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PRESS RELEASE

**Energy Savings Reports Third Quarter Results –
Customer Aggregation Remains Ahead of Published Targets
Distributable Cash up 13% Year over Year
Nineteenth Distribution Rate Increase - \$0.02 to \$0.885 per Annum**

TORONTO, ONTARIO - - February 8, 2005 - -

Highlights for the 3 Months ended December 31, 2004 included:

- Gross margin of \$42.2 million up 16% year over year.
- Premarketing distributable cash of \$34.8 million (\$0.33 per unit) up 13% year over year. This is the highest quarterly distributable cash in Fund history.
- Distributions were up 15% year over year and payout ratios were 65% before marketing and 97% after marketing.
- Entered the Alberta market through the EPCOR acquisition.
- Q3 gross customer additions (excluding the acquisition) were 77,000 and net additions were 37,000. Year to date gross additions are 225,000 and net additions were 140,000. Published targets for the year are gross additions of 260,000 and net additions of 160,000.
- Announced the Fund's 19th increase in annual distribution rate, up \$0.02 to \$0.885 payable on April 30, 2005 to Unitholders of record at the close of business on April 15, 2005.

Energy Savings Third Quarter Results

Energy Savings Income Fund announced its results for the third quarter ended December 31, 2004.

Three Months ended Dec. 31, (\$ millions except per Unit)	F2005	Per Unit	F2004	Per Unit
Sales ¹	\$231.8		\$203.6	
Gross Margin ¹	42.2	\$0.40	36.3	\$0.34
Distributable Cash				
- Premarketing	34.8	\$0.33	30.9	\$0.29
- Post Marketing	23.4	\$0.22	22.5	\$0.21
Distributions	22.7	\$0.21	19.8	\$0.19
Long Term Customers	1,201,000		967,000	

Nine Months ended Dec. 31, (\$ millions except per Unit)	F2005	Per Unit	F2004	Per Unit
Sales ¹	\$638.8		\$549.3	
Gross Margin ¹	117.6	\$1.11	101.2	\$0.96
Distributable Cash				
- Premarketing	95.4	\$0.90	87.6	\$0.83
- Post Marketing	64.5	\$0.61	63.8	\$0.61
Distributions	66.1	\$0.62	57.2	\$0.55

¹ Seasonally adjusted

Energy Savings is an Income Fund and it reports in the attached Management's Discussion and Analysis a detailed calculation of distributable cash both before and after marketing expenditures to expand the Fund's customer base.

The quarter saw the Fund's entry into Alberta with the signing of billing, collection and supply agreements with EPCOR Utilities Inc. ("EPCOR"). Prior to this arrangement, the Fund had not entered this otherwise attractive market because of the requirement that marketers bill and collect from their customers. As a local utility, EPCOR has a proven expertise in those areas allowing Energy Savings to focus on its specialty, marketing. Along with the agreements, Energy Savings

acquired deregulated natural gas and electricity customers which had been aggregated by EPCOR. Energy Savings plans to begin marketing in Alberta in February.

The Fund's marketing activities again showed consistent results. Because the third quarter contains the Christmas period during which little marketing takes place, effectively two weeks are lost making this the Company's "short quarter". Despite this, aggregation numbers (excluding the acquired EPCOR customers) were again ahead of what is required to meet our published targets. Gross customer additions were 77,000 with net additions of 37,000. For the second successive quarter, additions outside Ontario exceeded those in the Company's original market. The Fund has published targets of 260,000 gross customer additions and 160,000 net additions for the year ended March 31, 2005. During the second quarter, Energy Savings had gross additions of 77,000. After three quarters, the Fund had gross additions of 225,000 customers and net additions of 140,000 customers, both ahead of the Fund's target pace.

Chair Rebecca MacDonald added: "This was another very solid quarter for Energy Savings. Our 13% year over year increase in distributable cash continues to evidence that we are truly a growth trust. The cashflow from our expansions into Illinois, Quebec, British Columbia and Alberta are not yet a significant part of the growth. I believe these markets will all be contributors to future cash flow increases."

President Brennan Mulcahy stated: "As we did last quarter, despite our continued growth we have controlled our general and administrative costs. They were \$7 million for the quarter down 14% from a peak of \$8.1 million in Q1. This is despite a 15% increase in flowing customers with net additions of 156,000 customers since Q1. Energy Savings remains the same company it has always been, aggressive growth combined with conservative management."

Ms. MacDonald added: "I want to particularly thank our exceptional group of independent sales agents. Under the direction of Brennan and his marketing department they have turned out excellent results in every market we operate in. When we set our targets for customer aggregation at 260,000 gross additions and 160,000 net for this fiscal year, they were the highest we have set. After three quarters we are at 87% of our gross adds target and 88% of our net adds."

"I am also pleased to announce our 19th distribution rate increase effective our March distribution payable in April. As it has been through out the Fund's history, our policy continues to call for prudent rate increases as our cashflow grows."

The Fund

Energy Savings' business, which is conducted in Ontario, Manitoba, Alberta, Quebec, British Columbia and Illinois, involves the sale of natural gas to residential, small to mid-size commercial and small industrial customers under

long term, irrevocable fixed price contracts. Energy Savings also supplies electricity to Ontario and Alberta customers. By fixing the price of natural gas or electricity under its fixed price contracts for a period of up to five years, Energy Savings' customers offset their exposure to changes in the price of these essential commodities. Energy Savings, which commenced business in July of 1997, derives its margin or gross profit from the difference between the fixed price at which it is able to sell the commodities to its customers and the fixed price at which it purchases the matching volumes from its suppliers.

Forward-Looking Statements

The Fund's press releases may contain forward-looking statements including statements pertaining to customer revenues and margins, customer additions and renewals, customer consumption levels, distributable cash and treatment under governmental regulatory regimes. These statements are based on current expectations that involve a number of risks and uncertainties which could cause actual results to differ from those anticipated. These risks include, but are not limited to, levels of customer natural gas and electricity consumption, rates of customer additions and renewals, fluctuations in natural gas and electricity prices, changes in regulatory regimes and decisions by regulatory authorities, competition and dependence on certain suppliers. Additional information on these and other factors that could affect the Fund's operations, financial results or distribution levels are included in the Fund's annual information form and other reports on file with Canadian securities regulatory authorities which can be accessed through the SEDAR website at www.sedar.com or through the Fund's website at www.esif.ca

The Toronto Stock Exchange has neither approved nor disapproved of the contents of this release.

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