



Philadelphia Suburban Corporation to Shareholders: We Expect to Exceed Our 2001 Goal for Customer Growth

Chairman Tells Shareholders Customer Growth Could Exceed Four Percent

BRYN MAWR, Pa.--(BUSINESS WIRE)--May 17, 2001-- Philadelphia Suburban Corporation (NYSE:PSC) Chairman Nicholas DeBenedictis announced at the company's annual meeting of shareholders that he anticipates the company will exceed its "already-aggressive" customer growth goal of four percent by year's end.

DeBenedictis said that based on the nine growth ventures the company has completed this year and deals that are pending, the company could exceed its growth goal of 23,000 new customers. The company ended the year 2000 with customer base of 579,000 (approximately two million residents).

Final regulatory action is expected by the end of the month on two acquisitions: the Geigertown water system that serves parts of Robeson and Union Townships in Berks County, Pennsylvania and the Village of Aroma Park water system in Kankakee County, Illinois, which is currently operated and maintained by PSC's Illinois subsidiary.

"Last year we completed 18 growth ventures in six states, which combined with natural growth on the system, grew our customer base by four percent," said DeBenedictis. "By this time last year, we had completed six growth ventures in contrast to the nine we've announced so far this year. Those nine represented 1.2 percent growth in the first quarter. Pending acquisitions and natural growth could allow us to grow our customer base well in excess of our 2001 goal."

DeBenedictis added that the six states in which PSC currently operates presents significant growth opportunities over the next several years through consolidation of small water systems and natural growth.

PSC is the nation's second largest investor-owned water utility serving nearly 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" and has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

Editors Note: 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 project schedules, project contingencies and variations in water purchases; changes in regulations or regulatory treatment; availability and cost of capital; and the success of growth initiatives.

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