



Aqua America Increases Dividend Nine Percent

Seventeenth Cash Dividend Increase in Sixteen Years

BRYN MAWR, Pa., Aug 07, 2007 (BUSINESS WIRE) --

Aqua America's (NYSE:WTR) Board of Directors today declared a nine percent cash dividend increase to its quarterly dividend from \$0.115 per share to \$0.125 per share for the September 1, 2007 dividend for shareholders of record on August 17, 2007. This increase brings the company's annualized dividend rate to \$0.50 per share from \$0.46.

This is the ninth consecutive year in which the company has increased its dividend above the stated five percent target and the seventeenth increase in 16 years. Aqua America Chairman and CEO Nicholas DeBenedictis said, "The Board approved this action on the heels of yesterday's announcement of improved quarterly financial results and after reviewing the company's internal five-year plan on growth, capital expenditures and net income."

Aqua has paid a consecutive dividend for more than 60 years. The company has been recognized by Mergent, Inc. for its outstanding record of 10 or more years of consecutive dividend increases. As of 2006, only three percent of companies were recognized by Mergent for this achievement.

Aqua America, Inc. is a U.S.-based publicly traded water and wastewater utility, serving approximately 2.8 million people in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, New York, Florida, Indiana, Virginia, Maine, Missouri, 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, reference to the company's five-year plan on growth, capital expenditures and net income. 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 Annual Report on Form 10-K for the fiscal year ended December 31, 2006 which is on file with the SEC. We undertake no obligation to publicly update or revise any forward-looking statement.

WTRF

SOURCE: Aqua America, Inc.

Aqua America, Inc.
Kevin M. Brophy
Director, Investor Relations
610-645-1020
kmbrophy@aquaamerica.com
or
Donna Alston
Director, Communications
610-645-1095
dpalston@aquaamerica.com

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