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# News Release

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The York Water Company  
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FOR IMMEDIATE RELEASE

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## YORK WATER COMPANY REPORTS 3<sup>rd</sup> QUARTER AND NINE MONTHS EARNINGS

**York, Pennsylvania, November 7, 2019:** The York Water Company's (NASDAQ:YORW) President, Jeffrey R. Hines, announced today the Company's financial results for the third quarter and the first nine months of 2019.

President Hines reported that third quarter operating revenues of \$13,680,000 increased \$982,000 and net income of \$4,483,000 increased \$683,000 compared to the third quarter of 2018. Earnings per share of \$0.35 for the three-month period increased \$0.06 compared to the same period last year. Increased revenues were primarily due to an increase in rates effective March 1, 2019 partially offset by a reset to zero of the Distribution System Improvement Charge (DSIC). The DSIC is a Pennsylvania Public Utility Commission (PPUC) allowed charge that water utilities collect from customers for the replacement of aging infrastructure. Growth in the water customer base and an increase in per capita consumption also added to revenues. The increased revenue was partially offset by higher operation and maintenance expenses and depreciation. Income taxes decreased due to higher deductions from the IRS tangible property regulations.

President Hines also reported that the first nine months operating revenues of \$38,559,000 increased \$2,191,000 and net income of \$11,013,000 increased \$1,314,000 compared to the first nine months of 2018. Increased revenues resulted primarily from the March 1, 2019 rate increase and growth in the water customer base partially offset by lower DSIC after its reset to zero and a decrease in per capita consumption. The increased revenue was partially offset by higher operation and maintenance expenses and depreciation. Income taxes decreased due to higher deductions from the IRS tangible property regulations. Earnings per share of \$0.85 for the nine-month period increased \$0.10 compared to the same period last year.

During the first nine months of 2019, the Company invested \$13.3 million in construction expenditures for dam improvements as well as various replacements and improvements to infrastructure. In addition, the Company invested \$2,088,000 in the acquisition of a wastewater system. The Company estimates it will invest an additional \$4.5 million in 2019, excluding acquisitions, for additional main extensions, 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 September 30   |           |             |           |
|---|-----------------------------|-----------|-------------|-----------|
|   | In 000's (except per share) |           |             |           |
|   | Quarter                     |           | Nine Months |           |
|   | 2019                        | 2018      | 2019        | 2018      |
| Operating Revenues                          | \$ 13,680                   | \$ 12,698 | \$ 38,559   | \$ 36,368 |
| Net Income                                  | \$ 4,483                    | \$ 3,800  | \$ 11,013   | \$ 9,699  |
| Average Number of Common Shares Outstanding | 12,969                      | 12,913    | 12,956      | 12,895    |
| Basic and Diluted Earnings Per Common Share | \$ 0.35                     | \$ 0.29   | \$ 0.85     | \$ 0.75   |
| Dividends Declared Per Common Share         | \$ 0.1733                   | \$ 0.1666 | \$ 0.5199   | \$ 0.4998 |

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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