NJR REPORTS FISCAL 2001 FIRST QUARTER EARNINGS

WALL, N.J. - New Jersey Resources Corporation (NYSE: NJR) today reported a 9.9 percent increase in first quarter earnings for fiscal 2001 to $1.00 per share, compared with $.91 last year. The increase in earnings was attributable to profitable customer growth and improved wholesale marketing results.

"Our nine consecutive years of earnings growth is the longest streak in our industry," said Laurence M. Downes, chairman and CEO of NJR. "Our consistent performance is firmly rooted in our employees' ability to meet the needs of our customers and our focus on maintaining a strong financial profile," Mr. Downes said.

Financial and operating highlights during the quarter included:

- Higher Net Income and Earnings per Share - NJR earned $17.7 million for the three months ended December 31, 2000, a 9.3 percent increase compared with last year's results of $16.2 million. Earnings per share increased 9.9 percent to $1.00, compared with $.91 last year. The Company's principal subsidiary, New Jersey Natural Gas Company (NJNG), continued its profitable customer growth. NJR Energy Services Corporation (NJRES), NJR's unregulated wholesale gas marketing subsidiary, reported a three-fold increase in earnings to $1.9 million, compared with $652,000 last year, as volatile wholesale natural gas commodity markets generated higher margins. Earnings for the quarter included a charge of $1.3 million, or $.08 per share, related to the adoption of Statement of Financial Accounting Standards (SFAS) No. 133.

- Strong Customer Growth - During the first three months of the fiscal year, NJNG added 4,891 new customers, an increase of 13 percent over the comparable period last year. The total included 1,710 customers who converted to natural gas from oil, electricity or propane. Another 305 NJNG customers added natural gas heat to their existing natural gas service. NJNG's target is to add a total of approximately 12,500 new customers in fiscal 2001, maintaining its 3 percent customer growth rate, well above the national average for natural gas distribution companies. About 40 percent of those new customers are expected to convert from other fuels.

- Cold Weather - Weather for the quarter was 16 percent colder than normal and 27 percent colder than last year. NJNG has a weather-normalization clause, which is designed to minimize year-to-year fluctuations on both NJNG's margin and customers' bills that can result from changing weather patterns. Normal weather is based on the 20-year average. As a result of the colder-than-normal weather, NJNG deferred $3.2 million of margin during the first quarter.

- Off-System Sales and Capacity Management Programs - For the three months ended December 31, 2000, off-system sales and capacity management programs totaled 29 billion cubic feet (Bcf), generating $1.3 million in margin, compared with 36 Bcf and $1.6 million in margin last year. The decline in volume and margin was attributable to the cold weather, as more supplies were needed for core customers. NJNG shares margins earned from these off-system sales, capacity release and portfolio-enhancing programs with customers and shareowners. As a result, customers received $8.3 million in credits through the LGA component of rates during the first quarter of fiscal 2001.

- Dividend Increased - On November 29, 2000, NJR's Board of Directors authorized a 2.3 percent increase in the NJR's quarterly dividend rate to $.44 per share. The rate became effective with the January 2001 dividend payment and marked the sixth increase in five years. The Company has paid a quarterly dividend since its inception in 1952.

- NJR Home Services - On December 6, 2000, NJR announced the launch of NJR Home Services Company, an unregulated subsidiary that offers the home-appliance repair, air conditioning and contract warranty services previously provided by NJNG. This past year, NJNG's appliance repair business served more than 130,000 customers. Approximately 84 employees and all active contracts were transferred from NJNG to NJR Home Services to create a seamless transition for customers.

- New Financial Accounting Standard Adopted - Effective October 1, 2000, the Company adopted SFAS No.133 "Accounting for Derivative Investments and Hedging Activities". Under SFAS No. 133, NJR records the fair value of derivatives held on that date as assets and liabilities. The change in the net value of the effective portion of derivatives qualifying for hedge accounting treatment are recorded, net of taxes, in accumulated other comprehensive income. Under SFAS No. 133, the Company also has certain derivative instruments that do not qualify for hedge accounting. Effective October 1, 2000, the change in the net value of these derivatives, net of taxes, totaled $1.3 million, or $.08 per share, and was recorded as a cumulative effect from a change in accounting. In addition, the changes in the net value of the portion of derivatives that do not qualify for hedge accounting will be recorded, net of taxes, in net income.

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 411,000 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 had added approximately 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 December 31, **2000**	1999	Twelve Months Ended December 31, **2000**	1999
Operating Revenues	**$667,487**	$263,438	**$1,568,598**	$923,116
Income from Continuing Operations	**$19,056**	$16,171	**$50,821**	$45,825
Net Income	**$17,709**	$16,171	**$50,302**	$44,478
Earnings Per Common Share from Continuing Operations				
Basic	**$1.08**	$.91	**$2.88**	$2.57
Diluted	**$1.07**	$.90	**$2.86**	$2.55
Earnings Per Common Share				
Basic	**$1.00**	$.91	**$2.85**	$2.57
Diluted	**$1.00**	$.90	**$2.83**	$2.55
Average Shares Outstanding				
Basic	**17,628**	17,780	**17,660**	17,851
Diluted	**17,743**	17,914	**17,785**	17,958

CONSOLIDATED STATEMENTS OF INCOME

CONSOLIDATED FINANCIAL HIGHLIGHTS