



Unitil First Quarter Earnings Improve

April 27, 1999

Hampton, N.H. – April 27, 1999: Unitil Corporation (AMEX: UTL) today announced that its basic earnings for the first quarter of 1999 were \$0.58 per average common share outstanding, up \$0.01 from the \$0.57 earned in the first quarter of 1998. The increase of \$0.01 per share primarily reflects higher electric and gas sales to commercial and industrial customers during the first quarter of 1999 compared to 1998 due to the healthy regional economy.

Although temperatures in Unitil's service territories in 1999 were almost as warm as the record setting warm winter weather in the first quarter of 1998, total kilowatt-hour sales of electricity were up 5.7% over last year and total firm therm gas sales were even compared to the first quarter of 1998. Gas sales to residential customers were slightly weaker than the prior year. Also impacting earnings in the first quarter of 1999, compared to 1998, were higher depreciation and operation and maintenance expenses, partially offset by lower interest expense.

Total Operating Revenues were \$42.3 million in the first quarter of 1999 compared to \$44.0 million in the prior year, primarily due to the Company's lower electric rates in 1999. Despite the increase in sales volumes, electric revenues were down as a result of an 11 % reduction in electric energy supply cost to Unitil's New Hampshire customers, and a 10% rate reduction to Massachusetts customers resulting from electric utility industry restructuring, implemented on March 1, 1998.

"Despite the unseasonable warm winter weather, Unitil enjoys a strong customer base with a superior system growth rate in its utility service territories," said Robert G. Schoenberger, Unitil's Chairman and Chief Executive Officer. "The strength of the regional economy combined with our company's sound financial position and low rates enables us to continue with our aggressive growth strategies and our commitment to bring value to our shareholders."

In March, 1999 Unitil acquired a minority interest in North American Power Brokers, Inc., ("NAP"), for \$3 million in cash. At the same time, Unitil Resources, Inc. (URI) licensed NAP'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." Usource will allow URI to deliver the price benefits of competitive supplier bidding to retail energy consumers without URI undertaking the financial risk of commodity ownership.

Basic earnings per average common share for the twelve months ended March 31, 1999 and 1998 were \$1.78 and \$1.73, respectively. The increase is attributable to higher electric and gas margins, lower interest expense and lower effective income tax rates, partially offset by higher operation and maintenance and depreciation and amortization expenses for the twelve month period.

Unitil is a public utility holding company with subsidiaries providing electric service in New Hampshire, electric and gas service in Massachusetts and energy services throughout the region. 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.

Unitil Corporation

	<u>Three Months Ended</u> <u>March 31,</u>	
	<u>1999</u>	<u>1998</u>
Operating Revenues (000's)	\$42,347	\$43,993
Net Income	\$2,676	\$2,553
Basic Earnings per Share	\$0.58	\$0.57
Diluted Earnings per Share	\$0.58	\$0.56
Average Common Shares Outstanding	4,621,042	4,478,334
	<u>Twelve Months Ended</u> <u>March 31,</u>	
	<u>1999</u>	<u>1998</u>
Operating Revenues (000's except Common Shares and per Share Data)	\$165,032	\$168,399

Net Income	\$8,098	\$7,667
Basic Earnings per Share	\$1.78	\$1.73
Diluted Earnings per Share	\$1.78	\$1.69
Average Common Shares Outstanding	4,541,460	4,435,061

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