

Aqua America, Inc. and Subsidiaries  
 Reconciliation of GAAP to Non-GAAP financial measures  
 (GAAP refers to accounting principles generally accepted in the United States)

	<b>Year 2000</b>
Earnings per share (GAAP financial measure)	\$ 0.48
Gain for the partial recovery of merger transaction costs related to the Consumers Water Company acquisition, net of taxes	0.02
Earnings per share, excluding gain for the partial recovery of merger transaction costs related to the Consumers Water Company acquisition (Non-GAAP financial measure)	<u>\$ 0.46</u>

	<b>Year 1999</b>
Earnings per share (GAAP financial measure)	\$ 0.34
One-time charge for merger transaction costs related to Consumers Water Company acquisition, net of taxes	(0.08)
Earnings per share, excluding one-time charge for merger transaction costs related to the Consumers Water Company acquisition (Non-GAAP financial measure)	<u>\$ 0.42</u>

	<b>Year 1998</b>
Earnings per share (GAAP financial measure)	\$ 0.42
Gain on sale of Consumers New Hampshire utility system, net of taxes	0.04
Earnings per share, excluding gain on sale of New Hampshire utility system (Non-GAAP financial measure)	<u>\$ 0.38</u>