

**Multiple-Stage Dividend Discount Model
for the Comparable Water Utility Companies**

Annual Earnings Per Share Estimates

Company Name	Consensus Analysts' Discreet EPS Estimates (2024 - 2028)						Transitionay Period to Perpetual Growth (2028 - 2038)								
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
American States Water Company	\$3.03	\$3.33	\$3.50	\$3.75	\$4.00	\$4.31	\$4.62	\$4.93	\$5.26	\$5.58	\$5.90	\$6.21	\$6.53	\$6.83	\$7.12
American Water Works Company, Inc.	\$5.27	\$5.71	\$6.13	\$6.44	\$6.94	\$7.46	\$7.99	\$8.54	\$9.09	\$9.64	\$10.19	\$10.73	\$11.26	\$11.78	\$12.28
California Water Service Group	\$3.28	\$2.35	\$2.54	\$2.90	\$3.10	\$3.38	\$3.67	\$3.96	\$4.26	\$4.56	\$4.85	\$5.13	\$5.41	\$5.66	\$5.90
Essential Utilities, Inc.	\$1.99	\$2.12	\$2.22	\$2.39	\$2.55	\$2.71	\$2.88	\$3.04	\$3.21	\$3.38	\$3.56	\$3.73	\$3.91	\$4.08	\$4.26
SJW Group	\$2.75	\$2.95	\$3.10	\$3.29	\$3.45	\$3.62	\$3.79	\$3.97	\$4.16	\$4.35	\$4.55	\$4.75	\$4.96	\$5.18	\$5.40

Dividend Payout Ratios

Company Name	Discrete Dividend Payout Ratio (2024 - 2028)						Transitionay Payout Ratio Until Perpetual Growth (2028 - 2038)								
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
American States Water Company	59.08%	57.74%	58.86%	58.93%	59.25%	58.73%	58.21%	57.69%	57.17%	56.65%	56.13%	55.61%	55.09%	54.57%	54.05%
American Water Works Company, Inc.	57.21%	56.98%	57.36%	58.84%	59.08%	58.58%	58.07%	57.57%	57.07%	56.57%	56.06%	55.56%	55.06%	54.56%	54.05%
California Water Service Group	34.11%	51.42%	51.64%	48.62%	49.03%	49.53%	50.04%	50.54%	51.04%	51.54%	52.05%	52.55%	53.05%	53.55%	54.05%
Essential Utilities, Inc.	63.61%	63.17%	64.06%	63.85%	62.92%	62.04%	61.15%	60.26%	59.38%	58.49%	57.60%	56.72%	55.83%	54.94%	54.05%
SJW Group	58.17%	57.17%	57.58%	57.84%	57.97%	57.58%	57.19%	56.80%	56.40%	56.01%	55.62%	55.23%	54.84%	54.45%	54.05%

Estimated Dividends

Company Name	Cost of Equity	Stock Price															
		10/31/2024	11/15/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	6/30/2029	6/30/2030	6/30/2031	6/30/2032	6/30/2033	6/30/2034	6/30/2035	6/30/2036	6/30/2037	6/30/2038
American States Water Company	7.21%	-76.58	\$0.47	\$1.92	\$2.06	\$2.21	\$2.37	\$2.53	\$2.69	\$2.85	\$3.00	\$3.16	\$3.31	\$3.46	\$3.60	\$3.73	\$3.85
American Water Works Company, Inc.	7.22%	-131.49	\$0.77	\$3.25	\$3.52	\$3.79	\$4.10	\$4.37	\$4.64	\$4.91	\$5.18	\$5.45	\$5.71	\$5.96	\$6.20	\$6.43	\$6.64
California Water Service Group	7.80%	-50.40	\$0.28	\$1.21	\$1.31	\$1.41	\$1.52	\$1.68	\$1.84	\$2.00	\$2.17	\$2.35	\$2.52	\$2.70	\$2.87	\$3.03	\$3.19
Essential Utilities, Inc.	7.99%	-37.64	\$0.33	\$1.34	\$1.43	\$1.53	\$1.61	\$1.68	\$1.76	\$1.83	\$1.91	\$1.98	\$2.05	\$2.12	\$2.18	\$2.24	\$2.30
SJW Group	7.28%	-57.89	\$0.34	\$1.69	\$1.79	\$1.90	\$2.00	\$2.08	\$2.17	\$2.26	\$2.35	\$2.44	\$2.53	\$2.63	\$2.72	\$2.82	\$2.92
Average	7.50%																
Without Essential	7.38%																

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Annual Growth Rate Estimates Until Terminal Stage

Company Name	5-YR CAGR	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038
American States Water Company	8.00%		Discrete Estimates				7.63%	7.25%	6.88%	6.50%	6.13%	5.75%	5.38%	5.00%	4.63%	4.25%
American Water Works Company, Inc.	7.87%		Discrete Estimates				7.51%	7.15%	6.79%	6.42%	6.06%	5.70%	5.34%	4.97%	4.61%	4.25%
California Water Service Group	9.62%		Discrete Estimates				9.08%	8.55%	8.01%	7.47%	6.94%	6.40%	5.86%	5.32%	4.79%	4.25%
Essential Utilities, Inc.	6.46%		Discrete Estimates				6.24%	6.02%	5.80%	5.58%	5.36%	5.13%	4.91%	4.69%	4.47%	4.25%
SJW Group	4.98%		Discrete Estimates				4.90%	4.83%	4.76%	4.69%	4.61%	4.54%	4.47%	4.40%	4.32%	4.25%

Source: S&P Market intelligence as of November 11, 2024.

Notes:

1. Explicit long-term compound annual growth rate (CAGR) consensus for all companies except California Water Services Group. Implied long-term CAGR for California Water Services Group based on 2025-2028 Discrete EPS estimates.