

October 1, 2012

Aqua America's Pennsylvania Subsidiary Acquires Wastewater System in Carbon County

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) announced today that its Pennsylvania subsidiary, Aqua Pennsylvania, Inc. (Aqua), has acquired the wastewater system assets of Kidder Township, which serves approximately 3,000 people for \$11.3 million. Aqua has operated the former municipally owned system since 2006.

The acquisition is the latest for the company, which has completed more than 200 acquisitions and growth ventures over the last decade. It comes on the heels of the company's recent \$1.5 million acquisition of the water and wastewater systems which serve approximately 2,300 people in the Beech Mountain Lakes Resort Community located in portions of Butler and Dennison townships, Luzerne County.

"After operating and managing the Kidder Township wastewater system for more than five years, we were certainly pleased to learn that we won the bid to acquire the assets," said Aqua America Chairman and CEO Nicholas DeBenedictis. "This system is relatively new with much of it constructed in 2002. The five years we've spent managing its operations and getting to know the community will lead to a seamless transition for customers and an assurance that their wastewater system will continue to be operated and managed by professionals."

Aqua America continues with its growth-through-acquisition strategy as part of its successful business growth model. With 80 percent of the water and wastewater systems still in government control, the purchase of municipally owned systems such as Kidder Township is an area of great growth potential.

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.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. These forward-looking statements are made based upon Aqua America's current expectations and assumptions with respect to, among other things, its ability acquire municipally owned systems and to successfully continue its growth through acquisition strategy. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including opposition to transactions by local agencies and municipalities, and other key factors that we have indicated that could adversely affect our business and financial performance and that are 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. For further information regarding risks and uncertainties associated with Aqua America's business, please refer to Aqua America's annual, quarterly and other SEC filings. 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.

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Source: Aqua America, Inc.

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