



NEWS RELEASE

Enbridge reports third quarter earnings of \$78.1 million

Highlights

- Nine month earnings of \$451.6 million increased from \$444.3 million in the prior year
- Nine month adjusted operating earnings increased 4% to \$437.9 million
- Third quarter earnings decreased 18% to \$78.1 million; and adjusted operating earnings decreased 14% to \$79.0 million
- Construction activities continue on Southern Access Expansion, Southern Lights Pipeline, Waupisoo Pipeline, the Line 4 Extension and Ontario Wind Project
- Enbridge entered an agreement to develop pipeline and terminal facilities for Phase 1 and subsequent phases of the Fort Hills oil sands project at a preliminary cost estimate for the initial facilities of \$2 billion

CALGARY, Alberta, November 7, 2007 – “Earnings for the nine months ended September 30, 2007 increased from the prior year and met our expectations,” said Patrick D. Daniel, President and Chief Executive Officer. “Despite the impact of a weaker U.S. dollar and producer start-up delays on our Long Lake and Surmont lateral facilities, we expect to be within our previously communicated full year guidance of \$1.75 to \$1.85 adjusted operating earnings per share, most likely within the lower half of the range.

“The Company is well into the construction phase on many of the new pipeline projects which we have characterized as the first wave of growth. These pipelines are expected to come into service, and start generating positive cash flows, from mid-2008 through 2010. After that, we see another wave of potential pipeline projects, including the recently announced Fort Hills Pipeline, and we intend to work hard to win that business.”

On November 6, 2007, the Enbridge Board of Directors declared quarterly dividends of \$0.3075 per common share and \$0.34375 per Series A Preferred Share. Both dividends are payable on December 1, 2007 to shareholders of record on November 15, 2007.

The Board of Directors announced the appointment of Catherine L. Williams as a director of the Company, effective November 1, 2007. Ms. Williams has extensive business and finance experience, most recently with Shell Canada Ltd., where she was Chief Financial Officer.

Consolidated Earnings

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---------------------------------------|--------------------|--------|-------------------|--------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Liquids Pipelines | 62.4 | 68.1 | 197.1 | 203.0 |
| Gas Pipelines | 11.9 | 15.1 | 51.0 | 47.0 |
| Sponsored Investments | 21.4 | 21.9 | 72.6 | 65.3 |
| Gas Distribution and Services | (24.7) | (11.4) | 108.4 | 108.6 |
| International | 22.6 | 21.1 | 68.6 | 64.2 |
| Corporate | (15.5) | (19.3) | (46.1) | (43.8) |
| | 78.1 | 95.5 | 451.6 | 444.3 |

Earnings applicable to common shareholders were \$78.1 million for the three months ended September 30, 2007, or \$0.22 per share, compared with \$95.5 million, or \$0.28 per share, in 2006. Earnings decreased primarily because of a lower contribution from Aux Sable, a natural gas liquids extraction and fractionation plant, as well as the impact of a weaker U.S. dollar.

Earnings applicable to common shareholders were \$451.6 million for the nine months ended September 30, 2007, or \$1.27 per share, compared with \$444.3 million, or \$1.31 per share, in 2006. Earnings per share in 2007 reflected the dilutive effect of the issuance of 15 million common shares in February 2007. While earnings for the nine month period were consistent with the prior year, there were a number of offsetting factors.

Factors increasing earnings included:

- Colder than normal weather at Enbridge Gas Distribution (EGD) during 2007 compared with 2006, which was significantly warmer than normal.
- Receipt of insurance proceeds in Enbridge Offshore Pipelines (Offshore).
- A dilution gain from Enbridge Energy Partners' (EEP) issuance of partnership units in the second quarter of 2007.

Factors decreasing earnings included:

- Reductions in federal future income tax rates in the second quarter of both years. However, the reduction was higher in 2006 and therefore the benefit in 2006 was much larger.
- Aux Sable derivative losses in 2007 while 2006 was unhedged.
- Increased operating costs in the Enbridge and Athabasca Systems.
- The weakened U.S. dollar which reduced earnings by about \$5.0 million in the third quarter, primarily in the Gas Pipelines segment and EEP.

Earnings from the Company's foreign currency denominated investments were lower in 2007 compared with 2006. These earnings are primarily denominated in U.S. dollars as well as Euro earnings from Compañía Logística de Hidrocarburos CLH, S.A. (CLH). To manage its foreign currency risk, the Company has entered into long-term derivative contracts to hedge the carrying values of these investments. These derivative contracts are accounted for as net investment hedges and, to the extent that they are effective in offsetting the impact of changes in exchange rates on the carrying values of these investments, the derivative contracts are revalued through other comprehensive income. Cash settlements on these derivative contracts are recognized through the balance sheet and do not impact earnings. During the nine months ended September 30, 2007, the Company received foreign currency denominated cash distributions and settled associated hedge transactions resulting in a \$12.5 million (2006 - \$9.7 million) after-tax cash benefit related to hedging, which was not included in earnings.

Adjusted Operating Earnings

| <i>(millions of Canadian dollars, except per share amounts)</i> | Three months ended | | Nine months ended | |
|--|--------------------|-------|-------------------|--------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| GAAP earnings as reported | 78.1 | 95.5 | 451.6 | 444.3 |
| Significant after-tax non-operating factors and variances: | | | | |
| Gas Pipelines | | | | |
| Offshore property insurance recovery from 2005 hurricanes | - | - | (5.3) | - |
| Sponsored Investments | | | | |
| Dilution gain on EEP Class A unit issuance | - | - | (11.8) | - |
| EEP unrealized derivative fair value losses/(gains) ¹ | 0.5 | (2.7) | 2.1 | (5.1) |
| Revalue future income taxes due to tax rate changes | - | - | 0.3 | (6.0) |
| Gas Distribution and Services | | | | |
| Warmer/(colder) than normal weather affecting EGD | - | (0.5) | (11.2) | 30.2 |
| Energy Services unrealized derivative fair value losses/(gains) ¹ | (0.6) | - | 3.9 | - |
| Aux Sable unrealized derivative fair value losses ¹ | 1.0 | - | 12.1 | - |
| Revalue future income taxes due to tax rate changes | - | - | (3.8) | (28.9) |
| Corporate | | | | |
| Revalue future income taxes due to tax rate changes | - | - | - | (14.0) |
| Adjusted Operating Earnings | 79.0 | 92.3 | 437.9 | 420.5 |
| Adjusted Operating Earnings per Common Share | 0.22 | 0.27 | 1.23 | 1.24 |

¹ The unrealized derivative fair value gains and losses resulted from derivative instruments which are economically effective hedges but do not qualify for hedge accounting treatment.

Adjusted operating earnings for the three months ended September 30, 2007 decreased by \$13.3 million primarily due to a lower contribution from Aux Sable and the impact of a weaker U.S. dollar.

The \$17.4 million increase in adjusted operating earnings for the nine months ended September 30, 2007 was largely due to:

- Improved operating margins and customer growth at EGD.
- Lower interest expense in the Corporate segment.
- The Company's increased ownership interest in EEP.
- Stronger performance from Olympic and Spearhead pipelines.

These increases were partially offset by:

- Aux Sable derivative losses realized in earnings.
- Increased costs within the Enbridge and Athabasca Systems.

Non-GAAP Measures

This news release contains references to adjusted operating earnings, which represent earnings applicable to common shareholders adjusted for non-operating factors. Management believes that the presentation of adjusted operating earnings provides useful information to investors and shareholders as it provides increased predictive value. Management uses adjusted operating earnings to set targets and assess performance of the Company. Also, the Company's dividend payout target is based on adjusted operating earnings. Adjusted operating earnings is not a measure that has a standardized meaning prescribed by Canadian Generally Accepted Accounting Principles (GAAP) and is not considered a GAAP measure. Therefore, this measure may not be comparable with a similar measure presented by other issuers.

Liquids Pipelines

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---------------------------------------|--------------------|------|-------------------|-------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Enbridge System | 46.4 | 49.0 | 140.6 | 149.9 |
| Athabasca System | 10.8 | 14.0 | 37.4 | 40.1 |
| Olympic Pipeline | 2.5 | 2.2 | 7.7 | 4.8 |
| Spearhead Pipeline | 1.6 | 0.4 | 6.0 | 3.1 |
| Feeder Pipelines and Other | 1.1 | 2.5 | 5.4 | 5.1 |
| | 62.4 | 68.1 | 197.1 | 203.0 |

- Enbridge System earnings decreased from the prior year due to the impact of a strong labour market on compensation expense, higher pipeline integrity costs and increased taxes in the Terrace component, partially offset by lower oil loss costs.
- Athabasca System earnings decreased from the prior year due to higher property taxes and the costs of minor leak remediation in 2007.
- Olympic Pipeline was acquired on February 1, 2006. Earnings for 2007 reflected a full nine months of operations as well as higher tolls in 2007 to compensate for under shipments in 2006. Olympic's cost of service tolling methodology requires annual toll adjustments for over or under collections in prior years.
- Spearhead Pipeline commenced operations in early March 2006. Earnings for 2007 reflected a full nine months of operations as well as increased throughput. The third quarter of 2006 reflected higher operating costs due to timing.
- Feeder Pipelines and Other earnings in the third quarter of 2007 were reduced by increased business development costs on projects in the early development stage.

Gas Pipelines

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---------------------------------------|--------------------|------|-------------------|------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Alliance Pipeline US | 6.6 | 7.8 | 21.4 | 22.3 |
| Vector Pipeline | 3.8 | 2.5 | 10.7 | 9.3 |
| Enbridge Offshore Pipelines | 1.5 | 4.8 | 18.9 | 15.4 |
| | 11.9 | 15.1 | 51.0 | 47.0 |

- Alliance Pipeline US earnings reflected the weaker U.S. dollar in the third quarter of 2007.
- Vector Pipeline earnings were higher in the third quarter of 2007 due to lower scheduled integrity costs, partly offset by the weaker U.S. dollar in 2007.
- Enbridge Offshore Pipelines earnings for the nine month period included \$11.3 million of insurance proceeds for both property insurance recoveries and business interruption resulting from the 2005 hurricanes. The final insurance claim settlement is expected in late 2007 or early 2008.
- Enbridge Offshore Pipelines earnings also reflected the impact of a weaker U.S. dollar, continuing repair and inspection costs and expected continuing natural production declines on deliveries to the pipelines in 2007. Start up issues experienced by producers on key production platforms, resulting from the effects of the extreme 2005 hurricane season, continue to delay new sources of volumes.

Sponsored Investments

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---|--------------------|------|-------------------|------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Enbridge Energy Partners | 12.2 | 12.1 | 32.6 | 31.5 |
| Enbridge Income Fund (EIF) | 9.2 | 9.8 | 28.5 | 27.8 |
| Dilution gain in EEP | - | - | 11.8 | - |
| Revalue future income taxes due to tax changes in EIF | - | - | (0.3) | 6.0 |
| | 21.4 | 21.9 | 72.6 | 65.3 |

- EEP's nine month 2007 earnings, after adjusting for unrealized derivative fair value losses, reflected the increase in Enbridge's ownership interest from 10.9% to 16.6% during the third quarter of 2006. EEP's earnings increased compared with the prior year as increased throughput on principal natural gas and liquids systems was partially offset by higher operating expenses. Nine month results were also negatively impacted by higher natural gas measurement losses and a processing plant temporary shutdown for maintenance, as well as the impact of a weaker U.S. dollar.
- EEP issued partnership units in the second quarter of 2007 and, because Enbridge did not fully participate, a dilution gain resulted and Enbridge's ownership interest decreased from 16.6% to 15.0%.
- In 2007, EIF recognized future taxes within entities that will become taxable in 2011 as a result of the enactment of Bill C-52 "The Tax Fairness Plan". This future tax increase was partially offset by the revaluation of future income tax obligations previously recorded as a result of tax rate reductions. The prior year included the impact of larger tax rate reductions.

Gas Distribution and Services

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---|--------------------|--------|-------------------|-------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Enbridge Gas Distribution | (29.5) | (27.8) | 74.3 | 25.4 |
| Noverco | (5.8) | (3.9) | 10.2 | 11.2 |
| CustomerWorks/ECS | 1.0 | 5.7 | 6.5 | 16.0 |
| Enbridge Gas New Brunswick | 3.1 | 2.8 | 9.0 | 7.1 |
| Other Gas Distribution | (0.9) | (1.2) | 5.2 | 4.1 |
| Energy Services | 3.8 | (0.6) | 4.3 | 3.1 |
| Aux Sable | 4.7 | 14.9 | (3.5) | 16.1 |
| Other | (1.1) | (1.3) | (1.4) | (3.3) |
| Revalue future income taxes due to tax rate changes | - | - | 3.8 | 28.9 |
| | (24.7) | (11.4) | 108.4 | 108.6 |

- EGD's earnings improved from the prior year primarily due to the impact of colder weather. In 2006, weather was significantly warmer than normal, resulting in lower earnings, whereas in 2007 weather has been colder than normal. Earnings also increased because of customer growth and higher operating margins. The third quarter is seasonally warm and therefore fixed costs are typically not covered during this quarter, resulting in losses.
- CustomerWorks/ECS earnings decreased because, pursuant to an OEB recommendation, CustomerWorks transitioned customer care services related to EGD to a third party service provider.
- Energy Services earnings, after adjusting for unrealized fair value losses and gains on derivative instruments, were stronger in 2007 due to increased optimization of Enbridge assets, improved market fundamentals for crude oil and increased transportation and storage volumes, all at Tidal Energy. Energy Services includes Gas Services and Tidal Energy. Tidal Energy was included in Other in prior years.

- Aux Sable earnings, on a reported basis and after adjusting for unrealized fair value losses on derivative instruments, were lower than 2006 due to risk management activities. The Company has entered into derivative transactions to mitigate the uncertainty of the Company's share of the contingent upside sharing mechanism which allows Aux Sable to share in natural gas processing margins in excess of certain thresholds. These risk management strategies provide cash flow predictability which is important to the Company in this period of significant project financing. These derivative financial instruments target full year 2007 adjusted operating earnings of approximately \$10 million, of which approximately \$8.6 million were recorded during the nine month period. Aux Sable earnings were also negatively impacted by the weakened U.S. dollar in 2007.

International

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---------------------------------------|--------------------|-------|-------------------|-------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| CLH | 15.3 | 14.5 | 46.5 | 42.5 |
| OCENSA/CITCoI | 8.1 | 8.4 | 24.5 | 24.7 |
| Other | (0.8) | (1.8) | (2.4) | (3.0) |
| | 22.6 | 21.1 | 68.6 | 64.2 |

- CLH earnings increased due to higher transportation tariffs, higher volumes and the impact of a stronger Euro.
- Other includes lower business development costs in 2007 due to a de-emphasizing of business development activities in the International segment.

Corporate

| <i>(millions of Canadian dollars)</i> | Three months ended | | Nine months ended | |
|---|--------------------|--------|-------------------|--------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Corporate | (15.5) | (19.3) | (46.1) | (57.8) |
| Revalue future income taxes due to tax rate changes | - | - | - | 14.0 |
| | (15.5) | (19.3) | (46.1) | (43.8) |

- Corporate costs, before the revalue of future income taxes due to tax rate changes, decreased primarily due to decreased interest expense resulting from lower levels of corporate debt during the first half of 2007. Debt was repaid from the proceeds of the \$566.4 million issuance of equity on February 2, 2007. Interest expense in Corporate was also lower in the second and third quarters of 2007 because of higher interest capitalization related to projects under construction.

Conference Call

Enbridge will hold a conference call on Wednesday, November 7, 2007 at 9:00 a.m. Eastern time (7:00 a.m. Mountain time) to discuss the third quarter 2007 results. Analysts, members of the media and other interested parties can access the call at 617-213-4863 or toll-free at 1-888-713-4209 using the access code of 32445851. The call will be audio webcast live at www.enbridge.com/investor. A webcast replay will be available approximately two hours after the conclusion of the event and a transcript will be posted to the website within approximately 24 hours. The webcast replay will be available at toll-free 1-888-286-8010 or 617-801-6888. The access code for the replay is 26279289.

The conference call will begin with a presentation by the Company's Chief Executive Officer and Chief Financial Officer followed by a question and answer period for investment analysts. A question and answer period for members of the media will immediately follow.

The unaudited interim consolidated financial statements and Management's Discussion and Analysis, which contain additional notes and disclosures, are available on the Enbridge website.

Enbridge Inc., a Canadian company, is a leader in energy transportation and distribution in North America and internationally. As a transporter of energy, Enbridge operates, in Canada and the United States, the world's longest crude oil and liquids pipeline system. The Company also has international operations and a growing involvement in the natural gas transmission and midstream businesses. As a distributor of energy, Enbridge owns and operates Canada's largest natural gas distribution company, and provides distribution services in Ontario, Quebec, New Brunswick and New York State. Enbridge employs approximately 5,000 people, primarily in Canada, the United States and South America. Enbridge's common shares trade on the Toronto Stock Exchange in Canada and on the New York Stock Exchange in the United States under the symbol ENB. Information about Enbridge is available on the Company's website at www.enbridge.com.

In the interest of providing Enbridge shareholders and potential investors with information about the Company and its subsidiaries, including management's assessment of Enbridge's and its subsidiaries' future plans and operations, certain information provided in this News Release constitutes forward-looking statements or information (collectively, "forward-looking statements"). 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. Although Enbridge believes that these forward-looking statements are reasonable based on the information available on the date such statements are made, 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.

Enbridge's forward-looking statements are subject to risks and uncertainties pertaining to operating performance, regulatory parameters, weather, economic conditions, 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 other filings with Canadian and United States 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 Enbridge'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, Enbridge assumes 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 Enbridge or persons acting on the Company's behalf, are expressly qualified in their entirety by these cautionary statements.

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ENBRIDGE INC.**HIGHLIGHTS**

| <i>(unaudited; millions of Canadian dollars, except per share amounts)</i> | Three months ended | | Nine months ended | |
|--|--------------------|--------|-------------------|---------|
| | September 30, | | September 30, | |
| | 2007 | 2006 | 2007 | 2006 |
| Earnings Applicable to Common Shareholders | | | | |
| Liquids Pipelines | 62.4 | 68.1 | 197.1 | 203.0 |
| Gas Pipelines | 11.9 | 15.1 | 51.0 | 47.0 |
| Sponsored Investments | 21.4 | 21.9 | 72.6 | 65.3 |
| Gas Distribution and Services | (24.7) | (11.4) | 108.4 | 108.6 |
| International | 22.6 | 21.1 | 68.6 | 64.2 |
| Corporate | (15.5) | (19.3) | (46.1) | (43.8) |
| | 78.1 | 95.5 | 451.6 | 444.3 |
| Cash Flow Data | | | | |
| Cash provided by operating activities before changes in operating assets and liabilities | 212.9 | 230.8 | 935.3 | 816.4 |
| Cash provided by/(used in) operating activities | (79.4) | (33.4) | 1,101.8 | 1,166.4 |
| Additions to property, plant and equipment | 672.6 | 275.8 | 1,574.2 | 676.5 |
| Acquisitions and long-term investments | 4.3 | 291.9 | 19.7 | 448.2 |
| Common share dividends | 113.1 | 100.6 | 338.9 | 302.0 |
| Per Share Information | | | | |
| Earnings per Common Share | 0.22 | 0.28 | 1.27 | 1.31 |
| Diluted Earnings per Common Share | 0.22 | 0.28 | 1.26 | 1.30 |
| Dividends per Common Share | 0.3075 | 0.2875 | 0.9225 | 0.8625 |
| Shares Outstanding (millions) | | | | |
| Weighted Average Common Shares Outstanding | 356.2 | 340.4 | 354.7 | 339.6 |
| Diluted Weighted Average Common Shares Outstanding | 359.5 | 344.5 | 357.7 | 342.9 |
| Operating | | | | |
| Liquids Pipelines - Deliveries (thousands of barrels per day) | | | | |
| Enbridge System ¹ | 1,977 | 2,007 | 2,001 | 1,972 |
| Athabasca System ² | 175 | 187 | 165 | 192 |
| Spearhead Pipeline | 91 | 67 | 97 | 70 |
| Olympic Pipeline | 285 | 292 | 287 | 294 |
| Gas Pipelines - Average Daily Throughput Volume (millions of cubic feet per day) | | | | |
| Alliance Pipeline US | 1,535 | 1,513 | 1,606 | 1,595 |
| Vector Pipeline | 974 | 879 | 984 | 1,014 |
| Enbridge Offshore Pipelines | 2,201 | 2,265 | 2,118 | 2,190 |
| Gas Distribution and Services ³ | | | | |
| Volumes (billion cubic feet) | 48 | 45 | 316 | 285 |
| Number of active customers (thousands) | 1,880 | 1,829 | 1,880 | 1,829 |
| Degree day deficiency ⁴ | | | | |
| Actual ⁵ | 45 | 85 | 2,439 | 2,190 |
| Forecast based on normal weather | 92 | 58 | 2,380 | 2,498 |

1. Enbridge System includes Canadian mainline deliveries in Western Canada and to the Lakehead System at the U.S. border, as well as Line 8 and Line 9 in Eastern Canada.

2. Volumes are for the Athabasca mainline only and do not include laterals included in the Athabasca System.

3. Gas Distribution and Services volumes and the number of active customers are derived from the aggregate system supply and direct purchase gas supply arrangements.

4. Degree-day deficiency is a measure of coldness which is indicative of volumetric requirements of natural gas utilized for heating purposes. It is calculated by accumulating for each day in the period the total number of degrees each day by which the daily mean temperature falls below 18 degrees Celsius. The figures given are those accumulated in the Greater Toronto Area.

5. Given that degree days are largely ineffective during the non-heating season, there was no measurable impact on earnings in the third quarter. Degree days are fully effective, typically in the peak winter months, when their occurrence directly impacts the consumption pattern by a similar magnitude.

ENBRIDGE INC.
CONSOLIDATED STATEMENTS OF EARNINGS

| | Three months ended September 30, | | Nine months ended September 30, | |
|--|-------------------------------------|---------|------------------------------------|---------|
| <i>(unaudited; millions of Canadian dollars, except per share amounts)</i> | 2007 | 2006 | 2007 | 2006 |
| Revenues | | | | |
| Commodity sales | 2,124.8 | 1,645.0 | 6,972.4 | 6,141.5 |
| Transportation | 456.4 | 453.5 | 1,541.4 | 1,515.7 |
| Energy services | 52.8 | 86.4 | 207.1 | 201.6 |
| | 2,634.0 | 2,184.9 | 8,720.9 | 7,858.8 |
| Expenses | | | | |
| Commodity costs | 2,004.6 | 1,562.4 | 6,583.4 | 5,850.0 |
| Operating and administrative | 290.0 | 256.6 | 844.9 | 759.9 |
| Depreciation and amortization | 151.0 | 145.4 | 450.0 | 437.6 |
| | 2,445.6 | 1,964.4 | 7,878.3 | 7,047.5 |
| | 188.4 | 220.5 | 842.6 | 811.3 |
| Income from Equity Investments | 31.4 | 35.9 | 111.8 | 134.0 |
| Other Investment Income | 24.9 | 33.2 | 133.5 | 83.4 |
| Interest Expense | (135.6) | (142.2) | (409.4) | (417.3) |
| | 109.1 | 147.4 | 678.5 | 611.4 |
| Non-Controlling Interests | (9.7) | (13.4) | (34.7) | (46.6) |
| | 99.4 | 134.0 | 643.8 | 564.8 |
| Income Taxes | (19.6) | (36.8) | (187.1) | (115.4) |
| Earnings | 79.8 | 97.2 | 456.7 | 449.4 |
| Preferred Share Dividends | (1.7) | (1.7) | (5.1) | (5.1) |
| Earnings Applicable to Common Shareholders | 78.1 | 95.5 | 451.6 | 444.3 |
| Earnings Per Common Share | 0.22 | 0.28 | 1.27 | 1.31 |
| Diluted Earnings Per Common Share | 0.22 | 0.28 | 1.26 | 1.30 |

ENBRIDGE INC.**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

| | Three months ended | | Nine months ended | |
|---|--------------------|-------|-------------------|--------|
| | September 30, | | September 30, | |
| <i>(unaudited; millions of Canadian dollars)</i> | 2007 | 2006 | 2007 | 2006 |
| Earnings | 79.8 | 97.2 | 456.7 | 449.4 |
| Other Comprehensive Income/(Loss) | | | | |
| Change in unrealized gains on cash flow hedges, net of tax | 17.6 | - | 59.1 | - |
| Reclassification to earnings of realized cash flow hedges, net of tax | (8.1) | - | 8.8 | - |
| Other comprehensive gain/(loss) from equity investees | 0.5 | - | (4.5) | - |
| Non-Controlling interest in other comprehensive income | (1.8) | - | 1.2 | - |
| Change in foreign currency translation adjustment | (164.8) | (5.4) | (443.5) | (89.3) |
| Change in unrealized gains on net investment hedges, net of tax | 66.7 | 13.1 | 166.8 | 43.6 |
| Comprehensive Income | (10.1) | 104.9 | 244.6 | 403.7 |

ENBRIDGE INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

| | Nine months ended September 30, | |
|---|------------------------------------|---------|
| <i>(unaudited; millions of Canadian dollars)</i> | 2007 | 2006 |
| Preferred Shares | 125.0 | 125.0 |
| Common Shares | | |
| Balance at beginning of period | 2,416.1 | 2,343.8 |
| Common shares issued | 566.4 | - |
| Dividend reinvestment and share purchase plan | 13.9 | 14.0 |
| Shares issued on exercise of stock options | 21.4 | 41.9 |
| Balance at End of Period | 3,017.8 | 2,399.7 |
| Contributed Surplus | | |
| Balance at beginning of period | 18.3 | 10.0 |
| Stock-based compensation | 8.1 | 5.8 |
| Option exercises | (1.2) | (1.8) |
| Balance at End of Period | 25.2 | 14.0 |
| Retained Earnings | | |
| Balance at beginning of period | 2,322.7 | 2,098.2 |
| Earnings applicable to common shareholders | 451.6 | 444.3 |
| Cumulative impact of change in accounting policy (Note 1) | (47.0) | - |
| Common share dividends | (338.9) | (302.0) |
| Dividends paid to reciprocal shareholder | 10.3 | 9.1 |
| Balance at End of Period | 2,398.7 | 2,249.6 |
| Accumulated Other Comprehensive Loss | | |
| Balance at beginning of period | (135.8) | (171.8) |
| Cumulative impact of change in accounting policy (Note 1) | 48.2 | - |
| Other comprehensive loss (Note 1) | (212.1) | (45.7) |
| Balance at End of Period | (299.7) | (217.5) |
| Reciprocal Shareholding | | |
| Balance at beginning of period | (135.7) | (135.7) |
| Participation in common shares issued | (18.6) | - |
| Balance at End of Period | (154.3) | (135.7) |
| Total Shareholders' Equity | 5,112.7 | 4,435.1 |

ENBRIDGE INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------------------------------|---------|------------------------------------|-----------|
| <i>(unaudited; millions of Canadian dollars)</i> | 2007 | 2006 | 2007 | 2006 |
| Cash Provided By Operating Activities | | | | |
| Earnings | 79.8 | 97.2 | 456.7 | 449.4 |
| Depreciation and amortization | 151.0 | 145.4 | 450.0 | 437.6 |
| Unrealized losses on derivative instruments | 10.5 | - | 24.0 | - |
| Equity earnings in excess of cash distributions | (14.2) | (20.2) | (42.1) | (63.0) |
| Gain on reduction of ownership interest | - | - | (33.9) | - |
| Future income taxes | (36.8) | (4.6) | 34.5 | (52.7) |
| Other | 22.6 | 12.9 | 46.1 | 45.1 |
| Changes in operating assets and liabilities | (292.3) | (264.2) | 166.5 | 350.0 |
| | (79.4) | (33.5) | 1,101.8 | 1,166.4 |
| Investing Activities | | | | |
| Acquisitions | - | - | - | (101.4) |
| Long-term investments | (4.3) | (291.9) | (19.7) | (346.8) |
| Additions to property, plant and equipment | (672.6) | (275.7) | (1,574.2) | (676.5) |
| Affiliate loans | - | - | - | 28.0 |
| Change in construction payable | 57.2 | 0.8 | 60.9 | (13.5) |
| | (619.7) | (566.8) | (1,533.0) | (1,110.2) |
| Financing Activities | | | | |
| Net change in short-term borrowings and short-term debt | 811.7 | 456.7 | (298.7) | (96.5) |
| Net change in non-recourse short-term debt | 11.7 | (9.7) | 18.9 | (5.2) |
| Long-term debt issues | - | 300.0 | 1,156.6 | 800.0 |
| Long-term debt repayments | (100.0) | - | (634.5) | (400.0) |
| Non-recourse long-term debt issues | - | - | 14.4 | 2.8 |
| Non-recourse long-term debt repayments | (2.9) | - | (31.6) | (29.7) |
| Contributions from/(distributions to) non-controlling interests | 0.8 | (5.5) | (11.9) | (25.4) |
| Common shares issued | 7.0 | 10.5 | 593.2 | 49.0 |
| Preferred share dividends | (1.7) | (1.7) | (5.1) | (5.1) |
| Common share dividends | (113.1) | (100.6) | (338.9) | (302.0) |
| | 613.5 | 649.7 | 462.4 | (12.1) |
| Increase/(Decrease) in Cash and Cash Equivalents | (85.6) | 49.4 | 31.2 | 44.1 |
| Cash and Cash Equivalents at Beginning of Period | 256.5 | 148.6 | 139.7 | 153.9 |
| Cash and Cash Equivalents at End of Period | 170.9 | 198.0 | 170.9 | 198.0 |

ENBRIDGE INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| <i>(unaudited; millions of Canadian dollars)</i> | September 30, 2007 | December 31, 2006 |
|--|-------------------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | 170.9 | 139.7 |
| Accounts receivable and other | 2,046.7 | 2,045.6 |
| Inventory | 867.0 | 868.9 |
| | 3,084.6 | 3,054.2 |
| Property, Plant and Equipment, net | 12,037.0 | 11,264.7 |
| Long-Term Investments | 2,098.2 | 2,299.4 |
| Deferred Amounts and Other Assets | 1,063.7 | 924.5 |
| Intangible Assets | 215.4 | 241.5 |
| Goodwill | 381.7 | 394.9 |
| Future Income Taxes | 210.2 | 200.1 |
| | 19,090.8 | 18,379.3 |
| Liabilities and Shareholders' Equity | | |
| Current Liabilities | | |
| Short-term borrowings | 570.8 | 807.9 |
| Accounts payable and other | 2,022.0 | 1,723.8 |
| Interest payable | 98.8 | 95.1 |
| Current maturities and short-term debt | 452.7 | 537.0 |
| Current portion of non-recourse debt | 56.8 | 60.1 |
| | 3,201.1 | 3,223.9 |
| Long-Term Debt | 7,295.7 | 7,054.0 |
| Non-Recourse Long-Term Debt | 1,520.9 | 1,622.0 |
| Other Long-Term Liabilities | 278.3 | 91.1 |
| Future Income Taxes | 1,030.0 | 1,062.5 |
| Non-Controlling Interests | 652.1 | 715.2 |
| | 13,978.1 | 13,768.7 |
| Shareholders' Equity | | |
| Share capital | | |
| Preferred shares | 125.0 | 125.0 |
| Common shares | 3,017.8 | 2,416.1 |
| Contributed surplus | 25.2 | 18.3 |
| Retained earnings | 2,398.7 | 2,322.7 |
| Accumulated other comprehensive loss | (299.7) | (135.8) |
| Reciprocal shareholding | (154.3) | (135.7) |
| | 5,112.7 | 4,610.6 |
| | 19,090.8 | 18,379.3 |

SEGMENTED INFORMATION

Three months ended September 30, 2007

| <i>(millions of Canadian dollars)</i> | Gas | | | | | | Consolidated |
|---|----------------------|------------------|--------------------------|------------------------------|---------------|-----------|--------------|
| | Liquids Pipelines | Gas Pipelines | Sponsored Investments | Distribution and Services | International | Corporate | |
| Revenues | 266.7 | 76.3 | 65.0 | 2,224.1 | 1.9 | - | 2,634.0 |
| Commodity costs | - | - | - | (2,004.6) | - | - | (2,004.6) |
| Operating and administrative | (110.0) | (23.6) | (19.4) | (129.7) | (3.2) | (4.1) | (290.0) |
| Depreciation and amortization | (39.6) | (20.0) | (17.8) | (71.4) | (0.2) | (2.0) | (151.0) |
| | 117.1 | 32.7 | 27.8 | 18.4 | (1.5) | (6.1) | 188.4 |
| Income from equity investments | (0.3) | - | 28.0 | (11.5) | 15.6 | (0.4) | 31.4 |
| Other investment income | 4.0 | 1.2 | 1.0 | 5.2 | 9.0 | 4.5 | 24.9 |
| Interest and preferred share dividends | (27.3) | (15.9) | (15.4) | (51.5) | - | (27.2) | (137.3) |
| Non-controlling interests | (0.4) | - | (7.7) | (1.6) | - | - | (9.7) |
| Income taxes | (30.7) | (6.1) | (12.3) | 16.3 | (0.5) | 13.7 | (19.6) |
| Earnings applicable to common shareholders | 62.4 | 11.9 | 21.4 | (24.7) | 22.6 | (15.5) | 78.1 |

Three months ended September 30, 2006

| <i>(millions of Canadian dollars)</i> | Gas | | | | | | Consolidated |
|---|----------------------|------------------|--------------------------|------------------------------|---------------|-----------|--------------|
| | Liquids Pipelines | Gas Pipelines | Sponsored Investments | Distribution and Services | International | Corporate | |
| Revenues | 254.7 | 87.2 | 60.8 | 1,778.4 | 3.8 | - | 2,184.9 |
| Commodity costs | - | - | - | (1,562.4) | - | - | (1,562.4) |
| Operating and administrative | (93.7) | (24.6) | (13.4) | (113.5) | (4.7) | (6.7) | (256.6) |
| Depreciation and amortization | (35.8) | (23.5) | (17.5) | (66.7) | (0.3) | (1.6) | (145.4) |
| | 125.2 | 39.1 | 29.9 | 35.8 | (1.2) | (8.3) | 220.5 |
| Income from equity investments | 0.2 | - | 31.1 | (9.3) | 13.9 | - | 35.9 |
| Other investment income | 1.9 | 2.3 | 0.4 | 4.9 | 9.9 | 13.8 | 33.2 |
| Interest and preferred share dividends | (24.8) | (18.0) | (14.7) | (48.9) | - | (37.5) | (143.9) |
| Non-controlling interests | (0.5) | - | (11.3) | (1.6) | - | - | (13.4) |
| Income taxes | (33.9) | (8.3) | (13.5) | 7.7 | (1.5) | 12.7 | (36.8) |
| Earnings applicable to common shareholders | 68.1 | 15.1 | 21.9 | (11.4) | 21.1 | (19.3) | 95.5 |

Nine months ended September 30, 2007

| <i>(millions of Canadian dollars)</i> | Gas | | | | | | Consolidated |
|---|----------------------|------------------|--------------------------|------------------------------|---------------|-----------|--------------|
| | Liquids Pipelines | Gas Pipelines | Sponsored Investments | Distribution and Services | International | Corporate | |
| Revenues | 798.6 | 241.4 | 197.8 | 7,476.3 | 6.8 | - | 8,720.9 |
| Commodity costs | - | - | - | (6,583.4) | - | - | (6,583.4) |
| Operating and administrative | (312.4) | (64.7) | (56.7) | (388.7) | (10.4) | (12.0) | (844.9) |
| Depreciation and amortization | (117.5) | (64.3) | (55.9) | (207.5) | (0.7) | (4.1) | (450.0) |
| | 368.7 | 112.4 | 85.2 | 296.7 | (4.3) | (16.1) | 842.6 |
| Income from equity investments | (0.7) | - | 72.2 | (3.5) | 44.8 | (1.0) | 111.8 |
| Other investment income | 7.7 | 18.3 | 37.8 | 13.3 | 30.1 | 26.3 | 133.5 |
| Interest and preferred share dividends | (77.1) | (50.1) | (45.9) | (152.0) | - | (89.4) | (414.5) |
| Non-controlling interests | (1.1) | - | (28.8) | (4.8) | - | - | (34.7) |
| Income taxes | (100.4) | (29.6) | (47.9) | (41.3) | (2.0) | 34.1 | (187.1) |
| Earnings applicable to common shareholders | 197.1 | 51.0 | 72.6 | 108.4 | 68.6 | (46.1) | 451.6 |

Nine months ended September 30, 2006

| <i>(millions of Canadian dollars)</i> | Gas | | | | | | Consolidated |
|---|----------------------|------------------|--------------------------|------------------------------|---------------|-----------|--------------|
| | Liquids Pipelines | Gas Pipelines | Sponsored Investments | Distribution and Services | International | Corporate | |
| Revenues | 748.6 | 260.3 | 186.2 | 6,654.6 | 9.1 | - | 7,858.8 |
| Commodity costs | - | - | - | (5,850.0) | - | - | (5,850.0) |
| Operating and administrative | (263.7) | (71.7) | (46.3) | (352.4) | (12.5) | (13.3) | (759.9) |
| Depreciation and amortization | (114.5) | (65.9) | (53.5) | (198.8) | (0.7) | (4.2) | (437.6) |
| | 370.4 | 122.7 | 86.4 | 253.4 | (4.1) | (17.5) | 811.3 |
| Income from equity investments | 0.1 | - | 85.3 | 8.3 | 40.3 | - | 134.0 |
| Other investment income | 2.9 | 8.3 | 2.1 | 15.3 | 35.6 | 19.2 | 83.4 |
| Interest and preferred share dividends | (75.6) | (55.3) | (44.7) | (143.7) | - | (103.1) | (422.4) |
| Non-controlling interests | (1.4) | - | (41.3) | (3.9) | - | - | (46.6) |
| Income taxes | (93.4) | (28.7) | (22.5) | (20.8) | (7.6) | 57.6 | (115.4) |
| Earnings applicable to common shareholders | 203.0 | 47.0 | 65.3 | 108.6 | 64.2 | (43.8) | 444.3 |