



PSC's Illinois Subsidiary Grows Customer Base with Two Acquisitions

BRYN MAWR, Pa.--(BUSINESS WIRE)--Dec. 29, 2003--Philadelphia Suburban Corporation's (NYSE:PSC) Consumers Illinois Water Company (CIWC) subsidiary announced today that it recently completed two acquisitions in the state. CIWC purchased the assets of the Oakview Water and Village of Indianola water systems.

The Oakview system serves approximately 325 residents in Joliet Township, Will County, Illinois. CIWC paid \$30,000 for the assets and will invest an additional \$300,000 in system improvements including increased water storage, water main replacements, wellhead protection, metering and standby power.

The Indianola system serves approximately 400 residents in Vermillion County. CIWC paid only \$10,000 for the assets but will invest an additional \$175,000 in system improvements for water quality and operational improvements.

"In cooperation with Illinois state agencies, CIWC agreed to acquire these systems, make improvements necessary to improve water quality and operations and bring them up to state and federal standards. We are pleased to be able to extend our superior operations experience to these systems," said CIWC President Terry Rakocy. "In addition, the acquisitions demonstrate an ongoing commitment to grow our customer base in Illinois so we can add to our economies of scale and improve service, which ultimately benefits all of our customers."

"While these 'tuck-in' transactions don't bring the large customer numbers of some other acquisitions, they are important to our growth-through-acquisition strategy," said PSC Chairman and CEO Nicolas DeBenedictis. "There are more than 45,000 small systems in the nation. Acquiring these small systems that integrate well into our existing systems is a sound strategy for continued growth and help to maximize our efficiencies in many cases."

CIWC manages and operates eight water divisions and five wastewater collection and treatment facilities. Philadelphia Suburban Corporation is the nation's largest U.S.-based publicly-traded water utility, serving approximately 2.5 million residents in 14 states. On January 16, 2004, PSC will change its name to Aqua America, Inc. and its ticker symbol to WTR.

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