



FOR IMMEDIATE RELEASE:

St. John's, NL (September 19, 2014):

**FORTIS INC. CLOSES \$600,000,000 OFFERING OF
SERIES M FIRST PREFERENCE SHARES**

Not for distribution to U.S. news wire services or dissemination in the United States.

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) announced today that it has closed its public offering (the "Offering") of Cumulative Redeemable Fixed Rate Reset First Preference Shares, Series M ("Series M First Preference Shares") underwritten by a syndicate of underwriters led by Scotiabank and RBC Capital Markets. Fortis issued 24,000,000 Series M First Preference Shares at a price of \$25.00 per share for aggregate gross proceeds to the Corporation of \$600,000,000.

The net proceeds of the Offering will be used to repay a portion of the amounts borrowed by Fortis under its acquisition credit facility in connection with the acquisition of UNS Energy Corporation completed on August 15, 2014.

The Series M First Preference Shares were offered by way of a short form prospectus of Fortis dated September 11, 2014 and will commence trading today on the Toronto Stock Exchange under the symbol FTS.PR.M.

Fortis is the largest investor-owned distribution utility in Canada, 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 investments are comprised of hotels and commercial real estate in Canada.

Additional information about the Corporation can be accessed at www.fortisinc.com or www.sedar.com.

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 Corporation's offering of Series M First Preference Shares, 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 regularly with Canadian securities regulatory authorities and to the heading "Business Risk Management" in the Corporation's annual and quarterly Management Discussion and Analysis and "Risk Factors Relating to the Post-Acquisition Business and Operations of the Corporation and UNS Energy" in the Corporation's Business Acquisition Report dated September 2, 2014 relating to the acquisition of UNS Energy Corporation. 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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