



Aqua America Subsidiary Invests \$4.2 Million to Acquire New Jersey Water System; Purchase marks company's first entry in Ocean County

BRYN MAWR, Pa., Nov 28, 2005 (BUSINESS WIRE) -- Aqua America, Inc. (NYSE:WTR) announced today that its New Jersey subsidiary acquired the water system assets of the Berkeley Water Company for approximately \$4.2 million. The system serves nearly 12,000 residents in Berkeley Township, Ocean County.

The transaction is the company's first acquisition in Ocean County, New Jersey.

"This acquisition not only adds another large community system to our national footprint," said Aqua America Chairman and Chief Executive Officer Nicholas DeBenedictis, "but it also marks Aqua's first inroads into New Jersey's vibrant shore communities and resort areas."

The company plans to invest approximately \$1 million in capital improvements for the Berkeley system through 2006. This amount includes upgrading the existing well to improve water quality, as well as installing radio frequency (RF) meter reading devices for all of the system's customers.

"The RF devices offer greater efficiency and convenience because they allow us to read the meters remotely from the curb. This high-tech system also increases reading accuracy while eliminating the need for estimated bills," said Aqua New Jersey President and CEO Sharon Schulman, noting that the company expects to complete the RF installations in April 2006.

Aqua America, Inc. is the largest U.S.-based publicly-traded water 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.

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others, projected investment in the acquired systems, the assimilation of the acquired systems, and the potential for additional customer growth from acquired operations. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements, including: general economic business conditions, unfavorable weather conditions, the success of certain cost containment initiatives, changes in regulations or regulatory treatment, availability and the cost of capital, the success of growth initiatives, and other factors discussed in our filings with the Securities and Exchange Commissions.

WTRF

SOURCE: Aqua America, Inc.

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