



St. John's, NL (September 29, 2014)

FORTIS INC. ANNOUNCES REVIEW OF STRATEGIC OPTIONS FOR FORTIS PROPERTIES

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) announced today that it will engage in a review of strategic options for its hotel and commercial real estate business, operating under its wholly owned subsidiary Fortis Properties Corporation ("Fortis Properties").

Fortis Properties, a successful, high-performing business established in 1989, owns and operates 23 hotels in eight Canadian provinces, representing over 4,400 rooms, and 2.8 million square feet of commercial and retail real estate, primarily in Atlantic Canada. Its major hotel brands include Delta, Sheraton, Hilton, Holiday Inn, Ramada and Best Western, and some of its prominent real estate holdings in Atlantic Canada include Cabot Place, Maritime Centre and the Blue Cross Centre.

In 2013, Fortis Properties generated revenues of approximately \$250 million and had earnings before interest, taxes, depreciation and amortization (EBITDA) of approximately \$80 million.

"Fortis, headquartered in St. John's, NL, is a leading electric and gas utility owner and operator in North America. We currently serve 3.1 million electric and gas customers in our utility businesses," says Barry Perry, President, Fortis. "The review of Fortis Properties will explore various strategic options for this non-utility subsidiary, which currently comprises approximately 3% of the Corporation's total assets," he says. Strategic options may include, but are not limited to, a sale of all or a portion of the assets, a sale of shares of Fortis Properties or an initial public offering.

Fortis has engaged CIBC World Markets Inc. and CBRE Limited as its advisors for this review. This process is expected to commence in the coming weeks and continue through the balance of 2014 and into 2015.

There can be no assurance that this review process will result in any transaction. Fortis does not currently intend to disclose further developments with respect to this process unless and until its Board of Directors approves a specific transaction or otherwise concludes the review of strategic options.

A listing of Fortis Properties' hotels and real estate holdings is attached.

About Fortis

Fortis is a leader in the North American electric and gas utility business, with total assets approaching \$25 billion and fiscal 2013 revenue exceeding \$4 billion. Its regulated utilities account for approximately 93% of total assets and serve 3.1 million customers across Canada and in the United States and the Caribbean. Fortis owns non-regulated hydroelectric generation assets in Canada, Belize and Upstate New York. The Corporation's non-utility investment is comprised of hotels and commercial real estate in Canada. For more information, visit www.fortisinc.com or www.sedar.com.

Forward Looking Information

Fortis includes forward-looking information in this media release within the meaning of applicable securities laws in Canada ("forward-looking information"). The purpose of the forward-looking information is to provide management's expectations regarding results of operations, performance, business prospects and opportunities, and it may not be appropriate for other purposes. All forward-looking information is given pursuant to the safe harbour provisions of applicable Canadian securities legislation. The words "anticipates", "believes", "budgets", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "should", "will", "would" and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. The forward-looking information reflects management's current beliefs and is based on assumptions developed using information currently available to the Corporation's management. Although Fortis believes that the forward-looking statements are based on information and assumptions which are current, reasonable and complete, these statements are necessarily subject to a variety of risks and uncertainties. For additional information on risk factors that have the potential to affect the Corporation, reference should be made to the Corporation's continuous disclosure materials filed from time to time with Canadian securities regulatory authorities and to the heading "Business Risk Management" in the Corporation's annual and quarterly Management Discussion and Analysis. Except as required by law, the Corporation undertakes no obligation to revise or update any forward-looking information as a result of new information, future events or otherwise after the date hereof.

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Property Holdings

Hospitality Holdings

Newfoundland and Labrador

Delta St. John's Hotel and Conference Centre	St. John's
Holiday Inn St. John's-Government Centre	St. John's
Sheraton Hotel Newfoundland	St. John's
Mount Peyton Hotel	Grand Falls-Windsor
Greenwood Inn and Suites Corner Brook	Corner Brook

Nova Scotia

Holiday Inn Sydney-Waterfront	Sydney
Four Points by Sheraton	Halifax

New Brunswick

Delta Brunswick	Saint John
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Ontario

Holiday Inn Sarnia	Sarnia
Holiday Inn Kitchener-Waterloo	Kitchener
Holiday Inn Cambridge	Cambridge
Holiday Inn Peterborough-Waterfront	Peterborough
Holiday Inn and Suites Windsor	Windsor
Station Park All Suite Hotel	London

Manitoba

Best Western Plus Winnipeg Airport Hotel	Winnipeg
Hilton Winnipeg Airport Suites	Winnipeg

Saskatchewan

Delta Regina	Regina
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Alberta

Ramada Plaza Calgary Airport Hotel and Conference Centre	Calgary
Holiday Inn Conference Centre Edmonton South	Edmonton
Holiday Inn Lethbridge	Lethbridge
Holiday Inn Express and Suites Medicine Hat	Medicine Hat
Best Western Plus Sun Country	Medicine Hat

British Columbia

Holiday Inn Express Kelowna Conference Centre Hotel	Kelowna
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Property Holdings (cont'd)

Real Estate Holdings

Newfoundland and Labrador

Cabot Place	St. John's
Fortis Building	St. John's
TD Place	St. John's
Fort William Building	St. John's
Water Street Properties	St. John's
Fortis Place (<i>opening Fall 2014</i>)	St. John's
Fortis Tower	Corner Brook
Marystown Mall	Marystown
Millbrook Mall	Corner Brook
Fraser Mall	Gander

Nova Scotia

Maritime Centre	Halifax
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New Brunswick

Brunswick Square	Saint John
Kings Place	Fredericton
Blue Cross Centre	Moncton

Saskatchewan

Delta Regina	Regina
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