

Financial Results Call Presentation

First Quarter 2025



American States
Water Company

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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 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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Q1 2025 Highlights

- Recorded consolidated diluted earnings per share increased approximately \$0.08 per share for the quarter when compared to the first quarter of 2024:
 - ✓ Q1 2025: \$0.70 per share
 - ✓ Q1 2024: \$0.62 per share
- 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
 - ✓ 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
- On pace to invest a combined \$170-\$210 million in infrastructure investments at our regulated utilities

Q1 Diluted EPS by Segment



	Q1 2025	Q1 2024	Variance
Water	\$ 0.52	\$ 0.48	\$ 0.04
Electric	0.07	0.05	0.02
Contracted Services	0.13	0.13	-
AWR (Parent)	(0.02)	(0.03)	0.01
Consolidated Diluted EPS as recorded (GAAP)	\$ 0.70	\$ 0.62	\$ 0.08

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

Q1 Operating Revenues by Segment



(amounts in millions)	Q1 2025	Q1 2024	Variance
Water	\$102.0	\$90.3	\$11.7
Electric	15.0	12.2	2.8
Contracted Services	31.0	32.8	(1.8)
Total Operating Revenues	\$148.0	\$135.3	\$12.7

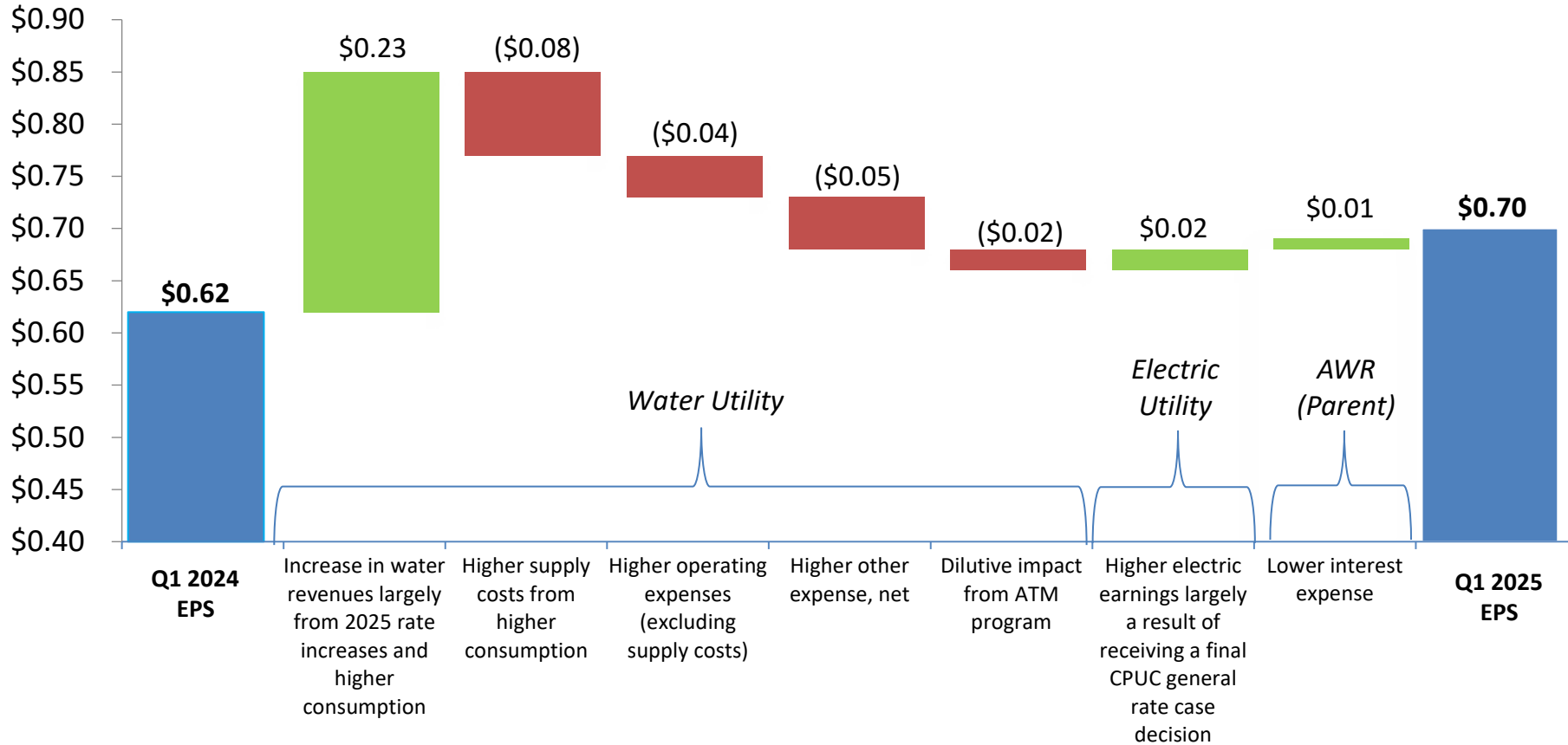
Q1 Expenses (Excluding income taxes)



(amounts in millions)	Q1 2025	Q1 2024	Variance
Water and Electric Supply Costs	\$29.5	\$25.2	\$4.3
Other Operation	10.5	9.6	0.9
Administrative and General*	26.9	25.3	1.6
Depreciation and Amortization	11.6	10.7	0.9
Maintenance*	4.1	3.2	0.9
Property and Other Taxes	7.0	6.5	0.5
ASUS Construction	12.9	15.7	(2.8)
Total Operating Expenses	\$102.5	\$96.2	\$6.3
Interest Expense, net of Interest Income	\$10.1	\$10.8	(0.7)
Other Expense, net of (Other Income)	\$0.2	(\$2.3)	\$2.5

* 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 Q1 2025, additional administrative and general and maintenance expenses of \$0.3 million and \$0.7 million were recorded, respectively.

EPS Bridge Q1 2024 to Q1 2025



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

- Operating cash flows were \$45.1 million for Q1 2025, as compared to \$45.8 million for Q1 2024 largely from:
 - ✓ Timing of cash receipts and disbursements related to working capital items partially offset by;
 - ✓ Implementation of new rates at the regulated utilities from approved GRC proceedings,
 - ✓ Implementation of various surcharges at both regulated utilities, and
 - ✓ Higher water consumption compared to Q1 2024.
- Regulated utilities invested \$45.5 million on company-funded capital work during Q1
 - ✓ Capital expenditures for 2025 are expected to be \$170-\$210 million
- Financing Activities:
 - ✓ ATM: AWR raised total proceeds of \$25.8 million net of issuance and legal costs incurred during Q1
 - ✓ In February 2025, BVES issued \$50 million in unsecured private placement notes
 - ✓ In May 2025, both AWR and GSWC extended their credit facility terms from June 2028 to June 2029
 - ✓ AWR increased its credit facility borrowing capacity to \$195 million, increase of \$30 million
- Credit ratings:
 - ✓ S&P: A and A+ credit ratings for AWR and GSWC, respectively, with stable outlook for both companies
 - ✓ Moody's: A2 rating with a stable outlook for GSWC

Regulatory Activity - GSWC

- 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. In addition, the decision:

- ✓ 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



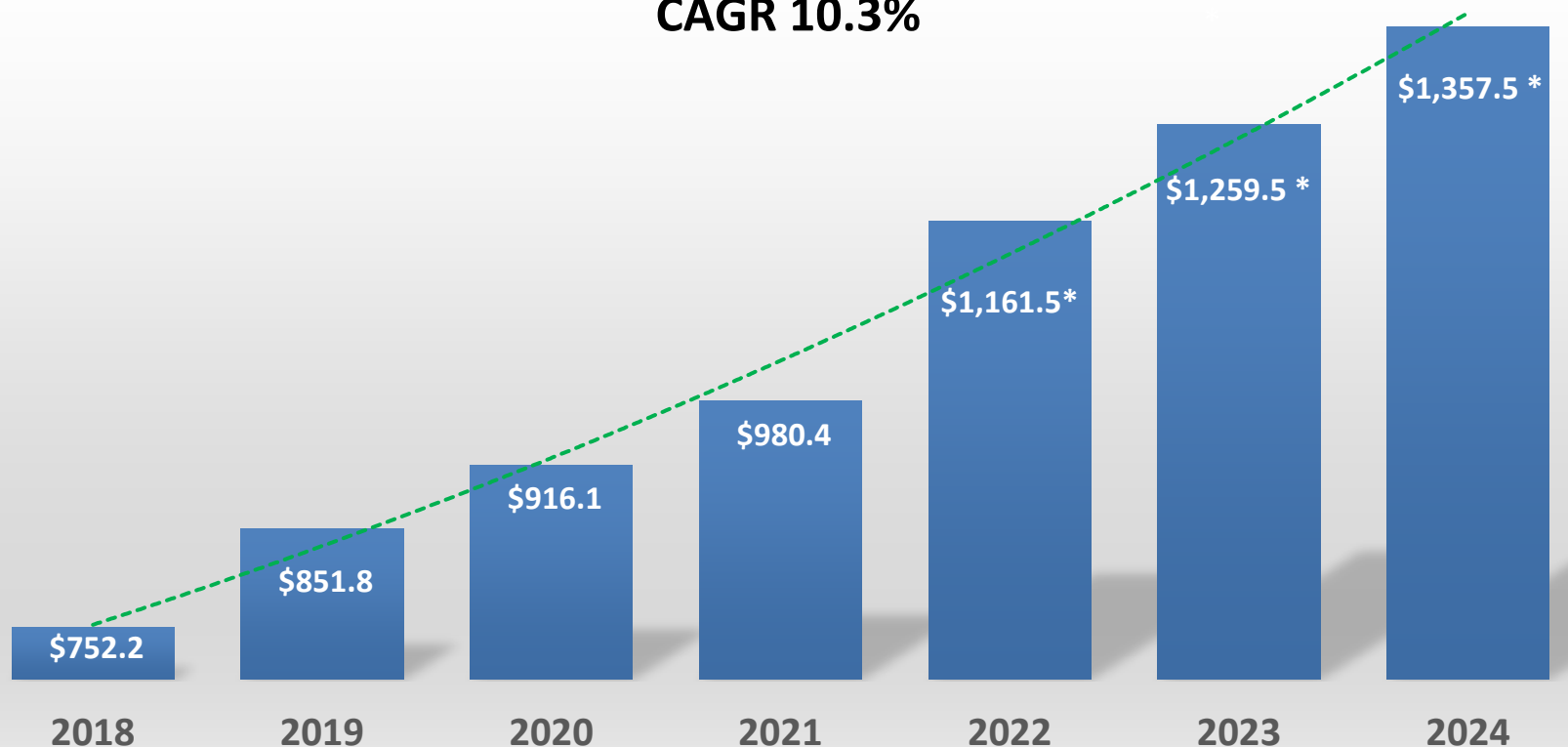
- ✓ Rejects a full sales and revenue decoupling mechanism and a full supply cost balancing account, and instead orders the transition to a modified rate adjustment mechanism for sales and revenues and an incremental cost balancing account for supply costs effective January 1, 2025
- ✓ Adopts rate design increasing revenue requirement in fixed service charges to be between 45-48%
- On March 5, 2025, GSWC filed an application for rehearing of the CPUC's decision in the 2025-2027 general rate case
- On January 14, 2025, the CPUC approved a request to defer the filing of GSWC's cost of capital application, along with three other investor owned California water utilities, until May 1, 2026, with an effective date of January 1, 2027. The CPUC also approved the request to leave the WCCM in place through this deferral period. The current 7.93% return on rate base includes a return on equity of 10.06%, an embedded cost of debt of 5.1%, and a capital structure with 57% equity and 43% debt through December 31, 2026.

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



(in millions)

CAGR 10.3%



Note: 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 and, among other items, the decision:
 - ✓ Authorizes BVES to invest \$75.6 million in capital infrastructure included in base rates over the four-year rate cycle including at least \$23.1 million (plus AFUDC) to be filed for revenue recovery through advice letters when the 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 already incurred in connection with BVES's wildfire mitigation plans that are currently 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

Contracted Services (ASUS)

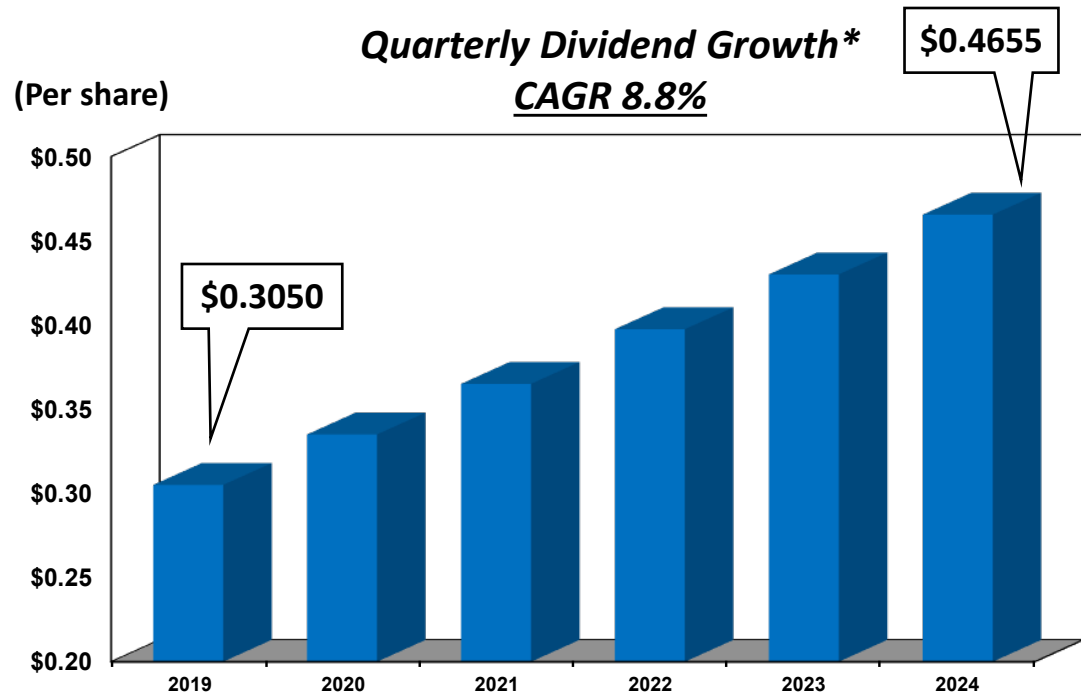
- Earnings for both Q1 2025 and Q1 2024 were \$0.13 per share. The increase in management fee revenues from the commencement of operation in April 2024 at the new bases (Naval Air Station Patuxent River and Joint Base Cape Cod) and the resolution of various economic price adjustments at the legacy bases, was offset by a decrease in construction activity and higher overall operating expenses (excluding construction expenses). During Q1 2025, construction activities were negatively impacted by unfavorable weather conditions, which were less impactful to construction activities during Q1 2024. The delays on construction activities are expected to be caught up during the remainder of 2025.
- ASUS received a record high of \$56.5 million in new capital upgrade projects received in 2024 for completion from 2024 through 2027
- ASUS is projected to contribute \$0.59 - \$0.63 per share in 2025
- 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 approved a second quarter cash dividend of \$0.4655 per share
- 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 **70 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, 2025 and 2024:

In 000's except per share amounts	Water		Electric		Contracted Services		AWR (Parent)		Consolidated (GAAP)	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Net income (loss)	\$ 19,906	\$ 17,794	\$ 2,626	\$ 1,742	\$ 5,124	\$ 4,774	\$ (812)	\$ (1,175)	\$ 26,844	\$ 23,135
Weighted Average Number of Diluted Shares	38,354	37,107	38,354	37,107	38,354	37,107	38,354	37,107	38,354	37,107
Diluted earnings (loss) per share	\$ 0.52	\$ 0.48	\$ 0.07	\$ 0.05	\$ 0.13	\$ 0.13	\$ (0.02)	\$ (0.03)	\$ 0.70	\$ 0.62

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