

PHILADELPHIA SUBURBAN CORPORATION

CUSTOMER STOCK PURCHASE PLAN

Prospectus Supplement Dated July 26, 1996 to  
Prospectus Dated January 26, 1996

This Prospectus Supplement amends certain information contained in the Prospectus dated January 26, 1996 (the "Prospectus") of Philadelphia Suburban Corporation (the "Company") by which shares of the Company's Common Stock, par value \$.50, are offered for sale pursuant to the Company's Customer Stock Purchase Plan. Each such amendment is a result of the 3-for-2 split of the Common Stock effected on July 10, 1996.

1. The sixth word of the seventh paragraph of the cover page of the Prospectus, "849,049" is hereby replaced in its entirety with "1,273,574."

2. The thirteenth word of the first line of the first paragraph under "DESCRIPTION OF CAPITAL STOCK -- Authorized and Outstanding Stock" on page 9 of the Prospectus, "21,770,819", is hereby replaced in its entirety with "41,770,819."

3. The second word of the second line of the first paragraph under "DESCRIPTION OF CAPITAL STOCK -- Authorized and Outstanding Stock" on page 9 of the Prospectus, "20,000,000", is hereby replaced in its entirety with "40,000,000."

4. The first six words of the first line of the second paragraph under "DESCRIPTION OF CAPITAL STOCK -- Authorized and Outstanding Stock" on page 9 of the Prospectus, "As of December 31, 1995, 12,188,623", are hereby replaced in their entirety by the following: "As of June 30, 1996, 12,558,184."

5. The last word of the second line of the second paragraph under "DESCRIPTION OF CAPITAL STOCK -- Authorized and Outstanding Stock" on page 9 of the Prospectus, "527,519", is hereby replaced in its entirety with "825,525."

6. A new sentence is added on the bottom of page 11 of the Prospectus as follows: "None of the data set forth in the table above reflects a 3-for-2 stock split of the Common Stock which was effected on June 18, 1996."

7. The first three words of the first line of the first paragraph on page 12 of the Prospectus, "On January 12, 1996" are hereby replaced in their entirety with "On June 28, 1996" and the sixteenth word of such line, "\$20 7/8" is hereby replaced in its entirety with "\$24 3/4."

8. The fourth word of the third line of the first paragraph on page 12 of the Prospectus, "5.6%" is hereby replaced in its entirety with "4.9%."