Conserve to Preserve®

Fiscal 2008 Update

New Jersey Resources

November 13, 2008

NJBIZ Best Places to Work NJ 2008

Regarding Forward-Looking Statements

Certain statements contained in this presentation are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can also be identified by the use of forward-looking terminology such as “may,” “intend,” “expect,” or “continue” or comparable terminology and are made based upon management’s expectations and beliefs concerning future developments and their potential effect upon New Jersey Resources (NJR or the Company). There can be no assurance that future developments will be in accordance with management’s expectations or that the effect of future developments on the Company will be those anticipated by management.

The Company cautions persons reading or hearing this presentation that the assumptions that form the basis for forward-looking statements regarding customer growth, customer usage, financial condition, results of operations, cash flows, capital requirements, market risk and other matters for fiscal 2008 and thereafter include many factors that are beyond the Company’s ability to control or estimate precisely, such as estimates of future market conditions, the behavior of other market participants and changes in the debt and equity capital markets. **The factors that could cause actual results to differ materially from NJR’s expectations include, but are not limited to, such things as weather, economic conditions and demographic changes in the New Jersey Natural Gas (NJNG) service territory, rate of NJNG customer growth, volatility of natural gas commodity prices and its impact on customer usage, NJR Energy Service's (NJRES) operations and the Company’s risk management efforts, changes in rating agency requirements and/or credit ratings and their effect on availability and cost of capital to the Company, continued volatility or seizure of the credit markets that would result in the decreased availability and access to credit at the Company and its subsidiaries, increases in borrowing costs associated with variable rate debt, commercial and wholesale credit risks, including the creditworthiness of customers and counterparties, the ability to obtain governmental approvals and/or financing for the construction, development and operation of certain non-regulated energy markets, risks associated with the management of the Company’s joint venture and partnerships, the impact of governmental regulation (including the regulation of rates), fluctuations in energy-related commodity prices, conversion activity and other marketing efforts, actual energy usage of NJNG’s customers, the pace of deregulation of retail gas markets, access to adequate supplies of natural gas, the regulatory and pricing policies of federal and state regulatory agencies, the ultimate outcome of pending regulatory proceeding, changes due to legislation at the federal and state level, the availability of an adequate number of appropriate counterparties in the wholesale energy trading market, sufficient liquidity in the wholesale energy trading market, the disallowance of recovery of environmental-related expenditures and other regulatory changes, environmental-related and other litigation and other uncertainties, the effects and impacts of inflation on NJR and its subsidiaries operations, change in accounting pronouncements issued by the appropriate standard setting bodies, terrorist attacks or threatened attacks on energy facilities or unrelated energy companies and other uncertainties.** While the Company periodically reassesses material trends and uncertainties affecting the Company’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, 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.

Disclaimer Regarding Non-GAAP Financial Measures

Included in this presentation are the non-GAAP financial measures, Financial Margin and Net Financial Earnings (Losses). Financial margin represents operating revenues from the sale of natural gas sales less gas purchases, and excludes the accounting impacts of unrealized gains and losses from derivative instruments. These accounting impacts represent the change in fair value of these financial instruments, which represent futures and swaps designed to economically hedge forecasted natural gas purchases, sales and transportation, and are primarily open positions resulting in unrealized gains or losses. Net financial earnings represents net income excluding the accounting impacts of unrealized gains and losses from these derivative instruments, net of taxes. Financial Margin and Net Financial Earnings should not be considered as alternatives to GAAP measures, such as cash flow, net income, operating income, earnings per share or any other GAAP measure of liquidity or financial performance. Because Net Financial Earnings and Financial Margin are non-GAAP financial measures, we provide a reconciliation to operating income and net income, which, respectively, are the most directly comparable financial measures calculated and presented in accordance with GAAP. For a discussion of these non-GAAP financial measures, please see Item 7 of our Annual Report on Form 10-K for the fiscal year ending September 30, 2008 and for reconciliations to the most comparable GAAP measures, please see our Current Report on Form 8-K, filed on November 13, 2008.

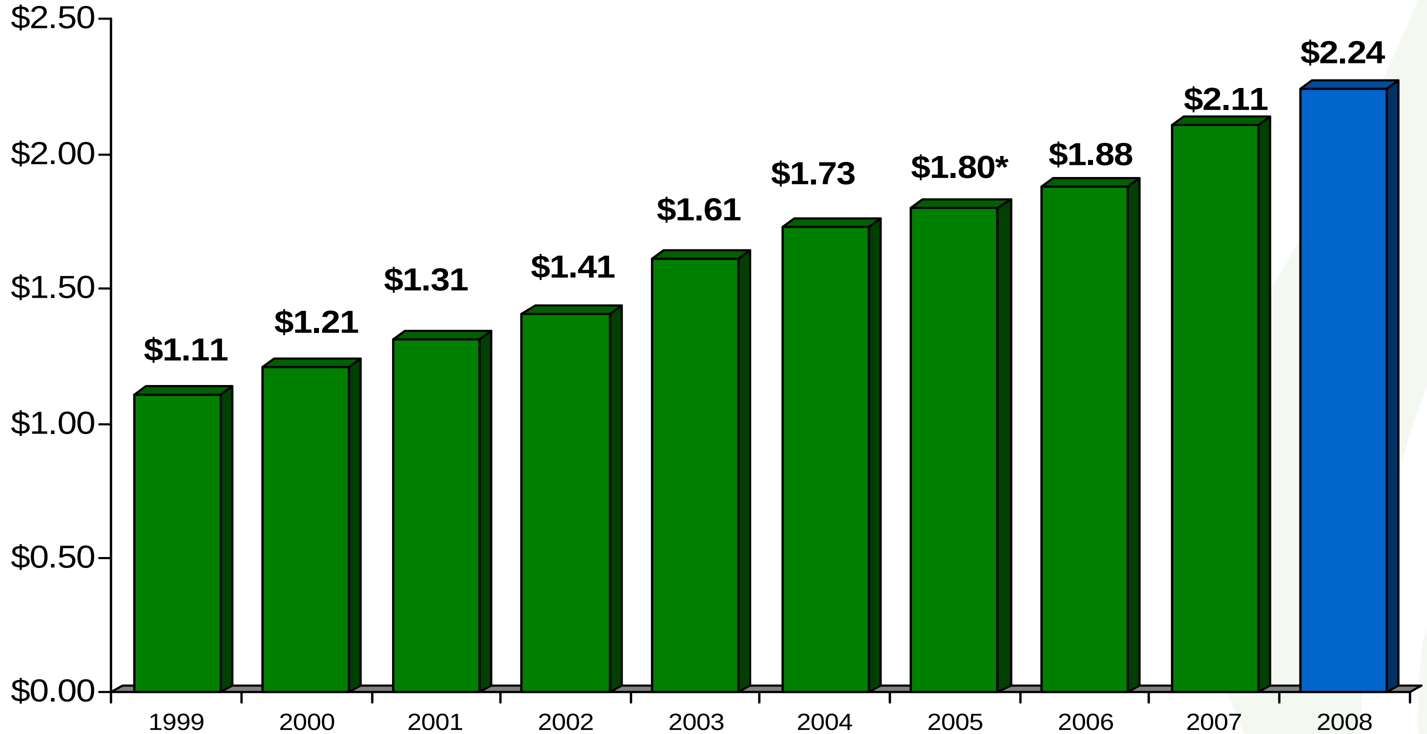
Management uses Financial Margin and Net Financial Earnings as performance metrics to reflect the economic performance of our businesses prior to the actual settlement of certain forecasted transactions and related derivative instruments. Our management believes that these financial measures are more reflective of our operations, provide transparency to investors and enable period-to-period comparability of financial performance. By using Financial Margin and Net Financial Earnings as performance measures, our management reviews the results of operations without the volatility of certain forecasted transactions and related derivative instruments to measure the economic impact that its businesses are having.

Conserve to Preserve®

Fiscal 2008 Highlights

- Record Net Financial Earnings of $2.24 per basic share
- Dividend increases totaling 10.5 percent; announced another 10.7 percent increase today
- Base rate case settlement
- Steady margin growth from new customers
- Continued strong performance from wholesale energy services

Consistent Net Financial Earnings Growth

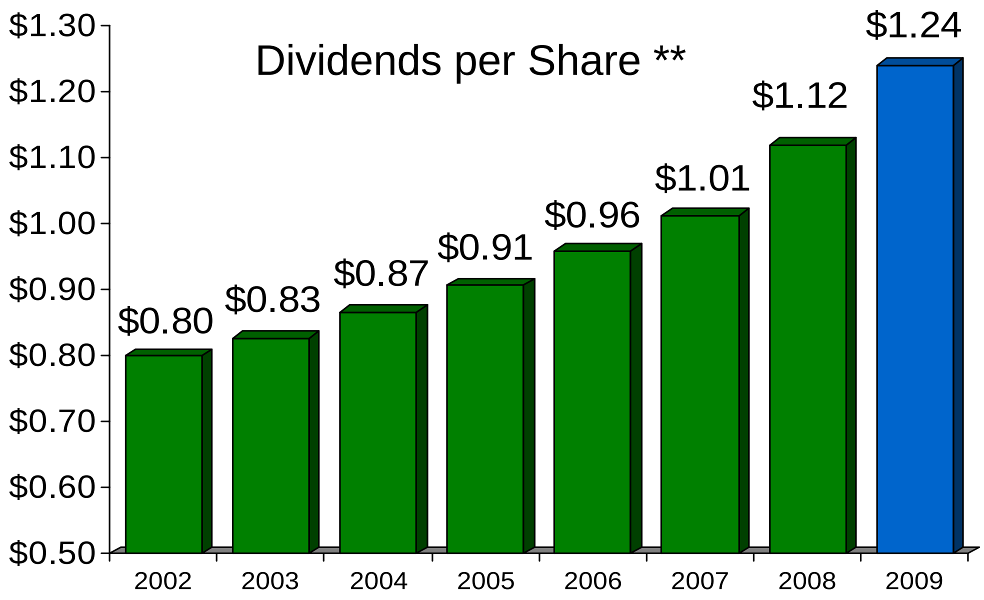


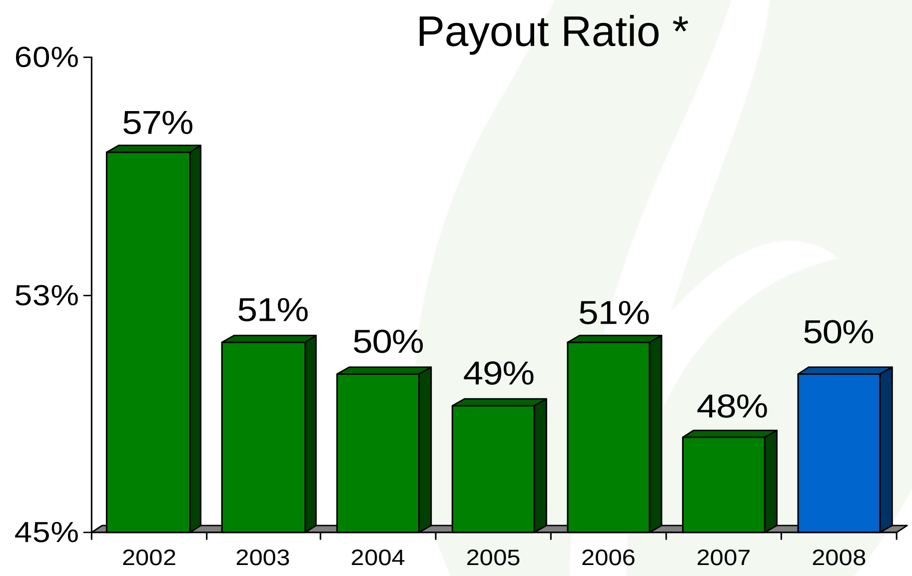
September 30

NJR estimates Net Financial Earnings of $2.30 to $2.40 per basic share in fiscal 2009

* Net of certain items

Dividend and Payout Ratio





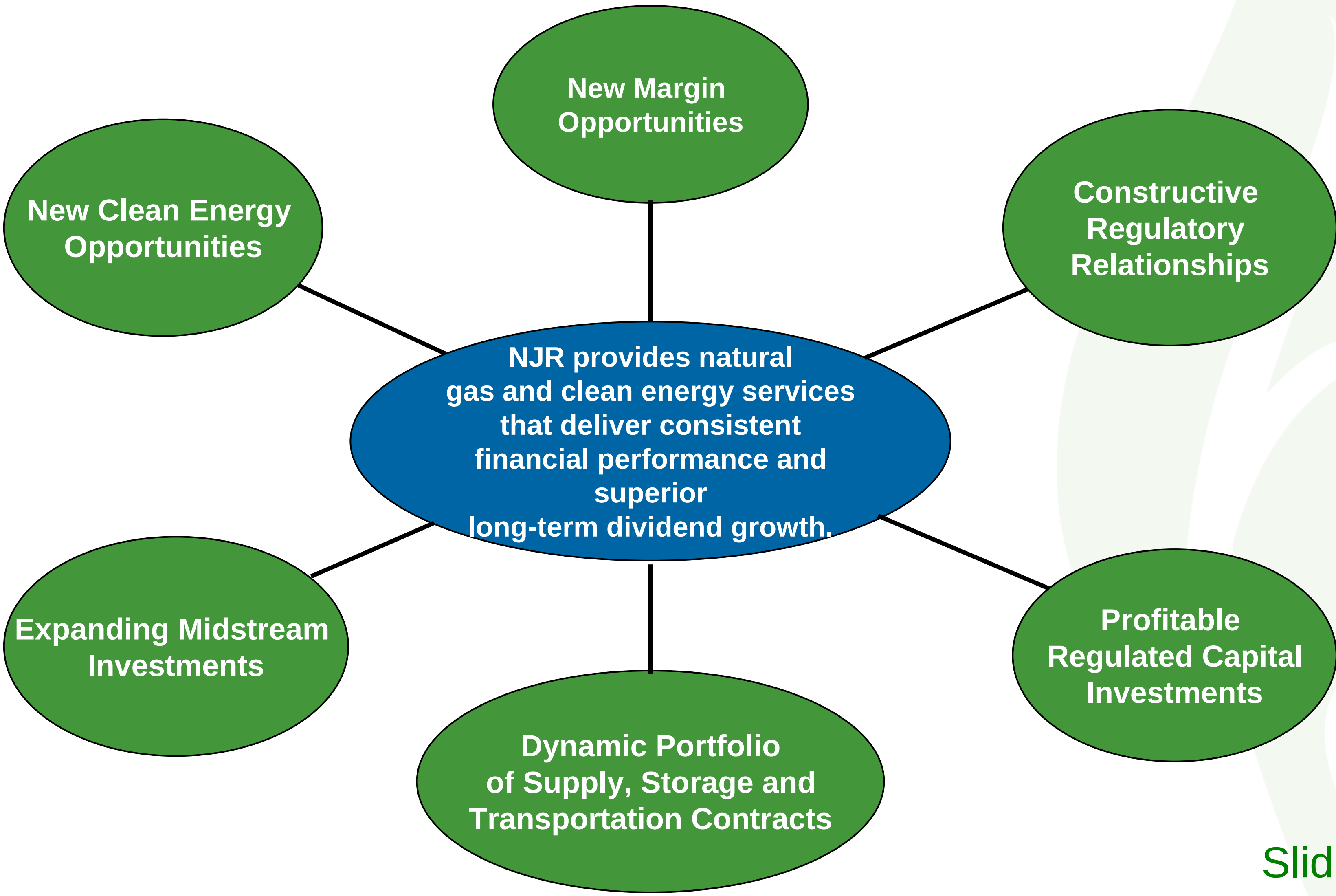
* *Based on Net Financial Earnings*

** *2009 annual rate effective January 2, 2009*

Liquidity

- **Demand for NJNG Commercial Paper remains strong**
- **Issued $125 million of MTNs at 5.6 percent at NJNG in May 2008 to pay down short-term debt**
- **No long-term debt issuances planned in fiscal 2009**
- **Committed Bank Facilities remain strong**
  - Solid bank group
  - $325 million at NJR in place for 5 years at favorable rates
  - $250 million at NJNG used to support Commercial Paper program

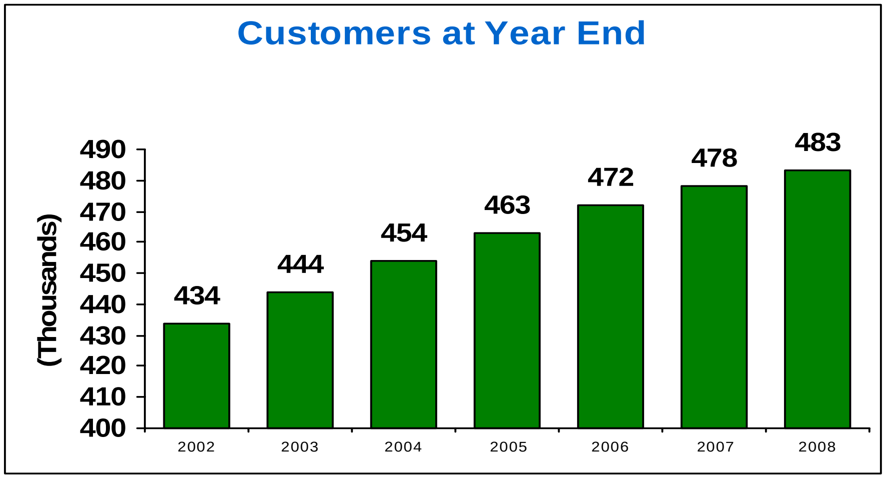
Our Performance Model

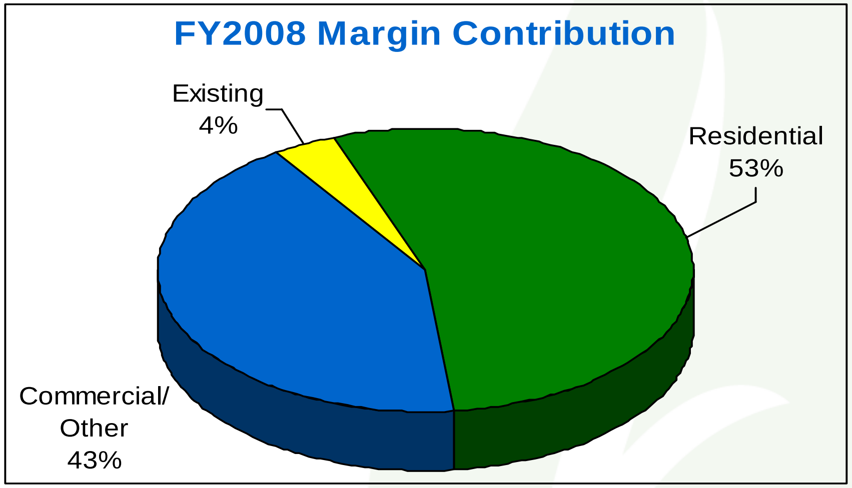


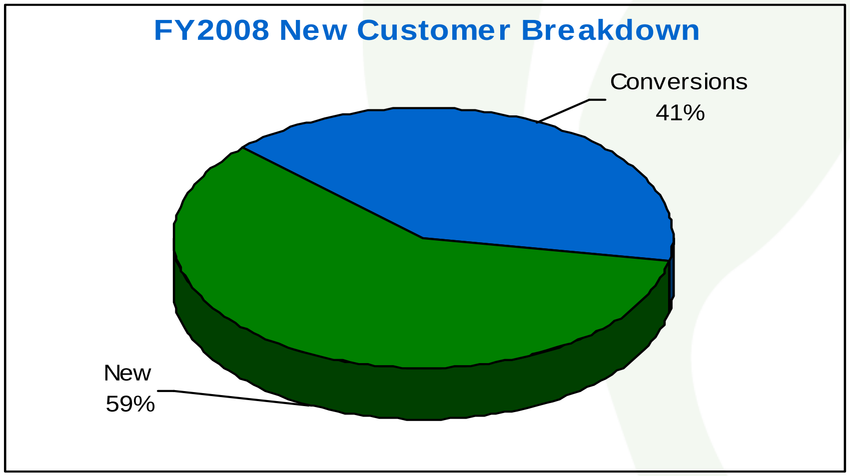
New Margin Opportunities

Customer Growth

- **7,175 new customers in FY2008**
- **728 additional existing customer heat conversions**
- **Annual gross margin of $4 million**

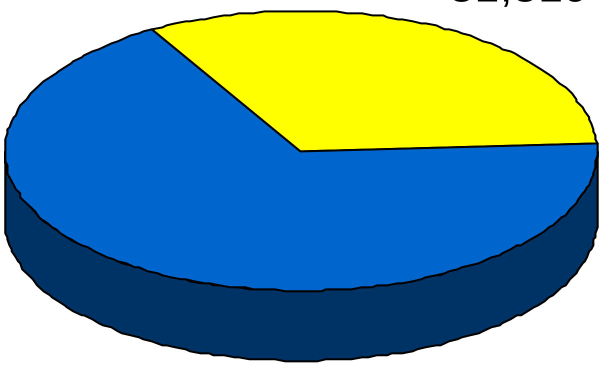




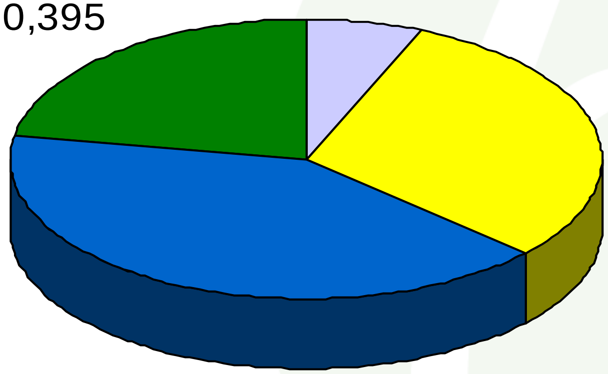


Residential Growth Potential

New Customers = 98,231



Conversions = 137,111



Sources: Arthur D. Little and Harte Hanks

Constructive Regulatory Relations

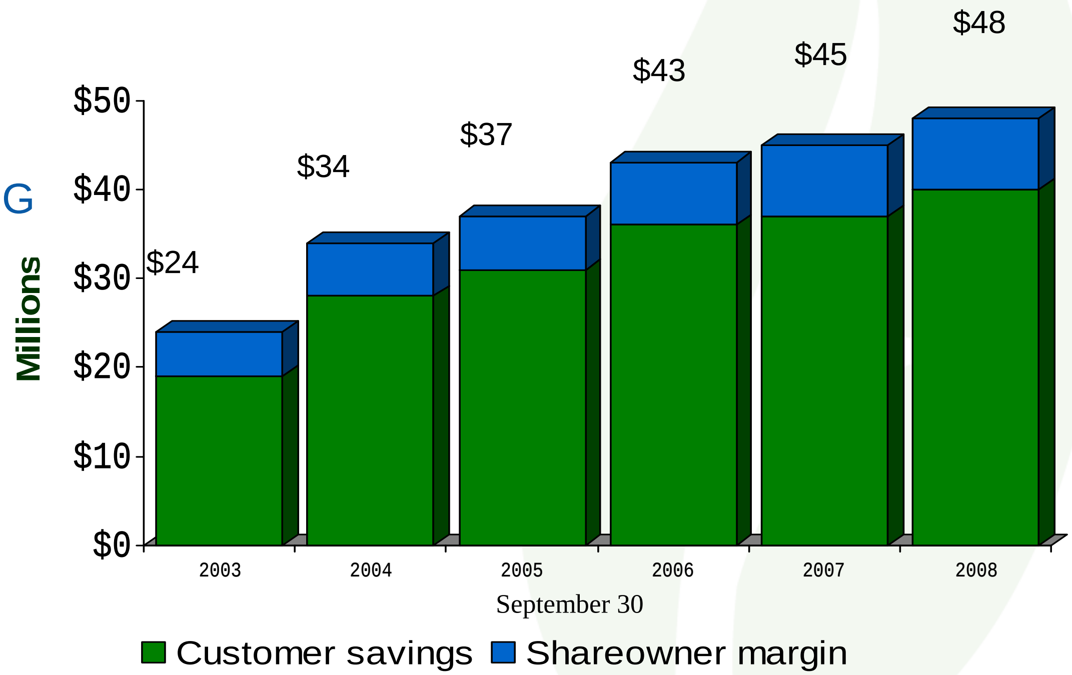
Base Rate Case Summary

- **New rates effective October 3, 2008**
- **Highlights:**
  - Overall base rate increase of $32.5 million
  - Rate base of $943 million
  - Overall rate of return of 7.76 percent
  - 10.3 percent allowed ROE (51.2 percent equity ratio)
  - Incentives extended through 2011
    - Storage incentive increased to 20 Bcf from 18 Bcf
  - Depreciation rate reduced to 2.34 percent from 3 percent
  - Excess cost of removal balance of about $80 million to be amortized at $1.65 million per year
- **CIP remains in place**

Constructive Regulatory Relations

Incentives

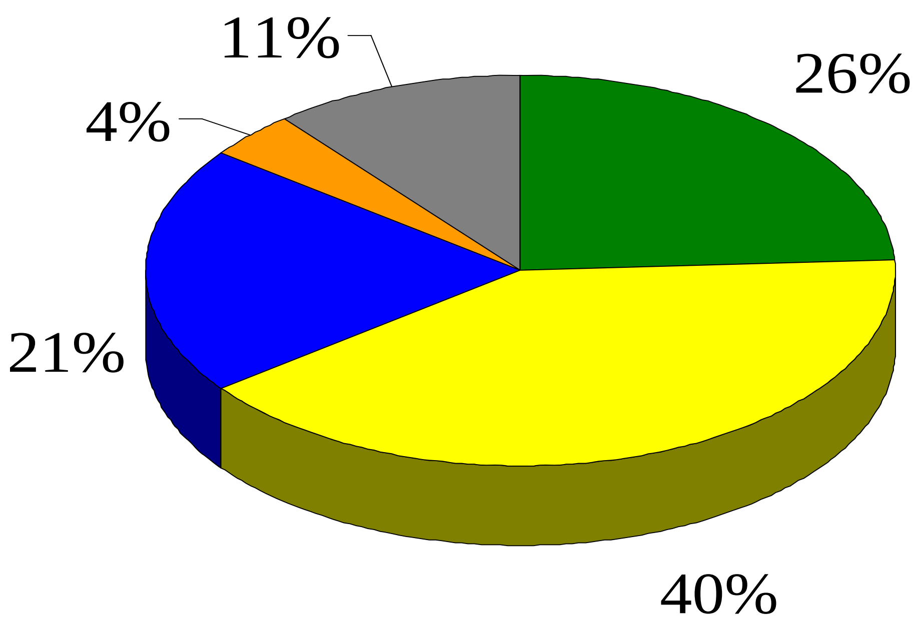
- **Off-system sales and capacity release**
  - In place since 1992
  - Optimization of capacity assets
  - Sharing formula of 85% customer; 15% NJNG
- **Storage Incentive**
  - In place since 2004
  - Promotes price stability
  - Promotes cost efficiencies
  - Sharing formula of 80% customer; 20% NJNG
- **Financial Risk Management**
  - In place since 1997
  - Promote application of risk management techniques
  - Sharing formula of 85% customer; 15% NJNG



Conserve to Preserve®

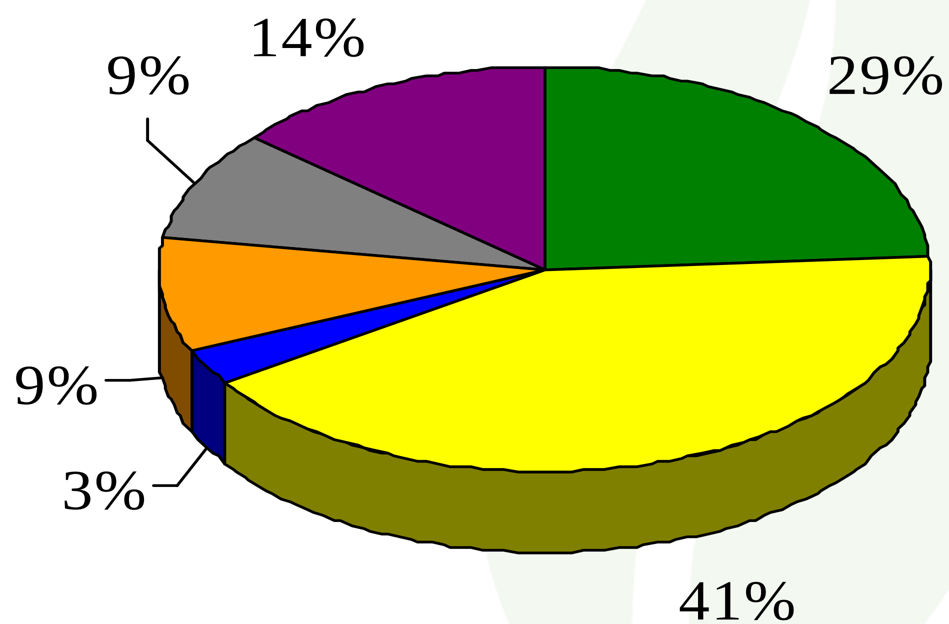
Profitable Regulated Capital Investments

FY 2008



$79.7 million

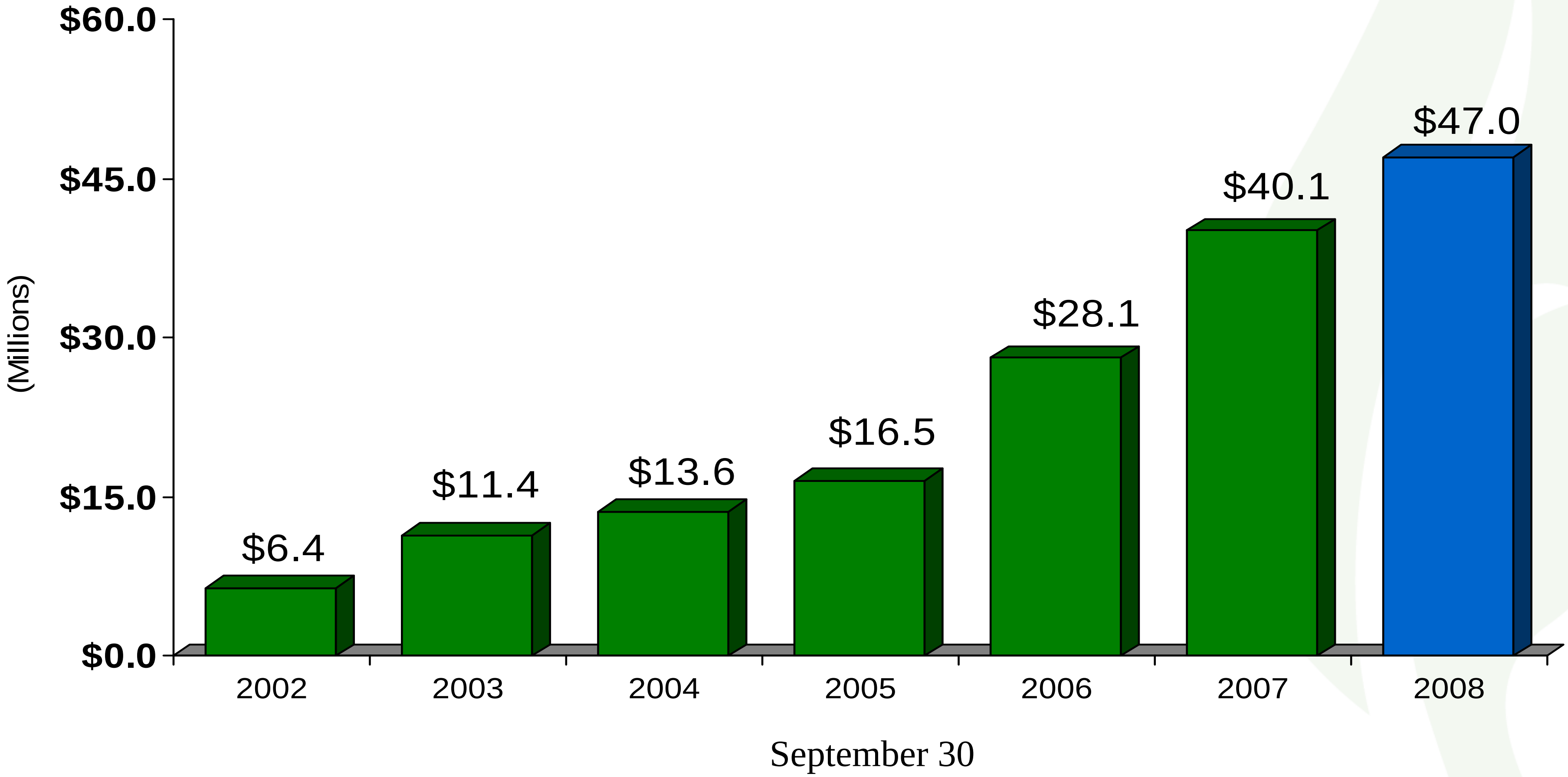
FY 2009E



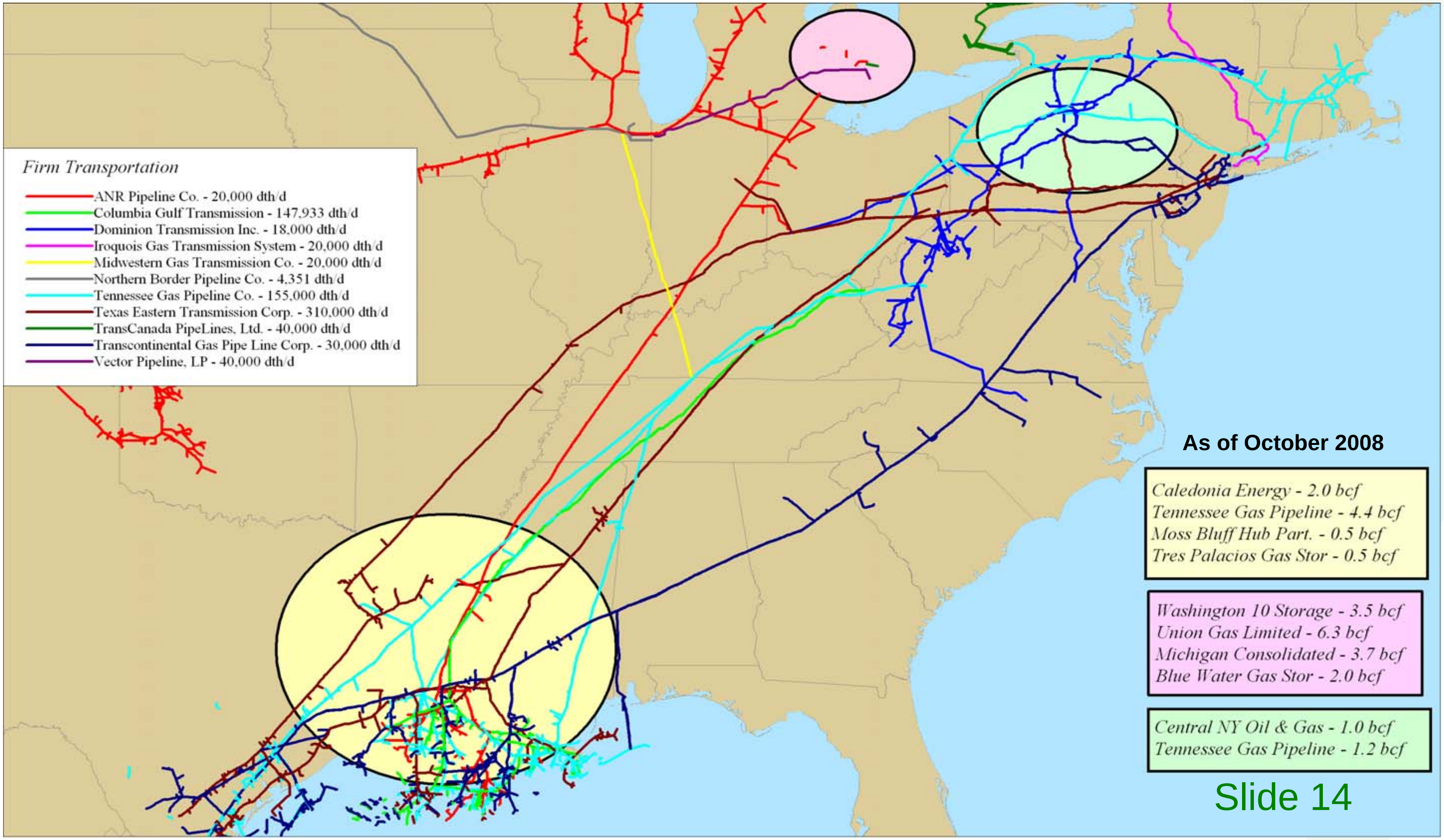
$77.5 million

New Customers	System Replacement	Pipeline Integrity
Facilities and Tech.	Cost of Removal	AMR

NJRES Net Financial Earnings



Dynamic Portfolio of Supply, Storage and Transportation Contracts



Expanding Midstream Investments

Iroquois Pipeline

- **$1.8 million contribution to earnings in FY 2008**
- **411-mile pipeline system running from the Canadian border at Waddington, NY to Long Island & NYC**
- **1.2 Bcf/d of peak deliverability**
- **Commenced operations in 1991**

Steckman Ridge Status

- **Negotiating with potential customers**
- **Received FERC certificate June 2008**
- **Three wells have been drilled**
  - Expectation to drill nine more
- **Pipeline work expected to be completed by end of 2008**
- **Begin customer injections May 2009**

Conserve to Preserve®

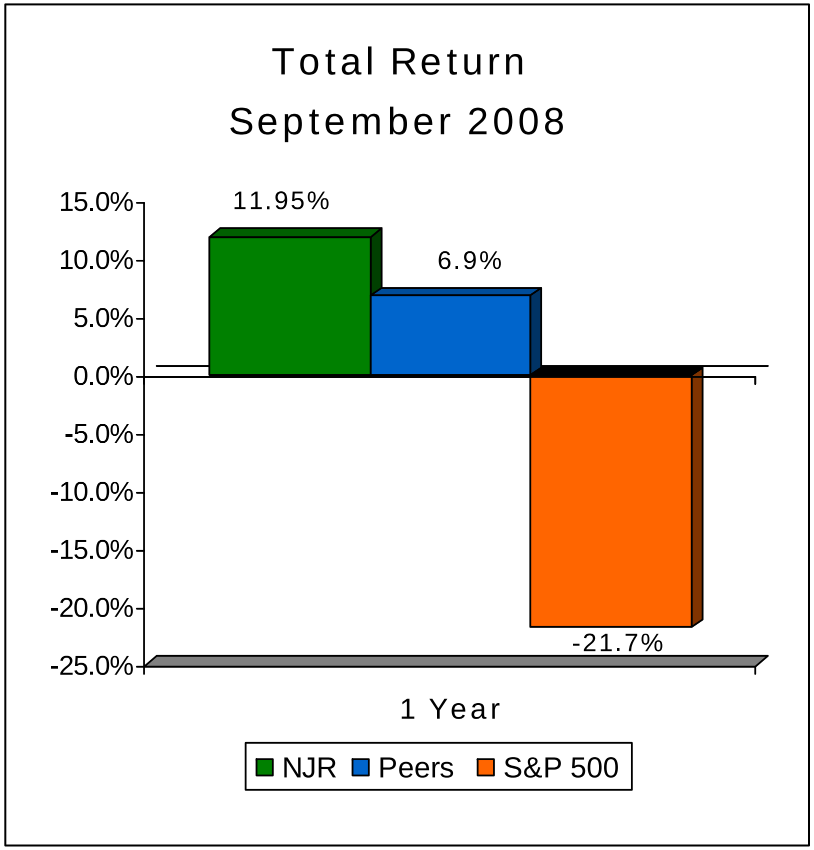
New Clean Energy Opportunities

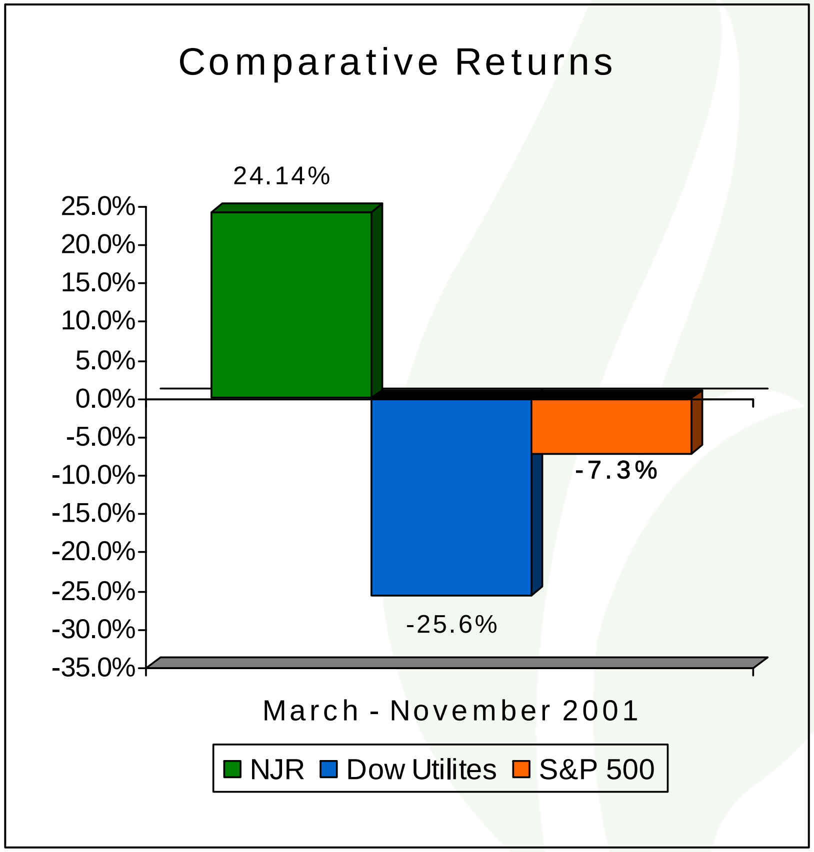
- **Regional Greenhouse Gas Initiative Legislation**
  - Authority for utilities to offer renewable energy and energy-efficiency programs as a regulated service
    - Flexibility for utilities to propose new programs
    - Expedited review process at the BPU
    - Ability to request treatment to address disincentives
      - Decoupling
      - Rate Design
      - Incentives
- **Energy Master Plan**
  - Final report issued in October
- **Currently evaluating opportunities**

Investment Highlights

- Sustained core market growth
- Constructive regulatory relationships
- Disciplined wholesale energy services strategy
- Strong financial profile
- Demonstrated record of consistent financial performance

Total Return to Shareowners





Conserve to Preserve®

Fiscal 2008 Update

New Jersey Resources

November 13, 2008

NJBIZ Best Places to Work NJ 2008