



Aqua America Expands Base with New Acquisitions in Florida, North Carolina and Pennsylvania

BRYN MAWR, Pa., May 01, 2007 (BUSINESS WIRE) -- Aqua America, Inc. (NYSE:WTR) today announced that its subsidiaries have acquired water and wastewater systems in Florida, North Carolina and Pennsylvania. The combined purchase price for the newly acquired operations is nearly \$540,000. The announcement comes on the heels of yesterday's closing of Aqua America's acquisition of the Aquarion Water Company of Sea Cliff, which serves approximately 13,000 residents on Long Island, New York.

"With the latest transactions, we continue to expand Aqua's footprint in the nation's high-growth areas where we will efficiently integrate these water and wastewater systems into our expanding operations," said Aqua America Chairman and CEO Nicholas DeBenedictis. "The Florida transaction is our first acquisition now that we have integrated the many water and wastewater systems that we acquired from Duquesne Light (DQE) and Florida Water Services Corporation a couple of years ago." Today, the company's Aqua Utilities Florida, Inc. subsidiary owns more than 100 water and wastewater operations in 19 counties across the state.

In Florida, the company acquired the water and wastewater system assets of the Fairways at Mt. Plymouth community near Sorrento in Lake County. The systems provide water and wastewater services to more than 700 residents. The company plans to invest nearly \$180,000 over the next several years for capital improvements to the newly acquired systems, including upgrades to treatment equipment and pipes at the wastewater facility.

In North Carolina, the company expanded its regional network by purchasing the Olde Beau Water and Sewer Company near Roaring Gap in Allegheny County. The systems provide drinking water to approximately 375 residents and wastewater services to nearly 200 residents. With this acquisition marking the company's first entry into Allegheny County, the company now serves residents in 50 counties across the Tar Heel State.

Furthermore, Aqua North Carolina reported that it continues to partner with residential developers to purchase water systems in new satellite communities. Between January and April 2007, the company closed 24 new developer systems, which are projected to eventually serve more than 6,700 residents.

In Pennsylvania, the company acquired the water system serving the Garden Hills residential community near Hawley, Wayne County. The system supplies drinking water to nearly 100 residents and is located adjacent to the company's existing Hawley operations.

Aqua America, Inc. is a publicly traded water utility holding company, with operating subsidiaries serving approximately 2.8 million residents 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, potential additional growth opportunities, the projected investment in and improvements to the acquired systems, the expected timing and extent of improvements to systems, the efficiency with which we can integrate acquisitions, possible benefits from the acquired operations, and the potential for additional customer growth from 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 proposed improvements will not be made as projected or have the indicated benefits; 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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