



Dear Fellow Stockholder,

We write to share important news regarding the amended terms of our merger with Connecticut Water Service, Inc. ("Connecticut Water") that will help facilitate the closing of the transformative combination of SJW Group and Connecticut Water, which will create a leading and third largest national water and wastewater utility. As announced today, we have revised the transaction to preserve the many compelling benefits of our combination with Connecticut Water and maintain our strong financial capacity to make investments in our infrastructure and deliver value to our stockholders.

Instead of the original stock-for-stock merger structure under the revised transaction terms, Connecticut Water will become a wholly owned subsidiary of SJW Group via SJW Group's acquisition of all of Connecticut Water's outstanding common shares at \$70.00 per share in cash. We believe the \$70 per share cash consideration will resolve any market distractions resulting from otherwise-inferior proposals for Connecticut Water.

The amended merger agreement was unanimously approved by Connecticut Water's Board of Directors and by all SJW Group directors other than Eric Thornburg, who chose to abstain from voting due to his ownership of Connecticut Water shares and the all-cash nature of this revised transaction. Attached is a copy of our press release announcement for your reference, along with a presentation and transaction infographic that summarize the terms of the revised transaction and its strategic merits.

Our revised transaction with Connecticut Water retains the same board leadership team similar to our previously announced merger. However, instead of five directors appointed by Connecticut Water, SJW Group will appoint two of Connecticut Water's current directors to the combined company's Board of Directors. Otherwise, all material terms of the transaction agreement remain the same, including the fact that the combined company's headquarters will be located in San Jose and Eric Thornburg will serve as Chairman, President and Chief Executive Officer.

J.P. Morgan is providing committed financing for the revised transaction in the form of a new fully underwritten \$975 million bridge loan facility. SJW Group will assume Connecticut Water's existing debt and ultimately fund the \$843 million equity purchase price through a conservative mix of debt and equity, with \$450-\$550 million of equity. We anticipate that this conservative financing mix will allow us to maintain an attractive, strong investment grade credit rating of at least "A-", enabling continued investment in the infrastructure, operations and customer service capabilities of the combined company. Additionally, we anticipate that we will be able to continue our 74-year dividend history and pay an attractive and consistent cash dividend to stockholders.

While the revised transaction does not require SJW Group stockholder approval, your support is important to us, and we would like to underscore the benefits of this proposed combination for you. Some of the compelling benefits the revised transaction will deliver include:

- **A highly attractive, stable and increased earnings growth profile.**
- **Immediate EPS accretion** for SJW Group stockholders in 2019 (post-close), increasing each year thereafter to high single-digit percentage EPS accretion in 2021.
- **A robust balance sheet** with a strong “A-” category credit profile that enhances financial flexibility to increase sustained growth in our rate base, continue necessary investments in our water systems and employees and create a stronger, more stable utility enterprise with greater diversification and continued strong operating cash flow and dividends.
- The formation of a **leading, pure-play and geographically diverse water service provider**, which on a pro-forma basis will be the third-largest investor-owned water utility in the United States, with increased scale and attractive national growth opportunities.

The Board and management team at SJW Group are confident that a combination with Connecticut Water will enhance long-term value for stockholders and provide compelling benefits for all of our stakeholders.

We strongly believe our combination will deliver significant value to SJW Group stockholders upon completion, while also preserving for you upside value in the bright future of our company. There is substantial shareholder value in the SJW / CTWS transaction as amended, and you have the opportunity to benefit from the unique and enhanced growth opportunities created from a combination with Connecticut Water.

For these reasons, we believe the tender offer made by California Water Service Group (“Cal Water”) to be inferior and that stockholders should discard and recycle any materials sent to you by Cal Water. If you have already tendered your shares to Cal Water, you have the right to revoke that tender. Please use the information below to contact our proxy solicitor, Georgeson LLC, to learn how to revoke your tender.

In closing, thank you for your continued support. We remain focused on maximizing shareholder value, and we strongly believe that a combination with Connecticut Water is an important step in this direction. If you have any questions about the revised transaction and its strategic merits, please feel free to contact us or Georgeson at the phone number and email address listed below.

Sincerely,

The SJW Group Board of Directors

If you have any questions, please call our proxy solicitors:
Georgeson LLC
866-357-4029, SJW@Georgeson.com

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities 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 proposed transaction between SJW Group and CTWS may not be satisfied or waived, including the risk that required approvals from the security holders of CTWS to the proposed transaction are not obtained; (2) the risk that the regulatory approvals required for the proposed 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 effect of water, utility, environmental and other governmental policies and regulations; (4) litigation relating to the proposed transaction; (5) uncertainties as to the timing of the consummation of the proposed transaction and the ability of each party to consummate the proposed transaction; (6) risks that the proposed transaction disrupts the current plans and operations of SJW Group or CTWS; (7) the ability of SJW Group and CTWS to retain and hire key personnel; (8) competitive responses to the proposed transaction; (9) unexpected costs, charges or expenses resulting from the proposed transaction, including, without limitation, related to SJW Group's financing plans in connection with the proposed transaction; (10) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the proposed transaction; (11) the combined company's ability to achieve the growth prospects and synergies expected from the proposed transaction, as well as delays, challenges and expenses associated with integrating SJW Group's and CTWS's existing businesses; and (12) legislative and economic developments. These risks, as well as other risks associated with the proposed transaction, will be more fully discussed in the proxy statement filed by CTWS in connection with the proposed transaction, and are more fully discussed in SJW Group's quarterly report on Form 10-Q for the period ended June 30, 2018 filed with the U.S. Securities and Exchange Commission (the "SEC") on July 27, 2018 and CTWS's quarterly report on Form 10-Q for the period ended March 31, 2018 filed with the SEC on May 9, 2018.

In addition, actual results are subject to other risks and uncertainties that relate more broadly to SJW Group's overall business, including those more fully described in its filings with the SEC including, without limitation, its annual report on Form 10-K for the fiscal year ended December 31, 2017 and CTWS's overall business and financial condition, including those more fully described in its 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 none of SJW Group, its management, CTWS or its management undertakes any obligation to update or revise any forward-looking statements except as required by law.

IMPORTANT INFORMATION FOR INVESTORS AND SHAREHOLDERS

In response to the tender offer for all the outstanding shares of common stock of SJW Group commenced by California Water Service Group ("California Water") through its wholly owned subsidiary, Waltz Acquisition Sub, Inc., SJW Group has filed a solicitation/recommendation statement on Schedule 14D-9 with the SEC on June 15, 2018, as amended by that Amendment No. 1 to Schedule 14D-9 filed with the SEC on June 26, 2018. Investors and stockholders of SJW Group are urged to read the solicitation/recommendation statement on Schedule 14D-9 and other documents that are filed or will be filed with the SEC carefully and in their entirety because they contain important information. Investors and stockholders of SJW Group may obtain a copy of these documents free of charge at the SEC's website at www.sec.gov. These materials are also available free of charge at SJW Group's investor relations website at https://sjwgroup.com/investor_relations. In addition, copies of these materials may be requested free of charge from SJW Group's information agent, Georgeson LLC, toll-free at (866) 357-4029.