



Philadelphia Suburban Corporation to Change Name to Aqua America; New Name Reflects U.S. Roots, Domestic Base

BRYN MAWR, Pa.--(BUSINESS WIRE)--Aug. 5, 2003--At its regularly scheduled meeting today, the Board of Directors of Philadelphia Suburban Corporation (NYSE:PSC) announced that in October, the company will change its name to Aqua America, Inc. to reflect its position as the largest investor-owned water utility based in the U.S. The company will change the names of each of its subsidiaries, now operating in 15 states effective with the company's acquisition last Thursday (7/31) of the water and wastewater utility operations of AquaSource, Inc. from DQE.

PSC and its subsidiaries will spend the next two months transitioning customers, shareholders and other key constituencies to the new name and logo via comprehensive communications with customers, shareholders, Wall Street and the media prior to and immediately following October 10, the effective date of the new name.

PSC Chairman Nicholas DeBenedictis said that PSC's expansive customer growth (more than 300 percent in the past 10 years) from a regional company in Pennsylvania to a 15-state company weighed heavily in the decision to change the company's name. "We are now the largest U.S.-based investor-owned company, operating in multiple regions of the country and providing water and wastewater service to approximately 2.5 million people. The name Aqua America is perfect for our new expanding footprint in the water utility sector as it clearly states our business focus and demonstrates our position as a large domestic water utility."

As PSC has grown, having a corporate name different than its operating subsidiaries posed another challenge. "Often customers would not make the connection between the parent company and the operating subsidiary," explained DeBenedictis. "We found this to be the case particularly when trying to inform our customers in locations outside of the Philadelphia region about the opportunity to invest in their water company whose name implied an allegiance solely to a specific community in one state. Because our subsidiaries will carry the same name as the parent company it will be much easier to transfer the goodwill of the operating companies to the parent company and vice versa."

PSC now operates in 15 states but announced last spring that it has reached an agreement of sale with Birmingham Utilities, Inc. and Birmingham H2O Services, Inc., wholly-owned subsidiaries of BIW Limited (BIW:AMEX) of Ansonia, Connecticut to sell the Connecticut and New York AquaSource operations. Because of their pending sale, the names of those operations will remain the same.

In October, the company's ticker symbol will change from NYSE:PSC to NYSE:WTR. The operating division names will be:

- Aqua America, Pennsylvania, Inc.
- Aqua America Ohio, Inc.
- Aqua America Illinois, Inc.
- Aqua America Utilities of Texas, Inc.
- Aqua America New Jersey, Inc.
- Aqua America Indiana, Inc.
- Aqua America Virginia, Inc.
- Aqua America Florida, Inc.
- Aqua America Maine, Inc.
- Aqua America North Carolina, Inc.
- Aqua America Missouri, Inc.

- Aqua America South Carolina, Inc.
- Aqua America Kentucky, Inc.

The company's non-regulated businesses will be consolidated in Aqua America Services, Inc.

In addition to the name change, PSC's Board of Directors today also authorized a 7.1 percent cash dividend increase above the September 1, 2003 quarterly cash dividend payment and also approved for the fifth time in seven years a stock split for 2003, effected in the form of a 25 percent stock distribution. Both the increased dividend and stock distribution will be paid December 1, 2003 to shareholders of record on November 14, 2003.

The Board declared the regular \$.14 per share quarterly common stock cash dividend to be paid on September 1, 2003 to shareholders of record on August 15, 2003.

PSC is the largest U.S.-based investor-owned water utility serving approximately 2.5 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, Maine, Missouri, Connecticut, New York, South Carolina and Kentucky. PSC is a publicly traded company listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC." The company has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

This press release contains forward-looking statements. These forward-looking statements are found in various places throughout this press release and include, without limitation, statements regarding the expected timing and benefits of the name change. While these forward-looking statements represent our judgments and future expectations concerning the development of our business and the timing and benefits of the acquisition, a number of risks, uncertainties, and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, our ability to complete the name change as planned 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. PSC is not under any obligation (and each expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise

Editor's Note: PSC Chairman Nicholas DeBenedictis is available for broadcast and print media interviews throughout the day.

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