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# News Release

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FOR IMMEDIATE RELEASE

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## YORK WATER COMPANY REPORTS 2<sup>nd</sup> QUARTER AND SIX MONTHS EARNINGS

**York, Pennsylvania, August 6, 2020:** The York Water Company's (NASDAQ:YORW) President, JT Hand, announced the Company's financial results for the second quarter and the first six months of 2020.

President Hand reported that second quarter operating revenues of \$13,320,000 increased \$272,000 and net income of \$4,182,000 increased \$465,000 compared to the second quarter of 2019. Earnings per share of \$0.32 for the three-month period increased \$0.04 compared to the same period last year. Increased revenues were primarily due to higher per capita residential consumption and growth in the customer base. The increased revenue was partially offset by higher operation and maintenance expenses and depreciation. Interest expense decreased due to lower interest rates and income taxes decreased due to higher deductions from the IRS tangible property regulations.

President Hand also reported that the first six months operating revenues of \$26,197,000 increased \$1,318,000 and net income of \$8,184,000 increased \$1,654,000 compared to the first six months of 2019. Increased revenues resulted primarily from the March 1, 2019 rate increase, higher per capita residential consumption, and growth in the customer base partially offset by lower Distribution System Improvement Charge (DSIC) after its reset to zero. DSIC is a Pennsylvania Public Utility Commission (PPUC) allowed charge that water utilities collect from customers for the replacement of aging infrastructure. The Company also recognized a non-recurring gain on life insurance. The increased income was partially offset by higher operation and maintenance expenses and depreciation. Interest expense decreased due to lower interest rates and income taxes decreased due to higher deductions from the IRS tangible property regulations. Earnings per share of \$0.63 for the six-month period increased \$0.13 compared to the same period last year.

During the first six months of 2020, the Company invested \$9.0 million in construction expenditures for replacement of a standpipe as well as various replacements and improvements to infrastructure. The Company estimates it will invest an additional \$12.6 million in 2020, excluding acquisitions, for additional main extensions, improvements to a raw water pumping station, expansion of a wastewater treatment plant, and routine improvements to its pipes, service lines, and other facilities to ensure a safe, adequate, and reliable supply of drinking water and to maintain proper handling and disposal of wastewater for the Company's growing customer base.

	Period Ended June 30			
	In 000's (except per share)			
	Quarter		Six Months	
	2020	2019	2020	2019
Operating Revenues	\$ 13,320	\$ 13,048	\$ 26,197	\$ 24,879
Net Income	\$ 4,182	\$ 3,717	\$ 8,184	\$ 6,530
Average Number of Common Shares Outstanding	13,022	12,956	13,016	12,949
Basic and Diluted Earnings Per Common Share	\$ 0.32	\$ 0.28	\$ 0.63	\$ 0.50
Dividends Declared Per Common Share	\$ 0.1802	\$ 0.1733	\$ 0.3604	\$ 0.3466

This news release may contain forward-looking statements regarding the Company's operational and financial expectations. These statements are based on currently available information and are subject to risks, uncertainties, and other events which could cause the Company's actual results to be materially different from the results described in this statement. The Company undertakes no duty to update any forward-looking statement.

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