

AMERICAN WATER WORKS COMPANY, INC.

THE PREMIER WATER SERVICES PROVIDER IN NORTH AMERICA



AMERICAN WATER

AMERICAN WATER IS UNIQUE

Strong Earnings & Dividend Growth

★ **EPS Growth:**
Industry leading
7-10%*

★ **Dividend Growth:**
11%
since 2012

★ **Operational excellence**
minimizes bill increases

★ **Commitment to innovation & environmental stewardship,**
over **600** technologies examined

*Anchored from FY 2014

AMERICAN WATER WORKS:
GREAT PEOPLE MAKE
GREAT COMPANIES

Our future performance is a direct result of the talented people who work for American Water, our customers and communities.

Our people work hard in many ways to deliver clean water for life that is also safe, reliable and affordable. Across our footprint, our teams operate our business responsibly and safely, while managing our operating and capital costs in a manner that benefits our customers and produces value for our shareholders. Our customers, our employees and those who invest in us deserve nothing less.

ANALYST COVERAGE

Company	Analyst
Argus	John Staszak
Barclays Capital	Daniel Ford
Boenning & Scattergood	Ryan Connors
BOFA Merrill Lynch	Brian Chin
Edward Jones	Andy Pusateri
Gabelli & Co., Inc.	Timothy Winter
Goldman Sachs	Michael Lapides
Guggenheim Securities	Shar Pourreza
Hilliard & Lyons	Spencer Joyce
HSBC Global Research	Verity Mitchell
Janney Montgomery	Michael Gaugler
Ladenburg Thalmann	Rich Verdi
Macquarie Research	Angie Storzynski
Seaport Global	Walt Liptak
U.S. Capital Advisors LLC	Daniel Fidell
Wells Fargo	Neil Kalton
Wolfe Securities	Steve Fleishman

Market Statistics*

- ~\$20 Billion Total Enterprise Value
- ~1 Million Average Daily Trading Volume
- >\$13 Billion Market Capitalization
- \$3.2 Billion in 2015 Revenues – 86% Regulated, 14% Market-Based
- 64% Total Shareholder Return for the 12 Months Ended June 30, 2016
- ~2% Dividend Yield

Assets

- 15 Million People Served
- 49,000 Miles of Pipeline
- 6,700 Employees
- 1,600 Communities
- 3.3 Million Regulated Customer Connections

*Market data as of August 22, 2016, Source: FactSet

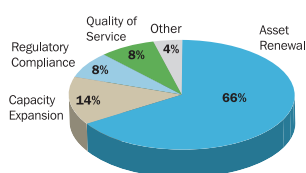


COMPANY PROFILE

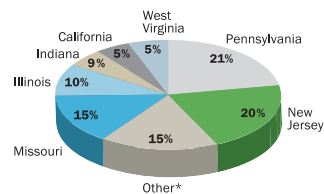
American Water is the largest and most geographically diverse, publicly traded U.S. water and wastewater utility company. Marking its 130th anniversary this year, the Company employs 6,700 dedicated professionals who provide regulated and market-based drinking water, wastewater and other related services to an estimated 15 million people in 47 states and Ontario, Canada. More information can be found by visiting www.amwater.com.

BUSINESS INTERESTS*

2016-2020 Regulated Capital Expenditures by Purpose



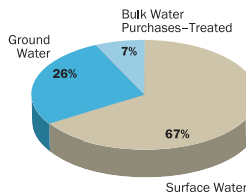
Regulated Business Customers



TOTAL = 3,252,691

*Includes data from our subsidiaries operating in the following states: Georgia, Hawaii, Iowa, Kentucky, Maryland, Michigan, New York, Tennessee and Virginia

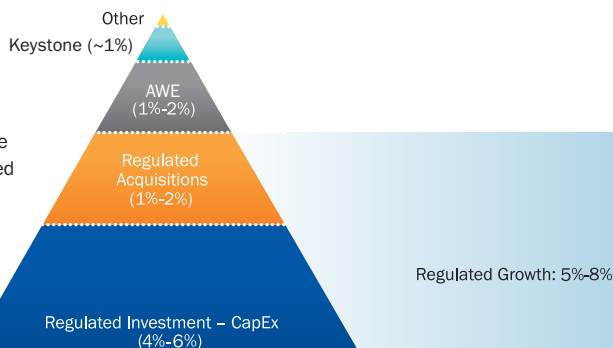
Source of Supply



*Data from 10-K as filed with the SEC February 25, 2016

LONG-TERM 7-10% EARNINGS GROWTH PLAN 2016-2020*

Our long-term earnings per share growth plan is based on regulated growth opportunities while leveraging market-based businesses

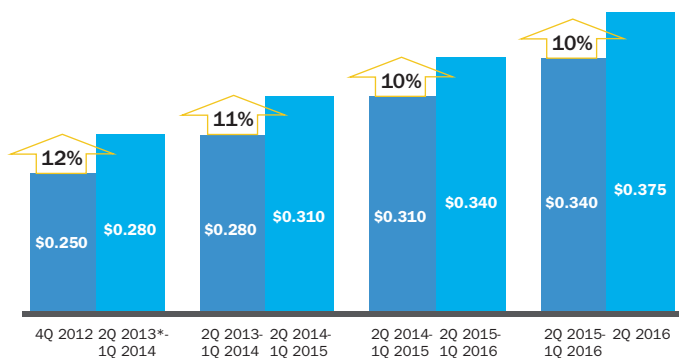


*Anchored from FY 2014

UPDATED AUGUST 2016

BENCHMARKS

FOUR CONSECUTIVE DOUBLE-DIGIT DIVIDEND INCREASES



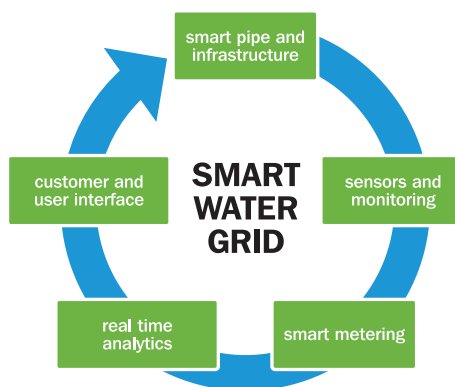
* The dividend normally paid in 1Q 2013 was accelerated and paid in late December 2012, to allow shareholders to take advantage of 2012 dividend tax rates.

- Dividend increases generally aligned with normalized EPS growth
- Target payout ratio between 50-60 percent of net income

SMART WATER GRID MANAGEMENT

From source to treatment to tap, American Water is investing in smart water management and pioneering a smart water grid. We develop and work with advanced technologies to monitor and control our processes for maximum efficiency and reliability. This includes:

- **acoustic leak monitoring**
- **smart water meters**
- **GIS mapping**
- **simulation modeling**
- **water quality sensors**
- **energy management / use of alternative energy sources**



SECOND QUARTER 2016 FINANCIAL RESULTS

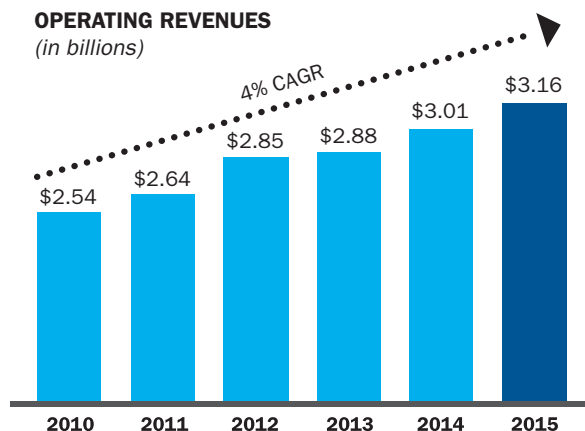
	For the Three Months Ended June 30 <i>(in millions, except per share data)</i>	
	2016	2015
Operating revenues	\$827	\$782
Income from continuing operations	\$137	\$123
Diluted common shares outstanding	178	180
Diluted earnings per common share from continuing operations	\$0.77	\$0.68

Cautionary Statement Concerning Forward-Looking Statements

Certain statements in this Fact Sheet are forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are predictions based on American Water's current expectations and assumptions regarding future performance. However, since these statements deal with future events, they are subject to numerous risks, uncertainties and other factors that may cause the actual performance of American Water to be materially different from the performance indicated or implied by such statements. For further information regarding these uncertainties and risks associated with American Water's business, please refer to American Water's annual, quarterly and other filings with the Securities and Exchange Commission. The company undertakes no duty to update any forward-looking statement.

OPERATING REVENUES

(in billions)



ENVIRONMENTAL STEWARDSHIP

- 150+ water quality awards from state and federal regulators, industry organizations, etc.
- 68 EPA Partnership for Safe Water Directors Awards
- Nearly 80 competitive research grants
- 5 U.S. patents
- 13x better than the industry average for meeting all drinking water requirements in 2015

LEARN MORE ONLINE

<http://ir.amwater.com>

For more information visit

AWK our website or download
LISTED the AWK IR App to get the
NYSE latest stock quotes, news
releases, performance data
as announced, corporate governance
policies, SEC filings and information
about the water utility industry.

CORPORATE HEADQUARTERS

American Water
1025 Laurel Oak Road
Voorhees, NJ 08043

INVESTOR RELATIONS CONTACTS

Greg Panagos

Vice President, Investor Relations

Melissa Schwarzell

Director, Investor Relations

aw.investorrelations@amwater.com

T: 1-877-310-7174



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www.amwater.com

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