



Philadelphia Suburban Corporation Reschedules Launch of Aqua America Name Change; PSC Will Continue Trading as 'PSC' before Change to 'WTR'

BRYN MAWR, Pa.--(BUSINESS WIRE)--Oct. 9, 2003--Philadelphia Suburban Corporation (NYSE:PSC) announced today that its scheduled October 10 name change to Aqua America(SM), Inc. and ticker symbol change to "WTR" has been postponed and will take effect some time in January. The rescheduling allowed PSC time to finalize an agreement with American Water Works Company, Inc. which had expressed concern about potential customer confusion with respect to PSC's proposed name change for its numerous state operating companies and the new proposed Aqua America logo. The company will continue to trade under its current ticker "PSC" until the PSC name and stock symbol are officially changed to Aqua America, Inc. and "WTR."

PSC Chairman Nicholas DeBenedictis said the company had agreed to address American Water's concerns including potential customer confusion between them.

DeBenedictis said PSC made a prudent decision to announce and unveil the new name and logo well in advance of the planned rollout in the event any modifications were required. "You plan to expect the unexpected so we intentionally refrained from spending beyond some basic preparation. All of our existing signage is still in place, none of our hundreds of vehicles have been rebranded and new stationery has yet to be printed." said DeBenedictis.

DeBenedictis reaffirmed that the Aqua America name was put through the U.S. Patent & Trademark Office review process and that PSC was advised by one of the nation's leading corporate intellectual property law firms throughout the due diligence process. "Although each party is convinced of the correctness of its position, PSC decided it was in the best interest of its shareholders and customers to avoid what could have been a long, disruptive, and expensive legal dispute," said DeBenedictis.

In addition to reminding investors to continue to look for the company under the current ticker "PSC", the company also reaffirmed to shareholders the 7.1 percent cash dividend increase (above the September 1, 2003 quarterly cash dividend payment) and also its upcoming five-for-four stock split to be effected in the form of a 25 percent stock distribution. Both the increased dividend and stock distribution will be effected under the name Philadelphia Suburban Corporation on December 1, 2003 to shareholders of record on November 14, 2003. Beginning with the December 1, 2003 payment, PSC's quarterly dividend will increase to \$.15 per share from \$.14 per share (\$.60 per share versus \$.56 on an annualized basis) on the pre-split shares. The new quarterly cash dividend rate will be \$.12 per share on the increased number of shares resulting from the stock distribution or \$.48 per share annualized. The split is PSC's fifth in the last seven years.

PSC is the largest publicly-traded U.S.-based water utility serving approximately 2.5 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, Maine, Missouri, Connecticut, New York, South Carolina and Kentucky. PSC is listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC". 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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