



Aqua America Subsidiary Acquires Another Waste Hauling Business

BRYN MAWR, Pa., May 18, 2006 (BUSINESS WIRE) -- Aqua America Inc. (NYSE:WTR) announced today that its non-regulated subsidiary, Aqua Wastewater Management, Inc. (Aqua), has acquired the assets of another septage hauling business, significantly increasing the customer base of the new business venture it began last spring.

Aqua purchased Leary and Higgins septage hauling business of West Chester, Chester County for \$285,000. The business serves 1,500 residential and commercial customers in Chester County, adding to the more than 2,000 customers Aqua currently serves as a result of its acquisition of a similar company, Concord Wastewater Services, Inc. of Delaware County, Pennsylvania in April 2005.

Like its existing septage hauling business, the new business provides commercial and residential wastewater services including septic tank clean-outs and sludge and bulk wastewater hauling. Its customer base includes Aqua America's water utility customers water and wastewater facilities.

"These businesses are a natural complement to our growing wastewater operations," said Aqua America Chairman Nicholas DeBenedictis. "Much of their daily operation is in our regulated utility's service area where we have a solid name and brand recognition, which provides a significant opportunity to expand these wastewater businesses."

"Because Leary and Higgins provides the same services in an adjacent area, it can be easily integrated into our existing septage operations," said Aqua Wastewater Management President Anthony J. Donatoni. "It will give us more opportunities to provide additional, cost-effective services to our water and wastewater customers."

Aqua America, Inc. is the largest U.S.-based publicly-traded water utility, serving more than 2.5 million residents in Pennsylvania, Ohio, North Carolina, Illinois, Texas, Florida, New Jersey, Indiana, Virginia, Maine, Missouri, New York, and South Carolina. Aqua America is listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol WTR.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 that address, among other things, the effect of acquisitions of the described businesses, possible benefits from the acquired operations, and the expected timing of its acquisitions. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: the risk that the acquired company's business will not be successfully integrated; the costs related to the transaction; the risk that anticipated benefits will not be obtained or will not be obtained within the time anticipated; and other key factors that we have indicated could adversely affect our business and financial performance contained in our past and future filings and reports, including those filed with the Securities and Exchange Commission. Aqua America is not under any obligation--and expressly disclaims any such obligation--to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

WTRF

SOURCE: Aqua America Inc.

Aqua America Inc.
Donna Alston, 610-645-1095
dpalston@aquaamerica.com

or

Terry Maenza, 610-645-1175
tmmaenza@aquaamerica.com

Copyright Business Wire 2006

News Provided by COMTEX