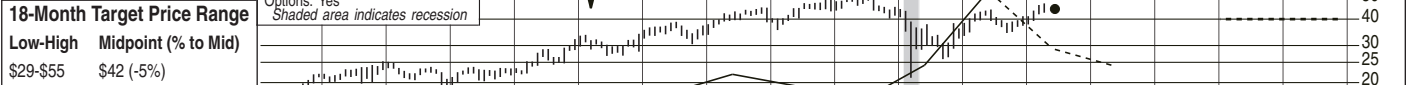


NEW JERSEY RES. NYSE-NJR

RECENT PRICE **44.63** P/E RATIO **19.1** (Trailing: 22.7 Median: 17.0) RELATIVE P/E RATIO **1.18** DIV'D YLD **3.2%** VALUE LINE

TIMELINESS 4 Lowered 5/20/22	High: 25.2 25.1 23.8 32.1 34.1 38.9 45.4 51.8 51.2 44.7 44.4 47.5	Target Price Range 2025 2026 2027
SAFETY 2 Lowered 4/17/20	Low: 19.8 19.3 19.5 21.9 26.8 30.5 33.7 35.6 40.3 21.1 33.3 37.8	
TECHNICAL 3 Lowered 5/27/22	LEGENDS 0.40 x Dividends p sh divided by Interest Rate Relative Price Strength 2-for-1 split 3/15 Options: Yes Shaded area indicates recession	
BETA .95 (1.00 = Market)	2-for-1	



18-Month Target Price Range		Low-High Midpoint (% to Mid)	
\$29-\$55		\$42 (-5%)	
2025-27 PROJECTIONS			
High	Price	Gain	Ann'l Total Return
Low	55	(+25%)	8%
	40	(-10%)	1%
Institutional Decisions			
to Buy	102021	202021	302021
to Sell	105	102	109
Hld's(000)	139	130	121
	68468	68609	66131
Percent shares traded	30	20	10

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
39.81	36.31	45.37	31.17	32.05	36.30	27.08	38.38	44.40	32.09	21.90	26.28	33.24	29.01	20.39	22.71	25.50	25.95	Revenues per sh ^A	28.10
1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	2.52	2.46	2.68	3.72	2.99	3.30	3.36	3.65	3.75	"Cash Flow" per sh	4.25
.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.08	1.78	1.61	1.73	2.72	1.96	2.07	2.16	2.30	2.40	Earnings per sh ^B	2.80
.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.98	1.04	1.11	1.19	1.27	1.36	1.45	1.49	Div'ds Decl'd per sh ^C	1.70
.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	3.76	4.15	3.80	4.39	5.83	4.65	5.42	5.35	5.30	Cap'l Spending per sh	5.50
7.50	7.75	8.64	8.29	8.81	9.36	9.80	10.65	11.48	12.99	13.58	14.33	16.18	17.37	19.26	17.18	18.70	19.85	Book Value per sh ^D	23.15
82.88	83.22	84.12	83.17	82.35	82.89	83.05	83.32	84.20	85.19	85.88	86.32	87.69	89.34	95.80	94.95	98.00	99.00	Common Shs Outst'g ^E	100.00
16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.7	16.6	21.3	22.4	15.6	24.3	17.7	17.5	17.5	17.5	Avg Ann'l P/E Ratio	17.0
.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.84	1.12	1.13	.84	1.29	.91	.94	.94	.94	Relative P/E Ratio	.95
3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%	2.9%	2.7%	2.6%	2.5%	3.5%	3.6%	3.6%	3.6%	Avg Ann'l Div'd Yield	4.0%

CAPITAL STRUCTURE as of 3/31/22		2248.9	3198.1	3738.1	2734.0	1880.9	2268.6	2915.1	2592.0	1953.7	2156.6	2500	2570	Revenues (\$mill) ^A	2810
Total Debt \$2646.1 mill. Due in 5 Yrs \$442.8 mill.		112.4	113.7	176.9	153.7	138.1	149.4	240.5	175.0	196.2	207.7	225	240	Net Profit (\$mill)	280
LT Debt \$2319.4 mill. LT Interest \$78.6 mill.		7.1%	25.4%	30.2%	26.3%	15.5%	17.2%	--	--	NMF	10.3%	10.5%	10.5%	Income Tax Rate	10.5%
Incl. \$6.0 mill. capitalized leases.		5.0%	3.6%	4.7%	5.6%	7.3%	6.6%	8.2%	6.7%	10.0%	9.6%	9.1%	10.0%	Net Profit Margin	10.0%
(LT interest earned: 5.0x; total interest coverage: 5.0x)		39.2%	36.6%	38.2%	43.2%	47.7%	44.6%	45.4%	49.8%	55.1%	57.0%	57.5%	57.0%	Long-Term Debt Ratio	56.5%
Pension Assets-9/21 \$469.5 mill. Oblig. \$640.2 mill.		60.8%	63.4%	61.8%	56.8%	52.3%	55.4%	54.6%	50.2%	44.9%	43.0%	42.5%	43.0%	Common Equity Ratio	43.5%
Pfd Stock None		1339.0	1400.3	1564.4	1950.6	2230.1	2233.7	2599.6	3088.9	4104.2	3793.0	4335	4565	Total Capital (\$mill)	5310
Common Stock 96,152,712 shs. as of 5/2/22		1484.9	1643.1	1884.1	2128.3	2407.7	2609.7	2651.0	3041.2	3983.0	4213.5	4145	4225	Net Plant (\$mill)	4485
MARKET CAP: \$4.3 billion (Mid Cap)		9.2%	9.0%	12.1%	8.6%	6.9%	7.7%	10.1%	6.4%	5.6%	6.5%	6.5%	6.5%	Return on Total Cap'l	6.5%
		13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	16.9%	11.3%	10.6%	12.7%	12.5%	12.0%	Return on Shr. Equity	12.0%
		13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	16.9%	11.3%	10.6%	12.7%	12.5%	12.0%	Return on Com Equity	12.0%
		6.2%	5.2%	11.0%	7.0%	4.8%	5.0%	10.2%	4.6%	4.3%	5.6%	4.5%	4.5%	Retained to Com Eq	4.5%
		55%	59%	40%	50%	60%	59%	40%	59%	60%	56%	63%	62%	All Div'ds to Net Prof	61%

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in NJ, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had 564,000 cust. at 9/30/21. Fiscal 2021 volume: 112 bill. cu. ft. (20% interruptible, 61% residential, commercial & firm transportation, 19% other). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2021 dep. rate: 2.4%. Has 1,251 empl. Off/dir. own less than 1% of common; BlackRock, 15.3%; Vanguard, 10.6% (12/21 Proxy). CEO, President & Director: Steven D. Westhoven. Incorporated: New Jersey. Address: 1415 Wyckoff Road, Wall, NJ 07719. Telephone: 732-938-1480. Web: www.njresources.com.

Since our February review, shares of New Jersey Resources have continued to trend higher. In fact, the stock's price advanced another 9.5%. In comparison, the S&P 500 Index registered a downturn of nearly 10% for this same period. **Meanwhile, the retail and wholesale energy provider posted mixed March-quarter results.** To that point, revenues advanced 13.7%, to \$912.3 million, besting our call for \$855 million. This reflected an impressive 49% spike in utility volumes, partially offset by a 9% downturn in non-utility volumes. On the margin front, total expenses increased 990 basis points, as a percentage of the top line. That margin compression completely offset the top-line growth, and after factoring in the dilutive effects of stock issuances, NJR's fiscal second-quarter (ended March 31, 2022) earnings declined 23%, to \$1.36 a share. This fell short of our outlook of \$1.70. **We have left our fiscal 2022 (ends September 30th) bottom-line estimate unchanged at this time.** Despite the lower-than-expected second-quarter earnings, management recently raised its guidance range from \$2.20-\$2.30, to \$2.30-\$2.40 per share. Our call of \$2.30 represents a year-over-year advance of about 6.5%. Share net should be driven by an estimated uptick in the top line of approximately 16%. This ought to be supported by the addition of more than 3,575 new customer accounts over the first half of the year. At the same time, steady contributions from the Storage & Transportation arm will likely be nicely complementary this year. Alternatively, the Energy Services segment has been hurt by the increased volatility in energy prices over the past year. This will likely present some headwinds for the company as the year progresses. **At the recent quotation, these untimely shares have already realized the bulk of the earnings growth potential that we envision for the pull to 2025-2027.** Due to this, the stock offers below-average capital appreciation potential over that time frame. That said, conservative investors will likely find the Above-Average Safety rank and high Price Stability mark attractive features, given the recent market volatility. The attractive dividend yield is also a plus.

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^A	Full Fiscal Year
	Dec.31 Mar.31 Jun.30 Sep.30	
2019	811.8 866.2 434.9 479.1	2592.0
2020	615.0 639.6 299.0 400.1	1953.7
2021	454.3 802.2 367.6 532.5	2156.6
2022	675.8 912.3 430 481.9	2500
2023	695 930 450 495	2570

Fiscal Year Ends	EARNINGS PER SHARE ^{A B}	Full Fiscal Year
	Dec.31 Mar.31 Jun.30 Sep.30	
2019	.61 1.27 d.20 .29	1.96
2020	.44 1.12 d.06 .57	2.07
2021	.46 1.77 d.15 .07	2.16
2022	.69 1.36 d.10 .35	2.30
2023	.73 1.38 d.08 .37	2.40

Cal-endar	QUARTERLY DIVIDENDS PAID ^C	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	
2018	.273 .273 .273 .2925	1.11
2019	.2925 .2925 .2925 .3125	1.19
2020	.3125 .3125 .3125 .3325	1.27
2021	.3325 .3325 .3325 .3625	1.36
2022	.3625 .3625	

(A) Fiscal year ends Sept. 30th. (B) Diluted earnings. Qtly. revenues and eps. may not sum to total due to rounding and change in shares outstanding. Next earnings report due early Aug. (C) Dividends historically paid in early Jan., April, July, and October. (D) Includes regulatory assets in 2021: \$522.1 million, \$5.49/share. (E) In millions, adjusted for splits. Company's Financial Strength A+ Stock's Price Stability 85 Price Growth Persistence 50 Earnings Predictability 55

Bryan J. Fong May 27, 2022