

AMERICAN STATES WATER CO.

<u>Exchange</u> NYS	<u>Symbol</u> AWR	<u>Price</u> \$23.92 (8/25/2004)	<u>52Wk Range</u> 26.78-21.37	<u>Yield</u> 3.70	<u>P/E</u> 26.29		
*7 Year Price Score 108.7 *NYSE Composite Index=100			*12 Month Price Score 91.0				
			Interim Earnings (Per Share)				
			Qtr.	Mar	Jun	Sep	Dec
			2001	0.20	0.3267	0.62	0.1866
			2002	0.2467	0.36	0.50	0.2333
			2003	0.20	0.19	0.51	(0.12)
			2004	0.08	0.44	...	...
			Interim Dividends (Per Share)				
			Amt	Decl	Ex	Rec	Pay
			0.221Q	10/28/2003	11/5/2003	11/8/2003	12/1/2003
			0.221Q	2/3/2004	2/5/2004	2/9/2004	3/1/2004
			0.221Q	4/30/2004	5/6/2004	5/10/2004	6/1/2004
			0.221Q	7/27/2004	8/5/2004	8/9/2004	9/1/2004
			Indicated Div: \$0.884 (Div. Reinv. Plan)				
			Valuation Analysis				
			Forecast P/E 17.73 (8/25/2004)				
			Market Cap	\$362.5 Million	Book Value	210.9 Million	
			Price/Book	1.79	Price/Sales	1.78	
			Dividend Achiever Status				
			Rank	303	10 Year Growth Rate	1.11%	
			Total Years of Dividend Growth				50

Business Summary: Water Utilities (MIC: 7.2 SIC: 4941 NAIC:221310)

American States Water is a public utility that purchases, produces, distributes, and sells water, and distributes electricity through its primary subsidiary Southern California Water Company (SCW). SCW is organized into one electric customer service area and three water service regions operating within 75 communities in 10 counties in California and provides water service in 21 customer service areas. Through its American States Utility Services subsidiary, Co. performs non-regulated, water related services and operations on a contract basis. Co.'s subsidiary, Chaparral City Water Company, is an Arizona public utility company serving Fountain Hills, AZ and a portion of Scottsdale, AZ.

Recent Developments: For the second quarter ended June 30 2004, net income surged to \$6.7 million from \$2.9 million in the equivalent 2003 quarter, reflecting the results of favorable decisions and rate increases from the California Public Utilities Commission. Results for 2004 included a gain of \$5.7 million on the sale of water rights. Operating revenues grew 14.5% to \$59.3 million. Total operating expenses grew 9.8% to \$48.7 million due to higher purchased water costs caused by the need to replace groundwater supply as a result of wells being removed from service for water quality and mechanical reasons, as well as increased consumption. Net operating income climbed 42.9% to \$10.6 million.

Prospects: Recently approved rate increases will continue to provide additional revenues for the remainder of 2004 and additional increases in 2005. In July 2004, the California Public Utilities Commission (CPUC) issued a proposed decision adopting a settlement agreement Southern California Water (SCW) reached with the Office of Ratepayer Advocates of the CPUC. If approved, it will provide for increased revenues totaling \$15.4 million over a three-year period in the Region II customer service area of SCW, of which \$5.2 million is expected to be approved in the third quarter of 2004 and be retroactive to Jan 1 2004.

Financial Data (US\$ in Thousands)	6 Mos	3 Mos	12/31/2003	12/31/2002	12/31/2001	12/31/2000	12/31/1999	12/31/1998
Earnings Per Share	0.91	0.66	0.78	1.34	1.3333	1.2733	1.1933	1.08
Cash Flow Per Share	1.9049	1.2532	3.0707	1.7009	2.5959	2.1809	2.90	2.34
Tang. Book Val. Per Share	13.316	13.8328	13.9681	14.0492	13.2268	12.7518	11.822	11.4831
Dividends Per Share	0.884	0.884	0.884	0.871	0.867	0.857	0.853	0.840
Dividend Payout %	97.14	133.94	113.33	65.02	65.00	67.28	71.48	77.78
Income Statement								
Total Revenues	105,995	46,651	212,669	209,205	197,514	183,960	173,421	148,060
Total Indirect Exp.	28,873	16,310	68,374	55,993	60,612	48,615	48,816	40,649
Costs & Expenses	89,846	41,101	179,064	171,557	160,822	151,653	144,907	123,049
Depreciation & Amort.	10,250	5,177	19,792	18,302	17,951	15,339	13,650	12,538
Operating Income	16,149	5,550	33,605	37,648	36,692	32,307	28,514	25,011
Net Interest Inc./(Exp.)	(8,748)	(4,321)	(18,070)	(17,699)	(15,735)	(14,122)	(12,945)	(11,207)
Income Taxes	...	...	3,285	12,949	15,379	15,127	13,345	10,130
Income from Cont Ops	...	...	...	...	...	...	...	14,573
Net Income	7,856	1,146	11,892	20,339	20,447	18,086	16,101	14,623
Average Shs. Outstg.	15,265	15,255	15,227	15,157	15,256	14,116	13,437	13,437
Balance Sheet								
Net Property	621,862	610,206	602,298	563,311	539,842	509,096	449,595	414,753
Total Assets	761,426	746,965	757,475	701,650	683,764	616,646	533,181	484,671
Long-Term Obligations	229,468	229,590	229,799	231,089	245,692	176,452	167,363	120,809
Net Stockholders' Equity	215,593	210,880	212,487	213,279	201,582	194,323	160,446	155,899
Shares Outstanding	15,268	15,244	15,212	15,180	15,119	15,113	13,436	13,437
Statistical Record								
Operating Profit Margin %	21.04	13.09	18.96	24.19	26.36	25.78	24.14	23.73
Net Inc./Net Property %	1.26	0.19	1.97	3.61	3.79	3.55	3.58	3.53
Net Inc./Tot. Capital %	1.77	0.23	2.35	4.07	4.07	4.27	4.26	4.49
Return on Equity %	3.64	0.81	8.75	15.61	17.77	17.09	18.35	15.85
Accum. Depr./Gross Prop. %	27.26	27.21	26.98	26.86	26.10	25.40	25.23	25.02
Price Range	26.78-21.37	26.78-24.16	28.71-21.80	28.85-21.01	25.32-19.35	24.75-17.00	26.50-14.87	19.42-14.50
P/E Ratio	29.43-23.48	40.58-36.61	36.81-27.95	21.53-15.68	18.99-14.52	19.44-13.35	22.21-12.47	17.98-13.43
Average Yield %	3.64	3.50	3.56	3.54	3.86	4.20	4.20	5.03

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Telephone: (909) 394-3600	Transfer Agents: ChaseMellon Shareholder Services, L.L.C., Ridgefield Park, NJ	Institutional Holding
Web Site: www.aswater.com		No of Institutions: 94
		Shares: 5,756,386 % Held: 37.76%