

## COMPANY PROFILE

**Aqua America, Inc.** is the largest U.S.-based publicly-traded water utility serving approximately 2.5 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, Maine, Missouri, New York, South Carolina and Kentucky. Aqua America is listed on both the New York and Philadelphia Stock Exchanges under the ticker symbol WTR. The company has been committed to the preservation and improvement of the environment throughout its history, which spans more than 100 years.

## FINANCIAL HIGHLIGHTS

*(In thousands of dollars, except per share amounts)*

	2003	2002	% Change
• Operating revenues (a) . . . . .	\$ 367,233	\$ 322,028	14.0
• Net income available to common stock (a) (b) . . . . .	70,785	67,154	5.4
• Diluted net income per common share (a) (b) (c) . . . . .	0.79	0.78	1.3
• Annual dividend rate per common share (c) . . . . .	0.48	0.448	7.1
• Dividends paid per common share (c) . . . . .	0.456	0.43	6.0
• Common stockholders' equity per share (c) . . . . .	7.11	5.80	22.6
• Stockholders' equity . . . . .	659,030	493,097	33.7
• Total assets (a) . . . . .	2,069,736	1,717,069	20.5
• Net cash flows from operating activities (a) . . . . .	143,373	121,560	17.9
• Capital additions (a) (d) . . . . .	163,320	136,164	19.9
• Number of customers served . . . . .	749,491	605,474	23.8

(a) Beginning August 1, 2003, the financial results for the operations acquired in the AquaSource acquisition have been included in Aqua America's consolidated financial statements.

(b) 2002 amounts include a net gain of \$3,690 or \$0.04 per share on the sale of a portion of our Ashtabula, Ohio water system.

(c) Restated for 2003 5-for-4 stock split.

(d) Excludes payments for acquired water and wastewater systems: \$192,331 in 2003 and \$8,914 in 2002.