



Aqua America Subsidiary Acquires Water and Sewer Systems in North Carolina; Company Makes First Entry Into Pender County

BRYN MAWR, Pa., Sep 13, 2005 (BUSINESS WIRE) -- Aqua America Inc. (NYSE:WTR) announced today that its North Carolina subsidiary recently acquired the water and wastewater systems for the Castle Bay development near Hampstead, representing the company's first operation in Pender County. The purchase price is approximately \$250,000.

"This property is strategically located along North Carolina's fast-growing coastline. It not only paves the way to a new service territory, but it also offers great potential to further expand our customer base in North Carolina," said Aqua America Chairman and Chief Executive Officer Nicholas DeBenedictis.

The Castle Bay water and wastewater systems serve approximately 350 residents, with an additional 600 residents expected as the development builds out. Aqua North Carolina will also undertake certain capital improvements, including the construction of an elevated water storage tank for the community.

Aqua North Carolina currently provides water and wastewater services to more than 210,000 residents in 31 counties in the Tar Heel State.

Aqua America, Inc. is the largest U.S.-based publicly-traded water company, 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 build-out of the acquired systems. 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

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