Unitil

Financial and Strategic Update

August 1, 2023

Forward-Looking Statements and Use of Non-GAAP Measures

This presentation contains “forward-looking statements” including 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 and its subsidiaries’ 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. In this presentation, “Unitil,” the “Company”, “we”, “us”, “our” and similar terms refer to Unitil Corporation and its subsidiaries, unless the context requires otherwise.

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: 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 energy commodities and transmission capacity and Unitil’s ability to recover energy commodity 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 cause unanticipated changes in demand for Unitil’s distribution services; long-term global climate change, which could cause unanticipated changes in 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 factors 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; unforeseen or changing circumstances, which could adversely impact the reduction of company-wide greenhouse gas emissions; other presently known or unforeseen factors; and other risks detailed in Unitil Corporation’s filings with the Securities and Exchange Commission, including those appearing under the caption "Risk Factors" in Unitil Corporation’s most recently filed Annual Report on Form 10-K.

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

Local distributor of electricity and natural gas in attractive service areas along the New Hampshire and Maine Seacoast

- Growing customer base supported by strong regional economic growth
- Continuing price advantage over competing fuels

Fundamentally strong investor value proposition

- Fully regulated, low risk profile
- Sustainable long-term growth opportunities
- Proven track record of financial, operating, and strategic performance

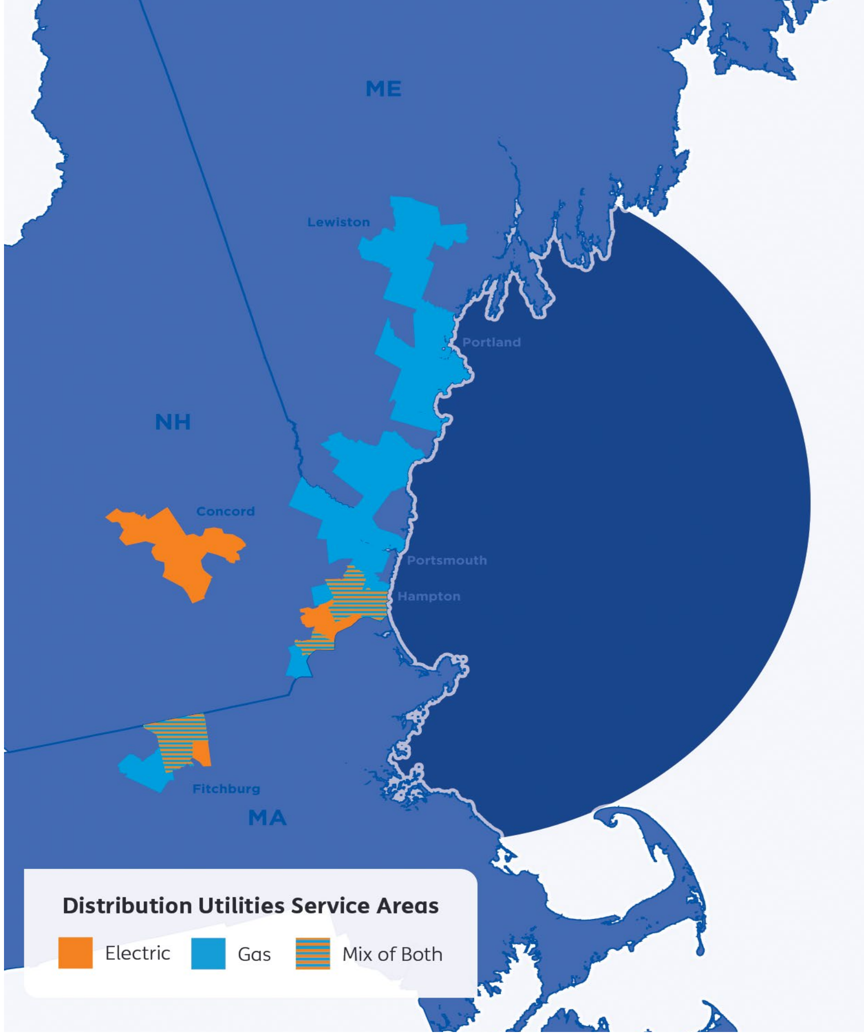
Robust investment opportunities in electric and natural gas infrastructure

- Grid modernization, resiliency, and renewable resources are well aligned with sustainability strategies

Industry-leading operational and customer service excellence

Stable long-term expected earnings growth

- Strong regulatory and legislative support
- Distribution revenues largely decoupled from changing sales volumes due to weather or economic conditions
- Earnings unaffected by commodity cost fluctuations



Financial Results and Strategic Update

Strong financial results and continued execution of strategic plan

Delivering Strong Financial Results

- Quarterly Net Income of $4.2 million or $0.25 per share
- Year-to-Date Net Income of $28.3 million or $1.76 per share
- $0.11 per share increase compared to the first six months of 2022 supported by successful regulatory outcomes and cost control

Reaffirming Long-Term EPS Growth Rate of 5% - 7%

- Driven by strategic investments, timely capital recovery, regulatory initiatives, and cost management
- Executing on long-term capital investment plan; expected long-term Rate Base growth of 6.5% - 8.5%

Managing Business and Financial Risk

- Majority of customers under decoupled rates, stabilizing margin
- Completed $25 million long-term debt issuance at Fitchburg
- Ample liquidity with Credit Facility limit increased 67% to $200 million

Maintaining Active Regulatory Agenda

- Recently filed base rate case for Northern Utilities Maine
- Preparing rate cases at Fitchburg electric and gas divisions
- Utility-Scale Solar project approved and progressing as planned

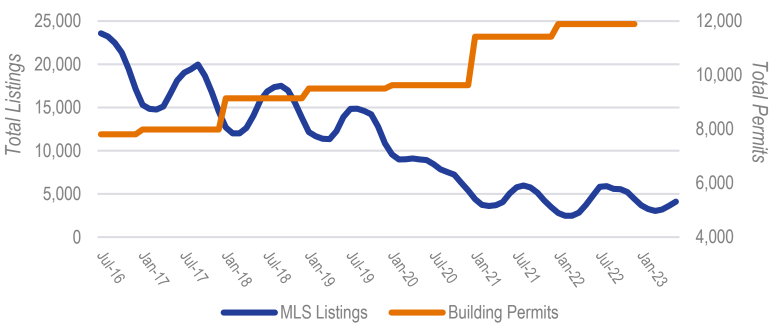
Service Area Economies Remain Strong

Customer growth should be supported by strong economies and ongoing development

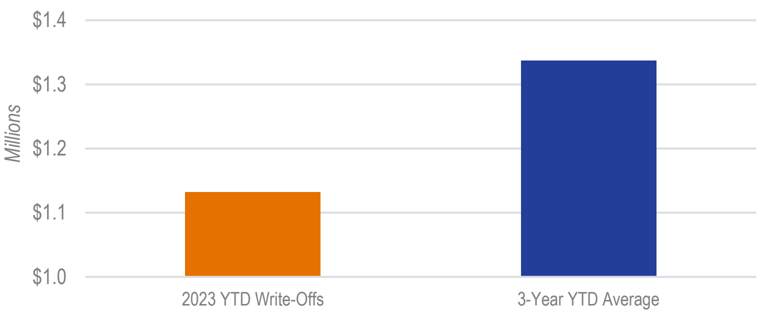
Robust and sought-after service areas

- NH unemployment rate of 1.9% in May, tied for lowest in the country[1]
- Frequently cited as some of the most desirable places to live
  - Portsmouth, NH ranked #2 “Best Places to Live for Families” (Fortune)
  - MA ranked #1, NH ranked #6, ME ranked #11 “Best States to Live In” (WalletHub)
  - NH ranked #6 “Best State Overall” including #1 for crime, #1 for opportunity and #4 for economy (U.S. News)
- Manchester-Nashua, NH, Concord, NH ranked #1 and #2, Portland, ME ranked #5 “Hottest Housing Markets” in May (Realtor.com)

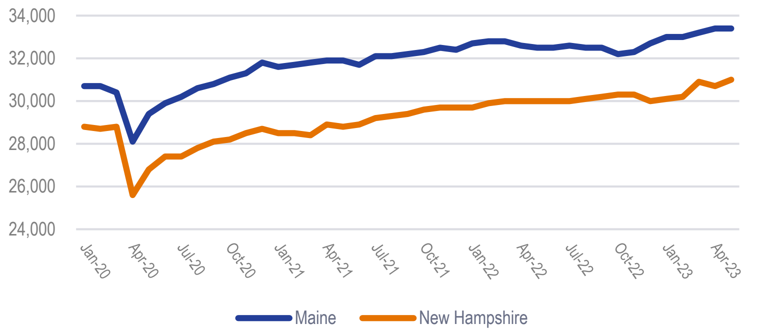
New Housing Permits meeting demand as inventory is depleted[2]



Lower Distribution Write-Offs Despite Higher Energy Costs[4]



Construction Employment in ME & NH[3]



(1) Source: Federal Reserve Economic Data
(2) Sources: Building permits reflects total housing units from census.gov; Active Multiple Listing Service Listing data from BLS.gov
(3) Source: BLS.gov as of May 2023
(4) Excludes energy supply write-offs which do not have an earnings impact

Second Quarter 2023 Financial Results

Net Income and Earnings Per Share

Second quarter 2023 Net Income of $4.2 million, or $0.25 per share

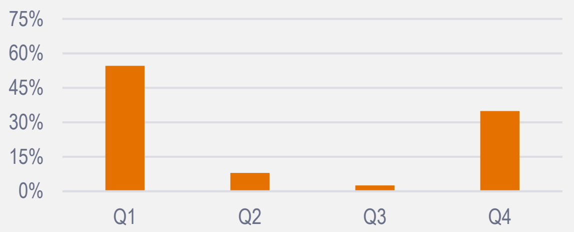
- Net Income decrease of $0.7 million, or $0.05 per share, relative to the second quarter of 2022 which included $2.4 million of higher margin resulting from the Company's base rate case orders

Year-to-Date 2023 Net Income of $28.3 million, or $1.76 per share

- Net Income increase of $1.9 million, or $0.11 per share, relative to the first half of 2022

	Three Months Ended June 30		Six Months Ended June 30	
	2023	2022	2023	2022
Net Income ($ millions)	$4.2	$4.9	$28.3	$26.4
Earnings Per Share	$0.25	$0.30	$1.76	$1.65

Approximate EPS Distribution (1)



(1) Earnings distribution based on 2023 expectations

Volume and Adjusted Gross Margin Variances

Year-to-Date variances in units, customers, and adjusted gross margin

Electric		
Unit Sales	Customers	Adjusted Gross Margin(1)
5.0% decrease	0.2% increase	5.6% increase

Unit Sales & Customers

- Electric distribution revenue substantially decoupled (2)
- C&I sales down (4.0%), Residential sales down (6.5%)
- ~ 200 additional customers; residential mass meter conversion contributing to slightly lower growth - no revenue impact

Adjusted Gross Margin(1) Increase $2.7 Million

- Reflects higher rates
- Decoupling revenue contributed $1.4 million or $0.06 EPS

Gas		
Unit Sales	Customers	Adjusted Gross Margin(1)
5.1% Decrease	0.9% increase	5.0% increase

Unit Sales & Customers

- 60% of gas customers decoupled(2)
- Weather normalized sales in Maine, our only non-decoupled service area, increased 2.1%
- ~800 additional customers

Adjusted Gross Margin(1) Increase $4.0 Million

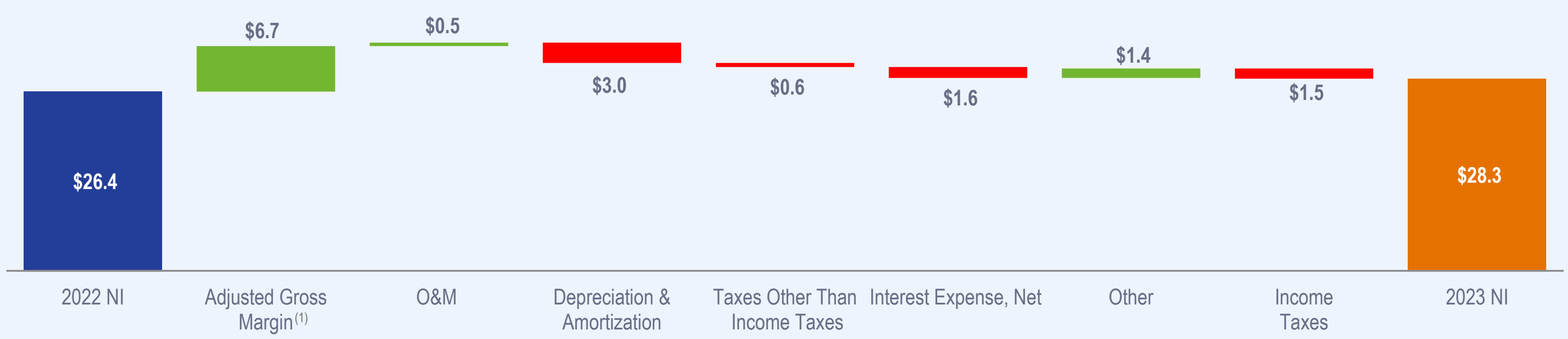
- Higher rates and customer growth, partially offset by weather
- Decoupling revenue contributed $4.1 million or $0.19 EPS

(1) Adjusted gross margin is a non-GAAP financial measure, reconciliations from non-GAAP financial measures to GAAP financial measures are provided at the end of the presentation
(2) Calculation based on customer counts as of June 30, 2023

Year-to-Date Earnings Reconciliation

Variances to prior period earnings

- **Adjusted Gross Margin**[(1)] increased $6.7 million as a result of higher rates and customer growth, partially offset by the recognition, in the second quarter of 2022, of $2.4 million in higher gas rates resulting from the Company's base rate case in New Hampshire and, for the six month period, the unfavorable effects of warmer winter weather in 2023.
- **Operation and Maintenance Expenses** decreased $0.5 million largely due to lower labor costs and professional fees of $1.1 million, partially offset by higher utility operating costs of $0.6 million. The lower labor costs primarily reflect lower retirement benefit service costs and lower restricted stock compensation expense.
- **Depreciation and Amortization** increased $3.0 million reflecting additional depreciation associated with higher levels of utility plant in service and higher amortization of rate case and other deferred costs.
- **Taxes Other Than Income Taxes** increased $0.6 million due to higher property taxes on higher utility plant in service and higher payroll taxes.
- **Net Interest Expense** increased $1.6 million reflecting higher interest expense on short-term borrowings, partially offset by lower interest expense on long-term debt and higher interest income on regulatory assets.
- **Other Expenses** decreased $1.4 million reflecting lower retirement benefit costs.
- **Income Taxes** increased $1.5 million reflecting higher pre-tax earnings in 2023, and higher flow back, in 2022, of excess Accumulated Deferred Income Taxes per regulatory orders in NH.



(1) Adjusted gross margin is a non-GAAP financial measure, reconciliations from non-GAAP financial measures to GAAP financial measures are provided at the end of the presentation

Maine Rate Case Overview

Maine Rate Case Activity

Rate Case Filing Details	
Docket Number	2023-00051
Test Year	February 2024 – January 2025
Test Period	Forecasted
Proposed Common Equity Ratio	52.01%
Proposed Rate of Return	10.35%
Proposed Rate Base (Adjusted)	$320.5 million
Requested Revenue Increase	$11.8 million

Additional Notes

- Proposed test year reflects twelve-months ending December 31, 2022 with known and measurable adjustments through January 31, 2025
- Two technical conferences were held in June and additional conferences are scheduled in August
- Final order is expected in January 2024

Detailed Rate Case Schedule

	2023								2024
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Q1
Filed Rate Case	✓ 5/1								
Intervenor Testimony			✓ 7/17						
Rebuttal Testimony					❑ 9/1				
Evidentiary Hearing							❑ 11/8-11/9		
Initial Briefs							❑ 11/21		
Reply Briefs								❑ 12/1	
Rates Effective									❑ Q1

FG&E Rate Case Overview (Electric and Gas)

FG&E Rate Case Activity

Rate Case Filing Details	
Docket Number	23-80 (electric) & 23-81 (gas)
Test Year	2022
Test Period	Historic
Current Authorized Common Equity Ratio	52.50%
Current Authorized Rate of Return	9.7%
Anticipated Electric Rate Base (Adjusted)	~$90 million
Anticipated Gas Rate Base (Adjusted)	~$115 million

Additional Notes

- Notice of Intent was filed on June 30, 2023 with the Massachusetts Public Utilities Commission
- Anticipating rate cases to be filed in August 2023 with multi-year rate plans for both electric and gas

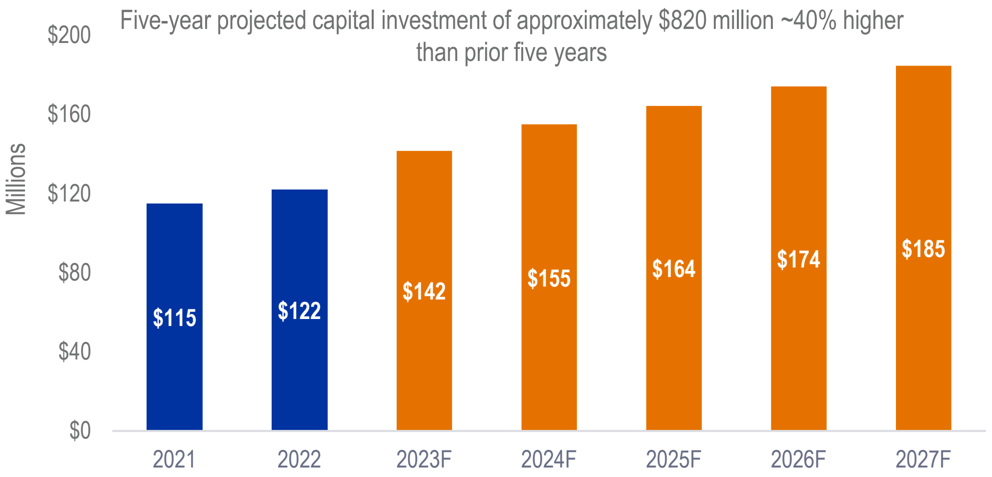
Projected Rate Case Schedule

	2023							2024	
	June	Jul	Aug	Sep	Oct	Nov	Dec	Q1	Q2
Submit Notice of Intent	✓ 6/30								
File Rate Case			❑ Aug						
Rates Effective									❑ Q2

Disciplined Investment Plan

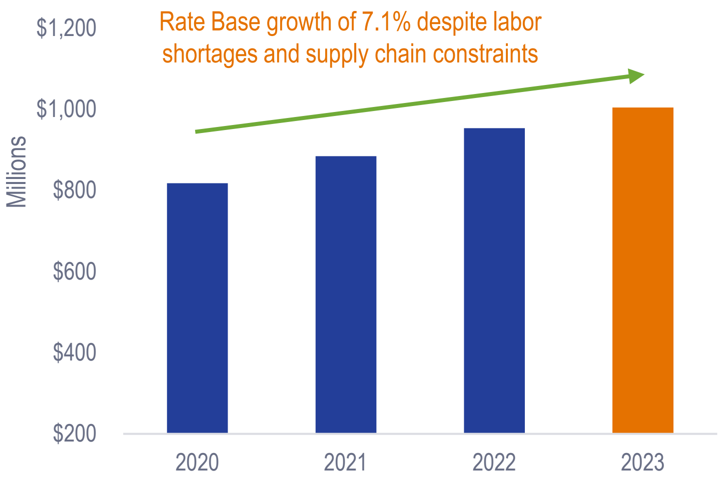
Anticipate Long-Term Rate Base Growth of 6.5% to 8.5%

Actual and Forecast Capital Investment[1]



- Timely Capital Recovery – Significant investment covered by trackers
- Kingston (NH) Solar Project progressing on schedule; contract has been signed with developer
- System Modernization – $24M pre-authorized Grid-Mod spend in MA
- Maine Pipeline Modernization – Expected to be completed in 2024

Rate Base as of June 30



Year-to-Date Capital Investment compared to 2022

$12.3 Million

(1) Forecast investment includes capitalized non-service retirement benefit costs which aren't reflected as investing activity for GAAP

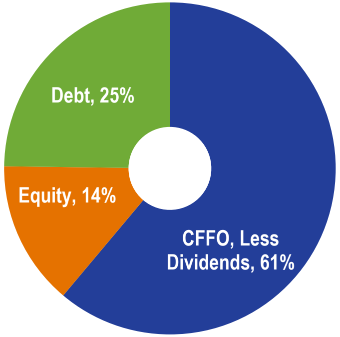
Balance Sheet Strength and Capitalization

Relatively limited interest rate exposure with rising rates

Responsible Financing Plan

- Balanced capital structure of approximately 50% debt and 50% equity
- Closed $25 million Senior Unsecured Notes at Fitchburg in July
  - $12M – 10 Year – 5.70%
  - $13M – 30 Year – 5.96%
- Limited refinance risk and no variable rate long-term debt
- Credit facility limit of $200 million provides ample liquidity
- Stable, strong investment-grade credit ratings; S&P business risk upgraded to "excellent"

Long-Term Financing Sources



Interest Expense Offsets (June 30, 2023) $ Millions	
Short-Term Debt	$131.7
Balances Generating P&L Offsets	
Construction Work in Progress	$64.2
Energy Supply and Other Regulatory Tracker Mechanisms[1]	$39.7
Deferred Storm Charges	$8.5
Other Deferred Charges	$17.1
Regulatory Assets Without Associated Return[2]	($5.5)
Total	$124.0

Capitalized to Net Plant through AFUDC

Largest regulatory asset balances generate interest income at Prime Rate

(1) Represents the net Regulatory Liabilities and Regulatory Assets of Energy Supply and Other Rate Adjustment Mechanism
(2) Balance includes certain environmental costs, rate case costs and other expenditures

Delivering on Financial and Strategic Goals

The energy transition offers robust long-term investment opportunities

Transforming Customer Services and Energy Offerings

- Connecting customers with value adding products and services
- Accelerating customer adoption of clean energy technologies
- Promoting adoption of electric vehicles through infrastructure investment and electric vehicle time-of-use rates

Modernizing Electric and Natural Gas Infrastructure

- Investing in technologies that optimize system performance and offer savings for customers
- Reducing the frequency and duration of power outages while mitigating storm impacts
- Expanding and optimizing the connection of customer-owned clean energy resources

Accelerating the Clean Energy Transition

- Reducing direct company greenhouse gas emissions
- Investing in renewable energy projects through regulated investments
- Pursuing renewable natural gas supply alternatives

Sustainable Value Creation

6.5% - 8.5%
Expected Long-Term Rate Base Growth

5% - 7%
Expected Long-Term EPS Growth

~3%
Dividend Yield (2)

~8-10%
Total Shareholder Return(1)

(1) Assumes P/E Multiple is held constant
(2) Dividend Yield as of July 20, 2023

Appendix

GAAP Return on Average Common Equity

GAAP Return on Equity over the last twelve months

Company	Average Common Equity	LTM ROACE (1)
Northern Utilities	$255	7.6%
Unitil Energy Systems	$120	10.5%
Fitchburg Gas and Electric	$114	8.9%
Granite State Gas	$21	8.0%
Unitil Corporation	**$474**	**9.1%**

(1) ROACE calculated by dividing last twelve months GAAP Net Income by Average Common Equity

Rate Relief Summary

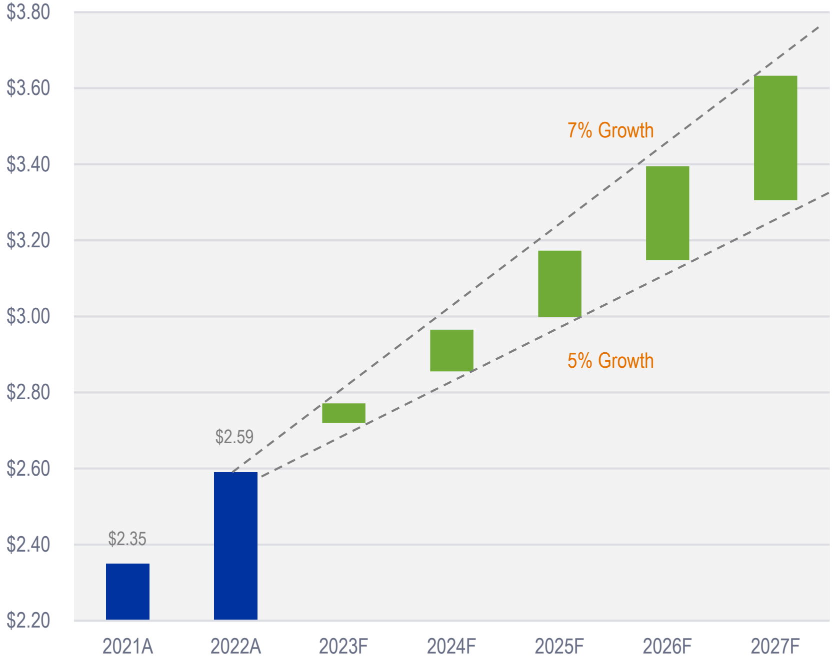
Successful regulatory strategy resulting in awards from both capital trackers and rate cases

Company	Activity	Millions	Date Effective
Northern Utilities (New Hampshire)	Base Rate Case Increase	$6.1	Q3 2022
	Capital Tracker (Step Adjustment)	$1.6	Q3 2022
Northern Utilities (Maine)	Base Rate Case Increase	$11.8 (requested)	Q1 2024 (expected)
	Capital Tracker	$2.1	Q2 2023
Unitil Energy Systems	Base Rate Case Increase	$5.9	Q2 2022
	Capital Tracker (First Step)	$1.3	Q3 2022
	Capital Tracker (Second Step)	$1.2	Q2 2023
Fitchburg (Electric)	Capital Tracker	$1.5	Q1 2023
	Grid Modernization	$1.0	Q2 2023
	Exogenous Cost Recovery	$0.7	Q1 2023
Fitchburg (Gas)	Capital Tracker	$1.2	Q2 2023
	Exogenous Cost Recovery	$0.7	Q1 2023
Granite State Gas	Capital Tracker	$0.3	Q3 2022
	Capital Tracker	$1.0 (requested)	Q3 2023 (expected)

Maintaining Long-Term Earnings Growth

Long-term growth expectation remaining in the range of 5% to 7%

Expected Long-Term EPS Growth Rate of 5% to 7%

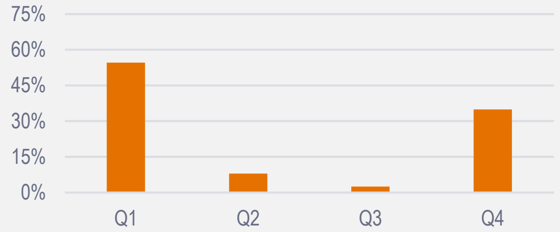


2023 Guidance Aligned With Long-Term Target

Managing earnings variability

- Decoupled margin provides stability and visibility
  - Over 80% of customers under decoupled rates
- Cost control – minimal year-over-year O&M increase in 2023
- Mitigated interest rate risk; no significant maturities or variable rate long-term debt

Approximate EPS Distribution (1)

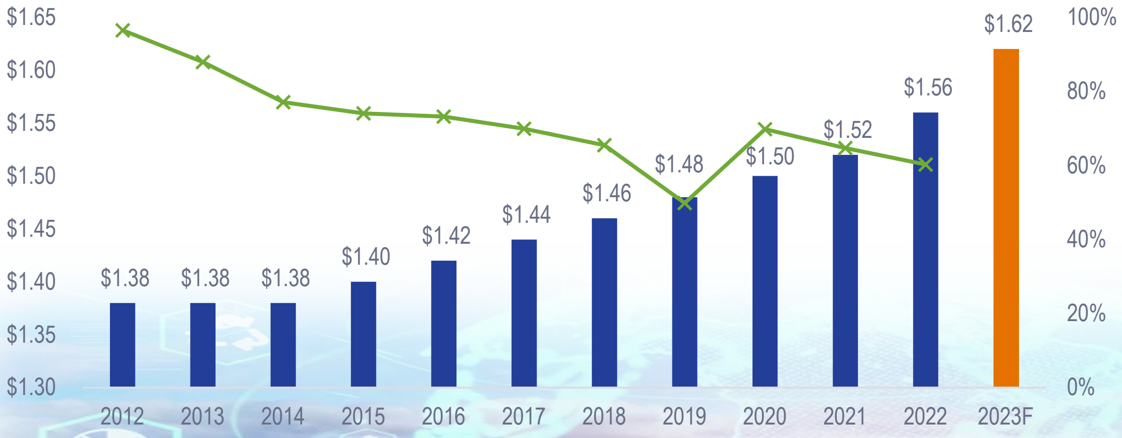


(1) Earnings distribution based on 2023 expectations

Dividend Increase and Expected Payout

Consecutive years of accelerated dividend rate increases

Dividend Per Share and Payout Ratio



Balancing dividend sustainability with capital investment opportunities

Long-term dividend growth should approximate long-term earnings growth as mid-point of payout ratio has been achieved

Annualized Dividend $1.62 Per Share [1]

Steady, Predictable Shareholder Return

2022 Payout Ratio 60%[2]

Dividend Sustainability & Capital Investment

Payout Ratio Target 55% - 65%

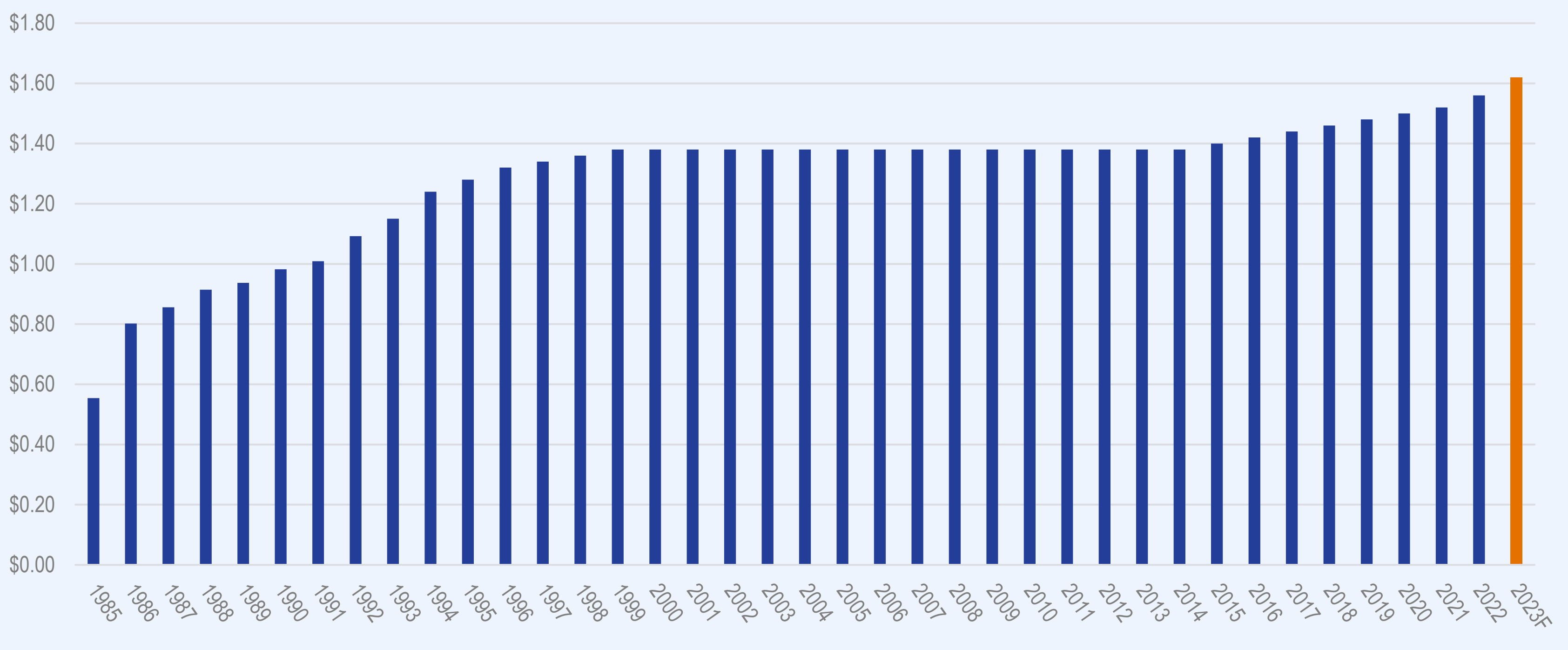
Long-Term Outlook

(1) Quarterly dividends are subject to approval by Unitil's Board of Directors
(2) Reflects 2022 annualized dividend of $1.56 divided by 2022 EPS of $2.59

Consistent Dividend Payment Since Incorporation

Steadily increasing dividend per share since 2015

Reliable Dividend is Key Tenet to Value Proposition



Strong Financial Position

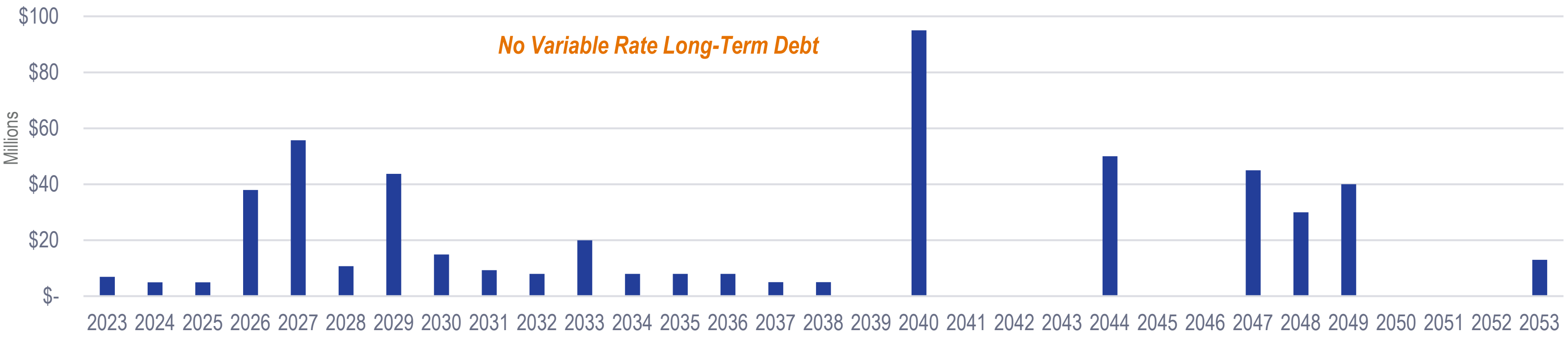
Maintaining investment-grade credit ratings

Credit Ratings – Moody's (June 30, 2023)		S&P (June 30, 2023)
Northern Utilities	Baa1	BBB+ Stable outlook from both Moody's and S&P
Unitil Energy Systems		
Fitchburg Gas and Electric		
Granite State Gas	Baa2	
Unitil Corp.		

Strong Credit Metrics CFO-WC/Total Debt (1)			
	Unitil	Peer Group Avg.	Peer Group Median
FY2022	**16.4%**	**12.8%**	**11.0%**
FY2021	**18.7%**	**8.9%**	**10.4%**
FY2020	**12.8%**	**14.4%**	**14.0%**

S&P Update		
	11/20/21	08/05/22
Outlook	**Negative**	**Stable**
Downgrade Threshold	**16%**	**13%**

Schedule of Debt Maturities



(1) Source: S&P Capital IQ accessed 7/20/2023. Includes forty peer companies.

Key Regulatory Recovery Mechanisms

Timely Rate Recovery

	Unitil Energy	Fitchburg - Electric	Fitchburg - Gas	Northern - ME	Northern - NH
Revenue Decoupling	✓	✓	✓		✓
Power/Gas Supply	✓	✓	✓	✓	✓
Supply Related Bad Debt	✓	✓	✓	✓	✓
Energy Efficiency	✓	✓	✓		✓
Transmission	✓	✓			
Net Metering Credits	✓	✓			
Specific Capital Investment (1)	✓	✓	✓	✓	✓
Solar Incentives		✓			
Long-Term Renewable Contracts		✓			
Environmental Remediation			✓	✓	✓
Vegetation Management	✓				
Storm Recovery	✓	✓			
Pension / PBOP		✓	✓		
Exogenous Costs		✓	✓		✓
Local Property Taxes	✓				✓

(1) Latest rate case provided step increases for Unitil Energy related to 2021 and 2022 capital investment and 2021 for Northern - NH

GAAP Reconciliation of Adjusted Gross Margin

Three Months Ended June 30, 2023

Three Months Ended June 30, 2023 ($ millions)

	Electric	Gas	Non-Regulated and Other	Total
Total Operating Revenue	$ 64.5	$ 38.9	$ ---	$ 103.4
Less: Cost of Sales	(40.3)	(9.6)	---	(49.9)
Less: Depreciation and Amortization	(6.4)	(9.9)	(0.3)	(16.6)
GAAP Gross Margin	17.8	19.4	(0.3)	36.9
Depreciation and Amortization	6.4	9.9	0.3	16.6
Adjusted Gross Margin	$ 24.2	$ 29.3	$ ---	$ 53.5

Three Months Ended June 30, 2022 ($ millions)

	Electric	Gas	Non-Regulated and Other	Total
Total Operating Revenue	$ 54.3	$ 44.6	$ ---	$ 98.9
Less: Cost of Sales	(30.7)	(16.4)	---	(47.1)
Less: Depreciation and Amortization	(5.7)	(8.9)	(0.2)	(14.8)
GAAP Gross Margin	17.9	19.3	(0.2)	37.0
Depreciation and Amortization	5.7	8.9	0.2	14.8
Adjusted Gross Margin	$ 23.6	$ 28.2	$ ---	$ 51.8

GAAP Reconciliation of Adjusted Gross Margin

Six Months Ended June 30, 2023

Six Months Ended June 30, 2023 ($ millions)

	Electric	Gas	Non-Regulated and Other	Total
Total Operating Revenue	$ 172.7	$ 150.9	$ ---	$ 323.6
Less: Cost of Sales	(121.8)	(66.7)	---	(188.5)
Less: Depreciation and Amortization	(12.9)	(19.9)	(0.5)	(33.3)
GAAP Gross Margin	38.0	64.3	(0.5)	101.8
Depreciation and Amortization	12.9	19.9	0.5	33.3
Adjusted Gross Margin	$ 50.9	$ 84.2	$ ---	$ 135.1

Six Months Ended June 30, 2022 ($ millions)

	Electric	Gas	Non-Regulated and Other	Total
Total Operating Revenue	$ 143.5	$ 148.0	$ ---	$ 291.5
Less: Cost of Sales	(95.3)	(67.8)	---	(163.1)
Less: Depreciation and Amortization	(12.4)	(17.4)	(0.5)	(30.3)
GAAP Gross Margin	35.8	62.8	(0.5)	98.1
Depreciation and Amortization	12.4	17.4	0.5	30.3
Adjusted Gross Margin	$ 48.2	$ 80.2	$ ---	$ 128.4