



## **Aqua America Subsidiary Builds Wastewater Business with Two New Acquisitions**

BRYN MAWR, Pa.--(BUSINESS WIRE)--April 1, 2005--Aqua America Inc. (NYSE:WTR) announced today that its non-regulated subsidiary, Aqua Wastewater Management, Inc. (Aqua), has acquired the assets of Concord Wastewater Services, Inc. (Concord) and Golden Mechanical, Inc. (Golden) of Delaware County, Pennsylvania for \$700,000. The acquisition of these businesses represents Aqua America's first venture into this specialized area of the wastewater services business.

The companies acquired by Aqua began local operations nearly 25 years ago providing commercial and residential wastewater services including sludge and bulk wastewater hauling, septic tank clean-outs, and sewer system/pump station maintenance and repair. Aqua's newest business will serve approximately 2,000 customers, some of whom are also water customers of Aqua America's Pennsylvania subsidiary, Aqua Pennsylvania, Inc.

These new businesses will also enable Aqua Pennsylvania's wastewater utility to utilize "in-house" sludge hauling and collection system maintenance services for its wastewater treatment facilities in Southeastern Pennsylvania.

"We feel this is a natural and complementary extension of our growing regulated wastewater business," said Aqua America Chairman Nicholas DeBenedictis. "This is a significant opportunity to expand our wastewater business, which our strategic plan has targeted to grow."

"We are constantly looking for ways to provide increased, cost-effective services to our water and wastewater clients and customers," said Aqua Wastewater Management President Anthony J. Donatoni. "These new businesses make good sense for us because they allow us to deliver enhanced wastewater services that we previously didn't offer."

Donatoni said the transition will be relatively transparent to Concord's and Golden's customers as all the former employees of both companies will join Aqua.

Aqua America, Inc. is the largest U.S.-based publicly-traded water utility, serving more than 2.5 million residents in Pennsylvania, Ohio, North Carolina, Illinois, Texas, Florida, New Jersey, Indiana, Virginia, Maine, Missouri, New York, 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 effect of acquisitions of the described businesses, possible benefits from the acquired operations, and the expected timing of its acquisitions. 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 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.

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