

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)

	2016				2015				2014	2013	
	First Quarter	Second Quarter	Third Quarter	Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year	Year	Year
Income from continuing operations per share:											
Basic	\$ 0.29	\$ 0.34	\$ 0.41	\$ 1.04	\$ 0.27	\$ 0.32	\$ 0.38	\$ 0.16	\$ 1.14	\$ 1.21	\$ 1.15
Diluted	\$ 0.29	\$ 0.33	\$ 0.41	\$ 1.04	\$ 0.27	\$ 0.32	\$ 0.38	\$ 0.16	\$ 1.14	\$ 1.20	\$ 1.15
Net income per common share:											
Basic	\$ 0.29	\$ 0.34	\$ 0.41	\$ 1.04	\$ 0.27	\$ 0.32	\$ 0.38	\$ 0.16	\$ 1.14	\$ 1.32	\$ 1.26
Diluted	\$ 0.29	\$ 0.33	\$ 0.41	\$ 1.04	\$ 0.27	\$ 0.32	\$ 0.38	\$ 0.16	\$ 1.14	\$ 1.31	\$ 1.25
Net income per diluted share (GAAP measure)	\$ 0.29	\$ 0.33	\$ 0.41	\$ 1.04	\$ 0.27	\$ 0.32	\$ 0.38	\$ 0.16	\$ 1.14	\$ 1.31	\$ 1.25
Less: Gain on disposal of Florida subsidiary	-	-	-	-	-	-	-	-	-	-	0.08
Less: Gain on disposal of Fort Wayne, IN	-	-	-	-	-	-	-	-	-	0.10	-
Adjusted income per diluted share (Non-GAAP financial measure)	\$ 0.29	\$ 0.33	\$ 0.41	\$ 1.04	\$ 0.27	\$ 0.32	\$ 0.38	\$ 0.16	\$ 1.14	\$ 1.21	\$ 1.17
Income (loss) from discontinued operations per share:											
Basic	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.11	\$ 0.10
Diluted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.11	\$ 0.10
Income from continuing operations	\$ 51,737	\$ 59,626	\$ 73,170	\$ 184,533	\$ 48,545	\$ 57,382	\$ 67,429	\$ 28,434	\$ 201,790	\$ 213,884	\$ 202,871
Income (loss) from discontinued operations	-	-	-	-	-	-	-	-	-	19,355	18,429
Adjusted net income	\$ 51,737	\$ 59,626	\$ 73,170	\$ 184,533	\$ 48,545	\$ 57,382	\$ 67,429	\$ 28,434	\$ 201,790	\$ 233,239	\$ 221,300

Reconciliation of GAAP to Non-GAAP financial measures -

The Company is providing disclosure of the reconciliation of the non-GAAP financial measures to the most comparable GAAP financial measures. The Company believes that the non-GAAP financial measures provide investors the ability to measure the Company's financial operating performance by adjustment, which is more indicative of the Company's ongoing performance and is more comparable to measures reported by other companies. The Company further believes that the presentation of these non-GAAP financial measures is useful to investors as a more meaningful way to compare the Company's operating performance against its historical financial results.

Adjusted income per diluted share from continuing operations and adjusted income per diluted share are financial measures of operating performance.

These financial measures are measures of the Company's operating performance that do not comply with U.S. generally accepted accounting principles (GAAP), and are thus considered to be "non-GAAP financial measures" under applicable Securities and Exchange Commission regulations. These non-GAAP financial measures are derived from our consolidated financial information, and should only be used as a supplement to our GAAP