

Financial Results Call Presentation

First Quarter 2026



American States
Water Company

May 7, 2026

NYSE: AWR

Today's Presenters

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Forward-Looking Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can often be identified by words such as “anticipate,” “estimate,” “expect,” “intend,” “may,” “should” and similar phrases and expressions, and variations or negatives of these words. They are not guarantees or assurances of any outcomes, financial results, levels of activity, performance or achievements, and readers are cautioned not to place undue reliance upon them.

The forward-looking statements are subject to a number of estimates and assumptions, and known and unknown risks, uncertainties and other factors, including those described in greater detail in the company’s filings with the Securities and Exchange Commission (“SEC”), particularly those described in the company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Readers are encouraged to review the company’s filings with the SEC for a more complete discussion of the risks and other factors that could affect any forward-looking statements. The statements made herein speak only as of the date of this presentation and except as required by law, the company does not undertake any obligation to publicly update or revise any forward-looking statement.

Non-GAAP Financial Measures



This conference call includes a discussion of certain measures that are not prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) in the United States and constitute “non-GAAP financial measures” under SEC rules. These non-GAAP financial measures are derived from consolidated financial information but are not presented in our financial statements that are prepared in accordance with GAAP.

The non-GAAP financial measures discussed in this conference call include a discussion of diluted earnings per share by business segment. These non-GAAP measures supplement our GAAP disclosures and should not be considered as alternatives to the GAAP measures. Furthermore, the non-GAAP financial measures may not be comparable to similarly titled non-GAAP financial measures of other registrants. The company uses these non-GAAP measures in evaluating its operating results and believes these measures are useful internal benchmarks in evaluating the performance of its operating segments. The company reviews these measures regularly and compares them to historical periods and to the operating budget. The computations and reconciliations of non-GAAP measures to the most directly comparable GAAP measure are provided in this presentation.

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Q1 2026 Highlights

- Recorded consolidated diluted earnings per share increased \$0.06 per share, or 8.6% for the quarter when compared to the first quarter of 2025:
 - ✓ Q1 2026: \$0.76 per share
 - ✓ Q1 2025: \$0.70 per share
- Continued to deliver high quality water, wastewater and electric service to customers during the quarter and on pace to invest a combined \$185-\$225 million in infrastructure investments at our regulated utilities
- Recognition:
 - ✓ *Newsweek's* Most Trustworthy Companies in America and ranked #1 in the Energy & Utilities industry

Q1 Diluted EPS by Segment



	Q1 2026	Q1 2025	Variance
Water	\$ 0.55	\$ 0.52	\$ 0.03
Electric	0.08	0.07	0.01
Contracted Services	0.15	0.13	0.02
AWR (Parent)	(0.02)	(0.02)	-
Consolidated Diluted EPS as recorded (GAAP)	\$ 0.76	\$ 0.70	\$ 0.06

Q1 Operating Revenues by Segment



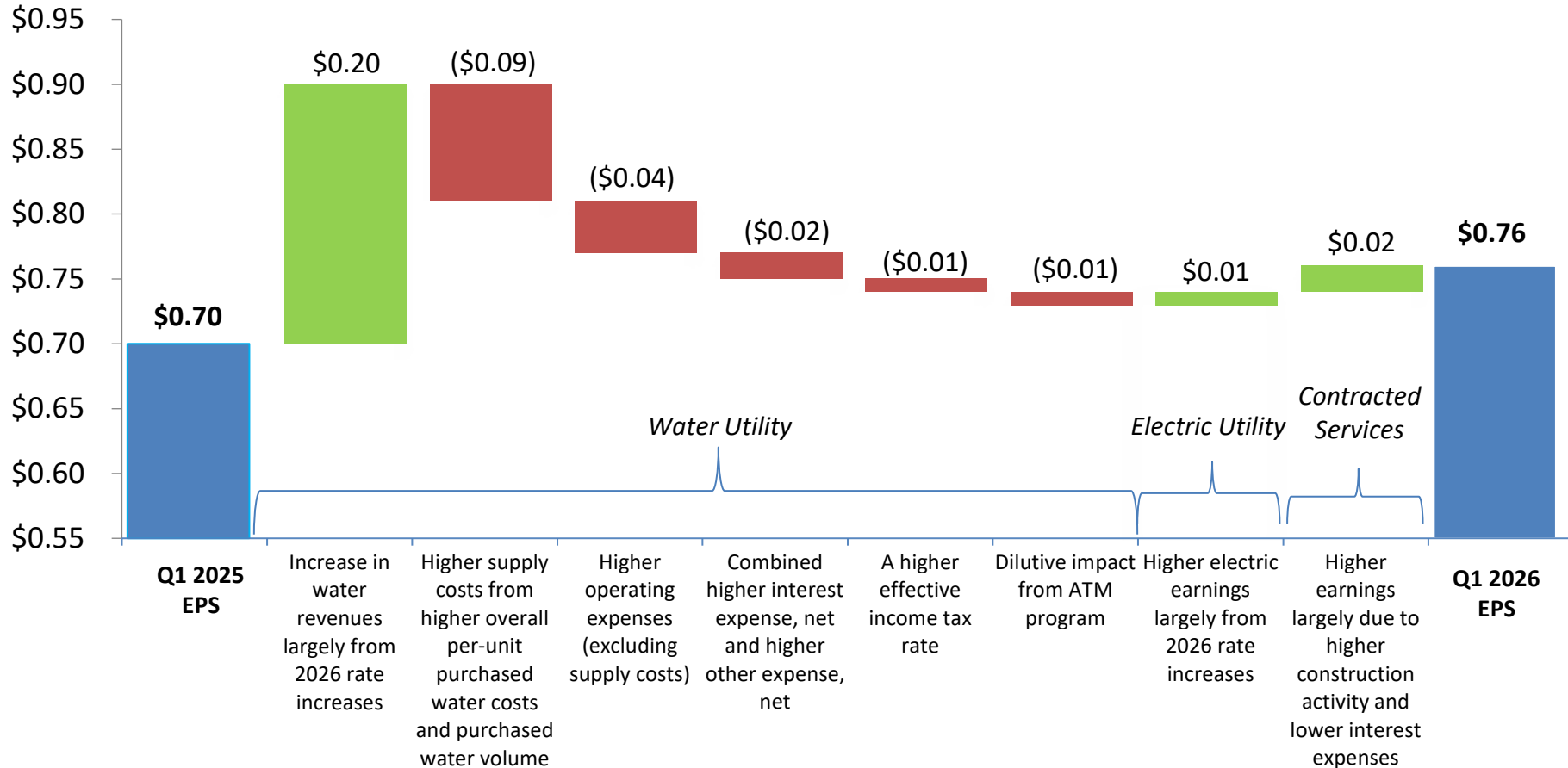
(amounts in millions)	Q1 2026	Q1 2025	Variance
Water	\$113.1	\$102.0	\$11.1
Electric	18.7	15.0	3.7
Contracted Services	37.4	31.0	6.4
Total Operating Revenues	\$169.2	\$148.0	\$21.2

Q1 Expenses (Excluding income taxes)



(amounts in millions)	Q1 2026	Q1 2025	Variance
Water and Electric Supply Costs	\$34.6	\$29.5	\$5.1
Other Operation	11.3	10.5	0.8
Administrative and General	28.2	26.9	1.3
Depreciation and Amortization	12.7	11.6	1.1
Maintenance	5.7	4.1	1.6
Property and Other Taxes	8.0	7.0	1.0
ASUS Construction	17.3	12.9	4.4
Total Operating Expenses	\$117.8	\$102.5	\$15.3
Interest Expense, net of Interest Income	\$11.1	\$10.1	\$1.0
Other Expense, net of (Other Income)	\$0.4	\$0.2	\$0.2

EPS Bridge Q1 2025 to Q1 2026



- Operating cash flows were \$71.6 million for Q1 2026 compared to \$45.1 million for Q1 2025 largely from:
 - ✓ Implementation of authorized new rates at the regulated utilities
 - ✓ Implementation of various surcharges at both regulated utilities, and
 - ✓ Timing of cash receipts and disbursements related to other working capital items

- Regulated utilities invested \$42.1 million on company-funded capital work during Q1
 - ✓ Capital expenditures for 2026 are expected to be \$185-\$225 million

- Financing Activities:
 - ✓ ATM:
 - AWR raised total proceeds of \$6.2 million in Q1 2026, net of issuance and legal costs
 - Balance of \$34.3 million remains available for issuance under the program

Regulatory Activity

- The next water rate case for the years 2028-2030 is expected to be filed by July 1
- **General Rate Case for years 2025-2027** – On January 30, 2025, the CPUC issued a final decision in GSWC’s general rate case application for all its water regions and the general office, which determines new water rates for the years 2025-2027
- ✓ The final decision in GSWC’s general rate case:
 - Authorizes the investment of \$573.1 million in capital infrastructure over the three-year capital cycle, including \$17.7 million of advice letter capital investments for revenue recovery for second and third year attrition increases when projects are completed
 - Authorizes advice letter capital investments of \$58.2 million that began construction in 2023 for revenue recovery during the second- and third-year attrition increases when projects are completed
 - The final decision in GSWC’s general rate case also rejected a full sales and revenue decoupling mechanism and a full supply cost balancing account, and instead orders the transition to a modified rate adjustment mechanism for sales and revenues and an incremental cost balancing account for supply costs effective January 1, 2025



Regulated Utilities - Customer Service Areas

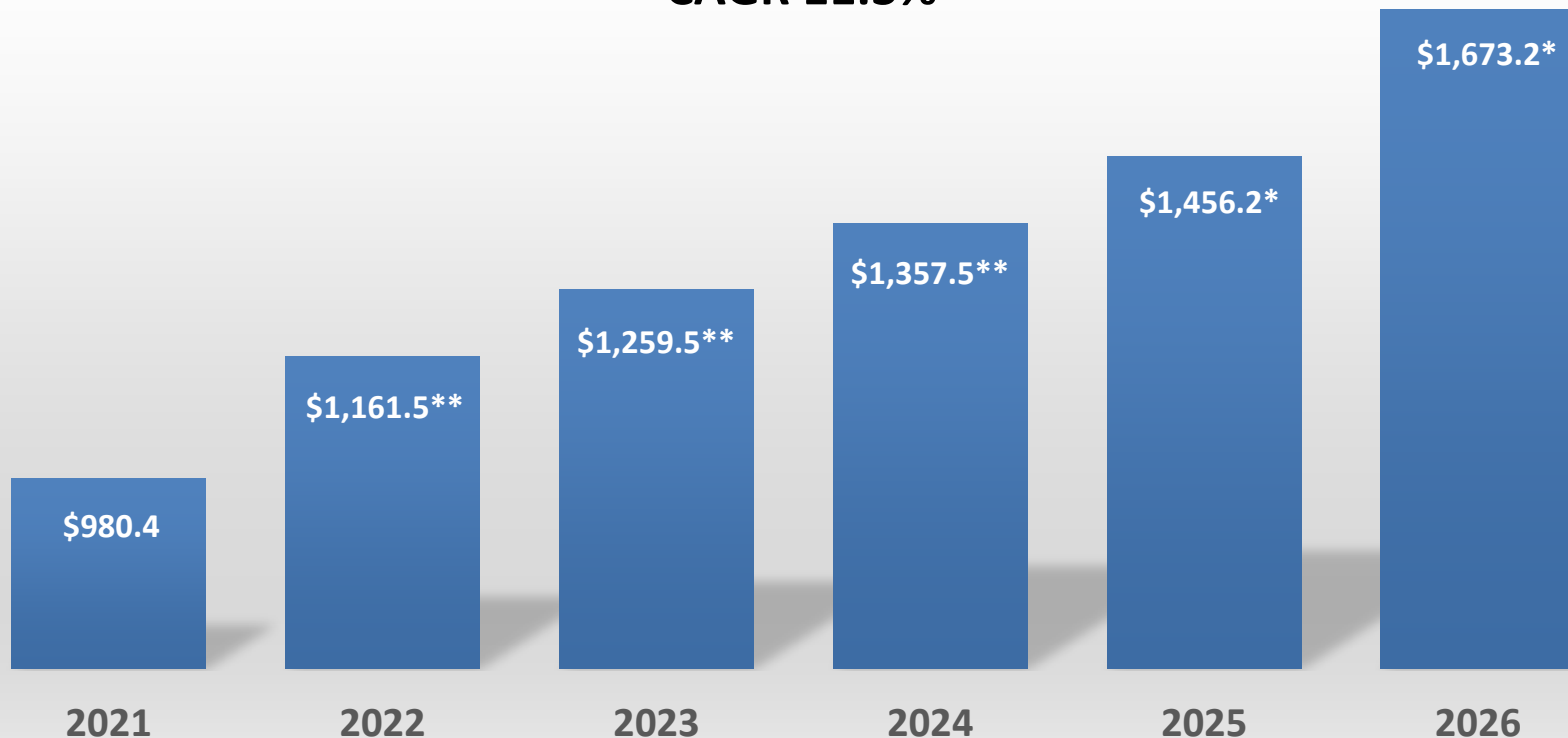
- ✓ In December 2025, GSWC received approval from the CPUC to implement its full second-year rate increases, effective January 1, 2026, that will result in higher adopted operating revenues less water supply cost for 2026 of \$32.0 million compared to 2025's adopted operating revenues less water supply cost. Included in the 2026 increase is nearly \$11 million related to advice letter capital projects. The assets from the advice letter projects and the related amounts in the memorandum account were added to the adopted rate base for inclusion in the revenue requirement effective January 1, 2026.
- ✓ Adopted operating revenues less water supply costs for 2025 increased by approximately \$23 million when compared to 2024.
- **2026 Cost of Capital Application** – In November 2025, the CPUC approved a request by GSWC and three other investor-owned California water utilities to defer the cost of capital application by another year. The CPUC's approval postponed the filing date by one year until May 1, 2027, with a corresponding effective date of January 1, 2028. The CPUC also approved the joint parties' request to leave the current Water Cost of Capital Mechanism in place through the one-year deferral period. GSWC's current authorized rate of return on rate base is 7.93%, based on its weighted cost of capital, which will continue in effect through December 31, 2027.

Regulatory Activity (continued) – GSWC Adopted Average Water Rate Base



(in millions)

CAGR 11.3%



* The CPUC rate case decision covering rates for 2025-2027 authorizes GSWC to invest \$573.1 million in capital infrastructure over a three-year capital cycle, including \$17.7 million of advice letter projects. The decision also requires \$58.2 million of capital investments that began construction in 2023, to be recovered through advice letters rather than included in 2025 base rates. All advice letter projects along with the rate of return or interest expense accrued prior to the filing were approved in late 2025, resulting in an increase of \$80 million of rate base in 2026.

** Based on the decision in the general rate case covering 2022-2024.

- **General Rate Case for Years 2023-2026** – In January 2025, the CPUC adopted a final decision in BVES’s GRC proceeding that set the new electric rates retroactive to January 1, 2023 and approves the settlement agreement reached between BVES, Cal Advocates and another intervenor in its entirety. The decision settles and adopts the revenue requirements for 2023-2026. In January, BVES implemented rates for 2026, the last year of its four-year rate cycle.
- ✓ The final decision in BVES’s general rate case:
 - Authorizes BVES to invest \$75.6 million in capital infrastructure in base rates over the four-year rate cycle including at least \$23.1 million (plus AFUDC) through advice letters as projects are completed;
 - Adopts a cost of capital that increases BVES’s adopted return on equity to 10.0%, lowers the cost of debt to 5.51%, and maintains the capital structure of 57% equity and 43% debt;
 - Approves for recovery requested capital expenditures and other incremental operating costs previously incurred in connection with its wildfire mitigation plans that were not included in customer rates;
 - Increases adopted operating revenues of \$3.3 million in 2026; and
 - Provides additional annual operating revenues of approximately \$3 million when the advice letter projects of at least \$23.1 million (plus AFUDC to be accrued, are completed, placed in service and filed for recovery).
- ✓ In 2025, BVES implemented new base rates to recover the revenue requirement associated with \$23.8 million (including AFUDC) of capital projects approved for recovery through advice letters that were completed and placed in service.

- **General Rate Case for Years 2027–2030** – On January 30, 2026, BVES filed a general rate case application that will determine new electric rates for the years 2027 through 2030. Among other things, BVES requested:
 - i. capital budgets of approximately \$133 million for the four-year rate cycle, and another approximately \$17 million, plus AFUDC, for capital projects to be filed for revenue recovery through advice letters when the projects are completed and
 - ii. a return on equity of 11.30%, an embedded cost of debt of 5.92%, a capital structure for BVES of 60% equity and 40% debt, and a return on rate base of 9.15%

Contracted Services (ASUS)

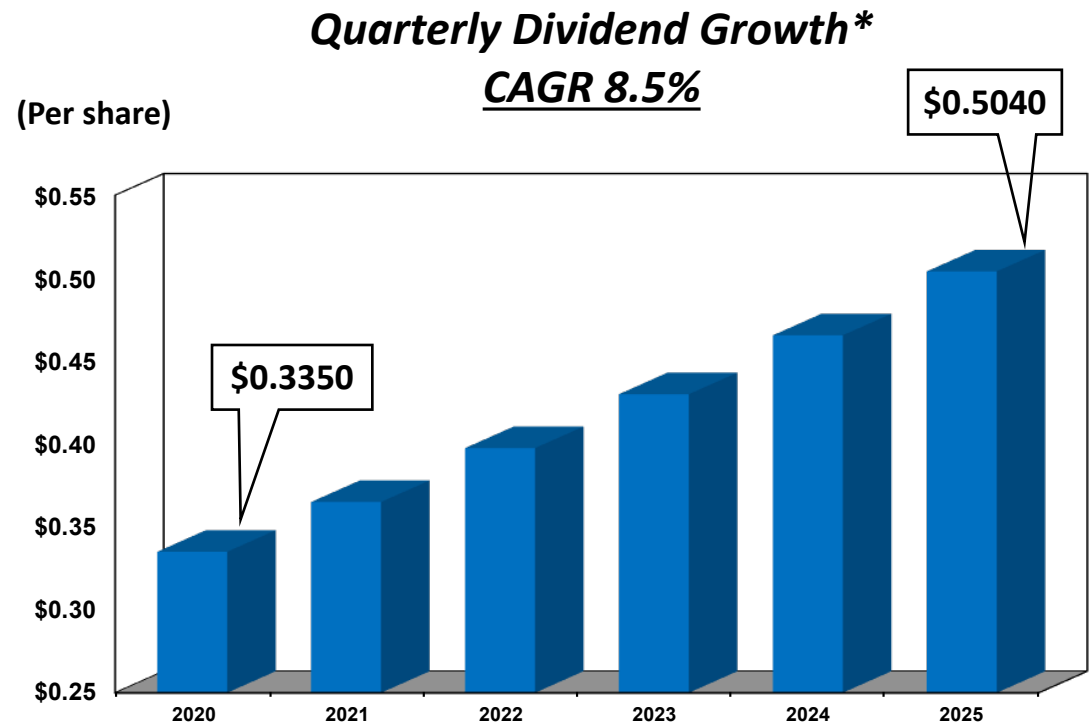
- Earnings for Q1 2026 were \$0.15 per share compared to \$0.13 per share for Q1 2025. The increase was largely resulting from (i) an increase in construction activities, (ii) an increase in management fee revenues resulting from the resolution of various economic price adjustments, and (iii) lower interest expense; partially offset by higher overall operating expenses.
- ASUS is projected to contribute \$0.63 - \$0.67 per share in 2026
- We are confident that we can effectively compete for new military base contract awards in the future, based on our strong history and expertise
- The completion of filings for economic price adjustments, requests for equitable adjustment, asset transfers and contract modifications awarded for new projects provide ASUS with additional revenues and dollar margin



Serving Those Who Serve®

Dividends

- Dividend policy: CAGR of **more than 7%** over the long term continues to be met and exceeded
- Dividends paid every year since 1931
- Increased dividend every calendar year for **71 consecutive years**



*Increases to quarterly dividends have been announced in the third quarter of each year

Questions and Answers

Computations and Reconciliations of Non-GAAP Financial Measures



Below are the computations and reconciliations of diluted earnings per share from the measure of net income (loss) by business segment and for the parent company to AWR's consolidated diluted earnings per share for the quarter ended March 31, 2026 and 2025:

	<u>Water</u>		<u>Electric</u>		<u>Contracted Services</u>		<u>AWR (Parent)</u>		<u>Consolidated (GAAP)</u>	
	<u>Q1 2026</u>	<u>Q1 2025</u>	<u>Q1 2026</u>	<u>Q1 2025</u>	<u>Q1 2026</u>	<u>Q1 2025</u>	<u>Q1 2026</u>	<u>Q1 2025</u>	<u>Q1 2026</u>	<u>Q1 2025</u>
In 000's except per share amounts										
Net income (loss)	\$ 21,683	\$ 19,906	\$ 3,313	\$ 2,626	\$ 5,815	\$ 5,124	\$ (863)	\$ (812)	\$ 29,948	\$ 26,844
Weighted Average Number of Diluted Shares	39,210	38,354	39,210	38,354	39,210	38,354	39,210	38,354	39,210	38,354
Diluted earnings (loss) per share	\$ 0.55	\$ 0.52	\$ 0.08	\$ 0.07	\$ 0.15	\$ 0.13	\$ (0.02)	\$ (0.02)	\$ 0.76	\$ 0.70