

News Release

The York Water Company
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FOR IMMEDIATE RELEASE

YORK WATER COMPANY REPORTS 2nd QUARTER AND SIX MONTHS EARNINGS

York, Pennsylvania, August 3, 2017: The York Water Company's (NASDAQ:YORW) President, Jeffrey R. Hines, announced today the Company's financial results for the second quarter and the first six months of 2017.

President Hines reported that second quarter operating revenues of \$12,254,000 increased \$434,000 and net income of \$2,935,000 increased \$88,000 compared to the second quarter of 2016. Earnings per share for the second quarter were \$0.23 in both 2017 and 2016.

President Hines also reported that the first six months operating revenues of \$23,544,000 increased \$446,000, and net income of \$5,516,000 increased \$183,000 compared to the first six months of 2016. Higher revenues due to recent acquisitions and an increase in the Distribution System Improvement Charge (DSIC), lower income taxes due to higher maintenance and repair deductions, and an increased allowance for funds used during construction were the primary reasons for the increased income. DSIC is a Pennsylvania Public Utility Commission allowed charge that water utilities collect from customers for the replacement of aging infrastructure. The increased income was partially offset by higher operations expenses, health insurance costs and depreciation. Earnings per share of \$0.43 for the six-month period increased \$0.01 compared to the same period last year.

During the first six months of 2017, the Company invested \$13.9 million in construction expenditures for an additional raw water pumping station and force main, as well as various replacements and improvements to infrastructure. In addition, the Company invested \$472,000 in the acquisition of water and wastewater systems. The Company estimates it will invest an additional \$9.0 million in 2017, excluding acquisitions, for expansion and improvements to its pipes, completion of the additional pumping station and force main, and various replacements and upgrades to other infrastructure 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 | |
| | 2017 | 2016 | 2017 | 2016 |
| Operating Revenues | \$ 12,254 | \$ 11,820 | \$ 23,544 | \$ 23,098 |
| Net Income | \$ 2,935 | \$ 2,847 | \$ 5,516 | \$ 5,333 |
| Average Number of Common Shares Outstanding | 12,840 | 12,850 | 12,845 | 12,835 |
| Basic and Diluted Earnings Per Common Share | \$ 0.23 | \$ 0.23 | \$ 0.43 | \$ 0.42 |
| Dividends Declared Per Common Share | \$ 0.1602 | \$ 0.1555 | \$ 0.3204 | \$ 0.3110 |

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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