NJR REPORTS RECORD FISCAL 2002 EARNINGS AND INCREASES DIVIDEND

WALL, N.J. – New Jersey Resources Corporation (NYSE: NJR) today reported record fiscal 2002 financial results. Earnings per share for the fiscal year ended September 30, 2002, increased 7.6 percent to a record $2.12, compared with $1.97 for the same period last year. Per-share amounts have been adjusted to reflect a 3-for-2 stock split, which became effective March 4, 2002. The Company attributed its strong financial performance to profitable customer growth at its principal subsidiary, New Jersey Natural Gas Company (NJNG), and a positive contribution from its unregulated wholesale energy services subsidiary, NJR Energy Services Company (NJRES).

"I am extremely proud that we are able to report our 11th consecutive year of earnings growth, which is the longest streak in the electric and natural gas utility industries," said Laurence M. Downes, chairman and CEO of NJR. "This year our shareowners were rewarded with a one-year total return of 15.7 percent and a 3-for-2 stock split. We could not deliver these excellent results without the dedication of our employees, who have earned a well-deserved reputation for delivering consistent financial results."

Total energy deliveries by all NJR businesses were 491.2 billion cubic feet (Bcf), an increase of 47 percent over last year, to customers from the Gulf Coast to New England, and Canada. Since 1992, total energy deliveries have increased more than ninefold.

"At the outset of fiscal 2002, we outlined our Commitment to Stakeholders to all of our employees. Their success in meeting those commitments allows us to announce these outstanding results despite the warmest year in our history," said Mr. Downes. "I am proud of all that our team has accomplished. In fact, last week, NJNG was recognized in the J.D. Power and Associates 2002 Gas Utility Residential Customer Satisfaction StudySM as having the highest customer satisfaction rate in the Eastern U.S. Region, performing particularly well in the areas of field service, billing and payment factors."

NJR also announced that its board of directors approved a 3.3 percent increase in the quarterly dividend rate to $.31 per share from $.30 per share. The new quarterly rate is effective with the dividend payable January 2, 2003, to shareowners of record on December 16, 2002. The new indicated annual dividend rate is $1.24 per share. NJR has now increased its dividend eight times in the past seven years, and has paid consistent quarterly dividends since 1952. Commenting on the dividend increase, Mr. Downes said, "The action taken by our board of directors reflects our continued excellent financial performance and strong financial profile. With a dividend payout ratio of 57 percent, we are maintaining a healthy balance between dividends being paid to shareowners and earnings being reinvested into the business." NJNG is the highest-rated natural gas utility in the Standard & Poor's universe of single "A" utilities.

The Company also announced that it will begin expensing the cost of stock options in fiscal 2003. Any future employee stock options will be expensed over their vesting period in accordance with Statement on Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation." "The decision to adopt this method of accounting ensures that we can continue to use this tool as part of employee compensation, while fairly presenting our results to investors," said Mr. Downes. The Company estimates that, based on historical award levels, the financial impact of this change will be less than $.01 per share in fiscal 2003, increasing to about $.02 per share in fiscal 2006.

NJR's financial and operational highlights in fiscal 2002 included:

- Higher Net Income and Earnings per Share – For the fiscal year ended September 30, NJR earned $56.8 million, or $2.12 per share, compared with $52.3 million, or $1.97 per share, last year on positive contributions from each operating subsidiary. NJNG earned $48.4 million in fiscal 2002, an increase of 1 percent compared with last year, driven by its continued profitable customer growth and lower depreciation and net interest expenses, which offset the impact of record warm weather. NJRES reported earnings of $6.4 million, or $.24 per share, for the fiscal year, compared with $4.1 million, or $.15 per share, for the same period last year, reflecting increased storage and capacity utilization. NJR Home Services Company, NJR's unregulated subsidiary that provides home appliance, sales and installation services, contributed earnings of $859,000, or $.03 per share, compared with $253,000, or $.01 per share, last year. For the three months ended September 30, NJR lost $2.5 million, or $.09 per share, compared with a loss of $2.7 million, or $.10 per share, last year. A seasonal loss is normal for natural gas distribution companies during this quarter, as consumption falls to its lowest levels during the months of July, August and September.

- Strong Customer Growth at NJNG – In fiscal 2002, NJNG again achieved its goal of approximately 3 percent customer growth, adding a total of 2.2 Bcf of throughput. NJNG added 11,282 new customers, which is expected to generate approximately 1.9 Bcf of throughput and about $5.9 million of gross margin. Existing customers adding natural gas equipment to their service will generate approximately .3 Bcf of throughput and $828,000 of gross margin. NJNG now serves 434,131 customers and has had an average customer growth rate of 3.1 percent over the past 10 years. NJNG

expects to maintain its approximate 3 percent annual customer growth rate in fiscal 2003, which is expected to generate 2.2 Bcf of throughput and $6.6 million in new margin, well above the national average for natural gas distribution companies. About 35 percent of those new customers are expected to convert from other fuels.

- Warm Weather – For the 12 months ended September 30, 2002, weather was 17 percent warmer than normal and 22 percent warmer than last year. It was the warmest year in the Company's history. "Normal" weather is based on 20-year average temperatures. The impact of the weather is significantly offset by NJNG's weather-normalization clause (WNC), 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. However, the WNC does not fully protect NJNG from factors such as unusually warm weather and declines in customer usage patterns, which were set at the conclusion of NJNG's last base rate case in January 1994. During fiscal 2002, NJNG accrued $16.4 million of margin to be collected from customers in the future and estimates the warm weather resulted in approximately $7.6 million of lost margin beyond the amount captured by the WNC.

- Off-System Sales and Capacity Management Programs – For the 12 months ended September 30, 2002, off-system and capacity management program sales were 96.5 Bcf, generating $4.7 million in margin. In fiscal 2002, NJNG customers benefited by more than $23 million from these programs, and have saved over $186 million since these programs began in 1992. These programs have contributed to NJNG having the lowest total natural gas prices in New Jersey. NJNG shares margins earned from off-system sales, capacity release and portfolio-enhancement programs with customers and shareowners, based on a formula which is in effect until December 2002. As part of its annual Basic Gas Supply Service (formally called the Levelized Gas Adjustment clause) filing in November 2001, NJNG has requested from the New Jersey Board of Public Utilities (BPU) an extension of these programs through 2004. NJNG has reached an agreement with the staffs of both the BPU and the Ratepayer Advocate, which is subject to BPU approval, whereby the 85/15 margin-sharing programs for off-system sales and capacity release transactions will be extended through October 31, 2003. As part of this agreement, the portfolio-enhancing programs, which include the permanent reduction of the cost of capacity, would continue to receive 60/40 margin-sharing treatment for transactions completed through December 31, 2002.

- Lower Interest and Depreciation Expense – During fiscal 2002, net interest expense declined $3.1 million, or 16 percent, as a result of lower interest rates. Depreciation expense declined $686,000, or 2 percent, due primarily to components of computer software installed by NJNG between 1995 and 1997 becoming fully depreciated. NJNG does not currently anticipate any significant capital expenditures to replace or upgrade this software in the near future.

- Wholesale Energy Services – Earnings for NJRES during the fiscal year benefited from increased basis, financial and daily trading margins from the optimization of storage and capacity assets and park-and-loan transactions. NJRES added storage capacity at the Dawn Storage Hub in Canada and commenced marketing activities in Canada in fiscal 2002, and also began acting as exclusive marketing agent for the Stagecoach storage field, a natural gas storage project located in Tioga County, N.Y. Natural gas sold or managed by NJRES totaled 332.6 Bcf in fiscal 2002, a 91 percent increase over the same period last year.

- Real Estate Sale – In fiscal 2002, NJR continued to make progress in reducing its real estate portfolio. Commercial Realty & Resources Corp. (CR&R), the Company's real estate development subsidiary, completed the sale of a 20,000-square-foot office building in Wall, N.J. The transaction generated proceeds of $3.3 million and a pre-tax gain of $885,000, which is included in other income. As of September 30, 2002, CR&R's real estate portfolio consisted of one building and 172 acres of undeveloped land having a total net book value of $18.3 million.

- Financial Management Program – NJR purchased 184,583 shares under its 2 million share repurchase program in fiscal 2002. Under the program, the Company may purchase its shares on the open market or in negotiated transactions based on market and other conditions. Since the program began in September 1996, the Company has invested $54.4 million to repurchase 1.53 million shares.

- Post-Retirement Benefit Costs – Due to changes in economic conditions and in future assumptions regarding the discount rate and return on plan assets, the Company's accumulated other comprehensive income will reflect an after-tax reduction of $8.6 million as of September 30, 2002. The Company will make a minimum cash contribution of approximately $3 million to the pension plan in fiscal 2003. The Company has not had to make a pension plan contribution since 1998. Due to the Company's strong balance sheet, the recognition of this liability does not have a significant negative impact to its financial condition or access to capital.

New Jersey Resources Corporation (NYSE: NJR), a Fortune 1000 company, provides retail and wholesale energy services to customers in New Jersey and in states from the Gulf Coast to New England, and Canada. Its principal subsidiary, New Jersey Natural Gas Company (NJNG), is one of the fastest-growing local distribution companies in the United States, and ranks highest in customer satisfaction for the Eastern U.S. Region in the J.D. Power and Associates 2002 Gas Utility Residential Customer Satisfaction Study.SM NJNG provides energy services to more than 430,000 residential, commercial and industrial customers in New Jersey's Monmouth and Ocean counties and parts of Morris and Middlesex counties and maintains a nearly 6,000-mile underground pipeline system. NJNG has added nearly 12,000 new customers for the past eight consecutive years, representing 2 billion cubic feet of new firm throughput annually. 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 12, 2002. NJR's Form 10-Q is available at www.sec.gov.

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

	Three Months Ended		Twelve Months Ended	
Thousands, except per share data	September 30,		September 30,	
(Unaudited)	**2002**	2001	**2002**	2001
Operating Revenues	**$466,834**	$230,242	**$1,830,754**	$2,048,408
Income before the Cumulative Effect of a Change in Accounting	**$(2,531)**	$(2,735)	**$56,844**	$53,663
Net Income	**$(2,531)**	$(2,735)	**$56,844**	$52,316
Income before the Cumulative Effect of a Change in Accounting				
Basic	**$(.09)**	$(.10)	**$2.12**	$2.02
Diluted	**$(.09)**	$(.10)	**$2.09**	$2.00
Earnings Per Common Share				
Basic	**$(.09)**	$(.10)	**$2.12**	$1.97
Diluted	**$(.09)**	$(.10)	**$2.09**	$1.95
Average Shares Outstanding				
Basic	**26,902**	26,705	**26,860**	26,598
Diluted	**27,207**	26,984	**27,168**	26,801
All per share data has been restated to reflect a 3-for-2 stock split which became effective in March 2002.				

Consolidated Statement of Income

Consolidated Financial Highlights