



American Water's Corporate Credit Rating of 'A', Its Stable Outlook, and Its A-1 Short-Term Credit Rating Receives Affirmation from Standard & Poor's

June 10, 2019

CAMDEN, N.J.--(BUSINESS WIRE)--Jun. 10, 2019-- American Water (NYSE: AWK), the largest publicly traded U.S. water and wastewater utility company, announced today that Standard & Poor's (S&P) reported on June 7, 2019, it had affirmed the corporate credit rating of 'A', its stable outlook and its A-1 short-term credit rating, on American Water Works Company, Inc. and its American Water Capital Corp. finance subsidiary.

S&P stated its rationale for the affirmation as due primarily to American Water's key strengths including: the vast majority of American Water's cash flows are derived from lower-risk, rate-regulated water-utility operations; the benefits from significant geographic and regulatory diversity as the largest investor-owned water-utility company in the U.S.; and the company's effective management of regulatory risk as demonstrated by its implementation of numerous constructive regulatory mechanisms.

"We are pleased with S&P's decision, which reflects the advantage of our company's geographic diversity and our continuous efforts to maintain a strong balance sheet," said Linda G. Sullivan, executive vice president and chief financial officer of American Water. "Our efforts to maintain a strong balance sheet benefit the 15 million people who depend on us to provide clean, safe, reliable and affordable water services to them every day. Having greater access to capital at lower debt costs enhances our ability to make needed investments in our water and wastewater systems while balancing the impact it has on the customers we serve."

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the rating agency. Each rating should be evaluated independently of any other rating. Further risks and uncertainties with respect to these ratings are described in American Water's Form 10-K for the year ended December 31, 2018, as filed with the Securities and Exchange Commission on February 19, 2019.

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 7,100 dedicated professionals who provide regulated and market-based drinking water, wastewater and other related services to more than 14 million people in 46 states. 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](#), [Facebook](#) and [LinkedIn](#).

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