



FINANCIAL AND STRATEGIC UPDATE

Fourth Quarter and Fiscal Year 2020

February 2, 2021



Forward-Looking Statements and Use of Non-GAAP Measures

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, 2020.

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.

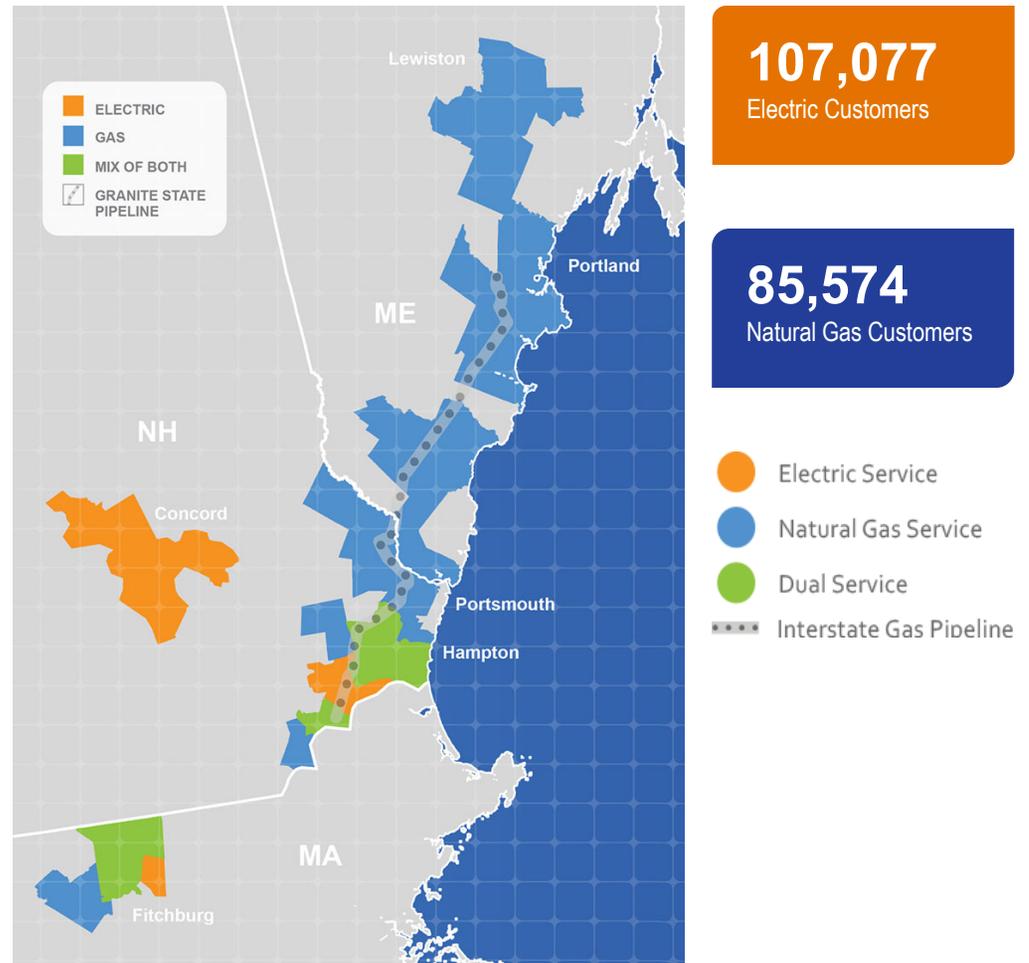
This presentation contains non-GAAP measures. The Company’s management believes these measures are useful in evaluating its performance. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures can be found herein.

About Unitil

Pure-play New England utility creating long-term sustainable value

We provide energy for life, safely and reliably delivering electricity and natural gas in New England

- Attractive Service Territory with a Growing Customer Base
 - New customer additions in Electric and Natural Gas operations
 - Ongoing conversions from competing fuels
- Robust Investment Opportunities in Electric and Natural Gas Distribution Assets
 - Electric Grid and Gas System Modernization
 - System Expansions
 - Investments in system resiliency
- Constructive Regulatory Frameworks and Relationships
- Recognized for Operational Excellence in Electric and Natural Gas Operations
- Advancing our ESG Profile



Delivering On Our Commitments

2020 was a challenging year, but Unitil delivered on our commitments

Produced Solid Financial Results

- 2020 Earnings Per Share of \$2.15 despite significant headwinds of historically unfavorable weather and the COVID-19 Pandemic
- Provided shareholders with uninterrupted common dividends of \$1.50 per share
 - Increased to \$1.52 for 2021

Continued Operational Excellence

- Customer Satisfaction rating at an all-time high
- Achieved best gas response time of all-time
- Received EEI Mutual Assistance Award

Executed on Strategic Priorities

- Maintained long-term investment plan
- Executed regulatory strategy
 - Several successful rate case awards received in 2020
- Advanced ESG priorities



Delivering Solid Financial Results

2020 Fourth Quarter and Year-To-Date Net Income and Earnings Per Share

For the quarter ended December 31, Net Income was \$13.6 million, or \$0.90 per share

- Net Income increase of \$2.2 million, or \$0.13 per share compared to the fourth quarter of 2019
- EPS increased approximately 17% (Year Over Year)

Quarter Ended December 31	2020	2019	Variance
Net Income (\$ millions)	\$13.6	\$11.4	\$2.2
Earnings Per Share	\$0.90	\$0.77	\$0.13

For the fiscal year ended December 31, Net Income was \$32.2 million, or \$2.15 per share

- Net Income decrease of \$12.0 million, or \$0.82 per share
- 2019 results include a one-time gain of \$9.8 million or \$0.66 per share, on the sale of Company's unregulated subsidiary, Usource

Fiscal Year Ended December 31	2020	2019	Variance
Net Income (\$ millions)	\$32.2	\$44.2	(\$12.0)
Earnings Per Share	\$2.15	\$2.97	(\$0.82)

Excluding the Usource divestiture 2020 Net Income fell \$2.2 million, or \$0.16 per share, relative to 2019

- Decrease in earnings largely due to historically warm winter weather in the first quarter of 2020, and the COVID-19 Pandemic during the balance of the year

Fiscal Year Ended December 31	2020	2019 (Excluding Usource Sale)	Variance
Net Income (\$ millions)	\$32.2	\$34.4	(\$2.2)
Earnings Per Share	\$2.15	\$2.31	(\$0.16)

Electric Sales Volume and Margin Variances

Summarizing year-to-date variances in units, customers, and sales margin

2020 to 2019			
Unit Sales	Weather Normalized Unit Sales ⁽¹⁾	Customers ⁽²⁾	Sales Margin ⁽³⁾
Unit Sales Flat	1.7% Decrease	0.9% Increase	1.1% Increase

Unit Sales

- Higher residential unit sales of 6.5% were largely a result of warmer summer weather and the COVID-19 Pandemic
- Lower C&I unit sales of 4.5% reflects lower usage as a result of the economic slowdown associated with the COVID-19 Pandemic

Sales Margin

Sales Margin increased \$1.0 million

- Higher rates of \$1.4 million
- Combined positive effect of customer growth and warmer summer weather of \$0.4 million
- Partially offset by \$0.8 million attributed to the combined net effect of lower C&I sales and higher residential sales associated with the COVID-19 Pandemic

(1) Weather normal unit sales excludes decoupled sales

(2) Including seasonal accounts

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

Natural Gas Sales Volume and Margin Variances

Summarizing year-to-date variances in units, customers, and sales margin

2020 to 2019			
Unit Sales	Weather Normalized Unit Sales ⁽¹⁾	Customers ⁽²⁾	Sales Margin ⁽³⁾
7.5% Decrease	1.6% Decrease	2.0% Increase	0.3% Increase

Unit Sales

- Decrease in unit sales primarily reflects the warmer winter weather, which was 8.2% warmer than 2019
- Decrease in weather normal unit sales reflects lower C&I usage due to the economic slowdown associated with the COVID-19 Pandemic

Sales Margin

Sales Margin increased \$0.4 million

- Higher rates of \$5.1 million
- Customer growth of \$1.8 million
- Decrease of \$4.4 million due to warmer winter weather
- Decrease of \$2.1 million associated with the COVID-19 Pandemic

(1) Weather normal unit sales excludes decoupled sales

(2) Including seasonal accounts

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

COVID-19 Pandemic Effects on Earnings

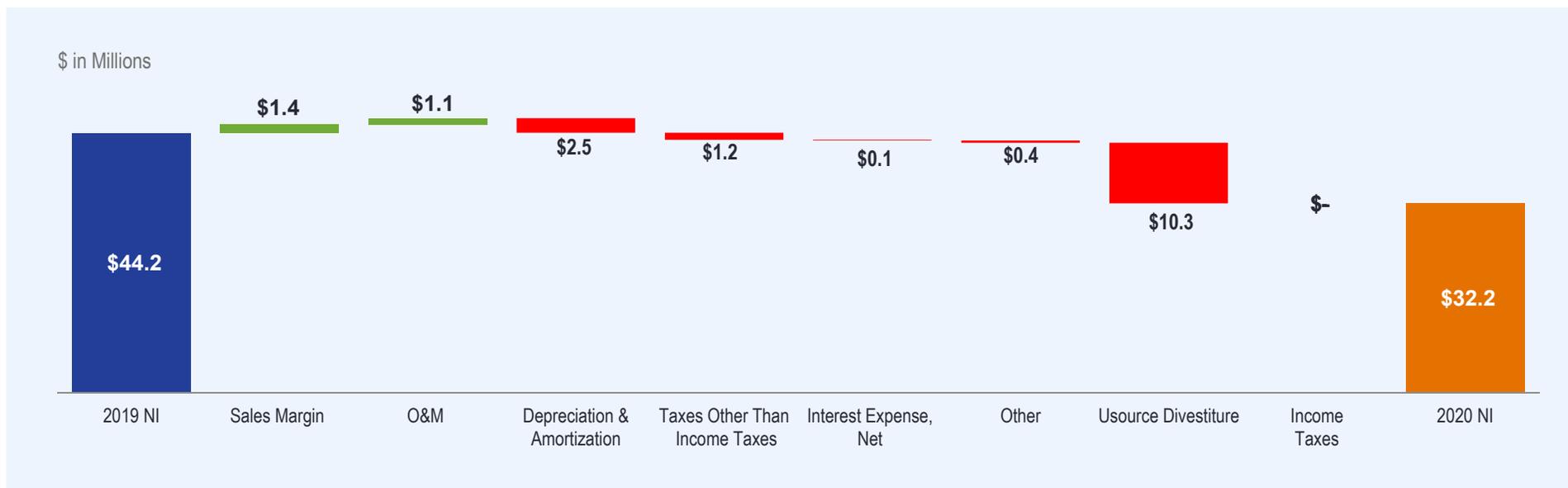
Unfavorably affected fourth quarter EPS by (\$0.05), and fiscal year 2020 EPS by (\$0.09)

	Fiscal Year-To-Date		Fourth Quarter	
	Net Income	Earnings Per Share	Net Income	Earnings Per Share
Natural Gas Sales Margins	(\$1.6) Million	(\$0.11)	(\$0.6) Million	(\$0.04)
Electric Sales Margins	(\$0.6) Million	(\$0.04)	(\$0.1) Million	(\$0.00)
Operating and Maintenance Expenses	\$0.4 Million	\$0.03	(\$0.2) Million	(\$0.01)
Taxes Other Than Income	\$0.4 Million	\$0.03	\$0.0 Million	\$0.00
Combined Estimated Effect	(\$1.4) Million	(\$0.09)	(\$0.9) Million	(\$0.05)

Year-To-Date Earnings Reconciliation ⁽¹⁾

Major variances to prior year earnings

- **Electric and Gas Adjusted Gross Margin** increased \$1.4 million as a result of higher prices and customer growth, largely offset by warmer winter weather and the impacts of the COVID-19 Pandemic
- **Core Utility Operating and Maintenance Expenses** decreased \$1.1 million largely due to lower employee benefit costs
- **Depreciation and Amortization** increased \$2.5 million reflecting higher levels of utility plant in service
- **Taxes Other Than Income** increased \$1.2 million reflecting higher local property taxes on higher utility plant in service
- **Net Interest Expense** increased \$0.1 million reflecting higher levels of long-term debt offset by lower rates on short-term debt
- **Other Expenses** (excluding Usource divestiture gain) increased \$0.4 million
- **Usource Divestiture** of \$10.3 million includes \$9.8 million after-tax gain on sale, \$0.9 million Usource revenue, and \$0.4 million O&M costs incurred in 2019
- **Income Taxes** (excludes taxes related to Usource Divestiture gain) were flat

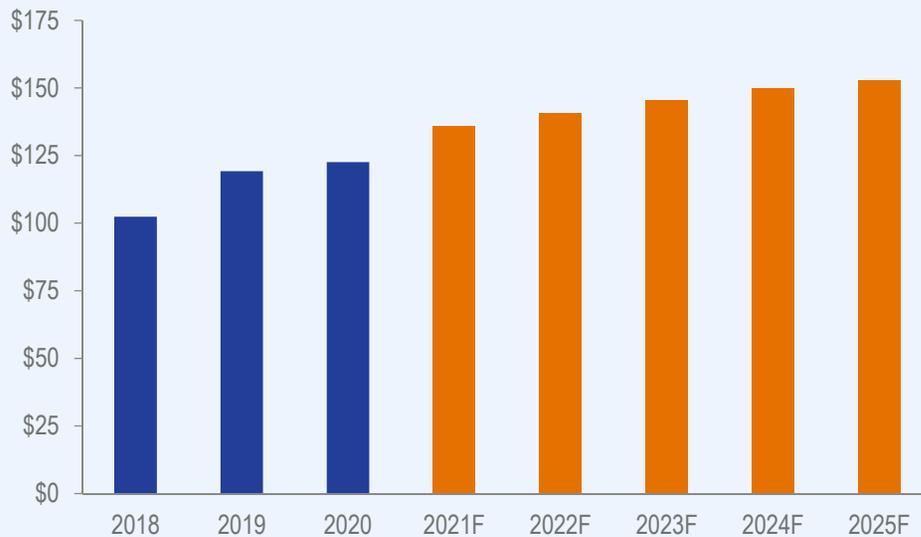


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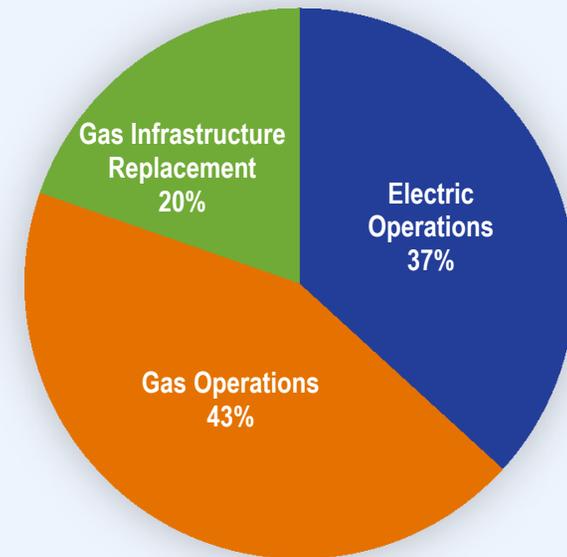
Investing in Long-Term Sustainable Growth

Increasing Capital Investment to support, expand, and modernize the utility system

Five-Year Projected Capital Investment of approximately \$725 Million



Diversified Capital Investment Plan



- Disciplined investment plan supporting continued rate base growth in line with historical growth of 6.5% to 8.5%
 - Roughly 30% increase in coming five years planned capital investment over the prior five years¹
- Diverse investment portfolio including grid modernization, gas infrastructure replacement, and growth-related projects
 - Potential upside revisions include electric vehicle and additional grid modernization investments

(1) The future capital investment estimates include capitalized non-service retirement benefit costs

Five-Year Financing Plan

Long-term financing plan supports capital investment plan, dividend growth, and credit profile

Balanced Long-Term Financing Plan

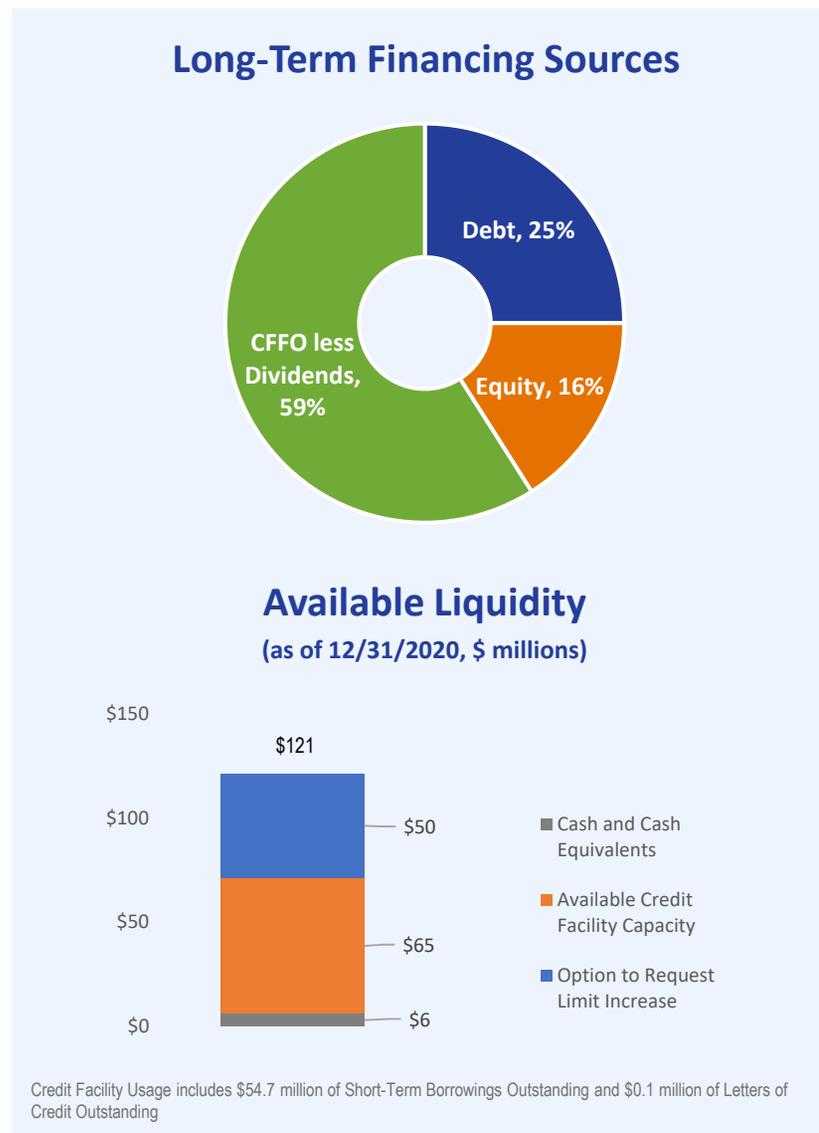
- Capital investments funded principally by Cash Flow From Operations less dividends
- Remaining needs are funded through Long-Term Debt and Common Equity to ensure a properly balanced capital structure
- Equity proceeds include secondary offerings, Dividend Reinvestment, and 401(k) proceeds

Long-Term Payout Ratio Target Focuses on Dividend Sustainability

- Long-Term Target Payout Ratio of 55% - 65%
- Balances dividend sustainability with capital reinvestment
- Retain option to accelerate dividend growth in future years

Available Liquidity

- Ample liquidity available on the credit facility to support investments and working capital between Debt and Equity financings
- Credit Facility limit of \$120 million with option to request \$50 million increase

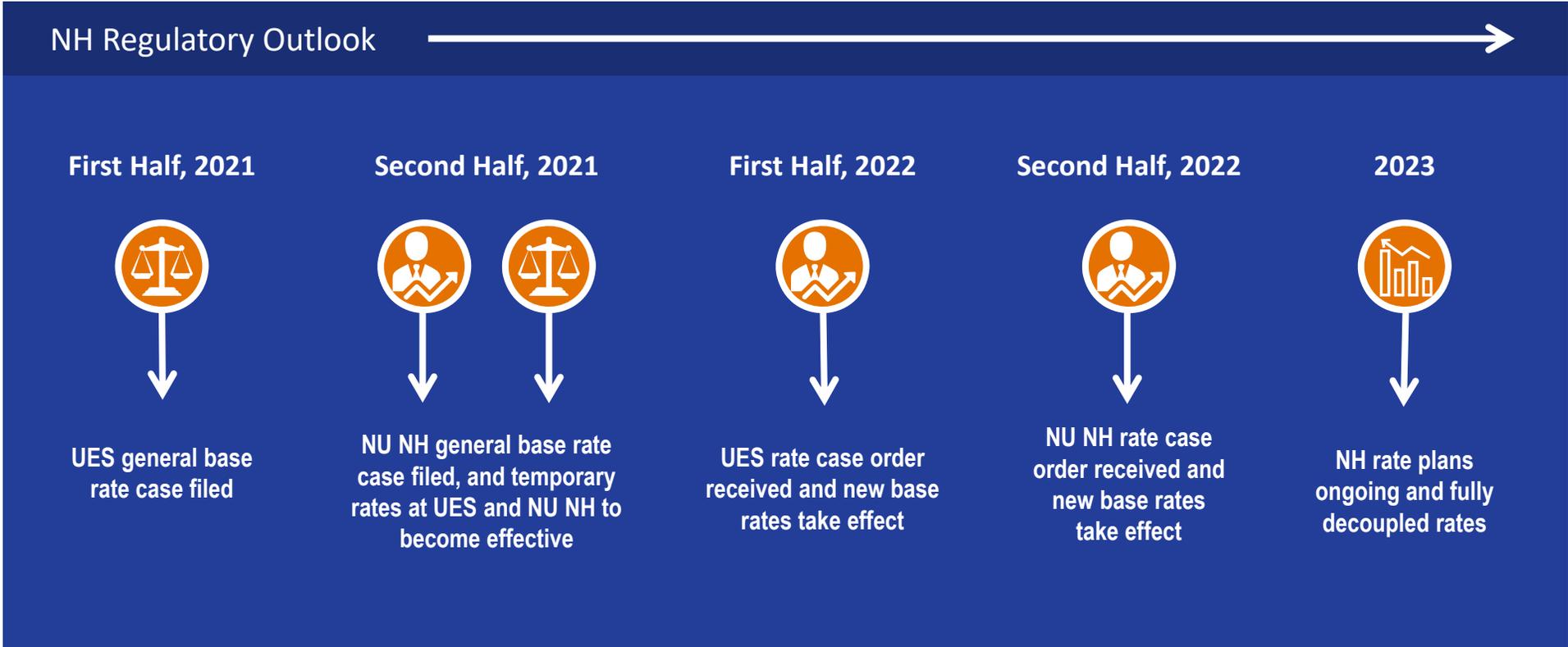


Regulatory Update

Expected Until Energy Systems and Northern Utilities New Hampshire Rate Filings

New Hampshire Rate Case Filings

Planning 2021 general base rate case filings in both electric and gas subsidiaries in NH. Expect to propose full revenue decoupling mechanisms and multi-year rate structures.



Service Restoration Excellence

Swift and efficient service restoration after multiple weather events

Provided restoration aid to other local utilities after weather events a record eight times in 2020, most notably after Tropical Storm Isaias

Received EEI Mutual Assistance Award

Received award in three of last four years

Average electric system interruption time down **20%**

Comparing most recent 5 years to prior 5 years

Customer and Employee Satisfaction Exceeding Expectations

Through a difficult year, treating Customers and Employees with respect remained a top priority

Customer Satisfaction at an all-time high

93% **Customer Satisfaction**
Exceeding regional and national benchmarks

1st **Top-Ranked in the Northeast**
Ranked out of eight utilities

1st Quartile **National customer satisfaction ranking**
Ranked 10th out of 114 utilities

Based on recent employee survey results, Unitil achieved best levels of employee pride and engagement of all-time

- ✓ 90% of employees say they are **proud** to work for Unitil
- ✓ 91% of employees would **recommend** Unitil as a place to work
- ✓ 93% of employees feel Unitil is a good **corporate citizen** that cares about the community

Among Non-Collective Bargaining Employees

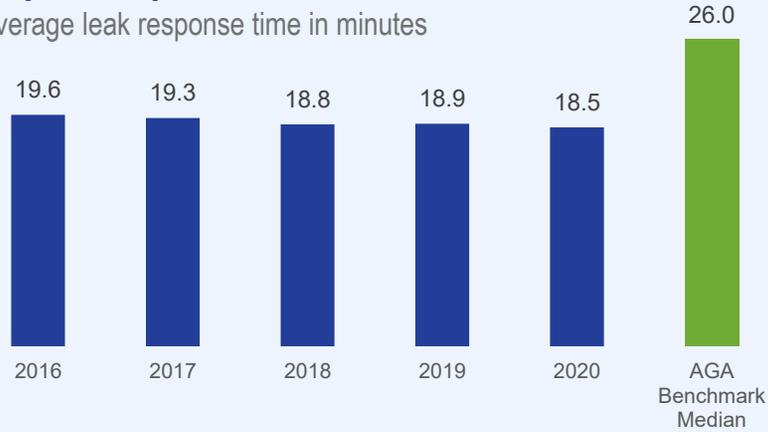


Ensuring Gas System Safety

Constantly improving the safety of our gas system for our customers and employees

Rapid Response to Gas Leaks

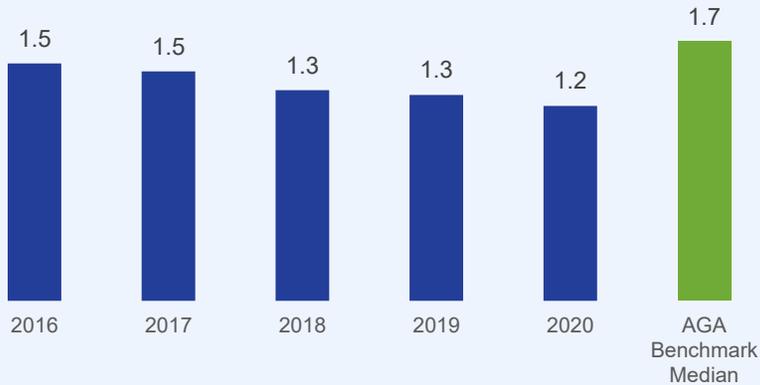
Average leak response time in minutes



Selected as a Leading Practice Company by the American Gas Association, recognizing Unitil's superior emergency response and preparedness

Improving Employee Safety

DART ⁽¹⁾ Incident Rate (per 100 full time employees)



Mitigating Risk of Gas Leaks

Percent of system plastic/protected



(1) DART is an acronym for Days Away Restricted or Transferred, and tracks workplace injuries and illnesses requiring employees to miss work, perform restricted work activities or transfer to another job

Advancing Our ESG Profile

Remain focused and committed to sustainability across the enterprise

Accelerating Investments in Electric Grid Modernization

Investments in advanced grid technologies enables flexibility for evolving customer needs, allows the inflow of renewable energy generation and non-wire alternative and increases customer usage transparency.

Exploring New Sources of Clean Fuel

Investigating adding Renewable Natural Gas to our supply portfolio. Request for expressions of interest was issued to several parties to identify potential sources.

Providing Enhanced Customer Services

Continuing to invest in technology to satisfy our customers current and evolving needs. Planned enhancements for our customers interface, including a mobile app, to allow more effective communication with our customers.

Creating a Sustainable Future Through People

Committed to supporting our customers, employees and remaining a sustainable enterprise in the communities we serve.



2020 Corporate Sustainability & Responsibility Report

Issued in the fourth quarter

9% Decrease

Fugitive CO₂e emissions from natural gas from 2017 to 2019

53% Decrease

Lost time incident rate 8-year decline

~94% Modernized

Gas infrastructure replacement is ongoing, replacement progress outpacing peers in Massachusetts

www.unitil.com/2020-Sustainability-Report

Creating Long-Term Sustainable Value

Steady and predictable cash flows coupled with robust investment opportunities



Continued Growth in Electric and Natural Gas Distribution

2,600 additional customers served in 2020



Investing in the Clean Energy Future

Distribution system replacement and modernization reducing greenhouse gas emissions



Creating More Stable Margins and Earnings Growth

Decoupling plans in NH further derisk cash flows and continued long-term rate plans allowing accelerated recovery of our investments



Fundamental Principles and Beliefs Underlying our Long-Term Strategy

- Energy markets in New England will transition towards low-carbon sources
- Advancing the electric grid will provide robust capital investment opportunities
- Natural gas, Renewable Natural Gas, and gas distribution assets will continue to have a vital role in providing clean, secure, low-cost energy
- As an Electric and Gas distribution company operating in northern New England, Unitil is strongly positioned to contribute to, and benefit from evolving climate policies
- Our greatest strength is our people; preserving our culture is essential to our long-term success



Appendix

GAAP ROE

GAAP Return on Equity over the last twelve months

Company	Average Common Equity	LTM ROE ⁽¹⁾
Northern Utilities	\$228 Million	6.5%
Unitil Energy Systems	\$102 Million	8.0%
Fitchburg Gas and Electric	\$90 Million	9.0%
Granite State Gas	\$19 Million	6.0%
Unitil Corporation	\$383 Million	8.4%

Unitil Corporation would have earned approximately 9.2% 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 rate relief awarded in 2020

Company	Activity	Dollars (in Millions)	Date Effective
Northern Utilities (Maine)	Base Rate Case Award	\$3.6	Q2 2020
	Capital Tracker – 2020	\$1.4	Q2 2020
Fitchburg (Electric)	Base Rate Case Award	\$0.9 ⁽¹⁾	Q4 2020
	Electric Capital Tracker – 2020	\$0.2	Q1 2020
	Electric Capital Tracker – 2020	(\$1.1)	Q4 2020
Fitchburg (Gas)	Base Rate Case Award – 2020	\$3.7 ⁽²⁾	Q1 2020
	Gas Capital Tracker – 2020	(\$1.6)	Q2 2020
	Base Rate Case Award – 2021	\$0.9	Q1 2021
Granite State Gas	Base Rate Case Award – 2020	\$1.3	Q4 2020

(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

GAAP Earnings Reconciliation

GAAP Reconciliation	Year Ended December 31,			Usource Impact	Adjusted Variance
	2020	2019	Change		
Operating Revenue					
Gas	\$ 191.4	\$ 203.4	\$ (12.0)	\$ -	\$ (12.0)
Electric	227.2	233.9	(6.7)	-	(6.7)
Other	-	0.9	(0.9)	0.9	-
Total Operating Revenue	418.6	438.2	(19.6)	0.9	(18.7)
Operating Expenses					
Cost of Gas Sales	68.8	81.2	(12.4)	-	(12.4)
Cost of Electric Sales	134.3	142.0	(7.7)	-	(7.7)
Operation and Maintenance	65.7	67.2	(1.5)	0.4	(1.1)
Depreciation and Amortization	54.5	52.0	2.5	-	2.5
Taxes Other than Income Taxes	23.9	22.7	1.2	-	1.2
Total Operating Expenses	347.2	365.1	(17.9)	0.4	(17.5)
Operating Income	71.4	73.1	(1.7)	0.5	(1.2)
Interest Expense, Net	23.8	23.7	0.1	-	0.1
Other Expense (Income), Net	5.2	(8.6)	13.8	(13.4)	0.4
Income Before Income Taxes	42.4	58.0	(15.6)	13.9	(1.7)
Provision for Income Taxes	10.2	13.8	(3.6)	3.6	-
Net Income	\$ 32.2	\$ 44.2	\$ (12.0)	\$ 10.3	\$ (1.7)

GAAP Sales Margin Reconciliation

Gas Operating Revenues and Gas Adjusted Gross Margin (millions)

	2020	2019	2018	Change			
				2020 vs. 2019		2019 vs. 2018	
				\$	%	\$	%
Gas Operating Revenue:							
Residential	\$ 78.0	\$ 81.2	\$ 86.0	\$ (3.2)	(3.9%)	\$ (4.8)	(5.6%)
Commercial & Industrial	113.4	122.2	130.1	(8.8)	(7.2%)	(7.9)	(6.1%)
Total Gas Operating Revenue	\$ 191.4	\$ 203.4	\$ 216.1	\$ (12.0)	(5.9%)	\$ (12.7)	(5.9%)
Cost of Gas Sales	\$ 68.8	\$ 81.2	\$ 99.2	\$ (12.4)	(15.3%)	\$ (18.0)	(18.1%)
Gas Adjusted Gross Margin	\$ 122.6	\$ 122.2	\$ 116.9	\$ 0.4	0.3%	\$ 5.3	4.5%

Electric Operating Revenues and Electric Adjusted Gross Margin (millions)

	2020	2019	2018	Change			
				2020 vs. 2019		2019 vs. 2018	
				\$	%	\$	%
Electric Operating Revenue:							
Residential	\$ 134.7	\$ 133.8	\$ 127.2	\$ 0.9	0.7%	\$ 6.6	5.2%
Commercial & Industrial	92.5	100.1	96.1	(7.6)	(7.6%)	4.0	4.2%
Total Electric Operating Revenue	\$ 227.2	\$ 233.9	\$ 223.3	\$ (6.7)	(2.9%)	\$ 10.6	4.7%
Cost of Electric Sales	\$ 134.3	\$ 142.0	\$ 131.4	\$ (7.7)	(5.4%)	\$ 10.6	8.1%
Electric Adjusted Gross Margin	\$ 92.9	\$ 91.9	\$ 91.9	\$ 1.0	1.1%	\$ ---	---