

For the three months ended December 31, 2012, Liberty Utilities (East)'s operating profit totalled U.S. \$5.5 million.

Measured in Canadian dollars, for the three months ended December 31, 2012, Liberty Utilities (East)'s revenue from utility electricity sales totalled \$17.6 million and utility natural gas sales totalled \$37.7 million. Measured in Canadian dollars, for the three months ended December 31, 2012, Liberty Utilities (East)'s net utility electricity sales and distribution revenue totalled \$5.4 million and net utility natural gas sales and distribution revenue totalled \$16.0 million.

Measured in Canadian dollars, for the three months ended December 31, 2012, Liberty Utilities (East)'s electricity purchases totalled \$12.2 million, and natural gas purchases totalled \$21.7 million.

Measured in Canadian dollars, for the three months ended December 31, 2012, Liberty Utilities (East)'s operating expenses excluding electricity and natural gas purchases totalled \$16.3 million.

Measured in Canadian dollars, for the three months ended December 31, 2012, Liberty Utilities (East)'s operating profit totalled \$5.5 million.

In the June 30, 2012 Interim MD&A, guidance was provided on Granite State Electric Utility and EnergyNorth Gas Utility's expected operating results over the 12 month period ending June 30, 2013. For the three months ended December 31, 2012, Granite State Electric Utility's EBITDA of U.S. \$0.5 million was lower than the guidance EBITDA of U.S. \$0.8 million. The decreased EBITDA was due to lower than expected electricity usage by residential, commercial and industrial connections. Actual electricity usage was 212.1 GW-hrs compared to the guidance of 224.6 GW-hrs. Actual active electric connections were 43,250 compared to the previous guidance of 43,259 active electric connections.

For the three months ended December 31, 2012, EnergyNorth Gas Utility's EBITDA of U.S. \$5.0 million met the guidance EBITDA of U.S. \$5.0 million. The EBITDA for the fourth quarter was a result of higher than expected connections for the quarter offset by lower than expected natural gas usage by residential, commercial, and industrial connections as compared to the previous guidance. Actual MMBTU was 3,266,800 compared to the previous guidance of 3,787,000. Actual active natural gas connections were 87,650 compared to the previous guidance of 86,832 active natural gas connections.

The table below represents forward looking information that was provided as at August 9, 2012 and which summarizes the expected operating results for Granite State Electric Utility and EnergyNorth Gas Utility over the next two quarters:

Expected short term metrics	2013 Q1	2013 Q2
Granite State Electric Utility:		
Customers	43,312	43,365
Normalized MW-hrs	238,200	227,500
EBITDA (U.S.\$ millions)	\$1.8	\$1.0
EnergyNorth Gas Utility		
Customers	87,263	87,696
Normalized MMBTU	5,629,000	2,462,000
EBITDA (U.S. \$ millions)	\$12.8	\$3.9

Readers are cautioned that actual results may vary from the above noted forward-looking information. Management is providing this forward looking information to allow readers to better understand the actual EBITDA of the acquired utilities as they occur in the year following acquisition, including the variation in financial performance that might be expected from quarter to quarter. Further, the forward-looking financial information does not include information for net earnings resulting from the acquisitions as it does not include information related to interest, depreciation, amortization and income taxes. Therefore, this forward-looking information may not be suitable or appropriate for other purposes other than as described herein. Management intends to report actual EBITDA results compared to this forward-looking information. Management does not intend to further update this financial information except as may be required by law.

Outlook – Liberty Utilities

Liberty Utilities (West) expects continuing modest customer growth throughout its respective service territories in 2013.

On May 31, 2012, Liberty Utilities (West) filed a general rate case with the Arizona Corporation Commission related to the Rio Rico facilities seeking, among other things, an increase in EBITDA by U.S. \$1.0 million over