



May 9, 2012

## **Aqua America's Pennsylvania Subsidiary Acquires Water and Wastewater Systems in Luzerne County**

BRYN MAWR, Pa.--(BUSINESS WIRE)-- Aqua America, Inc. (NYSE: WTR) announced today that its Pennsylvania subsidiary, Aqua Pennsylvania, Inc. (Aqua), has acquired the water and wastewater system assets of Total Environmental Solutions, Inc. ("TESI") which serve approximately 2,300 people in the Beech Mountain Lakes Resort Community located in portions of Butler and Dennison townships, Luzerne County for \$1.5 million.

The systems will be operated by Aqua's White Haven Division, which currently provides water and wastewater service to about 20,000 people including those in many Luzerne County municipalities. The acquisition is the latest for the company, which has completed more than 200 acquisitions and growth ventures over the last decade.

"The Beech Mountain community is an example of a tuck-in acquisition, which fits nicely into our existing service territory, which already includes customers in Butler and Dennison townships," said Aqua America Chairman and CEO Nicholas DeBenedictis. "We are looking forward to adding the Beech Mountain customers to those we already serve in the area and providing them with quality water and reliable water and wastewater service."

Among the future improvements Aqua has planned for Beech Mountain are the replacement of water meters with new radio frequency meters, the replacement of aged and undersized water and wastewater mains, and upgrades to the well treatment facilities. "Like many of the state's small systems, the Beech Mountain system has many capital needs to satisfy the higher standards being required by environmental and public health agencies, and the Public Utility Commission," said DeBenedictis.

Aqua America is one of the largest U.S.-based publicly-traded water utilities serving almost 3 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, and Georgia. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR.

This release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 that address, among other things: the planned improvements to the acquired system. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: the risk that the acquired company's business will not be successfully integrated; the ability of the company to complete planned capital improvements, and other key factors that we have indicated could adversely affect our business and financial performance discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, which is on file with the Securities and Exchange Commission. Aqua America is not under any obligation—and expressly disclaims any such obligation—to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

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