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Aqua America Offers to Sell Florida Operations

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE:WTR) has offered to sell all of its Florida operations to the Florida Governmental Utility Authority (FGUA) for \$95 million. The sale of its Florida water and wastewater systems would conclude Aqua America's operations in Florida. The FGUA has until November 30 to accept or decline the offer, and FGUA does not have an exclusivity agreement with Aqua to purchase the systems.

Aqua America's Florida subsidiary, Aqua Utilities Florida, Inc. (Aqua) owns 82 water and wastewater systems in Florida.

Aqua America decided to offer its Florida water and wastewater systems first to the FGUA for several reasons. The FGUA has a considerable history in Florida of acquiring small water and wastewater systems. Several systems acquired by the FGUA had previously been owned by Florida Water and Aqua Source, the companies from which Aqua America acquired many of its systems in 2003 and 2004, and the FGUA provided continued employment to personnel of the acquired systems. Aqua America's proposal requires the FGUA to offer full employment to all non-executive Florida personnel as a condition of sale. The FGUA's unique regulatory structure should also allow it to close a transaction quickly and result in the least disruption to customers and employees. An expedient transaction would also enable Aqua America to focus energy and investment in other states where it serves customers.

If a sale is consummated, Aqua America will have concentrated its regulated operations in eight states (Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, Indiana and Virginia).

Aqua America is one of the largest U.S.-based, publicly-traded water utilities and serves almost 3 million residents. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. These forward-looking statements are made based upon Aqua America's current expectations and assumptions with respect to, among other things, its ability to reach an agreement of sale with FGUA and whether the sale occurs. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including Aqua Utilities Florida's and/or FGUA's inability to obtain regulatory approval, if needed, of the transaction, opposition to the transaction by local agencies and municipalities, and other key factors that we have indicated that could adversely affect our business and financial performance and that are discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, which is on file with the Securities and Exchange Commission. For further information regarding risks and uncertainties associated with Aqua America's business, please refer to Aqua America's annual, quarterly and other SEC filings. 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.

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