Aqua America Announces Eight Percent Cash Dividend Increase; Sixteenth Cash Dividend Increase in 15 Years

BRYN MAWR, Pa., Aug 01, 2006 (BUSINESS WIRE) -- Aqua America's (NYSE:WTR) Board of Directors today authorized an eight percent cash dividend increase to its quarterly dividend from $0.1069 per share to $0.115 per share for the September 1, 2006 dividend for shareholders of record on August 18, 2006. This increase brings the company's annualized dividend rate to $0.46 per share from $0.4276.

This is the eighth consecutive year in which the company has increased its dividend above the stated five percent target and the sixteenth increase in 15 years. This is the second dividend increase granted to shareholders in the past 12 months. The last dividend increase was effective for Aqua America's dividend paid on December 1, 2005, the same date on which Aqua America effected a four-for-three stock split. This dividend increase results in the September 1, 2006 dividend payment being 17 percent higher than the September 1, 2005 dividend payment.

Aqua America Chairman and CEO Nicholas DeBenedictis said, "We realize that our dividend is one of the hallmark attractions of our stock. The Board's decision is consistent with its position of rewarding the company's shareholders by growing dividends, which the company has paid for more than 60 consecutive years. We're glad to be able to continue to reward our shareholders with this increase."

Aqua America, Inc. is the largest U.S.-based publicly-traded water and wastewater utility company, 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.

WTRF

SOURCE: Aqua America, Inc.

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