



1500 Ronson Road  
Iselin, New Jersey 08830

NASDAQ:MSEX

Dear Fellow Shareholder:

I am pleased to report that on October 23, 2018 your Board of Directors declared a dividend of \$0.24 per common share on MSEX common stock. This raises the annual dividend rate to \$0.96 from \$0.895 per share of common stock, an increase of 7.3%, and is payable on December 3, 2018 to shareholders of record as of November 15, 2018. This represents the **46<sup>th</sup> consecutive year of dividend increases in your company's history.**

We announced third quarter financial results on November 2, 2018. For the three months ended September 30, 2018, consolidated operating revenues were \$38.7 million as compared to \$36.2 million for the same period in 2017. Net income for the quarter increased \$4.6 million to \$12.3 million, compared to \$7.6 million for the same period in 2017. Diluted earnings per share for the quarter ended September 30, 2018 were \$0.74 up from \$0.46 for the same period in 2017. The favorable outcome of the Middlesex base rate case settlement reached in March 2018 allows for the recognition of tax benefits that propelled both Net Income and Earnings Per Share upward for the quarter and the year. Higher demand from our New Jersey contract customers, a base rate increase in our Middlesex System and customer growth in Delaware also had a favorable impact on third quarter results.

Construction continues on our \$52 million supplementary transmission main along the western portion of our New Jersey service territory. This 4.5 mile large diameter main is being installed to provide critical back-up water supply and ensure resiliency in the Company's water distribution system.

Ever mindful of the need to have a solid succession plan in place, we recently announced several executive changes on October 29, 2018. Richard M. Risoldi, Vice President – Operations & Chief Operating Officer, will be retiring effective July 1, 2019 with nearly 30 years of service. Mr. Risoldi will assume the additional title of Senior Vice President effective January 1, 2019 in connection with an expanded role managing numerous leadership transitions and operational initiatives across a variety of functions prior to his retirement in July 2019. A. Bruce O'Connor, Vice President – Chief Financial Officer and Treasurer will assume the title of Senior Vice President - Chief Financial Officer and Treasurer as well as President – Tidewater Utilities, Inc., effective January 1, 2019.

Gerard L. Esposito, President – Tidewater Utilities, Inc., a Middlesex Water subsidiary, has announced he will be retiring effective January 1, 2019 after 20 years of service. Mr. Esposito will be supporting several critical ongoing Company initiatives in a consulting capacity subsequent to his retirement.

Joining the executive leadership team effective January 1, 2019 are the following individuals:

- G. Christian Andreasen, who will assume the role of Assistant Vice President – Enterprise Engineering. Mr. Andreasen has been with the Company for 36 years and currently serves as

Director – Engineering for the Company’s New Jersey operations and as Vice President for the Pinelands Water & Wastewater Companies.

- Georgia M. Simpson, who will assume the role of Assistant Vice President – Information Technology. Ms. Simpson has been with the Company for 9 years and currently serves as Director – Information Technology. IT plays a key role in the Company’s strategy, business processes and risk profile.
- Robert Fullagar, who will assume the role of Assistant Vice President – Operations effective January 1, 2019 Mr. Fullagar has been with the Company for 21 years and currently serves as Director – Distribution for the Company’s New Jersey operations and as Vice President for Twin Lakes Utilities, Inc.

To stay informed about company SEC filings, news releases or to receive an end-of-day stock quote, please subscribe to our Investor Email Alerts service, also found on our Investor Relations site at <http://investors.middlesexwater.com>. For additional company information, please visit our Facebook and Twitter sites via links directly on our website home page at [www.middlesexwater.com](http://www.middlesexwater.com). Should you have any questions about your MSEX investment, please contact the Broadridge Call Center at 1-888-211-0641.

On behalf of the Board of Directors, Officers and employees of the Middlesex Water family of companies, we thank you for your continued confidence and support.

Sincerely,



Dennis W. Doll  
Chairman, President and CEO