



## **Aqua America Wastewater Subsidiary Keeps Growing with New Acquisition**

BRYN MAWR, Pa., Sep 01, 2006 (BUSINESS WIRE) -- Aqua America Inc. (NYSE: WTR) announced today that its non-regulated subsidiary, Aqua Wastewater Management, Inc. (Aqua), has acquired the assets of Foster Septic Services of Kennett Square, PA, further expanding the company's wastewater services and septage hauling business in southeastern Pennsylvania. The transaction -- valued at approximately \$1 million -- is expected to be immediately accretive to earnings.

Foster Septic Services provides approximately 5,000 residential and commercial customers with septage and commercial wastewater hauling services. The acquired company's capabilities also include septic tank system design and installation, inspection, certification and repair services, which represent new lines of business for Aqua.

"This transaction continues to build on our growing wastewater services business," said Aqua America Chairman Nicholas DeBenedictis. "In particular, we are excited about expanding the depth of professional services we're now able to offer, such as installation and inspection services. Obviously, this added value improves our competitiveness in the market."

The announcement follows Aqua's purchase in July of Perna Wastewater Management of Souderton, PA. This \$5.6 million transaction expanded the company's service territory across eastern Pennsylvania and into portions of New Jersey from a base of three previous acquisitions. The company launched its non-regulated wastewater hauling and services venture in April 2005.

The Foster transaction includes 1.3 acres of land and an office building, as well as tank trucks, construction vehicles and equipment. Many of the Foster employees will be joining Aqua.

The owner of Foster Septic Services, Will Foster, said he plans to stay with Aqua through the transition to ensure that it proceeds smoothly. "As I look forward to the future, I'm pleased that my business will now be part of the Aqua family of companies. The Aqua management team and its employees are highly professional, so I know that my customers will be in very good hands."

Aqua America, Inc. is the largest U.S.-based publicly-traded water and wastewater utility holding 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 that address, among other things, the effect of acquisitions of the described businesses, possible benefits from the acquired operations, and the expected timing of its acquisitions. 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 costs related to the transaction; the risk that anticipated benefits will not be obtained or will not be obtained within the time anticipated; and other key factors that we have indicated could adversely affect our business and financial performance contained in our past and future filings and reports, including those filed 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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SOURCE: Aqua America Inc.

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