Unitil

Third Quarter 2020

EARNINGS CONFERENCE CALL

October 29th, 2020

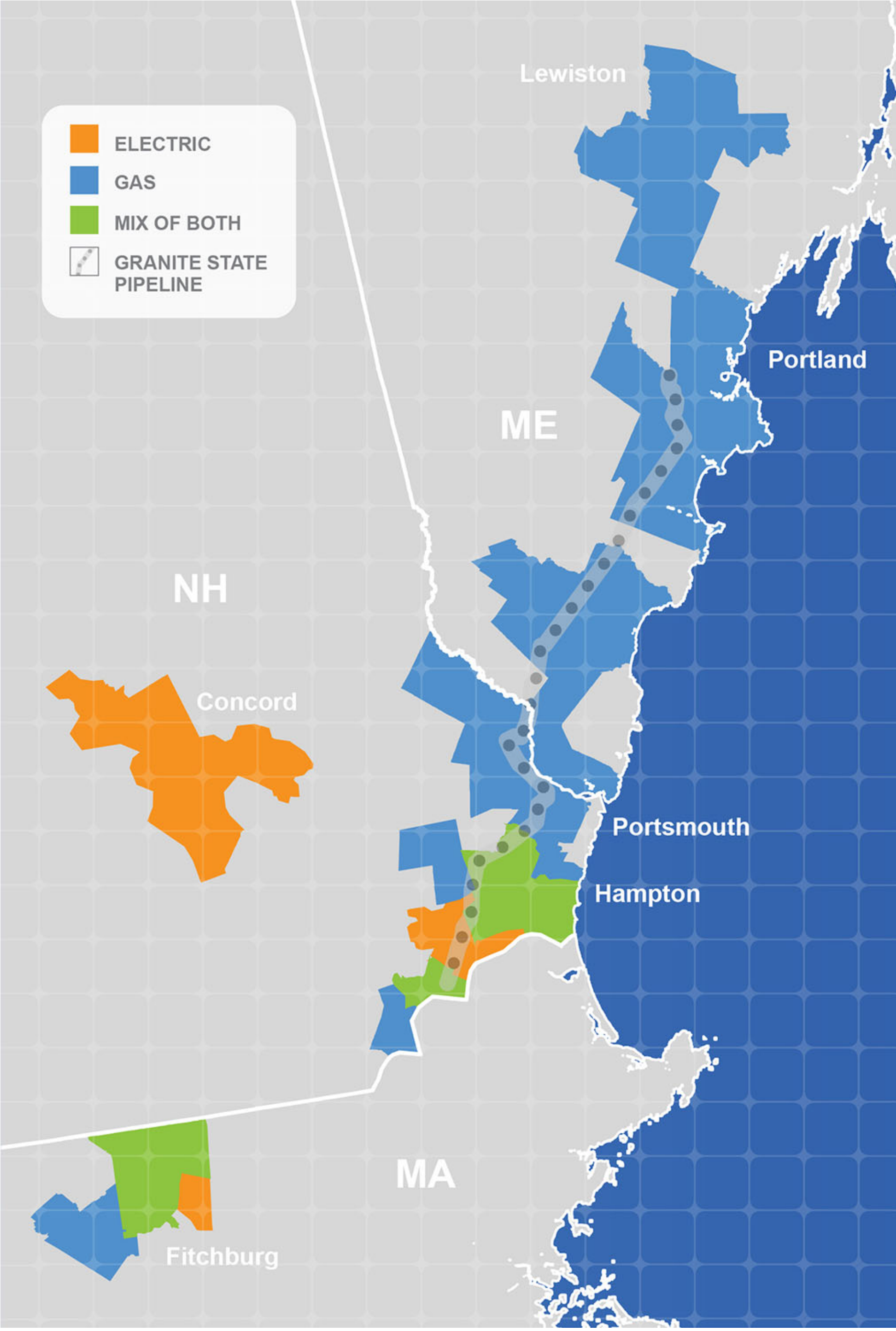
SAFE HARBOR PROVISION & SUPPLEMENTAL INFORMATION

This presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this presentation are forward-looking statements. These forward-looking statements include statements regarding Unitil Corporation's ("Unitil") financial condition, results of operations, capital expenditures, business strategy, regulatory strategy, market opportunities, and other plans and objectives. In some cases, forward-looking statements can be identified by words such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue", the negative of such terms, or other comparable terminology.

These forward-looking statements are neither promises nor guarantees, but involve risks and uncertainties that could cause the actual results to differ materially from those set forth in the forward-looking statements. Those risks and uncertainties include: the novel coronavirus (COVID-19) pandemic, which could adversely impact Unitil's business, financial conditions, results of operations and cash flows, including by disrupting Unitil's employees' and contractors' ability to provide ongoing services to Unitil, by reducing customer demand for electricity or natural gas, or by reducing the supply of electricity or natural gas; Unitil's regulatory and legislative environment (including laws and regulations relating to climate change, greenhouse gas emissions and other environmental matters); fluctuations in the supply of, demand for, and the prices of gas and electric energy commodities and transmission capacity and Unitil's ability to recover energy supply costs in its rates; customers' preferred energy sources; severe storms and Unitil's ability to recover storm costs in its rates; declines in the valuation of capital markets, which could require Unitil to make substantial cash contributions to cover its pension obligations, and Unitil's ability to recover pension obligation costs in its rates; general economic conditions, which could adversely affect (i) Unitil's customers and, consequently, the demand for Unitil's distribution services, (ii) the availability of credit and liquidity resources and (iii) certain of Unitil's counterparty's obligations (including those of its insurers and lenders); Unitil's ability to obtain debt or equity financing on acceptable terms; increases in interest rates, which could increase Unitil's interest expense; restrictive covenants contained in the terms of Unitil's and its subsidiaries' indebtedness, which restrict certain aspects of Unitil's business operations; variations in weather , which could decrease demand for Unitil's distribution services; long-term global climate change, which could adversely affect customer demand or cause extreme weather events that could disrupt Unitil's electric and natural gas distribution services; cyber-attacks, acts of terrorism, acts of war, severe weather, a solar event, an electromagnetic event, a natural disaster, the age and condition of information technology assets, human error, or other reasons could disrupt Unitil's operations and cause Unitil to incur unanticipated losses and expense; outsourcing of services to third parties, which could expose Unitil to substandard quality of service delivery or substandard deliverables, which may result in missed deadlines or other timeliness issues, non-compliance (including with applicable legal requirements and industry standards) or reputational harm, which could negatively impact our results of operations; catastrophic events; numerous hazards and operating risks relating to Unitil's electric and natural gas distribution activities; Unitil's ability to retain its existing customers and attract new customers; increased competition; and other risks detailed in Unitil's filings with the Securities and Exchange Commission, including those appearing under the caption "Risk Factors" in Unitil's Annual Report on Form 10-K for the year ended December 31, 2019.

Readers should not place undue reliance on any forward looking statements, which speak only as of the date they are made. Except as may be required by law, Unitil undertakes no obligation to update any forward-looking statements to reflect any change in Unitil's expectations or in events, conditions, or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

This presentation contains non-GAAP measures. The Company's management believes these measures are useful in evaluating its performance. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found herein.



Unitil
energy for life

About Unitil

Unitil Corporation is a public utility holding company whose mission is to safely and reliably deliver **energy** for life and provide our customers with affordable and sustainable energy solutions

- Pure play rate regulated distribution utility with an S&P credit rating of BBB+
- Diverse and growing customer base
  - Electric 56%
  - Gas 44%
- Diversified Net Utility Plant of more than $1.1 billion
  - Gas 64%, Electric 36%
  - NH 46%, ME 28%, MA 26%
- No fossil fuel generation, no large transmission projects and no large environmental liabilities

TOPICS FOR TODAY'S CALL

1. **Business and Strategy Update** – *Tom Meissner, Chairman, CEO & President*
   – Summarize Financial Results
   – Managing Through COVID-19
   – Sustainability & Responsibility Report Published
   – Investment Outlook

2. **Financial Update** – *Bob Hevert, Senior Vice President, CFO & Treasurer*
   – Sales & Margin Variance
   – Income Statement Bridge
   – COVID-19 Earnings Impact
   – Financings & Liquidity
   – Regulatory Update & Outlook

3. **Summary** – *Tom Meissner, Chairman, CEO & President*

THIRD QUARTER REVIEW

- Third quarter 2020 Net Income of $0.3 million, or $0.02 per share
  - Estimated unfavorable impact of $0.01 per share as a result of the ongoing COVID-19 Pandemic
- Year-to-date 2020 Net Income of $18.6 million or $1.25 per share
  - Excluding the 2019 one-time divestiture gain of $9.8 million or $0.66 per share, Net Income is down $4.4 million or $0.29 per share
  - The decrease in core utility earnings is largely due to the warmer winter weather in Q1 which unfavorably impacted earnings approximately $0.20 per share
  - Estimated unfavorable impact of $0.04 per share as a result of the ongoing COVID-19 Pandemic

	Three Months Ended September 30,		Nine Months Ended September 30,	
(millions, excluding EPS)	2020	2019	2020	2019
Net Income	$0.3	$2.3	$18.6	$32.8
Earnings Per Share	$0.02	$0.15	$1.25	$2.20

MANAGING THROUGH COVID-19

EMPLOYEES	CUSTOMERS	OPERATIONS
• Safety of employees is our highest priority • Enhanced safety protocols – Strict social distancing – Work from home required where applicable – Staggered shifts; direct job-site reporting (field) – Hygiene, PPE • Proactive self-quarantining and contact tracing • No active COVID-19 cases	• Customer calls unaffected; no degradation in service levels • Non-essential, in-home work suspended • U-CARE Fund, customer and community financial assistance for COVID-19; $225K in donations • Employee fundraising campaign with Company match	• Implemented Crisis Response Plan; Incident Command System • Employees entering customer homes routinely receiving COVID-19 tests • No impact on ability to provide safe & reliable service • Restored power to all customers within 24 hours after Tropical Storm Isaias • Unions very supportive

The positive test rates in the states we serve rank in the lowest 10 of all 50 states, and less than half the national average [(1)]

(1) John Hopkins Coronavirus Resource Center, data as of 10/18/2020

SUSTAINABILITY & RESPONSIBILITY

2020 Corporate Sustainability & Responsibility Report issued on October 22nd, 2020

- **Report emphasizes commitment to sustainability across the enterprise**

- **Includes metrics and reporting templates of Edison Electric Institute, American Gas Association, and reflects reporting standards of Sustainability Accounting Standards Board**
    - These metrics will measure progress over time
    - CDP questionnaire filed in Q3

- **Focus areas**
    1. Advancing the Electric Grid
    2. Natural Gas Opportunities
    3. Focus on People

www.Unitil.com/2020-Sustainability-Report

SUSTAINABILITY FOCUS AREAS

Advancing the Grid

- Advanced Metering
- Grid Intelligence
- Distributed Energy
- Customer Services
- Innovative Rate Designs

National Top Quartile
2019 System Reliability

Natural Gas Opportunities

- Emission reducing conversions
- System Upgrades including replacement of leak prone pipes
- Incremental Capacity Commitments
- Renewable Natural Gas RFP

Every 2 residential conversions from oil to gas is the equivalent of **taking ~1 passenger vehicle off the roads**

People & Communities

- Employee attraction and retention
- Workplace Safety
- Diversity and Inclusion
- Sustainable Workplace

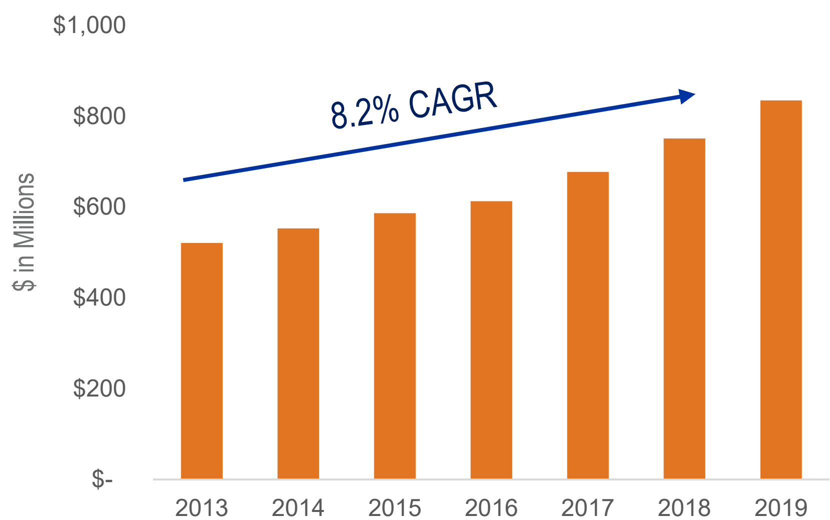
94%
Customer Satisfaction Rating

- Investments in Advanced Grid Technologies enables flexibility for Evolving Customer Needs, allows the inflow of renewable energy generation and non-wire alternatives, and increases customer usage transparency
- Greening our Natural Gas Supply while continuing to reduce GHG emissions through customer conversions
- Continuing Focus on People and Communities

INVESTMENT PLAN REMAINS UNCHANGED

- Construction work to support gas system growth and system modernization is continuing on schedule, benefiting investors, customers and the communities we serve
  - 22% additional investment into Property, Plant and Equipment year-to-date compared to 2019
- Forecasting continued strong rate base growth with investments in electric grid modernization, gas infrastructure, and customer services

Historical Rate Base Growth



2 MW Battery Installed in Massachusetts

YTD ELECTRIC SALES & MARGIN $70.0M (1)

Unit Sales	Weather Normal Unit Sales (2)	Customers	Margin (1)
2020 v. 2019	2020 v. 2019	2020 v. 2019	2020 v. 2019
1.2%	1.2%	1.0%	0.8%
INCREASE	DECREASE	INCREASE	DECREASE

Unit Sales Increase 1.2%

- Residential sales increase of 8.2% reflecting the COVID-19 Pandemic stay-at-home orders and warmer summer weather compared to prior year
- C&I sales decrease of 3.6% reflecting lower usage as a result of the economic slowdown caused by the COVID-19 Pandemic
- 1,048 (3) additional customers served than compared to prior year

Sales Margin Decrease $0.6 million

- Margin decrease reflects lower C&I demand sales due to the economic slowdown caused by the COVID-19 Pandemic, lower average usage per customer due to energy efficiency, and warmer winter weather
- $0.7 million decrease as a result of the ongoing COVID-19 Pandemic
- $1.2 million increase due to higher distribution rates

(1) Reflects a non-GAAP measurement. Reconciliation from Non-GAAP to GAAP measures are included at the end of this presentation
(2) Weather normal unit sales excludes decoupled sales
(3) Including seasonal accounts, over the previous year

YTD GAS SALES & MARGIN $83.3M [(1)]

Unit Sales	Weather Normal Unit Sales [(2)]	Customers	Margin [(1)]
2020 v. 2019 **7.1%** DECREASE	2020 v. 2019 **1.9%** DECREASE	2020 v. 2019 **2.9%** INCREASE	2020 v. 2019 **2.6%** DECREASE

Unit Sales Down 7.1%

- Decrease in unit sales reflects historically warm winter weather, 8.4% fewer Effective Degree Days than compared to 2019
- Decrease also reflects lower C&I usage due to the ongoing COVID-19 Pandemic
- 2,337 [(3)] additional customers served than compared to prior year

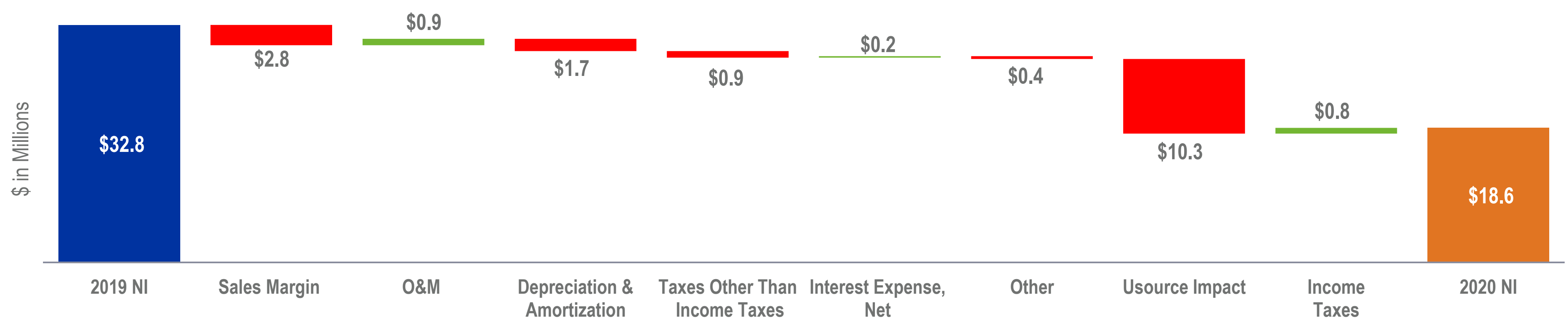
Sales Margin Down $2.2 million

- $2.3 million increase due to higher natural gas distribution rates and customer growth
- $3.2 million decrease as a result of lower units sales due to warmer winter weather
- $1.3 million decrease as a result of the ongoing COVID-19 Pandemic

(1) Reflects a non-GAAP measurement. Reconciliation from Non-GAAP to GAAP measures are included at the end of this presentation
(2) Weather normal unit sales excludes decoupled sales
(3) Including seasonal accounts, over the previous year

YTD EARNINGS RECONCILIATION (1)

- **Gas and Electric Adjusted Gross Sales Margin** down $2.8 million primarily due to warmer winter weather as well as COVID-19 and the resulting economic slowdown
- **Core Utility O&M** (excludes Usource related expense) decreased $0.9 million driven primarily by lower employee benefit costs of $1.2 million as well as lower maintenance costs of $0.3 million slightly offset by higher bad debt expense of $0.4 million and $0.2 million of higher professional fees
- **Depreciation & Amortization** increased $1.7 million reflecting high levels of utility plant in service
- **Taxes Other Than Income Taxes** increased $0.9 million due to higher levels of net plant in service and a non-recurring tax abatement realized in 2019 of $0.6 million, slightly offset by $0.6 million of payroll credits associated with the CARES Act
- **Interest Expense** decreased by $0.2 million reflecting lower interest rates on short-term debt
- **Other Expense** (excludes Usource Divestiture) is higher by $0.4 million reflecting higher retirement benefit costs
- **Usource Impact** of $10.3 million includes $9.8 million after-tax gain on divestiture, $0.9 million Usource revenue, and $0.4 million O&M costs incurred in 2019
- **Income Taxes** (excludes taxes related to Usource Divestiture) decreased $0.8 million reflecting lower pre-tax earnings in the period



(1) Reflects non-GAAP measurements. Reconciliation from Non-GAAP to GAAP measures are included at the end of this presentation

COVID-19 EARNINGS IMPACTS

Earnings unfavorably affected by $0.01 per share in Q3 due to the COVID-19 Pandemic; $0.04 per share unfavorable effect year-to-date

- COVID-19 Pandemic unfavorably affected Sales Margin due to lower C&I Usage, slightly offset by higher residential usage as a result of stay-at-home orders
  - $0.8 million unfavorable effect in Q3
  - $2.0 million unfavorable effect year-to-date

- Minimal O&M effect in Q3 as a result of the COVID-19 Pandemic, $0.7 million favorable effect year-to-date

- Taxes Other Than Income Taxes lower by $0.6 million in Q3 due to the recognition of payroll tax credits associated with the Coronavirus Aid, Relief and Economic Security ("CARES") Act

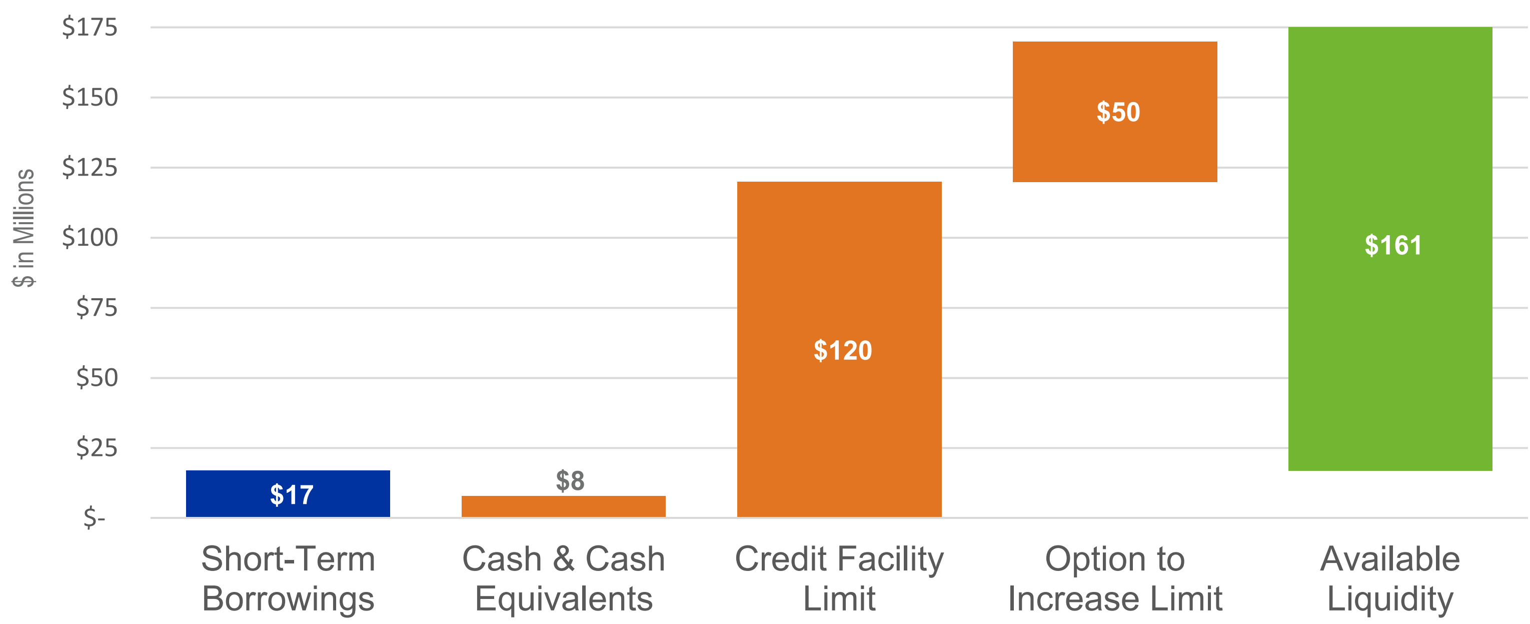
Usage & Margin Sensitivities

	Electric Division – Unit Sales		Gas Division – Unit Sales	
+/- 1%	**Residential**	**C&I**	**Residential**	**C&I**
Q4	*$40K*	*$60K*	*$50K*	*$100K*

FINANCINGS & LIQUIDITY

Completed long-term debt financings in Q3 2020; received proceeds of $95 million with an average interest rate of 3.72%

Available Liquidity as of September 30th, 2020



REGULATORY UPDATE

On October 20th, 2020 Granite State filed an uncontested rate settlement with the FERC providing for an annual increase in revenue of $1.3 million, rates to become effective in Q4 2020

- Settlement reached with NH and Maine state regulators and agencies
- Settlement includes a three-year capital tracker mechanism that provides cost recovery for post test year capital investments
  - Overall cap of $14.5 million eligible for cost recovery
  - Capital tracker rate adjustments will become effective in Q3 of 2021, 2022, and 2023

Granite State Gas

- Interstate gas transmission pipeline operating 86 miles of underground transmission in Maine and NH
- FERC Regulated
- Demand largely driven by Northern Utilities

REGULATORY OUTLOOK

Planning to file base rate case at both UES and Northern NH in 2021

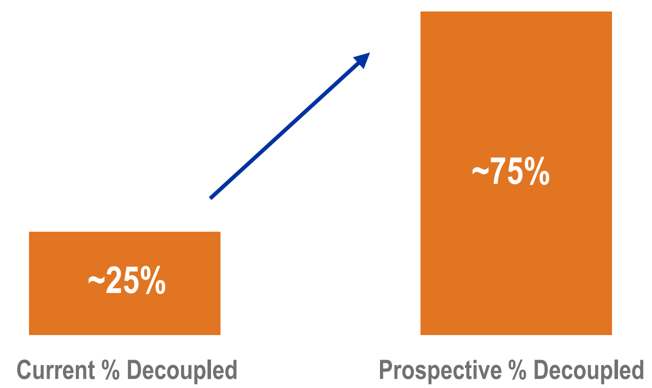
- Both UES and Northern NH are required by the NH PUC to propose revenue decoupling or an alternative lost base revenue mechanism in their next rate case filed 2021 or later

- Precedent for Temporary Rates in NH for rate relief shortly after filings

- Following past precedent, filings will include requests for capital tracking mechanisms to accelerate the recovery of future investment

Decoupled Sales Margin

Achieving revenue decoupling in NH will result in approximately 75% of total sales margin being decoupled and more than 80% of total customers would be billed under decoupled rate structures



SUMMARY

- **Long-term rate base growth** intact with investment opportunities available into electric grid modernization and natural gas infrastructure

- Continuing to provide **excellent service** to customers throughout the COVID-19 Pandemic while maintaining the health and safety of our employees, customers, and communities

- Focus on **advancing sustainability** initiatives stated in the recently published Corporate Sustainability & Responsibility Report

- Intend to disclose updated capital spending plan and any changes to dividend policy during the Q4 Earnings Call

APPENDIX

Q3 2020 RETURN ON EQUITY

Company	Average Common Equity	LTM ROE [1]
Northern Utilities (New Hampshire) Northern Utilities (Maine)	$224	6.5%
Unitil Energy	$95	8.2%
Fitchburg (Electric) Fitchburg (Gas)	$88	7.2%
Granite State	$17	5.5%
Unitil Corporation	$375	8.0%

Unitil Corporation would have earned approximately 8.9% ROE over the last twelve months assuming normal Q1 winter weather

(1) ROE calculated by dividing last twelve months GAAP Net Income by Average Common Equity

2020 RATE RELIEF SUMMARY

Over $7 million of 2020 rate relief awarded in 2020

Company	Activity	Dollars (in Millions)	Date Effective
Northern Utilities (Maine)	Base Rate Case Award Capital Tracker – 2020	$3.6 $1.4	Q2 2020 Q2 2020
Fitchburg (Electric)	Base Rate Case Award Electric Capital Tracker – 2020 Electric Capital Tracker – 2020	$0.9 (1) $0.2 ($1.1)	Q4 2020 Q1 2020 Q4 2020
Fitchburg (Gas)	Base Rate Case Award – 2020 Gas Capital Tracker – 2020 Base Rate Case Award – 2021	$3.7 (2) ($1.6) $0.9	Q1 2020 Q2 2020 Q1 2021

Note: Fitchburg Base Rate Case awards would have been $2.9 million higher if not for lower D&A expense and the removal of retirement costs from base rates

(1) Electric award includes transfer of $1.1 million from the capital tracker to base rates
(2) Gas award transfer of $3.3 million from the capital tracker to base rates

COVID-19 PANDEMIC REGULATORY UPDATE

- **Shut off moratoriums imposed due to COVID-19 will be lifted in all service area states by the end of November 2020 (coinciding with the beginning of the typical winter period shut off moratorium)**
  - Our goal is to work with customers to design affordable payment arrangements

- **Late fees timing:**
  - Maine to begin 1/1/2021
  - NH to begin 4/1/2021
  - Massachusetts will begin six months after the State of Emergency is lifted

NON-GAAP RECONCILIATION

Nine Months Ended September 30, 2020 ($ millions)

		Gas		Electric		Non-Regulated and Other		Total
Total Operating Revenue	$	131.4	$	170.3	$	---	$	301.7
Less: Cost of Sales		(48.1)		(100.3)		---		(148.4)
Less: Depreciation and Amortization		(22.3)		(17.8)		(0.6)		(40.7)
GAAP Gross Margin		61.0		52.2		(0.6)		112.6
Depreciation and Amortization		22.3		17.8		0.6		40.7
Adjusted Gross Margin	$	83.3	$	70.0	$	---	$	153.3

Nine Months Ended September 30, 2019 ($ millions)

		Gas		Electric		Non-Regulated and Other		Total
Total Operating Revenue	$	143.9	$	177.0	$	0.9	$	321.8
Less: Cost of Sales		(58.4)		(106.4)		---		(164.8)
Less: Depreciation and Amortization		(21.3)		(17.0)		(0.7)		(39.0)
GAAP Gross Margin		64.2		53.6		0.2		118.0
Depreciation and Amortization		21.3		17.0		0.7		39.0
Adjusted Gross Margin	$	85.5	$	70.6	$	0.9	$	157.0

Reconciliation of Gas and Electric Adjusted Gross Margin to GAAP Gross Margin

NON-GAAP RECONCILIATION

GAAP Reconciliation	Nine Months Ended September 30th, 2020	2019	Change	Usource Impact	Adjusted Variance
Operating Revenue					
Gas	$ 131.4	$ 143.9	$ (12.5)	$ -	$ (12.5)
Electric	170.3	177.0	(6.7)	-	(6.7)
Other	-	0.9	(0.9)	0.9	-
Total Operating Revenue	301.7	321.8	(20.1)	0.9	(19.2)
Operating Expenses					
Cost of Gas Sales	48.1	58.4	(10.3)	-	(10.3)
Cost of Electric Sales	100.3	106.4	(6.1)	-	(6.1)
Operation and Maintenance	48.6	49.9	(1.3)	0.4	(0.9)
Depreciation and Amortization	40.7	39.0	1.7	-	1.7
Taxes Other than Income Taxes	17.9	17.0	0.9	-	0.9
Total Operating Expenses	255.6	270.7	(15.1)	0.4	(14.7)
Operating Income	46.1	51.1	(5.0)	0.5	(4.5)
Interest Expense, Net	17.7	17.9	(0.2)	-	(0.2)
Other Expense (Income), Net	4.0	(9.8)	13.8	(13.4)	0.4
Income Before Income Taxes	24.4	43.0	(18.6)	13.9	(4.7)
Provision for Income Taxes	5.8	10.2	(4.4)	3.6	(0.8)
Net Income	$ 18.6	$ 32.8	$ (14.2)	$ 10.3	$ (3.9)

Reconciliation of GAAP Statement of Earnings to Slide 12 of this Presentation to isolate the Usource Impact