



Unitil Reports 3rd Quarter Earnings

November 5, 1999

Hampton, NH – November 4, 1999 – Unitil Corporation (AMEX:UTL) today announced that its basic earnings for the third quarter of 1999 were \$0.35 per average common share outstanding compared to \$0.37 in the same three-month period in 1998. Net income for the third quarter of 1999 was \$1.6 million, which was even with the third quarter of 1998. The decrease of \$0.02 per share reflects a higher number of average common shares outstanding of 4.7 million in 1999, compared to only 4.5 million average common shares outstanding in the nine months ended September 30, 1998. On a year-to-date basis, basic earnings per average common share were \$1.25 for the nine months ended September 30, 1999 and 1998 on net income of \$5.8 million in 1999 and \$5.6 million in 1998.

Third quarter Total Operating Revenues grew by 6.0%, from \$40.3 million to \$42.7 million in 1999 compared to the same period last year. Higher electric revenues were driven by unusually hot summer weather and the continuing beneficial effects of the strong regional economy in the Northeast. In Unitil's utility service territories, average cooling degree days were well above normal during the third quarter. These high summer season revenues helped offset lower revenues in the first quarter which were due to the unseasonably mild winter weather. On a year-to-date basis, Total Operating Revenues were \$127.8 million in the first nine months of 1999, compared to \$125.8 million in the first nine months of 1998.

The third quarter of 1999 was the first full quarter of operations for Usource, Unitil's Internet-based energy brokering business. The Company began recording brokerage fee income – primarily on gas commodity sales to customers in New York – in the second quarter of 1999. Usource now has over 12.6 billion cubic feet of natural gas under contract and has expanded service to New York, Massachusetts, Maine and New Hampshire.

"I am pleased with our year-to-date performance," said Robert Schoenberger, Unitil's Chairman and Chief Executive Officer, "We have been able to improve our net income in 1999, even as we made the necessary expenditures for the successful start-up of our energy brokerage business. Unitil will continue to develop its aggressive plan for growing the Company while we remain focused intensely on improving the way we operate our core business of buying, selling and distributing electricity and gas."

Total electric KWH sales volume improved 1.7% in the third quarter and 4.0% on a year-to-date basis in 1999, compared to 1998. Robust residential KWH sales were 7.4% higher in the third quarter of 1999 due to the hot summer weather. Sales to commercial and industrial customers were down 1.2% compared to last year because a major customer filed bankruptcy and curtailed operations in the second quarter of 1999. Electric KWH sales to commercial and industrial customers were up 3.9% on a year-to-date basis compared to last year and electric KWH sales to residential customers were 4.3% higher in 1999 than 1998. Gas firm therm sales, which suffered during the mild winter, were lower in the third quarter of 1999 compared to 1998 but are about equal to last year on a year-to-date basis. Through nine months, gas sales to commercial and industrial customers are up 6.1% over 1998 while gas sales to residential customers are down 5.5%.

Basic earnings per average common share for the 12 months ended September 30, 1999 and 1998 were \$1.77 and \$1.72, respectively. The increase is attributable to higher Electric and Gas marginal revenues and lower Interest Expense, partially offset by higher Operation and Maintenance and Depreciation and Amortization expenses.

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.

Contact

Mark Collin

collin@unitil.com

Corporate Office

Liberty Lane West

Hampton, NH 03842-1720

800/999-6501