Aqua America, Inc. and Subsidiaries
Selected Financial Data and Reconciliations of GAAP to Non-GAAP financial measures
(in thousands of dollars, except per share amounts)

	2012	2011					2010					2009
	First Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	Year
Income from continuing operations per share:												
Basic	$ 0.20	$ 0.22	$ 0.26	$ 0.33	$ 0.23	$ 1.05	$ 0.16	$ 0.21	$ 0.29	$ 0.20	$ 0.86	$ 0.74
Diluted	$ 0.20	$ 0.22	$ 0.26	$ 0.33	$ 0.23	$ 1.04	$ 0.16	$ 0.21	$ 0.29	$ 0.20	$ 0.86	$ 0.74
Income per diluted share from continuing operations (GAAP measure)	$ 0.20	$ 0.22	$ 0.26	$ 0.33	$ 0.23	$ 1.044	$ 0.16	$ 0.21	$ 0.29	$ 0.20	$ 0.86	$ 0.74
Less: Net state income tax benefit associated with 100% bonus depreciation on a diluted share basis	-	0.031	0.025	0.024	0.026	0.107	-	-	-	-	-	-
Adjusted income per diluted share from continuing operations (Non-GAAP financial measure)	$ 0.20	$ 0.19	$ 0.24	$ 0.30	$ 0.20	$ 0.937	$ 0.16	$ 0.21	$ 0.29	$ 0.20	$ 0.86	$ 0.74
Net income per common share:												
Basic	$ 0.27	$ 0.22	$ 0.27	$ 0.30	$ 0.25	$ 1.04	$ 0.16	$ 0.22	$ 0.32	$ 0.21	$ 0.91	$ 0.77
Diluted	$ 0.27	$ 0.22	$ 0.27	$ 0.30	$ 0.24	$ 1.03	$ 0.16	$ 0.22	$ 0.32	$ 0.21	$ 0.90	$ 0.77
Net income per diluted share (GAAP measure)	$ 0.27	$ 0.22	$ 0.27	$ 0.30	$ 0.24	$ 1.032	$ 0.16	$ 0.22	$ 0.32	$ 0.21	$ 0.90	$ 0.77
Less: Net state income tax benefit associated with 100% bonus depreciation on a diluted share basis	-	0.031	0.025	0.024	0.026	0.107	-	-	-	-	-	-
Add: Income tax expense (benefit) on disposal of Maine / New York on a diluted per share basis	-	-	-	0.054	(0.001)	0.052	-	-	-	-	-	-
Less: Gain on disposal of Maine subsidiary	0.076	-	-	-	-	-	-	-	-	-	-	-
Adjusted income per diluted share (Non-GAAP financial measure)	$ 0.20	$ 0.19	$ 0.25	$ 0.33	$ 0.22	$ 0.977	$ 0.16	$ 0.22	$ 0.32	$ 0.21	$ 0.90	$ 0.77
Income (loss) from discontinued operations per share:												
Basic	$ 0.07	$ -	$ 0.01	$ (0.03) *	$ 0.01	$ (0.01)	$ -	$ 0.01	$ 0.02	$ 0.01	$ 0.04	$ 0.03
Diluted	$ 0.07	$ -	$ 0.01	$ (0.03) *	$ 0.01	$ (0.01)	$ -	$ 0.01	$ 0.02	$ 0.01	$ 0.04	$ 0.03
Income from continuing operations	$27,658	$30,646	$36,595	$45,516	$32,005	$144,762	$21,609	$28,894	$40,370	$27,324	$118,197	$100,150
Income (loss) from discontinued operations	10,246	(295)	995	(4,393)	2,000	(1,693)	(98)	961	3,381	1,534	5,778	4,203
Net income	$37,904	$30,351	$37,590	$41,123	$34,005	$143,069	$21,511	$29,855	$43,751	$28,858	$123,975	$104,353

Note * - Includes income tax expense recognized of $7,438 or $0.054 per diluted share for the additional deferred tax liabilities that arise from the difference between the stock and tax basis on disposal of Maine / New York subsidiaries.

Reconciliation of GAAP to Non-GAAP financial measures - Adjusted income per diluted share from continuing operations and adjusted income per diluted share are financial measures of operating performance that do not comply with U.S. generally accepted accounting principles, and are thus considered to be "non-GAAP financial measures" under applicable SEC regulations. These non-GAAP financial measures are derived from our consolidated financial information and should only be used as a supplement to our GAAP disclosures. The Company is providing disclosure of the reconciliations of these non-GAAP financial measures to the most comparable GAAP financial measures. The Company believes that these non-GAAP financial measures provide investors the ability to measure the Company's financial operating performance excluding the special items, which are more indicative of the Company's ongoing performance and are more comparable to measures reported by other companies. The Company further believes that the presentation of these non-GAAP financial measures are useful as a more meaningful way to compare the Company's operating performance against its historical financial results and to assess the underlying profitability of our core business.