



## **Aqua America Pennsylvania and Missouri Subsidiaries Purchase Four Water Systems**

BRYN MAWR, Pa.--(BUSINESS WIRE)--May 5, 2004--Aqua America, Inc. (NYSE:WTR) announced today that its Pennsylvania and Missouri subsidiaries have collectively purchased the assets of four water systems.

Aqua Pennsylvania, Inc. recently purchased the assets of three water systems in Exeter Township, Luzerne County. The company purchased Barrett Water Company, Inc., Hex Acres Water Company and Tambur Waterworks. In all, Aqua Pennsylvania paid a total of \$200,000 for the three systems, which serve a total of more than 500 residents. All three systems will be operated out of the company's operating office in White Haven, Pennsylvania.

Aqua Missouri, Inc. has completed the \$10,000 purchase of the Lakewood Manor, Ltd., water system which serves approximately 100 residents in the Shell Knob area of Barry County where it owns two other nearby water systems.

"These are four of a dozen similar acquisitions we've completed to date this year," said Aqua America Chairman Nicholas DeBenedictis. "We're pleased to at the pace of the acquisition of smaller systems which helps us expand our service area and add to our ever-growing customer base."

Of the 12 acquisitions, eight have been in Pennsylvania, three in North Carolina and one in Missouri. Last week, Aqua America announced that its Florida subsidiary has reached an agreement with Florida Water Services Corporation, a subsidiary of ALLETE, Inc. (NYSE:ALE) to acquire 63 water and wastewater systems for in Florida \$13.82 million. In addition, the companies entered a second agreement that would allow Aqua America's Florida subsidiary to acquire an additional nine water and wastewater systems for \$4.18 million subject to the outcome of a previously negotiated right of first refusal with a nearby municipality. When completed, these acquisitions will serve 48,000 residents and expanding our Florida customer base to approximately 110,000 residents.

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

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