



## **Philadelphia Suburban Corporation Expects Decrease in First Quarter 2002 Earnings**

BRYN MAWR, Pa., Mar 25, 2002 (BUSINESS WIRE) -- Philadelphia Suburban Corporation (NYSE:PSC) today announced that it expects to report decreased earnings per share for the first quarter of 2002 from 2001 levels of \$0.19.

The company does not expect net income per share to meet current consensus estimate.

The company's anticipated first quarter shortfall is largely attributable to a gain on the sale of land during the first quarter of 2001 with no comparable gain in first quarter 2002; unfavorable economic conditions, as they relate to industrial sales on a same-system basis; and drought restrictions in its largest service territories which have had an unfavorable impact on first quarter 2002 water sales.

The effects of the first quarter 2002 water sales decrease has been partially mitigated by the company's acquisition and growth program and rate relief in various jurisdictions in which the company operates.

PSC is one of the nation's largest investor-owned water utilities serving nearly two million residents in Pennsylvania, Illinois, Ohio, New Jersey, Maine, and North Carolina.

PSC is a publicly traded company listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol "PSC" and has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

This release contains certain forward-looking statements involving risks and uncertainties and other factors that may cause actual results to be materially different from any future results expressed or implied by such forward-looking statements. These factors include, among others, the following: general economic business conditions; unfavorable weather conditions; the success of certain cost containment initiatives; changes in regulations or regulatory treatment; availability and cost of capital; and the success of growth initiatives.

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