

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): May 7, 2003

Philadelphia Suburban Corporation

(Exact Name of Registrant Specified in Charter)

Pennsylvania	001-06659	23-1702594
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(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
762 West Lancaster Avenue Bryn Mawr, Pennsylvania		19010-3489
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(Address of Principal Executive Offices)		(Zip Code)

Registrant's telephone number, including area code: (610) 527-8000

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits.

99.1 Press Release, dated May 7, 2003, issued by Philadelphia
Suburban Corporation.

Item 9. Regulation FD Disclosure.

The following information and exhibit are being furnished under "Item 12.
Disclosure of Results of Operations and Financial Condition."

On May 7, 2003, Philadelphia Suburban Corporation issued a press
release announcing its first quarter 2003 earnings. The press release is being
furnished with this Current Report on Form 8-K as Exhibit 99.1 and is hereby
incorporated herein by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Philadelphia Suburban Corporation

By: Roy H. Stahl

Roy H. Stahl
Executive Vice President and General Counsel

Dated: May 7, 2003

Exhibit Index

Exhibit

99.1 Press Release, dated May 7, 2003, issued by Philadelphia Suburban Corporation.

FOR RELEASE: May 7, 2003

Contact: Cheryl Hansen
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PHILADELPHIA SUBURBAN CORPORATION ANNOUNCES SIGNIFICANTLY HIGHER
FIRST QUARTER OPERATING RESULTS FOR 2003

BRYN MAWR, PA, May 7, 2003 - Philadelphia Suburban Corporation (NYSE:PSC) today announced significantly higher net income of \$13.3 million or \$0.19 per diluted share for the quarter ended March 31, 2003, compared to \$11.9 million or \$0.17 per diluted share for the same period in 2002. Operating revenues for the quarter increased 12.3 percent to \$80.5 million, versus \$71.7 million for the same period in 2002, due to rate relief and customer growth in various states in which the company operates.

PSC maintained an efficiency ratio (operations and maintenance expenses to revenue) of 36.6 percent, for the twelve-month period ending on March 31, 2003, despite higher expenses as a result of a harsh winter (increased main break maintenance) and higher insurance and pension costs. This is consistent with the company's 2002 ratio of 36.6 percent.

The company continued its efforts to reduce its borrowing costs by taking advantage of historically low interest rates, and was able to secure favorable effective interest rates during late 2002. This allowed the company to increase average borrowings by 13.8 percent in the first quarter of 2003, while only incurring an 8.5 percent increase in interest expense in comparison to the same period in 2002. Over the past three years, the company's embedded cost of debt has decreased 84 basis points from 7.40 percent to 6.56 percent.

PSC's Chairman and President Nicholas DeBenedictis said, "Despite the challenging winter, we are pleased with our first quarter performance, including our revenue growth and the progress we have made with the planned AquaSource acquisition, which we expect to close mid-year. This acquisition will provide PSC with a broader platform for future growth, combined with greater geographic diversity to mitigate weather-related risks."

PSC has received regulatory approval to move forward with the planned acquisition of the water and wastewater operations of AquaSource in nine out of 10 states where approval is required. Necessary approvals were received in Texas, Florida, South Carolina, North Carolina, Virginia, New York, Kentucky, Missouri, and Connecticut. Regulatory approval is still pending in New Jersey.

Thanks to substantial precipitation in late 2002 and early 2003, the company also announced that it is currently well positioned to enter the heavy-demand spring and summer months in its largest operating division, with reservoirs filled to capacity in Southeastern Pennsylvania. At this time in 2002, drought conditions existed in Pennsylvania where the majority of PSC's customers are located.

PSC is the largest U.S.-based investor-owned water utility serving approximately two million residents in Pennsylvania, Ohio, Illinois, 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." The company has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

The company's quarterly conference call with analysts will be at 11:00 a.m. Eastern Daylight Time today. Interested parties may listen to the conference call over the Internet by logging onto www.suburbanwater.com. The call will be recorded and replayed beginning 1:00 p.m., Wednesday, May 7, 2003, and will run until 12:00 p.m., Tuesday, May 20, 2003. The dial-in telephone number for the audio replay is (973) 341-3080 (pin number 3883019). A replay of the call will also be available in the Investor Relations section of www.suburbanwater.com.

The following table shows selected operating data for the quarters ended March 31, 2003 and 2002 (in thousands, except per share data) for Philadelphia Suburban Corporation.

	Quarter Ended March 31	
	2003	2002
Operating revenues	\$ 80,489	\$ 71,669
Net income available to common stock	\$ 13,324	\$ 11,875
Net income per common share:		
Basic	\$ 0.20	\$ 0.17
Diluted	\$ 0.19	\$ 0.17
Average common shares outstanding:		
Basic	67,977	68,451
Diluted	68,586	69,300

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; weather conditions; the success of certain cost containment

initiatives; changes in regulations or regulatory treatment; availability and cost of capital; the success of growth initiatives; and the completion of the AquaSource transaction.

Philadelphia Suburban Corporation and Subsidiaries

Consolidated Statements of Income and Comprehensive Income

(In thousands, except per share amounts)

(Unaudited)

	Quarter Ended March 31	
	2003	2002
Operating revenues	\$ 80,489	\$ 71,669
Cost & expenses:		
Operations and maintenance	30,664	27,285
Depreciation	11,347	9,893

Amortization	712	540
Taxes other than income taxes	5,320	5,314
Total	48,043	43,032
Operating income	32,446	28,637
Other expense (income):		
Interest expense, net	10,612	9,780
Allowance for funds used during construction	(376)	(386)
Gain on sale of other assets	(55)	(349)
Income before income taxes	22,265	19,592
Provision for income taxes	8,938	7,702
Net income	13,327	11,890
Dividends on preferred stock	3	15
Net income available to common stock	\$ 13,324	\$ 11,875
Net income	\$ 13,327	\$ 11,890
Other comprehensive income (loss), net of tax:		
Unrealized gain on securities	47	128
Reclassification adjustment for gains reported in net income	-	(227)
Comprehensive income	\$ 13,374	\$ 11,791
Net income per common share:		
Basic	\$ 0.20	\$ 0.17
Diluted	\$ 0.19	\$ 0.17
Average common shares outstanding:		
Basic	67,977	68,451
Diluted	68,586	69,300

Philadelphia Suburban Corporation and Subsidiaries

Condensed Consolidated Balance Sheets

(In thousands of dollars)

(Unaudited)

	March 31, 2003	December 31, 2002
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Net property, plant and equipment	\$ 1,504,329	\$ 1,490,841
Current assets	72,822	70,908
Regulatory assets and other assets	154,543	155,320
	\$ 1,731,694	\$ 1,717,069
Stockholders' equity	\$ 499,723	\$ 493,097
Long-term debt, excluding current portion	580,841	582,910
Current portion of long-term debt and loans payable	161,119	149,378
Other current liabilities	66,801	77,153

Deferred credits and other liabilities

423,210	414,531

\$ 1,731,694	\$ 1,717,069
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