



November 13, 2012

Aqua America's Pennsylvania Subsidiary Raises \$80 Million in First Mortgage Bonds at 3.81 Percent

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) announced today that its Pennsylvania subsidiary closed on \$80 million of first mortgage bonds. The first mortgage bonds were issued by Aqua Pennsylvania in three series at an average rate of 3.81 percent: \$40 million priced at a 3.79 percent coupon and a 29-year maturity, \$20 million priced at a 3.80 percent coupon and a 30-year maturity, and \$20 million priced at a 3.85 percent coupon and a 35-year maturity. Proceeds from this transaction will be used to refinance higher coupon first mortgage bonds and pay down its revolving credit facility.

As of September 30, 2012, Aqua America's weighted average cost of fixed-rate long-term debt was 5.2 percent, and the company had \$111.6 million available on its credit lines. In September, Standard & Poor's reiterated its A+ credit rating for Aqua Pennsylvania, Inc., Aqua America's largest subsidiary. Of the 227 electric, gas and water utilities rated by Standard & Poor's, only one has a higher rating than Aqua Pennsylvania.

"We are investing at a time when we can take advantage of low-interest rates, below 4 percent, to build the water and wastewater infrastructure needed to help enhance public health and future economic growth for the 21st Century," said Aqua America Chairman Nicholas DeBenedictis.

He added that Aqua America has lowered its weighted average cost of debt continuously over the past decade to 5.2 percent as of September 30th, and this transaction will lower its weighted average another 10 basis points. This accomplishment translates into millions of dollars in interest expense savings for its customers.

Aqua America is one of the largest U.S.-based, publicly-traded water utilities and serves almost 3 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, and Georgia. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR.

WTRF

Aqua America, Inc.
Brian Dingerdissen
Director, Investor Relations
610-645-1191
bjdingerdissen@aquaamerica.com
or
Donna Alston
Director, Communications
610-645-1095
dpalston@aquaamerica.com

Source: Aqua America, Inc.

News Provided by Acquire Media