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Aqua America's North Carolina Subsidiary Acquires Water Systems

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) announced today that its North Carolina subsidiary, Aqua North Carolina, Inc. (Aqua), has acquired the water system assets of Fox Run Water Co., Inc. and Moseley-Nash Enterprises, Inc. for approximately \$175,000. The 12 water systems serve about 1,500 residents in Warren and Northampton counties. At full build-out, these water systems could serve approximately 2,100 residents. The acquisition is the latest for Aqua America, which has completed more than 200 acquisitions and growth ventures over the last decade.

Earlier this month, Aqua America's Virginia subsidiary acquired 26 water systems from Fox Run Water Co., Inc. and Moseley-Nash Enterprises, Inc.

"The closeness of our systems in neighboring counties makes the Fox Run acquisition a natural and efficient expansion of Aqua's service in North Carolina," said Aqua America Chairman and CEO Nicholas DeBenedictis. "We look forward to making the necessary improvements to pipes, plants, wells, and water treatment to ensure that we provide our new customers with quality water and reliable service."

Aqua plans to spend approximately \$1.2 million on environmental and capital improvements over the next year. Aqua's Cary, North Carolina division will manage the new systems.

DeBenedictis said that Aqua America continues to focus its utility operations in states that have a positive regulatory and business climate that enables the company 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 North Carolina serves more than 250,000 residents in 53 counties throughout the state. Today's acquisition marks Aqua's initial expansion into Warren and Northampton counties.

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 systems. 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 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.

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