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Aqua America's Virginia Subsidiary Acquires Water Systems

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) announced today that its Virginia subsidiary, Aqua Virginia, Inc. (Aqua), has acquired the water system assets of Fox Run Water Co., Inc. and Moseley-Nash Enterprises, Inc. for approximately \$400,000. The 26 water systems serve about 3,500 people and businesses in several counties primarily surrounding Lake Gaston near the North Carolina border. Aqua's Rockville, Virginia division will manage the new systems. The acquisition is the latest for the company, which has completed more than 200 acquisitions and growth ventures over the last decade.

"We're happy to expand our footprint in Virginia, and we look forward to providing the quality drinking water and excellent service that our new customers expect and deserve," said Aqua America Chairman and CEO Nicholas DeBenedictis. "Aqua has the necessary expertise to upgrade and improve pipes, wells, and disinfection systems, and we have the willingness and resources to provide the funds up front."

Aqua plans to spend approximately \$1.4 million on environmental and capital improvements over the next five years including disinfection and treatment equipment for all water sources; filters to clear up discoloration, such as iron, where needed; and new wells and pipes to provide adequate water supply and pressure. Aqua also plans to install new radio-frequency meters, which can be read remotely.

Aqua America also anticipates completing the acquisition of 12 Fox Run water systems in North Carolina later this year.

DeBenedictis noted that Aqua America continues to focus its utility operations in states that have a positive regulatory and business climate that allows the company to continue to make the capital investments necessary to deliver quality water and reliable service to customers, while providing the opportunity to earn an adequate return on that investment for shareholders.

Aqua America is one of the largest U.S.-based, publicly-traded water utilities serving almost 3 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, and Georgia. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR. Visit www.aquaamerica.com for more information.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 that address, among other things: the planned improvements to the acquired system. 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 acquired company's business will not be successfully integrated, the ability of the company to complete planned capital improvements, the ability of the company to complete the acquisition of Fox Run systems in North Carolina, the ability to earn an adequate return of the capital investments, and other key factors that we have indicated could adversely affect our business and financial performance discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, which is on file 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.

WTRF

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