



St. John's, NL (October 28, 2014):

**FORTIS INC. ISSUES 58,228,787 COMMON SHARES UPON CONVERSION OF
OUTSTANDING CONVERTIBLE DEBENTURES**

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) announced today that it has received all outstanding final instalment payments in respect of its 4% convertible unsecured subordinated debentures ("Debentures") represented by instalment receipts ("Instalment Receipts"). Holders of \$1,788,787,434 principal amount of Debentures have elected to convert their Debentures into Fortis common shares ("Common Shares"). As a result, Fortis has issued 58,228,787 Common Shares to holders of Debentures. \$11,212,566 principal amount of Debentures remain outstanding after giving effect to such conversions.

Holders of fully-paid Debentures have the right, at any time prior to redemption or maturity, to convert their Debentures into Common Shares at a price of \$30.72 per Common Share. The closing price of the Common Shares on the Toronto Stock Exchange (the "TSX") yesterday, October 27, 2014, was \$35.75. Holders of Debentures are encouraged to exercise their conversion right before the next Common Share dividend record date to ensure that they receive future dividends paid by Fortis. Conversion elections must be made by holders of Debentures through their broker, investment advisor or other intermediary.

Holders of Debentures are reminded that as of today the interest payable on the Debentures has fallen to an annual rate of 0%. As a result, no further interest will accrue or be paid on the Debentures. The Debentures are not and will not be listed on the TSX and may in the future be redeemed at par by Fortis.

The Instalment Receipts, which until yesterday represented the interest of holders in the underlying Debentures, have now been cancelled and delisted from the TSX.

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 more than 3 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 the conversion of the Debentures, the Corporation's future growth, 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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