

Financial Results Call Presentation

Fourth Quarter and Full Year 2025



American States
Water Company

February 19, 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 and adjusted diluted earnings per share. The impact of a one-time tax benefit recorded in the fourth quarter of 2024 as a result of receiving a final decision in the water general rate case has been excluded in the analysis when communicating AWR’s consolidated and water segment results for the quarter and year ended December 31, 2024. In addition, the impact of retroactive rates related to the full year of 2023 and the second-year rate increases related to the nine months ended September 30, 2024 recorded during the fourth quarter of 2024 resulting from the final decision in the electric general rate case, has been excluded in the analysis when communicating AWR’s consolidated and electric segment results for the quarter ended December 31, 2024. All adjustments have been excluded in the analyses to help facilitate comparisons of AWR’s performance from period to period.

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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2025 Highlights

- Two final decisions were adopted by the CPUC
 - ✓ GSWC’s general rate case application that authorizes
 - New water rates for 2025-2027 and
 - The investment in capital infrastructure of \$573.1 million over a three-year capital cycle including advice letter projects
 - ✓ BVES’s general rate case application that authorizes
 - New electric rates for 2023-2026, with rates retroactive to January 1, 2023 and
 - The investment in capital infrastructure totaling \$75.6 million over the four-year rate cycle including advice letter projects
- Recorded consolidated diluted earnings increased \$0.20 per share for the year compared to 2024, or an increase of \$0.33 per share as adjusted:
 - ✓ 2025: \$3.37 per share recorded
 - ✓ 2024: \$3.17 per share recorded or \$3.04 per share as adjusted
 - Included in consolidated results for 2024 was a tax benefit of \$5.0 million, or \$0.13 per share, resulting from the final decision by the CPUC in connection with GSWC’s general rate case proceeding
- Our regulated utilities invested a combined \$210.9 million in company-funded infrastructure in 2025

2025 Highlights (continued)

- Expansion of regulated water operations:
 - ✓ Completed a transaction with a developer to build out, own and operate the water and wastewater system assets serving a newly planned community which is expected to have 1,300 customer connections generating two revenue streams for delivering water and wastewater services
 - ✓ Received CPUC approval to provide water services 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
 - ✓ Filed an application with the CPUC to acquire the water system assets from a city located within Los Angeles County serving about 900 customer connections. The application requested the expansion of GSWC's CPCN to incorporate the new service area into one of GSWC's existing ratemaking areas, and to include the \$5.25 million purchase price in rate base
- ASUS was awarded \$29.4 million in new capital upgrade construction projects in 2025 to be completed through 2028
- AWR increased its quarterly cash dividend in Q3 2025 by 8.3%, and has reached **71** **consecutive years** of dividend increases

Q4 Diluted EPS by Segment



	Q4 2025	Q4 2024	Variance
Water	\$ 0.50	\$ 0.52	(\$ 0.02)
Electric	0.11	0.13	(0.02)
Contracted Services	0.16	0.11	0.05
AWR (Parent)	(0.03)	(0.02)	(0.01)
Consolidated Diluted EPS as recorded (GAAP)	\$ 0.74	\$ 0.75	(\$ 0.01)
Adjustments to GAAP measure:			
Impact of one-time tax benefit recorded in the fourth quarter of 2024 resulting from a final decision in the water general rate case*	-	(0.13)	0.13
Impact of retroactive rates related to the full year of 2023 and first nine months of 2024 from the final decision in the electric general rate case**	-	(0.06)	0.06
Consolidated Diluted EPS as adjusted (Non-GAAP)	\$ 0.74	\$ 0.56	\$ 0.18
Water Diluted EPS as adjusted (Non-GAAP)*	\$ 0.50	\$ 0.39	\$ 0.11
Electric Diluted EPS as adjusted (Non-GAAP)**	\$ 0.11	\$ 0.07	\$ 0.04

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

* The water segment's adjusted earnings for 2024 exclude the impact of a one-time tax benefit of \$0.13 per share recorded during the fourth quarter of 2024 as a result of receiving a final decision from the CPUC in the water general rate case.

** The electric segment's adjusted earnings for 2024 exclude the impact from retroactive rates of \$0.06 per share related to the full year of 2023 and the second-year rate increases through the nine months ended September 30, 2024 as a result of receiving a final decision in the electric general rate case that set new rates for 2023 – 2026, with new electric rates retroactive to January 1, 2023.

Q4 Operating Revenues by Segment



(amounts in millions)	Q4 2025	Q4 2024	Variance
Water	\$110.1	\$92.7	\$17.4
Electric*	16.0	21.7	(5.7)
Contracted Services	38.2	28.7	9.5
Total Operating Revenues	\$164.3	\$143.1	\$21.2

* Electric revenues in Q4 2024 include electric revenues of \$9.2 million that reflect the retroactive electric rates for the full year of 2023 and the first nine months of 2024 as a result of receiving the final decision in connection with BVES's general rate case proceeding.

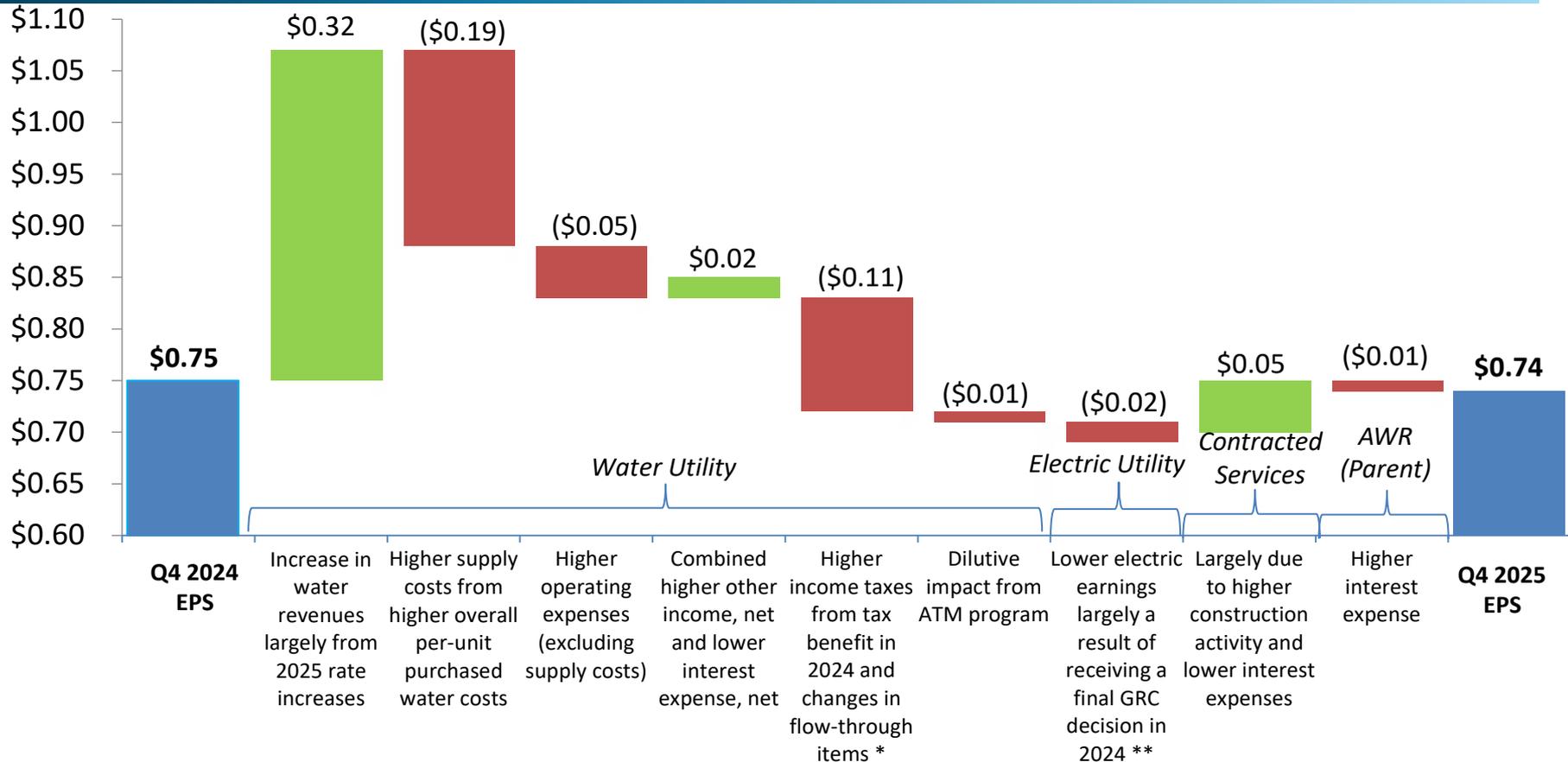
Q4 Expenses (Excluding income taxes)



(amounts in millions)	Q4 2025	Q4 2024	Variance
Water and Electric Supply Costs	\$38.4	\$27.7	\$10.7
Other Operation	12.5	9.9	2.6
Administrative and General*	25.3	27.9	(2.6)
Depreciation and Amortization	12.6	11.3	1.3
Maintenance*	5.9	9.8	(3.9)
Property and Other Taxes	6.3	6.9	(0.6)
ASUS Construction	18.3	10.9	7.4
Total Operating Expenses	\$119.3	\$104.4	\$14.9
Interest Expense, net of Interest Income	\$9.8	\$9.2	\$0.6
Other Income, net of (Other Expense)	(\$1.2)	(\$1.3)	\$0.1

* As a result of recording the new electric rates in 2024 at the electric segment, retroactive to January 1, 2023, BVES recorded an increase in operating expenses of \$8.2 million that included an increase to administrative and general and maintenance expenses included in BVES's revenue requirement partially offset by overall lower composite rates for the full years of 2023 and 2024 recorded in the fourth quarter of 2024.

EPS Bridge Q4 2024 to Q4 2025



Note: Certain amounts may not foot or crossfoot due to rounding.

* The water segment's adjusted earnings for 2024 exclude the impact of a one-time tax benefit of \$0.13 per share recorded during the fourth quarter of 2024 as a result of receiving a final decision from the CPUC in the water general rate case ("GRC").

** The electric segment's adjusted earnings for 2024 exclude the impact from retroactive rates of \$0.06 per share related to full year of 2023 and second-year rate increases for the nine months ended September 30, 2024 resulting from a final decision in the electric GRC that set new rates for 2023 – 2026; retroactive to January 1, 2023.

Diluted EPS by Segment for the Year



	2025	2024	Variance
Water	\$ 2.61	\$ 2.51	\$ 0.10
Electric	0.25	0.21	0.04
Contracted Services	0.61	0.55	0.06
AWR (Parent)	(0.09)	(0.10)	0.01
Consolidated Diluted EPS as recorded (GAAP)	\$ 3.37	\$ 3.17	\$ 0.20
Adjustment to GAAP measure:			
Impact of one-time tax benefit recorded in the fourth quarter of 2024 resulting from a final decision in the water general rate case*	-	(0.13)	0.13
Consolidated Diluted EPS as adjusted (Non-GAAP)	\$ 3.37	\$ 3.04	\$ 0.33
Water Diluted EPS as adjusted (Non-GAAP)*	\$ 2.61	\$ 2.38	\$ 0.23

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

* The water segment's adjusted earnings for 2024 exclude the impact of a one-time tax benefit of \$0.13 per share recorded during the fourth quarter of 2024 as a result of receiving a final decision from the CPUC in the water general rate case.

- Operating cash flows were \$229.7 million for 2025 compared to \$198.7 million for 2024 largely from:
 - ✓ Implementation of new rates at the regulated utilities from approved GRC proceedings,
 - ✓ Implementation of various surcharges at both regulated utilities,
 - ✓ PFAS contamination litigation proceeds, and
 - ✓ Timing of cash receipts and disbursements related to other working capital items

- Regulated utilities invested \$210.9 million on company-funded capital work in 2025
 - ✓ Capital expenditures for 2026 are expected to be \$185-\$225 million

- Financing Activities:
 - ✓ ATM:
 - AWR raised total proceeds of \$67.0 million in 2025, net of issuance and legal costs
 - Balance of \$40.7 million remains available for issuance under the program

Regulatory Activity

- **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
 - Excluding revenues for advice letter capital projects, adopted operating revenues less water supply costs for 2025 increased by approximately \$23 million when compared to 2024



Regulated Utilities - Customer Service Areas

- ✓ 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
- ✓ 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.
- **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.

■ ***Expansion of Water Operations***

- ✓ GSWC completed a transaction with a developer to build out, own and operate the water and wastewater system assets serving a new planned community of 1,300 customer connections
 - In December 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
 - In May 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
- ✓ In October 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).
- ✓ On January 27, 2026, GSWC filed an application with the CPUC to acquire the water system assets from a city located within Los Angeles County. The application requested the expansion of GSWC's CPCN to incorporate the new service area into one of GSWC's existing ratemaking areas, and to include the \$5.25 million purchase price in rate base. The acquisition is forecasted to increase revenues by approximately \$1.0 million, if approved as filed. The city's service area serves almost 900 primarily residential customers.

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 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 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

- **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%
- **Solar Energy and Battery Storage Projects** – In July 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). In December 2025, BVES received a final decision approving the settlement agreement and authorizing construction of the solar and battery projects. The costs associated with the projects are recoverable in customer rates at the time the projects are completed and in service.

Contracted Services (ASUS)

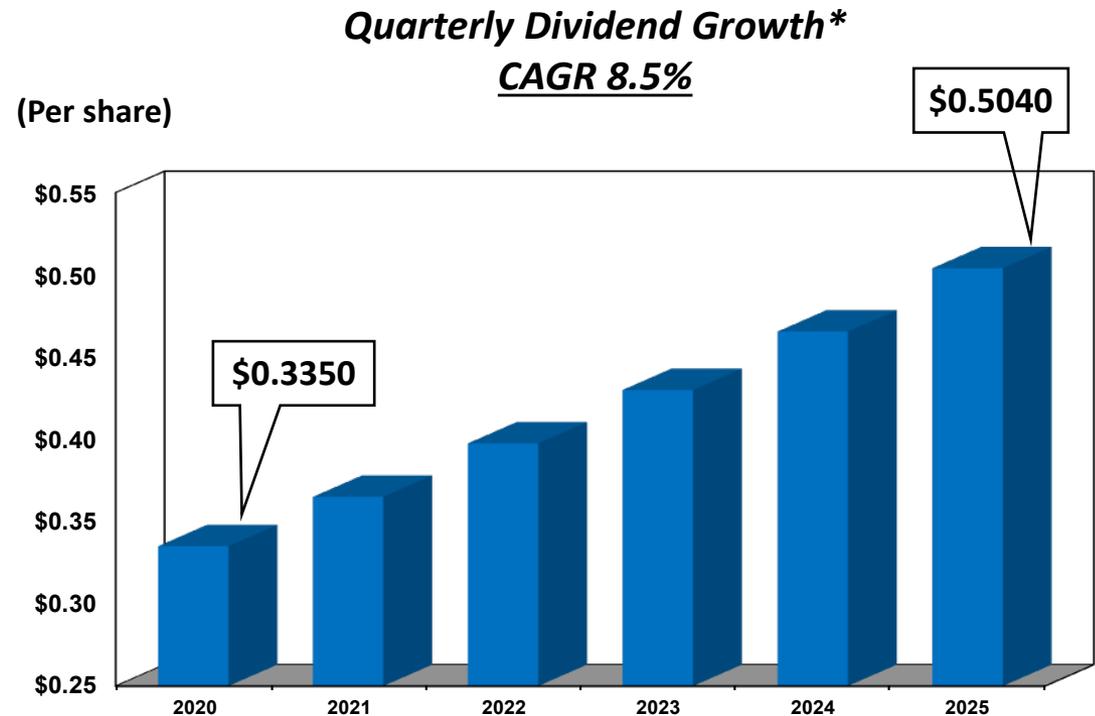
- Earnings for full year of 2025 were \$0.61 per share compared to \$0.55 per share for 2024, an increase of \$0.06 per share. The increase was largely resulting from (i) an increase in management fee revenues due to the commencement of operations of the new bases in April 2024 and the resolution of various economic price adjustments, (ii) an increase in construction activities, and (iii) lower interest expense; partially offset by higher overall operating expenses, and a decrease in earnings of approximately \$0.02 per share due to the dilutive effects from the issuance of equity under AWR's ATM offering program.
- ASUS has been awarded \$29.4 million in new capital upgrade construction projects 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

- Dividend raised by 8.3% in the third quarter. The quarterly dividend rate has grown at a compound annual growth rate of 8.5% over the last 5 years since the first quarter of 2021
- 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 three and twelve months ended December 31, 2025 and 2024:

In 000's except per share amounts	Water		Electric		Contracted Services		AWR (Parent)		Consolidated (GAAP)	
	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024
Net income (loss)	\$ 19,602	\$ 19,908	\$ 4,096	\$ 5,088	\$ 6,199	\$ 4,296	\$ (1,156)	\$ (857)	\$ 28,741	\$ 28,435
Weighted Average Number of Diluted Shares	38,995	38,076	38,995	38,076	38,995	38,076	38,995	38,076	38,995	38,076
Diluted earnings (loss) per share	\$ 0.50	\$ 0.52	\$ 0.11	\$ 0.13	\$ 0.16	\$ 0.11	\$ (0.03)	\$ (0.02)	\$ 0.74	\$ 0.75

In 000's except per share amounts	Water		Electric		Contracted Services		AWR (Parent)		Consolidated (GAAP)	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Net income (loss)	\$ 100,946	\$ 94,463	\$ 9,615	\$ 7,754	\$ 23,457	\$ 20,642	\$ (3,576)	\$ (3,591)	\$ 130,442	\$ 119,268
Weighted Average Number of Diluted Shares	38,673	37,583	38,673	37,583	38,673	37,583	38,673	37,583	38,673	37,583
Diluted earnings (loss) per share	\$ 2.61	\$ 2.51	\$ 0.25	\$ 0.21	\$ 0.61	\$ 0.55	\$ (0.09)	\$ (0.10)	\$ 3.37	\$ 3.17

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