



## **Philadelphia Suburban Corporation Closes Equity Offering**

BRYN MAWR, Pa. Sept. 18, 2000 - Philadelphia Suburban Corporation (NYSE:PSC) today announced that its public equity offering of 1,322,500 shares of common stock--which was increased from the originally proposed offering of up to 1,150,000 shares--closed Friday, September 15, 2000.

The shares were priced at \$23.50. PSC will use the net proceeds from the sale to make a capital contribution to its Philadelphia Suburban Water Company (PSW) subsidiary, which is expected to use the money to reduce its short-term debt.

A.G. Edwards & Sons, Inc., PaineWebber Incorporated and Janney Montgomery Scott, LLC were underwriters for the offering. Copies of the prospectus can be obtained from A.G. Edwards & Sons, Inc. at One North Jefferson Avenue, St. Louis, Missouri 63103.

PSC Chairman Nicholas DeBenedictis said, I am pleased with the reception of this offering by the retail market and am particularly pleased with how well it was received by individual investors across the country. We expect that this offering will put us in a better cash position to pursue our growth-through-acquisition strategy, which has already proven to enhance shareholder value.

Investors who participated in this offering and who, along with other shareholders, hold their shares on November 15, 2000 will be eligible for the company's recently announced five-for-four stock split effected in the form of a 25 percent stock dividend. Distribution of the additional shares is scheduled for December 1, 2000.

PSC is one of the nation's largest investor-owned water utilities serving nearly two million residents collectively through its Philadelphia Suburban Water Company subsidiary in Pennsylvania and its Consumers Water Company subsidiary in Pennsylvania, Ohio, Illinois, New Jersey and Maine.

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.

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