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Exhibit No. 4  
 Date 8/24/15  
 Reporter JL  
 File No. W.B.-2015-0301  
 Stewardship Standard

# American Water Works Co Inc AWK (XNYS)

<b>Morningstar Rating</b> ★★ 14 Aug 2015	<b>Last Price</b> 54.29 USD 14 Aug 2015	<b>Fair Value Estimate</b> 45.00 USD	<b>Price/Fair Value</b> 1.21	<b>Dividend Yield %</b> 2.39 14 Aug 2015	<b>Market Cap (Bil)</b> 9.79 14 Aug 2015
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Industry: Utilities - Regulated Water  
 Stewardship: Standard

Morningstar Pillars	Analyst	Quantitative
Economic Moat	Narrow	Narrow
Valuation	★★	Overvalued
Uncertainty	Low	Low
Financial Health	—	Moderate

Source: Morningstar Equity Research

## Quantitative Valuation

	Current	5-Yr Avg	Sector	Country
Price/Quant Fair Value	1.11	1.12	0.94	0.92
Price/Earnings	21.6	19.2	16.2	20.6
Forward P/E	19.7	—	15.3	15.2
Price/Cash Flow	9.2	7.3	6.3	12.3
Price/Free Cash Flow	464.6	6,586.7	13.5	19.4
Dividend Yield %	2.39	2.74	3.77	2.17

Source: Morningstar

## Bulls Say

- ▶ Much of America's water infrastructure is old and poorly maintained. A 2007 EPA estimate put the cost of updating community infrastructure at close to \$335 billion for drinking water alone.
- ▶ American Water's size should be an advantage in pursuing new customers and acquisitions in the coming years. Tuck-ins to existing systems are a cheap source of growth.
- ▶ Unregulated projects, such as the Tampa Bay desalination plant and Gillette Stadium's water reuse system, showcase American Water's expertise to prospective customers.

## Bears Say

- ▶ American Water's sizable plans for infrastructure replacement and upgrades will run into conservation from rising rates for water that has traditionally been cheap.
- ▶ Conservation is biting into weather-adjusted usage across American Water's territories, requiring higher rates to maintain returns.
- ▶ Acquisitions of regulated utilities can be difficult, as American Water realized with its failed offer for Trenton Water Works.

## American Water Works' 2Q EPS Rises on New Rates and Cost Efficiency

Mark Barnett, Analyst, 23 February 2015

### Investment Thesis

American Water Works' earnings and dividend growth should outstrip many of its regulated utility peers, but the valuation placed on that growth typically is among the richest of any U.S. utility, especially since returns on equity and on invested capital are unflattering and we believe will remain so.

Water regulation does not, in our view, deserve a premium to electric and gas regulation, proved by low realized returns. Conservation-driven usage declines will also remain a headwind that could slow growth beyond our expectations, limiting management's ability to increase earnings and cash flow despite increasing rate base investment.

We have no issues with American Water's core business. The firm has repaired its balance sheet and regulatory relationships following its divestiture by RWE. Regulated investment should provide a good runway for growth over a very long horizon given the need for investment in American water systems.

However, we expect 6% earnings per share growth through 2018 with earned returns on equity remaining near 9%, hardly a case to trade at a significant premium to regulated gas and electric peers. There is clearly value in controlling water, but that value is severely limited by regulation. Investors would be well served to remember this regulatory oversight when considering an investment in American Water Works, regardless of the fine job that management has done within its business model.

Mark Barnett, Analyst, 06 August 2015

### Analyst Note

We will be maintaining our \$45 per share fair value estimate and stable narrow moat rating for American Water Works after the company released second-quarter earnings results on Aug. 6. During the quarter, American Water earned \$0.68 per share, an 8% increase over second-quarter 2014 EPS of \$0.63. Management reaffirmed full-year 2015 guidance of \$2.55-\$2.65 per share, in line with our latest forecast of \$2.59 per share.

The growth in earnings was driven by new rates, lower

ongoing O&M, and the absence of costs related to the Freedom Industries spill from 2014. American Water's consistent improvement of regulatory returns continues with consolidated returns on equity improving modestly over 2014 year-to-date. Rate cases continue to be a mixed bag of outcomes, but for the most part American Water is getting closer to earning its allowed returns, particularly for the company's largest jurisdictions.

We continue to expect a modest improvement in consolidate returns on equity and consistent though modest returns on invested capital above American Water's cost of capital, though hitting management's operating expense efficiency targets will be essential. Year-to-date O&M efficiency has continued the positive trend. American Water's investment riders outside of the formal rate case process are also contributing to improving results and lower regulatory lag.

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### Economic Moat

Mark Barnett, Analyst, 23 February 2015

We assign American Water Works a narrow moat rating. Utility regulation in the U.S. recognizes the need for capital providers--lenders and shareholders--to earn a return on their investments while ensuring that utilities do not take advantage of their service area monopolies by gouging customers. American Water's historical returns on capital suffered from rate freezes and poor relations related to its purchase and quick divestiture by German utility conglomerate RWE, but we believe that on a forward-looking basis the regulatory compact will provide for a return marginally but consistently above American Water's cost of capital. Given that nearly all of American Water's profits come from fully regulated businesses, even a smaller spread earns the firm a narrow economic moat. American Water's diversity of regional footprint means that weaker returns experienced in the short term at any one subsidiary will have only a minor impact on consolidated returns, though regulatory problems at its largest segments in Pennsylvania or New Jersey could be more meaningful.

### Valuation

Mark Barnett, Analyst, 23 February 2015

We are increasing our fair value estimate to \$45 per share from \$41 after recalibrating our capital cost assumptions



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★★ 14 Aug 2015	54.29 USD 14 Aug 2015	45.00 USD	1.21	2.39 14 Aug 2015	9.79 14 Aug 2015	Utilities - Regulated Water	Standard

for American Water to better align with the returns equity and debt investors are likely to demand over the long run. We now assume a 7.5% cost of equity, down from 8%. This is lower than the 9% rate of return we expect investors to demand of a diversified equity portfolio, reflecting American Water's lesser sensitivity to the economic cycle, and lower degree of operating leverage. Modestly offsetting this change is an increase in our long-term expected cost of debt financing to incorporate a more normalized rate environment.

We expect the company to grow at a fairly strong clip for a regulated utility, increasing EBIT and EPS at a 6% average annual rate through 2018. We project capital expenditures excluding acquisitions totaling \$5.3 billion the next five years to drive growth with contributions from minor acquisitions and tuck-ins given the highly fragmented nature of the industry. Rate cases should continue to support the operating margin improvement realized in 2012 and 2013. We project operating margins to average 34% through 2018. We expect that returns on equity however will be unimpressive, remaining around 9%.

One of our key assumptions is high-single-digit average growth in the firm's nonregulated wastewater and contract services segments during the five-year period. We agree with management's assessment that nonregulated design, build, and operate projects as well as operating and maintenance partnerships provide an attractive avenue for growth for which American Water is poised to take advantage.

Our valuation utilizes a 5.7% assumed weighted average cost of capital, based on a 7.5% cost of equity.

## Risk

Mark Barnett, Analyst, 23 February 2015

American Water Works derives most of its profits from regulated operations. Consequently, the greatest risk it faces is regulation that does not allow the company to earn its allowed return and does not protect it from regulatory lag, which is the time between the incurring and the recovery of costs. A prolonged freeze in the credit markets could force the company to scale back growth expenditures. As acquisitions are a major source of growth for this company, competition with rival regulated utilities is a threat to American Water Works' growth prospects. Municipalities may also resist its overtures, as

they did in Trenton in 2010. Its nonregulated businesses are also subject to competition.

## Management

Mark Barnett, Analyst, 23 February 2015

We think management deserves a Standard stewardship grade. American Water Works' senior management has a wealth of experience in dealing with regulation and in the water services industry in particular. Former President and CEO Donald Correll had more than 30 years of experience at water utilities, including 25 years with United Water Resources, and managed to keep the company's house in line despite a difficult period with the RWE debacle. President and CEO Jeffrey Sterba served more than 30 years with PNM Resources in both power and water. Judging by the regulatory successes in 2010 and 2011, Sterba has done a fine job at the tiller so far, though there were some disappointing cases in 2012 and 2013.

The decision to trim debt and divest noncore operations strikes us as prudent and should allow the company to focus its efforts on improving regulation in its largest segments. However, American Water is likely to continue doing deals, which brings risk of overpaying and expectations of improving returns that don't materialize. Improving returns at a regulated utility is a long process even in favorable jurisdictions.

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## Analyst Notes Archive

### American Water Works' 2Q EPS Rises on New Rates and Cost Efficiency

Mark Barnett, Analyst, 06 August 2015

We will be maintaining our \$45 per share fair value estimate and stable narrow moat rating for American Water Works after the company released second-quarter earnings results on Aug. 6. During the quarter, American Water earned \$0.68 per share, an 8% increase over second-quarter 2014 EPS of \$0.63. Management reaffirmed full-year 2015 guidance of \$2.55-\$2.65 per share, in line with our latest forecast of \$2.59 per share.

The growth in earnings was driven by new rates, lower ongoing O&M, and the absence of costs related to the Freedom Industries spill from 2014. American Water's consistent improvement of regulatory returns continues with consolidated returns on equity improving modestly over 2014 year-to-date. Rate cases continue to be a mixed bag of outcomes, but for the most part American Water is getting closer to earning its allowed returns, particularly for the company's largest jurisdictions.

We continue to expect a modest improvement in consolidate returns on equity and consistent though modest returns on invested capital above American Water's cost of capital, though hitting management's operating expense efficiency targets will be essential. Year-to-date O&M efficiency has continued the positive trend. American Water's investment riders outside of the formal rate case process are also contributing to improving results and lower regulatory lag.

### American Water's 1Q EPS Rises Modestly on New Rates, Nonregulated Sales; 2015 Guidance Confirmed

Mark Barnett, Analyst, 07 May 2015

We maintain our \$45 per share fair value estimate and stable narrow moat rating for American Water Works after the company released first-quarter 2015 results. During the quarter, American Water earned \$0.44 per share, a 7% increase over first-quarter 2014 EPS of \$0.41 excluding charges related to the Freedom Industries spill. Management also confirmed full-year 2015 EPS guidance of \$2.55-\$2.65, in line with our latest projection for 2015 EPS of \$2.59.

Higher revenue from the company's market-based operations and new rate increases drove top-line improvement. American Water's continued push to improve operational efficiency across its utilities contributed as well to push earnings results higher year over year. American Water has done a fine job of improving returns at its regulated utilities despite regulation that is often harder to navigate than gas or electric utility regulation. We expect modest improvement in realized regulated and corporate ROEs to provide a modest tailwind for American Water's regulated investment-driven growth.

While it's a straightforward story of slowly improving rate structures and recovering much-needed regulated investment, it remains a story with legs that will drive above-average earnings growth at least during our explicit five-year horizon. But as with most regulated utilities in today's market environment, we think investors continue to pay an unreasonably high premium for that growth.

### American Water's 2014 Results and 2015 Guidance In Line; Regulated Performance Continues to Improve

Mark Barnett, Analyst, 25 February 2015

We are maintaining our \$45 per share fair value estimate and stable, narrow moat ratings for American Water Works after the company reported 2014 financial results in line with our forecasts and continued its steady regulated growth. American Water earned \$2.39 per share in 2014--\$2.43 excluding costs to deal with the Freedom Industries spill. This is close to our \$2.42 per share estimate and represents a 10% increase on an adjusted basis from 2013 EPS of \$2.21. Management also said that it expects 2015 EPS of \$2.55-\$2.65 per share, near our projections of \$2.59.

American Water's steady program of rate cases and tuck-in acquisitions combined with a modest increase in gross margin from the nonregulated segment drove the year-over-year financial improvement. The company realized a modest bump in consolidated return on equity, an area where American Water still has a lot of ground to make up to catch its regulated electric and gas utilities peers. The gap between American Water's realized ROE and its relatively low allowed ROE remains significant. However, the firm continues to make progress with rate catch-up, improvements in regulatory mechanisms, and cutting per-customer costs.

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We expect management to continue adding small tuck-in acquisitions and investing a growing capital expenditure budget into its utilities to continue driving above-average growth in EPS and dividends in a typically slow-moving sector. However, we remain skeptical of American Water's significant premium to its gas and electric peers and caution that it is one of the most overvalued utilities we cover.

# American Water Works Co Inc AWK

Last Close: 54.29 | Quantitative Fair Value Estimate: 49.03 | Market Cap (Mill): 9,786.1 | Sector: Utilities | Industry: Utilities - Regulated Water | Country of Domicile: USA United States

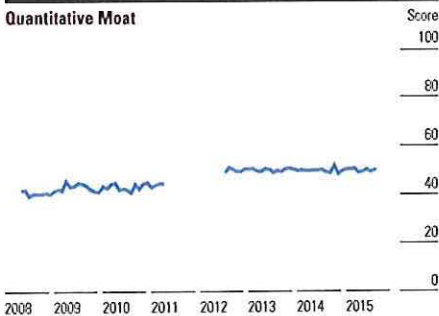
American Water Works Co Inc provides water and wastewater services to residential, commercial and industrial customers in the United States and Canada. It operates in two segments; Regulated Businesses and Market-Based Operations.

Quantitative Scores		Scores		
		All	Rel Sector	Rel Country
Quantitative Moat	Narrow	99	97	97
Valuation	Overvalued	4	7	5
Quantitative Uncertainty	Low	100	98	99
Financial Health	Moderate	69	76	69



Valuation		Current	5-Yr Avg	Sector Median	Country Median
Price/Earnings	21.6	19.2	16.2	20.6	
Forward P/E	19.7	—	15.3	15.2	
Price/Cash Flow	9.2	7.3	6.3	12.3	
Price/Free Cash Flow	464.6	6,586.7	13.5	19.4	
Dividend Yield %	2.39	2.74	3.77	2.17	
Price/Book	1.9	1.4	1.4	2.4	
Price/Sales	3.2	2.2	1.3	1.9	

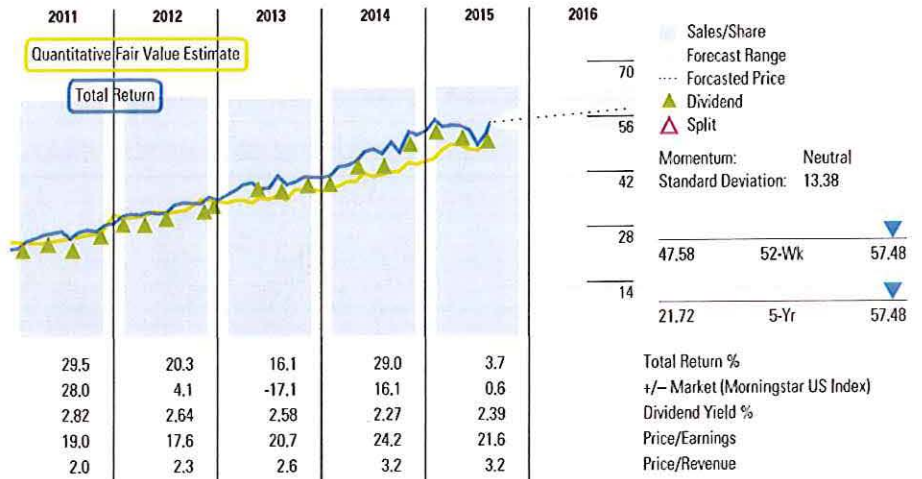
Profitability		Current	5-Yr Avg	Sector Median	Country Median
Return on Assets %	2.8	2.3	3.3	4.9	
Revenue/Employee (K)	477.8	410.6	1,090.3	301.4	



Financial Health		Current	5-Yr Avg	Sector Median	Country Median
Solvency Score	—	—	629.0	559.2	
Assets/Equity	3.3	3.3	2.7	1.7	
Long-Term Debt/Equity	1.1	1.2	0.7	0.3	

Growth Per Share		1-Year	3-Year	5-Year	10-Year
Operating Income %	5.7	7.7	42.0	—	
Earnings %	15.5	11.4	—	3.1	
Dividends %	44.0	10.4	8.1	2.0	
Book Value %	3.3	4.3	3.6	—	
Stock Total Return %	12.8	14.9	21.5	—	

## Price Versus Quantitative Fair Value

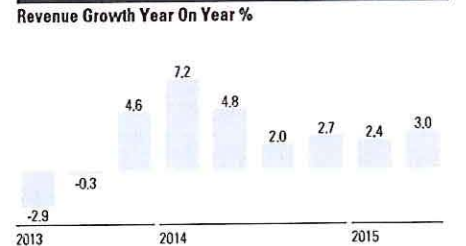


	2011	2012	2013	2014	2015	2016
Quantitative Fair Value Estimate	29.5	20.3	16.1	29.0	3.7	
Total Return	28.0	4.1	-17.1	16.1	0.6	
Sales/Share	2.82	2.64	2.58	2.27	2.39	
Dividend	19.0	17.6	20.7	24.2	21.6	
Split	2.0	2.3	2.6	3.2	3.2	

	2010	2011	2012	2013	2014	2015	2016
Revenue	2,711	2,666	2,877	2,902	3,011	3,058	3,058
% Change	11.1	-1.6	7.9	0.9	3.8	1.5	1.5
Operating Income	748	803	925	946	1,003	1,042	1,042
% Change	330.9	7.4	15.2	2.3	6.0	4.0	4.0
Net Income	268	310	358	369	423	449	449
Operating Cash Flow	775	808	956	896	1,097	1,065	1,065
Capital Spending	-809	-978	-986	-1,045	-956	-1,044	-1,044
Free Cash Flow	-34	-170	-30	-149	141	21	21
% Sales	-1.3	-6.4	-1.0	-5.1	4.7	0.7	0.7
EPS	1.53	1.75	2.01	2.06	2.35	2.49	2.49
% Change	—	14.4	14.9	2.5	14.1	6.0	6.0
Free Cash Flow/Share	-0.20	-0.88	-0.17	-0.34	0.00	0.32	0.32
Dividends/Share	0.86	0.90	1.21	0.84	1.21	1.27	1.27
Book Value/Share	23.59	24.24	25.10	25.97	27.41	27.70	27.70
Shares Outstanding (K)	175,664	176,988	178,379	179,462	180,257	180,257	180,257

	2010	2011	2012	2013	2014	2015	2016
Return on Equity %	6.6	7.4	8.3	8.1	8.8	9.0	9.0
Return on Assets %	1.9	2.1	2.4	2.5	2.7	2.8	2.8
Net Margin %	9.9	11.6	12.4	12.7	14.1	14.7	14.7
Asset Turnover	0.20	0.18	0.20	0.19	0.19	0.19	0.19
Financial Leverage	3.4	3.5	3.3	3.2	3.3	3.3	3.3
Gross Margin %	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Operating Margin %	27.6	30.1	32.1	32.6	33.3	34.1	34.1
Long-Term Debt	5,434	5,340	5,191	5,213	5,433	5,433	5,433
Total Equity	4,132	4,240	4,445	4,728	4,916	5,053	5,053
Fixed Asset Turns	0.2	0.2	0.3	0.2	0.2	0.2	0.2

Quarterly Revenue & EPS						
Revenue (Mill)	Mar	Jun	Sep	Dec	Total	
2015	698.1	782.1	—	—	—	—
2014	681.9	759.2	846.2	731.4	3,011.3	
2013	636.1	724.3	829.2	712.3	2,901.9	
2012	618.6	745.6	831.8	680.9	2,876.9	
Earnings Per Share						
2015	0.44	0.68	—	—	—	—
2014	0.38	0.61	0.85	0.52	2.35	
2013	0.32	0.57	0.84	0.33	2.06	
2012	0.24	0.60	0.86	0.31	2.01	



# Morningstar Equity Research Methodology

## Fundamental Analysis

At Morningstar, we believe buying shares of superior businesses at a discount and allowing them to compound over time is the surest way to create wealth in the stock market. The long-term fundamentals of businesses, such as cash flow, competition, economic cycles, and stewardship, are our primary focus. Occasionally, this approach causes our recommendations to appear out of step with the market, but willingness to be contrarian is an important source of outperformance and a benefit of Morningstar's independence. Our analysts conduct primary research to inform our views on each firm's moat, fair value and uncertainty.



## Economic Moat

The economic moat concept is a cornerstone of Morningstar's investment philosophy and is used to distinguish high-quality companies with sustainable competitive advantages. An economic moat is a structural feature that allows a firm to sustain excess returns over a long period of time. Without a moat, a company's profits are more susceptible to competition. Companies with narrow moats are likely to achieve normalized excess returns beyond 10 years while wide-moat companies are likely to sustain excess returns beyond 20 years. The longer a firm generates economic profits, the higher its intrinsic value. We believe lower-quality no-moat companies will see their returns gravitate to-

ward the firm's cost of capital more quickly than companies with moats will. We have identified five sources of economic moats: intangible assets, switching costs, network effect, cost advantage, and efficient scale.

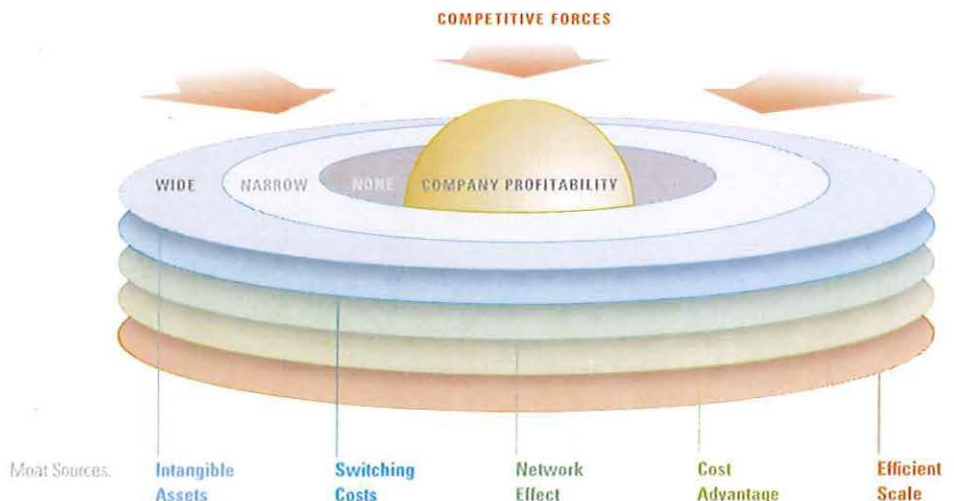
## Fair Value Estimate

Our analyst-driven fair value estimate is based primarily on Morningstar's proprietary three-stage discounted cash flow model. We also use a variety of supplementary fundamental methods to triangulate a company's worth, such as sum-of-the-parts, multiples, and yields, among others. We're looking well beyond next quarter to determine the cash-generating ability of a company's assets because we believe the market price of a security will migrate toward the firm's intrinsic value over time. Economic moats are not only an important sorting mechanism for quality in our framework, but the designation also directly contributes to our estimate of a company's intrinsic value through sustained excess returns on invested capital.

## Uncertainty Rating

The Morningstar Uncertainty Rating demonstrates our assessment of a firm's cash flow predictability, or valuation risk. From this rating, we determine appropriate margins of safety: The higher the uncertainty, the wider the margin of safety around our fair value estimate before our recommendations are triggered. Our uncertainty ratings are low, medium, high, very high, and extreme. With each uncertainty rating is a corresponding set of price/fair value ratios that drive our recommendations: Lower price/fair value ratios (<1.0) lead to positive recommendations, while higher price/fair value

## Economic Moat



# Morningstar Equity Research Methodology

ratios (>1.0) lead to negative recommendations. In very rare cases, the fair value estimate for a firm is so unpredictable that a margin of safety cannot be properly estimated. For these firms, we use a rating of extreme. Very high and extreme uncertainty companies tend to have higher risk and volatility.

## Quantitatively Driven Valuations

To complement our analysts' work, we produce Quantitative Ratings for a much larger universe of companies. These ratings are generated by statistical models that are meant to divine the relationships between Morningstar's analyst-driven ratings and key financial data points. Consequently, our quantitative ratings are directly analogous to our analyst-driven ratings.

*Quantitative Fair Value Estimate (QFVE):* The QFVE is analogous to Morningstar's fair value estimate for stocks. It represents the per-share value of the equity of a company. The QFVE is displayed in the same currency as the company's last close price.

*Valuation:* The valuation is based on the ratio of a company's quantitative fair value estimate to its last close price.

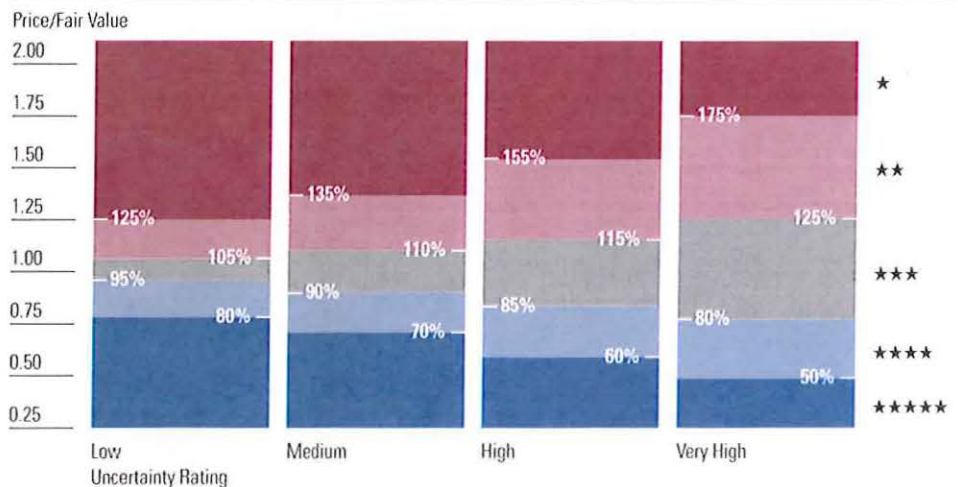
*Quantitative Uncertainty:* This rating describes our level of uncertainty about the accuracy of our quantitative fair value estimate. In this way it is analogous to Morningstar's fair value uncertainty ratings.

*Quantitative Economic Moat:* The quantitative moat rating is analogous to Morningstar's analyst-driven economic moat rating in that both are meant to describe the strength of a firm's competitive position.

## Understanding Differences Between Analyst and Quantitative Valuations

If our analyst-driven ratings did not sometimes differ from our quantitative ratings, there would be little value in producing both. Differences occur because our quantitative ratings are essentially a highly sophisticated analysis of the analyst-driven ratings of comparable companies. If a company is unique and has few comparable companies, the quantitative model will have more trouble assigning correct ratings, while an analyst will have an easier time recognizing the true characteristics of the company. On the other hand, the quantitative models incorporate new data efficiently and consistently. Empirically, we find quantitative ratings and analyst-driven ratings to be equally powerful predictors of future performance. When the analyst-driven rating and the quantitative rating agree, we find the ratings to be much more predictive than when they differ. In this way, they provide an excellent second opinion for each other. When the ratings differ, it may be wise to follow the analyst's rating for a truly unique company with its own special situation, and follow the quantitative rating when a company has several reasonable comparable companies and relevant information is flowing at a rapid pace.

## Uncertainty Rating



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# American Water Works Co Inc(USD) AWK

Last Close \$ 54.29 Sales \$Mil 3,058 Mkt Cap \$Mil 9,786 Industry Utilities - Regulated Water Currency USD

American Water Works Co Inc provides water and wastewater services to residential, commercial and industrial customers in the United States and Canada. It operates in two segments; Regulated Businesses and Market-Based Operations.

1025 Laurel Oak Road  
Voorhees, NJ 08043  
Phone: +1 856 346-8200  
Website: <http://www.amwater.com>

### Growth Rates Compound Annual

Grade: C	1 Yr	3 Yr	5 Yr	10 Yr
Revenue %	4.6	4.1	4.3	5.8
Operating Income %	5.7	7.7	42.0	—
Earnings/Share %	15.5	11.4	—	3.1
Dividends %	44.0	10.4	8.1	2.0
Book Value/Share %	3.3	4.3	3.6	—
Stock Total Return	12.8	14.9	21.5	—
+/- Industry	15.8	15.2	9.4	—
+/- Market	3.6	-1.7	4.9	—

### Profitability Analysis

Grade: C	Current	5 Yr Avg	Ind	Mkt
Return on Equity %	9.0	7.8	8.4	21.0
Return on Assets %	2.8	2.3	3.0	7.8
Revenue/Employee \$K	477.8	410.6	—	953.5
Fixed Asset Turns	0.2	0.2	0.4	7.4
Inventory Turns	—	—*	38.3	9.8
Gross Margin %	100.0	100.0	64.2	44.8
Operating Margin %	34.1	31.4	22.6	19.1
Net Margin %	14.7	12.3	12.0	13.9
Free Cash Flow/Rev %	0.7	—	-1.4	15.2
R&D/Rev %	—	—	—	—

### Financial Position (USD)

Grade: B	12-14 \$Mil	06-15 \$Mil
Cash	23	145
Inventories	37	38
Receivables	455	514
Current Assets	661	890
Fixed Assets	13029	13358
Intangibles	1208	1210
Total Assets	16131	16732
Payables	310	325
Short-Term Debt	511	883
Current Liabilities	1241	1512
Long-Term Debt	5433	5433
Total Liabilities	11215	11679
Total Equity	4916	5053

### Valuation Analysis

	Current	5 Yr Avg	Ind	Mkt
Price/Earnings	21.6	19.2	18.6	19.2
Forward P/E	19.7	—	—	20.6
Price/Cash Flow	9.2	7.3	5.5	11.7
Price/Free Cash Flow	464.6	6586.7	-106.4	27.2
Dividend Yield %	2.4	2.7	2.1	2.2
Price/Book	1.9	1.4	1.7	2.8
Price/Sales	3.2	2.2	2.3	3.6
PEG Ratio	3.0	—	—	2.5

\*3Yr Avg data is displayed in place of 5 Yr Avg

### Morningstar Rating

★★  
As of 08-14-2015

Fair Value Fair Value Economic Moat Style Sector  
Uncertainty Low \$45.00 Narrow Mid Value Utilities



2008	2009	2010	2011	2012	2013	2014	YTD	Stock Performance
—	—	—	—	—	—	—	—	Total Return %
—	—	—	—	—	—	—	—	+/- Market
—	—	—	—	—	—	—	—	+/- Industry
—	—	—	—	—	—	—	—	Dividend Yield %
—	—	—	—	—	—	—	—	Market Cap \$Mil

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	TTM	Financials (USD)
2137	2093	2214	2337	2441	2555	2666	2877	2879	3011	3058	Revenue \$Mil
—	—	—	—	—	—	—	—	—	—	—	Gross Margin %
—	—	—	—	—	—	—	—	—	—	—	Oper Income \$Mil
—	—	—	—	—	—	—	—	—	—	—	Operating Margin %
—	—	—	—	—	—	—	—	—	—	—	Net Income \$Mil
—	—	—	—	—	—	—	—	—	—	—	Earnings Per Share \$
—	—	—	—	—	—	—	—	—	—	—	Dividends \$
—	—	—	—	—	—	—	—	—	—	—	Shares Mil
—	—	—	—	—	—	—	—	—	—	—	Book Value Per Share \$
—	—	—	—	—	—	—	—	—	—	—	Oper Cash Flow \$Mil
—	—	—	—	—	—	—	—	—	—	—	Cap Spending \$Mil
—	—	—	—	—	—	—	—	—	—	—	Free Cash Flow \$Mil

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	TTM	Profitability
—	—	—	—	—	—	—	—	—	—	—	Return on Assets %
—	—	—	—	—	—	—	—	—	—	—	Return on Equity %
—	—	—	—	—	—	—	—	—	—	—	Asset Turnover
—	—	—	—	—	—	—	—	—	—	—	Net Margin %
—	—	—	—	—	—	—	—	—	—	—	Financial Leverage

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	06-15	Financial Health (USD)
—	—	—	—	—	—	—	—	—	—	—	Long-Term Debt \$Mil
—	—	—	—	—	—	—	—	—	—	—	Total Equity \$Mil
—	—	—	—	—	—	—	—	—	—	—	Debt/Equity
—	—	—	—	—	—	—	—	—	—	—	Working Capital \$Mil

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	TTM	Valuation
—	—	—	—	—	—	—	—	—	—	—	Price/Earnings
—	—	—	—	—	—	—	—	—	—	—	P/E vs. Market
—	—	—	—	—	—	—	—	—	—	—	Price/Sales
—	—	—	—	—	—	—	—	—	—	—	Price/Book
—	—	—	—	—	—	—	—	—	—	—	Price/Cash Flow

### Quarterly Results (USD)

	Sep	Dec	Mar	Jun
Revenue \$Mil				
Most Recent	846.0	731.0	698.0	782.0
Previous	822.0	706.0	679.0	754.0
Rev Growth %				
Most Recent	2.9	3.6	2.8	3.6
Previous	-1.2	3.7	6.7	4.2
Earnings Per Share \$				
Most Recent	0.87	0.52	0.44	0.68
Previous	0.84	0.33	0.38	0.61

### Close Competitors

	Mkt Cap \$Mil	Rev \$Mil	P/E	ROE%
Aqua America Inc	4678	798	21.1	14.6
American States Water Co	1456	464	24.1	12.8

### Major Fund Holders

	% of shares
BlackRock Equity Dividend Inv B	2.07
Vanguard Mid Cap Index I	2.00
Pictet Global Sel Gbl Utilities Eq P	0.59

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