
NEW JERSEY RESOURCES

CONSOLIDATED STATEMENTS OF INCOME

| <i>(Thousands, except per share data)</i> | Three Months Ended | |
|--|---------------------------|------------------|
| | December 31, | |
| | 2011 | 2010 |
| OPERATING REVENUES | | |
| Utility | \$ 191,374 | \$ 290,676 |
| Nonutility | 451,037 | 422,476 |
| Total operating revenues | <u>642,411</u> | 713,152 |
| OPERATING EXPENSES | | |
| Gas purchases | | |
| Utility | 85,630 | 160,449 |
| Nonutility | 406,417 | 429,247 |
| Operation and maintenance | 38,945 | 37,416 |
| Regulatory rider expenses | 12,543 | 16,698 |
| Depreciation and amortization | 9,600 | 8,454 |
| Energy and other taxes | 14,058 | 20,625 |
| Total operating expenses | <u>567,193</u> | <u>672,889</u> |
| OPERATING INCOME | 75,218 | 40,263 |
| Other income | 527 | 445 |
| Interest expense, net | 5,005 | 5,263 |
| INCOME BEFORE INCOME TAXES AND EQUITY | | |
| IN EARNINGS OF AFFILIATES | 70,740 | 35,445 |
| Income tax provision | 16,037 | 13,853 |
| Equity in earnings of affiliates | 2,654 | 2,917 |
| NET INCOME | <u>\$ 57,357</u> | <u>\$ 24,509</u> |
| EARNINGS PER COMMON SHARE | | |
| BASIC | \$ 1.38 | \$ 0.59 |
| DILUTED | \$ 1.38 | \$ 0.59 |
| DIVIDENDS PER COMMON SHARE | <u>\$ 0.38</u> | <u>\$ 0.36</u> |
| AVERAGE SHARES OUTSTANDING | | |
| BASIC | 41,434 | 41,280 |
| DILUTED | <u>41,651</u> | <u>41,510</u> |
