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PRESS RELEASE

Just Energy Reports Third Quarter Fiscal 2013 Results and Fiscal 2014 Dividend Policy

Customer base up 11% and future embedded margin up 14%, year over year;
Gross margin decreases 3% in the quarter and up 9% year to date
Adjusted EBITDA decreases 18% in the quarter and down 6% year to date
Dividend reduced from $0.10333 to $0.07 per month effective the April 30, 2013 payment to fund future growth initiatives and debt reduction

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TORONTO, ONTARIO - - February 7, 2013 - -

Just Energy Group, Inc. (TSX:JE; NYSE:JE), a competitive retailer of natural gas and electricity, today announced results for its third quarter of fiscal 2013.

Key 3Q Highlights:

- Strong energy customer additions of 341,000, increased 10% year over year
- Strong National Home Services growth with installed base of 222,000, increased 44% year over year
- Customer base growth to 4.3 million, increased 11% year over year
- Gross Margin of $142.5 million, decreased 3% year over year
- Embedded Gross Margin of $2.2 billion ($15.19 per share), increased 12% year over year
- Adjusted EBITDA of $72.5 million, decreased 18% year over year
- Earnings per Share[1] (diluted) of $0.28 increased from a loss of $0.70 in the same period of last year. Trailing 12 month Earnings per Share[1] (diluted) of $2.02
- Completion of $105 million private placement of unsecured debentures
- Board decision to reallocate capital priorities to focus on strategic growth initiatives and debt reduction

[1]Profit for the period includes the impact of unrealized gains (losses), which represents the mark to market of future commodity supply acquired to cover future customer demand. The supply has been sold to customers at fixed prices, minimizing any realizable impact of mark to market gains and losses

Three months ended December 31, ($ millions except per share)	F2013	Per share	F2012	Per share
Sales	$733.9	$5.10	$738.6	$5.21
Gross margin	142.5	0.99	147.4	1.04
General and administrative	36.7	0.25	31.3	0.22
Financing costs	19.7	0.14	16.4	0.12
Adjusted EBITDA	72.5	0.50	88.5	0.62
Funds from Operations	38.3	0.27	51.6	0.36
Profit (loss) for the period	40.2	0.28	(97.4)	(0.70)
Dividends/distributions	44.6	0.31	43.9	0.31
Payout ratio – Base EBITDA	83%		69%	
Payout ratio – Adjusted EBITDA	62%		50%	
Nine months ended December 31, ($ millions except per share and customers)	F2013	Per share	F2012	Per share
Sales	$2,083.6	$14.52	$1,964.9	$13.94
Gross margin	374.0	2.61	344.2	2.44
General and administrative	108.1	0.75	88.4	0.63
Financing costs	57.5	0.40	44.5	0.32
Adjusted EBITDA	164.2	1.14	173.8	1.23
Funds from Operations	54.3	0.38	119.7	0.85
Profit (loss) for the period	392.0	2.73	(49.7)	(0.35)
Dividends/distributions	133.4	0.93	131.2	0.93
Payout ratio – Adjusted EBITDA	81%		75%	
Payout ratio – Base EBITDA (LTM)[1]	102%		72%	
Payout ratio – Adjusted EBITDA (LTM)[1]	65%		60%	
Payout ratio – Base Funds from Operations (LTM)[1]	172%		96%	
Energy customers (RCEs)	4,124,000		3,758,000	
Home Services customers (installed units)	222,000		154,000	
Total number of customers	4,346,000		3,912,000	

[1]Last 12 months

Commenting on the quarterly results, CEO Ken Hartwick stated: "Just Energy's third quarter was another strong quarter of growth as reflected in our 341,000 new customers, resulting in 10% year over year growth in our base and 14% year over year growth in our future embedded gross margin. We were able to generate this growth despite a challenging commodity environment, heightened competition and poor economics for our ethanol business, all of which contributed to weaker year over year margin and adjusted EBITDA. These results contributed to the increase in our payout ratio to levels above our targeted range. With an embedded margin of $15.19 per Just Energy share to end the quarter, there is a solid underpinning to our equity and evidence of our future financial strength which will allow us to continue executing on our long-term growth strategy."

"Our management team and Board of Directors regularly review Just Energy's debt levels and our payout ratio. Management's recommendation to the Board was based on the quality of Just Energy's investment opportunities and the available access to the capital markets for funding our continued growth. The conclusion was that the long term interests of shareholders would be better served by a reduction of the current dividend to $0.84 per year, an amount which should allow us to reduce our payout below 100% in fiscal 2014, fund our growth and build a cash reserve to pay down our debt on maturity. This new dividend level still leaves Just Energy as one of the highest yielding investment options in our industry and in the markets in general."

Executive Chair Rebecca MacDonald added: "Our Board of Directors reviews our dividend policy and capital allocation annually. In the review for the coming year, they considered the best long-term interests of our shareholders and management's recommendations for use of capital. In line with this effort, we have elected to reduce our dividend rate effective the April 30, 2013 payment and reallocate our capital priorities toward what we believe to be high return investments that have and will continue to increase the future embedded margin in our contracts. As this margin is realized, we expect our payout ratio on funds from operations to fall into the target range of 60% to 65% by the end of fiscal 2015."

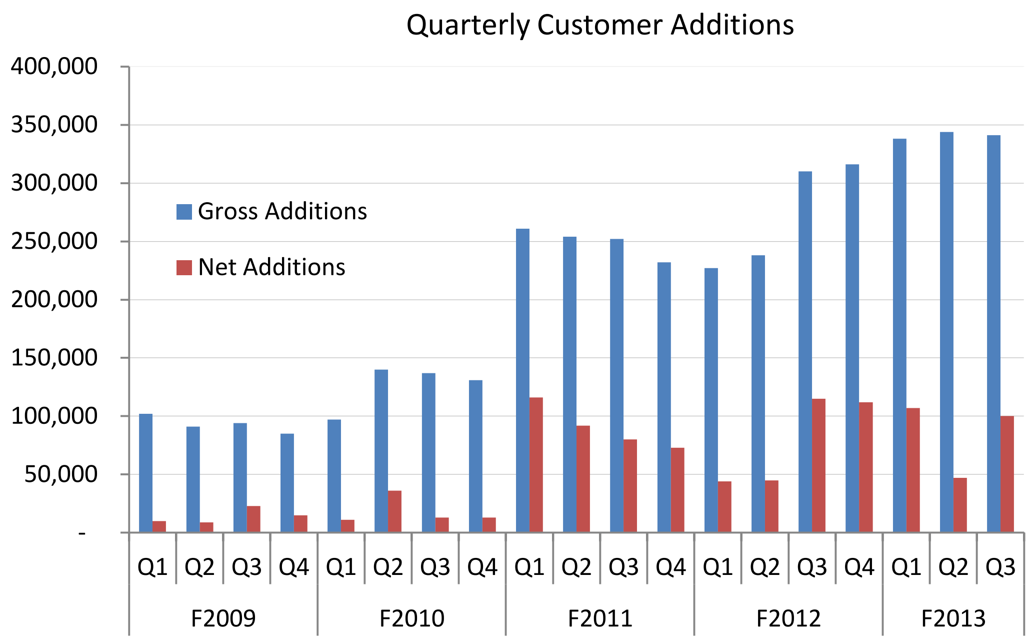
Third Quarter Operating Performance

The third quarter financial results showed continued strong growth in Just Energy's core business as reflected in both number of customers and the future embedded margin those customers will generate. Both measures were up double digits from a year earlier. A challenging commodity price environment combined with poor markets for the non-core ethanol business resulted in weaker than expected margin and EBITDA from the Company.

Growth

Customer additions in the third quarter were 341,000, up 10% from fiscal 2012 and the second highest total registered in Just Energy's history. The overall customer base, including National Home Services ("NHS") installations, grew to 4.3 million, up 11% from a year earlier.

New additions were solid in all segments of the business led by 150,000 new residential customers, up 34% from the 112,000 added in the third quarter of fiscal 2012. Commercial additions totaled 191,000, down slightly from the record 198,000 added in the prior fiscal year. NHS saw a 44% year over year growth in total installations growing to 222,000 customers.



The Company maintains its focus on the preservation and profitability of the energy customer base. A total of 241,000 customers were lost during the quarter and replaced by new additions. This compares to 195,000 lost a year earlier and 297,000 lost in Q2.

In addition to the 341,000 new customers added to offset this, a further 203,000 customers renewed their contracts during the quarter. The Company's traditional sales force was augmented by strong results from telemarketing, internet sales and network marketing. With the opening of new markets such as the U.K., Just Energy's sales capacity remains at its highest level in history. The recent U.K. supply agreement with Shell shows the progress being made in Europe.

Long-term energy customer aggregation

	October 1, 2012	Additions	Attrition	Failed to renew	**December 31, 2012**	% increase (decrease)	December 31, 2011	% increase (decrease)
Natural gas								
Canada	557,000	20,000	(11,000)	(42,000)	**524,000**	(6)%	571,000	(8)%
United States	469,000	47,000	(28,000)	(7,000)	**481,000**	3%	566,000	(15)%
Total gas	1,026,000	67,000	(39,000)	(49,000)	**1,005,000**	(2)%	1,137,000	(12)%
Electricity								
Canada	660,000	25,000	(15,000)	(22,000)	**648,000**	(2)%	678,000	(4)%
United States	2,331,000	246,000	(57,000)	(59,000)	**2,461,000**	6%	1,943,000	27%
United Kingdom	7,000	3,000	-	-	**10,000**	43%	-	-
Total electricity	2,998,000	274,000	(72,000)	(81,000)	**3,119,000**	4%	2,621,000	19%
Combined	4,024,000	341,000	(111,000)	(130,000)	**4,124,000**	2%	3,758,000	10%

The attrition rate was 13% on a trailing 12-month basis, down from 14% in the prior year period, with U.S. gas markets higher and U.S. electricity markets lower. Canadian attrition was unchanged at 10%. Overall attrition remains at target levels.

Renewal rates were near target at an average 69% for the last 12 months. Canadian consumer renewals were weak, at approximately 50% while the U.S. was over 80%, better than target. Management believes that there is an opportunity for further improvement in renewal rates, however, commercial renewal rates can be volatile on a quarter to quarter basis.

Profitability

Operating profits lagged the overall Company growth during the quarter. Gross margin for the quarter was $142.5 million, down 3% from $147.4 million in fiscal 2012. Adjusted EBITDA was $72.5 million, down 18% from $88.5 million in the prior year. This resulted in payout ratios of 62% on Adjusted EBITDA versus 50% well above target levels, and 124% on Base Funds from Operations versus 88% in the comparable quarter of fiscal 2012.

The following factors drove quarterly profitability:

- Gas margin was down 21% versus Q3 F2012 reflecting a 12% decline in customers, lower realized commercial margins per customer and $0.9 million in payout on weather options versus $9.0 million in fiscal 2012.
- Electricity margin was up 11% due to a 19% increase in customers and high residential margins driven by JustGreen consumption offset by lower margins per new customer in the commercial book.
- New customer annual margins averaged $169 per RCE for residential customers and $64 per RCE for commercial customers, less than the annual margin on customers lost of $182 per RCE for residential and $94 per RCE for commercial. The lower commercial margins reflect a stabilized level in major markets. While less profitable than in the past, commercial customers continue to generate margins more than double annual aggregation costs maintaining it as a very profitable business segment.

- Aggregation cost per residential customer was down 22% to $158 from $203 a year prior. Commercial customer aggregation costs were, on average, down slightly. This continued positive trend has been driven by the use of multiple sales channels and economies of scale as fixed marketing costs are spread across more customers.
- NHS saw its gross margin grow 32% year over year to $9.5 million up from $7.2 million. NHS EBITDA was $6.4 million, up 21% from $5.3 million a year earlier.
- The TGF ethanol plant saw both lower ethanol prices and higher wheat feedstock costs. The result was sharply lower margins of $2.2 million, down from $6.5 million in Q3 F2012. While ethanol remains a mandated component of gasoline, its prices have fallen below historic levels. Management cannot forecast when the performance of TGF will improve.
- Administrative costs per customer were an annual $34, up slightly from $32 a year earlier. Management believes that this measure will fall to the $30 range as new markets like the U.K. and new channels like Momentis begin to reach their potential.
- Bad debt expense was down 25%, reflecting markets where Just Energy bears credit risk. Bad debt equaled 2.1% of relevant sales down from 2.5% in the third quarter of fiscal 2012.
- Financing costs were $19.7 million for the quarter, up from $16.4 million a year earlier. The increase reflects inclusion of the new $105 million unsecured debentures, the convertible debenture funding for the acquisition of Fulcrum and higher drawings on the working capital line of credit as a result of our accelerated growth levels.

Gross margin and Adjusted EBITDA are tracking below targeted levels with margin up 9% and Adjusted EBITDA down 6% year to date. On a quarterly basis, the operating costs deducted in Adjusted EBITDA are relatively unaffected by margin fluctuations. Accordingly, the lower level of realized margin has a significantly larger percentage impact on Adjusted EBITDA.

Just Energy has taken several steps toward creating value through targeted growth expenditures over the last two years. As announced last week, the signing of a five year supply agreement with Shell gives our new U.K. platform a base to add profitable growth. The work to establish smart thermostats as a long term access point to consumer's commodity needs requires capital financing and will bring the solid returns Just Energy investments have traditionally generated. Hudson Solar creates profitable, tax advantaged green projects raising the Company's profile. The success and return on capital from continued investment in NHS is reflected in its results. These businesses do not require large amounts of capital (or, in the case of NHS and Hudson Solar, are non-recourse funded) and the future of Just Energy will benefit from focused profitable investments like these.

Management believes that a broadening of the customer relationship is the next step in the evolution of Just Energy. While the funding platform for NHS supports this growth in Canada, there is a need to provide the capital to expand the business in the U.S. This step will contribute to an increasingly profitable customer relationship less impacted by natural gas prices.

Past growth expenditures have created clear tangible long term value for shareholders. Management believes that a key measure of this value is embedded gross margin. Embedded margin is an estimate of cash flow from existing contracts based on the spread between contract price and underlying supply. The table below shows the increase in this value over the quarter and the last year.

EMBEDDED GROSS MARGIN

Management's estimate of the future embedded gross margin is as follows:
(millions of dollars)

	As at Dec. 31, 2012	As at Dec. 31, 2011	Dec. 2012 vs. Dec. 2011 variance	As at Sept. 30, 2012	Dec. vs. Sept. 2012 variance
Canada energy marketing (C$)	**$ 547.8**	$ 587.7	(7)%	$ 571.0	(4)%
Home Services division (C$)	**574.0**	352.0	63 %	510.7	12 %
Canada total (C$)	**1,121.8**	939.7	19 %	1,081.7	4 %
U.S. energy marketing (US$)[1]	**1,081.1**	973.4	11 %	1,065.7	1 %
Total (C$)	**$ 2,197.4**	$ 1,929.7	14 %	$ 2,129.5	3 %

Dividend Policy

Dividends were $0.31 per share in the quarter, unchanged from those paid a year earlier. Payout ratio on Adjusted EBITDA increased to 62%, up from 50% a year ago. The Company’s dividend obligations will exceed Funds from Operations for the year.

Payout ratio remains an area of focus. As highlighted in the second quarter report, both Adjusted EBITDA and Funds from Operations (”FFO”) were trending below forecast and that trend remains. Payout on Adjusted EBITDA is 65% over the past 12 months, versus 60% a year earlier. Payout ratio on FFO is 172% for the same period, up from 96%. It is clear that the payout ratio on FFO will remain well above 100% for the fiscal year, and, in all likelihood, the year to come, based on current forecasts and dividend levels.

Just Energy remains focused on its debt level and the need to refinance notes coming due in fiscal 2015 and fiscal 2018. In December 2012, the Company was able to access the capital markets raising $105 million through a private placement of debt during the quarter. Based on the liquidity provided by this issuance, both corporate growth and the dividends can be financed from these proceeds. However, management believes that there needs to be a focus on profitable growth and debt reduction as well as dividends.

Management and the Board of Directors has concluded that it would be appropriate to reduce the dividend effective April 2013 to a level which would allow the funding of necessary growth capital expenditures and the cash repayment of the entire fiscal 2015 $90 million convertible debenture issue if necessary. In addition, the new level of dividend will allow Just Energy to build a cash reserve to potentially purchase a portion of its other outstanding convertible debentures. The Company plans, subject to Toronto Stock Exchange approval, to commence a normal course issuer bid for its three issues of convertible debentures listed on the TSX as well as its shares.

At its regularly scheduled February meeting, the Board of Just Energy has implemented a new dividend policy effective with the April 30, 2013 dividend payment which calls for a monthly dividend of $0.07 per share. That is an annualized $0.84 versus the current $1.24 per share. This level of dividend is intended to fund growth, reduce debt and will target a payout ratio for Funds from Operations of between 60% and 65% in the future.

By creating a more stable financial platform and balance sheet, Just Energy expects to generate continued growth and income for its shareholders.

Outlook

The Company's published guidance calls for 10% to 12% gross margin growth and 8% to 10% Adjusted EBITDA growth for fiscal 2013. Although overall margin is up 9% year to date, management does not expect it to reach the 10%-12% target range projected for the fiscal year. Continued weak results from the TGF ethanol business and delays in the positive cash impact of colder winter temperatures causes management to currently estimate no more than 8% margin growth for the fiscal year.

Administrative and sales and marketing expenses are growing more quickly than margin as the expenses more closely track the number of customers in our base. Therefore, roughly flat fourth quarter margins, which is the current forecast, would result in Adjusted EBITDA remaining in the current range of 6% less than the prior fiscal year. The major factors that will continue to impact margin and EBITDA in the fourth quarter will be stabilization of commercial margins around the $64 per RCE level seen in Q3 and the reduced seasonality of the Company's business overall as the percentage of natural gas customers in the overall base declines. As well, the initial margins received from new Momentis independent representatives will slow due to amended compensation plans.

"We remain cautious about the near-term as challenging market conditions have resulted in mixed results across our portfolio of businesses," Hartwick said, commenting on the outlook for the Company. "While these conditions persist, our growth and the resultant growth of our embedded margin indicate that Just Energy's future is bright. As in the past, we have adjusted our business model to market reality and are working to ensure that customer and margin growth lead to bottom line results. Strategic investment today will lead to a stronger balance sheet and higher returns in the coming years. "

Earnings Call

The Company will host a conference call and live webcast to review the third quarter results beginning at 8:30 AM eastern daylight time on Friday February 8, 2013 followed by a question and answer period. Those who wish to participate in the conference call may do so by dialing (866) 200-6965 and entering pass code 93743454#. The call will also be webcast live over the internet at the following link:

http://event.onlineseminarsolutions.com/r.htm?e=571721&s=1&k=D89F120F34C16CBA5AFFDCF5F4FE57C2

About Just Energy Group Inc.

Established in 1997, Just Energy is primarily a competitive retailer of natural gas and electricity. With offices located across the United States, Canada and the United Kingdom, Just Energy serves close to 2 million residential and commercial customers (4.3 million RCEs) through a wide range of energy programs and home comfort services, including fixed-price or price-protected energy program contracts, the rental of water heaters, furnaces and air conditioners and the installation of solar panels. The Company's JustGreen®products provide consumers with the ability to help them reduce the environmental impact of their everyday energy use. Just Energy is the parent to Amigo Energy, Commerce Energy, Hudson Energy, Hudson Energy Solar, National Home Services, Momentis, Tara Energy and Terra Grain Fuels.

FORWARD-LOOKING STATEMENTS

Just Energy's press releases may contain forward-looking statements including statements pertaining to customer revenues and margins, customer additions and renewals, customer attrition, customer consumption levels, general and administrative expenses, dividends, 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, rates of customer attrition, 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 Just Energy's operations, financial results or dividend levels are included in Just Energy'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, on the U.S. Securities Exchange Commission's website at www.sec.gov or through Just Energy's website at www.justenergygroup.com.

Neither the Toronto Stock Exchange nor the New York Stock Exchange has approved nor disapproved of the information contained herein.

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