

EXHIBIT 19 (REVISED)
PENNICHUCK WATER WORKS, INC.
ADJUSTMENTS TO FINANCIAL PROJECTIONS
(in \$000s)

Adjustments to Financial Fundamentals	Projected Fiscal Years Ending December 31,				
	2005	2006	2007	2008	2009
Revenue	\$17,827	\$18,559	\$22,758	\$24,587	\$27,421
Operating Income before Income Taxes	\$4,892	\$5,216	\$8,191	\$8,905	\$10,813
Adjustments:					
Non-Income Taxes [a]	\$0	\$0	\$0	\$0	\$0
Total Adjustments	\$0	\$0	\$0	\$0	\$0
Adjusted Operating Income before Income Taxes	\$4,892	\$5,216	\$8,191	\$8,905	\$10,813
Depreciation and Amortization Expense	\$2,567	\$2,601	\$2,942	\$3,046	\$3,154
ADJUSTED FINANCIAL FUNDAMENTALS:					
EBIT [b]	\$4,892	\$5,216	\$8,191	\$8,905	\$10,813
EBITDA [c]	\$7,459	\$7,817	\$11,133	\$11,951	\$13,967

Footnotes:

[a] Excluding taxes assessed on land.

[b] EBIT: Earnings Before Interest and Taxes.

[c] EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization.

Sources: Exhibit 18 and Willamette Management Associates calculations.

EXHIBIT 21 (REVISED)
PENNICHUCK WATER WORKS, INC.
INCOME APPROACH DISCOUNTED CASH FLOW METHOD
VALUE SUMMARY AS OF 12/31/04
(in \$000s)

Discrete Period Net Cash Flow	Projected Fiscal Years Ending December 31,					Normalized 2010 [b]
	2005	2006	2007	2008	2009	
Earnings Before Interest and Taxes (EBIT)	\$4,892	\$5,216	\$8,191	\$8,905	\$10,813	\$7,603
plus: Depreciation and Amortization Expense	\$2,567	\$2,601	\$2,942	\$3,046	\$3,154	-
less: Capital Expenditures [a]	(\$9,000)	(\$23,359)	(\$12,398)	(\$11,707)	(\$3,708)	-
less: Required Increase in Working Capital	(\$1,697)	(\$121)	(\$128)	(\$136)	(\$144)	(\$445)
Net Cash Flow	(\$3,238)	(\$15,663)	(\$1,393)	\$108	\$10,115	\$7,158
Present Value Factor @ 8.68%	0.959	0.883	0.812	0.747	0.688	
Present Value of Discrete Period Net Cash Flow	(\$3,106)	(\$13,825)	(\$1,131)	\$81	\$6,955	
Total Present Value of Discrete Period Net Cash Flow	(\$11,026)					
<u>Present Value of Terminal Period Net Cash Flow:</u>						
Projected Normalized Fiscal Year Net Cash Flow 2010 [b]	\$7,158					
Direct Capitalization Rate [c]	8.68%					
Future Value of Terminal Value	\$82,470					
Present Value Factor @ 8.68%	0.688					
Present Value of Terminal Value	\$56,705					
<u>Valuation Summary:</u>						
Present Value of Discrete Period Net Cash Flow	(\$11,026)					
Present Value of Terminal Period Net Cash Flow	\$56,705					
Indicated Fair Market Value of Operating Assets (rounded)	\$45,679					

Footnotes:

[a] Projected 2005 capital expenditures of \$13,341,000 are decreased by \$4,341,000 and projected 2006 capital expenditures are increased by \$4,341,000 to reflect revised capital expenditure projections.

[b] The normalized cash flow for fiscal year 2010 is estimated based on the average projected EBIT, as well as the average required increase in working capital, for fiscal years 2005 through 2009.

[c] Based on a present value discount rate of 8.68% and an expected long-term growth rate of 0%.

Sources: Exhibits 18 through 20 and Willamette Management Associates calculations.