

SOUTH JERSEY INDUSTRIES, INC. AND SUBSIDIARIES  
 COMPARATIVE EARNINGS STATEMENTS  
 (In Thousands Except for Per Share Data)  
 UNAUDITED

|  | Three Months Ended<br>September 30, |           |
|--|-------------------------------------|-----------|
|  | 2008                                | 2007      |
| Operating Revenues:                                      |                                     |           |
| Utility  | \$ 63,687                           | \$ 83,385 |
| Nonutility   | 146,726                             | 72,843    |
| Total Operating Revenues                                 | 210,413                             | 156,228   |
| Operating Expenses:                                      |                                     |           |
| Cost of Sales - (Excluding depreciation)                 |                                     |           |
| - Utility  | 40,324                              | 61,188    |
| - Nonutility   | 61,935                              | 47,976    |
| Operations   | 17,923                              | 16,084    |
| Maintenance  | 1,925                               | 1,544     |
| Depreciation   | 7,333                               | 6,982     |
| Energy and Other Taxes                                   | 1,646                               | 1,587     |
| Total Operating Expenses                                 | 131,086                             | 135,361   |
| Operating Income   | 79,327                              | 20,867    |
| Other Income and Expense                                 | 496                                 | 303       |
| Interest Charges   | (5,745)                             | (6,966)   |
| Income Before Income Taxes                               | 74,078                              | 14,204    |
| Income Taxes   | (30,367)                            | (5,818)   |
| Equity in Earnings of Affiliated Companies               | 147                                 | 178       |
| Income from Continuing Operations                        | 43,858                              | 8,564     |
| Loss from Discontinued Operations - (Net of tax benefit) | (76)                                | (33)      |
| Net Income   | \$ 43,782                           | \$ 8,531  |
| Basic Earnings per Common Share:                         |                                     |           |
| Continuing Operations                                    | \$ 1.475                            | \$ 0.290  |
| Discontinued Operations                                  | (0.002)                             | (0.001)   |
| Basic Earnings per Common Share                          | \$ 1.473                            | \$ 0.289  |
| Average Shares of Common Stock Outstanding - Basic       | 29,729                              | 29,518    |
| Diluted Earnings per Common Share:                       |                                     |           |
| Continuing Operations                                    | \$ 1.469                            | \$ 0.289  |
| Discontinued Operations                                  | (0.003)                             | (0.001)   |

|  |                                    |                  |
|--|------------------------------------|------------------|
| Diluted Earnings per Common Share                        | <u>\$ 1.466</u>                    | <u>\$ 0.288</u>  |
| Average Shares of Common Stock Outstanding - Diluted     | 29,865                             | 29,627           |
|  | Nine Months Ended<br>September 30, |                  |
|  | <u>2008</u>                        | <u>2007</u>      |
| Operating Revenues:                                      |                                    |                  |
| Utility  | \$ 393,262                         | \$ 441,073       |
| Nonutility   | <u>301,038</u>                     | <u>255,241</u>   |
| Total Operating Revenues                                 | <u>694,300</u>                     | <u>696,314</u>   |
| Operating Expenses:                                      |                                    |                  |
| Cost of Sales - (Excluding depreciation)                 |                                    |                  |
| - Utility  | 261,604                            | 314,408          |
| - Nonutility   | 231,141                            | 198,830          |
| Operations   | 56,805                             | 51,619           |
| Maintenance  | 5,412                              | 4,446            |
| Depreciation   | 21,758                             | 20,884           |
| Energy and Other Taxes                                   | <u>8,628</u>                       | <u>8,891</u>     |
| Total Operating Expenses                                 | <u>585,348</u>                     | <u>599,078</u>   |
| Operating Income   | 108,952                            | 97,236           |
| Other Income and Expense                                 | 1,235                              | 1,184            |
| Interest Charges   | <u>(17,246)</u>                    | <u>(20,123)</u>  |
| Income Before Income Taxes                               | 92,941                             | 78,297           |
| Income Taxes   | (38,245)                           | (32,350)         |
| Equity in Earnings of Affiliated Companies               | <u>593</u>                         | <u>600</u>       |
| Income from Continuing Operations                        | 55,289                             | 46,547           |
| Loss from Discontinued Operations - (Net of tax benefit) | <u>(101)</u>                       | <u>(235)</u>     |
| Net Income   | <u>\$ 55,188</u>                   | <u>\$ 46,312</u> |
| Basic Earnings per Common Share:                         |                                    |                  |
| Continuing Operations                                    | \$ 1.862                           | \$ 1.581         |
| Discontinued Operations                                  | <u>(0.004)</u>                     | <u>(0.008)</u>   |
| Basic Earnings per Common Share                          | <u>\$ 1.858</u>                    | <u>\$ 1.573</u>  |
| Average Shares of Common Stock Outstanding - Basic       | 29,699                             | 29,449           |

|  |                     |                     |
|--|---------------------|---------------------|
| Diluted Earnings per Common Share:                   |                     |                     |
| Continuing Operations                                | \$ 1.854            | \$ 1.575            |
| Discontinued Operations                              | <u>(0.004)</u>      | <u>(0.008)</u>      |
|  | \$ 1.850            | \$ 1.567            |
|  | <u><u>1.850</u></u> | <u><u>1.567</u></u> |
| Average Shares of Common Stock Outstanding - Diluted | 29,828              | 29,561              |