AQUA℠

NYSE: WTR

Fact Sheet

Corporate Overview

Aqua America, Inc. is the publicly traded holding company for regulated water and wastewater utilities serving approximately three million people in Pennsylvania, New York, Ohio, North Carolina, Illinois, Texas, Florida, New Jersey, Indiana, Virginia, and Georgia. 2011 marked the 12th straight year of net income growth. The company has increased its dividend 21 times in the past 20 years. Aqua America is listed on the New York Stock Exchange under the ticker symbol WTR.

Our Business

Water is undoubtedly our greatest natural resource. Water utilities are the only utility businesses charged with delivering a product that is ingested. The core business of our regulated subsidiaries is to treat this essential natural resource to a quality to meet required drinking water standards to sustain a healthy life and, after it is consumed, re-treat and deliver it to nature at a quality that can sustain a healthy environment.

Water Industry Overview

Approximately 53,000 water systems exist in the U.S., making the water industry the nation's most fragmented utility industry. Less than one percent of these systems serve more than 100,000 people. Less than 15 percent of water utilities are privately held (based on number of people served). The balance is municipally owned. More stringent drinking water regulations from Federal and state environmental regulators and the capital needed to meet such standards on the part of many system owners, as well as the monetizing of public assets to support the financial condition of municipalities, are among the factors that might drive consolidation. The EPA has estimated that an investment of $335 billion for water systems and $390 billion for wastewater systems is needed for required improvements in the next 20 years.

Corporate Strategy

Aqua America's strategy is focused on the asset ownership model (as opposed to managing municipal systems) where Aqua invests needed capital in company-owned systems, then files rate requests to recover a fair, regulated return. Aqua's long-term business model has been growth-through-acquisition to provide new platforms in which to invest capital necessary for environmental improvements.

In recent years, Aqua has ventured into a new business segment under its unregulated operations with its Marcellus Shale projects. These projects include a joint venture with Penn Virginia Resource Partners, L.P. to construct and operate a private pipeline system to supply fresh water to certain natural gas producers drilling in the Marcellus Shale in north-central Pennsylvania as well as water filling stations for the trucks that bring fresh water to the fracking site.

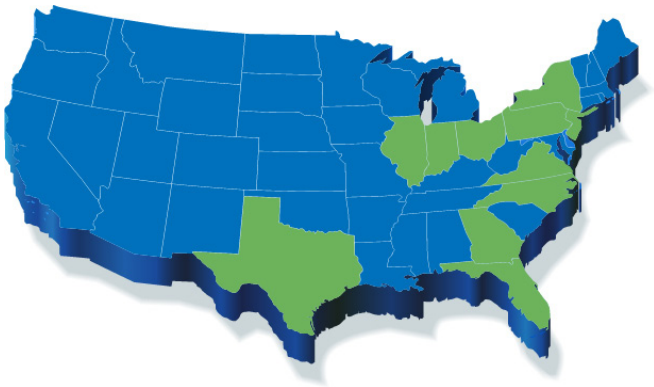
Financial Highlights

(in thousands, except per share amounts)

Years ended December 31,		2011	2010
Operating revenues		$711,956	$683,438
Operating income		$285,810	$260,347
Net income		$143,069	$123,975
Net income per common share:			
	Basic	$1.04	$0.91
	Diluted	$1.03	$0.90
Average common shares outstanding:			
	Basic	138,182	136,948
	Diluted	138,689	137,296

Operating Locations

Serving 3 million people in 11 states



For investor relations information, contact:
Brian Dingerdissen
bjdingerdissen@aquaamerica.com
610.645.1191
www.aquaamerica.com

Market Information

12/31/11 closing price: $22.05

Market capitalization: $3.1 billion

52 week high: $23.79

52 week low: $19.28

Dividend yield: 3.0%

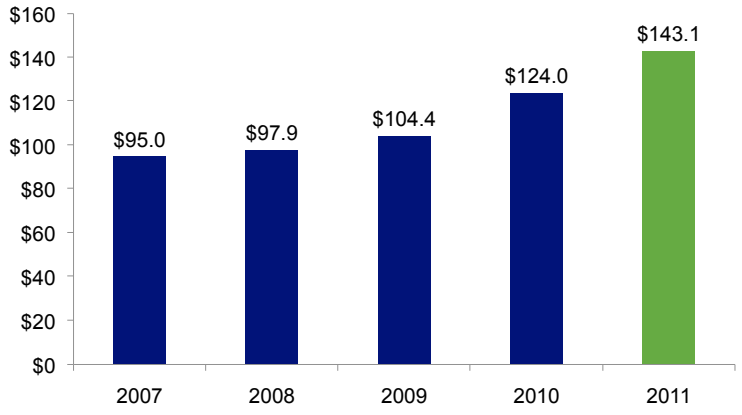
Annualized dividend: $0.66

Average daily volume (TTM): 0.63M

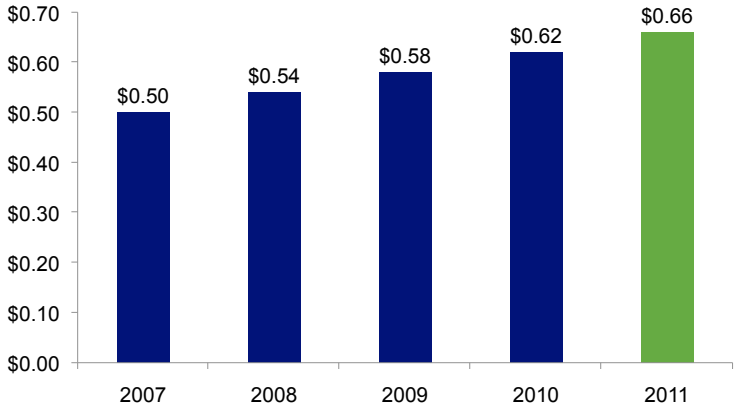
Dividend Highlights

- Increased cash dividend 6.5 percent to $0.66 on an annualized basis as of December 1, 2011.
- 21 cash dividend increases in the last 20 years
- Paid dividends for more than 65 consecutive years

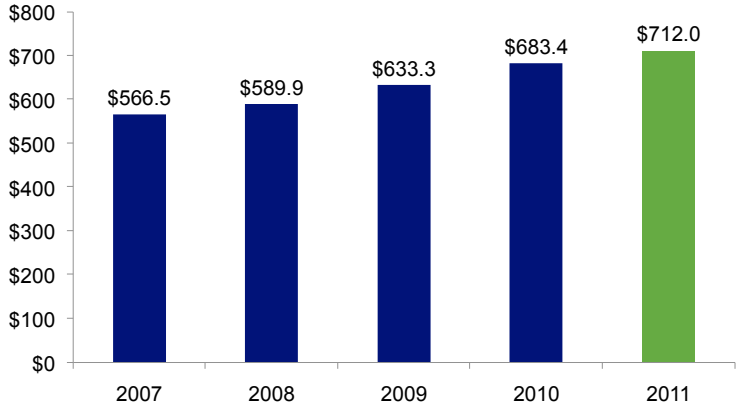
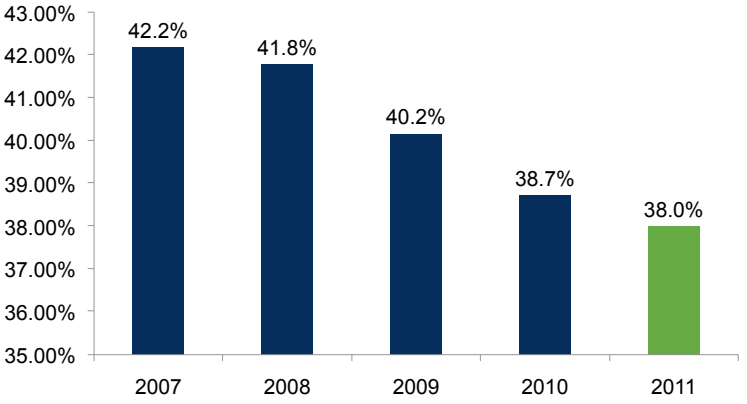
Net Income (in millions)



Dividends Per Share (annualized as of 12/31)



Operating Revenues (in millions)



Operations and Maintenance Expense to Revenue