NJR REPORTS RECORD THIRD-QUARTER AND YEAR-TO-DATE EARNINGS

WALL, N.J. - New Jersey Resources Corporation (NYSE: NJR) today reported record quarterly and fiscal year-to-date results. Earnings per share from continuing operations for the nine months ended June 30, 2001 increased 7.6 percent to a record $3.11, compared with $2.89 for the same period last year. For the third quarter ended June 30, 2001, earnings per share from continuing operations were a record $.24, compared with $.18 for the same period last year, representing a 33 percent increase. The Company attributes its strong financial performance to continued profitable customer growth at its principal subsidiary, New Jersey Natural Gas Company (NJNG), and positive contributions from wholesale marketing activities at its unregulated wholesale energy services subsidiary, NJR Energy Services Company (NJRES).

"Our business model continues to generate consistent financial performance," said Laurence M. Downes, chairman and CEO of NJR. "Based on our results to date and expectations for the balance of the fiscal year, we believe that we will reach the upper end of our goal of 7 to 9 percent earnings-per-share growth in fiscal 2001. This would be the tenth year of consecutive earnings growth, a streak that would be the longest in our industry," said Mr. Downes.

NJR's financial and operational highlights included:

- Higher Net Income and Earnings per Share - For the nine months ended June 30, 2001, NJR earned $55.1 million, or $3.11 per share, from continuing operations, compared with $51.1 million, or $2.89 per share, for the same period last year. NJR earned $4.3 million, or $.24 per share, for the three months ended June 30, 2001, compared with $3.1 million, or $.18 per share, for the same period last year. Strong customer growth at NJNG and higher results at NJRES contributed to the improved results. NJRES reported earnings of $3.8 million, or $.21 per share, for the nine months ended June 30, 2001, compared with $2.5 million, or $.14 per share, for the same period last year, as increased sales volumes and greater volatility of natural gas prices generated higher margins. Earnings for the nine months ended June 30, 2001 included a charge of $1.3 million, or $.08 per share, related to the adoption of Statement of Financial Accounting Standards No. 133 "Accounting for Derivative Investments and Hedging Activities." Last year's nine-month results also included income from discontinued operations of $828,000, or $.05 per share, representing actual proceeds and expenses from its 1995 exit from the natural gas and oil exploration and production business.

- Strong Customer Growth at NJNG - NJNG added 9,886 new customers during the first nine months of the fiscal year, a 4 percent increase over last year. The total included 3,272 customers who converted to natural gas from oil, electricity or propane. NJNG customers choosing to add natural gas heat to their existing natural gas service rose to 925, a 9.6 percent increase over last year. NJNG sold and transported a total of 56 billion cubic feet (Bcf) of natural gas to firm customers during the nine-month period, up 13 percent from the same period last year. NJNG's goal is to add a total of approximately 12,350 new customers in fiscal 2001, maintaining its annual customer growth rate of about 3 percent, well above the national average for natural gas distribution companies. This customer growth rate generates approximately $6.0 million in additional margin annually.

- Cold Weather - For the nine months ended June 30, 2001, weather was 5 percent colder than normal and 12 percent colder than the same period last year. "Normal" weather is based on 20-year average temperatures. The impact of the weather is significantly offset by NJNG's weather normalization clause, which is designed to smooth out year-to-year fluctuations that may result from changing weather patterns on both NJNG's gross margin and customers' bills. As a result of the colder-than-normal weather, NJNG deferred $1.7 million of margin during the first nine months of this fiscal year for future refund to customers.

- Off-System Sales and Capacity Management Programs - For the nine months ended June 30, 2001, off-system and capacity management program sales were 66.7 Bcf, generating $1.6 million in margin. NJNG shares margins from these sales with customers and shareowners on an 85/15 percent basis, a formula that is in effect through calendar 2002. Fiscal year-to-date margin also included $3.0 million from transactions under sharing incentives which are related to NJNG's financial risk management efforts to restructure its supply portfolio to be more competitive. Based on current sales and projections, NJNG customers are expected to benefit by more than $18 million from these programs this fiscal year and will have saved nearly $160 million since these programs began in 1992.

- Iroquois Interest Increased - In April 2001, NJNR Pipeline Company (Pipeline), a subsidiary of NJR Capital Services Corporation, invested $1.3 million to increase its equity interest in the Iroquois Gas Transmission System, L.P. from 2.8 percent to 3.28 percent.

New Jersey Resources Corporation (NYSE: NJR) provides retail and wholesale energy services to customers in New Jersey and

in states from the Gulf Coast to New England. Its principal subsidiary, New Jersey Natural Gas Company (NJNG), is one of the fastest-growing local distribution companies in the United States, serving approximately 420,000 customers in New Jersey's Monmouth and Ocean counties and parts of Morris and Middlesex counties. NJNG maintains a nearly 6,000 mile underground pipeline system and has added an average of 12,000 new customers annually for the past six consecutive years. NJNG is also a leader in the off-system sales and capacity release markets. Other major operating subsidiaries of NJR include NJR Energy Services and NJR Home Services. For more information about the NJR family of companies, visit www.njliving.com.

This press release contains forward-looking statements. NJR wishes to caution persons reading this press release that the assumptions forming the basis for forward-looking statements, such as earnings goals and growth projections, include many factors that are estimates of future market conditions. These include, but are not limited to, the behavior of other market participants, weather conditions, economic conditions in NJNG's service territory, changes in state regulation, fluctuations in energy-related commodity prices, conversion activity, other marketing efforts and other uncertainties.

The Company does not, by including this statement, assume any obligation to review or revise any particular forward-looking statement referenced herein in light of future events.

NEW JERSEY RESOURCES CORPORATION
CONSOLIDATED FINANCIAL RESULTS

Thousands, except per share data *(Unaudited)*	Three Months Ended June 30, **2001**	2000	Nine Months Ended June 30, **2001**	2000
Operating Revenues	**$260,644**	$247,961	**$1,818,166**	$880,387
Income from Continuing Operations	**$4,312**	$3,116	**$55,051**	$51,128
Net Income	**$4,312**	$3,116	**$55,051**	$51,956
Earnings Per Common Share - Basic				
Income from Cont. Operations	**$.24**	$.18	**$3.11**	$2.89
Net Income	**$.24**	$.18	**$3.11**	$2.93
Earnings Per Common Share - Diluted				
Income from Cont. Operations	**$.24**	$.18	**$3.09**	$2.87
Net Income	**$.24**	$.18	**$3.09**	$2.91
Average Shares Outstanding				
Basic	**17,781**	17,656	**17,708**	17,707
Diluted	**17,963**	17,788	**17,833**	17,829

CONSOLIDATED STATEMENTS OF INCOME

CONSOLIDATED FINANCIAL HIGHLIGHTS