



Unitil Reports Year End Earnings

February 6, 2001

Hampton, NH – February 6, 2001: Unitil Corporation (AMEX: UTL) (www.unitil.com) today announced diluted earnings per average common share of \$1.47 for the year ended December 31, 2000, compared to \$1.74 for the year ended 1999. In 2000, utility operations contributed \$1.82 per share, while the non-regulated operations lost \$0.35 per share, related to planned startup costs of the Company's e-commerce business, Usource. In 1999, utility operations contributed \$1.84 per share, while the Usource operations lost \$0.10 per share. Net Income applicable to Common Stock for the year ended December 31, 2000 was \$7.0 million compared to \$8.2 million for 1999.

"Overall, we made progress this year in pursuing our strategic plan, particularly in improving system reliability and customer service while restructuring our utility operations for our 110,000 electric and gas distribution customers", said Robert Schoenberger, Unitil's Chairman and Chief Executive Officer. "Our e-Commerce strategy continued to move forward with our investment in Enermetrix.com and the companion startup of Usource, our energy related e-Commerce marketplace."

Total Operating Revenues increased \$10.6 million in 2000, when compared to 1999, largely reflecting increased revenues to recover higher wholesale electricity and natural gas costs. These energy revenues do not affect the Company's net income, as they are reconciled directly with the costs incurred by the Company to procure electricity and natural gas on behalf of customers with no markup or profit margin. Electric Operating revenues increased by \$5.9 million, or 3.9% in 2000 compared to 1999. Gas Operating Revenues increased by \$4.6 million, or 25.6% in 2000 compared to 1999.

Total electric kilowatt-hour (kWh) sales volume decreased 1.3% in 2000 compared to 1999. This decrease reflects the loss of a major customer that ceased operations in the second quarter of 2000, and a cooler than normal summer in 2000. Absent the loss of this major customer, total kWh sales in 2000 were flat compared to 1999 reflecting the cooler summer weather.

Total Firm Therm gas sales increased 8.4% in 2000 when compared to 1999, due to a colder winter heating season compared to the prior year and the Company's gas marketing initiatives.

Operations and Maintenance Expenses remained level with the prior year reflecting effective cost management and business process improvements.

Depreciation and Amortization expense increased \$0.6 million, or 4.8% for 2000 over the prior year due to a higher level of Plant in Service and accelerated write-off of electric generating assets resulting from electric utility industry restructuring in Massachusetts.

Unitil recorded a one time non-cash write-off of approximately \$0.3 million, or \$0.04 per share, in the fourth quarter of 2000 related to an Order received from the Massachusetts Departments of Telecommunications and Energy. The Order disallowed the recovery of certain revenues associated with Conservation and Load Management programs subsequent to the March 1998 implementation of Electric Utility Industry Restructuring in Massachusetts.

In 2000, Unitil acquired additional shares in Enermetrix.com, along with other existing and new investors, through the purchase of \$1.0 million of Preferred Stock and Common Stock Warrants as part of a recently completed \$35.5 million round of financing to fund Enermetrix.com's growth. This brings our total investment to \$5.4 million. Enermetrix.com is a service provider and technology enabler for deregulated energy markets and developed the Enermetrix.com Exchange, an Internet-based energy procurement bid system that matches buyers and sellers of energy in competitive markets. Unitil's ownership represents an approximate 9% equity interest in Enermetrix.com and Unitil is represented on Enermetrix.com's Board of Directors.

Unitil 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 Concord Electric Company, Exeter & Hampton Electric Company, Fitchburg Gas and Electric Light Company, Unitil Power Corp., Unitil Realty Corp., Unitil Service Corp. and its unregulated business unit Unitil Resources, Inc. Usource L.L.C. is a subsidiary of Unitil Resources, Inc. The Usource product line is available at www.usourceonline.com

This news release contains forward-looking statements which are subject to the inherent uncertainties in predicting future results and conditions. Certain factors that could cause the actual results to differ materially from those projected in these forward-looking statements include, but are not limited to; variations in weather, changes in the regulatory environment, customers' preferences on energy sources, general economic conditions, increased competition and other uncertainties, all of which are difficult to predict, and many of which are beyond the control of the Company.

Unitil Corporation

(Amounts In Thousands, except Shares and Per Share Data)

	Three Months Ended December 31,	
	<u>2000</u>	<u>1999</u>
Operating Revenues	\$49,252	\$44,527
Net Income Applicable to Common Stock	\$2,128	\$2,320

Income from Utility Operations	\$0.54	\$0.53
Loss from Non-regulated Operations	(0.10)	(0.04)
Basic and Diluted Earnings per Share	\$0.44	\$0.49

Average Common Shares Outstanding **4,731,977** 4,709,136

Twelve Months Ended
December 31,

	<u>2000</u>	<u>1999</u>
Operating Revenues	\$182,941	\$172,373

Net Income Applicable to Common Stock **\$6,953** \$8,170

Income from Utility Operations	\$1.82	\$1.84
Loss from Non-regulated Operations	(.35)	(.10)
Basic and Diluted Earnings Per Share	\$1.47	\$1.74

Average Common Shares Outstanding **4,723,171** 4,682,273

Contact
Mark Collin
collin@unitil.com

Corporate Office
Liberty Lane West
Hampton, NH 03842-1720
800/999-6501