



## Aqua Announces Pricing of \$900 Million Senior Notes Offering

April 24, 2019

### *Offering part of permanent financing for Peoples acquisition*

BRYN MAWR, Pa.--(BUSINESS WIRE)--Apr. 24, 2019-- Aqua America Inc. (NYSE:WTR) today announced it has priced its public offering of \$400 million aggregate principal amount of its 3.566% senior notes due 2029 and \$500 million aggregate principal amount of its 4.276% senior notes due 2049. Aqua anticipates that the offering will close April 26, 2019, subject to customary closing conditions.

Aqua intends to use the net proceeds from the senior notes offering, together with the net proceeds from Aqua's previously completed common stock offering and tangible equity unit offering, as well as the proceeds from Aqua's previously announced investment from Canada Pension Plan Investment Board, (1) to fund the previously announced acquisition of Peoples, (2) to complete the redemption of approximately \$314 million aggregate principal amount of certain of Aqua's outstanding notes, (3) to pay related costs and expenses and (4) for general corporate purposes. Following the completion of this offering and upon the consummation of the CPPIB investment, the permanent financing for the acquisition will be in place.

The offering is not conditioned upon the consummation of the acquisition; however, if (1) the acquisition has not been consummated on or prior to April 22, 2020, (2) on or prior to the April 22, 2020 and prior to the consummation of the acquisition, the acquisition agreement is terminated or (3) prior to the consummation of the acquisition, Aqua otherwise publicly announce that the acquisition will not be consummated, then Aqua will be required to redeem all outstanding notes on a special mandatory redemption date at a special mandatory redemption price equal to 101% of the aggregate principal amount of the notes, plus accrued and unpaid interest thereon, if any, to, but excluding, the special mandatory redemption date.

RBC Capital Markets, LLC, Goldman Sachs & Co. LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC and Wells Fargo Securities, LLC are acting as joint book-running managers for the offering.

The offering of senior notes is being made pursuant to an effective shelf registration statement on Form S-3 filed with the Securities and Exchange Commission.

The offering may only be made by means of the prospectus supplement relating to the offering and the accompanying prospectus. A preliminary prospectus supplement related to the offering has been filed with the SEC and is available on the SEC's website. Copies of the preliminary prospectus supplement for the offering and the accompanying prospectus can be obtained by contacting RBC Capital Markets, LLC, 200 Vesey Street, 8th Floor, New York, New York 10281-8098, Attn: Prospectus Department; or Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282, Attn: Prospectus Department.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

### **About Aqua America**

Aqua America is the second-largest publicly traded water utility based in the U.S., and serves more than 3 million people in Pennsylvania, Ohio, North Carolina, Illinois, Texas, New Jersey, Indiana and Virginia.

### **Cautionary Statement Regarding Forward-Looking Statements**

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, among others: the terms and timing of additional offerings or borrowings to be made by Aqua America to fund the Acquisition and the anticipated use of proceeds from the offerings referred to herein. These statements involve risks and uncertainties that could cause actual results to differ materially, including, but not limited to, the ability to price and to satisfy customary closing conditions with respect to the offerings, prevailing market conditions, and the impact of general economic, industry or political conditions in the United States or internationally. There are important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements including: general economic business conditions; changes in regulations or regulatory treatment, including a change in federal tax policy; availability and access to capital; the cost of capital; disruptions in the credit markets; the ability of Aqua to successfully close and integrate the Acquisition; and other factors discussed in Aqua America's Annual Report on Form 10-K, which was filed with the SEC on February 26, 2019 and Aqua America's Current Report on Form 8-K/A, which was filed with the SEC on April 15, 2019. For more information regarding risks and uncertainties associated with Aqua America's business, please refer to Aqua America's annual, quarterly and other SEC filings. Aqua America is not under any obligation - and expressly disclaims any such obligation - to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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