



April 20, 2018

American Water Increases Quarterly Dividend by 9.6%

The company has increased its dividend every year since IPO in 2008

VOORHEES, N.J.--(BUSINESS WIRE)-- American Water Works Company, Inc. (NYSE: AWK) announced today that its board of directors increased its quarterly cash dividend payment from 41.5 cents to 45.5 cents per share, a 9.6 percent increase. The company has increased its dividend every year since its IPO in April 2008.

The increased payment is consistent with American Water's dividend practice, which is to link dividend increases to earnings per share growth and target a payout ratio between 50 to 60 percent of net income.

"American Water is committed to all of our stakeholders— shareholders, customers, employees and communities. We continue to pay dividends to our owners that are aligned with our financial performance, while at the same time continue robust investment in our systems to ensure clean, safe, reliable and affordable water services for our customers and communities," said Susan Story, president and CEO of American Water.

The increased dividend will be payable on June 1, 2018, to all stockholders of record as of May 11, 2018.

American Water offers a dividend reinvestment and direct stock purchase plan called American Water Stock Direct, which enables stockholders to reinvest cash dividends and purchase additional shares of American Water common stock without any brokerage commissions or service charges. Stockholders and other persons may obtain a copy of the Plan prospectus and an enrollment form by contacting American Stock Transfer & Trust Company ("AST") at 888-556-0423, visiting AST's website at www.amstock.com, contacting American Water's Investor Relations department at 877-310-7174 or by visiting the Investor Relations webpage located at ir.amwater.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities. The offer is being made solely through the Plan prospectus.

About American Water

With a history dating back to 1886, American Water is the largest and most geographically diverse U.S. publicly traded water and wastewater utility company. The company employs more than 6,900 dedicated professionals who provide regulated and market-based drinking water, wastewater and other related services to an estimated 15 million people in 46 states and Ontario, Canada. American Water provides safe, clean, affordable and reliable water services to our customers to make sure we keep their lives flowing. For more information, visit amwater.com and follow American Water on [Twitter](https://twitter.com/awwater), [Facebook](https://www.facebook.com/awwater) and [LinkedIn](https://www.linkedin.com/company/awwater).

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