NJR REPORTS RECORD FISCAL YEAR-TO-DATE AND SECOND-QUARTER EARNINGS PER SHARE

WALL, N.J. – New Jersey Resources Corporation (NYSE: NJR) today reported a 6.8 percent increase in earnings per share for the six months ended March 31, 2002 to a record $2.04, compared with $1.91 last year. Fiscal second-quarter earnings per share increased 4.8 percent to a record $1.30, compared with $1.24 last year. Per share amounts have been adjusted to reflect a three-for-two stock split, which became effective March 4, 2002. The increase in earnings was attributable primarily to continued customer growth, lower interest expense and improved unregulated results.

“Through the hard work and creativity of our employees, I am extremely pleased that our business model continues to produce consistent results despite the warmest winter in our history,” said Laurence M. Downes, chairman and CEO of NJR. “Our strong performance to date and forecast for the balance of the fiscal year indicates that we are on track to achieve our eleventh consecutive year of earnings growth; a record of consistency that is unmatched in our industry,” Mr. Downes said.

Financial and operating highlights included:

- Higher Net Income and Earnings per Share – For the six months ended March 31, NJR earned $54.6 million, or $2.04 per share, compared with $50.7 million, or $1.91 per share, last year. New Jersey Natural Gas Company (NJNG) earned $48.4 million for the six month period compared with $48 million last year, driven by its continued profitable customer growth and lower operation and maintenance, depreciation and net interest expenses, which more than offset the impact of the record warm weather. NJR Energy Services Corporation (NJRES), NJR’s unregulated wholesale energy services subsidiary, reported a 68 percent increase in earnings to $5.2 million, compared with $3.1 million last year, reflecting increased asset utilization. NJR Home Services Company, NJR’s unregulated subsidiary offering home appliance repair, air conditioning and contract warranty services, contributed earnings of $317,000, compared with breakeven results last year. NJR earned $34.9 million, or $1.30 per share, for the three months ended March 31, compared with $33 million, or $1.24 per share, last year. Last year’s six month earnings included a charge of $1.3 million, or $.05 per share, related to the adoption of Statement of Financial Accounting Standards No. 133, “Accounting for Derivative Investments and Hedging Activities.”

- Strong Customer Growth – During the first six months of the fiscal year, NJNG added approximately 1.3 billion cubic feet (Bcf) of new throughput, which is expected to generate about $3.8 million in gross margin. NJNG expects to maintain its approximately 3 percent annual customer growth rate in fiscal 2002, well above the national average for natural gas distribution companies. About 35 percent of those new customers are expected to convert from other fuels. In fiscal 2002, NJNG expects to add more than 2 Bcf of firm sales representing more than $6 million of annual gross margin.

- Warm Weather – For the six months ended March 31, weather was 18 percent warmer than normal and 24 percent warmer than last year, marking the warmest winter in NJNG’s history. Weather for the second quarter was 16 percent warmer than normal and 18 percent warmer than 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 (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. 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. For the six months ended March 31, 2002, NJNG accrued $14.8 million of margin to be collected from customers in the future.

- Lower Operation & Maintenance and Interest Expenses – For the six months ended March 31, consolidated operation and maintenance expenses decreased 1.3 percent, reflecting primarily the benefits of last year’s early retirement program, lower bad debt expense and general cost control efforts. Net interest charges for the period declined as a result of lower interest rates and the recovery of carrying costs on certain regulatory assets, which is included in other income.

- Lower Depreciation Expense – For the six months ended March 31, depreciation expense declined 2.5 percent due primarily to components of NJNG’s computer software becoming fully depreciated. NJNG installed the software between 1995 and 1997. NJNG currently does not anticipate any significant capital expenditures to replace or upgrade the software in the near future.

- Wholesale Energy Services – Earnings for NJRES during the first six months of the fiscal year benefited from increased basis, financial and daily trading margins resulting from optimization of storage and capacity assets and park and loan transactions. Natural gas sold or managed under these transactions totaled 148 Bcf for the six months ended March 31, 2002, a 29 percent increase over the same period last year.

- Off-System Sales and Capacity Management Programs – For the six months ended March 31, 2002, NJNG's off-system sales and capacity management programs totaled 56.4 Bcf, generating $2.9 million in margin, compared with 54.6 Bcf and $3.5 million in margin last year. NJNG shares margins earned from these off-system sales, capacity release and portfolio-enhancing programs with customers and shareowners. As part of its annual Levelized Gas Adjustment filing in November 2001, NJNG has requested an extension of these programs through 2004.

- Stock Split – On January 23, NJR announced a three-for-two split of its outstanding shares of common stock which entitled each shareowner of record at the close of business on February 8, 2002, to receive one additional share of common stock for every two shares of NJR common stock held on that date. NJR began trading at its split-adjusted price on March 4, 2002 and now has 26.7 million shares of common stock outstanding.

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 428,000 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 approximately 12,000 new customers for the past seven consecutive years, representing 2 billion cubic feet of new firm throughput, annually. 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 February 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

Thousands, except per share data *(Unaudited)*	Three Months Ended March 31, **2002**	2001	Six Months Ended March 31, **2002**	2001
Operating Revenues	**$525,780**	$890,035	**$921,611**	$1,557,522
Income before the Cumulative Effect of a Change in Accounting	**$34,930**	$33,030	**$54,611**	$52,086
Net Income	**$34,930**	$33,030	**$54,611**	$50,739
Income before the Cumulative Effect of a Change in Accounting				
Basic	**$1.30**	$1.24	**$2.04**	$1.96
Diluted	**$1.29**	$1.24	**$2.01**	$1.95
Earnings Per Common Share				
Basic	**$1.30**	$1.24	**$2.04**	$1.91
Diluted	**$1.29**	$1.24	**$2.01**	$1.90
Average Shares Outstanding				
Basic	**26,863**	26,574	**26,800**	26,508
Diluted	**27,163**	26,727	**27,108**	26,673

All per share data has been restated to reflect a 3 for 2 stock split.

Consolidated Statement of Income

Consolidated Financial Highlights