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Aqua America's Texas and Illinois Subsidiaries Acquire Water and Wastewater Systems

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) announced today that its Texas and Illinois subsidiaries have acquired three water systems and a wastewater system. Aqua America completed a total of 18 acquisitions in 2012.

In December, Aqua Texas, Inc. acquired the assets of Wingert Water Systems, Inc., which is projected at build-out to serve about 3,000 residents in five subdivisions in Comal County. The purchase price was approximately \$1.89 million. Aqua Texas will operate the system through its Wimberley office in Hays County. Also in December, Aqua Texas acquired the assets of Royal Oaks Water System, Inc. The system serves about 120 residents in the Royal Oaks subdivision in Kerr County, and Aqua Texas will operate it from its Kerrville office. The purchase price was \$40,000. Both the Wingert and Royal Oaks systems are located a short distance from other Aqua Texas systems.

In November, Aqua Illinois, Inc. acquired the wastewater collection assets of the Village of Bourbonnais' Tri Star Estates for \$455,000. The system provides wastewater service to about 1,300 residents. Aqua Illinois already owns and operates the water system that serves Tri Star Estates, which is located within the company's existing Kankakee service area. Also in November, Aqua Illinois purchased the water assets of the Moecherville Water District in Aurora Township in Kane County for \$1.4 million. The system provides water service to about 1,100 residents. Aqua Illinois will operate the system from its Northern Illinois Division.

"These newly acquired systems are near customers already served by Aqua in Texas and Illinois, and they provide a natural extension of our footprint in both states," said Aqua America Chairman and CEO Nicholas DeBenedictis. "We look forward to providing our new customers with quality water and reliable water and wastewater service."

DeBenedictis said that Aqua America continues to focus its utility operations in states that have a positive regulatory and business climate that enables the company to make the capital investments necessary to deliver quality water and reliable service to customers, while providing the opportunity to earn an adequate return on that investment for shareholders.

Aqua Texas provides water and wastewater service to approximately 177,000 residents in 51 counties across Texas. Aqua Illinois provides water and wastewater service to approximately 186,000 residents in 9 counties across Illinois.

Aqua America is one of the largest U.S.-based, publicly-traded water utilities serving 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. Visit www.aquaamerica.com for more information.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 that address, among other things, planned improvements to the acquired systems and the company's growth-through-acquisition strategy. 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 ability of the company to complete planned capital improvements, the ability to earn an adequate return of the capital investments, and other key factors that we have indicated could adversely affect our business and financial performance 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. 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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