



American Water Prices Initial Public Offering

Company to List on New York Stock Exchange Under Symbol "AWK"

VOORHEES, N.J., Apr 22, 2008 (BUSINESS WIRE) -- American Water (NYSE: AWK) today announced its initial public offering of 58 million shares of common stock has been priced at \$21.50 per share. All of the shares are being offered by the selling stockholder, RWE Aqua Holdings GmbH, and net proceeds from the offering will go to RWE. American Water's shares will begin trading on April 23, 2008, on the New York Stock Exchange under the ticker symbol "AWK."

The selling stockholder has granted the underwriters a 30-day option to purchase up to 8.7 million additional shares of common stock. After the initial public offering, and assuming no exercise of the underwriters' option, the selling stockholder is expected to own approximately 64 percent of American Water's shares.

Goldman, Sachs & Co., Citi, and Merrill Lynch & Co. are acting as joint book-running managers in connection with the offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

A registration statement relating to these securities has been filed with, and declared effective by, the U.S. Securities and Exchange Commission. A copy of the final prospectus may be obtained by contacting any of the following:

-- Goldman, Sachs & Co., Attention: Prospectus Department, 85 Broad Street, New York, NY 10004, facsimile +1 212 902 9316, e-mail prospectus-ny@ny.email.gs.com.

-- Citi, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, NY 11220, telephone +1 718 765 6732.

-- Merrill Lynch & Co., Attention: Prospectus Department, 4 World Financial Center, 5th Floor, New York, NY 10080, telephone +1 212 449 1000.

You may also obtain the final prospectus when it is available on the Securities and Exchange Commission's website at <http://www.sec.gov>.

About American Water

Founded in 1886, American Water is the largest investor-owned U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs nearly 7,000 dedicated professionals who provide drinking water, wastewater and other related services to approximately 15.6 million people in 32 states and Ontario, Canada.

SOURCE: American Water

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