



Essential declares 7% dividend increase

August 2, 2022

BRYN MAWR, Pa.--(BUSINESS WIRE)--Aug. 2, 2022-- The board of directors of Essential Utilities Inc. (NYSE: WTRG) today declared a quarterly cash dividend of \$0.2870 per share, payable Sept. 1, 2022 to all shareholders of record on Aug. 12, 2022.

The Sept. 2022 dividend will represent a 7% increase compared to the \$0.2682 cash dividend the company paid in June of this year. This marks the 32nd dividend increase in the past 31 years. The company has paid a consecutive quarterly cash dividend for 77 years. Following the increase, the annualized dividend rate will be \$1.1480 per share. The company's targeted dividend payout ratio continues to be 60 to 65% of net income.

"Our long history of consecutive quarterly cash dividends demonstrates the company's commitment to delivering consistently strong results while also focusing on operational excellence, investment in infrastructure, protecting the environment, serving our customers and delivering value to our shareholders," said Essential Chairman and CEO Christopher Franklin. "The Board's decision to increase the quarterly dividend reflects continued confidence in the company's commitment to providing both safe and reliable access to natural resources and a strong total shareholder return profile."

About Essential

Essential is one of the largest publicly traded water, wastewater service and natural gas providers in the U.S., serving approximately 5.5 million people across 10 states under the Aqua and Peoples brands. Essential is committed to excellence in proactive infrastructure investment, regulatory expertise, operational efficiency and environmental stewardship. The company recognizes the importance water and natural gas play in everyday life and is proud to deliver safe, reliable services that contribute to the quality of life in the communities it serves. For more information, visit <http://www.essential.co>.

Forward-looking statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others: the company's long-term targeted payout ratio. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: disruptions in the global economy, the spread of the COVID-19 virus resulting in business disruptions, the continuation of the company's growth-through-acquisition program; the company's continued ability to adapt itself for the future and build value by fully optimizing company assets; general economic business conditions; the company's ability to fund needed infrastructure; housing and customer growth trends; unfavorable weather conditions; the success of certain cost-containment initiatives; changes in regulations or regulatory treatment; availability and access to capital; the cost of capital; disruptions in the credit markets; the success of growth initiatives; the company's ability to successfully close municipally owned systems presently under agreement; the company's ability to continue to deliver strong results; the company's ability to continue to pay its dividend, add shareholder value and grow earnings; municipalities' willingness to privatize their water and/or wastewater utilities; the company's ability to control expenses and create and maintain efficiencies; the company's ability to acquire municipally owned water and wastewater systems listed in its "pipeline"; and other factors discussed in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q, which are filed with the Securities and Exchange Commission. For more information regarding risks and uncertainties associated with Essential's business, please refer to Essential's annual, quarterly and other SEC filings. Essential is not under any obligation - and expressly disclaims any such obligation - to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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