

# Financial Results Call Presentation

## Third Quarter 2025



American States  
Water Company

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NYSE: AWR

# Today's Presenters

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# Forward-Looking Statement

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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 financial 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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# Q3 2025 Highlights



- Recorded consolidated diluted earnings per share increased \$0.11 per share, or 11.6% for the quarter and \$0.21 per share YTD when compared to the same periods in 2024, respectively:
  - ✓ Q3 2025 and Q3 2024: \$1.06 and \$0.95 per share, respectively
  - ✓ YTD 2025 and YTD 2024: \$2.63 and \$2.42 per share, respectively
- Our regulated utilities are on pace to invest \$180-\$210 million for the year
- Expansion of regulated water operations at another new planned community with the first development expected to serve up to 3,800 customer connections during the next 5 years, and over the longer term (20+ years) allows for construction of 17,500 total dwelling units at full buildout
- ASUS was awarded \$28.7 million in new capital upgrade construction projects through year-to-date September 2025 to be completed through 2028
- Earned recognition:
  - TIME's America's Best Mid-Size Companies
  - Barron's 100 Most Sustainable Companies

# Q3 Diluted EPS by Segment



	Q3 2025	Q3 2024	Variance
Water	\$ 0.86	\$ 0.84	\$ 0.02
Electric	0.04	0.02	0.02
Contracted Services	0.19	0.11	0.08
AWR (Parent)	(0.03)	(0.02)	(0.01)
<b>Consolidated Diluted EPS as recorded (GAAP)</b>	<b>\$ 1.06</b>	<b>\$ 0.95</b>	<b>\$ 0.11</b>

# Q3 Operating Revenues by Segment



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(amounts in millions)	Q3 2025	Q3 2024	Variance
<b>Water</b>	\$132.3	\$124.0	\$8.3
<b>Electric</b>	13.3	9.0	4.3
<b>Contracted Services</b>	37.1	28.7	8.4
<b>Total Operating Revenues</b>	<b>\$182.7</b>	<b>\$161.7</b>	<b>\$21.0</b>

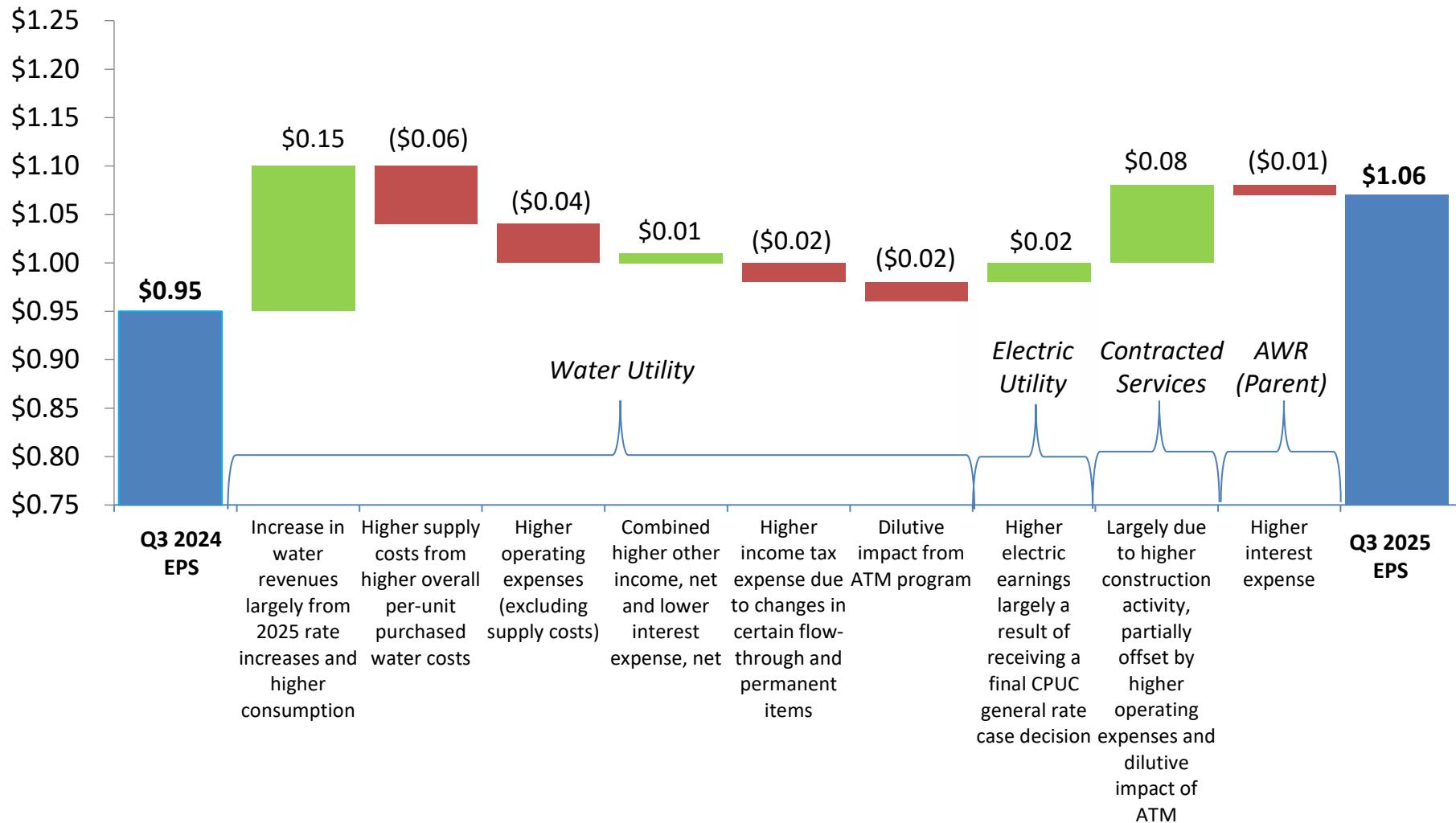
# Q3 Expenses (Excluding income taxes)



(amounts in millions)	Q3 2025	Q3 2024	Variance
<b>Water and Electric Supply Costs</b>	\$42.1	\$38.1	\$4.0
<b>Other Operation</b>	11.8	11.0	0.8
<b>Administrative and General*</b>	25.4	24.2	1.2
<b>Depreciation and Amortization</b>	11.9	10.8	1.1
<b>Maintenance*</b>	5.5	3.7	1.8
<b>Property and Other Taxes</b>	7.8	7.1	0.7
<b>ASUS Construction</b>	16.5	11.8	4.7
<b>Total Operating Expenses</b>	\$121.0	\$106.7	\$14.3
<b>Interest Expense, net of Interest Income</b>	\$10.6	\$11.5	(0.9)
<b>Other Income, net of (Other Expense)</b>	\$3.0	\$2.3	\$0.7

\* As a result of receiving a CPUC-approved decision on its general rate case in Q1 2025, the electric segment's current revenue requirement includes administrative and general and maintenance expenses that were previously not expensed and were tracked in memorandum accounts. Accordingly, in Q3 2025, a combined \$1.1 million in billed surcharges were recorded to recover previously incurred administrative and general and maintenance expenses.

# EPS Bridge Q3 2024 to Q3 2025



# YTD Diluted EPS by Segment



	YTD 2025	YTD 2024	Variance
Water	\$ 2.11	\$ 1.99	\$ 0.12
Electric	0.14	0.07	0.07
Contracted Services	0.45	0.44	0.01
AWR (Parent)	(0.06)	(0.07)	0.01
<b>Consolidated Diluted EPS as recorded (GAAP)</b>	<b>\$ 2.63</b>	<b>\$ 2.42</b>	<b>\$ 0.21</b>

Certain amounts in the table above may not foot or crossfoot due to rounding.

# Liquidity

- Operating cash flows were \$202.0 million for YTD 2025 compared to \$134.2 million for YTD 2024 largely from:
  - ✓ Implementation of new rates at the regulated utilities from approved GRC proceedings,
  - ✓ Implementation of various surcharges at both regulated utilities,
  - ✓ Timing of income tax payments as a result of wildfire tax relief legislation, and
  - ✓ Timing of cash receipts and disbursements related to other working capital items
- Regulated utilities invested \$151.8 million on company-funded capital work YTD
  - ✓ Capital expenditures for 2025 are expected to be \$180-\$210 million
- Financing Activities:
  - ✓ ATM:
    - ✓ AWR raised total proceeds of \$40.2 million YTD net of issuance and legal costs
    - ✓ Balance of \$68 million remains available for issuance under the program
- Credit ratings:
  - ✓ S&P: A and A+ credit ratings for AWR and GSWC, respectively, with stable outlook for both companies

# Regulatory Activity

- 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 already under construction at the beginning of 2023 of \$58.2 million also for revenue recovery during second and third year attrition increases when projects are completed
  - ✓ Excluding revenues for advice letter capital projects, adopted operating revenues less water supply costs for 2025 are projected to increase by approximately \$23 million when compared to 2024



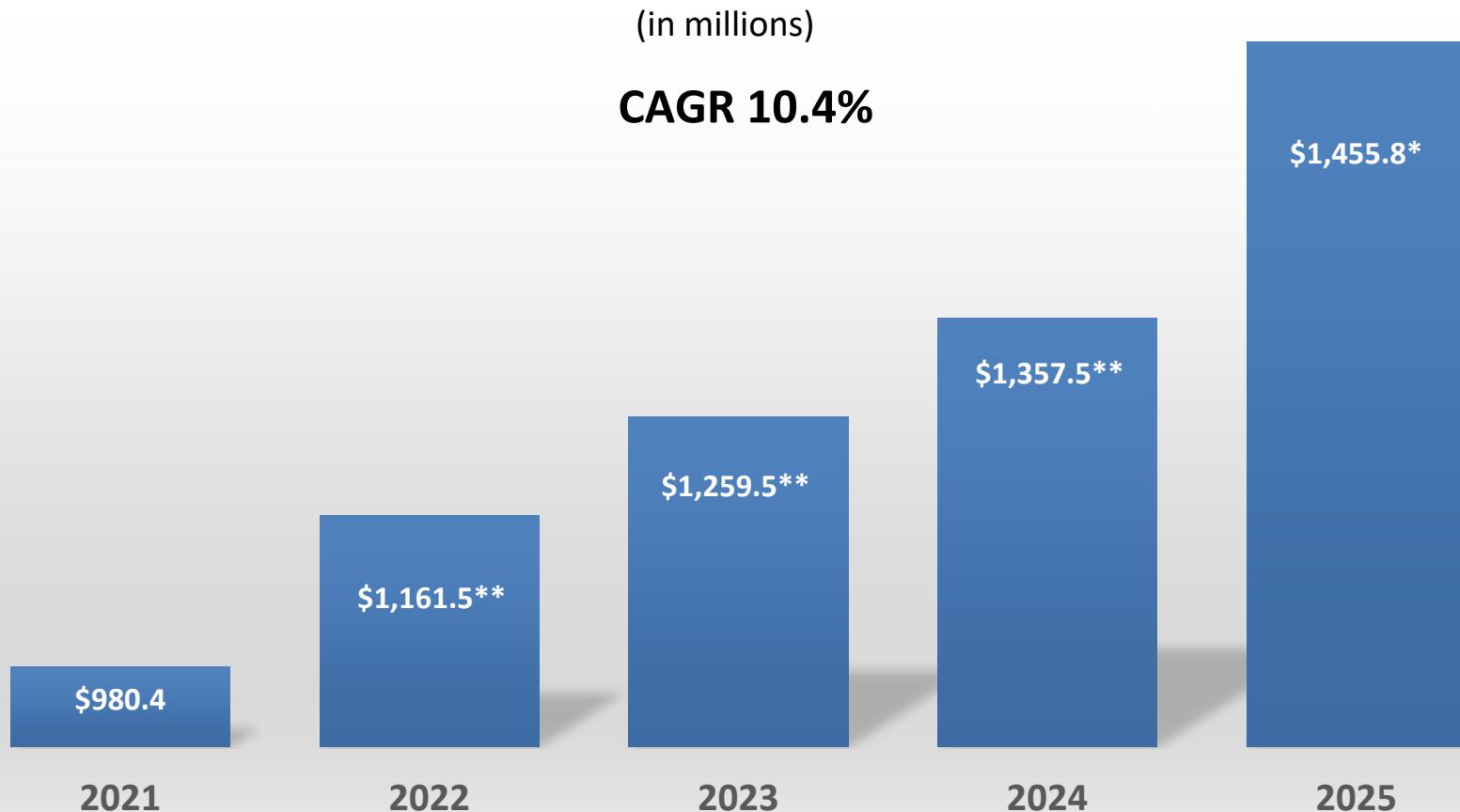
Regulated Utilities - Customer Service Areas

# Regulatory Activity (continued) - GSWC



- The final decision in GSWC's general rate case also:
  - i. 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;
  - ii. adopted a rate design increasing revenue requirement in fixed service charges to be between 45-48%; and
  - iii. adopted GSWC's recommended sales forecast and sales reconciliation mechanism.
- GSWC completed a transaction with a developer to build out, own and operate the water and wastewater system assets serving a newly planned community of 1,300 customer connections
  - ✓ On December 5, 2024, the CPUC approved a final decision granting GSWC Certificates of Public Convenience and Necessity to establish rates for water and wastewater services in this new San Juan Oaks service area
  - ✓ On May 1, 2025, GSWC and the developer completed the closing of the transaction, which also includes the initial installation and conveyance of water and wastewater system assets of \$10.7 million by the developer
- On October 30, 2025, the CPUC issued a final decision in GSWC's general rate case application for its new Sutter Pointe service area, which establishes initial water service rates for the years 2026-2028. The water system will serve this new planned community of up to 3,800 customer connections during the next 5 years, and 17,500 dwelling units at full buildout over the longer term (20+ years).

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



\* The recent CPUC approved rate case decision covering 2025-2027 authorizes GSWC to invest \$573.1 million in capital infrastructure over a three-year capital cycle. In addition, the decision includes advice letter capital investments, some under construction beginning in 2023, to be filed for revenue recovery during the second and third year attrition (2026 and 2027) increases when the projects are completed.

\*\* Based on the decision in the general rate case covering 2022-2024, it includes approximately \$9.4 million in advice letter projects.

# Regulatory Activity (continued) - BVES



- On January 16, 2025, the CPUC adopted a final decision in BVES's general rate case 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 each of the four years from 2023-2026.
- 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 the 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 \$2.2 million for 2025 and \$3.3 million in 2026. Rate increases for 2025-2026 are not subject to an earnings test; 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 April 2025, BVES implemented new base rates to recover the revenue requirement associated with \$11.6 million of capital projects approved for recovery through advice letters

# Regulatory Activity (continued) - BVES



- On July 18, 2025, BVES and Cal Advocates filed a joint motion with the CPUC to adopt a settlement agreement related to the construction of solar energy generation and battery storage facilities for a total combined cost of approximately \$28 million (plus AFUDC)
  - ✓ A proposed decision is expected by Q1 2026

# Contracted Services (ASUS)



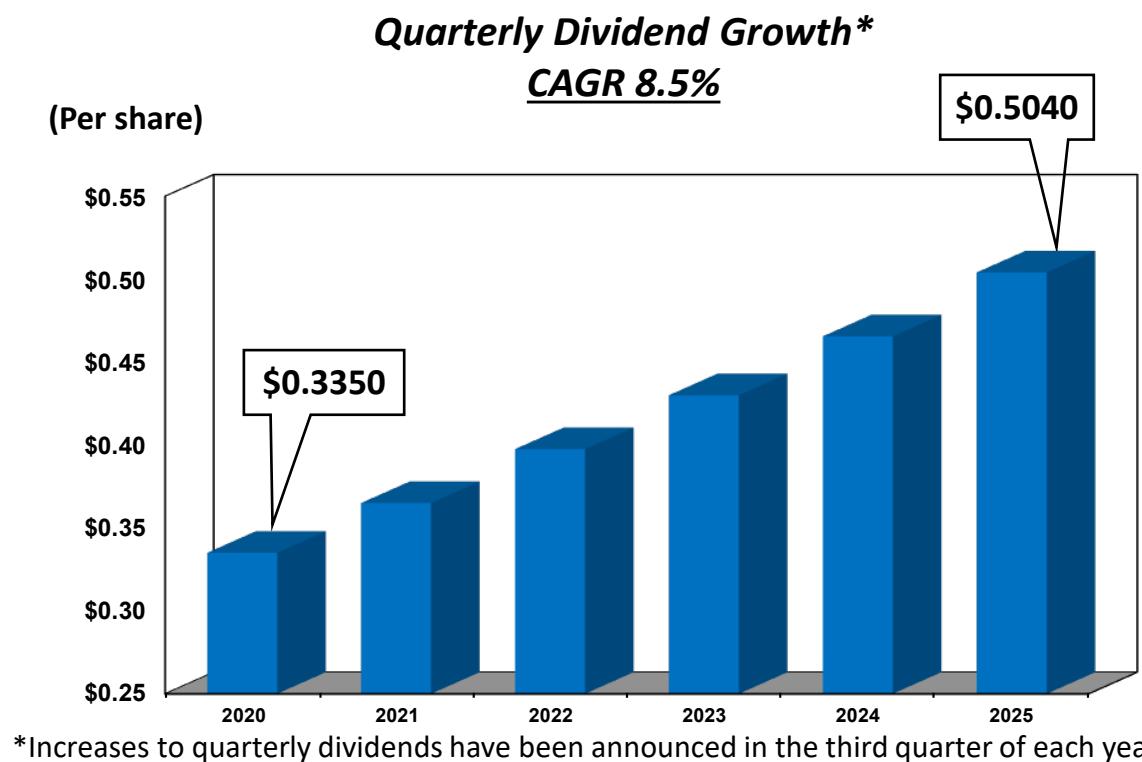
- Earnings for Q3 2025 were \$0.19 per share compared to \$0.11 per share for Q3 2024, an increase of \$0.08 per share. The increase was largely resulting from an increase in (i) construction activities, from timing of when work is performed, (ii) management fee revenues resulting from the resolution of various economic price adjustments, and (iii) lower interest expense from lower borrowing levels, partially offset by higher overall operating expenses.
- YTD 2025 earnings were \$0.45 per share as compared to \$0.44 per share for the same period of 2024
- ASUS expects to contribute \$0.59 to \$0.63 per share for the full 2025 year
- ASUS has been awarded \$28.7 million in new capital upgrade construction projects through year-to-date September 2025 to be completed through 2028
- 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

- The Board of Directors have approved a fourth quarter cash dividend of \$0.5040 per share; quarterly dividend rate has grown at a compound annual growth rate of 8.5% over the last 5 years
- 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**



# Questions and Answers

# Computations and Reconciliations of Non-GAAP Financial Measures



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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 three and nine months ended September 30, 2025 and 2024:

In 000's except per share amounts	Water		Electric		Contracted Services		AWR (Parent)		Consolidated (GAAP)	
	Q3 2025	Q3 2024	Q3 2025	Q3 2024	Q3 2025	Q3 2024	Q3 2025	Q3 2024	Q3 2025	Q3 2024
Net income (loss)	\$ 33,298	\$ 31,566	\$ 1,717	\$ 582	\$ 7,260	\$ 4,321	\$ (1,108)	\$ (635)	\$ 41,167	\$ 35,834
Weighted Average Number of Diluted Shares	38,702	37,683	38,702	37,683	38,702	37,683	38,702	37,683	38,702	37,683
Diluted earnings (loss) per share	\$ 0.86	\$ 0.84	\$ 0.04	\$ 0.02	\$ 0.19	\$ 0.11	\$ (0.03)	\$ (0.02)	\$ 1.06	\$ 0.95

In 000's except per share amounts	Water		Electric		Contracted Services		AWR (Parent)		Consolidated (GAAP)	
	YTD 2025	YTD 2024	YTD 2025	YTD 2024	YTD 2025	YTD 2024	YTD 2025	YTD 2024	YTD 2025	YTD 2024
Net income (loss)	\$ 81,344	\$ 74,555	\$ 5,519	\$ 2,666	\$ 17,258	\$ 16,346	\$ (2,420)	\$ (2,734)	\$ 101,701	\$ 90,833
Weighted Average Number of Diluted Shares	38,569	37,409	38,569	37,409	38,569	37,409	38,569	37,409	38,569	37,409
Diluted earnings (loss) per share	\$ 2.11	\$ 1.99	\$ 0.14	\$ 0.07	\$ 0.45	\$ 0.44	\$ (0.06)	\$ (0.07)	\$ 2.63	\$ 2.42

Certain amounts in the tables above may not foot or crossfoot due to rounding.