



American States Water Company Announces Share Repurchase Program

March 27, 2014

SAN DIMAS, Calif.--(BUSINESS WIRE)--Mar. 27, 2014-- American States Water Company (NYSE:AWR) announced today that its Board of Directors has approved a stock repurchase program authorizing the Company to repurchase up to 1.25 million shares or 3.2% of its outstanding common shares from time to time through June 30, 2016. The Company intends to initiate the repurchase of the common shares through implementation of a Rule 10b5-1 trading plan in May 2014 at the earliest.

"This repurchase program is intended to enable the Company to achieve a consolidated shareholders' equity ratio that is more reflective of appropriate equity ratios for our two first-tier subsidiaries, Golden State Water Company and American States Utility Services, Inc.," said Robert J. Sprowls, President and Chief Executive Officer of AWR. He further stated, "The higher equity ratio currently existing for the consolidated company is partly the result of the sale in May 2011 of our Arizona subsidiary, Chaparral City Water Company, where we received approximately \$30 million in cash at closing of the sale." Since the sale, AWR has used the cash from the sale to repay borrowings under its revolving credit facility and invest in or lend to its two remaining subsidiaries. Based upon current expectations, including the projected infrastructure needs for Golden State Water Company and the expected growth of American States Utility Services, Inc. which is not capital intensive, management does not anticipate the Company will need to do a secondary common stock offering in the near term.

The repurchase program does not obligate the Company to acquire any specific number of shares and may be suspended, terminated or modified at any time for any reason, including market conditions, the cost of repurchasing shares, the availability of alternative investment opportunities, liquidity, and other factors deemed appropriate. These factors may also affect the timing and amount of share repurchases.

American States Water Company is the parent of Golden State Water Company and American States Utility Services, Inc. Through its utility subsidiary, Golden State Water Company, AWR provides water service to approximately 257,000 customers throughout 10 counties in Northern, Coastal and Southern California. The Company also distributes electricity to approximately 24,000 customers in the Big Bear recreational area of California. Through its contracted services subsidiary, American States Utility Services, Inc., the Company provides operations, maintenance and construction management services for water and wastewater systems located on military bases throughout the country under 50 year privatization contracts.

Source: American States Water Company

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