TSX: JE
NYSE: JE

- **FOR IMMEDIATE RELEASE**

PRESS RELEASE

Just Energy Reports Fourth Quarter and Fiscal 2013 Results

Customer base increases 10% during fiscal 2013 to 4.46 million customers
Embedded gross margin up 15%, year over year
Gross margin expands 5%
Base EBITDA down 16%
EPS increases to $4.30 per share basic from a loss of $0.93 in Fiscal 2012
Management confirms fiscal 2014 guidance - base EBITDA of $220 million, which would represent a 34% increase

---

TORONTO, ONTARIO - - May 16, 2013 - -

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

Fiscal 2013 Highlights:

- Record energy customer additions of 1,355,000, increased 24% year over year
- Strong National Home Services growth with installed base of 235,000, increased 42% year over year
- Customer base growth to 4.46 million, increased 10% year over year
- Gross Margin of $525.9 million, increased 5% year over year
- Embedded Gross Margin of $2.27 billion ($15.77 per share), increased 15% year over year
- Base EBITDA from continuing operations of $163.1 million, decreased 16% year over year
- Earnings per Share on continuing operations (basic) of $4.30 increased from a loss of $0.93 last year

Three months ended March 31 (in $ millions)	F2013	F2012
Sales	$877.5	$794.0
Gross margin	157.7	170.7
Administrative expenses	36.7	32.1
Sales and marketing expense	49.3	58.6
Financing costs	22.2	14.9
Base EBITDA from continuing operations[1]	69.6	74.7
Adjusted EBITDA from continuing operations	87.5	107.1
Base Funds from continuing Operations	47.3	54.6
Profit (loss) from continuing operations[2]	203.4	(75.6)
Dividends/distributions	45.0	44.2
Payout ratio – Base EBITDA from continuing operations	65%	59%
Payout ratio – Base Funds from continuing operations	95%	81%
For the year ended March 31, 2013 (in $ millions except customers)	**F2013**	**F2012**
Sales	$2,882.0	$2,654.8
Gross margin	525.9	499.7
Administrative expenses	138.9	114.2
Sales and marketing expense	208.0	177.3
Financing costs	75.2	54.5
Base EBITDA from continuing operations[1]	163.1	193.3
Adjusted EBITDA from continuing operations	248.3	267.7
Base Funds from continuing Operations	96.9	160.7
Profit (loss) from continuing operations[2]	601.7	(128.5)
Dividends/distributions	178.4	175.4
Payout ratio – Base EBITDA from continuing operations	109%	91%
Payout ratio – Base Funds from continuing operations	184%	109%
Payout ratio – Base FFO Pro-forma based on current $0.84 dividend	125%	74%
Embedded gross margin	$2,268.9	$1,976.8
Energy customers (RCEs)	4,222,000	3,870,000
Home Services customers (installed units)	235,000	165,000
Total number of customers (RCEs and installed units)	4,457,000	4,035,000

[1]Continuing operations exclude results of Terra Grain Fuels ethanol plant which is held for sale as a discontinued operation.

[2]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.

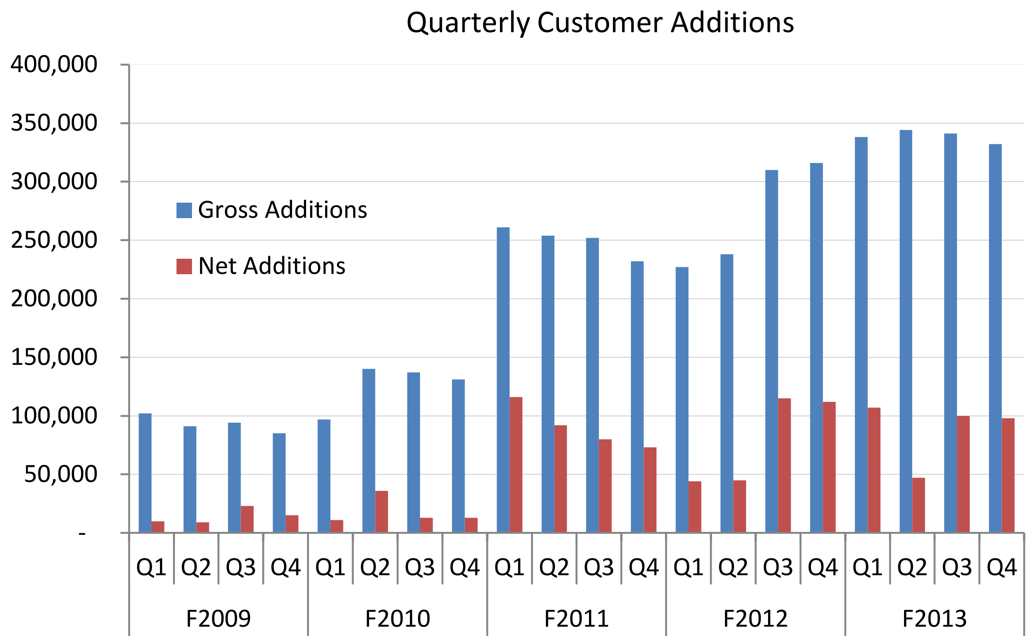
Commenting on the annual results, President and CEO Ken Hartwick stated: “2013 was a milestone year for Just Energy and we enter 2014 well positioned to continue building upon this success in achieving our long term objectives. During fiscal 2013 we made considerable investments in our business to drive profitable growth through new marketing channels, penetration into new geographic territories and new products. We entered ten new utility territories during the year, allowing us to add a record number of new customers and grow our total customer base by 10% year over year.”

“We have reversed the trend of a declining high margin residential customer base and continued to build upon the success of our Commercial division and National Home Services. We are also witnessing the positive trends of improving renewal rates and declining attrition rates. We remain confident these positive trends will continue and we remain laser focused on our plan to further deleverage the business, identify new avenues to drive long-term growth, enhance our margin profile and expand our geographic footprint going forward.”

Executive Chair Rebecca Macdonald added: “We made significant progress along several of our strategic initiatives during fiscal 2013 that have positioned Just Energy for sustainable future growth. We remain committed to further strengthening our balance sheet and improving our payout ratio. The base we have built at Just Energy firmly positions us to realize the cash flow growth necessary to meet our growth objectives and capture the significant demand in our growing industry in fiscal 2014 and beyond.”

Growth

Fiscal 2013 showed a continuation of the high customer growth cycle the Company has been in for the last three years. This was demonstrated in another record year for customer additions through Just Energy’s sales channels. The Energy Marketing business added 1,355,000 new customers, up 24% from the previous record of 1,091,000 in fiscal 2012. Increased sales through non-traditional channels and geographic expansion resulted in 631,000 customer additions by the Consumer division, up 47% from fiscal 2012 and surpassing the Company’s prior record. The strong Commercial division broker channel also benefited from expansion into new territories adding 724,000 new customer equivalents, up 9% from fiscal 2012.



Net of attrition and renewals, customer additions were 352,000, up 11% from the net additions from the prior year. As Just Energy grows larger, there is a need to replace a greater number of customers annually. Just Energy has, and will continue to, more than offset customer churn through expansions, both geographic and by channel. The high margin Consumer division saw net customer growth for the first time in two years.

As existing high price commodity contracts enter their final year, there has been improvement in both attrition and renewals. Fiscal 2013 customer attrition rates improved to an annual rate of 12% from 13% in fiscal 2012 and 15% in fiscal 2011. Customer renewal rates improved to 69% from 64% in fiscal 2012 and 65% in fiscal 2011. The improvement seen in these rates will have a major effect on long term profitability.

Strong customer growth was also seen at the Home Services division, as growth was driven by organic sales and a small acquisition. NHS built its installed base from 165,000 to 235,000 water heater/HVAC units over the year, resulting in growth of 42%. Additionally, the Home Services division recently launched marketing efforts in Quebec and Texas and is seeing positive initial results, particularly with the new smart thermostat product.

Overall, the customer base reached 4,457,000, up 10% year over year.

Fiscal 2013 Operating Performance

Customer growth resulted in gross margin of $525.9 million, up 5% year over year. This was less than the growth in customers as a result of margin compression in the Commercial division and the trailing impact of the extremely warm winter in 2011/2012 on the gas business. Fiscal 2013 realized margins of $121 per customer declined from $138 per customer in the year ago period.

In Commercial electricity, price competition in Texas and increased capacity costs in the northeast States resulted in margin compression, on both realized margins and new per customer margin which fell from $82 in fiscal 2012 to $74 in fiscal 2013. We believe that this situation has stabilized and expect margins to remain in this range for fiscal 2014.

Natural gas realized margins also declined, due to the reconciliation of under-consumed gas from the record warm winter of fiscal 2012 during the first half of fiscal 2013. This resulted in reduced realized gas margins despite normal winter weather over the period. These reconciliations have been completed and should have no negative effect on fiscal 2014. Overall results in the energy marketing business reflect the costs of our expansion into new utility territories and the sales and marketing costs associated with bringing in record customer additions over the past year.

Administrative expense was $138.9 million, an increase of 22% over fiscal 2012. This increase was higher than the 10% increase in total customers due to two main factors. First, as Fulcrum was acquired in October of 2011, and thus did not impact administrative expenses for the entire year. Second and more importantly, we have entered ten new utility territories in fiscal 2013, which cause an increase in administrative expenses to fund the ramp up and penetration in these markets. The Company expects lower administrative growth in fiscal 2014 as most potential utility territories are in place.

Selling and marketing expense was $208.0 million, up 17%. This increase was less than the 24% growth in customer additions, reflecting the decrease in network marketing costs as well as lower per customer aggregation costs from new channels such as internet, network marketing and telemarketing.

Base EBITDA from continuing operations of $163.1 million was down 16%, versus $193.3 million in fiscal 2012. As can be seen above, administrative, selling and marketing costs grew more rapidly than margins. In each case, the higher costs are attributable to expenditures which will create long term value.

Adjusted EBITDA from continuing operations was $248.3 million, down 7% per versus $267.7 million in fiscal 2012. Going forward, Just Energy intends to use Base EBITDA as a measure for future guidance, consistent with market practices. Base EBITDA has been selected as a well understood measure in the industry that allows comparison of JE results against those of retail divisions of larger companies.

Net income from continuing operations was $601.7 million ($4.30 per share basic) versus a loss of $128.5 million ($0.93 per share basic). While management does not use EPS as an internal measure, it is important to allow shareholders who wish to focus on IFRS results to see the business performance on this basis.

Embedded margin, a measure of the future value within the Company's existing contracts grew 15% to $2.27 billion ($15.77 per share). It is the future margin within the Company's customer book on which Just Energy bases its EBITDA guidance for fiscal 2014.

EMBEDDED GROSS MARGIN
As at March 31
(millions of dollars)
Management's estimate of the future embedded gross margin is as follows:

	Fiscal 2013	Fiscal 2012	2013 vs. 2012 variance	Fiscal 2011	2012 vs. 2011 variance
Energy marketing division[1]	**$ 1,671.3**	$ 1,583.8	6 %	$ 1,442.8	10%
Home Services	**597.6**	393.0	52 %	282.7	39%
Total embedded gross margin	**$ 2,268.9**	$ 1,976.8	15 %	$ 1,725.5	15%

Fourth Quarter Operating Performance

Just Energy's fourth quarter was another strong quarter of growth as reflected in our 332,000 new customers, resulting in 5% growth over the prior quarter in our energy marketing base and 3% quarterly growth in our embedded gross margin.

Consumer customer additions amounted to 154,000 for the fourth quarter of fiscal 2013, consistent with the gross customer additions recorded in the prior comparable period. Commercial customer additions were 178,000 for the fourth quarter of fiscal 2013, a 10% increase from 162,000 gross customer additions in the prior comparable period. The higher additions were driven by strong results from independent contractors, brokers and internet marketing.

The home services division continued its customer growth with installations for the fourth quarter of fiscal 2013 of 11,000 water heaters and 1,000 air conditioners and furnaces, consistent with installations in the prior comparable quarter.

Sales increased by 11% quarter over quarter to $877.5 million from $794.0 million. Quarterly sales from energy marketing and home services divisions increased by 10% and 78%, respectively, versus the prior comparable quarter.

Gross margin was $157.7 million, down 8% from a year earlier. The growth in gross margin from NHS was more than offset by lower gross margin contributions from Energy Marketing. Gas margins were up 18% despite a 10% decrease in customer base as a result of higher consumption in the current year compared with record warm temperatures in the fourth quarter of fiscal 2012.

Electricity margin was down 24% compared with the prior comparable quarter. Electricity margin compression was experienced in the northeastern states because of increased capacity costs. Historically these costs have been lower and relatively stable. Year over year these costs have increased significantly, thereby compressing margins particularly in the fourth quarter. Going forward, the company will work to structure contracts to pass through these costs, in addition to effectively hedge capacity costs, to mitigate future impact on gross margin.

Administrative expenses amounted to $36.7 million, an increase of 14% from $32.1 million recorded in the fourth quarter of fiscal 2012. The increase in administrative expenses is related to the year over year growth in the customer base, particularly in the home services division, and the expansion into ten utility territories during fiscal 2013, most notably the U.K. commercial operations.

Sales and marketing expenses were $49.3 million in the fourth quarter of fiscal 2013, a decrease of 16% from $58.6 million in the prior comparable quarter. The decrease is due to lower per customer aggregation costs through new channels - network marketing, telemarketing and internet sales.

The change in fair value of derivative instruments resulted in a gain of $226.0 million for the fourth quarter of fiscal 2013, in comparison with a loss of $90.2 million recorded in the prior comparable quarter. This gain contributed to a quarterly Profit from continuing operations of $203.4 million ($1.44 share basic). For the prior comparable quarter, there was a loss of $75.6 million (loss of 0.55 share).

Base EBITDA from continuing operations (after all selling and marketing costs) decreased 7% to $69.6 million for the fourth quarter of fiscal 2013, down from $74.7 million in the prior comparable quarter. This was primarily a result of lower gross margin from energy marketing due to lower cash receipts from weather option derivatives and lower gross margin per commercial customer. Adjusted EBITDA from continuing operations was $87.5 million for fourth quarter of fiscal 2013, an 18% decrease from $107.1 million in the prior comparable quarter. Despite lower quarterly EBITDA, strong net customer additions led to a 3% increase in embedded gross margin over the quarter.

Dividends/distributions paid amounted to $45.0 million, an increase of 2% over the prior comparable quarter as a result of a higher number of shares outstanding. The payout ratio on Base Funds from continuing operations was 95% for fourth quarter of fiscal 2013, compared with 81% reported in the prior comparable quarter. Payout on Base EBITDA from continuing operations was 65%, up from 59% in the year ago period.

Outlook

“The investments and the decisions we made during 2013 will result in increased profitability from our businesses, a stronger balance sheet and a reduction in our payout ratios in fiscal 2014 and beyond,” Hartwick stated.

Just Energy has seen another year of high growth in its customer base. A side effect of this period of high growth has been a reduction in free cash flow as sales and marketing expense and administrative expense have grown faster than customer margins. The Company has entered ten new markets in the past year and, until these markets reach critical mass, they are cash flow negative despite the fact that every contract will be significantly cash flow positive over its term. The reason for this is that a significant portion of sales commissions are paid on customer confirmation, while cash flow from the customer start date typically lags this by several months. Similarly, a full administrative operating platform must be in place in each market regardless of how many customers are flowing.

A positive aspect of the record numbers of customer additions over the past three years is that the vast majority of Just Energy's markets have reached a critical mass where the annual up-front cost of customer additions is more than offset by the cash flow from customers added over the past three years. In fiscal 2014, the effectively all of the 10 new utility territories entered in fiscal 2013 will reach sufficient size where they will move from cash flow negative to significantly cash flow positive.

A second important factor in the Company's fiscal 2014 outlook is the nature of utility reconciliations and weather related cash flow impacts. When the Company experiences a record warm winter like that of 2011-2012, the cash flow impacts are spread across several quarters. In most markets, the reconciliation of under-usage due to weather takes place in the first and second quarter of the following year. At the same time, the value of any weather derivative hedges is realized during the quarter of under-consumption. This inflates cash flow in years of warm weather and reduces cash flow in the year following, as was the case in fiscal 2012. Because the past winter had normal weather, there should be limited reconciliations in the first half of fiscal 2014, resulting in a favorable comparison versus fiscal 2013.

Also impacting the outlook for fiscal 2014 and beyond is the changing nature of administrative costs and sales and marketing expenses. Between the inclusion of a full year of Fulcrum costs and the build out of the U.K. operating platform and expansion into additional utility territories, administrative costs rose 22% year over year despite a 10% increase in customer base. As noted above, the base is now in place in all key markets which should allow the Company to realize its expected level of customer growth with only a nominal increase in administrative costs in fiscal 2014. This trend should extend into the foreseeable future.

Sales and marketing expenses have been declining on a per new customer basis. This is a result of increased commercial sales as well as the use of new channels such as network marketing, telemarketing and internet sales which have reduced Consumer division costs per customer. This trend is expected to continue in future periods as well.

Bad debt expenses declined from 2.4% of relevant sales to 2.1% in fiscal 2013. This brings these costs to the low end of the Company's 2% to 3% target range. Management does not expect further reductions in the rate and debt expense is expected to fluctuate over time within the target range depending on economic conditions.

Attrition rates have continued a steady decline as commodity market prices have come in line with the Company's current contract offerings. Management expects attrition to remain stable or improve slightly in fiscal 2014. The Company's calculation of embedded margin does not assume any further improvement in attrition rates.

Renewal rates similarly improved significantly in fiscal 2013 rising to 69% from 64%. While Canadian renewals remain a challenge, expectations are for continued improvement trending toward historical levels in fiscal 2014 and beyond. Efforts to strengthen the customer relationship through the bundled sale of both commodity and NHS products such as smart thermostats should result in both higher renewals and lower attrition. The Company's calculation of embedded margin does not assume any further improvement in renewal rates.

Just Energy has provided guidance estimating base EBITDA of $220 million for fiscal 2014. Because fiscal 2013 EBITDA was depressed by a number of factors noted earlier, this would result in 34% base EBITDA growth on a year over year basis. Building in interest costs and expected taxes, this would leave the Company with a payout ratio on funds from operations of under 100% on its current $0.84 per share dividend for fiscal 2014. The Company targets a long term payout of 60% to 65% on FFO and, based on embedded margins and business trends, expects to be within this range by the end of fiscal 2016. This would imply substantial further growth in EBITDA over this period.

In changing the dividend at the February board meeting, Management and the Board concluded that the new $0.07 monthly per share level met the criteria of providing adequate funding of growth expenditures and making a necessary contribution to the cash repayment of future debt maturities. The combination of anticipated future growth and the new dividend level is expected to allow the Company to reduce its debt to EBITDA ratio to its long term target range of 3.5 to 4.0 by the end of fiscal 2016.

Earnings Call

The Company will host a conference call and live webcast to review the fourth quarter results beginning at 2 PM eastern daylight time today, Thursday May 16, 2013 followed by a question and answer period. Those who wish to participate in the conference call may do so by dialing 1 855 410-0553 and entering pass code 432619#. The call will also be webcast live over the internet at the following link:
http://event.onlineseminarsolutions.com/r.htm?e=612868&s=1&k=90873401134F7A33CCD472AF80180F6F

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, commercial and home services customers (4.46 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.

FOR FURTHER INFORMATION PLEASE CONTACT:

Ms. Beth Summers, C.A.
Chief Financial Officer
Phone: (905) 795-4206
bsummers@justenergy.com

or

Michael Cummings
Investor Relations
FTI Consulting
Phone: (617) 897-1532
Michael.Cummings@FTIConsulting.com