



Aqua America Expands Florida Operations with \$1.6 Million Acquisition

BRYN MAWR, Pa., May 05, 2008 (BUSINESS WIRE) -- Aqua America, Inc. (Aqua) announced today that its Florida subsidiaries have purchased a regulated wastewater and a local irrigation system valued at approximately \$1.6 million.

The newly acquired wastewater system, which will be operated as a regulated utility, serves approximately 3,000 residents in the Fountain Lakes development in Estero, Lee County, Florida. The company also purchased the community's independent irrigation system, which is supplied by on-site wells and ponds and is used by nearly 1,000 residents.

Aqua said it plans to invest approximately \$400,000 over the next several years in capital improvements to the system.

"This acquisition is a win-win for Florida: It shows Aqua's commitment to improving the operations of the systems we buy -- making them better for customers and the environment. It also complements our acquisition strategy, allowing us to further expand our customer base and gain economies of scale in the state's growth areas," said Aqua America Chairman and Chief Executive Officer Nicholas DeBenedictis.

Aqua already provides water and wastewater services to about 110,000 Florida residents.

In other recent developments, the company renewed a five-year contract to manage and operate a water system that serves nearly 22,000 residents in Horsham, Montgomery County, Pennsylvania. Aqua Ohio signed an 18-month agreement to operate the water system that serves the Atwood Lake resort and conference center in Carroll and Tuscarawas counties. Collectively, those contracts are expected to generate total revenues in excess of \$1.8 million.

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 and improvements to the acquired systems, the expected timing and extent of improvements to systems, the company's strategy to acquire and improve systems and the estimated value of the operating contracts. 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 proposed improvements will not be made as projected or have the indicated costs for benefits; the costs related to the transaction; 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.

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Aqua America, Inc.
Gretchen Toner
Senior Communications Specialist
610-645-1175
gmtoner@aquaamerica.com

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