



Philadelphia Suburban Corporation's Five-for-Four Stock Split and 7.64 Percent Cash Dividend Increase Payable December 1, 2000

BRYN MAWR, Pa. Dec. 1, 2000 - Philadelphia Suburban Corporation (NYSE:PSC), the nation's second largest investor-owned water utility, is paying a five-for-four stock split effected in the form of a 25 percent stock dividend today, and is making a cash dividend payment that reflects a 7.64 percent increase above the September 1 quarterly cash dividend payment.

Shareholders of record on November 15, 2000 receive one additional share for every four shares held. Distribution of the additional shares takes place today.

The increase in the cash dividend (from \$.18 to \$.19375 per share, which on an annualized basis represents an increase to \$.775, from the current annual rate of \$.72 per share). The dividend and stock split were each approved by the PSC Board of Directors at its August meeting. Both the increased cash dividend and the stock split will be payable to shareholders of record on November 15, 2000.

The new quarterly cash dividend rate will be \$.155 per share on the increased number of shares from the stock split or \$.62 per share annualized for dividends declared by the Board of Directors after the December 1, 2000 dividend.

This is the tenth cash dividend increase granted by the company in the last nine years. PSC last increased its quarterly dividend 5.9 percent on September 1, 1999. This will be the company's third stock split effected in the form of a stock distribution in five years: PSC issued a 50 percent stock distribution in July 1996, and a 33 percent stock distribution in January 1998.

Philadelphia Suburban Corporation is the holding company for Philadelphia Suburban Water Company and Consumers Water Company, regulated public utilities that provide water to nearly two million residents in Pennsylvania, Ohio, Illinois, New Jersey and Maine.

Philadelphia Suburban Corporation 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, uncertainties and other factors that may cause the 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; 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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