

Pennsylvania-American Water Company & Butler Area Sewer Authority
 Pro-forma Income Statement
 for the 12 Months Ended July 31, 2022 and December 31, 2021
 (Dollars in thousands)

	PA American Water 12 Months Ended December 31, 2021 (Audited)	Butler Area Sewer Authority 12 Months Ended July 31, 2022 (Audited)	Combined Pro-Forma
Operating Revenues	\$ 769,565	\$ 11,151	\$ 780,716
Operating Expenses			
Operation and Maintenance	245,076	5,330	250,406
Depreciation and Amortization	167,121	3,725	170,846
General Taxes and Other	14,968	920	15,888
Total Operating Expenses	<u>427,165</u>	<u>9,976</u>	<u>437,141</u>
Operating Income	342,400	1,175	343,575
Other Income/(Expenses)			
Other Income/(Expense), Net	17,948	370	18,318
Interest Expense, Net	(77,490)	(868)	(78,358)
Total Other Expenses	<u>(59,542)</u>	<u>(498)</u>	<u>(60,040)</u>
Income Before Income Taxes	282,858	678	283,536
Provision for Income Taxes	54,168	-	54,168
Net Income	<u>\$ 228,690</u>	<u>\$ 678</u>	<u>\$ 229,368</u>

Note: The timing difference in restating the Butler Area Sewer Authority's financial statements to December 31, 2021 is assumed by PAWC to be immaterial.