



## Unitil Reports 1999 Earnings Results

February 10, 2000

**Hampton, NH – February 9, 2000** – Unitil Corporation (AMEX:UTL) today announced net income for the year ended December 31, 1999 of \$8.2 million, a 2.4% increase over 1998 net income. Diluted earnings per share were \$1.74, an increase of \$0.02 from 1998 diluted earnings of \$1.72 per share.

"In the Year 2000 Unitil will continue the transformation process as we restructure our distribution utility business and pursue our e-commerce growth strategies," said Robert Schoenberger, Unitil's Chairman and Chief Executive Officer. "As we move ahead we must continue to balance growth and income objectives to support our goal of providing competitive long term returns to our shareholders. Our total return to shareholders for 1999 was over 48%."

Total Operating Revenues in 1999 of \$172.0 million were up \$5.7 million from 1998. Electric revenues increased by \$4.4 million, or 3.0%, in 1999 compared to 1998. Unitil's total electric kilowatt-hour sales increased 4.4% in 1999 versus the prior year, primarily due to system growth and a warmer than normal summer season. Higher sales volume across all customer classes, and the resale of energy supply in the electric utility industry restructuring process, contributed to the increase in electric revenues.

Gas Operating Revenues, which represent approximately 10% of Unitil's total operating revenues, increased by \$1.1 million, or 6.5%, in 1999 compared to 1998. This increase was primarily attributable to an approximate 7% base rate increase that went into effect in December 1998, offset by lower sales volume in 1999. Firm therm gas sales decreased 3.0% in 1999 when compared to 1998 as a result of the mild early winter weather.

Depreciation and Amortization expense increased \$1.4 million for 1999 over the prior year due to a higher level of Plant in Service and the accelerated write-off of electric generating assets as a result of electric utility industry restructuring in Massachusetts. Operating and Maintenance expenses remained level with the prior year.

Unitil's wholly owned Massachusetts subsidiary, Fitchburg Gas and Electric Light Company, successfully completed the divestiture of its electric generation and power supply portfolio as part of the transition into a restructured utility environment. As this portfolio amortizes over the next 10 years, earnings from this segment of Unitil's utility business will continue to decline and ultimately the Company's utility assets will be solely dedicated to the distribution and transmission of energy.

Also during 1999, Unitil acquired a minority interest in Enermetrix.com (formerly known as North American Power Brokers, Inc.) through the purchase of Preferred Stock and Common Stock Warrants. At the same time, the Company licensed Enermetrix.com's innovative Internet-based technology for brokering electricity and natural gas sales between retail energy consumers and energy suppliers and is now offering this service under the brand name "Usource<sup>TM</sup>". Usource<sup>TM</sup> offers retail energy consumers the market benefits of competitive energy supplier bidding with the efficiency and cost benefits of e-commerce. Usource<sup>TM</sup> continues to attract new customers throughout New York and New England.

Unitil is a public utility holding company with a combination electric and gas utility distribution operation in north central Massachusetts and electric utility distribution operations in several cities and towns in the seacoast and capital city areas of New Hampshire. Unitil is also engaged in energy planning, procurement, marketing and consulting activities through both its utility and non-utility subsidiaries. Its subsidiaries are Concord Electric Company, Exeter & Hampton Electric Company, Fitchburg Gas and Electric Light Company, Unitil Power Corp., Unitil Realty Corp., Unitil Resources, Inc., and Unitil Service Corp. The Usource<sup>TM</sup> product line is operated by Unitil Resources, Inc.

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)

	<u>Three Months Ended</u> <u>December 31,</u>	
	<u>1999</u>	<u>1998</u>
Operating Revenues	<b>\$44,527</b>	\$40,828
Net Income Applicable to Common Stock	<b>\$2,320</b>	\$2,364
Basic Earnings Per Share	<b>\$0.49</b>	\$0.52
Diluted Earnings Per Share	<b>\$0.49</b>	\$0.50

Average Common Shares Outstanding    **4,709,136** 4,539,394

Twelve Months Ended  
December 31,

1999            1998

Operating Revenues                    **\$172,373** \$166,678

Net Income Applicable to Common Stock    **\$8,170**    \$7,975

Basic Earnings Per Share                    **\$1.74**    \$1.77

Diluted Earnings Per Share                    **\$1.74**    \$1.72

Average Common Shares Outstanding    **4,682,273** 4,505,784

Contact  
Mark Collin  
[collin@unitil.com](mailto:collin@unitil.com)

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