



St. John's, NL (June 27, 2013):

FORTIS INC. COMPLETES ACQUISITION OF CH ENERGY GROUP, INC.

Fortis Inc. ("Fortis" or the "Corporation") (TSX:FTS) confirmed today that its previously announced acquisition (the "Acquisition") of CH Energy Group, Inc. ("CH Energy Group") (NYSE:CHG) has been completed.

As a result of the completion of the Acquisition, each outstanding subscription receipt of Fortis (a "Subscription Receipt") will be exchanged, after the close of markets today, for one common share of Fortis (a "Common Share") and a cash payment of Cdn.\$1.22 (being equal to the aggregate amount of dividends declared per Common Share for which record dates have occurred since the issuance of the Subscription Receipts), less any applicable withholding taxes (the "Dividend Equivalent Payment").

Fortis expects that the Subscription Receipts will be delisted from the Toronto Stock Exchange (the "TSX") after the close of markets today and that the Common Shares issued in exchange for the Subscription Receipts will commence trading on the TSX when markets open on June 28, 2013. Fortis further expects that holders of Subscription Receipts will receive in the upcoming days the Common Shares and the aggregate Dividend Equivalent Payment to which they are entitled.

Further information regarding the Acquisition and the exchange of the Subscription Receipts is available under the Corporation's issuer profile at www.sedar.com.

About Fortis

Fortis is the largest investor-owned gas and electric distribution utility in Canada. Its regulated utilities account for 90 per cent of total assets and serve more than 2.4 million customers across Canada and in New York State 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 and petroleum supply operations in the Mid-Atlantic Region of the United States.

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 expected benefits of the Acquisition and the exchange of Subscription Receipts for Common Shares, 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 regularly 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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