



Philadelphia Suburban Corporation Announces Offer for Those Who Hold 15 or Less Shares of Common Stock

BRYN MAWR, Pa. Oct. 3, 2000 - Philadelphia Suburban Corporation (NYSE:PSC)--parent company of Philadelphia Suburban Water and Consumers Water Company--announced today that it is initiating a commission-free offer to all shareholders who hold 15 or fewer shares of its common stock as of the record date of September 25, 2000.

The offer will enable such odd lot shareholders to sell their shares back to the company without incurring any costs.

The price per share will be the average of the high and low trading prices of the company's common stock during the month of October as reported in the New York Stock Exchange Composite Trading. PSC will purchase all shares tendered for sale. The offer will expire at the close of business on October 31, 2000, unless extended.

The company will send letters this week explaining the details of the program to the approximately 2,000 shareholders who qualify for the offer.

PSC Chairman Nicholas DeBenedictis said that the Company's offer is not meant to discourage people from holding small amounts of shares. While we welcome shareholders who have small amounts of stock, we recognize that it is sometimes difficult for them to sell their shares when they want to because they hold so few, said DeBenedictis. They are the shareholders who are likely to find this offer attractive.

Inquiries regarding the offer and requests for material should be directed to 800-205-8314.

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