NJR REPORTS RECORD FISCAL 2001 EARNINGS AND INCREASES DIVIDEND

WALL, N.J. - New Jersey Resources Corporation (NYSE: NJR) today reported record fiscal 2001 results. Earnings per share from continuing operations for the fiscal year ended September 30, 2001 increased 8.8 percent to a record $2.95, compared with $2.71 for the same period last year.

"The close of fiscal 2001 marks the 50th year that New Jersey Natural Gas Company (NJNG), our principal subsidiary, has been in business and proudly serving customers in New Jersey," said Laurence M. Downes, NJR chairman and CEO. "It also marks our tenth consecutive year of earnings growth."

"The outstanding results we announced today are a direct result of our employees' ability to deliver on the commitments we have made to customers and shareowners," continued Mr. Downes. "We are proud of all that our people have accomplished, and we are well-positioned to continue delivering on our commitments in fiscal 2002 and beyond."

NJR also announced that its board of directors approved a 2.3 percent increase in the quarterly dividend rate to $.45 per share from $.44 per share. The new quarterly rate is effective with the dividend payable January 2, 2002 to shareowners of record on December 14, 2001. The new indicated annual dividend rate is $1.80 per share. NJR has now increased its dividend seven times in the past six years. Commenting on the dividend increase, Mr. Downes remarked, "The board's action reflects NJR's continued excellent financial performance and financial profile, and our confidence in the Company's ability to continue to succeed in the future. With our payout ratio down to about 60 percent, we believe that we have a healthy balance between dividends being paid to shareowners and earnings being reinvested into the business."

Total energy deliveries by all NJR subsidiaries were 336 billion cubic feet (Bcf) to customers from the Gulf Coast to New England, the third consecutive year that energy deliveries exceeded 300 Bcf. Since 1992, total energy deliveries have increased more than sixfold.

Significant financial and operational highlights during the 2001 fiscal year were:

- Higher Net Income and Earnings per Share - For the fiscal year ended September 30, 2001, NJR earned $52.3 million from continuing operations, or $2.95 per share, compared with last year's results of $47.9 million, or $2.71 per share. Earnings from continuing operations for fiscal 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." The earnings increase was due primarily to continued profitable customer growth at NJR's principal subsidiary, NJNG, and the third consecutive year of higher wholesale natural gas marketing results from NJR Energy Services Company (NJRES). NJRES reported earnings of $4.1 million, or $.23 per share, for the fiscal year, compared with $2.9 million, or $.14 per share, for the same period last year, as increased sales volumes and volatile natural gas prices generated higher margins. For the three months ended September 30, NJR lost $2.8 million from continuing operations, or $.15 per share, compared with a loss of $3.2 million, or $.18 per share last year. A seasonal loss is normal for natural gas distribution companies as consumption is at its lowest levels of the year during the months of July, August and September. Last year's results 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 production business.

- Strong Customer Growth in NJR's Natural Gas Distribution Business - NJNG added 12,522 new customers during the fiscal year, maintaining its annual growth rate of 3 percent, which is almost double the national average for natural gas distribution companies. The fiscal year total included 4,189 customers who converted to natural gas from oil, electricity or propane. In addition, 1,302 customers added natural gas heat to their existing natural gas service, an 11 percent increase over last year. NJNG sold and transported a total of 60.8 Bcf of natural gas to firm customers during the fiscal year, a 12 percent increase over last year. For fiscal 2002, NJNG's goal is to continue to achieve customer growth of approximately 3 percent. This customer growth rate generates approximately $6.0 million in additional margin annually.

- Weather in Fiscal 2001 - Weather in fiscal 2001 was 5 percent colder than normal and 11 percent colder than last year. Normal weather is based on the 20-year National Oceanic and Atmospheric Administration 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 in fiscal 2001 for future refund to customers.

- Off-System Sales and Capacity Management Programs - During the fiscal year, off-system, capacity management and

financial risk management program sales were 88 Bcf, generating a total of $5.3 million in margin, compared with 132 Bcf and margin of $4.9 million last fiscal year. The total margin for fiscal 2001 included $3.2 million generated from off-system sales and capacity management and $2.1 million from financial risk management programs designed to provide incentives to NJNG to use financial instruments to provide price stability in its supply system portfolio. All incentive programs are in place until December 2002. Since 1992, these programs have generated over $160 million in savings for NJNG customers and $1.50 per share for shareowners.

- Capital Management Program - During fiscal 2001, NJR repurchased 125,900 shares under its 1.5 million share repurchase program. Since the program began in September 1996, the Company has invested $48.8 million to repurchase 1.3 million of its shares.

- Iroquois Investment Increased - In April 2001, NJNR Pipeline Company, 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.

- Real Estate Sales - During fiscal 2001, NJR continued to make progress in reducing its real estate portfolio. Commercial Realty & Resources Corp. (CR&R), the Company's real estate development subsidiary, sold 11 acres of undeveloped land for $1.2 million and completed the construction and subsequent sale of a 35,000 square-foot office building and adjacent undeveloped land for $5.2 million. The combined transactions generated a pre-tax gain of $100,000. As of September 30, 2001 CR&R's real estate portfolio consisted of two buildings and 183 acres of undeveloped land.

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 more than 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 nearly 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 within the meaning of the Private Securities Litigation Reform Act of 1995. NJR wishes to caution readers that the assumptions forming the basis for forward-looking statements include many factors that are beyond NJR's ability to control or estimate precisely, such as estimates of future market conditions and the behavior of other market participants. Other factors that could cause actual results to differ materially from our expectations include, but are not limited to, weather conditions, economic conditions in NJNG's service territory, impact of regulation, fluctuations in energy-related commodity prices, conversion activity, other marketing efforts and other uncertainties. More detailed information about these factors is set forth in NJR's filings with the Securities and Exchange Commission, including NJR's quarterly report on Form 10-Q filed on August 9, 2001.

NEW JERSEY RESOURCES CORPORATION
CONSOLIDATED FINANCIAL RESULTS

Thousands, except per share data *(Unaudited)*	Three Months Ended September 30, **2001**	2000	Twelve Months Ended September 30, **2001**	2000
Operating Revenues	**$230,242**	$284,162	**$2,048,408**	$1,164,549
Income from Continuing Operations	**$(2,735)**	$(3,192)	**$52,316**	$47,936
Net Income	**$(2,735)**	$(3,192)	**$52,316**	$48,764
Earnings Per Common Share - Basic				
Income from Cont. Operations	**$(.15)**	$(.18)	**$2.95**	$2.71
Net Income	**$(.15)**	$(.18)	**$2.95**	$2.76
Earnings Per Common Share - Diluted				
Income from Cont. Operations	**$(.15)**	$(.18)	**$2.93**	$2.69
Net Income	**$(.15)**	$(.18)	**$2.93**	$2.74
Average Shares Outstanding				
Basic	**17,803**	17,671	**17,732**	17,698
Diluted	**17,989**	17,809	**17,867**	17,822

CONSOLIDATED STATEMENTS OF INCOME

CONSOLIDATED FINANCIAL HIGHLIGHTS