



American States Water Company Announces Increase in Dividends

October 30, 2006

SAN DIMAS, Calif.--(BUSINESS WIRE)--Oct. 30, 2006--On October 27, 2006, the Board of Directors of American States Water Company (NYSE:AWR) approved a \$0.01 per share increase in its quarterly dividend to \$0.235 per share on the Common Shares of the Company. This represents a 4.4% increase in the quarterly dividend. For more than 52 consecutive years, American States Water Company shareholders have received an aggregate annual increase in their dividends. This action marks the 282nd consecutive dividend payment by the Company.

"This is the largest per share quarterly dividend increase by the Company in more than ten years," said Floyd E. Wicks, President and CEO of American States Water Company, "and reflects the Board of Directors' confidence in the Company."

Dividends on the Common Shares will be payable on December 1, 2006 to shareholders of record at the close of business on November 10, 2006.

American States Water Company is the parent of Golden State Water Company, American States Utility Services, Inc. and Chaparral City Water Company. Through its subsidiaries, AWR provides water service to 1 out of 30 Californians located within 75 communities throughout 10 counties in Northern, Coastal and Southern California (approximately 254,000 customers) and to approximately 13,000 customers in the city of Fountain Hills, Arizona and a small portion of Scottsdale, Arizona. The Company also distributes electricity to approximately 23,000 customers in the Big Bear recreational area of California. Through its non-regulated subsidiary, American States Utility Services, the Company contracts with municipalities, the U.S. government and private entities to provide various services, including billing and meter reading, water marketing and operation and maintenance of water and wastewater systems.

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