








Siebert Williams Shank West Coast Utilities Virtual Conference

March 16, 2022

New Jersey Resources

Forward-Looking Statements and Non-GAAP Measures

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. New Jersey Resources Corporation ("NJR", or the "Company") cautions 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. Words such as "anticipates," "estimates," "expects," "projects," "may," "will," "intends," "plans," "believes," "should" and similar expressions may identify forward-looking statements and such forward-looking statements are made based upon management's current expectations, assumptions and beliefs as of this date concerning future developments and their potential effect upon NJR. There can be no assurance that future developments will be in accordance with management's expectations, assumptions and beliefs or that the effect of future developments on NJR will be those anticipated by management. Forward-looking statements in this presentation include, but are not limited to, certain statements regarding NJR's net financial earnings ("NFE") per share guidance for fiscal 2022 and beyond, dividend growth goals, capital plans, planned capital expenditures, contracted revenue, projected cash flows, impacts of hedging strategies, growing customer growth rate, timetable and results of future base rates, SAVEGREEN investment targets, schedule for completion of infrastructure projects, including but not limited to, the Howell Green Hydrogen Project, NJR's environmental sustainability and clean energy goals, emissions reduction strategies, initiatives and targets as well as our related investments in infrastructure, renewables and emerging technologies such as renewable natural gas and hydrogen gas, NJR Clean Energy Ventures' future capital investment target, projected installed solar capacity and commercial projects, Storage and Transportation expansion opportunities, revenue growth, project returns, impacts of Asset Management Agreements, including revenue recognition for fiscal 2022 and beyond, demand for residential and commercial solar energy, and our ability to profitably operate and expand the Adelphia Gateway pipeline, Leaf River and Steckman Ridge.

Additional information and factors that could cause actual results to differ materially from NJR's expectations are contained in NJR's filings with the U.S. Securities and Exchange Commission (SEC), including NJR's Annual Reports on Form 10-K and subsequent Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and other SEC filings, which are available at the SEC's web site, https://www.sec.gov. Information included in this presentation is representative as of today only and while NJR periodically reassesses material trends and uncertainties affecting NJR's results of operations and financial condition in connection with its preparation of management's discussion and analysis of results of operations and financial condition contained in its Quarterly and Annual Reports filed with the SEC, NJR 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.

Non-GAAP Measures

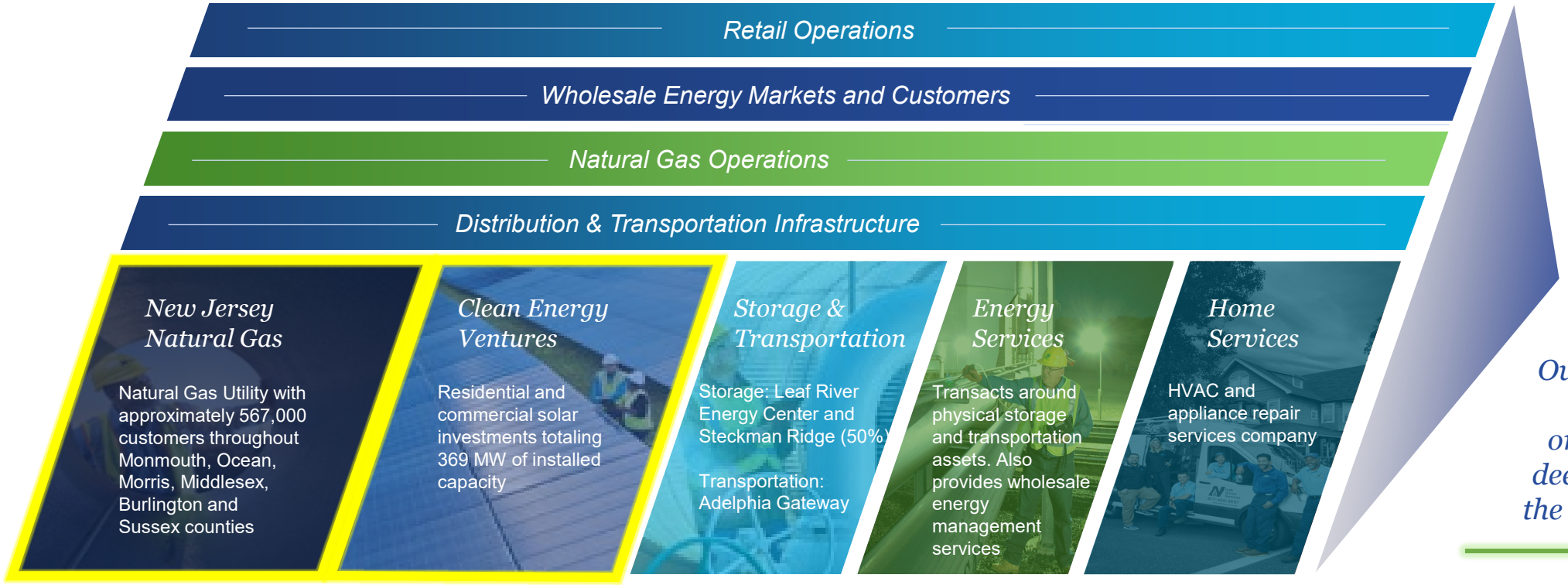
This presentation includes the non-GAAP measures, including, NFE/net financial loss, utility gross margin and financial margin. As an indicator of the Company's operating performance, these measures should not be considered an alternative to, or more meaningful than, GAAP measures, such as cash flows, net income(loss), operating income or earnings per share.

NFE/net financial loss and financial margin exclude unrealized gains or losses on derivative instruments related to the Company's unregulated subsidiaries and certain realized gains and losses on derivative instruments related to natural gas that has been placed into storage at Energy Services, and the impairment of NJR's investment in the PennEast project, net of applicable tax adjustments, as described below. Volatility associated with the change in value of these financial and physical commodity contracts is reported in the income statement in the current period. In order to manage its business, NJR views its results without the impacts of the unrealized gains and losses, and certain realized gains and losses, caused by changes in value of these financial instruments and physical commodity contracts prior to the completion of the planned transaction because it shows changes in value currently as opposed to when the planned transaction ultimately is settled. An annual estimated effective tax rate is calculated for NFE purposes, and any necessary quarterly tax adjustment is applied to "NJCEV", as such adjustment is related to tax credits generated by CEV.

NJNG's utility gross margin represents the results of revenues less natural gas costs, sales and other taxes and regulatory rider expenses, which are key components of the Company's operations that move in relation to each other. Natural gas costs, sales and other taxes and regulatory rider expenses are passed through to customers and therefore, have no effect on gross margin.

Management uses NFE/net financial loss, utility gross margin and financial margin, as supplemental measures to other GAAP results to provide a more complete understanding of the Company's performance. Management believes these non-GAAP measures are more reflective of the Company's business model, provide transparency to investors and enable period-to-period comparability of financial performance. In providing NFE guidance, management is aware that there could be differences between reported GAAP earnings and NFE/net financial loss due to matters such as, but not limited to, the positions of our energy-related derivatives. Management is not able to reasonably estimate the aggregate impact or significance of these items on reported earnings and therefore is not able to provide a reconciliation to the corresponding GAAP equivalent for its operating earnings guidance without unreasonable efforts. NFE/net financial loss, utility gross margin and financial margin are discussed more fully in Item 7 of our Report on Form 10-K and, we have provided presentations of the most directly comparable GAAP financial measure and a reconciliation of our non-GAAP financial measure, NFE/net financial loss, to the most directly comparable GAAP financial measure, in the appendix to this presentation. This information has been provided pursuant to the requirements of SEC Regulation G.

Complementary Energy Infrastructure Platform with Predictable Earnings and Incremental Growth Opportunities



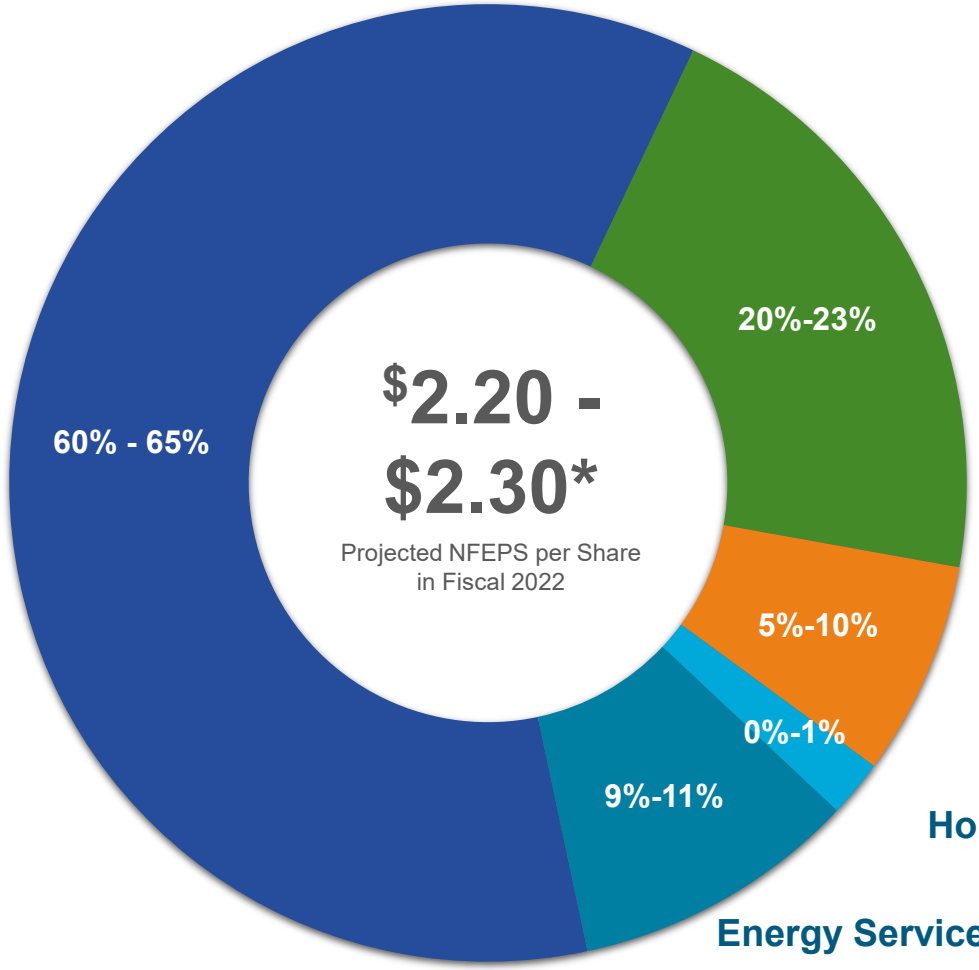
New Jersey Resources

Our complementary businesses originate from our deep expertise across the energy value chain

NJR's Business Portfolio

Natural Gas and Hydrogen Distribution; Solar Investments, Wholesale Energy Markets & Customers; Storage & Transportation Infrastructure; Retail Operations

Fiscal 2022 NFEPS Guidance by Segment



New Jersey Natural Gas

Clean Energy Ventures

Storage and Transportation

Home Services

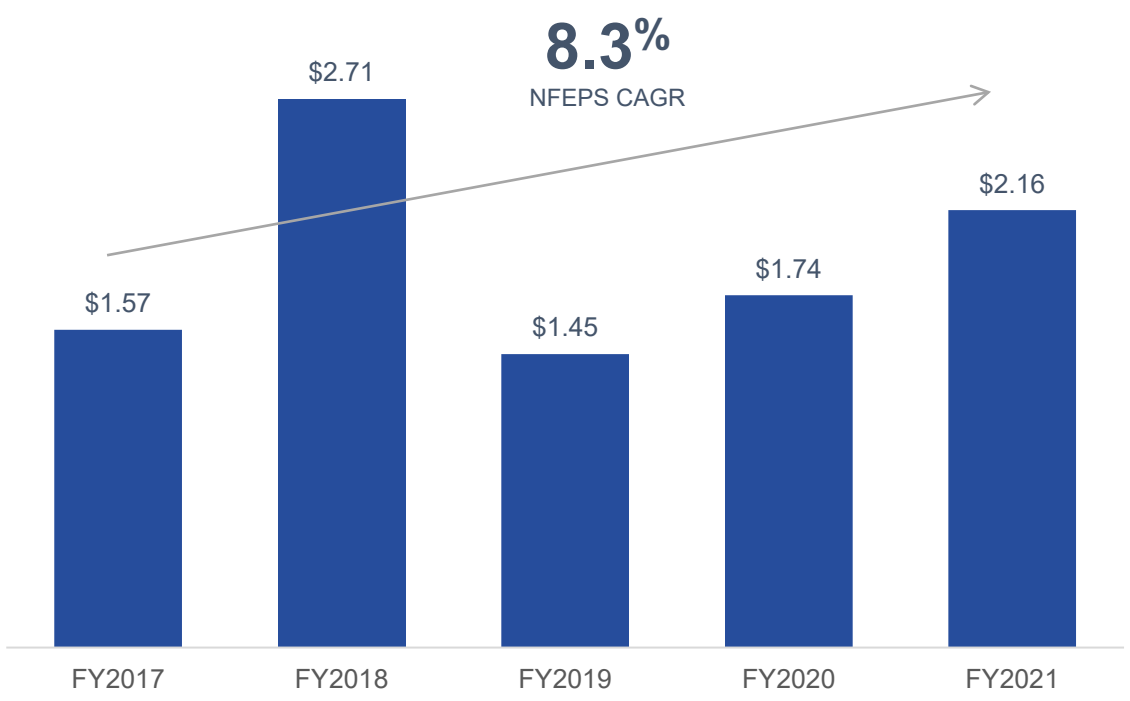
Energy Services

New Jersey Resources

** NJR affirmed guidance on 2/3/22, and such guidance and related statements in this presentation are not being updated.*

Strong Track Record of Earnings and Dividend Growth

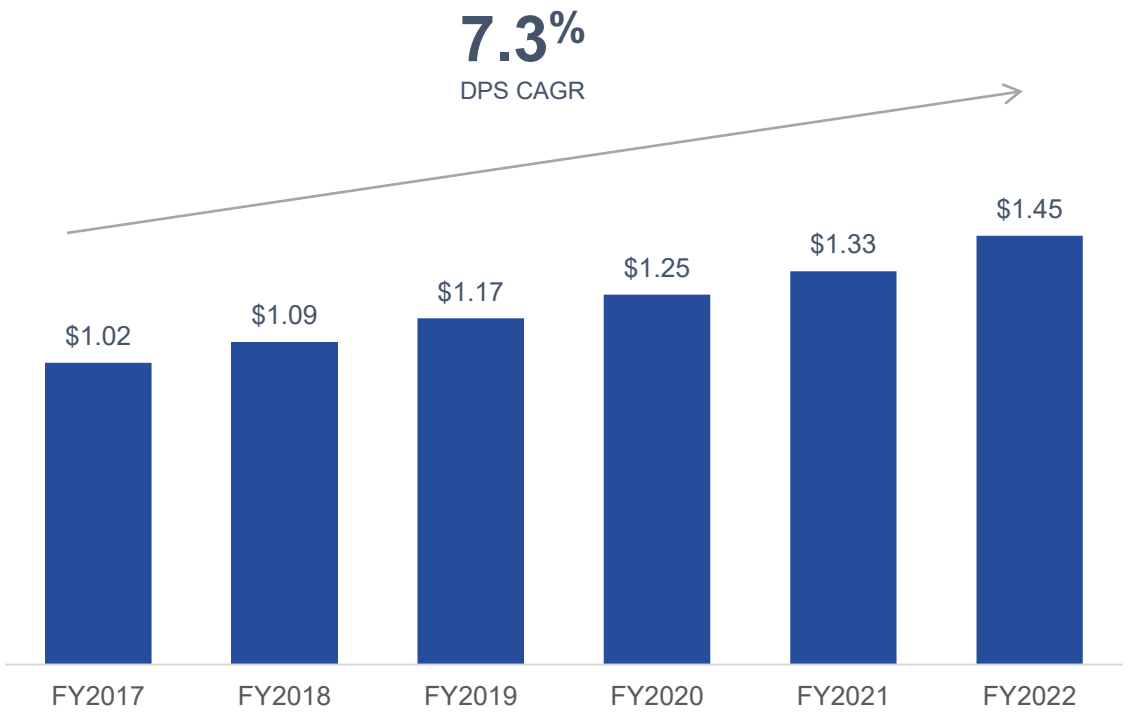
Net Financial Earnings per Share[1,2]



7-9%

Long-Term NFEPS Growth

Dividends per Share



7-9%

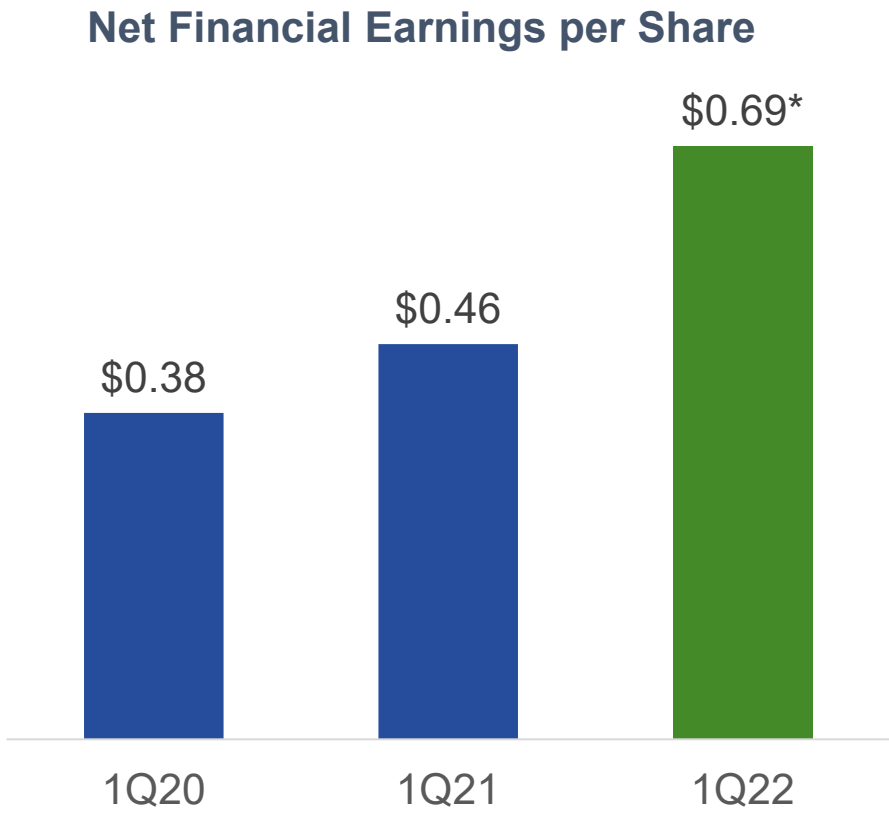
Long-Term Annual
Dividend Growth per Share

1. *All periods revised to reflect the deferral method of accounting for federal investment tax credits*
2. *A reconciliation from NFE/net financial loss to net income can be found in the Appendix*

First-Quarter Fiscal 2022 Summary

Fiscal 2022 off to a good start:

- Significant increase in fiscal Q1 net financial earnings
- Base rate case settled and new rates in place at NJNG
- CEV placed one project into service and continued to develop its pipeline of projects
- Adelphia Gateway placed two new facilities in service in its Northern Zone in January
- NJRES Asset Management Agreements became effective. Received $86.8 million payment



Moving forward with our Strategic Plan

New Jersey Resources

** A reconciliation from NFE to net income can be found in the Appendix.*

2021 Sustainability Report

Highlighting our accomplishments:

- Announced **Net Zero by 2050 goal** for New Jersey operations
- First utility on the East Coast to **blend green hydrogen into its fuel stream**
- Launched **largest energy efficiency program** in NJNG's history
- **7th consecutive J.D. Power Award** to NJNG for Highest Customer Satisfaction*
- NJRCEV is **one of the largest owner-operators of solar assets in New Jersey**
- Launched **NJR's Coastal Climate Initiative**, an initiative to preserve vital coastal saltmarshes and reduce emissions
- Named a **Most Responsible Company by Newsweek** for 2022
- **Initiated reporting in line with** the recommendations of the Task Force for Climate-Related Financial Disclosure **(TCFD) framework**



This green hydrogen facility – the first of its kind on the East Coast – will offset 180 US tons of carbon emissions per year, the equivalent of eliminating 90 tons of coal, or over 400,000 miles driven

Download our 2021 Sustainability Report Here

New Jersey Resources

** For J.D. Power 2021 award information, visit jdpower.com/awards.*

New Jersey Natural Gas

Strategic infrastructure investments and accelerated recovery mechanisms fueling rate base growth

- Operates and maintains over 7,500 miles of Natural Gas transportation and distribution infrastructure serving approximately 567,000 customers
- NJNG expects to return to a pre-pandemic customer growth rate of 1.7%.
- Constructive regulatory framework
- Stabilized utility gross margin profile
- Incremental return from natural gas supply optimization and energy efficiency investments
- Environmentally sound infrastructure accelerates transition to RNG and hydrogen



60-65% of FY 2022 NFEPS guidance

New Jersey Resources

The Value of our Natural Gas Infrastructure

An asset in the clean energy transition

Today, our pipeline network can integrate and deploy low and zero carbon fuels, such as Renewable Natural Gas and hydrogen, driving lower emissions without a massive, costly buildout of new infrastructure

New Jersey's Pipeline Network



$17 Billion Already Invested[1]



35,000 Miles of Underground Delivery Pipeline[2]



>75% of Residents Rely on Gas Home Heating[3]



70x Fewer Outage Events than Electric Grid[4]



Compatible with Zero-Carbon Fuels

Sources:
1 - Aggregated from 2020 NJ gas utility annual reports filed with BPU
2 - US Dept of Transportation; Pipeline and Hazardous Materials Safety Administration database
3 - EIA, New Jersey State Energy Profile, Accessed 11/12/21
4 - GTI, Assessment of Natural Gas and Electric Distribution Service Reliability

New Jersey Resources

Howell Green Hydrogen Project

First project on the east coast

to deliver green hydrogen through a utility distribution pipeline to heat customers' homes and businesses

Project Status

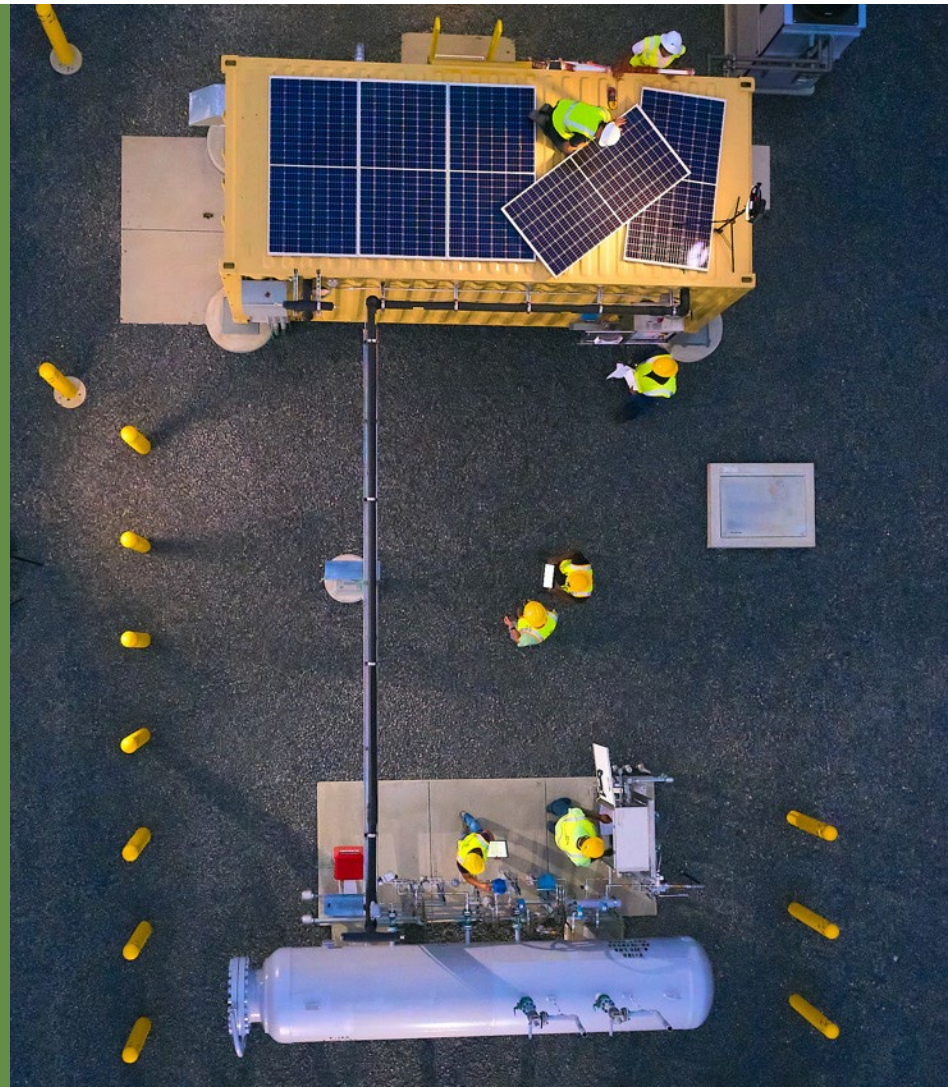
- Commercial operation achieved October 2021
- Entire project located within NJNG's Howell facility
- System expected to offset ~180 US tons of CO2 per year



Renewable Electricity

Powers Electrolysis Creating Zero-Carbon Hydrogen Gas

Blended into Distribution Pipeline and Delivered to Customers

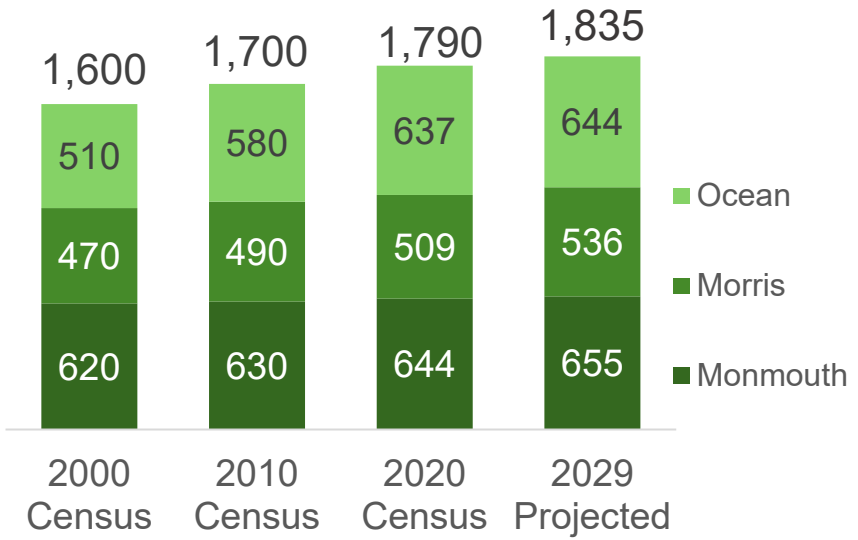


Steadily Growing Customer Base

Attractive service territory with growing population

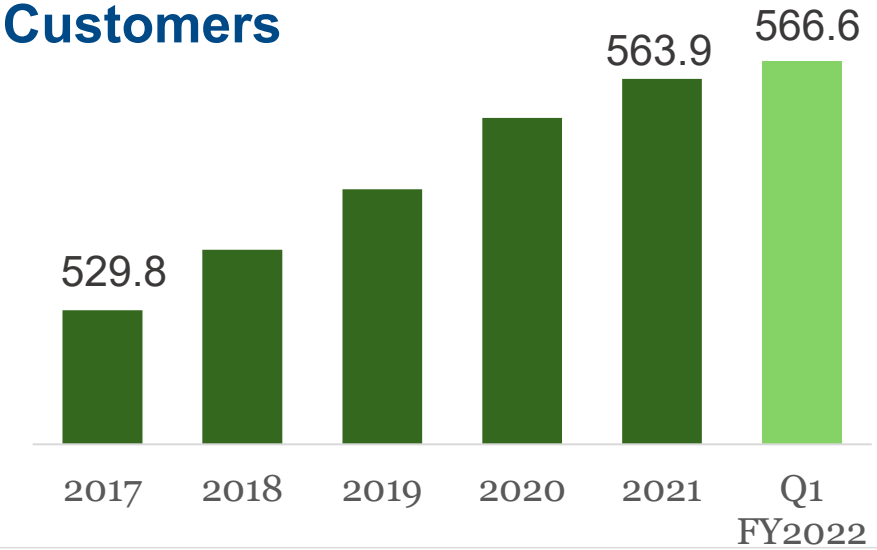
Population[1]

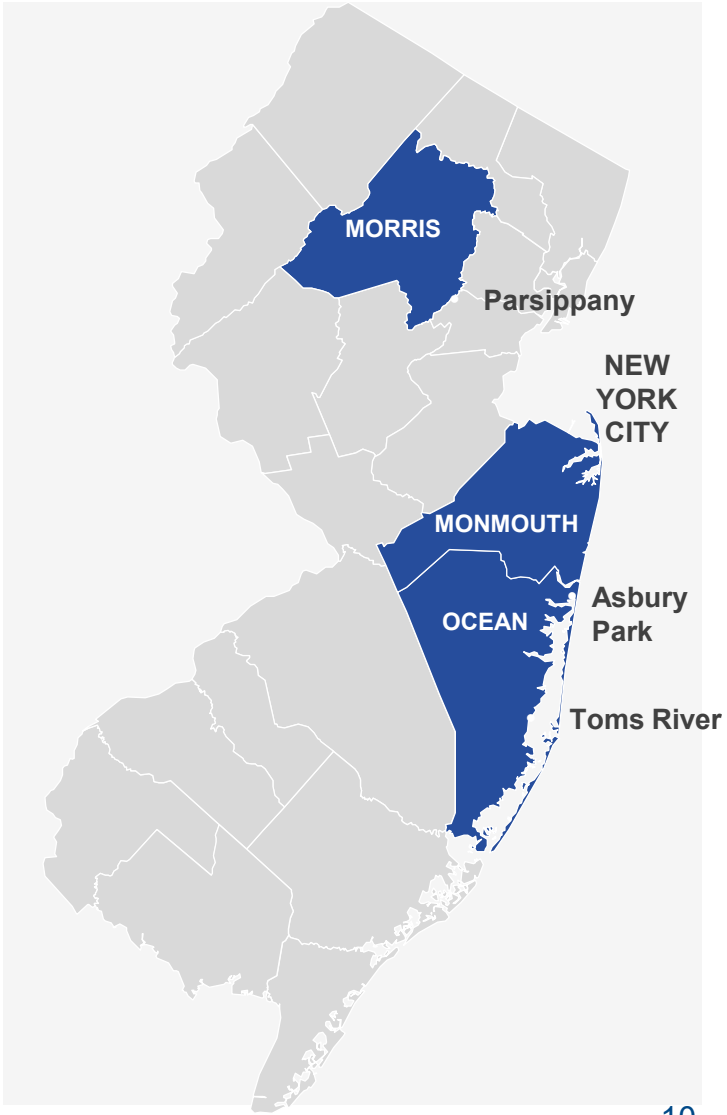
thousands



NJNG Customers

thousands





1. Sources: US Census Bureau for 2000, 2010 and 2020 actuals. N.J. Department of Labor for 2029 projections.

Supportive Regulatory Construct

Stable Rate Case Results

- Rate case results are stable
  - Current ROE of 9.60% with an equity layer of 54%
  - Full recovery of plant investments to date
  - Rate cases are settled (almost never litigated)
- Resolution of cases have been timely
- Last case filed in March 2021 and rates effective on December 1, 2021

Decoupled Rates for majority of customers

- Volume risk due to weather or energy conservation mitigated through the *Conservation Incentive Program (CIP).* This decoupling mechanism allows NJNG to earn a fix margin per customer[1].
- NJNG's natural gas commodity price is a pass-through cost the *Basic Gas Supply Service (BGSS)* program

Minimization of Regulatory Lag

- Investments in customer growth and Infrastructure Investment Program (IIP) earn real-time recovery or accelerated recovery through annual mechanisms
- Through the SAVEGREEN program, energy efficiency investments also have an annual cost recovery mechanism that accelerate recovery of investments and returns

Margin Sharing Incentives

- Like other utilities, NJNG contracts for supply and transportation to meet customer needs
- NJNG's BPU-approved "BGSS Incentive Programs" allow temporary release of capacity or supply when not needed
- NJNG shares margin generated with customers (85% for customers/15% for NJNG)
- BGSS Incentive margin is not counted in NJNG's ROE calculation for overearning

Strong and Stable Utility Gross Margin Profile

- Insulated from volume and commodity volatility
- Mitigates regulatory lag
- Aligned with environmental goals

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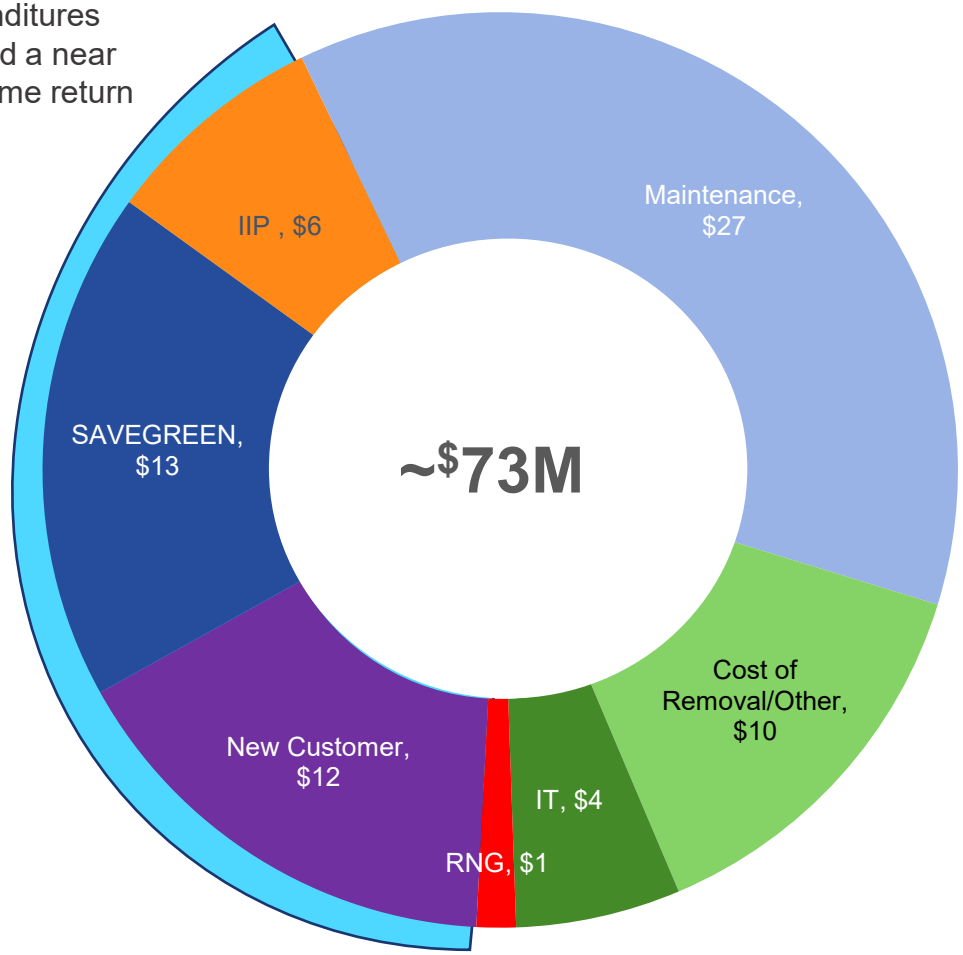
1. *For residential and small commercial customers, which make the vast majority of NJNG's customers.*

Fiscal YTD Capital Expenditures*

~43% of capital expenditures earned a near real-time return



H_2 project in service	• Placed in service in first quarter fiscal 2022 • Successfully blending green hydrogen into distribution system • Included in new base rates
Focus for Fiscal 2022	• Evaluate RNG and additional H_2 investments • Achieve SAVEGREEN investment targets • Continue to advance IT enhancements

New Jersey Resources

** Total change in PP&E (cash spent, capex accrued and AFUDC). For GAAP purposes, SAVEGREEN investments are included as part of cash flows from operations*

Clean Energy Ventures

CEV develops, invests in, owns and operates energy projects that generate clean power, provide low carbon energy solutions and help our customers save energy and money in a sustainable way

- Focus on contracted cash flows
- Expanding footprint beyond New Jersey
- Optimizing and in-sourcing
- Aligning investment with public policy
- Prioritized tax equity financing and adopted Deferral Method of Accounting for ITCs.
- Expect to maintain return thresholds after ITCs reduce to 10%



20-23% of FY 2022 NFEPS guidance

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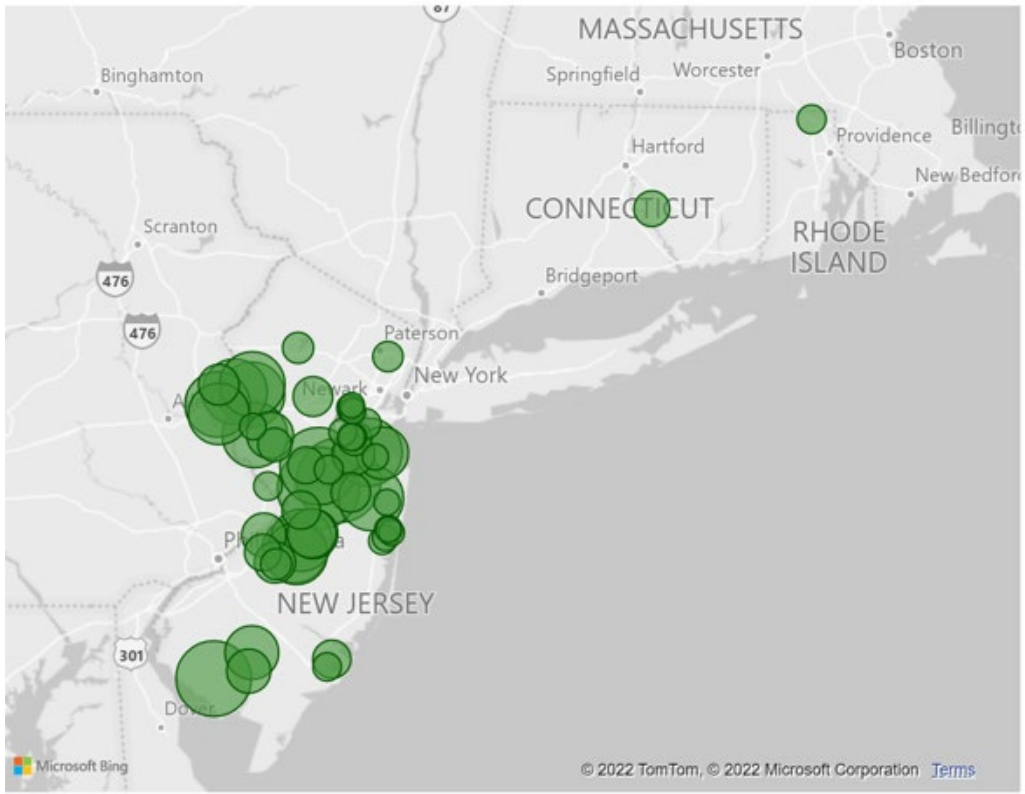
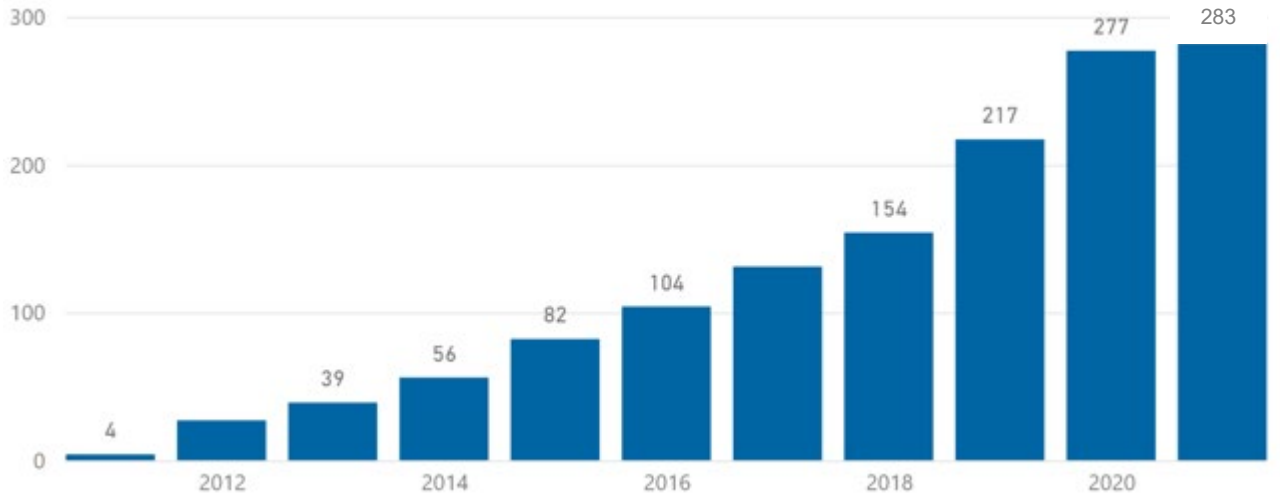
CEV Commercial Portfolio

New Jersey Resource's Clean Energy Ventures group owns and operates 54 Commercial Solar Projects for a total combined capacity of over 283 MW

Commercial Capacity
283 MW



Commercial Capacity in Service (MW)



54 Commercial Projects

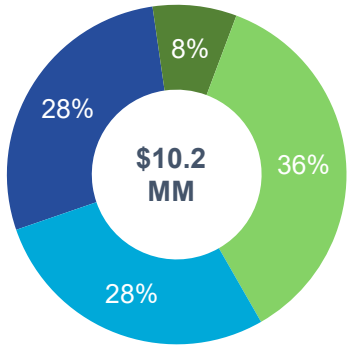
Rooftop	12	Net Metered	19
Groundmount	41	Grid -Connected	35
Floating	1		

New Jersey Resources

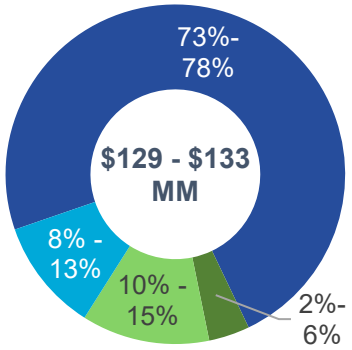
CEV– 2022E Revenue and Capex

CEV Revenue ($ in millions)

1Q Fiscal 2022



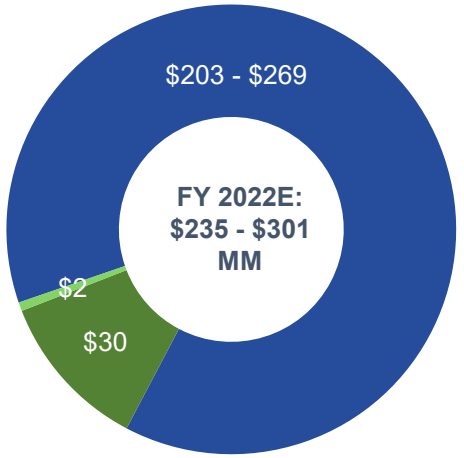
Fiscal 2022E



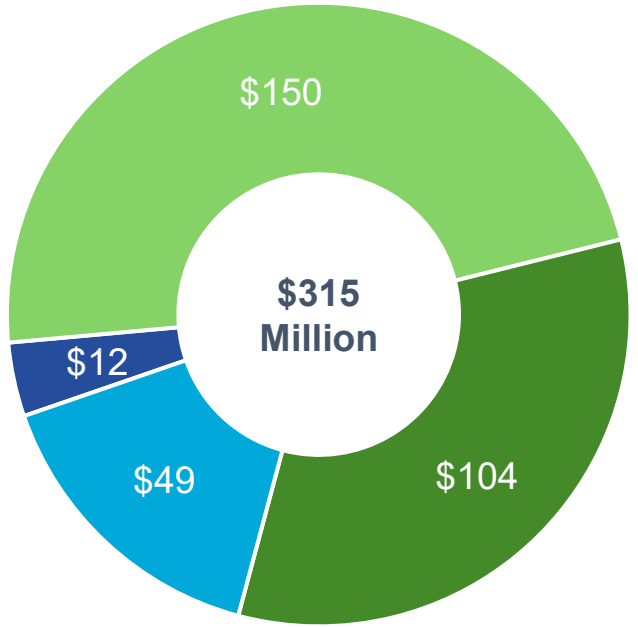
- SREC
- TREC
- Electricity Sales
- Sunlight Advantage

FY 2022E Capital Expenditures*

- FYTD Commercial Capex
- FYTD Residential Capex
- Q2 – Q4 Capex



Fiscal 2021-2022 In-service Capex Target by Project Status ($ in millions)



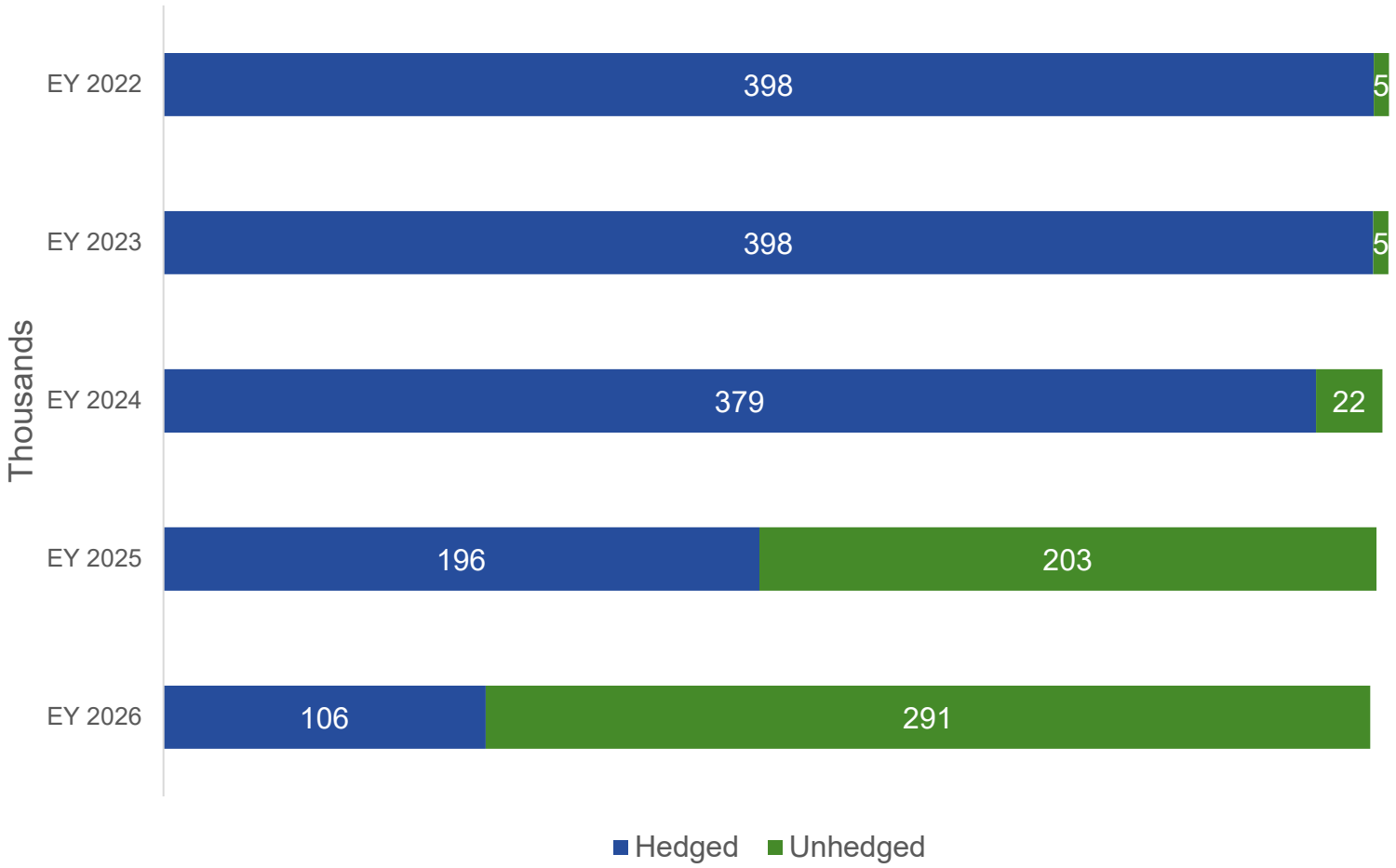
- Completed
- Under Construction
- Under Contract
- Under Evaluation

New Jersey Resources

* Total change in PP&E (cash spent and capex accrued)

CEV – SREC Hedging Strategy Stabilizes Revenue

Based on Energy Year, as of January 19, 2022



Percent Hedged	Average Price	Current Price (EY)
99%	$201	$237

Percent Hedged	Average Price	Current Price (EY)
99%	$203	$226

Percent Hedged	Average Price	Current Price (EY)
95%	$197	$207

Percent Hedged	Average Price	Current Price (EY)
49%	$185	$190

Percent Hedged	Average Price	Current Price (EY)
27%	$172	$180

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Note: Energy Years run from June 1 of the prior year to May 31 of the respective year; for example, Energy Year 2022 begins on June 1, 2021, and ends on May 31, 2022

Storage and Transportation

Generating stable fee-based revenue from diverse mix of high credit-quality customers

- Portfolio of low-risk natural gas infrastructure investments that are difficult to replicate
- Serving constrained physical end-use markets
- Attractive organic expansion opportunities



5-10% of FY 2022 NFEPS guidance

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Attractive Portfolio With Incremental Growth Potential

	LEAF RIVER NJR Midstream Company	STECKMAN RIDGE	ADELPHIA GATEWAY	
	FULLY OPERATIONAL	**FULLY OPERATIONAL**	**NORTH ZONE OPERATIONAL**	**SOUTH ZONE 85% COMPLETE**
Description	• 32.2 mmdth high deliverability salt cavern storage facility in southeastern Mississippi • Acquired October 2019 • 100% owner & operator	• 12.6 mmdth reservoir storage facility in southern PA. • Placed in-service April 2009 • 50% ownership interest	• 0.9 mmdth/d interstate pipeline from NE PA to greater Philadelphia area • Acquired January 2020 • 100% owner & operator	
Market Fundamentals	• Serving Gulf Coast/Southeast the fastest growing natural gas market in North America with a growing reliance on regional supply imports • Increasing storage demand to balance needs of heavily utilized pipelines, end-use, and export markets and ensure critical supply reliability	• Serving the Northeast Region with a high dependence on storage and increasingly constrained pipeline capacity • Difficult to expand storage capacity and growing power generation demand	• Serving the Northeast region, where targeted executable pipeline transportation options that bridge the existing constrained and difficult to expand pipeline grid are required to provide end use markets access to Appalachian supply to meet demand growth • Pipeline expansion challenges make existing assets or assets already under construction more valuable	

Adelphia Gateway

South Zone Conversion and Expansion Project

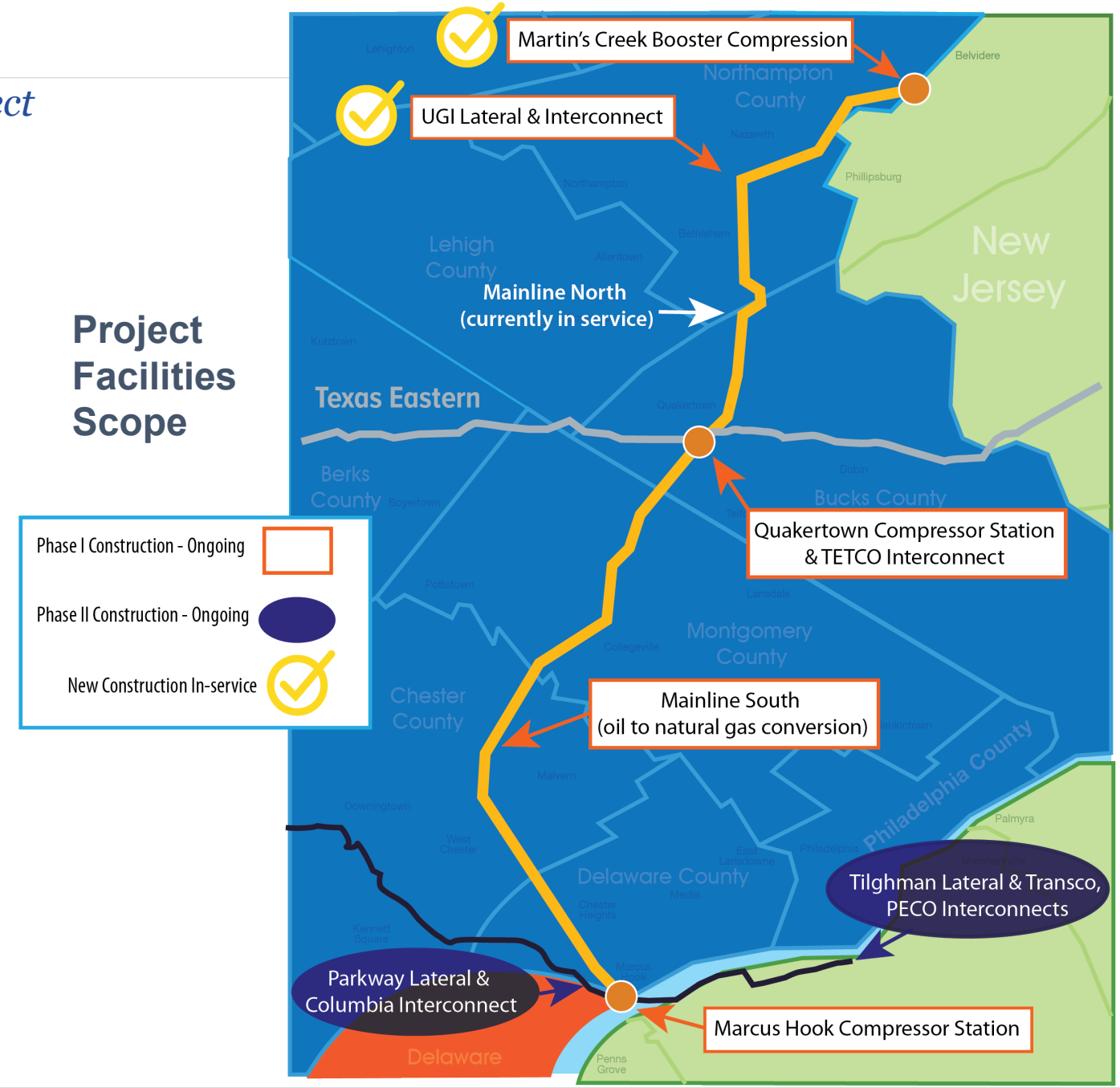
Project Status

- Placed into service in the Northern zone:
  - New delivery point with associated lateral line
  - Delivery point compressor
- 85% of total required construction completed

Project Overview

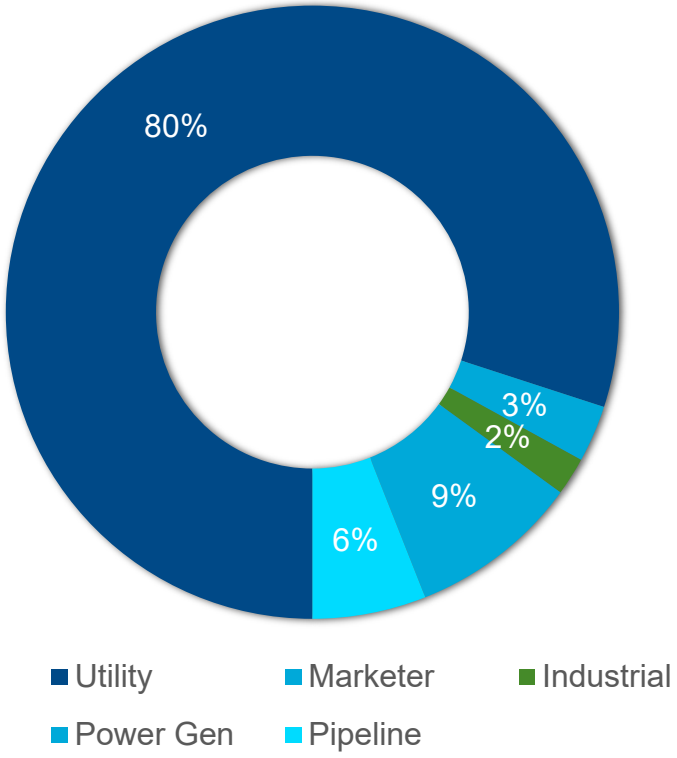
- North zone operational at acquisition serving Talen Energy and adding the new UGI interconnect (in service) – 600,000 Dth/d
- South zone oil conversion and expansion; adding compression, laterals and interconnects – 250,000 Dth/d
- South zone planned to connect to Transco, Columbia and PECO. Serving Philadelphia and N.J. markets

Project Facilities Scope

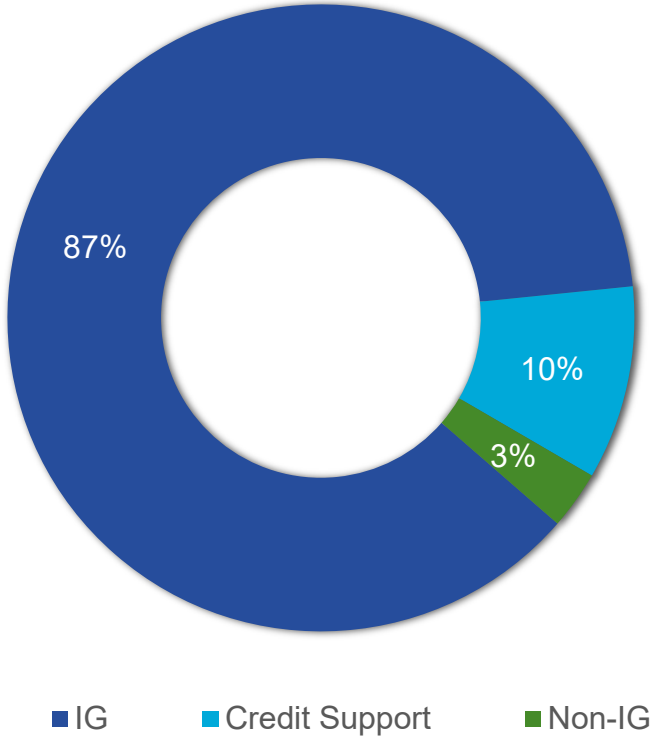


Contracted Revenue Underpinned by Stable Customer Base with High Quality Credit Profiles for Adelphia and Leaf River

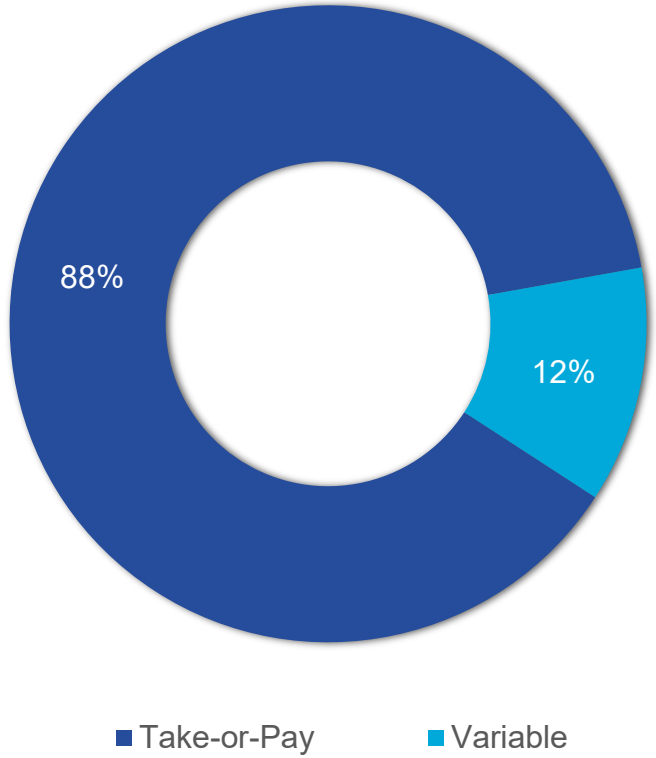
FY2023[1] Revenue by Customer Type



FY2023 Revenue by Credit Quality



FY2023 Revenue by Fee Type



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[1] *FY2023 Adelphia Gateway will be fully in service.*

Energy Services

Launched 25 years ago, making it one of the longest established energy service companies.

- Pursuing higher fee-based revenues. Entered into 10-year $500 million contract with investment grade utility
- Long option strategy provides significant upside potential with limited downside risk. It capitalizes on opportunistically located physical assets in areas of high volatility to generate locational and time spreads
- Proven track-record and risk management strategies
- Strong customer relationships



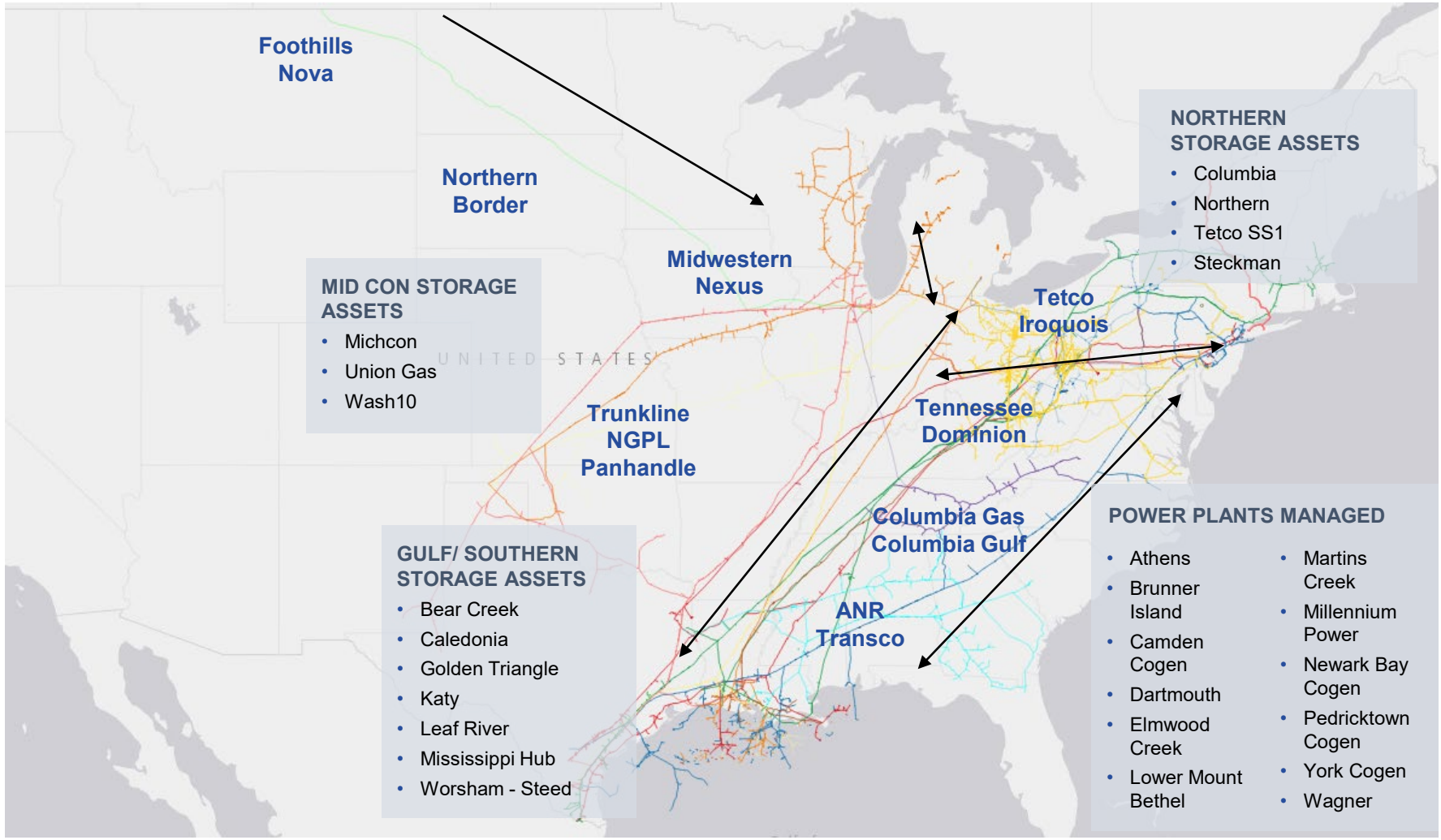
9-11% of FY 2022 NFEPS guidance

New Jersey Resources

North American Footprint

Managing a Diversified Portfolio of Physical Natural Gas Transportation and Storage Assets to Serve Customers Across North America; Connectivity Adds Value to Portfolio Options

Significant Northeast and Gulf Coast presence that optimizes storage and pipeline assets

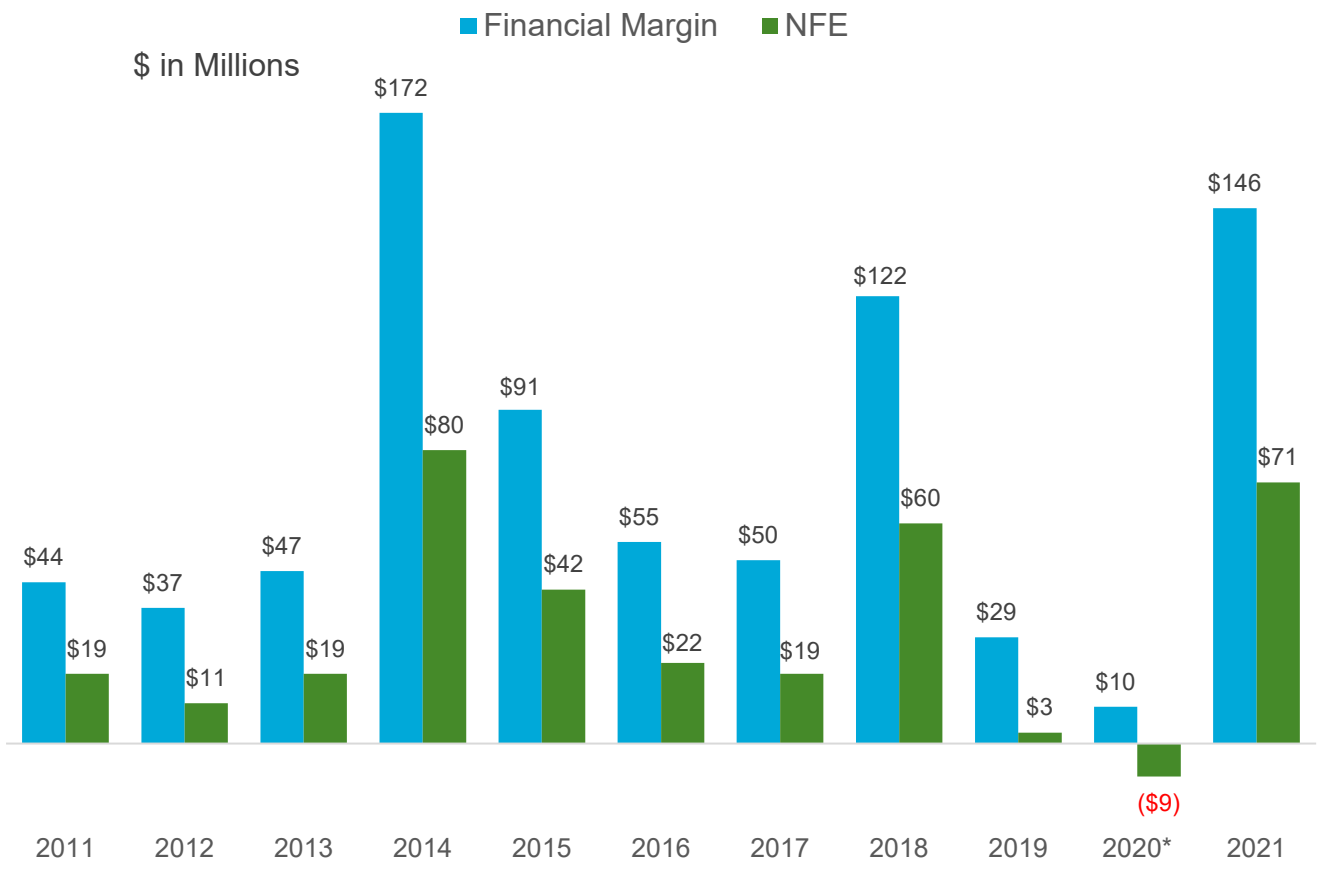


Proven Track Record of Success

Long Option Strategy

Providing significant upside potential with limited downside risk and minimal long-term capital commitments

- **Leverage natural gas market volatility** to capture value
- Identify opportunities to **capture location and time spreads** across portfolio of physical storage and transportation assets
- **Leverage geographic diversity** of assets to maximize returns
- **Lock in value** through use of financials instruments



* Fiscal 2020 performance was a result of a unique combination market conditions that included one of the warmest winters on record combined with a key pipeline implementing a rare integrity testing program heading into winter.

Note: Based on an annual Net Financial Earnings basis.
A reconciliation of Financial Margin to Operating income can be found in the Appendix.

Financial Review



New Jersey Resources

NJR Capital Plan[1]

($ in Millions)

		1Q FY2022A	FY2021A	FY2022E	FY2023E	Near Real Time Return?
New Jersey Natural Gas	New Customer	$12	$65	$52 - $56	$55 - $59	Yes
	Maintenance & Integrity	$27	$100	$142 - $148	$100 - $104	
	SAFE II/ NJ RISE		$42			Yes
	IIP	$6	$9	$24 - $28	$32 - $36	Yes
	SRL		$110			
	IT	$4	$9	$50 - $54	$54 - $58	
	RNG & P2G	$1	$5	$12 - $16	$21 - $25	
	Cost of Removal/Other	$9	$66	$34 - $38	$36 - $40	
	Facilities	$1	$63	$20 - $24	$13 - $17	
	SAVEGREEN	$13	$31	$48 - $52	$48 - $52	Yes
		$73	**$499**	**$382 - $416**	**$359 - $391**	
Clean Energy Ventures	Sunlight Advantage	$2	$11	$15 - $21	$16 - $22	
	Commercial Solar	$30	$78	$220 - $280	$190 - $250	
		$32	**$89**	**$235 - $301**	**$206 - $272**	
Storage and Transportation	Adelphia Gateway	$51	$113	$90 - $110	$5 - $10	
	Leaf River	$6	$11	$6 - $10	$3 - $7	
		$57	**$124**	**$96 - $120**	**$8 - $17**	
Grand Total		**$162**	**$712**	**$713 - $837**	**$573 - $680**	

New Jersey Resources

1-Total change in PP&E (cash spent, capex accrued and AFUDC). For GAAP purposes, SAVEGREEN investments are included as part of cash flows from operations

NJR Projected Cash Flows

($ in Millions)

		FY2021A	FY2022E	FY2023E
Cash Flow from Operations		**$391**	**$365 - $385**	**$450 - $470**
Uses of Funds	Capital Expenditures[1]	$625	$641 - $761	$513 - $616
	Dividends	$117	$127 - $132	$135 - $140
	Total Uses of Funds	**$742**	**$768 - $893**	**$648 - $756**
Financing Activities	Common Stock Proceeds – DRIP	$15		
	Debt Proceeds/Other	$336	$403 - $508	$198 - $286
	Total Financing Activities	**$351**	**$403 - $508**	**$198 - $286**

New Jersey Resources

1- Excludes accrual for AFUDC and SAVEGREEN investments (for GAAP purposes, SAVEGREEN investments are included in Cash Flow from Operations)

Investor Value Proposition



1. *Based on dividend per share of $1.45 and share price of $44.03 as of 3/11/2022*

Appendix

Base Rates – December 1, 2021

First Quarter Fiscal 2022 NFE by Business Unit

AMAs with Utility De-Risks Business and Drives Value

Revenue Recognition for AMAs

Reconciliation of NFE and NFEPS to Net Income for Q1 Fiscal 2022

Reconciliation of NFE and NFEPS to Net Income for Fiscal 2021

Reconciliation of Non-GAAP Measures

Leadership and Board of Directors

Corporate and Equity Information



New Jersey Resources

Base Rates – December 1, 2021

- Rate base of $2.5 billion
  - Southern Reliability Link and Howell green hydrogen facility included in rate base
- WACC of 6.84%
- ROE of 9.60%
- New rates effective December 1, 2021
- Download a copy of our Rate Case Settlement Fact Sheet

Overall Cost of Capital and Weighted Return			
	Percent	Approved Return	Weighted Cost
Long-Term Debt	46.0%	3.60%	1.66%
Common Equity	54.0%	**9.60%**	5.18%
Total	100.0%		6.84%

Settlement ($ in millions)		
Rate Base		$2,523
Rate of Return	x	6.84%
Operating Income Requirement		$172.61
Test Year Operating Income		($116.50)
Operating Income Deficiency		$56.10
Revenue Factor	x	1.4081
Settlement Amount[1]		$79.00

New Jersey Resources

1. *Excludes $269,000 associated with SAFE II and NJ Rise rate increases*

First Quarter Fiscal 2022 NFE by Business Unit

($ in Thousands)

	Three Months Ended December 31,		
	2021	2020	Change
New Jersey Natural Gas	$51,080	$49,467	$1,613
Clean Energy Ventures	(6,821)	(10,274)	3,453
Storage and Transportation	2,962	3,508	(546)
Energy Services	17,567	1,500	16,067
Home Services & Other	982	456	526
Total	**$65,770**	**$44,657**	**$21,113**
NFEPS	**$0.69**	**$0.46**	**$0.23**

AMAs with Utility De-Risks Business and Drives Value

Overview	**10-Year Asset Management Agreements (AMAs) with Investment Grade Utility** • Entered into AMAs to release certain natural gas transportation contracts of Energy Services for aggregate cash proceeds of approximately $500 million payable over 10 years (~$260 million through FY2024; $240 million after FY2024) • Counterparty will provide certain asset management services and Energy Services may deliver natural gas to the investment grade utility • First payment of $86.8 million received by Energy Services on October 29, 2021
De-Risking	• De-risks Energy Services business by securing 10 years of contracted cash payments with minimal counterparty credit risk. The counterparty is rated BBB+/Stable by S&P. • There is NO price or volumetric risk involved in the transaction, and no other potential variability in the cash flow except in case of default • If the counterparty defaults for any reason before capacity has been permanently released, assets revert back to Energy Services
Financial Impacts	• Cash proceeds provide flexibility to reinvest in core businesses, reduce future debt issuances and support shareholder distributions • Strengthen balance sheet and credit metrics

Revenue Recognition for AMAs

The Transaction:

AMAs feature initial and permanent capacity releases with cash payments throughout

The Accounting:

ASC 606 revenue recognition standard requires that revenue be allocated to both the initial and permanent releases

The Result:

Disproportionate value is allocated to the permanent release periods in FY 2024 and FY 2032

	Revenue Recognition* ($ millions)	Cash ($ millions)
Fiscal Years 2022 – 2024	$239	$261
Fiscal Years 2025 – 2031	$138	$240
Fiscal Year 2032	$124	$0
	$262	$240
Total	**$501**	**$501**

New Jersey Resources

** Revenue recognition for FY2022 is expected to be $53.1 million, of which $22.1 million was recognized in fiscal Q1 2022. Additionally, in fiscal Q1 2022, NJR received this year's cash payment of $86.8 million.*

Reconciliation of NFE and NFEPS to Net Income for Q1 Fiscal 2022

- NFE is a measure of earnings based on eliminating timing differences surrounding the recognition of certain gains and losses and the impairment of NJR's investment in the PennEast project, net of applicable tax adjustments, to effectively match the earnings effects of the economic hedges with the physical sale of natural gas, SRECs and foreign currency contracts
- NFE eliminates the impact of volatility to GAAP earnings associated with unrealized gains and losses on derivative instruments in the current period

Net Financial Earnings, Fiscal 1Q22

(Unaudited)	Three Months Ended December 31, 2021	2020
A reconciliation of net income, the closest GAAP financial measurement, to net financial earnings is as follows:		
Net income	**$ 111,312**	$ 81,045
Add:		
Unrealized (gain) on derivative instruments and related transactions	**(82,191)**	(37,491)
Tax effect	**19,536**	8,913
Effects of economic hedging related to natural gas inventory	**23,577**	(7,532)
Tax effect	**(5,603)**	1,790
Net income to NFE tax adjustment	**(861)**	(2,068)
Net financial earnings	**$ 65,770**	$ 44,657
Weighted Average Shares Outstanding		
Basic	**95,944**	96,114
Diluted	**96,356**	96,415
A reconciliation of basic earnings per share, the closest GAAP financial measurement, to basic net financial earnings per share is as follows:		
Basic earnings per share	**$ 1.16**	$ 0.84
Add:		
Unrealized (gain) on derivative instruments and related transactions	**$ (0.86)**	$ (0.39)
Tax effect	**$ 0.21**	$ 0.09
Effects of economic hedging related to natural gas inventory	**$ 0.25**	$ (0.08)
Tax effect	**$ (0.06)**	$ 0.02
Net income to NFE tax adjustment	**$ (0.01)**	$ (0.02)
Basic NFE per share	**$ 0.69**	$ 0.46

Reconciliation of NFE and NFEPS to Net Income for Fiscal 2021

- NFE is a measure of earnings based on eliminating timing differences surrounding the recognition of certain gains and losses and the impairment of NJR's investment in the PennEast project, net of applicable tax adjustments, to effectively match the earnings effects of the economic hedges with the physical sale of natural gas, SRECs and foreign currency contracts
- NFE eliminates the impact of volatility to GAAP earnings associated with unrealized gains and losses on derivative instruments in the current period

Net Financial Earnings, Fiscal 2021

(Unaudited) *(Thousands)*	Three Months Ended September 30, 2021		Twelve Months Ended September 30,	
	2021	2020	**2021**	2020
Net income	**$ (1,133)**	$ 32,707	**$ 117,890**	$ 163,007
Add:				
Unrealized loss (gain) on derivative instruments and related transactions	**40,576**	12,183	**54,203**	(9,644)
Tax effect	**(9,647)**	(2,893)	**(12,887)**	2,296
Effects of economic hedging related to natural gas inventory	**(30,150)**	2,216	**(42,405)**	12,690
Tax effect	**7,166**	(527)	**10,078**	(3,016)
Impairment of equity method investment	**—**	—	**92,000**	—
Tax effect	**767**	—	**(11,167)**	—
Net income to NFE tax adjustment	**(980)**	(257)	**—**	—
Net financial earnings (loss)	**$ 6,599**	$ 43,429	**$ 207,712**	$ 165,333
Weighted Average Shares Outstanding				
Basic	**96,198**	95,764	**96,227**	94,798
Diluted	**96,198**	95,764	**96,560**	95,103
Basic earnings (loss) per share	**$ (0.01)**	$ 0.34	**$ 1.23**	$ 1.72
Add:				
Unrealized loss (gain) on derivative instruments and related transactions	**0.42**	0.13	**0.56**	(0.10)
Tax effect	**(0.10)**	(0.03)	**(0.13)**	0.02
Effects of economic hedging related to natural gas inventory	**(0.31)**	0.02	**(0.44)**	0.13
Tax effect	**0.07**	(0.01)	**0.10**	(0.03)
Impairment of equity method investment	**—**	—	**0.96**	—
Tax effect	**0.01**	—	**(0.12)**	—
Net income to NFE tax adjustment	**(0.01)**	—	**—**	—
Basic net financial earnings (loss) per share	**$ 0.07**	$ 0.45	**$ 2.16**	$ 1.74

Reconciliation of Non-GAAP Measures

NJNG Utility Gross Margin

- NJNG utility gross margin is defined as natural gas revenues less natural gas purchases, sales tax and regulatory rider expenses, and may not be comparable to the definition of gross margin used by others in the natural gas distribution business and other industries

Energy Services Financial Margin

- Represents revenues earned from the sale of natural gas less costs of natural gas sold including any transportation and storage costs, and excludes any accounting impact from the change in the fair value of certain derivative instruments

(Unaudited) *(Thousands)*	Three Months Ended December 31, 2021	2020
A reconciliation of operating revenue, the closest GAAP financial measurement, to utility gross margin is as follows:		
Operating revenues	**$ 274,772**	$ 195,729
Less:		
Gas purchases	**124,594**	59,309
Regulatory rider expense	**16,671**	10,701
Utility gross margin	**$ 133,507**	$ 125,719

A reconciliation of operating income, the closest GAAP financial measurement, to financial margin is as follows:		
Operating income	**$ 86,778**	$ 51,582
Add:		
Operation and maintenance expense	**3,751**	4,016
Depreciation and amortization	**28**	42
Subtotal	**90,557**	55,640
Add:		
Unrealized (gain) on derivative instruments and related transactions	**(85,647)**	(38,781)
Effects of economic hedging related to natural gas inventory	**23,577**	(7,532)
Financial margin	**$ 28,487**	$ 9,327

Leadership and Board of Directors

Executive Officers

Stephen D. Westhoven
President and Chief Executive Officer
New Jersey Resources

Sean Annitto
Vice President
NJR Energy Services

Roberto Bel
Senior Vice President and Chief Financial Officer
New Jersey Resources

John Bremner
Vice President – NJR Midstream
New Jersey Resources

Amy Cradic
Senior Vice President and Chief Operating Officer of Non-Utility Businesses, Strategy and External Affairs
New Jersey Resources

David Johnson
Vice President – Corporate Business Development
New Jersey Resources

Mark G. Kahrer
Senior Vice President – Regulatory Affairs, Marketing and Energy Efficiency
New Jersey Natural Gas

James Kent
Vice President – Corporate Risk Management
New Jersey Resources

Thomas J. Massaro Jr.
Senior Vice President – NJR Retail
President – NJR Home Services

Patrick Migliaccio
Senior Vice President and Chief Operating Officer
New Jersey Natural Gas

Amanda Mullan
Senior Vice President and Chief Human Resources Officer
New Jersey Resources

Robert Pohlman
Vice President - Strategy, Communications, Government Relations and Policy

Richard Reich
Senior Vice President, General Counsel
and Corporate Secretary, New Jersey Resources

Ginger P. Richman
Vice President
NJR Midstream Services

Kraig Sanders
Vice President
New Jersey Natural Gas

Daniel Sergott
Treasurer
New Jersey Resources

Jacqueline K. Shea
Vice President and Chief Information Officer
New Jersey Resources

Mark F. Valori
Vice President
NJR Clean Energy Ventures

John B. Wyckoff
Vice President - Energy Delivery
New Jersey Natural Gas

Directors

Gregory E. Aliff*
Partner, Deloitte & Touche LLP (Retired)

Donald L. Correll*,**
President and CEO (Retired), American Water

James H. DeGraffenreidt Jr.*
Chairman and CEO, WGL Holdings, Inc. (Retired)

Robert B. Evans*
President and CEO, Duke Energy Americas (Retired)

M. Susan Hardwick*
Executive Vice President and Chief Financial Officer of American Water Works Company, Inc.

Jane M. Kenny*
Sr. Vice President and Managing Director, The Whitman Strategy Group

Thomas C. O'Connor*
Chairman, President and CEO, DCP Midstream, LLC (Retired)

Sharon C. Taylor*
Senior Vice President, Human Resources, Prudential Financial (Retired)

David A. Trice*
CEO (Retired), Newfield Exploration Company

Stephen D. Westhoven
President and CEO, NJR

George R. Zoffinger*
President and Chief Executive Officer, Constellation Capital Corporation

* Independent Directors
** Chairman of the Board

Shareholder and Contact Information

Stock Transfer Agent and Registrar

The Transfer Agent and Registrar for the company's common stock is Broadridge Corporate Issuer Solutions, Inc. (Broadridge).

Shareowners with questions about account activity should contact Broadridge investor relations representatives between 9 a.m. and 6 p.m. ET, Monday through Friday, by calling toll-free 800-817-3955.

General written inquiries and address changes may be sent to:
Broadridge Corporate Issuer Solutions
P.O. Box 1342, Brentwood, NY 11717

or

For certified and overnight delivery:
Broadridge Corporate Issuer Solutions, ATTN: IWS
1155 Long Island Avenue, Edgewood, NY 11717
Shareowners can view their account information online at shareholder.broadridge.com/NJR.

Last Four Dividends as of March 2022 (Quarterly Frequency)

Ex-Dividend Date	Record Date	Payable Date	Amount per share
12/14/2021	12/15/2021	1/3/22	$0.3625
9/17/2021	9/20/2021	10/01/2021	$0.3625
6/15/2021	6/16/2021	7/1/2021	$0.3325
3/16/2021	3/17/2021	4/1/2021	$0.3325

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