



Aqua America Acquires Water System in Parker County, Texas

BRYN MAWR, Pa., Oct 16, 2008 (BUSINESS WIRE) -- Aqua America, Inc. (Aqua), today announced that its Texas subsidiary has completed its acquisition of the Saddle Club Water Company, Inc., in Weatherford, Parker County, in a transaction valued at \$420,000.

"Aqua is pleased to add a new community to our growing presence in Texas, and we continue to cultivate more opportunities for expansion," said Aqua Chairman Nicholas DeBenedictis. "Our growth-through-acquisition strategy allows Aqua to bring our expertise and economies of scale to dozens of small communities such as Saddle Club -- enabling their water systems to be better and more reliable."

The Saddle Club community currently serves approximately 500 residents, and, when the development is complete, expects to serve another 150 people. Aqua plans to invest approximately \$250,000 for a new well and the installation of radio-frequency meters in Saddle Club.

Saddle Club is located in Aqua's northern service area. Aqua operates about 375 water and wastewater systems in 49 counties throughout Texas, and many of Aqua's coastal and east Texas water and wastewater systems experienced power interruptions or complete outages in the wake of Hurricane Ike last month. Within nine days after the storm came ashore, all systems were back in operation using normal power or generators.

Aqua America is a publicly traded water and wastewater utility holding company with operating subsidiaries serving approximately three million people in Pennsylvania, New York, Ohio, North Carolina, Illinois, Texas, Florida, New Jersey, Indiana, Virginia, Maine, Missouri 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 projected investment in the acquired system, the effect of the acquisition of the described business, the effects of Aqua's acquisition on acquired systems, and possible benefits from the acquired operations. 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 risk that the proposed improvements will not be made as projected or have the indicated benefits; 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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