



## **Connecticut Water Service Issues Statement on Eversource's Latest Release in its Unsolicited, Hostile Acquisition Takeover Campaign**

Clinton, Conn., May 4, 2018 – Connecticut Water Service, Inc. (NASDAQ: CTWS) provided the following statement regarding the release issued today by Eversource Energy (NYSE: ES):

Eversource's rehash of their previous assertions is yet another attempt in their hostile effort to derail the SJW Group (NYSE: SJW) merger of equals and the many benefits the SJW merger provides in order to promote Eversource's inferior unsolicited acquisition proposal and distract from Eversource's record of chronic underperformance and highly-publicized poor customer service.

Even independent industry analysts have questioned the merits of Eversource's actions and costly campaign, which seems to be one of desperation, not value creation.

A significant shortfall in Eversource's earnings is expected if they are not able to deliver the \$1.6 billion Northern Pass electric transmission project, which was rejected by the New Hampshire Site Evaluation Committee. One recent analyst report predicted that without that investment, Eversource could have a \$1 shortfall on their \$3.20 to \$3.30 earnings per share guidance for 2018. Eversource's efforts to plug that shortfall with their relentless attempts to acquire Connecticut Water is not in the interests of the shareholders, customers, employees and communities served by Connecticut Water.

We will not let Eversource's hostile unwelcome actions create an obstacle to completing the SJW Group merger, which Connecticut Water's independent Board of Directors has determined is in the best interest of Connecticut Water and its stakeholders.

Eversource continues to use misleading comparisons to overcome the inferior value they have proposed. They fail to disclose that Connecticut Water shareholders will receive superior value under the terms of the SJW Group merger agreement, which provides both value at close and additional value as the two companies combine and grow together. Indeed, under the terms of the companies' agreement, Connecticut Water shareholders will receive 1.1375 shares of SJW Group common stock for each share of Connecticut Water common stock they own, the equivalent of \$64.72 per share, based on SJW Group's closing stock price as of April 25, 2018<sup>1</sup>. The \$64.72 per share value clearly exceeds Eversource's \$63.50 per share proposal.

Further, the SJW merger protects jobs for Connecticut Water employees, protects investment in the communities we serve, and protects continued superior service and reliability.

To find out more about Connecticut Water's merger of equals with SJW Group, please visit [www.SJW-CTWS.com](http://www.SJW-CTWS.com).

<sup>1</sup> April 25, 2018 represents the date of the last unaffected stock price before the unsolicited proposal for SJW Group was made public.

**Connecticut Water will mail to shareholders its proxy statement and GREEN proxy card as well as additional information about the Company's merger with SJW Group.**

**Connecticut Water shareholders are advised to take no action in response to any materials they may receive from Eversource Energy and to DISCARD ALL BLUE proxy cards or other materials from Eversource Energy.**

**Connecticut Water shareholders who have questions or would like additional information should contact Connecticut Water's proxy solicitor, Morrow Sodali, toll-free at (800) 662-5200 or by e-mail at [CTWS@morrrowsodali.com](mailto:CTWS@morrrowsodali.com).**

Wells Fargo Securities, LLC is serving as Connecticut Water's financial advisor and Sullivan & Cromwell LLP as its legal counsel.

### **About CTWS**

CTWS is a publicly traded holding company headquartered in Clinton, Connecticut. CTWS is the parent company of The Connecticut Water Company, The Maine Water Company, The Avon Water Company, and The Heritage Village Water Company. Together, these subsidiaries provide water service to more than 450,000 people in Connecticut and Maine, and wastewater service to more than 10,000 people in Connecticut.

### **Forward-Looking Statements**

This document contains forward-looking statements within the meaning of the Private Litigation Reform Act of 1995, as amended. Some of these forward-looking statements can be identified by the use of forward-looking words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," "projects," "strategy," or "anticipates," or the negative of those words or other comparable terminology.

The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the following factors: (1) the risk that the conditions to the closing of the transaction are not satisfied, including the risk that required approvals from the shareholders of the Company or the stockholders of SJW Group for the transaction are not obtained; (2) the risk that the regulatory approvals required for the transaction are not obtained, or that in order to obtain such regulatory approvals, conditions are imposed that adversely affect the anticipated benefits from the proposed transaction or cause the parties to abandon the proposed transaction; (3) the risk that the anticipated tax treatment of the transaction is not obtained; (4) the effect of water, utility, environmental and other governmental policies and regulations; (5) litigation relating to the transaction; (6) uncertainties as to the timing of the consummation of the transaction and the ability of each party to consummate the transaction; (7) risks that the proposed transaction disrupts the current plans and operations of SJW Group or the Company; (8) the ability of SJW Group and the Company to retain and hire key personnel; (9) competitive responses to the proposed transaction; (10) unexpected costs, charges or expenses resulting from the transaction; (11) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the transaction; (12) the combined companies' ability to achieve the growth prospects and synergies expected from the transaction, as well as delays, challenges and expenses associated with integrating the combined companies' existing businesses; and (13) legislative and economic developments. These risks, as well as other risks associated with the proposed transaction, are more fully discussed in the

joint proxy statement/prospectus that is included in the Registration Statement on Form S-4 filed by SJW Group with the SEC on April 25, 2018 in connection with the proposed transaction.

In addition, actual results are subject to other risks and uncertainties that relate more broadly to the Company's overall business and financial condition, including those more fully described in the Company's filings with the SEC including its annual report on Form 10-K for the fiscal year ended December 31, 2017 and SJW Group's overall business, including those more fully described in SJW Group's filings with the SEC including its annual report on Form 10-K for the fiscal year ended December 31, 2017. Forward looking statements are not guarantees of performance, and speak only as of the date made, and neither the Company or its management nor SJW Group or its management undertakes any obligation to update or revise any forward-looking statements.

### **Additional Information and Where to Find It**

In connection with the proposed transaction between the Company and SJW Group, SJW Group filed with the SEC a Registration Statement on Form S-4 that includes a joint proxy statement of the Company and SJW Group that also constitutes a prospectus of SJW Group. The Company and SJW Group may also file other documents with the SEC regarding the proposed transaction. This document is not a substitute for the joint proxy statement/prospectus, Form S-4 or any other document which the Company or SJW Group has filed or may file with the SEC. **INVESTORS AND SECURITY HOLDERS OF THE COMPANY AND SJW GROUP ARE URGED TO READ THE REGISTRATION STATEMENT, THE JOINT PROXY STATEMENT/PROSPECTUS AND ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS.** Investors and security holders may obtain free copies of the Form S-4 and the joint proxy statement/prospectus and other documents filed with the SEC by the Company and SJW Group through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). Copies of documents filed with the SEC by the Company will be made available free of charge on the Company's investor relations website at <https://ir.ctwater.com>. Copies of documents filed with the SEC by SJW Group will be made available free of charge on SJW Group's investor relations website at [https://sjwgroup.com/investor\\_relations](https://sjwgroup.com/investor_relations).

### **No Offer or Solicitation**

This communication is for informational purposes only and is not intended to and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, or a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, sale or solicitation would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

### **Participants in the Solicitation**

The Company, SJW Group and certain of their respective directors and officers, and other members of management and employees, may be deemed to be participants in the solicitation of proxies from the holders of the Company and SJW Group securities in respect of the

proposed transaction. Information regarding the Company's directors and officers is available in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2017 and its proxy statement for its 2018 annual meeting dated April 6, 2018, which are filed with the SEC. Information regarding the SJW Group's directors and officers is available in SJW Group's annual report on Form 10-K for the fiscal year ended December 31, 2017 and its proxy statement for its 2018 annual meeting dated March 6, 2018, which are filed with the SEC. Investors may obtain additional information regarding the interest of such participants by reading the Form S-4 and the joint proxy statement/prospectus and other documents filed with the SEC by the Company and SJW Group. These documents will be available free of charge from the sources indicated above.

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