



Unitil Declares Common Stock Dividend

September 25, 2008

Hampton, NH - September 25, 2008 - Unitil Corporation (NYSE:UTL) www.unitil.com today announced that its Board of Directors declared the regular quarterly dividend on the Company's common stock of \$0.345 per share, payable on October 31, 2008 to shareholders of record on October 17, 2008. This quarterly dividend results in a current effective annual dividend rate of \$1.38 per share.

About Unitil

Unitil Corporation is a public utility holding company with subsidiaries providing electric service in New Hampshire and electric and gas service in Massachusetts and energy services throughout the northeast. Its subsidiaries include Unitil Energy Systems, Inc., Fitchburg Gas and Electric Light Company, Unitil Power Corp., Unitil Realty Corp., Unitil Service Corp. and its non-regulated business segment Unitil Resources, Inc. Usource L.L.C. is a subsidiary of Unitil Resources, Inc.

On February 15, 2008, Unitil entered into a Stock Purchase Agreement with NiSource, Inc. ("NiSource") and Bay State Gas Company, a wholly owned utility subsidiary of NiSource, to acquire all of the outstanding stock of Northern Utilities, Inc. ("Northern") and Granite State Gas transmission, Inc. ("Granite") for \$160 million plus a net working capital adjustment. Northern's principal business is the retail distribution of natural gas to approximately 53,000 customers located in 44 coastal New Hampshire and southern Maine communities. Granite is a natural gas transmission company, principally engaged in the business of providing natural gas transportation services to Northern for its access to natural gas pipeline supplies. Unitil expects this transaction to close in the fourth quarter of 2008.

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