



## **Aqua America Texas Subsidiary Acquires Two Water Systems**

BRYN MAWR, Pa., Dec 30, 2008 (BUSINESS WIRE) --

Aqua America, Inc.'s (NYSE:WTR) Texas subsidiary announced today that it has completed the acquisition of two water companies in Hays County.

Aqua Texas, Inc. purchased the assets of the Cardinal Valley Water Company and the Mountain Crest Water Company, which collectively service approximately 400 people. Aqua Texas has operated the Cardinal Valley water system since beginning its Texas operations in 2003. Both systems are in an area surrounded by other water and wastewater systems owned by Aqua Texas and will be operated out of the company's Wimberley office near Austin.

"These tuck-in acquisitions allow us to further complete our footprint in the Wimberley area," said Aqua America Chairman and CEO Nicholas DeBenedictis. In October, Aqua Texas purchased Saddle Club Water Company, Inc., in Weatherford, Parker County, which serves approximately 500 residents, in a transaction valued at \$420,000. "These three 2008 acquisitions in Texas--our fifth largest state operation--are a reaffirmation of our growth-through-acquisition strategy that allows Aqua to increase our economies of scale, and provide our technical and engineering expertise to smaller water systems."

Aqua America is a publicly traded water and wastewater utility holding company with operating subsidiaries serving approximately threemillion 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 the New York Stock Exchange 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 the acquired system, the effect of the acquisition of the described business, and possible benefits from the acquired operations. 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.

WTRF

SOURCE: Aqua America, Inc.

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