Income Fund (the Fund) announced that indirect wholly-owned subsidiaries of the Fund entered into agreements with indirect wholly-owned subsidiaries of Enbridge Inc. (Enbridge) to acquire a 50% interest in the U.S. segment of the Alliance Pipeline and subscribe for and purchase Class A Units which will provide a defined cash flow stream from the Southern Lights Pipeline for \$1.76 billion (the Transaction). Closing of the Transaction is subject to customary regulatory approval and is anticipated in November, 2014. The Company intends to increase the dividend on its common shares by 12% upon closing. If the Transaction does not close by November 14, 2014, the Company will declare its customary monthly dividend at that time for payment on December 15, 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 \$206.9 million for the nine months ended September 30, 2014, an increase of 4.4% over 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 third quarter earnings were \$24.3 million and nine months earnings were \$89.8 million, both including the impact of certain one-time, non-recurring items, including advisory fees and an unrealized gain on a foreign exchange payment feature associated with the Transaction. On an adjusted basis, the Fund's third quarter and nine months earnings were \$21.4 million and \$90.2 million, respectively.

"Our business continues to deliver solid and consistent performance as demonstrated by our third quarter results," said Enbridge Income Fund Holdings Inc. President Perry Schuldhaus. "At \$1.76 billion, the Transaction with Enbridge is the most significant the Fund has undertaken since its inception in 2003.

"This is an outstanding transaction for the Fund as it offers many benefits such as further diversifying the Fund's portfolio of assets and its sources of low risk cash flow. Moreover, expected additional cash flow accretion will also enable the Fund to build cash resources to support investment in further growth. We anticipate closing in November and the cash flow generated from the Alliance U.S. and Southern Lights pipelines will support the planned 12% dividend increase on a sustained basis," added Mr. Schuldhaus.

The Company also announced the resignation of Mr. Richard (Dick) Auchinleck from its Board of Directors and the resignation of Mr. Auchinleck and Mr. David T. Robottom from the Board of Trustees of Enbridge Commercial Trust (ECT). Mr. John K. Whelen has been appointed by Enbridge Inc. as Trustee of ECT to replace Mr. Robottom. Mr. Whelen is the Chief Financial Officer of Enbridge Inc. and was the President of the Company from December 17, 2010 to January 1, 2014. The Company also appointed Ms. Wanda M. Opheim, Senior Vice President, Finance of Enbridge Inc. as Chief Financial Officer, replacing Mr. Colin Gruending, effective following the close of the Transaction. Mr. Gruending has been appointed Vice President Corporate Development and Planning of Enbridge Inc.

"I would like to thank Mr. Auchinleck for his dedication and counsel to the Company and to the Fund. He has served on our Board and the ECT Board since their inception," concluded Mr. Schulhaus. "I would also like to acknowledge the contributions of Mr. Robottom to the stewardship of ECT during his time as a Trustee."

### **THIRD 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 third quarter ended September 30, 2014 were \$21.7 million (\$0.38 per common share) compared with \$21.5 million (\$0.38 per common share) for the same quarter ended September 30, 2013. Third quarter 2014 earnings reflected a 1% per unit increase in the Fund's distribution to the Company commencing November 2013. Earnings for the third quarter ended September 30, 2014 were impacted by higher income tax expense compared to the same quarter ended September 30, 2013 as a result of an increase in the estimated taxability of distributions paid by the Fund.
- The Fund's earnings were \$24.3 million and \$89.8 million for the three and nine months ended September 30, 2014. The Fund delivered strong quarter-over-quarter earnings growth. The magnitude and comparability of this growth was impacted by certain non-recurring and non-operating factors. The Fund recorded a non-cash after-tax gain of \$8.8 million from the valuation of a feature to pay for the Southern Lights U.S. Class A Units in Canadian dollars at a fixed exchange rate to the U.S. dollar price. The Fund recognized non-cash adjustments of \$0.9 million and \$1.9 million during the three and nine months ended September 30, 2014, respectively, to defer a portion of revenues associated with shipper make-up rights under long-term take-or-pay contracts for the Bakken Expansion. In the third quarter of 2013, the Fund wrote-off project costs at Hardisty Contract Terminals of \$1.9 million. During the three and nine months ended September 30, 2014, the Fund experienced losses of \$0.5 million and \$2.5 million resulting from a transformer outage at the Greenwich Wind Facility that began in March 2014. Additionally, the Fund incurred advisory fees related to the Transaction of \$4.5 million and \$4.8 million in the three and nine months ended September 30, 2014. Excluding these items, the Fund recorded adjusted earnings of \$21.4 million and \$90.2 million for the three and nine months ended September 30, 2014.
- The Fund generated cash available for distribution of \$58.9 million and \$206.9 million for the three and nine months ended September 30, 2014, respectively. CAFD for the three and nine months ended September 30, 2014 reflected stronger contributions across all operating segments. The Liquids Transportation and Storage segment benefited from increased throughputs on its crude oil pipelines and pump-out volumes from crude oil storage assets, as well as a full nine months of cash flow from the Bakken Expansion which commenced service on March 1, 2013. The solar assets within the Green Power segment delivered increased cash flows for the three and nine month periods ended September 30, 2014 compared to the same periods of the prior year. Heavy snowfall negatively affected solar panel performance in the nine-month period ended September 30, 2013. Contributions from the wind assets were higher during the third quarter of 2014 as compared to the same quarter of 2013 due to stronger wind resource offset by a transformer outage at the Greenwich Wind Facility. Alliance Canada continued to produce predictable cash flows for both the three and nine months ended September 30, 2014. The year-to-date period for the Alliance segment reflected positive results from the Fund's investee, Sable NGL Services L.P., which benefited from a large differential between prices for natural gas in Alberta and Chicago in the first quarter of 2014.

- The Company's Board of Directors declared monthly dividends of \$0.1146 per common share for each of July, August and September 2014. In addition, a monthly dividend of \$0.1146 per common share was declared on October 15, 2014 for payment to shareholders on November 17, 2014.

#### **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% 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 approval, timing and impact of asset purchase transactions;*
- *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 and transactions; 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 adjusted earnings and cash available for distribution (CAFD). Adjusted earnings represents earnings adjusted for unusual, non-recurring or non-operating factors on both a consolidated and segmented basis. These factors, referred to as adjusting items, are reconciled and discussed in the financial results sections for the affected business segments. CAFD represents the Fund's cash available to fund distributions on trust units and ECT preferred units as well as for debt repayments and reserves. CAFD consists of operating cash flow from the Fund's underlying businesses less deductions for maintenance capital expenditures, the Fund's administrative and operating expenses, corporate segment interest expense, applicable taxes and other reserves determined by the Manager. CAFD is important to unitholders as the Fund's objective is to provide a predictable flow of distributable cash to unitholders. Management believes the presentation of adjusted earnings and CAFD provides useful information to investors and unitholders as it provides increased transparency and predictive value.

Management uses adjusted earnings and CAFD to set targets, including the Fund's distribution payout target, and to assess the performance of the Company. Adjusted earnings and CAFD are not measures that have standardized meaning prescribed by United States Generally Accepted Accounting Principles (U.S. GAAP) and are not considered U.S. GAAP measures. Therefore, these measures may not be comparable with similar measures presented by other issuers. Please refer to the earnings reconciliation within the financial results for each business segment and the CAFD reconciliation within this MD&A. The Fund's adjusted earnings and CAFD reconciliations are as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
<i>(millions of Canadian dollars)</i>				
<b>Earnings</b>	<b>24.3</b>	16.9	<b>89.8</b>	57.7
Add/(deduct):				
Greenwich Wind Facility transformer outage	0.5	-	2.5	-
Changes in unrealized derivative fair value gains, net of tax	(8.8)	(0.1)	(8.8)	-
Extraordinary item – Westspur System rate regulated accounting deferral write-off, net of tax	-	-	-	12.0
Bakken Expansion make-up rights	0.9	2.5	1.9	2.5
Hardisty Contract Terminals – non-cash project costs write-off	-	1.9	-	1.9
Alliance Canada – unrecoverable regulatory costs	-	-	-	2.1
Alliance US and Southern Lights transaction costs	4.5	-	4.8	-
<b>Adjusted earnings</b>	<b>21.4</b>	21.2	<b>90.2</b>	76.2

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
<i>(millions of Canadian dollars)</i>				
<b>Cash provided by operating activities</b>	<b>68.8</b>	54.8	<b>217.5</b>	189.9
Add/(deduct):				
Green Power maintenance capital expenditures	-	(0.4)	(0.4)	(0.9)
Green Power joint venture cash distributed/(retained)	-	0.9	0.2	0.8
Liquids Transportation and Storage maintenance capital expenditures	(3.2)	(5.9)	(6.1)	(8.1)
Change in operating assets and liabilities in the period	(6.7)	7.6	(4.3)	16.5
<b>Cash available for distribution</b>	<b>58.9</b>	57.0	<b>206.9</b>	198.2

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## SELECTED FINANCIAL AND OPERATING HIGHLIGHTS

<b>ENBRIDGE INCOME FUND HOLDINGS INC.</b>	Three months ended		Nine months ended	
	September 30,	2013	September 30,	2013
	<b>2014</b>		<b>2014</b>	
<i>(unaudited; millions of Canadian dollars, except share and per share amounts)</i>				
<b>Earnings</b>	<b>21.7</b>	21.5	<b>65.1</b>	64.4
Earnings per common share, basic and diluted	<b>\$0.38</b>	\$0.38	<b>\$1.15</b>	\$1.16
Cash provided by operating activities	<b>22.1</b>	24.0	<b>62.2</b>	69.4
Dividends declared	<b>19.4</b>	18.9	<b>58.3</b>	56.0
Dividends per common share	<b>\$0.344</b>	\$0.334	<b>\$1.032</b>	\$1.001
Number of common shares outstanding			<b>56,491,000</b>	56,491,000

<b>ENBRIDGE INCOME FUND<sup>1</sup></b>	Three months ended		Nine months ended	
	September 30,	2013	September 30,	2013
	<b>2014</b>		<b>2014</b>	
<i>(unaudited; millions of Canadian dollars, except unit and per unit amounts)</i>				
<b>Earnings</b>				
Green Power	<b>16.5</b>	16.9	<b>70.9</b>	70.6
Liquids Transportation and Storage	<b>32.8</b>	13.6	<b>75.3</b>	34.2
Alliance Canada	<b>14.4</b>	14.8	<b>48.6</b>	41.3
Corporate	<b>(39.4)</b>	(28.4)	<b>(105.0)</b>	(88.4)
	<b>24.3</b>	16.9	<b>89.8</b>	57.7
<b>Adjusted earnings<sup>2</sup></b>				
Green Power	<b>17.0</b>	16.8	<b>73.4</b>	70.6
Liquids Transportation and Storage	<b>19.6</b>	18.0	<b>63.1</b>	55.1
Alliance Canada	<b>14.4</b>	14.8	<b>48.6</b>	43.4
Corporate	<b>(29.6)</b>	(28.4)	<b>(94.9)</b>	(92.9)
	<b>21.4</b>	21.2	<b>90.2</b>	76.2
<b>Cash available for distribution<sup>2</sup></b>				
Green Power	<b>33.1</b>	32.8	<b>118.9</b>	117.3
Liquids Transportation and Storage	<b>34.6</b>	30.1	<b>110.8</b>	97.1
Alliance Canada	<b>17.7</b>	16.6	<b>56.4</b>	51.6
Corporate	<b>(26.5)</b>	(22.5)	<b>(79.2)</b>	(67.8)
	<b>58.9</b>	57.0	<b>206.9</b>	198.2
<b>Cash provided by operating activities</b>	<b>68.8</b>	54.8	<b>217.5</b>	189.9
<b>Distributions</b>				
Cash distributions declared	<b>56.1</b>	55.7	<b>168.5</b>	165.8
Distributions per trust unit and ECT preferred unit	<b>\$0.406</b>	\$0.403	<b>\$1.217</b>	\$1.208
<b>Units outstanding</b>				
ECT preferred units			<b>72,465,750</b>	72,465,750
Trust units			<b>65,991,000</b>	65,991,000
<b>Operating Results</b>				
Green Power <i>(thousands of megawatt hours produced)</i>				
Wind Facilities	<b>173.1</b>	174.3	<b>770.3</b>	802.6
Solar Facilities	<b>50.9</b>	51.6	<b>131.6</b>	124.5
Waste Heat Facilities	<b>16.5</b>	15.7	<b>54.5</b>	51.0
Liquids Transportation and Storage <i>(thousands of barrels per day)</i>				
Westspur System	<b>180.7</b>	167.1	<b>179.6</b>	162.2
Saskatchewan Gathering System	<b>141.7</b>	122.4	<b>140.2</b>	115.9
Weyburn System	<b>32.0</b>	31.8	<b>31.8</b>	31.5
Virden System	<b>17.5</b>	24.7	<b>22.0</b>	23.9
Bakken Expansion	<b>56.3</b>	29.1	<b>40.2</b>	11.8
Alliance Canada <i>(millions of cubic feet per day)</i>	<b>1,501.0</b>	1,514.0	<b>1,567.0</b>	1,569.0

<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> See Non-GAAP Measures.