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 for the nine months ended June 30, 2002, increased 6.8 percent to a record $2.21, compared with $2.07 for the same period last year. For the third quarter ended June 30, 2002, earnings per share were a record $.18, compared with $.16 for the same period last year, representing a 12.5 percent increase. Per share amounts have been adjusted to reflect a three-for-two stock split, which became effective March 4, 2002. 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).

“By understanding our customers’ needs and improving our operations, our employees continue to generate strong earnings growth, and have kept us on track toward achieving our 11th consecutive year of earnings growth, despite the challenges of one of the warmest winters in our 50-year history,” said Laurence M. Downes, chairman and CEO of NJR. “Our business model continues to generate consistent financial performance and, based on our results to date and expectations for the balance of the fiscal year, we believe that we will reach our goal of 7 to 9 percent earnings-per-share growth in fiscal 2002,” said Mr. Downes.

NJR’s financial and operational highlights included:

- Higher Net Income and Earnings per Share – For the nine months ended June 30, NJR earned $59.4 million, or $2.21 per share, compared with $55.1 million, or $2.07 per share, last year. NJNG earned $51.4 million for the nine-month period, slightly higher than last year, driven by its continued profitable customer growth and lower depreciation and net interest expenses, which offset the impact of the record warm weather. NJRES reported a 60 percent increase in earnings to $6.0 million, compared with $3.8 million last year, reflecting increased storage and capacity utilization. NJR Home Services Company, NJR’s unregulated subsidiary providing expert home-appliance service, sales and installations, contributed earnings of $182,000, compared with a loss of $190,000 last year. Last year’s nine-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.” NJR earned $4.8 million, or $.18 per share, for the three months ended June 30, compared with $4.3 million, or $.16 per share, last year.

- Strong Customer Growth at NJNG – During the first nine months of the fiscal year, NJNG added approximately 1.5 billion cubic feet (Bcf) of new throughput, which is expected to generate about $4.5 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 nine months ended June 30, weather was 17 percent warmer than normal and 21 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 nine months ended June 30, NJNG accrued $16.4 million of margin to be collected from customers in the future.

- Off-System Sales and Capacity Management Programs – For the nine months ended June 30, off-system and capacity management program sales were 75.8 Bcf, generating $3.8 million in margin. NJNG shares margins earned from off-system sales, capacity release and portfolio-enhancing programs with customers and shareowners, a formula which is in effect until December 2002. As part of its annual Levelized Gas Adjustment filing in November 2001, NJNG has requested an extension of these programs through 2004. Based on current sales and projections, NJNG customers are expected to benefit by more than $24 million from these programs this fiscal year and will have saved over $160 million since these programs began in 1992.

- Lower Interest Expense – For the nine months ended June 30, net interest charges declined 17 percent 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 nine months ended June 30, depreciation expense declined 2.6 percent due primarily to components of NJNG’s computer software becoming fully depreciated. NJNG installed the software between 1995 and 1997 and 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 nine 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. NJRES added storage capacity at the Dawn Storage Hub in Canada and commenced marketing activities in Canada during the third quarter. NJRES also acts as exclusive marketing agent for the Stagecoach storage field, a natural gas storage project located in New York. Natural gas sold or managed by NJRES totaled 230 Bcf for the nine months ended June 30, 2002, a 65 percent increase over the same period last year.

- Real Estate Sale – During the quarter, 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. The transaction generated proceeds of $3.3 million and a pre-tax gain of $900,000, which is included in other income.

- Financial Management Program – During the first nine months of the fiscal year, NJR has purchased 119,900 shares under its 2 million share repurchase program. 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 $52.6 million to repurchase 1.5 million shares.

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 and Canada. 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 430,000 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 annually 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 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 May 14, 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 June 30, **2002**	2001	Nine Months Ended June 30, **2002**	2001
Operating Revenues	**$442,309**	$260,644	**$1,363,920**	$1,818,166
Income before the Cumulative Effect of a Change in Accounting	**$4,764**	$4,312	**$59,375**	$56,398
Net Income	**$4,764**	$4,312	**$59,375**	$55,051
Income before the Cumulative Effect of a Change in Accounting				
Basic	**$.18**	$.16	**$2.21**	$2.12
Diluted	**$.17**	$.16	**$2.19**	$2.11
Earnings Per Common Share				
Basic	**$.18**	$.16	**$2.21**	$2.07
Diluted	**$.17**	$.16	**$2.19**	$2.06
Average Shares Outstanding				
Basic	**26,937**	26,672	**26,846**	26,562
Diluted	**27,255**	26,945	**27,156**	26,750

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