ATMOS ENERGY CORP. NYSE-ATO

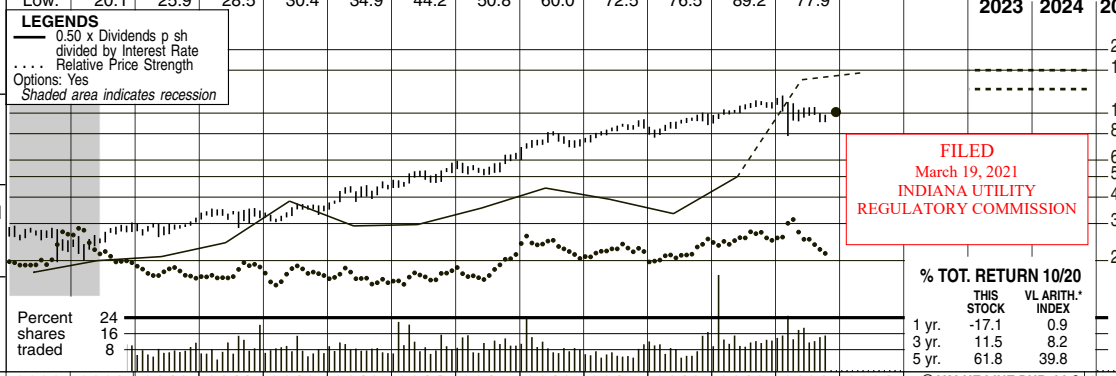
RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
101.28	20.4	(Trailing: 21.5 Median: 18.0)	0.97	2.5%	VALUE LINE

TIMELINESS 1 Raised 11/27/20
SAFETY 1 Raised 6/6/14
TECHNICAL 4 Lowered 11/27/20
BETA .80 (1.00 = Market)

High:	30.3	32.0	35.6	37.3	47.4	58.2	64.8	82.0	93.6	100.8	115.2	121.1
Low:	20.1	25.9	28.5	30.4	34.9	44.2	50.8	60.0	72.5	76.5	89.2	77.9

Target Price Range
2023 | 2024 | 2025

LEGENDS
— 0.50 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



FILED
March 19, 2021
INDIANA UTILITY REGULATORY COMMISSION

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$77-$171	$124 (20%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	160	(+60%)	14%
Low	130	(+30%)	9%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	272	268	233
to Sell	215	251	262
Hld's(000)	102747	103070	108597

% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-17.1	0.9
3 yr.	11.5	8.2
5 yr.	61.8	39.8

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
46.50	61.75	75.27	66.03	79.52	53.69	53.12	48.15	38.10	42.88	49.22	40.82	32.23	26.01	28.00	24.32	*22.75*	*22.80*	Revenues per sh A	*37.95*
2.91	3.90	4.26	4.14	4.19	4.29	4.64	4.72	4.76	5.14	5.42	5.81	6.19	6.62	7.24	7.57	*8.15*	*8.55*	"Cash Flow" per sh	*9.80*
1.58	1.72	2.00	1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.09	3.38	3.60	4.00	4.35	4.72	*5.00*	Earnings per sh AB	*6.00*
1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	1.68	1.80	1.94	2.10	2.30	*2.50*	Div'ds Decl'd per sh C■	*3.15*
3.03	4.14	5.20	4.39	5.20	5.51	6.02	6.90	8.12	9.32	8.32	9.61	10.46	10.72	13.19	14.19	*15.60*	*16.15*	Cap'l Spending per sh	*15.50*
18.05	19.90	20.16	22.01	22.60	23.52	24.16	24.98	26.14	28.47	30.74	31.48	33.32	36.74	42.87	48.18	*54.80*	*58.10*	Book Value per sh	*66.20*
62.80	80.54	81.74	89.33	90.81	92.55	90.16	90.30	90.24	90.64	100.39	101.48	103.93	106.10	111.27	119.34	*124.00*	*130.00*	Common Shs Outst'g D	*145.00*
15.9	16.1	13.5	15.9	13.6	12.5	13.2	14.4	15.9	15.9	16.1	17.5	20.8	22.0	21.7	23.2	22.3		Avg Ann'l P/E Ratio	*24.0*
.84	.86	.73	.84	.82	.83	.84	.90	1.01	.89	.85	.88	1.09	1.11	1.17	1.27	1.11		Relative P/E Ratio	*1.35*
4.9%	4.5%	4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%	2.4%	2.3%	2.2%	2.1%	2.2%		Avg Ann'l Div'd Yield	*2.2%*

CAPITAL STRUCTURE as of 6/30/20
Total Debt $4531.5 mill. **Due in 5 Yrs** $565.0 mill.
LT Debt $4531.3 mill. **LT Interest** $275.0 mill.
(LT interest earned: 7.3x; total interest coverage: 7.3x)
Leases, Uncapitalized Annual rentals $21.0 mill.

Pfd Stock None

Pension Assets-9/19 $530.1 mill. **Oblig.** $577.3 mill.

Common Stock 123,354,982 shs. as of 7/31/20

MARKET CAP: $12.5 billion (Large Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	3349.9	2759.7	3115.5	2901.8	2821.1	*2965*	Revenues ($mill) A	*5500*
201.2	199.3	192.2	230.7	289.8	315.1	350.1	382.7	444.3	511.4	580.5	*645*	Net Profit ($mill)	*870*
38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	36.4%	36.6%	27.0%	21.4%	19.5%	*20.5%*	Income Tax Rate	*24.0%*
4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	10.5%	13.9%	14.3%	17.6%	20.6%	*21.8%*	Net Profit Margin	*15.8%*
45.4%	49.4%	45.3%	48.8%	44.3%	43.5%	38.7%	44.0%	34.3%	38.0%	*40.0%*	*40.0%*	Long-Term Debt Ratio	*40.0%*
54.6%	50.6%	54.7%	51.2%	55.7%	56.5%	61.3%	56.0%	65.7%	62.0%	*60.0%*	*60.0%*	Common Equity Ratio	*60.0%*
3987.9	4461.5	4315.5	5036.1	5542.2	5650.2	5651.8	6965.7	7263.6	9279.7	*11325*	*12600*	Total Capital ($mill)	*16000*
4793.1	5147.9	5475.6	6030.7	6725.9	7430.6	8280.5	9259.2	10371	11788	*13355*	*14590*	Net Plant ($mill)	*18700*
6.9%	6.1%	6.1%	5.9%	6.4%	6.6%	7.2%	6.4%	6.9%	6.1%	*6.5%*	*6.5%*	Return on Total Cap'l	*6.5%*
9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	9.8%	9.3%	8.9%	*8.5%*	*8.5%*	Return on Shr. Equity	*9.0%*
9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	9.8%	9.3%	8.9%	*8.5%*	*8.5%*	Return on Com Equity	*9.0%*
3.5%	3.3%	2.8%	4.0%	4.7%	4.9%	5.1%	4.9%	4.8%	4.6%	*4.5%*	*4.0%*	Retained to Com Eq	*4.5%*
62%	62%	65%	56%	50%	51%	50%	50%	48%	48%	*49%*	*50%*	All Div'ds to Net Prof	*52%*

CURRENT POSITION ($MILL.)	2018	2019	6/30/20
Cash Assets	13.8	24.5	208.1
Other	465.1	433.5	394.1
Current Assets	478.9	458.0	602.2
Accts Payable	217.3	265.0	200.1
Debt Due	1150.8	464.9	.2
Other	547.0	479.5	502.4
Current Liab.	1915.1	1209.4	702.7
Fix. Chg. Cov.	926%	990%	980%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-9.0%	-9.5%	*6.5%*
"Cash Flow"	5.5%	7.0%	*5.5%*
Earnings	7.5%	9.5%	*7.0%*
Dividends	4.0%	6.5%	*7.5%*
Book Value	6.5%	8.5%	*7.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2017	780.2	988.2	526.5	464.8	2759.7
2018	889.2	1219.4	562.2	444.7	3115.5
2019	877.8	1094.6	485.7	443.7	2901.8
2020	875.6	977.6	493.0	474.9	2821.1
2021	*890*	*1050*	*540*	*485*	*2965*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2017	1.08	1.52	.67	.34	3.60
2018	1.40	1.57	.64	.41	4.00
2019	1.38	1.82	.68	.49	4.35
2020	1.47	1.95	.79	.53	4.72
2021	*1.54*	*2.06*	*.83*	*.57*	*5.00*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.42	.42	.42	.45	1.71
2017	.45	.45	.45	.485	1.84
2018	.485	.485	.485	.525	1.98
2019	.525	.525	.525	.575	2.15
2020	.575	.575	.575	.625	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to over three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for fiscal 2019: 66%, residential; 27%, commercial; 5%, industrial; and 2% other. The company sold Atmos Energy Marketing, 1/17. Officers and directors own approximately 1.4% of common stock (12/19 Proxy). President and Chief Executive Officer: Kevin Akers. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

We expect another decent profit advance for Atmos Energy Corporation in fiscal 2021. (The year started on October 1st.) The natural gas distribution unit, which generates the lion's share of total revenues, might well enjoy higher consumption levels, assuming that temperatures across the service areas are generally favorable. Furthermore, there ought to be a respectable showing from the pipeline and storage division. If there are no significant coronavirus-related setbacks, consolidated share net stands to increase around 6%, to $5.00, compared to last year's figure of $4.72. Regarding fiscal 2022, we believe the company's bottom line can rise at a similar percentage rate, to $5.30 a share, as operating margins expand further.

Prospects out to mid-decade are solid, in our opinion. Atmos ranks as one of the country's largest natural gas-only distributors, boasting more than three million customers across several states, including Texas, Louisiana, and Mississippi. Moreover, we think the pipeline and storage unit has healthy overall growth opportunities, given that it operates in one of the most-active drilling regions in the world. Finally, corporate finances are in strong shape. In the company's present configuration, annual earnings increases may be between 5% and 7% during the 2023-2025 horizon.

The quarterly common stock dividend was raised 8.7%, to $0.625 a share. What's more, our 3- to 5-year projections show that additional steady hikes in the distribution may occur. The payout ratio over that span should be in the vicinity of 50%, which seems manageable. However, the dividend yield is not spectacular relative to the average of *Value Line's* Natural Gas Utility Industry group.

These shares ought to draw the attention of various types of investors. The Timeliness rank resides at 1 (Highest). Also, capital gains potential in the 18-month period is appealing. Appreciation possibilities out to mid-decade are decent, as well. Consider, too, the stock's defensive characteristics, indicated by the 1 (Highest) rank for Safety, good Price Stability score (i.e., 95 out of 100), and lower-than-market Beta coefficient.

Frederick L. Harris, III November 27, 2020

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. gains (loss): '10, 5¢; '11, (1¢); '18, $1.43; 3Q '20, 17¢. Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢; '17, 13¢. Next egs. rpt. due early Feb. (C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. (D) In millions. (E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	95
Earnings Predictability	100

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NEW JERSEY RES. NYSE-NJR

RECENT PRICE **37.42** | P/E RATIO **17.4** (Trailing: 20.9 / Median: 17.0) | RELATIVE P/E RATIO **0.83** | DIV'D YLD **3.6%** | VALUE LINE

TIMELINESS 4 Lowered 4/3/20
SAFETY 2 Lowered 4/17/20
TECHNICAL 5 Lowered 11/27/20
BETA .95 (1.00 = Market)

High:	21.2	22.0	25.2	25.1	23.8	32.1	34.1	38.9	45.4	51.8	51.2	44.7
Low:	15.0	16.7	19.8	19.3	19.5	21.9	26.8	30.5	33.7	35.6	40.3	21.1

Target Price Range 2023 | 2024 | 2025

LEGENDS
— 0.40 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 3/08
2-for-1 split 3/15
Options: Yes
Shaded area indicates recession

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$22-$53	$38 (0%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+20%)	8%
Low	35	(-5%)	3%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	169	123	139
to Sell	99	131	97
Hld's(000)	67787	67063	67573

% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-30.3	0.9
3 yr.	-28.1	8.2
5 yr.	6.7	39.8

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
30.44	38.10	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	*21.35*	*28.35*	Revenues per sh A	*30.05*
1.25	1.31	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	*2.90*	*3.30*	"Cash Flow" per sh	*3.55*
.85	.88	.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	*1.90*	*2.25*	Earnings per sh B	*2.40*
.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.98	1.04	1.11	1.19	1.27	*1.34*	Div'ds Decl'd per sh C■	*1.57*
.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	3.76	4.15	3.80	4.39	5.83	*4.70*	*4.10*	Cap'l Spending per sh	*4.00*
5.62	5.30	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	*20.50*	*21.65*	Book Value per sh D	*25.80*
83.22	82.64	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	*96.00*	*97.00*	Common Shs Outst'g E	*100.00*
15.3	16.8	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	*17.3*		Avg Ann'l P/E Ratio	*17.0*
.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.84	1.12	1.13	.84	1.33	*.95*		Relative P/E Ratio	*.95*
3.3%	3.1%	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%	3.9%		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 6/30/20
Total Debt $2243.6 mill. **Due in 5 Yrs** $420.5 mill.
LT Debt $1664.5 mill. **LT Interest** $47.1 mill.
Incl. $38.6 mill. capitalized leases.
(LT interest earned: 5.0x; total interest coverage: 5.0x)
Pension Assets-9/19 $372.6 mill. **Oblig.** $620.5 mill.
Pfd Stock None

Common Stock 95,930,191 shs. as of 8/5/20
MARKET CAP: $3.6 billion (Mid Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
2639.3	3009.2	2248.9	3198.1	3738.1	2734.0	1880.9	2268.6	2915.1	2592.0	*2050*	*2750*	Revenues ($mill) A	*3005*
101.8	106.5	112.4	113.7	176.9	153.7	138.1	149.4	240.5	175.0	*185*	*220*	Net Profit ($mill)	*240*
41.4%	30.2%	7.1%	25.4%	30.2%	26.3%	15.5%	17.2%	NMF	NMF	*15.0%*	*15.0%*	Income Tax Rate	*15.0%*
3.9%	3.5%	5.0%	3.6%	4.7%	5.6%	7.3%	6.6%	8.2%	6.7%	*8.9%*	*8.0%*	Net Profit Margin	*8.0%*
37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	47.7%	44.6%	45.4%	49.8%	*44.5%*	*44.5%*	Long-Term Debt Ratio	*43.5%*
62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	52.3%	55.4%	54.6%	50.2%	*55.5%*	*55.5%*	Common Equity Ratio	*56.5%*
1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	2230.1	2233.7	2599.6	3088.9	*3500*	*3800*	Total Capital ($mill)	*4580*
1135.7	1295.9	1484.9	1643.1	1884.1	2128.3	2407.7	2609.7	2651.0	3041.2	*3800*	*3875*	Net Plant ($mill)	*4115*
9.7%	9.7%	9.2%	9.0%	12.1%	8.6%	6.9%	7.7%	10.1%	6.4%	*6.0%*	*6.5%*	Return on Total Cap'l	*6.0%*
14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	16.9%	11.3%	*9.5%*	*10.5%*	Return on Shr. Equity	*9.5%*
14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	16.9%	11.3%	*9.5%*	*10.5%*	Return on Com Equity	*9.5%*
6.7%	6.2%	6.2%	5.2%	11.0%	7.0%	4.8%	5.0%	10.2%	4.6%	*3.0%*	*4.5%*	Retained to Com Eq	*3.0%*
52%	55%	55%	59%	40%	50%	60%	59%	40%	59%	*67%*	*59%*	All Div'ds to Net Prof	*65%*

CURRENT POSITION ($MILL.)	2018	2019	6/30/20
Cash Assets	1.5	2.7	42.8
Other	768.6	508.9	478.3
Current Assets	770.1	511.6	521.1
Accts Payable	373.5	295.9	222.4
Debt Due	275.5	46.9	579.1
Other	101.9	103.6	100.8
Current Liab.	750.9	446.4	902.3
Fix. Chg. Cov.	545%	545%	550%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-2.5%	-4.0%	.5%
"Cash Flow"	7.5%	7.5%	2.0%
Earnings	7.0%	6.0%	2.0%
Dividends	7.0%	6.5%	6.0%
Book Value	7.0%	8.5%	8.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2017	541.1	733.5	457.5	536.5	2268.6
2018	705.3	1019.0	543.4	647.3	2915.1
2019	811.8	866.3	434.9	479.1	2592.0
2020	615.0	639.6	299.0	*496.4*	*2050*
2021	*665*	*965*	*535*	*585*	*2750*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2017	.47	1.21	.20	d.14	1.73
2018	1.53	1.61	d.09	d.33	2.72
2019	.61	1.27	d.20	.29	1.96
2020	.44	1.12	d.06	*.40*	*1.90*
2021	*.55*	*1.25*	*d.05*	*.50*	*2.25*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.24	.24	.24	.255	.98
2017	.255	.255	.255	.273	1.04
2018	.273	.273	.273	.2925	1.11
2019	.2925	.2925	.2925	.3125	1.19
2020	.3125	.3125	.3125	.3325	

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 547,600 cust. at 9/30/19. Fiscal 2019 volume: 232 bill. cu. ft. (17% interruptible, 17% res., 9% commercial & elec. utility, 40% capacity release programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2019 dep. rate: 2.6%. Has 1,108 empls. Off./dir. own 1.3% of common; BlackRock, 13.9%; Vanguard, 10.4% (12/19 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 August review, shares of New Jersey Resources have rebounded nicely. We think this likely reflected the general uptrend in the broader market averages over this time frame, coupled with the news of the recent dividend raise.

Still, the utility provider faced a challenging operating environment in fiscal 2020 (ended September 30th). We look for the company to post year-over-year revenue and earnings declines as the coronavirus pandemic continues to weigh on end-use consumer demand. (Note: New Jersey Resources was scheduled to report annual financial results shortly after this report went to press.) The slump in volumes is only exacerbated by the downturn in commodity prices earlier this year. NJR's regulated utility business probably continued to grow modestly as that division added new customer accounts. However, the nonutility operations, like the retail and wholesale energy services, were down sharply over the past 12 months and were a drag on overall operations. Moving forward, growth projects, more-normalized commodity prices, and an anticipated COVID-19 vaccine should help to turn things around in fiscal 2021.

New developments like the recently completed solar project are encouraging. The NJR Clean Energy Ventures division and the Borough of Hopatcong turned the former municipal landfill into a new 1.5 megawatt ground-mounted solar facility. This project brings NJR's total installed solar capacity to more than 350 megawatts, representing over $970 million in capital expenditures. It is also a solid push to the company's green initiatives.

An increase in the quarterly dividend may appeal to income-seekers. The board approved a raise in the quarterly payout nearly 6.5%, to $0.3325. Opportunistic yield-seeking accounts may look for some sort of near-term price correction to establish a position here.

At the moment, these shares do not stand out. The stock is ranked to lag the broader market averages in the year ahead. And the equity is trading inside our 3- to 5-year Target Price Range, suggesting that it offers limited upside potential for that time frame.

Bryan J. Fong *November 27, 2020*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly. sales and egs. may not sum to total due to rounding and change in shares outstanding. Next earnings report due early Feb.
(C) Dividends historically paid in early Jan., April, July, and October. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2019: $496.6 million, $5.56/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	85
Price Growth Persistence	60
Earnings Predictability	50

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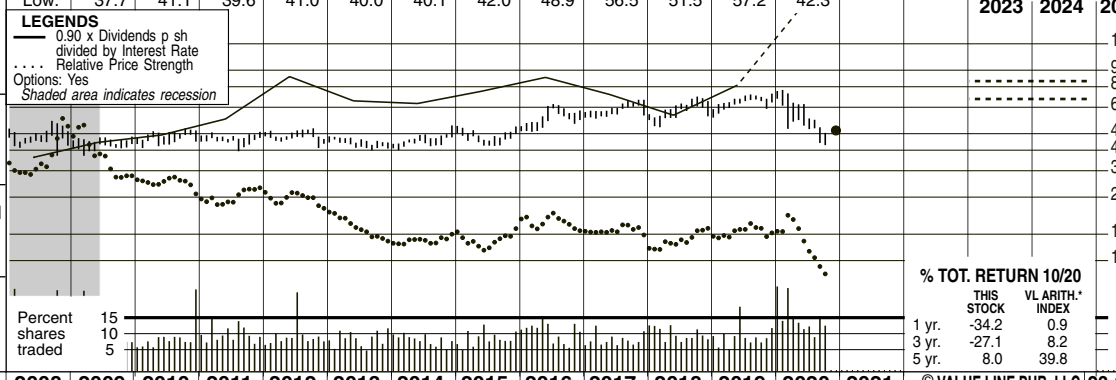
N.W. NATURAL NYSE-NWN

RECENT PRICE **49.69** | P/E RATIO **21.2** (Trailing: 24.1 Median: 23.0) | RELATIVE P/E RATIO **1.01** | DIV'D YLD **3.9%** | VALUE LINE

TIMELINESS 3 Lowered 5/22/20
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Raised 4/3/20
BETA .80 (1.00 = Market)

High:	46.5	50.9	49.0	50.8	46.6	52.6	52.3	66.2	69.5	71.8	74.1	77.3
Low:	37.7	41.1	39.6	41.0	40.0	40.1	42.0	48.9	56.5	51.5	57.2	42.3

Target Price Range 2023 | 2024 | 2025



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$39-$98	$69 (40%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(+70%)	17%
Low	70	(+40%)	12%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	120	88	73
to Sell	95	133	103
Hld's(000)	23102	22679	21936

% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-34.2	0.9
3 yr.	-27.1	8.2
5 yr.	8.0	39.8

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	26.39	23.61	26.52	24.45	24.49	*24.70*	*26.45*	Revenues per sh	*29.40*
3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	4.91	4.93	1.04	5.28	5.15	*4.70*	*5.15*	"Cash Flow" per sh	*6.15*
1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	2.12	d1.94	2.33	2.19	*2.25*	*2.50*	Earnings per sh A	*3.20*
1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	1.87	1.88	1.89	1.90	*1.91*	*1.92*	Div'ds Decl'd per sh B■	*1.97*
5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	4.37	4.87	7.43	7.43	7.95	*7.80*	*6.15*	Cap'l Spending per sh	*6.25*
20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	28.47	29.71	25.85	26.41	28.42	*29.70*	*31.85*	Book Value per sh D	*38.40*
27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	27.43	28.63	28.74	28.88	30.47	*31.00*	*31.00*	Common Shs Outst'g C	*32.00*
16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	26.9	--	26.6	30.9	*Bold figures are*		Avg Ann'l P/E Ratio	*24.0*
.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.19	1.41	--	1.44	1.68	*Value Line*		Relative P/E Ratio	*1.35*
4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	3.3%	3.0%	3.0%	2.8%	*estimates*		Avg Ann'l Div'd Yield	*2.6%*

CAPITAL STRUCTURE as of 9/30/20
Total Debt $1178.4 mill. **Due in 5 Yrs** $910.0 mill.
LT Debt $860.2 mill. **LT Interest** $40.0 mill.

(Total interest coverage: 3.1x)

Pension Assets-12/19 $313.1 mill. **Oblig.** $515.7 mill.

Pfd Stock None

Common Stock 30,568,578 shares as of 10/29/20

MARKET CAP $1.5 billion (Mid Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
812.1	848.8	730.6	758.5	754.0	723.8	676.0	762.2	706.1	746.4	*765*	*820*	Revenues ($mill)	*940*
72.7	63.9	59.9	60.5	58.7	53.7	58.9	d55.6	67.3	65.3	*75.0*	*85.0*	Net Profit ($mill)	*95.0*
40.5%	40.4%	42.4%	40.8%	41.5%	40.0%	40.9%	--	26.4%	16.2%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	8.7%	NMF	9.5%	8.8%	*9.1%*	*9.5%*	Net Profit Margin	*10.9%*
46.1%	47.3%	48.5%	47.6%	44.8%	42.5%	44.4%	47.9%	48.1%	48.2%	*47.5%*	*47.0%*	Long-Term Debt Ratio	*47.5%*
53.9%	52.7%	51.5%	52.4%	55.2%	57.5%	55.6%	52.1%	51.9%	51.8%	*52.5%*	*53.0%*	Common Equity Ratio	*52.5%*
1284.8	1356.2	1424.7	1433.6	1389.0	1357.7	1529.8	1426.0	1468.9	1672.0	*1755*	*1855*	Total Capital ($mill)	*1825*
1854.2	1893.9	1973.6	2062.9	2121.6	2182.7	2260.9	2255.0	2421.4	2438.9	*2535*	*2640*	Net Plant ($mill)	*3065*
7.0%	6.2%	5.7%	5.8%	5.8%	5.5%	5.1%	NMF	5.8%	5.2%	*5.0%*	*5.0%*	Return on Total Cap'l	*5.5%*
10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	8.8%	7.5%	*7.5%*	*8.0%*	Return on Shr. Equity	*8.5%*
10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	8.8%	7.5%	*7.5%*	*8.0%*	Return on Com Equity	*8.5%*
4.0%	2.4%	1.6%	1.5%	1.1%	.6%	.9%	NMF	2.1%	1.4%	*1.0%*	*2.0%*	Retained to Com Eq	*3.0%*
61%	73%	80%	81%	85%	92%	87%	NMF	76%	82%	*85%*	*77%*	All Div'ds to Net Prof	*61%*

CURRENT POSITION ($MILL.)	2018	2019	9/30/20
Cash Assets	12.6	9.6	35.9
Other	283.3	284.1	206.9
Current Assets	295.9	293.7	242.8
Accts Payable	115.9	113.4	83.8
Debt Due	247.6	224.2	318.2
Other	145.6	144.6	149.3
Current Liab.	509.1	482.2	551.3
Fix. Chg. Cov.	357%	336%	312%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-4.0%	-2.0%	*2.5%*
"Cash Flow"	-3.0%	-5.5%	*8.0%*
Earnings	-11.0%	-17.0%	*24.5%*
Dividends	2.0%	.5%	*.5%*
Book Value	1.5%	-.5%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	297.3	136.3	88.2	240.4	762.2
2018	264.7	124.6	91.2	226.7	706.1
2019	285.4	123.4	90.3	247.3	746.4
2020	285.2	135.0	93.3	*251.5*	*765*
2021	*305*	*145*	*110*	*260*	*820*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	1.40	.10	d.30	d3.14	d1.94
2018	1.46	d.01	d.39	1.27	2.33
2019	1.50	.07	d.61	1.26	2.19
2020	1.58	d.17	d.61	*1.45*	*2.25*
2021	*1.60*	*d.10*	*d.50*	*1.50*	*2.50*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.4675	.4675	.4675	.47	1.87
2017	.47	.47	.47	.4725	1.88
2018	.4725	.4725	.4725	.475	1.89
2019	.475	.475	.475	.4775	1.90
2020	.4775	.4775	.4775	.48	

BUSINESS: Northwest Natural Holding Co. distributes natural gas to 1000 communities, 750,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 3.7 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 37%; commercial, 22%; industrial, gas transportation, 41%. Employs 1,167. BlackRock Inc. owns 15.5% of shares; Off./Dir. own less than 1% (4/20 proxy). CEO: David H. Anderson. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Tel.: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Holding recorded flat results in the third quarter. Revenues increased slightly to $93.3 million, aided by greater throughput and a larger customer base. Around 13,800 new customers were added in the natural gas space over the past year, while the company benefited from recently acquired operations in water and other utilities. Despite a decline in interest expense (reflecting the rollover of debt at lower rates), higher operating costs (including maintenance and depreciation expenses) were a drag. These factors netted out to a loss of $0.61 per share. Northwest should have decent results in the fourth quarter as cooler weather helps the top line expand. Moreover, recent rates cases should help, as the Oregon Public Utility Commission allowed for an additional $45 million in charges. We expect costs will remain steady, allowing earnings to reach $1.45 per share.

The company ought to see some bottom-line improvements in the years ahead. Revenues will likely advance as more people move into the Portland area. Additionally, Northwest has purchased several water utilities over the past few years, including some in Texas and Washington, and will likely continue to do so. These ought to help the top line expand in the coming years. Meantime, the company will probably benefit from the additional distribution of natural gas in the Portland area. Economies of scale will start to emerge with these new operations, helping profits expand. All told, we think earnings will reach $2.50 per share in 2021 and $3.20 per share by 2023-2025.

Management has raised the quarterly dividend by 1%, to $0.48. This increase continues the streak of 65 annual dividend hikes, which remains among the longest in the *Survey* and the payout remains adequately covered by earnings. Looking forward, it should grow at a moderate pace.

Shares of Northwest Natural Holding are ranked Average (3). This stock holds above average 3- to 5-year appreciation potential, based on a substantial earnings improvement. Additionally, the dividend yield is above average, while it holds our Highest (1) Safety rank. Overall, we think that this issue should appeal to most long-term investors.

John E. Seibert III *November 27, 2020*

(A) Diluted earnings per share. Excludes nonrecurring items: '06, ($0.06); '08, ($0.03); '09, $0.06; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2019: $343.2 million, $11.26/share.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	5

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ONE GAS, INC. NYSE-OGS

RECENT PRICE **77.68** | P/E RATIO **21.2** (Trailing: 21.9 Median: NMF) | RELATIVE P/E RATIO **1.01** | DIV'D YLD **3.0%** | VALUE LINE

TIMELINESS 4 Lowered 11/27/20
SAFETY 2 New 6/2/17
TECHNICAL 4 Lowered 11/27/20
BETA .80 (1.00 = Market)

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$59-$131	$95 (20%)

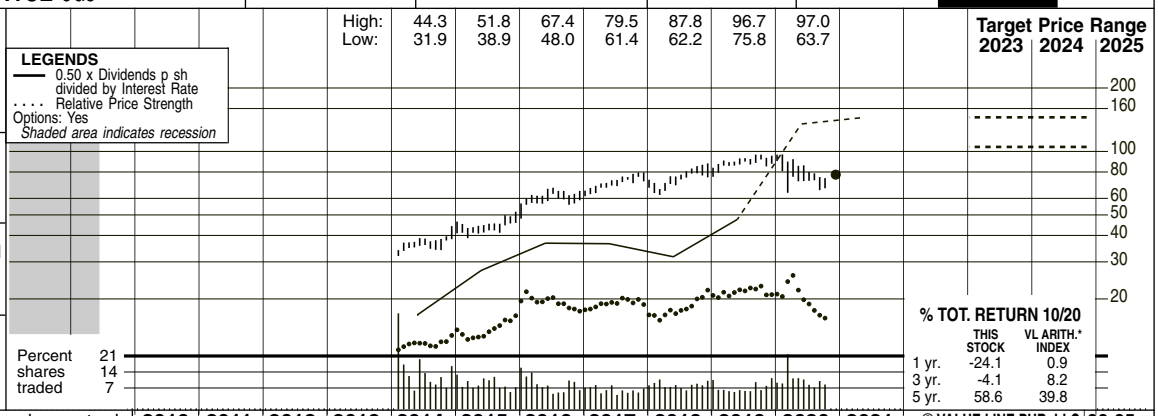
2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	145	(+85%)	19%
Low	105	(+35%)	10%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	153	124	142
to Sell	132	157	137
Hld's(000)	41714	41769	42060

	2014	2015	2016	2017	2018	2019	2020
High:	44.3	51.8	67.4	79.5	87.8	96.7	97.0
Low:	31.9	38.9	48.0	61.4	62.2	75.8	63.7



% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-24.1	0.9
3 yr.	-4.1	8.2
5 yr.	58.6	39.8

The shares of ONE Gas, Inc. began trading "regular-way" on the New York Stock Exchange on February 3, 2014. That happened as a result of the separation of ONEOK's natural gas distribution operation. Regarding the details of the spinoff, on January 31, 2014, ONEOK distributed one share of OGS common stock for every four shares of ONEOK common stock held by ONEOK shareholders of record as of the close of business on January 21. It should be mentioned that ONEOK did not retain any ownership interest in the new company.

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
--	--	--	--	34.92	29.62	27.30	29.43	31.08	31.32	*28.30*	*30.20*	Revenues per sh	*40.00*
--	--	--	--	4.52	4.82	5.43	5.96	6.32	6.96	*7.15*	*7.50*	"Cash Flow" per sh	*9.65*
--	--	--	--	2.07	2.24	2.65	3.02	3.25	3.51	*3.56*	*3.70*	Earnings per sh A	*4.75*
--	--	--	--	.84	1.20	1.40	1.68	1.84	2.00	*2.16*	*2.32*	Div'ds Decl'd per sh B■	*2.80*
--	--	--	--	5.70	5.63	5.91	6.81	7.50	7.91	*8.80*	*8.95*	Cap'l Spending per sh	*9.35*
--	--	--	--	34.45	35.24	36.12	37.47	38.86	40.35	*42.70*	*45.80*	Book Value per sh	*54.10*
--	--	--	--	52.08	52.26	52.28	52.31	52.57	52.77	*53.00*	*53.50*	Common Shs Outst'g C	*55.00*
--	--	--	--	17.8	19.8	22.7	23.5	23.1	25.3	*Bold figures are*		Avg Ann'l P/E Ratio	*26.5*
--	--	--	--	.94	1.00	1.19	1.18	1.25	1.37	*Value Line*		Relative P/E Ratio	*1.45*
--	--	--	--	2.3%	2.7%	2.3%	2.4%	2.5%	2.3%	*estimates*		Avg Ann'l Div'd Yield	*2.2%*
--	--	--	--	1818.9	1547.7	1427.2	1539.6	1633.7	1652.7	*1500*	*1615*	Revenues ($mill)	*2200*
--	--	--	--	109.8	119.0	140.1	159.9	172.2	186.7	*190*	*200*	Net Profit ($mill)	*260*
--	--	--	--	38.4%	38.0%	37.8%	36.4%	23.7%	18.7%	*18.0%*	*18.5%*	Income Tax Rate	*22.0%*
--	--	--	--	6.0%	7.7%	9.8%	10.4%	10.5%	11.3%	*12.7%*	*12.4%*	Net Profit Margin	*11.8%*
--	--	--	--	40.1%	39.5%	38.7%	37.8%	38.6%	37.7%	*42.0%*	*40.0%*	Long-Term Debt Ratio	*38.0%*
--	--	--	--	59.9%	60.5%	61.3%	62.2%	61.4%	62.3%	*58.0%*	*60.0%*	Common Equity Ratio	*62.0%*
--	--	--	--	2995.3	3042.9	3080.7	3153.5	3328.1	3415.5	*3900*	*4085*	Total Capital ($mill)	*4800*
--	--	--	--	3293.7	3511.9	3731.6	4007.6	4283.7	4565.2	*4830*	*5060*	Net Plant ($mill)	*5750*
--	--	--	--	4.4%	4.7%	5.2%	5.8%	5.9%	6.4%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
--	--	--	--	6.1%	6.5%	7.4%	8.2%	8.4%	8.8%	*8.5%*	*8.0%*	Return on Shr. Equity	*8.5%*
--	--	--	--	6.1%	6.5%	7.4%	8.2%	8.4%	8.8%	*8.5%*	*8.0%*	Return on Com Equity	*8.5%*
--	--	--	--	3.7%	3.1%	3.5%	3.7%	3.7%	3.8%	*3.5%*	*3.0%*	Retained to Com Eq	*3.5%*
--	--	--	--	40%	53%	52%	55%	56%	56%	*60%*	*62%*	All Div'ds to Net Prof	*59%*

CAPITAL STRUCTURE as of 9/30/20
Total Debt $1890.2 mill. **Due in 5 Yrs** $1150.0 mill.
LT Debt $1582.2 mill. **LT Interest** $85.0 mill.
(LT interest earned: 4.7x; total interest coverage: 4.7x)
Leases, Uncapitalized Annual rentals $7.6 mill.
Pfd Stock None
Pension Assets-12/19 $908.0 mill. **Oblig.** $1001.4 mill.
Common Stock 53,096,893 shs. as of 10/26/20
MARKET CAP: $4.1 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2018	2019	9/30/20
Cash Assets	21.3	17.9	6.2
Other	522.0	488.3	363.5
Current Assets	543.3	506.2	369.7
Accts Payable	174.5	120.5	65.3
Debt Due	299.5	516.5	308.0
Other	224.9	235.7	202.4
Current Liab.	698.9	872.7	575.7
Fix. Chg. Cov.	677%	567%	563%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	--	-2.5%	*4.5%*
"Cash Flow"	--	7.0%	*7.0%*
Earnings	--	9.5%	*6.5%*
Dividends	--	17.0%	*7.5%*
Book Value	--	2.5%	*5.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	550.4	279.7	247.1	462.4	1539.6
2018	638.5	292.5	238.3	464.4	1633.7
2019	661.0	290.6	248.6	452.5	1652.7
2020	528.2	273.3	244.6	*453.9*	*1500*
2021	*590*	*310*	*255*	*460*	*1615*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	1.34	.39	.36	.93	3.02
2018	1.72	.39	.31	.83	3.25
2019	1.76	.46	.33	.96	3.51
2020	1.72	.48	.39	*.97*	*3.56*
2021	*1.80*	*.50*	*.41*	*.99*	*3.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.35	.35	.35	.35	1.40
2017	.42	.42	.42	.42	1.68
2018	.46	.46	.46	.46	1.84
2019	.50	.50	.50	.50	2.00
2020	.54	.54	.54	.54	

BUSINESS: ONE Gas, Inc. provides natural gas distribution services to more than two million customers. There are three divisions: Oklahoma Natural Gas, Kansas Gas Service, and Texas Gas Service. The company purchased 174 Bcf of natural gas supply in 2019, compared to 180 Bcf in 2018. Total volumes delivered by customer (fiscal 2019): transportation, 56.6%; residential, 32.5%; commercial & industrial, 10.3%; other, .6%. ONE Gas has around 3,600 employees. BlackRock owns 12.1% of common stock; The Vanguard Group, 10.1%; T. Rowe Price Associates, 7.0%; officers and directors, 1.9% (4/20 Proxy). CEO: Pierce H. Norton II. Incorporated: Oklahoma. Address: 15 East Fifth Street, Tulsa, Oklahoma 74103. Tel.: 918-947-7000. Internet: www.onegas.com.

It's shaping up to be an underwhelming year for ONE Gas, Inc. Indeed, through the first nine months, share net of $2.59 was just a few cents higher than 2019's $2.55 tally. This stemmed, to some extent, from lower gas sales, net of weather normalization, primarily in Kansas and Oklahoma because of warmer temperatures. Also, there were diminished fees associated with collection activities and late payments mainly related to moratoriums on disconnects for nonpayment in response to COVID-19. (Notably, expenses incurred due to the pandemic are eligible for future recovery under regulatory orders the company received in each of its jurisdictions.) Meanwhile, the company benefited from new rates (including in Kansas and Texas) plus a rise in residential sales (supported by net customer growth). Still, it seems that the bottom line will increase only modestly, to $3.56 a share, for the full year, versus the 2019 figure of $3.51. But concerning 2021, the bottom line stands to increase a stronger 4%, to $3.70 a share, if operating margins expand further.

We are constructive about the energy firm's business prospects over the 2023-2025 horizon. It presently ranks as the leading natural gas distributor (as measured by customer count) in both Oklahoma and Kansas, and holds the number-three position in Texas. Moreover, these markets appear to have decent growth possibilities and are located in one of the most active drilling regions in the United States. Also, with a solid balance sheet, ONE Gas ought to be able to meet its working capital requirements, capital expenditures, and other commitments for a while.

The equity has faced some pressure during the past six months. We think that price movement can be traced, to a certain degree, to the company's not-so-exciting results of late. Consider, also, these shares' 4 (Below Average) rank for Timeliness. But capital appreciation potential in the 18-month period and out to mid-decade is solid. Dividend growth prospects are promising, as well, though the yield does not stand out relative to the group average of *Value Line's* Natural Gas Utility Industry.

Frederick L. Harris, III November 27, 2020

(A) Diluted EPS. Excludes nonrecurring gain: 2017, $0.06. Next earnings report due early Feb. Quarterly EPS for 2018 don't add up due to rounding.
(B) Dividends historically paid in early March, June, Sept., and Dec. ■ Dividend reinvestment plan. Direct stock purchase plan.
(C) In millions.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	100

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SOUTH JERSEY INDS. NYSE-SJI

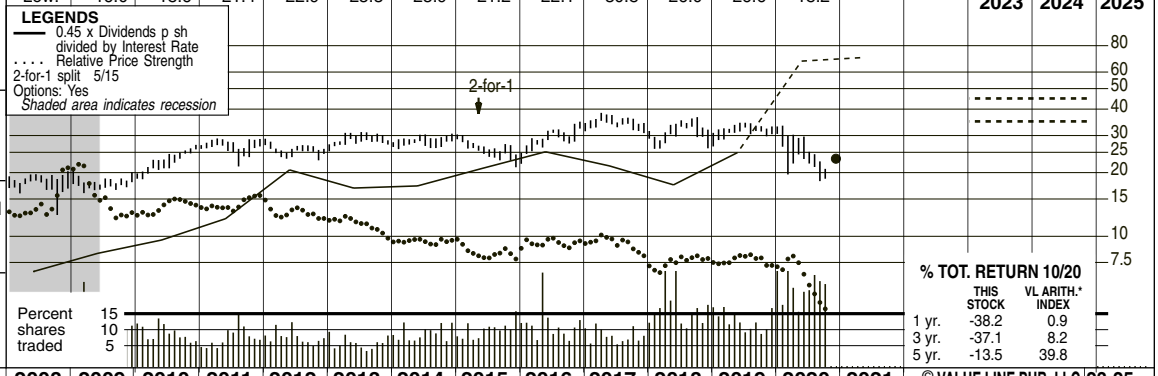
RECENT PRICE **23.26** | P/E RATIO **13.4** (Trailing: 15.1 Median: 19.0) | RELATIVE P/E RATIO **0.64** | DIV'D YLD **5.3%** | VALUE LINE

TIMELINESS 3 Lowered 7/20/18
SAFETY 3 Lowered 11/27/20
TECHNICAL 3 Raised 4/24/20
BETA 1.05 (1.00 = Market)

High:	20.4	27.1	29.0	29.0	31.1	30.6	30.4	34.8	38.4	36.7	34.5	33.4
Low:	16.0	18.6	21.4	22.9	25.3	25.9	21.2	22.1	30.8	26.0	26.6	18.2

Target Price Range 2023 | 2024 | 2025

LEGENDS
— 0.45 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 5/15
Options: Yes
Shaded area indicates recession



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$18-$50	$34 (45%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+95%)	22%
Low	35	(+50%)	15%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	124	108	88
to Sell	95	125	110
Hld's(000)	79196	78322	83521

% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-38.2	0.9
3 yr.	-37.1	8.2
5 yr.	-13.5	39.8

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	13.52	13.04	15.63	19.20	17.63	*15.60*	*16.25*	Revenues per sh	*19.55*
1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	2.42	2.67	2.79	2.91	2.56	*2.70*	*2.90*	"Cash Flow" per sh	*3.85*
.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	1.44	1.34	1.23	1.38	1.12	*1.65*	*1.80*	Earnings per sh A	*2.50*
.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	1.06	1.10	1.13	1.16	*1.20*	*1.25*	Div'ds Decl'd per sh B ■	*1.40*
1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	4.87	3.50	3.43	3.99	5.46	*4.95*	*5.85*	Cap'l Spending per sh	*7.25*
6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	14.62	16.22	14.99	14.82	15.41	*16.60*	*17.25*	Book Value per sh C	*20.45*
55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	70.97	79.48	79.55	85.51	92.39	*101.00*	*103.00*	Common Shs Outst'g D	*110.00*
14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	17.9	21.7	27.9	22.6	28.3	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	.90	1.14	1.40	1.22	1.53	*Value Line*		Relative P/E Ratio	*.90*
3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	3.9%	3.6%	3.2%	3.6%	3.7%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 9/30/20
Total Debt $3271.4 mill. **Due in 5 Yrs** $1045 mill.
LT Debt $2531.6 mill. **LT Interest** $100 mill.

Leases, Uncapitalized Annual rentals $1.2 mill.
Pension Assets-12/19 $312.5 mill. **Oblig.** $439.4 mill.

Pfd Stock None

Common Stock 100,590,307 shs. **as of 11/1/20**

MARKET CAP: $2.3 billion (Mid Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
925.1	828.6	706.3	731.4	887.0	959.6	1036.5	1243.1	1641.3	1628.6	*1575*	*1675*	Revenues ($mill)	*2150*
81.0	87.0	93.3	97.1	104.0	99.0	102.8	98.1	116.2	103.0	*165*	*180*	Net Profit ($mill)	*275*
15.2%	22.4%	10.8%	- -	- -	5.9%	42.0%	- -	- -	22.0%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
8.8%	10.5%	13.2%	13.3%	11.7%	10.3%	9.9%	7.9%	7.1%	6.3%	*10.5%*	*10.7%*	Net Profit Margin	*12.8%*
37.4%	40.5%	45.0%	45.1%	48.0%	49.2%	38.5%	48.5%	62.4%	59.2%	*61.0%*	*61.0%*	Long-Term Debt Ratio	*59.0%*
62.6%	59.5%	55.0%	54.9%	52.0%	50.8%	61.5%	51.5%	37.6%	40.8%	*39.0%*	*39.0%*	Common Equity Ratio	*41.0%*
910.1	1048.3	1337.6	1507.4	1791.9	2043.9	2097.2	2315.4	3373.9	3493.9	*4275*	*4575*	Total Capital ($mill)	*5500*
1193.3	1352.4	1578.0	1859.1	2134.1	2448.1	2623.8	2700.2	3653.5	4073.5	*4350*	*4700*	Net Plant ($mill)	*5600*
9.5%	8.9%	7.4%	6.8%	6.4%	5.4%	5.4%	5.1%	4.4%	4.0%	*5.0%*	*5.0%*	Return on Total Cap'l	*6.0%*
14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	8.2%	9.2%	7.2%	*10.0%*	*10.0%*	Return on Shr. Equity	*12.0%*
14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	8.2%	9.2%	7.2%	*10.0%*	*10.0%*	Return on Com Equity	*12.0%*
7.1%	6.7%	5.8%	4.8%	4.3%	2.8%	1.6%	.9%	1.7%	NMF	*2.5%*	*3.0%*	Retained to Com Eq	*5.5%*
50%	52%	55%	59%	61%	71%	80%	89%	82%	104%	*73%*	*72%*	All Div'ds to Net Prof	*56%*

CURRENT POSITION ($MILL.)	2018	2019	9/30/20
Cash Assets	30.0	6.4	10.1
Other	633.2	646.1	344.7
Current Assets	663.2	652.5	354.8
Accts Payable	410.5	232.2	162.8
Debt Due	1004.4	1316.6	739.8
Other	165.9	183.1	201.1
Current Liab.	1580.8	1731.9	1103.7
Fix. Chg. Cov.	112%	176%	216%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	- -	6.0%	*2.0%*
"Cash Flow"	5.0%	3.5%	*6.0%*
Earnings	1.5%	-2.5%	*12.5%*
Dividends	8.0%	6.0%	*3.5%*
Book Value	6.5%	6.0%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	425.8	244.4	227.1	345.8	1243.1
2018	521.9	227.3	302.5	589.6	1641.3
2019	637.3	266.9	261.2	463.2	1628.6
2020	534.1	260.0	261.5	*519.4*	*1575*
2021	*575*	*285*	*285*	*530*	*1675*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	.72	.06	d.05	.50	1.23
2018	1.19	.07	d.27	.39	1.38
2019	1.09	d.13	d.30	.46	1.12
2020	1.15	d.01	d.06	*.57*	*1.65*
2021	*1.20*	*.02*	*d.05*	*.63*	*1.80*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	- -	.264	.264	.536	1.06
2017	- -	.273	.273	.553	1.10
2018	- -	.280	.280	.567	1.13
2019	- -	.287	.287	.582	1.16
2020	- -	.295	.295	.295	

BUSINESS: South Jersey Industries, Inc. is a holding company. The company distributes natural gas in New Jersey and Maryland. South Jersey Gas rev. mix '19: residential, 47%; commercial, 23%; cogen. and electric gen., 12%; industrial, 18%. Acq. Elizabethtown Gas and Elkton Gas, 7/18. Nonutil. operations include South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 1,100 employees. Off./dir. own less than 1% of common; BlackRock, 15.5%; The Vanguard Group, 11.4% (3/20 proxy). Pres. & CEO: Michael J. Renna. Chairman: Joseph M. Rigby. Inc.: NJ. Addr.: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have perked up in price over the past three months. The company reported much-improved bottom-line results for the third quarter. The top line was roughly flat compared with the prior-year level. However, operating expenses decreased, and the share deficit narrowed considerably, to $0.06. (Losses are common here for the September period.) Looking forward, favorable earnings comparisons probably continued for the fourth quarter, aided by a decrease in costs. All told, we anticipate that earnings per share of $1.65 at South Jersey for full-year 2020 will compare favorably with the prior-year tally.

We envision solid results for the coming years. The company's utility businesses ought to further benefit from growth in the customer base. Infrastructure investments will allow South Jersey to modernize its system and meet increasing demand for natural gas within its service territories. Infrastructure replacement programs allow the company to earn an authorized return on approved investments. Regulatory initiatives should also bear fruit. Elsewhere, we look for better results on the nonutility side. Performance at the Energy Group business ought to be driven by fuel management and a reshaped wholesale portfolio. The Energy Services operation will probably further benefit from solar investment in support of the New Jersey Master Plan, along with legacy energy production activities. The Midstream business will continue to invest in long-term contracted energy infrastructure projects, such as the PennEast Pipeline.

This stock does not stand out for year-ahead relative price performance. That said, utility investors with a long time horizon might find something to like here. We anticipate greater revenues and significant growth in earnings per share for the company over the pull to mid-decade. The payout should also increase at a steady pace. From the recent quotation, these shares offer attractive long-term total return potential. This is aided by a relatively generous dividend yield. On top of that, South Jersey Industries earns favorable marks for Price Stability and Earnings Predictability.

Michael Napoli, CFA *November 27, 2020*

(A) Based on economic egs. from 2007. GAAP EPS: '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46; '15, $1.52; '16, $1.56; '17, ($0.04); '18, $0.21; '19, $0.84. Excl. nonrecur. gain (loss): '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11); '15, $0.08; '16, $0.22; '17, ($1.27); '18, ($1.17); '19, ($0.28). Next egs. rpt. due late February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2019: $665.9 mill., $7.21 per shr. (D) In mill., adj. for split.

Company's Financial Strength	B++
Stock's Price Stability	70
Price Growth Persistence	15
Earnings Predictability	65

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SOUTHWEST GAS NYSE-SWX

RECENT PRICE **70.44** | P/E RATIO **16.2** (Trailing: 17.7 Median: 18.0) | RELATIVE P/E RATIO **0.77** | DIV'D YLD **3.3%** | VALUE LINE

TIMELINESS 2 Raised 11/27/20
SAFETY 3 Lowered 1/4/91
TECHNICAL 4 Lowered 11/27/20
BETA .95 (1.00 = Market)

High:	29.5	37.3	43.2	46.1	56.0	64.2	63.7	79.6	86.9	86.0	92.9	81.6
Low:	17.1	26.3	32.1	39.0	42.0	47.2	50.5	53.5	72.3	62.5	73.3	45.7

Target Price Range
2023 | 2024 | 2025

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$48-$116	$82 (15%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	120	(+70%)	17%
Low	80	(+15%)	7%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	155	118	130
to Sell	136	155	123
Hld's(000)	47563	47511	48082

% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-22.9	0.9
3 yr.	-13.9	8.2
5 yr.	21.4	39.8

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	52.00	51.82	53.00	54.31	56.72	*57.65*	*59.30*	Revenues per sh	*65.40*
5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	8.62	9.29	8.83	8.14	9.40	*9.90*	*10.50*	"Cash Flow" per sh	*13.45*
1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	2.92	3.18	3.62	3.68	3.94	*4.00*	*4.45*	Earnings per sh A	*6.25*
.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	1.62	1.80	1.98	2.08	2.18	*2.26*	*2.35*	Div'ds Decl'd per sh B■†	*2.65*
8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	10.30	11.15	12.97	14.44	17.06	*14.05*	*16.95*	Cap'l Spending per sh	*23.10*
19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	33.61	35.03	37.74	42.47	45.56	*47.80*	*50.85*	Book Value per sh	*61.55*
36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	47.38	47.48	48.09	53.03	55.01	*57.00*	*59.00*	Common Shs Outst'g C	*65.00*
14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	19.4	21.6	22.2	20.6	21.3	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	.98	1.13	1.12	1.11	1.15	*Value Line*		Relative P/E Ratio	*.90*
3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	2.9%	2.6%	2.5%	2.7%	2.6%	*estimates*		Avg Ann'l Div'd Yield	*2.7%*

CAPITAL STRUCTURE as of 9/30/20
Total Debt $2784.6 mill. **Due in 5 Yrs** $898.8 mill.
LT Debt $2685.7 mill. **LT Interest** $100.0 mill.
(Total interest coverage: 3.6x) (50% of Cap'l)
Leases, Uncapitalized Annual rentals $13.0 mill.
Pension Assets-12/19 $1027.8 mill. **Oblig.** $1405.7 mill.
Pfd Stock None

Common Stock 56,464,880 shs. as of 10/30/20

MARKET CAP: $4.0 billion (Mid Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
1830.4	1887.2	1927.8	1950.8	2121.7	2463.6	2460.5	2548.8	2880.0	3119.9	*3285*	*3500*	Revenues ($mill)	*4250*
103.9	112.3	133.3	145.3	141.1	138.3	152.0	173.8	182.3	213.9	*225*	*260*	Net Profit ($mill)	*395*
34.7%	36.2%	36.2%	35.0%	35.7%	36.4%	33.9%	32.8%	25.3%	20.5%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
5.7%	6.0%	6.9%	7.4%	6.7%	5.6%	6.2%	6.8%	6.3%	6.9%	*6.8%*	*7.4%*	Net Profit Margin	*9.3%*
49.1%	43.2%	49.2%	49.4%	52.4%	49.3%	48.2%	49.8%	48.3%	47.9%	*50.0%*	*50.0%*	Long-Term Debt Ratio	*44.5%*
50.9%	56.8%	50.8%	50.6%	47.6%	50.7%	51.8%	50.2%	51.7%	52.1%	*50.0%*	*50.0%*	Common Equity Ratio	*55.5%*
2291.7	2155.9	2576.9	2793.7	3123.9	3143.5	3213.5	3613.3	4359.3	4806.4	*5475*	*6000*	Total Capital ($mill)	*7200*
3072.4	3218.9	3343.8	3486.1	3658.4	3891.1	4132.0	4523.7	5093.2	5685.2	*6200*	*6700*	Net Plant ($mill)	*8000*
6.1%	6.4%	6.4%	6.3%	5.7%	5.5%	5.8%	5.8%	5.2%	5.4%	*5.0%*	*5.0%*	Return on Total Cap'l	*6.5%*
8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	9.6%	8.1%	8.5%	*8.5%*	*8.5%*	Return on Shr. Equity	*10.0%*
8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	9.6%	8.1%	8.5%	*8.5%*	*8.5%*	Return on Com Equity	*10.0%*
5.1%	5.3%	6.1%	6.1%	5.0%	4.0%	4.1%	4.5%	3.6%	3.9%	*3.5%*	*4.0%*	Retained to Com Eq	*5.5%*
43%	43%	40%	41%	47%	54%	55%	53%	55%	54%	*57%*	*53%*	All Div'ds to Net Prof	*44%*

CURRENT POSITION ($MILL.)	2018	2019	9/30/20
Cash Assets	85.4	49.5	23.9
Other	754.4	810.4	708.9
Current Assets	839.8	859.9	732.8
Accts Payable	249.0	238.9	175.5
Debt Due	185.1	374.5	98.9
Other	504.5	466.5	564.8
Current Liab.	938.6	1079.9	839.2
Fix. Chg. Cov.	370%	340%	259%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	1.5%	5.0%	*3.0%*
"Cash Flow"	4.0%	1.5%	*7.5%*
Earnings	8.0%	4.5%	*9.0%*
Dividends	8.5%	9.5%	*4.0%*
Book Value	6.0%	6.5%	*6.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	654.7	560.5	593.2	740.4	2548.8
2018	754.3	670.9	668.1	786.7	2880.0
2019	833.6	713.0	725.2	848.1	3119.9
2020	836.3	757.2	791.2	*900.3*	*3285*
2021	*875*	*825*	*850*	*950*	*3500*

Cal-endar	EARNINGS PER SHARE A D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	1.45	.37	.21	1.58	3.62
2018	1.63	.44	.25	1.36	3.68
2019	1.77	.41	.10	1.67	3.94
2020	1.31	.68	.32	*1.69*	*4.00*
2021	*1.70*	*.65*	*.32*	*1.78*	*4.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.405	.450	.450	.450	1.76
2017	.450	.495	.495	.495	1.94
2018	.495	.520	.520	.520	2.06
2019	.520	.545	.545	.545	2.16
2020	.545	.570	.570		

BUSINESS: Southwest Gas Holdings, Inc. is the parent holding company of Southwest Gas and Centuri Group. Southwest Gas is a regulated gas distributor serving about 2.1 million customers in parts of Arizona, Nevada, and California. Centuri provides construction services. 2019 margin mix: residential and small commercial, 84%; large commercial and industrial, 3%; transportation, 13%. Total throughput: 2.3 billion therms. Has 8,944 employees. Off. & dir. own .8% of common stock; BlackRock, Inc., 13.5%; The Vanguard Group, Inc., 10.3%; T.Rowe Price Assoc., Inc., 6.8% (3/20 Proxy). Chairman: Michael J. Melarkey. Pres. & CEO: John P. Hester. Inc.: DE. Address: 8360 S. Durango Drive, P.O. Box 98510 Las Vegas, Nevada 89193. Tel.: 702-876-7237. Web: www.swgas.com.

Southwest Gas reported strong results for the third quarter. The top line advanced roughly 9%, on a year-to-year basis. Although operating expenses also increased, earnings per share of $0.32 improved markedly from the prior-year tally. The utility infrastructure services business posted net income of $34.9 million for the period, compared with the prior-year figure of $25.8 million. This business benefited from growing core customer demands, as it provided emergency restoration services to its electric customers following regional storms. The natural gas utility business reported a narrower loss of $16 million for the quarter, compared with the year-ago level of $20 million. Losses are not uncommon for this business in the September period. Looking forward, Southwest Gas will likely report solid bottom-line results for the fourth quarter, though we don't expect much in the way of growth given the impressive figure generated in the year-ago period.

Long-term prospects appear to be relatively favorable here. Southwest's utility business will probably further benefit from growth in the customer base. This operation continues to make significant infrastructure installation progress in support of its service territory expansions in both northern and southern Nevada. Rate relief will probably also provide support. Elsewhere, the company's infrastructure services business ought to perform quite well in the years ahead. This business should be able to capitalize on the ongoing need for utilities to replace aging infrastructure. It has a robust client base, many with multiyear pipeline replacement programs.

This stock is ranked to outperform the broader market averages for the coming six to 12 months. We anticipate healthy growth in revenues and earnings per share for the company for the pull to mid-decade. From the recent quotation, this equity offers decent long-term total return potential. Dividend growth should continue to be steady in the coming years, assuming earnings come through as projected. Southwest Gas earns attractive marks for Financial Strength, Price Stability, Growth Persistence, and Earnings Predictability.

Michael Napoli, CFA *November 27, 2020*

(A) Diluted earnings. Excl. nonrec. gains (losses): '05, (11¢); '06, 7¢. Next egs. report due late February. **(B)** Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. **(C)** In millions. **(D)** Totals may not sum due to rounding.

Company's Financial Strength	A
Stock's Price Stability	80
Price Growth Persistence	65
Earnings Predictability	95

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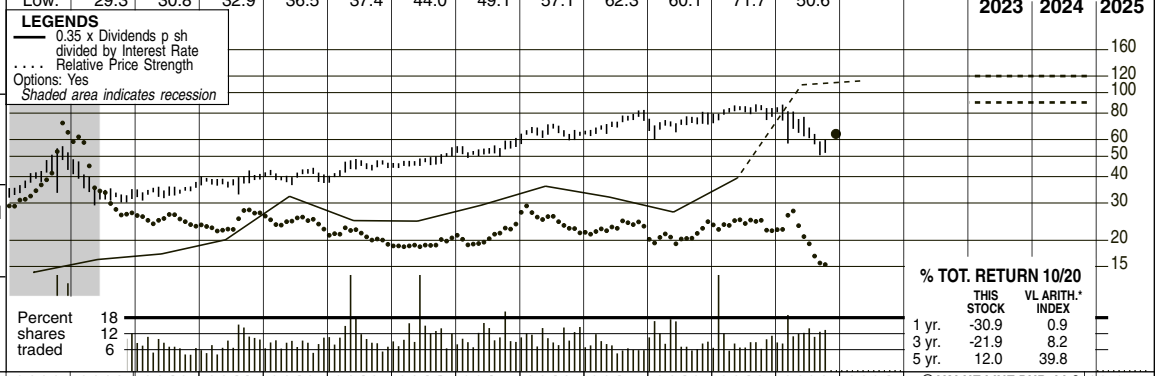
SPIRE INC. NYSE-SR

RECENT PRICE **63.76** | P/E RATIO **17.6** (Trailing: NMF, Median: 18.0) | RELATIVE P/E RATIO **0.84** | DIV'D YLD **4.1%** | VALUE LINE

TIMELINESS 4 Lowered 11/27/20
SAFETY 2 Raised 6/20/03
TECHNICAL 5 Lowered 11/27/20
BETA .85 (1.00 = Market)

High:	48.3	37.8	42.8	44.0	48.5	55.2	61.0	71.2	82.9	81.1	88.0	88.0
Low:	29.3	30.8	32.9	36.5	37.4	44.0	49.1	57.1	62.3	60.1	71.7	50.6

Target Price Range 2023 | 2024 | 2025



18-Month Target Price Range
Low-High: $44-$106 | Midpoint (% to Mid): $75 (20%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	120	(+90%)	20%
Low	90	(+40%)	12%

Institutional Decisions

	4Q2019	1Q2020	2Q2020
to Buy	127	120	127
to Sell	114	116	130
Hld's(000)	42195	42039	40679

% TOT. RETURN 10/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-30.9	0.9
3 yr.	-21.9	8.2
5 yr.	12.0	39.8

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	33.68	36.07	38.78	38.30	*35.70*	*36.75*	Revenues per sh A	*58.20*
2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	6.16	6.54	7.55	7.12	*5.50*	*7.25*	"Cash Flow" per sh	*9.75*
1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	3.24	3.43	4.33	3.52	1.44	*3.30*	Earnings per sh A B	*5.15*
1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	1.96	2.10	2.25	2.37	2.49	*2.60*	Div'ds Decl'd per sh C■	*3.00*
2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	6.42	9.08	9.86	16.15	*12.30*	*11.25*	Cap'l Spending per sh	*10.35*
16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	38.73	41.26	44.51	45.14	*48.50*	*53.50*	Book Value per sh D	*72.00*
20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	45.65	48.26	50.67	50.97	*52.00*	*52.50*	Common Shs Outst'g E	*55.00*
15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	19.6	19.8	16.7	22.8	NMF		Avg Ann'l P/E Ratio	*20.5*
.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83	1.03	1.00	.90	1.24	NMF		Relative P/E Ratio	*1.15*
4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	3.1%	3.1%	3.1%	3.0%	3.4%		Avg Ann'l Div'd Yield	*2.9%*

1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	1537.3	1740.7	1965.0	1952.4	1855.4	*1930*	Revenues ($mill) A	*3200*
54.0	63.8	62.6	52.8	84.6	136.9	144.2	161.6	214.2	184.6	88.6	*175*	Net Profit ($mill)	*285*
33.4%	31.4%	29.6%	25.0%	27.6%	31.2%	32.5%	32.4%	32.4%	15.7%	12.3%	*16.0%*	Income Tax Rate	*23.5%*
3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	9.4%	9.3%	10.9%	9.5%	4.8%	*9.1%*	Net Profit Margin	*8.9%*
40.5%	38.9%	36.1%	46.6%	55.1%	53.0%	50.9%	50.0%	45.7%	45.0%	*49.0%*	*48.0%*	Long-Term Debt Ratio	*45.0%*
59.5%	61.1%	63.9%	53.4%	44.9%	47.0%	49.1%	50.0%	54.3%	55.0%	*51.0%*	*52.0%*	Common Equity Ratio	*55.0%*
899.9	937.7	941.0	1959.0	3359.4	3345.1	3601.9	3986.3	4155.5	4625.6	*4945*	*5400*	Total Capital ($mill)	*7200*
884.1	928.7	1019.3	1776.6	2759.7	2941.2	3300.9	3665.2	3970.5	4352.0	*4680*	*5070*	Net Plant ($mill)	*6500*
7.4%	8.1%	7.9%	3.3%	3.1%	5.1%	4.9%	5.0%	6.3%	5.1%	*3.5%*	*4.5%*	Return on Total Cap'l	*5.5%*
10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	7.3%	*3.5%*	*6.0%*	Return on Shr. Equity	*7.0%*
10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	7.9%	*3.5%*	*6.0%*	Return on Com Equity	*7.0%*
3.6%	4.9%	4.3%	1.0%	1.5%	3.7%	3.3%	3.3%	4.7%	2.7%	*NMF*	*1.5%*	Retained to Com Eq	*3.0%*
64%	56%	59%	81%	73%	58%	59%	60%	51%	66%	*NMF*	*79%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 6/30/20
Total Debt $2961.3 mill. **Due in 5 Yrs** $725.0 mill.
LT Debt $2478.3 mill. **LT Interest** $120.0 mill.
(Total interest coverage: 3.1x)

Leases, Uncapitalized Annual rentals $8.2 mill.
Pension Assets-9/19 $521.8 mill. **Oblig.** $751.4 mill.
Pfd Stock $242.0 mill. **Pfd Div'd** $3.4 mill.
Common Stock 51,482,424 shs. as of 7/31/20

MARKET CAP: $3.3 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2018	2019	6/30/20
Cash Assets	4.4	5.8	7.4
Other	655.2	608.7	551.9
Current Assets	659.6	614.5	559.3
Accts Payable	290.1	301.5	200.8
Debt Due	729.1	783.2	483.0
Other	302.5	384.1	424.0
Current Liab.	1321.7	1468.8	1107.8
Fix. Chg. Cov.	284%	272%	275%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-8.5%	-1.0%	*7.5%*
"Cash Flow"	5.5%	13.0%	*5.5%*
Earnings	3.5%	9.5%	*5.5%*
Dividends	4.0%	5.5%	*5.0%*
Book Value	7.0%	7.0%	*8.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2017	495.1	663.4	323.5	258.7	1740.7
2018	561.8	813.4	350.6	239.2	1965.0
2019	602.0	803.5	321.3	225.6	1952.4
2020	566.9	715.5	321.1	251.9	1855.4
2021	*580*	*760*	*340*	*250*	*1930*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2017	.99	2.36	.45	d.28	3.43
2018	2.39	2.03	.52	d.51	4.33
2019	1.32	3.04	d.09	d.74	3.52
2020	1.24	2.54	d1.87	d.45	1.44
2021	*1.27*	*2.61*	*.20*	*d.78*	*3.30*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.49	.49	.49	.49	1.96
2017	.525	.525	.525	.525	2.10
2018	.5625	.5625	.5625	.5625	2.25
2019	.5925	.5925	.5925	.5925	2.37
2020	.6225	.6225	.6225	.6225	

BUSINESS: Spire Inc., formerly known as the Laclede Group, Inc., is a holding company for natural gas utilities, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City, Alabama, and Mississippi. Has roughly 1.7 million customers. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2019: 3.4 bill. Revenue mix for regulated operations: residential, 68%; commercial and industrial, 23%; transportation, 6%; other, 3%. Has about 3,536 employees. Officers and directors own 2.9% of common shares; BlackRock, 15.0% (1/20 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Tel.: 314-342-0500. Internet: www.spireenergy.com.

Spire Inc. stands to stage a big earnings rebound in fiscal 2021. (The year started on October 1st.) This is based partially on our assumption that COVID-19 has a less severe effect on the company. Notably, in last year's third quarter, it recorded a total pre-tax impairment charge of $148.6 million, equivalent to $2.29 a share after tax, attributed primarily to the writedown of the value of storage assets and, to a lesser degree, two commercial compressed natural gas fueling stations. (Spire states, however, that it is pursuing potential regulatory mechanisms to help offset the damage from the health crisis.) So, at this juncture, it appears that share net will jump more than twofold, to $3.30, compared to the fiscal 2020 figure of $1.44. If operating margins widen further, profits may advance another 7%, to $3.55 a share, the following year.

Capital expenditures for last year were around $638 million. (That marked a significant decrease from the fiscal 2019 figure of $823 million, reflecting the completion of the Spire STL Pipeline.) Funds were allocated to such areas as infrastructure upgrades at the utilities and new business development initiatives. For fiscal 2021, spending is currently expected to be around $590 million. Management looks for total expenditures over the 2021-2025 period to be some $3.0 billion, which seems reasonable.

***Value Line* continues to be upbeat, in general, about the energy firm's operating performance out to mid-decade.** The gas utilities boast 1.7 million customers in Mississippi, Alabama, and Missouri, providing a measure of regional diversity. Furthermore, the other operations, particularly pipelines, hold promising potential. Additional expansionary projects and technological enhancements in customer service and elsewhere ought to help, too. Finally, Spire's decent finances make acquisitions possible. The usual risks include unfortunate events like leaks and pipeline ruptures.

The stock, though untimely, has some appealing qualities. Consider the dividend yield and payout growth prospects. Capital gains potential in both the 18-month period and out to 2023-2025 is solid, too.

Frederick L. Harris, III November 27, 2020

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late Jan. (C) Dividends paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '19: $1,171.6 mill., $22.99/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	60
Earnings Predictability	50

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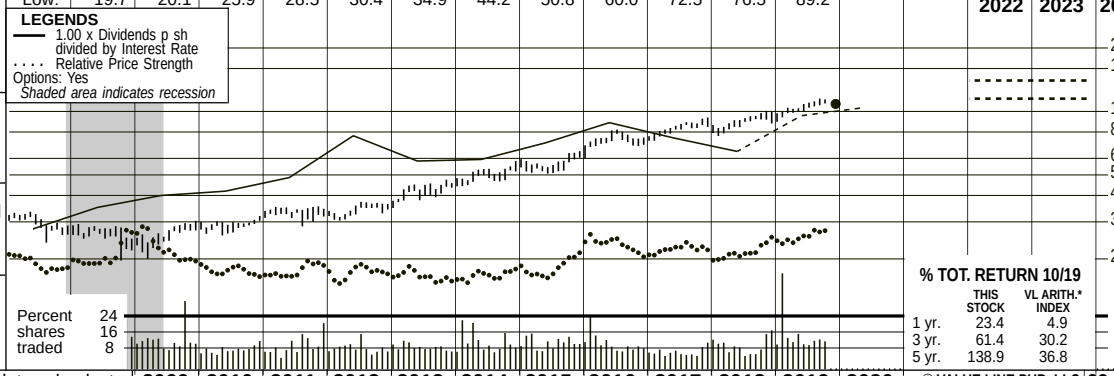
ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE **108.64** | P/E RATIO **23.9** (Trailing: 24.9 Median: 16.0) | RELATIVE P/E RATIO **1.37** | DIV'D YLD **2.1%** | VALUE LINE

TIMELINESS 3 Lowered 11/30/18
SAFETY 1 Raised 6/6/14
TECHNICAL 2 Raised 11/8/19
BETA .60 (1.00 = Market)

High:	29.3	30.3	32.0	35.6	37.3	47.4	58.2	64.8	82.0	93.6	100.8	115.2
Low:	19.7	20.1	25.9	28.5	30.4	34.9	44.2	50.8	60.0	72.5	76.5	89.2

Target Price Range
2022 | 2023 | 2024



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$102-$137	$120 (10%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	140	(+30%)	9%
Low	115	(+5%)	4%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	232	243	231
to Sell	177	204	206
Hld's(000)	92261	96087	99796

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	23.4	4.9
3 yr.	61.4	30.2
5 yr.	138.9	36.8

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
53.69	53.12	48.15	38.10	42.88	49.22	40.82	32.23	26.01	28.00	*24.20*	*24.80*	Revenues per sh A	*37.95*
4.29	4.64	4.72	4.76	5.14	5.42	5.81	6.19	6.62	7.24	*7.50*	*7.90*	"Cash Flow" per sh	*9.20*
1.97	2.16	2.26	2.10	2.50	2.96	3.09	3.38	3.60	4.00	4.35	*4.60*	Earnings per sh AB	*5.60*
1.32	1.34	1.36	1.38	1.40	1.48	1.56	1.68	1.80	1.94	2.10	*2.30*	Div'ds Decl'd per sh C■	*2.80*
5.51	6.02	6.90	8.12	9.32	8.32	9.61	10.46	10.72	13.19	*14.15*	*15.20*	Cap'l Spending per sh	*13.80*
23.52	24.16	24.98	26.14	28.47	30.74	31.48	33.32	36.74	42.87	*47.95*	*48.90*	Book Value per sh	*56.05*
92.55	90.16	90.30	90.24	90.64	100.39	101.48	103.93	106.10	111.27	*120.00*	*125.00*	Common Shs Outst'g D	*145.00*
12.5	13.2	14.4	15.9	15.9	16.1	17.5	20.8	22.0	21.7	23.2		Avg Ann'l P/E Ratio	*23.0*
.83	.84	.90	1.01	.89	.85	.88	1.09	1.11	1.17	1.30		Relative P/E Ratio	*1.30*
5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%	2.4%	2.3%	2.2%	2.1%		Avg Ann'l Div'd Yield	*2.2%*
4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	3349.9	2759.7	3115.5	2901.8	*3100*	Revenues ($mill) A	*5500*
179.7	201.2	199.3	192.2	230.7	289.8	315.1	350.1	382.7	444.3	511.4	*575*	Net Profit ($mill)	*815*
34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	36.4%	36.6%	27.0%	21.4%	*22.0%*	Income Tax Rate	*24.0%*
3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	10.5%	13.9%	14.3%	17.6%	*18.5%*	Net Profit Margin	*14.8%*
49.9%	45.4%	49.4%	45.3%	48.8%	44.3%	43.5%	38.7%	44.0%	34.3%	*38.0%*	*37.0%*	Long-Term Debt Ratio	*35.0%*
50.1%	54.6%	50.6%	54.7%	51.2%	55.7%	56.5%	61.3%	56.0%	65.7%	*62.0%*	*63.0%*	Common Equity Ratio	*65.0%*
4346.2	3987.9	4461.5	4315.5	5036.1	5542.2	5650.2	5651.8	6965.7	7263.6	*9280*	*9700*	Total Capital ($mill)	*12500*
4439.1	4793.1	5147.9	5475.6	6030.7	6725.9	7430.6	8280.5	9259.2	10371	*11790*	*12900*	Net Plant ($mill)	*15800*
5.9%	6.9%	6.1%	6.1%	5.9%	6.4%	6.6%	7.2%	6.4%	6.9%	*6.5%*	*7.0%*	Return on Total Cap'l	*7.5%*
8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	9.8%	9.3%	*9.0%*	*9.5%*	Return on Shr. Equity	*10.0%*
8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	9.8%	9.3%	*9.0%*	*9.5%*	Return on Com Equity	*10.0%*
2.7%	3.5%	3.3%	2.8%	4.0%	4.7%	4.9%	5.1%	4.9%	4.8%	*4.5%*	*4.5%*	Retained to Com Eq	*5.0%*
68%	62%	62%	65%	56%	50%	51%	50%	50%	48%	*48%*	*50%*	All Div'ds to Net Prof	*50%*

CAPITAL STRUCTURE as of 6/30/19
Total Debt $3729.0 mill. **Due in 5 Yrs** $1150.0 mill.
LT Debt $3529.1 mill. **LT Interest** $200.0 mill.
(LT interest earned: 6.7x; total interest coverage: 6.7x)
Leases, Uncapitalized Annual rentals $17.7 mill.
Pfd Stock None
Pension Assets-9/18 $531.7 mill. **Oblig.** $504.7 mill.
Common Stock 118,200,689 shs. **as of 7/31/19**
MARKET CAP: $12.8 billion (Large Cap)

CURRENT POSITION ($MILL.)	2017	2018	6/30/19
Cash Assets	26.4	13.8	46.2
Other	513.2	465.1	457.3
Current Assets	539.6	478.9	503.5
Accts Payable	233.0	217.3	206.5
Debt Due	447.7	1150.8	199.9
Other	332.7	547.0	495.0
Current Liab.	1013.4	1915.1	901.4
Fix. Chg. Cov.	805%	926%	915%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	-9.0%	-8.0%	*5.0%*
"Cash Flow"	5.0%	6.5%	*5.5%*
Earnings	6.5%	10.0%	*7.5%*
Dividends	3.5%	5.5%	*7.5%*
Book Value	5.5%	7.0%	*7.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	906.2	1132.3	632.9	678.5	3349.9
2017	780.2	988.2	526.5	464.8	2759.7
2018	889.2	1219.4	562.2	444.7	3115.5
2019	877.8	1094.6	485.7	443.7	2901.8
2020	*900*	*1150*	*590*	*460*	*3100*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	1.00	1.38	.69	.33	3.38
2017	1.08	1.52	.67	.34	3.60
2018	1.40	1.57	.64	.41	4.00
2019	1.38	1.82	.68	.49	4.35
2020	*1.48*	*1.80*	*.77*	*.55*	*4.60*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.39	.39	.39	.42	1.59
2016	.42	.42	.42	.45	1.71
2017	.45	.45	.45	.485	1.84
2018	.485	.485	.485	.525	1.98
2019	.525	.525	.525	.575	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to over three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for fiscal 2018: 66%, residential; 28%, commercial; 5%, industrial; and 1% other. The company sold Atmos Energy Marketing, 1/17. Officers and directors own approximately 1.4% of common stock (12/18 Proxy). President and Chief Executive Officer: Kevin Akers. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

We anticipate another earnings increase for Atmos Energy Corporation in fiscal 2020. (The year began on October 1st.) The natural gas distribution segment, which comprises the bulk of total revenues, stands to benefit from heightened consumption levels, if weather conditions across the service territories are generally favorable. Moreover, there ought to be a decent performance from the pipeline and storage division. Right now, it appears that the company's bottom line will advance around 6%, to $4.60 a share, relative to the prior-year tally of $4.35. Concerning fiscal 2021, share net stands to rise at a similar percentage rate, to $4.85, as operating margins expand further.

A new CEO was appointed on September 30th. Michael Haefner stepped down for health reasons. His successor, Kevin Akers, has held various key positions since joining the company almost 30 years ago, including executive vice president and president of both the Kentucky/Mid-States and Mississippi units. All things considered, we believe that Atmos Energy is in capable hands.

Fiscal 2020 capital expenditures are expected to lie between $1.85 billion and $1.95 billion. This would be around 12% higher than the previous-year figure of approximately $1.7 billion, assuming that the midpoint of that range is used. Similar to fiscal 2019, a considerable portion of the resources will be deployed to enhance the safety and reliability of the company's natural gas distribution and transmission systems.

The quarterly common stock dividend was raised approximately 9.5%, to $0.575 a share. Furthermore, our 3- to 5-year projections indicate that additional steady hikes in the distribution will take place. The payout ratio during that span ought to be in the neighborhood of 50%, which appears reasonable.

But these top-quality shares hold unimpressive total return potential. At the recent quotation, capital appreciation possibilities out to 2022-2024 are limited. Too, the dividend yield is lower than the average of *Value Line's* Natural Gas Utility Industry. Meanwhile, the stock is ranked 3 (Average) for Timeliness.

Frederick L. Harris, III November 29, 2019

(A) Fiscal year ends Sept. 30th. **(B)** Diluted shrs. Excl. nonrec. items: '09, 12¢; '10, 5¢; '11, (1¢); '18, $1.43. Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢; '17, 13¢. Next egs. rpt. due early Feb. **(C)** Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. **(D)** In millions. **(E)** Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	95
Earnings Predictability	100

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NEW JERSEY RES. NYSE-NJR

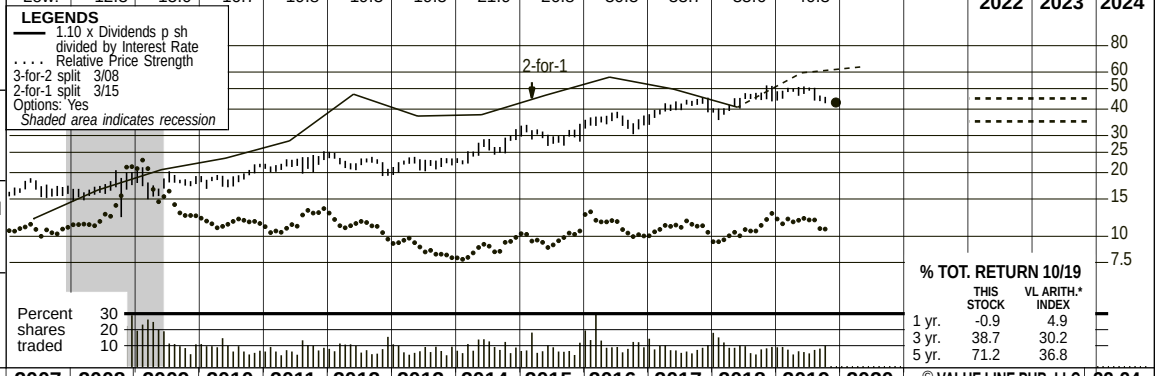
RECENT PRICE **42.98** | P/E RATIO **19.9** (Trailing: 21.8 / Median: 16.0) | RELATIVE P/E RATIO **1.14** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS 3 Lowered 8/17/18
SAFETY 1 Raised 9/15/06
TECHNICAL 3 Lowered 10/25/19
BETA .70 (1.00 = Market)

High:	20.6	21.2	22.0	25.2	25.1	23.8	32.1	34.1	38.9	45.4	51.8	51.2
Low:	12.3	15.0	16.7	19.8	19.3	19.5	21.9	26.8	30.5	33.7	35.6	40.3

Target Price Range
2022 | 2023 | 2024

LEGENDS
— 1.10 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 3/08
2-for-1 split 3/15
Options: Yes
Shaded area indicates recession



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$35-$55	$45 (5%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+5%)	4%
Low	35	(-20%)	-1%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	130	125	127
to Sell	111	117	102
Hld's(000)	59156	59010	60781

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-0.9	4.9
3 yr.	38.7	30.2
5 yr.	71.2	36.8

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
31.14	30.44	38.10	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	29.05	*31.30*	Revenues per sh A	*34.00*
1.19	1.25	1.31	1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	2.52	2.46	2.68	3.74	*2.99*	*3.20*	"Cash Flow" per sh	*3.60*
.79	.85	.88	.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.08	1.78	1.61	1.73	2.74	1.96	*2.15*	Earnings per sh B	*2.35*
.41	.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.98	1.04	1.11	1.19	*1.27*	Div'ds Decl'd per sh C■	*1.49*
.57	.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	3.76	4.15	3.80	4.39	*2.20*	*2.25*	Cap'l Spending per sh	*2.40*
5.13	5.62	5.30	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	*17.50*	*18.50*	Book Value per sh D	*21.30*
81.70	83.22	82.64	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	89.24	*89.50*	Common Shs Outst'g E	*90.00*
14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.7	16.6	21.3	22.4	15.5	24.2		Avg Ann'l P/E Ratio	*17.0*
.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.84	1.12	1.13	.85	1.34		Relative P/E Ratio	*.95*
3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%	2.9%	2.7%	2.7%	2.5%		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 6/30/19
Total Debt $1435.7 mill. **Due in 5 Yrs** $370.4 mill.
LT Debt $1211.8 mill. **LT Interest** $46.3 mill.
Incl. $35.9 mill. capitalized leases.
(LT interest earned: 5.0x; total interest coverage: 5.0x)
Pension Assets-9/18 $357.4 mill. **Oblig.** $495.4 mill.
Pfd Stock None

Common Stock 89,980,410 shs.
as of 8/2/19
MARKET CAP: $3.9 billion (Mid Cap)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		22-24
2592.5	2639.3	3009.2	2248.9	3198.1	3738.1	2734.0	1880.9	2268.6	2915.1	2592.0	*2800*	Revenues ($mill) A	*3060*
101.0	101.8	106.5	112.4	113.7	176.9	153.7	138.1	149.4	240.5	174.9	*195*	Net Profit ($mill)	*215*
27.1%	41.4%	30.2%	7.1%	25.4%	30.2%	26.3%	15.5%	17.2%	NMF	*15.0%*	*15.0%*	Income Tax Rate	*15.0%*
3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	5.6%	7.3%	6.6%	8.3%	*6.8%*	*6.6%*	Net Profit Margin	*7.0%*
39.8%	37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	47.7%	44.6%	45.4%	*43.5%*	*42.5%*	Long-Term Debt Ratio	*40.5%*
60.2%	62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	52.3%	55.4%	54.6%	*56.5%*	*57.5%*	Common Equity Ratio	*59.5%*
1144.8	1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	2230.1	2233.7	2599.6	*2760*	*2880*	Total Capital ($mill)	*3220*
1064.4	1135.7	1295.9	1484.9	1643.1	1884.1	2128.3	2407.7	2609.7	2651.1	*2705*	*2760*	Net Plant ($mill)	*2925*
9.7%	9.7%	9.7%	9.2%	9.0%	12.1%	8.6%	6.9%	7.7%	10.2%	*7.0%*	*7.5%*	Return on Total Cap'l	*7.5%*
14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	17.1%	*11.0%*	*11.5%*	Return on Shr. Equity	*11.0%*
14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	17.1%	*11.0%*	*11.5%*	Return on Com Equity	*11.0%*
7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	7.0%	4.8%	5.0%	10.3%	*4.5%*	*5.0%*	Retained to Com Eq	*4.0%*
50%	52%	55%	55%	59%	40%	50%	60%	59%	40%	61%	*59%*	All Div'ds to Net Prof	*63%*

CURRENT POSITION ($MILL.)	2017	2018	6/30/19
Cash Assets	2.2	1.5	26.3
Other	577.2	768.6	483.6
Current Assets	579.4	770.1	509.9
Accts Payable	280.6	373.5	243.3
Debt Due	431.4	275.5	223.9
Other	90.9	101.9	114.8
Current Liab.	802.9	750.9	582.0
Fix. Chg. Cov.	543%	545%	550%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	-3.5%	-3.5%	*4.0%*
"Cash Flow"	7.0%	8.0%	*3.5%*
Earnings	7.0%	5.5%	*2.5%*
Dividends	7.5%	6.5%	*6.0%*
Book Value	7.0%	8.0%	*6.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	444.3	574.2	393.2	469.2	1880.9
2017	541.1	733.5	457.5	536.5	2268.6
2018	705.3	1019.0	543.4	647.3	2915.1
2019	811.8	866.3	434.9	479.1	2592.0
2020	*860*	*915*	*485*	*540*	*2800*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	.58	.91	.13	d.02	1.61
2017	.47	1.21	.20	d.14	1.73
2018	1.56	1.62	d.09	d.33	2.74
2019	.61	1.27	d.20	.29	1.96
2020	*.68*	*1.33*	*d.14*	*.28*	*2.15*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.23	.23	.23	.24	.93
2016	.24	.24	.24	.255	.98
2017	.255	.255	.255	.273	1.04
2018	.273	.273	.273	.2925	1.11
2019	.2925	.2925	.2925	.3125	

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 547,600 cust. at 9/30/19. Fiscal 2019 volume: 232 bill. cu. ft. (17% interruptible, 17% res., 9% commercial & elec. utility, 40% capacity release programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2018 dep. rate: 2.7%. Has 1,068 empls. Off./dir. own 1.3% of common; BlackRock, 13.2%; Vanguard, 9.7% (12/18 Proxy). Chairman, CEO & President: Laurence M. Downes. Incorporated: New Jersey. Address: 1415 Wyckoff Road, Wall, NJ 07719. Telephone: 732-938-1480. Web: www.njresources.com.

New Jersey Resources recently posted lower-than-expected fiscal 2019 (ended September 30th) financial results. To that end, revenues fell 11.1% on a year-over-year basis, to $2.592 billion. This reflected a 13.8% drop in nonutility volumes and a 2.9% downturn in contributions from its utility operations. This is evident in the decline in overall system throughput for New Jersey Natural Gas (NJNG) of 12%, to 817.1 bcf. Elsewhere, the Natural Gas Distribution business throughput fell 12.8%, to 232.2 bcf. On the margin front, operating expenses increased 100 basis points as a percentage of the top line. On balance, these factors equated to a 28.5% decline in earnings, to $1.96 a share, albeit when viewed against 2018's difficult comparison. Still, this was moderately above our outlook of $1.90.

We look for the company's top and bottom lines to rebound in fiscal 2020. The energy services provider appears poised to register a roughly 8% advance in revenues, to $2.8 billion. This ought to be supported by continued growth at its NJNG division. Those operations added 9,711 new customers last year. What's more, management looks for the company to add 28,000-30,000 additional accounts from fiscal 2020 through fiscal 2022. At the same time, the New Jersey Board of Public Utilities recently approved a rate increase for NJNG of $62.2 million. This represents a 9.6% return on equity for capital expenditures. Meanwhile, the Energy Services, Clean Energy Ventures, and Home Services units should also be nicely additive to overall operations. All told, NJR may well log an almost 10% earnings rise this fiscal year, to $2.15 per share.

The balance sheet is in good shape. At the end of the June quarter, the last period for which financial information was available, cash reserves had risen significantly, to $26.3 million. Too, the long-term debt load ticked modestly lower and represents a relatively conservative 45% of total capital. Finally, an almost 7% increase in the quarterly dividend, to $0.3125, may appeal to income seekers.

These shares appear fairly valued. NJR is trading near the top end of our Target Price Range, suggesting limited upside potential for the pull to 2022-2024.

Bryan J. Fong *November 29, 2019*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly sales and egs may not sum to total due to rounding and change in shares outstanding. Next earnings report due early Feb.
(C) Dividends historically paid in early Jan., April, July, and October. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2018: $368.6 million, $4.20/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	85
Price Growth Persistence	75
Earnings Predictability	45

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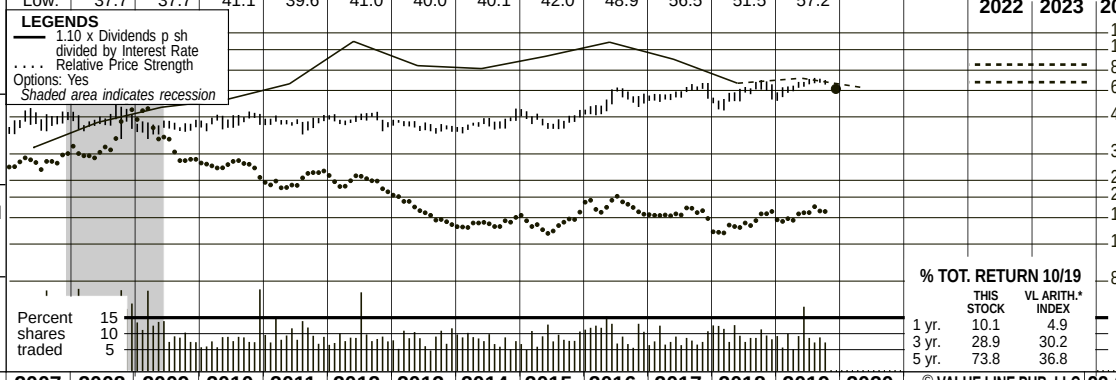
N.W. NATURAL NYSE-NWN

RECENT PRICE **65.16** | P/E RATIO **31.3** (Trailing: 29.2 Median: 21.0) | RELATIVE P/E RATIO **1.79** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS 3 Raised 11/9/18
SAFETY 1 Raised 3/18/05
TECHNICAL 1 Raised 11/29/19
BETA .60 (1.00 = Market)

High:	55.2	46.5	50.9	49.0	50.8	46.6	52.6	52.3	66.2	69.5	71.8	73.5
Low:	37.7	37.7	41.1	39.6	41.0	40.0	40.1	42.0	48.9	56.5	51.5	57.2

Target Price Range
2022 | 2023 | 2024



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$61-$92	$77 (15%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(+30%)	10%
Low	70	(+5%)	5%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	98	112	124
to Sell	95	78	70
Hld's(000)	19492	19999	21542

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.1	4.9
3 yr.	28.9	30.2
5 yr.	73.8	36.8

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	26.39	23.61	26.52	24.45	**24.25**	**25.80**	Revenues per sh	**28.45**
3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	4.91	4.93	1.04	5.28	**4.50**	**5.00**	"Cash Flow" per sh	**6.35**
1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	2.12	d1.94	2.33	**2.10**	**2.40**	Earnings per sh A	**3.50**
1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	1.87	1.88	1.89	**1.90**	**1.91**	Div'ds Decl'd per sh B■	**1.97**
4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	4.37	4.87	7.43	7.43	**6.55**	**6.65**	Cap'l Spending per sh	**6.25**
19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	28.47	29.71	25.85	26.41	**25.90**	**26.85**	Book Value per sh D	**29.40**
25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	27.43	28.63	28.74	28.88	**30.50**	**31.00**	Common Shs Outst'g C	**32.00**
15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	26.9	26.9	26.6	*Bold figures are*		Avg Ann'l P/E Ratio	**22.0**
.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.19	1.41	1.41	1.44	*Value Line*		Relative P/E Ratio	**1.20**
4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	3.3%	3.0%	3.0%	*estimates*		Avg Ann'l Div'd Yield	**2.9%**

1012.7	812.1	848.8	730.6	758.5	754.0	723.8	676.0	762.2	706.1	**740**	**800**	Revenues ($mill)	**910**
75.1	72.7	63.9	59.9	60.5	58.7	53.7	58.9	d55.6	67.3	**65.0**	**75.0**	Net Profit ($mill)	**90.0**
38.3%	40.5%	40.4%	42.4%	40.8%	41.5%	40.0%	40.9%	40.9%	26.4%	**21.0%**	**21.0%**	Income Tax Rate	**21.0%**
7.4%	8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	8.7%	NMF	9.5%	**8.7%**	**9.3%**	Net Profit Margin	**12.3%**
47.7%	46.1%	47.3%	48.5%	47.6%	44.8%	42.5%	44.4%	47.9%	48.1%	**48.0%**	**48.0%**	Long-Term Debt Ratio	**47.5%**
52.3%	53.9%	52.7%	51.5%	52.4%	55.2%	57.5%	55.6%	52.1%	51.9%	**52.0%**	**52.0%**	Common Equity Ratio	**52.5%**
1261.8	1284.8	1356.2	1424.7	1433.6	1389.0	1357.7	1529.8	1426.0	1468.9	**1520**	**1585**	Total Capital ($mill)	**1700**
1670.1	1854.2	1893.9	1973.6	2062.9	2121.6	2182.7	2260.9	2255.0	2421.4	**2520**	**2620**	Net Plant ($mill)	**2830**
7.3%	7.0%	6.2%	5.7%	5.8%	5.8%	5.5%	5.1%	NMF	5.8%	**5.5%**	**6.0%**	Return on Total Cap'l	**7.0%**
11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	8.8%	**8.0%**	**9.0%**	Return on Shr. Equity	**11.5%**
11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	8.8%	**8.0%**	**9.0%**	Return on Com Equity	**11.5%**
5.0%	4.0%	2.4%	1.6%	1.5%	1.1%	.6%	.9%	NMF	2.1%	**1.0%**	**2.0%**	Retained to Com Eq	**4.5%**
56%	61%	73%	80%	81%	85%	92%	87%	NMF	76%	**91%**	**80%**	All Div'ds to Net Prof	**61%**

CAPITAL STRUCTURE as of 9/30/19
Total Debt $966.3 mill. **Due in 5 Yrs** $360.0 mill.
LT Debt $806.0 mill. **LT Interest** $40.0 mill.

(Total interest coverage: 3.5x)

Pension Assets-12/18 $257.8 mill. **Oblig.** $455.6 mill.

Pfd Stock None

Common Stock 30,435,575 shares
as of 10/25/19

MARKET CAP $2.0 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2017	2018	9/30/19
Cash Assets	3.5	12.6	10.5
Other	266.4	283.3	192.2
Current Assets	269.9	295.9	202.7
Accts Payable	112.3	115.9	76.2
Debt Due	150.9	247.6	160.3
Other	118.7	145.6	121.9
Current Liab.	381.9	509.1	358.4
Fix. Chg. Cov.	362%	357%	346%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	-4.5%	-3.0%	*2.5%*
"Cash Flow"	-3.0%	-5.5%	*9.0%*
Earnings	-10.5%	-18.0%	*27.0%*
Dividends	2.5%	1.0%	*2.5%*
Book Value	2.0%	- -	*1.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	255.6	99.2	87.7	233.5	676.0
2017	297.3	136.3	88.2	240.4	762.2
2018	264.7	124.6	91.2	226.7	706.1
2019	285.3	123.4	90.3	**241.0**	**740**
2020	**300**	**140**	**105**	**255**	**800**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	1.33	.07	d.29	1.01	2.12
2017	1.40	.10	d.30	d3.14	d1.94
2018	1.46	d.01	d.39	1.27	2.33
2019	1.50	.07	d.61	**1.14**	**2.10**
2020	**1.50**	**.05**	**d.40**	**1.25**	**2.40**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.465	.465	.465	.4675	1.86
2016	.4675	.4675	.4675	.470	1.87
2017	.470	.470	.470	.4725	1.88
2018	.4725	.4725	.4725	.475	1.89
2019	.475	.475	.475	.4775	

BUSINESS: Northwest Natural Holding Co. distributes natural gas to 1000 communities, 750,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 3.7 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 37%; commercial, 22%; industrial, gas transportation, 41%. Employs 1,167. BlackRock Inc. owns 15.0% of shares; officers and directors, 1.1% (4/19 proxy). CEO: David H. Anderson. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Tel.: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Holding recorded weak third-quarter results. Revenues fell to $90.3 million as reduced prices for natural gas more than offset higher volumes during the quarter. The company achieved additional benefits from its recently acquired water utilities and its Mist storage facility. However, somewhat higher charges for operations and maintenance, financing, and taxes caused losses to expand to $0.61 per share. Still, fourth-quarter results will likely benefit from cooler weather, though costs will probably remain high. All told, we think the company will record profits of $1.14 per share in the year-end quarter.

The Portland area market is improving. Unemployment there is below the state average, while housing permits are increasing, both in single and multifamily homes. These should lead to more connections for natural gas. Too, the company has added around 12,000 new customers over the past 12 months. Overall, this ought to help sales expand in the years ahead. Also, a new order went into effect in Washington State, which allows for a $5.1 million increase in revenues, as well as an environmental recovery mechanism. Overall, we foresee earnings increasing to $2.40 per share in 2020 and $3.50 per share by the 2022-2024 period.

The company should benefit from further consolidation of the water utility industry. It signed an agreement to purchase Suncadia Water and Wastewater in Washington, and Northwest has bought nine separate utilities in the western states. The company ought to benefit from moving further along the learning curve, and economies of scale should emerge. Too, we foresee additional consolidation going forward.

Management raised the quarterly dividend by 1%, to $0.4775 quarterly. This hike marks the 64th annual dividend increase. However, payout increases have been slow, and the dividend yield is not compelling when compared to other utilies.

Shares of Northwest Natural Holdings do not stand out for Timeliness. This equity holds below-average 3- to 5-year appreciation potential, while the yield does not stand out at present. Thus, most long-term accounts should wait for a price dip.

John E. Seibert III *November 29, 2019*

(A) Diluted earnings per share. Excludes nonrecurring items: '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2018: $371.8 million, $12.87/share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	30
Earnings Predictability	5

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ONE GAS, INC. NYSE-OGS

RECENT PRICE **87.92** | P/E RATIO **24.8** (Trailing: 25.9 Median: NMF) | RELATIVE P/E RATIO **1.42** | DIV'D YLD **2.5%** | VALUE LINE

TIMELINESS 2 Raised 11/8/19
SAFETY 2 New 6/2/17
TECHNICAL 1 Raised 11/8/19
BETA .65 (1.00 = Market)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
High:	44.3	51.8	67.4	79.5	87.8	96.7					
Low:	31.9	38.9	48.0	61.4	62.2	75.8					

Target Price Range 2022 | 2023 | 2024

LEGENDS
— 1.30 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$82-$117	$10 (15%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	135	(+55%)	13%
Low	100	(+15%)	6%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	137	152	135
to Sell	138	124	145
Hld's(000)	39774	40068	40275

Percent shares traded 21 14 7

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	20.4	4.9
3 yr.	62.8	30.2
5 yr.	174.8	36.8

The shares of ONE Gas, Inc. began trading "regular-way" on the New York Stock Exchange on February 3, 2014. That happened as a result of the separation of ONEOK's natural gas distribution operation. Regarding the details of the spinoff, on January 31, 2014, ONEOK distributed one share of OGS common stock for every four shares of ONEOK common stock held by ONEOK shareholders of record as of the close of business on January 21. It should be mentioned that ONEOK did not retain any ownership interest in the new company.

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
--	--	--	--	--	34.92	29.62	27.30	29.43	31.08	*31.40*	*32.70*	Revenues per sh	*40.00*
--	--	--	--	--	4.52	4.82	5.43	5.96	6.32	*6.85*	*7.25*	"Cash Flow" per sh	*9.00*
--	--	--	--	--	2.07	2.24	2.65	3.02	3.25	*3.43*	*3.65*	Earnings per sh A	*4.75*
--	--	--	--	--	.84	1.20	1.40	1.68	1.84	*2.00*	*2.16*	Div'ds Decl'd per sh B■	*2.65*
--	--	--	--	--	5.70	5.63	5.91	6.81	7.50	*8.50*	*8.70*	Cap'l Spending per sh	*8.90*
--	--	--	--	--	34.45	35.24	36.12	37.47	38.86	*39.90*	*41.60*	Book Value per sh	*47.90*
--	--	--	--	--	52.08	52.26	52.28	52.31	52.57	*53.00*	*53.50*	Common Shs Outst'g C	*55.00*
--	--	--	--	--	17.8	19.8	22.7	23.5	23.1	*Bold figures are*		Avg Ann'l P/E Ratio	*25.0*
--	--	--	--	--	.94	1.00	1.19	1.18	1.25	*Value Line*		Relative P/E Ratio	*1.40*
--	--	--	--	--	2.3%	2.7%	2.3%	2.4%	2.5%	*estimates*		Avg Ann'l Div'd Yield	*2.3%*
--	--	--	--	--	1818.9	1547.7	1427.2	1539.6	1633.7	*1665*	*1750*	Revenues ($mill)	*2200*
--	--	--	--	--	109.8	119.0	140.1	159.9	172.2	*182*	*195*	Net Profit ($mill)	*260*
--	--	--	--	--	38.4%	38.0%	37.8%	36.4%	23.7%	*18.0%*	*19.0%*	Income Tax Rate	*23.5%*
--	--	--	--	--	6.0%	7.7%	9.8%	10.4%	10.5%	*10.9%*	*11.1%*	Net Profit Margin	*11.8%*
--	--	--	--	--	40.1%	39.5%	38.7%	37.8%	38.6%	*38.0%*	*38.0%*	Long-Term Debt Ratio	*38.0%*
--	--	--	--	--	59.9%	60.5%	61.3%	62.2%	61.4%	*62.0%*	*62.0%*	Common Equity Ratio	*62.0%*
--	--	--	--	--	2995.3	3042.9	3080.7	3153.5	3328.1	*3410*	*3590*	Total Capital ($mill)	*4250*
--	--	--	--	--	3293.7	3511.9	3731.6	4007.6	4283.7	*4550*	*4775*	Net Plant ($mill)	*5400*
--	--	--	--	--	4.4%	4.7%	5.2%	5.8%	6.0%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.5%*
--	--	--	--	--	6.1%	6.5%	7.4%	8.2%	8.4%	*8.5%*	*9.0%*	Return on Shr. Equity	*10.0%*
--	--	--	--	--	6.1%	6.5%	7.4%	8.2%	8.4%	*8.5%*	*9.0%*	Return on Com Equity	*10.0%*
--	--	--	--	--	3.7%	3.1%	3.5%	3.7%	3.7%	*3.5%*	*3.5%*	Retained to Com Eq	*4.5%*
--	--	--	--	--	40%	53%	52%	55%	56%	*58%*	*59%*	All Div'ds to Net Prof	*56%*

CAPITAL STRUCTURE as of 9/30/19
Total Debt $1680.9 mill. **Due in 5 Yrs** $300.0 mill.
LT Debt $1285.9 mill. **LT Interest** $75.0 mill.
(LT interest earned: 5.4x; total interest coverage: 5.4x)
Leases, Uncapitalized Annual rentals $6.3 mill.
Pfd Stock None
Pension Assets-12/18 $814.1 mill. **Oblig.** $950.5 mill.
Common Stock 52,737,473 shs. **as of 10/21/19**
MARKET CAP: $4.6 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2017	2018	9/30/19
Cash Assets	14.4	21.3	12.6
Other	574.6	522.0	377.1
Current Assets	589.0	543.3	389.7
Accts Payable	143.7	174.5	62.6
Debt Due	357.2	299.5	395.0
Other	172.4	224.9	220.2
Current Liab.	673.3	698.9	677.8
Fix. Chg. Cov.	774%	677%	705%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	--	--	*5.5%*
"Cash Flow"	--	--	*7.5%*
Earnings	--	--	*8.0%*
Dividends	--	--	*8.5%*
Book Value	--	--	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	508.4	245.9	232.2	440.7	1427.2
2017	550.4	279.7	247.1	462.4	1539.6
2018	638.5	292.5	238.3	464.4	1633.7
2019	661.0	290.6	248.6	*464.8*	*1665*
2020	*700*	*320*	*255*	*475*	*1750*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	1.22	.38	.25	.80	2.65
2017	1.34	.39	.36	.93	3.02
2018	1.72	.39	.31	.84	3.25
2019	1.76	.46	.33	*.88*	*3.43*
2020	*1.82*	*.51*	*.40*	*.92*	*3.65*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.30	.30	.30	.30	1.20
2016	.35	.35	.35	.35	1.40
2017	.42	.42	.42	.42	1.68
2018	.46	.46	.46	.46	1.84
2019	.50	.50	.50	.50	

BUSINESS: ONE Gas, Inc. provides natural gas distribution services to over two million customers. It has three divisions: Oklahoma Natural Gas, Kansas Gas Service, and Texas Gas Service. The company purchased 180 Bcf of natural gas supply in 2018, compared to 137 Bcf in 2017. Total volumes delivered by customer (fiscal 2018): transportation, 56%; residential, 33%; commercial & industrial, 10%; wholesale & public authority, 1%. BlackRock owns approximately 11.9% of common stock; The Vanguard Group, 9.9%; T. Rowe Price Associates, 8.5%; officers and directors, less than 1% (4/19 Proxy). CEO: Pierce H. Norton II. Incorporated: Oklahoma. Address: 15 East Fifth Street, Tulsa, Oklahoma 74103. Telephone: 918-947-7000. Internet: www.onegas.com.

Higher profits appear to be in store for ONE Gas in 2019. Through the first nine months, share net was $2.55, 5.4% above the 2018 total of $2.42. This was brought about, to some extent, by new rates in Kansas and Texas. Another plus was a drop in the income tax rate. Customer growth in Oklahoma and Texas and improved volumes in Kansas and Texas were also beneficial. But one constraint was a 28% jump in interest expense. Total operating expenses increased around 5% during the period, but this reflects necessary capital investments. Assuming that things turn out fairly well in the fourth quarter, the company's bottom line stands to advance roughly 5%, to $3.43 a share, for the whole year. That's relative to the 2018 tally of $3.25. Regarding next year, share net might advance at a similar percentage rate, to $3.65 a share, as operating margins widen further.

This year's capital expenditures will probably end up around $450 million. That would be some 14% higher than the 2018 level of approximately $394.5 million. Roughly 70% of the budget is slated for system integrity and pipeline replacement projects. We believe the company's balance sheet is quite sufficient to make these initiatives possible. Notably, leadership looks for that figure to come in between $450 million and $500 million annually during the 2019-2023 period, with about the same percentage of funds allocated to where they are presently.

We remain constructive about the company's business prospects out to early next decade. It ranks as the leading natural gas distributor (measured by customer count) in both Oklahoma and Kansas, and holds the number-three position in Texas. Moreover, those markets seem to have decent growth possibilities and are located in one of the most active drilling regions in the United States. Lastly, supported by healthy finances, ONE Gas ought to be able to satisfy its working capital requirements and other obligations with little trouble.

The stock should interest some accounts. It's favorably ranked for Timeliness. Also, total return potential looks respectable relative to other natural gas utilities we cover.

Frederick L. Harris, III November 29, 2019

(A) Diluted EPS. Excludes nonrecurring gain: 2017, $0.06. Next earnings report due early Feb. Quarterly EPS for 2018 don't add up due to rounding.
(B) Dividends historically paid in early March, June, Sept., and Dec. ■ Dividend reinvestment plan. Direct stock purchase plan.
(C) In millions.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	95

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SOUTH JERSEY INDS. NYSE-SJI

RECENT PRICE **30.30** | P/E RATIO **21.8** (Trailing: 28.9 Median: 18.0) | RELATIVE P/E RATIO **1.25** | DIV'D YLD **4.1%** | VALUE LINE

TIMELINESS 3 Lowered 7/20/18
SAFETY 2 Lowered 1/4/91
TECHNICAL 1 Raised 11/22/19
BETA .80 (1.00 = Market)

High:	20.3	20.4	27.1	29.0	29.0	31.1	30.6	30.4	34.8	38.4	36.7	34.5
Low:	12.6	16.0	18.6	21.4	22.9	25.3	25.9	21.2	22.1	30.8	26.0	26.6

Target Price Range 2022 | 2023 | 2024

LEGENDS
— 0.90 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 5/15
Options: Yes
Shaded area indicates recession

18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$25-$39	$32 (5%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	45	(+50%)	14%
Low	35	(+15%)	8%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	125	137	111
to Sell	104	86	99
Hld's(000)	72623	76619	77450

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	12.9	4.9
3 yr.	20.3	30.2
5 yr.	31.5	36.8

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
13.17	14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	13.52	13.04	15.63	19.20	*17.35*	*17.80*	Revenues per sh	*20.50*
1.12	1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	2.42	2.67	2.79	2.91	*2.15*	*2.70*	"Cash Flow" per sh	*3.75*
.68	.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	1.44	1.34	1.23	1.38	*1.10*	*1.60*	Earnings per sh A	*2.40*
.39	.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	1.06	1.10	1.13	*1.20*	*1.25*	Div'ds Decl'd per sh B ■	*1.40*
1.18	1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	4.87	3.50	3.43	3.99	*5.30*	*5.85*	Cap'l Spending per sh	*7.50*
5.63	6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	14.62	16.22	14.99	14.82	*15.70*	*16.40*	Book Value per sh C	*19.00*
52.92	55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	70.97	79.48	79.55	85.51	*94.00*	*96.00*	Common Shs Outst'g D	*100.00*
13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	17.9	21.7	27.9	22.6	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	.90	1.14	1.40	1.22	*Value Line*		Relative P/E Ratio	*.90*
4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	3.9%	3.6%	3.2%	3.6%	*estimates*		Avg Ann'l Div'd Yield	*3.6%*

CAPITAL STRUCTURE as of 9/30/19
Total Debt $3174.0 mill. **Due in 5 Yrs** $1623 mill.
LT Debt $2022.8 mill. **LT Interest** $75.0 mill.

Leases, Uncapitalized Annual rentals $.8 mill.
Pension Assets-12/18 $287.2 mill. **Oblig.** $402.2 mill.
Pfd Stock None

Common Stock 92,392,876 shs. **as of 11/1/19**

MARKET CAP: $2.8 billion (Mid Cap)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		22-24
845.4	925.1	828.6	706.3	731.4	887.0	959.6	1036.5	1243.1	1641.3	*1630*	*1710*	Revenues ($mill)	*2050*
71.3	81.0	87.0	93.3	97.1	104.0	99.0	102.8	98.1	116.2	*100*	*150*	Net Profit ($mill)	*235*
23.0%	15.2%	22.4%	10.8%	- -	- -	5.9%	42.0%	42.0%	21.0%	*22.0%*	*21.0%*	Income Tax Rate	*21.0%*
8.4%	8.8%	10.5%	13.2%	13.3%	11.7%	10.3%	9.9%	7.9%	7.1%	*6.1%*	*8.8%*	Net Profit Margin	*11.5%*
36.5%	37.4%	40.5%	45.0%	45.1%	48.0%	49.2%	38.5%	48.5%	62.4%	*58.0%*	*58.5%*	Long-Term Debt Ratio	*58.0%*
63.5%	62.6%	59.5%	55.0%	54.9%	52.0%	50.8%	61.5%	51.5%	37.6%	*42.0%*	*41.5%*	Common Equity Ratio	*42.0%*
856.4	910.1	1048.3	1337.6	1507.4	1791.9	2043.9	2097.2	2315.4	3373.9	*3525*	*3775*	Total Capital ($mill)	*4500*
1073.1	1193.3	1352.4	1578.0	1859.1	2134.1	2448.1	2623.8	2700.2	3653.5	*4150*	*4600*	Net Plant ($mill)	*6000*
9.0%	9.5%	8.9%	7.4%	6.8%	6.4%	5.4%	5.4%	5.1%	4.4%	*4.0%*	*5.0%*	Return on Total Cap'l	*6.5%*
13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	8.2%	9.2%	*7.0%*	*9.5%*	Return on Shr. Equity	*12.5%*
13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	8.2%	9.2%	*7.0%*	*9.5%*	Return on Com Equity	*12.5%*
6.4%	7.1%	6.7%	5.8%	4.8%	4.3%	2.8%	1.6%	.9%	1.7%	*NMF*	*2.0%*	Retained to Com Eq	*5.0%*
51%	50%	52%	55%	59%	61%	71%	80%	89%	82%	*NMF*	*80%*	All Div'ds to Net Prof	*60%*

CURRENT POSITION ($MILL.)	2017	2018	9/30/19
Cash Assets	7.8	30.0	4.6
Other	431.2	633.2	400.5
Current Assets	439.0	663.2	405.1
Accts Payable	284.9	410.5	245.8
Debt Due	410.2	1004.4	1151.2
Other	188.0	165.9	210.8
Current Liab.	883.1	1580.8	1607.8
Fix. Chg. Cov.	177%	112%	85%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	- -	6.0%	*4.5%*
"Cash Flow"	5.0%	3.5%	*5.0%*
Earnings	1.5%	-2.5%	*10.5%*
Dividends	8.0%	6.0%	*4.0%*
Book Value	6.5%	6.0%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	333.0	154.4	219.1	330.0	1036.5
2017	425.8	244.4	227.1	345.8	1243.1
2018	521.9	227.3	302.5	589.6	1641.3
2019	637.3	266.9	261.2	*464.6*	*1630*
2020	*650*	*275*	*285*	*500*	*1710*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.75	.12	.05	.42	1.34
2017	.72	.06	d.05	.50	1.23
2018	1.19	.07	d.27	.39	1.38
2019	1.09	d.13	d.30	*.44*	*1.10*
2020	*1.20*	*.05*	*d.15*	*.50*	*1.60*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	- -	.251	.251	.515	1.02
2016	- -	.264	.264	.536	1.06
2017	- -	.273	.273	.553	1.10
2018	- -	.280	.280	.567	1.13
2019	- -	.287	.287	.287	

BUSINESS: South Jersey Industries, Inc. is a holding company. Dist. natural gas to approx. 685,000 customers in New Jersey and Maryland. South Jersey Gas rev. mix '18: residential, 46%; commercial, 22%; cogen. and electric gen., 13%; industrial, 19%. Acq. Elizabethtown Gas and Elkton Gas, 7/18. Nonutil. operations include South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 1,100 employees. Off./dir. own less than 1% of common; BlackRock, 14.9%; The Vanguard Group, 10.9% (3/19 proxy). Pres. & CEO: Michael J. Renna. Chairman: Walter M. Higgins III. Inc.: NJ. Addr.: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have traded in a fairly narrow range for much of the current year. The company reported unfavorable comparisons for the September quarter. The top line declined nearly 14% from the year-ago level, and the share deficit widened to $0.30. Performance at the utilities segment was hurt by greater expenses. On the nonutility side, the Energy Group's Wholesale Marketing operation experienced lower margins on daily energy trading activities due to tighter spreads, reduced volatility (caused by milder weather), and the impact of new pipeline operating rules. Looking forward, we expect that share net will improve in the fourth quarter, on a year-over-year basis. Still, earnings per share for the full year will likely come in well below the corresponding figure from 2018.

We anticipate greater revenue and considerable bottom-line rebound in 2020. Growth ought to continue in subsequent years, driven by the company's regulated operations and regulatory initiatives. The utility businesses should continue to benefit from expansion in the customer base. Infrastructure investments to modernize its system should allow the company to meet healthy demand for natural gas in its service territories. Infrastructure replacement programs allow this business to earn an authorized return on approved investments. We envision a measure of improvement from the nonutility side, though unevenness could well continue in the near term. Business transformation initiatives ought to result in greater cost control.

This stock is ranked to track the broader market averages for the coming six to 12 months. Looking further out, we anticipate increasing revenues and earnings for the company out to early next decade. But this appears to be partly reflected in the recent quotation, and appreciation potential is limited at this juncture. Still, the equity's total return potential is supported by a healthy dividend yield. Moreover, South Jersey earns good marks for Safety, Financial Strength, and Price Stability. Volatility is below average, as well. Conservative, income-oriented investors may want to take a closer look.

Michael Napoli, CFA *November 29, 2019*

(A) Based on economic egs. from 2007. GAAP EPS: '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46; '15, $1.52; '16, $1.56; '17, ($0.04); '18, $0.21. Excl. nonrecur. gain (loss): '08, $0.16; '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11); '15, $0.08; '16, $0.22; '17, ($1.27); '18, ($1.17). Next egs. rpt. early February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2018: $663.0 mill., $7.75 per shr. (D) In mill., adj. for split.

Company's Financial Strength	B++
Stock's Price Stability	80
Price Growth Persistence	20
Earnings Predictability	60

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SOUTHWEST GAS NYSE-SWX

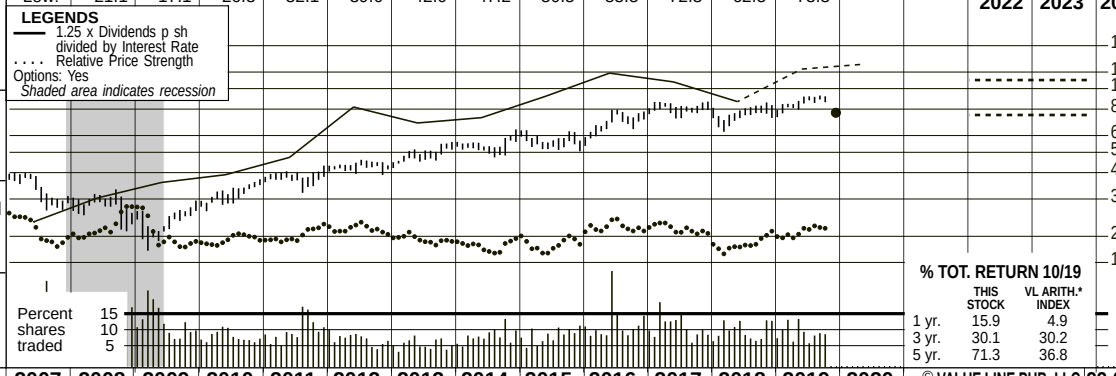
RECENT PRICE **76.79** | P/E RATIO **19.1** (Trailing: 21.1 Median: 17.0) | RELATIVE P/E RATIO **1.09** | DIV'D YLD **3.0%** | VALUE LINE

TIMELINESS 2 Raised 11/1/19
SAFETY 3 Lowered 1/4/91
TECHNICAL 1 Raised 11/1/19
BETA .70 (1.00 = Market)

High:	33.3	29.5	37.3	43.2	46.1	56.0	64.2	63.7	79.6	86.9	86.0	92.9
Low:	21.1	17.1	26.3	32.1	39.0	42.0	47.2	50.5	53.5	72.3	62.5	73.3

Target Price Range
2022 | 2023 | 2024

LEGENDS
— 1.25 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$66-$109	$88 (15%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+45%)	12%
Low	75	(Nil)	3%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	140	150	126
to Sell	112	115	141
Hld's(000)	44491	44254	45661

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	15.9	4.9
3 yr.	30.1	30.2
5 yr.	71.3	36.8

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	52.00	51.82	53.00	54.31	**55.35**	**56.90**	Revenues per sh	**64.50**
5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	8.62	9.29	8.83	8.14	**9.10**	**9.75**	"Cash Flow" per sh	**12.90**
1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	2.92	3.18	3.62	3.68	**3.80**	**4.25**	Earnings per sh A	**5.80**
.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	1.62	1.80	1.98	2.08	**2.18**	**2.30**	Div'ds Decl'd per sh B■†	**2.60**
7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	10.30	11.15	12.97	14.44	**16.95**	**18.10**	Cap'l Spending per sh	**20.15**
18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	33.61	35.03	37.74	42.47	**44.65**	**47.40**	Book Value per sh	**57.25**
34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	47.38	47.48	48.09	53.03	**56.00**	**58.00**	Common Shs Outst'g C	**62.00**
19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	19.4	21.6	22.2	20.6	*Bold figures are*		Avg Ann'l P/E Ratio	**16.0**
1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	.98	1.13	1.12	1.11	*Value Line*		Relative P/E Ratio	**.90**
3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	2.9%	2.6%	2.5%	2.7%	*estimates*		Avg Ann'l Div'd Yield	**2.8%**

CAPITAL STRUCTURE as of 9/30/19
Total Debt $2530.3 mill. **Due in 5 Yrs** $869.1 mill.
LT Debt $2462.1 mill. **LT Interest** $100.0 mill.
(Total interest coverage: 3.4x) (50% of Cap'l)
Leases, Uncapitalized Annual rentals $11.0 mill.
Pension Assets-12/18 $838.0 mill. **Oblig.** $1186.0 mill.
Pfd Stock None

Common Stock 54,626,240 shs. **as of 10/31/19**

MARKET CAP: $4.2 billion (Mid Cap)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		22-24
1893.8	1830.4	1887.2	1927.8	1950.8	2121.7	2463.6	2460.5	2548.8	2880.0	**3100**	**3300**	Revenues ($mill)	**4000**
87.5	103.9	112.3	133.3	145.3	141.1	138.3	152.0	173.8	182.3	**210**	**240**	Net Profit ($mill)	**350**
34.0%	34.7%	36.2%	36.2%	35.0%	35.7%	36.4%	33.9%	32.8%	25.3%	**21.0%**	**21.0%**	Income Tax Rate	**21.0%**
4.6%	5.7%	6.0%	6.9%	7.4%	6.7%	5.6%	6.2%	6.8%	6.3%	**6.8%**	**7.3%**	Net Profit Margin	**8.8%**
53.5%	49.1%	43.2%	49.2%	49.4%	52.4%	49.3%	48.2%	49.8%	48.3%	**50.0%**	**48.5%**	Long-Term Debt Ratio	**46.0%**
46.5%	50.9%	56.8%	50.8%	50.6%	47.6%	50.7%	51.8%	50.2%	51.7%	**50.0%**	**51.5%**	Common Equity Ratio	**54.0%**
2371.4	2291.7	2155.9	2576.9	2793.7	3123.9	3143.5	3213.5	3613.3	4359.3	**5000**	**5350**	Total Capital ($mill)	**6550**
3034.5	3072.4	3218.9	3343.8	3486.1	3658.4	3891.1	4132.0	4523.7	5093.2	**5450**	**5850**	Net Plant ($mill)	**7000**
5.4%	6.1%	6.4%	6.4%	6.3%	5.7%	5.5%	5.8%	5.8%	5.2%	**5.0%**	**5.5%**	Return on Total Cap'l	**6.5%**
7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	9.6%	8.1%	**8.5%**	**8.5%**	Return on Shr. Equity	**10.0%**
7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	9.6%	8.1%	**8.5%**	**8.5%**	Return on Com Equity	**10.0%**
4.1%	5.1%	5.3%	6.1%	6.1%	5.0%	4.0%	4.1%	4.5%	3.6%	**3.5%**	**4.0%**	Retained to Com Eq	**5.5%**
48%	43%	43%	40%	41%	47%	54%	55%	53%	55%	**58%**	**56%**	All Div'ds to Net Prof	**46%**

CURRENT POSITION ($MILL.)	2017	2018	9/30/19
Cash Assets	43.6	85.4	28.5
Other	613.4	754.4	736.9
Current Assets	657.0	839.8	765.4
Accts Payable	228.3	249.0	188.9
Debt Due	239.8	185.1	68.2
Other	347.8	504.5	525.2
Current Liab.	815.9	938.6	782.3
Fix. Chg. Cov.	415%	370%	346%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	1.0%	5.0%	*3.5%*
"Cash Flow"	4.0%	3.0%	*6.5%*
Earnings	7.0%	4.5%	*9.0%*
Dividends	8.5%	10.5%	*5.0%*
Book Value	5.5%	6.0%	*7.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	731.2	547.8	540.0	641.5	2460.5
2017	654.7	560.5	593.2	740.4	2548.8
2018	754.3	670.9	668.1	786.7	2880.0
2019	833.5	713.0	725.2	**828.3**	**3100**
2020	**860**	**775**	**780**	**885**	**3300**

Cal-endar	EARNINGS PER SHARE A D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	1.58	.19	.05	1.36	3.18
2017	1.45	.37	.21	1.58	3.62
2018	1.63	.44	.25	1.36	3.68
2019	1.77	.41	.10	**1.52**	**3.80**
2020	**1.90**	**.50**	**.20**	**1.65**	**4.25**

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.365	.405	.405	.405	1.58
2016	.405	.450	.450	.450	1.76
2017	.450	.495	.495	.495	1.94
2018	.495	.520	.520	.520	2.06
2019	.520	.545	.545		

BUSINESS: Southwest Gas Holdings, Inc. is the parent holding company of Southwest Gas and Centuri Construction Group. Southwest Gas is a regulated gas distributor serving about 2.0 million customers in sections of Arizona, Nevada, and California. Centuri provides construction services. 2018 margin mix: residential and small commercial, 85%; large commercial and industrial, 3%; transportation, 12%. Total throughput: 2.2 billion therms. Has 8,632 employees. Off. & dir. own .8% of common stock; BlackRock Inc., 11.7%; The Vanguard Group, Inc., 10.1% (3/19 Proxy). Chairman: Michael J. Melarkey. President & CEO: John P. Hester. Inc.: CA. Addr.: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Telephone: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have moved lower in price over the past three months. The company posted mixed results for the September period. The top line advanced nearly 9%, on a year-over-year basis. Southwest's natural gas operations and utility infrastructure services business posted healthy revenue growth. But operating expenses increased at a slightly faster pace, and the income tax rate was significantly higher. The consolidation of a pending surcharge request into its current Arizona general rate case, as well as cost inefficiencies and an unfavorable mix of work changes experienced with several utility infrastructure services customers, all impacted profitability. All told, earnings per share of $0.10 were no match for the prior-year tally. Looking forward, we expect a more-favorable bottom-line comparison for the December quarter, and fairly modest share-net growth for the company for full-year 2019.

Revenues and earnings per share will likely advance at a moderate pace from 2020 onward. The company's utility operations should further benefit from an expanding customer base. It currently has rate cases in progress in three different regulatory jurisdictions. Capital investment to enhance the safety and reliability of its gas distribution systems ought to support growth here. Elsewhere, Southwest's utility infrastructure services business will probably continue to fare well. This operation should be able to capitalize on the need for utilities to replace aging infrastructure. It has a robust base of large clients, many with multiyear pipeline replacement programs.

This stock is ranked to outperform the broader market averages for the coming six to 12 months. We anticipate moderate growth in revenues, earnings, and dividends for the company going forward. Moreover, Southwest Gas earns good marks for Price Stability, Growth Persistence, and Earnings Predictability. Volatility is subdued, as well. However, this appears to be partly discounted by the recent quotation, and long-term total return potential is nothing to write home about. A pullback in the share price some time down the road may offer conservative accounts a more attractive entry point.

Michael Napoli, CFA *November 29, 2019*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due late February. **(B)** Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. **(C)** In millions. **(D)** Totals may not sum due to rounding.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	80
Earnings Predictability	90

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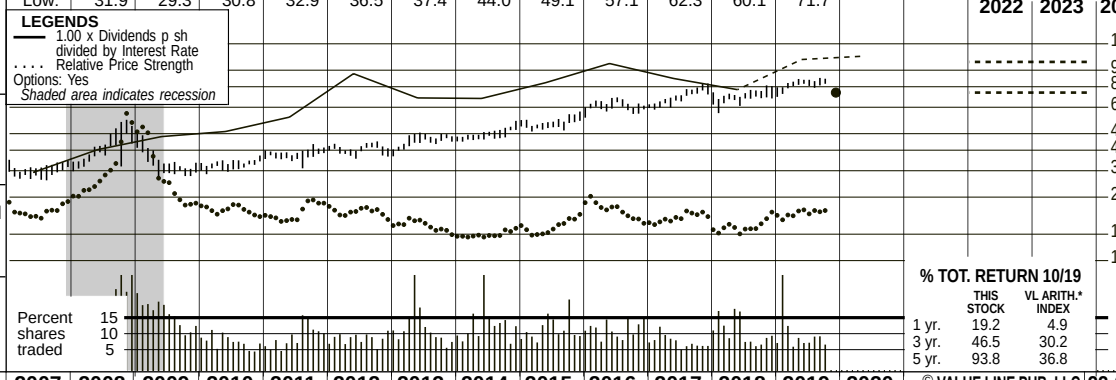
SPIRE INC. NYSE-SR

RECENT PRICE 75.00[G] | P/E RATIO 19.3 (Trailing: 21.4 Median: 17.0) | RELATIVE P/E RATIO 1.10 | DIV'D YLD 3.3% | VALUE LINE

TIMELINESS 3 Lowered 11/30/18
SAFETY 2 Raised 6/20/03
TECHNICAL 1 Raised 11/1/19
BETA .65 (1.00 = Market)

High:	55.8	48.3	37.8	42.8	44.0	48.5	55.2	61.0	71.2	82.9	81.1	88.0
Low:	31.9	29.3	30.8	32.9	36.5	37.4	44.0	49.1	57.1	62.3	60.1	71.7

Target Price Range 2022 | 2023 | 2024



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$71-$99	$85 (5%)

2022-24 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+40%)	11%
Low	75	(Nil)	3%

Institutional Decisions

	4Q2018	1Q2019	2Q2019
to Buy	118	140	116
to Sell	106	114	131
Hld's(000)	41743	40023	40622

% TOT. RETURN 10/19

	THIS STOCK	VL ARITH.* INDEX
1 yr.	19.2	4.9
3 yr.	46.5	30.2
5 yr.	93.8	36.8

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	33.68	36.07	38.78	*38.80*	*40.40*	Revenues per sh A	*54.55*
3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	6.16	6.54	7.55	*7.25*	*7.55*	"Cash Flow" per sh	*9.55*
1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	3.24	3.43	4.33	*3.70*	*3.90*	Earnings per sh A B	*5.00*
1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	1.96	2.10	2.25	2.37	*2.46*	Div'ds Decl'd per sh C■	*2.67*
2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	6.42	9.08	9.86	*15.30*	*15.40*	Cap'l Spending per sh	*13.00*
15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	38.73	41.26	44.51	*49.20*	*52.30*	Book Value per sh D	*54.20*
19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	45.65	48.26	50.67	*51.00*	*52.00*	Common Shs Outst'g E	*55.00*
13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	19.6	19.8	16.7	*21.7*		Avg Ann'l P/E Ratio	*18.0*
.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83	1.03	1.00	.89	*1.22*		Relative P/E Ratio	*1.00*
5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	3.1%	3.1%	3.1%	3.0%		Avg Ann'l Div'd Yield	*3.0%*
						1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	1537.3	1740.7	1965.0	*1980*	*2100*	Revenues ($mill) A	*3000*
						64.3	54.0	63.8	62.6	52.8	84.6	136.9	144.2	161.6	214.2	*190*	*200*	Net Profit ($mill)	*275*
						33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	31.2%	32.5%	32.4%	32.4%	*23.5%*	*24.0%*	Income Tax Rate	*24.0%*
						3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	9.4%	9.3%	10.9%	*9.6%*	*9.5%*	Net Profit Margin	*9.2%*
						42.9%	40.5%	38.9%	36.1%	46.6%	55.1%	53.0%	50.9%	50.0%	45.7%	*44.0%*	*42.0%*	Long-Term Debt Ratio	*40.0%*
						57.1%	59.5%	61.1%	63.9%	53.4%	44.9%	47.0%	49.1%	50.0%	54.3%	*56.0%*	*58.0%*	Common Equity Ratio	*60.0%*
						906.3	899.9	937.7	941.0	1959.0	3359.4	3345.1	3601.9	3986.3	4155.5	*4500*	*4700*	Total Capital ($mill)	*4950*
						855.9	884.1	928.7	1019.3	1776.6	2759.7	2941.2	3300.9	3665.2	3970.5	*4170*	*4300*	Net Plant ($mill)	*4825*
						8.7%	7.4%	8.1%	7.9%	3.3%	3.1%	5.1%	4.9%	5.0%	6.3%	*5.5%*	*5.5%*	Return on Total Cap'l	*7.0%*
						12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	*7.5%*	*7.5%*	Return on Shr. Equity	*9.0%*
						12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	*7.5%*	*7.5%*	Return on Com Equity	*9.0%*
						5.9%	3.6%	4.9%	4.3%	1.0%	1.5%	3.7%	3.3%	3.3%	4.7%	*2.5%*	*2.5%*	Retained to Com Eq	*4.5%*
						53%	64%	56%	59%	81%	73%	58%	59%	60%	51%	*64%*	*63%*	All Div'ds to Net Prof	*53%*

CAPITAL STRUCTURE as of 6/30/19
Total Debt $2641.3 mill. **Due in 5 Yrs** $599.0 mill.
LT Debt $2042.3 mill. **LT Interest** $100.0 mill.
(Total interest coverage: 2.8x)

Leases, Uncapitalized Annual rentals $9.7 mill.
Pension Assets-9/18 $499.2 mill. **Oblig.** $664.6 mill.
Pfd Stock $242.0 mill. **Pfd Div'd** $1.6 mill.
Common Stock 50,809,437 shs. as of 7/26/19

MARKET CAP: $3.8 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2017	2018	6/30/19
Cash Assets	7.4	4.4	5.8
Other	718.1	655.2	644.0
Current Assets	725.5	659.6	649.8
Accts Payable	257.1	290.1	297.6
Debt Due	577.3	729.1	599.0
Other	263.5	302.5	323.0
Current Liab.	1097.9	1321.7	1219.6
Fix. Chg. Cov.	361%	284%	300%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
Revenues	-9.5%	-6.5%	*7.0%*
"Cash Flow"	5.5%	10.5%	*6.0%*
Earnings	4.0%	7.5%	*5.5%*
Dividends	4.0%	5.0%	*4.0%*
Book Value	7.5%	8.0%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	399.4	609.3	249.3	279.3	1537.3
2017	495.1	663.4	323.5	258.7	1740.7
2018	561.8	813.4	350.6	239.2	1965.0
2019	602.0	803.5	321.3	*253.2*	*1980*
2020	*630*	*840*	*370*	*260*	*2100*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2016	1.08	2.31	.24	d.31	3.24
2017	.99	2.36	.45	d.28	3.43
2018	2.39	2.03	.52	d.51	4.33
2019	1.32	3.04	d.09	*d.57*	*3.70*
2020	*1.35*	*2.60*	*.50*	*d.55*	*3.90*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.46	.46	.46	.46	1.84
2016	.49	.49	.49	.49	1.96
2017	.525	.525	.525	.525	2.10
2018	.5625	.5625	.5625	.5625	2.25
2019	.5925	.5925	.5925	.5925	

BUSINESS: Spire Inc., formerly known as the Laclede Group, Inc., is a holding company for natural gas utilities, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City, Alabama, and Mississippi. Has roughly 1.7 million customers. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2018: 3.3 bill. Revenue mix for regulated operations: residential, 66%; commercial and industrial, 24%; transportation, 6%; other, 4%. Has about 3,366 employees. Officers and directors own 2.9% of common shares; BlackRock, 13% (1/19 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.spireenergy.com.

Spire Inc.'s capital spending budget for fiscal 2019 (concluded September 30th) was probably about $780 million. Last year's amount was almost $500 million. The big difference reflects construction of Spire STL Pipeline (more detail below), investments in Spire Storage, plus infrastructure upgrades to the gas utilities. We look for fiscal 2020 expenditures to be near the fiscal 2019 level. Leadership projects total spending during the 2019-2023 period to be about $2.9 billion, which appears manageable.

The Spire STL Pipeline ought to be ready for service in calendar 2019. The 65-mile pipeline will provide Spire Missouri East with access to lower-cost shale gas from the Marcellus and Utica producing regions. Moreover, it should enhance the reliability and diversity of the company's physical transportation portfolio. (The total cost of the project is presently anticipated to exceed $260 million.)

We are optimistic, in general, about Spire's 2022-2024 business prospects. The gas utilities boast 1.7 million customers in Mississippi, Alabama, and Missouri, providing a measure of regional diversity. The push into southern states has clearly worked out well. Also, the other operations, particularly pipelines, show promise. Additional expansionary projects and technological enhancements in customer service and elsewhere should help, too. And given the adequate finances, acquisitions are possible. The usual risks include unfortunate events like leaks and pipeline ruptures.

The stock was under pressure as this report went to press. We believe that's primarily because the company moved its fiscal fourth quarter earnings conference call from November 20th to November 26th. Management argues that it needed time to assess the impact of adverse court rulings, which denied Spire Missouri's appeals of its infrastructure system replacement surcharge and ordered refunds of certain amounts deemed not recoverable since 2016. Of course, *Value Line* will closely monitor the situation.

But assuming the aforesaid problem blows over, risk-averse investors desiring a healthy amount of income might want to take a look here.

Frederick L. Harris, III November 29, 2019

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '18: $1,171.6 mill., $23.11/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding. (G) Price as of 10:45 AM EST on 11/21/19

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	60
Earnings Predictability	65

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ATMOS ENERGY CORP. NYSE-ATO

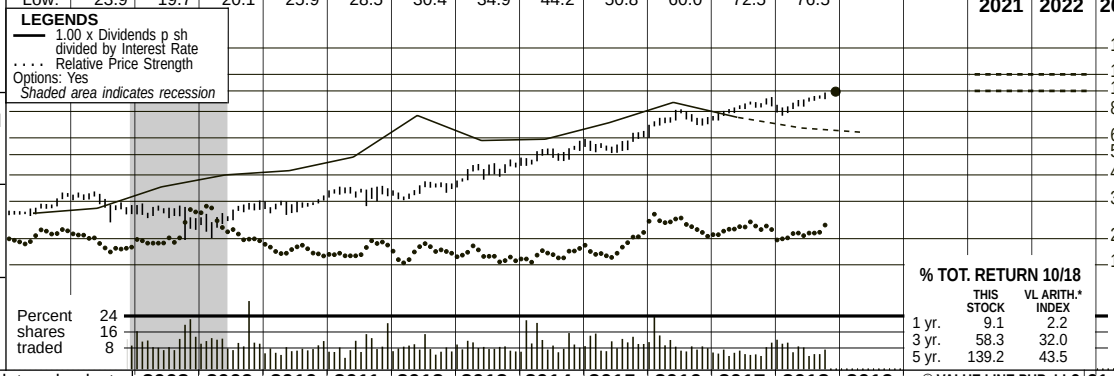
RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
99.34	23.5	(Trailing: 24.7 Median: 16.0)	1.43	2.1%	VALUE LINE

TIMELINESS 3 Lowered 11/30/18
SAFETY 1 Raised 6/6/14
TECHNICAL 4 Lowered 11/30/18
BETA .60 (1.00 = Market)

High:	33.5	29.3	30.3	32.0	35.6	37.3	47.4	58.2	64.8	82.0	93.6	99.8
Low:	23.9	19.7	20.1	25.9	28.5	30.4	34.9	44.2	50.8	60.0	72.5	76.5

Target Price Range
2021 | 2022 | 2023

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	120	(+20%)	7%
Low	100	(Nil)	3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	2	0	0	2	7	1	2	1	0
to Sell	0	0	0	0	0	0	0	1	0

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	166	181	201
to Sell	147	192	162
Hld's(000)	79750	81917	83010

Percent shares traded 24 16 8

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	9.1	2.2
3 yr.	58.3	32.0
5 yr.	139.2	43.5

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
79.52	53.69	53.12	48.15	38.10	42.88	49.22	40.82	32.23	26.01	*28.05*	*29.30*	Revenues per sh A	*42.30*
4.19	4.29	4.64	4.72	4.76	5.14	5.42	5.81	6.19	6.62	*7.25*	*7.70*	"Cash Flow" per sh	*8.60*
2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.09	3.38	3.60	4.00	*4.25*	Earnings per sh AB	*5.15*
1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	1.68	1.80	1.94	*2.10*	Div'ds Decl'd per sh C■	*2.60*
5.20	5.51	6.02	6.90	8.12	9.32	8.32	9.61	10.46	10.72	*13.20*	*14.65*	Cap'l Spending per sh	*14.20*
22.60	23.52	24.16	24.98	26.14	28.47	30.74	31.48	33.32	36.74	*42.85*	*40.60*	Book Value per sh	*46.55*
90.81	92.55	90.16	90.30	90.24	90.64	100.39	101.48	103.93	106.10	*111.00*	*116.00*	Common Shs Outst'g D	*130.00*
13.6	12.5	13.2	14.4	15.9	15.9	16.1	17.5	20.8	22.0	21.7		Avg Ann'l P/E Ratio	*21.5*
.82	.83	.84	.90	1.01	.89	.85	.88	1.09	1.08	1.13		Relative P/E Ratio	*1.20*
4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%	2.4%	2.3%	2.2%		Avg Ann'l Div'd Yield	*2.4%*
7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	3349.9	2759.7	3115.5	*3400*	Revenues ($mill) A	*5500*
180.3	179.7	201.2	199.3	192.2	230.7	289.8	315.1	350.1	382.7	444.3	*495*	Net Profit ($mill)	*670*
38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	36.4%	36.7%	27.0%	*24.5%*	Income Tax Rate	*24.5%*
2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	10.5%	13.9%	14.3%	*14.6%*	Net Profit Margin	*12.2%*
50.8%	49.9%	45.4%	49.4%	45.3%	48.8%	44.3%	43.5%	38.7%	44.0%	*34.5%*	*40.0%*	Long-Term Debt Ratio	*45.0%*
49.2%	50.1%	54.6%	50.6%	54.7%	51.2%	55.7%	56.5%	61.3%	56.0%	*65.5%*	*60.0%*	Common Equity Ratio	*55.0%*
4172.3	4346.2	3987.9	4461.5	4315.5	5036.1	5542.2	5650.2	5651.8	6965.7	*7265*	*7850*	Total Capital ($mill)	*11000*
4136.9	4439.1	4793.1	5147.9	5475.6	6030.7	6725.9	7430.6	8280.5	9259.2	*10370*	*11300*	Net Plant ($mill)	*14700*
5.9%	5.9%	6.9%	6.1%	6.1%	5.9%	6.4%	6.6%	7.2%	6.4%	*7.0%*	*7.5%*	Return on Total Cap'l	*7.5%*
8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	9.8%	*9.5%*	*10.5%*	Return on Shr. Equity	*11.0%*
8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	9.8%	*9.5%*	*10.5%*	Return on Com Equity	*11.0%*
3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.7%	4.9%	5.1%	4.9%	*5.0%*	*5.5%*	Retained to Com Eq	*5.5%*
65%	68%	62%	62%	65%	56%	50%	51%	50%	50%	*49%*	*49%*	All Div'ds to Net Prof	*50%*

CAPITAL STRUCTURE as of 6/30/18
Total Debt $3312.7 mill. **Due in 5 Yrs** $990.0 mill.
LT Debt $2617.9 mill. **LT Interest** $160.0 mill.
(LT interest earned: 6.0x; total interest coverage: 6.0x)
Leases, Uncapitalized Annual rentals $17.2 mill.
Pfd Stock None
Pension Assets-9/17 $508.2 mill. **Oblig.** $533.5 mill.
Common Stock 111,200,632 shs. **as of 8/3/18**
MARKET CAP: $11.0 billion (Large Cap)

CURRENT POSITION ($MILL.)	2016	2017	6/30/18
Cash Assets	47.5	26.4	20.9
Other	634.2	513.2	432.0
Current Assets	681.7	539.6	452.9
Accts Payable	259.4	233.0	198.2
Debt Due	1079.8	447.7	694.8
Other	449.1	332.7	573.0
Current Liab.	1788.3	1013.4	1466.0
Fix. Chg. Cov.	768%	805%	790%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
Revenues	-7.0%	-6.5%	*4.0%*
"Cash Flow"	4.0%	5.5%	*5.5%*
Earnings	6.0%	9.0%	*7.5%*
Dividends	3.0%	4.5%	*7.0%*
Book Value	5.0%	6.0%	*5.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2015	1258.8	1540.1	686.4	656.8	4142.1
2016	906.2	1132.3	632.9	678.5	3349.9
2017	780.2	988.2	526.5	464.8	2759.7
2018	889.2	1219.4	562.2	444.7	3115.5
2019	*950*	*1285*	*615*	*550*	*3400*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2015	.96	1.35	.55	.23	3.09
2016	1.00	1.38	.69	.33	3.38
2017	1.08	1.52	.67	.34	3.60
2018	1.40	1.57	.64	.41	4.00
2019	*1.48*	*1.63*	*.71*	*.43*	*4.25*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.37	.37	.37	.39	1.50
2015	.39	.39	.39	.42	1.59
2016	.42	.42	.42	.45	1.71
2017	.45	.45	.45	.485	1.84
2018	.485	.485	.485	.525	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to over three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for fiscal 2017: 65%, residential; 28%, commercial; 5%, industrial; and 2% other. The company sold Atmos Energy Marketing, 1/17. Officers and directors own approximately 1.4% of common stock (12/17 Proxy). President and Chief Executive Officer: Michael E. Haefner. Inc.: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

We expect Atmos Energy's earnings to advance, once more, in fiscal 2019. (Years start on October 1st.) The natural gas distribution division, which accounts for the lion's share of total revenues, stands to benefit from increased consumption levels, if weather conditions cooperate. Moreover, there ought to be a decent performance from the pipeline & storage unit. Right now, it seems that the company's bottom line will grow around 6%, to $4.25 a share, relative to the previous year's tally of $4.00. Concerning fiscal 2020, profits stand to rise at a similar percentage rate, to $4.50 a share, as operating margins expand further.

The fiscal 2019 capital spending budget is anticipated to come in between $1.65 billion and $1.75 billion. That would be roughly 16% higher than the prior-year figure of about $1.47 billion, assuming that the midpoint of that range is used. Similar to fiscal 2018, a substantial portion of the resources will be deployed to enhance the safety and reliability of the company's natural gas distribution and transmission systems.

The quarterly common stock dividend was increased about 8.2%, to $0.525 a share. Furthermore, our 3- to 5-year projections show that additional steady hikes in the distribution will take place. The payout ratio during that span ought to be in the neighborhood of 50%, which seems manageable. However, the current dividend yield is not exciting versus the average yield of *Value Line's* Natural Gas Utility Industry.

These shares have climbed to record heights since our last full-page review in August. We credit that movement partially to Atmos' solid fiscal 2018 results, and expectations of more glad tidings in the new year. Other appealing qualities include the top Safety rank, below-market Beta, plus a high mark for Price Stability.

But total return potential out to 2021-2023 is not spectacular. Indeed, much of the good news surrounding the energy company is already baked into the recent quotation, limiting capital gains possibilities. Still, as mentioned, we look for continued solid dividend growth. Meanwhile, the equity is ranked 3 (Average) for Timeliness.

Frederick L. Harris, III November 30, 2018

(A) Fiscal year ends Sept. 30th. **(B)** Diluted shrs. Excl. nonrec. items: '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢); '18, $1.43. Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢; '17, 13¢. Next egs. rpt. due early Feb.
(C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail.
(D) In millions.
(E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A+
Stock's Price Stability	100
Price Growth Persistence	70
Earnings Predictability	95

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NEW JERSEY RES. NYSE-NJR

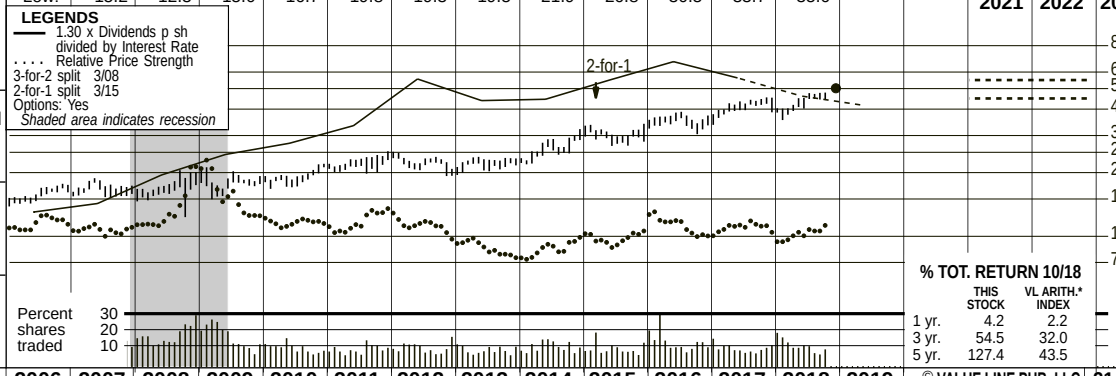
RECENT PRICE **50.18** | P/E RATIO **32.0** (Trailing: 17.0 / Median: 16.0) | RELATIVE P/E RATIO **1.95** | DIV'D YLD **2.3%** | VALUE LINE

TIMELINESS 3 Lowered 8/17/18
SAFETY 1 Raised 9/15/06
TECHNICAL 4 Lowered 11/30/18
BETA .70 (1.00 = Market)

High:	18.8	20.6	21.2	22.0	25.2	25.1	23.8	32.1	34.1	38.9	45.4	50.4
Low:	15.2	12.3	15.0	16.7	19.8	19.3	19.5	21.9	26.8	30.5	33.7	35.6

Target Price Range
2021 | 2022 | 2023

LEGENDS
— 1.30 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 3/08
2-for-1 split 3/15
Options: Yes
Shaded area indicates recession



2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+10%)	5%
Low	45	(-10%)	Nil

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	7	1	1	1	1	1	1	1	0
to Sell	1	1	0	0	0	0	0	0	0

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	109	126	141
to Sell	80	115	102
Hld's(000)	56723	57945	58664

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	4.2	2.2
3 yr.	54.5	32.0
5 yr.	127.4	43.5

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
22.06	31.14	30.44	38.10	39.81	36.31	45.37	31.17	32.05	36.30	27.08	38.38	44.40	32.09	21.90	26.28	*32.95*	*30.35*	Revenues per sh A	*33.15*
1.07	1.19	1.25	1.31	1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	2.52	2.46	2.68	*3.65*	*3.80*	"Cash Flow" per sh	*4.20*
.70	.79	.85	.88	.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.08	1.78	1.61	1.73	2.74	*2.00*	Earnings per sh B	*2.95*
.40	.41	.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.98	1.04	*1.10*	*1.17*	Div'ds Decl'd per sh C■	*1.24*
.51	.57	.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	3.76	4.15	3.80	*2.20*	*2.25*	Cap'l Spending per sh	*2.35*
4.35	5.13	5.62	5.30	7.50	7.75	8.64	8.29	8.81	9.36	9.80	10.65	11.48	12.99	13.58	14.33	*15.95*	*17.60*	Book Value per sh D	*22.70*
83.00	81.70	83.22	82.64	82.88	83.22	84.12	83.17	82.35	82.89	83.05	83.32	84.20	85.19	85.88	86.32	*88.50*	*86.50*	Common Shs Outst'g E	*86.50*
14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.7	16.6	21.3	22.4	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.84	1.12	1.09	*Value Line*		Relative P/E Ratio	*.95*
3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%	2.9%	2.7%	*estimates*		Avg Ann'l Div'd Yield	*2.5%*

CAPITAL STRUCTURE as of 6/30/18
Total Debt $1317.8 mill. **Due in 5 Yrs** $694.5 mill.
LT Debt $1220.2 mill. **LT Interest** $44.9 mill.
Incl. $39.7 mill. capitalized leases.
(LT interest earned: 5.0x; total interest coverage: 5.0x)
Pension Assets-9/17 $343.3 mill. **Oblig.** $472.9 mill.
Pfd Stock None

Common Stock 88,276,811 shs.
as of 8/3/18
MARKET CAP: $4.4 billion (Mid Cap)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		21-23
3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3738.1	2734.0	1880.9	2268.6	2915.1	*2625*	Revenues ($mill) A	*2870*
113.9	101.0	101.8	106.5	112.4	113.7	176.9	153.7	138.1	149.4	240.5	*240*	Net Profit ($mill)	*260*
37.8%	27.1%	41.4%	30.2%	7.1%	25.4%	30.2%	26.3%	15.5%	17.2%	*16.5%*	*15.0%*	Income Tax Rate	*15.0%*
3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	5.6%	7.3%	6.6%	8.3%	*9.1%*	Net Profit Margin	*9.0%*
38.5%	39.8%	37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	47.7%	44.6%	*44.5%*	*42.5%*	Long-Term Debt Ratio	*38.0%*
61.5%	60.2%	62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	52.3%	55.4%	*55.5%*	*57.5%*	Common Equity Ratio	*62.0%*
1182.1	1144.8	1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	2230.1	2233.7	*2480*	*2645*	Total Capital ($mill)	*3160*
1017.3	1064.4	1135.7	1295.9	1484.9	1643.1	1884.1	2128.3	2407.7	2609.7	*2660*	*2715*	Net Plant ($mill)	*2880*
10.7%	9.7%	9.7%	9.7%	9.2%	9.0%	12.1%	8.6%	6.9%	7.7%	*10.5%*	*10.0%*	Return on Total Cap'l	*9.0%*
15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	*16.5%*	*15.5%*	Return on Shr. Equity	*13.0%*
15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.1%	*16.5%*	*15.5%*	Return on Com Equity	*13.0%*
9.5%	7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	7.0%	4.8%	5.0%	*10.0%*	*4.5%*	Retained to Com Eq	*7.5%*
40%	50%	52%	55%	55%	59%	40%	50%	60%	59%	*41%*	*58%*	All Div'ds to Net Prof	*42%*

CURRENT POSITION ($MILL.)	2016	2017	6/30/18
Cash Assets	37.5	2.2	1.1
Other	569.8	577.2	735.8
Current Assets	607.3	579.4	736.9
Accts Payable	269.8	280.6	311.2
Debt Due	183.2	431.4	97.6
Other	118.6	90.9	98.1
Current Liab.	571.6	802.9	506.9
Fix. Chg. Cov.	669%	543%	550%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
Revenues	-3.5%	-3.5%	*3.5%*
"Cash Flow"	7.0%	8.0%	*8.5%*
Earnings	7.0%	5.5%	*9.5%*
Dividends	7.5%	6.5%	*4.0%*
Book Value	7.0%	8.0%	*9.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2015	824.1	1013.1	458.5	438.3	2734.0
2016	444.3	574.2	393.2	469.2	1880.9
2017	541.1	733.5	457.5	536.5	2268.6
2018	705.3	1019.0	543.4	647.3	2915.1
2019	*725*	*785*	*520*	*595*	*2625*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2015	.65	1.16	.03	d.06	1.78
2016	.58	.91	.13	d.02	1.61
2017	.47	1.21	.20	d.14	1.73
2018	1.56	1.62	d.09	d.33	2.74
2019	*.65*	*1.00*	*.25*	*.10*	*2.00*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.21	.21	.21	.23	.86
2015	.23	.23	.23	.24	.93
2016	.24	.24	.24	.255	.98
2017	.255	.255	.255	.273	1.04
2018	.273	.273	.273	.2925	

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 529,810 cust. at 9/30/17 in Monmouth and Ocean and other N.J. counties. Fiscal 2017 volume: 297 bill. cu. ft. (19% interruptible, 21% res., commercial & elec. utility, 60% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2017 dep. rate: 2.7%. Has 1,052 empls. Off./dir. own 1.5% of common; BlackRock, 13.0%; Vanguard, 8.9% (12/17 Proxy). Chrmn., CEO & Pres.: Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources closed out fiscal 2018 in decent shape. The company reported a net financial loss of $0.33 for the September quarter, less than our $0.44 loss estimate. An improved performance by the Energy Services division drove the surprise. There were 9,600 new customers at New Jersey Natural Gas this fiscal year, which exceeded expectations and was 5% more than the number added in 2017. Residential construction in Ocean County was the biggest contributor. As a result, NJR increased the annual customer growth rate forecast to 1.8% for this fiscal year through 2021. Currently, it expects 65% of customer growth to come from new construction.

The dividend was raised. The quarterly payment was increased 7.3%, representing the 25th hike in the last 23 years. This was in line with the annual growth rate target of 6%-8%. Still, the yield is below other utilities in this sector.

The stock has done well in this skittish market environment. It has outperformed the broader market averages by nearly 13% since our August review. Uncertainties over the tariff conflict between the U.S. and China along with slowing global GDP growth have prompted many investors to flee riskier assets in favor of safer, more-dependable equities like utilities. Importantly, slumping oil prices in recent weeks have not had much of an impact on NJR (natural gas prices are often tied to oil prices). In fact, the price of natural gas recently jumped to a four-year high, rising nearly 50% since the start of November. Recent cold weather has some investors speculating that 2019 will have a particularly harsh winter, exacerbating existing concerns over suppliers' ability to meet demand with current inventory levels. Some experts think this trend may continue in the coming months, which augurs well for New Jersey Resources' results ahead. Still, when questioned, management said it's way too early into the cold weather season to start changing or making adjustments to guidance.

These shares are neutrally ranked for year-ahead price performance (Timeliness: 3). Conservative types may be enticed by the good scores for Safety (1) and Financial Strength (A+).

Kevin Downing *November 30, 2018*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due early Feb.
(C) Dividends historically paid in early Jan., April, July, and October. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2017: $375.9 million, $4.36/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	80
Price Growth Persistence	50
Earnings Predictability	50

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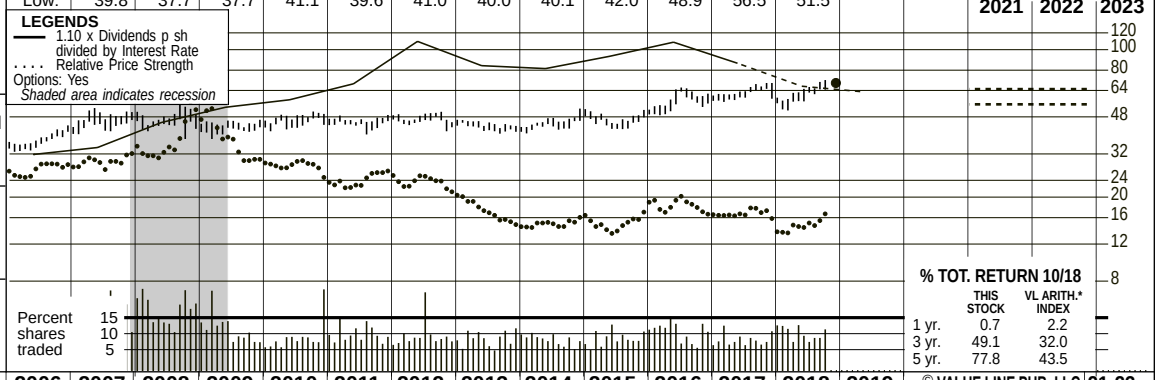
N.W. NATURAL NYSE-NWN

RECENT PRICE **69.49** | P/E RATIO **29.3** (Trailing: NMF; Median: 20.0) | RELATIVE P/E RATIO **1.79** | DIV'D YLD **2.7%** | VALUE LINE

TIMELINESS 3 Raised 11/9/18
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Raised 10/26/18
BETA .60 (1.00 = Market)

High:	52.8	55.2	46.5	50.9	49.0	50.8	46.6	52.6	52.3	66.2	69.5	71.8
Low:	39.8	37.7	37.7	41.1	39.6	41.0	40.0	40.1	42.0	48.9	56.5	51.5

Target Price Range
2021 | 2022 | 2023



2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(-5%)	2%
Low	55	(-20%)	-2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	1	0	0	0	0	0	0	0
Options	0	12	0	0	4	0	0	4	0
to Sell	0	2	0	0	0	0	0	5	0

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	91	94	89
to Sell	70	106	79
Hld's(000)	19201	19492	19840

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	0.7	2.2
3 yr.	49.1	32.0
5 yr.	77.8	43.5

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	26.39	23.61	26.52	*25.40*	*27.65*	Revenues per sh	*28.45*
3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	4.91	4.93	1.04	*4.75*	*5.65*	"Cash Flow" per sh	*6.35*
1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	2.12	d1.94	*2.20*	*2.45*	Earnings per sh A	*3.50*
1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	1.87	1.88	*1.89*	*1.93*	Div'ds Decl'd per sh B■	*2.20*
3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	4.37	4.87	7.43	*6.80*	*6.65*	Cap'l Spending per sh	*6.25*
18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	28.47	29.71	25.85	*26.30*	*27.30*	Book Value per sh D	*29.40*
25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	27.43	28.63	28.74	*29.50*	*30.00*	Common Shs Outst'g C	*32.00*
17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	26.9	NMF	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.19	1.41	NMF	*Value Line*		Relative P/E Ratio	*.95*
4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	3.3%	3.0%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 9/30/18
Total Debt $910.1 mill. **Due in 5 Yrs** $360.0 mill.
LT Debt $724.7 mill. **LT Interest** $40.0 mill.

(Total interest coverage: 3.2x)

Pension Assets-12/17 $287.9 mill. **Oblig.** $486.3 mill.

Pfd Stock None

Common Stock 28,844,682 shares
as of 10/26/18

MARKET CAP $2.0 billion (Mid Cap)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		21-23
1037.9	1012.7	812.1	848.8	730.6	758.5	754.0	723.8	676.0	762.2	*750*	*830*	Revenues ($mill)	*910*
68.5	75.1	72.7	63.9	59.9	60.5	58.7	53.7	58.9	d55.6	*65.0*	*80.0*	Net Profit ($mill)	*90.0*
36.9%	38.3%	40.5%	40.4%	42.4%	40.8%	41.5%	40.0%	40.9%	NMF	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
6.6%	7.4%	8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	8.7%	NMF	*8.6%*	*8.8%*	Net Profit Margin	*12.3%*
44.9%	47.7%	46.1%	47.3%	48.5%	47.6%	44.8%	42.5%	44.4%	47.9%	*47.5%*	*47.0%*	Long-Term Debt Ratio	*46.5%*
55.1%	52.3%	53.9%	52.7%	51.5%	52.4%	55.2%	57.5%	55.6%	52.1%	*52.5%*	*53.0%*	Common Equity Ratio	*53.5%*
1140.4	1261.8	1284.8	1356.2	1424.7	1433.6	1389.0	1357.7	1529.8	1426.0	*1485*	*1550*	Total Capital ($mill)	*1750*
1549.1	1670.1	1854.2	1893.9	1973.6	2062.9	2121.6	2182.7	2260.9	2255.0	*2345*	*2440*	Net Plant ($mill)	*2745*
7.7%	7.3%	7.0%	6.2%	5.7%	5.8%	5.8%	5.5%	5.1%	NMF	*5.5%*	*6.0%*	Return on Total Cap'l	*7.5%*
10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	*8.5%*	*9.0%*	Return on Shr. Equity	*12.0%*
10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	*8.5%*	*9.0%*	Return on Com Equity	*12.0%*
4.5%	5.0%	4.0%	2.4%	1.6%	1.5%	1.1%	.6%	.9%	NMF	*1.0%*	*2.0%*	Retained to Com Eq	*4.5%*
59%	56%	61%	73%	80%	81%	85%	92%	87%	NMF	*86%*	*79%*	All Div'ds to Net Prof	*63%*

CURRENT POSITION ($MILL.)	2016	2017	9/30/18
Cash Assets	3.5	3.5	30.0
Other	284.6	266.4	188.2
Current Assets	288.1	269.9	218.2
Accts Payable	85.7	112.3	80.1
Debt Due	93.3	150.9	185.4
Other	95.5	118.7	117.4
Current Liab.	274.5	381.9	382.9
Fix. Chg. Cov.	390%	362%	320%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
Revenues	-3.5%	-3.0%	*2.0%*
"Cash Flow"	-3.0%	-6.5%	*10.0%*
Earnings	-11.5%	-22.0%	*30.5%*
Dividends	3.0%	1.5%	*2.5%*
Book Value	2.5%	1.0%	*1.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	261.7	138.3	93.1	230.7	723.8
2016	255.6	99.2	87.7	233.5	676.0
2017	297.3	136.3	88.2	240.4	762.2
2018	264.7	124.6	91.2	*269.5*	*750*
2019	*300*	*130*	*120*	*280*	*830*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	1.04	.08	d.24	1.08	1.96
2016	1.33	.07	d.29	1.01	2.12
2017	1.40	.10	d.30	d3.14	d1.94
2018	1.44	d.01	d.39	*1.16*	*2.20*
2019	*1.50*	*.10*	*d.30*	*1.15*	*2.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.460	.460	.460	.465	1.85
2015	.465	.465	.465	.4675	1.86
2016	.4675	.4675	.4675	.470	1.87
2017	.470	.470	.470	.4725	1.88
2018	.4725	.4725	.4725	.475	

BUSINESS: Northwest Natural Holding Co. distributes natural gas to 1000 communities, 735,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 3.7 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 38%; commercial, 22%; industrial, gas transportation, 40%. Employs 1,146. BlackRock Inc. owns 13.1% of shares; officers and directors, 1.2% (4/18 proxy). CEO: David H. Anderson. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Tel.: 503-226-4211. Int.: www.nwnatural.com.

Northwest Natural Gas changed its name to Northwest Natural Holding Company. This was mostly to reflect its conversion to a holding company.

Northwest Natural Holding recorded mixed third-quarter results. Revenues grew to $91.2 million, aided by additional contributions from recent water utility purchases. However, higher maintenance expense was incurred, and revenue taxes were paid during the quarter. Though interest expense fell year over year, losses expanded to $0.39 per share. Still, the company is on track for improved fourth-quarter results, as cooler winter weather should cause higher natural gas usage and boost the total take. In addition, recent purchases of water utilities should further enhance the top line. Too, we think that maintenance expense will decrease, allowing 2018 full-year earnings to reach $2.20 per share.

The company received new rates in Oregon. Though residential and small commercial gas rates will decrease, an order that increases base-rate revenue by $23.4 million will take effect. This is expected to lead to a net benefit of $14.2 million, helping to improve the top line and profits over the coming years.

The Mist storage facility is a little behind schedule. The project is close to completion, and one of the last steps is the construction of a compressor station. Still, this facility is expected to be in service by the second quarter of 2019 and cost around $144 million in capital expenditures. This will boost income once in service. All told, we think earnings will reach $2.45 in 2019, and $3.50 by the 2021-2023 period.

Management hiked the payout 0.5% to $0.475 quarterly. This represents the 63rd annual dividend increase, and remains well covered by earnings. In addition, we think that bigger hikes are possible, once the Mist storage facility comes on line.

Shares of Northwest Natural Holding hold lackluster appeal. They are trading above the high end of our long-term Target Price Range, and the dividend yield does not compare favorably to other utilities. In addition, these shares do not stand out for Timeliness.

John E. Seibert III *November 30, 2018*

(A) Diluted earnings per share. Excludes nonrecurring items: '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2017: $356.6 million, $12.40/share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	20
Earnings Predictability	15

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ONE GAS, INC. NYSE-OGS

RECENT PRICE **85.10** | P/E RATIO **24.8** (Trailing: 25.4 Median: NMF) | RELATIVE P/E RATIO **1.51** | DIV'D YLD **2.4%** | VALUE LINE

TIMELINESS 3 Lowered 8/31/18
SAFETY 2 New 6/2/17
TECHNICAL 3 Lowered 10/12/18
BETA .65 (1.00 = Market)

	2013	2014	2015	2016	2017	2018
High:	44.3	51.8	67.4	79.5	85.3	
Low:	31.9	38.9	48.0	61.4	62.2	

Target Price Range 2021 | 2022 | 2023

LEGENDS
. . . . Relative Price Strength
Options: Yes
Shaded area indicates recession

2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	125	(+45%)	12%
Low	90	(+5%)	4%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	1	0	0	0	1
Options	0	6	0	0	3	0	0	2	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	122	115	133
to Sell	88	160	123
Hld's(000)	38434	38929	39130

Percent shares traded 21 14 7

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	5.1	2.2
3 yr.	73.7	32.0
5 yr.	—	43.5

The shares of ONE Gas, Inc. began trading "regular-way" on the New York Stock Exchange on February 3, 2014. That happened as a result of the separation of ONEOK's natural gas distribution operation. Regarding the details of the spinoff, on January 31, 2014, ONEOK distributed one share of OGS common stock for every four shares of ONEOK common stock held by ONEOK shareholders of record as of the close of business on January 21. It should be mentioned that ONEOK did not retain any ownership interest in the new company.

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
--	--	--	--	--	--	34.92	29.62	27.30	29.43	*31.60*	*33.95*	Revenues per sh	*40.00*
--	--	--	--	--	--	4.52	4.82	5.43	5.96	*6.35*	*6.65*	"Cash Flow" per sh	*8.20*
--	--	--	--	--	--	2.07	2.24	2.65	3.02	*3.33*	*3.55*	Earnings per sh A	*4.75*
--	--	--	--	--	--	.84	1.20	1.40	1.68	*1.84*	*2.00*	Div'ds Decl'd per sh B■	*2.50*
--	--	--	--	--	--	5.70	5.63	5.91	6.81	*7.30*	*7.40*	Cap'l Spending per sh	*7.50*
--	--	--	--	--	--	34.45	35.24	36.12	37.47	*38.85*	*38.50*	Book Value per sh	*43.40*
--	--	--	--	--	--	52.08	52.26	52.28	52.31	*52.50*	*53.00*	Common Shs Outst'g C	*55.00*
--	--	--	--	--	--	17.8	19.8	22.7	23.5	*Bold figures are*		Avg Ann'l P/E Ratio	*22.5*
--	--	--	--	--	--	.94	1.00	1.20	1.18	*Value Line*		Relative P/E Ratio	*1.25*
--	--	--	--	--	--	2.3%	2.7%	2.3%	2.4%	*estimates*		Avg Ann'l Div'd Yield	*2.3%*
--	--	--	--	--	--	1818.9	1547.7	1427.2	1539.6	*1660*	*1800*	Revenues ($mill)	*2200*
--	--	--	--	--	--	109.8	119.0	140.1	159.9	*175*	*188*	Net Profit ($mill)	*260*
--	--	--	--	--	--	38.4%	38.0%	37.8%	36.4%	*22.5%*	*22.5%*	Income Tax Rate	*22.5%*
--	--	--	--	--	--	6.0%	7.7%	9.8%	10.4%	*10.5%*	*10.4%*	Net Profit Margin	*11.8%*
--	--	--	--	--	--	40.1%	39.5%	38.7%	37.8%	*32.0%*	*35.0%*	Long-Term Debt Ratio	*38.0%*
--	--	--	--	--	--	59.9%	60.5%	61.3%	62.2%	*68.0%*	*65.0%*	Common Equity Ratio	*62.0%*
--	--	--	--	--	--	2995.3	3042.9	3080.7	3153.5	*3000*	*3140*	Total Capital ($mill)	*3850*
--	--	--	--	--	--	3293.7	3511.9	3731.6	4007.6	*4300*	*4510*	Net Plant ($mill)	*5275*
--	--	--	--	--	--	4.4%	4.7%	5.2%	5.8%	*7.0%*	*7.0%*	Return on Total Cap'l	*8.0%*
--	--	--	--	--	--	6.1%	6.5%	7.4%	8.2%	*8.5%*	*9.0%*	Return on Shr. Equity	*11.0%*
--	--	--	--	--	--	6.1%	6.5%	7.4%	8.2%	*8.5%*	*9.0%*	Return on Com Equity	*11.0%*
--	--	--	--	--	--	3.7%	3.1%	3.5%	3.7%	*4.0%*	*4.0%*	Retained to Com Eq	*5.0%*
--	--	--	--	--	--	40%	53%	52%	55%	*55%*	*56%*	All Div'ds to Net Prof	*53%*

CAPITAL STRUCTURE as of 9/30/18
Total Debt $1469.9 mill. **Due in 5 Yrs** $655.0 mill.
LT Debt $893.9 mill. **LT Interest** $70.0 mill.
(LT interest earned: 6.5x; total interest coverage: 6.5x)
Leases, Uncapitalized Annual rentals $4.7 mill.
Pfd Stock None
Pension Assets-12/17 $884.8 mill. **Oblig.** $993.9 mill.
Common Stock 52,526,346 shs. **as of 10/23/18**
MARKET CAP: $4.5 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2016	2017	9/30/18
Cash Assets	14.7	14.4	12.4
Other	554.2	574.6	362.1
Current Assets	568.9	589.0	374.5
Accts Payable	132.0	143.7	68.3
Debt Due	145.0	357.2	576.0
Other	166.9	172.4	191.7
Current Liab.	443.9	673.3	836.0
Fix. Chg. Cov.	685%	774%	700%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
Revenues	--	--	*5.5%*
"Cash Flow"	--	--	*7.0%*
Earnings	--	--	*10.5%*
Dividends	--	--	*10.0%*
Book Value	--	--	*3.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	676.5	256.8	225.2	389.2	1547.7
2016	508.4	245.9	232.2	440.7	1427.2
2017	550.4	279.7	247.1	462.4	1539.6
2018	638.5	292.5	238.3	*490.7*	*1660*
2019	*680*	*320*	*280*	*520*	*1800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	1.13	.23	.14	.74	2.24
2016	1.22	.38	.25	.80	2.65
2017	1.34	.39	.36	.93	3.02
2018	1.72	.39	.31	*.91*	*3.33*
2019	*1.78*	*.43*	*.40*	*.94*	*3.55*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	--	.28	.28	.28	.84
2015	.30	.30	.30	.30	1.20
2016	.35	.35	.35	.35	1.40
2017	.42	.42	.42	.42	1.68
2018	.46	.46	.46	.46	

BUSINESS: ONE Gas, Inc. provides natural gas distribution services to over two million customers. It has three divisions: Oklahoma Natural Gas, Kansas Gas Service, and Texas Gas Service. The company purchased 137 Bcf of natural gas supply in 2017, compared to 134 Bcf in 2016. Total volumes delivered by customer (fiscal 2017): transportation, 61%; residential, 29%; commercial & industrial, 9%; wholesale & public authority, 1%. BlackRock owns approximately 10.9% of common stock; The Vanguard Group, 9.3%; T. Rowe Price Associates, 8.7%; officers and directors, less than 1% (4/18 Proxy). CEO: Pierce H. Norton II. Incorporated: Oklahoma. Address: 15 East Fifth Street, Tulsa, Oklahoma 74103. Telephone: 918-947-7000. Internet: www.onegas.com.

ONE Gas is about to close the book on a prosperous 2018. Indeed, through the first nine months, the bottom line soared almost 16%, to $2.42 a share, compared to $2.09 for the same period last year. This outperformance was made possible largely by a drop in income tax expense. The company also benefited from new rates in Texas and Kansas. Other pluses included higher transportation volumes and net customer growth in Oklahoma and Texas. Elsewhere, total operating expenses increased just 3.6%. Assuming that the fourth quarter does not prove to be disastrous for ONE Gas, we expect earnings to increase around 10%, to $3.33 a share, for the whole year. Regarding 2019, a 7% advance, to $3.55 a share, seems possible, if, of course, the business environment is generally favorable.

Finances are in solid condition. At the conclusion of September, cash and equivalents resided at $12.4 million. Too, long-term debt was nearly 31% of total capital, which is very reasonable, and short-term obligations of $576 million did not seem to be a major stumbling block. What's more, the company had $423.2 million remaining under a $700 million credit facility scheduled to expire in October, 2023. (It is allowed to request an additional $500 million upon satisfaction of certain customary conditions.) Finally, $276 million was available (out of $700 million) under a commercial paper agreement. As a consequence, the natural gas distributor ought to be able to provide liquidity for its working capital requirements, capital expenditures, and other commitments for quite a while. We believe acquisitions are also plausible.

The stock has jumped roughly 25% in value over the past nine months. We believe that's fueled mainly by ONE Gas' good profits of late. Other positives are the dividend (and the likelihood of future steady increases in the adequately covered payout), lower-than-market Beta coefficient, plus an Above Average (2) Safety rank.

However, capital appreciation potential out to 2021-2023 now lies beneath the *Value Line* median. These shares possess a 3 (Average) rank for Timeliness, as well.

Frederick L. Harris, III November 30, 2018

(A) Diluted EPS. Excludes nonrecurring gain: 2017, $0.06. Next earnings report due early Feb.
(B) Dividends historically paid in early March, June, Sept., and Dec. ■ Dividend reinvestment plan. Direct stock purchase plan.
(C) In millions.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	70
Earnings Predictability	NMF

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SOUTH JERSEY INDS. NYSE-SJI

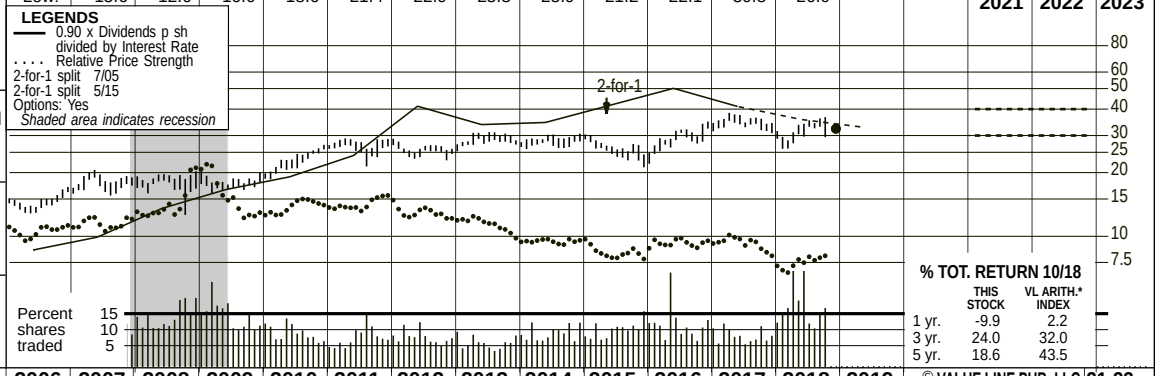
RECENT PRICE **32.27** | P/E RATIO **22.4** (Trailing: 20.7 Median: 18.0) | RELATIVE P/E RATIO **1.37** | DIV'D YLD **3.7%** | VALUE LINE

TIMELINESS 3 Lowered 7/20/18
SAFETY 2 Lowered 1/4/91
TECHNICAL 2 Raised 11/9/18
BETA .80 (1.00 = Market)

High:	20.6	20.3	20.4	27.1	29.0	29.0	31.1	30.6	30.4	34.8	38.4	36.7
Low:	15.6	12.6	16.0	18.6	21.4	22.9	25.3	25.9	21.2	22.1	30.8	26.0

Target Price Range
2021 | 2022 | 2023

LEGENDS
— 0.90 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 7/05
2-for-1 split 5/15
Options: Yes
Shaded area indicates recession



2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+25%)	9%
Low	30	(-5%)	3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	1	0	0	1	0
Options	18	0	8	0	0	4	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	94	113	147
to Sell	69	95	79
Hld's(000)	55789	59747	72803

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-9.9	2.2
3 yr.	24.0	32.0
5 yr.	18.6	43.5

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
10.35	13.17	14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	13.52	13.04	15.63	*16.50*	*17.30*	Revenues per sh	*18.95*
1.06	1.12	1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	2.42	2.67	2.79	*2.55*	*2.70*	"Cash Flow" per sh	*3.55*
.61	.68	.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	1.44	1.34	1.23	*1.62*	*1.70*	Earnings per sh A	*2.30*
.38	.39	.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	1.06	1.10	*1.15*	*1.20*	Div'ds Decl'd per sh B ■	*1.35*
1.74	1.18	1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	4.87	3.50	3.43	*2.85*	*3.10*	Cap'l Spending per sh	*4.75*
4.84	5.63	6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	14.62	16.22	14.99	*15.00*	*16.20*	Book Value per sh C	*19.45*
48.83	52.92	55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	70.97	79.48	79.55	*88.00*	*91.00*	Common Shs Outst'g D	*95.00*
13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	17.9	21.7	27.9	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	.90	1.14	1.40	*Value Line*		Relative P/E Ratio	*.90*
4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	3.9%	3.6%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 9/30/18
Total Debt $3185.1 mill. **Due in 5 Yrs** $685 mill.
LT Debt $1281.0 mill. **LT Interest** $40.0 mill.

Leases, Uncapitalized Annual rentals $.7 mill.
Pension Assets-12/17 $216.1 mill. **Oblig.** $316.3 mill.
Pfd Stock None

Common Stock 85,506,217 shs. **as of 11/1/18**

MARKET CAP: $2.8 billion (Mid Cap)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		21-23
962.0	845.4	925.1	828.6	706.3	731.4	887.0	959.6	1036.5	1243.1	*1450*	*1575*	Revenues ($mill)	*1800*
67.7	71.3	81.0	87.0	93.3	97.1	104.0	99.0	102.8	98.1	*140*	*150*	Net Profit ($mill)	*210*
47.7%	23.0%	15.2%	22.4%	10.8%	- -	- -	5.9%	42.0%	25.0%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
7.0%	8.4%	8.8%	10.5%	13.2%	13.3%	11.7%	10.3%	9.9%	7.9%	*9.7%*	*9.5%*	Net Profit Margin	*11.7%*
39.2%	36.5%	37.4%	40.5%	45.0%	45.1%	48.0%	49.2%	38.5%	48.5%	*50.0%*	*49.5%*	Long-Term Debt Ratio	*50.0%*
60.8%	63.5%	62.6%	59.5%	55.0%	54.9%	52.0%	50.8%	61.5%	51.5%	*50.0%*	*50.5%*	Common Equity Ratio	*50.0%*
848.0	856.4	910.1	1048.3	1337.6	1507.4	1791.9	2043.9	2097.2	2315.4	*2645*	*2925*	Total Capital ($mill)	*3700*
982.6	1073.1	1193.3	1352.4	1578.0	1859.1	2134.1	2448.1	2623.8	2700.2	*3650*	*4000*	Net Plant ($mill)	*4750*
8.9%	9.0%	9.5%	8.9%	7.4%	6.8%	6.4%	5.4%	5.4%	5.1%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	8.2%	*10.5%*	*10.0%*	Return on Shr. Equity	*11.5%*
13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	8.2%	*10.5%*	*10.0%*	Return on Com Equity	*11.5%*
6.7%	6.4%	7.1%	6.7%	5.8%	4.8%	4.3%	2.8%	1.6%	.9%	*3.0%*	*3.0%*	Retained to Com Eq	*4.5%*
49%	51%	50%	52%	55%	59%	61%	71%	80%	89%	*72%*	*73%*	All Div'ds to Net Prof	*61%*

CURRENT POSITION ($MILL.)	2016	2017	9/30/18
Cash Assets	18.3	7.8	3.3
Other	455.0	431.2	734.0
Current Assets	473.3	439.0	737.3
Accts Payable	243.7	284.9	383.5
Debt Due	528.0	410.2	1904.1
Other	180.9	188.0	183.6
Current Liab.	952.6	883.1	2471.2
Fix. Chg. Cov.	602%	177%	162%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
Revenues	-1.5%	1.0%	*5.0%*
"Cash Flow"	5.5%	3.5%	*5.0%*
Earnings	2.5%	-1.5%	*9.5%*
Dividends	8.5%	7.0%	*4.0%*
Book Value	7.5%	8.0%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	383.0	177.7	141.1	257.8	959.6
2016	333.0	154.4	219.1	330.0	1036.5
2017	425.8	244.4	227.1	345.8	1243.1
2018	521.9	227.3	302.5	*398.3*	*1450*
2019	*560*	*280*	*310*	*425*	*1575*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.86	.03	d.07	.62	1.44
2016	.75	.12	.05	.42	1.34
2017	.72	.06	d.05	.50	1.23
2018	1.26	.07	d.11	*.40*	*1.62*
2019	*1.05*	*.10*	*d.05*	*.60*	*1.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	- -	.237	.237	.488	.96
2015	- -	.251	.251	.515	1.02
2016	- -	.264	.264	.536	1.06
2017	- -	.273	.273	.553	1.10
2018	- -	.280	.280		

BUSINESS: South Jersey Industries, Inc. is a holding company. Distributes natural gas to approx. 681,000 customers in New Jersey and Maryland. Gas revenue mix '17: residential, 44%; commercial, 21%; cogeneration and electric generation, 14%; industrial, 21%. Nonutility operations include: South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 760 employees. Off./dir. own less than 1% of common; BlackRock, Inc., 12.8%; The Vanguard Group, Inc., 9.8% (3/18 proxy). Pres. & CEO: Michael J. Renna. Chairman: Walter M. Higgins III. Incorporated: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Telephone: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have traded lower in price since mid-October, in conjunction with weakness in the broader equity market. The company reported mixed results for the third quarter. The top line advanced considerably, on a year-over-year basis. But operating expenses also increased, and the share deficit widened to $0.11. Our bottom-line presentation excludes a charge of $14.4 million ($0.16 per share) related to acquisitions and divestitures.

Subsidiary Elizabethtown Gas is looking to upgrade its infrastructure. The utility has filed a proposal with the New Jersey Board of Public Utilities seeking authorization for a $518 million, five-year infrastructure replacement program. This is designed to enhance the safety and reliability of Elizabethtown's system.

Prospects appear bright for the years ahead. Utility South Jersey Gas should continue to perform well. This operation ought to further benefit from customer additions and investment in regulated assets. The company's business transformation efforts in recent years include the acquisitions of Elizabethtown Gas and Elkton Gas, as well as the separation of non-core and nonregulated businesses. The divestiture of solar assets reflects this strategy. South Jersey is reshaping its nonutility operations to emphasize wholesale marketing and fuel management. These moves have increased earnings visibility, and have positioned South Jersey Industries for solid bottom-line growth in the years to come. The company expects to deploy $2.5 billion to $2.6 billion in growth and maintenance capital over the next five years.

This stock is ranked to track the broader market averages for the coming six to 12 months. Looking further out, long-term total return potential is nothing to write home about at this juncture. The dividend yield is fairly healthy, however. Moreover, South Jersey Industries earns favorable marks for Safety, Price Stability, and Earnings Predictability. Volatility is subdued, as well. A further pullback in the share price some time in the future may present conservative, income-seeking investors with a more attractive entry point.

Michael Napoli, CFA *November 30, 2018*

(A) Based on economic egs. from 2007. GAAP EPS: '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46; '15, $1.52; '16, $1.56; '17, ($0.04). Excl. nonrecur. gain (loss): '08, $0.16; '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11); '15, $0.08; '16, $0.22; '17, ($1.27). Next egs. rpt. early February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2017: $469.2 mill., $5.90 per shr. (D) In mill., adj. for split.

Company's Financial Strength	A
Stock's Price Stability	75
Price Growth Persistence	20
Earnings Predictability	65

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SOUTHWEST GAS NYSE-SWX

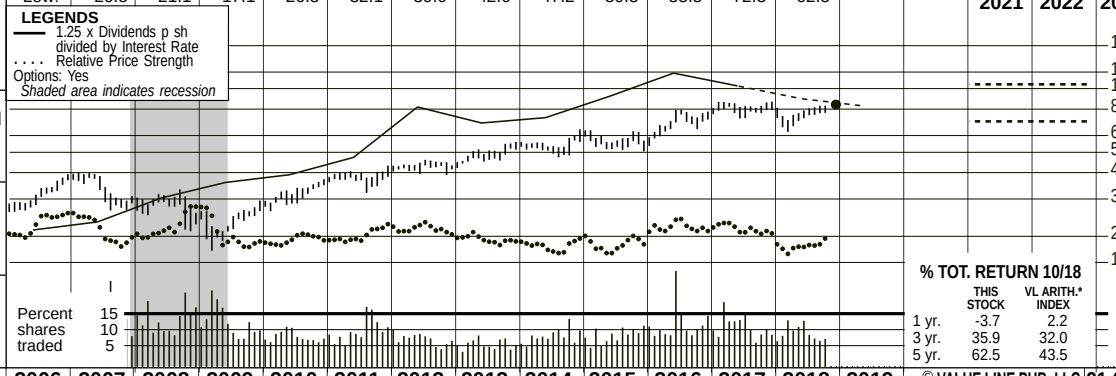
RECENT PRICE **84.14** | P/E RATIO **20.5** (Trailing: 21.6 Median: 17.0) | RELATIVE P/E RATIO **1.25** | DIV'D YLD **2.6%** | VALUE LINE

TIMELINESS 1 Raised 11/30/18
SAFETY 3 Lowered 1/4/91
TECHNICAL 3 Lowered 10/12/18
BETA .70 (1.00 = Market)

High:	39.9	33.3	29.5	37.3	43.2	46.1	56.0	64.2	63.7	79.6	86.9	86.0
Low:	26.5	21.1	17.1	26.3	32.1	39.0	42.0	47.2	50.5	53.5	72.3	62.5

Target Price Range
2021 | 2022 | 2023

LEGENDS
— 1.25 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+25%)	8%
Low	70	(-15%)	-1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	1	0	0	0	0
Options	7	0	16	0	0	0	0	0	0
to Sell	0	0	1	0	2	1	0	1	2

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	113	127	135
to Sell	90	116	119
Hld's(000)	36675	39279	40920

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-3.7	2.2
3 yr.	35.9	32.0
5 yr.	62.5	43.5

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	52.00	51.82	53.00	*58.20*	*59.80*	Revenues per sh	*65.45*
5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	8.62	9.29	8.83	*9.00*	*9.60*	"Cash Flow" per sh	*13.00*
1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	2.92	3.18	3.62	*3.95*	*4.20*	Earnings per sh A	*5.40*
.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	1.62	1.80	1.98	*2.08*	*2.18*	Div'ds Decl'd per sh B■†	*2.60*
8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	10.30	11.15	12.97	*14.65*	*15.20*	Cap'l Spending per sh	*17.25*
17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	33.61	35.03	37.74	*40.40*	*43.15*	Book Value per sh	*54.55*
33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	47.38	47.48	48.09	*49.50*	*51.00*	Common Shs Outst'g C	*55.00*
19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	19.4	21.6	22.2	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	.98	1.13	1.12	*Value Line*		Relative P/E Ratio	*.90*
3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	2.9%	2.6%	2.5%	*estimates*		Avg Ann'l Div'd Yield	*3.0%*

CAPITAL STRUCTURE as of 9/30/18
Total Debt $2188.5 mill. **Due in 5 Yrs** $850 mill.
LT Debt $2123.6 mill. **LT Interest** $88.0 mill.
(Total interest coverage: 4.0x) (52% of Cap'l)
Leases, Uncapitalized Annual rentals $9.0 mill.
Pension Assets-12/17 $926.3 mill. **Oblig.** $1278.8 mill.
Pfd Stock None

Common Stock 49,431,933 shs. as of 10/31/18

MARKET CAP: $4.2 billion (Mid Cap)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		21-23
2144.7	1893.8	1830.4	1887.2	1927.8	1950.8	2121.7	2463.6	2460.5	2548.8	*2880*	*3050*	Revenues ($mill)	*3600*
61.0	87.5	103.9	112.3	133.3	145.3	141.1	138.3	152.0	173.8	*195*	*210*	Net Profit ($mill)	*290*
40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	35.7%	36.4%	33.9%	32.8%	*21.0%*	*21.0%*	Income Tax Rate	*21.0%*
2.8%	4.6%	5.7%	6.0%	6.9%	7.4%	6.7%	5.6%	6.2%	6.8%	*6.8%*	*6.9%*	Net Profit Margin	*8.1%*
55.3%	53.5%	49.1%	43.2%	49.2%	49.4%	52.4%	49.3%	48.2%	49.8%	*52.0%*	*51.0%*	Long-Term Debt Ratio	*47.5%*
44.7%	46.5%	50.9%	56.8%	50.8%	50.6%	47.6%	50.7%	51.8%	50.2%	*48.0%*	*49.0%*	Common Equity Ratio	*52.5%*
2323.3	2371.4	2291.7	2155.9	2576.9	2793.7	3123.9	3143.5	3213.5	3613.3	*4150*	*4500*	Total Capital ($mill)	*5700*
2983.3	3034.5	3072.4	3218.9	3343.8	3486.1	3658.4	3891.1	4132.0	4523.7	*4950*	*5250*	Net Plant ($mill)	*6200*
4.5%	5.4%	6.1%	6.4%	6.4%	6.3%	5.7%	5.5%	5.8%	5.8%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.0%*
5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	9.6%	*9.5%*	*9.5%*	Return on Shr. Equity	*9.5%*
5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	9.6%	*9.5%*	*9.5%*	Return on Com Equity	*9.5%*
2.1%	4.1%	5.1%	5.3%	6.1%	6.1%	5.0%	4.0%	4.1%	4.5%	*4.5%*	*4.5%*	Retained to Com Eq	*5.0%*
63%	48%	43%	43%	40%	41%	47%	54%	55%	53%	*53%*	*53%*	All Div'ds to Net Prof	*49%*

CURRENT POSITION ($MILL.)	2016	2017	9/30/18
Cash Assets	28.1	43.6	69.2
Other	505.2	613.4	652.0
Current Assets	533.3	657.0	721.2
Accts Payable	184.7	228.3	172.2
Debt Due	50.1	239.8	64.9
Other	393.6	347.8	475.6
Current Liab.	628.4	815.9	712.7
Fix. Chg. Cov.	401%	415%	389%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
Revenues	1.0%	5.0%	*4.0%*
"Cash Flow"	4.5%	5.0%	*6.5%*
Earnings	6.5%	5.0%	*9.0%*
Dividends	8.0%	11.0%	*6.5%*
Book Value	5.5%	5.5%	*7.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	734.2	538.6	505.4	685.4	2463.6
2016	731.2	547.8	540.0	641.5	2460.5
2017	654.7	560.5	593.2	740.4	2548.8
2018	754.3	670.9	668.1	*786.7*	*2880*
2019	*780*	*700*	*730*	*840*	*3050*

Cal-endar	EARNINGS PER SHARE A D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	1.53	.10	d.10	1.38	2.92
2016	1.58	.19	.05	1.36	3.18
2017	1.45	.37	.21	1.58	3.62
2018	1.63	.44	.25	*1.63*	*3.95*
2019	*1.70*	*.52*	*.28*	*1.70*	*4.20*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.330	.365	.365	.365	1.43
2015	.365	.405	.405	.405	1.58
2016	.405	.450	.450	.450	1.76
2017	.450	.495	.495	.495	1.94
2018	.495	.520	.520		

BUSINESS: Southwest Gas Holdings, Inc. is the parent holding company of Southwest Gas and Centuri Construction Group. Southwest Gas is a regulated gas distributor serving about 2.0 million customers in sections of Arizona, Nevada, and California. Centuri provides construction services. 2017 margin mix: residential and small commercial, 85%; large commercial and industrial, 3%; transportation, 12%. Total throughput: 2.1 billion therms. Has 7,771 employees. Off. & dir. own 1.0% of common stock; BlackRock Inc., 11.4%; The Vanguard Group, Inc., 9.2% (3/18 Proxy). Chairman: Michael J. Melarkey. President & CEO: John P. Hester. Inc.: CA. Addr.: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Telephone: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have held up rather well lately. This stock may have benefited from recent weakness in the broader equity markets, as utility shares are typically more desirable during periods of turmoil. Moreover, the company posted strong results for the September period. The top line advanced roughly 13%, on a year-over-year basis. Earnings per share of $0.25 marked a nice improvement over the prior-year tally. The infrastructure services business reported record quarterly earnings, thanks to a higher volume of pipe replacement work and a contribution from New England Utility Constructors, which was acquired late last year. The natural gas operations posted modest top-line growth, though this was more than offset by higher expenses. This included costs incurred to finance and maintain its expanding distribution system. Still, we anticipate favorable comparisons for the fourth quarter, and solid growth in revenues and earnings for full-year 2018.

Performance should remain healthy from 2019 onward. The company appears to be well positioned in its markets. Its natural gas utility operations serve areas with relatively favorable demographics. This segment ought to further benefit from customer growth, infrastructure tracker mechanisms, and expansion projects. Elsewhere, the infrastructure services business will likely fare well. This operation should be able to capitalize on the need of utilities to replace aging infrastructure. It has a robust base of large clients, many with multiyear pipeline replacement programs. This line will continue to seek strategic investment opportunities to expand its presence across North America.

This issue is ranked to outperform the broader market averages for the coming six to 12 months. Moreover, Southwest Gas earns good marks for Price Stability, Growth Persistence, and Earnings Predictability. In addition, volatility is subdued. That said, the dividend yield is below average for a utility, and the shares offer subpar appreciation potential for the pull to early next decade. Consequently, income-seeking subscribers with a long time horizon should look elsewhere in the utility sector.

Michael Napoli, CFA *November 30, 2018*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due late February. (B) Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions. (D) Totals may not sum due to rounding.

Company's Financial Strength	B++
Stock's Price Stability	80
Price Growth Persistence	80
Earnings Predictability	90

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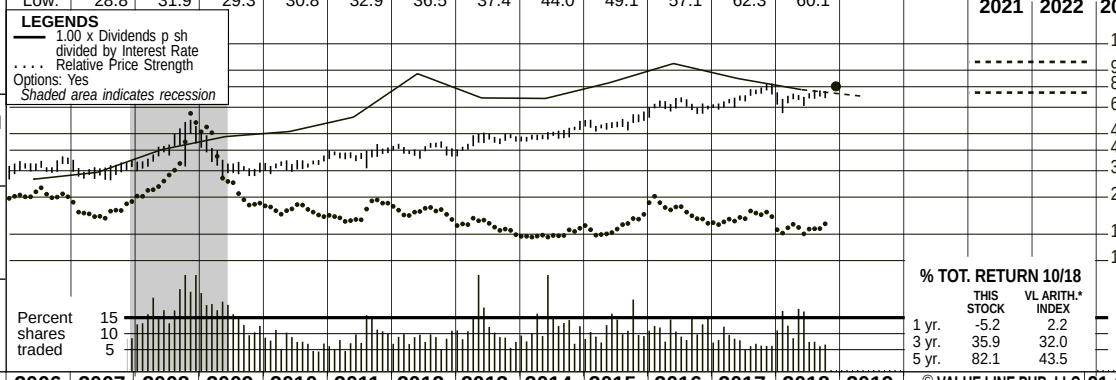
SPIRE INC. NYSE-SR

RECENT PRICE **80.37** | P/E RATIO **21.2** (Trailing: 18.1 Median: 17.0) | RELATIVE P/E RATIO **1.29** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS 3 Lowered 11/30/18
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 10/19/18
BETA .65 (1.00 = Market)

High:	36.0	55.8	48.3	37.8	42.8	44.0	48.5	55.2	61.0	71.2	82.9	80.8
Low:	28.8	31.9	29.3	30.8	32.9	36.5	37.4	44.0	49.1	57.1	62.3	60.1

Target Price Range
2021 | 2022 | 2023



2021-23 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	105	(+30%)	10%
Low	75	(-5%)	2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	7	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2017	1Q2018	2Q2018
to Buy	111	124	145
to Sell	74	112	101
Hld's(000)	39899	39753	42179

% TOT. RETURN 10/18

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-5.2	2.2
3 yr.	35.9	32.0
5 yr.	82.1	43.5

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	33.68	36.07	38.78	*46.15*	Revenues per sh A	*54.55*
2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	6.16	6.54	37.55	*7.25*	"Cash Flow" per sh	*8.25*
1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	3.24	3.43	4.33	*4.00*	Earnings per sh A B	*5.00*
1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	1.96	2.10	2.25	*2.37*	Div'ds Decl'd per sh C■	*3.00*
2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	6.42	9.08	9.86	*9.60*	Cap'l Spending per sh	*10.00*
15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	38.73	41.26	44.51	*46.00*	Book Value per sh D	*51.00*
18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	45.65	48.26	50.67	*52.00*	Common Shs Outst'g E	*55.00*
20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	19.6	19.8	16.7		Avg Ann'l P/E Ratio	*18.0*
1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83	1.03	1.00	.87		Relative P/E Ratio	*1.00*
5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	3.1%	3.1%	3.1%		Avg Ann'l Div'd Yield	*3.3%*

CAPITAL STRUCTURE as of 9/30/18
Total Debt $2629.1 mill. **Due in 5 Yrs** $540.0 mill.
LT Debt $1900.1 mill. **LT Interest** $80.0 mill.
(Total interest coverage: 2.8x)

Leases, Uncapitalized Annual rentals $9.7 mill.
Pension Assets-9/18 $499.2 mill. **Oblig.** $664.6 mill.
Pfd Stock None
Common Stock 50,676,192 shs. as of 11/12/18

MARKET CAP: $4.1 billion (Mid Cap)

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		21-23
2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	1537.3	1740.7	1965.0	*2400*	Revenues ($mill) A	*3000*
57.6	64.3	54.0	63.8	62.6	52.8	84.6	136.9	144.2	161.6	214.2	*210*	Net Profit ($mill)	*275*
31.3%	33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	31.2%	32.5%	32.4%	2.3%	*23.5%*	Income Tax Rate	*24.0%*
2.6%	3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	9.4%	9.3%	10.9%	*8.7%*	Net Profit Margin	*9.2%*
44.4%	42.9%	40.5%	38.9%	36.1%	46.6%	55.1%	53.0%	50.9%	50.0%	45.7%	*45.5%*	Long-Term Debt Ratio	*45.0%*
55.5%	57.1%	59.5%	61.1%	63.9%	53.4%	44.9%	47.0%	49.1%	50.0%	54.3%	*54.5%*	Common Equity Ratio	*55.0%*
876.1	906.3	899.9	937.7	941.0	1959.0	3359.4	3345.1	3601.9	3986.3	4155.5	*4390*	Total Capital ($mill)	*5115*
823.2	855.9	884.1	928.7	1019.3	1776.6	2759.7	2941.2	3300.9	3665.2	3970.5	*4170*	Net Plant ($mill)	*4825*
8.1%	8.7%	7.4%	8.1%	7.9%	3.3%	3.1%	5.1%	4.9%	5.0%	6.3%	*5.5%*	Return on Total Cap'l	*6.0%*
11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	*8.5%*	Return on Shr. Equity	*10.0%*
11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	9.5%	*8.5%*	Return on Com Equity	*10.0%*
5.2%	5.9%	3.6%	4.9%	4.3%	1.0%	1.5%	3.7%	3.3%	3.3%	4.7%	*3.5%*	Retained to Com Eq	*4.0%*
56%	53%	64%	56%	59%	81%	73%	58%	59%	60%	51%	*59%*	All Div'ds to Net Prof	*60%*

CURRENT POSITION ($MILL.)	2016	2017	9/30/18
Cash Assets	5.2	7.4	4.4
Other	564.4	718.1	655.2
Current Assets	569.6	725.5	659.6
Accts Payable	210.9	257.1	290.1
Debt Due	648.7	577.3	729.1
Other	301.7	263.5	302.5
Current Liab.	1161.3	1097.9	1321.7
Fix. Chg. Cov.	366%	361%	284%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '21-'23
Revenues	-9.5%	-6.5%	*8.5%*
"Cash Flow"	5.5%	10.5%	*4.0%*
Earnings	4.0%	7.5%	*6.5%*
Dividends	4.0%	5.0%	*3.5%*
Book Value	7.5%	8.0%	*3.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2015	619.6	877.4	275.2	204.2	1976.4
2016	399.4	609.3	249.3	279.3	1537.3
2017	495.1	663.4	323.5	258.7	1740.7
2018	561.8	813.4	350.6	239.2	1965.0
2019	*600*	*900*	*500*	*400*	*2400*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2015	1.09	2.18	.32	d.43	3.16
2016	1.08	2.31	.24	d.31	3.24
2017	.99	2.36	.45	d.28	3.43
2018	2.39	2.03	.52	d.51	4.33
2019	*1.30*	*2.50*	*.50*	*d.30*	*4.00*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2015	.44	.44	.44	.44	1.76
2015	.46	.46	.46	.46	1.84
2016	.49	.49	.49	.49	1.96
2017	.525	.525	.525	.525	2.10
2018	.5625	.5625	.5625	.5625	

BUSINESS: Spire Inc., formerly known as the Laclede Group, Inc., is a holding company for natural gas utilities, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City. Has roughly 1.7 million customers. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2017: 3.0 bill. Revenue mix for regulated operations: residential, 29%; commercial and industrial, 15%; transportation, 49%; other, 6%. Has around 3,279 employees. Officers and directors own 3.0% of common shares (1/18 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Spire recorded a lackluster fiscal fourth-quarter performance (ended September 30th). Revenues decreased to $239.2 million, largely due to a change in rate structures. Maintenance costs expanded, and a rise in depreciation expense hurt operating margins. These factors caused losses to expand to $0.51 per share during the quarter. Still, the company showed remarkable improvement throughout fiscal 2018.

Operations should grow at a decent pace in the years ahead. The company has benefited from housing growth in Missouri, and ought to benefit from better rates. Still, the recent rate changes have increased seasonality of the business. A cooler winter is expected to boost natural gas usage across the utility's coverage area, and recent storage purchases ought to be a plus, too. These factors should fuel solid earnings growth, though near-term comparisons will be tough due to the nonrecurrence of a large tax benefit. All told, we think the company will earn $4.00 per share in 2019, and $5.00 per share in the 2021-2023 period.

The Spire STL Pipeline should improve results starting in 2019. This received FERC approval in August, and the company has been securing land rights. This project is expected to be placed in service by the second half 2019, and will likely cost between $210 million to $225 million. It will help to lower the cost of gas transported to the Missouri coverage area, and improve profitability through vertical integration. Additionally, we think that pipelines remain an attractive investment arena for Spire.

Management raised the quarterly payout 5.3% to $0.5925, starting in January. This will boost income for investors, while the dividend yield is around average for a utility. The payout is well covered by earnings, and further hikes will likely occur, as a payout ratio between 55% and 70% is maintained.

Shares of Spire are ranked to market perform over the coming year (Timeliness: 3). However, they offer lackluster total-return potential over the coming years. All told, most long-term accounts would be best served waiting for a dip in price.

John E. Seibert III *November 30, 2018*

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '17: $920.2 mill., $19.07/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding in 2014, 2016, and 2017.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	45
Earnings Predictability	75

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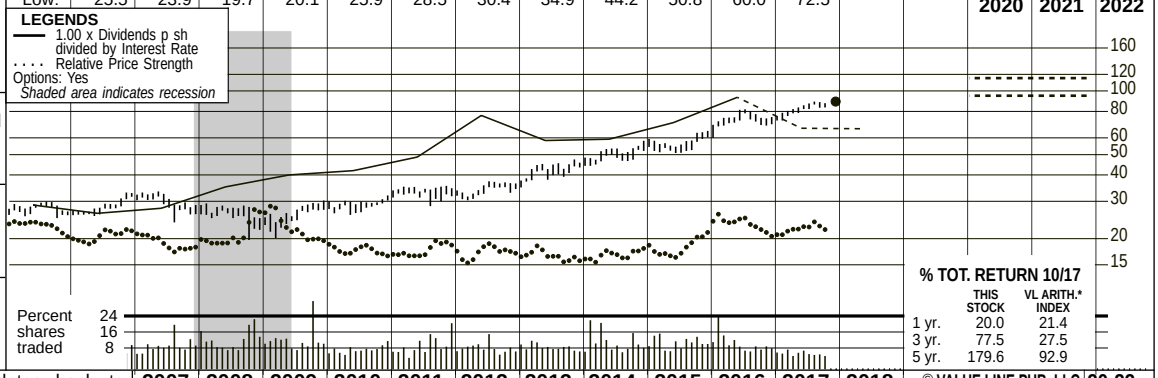
ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE 89.11 | P/E RATIO 23.8 (Trailing: 24.7 Median: 16.0) | RELATIVE P/E RATIO 1.19 | DIV'D YLD 2.2% | VALUE LINE

TIMELINESS 2 Raised 11/3/17
SAFETY 1 Raised 6/6/14
TECHNICAL 3 Raised 12/1/17
BETA .70 (1.00 = Market)

High:	33.1	33.5	29.3	30.3	32.0	35.6	37.3	47.4	58.2	64.8	82.0	91.0
Low:	25.5	23.9	19.7	20.1	25.9	28.5	30.4	34.9	44.2	50.8	60.0	72.5

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	115	(+30%)	9%
Low	95	(+5%)	4%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	1	0
Options	2	2	0	2	7	0	2	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	186	166	181
to Sell	163	181	165
Hld's(000)	76006	85813	84773

% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	20.0	21.4
3 yr.	77.5	27.5
5 yr.	179.6	92.9

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
66.03	79.52	53.69	53.12	48.15	38.10	42.88	49.22	40.82	32.23	*26.05*	*28.00*	Revenues per sh A	*45.85*
4.14	4.19	4.29	4.64	4.72	4.76	5.14	5.42	5.81	6.19	*6.60*	*6.90*	"Cash Flow" per sh	*7.55*
1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.09	3.38	3.60	*3.80*	Earnings per sh AB	*4.50*
1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	1.68	1.80	*1.94*	Div'ds Decl'd per sh C■	*2.30*
4.39	5.20	5.51	6.02	6.90	8.12	9.32	8.32	9.61	10.46	*10.75*	*12.25*	Cap'l Spending per sh	*12.75*
22.01	22.60	23.52	24.16	24.98	26.14	28.47	30.74	31.48	33.32	*36.80*	*37.00*	Book Value per sh	*38.50*
89.33	90.81	92.55	90.16	90.30	90.24	90.64	100.39	101.48	103.93	*106.00*	*110.00*	Common Shs Outst'g D	*120.00*
15.9	13.6	12.5	13.2	14.4	15.9	15.9	16.1	17.5	20.8	22.0		Avg Ann'l P/E Ratio	*23.5*
.84	.82	.83	.84	.90	1.01	.89	.85	.88	1.09	1.09		Relative P/E Ratio	*1.45*
4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%	2.4%	2.3%		Avg Ann'l Div'd Yield	*2.2%*
5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	3349.9	2759.7	*3080*	Revenues ($mill) A	*5500*
170.5	180.3	179.7	201.2	199.3	192.2	230.7	289.8	315.1	350.1	382.7	*420*	Net Profit ($mill)	*540*
35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	36.4%	36.6%	*37.0%*	Income Tax Rate	*40.0%*
2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	10.5%	13.9%	*13.6%*	Net Profit Margin	*9.8%*
52.0%	50.8%	49.9%	45.4%	49.4%	45.3%	48.8%	44.3%	43.5%	38.7%	*44.0%*	*44.0%*	Long-Term Debt Ratio	*45.0%*
48.0%	49.2%	50.1%	54.6%	50.6%	54.7%	51.2%	55.7%	56.5%	61.3%	*56.0%*	*56.0%*	Common Equity Ratio	*55.0%*
4092.1	4172.3	4346.2	3987.9	4461.5	4315.5	5036.1	5542.2	5650.2	5651.8	*6965*	*7270*	Total Capital ($mill)	*8400*
3836.8	4136.9	4439.1	4793.1	5147.9	5475.6	6030.7	6725.9	7430.6	8280.5	*9260*	*9885*	Net Plant ($mill)	*11500*
5.9%	5.9%	5.9%	6.9%	6.1%	6.1%	5.9%	6.4%	6.6%	7.2%	*7.0%*	*7.0%*	Return on Total Cap'l	*8.0%*
8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	*10.0%*	*10.5%*	Return on Shr. Equity	*11.5%*
8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.1%	*10.0%*	*10.5%*	Return on Com Equity	*11.5%*
3.0%	3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.7%	4.9%	5.1%	*5.0%*	*5.0%*	Retained to Com Eq	*5.5%*
65%	65%	68%	62%	62%	65%	56%	50%	51%	50%	*50%*	*51%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $3325.3 mill. **Due in 5 Yrs** $1600.0 mill.
LT Debt $3066.7 mill. **LT Interest** $170.0 mill.
(LT interest earned: 5.8x; total interest coverage: 5.8x)
Leases, Uncapitalized Annual rentals $17.1 mill.
Pfd Stock None
Pension Assets-9/16 $474.0 mill. **Oblig.** $545.5 mill.
Common Stock 106,065,596 shs. as of 7/28/17
MARKET CAP: $9.5 billion (Large Cap)

CURRENT POSITION ($MILL.)	2015	2016	6/30/17
Cash Assets	28.7	47.5	69.8
Other	602.3	634.2	464.6
Current Assets	631.0	681.7	534.4
Accts Payable	238.9	259.4	164.4
Debt Due	457.9	1079.8	258.6
Other	458.0	449.1	322.7
Current Liab.	1154.8	1788.3	745.7
Fix. Chg. Cov.	743%	768%	775%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-4.0%	-4.5%	*2.0%*
"Cash Flow"	4.5%	5.0%	*4.5%*
Earnings	6.0%	8.0%	*6.0%*
Dividends	2.5%	3.5%	*6.5%*
Book Value	5.0%	5.5%	*3.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	1255.1	1964.3	942.7	778.8	4940.9
2015	1258.8	1540.1	686.4	656.8	4142.1
2016	906.2	1132.3	632.9	678.5	3349.9
2017	780.2	988.2	526.5	464.8	2759.7
2018	*800*	*1030*	*640*	*610*	*3080*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	.95	1.38	.45	.23	2.96
2015	.96	1.35	.55	.23	3.09
2016	1.00	1.38	.69	.33	3.38
2017	1.08	1.52	.67	.34	3.60
2018	*1.15*	*1.51*	*.75*	*.39*	*3.80*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.35	.35	.35	.37	1.42
2014	.37	.37	.37	.39	1.50
2015	.39	.39	.39	.42	1.59
2016	.42	.42	.42	.45	1.71
2017	.45	.45	.45	.485	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to roughly three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for fiscal 2016: 67%, residential; 28%, commercial; 2%, industrial; and 3% other. The company sold Atmos Energy Marketing, 1/17. Officers and directors own approximately 1.6% of common stock (12/16 Proxy). President and Chief Executive Officer: Michael E. Haefner. Inc.: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Atmos Energy looks poised to generate respectable results in fiscal 2018. (Years begin October 1st.) The natural gas distribution unit, which accounts for the biggest portion of total revenues, stands to benefit from increased throughput, assuming that both the weather and economic climate are generally favorable (leading to a boost in consumption levels). Moreover, we expect a decent performance from the pipeline & storage division. At this juncture, *Value Line* expects the bottom line to rise around 6%, to $3.80 a share, compared to the previous year's tally of $3.60. Concerning fiscal 2019, earnings per share stand to increase at a similar percentage rate, to $4.00, as operating margins widen further.

A new CEO took command on October 1st. Michael E. Haefner, who had served as the chief operating officer, replaced Kim R. Cocklin. Given that the succession process was in the works for some time, we believe the energy company is in capable hands.

The fiscal 2018 capital spending budget is anticipated to fall between $1.3 billion and $1.4 billion. That would be around 18% higher than the prior-year figure, assuming that the midpoint of that range is used. Similar to fiscal 2017, it appears that a substantial portion of the resources will be deployed to enhance the safety and reliability of Atmos' natural gas distribution and transmission systems.

The quarterly common stock dividend was increased about 7.8%, to $0.485 a share. Furthermore, our 2020-2022 projections show that additional, steady hikes in the distribution will occur. The payout ratio during that span ought to be in the neighborhood of 50%, which seems manageable.

These shares have traded at their highest level ever since our last full-page review in September. We think that can be traced partially to the company's healthy fiscal 2017 earnings, and expectations of more glad tidings in the new fiscal year. As a consequence, the equity is currently ranked 2 (Above Average) for Timeliness. Other noteworthy characteristics include the top Safety rank and relatively high grade (95 out of 100) for Price Stability.

Frederick L. Harris, III *December 1, 2017*

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢; '17, 13¢. Next egs. rpt. due early Feb. (C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. (D) In millions. (E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	95

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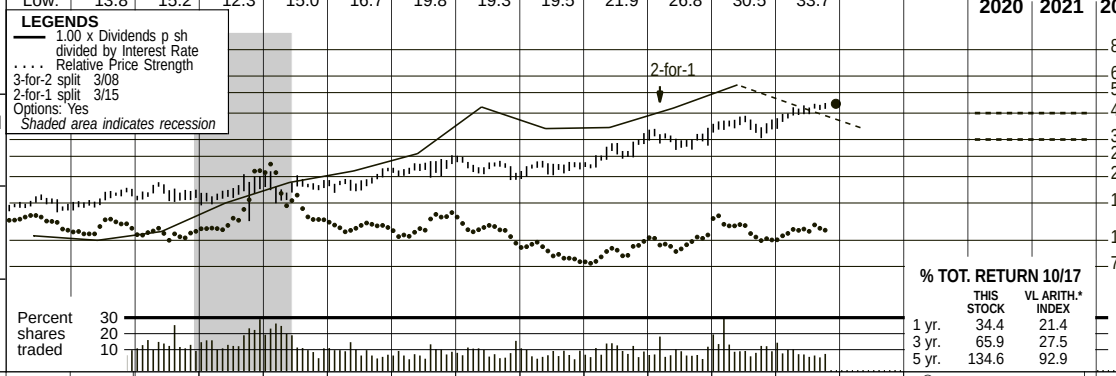
NEW JERSEY RES. NYSE-NJR

RECENT PRICE **44.30** | P/E RATIO **23.8** (Trailing: 24.7 Median: 16.0) | RELATIVE P/E RATIO **1.20** | DIV'D YLD **2.5%** | VALUE LINE

TIMELINESS 2 Raised 8/25/17
SAFETY 1 Raised 9/15/06
TECHNICAL 3 Lowered 10/27/17
BETA .80 (1.00 = Market)

High:	17.7	18.8	20.6	21.2	22.0	25.2	25.1	23.8	32.1	34.1	38.9	45.4
Low:	13.8	15.2	12.3	15.0	16.7	19.8	19.3	19.5	21.9	26.8	30.5	33.7

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(-10%)	*Nil*
Low	30	(-30%)	*-6%*

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	2	4	0	0	0	0	0	0	0
to Sell	0	1	0	0	0	0	0	0	0

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	126	114	131
to Sell	94	99	82
Hld's(000)	54513	68340	66939

% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	34.4	21.4
3 yr.	65.9	27.5
5 yr.	134.6	92.9

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
25.61	22.06	31.14	30.44	38.10	39.81	36.31	45.37	31.17	32.05	36.30	27.08	38.38	44.40	32.09	21.90	26.28	*27.75*	Revenues per sh A	*29.70*
1.06	1.07	1.19	1.25	1.31	1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	2.52	2.46	2.68	*2.90*	"Cash Flow" per sh	*3.25*
.65	.70	.79	.85	.88	.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.08	1.78	1.61	1.73	*1.90*	Earnings per sh B	*2.05*
.39	.40	.41	.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.98	1.04	*1.09*	Div'ds Decl'd per sh C■	*1.12*
.55	.51	.57	.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	3.76	4.15	*2.15*	*2.20*	Cap'l Spending per sh	*2.35*
4.40	4.35	5.13	5.62	5.30	7.50	7.75	8.64	8.29	8.81	9.36	9.80	10.65	11.48	12.99	13.58	*14.40*	*15.25*	Book Value per sh D	*17.85*
79.99	83.00	81.70	83.22	82.64	82.88	83.22	84.12	83.17	82.35	82.89	83.05	83.32	84.20	85.19	85.88	86.32	*86.50*	Common Shs Outst'g E	*86.50*
14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.7	16.6	21.3	22.4		Avg Ann'l P/E Ratio	*17.0*
.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.84	1.12	1.17		Relative P/E Ratio	*1.05*
4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%	2.9%	2.7%		Avg Ann'l Div'd Yield	*3.2%*

CAPITAL STRUCTURE as of 6/30/17
Total Debt $1347.4 mill. **Due in 5 Yrs** $450 mill.
LT Debt $897.7 mill. **LT Interest** $31.0 mill.
Incl. $46.9 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/16 $311.9 mill. **Oblig.** $454.1 mill.
Pfd Stock None

Common Stock 86,538,661 shs.
as of 7/31/17
MARKET CAP: $3.8 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3738.1	2734.0	1880.9	2268.6	*2400*	Revenues ($mill) A	*2565*
65.3	113.9	101.0	101.8	106.5	112.4	113.7	176.9	153.7	138.1	149.4	*165*	Net Profit ($mill)	*180*
38.8%	37.8%	27.1%	41.4%	30.2%	7.1%	25.4%	30.2%	26.3%	15.5%	*32.0%*	*32.0%*	Income Tax Rate	*32.0%*
2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	5.6%	7.3%	6.6%	*7.0%*	Net Profit Margin	*7.0%*
37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	47.7%	*46.5%*	*45.5%*	Long-Term Debt Ratio	*43.0%*
62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	52.3%	*53.5%*	*54.5%*	Common Equity Ratio	*57.0%*
1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	2230.1	*2320*	*2410*	Total Capital ($mill)	*2720*
970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1643.1	1884.1	2128.3	2407.7	*2455*	*2505*	Net Plant ($mill)	*2660*
7.7%	10.7%	9.7%	9.7%	9.7%	9.2%	9.0%	12.1%	8.6%	6.9%	7.4%	*8.0%*	Return on Total Cap'l	*7.5%*
10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	*12.0%*	*12.5%*	Return on Shr. Equity	*11.5%*
10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.8%	12.0%	*12.5%*	Return on Com Equity	*11.5%*
3.6%	9.5%	7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	7.0%	4.8%	1.8%	*6.0%*	Retained to Com Eq	*5.5%*
64%	40%	50%	52%	55%	55%	59%	40%	50%	60%	60%	*54%*	All Div'ds to Net Prof	*54%*

CURRENT POSITION ($MILL.)	2015	2016	6/30/17
Cash Assets	4.9	37.5	62.2
Other	539.6	569.8	575.4
Current Assets	544.5	607.3	637.6
Accts Payable	273.2	269.8	263.2
Debt Due	77.5	183.2	449.7
Other	85.4	118.6	63.0
Current Liab.	436.1	571.6	775.9
Fix. Chg. Cov.	1007%	1088%	669%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-1.0%	- -	*-1.5%*
"Cash Flow"	7.0%	9.5%	*2.5%*
Earnings	7.5%	8.0%	*2.0%*
Dividends	7.5%	6.5%	*3.5%*
Book Value	7.5%	7.5%	*6.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	878.4	1579.6	688.3	591.9	3738.1
2015	824.1	1013.1	458.5	438.3	2734.0
2016	444.3	574.2	393.2	469.2	1880.9
2017	541.0	733.5	457.5	536.6	2268.6
2018	*575*	*765*	*490*	*570*	*2400*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	.47	1.79	.05	d.23	2.08
2015	.65	1.16	.03	d.06	1.78
2016	.58	.91	.13	d.02	1.61
2017	.47	1.21	.20	d.14	1.73
2018	*.51*	*1.25*	*.24*	*d.10*	*1.90*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	- -	.20	.20	.20	.60
2014	.21	.21	.21	.23	.86
2015	.23	.23	.23	.24	.93
2016	.24	.24	.24	.255	.98
2017	.255	.255	.255	.273	

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 521,200 customers at 9/30/16 in Monmouth and Ocean and other N.J. counties. Fiscal 2016 volume: 337 bill. cu. ft. (18% interruptible, 17% residential and commercial and electric utility, 65% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2016 dep. rate: 2.6%. Has 1,034 empls. Off./dir. own about 1.5% of common (12/16 Proxy). Chrmn., CEO & Pres.: Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources posted solid fourth-quarter and fiscal-year financial results (ended September 30th). To that end, the company's top line advanced approximately 20%, to $2.27 billion, stemming largely from double-digit growth at its nonutility business segment. Meanwhile, the New Jersey Natural Gas (NJNG) regulated utility division was also a contributing factor, despite that unit experiencing slightly more modest revenue gains, of late. That division has been getting a boost from new customer accounts, as well as from higher base rates. Over the course of this past 12 months, NJNG added 9,126 new meters. On the profitability front, overall expenses rose 150 basis points, as a function of revenues. Combined, these factors equated to an almost 7.5% bottom-line increase, to $1.73 a share. This was in line with our call.

The company appears poised to register mid- to high-single-digit revenue and earnings gains in fiscal 2018. The regulated utility division has more than $120 million in capital projects planned to support new customer growth in the next three years. Those growth projects should help to expand the companies service territory, boost capacity, and improve system-wide integrity and safety. Management anticipates those efforts will eventually add 26,000-28,000 new customer accounts through 2020. Elsewhere, we look for the NJR Clean Energy Ventures, Energy Services, Midstream, and Home Service segments to be nicely additive to net earnings.

Acquisitions augur well for prospects. Adelphi Gateway, a subsidiary of NJR, has entered into an agreement with Talen Generation to purchase all of Talen's membership interest in Interstate Energy Company LLC, which owns and operates an 84-mile pipeline in southeastern PA, for roughly $166 million. Assuming all regulatory approvals are received, this deal would add about 250,000 dekatherms of natural gas per day to the greater Philadelphia market.

At its recent quotation, these shares appear richly valued. That said, our Timeliness Ranking System has the equity pegged to outpace the broader market averages in the coming year.

Bryan J. Fong *December 1, 2017*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early Jan., April, July, and October. 1Q '13 div'd paid in 4Q '12. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2016: $441.3 million, $5.13/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	80
Price Growth Persistence	55
Earnings Predictability	55

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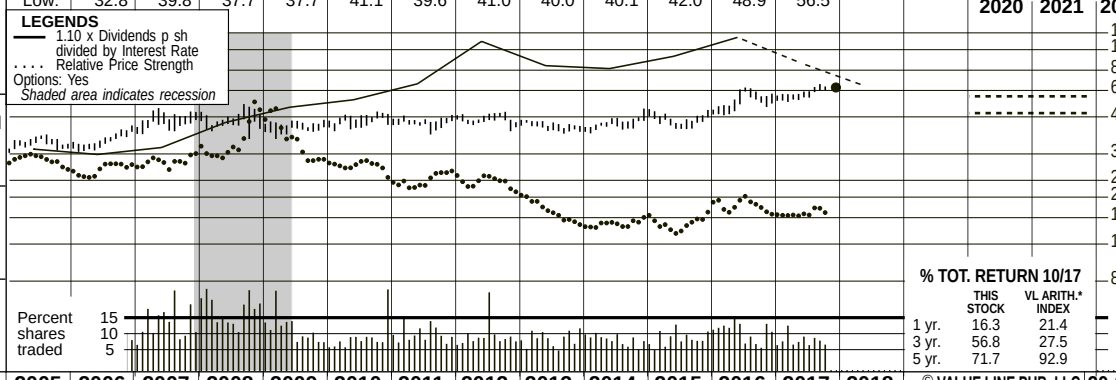
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE **66.15** | P/E RATIO **28.8** (Trailing: 30.1 / Median: 19.0) | RELATIVE P/E RATIO **1.45** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS 4 Lowered 11/17/17
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Lowered 11/3/17
BETA .70 (1.00 = Market)

High:	43.7	52.8	55.2	46.5	50.9	49.0	50.8	46.6	52.6	52.3	66.2	68.6
Low:	32.8	39.8	37.7	37.7	41.1	39.6	41.0	40.0	40.1	42.0	48.9	56.5

Target Price Range 2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(-10%)	1%
Low	50	(-25%)	-3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	11	1	1	4	4	0	1	2
to Sell	0	0	3	0	0	6	0	1	3

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	106	99	105
to Sell	81	74	86
Hld's(000)	18267	21952	21864

% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.3	21.4
3 yr.	56.8	27.5
5 yr.	71.7	92.9

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	26.39	23.61	*26.20*	*27.10*	Revenues per sh	*29.65*
3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	4.91	4.93	*5.40*	*5.15*	"Cash Flow" per sh	*6.10*
1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	2.12	*2.25*	*2.45*	Earnings per sh A	*3.15*
1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	1.87	*1.88*	*1.89*	Div'ds Decl'd per sh B■	*2.00*
3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	4.37	4.87	*6.20*	*6.45*	Cap'l Spending per sh	*6.35*
18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	28.47	29.71	*29.95*	*30.45*	Book Value per sh D	*32.25*
25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	27.43	28.63	*29.00*	*29.50*	Common Shs Outst'g C	*30.00*
12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	26.9	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.19	1.43	*Value Line*		Relative P/E Ratio	*1.05*
5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	3.3%	*estimates*		Avg Ann'l Div'd Yield	*3.6%*

CAPITAL STRUCTURE as of 9/30/17
Total Debt $779.4 mill. **Due in 5 Yrs** $360.0 mill.
LT Debt $757.4 mill. **LT Interest** $40.0 mill.

(Total interest coverage: 3.6x)

Pension Assets-12/16 $257.7 mill. **Oblig.** $457.8 mill.

Pfd Stock None

Common Stock 28,713,052 shares **as of 10/27/17**

MARKET CAP $1.9 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
1033.2	1037.9	1012.7	812.1	848.8	730.6	758.5	754.0	723.8	676.0	*760*	*800*	Revenues ($mill)	*890*
74.5	68.5	75.1	72.7	63.9	59.9	60.5	58.7	53.7	58.9	*65.0*	*72.0*	Net Profit ($mill)	*90.0*
37.2%	36.9%	38.3%	40.5%	40.4%	42.4%	40.8%	41.5%	40.0%	40.9%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
7.2%	6.6%	7.4%	8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	8.7%	*8.6%*	*9.0%*	Net Profit Margin	*10.6%*
46.3%	44.9%	47.7%	46.1%	47.3%	48.5%	47.6%	44.8%	42.5%	44.4%	*44.5%*	*45.0%*	Long-Term Debt Ratio	*45.5%*
53.7%	55.1%	52.3%	53.9%	52.7%	51.5%	52.4%	55.2%	57.5%	55.6%	*55.5%*	*55.0%*	Common Equity Ratio	*54.5%*
1106.8	1140.4	1261.8	1284.8	1356.2	1424.7	1433.6	1389.0	1357.7	1529.8	*1570*	*1625*	Total Capital ($mill)	*1775*
1495.9	1549.1	1670.1	1854.2	1893.9	1973.6	2062.9	2121.6	2182.7	2260.9	*2350*	*2445*	Net Plant ($mill)	*2750*
8.5%	7.7%	7.3%	7.0%	6.2%	5.7%	5.8%	5.8%	5.5%	5.1%	*5.0%*	*5.5%*	Return on Total Cap'l	*6.5%*
12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	*7.5%*	*8.0%*	Return on Shr. Equity	*10.0%*
12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	*7.5%*	*8.0%*	Return on Com Equity	*10.0%*
6.0%	4.5%	5.0%	4.0%	2.4%	1.6%	1.5%	1.1%	.6%	.9%	*1.0%*	*1.5%*	Retained to Com Eq	*3.5%*
52%	59%	56%	61%	73%	80%	81%	85%	92%	87%	*84%*	*78%*	All Div'ds to Net Prof	*64%*

CURRENT POSITION ($MILL.)	2015	2016	9/30/17
Cash Assets	4.2	3.5	15.8
Other	327.9	284.6	183.7
Current Assets	332.1	288.1	199.5
Accts Payable	73.2	85.7	87.5
Debt Due	295.0	93.3	22.0
Other	109.5	95.5	93.5
Current Liab.	477.7	274.5	203.0
Fix. Chg. Cov.	300%	390%	358%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-2.0%	-5.0%	*2.5%*
"Cash Flow"	1.5%	-.5%	*3.5%*
Earnings	- -	-4.5%	*7.0%*
Dividends	3.5%	2.0%	*1.0%*
Book Value	3.0%	2.0%	*2.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	293.4	133.1	87.2	240.3	754.0
2015	261.7	138.3	93.1	230.7	723.8
2016	255.5	99.2	87.7	233.5	676.0
2017	297.3	136.2	88.2	*238.3*	*760*
2018	*310*	*125*	*110*	*255*	*800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.40	.04	d.32	1.04	2.16
2015	1.04	.08	d.24	1.08	1.96
2016	1.33	.07	d.29	1.00	2.12
2017	1.40	.10	d.30	*1.05*	*2.25*
2018	*1.45*	*.10*	*d.25*	*1.15*	*2.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.455	.455	.455	.460	1.83
2014	.460	.460	.460	.465	1.85
2015	.465	.465	.465	.4675	1.86
2016	.4675	.4675	.4675	.470	1.87
2017	.470	.470	.470	.4725	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 704,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 35%; commercial, 22%; industrial, gas transportation, and other, 43%. Employs 1,092. BlackRock Inc. owns 11.9% of shares; officers and directors, 1.5% (4/17 proxy). CEO: David H. Anderson. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas' third-quarter results were in line with the previous year. Revenues expanded to $88.2 million, as growth in the customer base largely offset the effect of warmer temperatures. However, higher maintenance costs caused losses to reach $0.30 per share during the quarter. The company appears to be on track for decent fourth-quarter operations, as cooler weather takes hold and a bigger customer base allows for better fixed-cost coverage. Thus, we are keeping intact our 2017 top- and bottom-line estimates of $760 million and $2.25 per share, respectively.

Near-term performance will be driven by growth in the coverage area. New housing permits were up 6% in the coverage area, while unemployment rates continue to be low. This likely drove up the population in the Portland area. In addition, more households are being fueled by natural gas, which ought to drive its usage higher. Better operations will allow for greater fixed-cost coverage. This will likely allow for earnings to reach $2.45 per share in 2018.

Long-term operations will benefit from the Mist Storage project. The company is in the final stages of building its no-notice natural gas storage facility, which will provide ample fuel to Portland General Electric in the coming years. The pipeline construction will likely be completed by the end of 2017, should current construction schedules hold. Early in 2018, Northwest ought to start deployment of its reservoir for testing. This capital expansion project is expected to be in service during the fourth quarter of 2018, and should allow for a sizable increase in fuel sold. We believe this will be a major factor that will drive earnings to $3.15 per share by the 2020-2022 period.

Shares of Northwest Natural Gas are unfavorably ranked for Timeliness (4). Although we project significant earnings growth out to 2020-2022, we think a lot of this is priced into the stock already, given the high price-to-earnings multiple. Still, interest-rate increases could hamper this. However, the yield is decent, and the payout ought to grow at a much faster pace starting in 2019. Too, Northwest is ranked Highest (1) for Safety.

John E. Seibert III *December 1, 2017*

(A) Diluted earnings per share. Excludes nonrecurring items: '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2016: $357.5 million, $12.48/share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	15
Earnings Predictability	85

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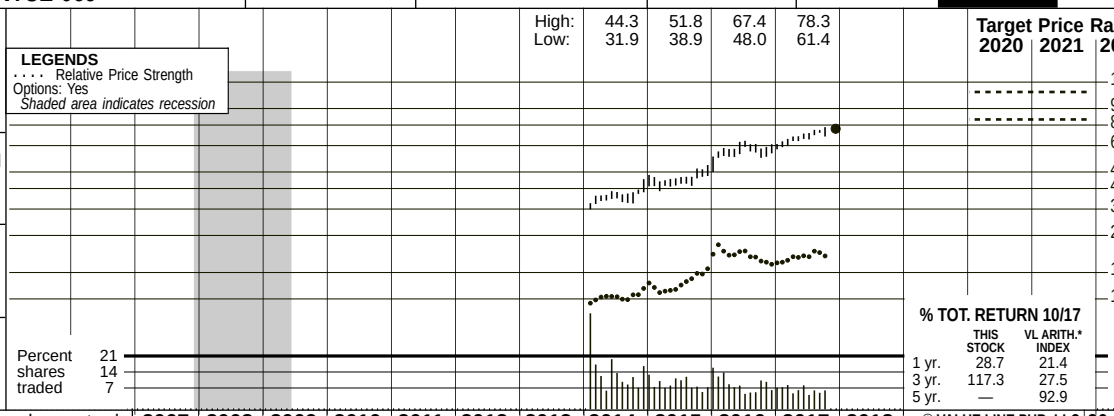
ONE GAS, INC. NYSE-OGS

RECENT PRICE **76.95** | P/E RATIO **24.7** (Trailing: 26.6 Median: NMF) | RELATIVE P/E RATIO **1.24** | DIV'D YLD **2.4%** | VALUE LINE

TIMELINESS 2 Raised 11/10/17
SAFETY 2 New 6/2/17
TECHNICAL 3 Raised 12/1/17
BETA .70 (1.00 = Market)

High:	44.3	51.8	67.4	78.3
Low:	31.9	38.9	48.0	61.4

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	115	(+50%)	13%
Low	85	(+10%)	5%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	5	6	6	9	0	0	0	0
to Sell	0	0	1	0	1	0	0	0	0

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	127	122	136
to Sell	133	122	111
Hld's(000)	38323	43973	43668

% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	28.7	21.4
3 yr.	117.3	27.5
5 yr.	—	92.9

The shares of ONE Gas, Inc. began trading "regular-way" on the New York Stock Exchange on February 3, 2014. That happened as a result of the separation of ONEOK's natural gas distribution operation. Regarding the details of the spinoff, on January 31, 2014, ONEOK distributed one share of OGS common stock for every four shares of ONEOK common stock held by ONEOK shareholders of record as of the close of business on January 21. It should be mentioned that ONEOK did not retain any ownership interest in the new company.

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
--	--	--	--	--	--	--	34.92	29.62	27.30	**29.70**	**31.60**	Revenues per sh	**35.10**
--	--	--	--	--	--	--	4.52	4.82	5.43	**5.90**	**6.40**	"Cash Flow" per sh	**7.70**
--	--	--	--	--	--	--	2.07	2.24	2.65	**2.95**	**3.25**	Earnings per sh A	**4.00**
--	--	--	--	--	--	--	.84	1.20	1.40	**1.68**	**1.88**	Div'ds Decl'd per sh B■	**2.45**
--	--	--	--	--	--	--	5.70	5.63	5.91	**6.75**	**6.95**	Cap'l Spending per sh	**6.90**
--	--	--	--	--	--	--	34.45	35.24	36.12	**37.20**	**38.40**	Book Value per sh	**41.45**
--	--	--	--	--	--	--	52.08	52.26	52.28	**52.50**	**52.50**	Common Shs Outst'g C	**55.00**
--	--	--	--	--	--	--	17.8	19.8	22.7	*Bold figures are*		Avg Ann'l P/E Ratio	**25.0**
--	--	--	--	--	--	--	.94	1.00	1.20	*Value Line*		Relative P/E Ratio	**1.55**
--	--	--	--	--	--	--	2.3%	2.7%	2.3%	*estimates*		Avg Ann'l Div'd Yield	**2.5%**
--	--	--	--	--	--	--	1818.9	1547.7	1427.2	**1560**	**1660**	Revenues ($mill)	**1930**
--	--	--	--	--	--	--	109.8	119.0	140.1	**155**	**170**	Net Profit ($mill)	**220**
--	--	--	--	--	--	--	38.4%	38.0%	37.8%	**35.5%**	**36.0%**	Income Tax Rate	**38.0%**
--	--	--	--	--	--	--	6.0%	7.7%	9.8%	**9.9%**	**10.2%**	Net Profit Margin	**11.4%**
--	--	--	--	--	--	--	40.1%	39.5%	38.7%	**38.0%**	**38.0%**	Long-Term Debt Ratio	**38.0%**
--	--	--	--	--	--	--	59.9%	60.5%	61.3%	**62.0%**	**62.0%**	Common Equity Ratio	**62.0%**
--	--	--	--	--	--	--	2995.3	3042.9	3080.7	**3150**	**3250**	Total Capital ($mill)	**3675**
--	--	--	--	--	--	--	3293.7	3511.9	3731.6	**3970**	**4180**	Net Plant ($mill)	**4850**
--	--	--	--	--	--	--	4.4%	4.7%	5.2%	**6.0%**	**6.5%**	Return on Total Cap'l	**7.0%**
--	--	--	--	--	--	--	6.1%	6.5%	7.4%	**8.0%**	**8.5%**	Return on Shr. Equity	**9.5%**
--	--	--	--	--	--	--	6.1%	6.5%	7.4%	**8.0%**	**8.5%**	Return on Com Equity	**9.5%**
--	--	--	--	--	--	--	3.7%	3.1%	3.5%	**3.5%**	**3.5%**	Retained to Com Eq	**4.0%**
--	--	--	--	--	--	--	40%	53%	52%	**57%**	**58%**	All Div'ds to Net Prof	**61%**

CAPITAL STRUCTURE as of 9/30/17
Total Debt $1367.1 mill. **Due in 5 Yrs** $445.0 mill.
LT Debt $1193.1 mill. **LT Interest** $70.0 mill.
(LT interest earned: 6.3x; total interest coverage: 5.8x)
Leases, Uncapitalized Annual rentals $5.6 mill.
Pfd Stock None
Pension Assets-12/16 $739.6 mill. **Oblig.** $966.5 mill.
Common Stock 52,273,783 shs. as of 10/24/17
MARKET CAP: $4.0 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2015	2016	9/30/17
Cash Assets	2.4	14.7	6.9
Other	480.4	554.2	438.7
Current Assets	482.8	568.9	445.6
Accts Payable	107.5	132.0	68.2
Debt Due	12.5	145.0	174.0
Other	184.2	166.9	150.0
Current Liab.	304.2	443.9	392.2
Fix. Chg. Cov.	624%	685%	670%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	--	--	2.5%
"Cash Flow"	--	--	7.5%
Earnings	--	--	9.5%
Dividends	--	--	13.5%
Book Value	--	--	3.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	766.2	296.8	241.5	514.4	1818.9
2015	676.5	256.8	225.2	389.2	1547.7
2016	508.4	245.9	232.2	440.7	1427.2
2017	550.4	279.7	247.1	**482.8**	**1560**
2018	**590**	**300**	**262**	**508**	**1660**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.13	.18	.09	.67	2.07
2015	1.13	.23	.14	.74	2.24
2016	1.22	.38	.25	.80	2.65
2017	1.34	.39	.36	**.86**	**2.95**
2018	**1.42**	**.48**	**.41**	**.94**	**3.25**

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	--	--	--	--	--
2014	--	.28	.28	.28	.84
2015	.30	.30	.30	.30	1.20
2016	.35	.35	.35	.35	1.40
2017	.42	.42	.42		

BUSINESS: ONE Gas, Inc. provides natural gas distribution services to over two million customers. It has three divisions: Oklahoma Natural Gas, Kansas Gas Service, and Texas Gas Service. The company purchased 134 Bcf of natural gas supply in fiscal 2016, compared to 157 Bcf in 2015. Total volumes delivered by customer (fiscal 2016): transportation, 60%; residential, 30%; commercial & industrial, 9%; wholesale, 1%. BlackRock owns approximately 10.0% of common stock; The Vanguard Group, 9.5%; American Century Investment Management, 9.3%; officers and directors, less than 1% (4/17 Proxy). CEO: Pierce H. Norton II. Incorporated: Oklahoma. Address: 15 East Fifth Street, Tulsa, Oklahoma 74103. Telephone: 918-947-7000. Internet: www.onegas.com.

ONE Gas, Inc. appears to be on track to register higher profits in 2017. Indeed, through the first nine months, share net climbed 13%, to $2.09, relative to $1.85 for the same period last year. The outperformance reflected new rates in Texas and Kansas. Weather-normalization mechanisms also aided the Tulsa-headquartered company. Other positives included a rise in residential sales (supported by net customer growth in Oklahoma and Texas) plus higher transportation volumes from customers in Kansas and Oklahoma. A lower effective income tax rate was beneficial, too. Elsewhere, total operating expenses rose at a manageable 2.5%, as ONE Gas has emphasized such initiatives as pipeline maintenance and expansionary efforts. Since it seems that the fourth quarter will end fairly well, we expect the bottom line to advance around 11%, to $2.95 a share, for the year as a whole. Assuming additional growth of operating margins, 2018 earnings per share may increase at a similar percentage rate, to $3.25.

This year's capital expenditures are expected to lie between $350 million and $360 million. (That would be some 15% above the 2016 level if the midpoint of that range is used.) Over 70% of the budget is dedicated to system integrity and pipeline replacement projects. Finances are quite sufficient to make those moves possible.

The stock price has reached a historic high since our last full-page report in September. The company's improved 2017 results are surely a driving force. As a consequence, these shares are now pegged to outshine the broader market averages over the next six to 12 months (Timeliness rank 2: Above Average). Moreover, long-term capital appreciation potential continues to look worthwhile. Other mentionable qualities are the 2 (Above Average) Safety rank and lower-than-market Beta coefficient.

But the dividend yield is not spectacular, when compared to the other companies within *Value Line's* Natural Gas Utility universe. Still, the payout is well covered by corporate profits, and we expect steady annual hikes out to the 2020-2022 horizon.

Frederick L. Harris, III *December 1, 2017*

(A) Diluted shrs. Excludes nonrecurring gain: Q1 2017, $0.10. Next earnings report due early Feb.
(B) Dividends historically paid in early March, June, Sept., and Dec. ■ Dividend reinvestment plan. Direct stock purchase plan.
(C) In millions.

Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	NMF
Earnings Predictability	NMF

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SOUTH JERSEY INDS. NYSE-SJI

RECENT PRICE 32.39 | P/E RATIO 25.9 (Trailing: 28.2 Median: 18.0) | RELATIVE P/E RATIO 1.30 | DIV'D YLD 3.5% | VALUE LINE

TIMELINESS 4 Raised 6/30/17
SAFETY 2 Lowered 1/4/91
TECHNICAL 2 Raised 11/24/17
BETA .85 (1.00 = Market)

High:	17.1	20.6	20.3	20.4	27.1	29.0	29.0	31.1	30.6	30.4	34.8	38.4
Low:	12.8	15.6	12.6	16.0	18.6	21.4	22.9	25.3	25.9	21.2	22.1	31.4

Target Price Range 2020 | 2021 | 2022

2020-22 PROJECTIONS

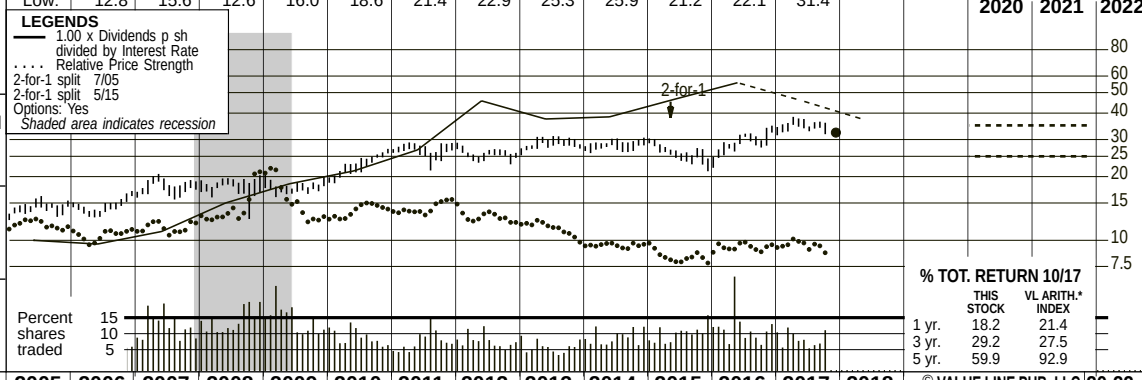
	Price	Gain	Ann'l Total Return
High	35	(+10%)	6%
Low	25	(-25%)	-1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	20	0	10	0	0	0	0	0	0
to Sell	0	0	0	1	0	0	0	0	0

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	100	92	101
to Sell	89	95	85
Hld's(000)	56733	66551	66240



% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	18.2	21.4
3 yr.	29.2	27.5
5 yr.	59.9	92.9

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
17.65	10.35	13.17	14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	13.52	13.04	*15.25*	*15.80*	Revenues per sh	*17.25*
.95	1.06	1.12	1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	2.42	2.67	*2.40*	*2.70*	"Cash Flow" per sh	*3.50*
.57	.61	.68	.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	1.44	1.34	*1.15*	*1.45*	Earnings per sh A	*2.00*
.37	.38	.39	.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	1.06	*1.10*	*1.15*	Div'ds Decl'd per sh B ■	*1.30*
1.41	1.74	1.18	1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	4.87	3.50	*3.25*	*3.70*	Cap'l Spending per sh	*5.35*
3.91	4.84	5.63	6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	14.62	16.22	*15.95*	*17.00*	Book Value per sh C	*20.85*
47.44	48.83	52.92	55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	70.97	79.48	*80.00*	*81.00*	Common Shs Outst'g D	*84.00*
13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	17.9	21.7	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	.90	1.14	*Value Line*		Relative P/E Ratio	*1.00*
4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	3.9%	3.6%	*estimates*		Avg Ann'l Div'd Yield	*4.1%*

CAPITAL STRUCTURE as of 9/30/17
Total Debt $1471.3 mill. **Due in 5 Yrs** $630 mill.
LT Debt $1180.3 mill. **LT Interest** $40.0 mill.
(Total interest coverage: 2.0x)

Leases, Uncapitalized Annual rentals $.7 mill.
Pension Assets-12/16 $189.5 mill. **Oblig.** $278.3 mill.

Pfd Stock None

Common Stock 79,549,080 shs. **as of 11/1/17**

MARKET CAP: $2.6 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
956.4	962.0	845.4	925.1	828.6	706.3	731.4	887.0	959.6	1036.5	*1220*	*1280*	Revenues ($mill)	*1450*
61.8	67.7	71.3	81.0	87.0	93.3	97.1	104.0	99.0	102.8	*90.0*	*115*	Net Profit ($mill)	*170*
41.9%	47.7%	23.0%	15.2%	22.4%	10.8%	- -	- -	5.9%	42.0%	*25.0%*	*25.0%*	Income Tax Rate	*25.0%*
6.5%	7.0%	8.4%	8.8%	10.5%	13.2%	13.3%	11.7%	10.3%	9.9%	*7.4%*	*9.0%*	Net Profit Margin	*11.7%*
42.7%	39.2%	36.5%	37.4%	40.5%	45.0%	45.1%	48.0%	49.2%	38.5%	*48.5%*	*47.5%*	Long-Term Debt Ratio	*46.0%*
57.3%	60.8%	63.5%	62.6%	59.5%	55.0%	54.9%	52.0%	50.8%	61.5%	*51.5%*	*52.5%*	Common Equity Ratio	*54.0%*
839.0	848.0	856.4	910.1	1048.3	1337.6	1507.4	1791.9	2043.9	2097.2	*2475*	*2625*	Total Capital ($mill)	*3250*
948.9	982.6	1073.1	1193.3	1352.4	1578.0	1859.1	2134.1	2448.1	2623.8	*2750*	*2900*	Net Plant ($mill)	*3500*
8.6%	8.9%	9.0%	9.5%	8.9%	7.4%	6.8%	6.4%	5.4%	5.4%	*4.5%*	*5.0%*	Return on Total Cap'l	*6.0%*
12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	*7.0%*	*8.5%*	Return on Shr. Equity	*9.5%*
12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	8.0%	*7.0%*	*8.5%*	Return on Com Equity	*9.5%*
6.7%	6.7%	6.4%	7.1%	6.7%	5.8%	4.8%	4.3%	2.8%	1.6%	*.5%*	*1.5%*	Retained to Com Eq	*3.5%*
48%	49%	51%	50%	52%	55%	59%	61%	71%	80%	*98%*	*81%*	All Div'ds to Net Prof	*64%*

CURRENT POSITION ($MILL.)	2015	2016	9/30/17
Cash Assets	3.9	18.3	13.7
Other	427.4	455.0	309.8
Current Assets	431.3	473.3	323.5
Accts Payable	186.4	243.7	208.0
Debt Due	461.2	528.0	291.0
Other	184.9	180.9	185.2
Current Liab.	832.5	952.6	684.2
Fix. Chg. Cov.	496%	602%	174%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	-1.5%	-2.0%	*4.5%*
"Cash Flow"	6.5%	4.5%	*5.0%*
Earnings	4.0%	1.5%	*5.5%*
Dividends	9.0%	8.5%	*4.0%*
Book Value	8.0%	9.0%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	350.2	133.3	122.4	281.1	887.0
2015	383.0	177.7	141.1	257.8	959.6
2016	333.0	154.4	219.1	330.0	1036.5
2017	425.8	244.4	227.1	*322.7*	*1220*
2018	*440*	*240*	*245*	*355*	*1280*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.01	.15	d.05	.47	1.57
2015	.86	.03	d.07	.62	1.44
2016	.75	.12	.05	.42	1.34
2017	.72	.06	d.05	*.42*	*1.15*
2018	*.78*	*.10*	*.03*	*.54*	*1.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	- -	.222	.222	.458	.90
2014	- -	.237	.237	.488	.96
2015	- -	.251	.251	.515	1.02
2016	- -	.264	.264	.536	1.06
2017	- -	.273	.273	.553	

BUSINESS: South Jersey Industries, Inc. is a holding company. Subsidiary South Jersey Gas Co. distributes natural gas to 377,625 customers in New Jersey's southern counties. Gas revenue mix '16: residential, 42%; commercial, 21%; cogeneration and electric generation, 16%; industrial, 21%. Nonutility operations include: South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 750 employees. Off./dir. own less than 1% of common; BlackRock, Inc., 11.6%; The Vanguard Group, Inc., 9.0% (3/17 proxy). Pres. & CEO: Michael J. Renna. Chairman: Walter M. Higgins III. Inc.: NJ. Addr.: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Web: www.sjindustries.com.

Shares of South Jersey Industries have pulled back in price in recent weeks. The company reported mixed results for the third quarter. Revenue of roughly $227 million increased 4% on a year-to-year basis, and surpassed our expectation. However, cost of sales increased significantly on the nonutility side, and operating expenses were considerably greater. South Jersey posted a share loss of $0.05 for the recent interim, which was a dime below the prior-year figure.

The company has agreed to acquire two entities from Southern Company Gas. South Jersey will purchase Elizabethtown Gas and Elkton Gas from Southern Company for total consideration of $1.7 billion. This move will make SJI the second-largest natural gas provider in New Jersey, servicing over 675,000 customers. These additions should nicely complement the company's existing utility assets. The deal is expected to close by mid-2018, subject to regulatory approvals. Assuming this occurs, utility earnings would comprise over 80% of total earnings. The company expects that the transaction will be accretive to earnings by 2020.

Prospects appear favorable for the long haul. Utility South Jersey Gas ought to further benefit from an expansion in the customer base and investments in infrastructure. On the nonutility side, SJ Energy Group will likely gain from increased contributions from fuel supply management contracts. The Penn-East Pipeline should also support performance.

This good-quality issue has a number of positive attributes. South Jersey Industries earns good marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. Volatility is below average here, as well. Moreover, the dividend yield is respectable for a utility.

But the stock offers limited appeal at this juncture. The equity is ranked to lag the broader market averages for the coming six to 12 months. Moreover, long-term appreciation potential is below average. The valuation remains fairly rich, and the shares presently trade well within our Target Price Range. A price pullback some time in the future may present conservative, income-oriented investors with a more attractive entry point.

Michael Napoli, CFA *December 1, 2017*

(A) Based on economic egs. from 2007 onward. GAAP EPS: '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46; '15, $1.52; '16, $1.56. Excl. nonrecur. gain (loss): '08, $0.16; '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11); '15, $0.08; '16, $0.22. Egs. may not sum due to change in shares. Next egs. rpt. due late February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2016: $410.7 mill., $5.17 per shr. (D) In mill., adj. for split.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	30
Earnings Predictability	75

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SOUTHWEST GAS NYSE-SWX

RECENT PRICE **82.13** | P/E RATIO **22.5** (Trailing: 24.2 Median: 17.0) | RELATIVE P/E RATIO **1.13** | DIV'D YLD **2.5%** | VALUE LINE

TIMELINESS 2 Lowered 11/24/17
SAFETY 3 Lowered 1/4/91
TECHNICAL 3 Raised 12/1/17
BETA .80 (1.00 = Market)

High:	39.4	39.9	33.3	29.5	37.3	43.2	46.1	56.0	64.2	63.7	79.6	86.6
Low:	26.0	26.5	21.1	17.1	26.3	32.1	39.0	42.0	47.2	50.5	53.5	72.3

Target Price Range
2020 | 2021 | 2022

2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	90	(+10%)	5%
Low	60	(-25%)	-4%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	17	17	4	0	1	0	0	2	0
to Sell	0	0	0	0	1	0	0	2	0

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	118	139	150
to Sell	125	109	109
Hld's(000)	37062	42400	41669

% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.5	21.4
3 yr.	53.4	27.5
5 yr.	116.2	92.9

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	52.00	51.82	*52.60*	*54.10*	Revenues per sh	*62.50*
4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	8.62	9.29	*9.05*	*9.90*	"Cash Flow" per sh	*13.10*
1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	2.92	3.18	*3.55*	*3.70*	Earnings per sh A	*4.80*
.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	1.62	1.80	*1.98*	*2.08*	Div'ds Decl'd per sh B■†	*2.50*
8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	10.30	11.15	*12.00*	*12.75*	Cap'l Spending per sh	*14.40*
17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	33.61	35.03	*37.30*	*40.80*	Book Value per sh	*50.00*
32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	47.38	47.48	*48.00*	*49.00*	Common Shs Outst'g C	*52.00*
19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	19.4	21.6	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	.98	1.14	*Value Line*		Relative P/E Ratio	*1.00*
3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	2.9%	2.6%	*estimates*		Avg Ann'l Div'd Yield	*3.3%*

CAPITAL STRUCTURE as of 9/30/17
Total Debt $1870.9 mill. **Due in 5 Yrs** $350 mill.
LT Debt $1732.0 mill. **LT Interest** $75.0 mill.
(Total interest coverage: 4.2x) (50% of Cap'l)
Leases, Uncapitalized Annual rentals $7.0 mill.
Pension Assets-12/16 $787.1 mill. **Oblig.** $1122.2 mill.
Pfd Stock None

Common Stock 47,731,840 shs. **as of 10/27/17**

MARKET CAP: $3.9 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
2152.1	2144.7	1893.8	1830.4	1887.2	1927.8	1950.8	2121.7	2463.6	2460.5	*2525*	*2650*	Revenues ($mill)	*3250*
83.2	61.0	87.5	103.9	112.3	133.3	145.3	141.1	138.3	152.0	*175*	*185*	Net Profit ($mill)	*255*
36.5%	40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	35.7%	36.4%	33.9%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
3.9%	2.8%	4.6%	5.7%	6.0%	6.9%	7.4%	6.7%	5.6%	6.2%	*6.9%*	*7.0%*	Net Profit Margin	*7.8%*
58.1%	55.3%	53.5%	49.1%	43.2%	49.2%	49.4%	52.4%	49.3%	48.2%	*49.5%*	*48.0%*	Long-Term Debt Ratio	*44.5%*
41.9%	44.7%	46.5%	50.9%	56.8%	50.8%	50.6%	47.6%	50.7%	51.8%	*50.5%*	*52.0%*	Common Equity Ratio	*55.5%*
2349.7	2323.3	2371.4	2291.7	2155.9	2576.9	2793.7	3123.9	3143.5	3213.5	*3540*	*3850*	Total Capital ($mill)	*4700*
2845.3	2983.3	3034.5	3072.4	3218.9	3343.8	3486.1	3658.4	3891.1	4132.0	*4450*	*4750*	Net Plant ($mill)	*5800*
5.5%	4.5%	5.4%	6.1%	6.4%	6.4%	6.3%	5.7%	5.5%	5.8%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.5%*
8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	*10.0%*	*9.5%*	Return on Shr. Equity	*10.0%*
8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	9.1%	*10.0%*	*9.5%*	Return on Com Equity	*10.0%*
4.8%	2.1%	4.1%	5.1%	5.3%	6.1%	6.1%	5.0%	4.0%	4.1%	*4.5%*	*4.0%*	Retained to Com Eq	*5.0%*
44%	63%	48%	43%	43%	40%	41%	47%	54%	55%	*54%*	*55%*	All Div'ds to Net Prof	*51%*

CURRENT POSITION ($MILL.)	2015	2016	9/30/17
Cash Assets	36.0	28.1	59.2
Other	522.2	505.2	479.7
Current Assets	558.2	533.3	538.9
Accts Payable	164.9	184.7	159.4
Debt Due	37.5	50.1	139.0
Other	332.6	393.6	358.0
Current Liab.	535.0	628.4	656.4
Fix. Chg. Cov.	401%	401%	407%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '20-'22
Revenues	1.0%	4.0%	*4.0%*
"Cash Flow"	4.5%	6.5%	*7.0%*
Earnings	6.5%	6.5%	*8.0%*
Dividends	7.0%	10.0%	*7.5%*
Book Value	5.5%	5.5%	*7.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	608.4	453.1	432.5	627.7	2121.7
2015	734.2	538.6	505.4	685.4	2463.6
2016	731.2	547.8	540.0	641.5	2460.5
2017	654.7	560.5	593.2	*716.6*	*2525*
2018	*685*	*590*	*625*	*750*	*2650*

Cal-endar	EARNINGS PER SHARE A D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	1.51	.21	.04	1.25	3.01
2015	1.53	.10	d.10	1.38	2.92
2016	1.58	.19	.05	1.36	3.18
2017	1.45	.37	.21	*1.52*	*3.55*
2018	*1.52*	*.40*	*.20*	*1.58*	*3.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.295	.330	.330	.330	1.29
2014	.330	.365	.365	.365	1.43
2015	.365	.405	.405	.405	1.58
2016	.405	.450	.450	.450	1.76
2017	.450	.495	.495	.495	

BUSINESS: Southwest Gas Holdings, Inc. is the parent holding company of Southwest Gas and Centuri Construction Group. Southwest Gas is a regulated gas distributor serving about 2.0 million customers in sections of Arizona, Nevada, and California. Centuri provides construction services. 2016 margin mix: residential and small commercial, 85%; large commercial and industrial, 3%; transportation, 12%. Total throughput: 2.1 billion therms. Has 6,277 employees. Off. & dir. own 1.1% of common stock; BlackRock Inc., 11.3%; The Vanguard Group, Inc., 9.4% (3/17 Proxy). Chairman: Michael J. Melarkey. President & CEO: John P. Hester. Inc.: CA. Addr.: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Telephone: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have moved higher in price in recent times. The company posted a strong performance for the third quarter. The top line increased 10%, on a year-to-year basis. The utility benefited from rate relief in Arizona and California, along with growth in the customer base. Elsewhere, construction services segment Centuri gained from an increase in pipe replacement demand from existing customers. Overall, revenue growth outstripped that of operating costs, thanks to a decline in depreciation expense. As a result, share earnings of $0.21 marked a considerable improvement from the prior-year tally. We anticipate favorable comparisons for the fourth quarter, and greater revenues and earnings per share for full-year 2017.

The company should continue to fare well from 2018 onward. The utility segment ought to further benefit from rate relief, expansion projects, infrastructure tracker mechanisms, and steady growth in the customer base. Meanwhile, Centuri will probably continue to perform well going forward. This operation has a healthy base of large utility clients, many with multiyear pipe replacement programs. Centuri should be able to capitalize on the need to replace aging infrastructure in the coming years.

Short-term accounts might want to take a closer look. This stock is ranked to outperform the broader equity market for the coming six to 12 months. Moreover, this issue offers some appeal for conservative subscribers. Southwest Gas earns favorable marks for Financial Strength, Price Stability, and Earnings Predictability. Volatility is subdued, as well (Beta: .80).

But patient investors can probably find more-suitable choices elsewhere at this juncture. We anticipate solid growth in revenues and earnings per share for the company over the pull to early next decade. But this seems to be largely reflected in the recent quotation, following fairly strong share-price appreciation over the past couple of years. Long-term capital gains potential appears to be limited, as the shares presently trade well within our Target Price Range. The stock's dividend yield is not compelling for a utility, either.

Michael Napoli, CFA *December 1, 2017*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due late February. **(B)** Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. **(C)** In millions. **(D)** Totals may not sum due to rounding.

Company's Financial Strength	B++
Stock's Price Stability	85
Price Growth Persistence	90
Earnings Predictability	90

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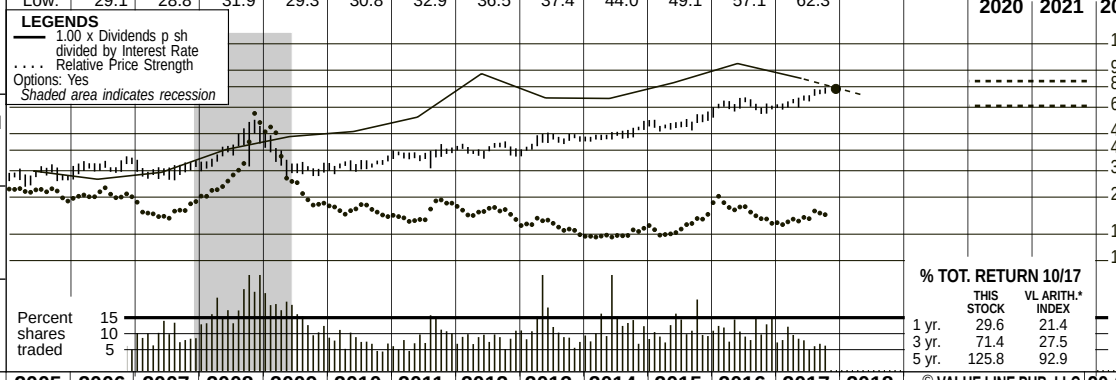
SPIRE INC. NYSE-SR

RECENT PRICE **78.20** | P/E RATIO **20.7** (Trailing: 22.2 Median: 16.0) | RELATIVE P/E RATIO **1.04** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS 2 Raised 11/10/17
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Raised 12/1/17
BETA .70 (1.00 = Market)

High:	37.5	36.0	55.8	48.3	37.8	42.8	44.0	48.5	55.2	61.0	71.2	79.6
Low:	29.1	28.8	31.9	29.3	30.8	32.9	36.5	37.4	44.0	49.1	57.1	62.3

Target Price Range
2020 | 2021 | 2022



2020-22 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	85	(+10%)	5%
Low	65	(-15%)	-1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	1	7	0	0	0	0	0	0	0
to Sell	0	1	0	0	0	0	0	0	0

Institutional Decisions

	4Q2016	1Q2017	2Q2017
to Buy	135	121	128
to Sell	109	112	93
Hld's(000)	35783	41441	43554

% TOT. RETURN 10/17

	THIS STOCK	VL ARITH.* INDEX
1 yr.	29.6	21.4
3 yr.	71.4	27.5
5 yr.	125.8	92.9

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	© VALUE LINE PUB. LLC	20-22
53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	33.68	36.07	*44.35*	Revenues per sh A	*58.50*
3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	6.16	6.54	*6.90*	"Cash Flow" per sh	*8.15*
1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	3.24	3.43	*3.80*	Earnings per sh A B	*4.65*
1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	1.96	2.10	*2.25*	Div'ds Decl'd per sh C■	*2.50*
2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	6.42	9.08	*6.90*	Cap'l Spending per sh	*7.10*
15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	38.73	41.26	*43.90*	Book Value per sh D	*48.30*
18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	45.65	48.26	*48.50*	Common Shs Outst'g E	*50.00*
14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	19.6	19.8		Avg Ann'l P/E Ratio	*16.0*
.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83	1.03	.97		Relative P/E Ratio	*1.00*
5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	3.1%	3.1%		Avg Ann'l Div'd Yield	*3.4%*

CAPITAL STRUCTURE as of 9/30/17
Total Debt $2572.3 mill. **Due in 5 Yrs** $625.0 mill.
LT Debt $1995.0 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 3.6x)

Leases, Uncapitalized Annual rentals $11.0 mill.
Pension Assets-9/17 $531.6 mill. **Oblig.** $748.8 mill.
Pfd Stock None
Common Stock 48,266,858 shs. **as of 11/10/17**

MARKET CAP: $3.8 billion (Mid Cap)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		20-22
2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	1537.3	1740.7	*2150*	Revenues ($mill) A	*2925*
49.8	57.6	64.3	54.0	63.8	62.6	52.8	84.6	136.9	144.2	161.6	*185*	Net Profit ($mill)	*230*
33.4%	31.3%	33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	31.2%	32.5%	32.4%	*23.5%*	Income Tax Rate	*24.0%*
2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	9.4%	9.3%	*8.6%*	Net Profit Margin	*7.9%*
45.3%	44.4%	42.9%	40.5%	38.9%	36.1%	46.6%	55.1%	53.0%	50.9%	50.0%	*49.5%*	Long-Term Debt Ratio	*49.0%*
54.6%	55.5%	57.1%	59.5%	61.1%	63.9%	53.4%	44.9%	47.0%	49.1%	50.0%	*50.5%*	Common Equity Ratio	*51.0%*
784.5	876.1	906.3	899.9	937.7	941.0	1959.0	3359.4	3345.1	3601.9	3986.3	*4225*	Total Capital ($mill)	*4755*
793.8	823.2	855.9	884.1	928.7	1019.3	1776.6	2759.7	2941.2	3300.9	3665.2	*3850*	Net Plant ($mill)	*4215*
8.5%	8.1%	8.7%	7.4%	8.1%	7.9%	3.3%	3.1%	5.1%	4.9%	5.0%	*5.0%*	Return on Total Cap'l	*5.5%*
11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	*8.5%*	Return on Shr. Equity	*9.5%*
11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	8.1%	*8.5%*	Return on Com Equity	*9.5%*
4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	1.0%	1.5%	3.7%	3.3%	3.3%	*3.5%*	Retained to Com Eq	*4.5%*
63%	56%	53%	64%	56%	59%	81%	73%	58%	59%	60%	*59%*	All Div'ds to Net Prof	*54%*

CURRENT POSITION ($MILL.)	2015	2016	9/30/17
Cash Assets	13.8	5.2	7.4
Other	516.3	564.4	718.1
Current Assets	530.1	569.6	725.5
Accts Payable	146.5	210.9	257.1
Debt Due	418.0	648.7	577.3
Other	289.3	301.7	263.5
Current Liab.	853.8	1161.3	1097.9
Fix. Chg. Cov.	365%	366%	361%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '20-'22
Revenues	-8.0%	-10.5%	*7.0%*
"Cash Flow"	6.0%	7.0%	*7.0%*
Earnings	4.0%	4.0%	*8.0%*
Dividends	3.5%	4.0%	*5.0%*
Book Value	7.5%	9.0%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	468.6	694.5	241.8	222.3	1627.2
2015	619.6	877.4	275.2	204.2	1976.4
2016	399.4	609.3	249.3	279.3	1537.3
2017	495.1	663.4	323.5	258.7	1740.7
2018	*600*	*800*	*300*	*450*	*2150*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2014	1.09	1.59	.33	d.35	2.35
2015	1.09	2.18	.32	d.43	3.16
2016	1.08	2.31	.24	d.31	3.24
2017	.99	2.36	.45	d.28	3.43
2018	*1.10*	*2.55*	*.40*	*d.25*	*3.80*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2014	.44	.44	.44	.44	1.76
2015	.46	.46	.46	.46	1.84
2016	.49	.49	.49	.49	1.96
2017	.525	.525	.525	.525	
2018	.5625				

BUSINESS: Spire Inc., formerly known as the Laclede Group, Inc., is a holding company for natural gas utilities, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City. Has roughly 1.7 million customers. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2017: 3.0 bill. Revenue mix for regulated operations: residential, 29%; commercial and industrial, 15%; transportation, 49%; other, 6%. Has around 3,279 employees. Officers and directors own 3.1% of common shares (1/17 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Spire recorded mixed fiscal fourth-quarter results (year ended September 30th). Revenues declined to $258.7 million, as gas utility increases were more than offset by a decline in gas marketing activities. Better operations allowed for margins to expand a bit, though higher maintenance expense still put some pressure on the bottom line during the quarter. In all, losses narrowed to $0.28 per share.

The company appears poised for solid near-term results. It will work to further integrate its operations, through the rebranding of its utility operations into the *Spire* brand. This will allow for marketing efficiencies. Meantime, it will spend around $485 million in capital expenditures, including increased outlays on the STL Pipeline. Spire also has new cases pending for its two Missouri utilities, which may allow for greater rates. In all, we think the company will be able to earn $3.80 per share in fiscal 2018.

The STL Pipeline appears to be on track. Spire received its FERC environmental assessment, and will look to increase its spending on the STL Pipeline in calendar 2018. This project is expected to be in service by fiscal 2019, and will cost between $190 million and $210 million in additional capital expenditures. This project ought to allow for greater return rates, and will improve margins at its utilities with cheaper natural gas sources. This should help drive long-term earnings to $4.65 per share.

The company recently raised its dividend 7% to $2.25 per share annually. This represents a decent increase, and management expects to raise the payout 4% to 6% annually over the coming years. As the payout is covered by cash flows, we expect that this goal will be easily achieved. The balance sheet remains manageable, though debt is slated to increase for infrastructure buildouts.

Shares of Spire are ranked to outperform the broader market averages (Timeliness: 2). In addition, they offer a decent yield. Still, they are trading near the high end of our long-term Target Price Range, and at an elevated price-to-earnings ratio. Long-term accounts would be best served looking elsewhere, for now.

John E. Seibert III *December 1, 2017*

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '17: $920.2 mill., $19.07/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding in 2014, 2016, and 2017.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	85

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ATMOS ENERGY CORP. NYSE-ATO

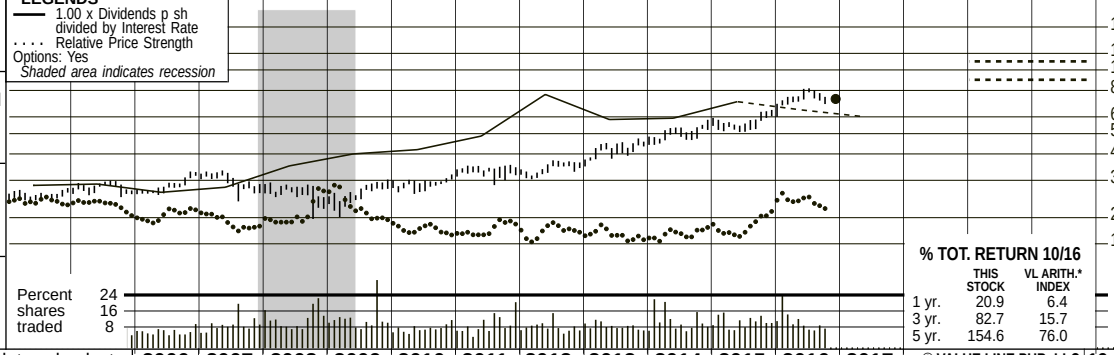
RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
72.84	20.8	(Trailing: 21.4 Median: 15.0)	1.09	2.5%	VALUE LINE

TIMELINESS 3 Lowered 9/16/16
SAFETY 1 Raised 6/6/14
TECHNICAL 3 Lowered 9/30/16
BETA .70 (1.00 = Market)

High:	30.0	33.1	33.5	29.3	30.3	32.0	35.6	37.3	47.4	58.2	64.8	82.0
Low:	25.0	25.5	23.9	19.7	20.1	25.9	28.5	30.4	34.9	44.2	50.8	60.0

Target Price Range 2019 | 2020 | 2021

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	110	(+50%)	13%
Low	90	(+25%)	8%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	2	0	0	2	6	0	2	0	0
to Sell	0	0	0	0	1	0	0	2	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	159	212	188
to Sell	133	142	148
Hld's(000)	70628	71888	73716

% TOT. RETURN 10/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	20.9	6.4
3 yr.	82.7	15.7
5 yr.	154.6	76.0

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
75.27	66.03	79.52	53.69	53.12	48.15	38.10	42.88	49.22	40.82	32.20	33.65	Revenues per sh A	45.85
4.26	4.14	4.19	4.29	4.64	4.72	4.76	5.14	5.42	5.81	6.20	6.50	"Cash Flow" per sh	7.25
2.00	1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.09	3.38	3.55	Earnings per sh A B	4.20
1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	1.68	1.80	Div'ds Decl'd per sh C■	2.15
5.20	4.39	5.20	5.51	6.02	6.90	8.12	9.32	8.32	9.61	10.45	11.00	Cap'l Spending per sh	10.60
20.16	22.01	22.60	23.52	24.16	24.98	26.14	28.47	30.74	31.48	33.30	31.25	Book Value per sh	36.65
81.74	89.33	90.81	92.55	90.16	90.30	90.24	90.64	100.39	101.48	104.00	107.00	Common Shs Outst'g D	120.00
13.5	15.9	13.6	12.5	13.2	14.4	15.9	15.9	16.1	17.5	20.8		Avg Ann'l P/E Ratio	24.0
.73	.84	.82	.83	.84	.90	1.01	.89	.85	.89	1.11		Relative P/E Ratio	1.50
4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%	2.4%		Avg Ann'l Div'd Yield	2.1%
6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	3349.9	3600	Revenues ($mill) A	5500
162.3	170.5	180.3	179.7	201.2	199.3	192.2	230.7	289.8	315.1	350.1	380	Net Profit ($mill)	500
37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	36.4%	37.0%	Income Tax Rate	40.0%
2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	10.5%	10.6%	Net Profit Margin	9.1%
57.0%	52.0%	50.8%	49.9%	45.4%	49.4%	45.3%	48.8%	44.3%	43.5%	39.0%	42.0%	Long-Term Debt Ratio	45.0%
43.0%	48.0%	49.2%	50.1%	54.6%	50.6%	54.7%	51.2%	55.7%	56.5%	61.0%	58.0%	Common Equity Ratio	55.0%
3828.5	4092.1	4172.3	4346.2	3987.9	4461.5	4315.5	5036.1	5542.2	5650.2	5655	5765	Total Capital ($mill)	8000
3629.2	3836.8	4136.9	4439.1	4793.1	5147.9	5475.6	6030.7	6725.9	7430.6	8280	9060	Net Plant ($mill)	11500
6.1%	5.9%	5.9%	5.9%	6.9%	6.1%	6.1%	5.9%	6.4%	6.6%	7.5%	8.0%	Return on Total Cap'l	7.5%
9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.0%	11.5%	Return on Shr. Equity	11.5%
9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	9.9%	10.0%	11.5%	Return on Com Equity	11.5%
3.6%	3.0%	3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.7%	4.9%	5.0%	5.5%	Retained to Com Eq	5.5%
63%	65%	65%	68%	62%	62%	65%	56%	50%	51%	50%	51%	All Div'ds to Net Prof	52%

CAPITAL STRUCTURE as of 6/30/16
Total Debt $3126.1 mill. **Due in 5 Yrs** $1157.9 mill.
LT Debt $2205.6 mill. **LT Interest** $135.0 mill.
(LT interest earned: 5.4x; total interest coverage: 5.4x)
Leases, Uncapitalized Annual rentals $16.5 mill.
Pfd Stock None
Pension Assets-9/15 $450.9 mill. **Oblig.** $508.6 mill.
Common Stock 103,847,858 shs. as of 7/29/16
MARKET CAP: $7.6 billion (Large Cap)

CURRENT POSITION ($MILL.)	2014	2015	6/30/16
Cash Assets	42.3	28.7	66.2
Other	733.5	602.3	582.7
Current Assets	775.8	631.0	648.9
Accts Payable	311.6	238.9	198.9
Debt Due	196.7	457.9	920.5
Other	402.4	458.0	410.4
Current Liab.	910.7	1154.8	1529.8
Fix. Chg. Cov.	637%	743%	750%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-2.0%	-6.5%	.5%
"Cash Flow"	5.0%	4.5%	5.0%
Earnings	5.5%	7.0%	6.5%
Dividends	2.0%	2.5%	6.5%
Book Value	5.0%	5.0%	3.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	1034.2	1309.0	857.9	685.2	3886.3
2014	1255.1	1964.3	942.7	778.8	4940.9
2015	1258.8	1540.1	686.4	656.8	4142.1
2016	906.2	1132.3	632.9	678.5	3349.9
2017	930	1250	720	700	3600

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	.85	1.23	.36	.08	2.50
2014	.95	1.38	.45	.23	2.96
2015	.96	1.35	.55	.23	3.09
2016	1.00	1.38	.69	.33	3.38
2017	1.05	1.41	.72	.37	3.55

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.345	.345	.345	.35	1.39
2013	.35	.35	.35	.37	1.42
2014	.37	.37	.37	.39	1.50
2015	.39	.39	.39	.42	1.59
2016	.42	.42	.42	.45	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to roughly three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for fiscal 2015: 66%, residential; 29%, commercial; 3%, industrial; and 2% other. The company has around 4,760 employees. Officers and directors own approximately 1.5% of common stock (12/15 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Atmos Energy may well post respectable results in fiscal 2017 (started October 1st). The natural gas distribution division, accounting for the largest portion of revenues, stands to benefit from a rise in throughput, assuming that both the weather and economic environment are generally favorable (leading to a boost in consumption levels). Also, we look for reasonably decent performances from the other segments, including the regulated pipeline unit. At this juncture, full-year profits might advance around 5%, to $3.55 a share, versus the fiscal 2016 tally of $3.38. Concerning fiscal 2018, we believe the bottom line can grow at a similar percentage rate, to $3.75 a share, if operating margins expand.

There are plans to sell Atmos Energy Marketing (AEM) to a subsidiary of CenterPoint Energy. The transaction involves the transfer of 800 delivered gas customers and AEM's related asset optimization business at an all-cash price of $40 million plus working capital at the closing date (anticipated during the first calendar quarter of 2017). Proceeds are to be utilized for infrastructure investment in the core regulated units. Note that we estimate the pending divestiture's impact on earnings per share would be minimal.

The fiscal 2017 capital expenditures budget is expected to lie between $1.1 billion and $1.25 billion. That would be some 8% higher than the previous year's figure, assuming the midpoint of that range is used. Similar to fiscal 2016, a meaningful portion of the resources will be deployed to enhance the safety and reliability of Atmos' natural gas distribution and transmission systems.

The quarterly common stock dividend was raised a few cents, to $0.45 a share. Moreover, our 2019-2021 projections indicate that additional, steady increases in the distribution will take place. The payout ratio over that period ought to be roughly 50%, which should not place a substantial financial burden on the energy company.

These top-quality shares hold decent, risk-adjusted long-term total return potential. That reflects the healthy dividend and worthwhile capital gains possibilities here.

Frederick L. Harris, III *December 2, 2016*

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢. Next egs. rpt. due early Feb. (C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. (D) In millions. (E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	80
Earnings Predictability	90

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NEW JERSEY RES. NYSE-NJR

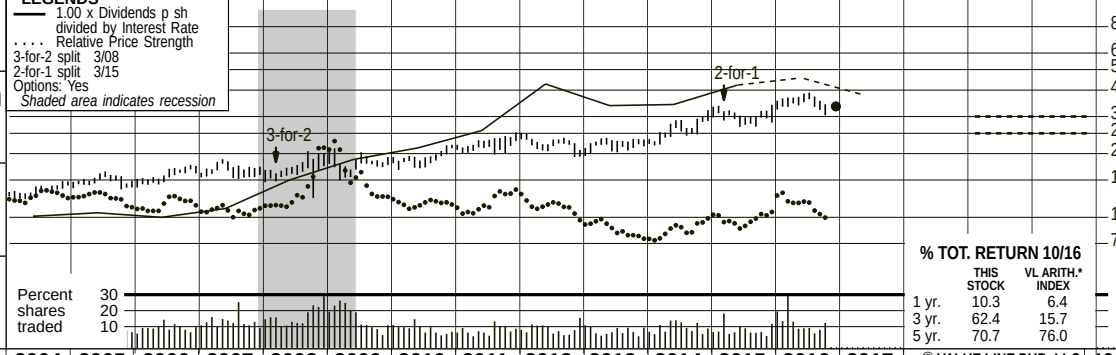
RECENT PRICE **33.50** | P/E RATIO **19.7** (Trailing: 20.9 / Median: 16.0) | RELATIVE P/E RATIO **1.03** | DIV'D YLD **3.0%** | VALUE LINE

TIMELINESS 3 Lowered 10/28/16
SAFETY 1 Raised 9/15/06
TECHNICAL 3 Lowered 10/28/16
BETA .80 (1.00 = Market)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
High:	16.4	17.7	18.8	20.6	21.2	22.0	25.2	25.1	23.8	32.1	34.1	38.9
Low:	13.6	13.8	15.2	12.3	15.0	16.7	19.8	19.3	19.5	21.9	26.8	30.5

Target Price Range 2019 | 2020 | 2021

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 3/08
2-for-1 split 3/15
Options: Yes
Shaded area indicates recession



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(-10%)	*Nil*
Low	25	(-25%)	*-4%*

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	6	0	0	0	0	0	0	0	0
to Sell	0	0	4	0	1	0	0	0	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	117	114	103
to Sell	94	114	107
Hld's(000)	49713	51216	52551

% TOT. RETURN 10/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.3	6.4
3 yr.	62.4	15.7
5 yr.	70.7	76.0

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
14.71	25.61	22.06	31.14	30.44	38.10	39.81	36.31	45.37	31.17	32.05	36.30	27.08	38.38	44.40	32.09	21.90	*27.35*	Revenues per sh A	*29.85*
1.00	1.06	1.07	1.19	1.25	1.31	1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	2.52	*2.45*	*2.50*	"Cash Flow" per sh	*2.85*
.60	.65	.70	.79	.85	.88	.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.08	1.78	1.61	*1.75*	Earnings per sh B	*2.10*
.38	.39	.40	.41	.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.98	*1.02*	Div'ds Decl'd per sh C■	*1.05*
.62	.55	.51	.57	.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	3.76	*1.70*	*1.75*	Cap'l Spending per sh	*1.80*
4.14	4.40	4.35	5.13	5.62	5.30	7.50	7.75	8.64	8.29	8.81	9.36	9.80	10.65	11.48	12.99	*13.80*	*14.55*	Book Value per sh D	*17.40*
79.17	79.99	83.00	81.70	83.22	82.64	82.88	83.22	84.12	83.17	82.35	82.89	83.05	83.32	84.20	85.19	85.88	*86.00*	Common Shs Outst'g E	*86.00*
14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.7	16.6	21.3		Avg Ann'l P/E Ratio	*14.0*
.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.62	.84	1.17		Relative P/E Ratio	*.90*
4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%	2.9%		Avg Ann'l Div'd Yield	*3.6%*

CAPITAL STRUCTURE as of 6/30/16
Total Debt $1223.8 mill. **Due in 5 Yrs** $321.9 mill.
LT Debt $967.8 mill. **LT Interest** $25.4 mill.
Incl. $53.2 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/15 $256.4 mill. **Oblig.** $394.4 mill.
Pfd Stock None

Common Stock 86,150,280 shs.
as of 8/1/16
MARKET CAP: $2.9 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3738.1	2734.0	1880.9	*2350*	Revenues ($mill) A	*2565*
78.5	65.3	113.9	101.0	101.8	106.5	112.4	113.7	176.9	153.7	138.1	*150*	Net Profit ($mill)	*180*
38.9%	38.8%	37.8%	27.1%	41.4%	30.2%	7.1%	25.4%	30.2%	26.3%	*32.0%*	*32.0%*	Income Tax Rate	*32.0%*
2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	5.6%	7.3%	*6.4%*	Net Profit Margin	*7.0%*
34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	*43.0%*	*43.0%*	Long-Term Debt Ratio	*40.5%*
65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	*57.0%*	*57.0%*	Common Equity Ratio	*59.5%*
954.0	1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	*2085*	*2200*	Total Capital ($mill)	*2495*
934.9	970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1643.1	1884.1	2128.3	*2170*	*2215*	Net Plant ($mill)	*2350*
9.6%	7.7%	10.7%	9.7%	9.7%	9.7%	9.2%	9.0%	12.1%	8.6%	*7.5%*	*8.0%*	Return on Total Cap'l	*8.0%*
12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.6%	*12.0%*	Return on Shr. Equity	*12.0%*
12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.9%	11.6%	*12.0%*	Return on Com Equity	*12.0%*
6.3%	3.6%	9.5%	7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	6.8%	4.6%	*5.0%*	Retained to Com Eq	*6.0%*
50%	64%	40%	50%	52%	55%	55%	59%	40%	50%	61%	*58%*	All Div'ds to Net Prof	*50%*

CURRENT POSITION ($MILL.)	2014	2015	6/30/16
Cash Assets	2.2	4.9	94.8
Other	680.5	539.6	509.9
Current Assets	682.7	544.5	604.7
Accts Payable	330.3	273.2	216.0
Debt Due	335.5	77.5	256.0
Other	125.3	85.4	129.5
Current Liab.	791.1	436.1	601.5
Fix. Chg. Cov.	1007%	750%	750%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	1.5%	1.0%	*-4.0%*
"Cash Flow"	6.5%	7.5%	*3.0%*
Earnings	7.5%	6.5%	*3.0%*
Dividends	7.0%	7.0%	*3.5%*
Book Value	8.0%	6.5%	*7.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	736.0	960.9	767.5	733.7	3198.1
2014	878.4	1579.6	688.3	591.9	3738.1
2015	824.1	1013.1	458.5	438.3	2734.0
2016	444.3	574.2	393.2	469.2	1880.9
2017	*560*	*690*	*510*	*590*	*2350*

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	.43	.82	.12	d.01	1.37
2014	.47	1.79	.05	d.23	2.08
2015	.65	1.16	.03	d.06	1.78
2016	.58	.91	.13	d.02	1.61
2017	*.60*	*.95*	*.17*	*.03*	*1.75*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.19	.19	.19	.40	.97
2013	- -	.20	.20	.20	.60
2014	.21	.21	.21	.23	.86
2015	.23	.23	.23	.24	.93
2016	.24	.24	.24	.255	

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 512,300 customers at 9/30/15 in Monmouth and Ocean counties, and other N.J. counties. Fiscal 2015 volume: 341 bill. cu. ft. (14% interruptible, 21% residential and commercial and electric utility, 65% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2015 dep. rate: 2.5%. Has 991 empls. Off./dir. own about 1.4% of common (12/15 Proxy). Chrmn., CEO & Pres.: Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources faced a difficult operating environment in fiscal 2016 (ended September 30th). Indeed, the company posted a downturn in both revenues and earnings this past year. What's more, since our September review, the stock has registered a modest 5% pullback, likely as a reflection of the slowdown in the retail/wholesale energy business. Revenues declined more than 30% on a year-over-year basis, to $1.88 billion. This largely stemmed from the warmer-than-normal weather patterns that existed across NJR's service territory. This trend was further exacerbated by the falloff of natural gas and commodity prices when compared to 2015's levels. Despite these challenges, the New Jersey Natural Gas (NJNG), regulated utility business added 8,170 new customer accounts in 2016. A bit more than 55% of those came from new construction. Still, on the profitability front, the sharp downturn in volumes weighed on both fixed- and variable-cost absorption. In fact, operating expenses ticked 20 basis points higher, when viewed as a percentage of the top line. Combined, these factors equated to an earnings reduction of almost 10%, to $1.61 per share. This was in line with our expectation.

That said, we have adjusted our outlook for this year. The company appears poised to log a rebound in revenues of about 25%, to $2.35 billion, due primarily to new NJNG customer accounts. Management estimates roughly 24,000-27,000 accounts will be added between fiscal 2017 and 2019. Elsewhere, the regulated utility division received approval of a rate reduction as well as a bill credit, that will have a net impact on the typical residential heating customer lowering a bill about 2% annually. This helps to put rates more in line with the current natural gas pricing environment. Finally, we have trimmed a nickel off our 2017 share-net estimate, to $1.75, placing it near the top end of management's recently issued guidance range of $1.65-$1.75. This would represent an annual increase of almost 9%.

We think most investors' funds could be better utilized elsewhere. Neutrally ranked NJR is lacking upside potential based on our projections. And the dividend yield is a bit light for a utility.

Bryan J. Fong *December 2, 2016*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early Jan., April, July, and October. 1Q '13 div'd paid in 4Q '12. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2015: $410.2 million, $4.82/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	85
Price Growth Persistence	55
Earnings Predictability	55

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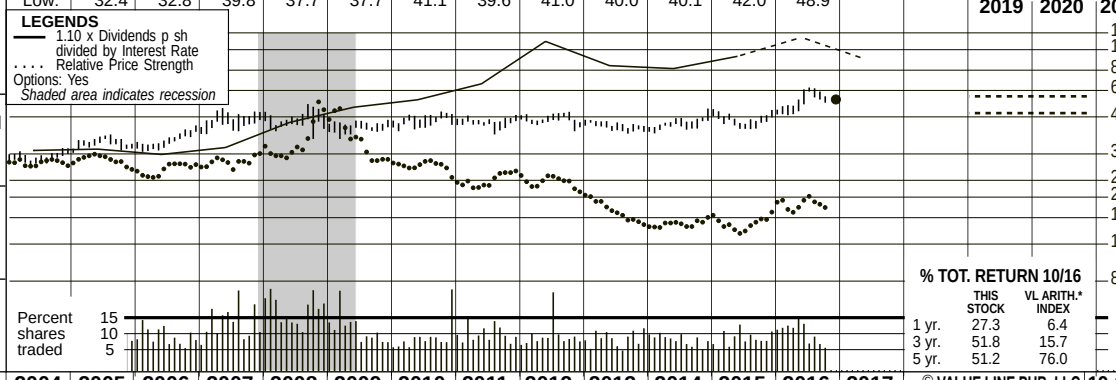
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE **57.95** | P/E RATIO **26.3** (Trailing: 26.5 / Median: 18.0) | RELATIVE P/E RATIO **1.38** | DIV'D YLD **3.2%** | VALUE LINE

TIMELINESS 3 Lowered 8/12/16
SAFETY 1 Raised 3/18/05
TECHNICAL 2 Raised 12/2/16
BETA .65 (1.00 = Market)

High:	39.6	43.7	52.8	55.2	46.5	50.9	49.0	50.8	46.6	52.6	52.3	66.2
Low:	32.4	32.8	39.8	37.7	37.7	41.1	39.6	41.0	40.0	40.1	42.0	48.9

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+5%)	4%
Low	50	(-15%)	Nil

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	4	12	3	0	4	6	1	0	0
to Sell	0	0	4	0	2	7	1	0	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	81	98	118
to Sell	65	65	80
Hld's(000)	16813	15946	16937

% TOT. RETURN 10/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	27.3	6.4
3 yr.	51.8	15.7
5 yr.	51.2	76.0

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	26.39	*23.45*	*25.15*	Revenues per sh	*28.90*
3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	4.91	*4.50*	*4.85*	"Cash Flow" per sh	*6.05*
1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	*2.15*	*2.35*	Earnings per sh A	*3.15*
1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	*1.87*	*1.88*	Div'ds Decl'd per sh B■	*2.05*
3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	4.37	*4.50*	*6.20*	Cap'l Spending per sh	*6.35*
17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	28.47	*27.40*	*28.40*	Book Value per sh D	*30.55*
25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	27.43	*29.00*	*29.00*	Common Shs Outst'g C	*28.00*
12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.19	*Value Line*		Relative P/E Ratio	*1.05*
5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

1013.2	1033.2	1037.9	1012.7	812.1	848.8	730.6	758.5	754.0	723.8	*680*	*730*	Revenues ($mill)	*865*
65.2	74.5	68.5	75.1	72.7	63.9	59.9	60.5	58.7	53.7	*62.0*	*68.0*	Net Profit ($mill)	*86.0*
36.3%	37.2%	36.9%	38.3%	40.5%	40.4%	42.4%	40.8%	41.5%	40.0%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
6.4%	7.2%	6.6%	7.4%	8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	*9.2%*	*9.3%*	Net Profit Margin	*10.9%*
46.3%	46.3%	44.9%	47.7%	46.1%	47.3%	48.5%	47.6%	44.8%	42.5%	*43.0%*	*43.0%*	Long-Term Debt Ratio	*43.0%*
53.7%	53.7%	55.1%	52.3%	53.9%	52.7%	51.5%	52.4%	55.2%	57.5%	*57.0%*	*57.0%*	Common Equity Ratio	*57.0%*
1116.5	1106.8	1140.4	1261.8	1284.8	1356.2	1424.7	1433.6	1389.0	1357.7	*1390*	*1445*	Total Capital ($mill)	*1605*
1425.1	1495.9	1549.1	1670.1	1854.2	1893.9	1973.6	2062.9	2121.6	2182.7	*2270*	*2360*	Net Plant ($mill)	*2655*
7.1%	8.5%	7.7%	7.3%	7.0%	6.2%	5.7%	5.8%	5.8%	5.5%	*5.5%*	*6.0%*	Return on Total Cap'l	*7.5%*
10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	*8.0%*	*8.0%*	Return on Shr. Equity	*10.5%*
10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	*8.0%*	*8.0%*	Return on Com Equity	*10.5%*
4.5%	6.0%	4.5%	5.0%	4.0%	2.4%	1.6%	1.5%	1.1%	.6%	*1.0%*	*1.5%*	Retained to Com Eq	*3.5%*
59%	52%	59%	56%	61%	73%	80%	81%	85%	92%	*87%*	*80%*	All Div'ds to Net Prof	*65%*

CAPITAL STRUCTURE as of 9/30/16
Total Debt $790.1 mill. **Due in 5 Yrs** $360.0 mill.
LT Debt $530.2 mill. **LT Interest** $45.0 mill.

(Total interest coverage: 3.5x)

Pension Assets-12/15 $249.4 mill. **Oblig.** $445.6 mill.

Pfd Stock None

Common Stock 27,557,756 shares
as of 10/21/16

MARKET CAP $1.6 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2014	2015	9/30/16
Cash Assets	9.5	4.2	6.2
Other	353.1	327.9	204.4
Current Assets	362.6	332.1	210.6
Accts Payable	91.4	73.2	55.9
Debt Due	274.7	295.0	259.9
Other	103.3	109.5	86.9
Current Liab.	469.4	477.7	402.7
Fix. Chg. Cov.	321%	300%	350%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	--	-5.5%	*1.0%*
"Cash Flow"	2.0%	-1.0%	*3.0%*
Earnings	1.0%	-5.0%	*7.0%*
Dividends	3.5%	3.0%	*2.0%*
Book Value	3.0%	2.5%	*1.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	277.9	131.7	88.2	260.7	758.5
2014	293.4	133.1	87.2	240.3	754.0
2015	261.7	138.3	93.1	230.7	723.8
2016	255.5	99.2	87.7	*237.6*	*680*
2017	*255*	*130*	*95.0*	*250*	*730*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1.40	.08	d.31	1.07	2.24
2014	1.40	.04	d.32	1.04	2.16
2015	1.04	.08	d.24	1.08	1.96
2016	1.33	.07	d.29	*1.04*	*2.15*
2017	*1.35*	*.10*	*d.25*	*1.15*	*2.35*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.445	.445	.445	.455	1.79
2013	.455	.455	.455	.460	1.83
2014	.460	.460	.460	.465	1.85
2015	.465	.465	.465	.4675	1.86
2016	.4675	.4675	.4675	.470	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 704,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 35%; commercial, 22%; industrial, gas transportation, and other, 43%. Employs 1,092. BlackRock Inc. owns 10.0% of shares; officers and directors, 2.1% (4/16 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas reported lackluster third-quarter results. Revenues fell 6% year over year, hurt by lower commodity prices. Still, the company had better gross profits, aided by stronger gas storage results. Operating expenses increased during the quarter, while bottom-line results were hurt by a $1.2 million environmental remediation charge. This caused losses to expand to $0.29 a share. Still, cooler weather is expected in the fourth quarter, which should help drive revenues higher. We have lowered our 2016 full-year estimate by a nickel to $2.15 a share.

Near-term results should benefit from improvements in the Portland market. Unemployment there has continued to drop, and construction in the area continues to be strong, as building permits were up 20% year over year. Too, the company should continue to benefit from decent conversion efforts, which ought to drive usage growth. These efforts will likely allow for better earnings in 2017.

Meanwhile, the Mist expansion plant has received its notice to proceed from Portland General Electric. This project will provide up to 120 million cubic feet of gas per day through a 13-mile pipeline, and will cost around $128 million. The company has already started to raise the funds required through equity sales, as it will sell up to 1.01 million shares, largely paying for the early buildout of the system. The facility is on track to be in service by the winter of 2018-2019, and will allow for a sizable bump in earnings.

The company raised its quarterly dividend to $0.47 a share (up 1%). This marks the 61st annual increase for the dividend aristocrat. The yield remains average for a utility, and will likely grow at modest rates until the Mist facility comes on line. Too, higher market interest rates are expected, which should decrease the appeal of the slow-growing dividend.

Shares of Northwest Natural Gas do not hold much appeal at the recent quotation. They are trading within our long-term Target Price Range, and the yield does not stand out among utilities. Long-term accounts would be best served waiting for a dip in price.

John E. Seibert III *December 2, 2016*

(A) Diluted earnings per share. Excludes nonrecurring items: '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2015: $370.7 million, $13.52/share.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	25
Earnings Predictability	85

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SOUTH JERSEY INDS. NYSE-SJI

RECENT PRICE 32.95 | P/E RATIO 22.4 (Trailing: 20.7 Median: 17.0) | RELATIVE P/E RATIO 1.17 | DIV'D YLD 3.3% | VALUE LINE

TIMELINESS 2 Lowered 10/28/16
SAFETY 2 Lowered 1/4/91
TECHNICAL 3 Lowered 11/18/16
BETA .80 (1.00 = Market)

High:	16.2	17.1	20.6	20.3	20.4	27.1	29.0	29.0	31.1	30.6	30.4	32.9
Low:	12.5	12.8	15.6	12.6	16.0	18.6	21.4	22.9	25.3	25.9	21.2	22.1

Target Price Range 2019 | 2020 | 2021

2019-21 PROJECTIONS

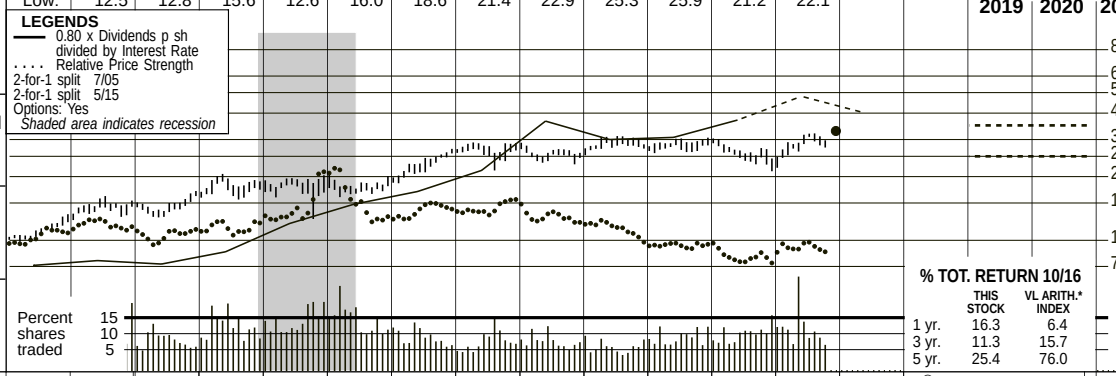
	Price	Gain	Ann'l Total Return
High	35	(+5%)	5%
Low	25	(-25%)	-2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	9	0	9	0	0	1	0	0	0
to Sell	0	0	1	1	0	0	0	0	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	105	109	129
to Sell	72	77	61
Hld's(000)	43333	46585	56193



% TOT. RETURN 10/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.3	6.4
3 yr.	11.3	15.7
5 yr.	25.4	76.0

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
11.22	17.65	10.35	13.17	14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	13.52	*12.40*	*12.80*	Revenues per sh	*15.10*
.97	.95	1.06	1.12	1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	2.42	*2.45*	*2.55*	"Cash Flow" per sh	*2.95*
.54	.57	.61	.68	.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	1.44	*1.45*	*1.50*	Earnings per sh A	*1.80*
.37	.37	.38	.39	.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	*1.06*	*1.10*	Div'ds Decl'd per sh B ■	*1.30*
1.11	1.41	1.74	1.18	1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	4.87	*3.25*	*3.90*	Cap'l Spending per sh	*5.10*
3.62	3.91	4.84	5.63	6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	14.62	*16.90*	*18.30*	Book Value per sh C	*21.50*
46.00	47.44	48.83	52.92	55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	70.97	*80.00*	*82.00*	Common Shs Outst'g D	*86.00*
13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	17.9	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	.90	*Value Line*		Relative P/E Ratio	*1.00*
5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	3.9%	*estimates*		Avg Ann'l Div'd Yield	*4.5%*

CAPITAL STRUCTURE as of 9/30/16
Total Debt $1270.8 mill. **Due in 5 Yrs** $1140 mill.
LT Debt $808.7 mill. **LT Interest** $25.0 mill.
(Total interest coverage: 6.1x)

Leases, Uncapitalized Annual rentals $.8 mill.
Pension Assets-12/15 $184.8 mill. **Oblig.** $254.2 mill.
Pfd Stock None

Common Stock 79,477,822 shs. **as of 11/1/16**

MARKET CAP: $2.6 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
931.4	956.4	962.0	845.4	925.1	828.6	706.3	731.4	887.0	959.6	*990*	*1050*	Revenues ($mill)	*1300*
72.0	61.8	67.7	71.3	81.0	87.0	93.3	97.1	104.0	99.0	*110*	*120*	Net Profit ($mill)	*150*
41.3%	41.9%	47.7%	23.0%	15.2%	22.4%	10.8%	- -	10.8%	5.9%	*25.0%*	*25.0%*	Income Tax Rate	*25.0%*
7.7%	6.5%	7.0%	8.4%	8.8%	10.5%	13.2%	13.3%	11.7%	10.3%	*11.1%*	*11.4%*	Net Profit Margin	*11.5%*
44.7%	42.7%	39.2%	36.5%	37.4%	40.5%	45.0%	45.1%	48.0%	49.2%	*41.5%*	*42.5%*	Long-Term Debt Ratio	*45.0%*
55.3%	57.3%	60.8%	63.5%	62.6%	59.5%	55.0%	54.9%	52.0%	50.8%	*58.5%*	*57.5%*	Common Equity Ratio	*55.0%*
801.1	839.0	848.0	856.4	910.1	1048.3	1337.6	1507.4	1791.9	2043.9	*2300*	*2600*	Total Capital ($mill)	*3350*
920.0	948.9	982.6	1073.1	1193.3	1352.4	1578.0	1859.1	2134.1	2448.1	*2580*	*2700*	Net Plant ($mill)	*3000*
10.1%	8.6%	8.9%	9.0%	9.5%	8.9%	7.4%	6.8%	6.4%	5.4%	*5.5%*	*5.0%*	Return on Total Cap'l	*5.0%*
16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	*8.0%*	*8.0%*	Return on Shr. Equity	*8.0%*
16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	*8.0%*	*8.0%*	Return on Com Equity	*8.0%*
10.2%	6.7%	6.7%	6.4%	7.1%	6.7%	5.8%	4.8%	4.3%	2.8%	*2.0%*	*2.0%*	Retained to Com Eq	*2.0%*
37%	48%	49%	51%	50%	52%	55%	59%	61%	71%	*77%*	*75%*	All Div'ds to Net Prof	*75%*

CURRENT POSITION ($MILL.)	2014	2015	9/30/16
Cash Assets	4.2	3.9	6.9
Other	562.5	427.4	350.9
Current Assets	566.7	431.3	357.8
Accts Payable	273.0	186.4	141.1
Debt Due	395.6	461.2	462.1
Other	181.6	184.9	209.2
Current Liab.	850.2	832.5	812.4
Fix. Chg. Cov.	432%	496%	572%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-1.5%	-4.0%	*3.0%*
"Cash Flow"	7.5%	6.0%	*2.5%*
Earnings	7.0%	4.0%	*3.0%*
Dividends	9.0%	9.5%	*6.5%*
Book Value	8.0%	8.5%	*8.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	255.6	122.6	128.8	224.4	731.4
2014	350.2	133.3	122.4	281.1	887.0
2015	383.0	177.7	141.1	257.8	959.6
2016	333.0	154.4	219.1	*283.5*	*990*
2017	*350*	*175*	*200*	*325*	*1050*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.76	.16	d.02	.62	1.52
2014	1.01	.15	d.05	.47	1.57
2015	.86	.03	d.07	.62	1.44
2016	.80	.12	.05	*.48*	*1.45*
2017	*.82*	*.12*	*Nil*	*.56*	*1.50*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	- -	.202	.202	.423	.83
2013	- -	.222	.222	.458	.90
2014	- -	.237	.237	.488	.96
2015	- -	.251	.251	.515	1.02
2016	- -	.264	.264	.536	

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 373,100 customers in New Jersey's southern counties. Gas revenue mix '15: residential, 45%; commercial, 22%; cogeneration and electric generation, 12%; industrial, 21%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 720 employees. Off./dir. own less than 1% of common shares; BlackRock, Inc., 10.5%; The Vanguard Group, Inc., 7.7% (3/16 proxy). Pres. & CEO: Michael J. Renna. Inc.: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries are trading near an all-time high price. The company posted impressive results for the September interim. This was largely due to performance at SJ Energy Services. This line benefited from strong production from its solar fleet and improved SREC (Solar Renewable Energy Credit) prices. A recovery related to the writedown of an energy facility and investment tax credits associated with solar project development also boosted results here. Both SJ Energy Group and utility South Jersey Gas reported lower operating losses for the period. The third quarter is traditionally weak for the utility.

South Jersey Gas has received regulatory approval to continue its Accelerated Infrastructure Replacement Program and to adjust rates to reflect prior investments. This allows the utility to invest up to $302.5 million over the next five years to continue the accelerated replacement of aging bare steel and cast iron mains with plastic pipe, which is more durable. It will recover these investments though annual rate adjustments, the first of which will occur next October. South Jersey Gas is also to recover $74.5 million in safety and reliability investments not previously reflected in rates through a base rate adjustment. In addition, the utility will issue customers a $10 million credit, mainly due to lower-than-expected wholesale gas costs.

We expect healthy operating improvement to late decade. The utility should further benefit from infrastructure investment and customer additions. Natural gas remains the fuel of choice within its service territory, and this business should continue to gain from customer conversions. Meanwhile, growth in the number of fuel management contracts augurs well for volumes and margins at SJ Energy Group. Elsewhere, SJ Energy Services should benefit from the healthy performance of its energy production assets.

This timely stock offers a good dividend yield. Moreover, South Jersey earns favorable marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. But capital gains potential is underwhelming at this juncture, following a run-up in the share price.

Michael Napoli, CFA *December 2, 2016*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $1.05; '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46; '15, $1.52. Excl. nonrecur. gain (loss): '01, $0.07; '08, $0.16; '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11); '15, $0.08. Egs. may not sum due to rounding. Next egs. report due late February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2015: $521.0 mill., $7.34 per shr. (D) In mill., adj. for split.

Company's Financial Strength	A
Stock's Price Stability	90
Price Growth Persistence	40
Earnings Predictability	80

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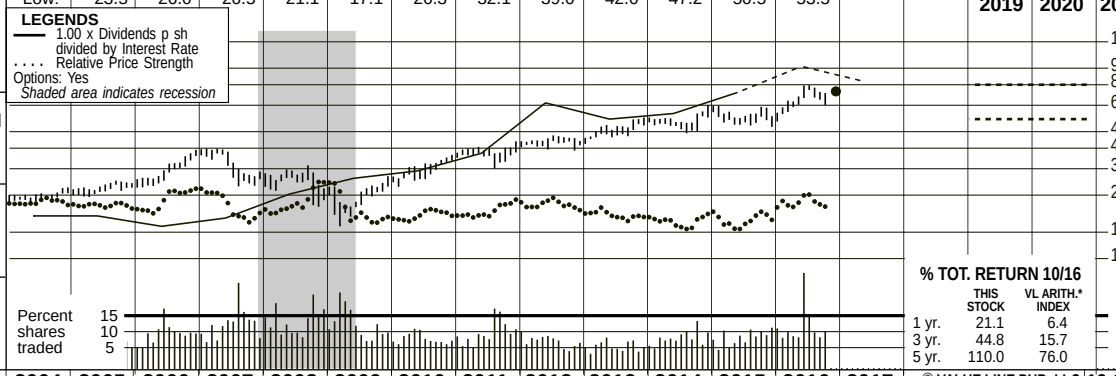
SOUTHWEST GAS NYSE-SWX

RECENT PRICE **74.45** | P/E RATIO **22.4** (Trailing: 23.3 / Median: 16.0) | RELATIVE P/E RATIO **1.17** | DIV'D YLD **2.5%** | VALUE LINE

TIMELINESS 3 Lowered 9/30/16
SAFETY 3 Lowered 1/4/91
TECHNICAL 4 Lowered 11/18/16
BETA .75 (1.00 = Market)

High:	28.1	39.4	39.9	33.3	29.5	37.3	43.2	46.1	56.0	64.2	63.7	79.6
Low:	23.5	26.0	26.5	21.1	17.1	26.3	32.1	39.0	42.0	47.2	50.5	53.5

Target Price Range 2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(+5%)	5%
Low	55	(-25%)	-3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	8	20	10	0	1	1	0	1	1
to Sell	0	0	9	0	3	5	0	1	1

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	99	108	111
to Sell	87	85	102
Hld's(000)	37256	37942	37855

% TOT. RETURN 10/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	21.1	6.4
3 yr.	44.8	15.7
5 yr.	110.0	76.0

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	52.00	*52.60*	*53.55*	Revenues per sh	*61.55*
4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	8.62	*9.25*	*10.10*	"Cash Flow" per sh	*12.30*
1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	2.92	*3.20*	*3.50*	Earnings per sh A	*4.50*
.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	1.62	*1.76*	*1.90*	Div'ds Decl'd per sh B■†	*2.40*
7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	10.30	*11.25*	*11.75*	Cap'l Spending per sh	*13.10*
16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	33.61	*34.90*	*36.20*	Book Value per sh	*40.40*
31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	47.38	*48.00*	*49.00*	Common Shs Outst'g C	*52.00*
16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	19.4	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	.98	*Value Line*		Relative P/E Ratio	*.95*
4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	2.9%	*estimates*		Avg Ann'l Div'd Yield	*3.6%*

CAPITAL STRUCTURE as of 9/30/16
Total Debt $1642.4 mill. **Due in 5 Yrs** $525.0 mill.
LT Debt $1592.9 mill. **LT Interest** $72.0 mill.
(Total interest coverage: 4.3x) (49% of Cap'l)
Leases, Uncapitalized Annual rentals $7.0 mill.
Pension Assets-12/15 $780.5 mill. **Oblig.** $1117.4 mill.
Pfd Stock None

Common Stock 47,482,068 shs. **as of 10/28/16**

MARKET CAP: $3.5 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
2024.7	2152.1	2144.7	1893.8	1830.4	1887.2	1927.8	1950.8	2121.7	2463.6	*2525*	*2625*	Revenues ($mill)	*3200*
80.5	83.2	61.0	87.5	103.9	112.3	133.3	145.3	141.1	138.3	*155*	*175*	Net Profit ($mill)	*240*
37.3%	36.5%	40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	35.7%	36.4%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
4.0%	3.9%	2.8%	4.6%	5.7%	6.0%	6.9%	7.4%	6.7%	5.6%	*6.1%*	*6.7%*	Net Profit Margin	*7.5%*
60.6%	58.1%	55.3%	53.5%	49.1%	43.2%	49.2%	49.4%	52.4%	49.3%	*49.0%*	*49.0%*	Long-Term Debt Ratio	*49.0%*
39.4%	41.9%	44.7%	46.5%	50.9%	56.8%	50.8%	50.6%	47.6%	50.7%	*51.0%*	*51.0%*	Common Equity Ratio	*51.0%*
2287.8	2349.7	2323.3	2371.4	2291.7	2155.9	2576.9	2793.7	3123.9	3143.5	*3275*	*3475*	Total Capital ($mill)	*4100*
2668.1	2845.3	2983.3	3034.5	3072.4	3218.9	3343.8	3486.1	3658.4	3891.1	*4080*	*4275*	Net Plant ($mill)	*4850*
5.5%	5.5%	4.5%	5.4%	6.1%	6.4%	6.4%	6.3%	5.7%	5.5%	*6.0%*	*6.0%*	Return on Total Cap'l	*7.0%*
8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	*9.5%*	*10.0%*	Return on Shr. Equity	*11.5%*
8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	8.7%	*9.5%*	*10.0%*	Return on Com Equity	*11.5%*
5.2%	4.8%	2.1%	4.1%	5.1%	5.3%	6.1%	6.1%	5.0%	4.0%	*4.0%*	*4.5%*	Retained to Com Eq	*5.5%*
42%	44%	63%	48%	43%	43%	40%	41%	47%	54%	*55%*	*53%*	All Div'ds to Net Prof	*52%*

CURRENT POSITION ($MILL.)	2014	2015	9/30/16
Cash Assets	39.6	36.0	85.2
Other	567.2	522.2	459.1
Current Assets	606.8	558.2	544.3
Accts Payable	168.0	164.9	138.8
Debt Due	24.2	37.5	49.5
Other	277.9	332.6	424.7
Current Liab.	470.1	535.0	613.0
Fix. Chg. Cov.	395%	401%	411%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	1.5%	1.5%	*5.0%*
"Cash Flow"	5.0%	6.5%	*6.5%*
Earnings	8.5%	10.0%	*7.0%*
Dividends	6.0%	9.0%	*8.5%*
Book Value	5.5%	5.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	613.5	411.6	387.3	538.4	1950.8
2014	608.4	453.2	432.5	627.7	2121.7
2015	734.2	538.6	505.4	685.4	2463.6
2016	731.2	547.7	540.0	*706.1*	*2525*
2017	*765*	*575*	*560*	*725*	*2625*

Cal-endar	EARNINGS PER SHARE A D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	1.73	.22	d.06	1.22	3.11
2014	1.51	.21	.04	1.25	3.01
2015	1.53	.10	d.10	1.38	2.92
2016	1.58	.19	.05	*1.38*	*3.20*
2017	*1.68*	*.22*	*.10*	*1.50*	*3.50*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.265	.295	.295	.295	1.15
2013	.295	.330	.330	.330	1.29
2014	.330	.365	.365	.365	1.43
2015	.365	.405	.405	.405	1.58
2016	.405	.450	.450	.450	

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 2.0 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2015 margin mix: residential and small commercial, 85%; large commercial and industrial, 4%; transportation, 11%. Total throughput: 2.1 billion therms. Has 5,876 employees. Officers & directors own 1.3% of common stock; BlackRock Inc., 9.6%; The Vanguard Group, Inc., 7.4%; GAMCO Investors, Inc., 6.4% (3/16 Proxy). Chairman: Michael J. Melarkey. Pres. & CEO: John Hester. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Tel.: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have come off a high-water mark in recent months. The company reported favorable comparisons for the September quarter. The construction services segment, Centuri, benefited from additional pipe replacement work with existing customers, incremental work from awarded bid contracts, and growth in the customer base. Earnings of $14.9 million here more than offset a net loss of $12.4 million at the natural gas operation due to seasonal factors. Nevertheless, the utility reported a lower deficit, thanks to positive returns on company-owned life insurance policies. Performance here was also supported by rate relief and customer additions. Looking forward, we expect that earnings per share will match the prior-year figure for the December quarter. For the full year, we look for healthy bottom-line improvement for Southwest Gas, on modest top-line gains.

Prospects appear favorable for the long term. The company's natural gas business ought to further benefit from customer growth, infrastructure tracker mechanisms, and expansion projects. Elsewhere, Centuri should continue to report solid performance. This business operates in 20 major markets in the United States and two major markets in Canada. Fundamentals appear solid here, considering the need to replace aging infrastructure. Centuri has a strong base of large utility clients to sustain and grow its operation. Many of these are multiyear pipe replacement programs.

The stock does not stand out at this time. The equity is ranked to perform in line with the broader market for the coming six to 12 months. Moreover, appreciation potential is subpar, as the shares are trading well within our Target Price Range. Though we anticipate healthy growth for the company in the coming years, the issue is currently trading at a premium valuation. The dividend yield is nothing special for a utility, either. However, it's worth mentioning that Southwest Gas earns favorable marks for Price Stability, Growth Persistence, and Earnings Predictability. A pullback in the share price may present conservative investors with a better entry point.

Michael Napoli, CFA *December 2, 2016*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due late February. (B) Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions. (D) Totals may not sum due to rounding.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	90
Earnings Predictability	85

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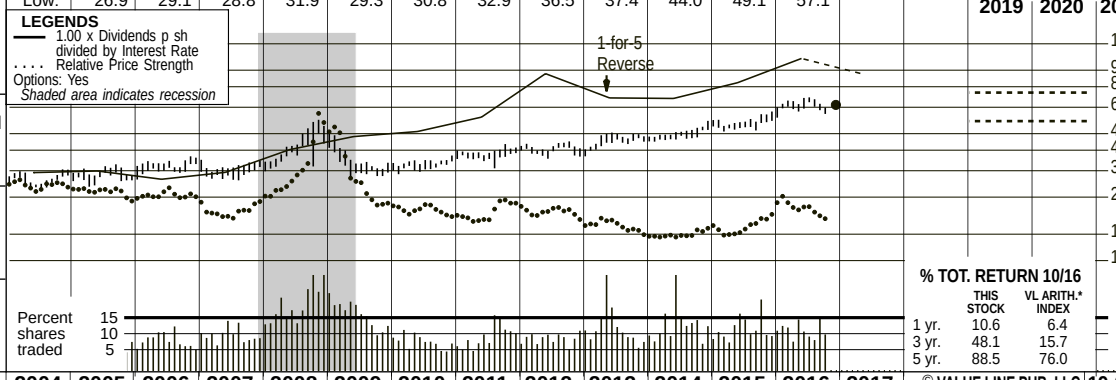
SPIRE INC. NYSE-SR

RECENT PRICE **65.60** | P/E RATIO **18.8** (Trailing: 19.8 Median: 15.0) | RELATIVE P/E RATIO **0.98** | DIV'D YLD **3.2%** | VALUE LINE

TIMELINESS 3 Lowered 8/12/16
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 10/7/16
BETA .70 (1.00 = Market)

High:	34.3	37.5	36.0	55.8	48.3	37.8	42.8	44.0	48.5	55.2	61.0	71.2
Low:	26.9	29.1	28.8	31.9	29.3	30.8	32.9	36.5	37.4	44.0	49.1	57.1

Target Price Range
2019 | 2020 | 2021



2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+15%)	6%
Low	55	(-15%)	-1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2015	1Q2016	2Q2016
to Buy	114	109	142
to Sell	86	104	83
Hld's(000)	34753	35632	36826

% TOT. RETURN 10/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	10.6	6.4
3 yr.	48.1	15.7
5 yr.	88.5	76.0

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	45.59	33.68	*40.45*	Revenues per sh A	*53.00*
2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	6.15	6.16	*6.55*	"Cash Flow" per sh	*7.40*
1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	3.24	*3.50*	Earnings per sh A B	*4.20*
1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	1.96	*2.10*	Div'ds Decl'd per sh C■	*2.30*
2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	6.68	6.42	*6.90*	Cap'l Spending per sh	*7.10*
14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	36.30	38.73	*40.65*	Book Value per sh D	*45.55*
18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	43.36	45.65	*47.00*	Common Shs Outst'g E	*50.00*
14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5	19.6		Avg Ann'l P/E Ratio	*15.5*
.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83	1.05		Relative P/E Ratio	*.95*
6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%	3.1%		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 9/30/16
Total Debt $2482.4 mill. **Due in 5 Yrs** $400.0 mill.
LT Debt $1833.7 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 3.7x)

Leases, Uncapitalized Annual rentals $11.0 mill.
Pension Assets-9/16 $540.5 mill. **Oblig.** $724.5 mill.
Pfd Stock None
Common Stock 45,656,218 shs. **as of 11/11/16**

MARKET CAP: $3.0 billion (Mid Cap)

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		19-21
1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	1537.3	*1900*	Revenues ($mill) A	*2650*
50.5	49.8	57.6	64.3	54.0	63.8	62.6	52.8	84.6	136.9	144.2	*165*	Net Profit ($mill)	*210*
32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	31.2%	32.5%	*28.0%*	Income Tax Rate	*30.0%*
2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	9.4%	*8.7%*	Net Profit Margin	*7.9%*
49.5%	45.3%	44.4%	42.9%	40.5%	38.9%	36.1%	46.6%	55.1%	53.0%	50.9%	*50.0%*	Long-Term Debt Ratio	*50.0%*
50.4%	54.6%	55.5%	57.1%	59.5%	61.1%	63.9%	53.4%	44.9%	47.0%	49.1%	*50.0%*	Common Equity Ratio	*50.0%*
798.9	784.5	876.1	906.3	899.9	937.7	941.0	1959.0	3359.4	3345.1	3601.9	*3835*	Total Capital ($mill)	*4505*
763.8	793.8	823.2	855.9	884.1	928.7	1019.3	1776.6	2759.7	2941.2	3300.9	*3465*	Net Plant ($mill)	*4010*
8.4%	8.5%	8.1%	8.7%	7.4%	8.1%	7.9%	3.3%	3.1%	5.1%	4.9%	*5.0%*	Return on Total Cap'l	*5.5%*
12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	*8.5%*	Return on Shr. Equity	*9.0%*
12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	8.7%	8.2%	*8.5%*	Return on Com Equity	*9.0%*
5.1%	4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	1.0%	1.5%	3.7%	3.3%	*3.5%*	Retained to Com Eq	*4.0%*
59%	63%	56%	53%	64%	56%	59%	81%	73%	58%	59%	*60%*	All Div'ds to Net Prof	*55%*

CURRENT POSITION ($MILL.)	2014	2015	9/30/16
Cash Assets	16.1	13.8	5.2
Other	588.8	516.3	564.4
Current Assets	604.9	530.1	569.6
Accts Payable	176.7	146.5	210.9
Debt Due	287.1	418.0	648.7
Other	319.0	289.3	301.7
Current Liab.	782.8	853.8	1161.3
Fix. Chg. Cov.	360%	365%	366%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '14-'16 to '19-'21
Revenues	-6.5%	-13.0%	*6.5%*
"Cash Flow"	5.5%	4.0%	*9.5%*
Earnings	3.5%	1.5%	*9.0%*
Dividends	3.0%	3.5%	*3.5%*
Book Value	7.5%	8.5%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	307.0	397.6	165.3	147.1	1017.0
2014	468.6	694.5	241.8	222.3	1627.2
2015	619.6	877.4	275.2	204.2	1976.4
2016	399.4	609.3	249.3	279.3	1537.3
2017	*475*	*775*	*250*	*400*	*1900*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2013	1.14	1.34	.25	d.30	2.02
2014	1.09	1.59	.33	d.35	2.35
2015	1.09	2.18	.32	d.43	3.16
2016	1.08	2.31	.24	d.31	3.24
2017	*1.20*	*2.30*	*.30*	*d.30*	*3.50*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.425	.425	.425	.425	1.70
2014	.44	.44	.44	.44	1.76
2015	.46	.46	.46	.46	1.84
2016	.49	.49	.49	.49	
2017	.525				

BUSINESS: Spire Inc., formerly known as the Laclede Group, Inc., is a holding company for natural gas utilities, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City. Has roughly 1.6 million customers. Acquired Missouri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2016: 2.6 bill. Revenue mix for regulated operations: residential, 67%; commercial and industrial, 23%; transportation, 2%; other, 8%. Has around 3,078 employees. Officers and directors own 3.2% of common shares (1/16 proxy). Chairman: Edward Glotzbach; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Spire Inc. reported mixed fiscal fourth-quarter results (ended September 30th). Revenues were kept in check by lower commodity prices, and 20% warmer-than-usual weather during the period. But the total was supported by better gas marketing revenues and additional contributions from the MobileGas and Willmut Gas acquisitions. Overall, the company had better operational performance across the board, including strong results in its gas marketing division, which allowed for losses of $0.31 a share.

Near-term results will be driven by regulatory outcomes. Spire has filed for infrastructure replacement surcharges on its Laclede and Missouri Gas subsidiaries, which would boost results if approved. Too, changes in the utility regulatory environment in Missouri may change rate-making mechanisms. The company will file its next general rates cases in April, which could allow for better profitability. Those outcomes are uncertain, but we think the company will earn $3.50 a share in fiscal 2017.

The integrations of Willmut Gas and MobileGas are occurring. Completion of the purchases boosted utility incomes in Alabama and Mississippi. This deal could be earnings accretive sooner than fiscal 2018 thanks to the early accord completion, and cost synergies are expected to emerge shortly.

The build out of the STL pipeline remains on track. An environmental assessment and route refinements are being nailed down in anticipation of the January filing with FERC. This project should cost between $190 million and $210 million, and be put into service during fiscal 2019. As pipelines generally have higher allowable returns, we expect this would provide an ample boost to long-term results.

The company has raised the dividend 7% to $0.525 quarterly. This represents a decent bump in the payout, and should appeal to investors. This marks the 14th year in a row of dividend increases.

Shares of Spire Inc. do not stand out for Timeliness. Though they offer a decent yield and steady dividend growth, the shares offer little total return potential. Most investors would be best served waiting for a price dip.

John E. Seibert III *December 2, 2016*

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '14: $383.8 mill., $8.85/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding in 2013, 2014, 2016.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	80

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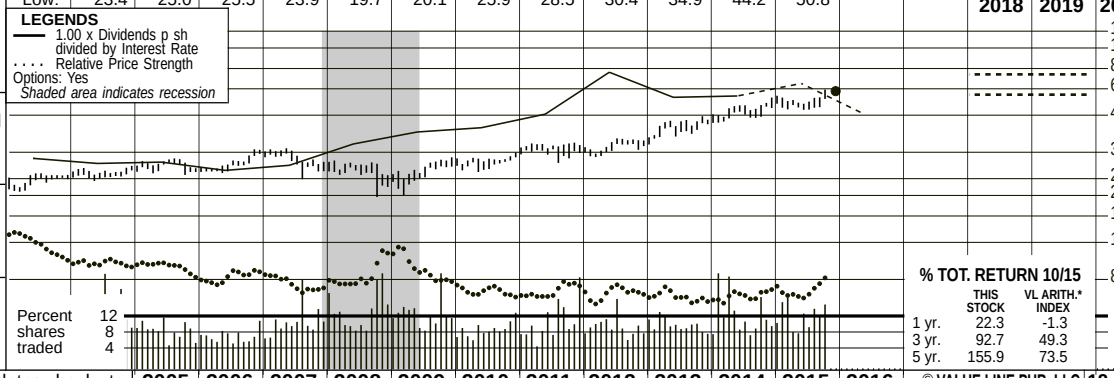
ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
62.38	19.4	(Trailing: 20.2 Median: 15.0)	1.08	2.7%	VALUE LINE

TIMELINESS 2 Raised 10/30/15
SAFETY 1 Raised 6/6/14
TECHNICAL 3 Raised 10/23/15
BETA .80 (1.00 = Market)

High:	27.6	30.0	33.1	33.5	29.3	30.3	32.0	35.6	37.3	47.4	58.2	63.8
Low:	23.4	25.0	25.5	23.9	19.7	20.1	25.9	28.5	30.4	34.9	44.2	50.8

Target Price Range
2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+20%)	8%
Low	60	(-5%)	2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	6	1	0	0	0
to Sell	0	1	0	0	0	0	0	0	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	133	157	136
to Sell	142	132	134
Hld's(000)	68718	69286	68505

% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	22.3	-1.3
3 yr.	92.7	49.3
5 yr.	155.9	73.5

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
61.75	75.27	66.03	79.52	53.69	53.12	48.15	38.10	42.88	49.22	*40.80*	*41.50*	Revenues per sh A	*54.15*
3.90	4.26	4.14	4.19	4.29	4.64	4.72	4.76	5.14	5.42	*5.80*	*6.00*	"Cash Flow" per sh	*6.60*
1.72	2.00	1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.09	*3.25*	Earnings per sh A B	*3.80*
1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	*1.68*	Div'ds Decl'd per sh C■	*1.95*
4.14	5.20	4.39	5.20	5.51	6.02	6.90	8.12	9.32	8.32	*9.60*	*9.80*	Cap'l Spending per sh	*10.00*
19.90	20.16	22.01	22.60	23.52	24.16	24.98	26.14	28.47	30.74	*31.50*	*31.35*	Book Value per sh	*36.65*
80.54	81.74	89.33	90.81	92.55	90.16	90.30	90.24	90.64	100.39	*101.50*	*107.00*	Common Shs Outst'g D	*120.00*
16.1	13.5	15.9	13.6	12.5	13.2	14.4	15.9	15.9	16.1	17.5		Avg Ann'l P/E Ratio	*17.5*
.86	.73	.84	.82	.83	.84	.90	1.01	.89	.84	.88		Relative P/E Ratio	*1.10*
4.5%	4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%	2.9%		Avg Ann'l Div'd Yield	*3.0%*
4973.3	6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	4142.1	*4440*	Revenues ($mill) A	*6500*
135.8	162.3	170.5	180.3	179.7	201.2	199.3	192.2	230.7	289.8	315.1	*350*	Net Profit ($mill)	*460*
37.7%	37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	38.3%	*38.5%*	Income Tax Rate	*40.0%*
2.7%	2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	7.6%	*7.9%*	Net Profit Margin	*7.1%*
57.7%	57.0%	52.0%	50.8%	49.9%	45.4%	49.4%	45.3%	48.8%	44.3%	*43.5%*	*45.0%*	Long-Term Debt Ratio	*45.0%*
42.3%	43.0%	48.0%	49.2%	50.1%	54.6%	50.6%	54.7%	51.2%	55.7%	*56.5%*	*55.0%*	Common Equity Ratio	*55.0%*
3785.5	3828.5	4092.1	4172.3	4346.2	3987.9	4461.5	4315.5	5036.1	5542.2	*5650*	*6100*	Total Capital ($mill)	*8000*
3374.4	3629.2	3836.8	4136.9	4439.1	4793.1	5147.9	5475.6	6030.7	6725.9	*7430*	*8040*	Net Plant ($mill)	*10200*
5.3%	6.1%	5.9%	5.9%	5.9%	6.9%	6.1%	6.1%	5.9%	6.4%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	*10.0%*	*10.5%*	Return on Shr. Equity	*10.5%*
8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.4%	*10.0%*	*10.5%*	Return on Com Equity	*10.5%*
2.3%	3.6%	3.0%	3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.7%	*5.0%*	*5.0%*	Retained to Com Eq	*5.0%*
73%	63%	65%	65%	68%	62%	62%	65%	56%	51%	*51%*	*51%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 6/30/15
Total Debt $2707.3 mill. **Due in 5 Yrs** $950.0 mill.
LT Debt $2455.3 mill. **LT Interest** $145.0 mill.
(LT interest earned: 4.7x; total interest coverage: 4.7x)
Leases, Uncapitalized Annual rentals $16.7 mill.
Pfd Stock None
Pension Assets-9/14 $434.8 mill. **Oblig.** $493.6 mill.
Common Stock 101,369,699 shs. **as of 7/31/15**
MARKET CAP: $6.3 billion (Large Cap)

CURRENT POSITION ($MILL.)	2013	2014	6/30/15
Cash Assets	66.2	42.3	43.2
Other	617.1	733.5	573.4
Current Assets	683.3	775.8	616.6
Accts Payable	241.6	311.6	227.3
Debt Due	368.0	196.7	252.0
Other	368.9	402.4	437.3
Current Liab.	978.5	910.7	916.6
Fix. Chg. Cov.	537%	637%	645%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	.5%	-8.0%	*4.0%*
"Cash Flow"	5.0%	4.0%	*4.5%*
Earnings	5.0%	5.0%	*7.0%*
Dividends	1.5%	2.0%	*5.0%*
Book Value	6.0%	4.5%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2012	1084.0	1225.5	576.4	552.6	3438.5
2013	1034.2	1309.0	857.9	685.2	3886.3
2014	1255.1	1964.3	942.7	778.8	4940.9
2015	1258.8	1540.1	686.4	656.8	4142.1
2016	*1275*	*1675*	*725*	*765*	*4440*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2012	.68	1.12	.31	- -	2.10
2013	.85	1.23	.36	.08	2.50
2014	.95	1.38	.45	.23	2.96
2015	.96	1.35	.55	.23	3.09
2016	*1.00*	*1.45*	*.54*	*.26*	*3.25*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.34	.34	.34	.345	1.37
2012	.345	.345	.345	.35	1.39
2013	.35	.35	.35	.37	1.42
2014	.37	.37	.37	.39	1.50
2015	.39	.39	.39	.42	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to roughly three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for 2014: 65%, residential; 30%, commercial; 3%, industrial; and 2% other. 2014 depreciation rate 3.0%. Has around 4,760 employees. Officers and directors own 1.6% of common stock (12/14 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Good things appear to be in store for Atmos Energy Corporation in fiscal 2016 (began October 1st). The natural gas distribution operation, generating the biggest portion of revenues, stands to benefit from a rise in throughput, assuming that both the weather and economic climate are generally favorable (resulting in a boost in consumption levels). Furthermore, if natural gas prices remain persistently low, purchasing costs could go down, which may lead to less bad-debt expense. Meanwhile, we look for reasonably decent showings from the Dallas-based company's other segments, including the regulated pipeline unit. At this juncture, full-year earnings might advance around 5%, to $3.25 a share, versus the fiscal 2015 total of $3.09. Regarding fiscal 2017, the bottom line stands to grow at a similar percentage rate, to $3.40 a share, as operating margins expand.

The fiscal 2016 capital expenditures budget is anticipated to be between $1 billion and $1.1 billion. That would be almost 8% higher than the previous year's figure, assuming the midpoint of that range is used. A meaningful portion of the resources will continue to be deployed to improve the safety and reliability of Atmos' distribution and transportation systems.

The quarterly common stock dividend was increased a few pennies, to $0.42 a share. Furthermore, our 2018-2020 projections indicate that additional, steady hikes in the distribution will probably take place. The payout ratio over that span ought to be in the 50% vicinity, which should not put a major financial strain on the company.

The equity has climbed to its highest level ever in recent months. We attribute that movement partly to takeover activity in the pipeline and utility space. Fundamentally, though, Atmos is on track to achieve the type of steady earnings and dividend growth it has set out for itself. Overall, the Timeliness rank of these shares has been raised one notch, to 2 (Above Average). Other good qualities include the 1 (Highest) Safety rank and excellent score for Price Stability. All things considered, we think various kinds of investors will find something to like here.

Frederick L. Harris, III December 4, 2015

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢. Next egs. rpt. due early Feb. (C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. (D) In millions. (E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	95

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NEW JERSEY RES. NYSE-NJR

RECENT PRICE 31.10 | P/E RATIO 18.4 (Trailing: 19.3 Median: 16.0) | RELATIVE P/E RATIO 1.03 | DIV'D YLD 3.1% | VALUE LINE

TIMELINESS 3 Lowered 10/31/14
SAFETY 1 Raised 9/15/06
TECHNICAL 2 Raised 11/20/15
BETA .80 (1.00 = Market)

High:	14.9	16.4	17.7	18.8	20.6	21.2	22.0	25.2	25.1	23.8	32.1	33.7
Low:	12.2	13.6	13.8	15.2	12.3	15.0	16.7	19.8	19.3	19.5	21.9	26.8

Target Price Range 2018 | 2019 | 2020

2018-20 PROJECTIONS

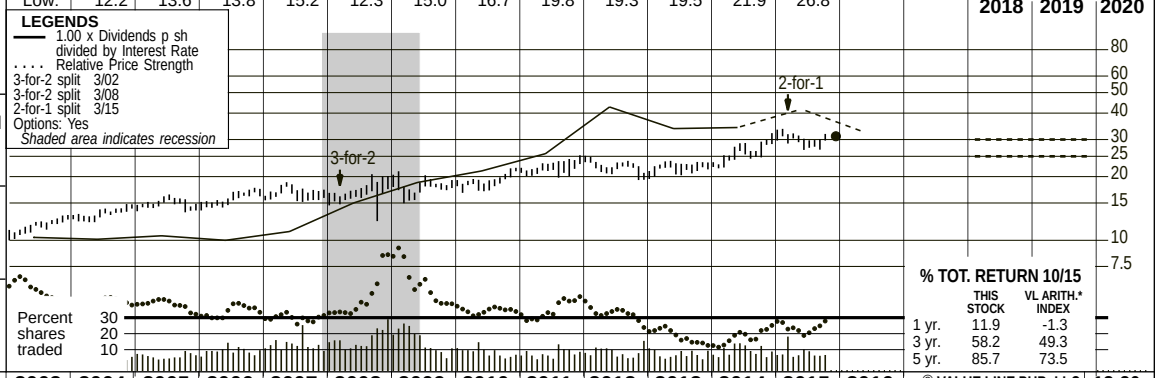
	Price	Gain	Ann'l Total Return
High	30	(-5%)	2%
Low	25	(-20%)	-2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	107	117	103
to Sell	99	96	113
Hld's(000)	51530	51597	50230



% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	11.9	-1.3
3 yr.	58.2	49.3
5 yr.	85.7	73.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
11.33	14.71	25.61	22.06	31.14	30.44	38.10	39.81	36.31	45.37	31.17	32.05	36.30	27.08	38.38	44.40	32.09	35.90	Revenues per sh A	39.20
.93	1.00	1.06	1.07	1.19	1.25	1.31	1.37	1.22	1.81	1.58	1.63	1.70	1.86	1.93	2.73	2.50	2.40	"Cash Flow" per sh	2.75
.55	.60	.65	.70	.79	.85	.88	.93	.78	1.35	1.20	1.23	1.29	1.36	1.37	2.10	1.78	1.65	Earnings per sh B	1.95
.37	.38	.39	.40	.41	.43	.45	.48	.51	.56	.62	.68	.72	.77	.81	.86	.93	.96	Div'ds Decl'd per sh C■	1.00
.60	.62	.55	.51	.57	.72	.64	.64	.73	.86	.90	1.05	1.13	1.26	1.33	1.52	1.65	1.70	Cap'l Spending per sh	1.80
3.79	4.14	4.40	4.35	5.13	5.62	5.30	7.50	7.75	8.64	8.29	8.81	9.36	9.80	10.65	11.47	12.99	13.65	Book Value per sh D	16.35
79.83	79.17	79.99	83.00	81.70	83.22	82.64	82.88	83.22	84.12	83.17	82.35	82.89	83.05	83.32	84.20	85.19	85.00	Common Shs Outst'g E	85.00
15.2	14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.6	16.6		Avg Ann'l P/E Ratio	14.0
.87	.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.60	.91		Relative P/E Ratio	.90
4.5%	4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%	3.1%		Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 9/30/15
Total Debt $921.1 mill. **Due in 5 Yrs** $321.9 mill.
LT Debt $843.6 mill. **LT Interest** $25.4 mill.
Incl. $53.2 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/15 $256.4 mill. **Oblig.** $394.4 mill.
Pfd Stock None

Common Stock 85,796,206 shs.
as of 11/20/15
MARKET CAP: $2.7 billion (Mid Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
3148.3	3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3738.2	2734.0	3050	Revenues ($mill) A	3335
74.4	78.5	65.3	113.9	101.0	101.8	106.5	112.4	113.7	176.9	151.5	140	Net Profit ($mill)	165
39.1%	38.9%	38.8%	37.8%	27.1%	41.4%	30.2%	7.1%	25.4%	35.0%	32.0%	32.0%	Income Tax Rate	32.0%
2.4%	2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	5.5%	4.6%	Net Profit Margin	5.0%
42.0%	34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	36.6%	38.2%	43.2%	43.5%	Long-Term Debt Ratio	42.0%
58.0%	65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	63.4%	61.8%	56.8%	56.5%	Common Equity Ratio	58.0%
755.3	954.0	1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1400.3	1564.4	1950.6	2060	Total Capital ($mill)	2390
905.1	934.9	970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1643.1	1884.1	2128.6	2170	Net Plant ($mill)	2305
11.2%	9.6%	7.7%	10.7%	9.7%	9.7%	9.7%	9.2%	9.0%	12.5%	8.5%	8.0%	Return on Total Cap'l	8.0%
17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.7%	12.0%	Return on Shr. Equity	12.0%
17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.3%	13.7%	12.0%	Return on Com Equity	12.0%
8.5%	6.3%	3.6%	9.5%	7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	6.8%	5.0%	Retained to Com Eq	5.5%
50%	50%	64%	40%	50%	52%	55%	55%	59%	40%	51%	58%	All Div'ds to Net Prof	51%

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	3.0	2.2	4.9
Other	742.9	680.5	539.6
Current Assets	745.9	682.7	544.5
Accts Payable	332.8	330.3	273.2
Debt Due	434.2	335.5	77.5
Other	84.8	125.3	85.4
Current Liab.	851.8	791.1	436.1
Fix. Chg. Cov.	658%	1007%	750%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '18-'20
Revenues	2.5%	-3.5%	1.5%
"Cash Flow"	5.0%	4.5%	4.5%
Earnings	6.5%	5.5%	4.0%
Dividends	6.5%	8.5%	3.5%
Book Value	8.0%	4.5%	7.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2012	642.4	612.9	425.1	568.5	2248.9
2013	736.0	960.9	767.5	733.7	3198.1
2014	878.4	1579.6	688.3	591.9	3738.2
2015	824.1	1013.1	458.5	438.3	2734.0
2016	905	1085	540	520	3050

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2012	.55	.90	.05	d.14	1.36
2013	.43	.82	.12	d.01	1.37
2014	.47	1.81	.05	d.23	2.10
2015	.65	1.16	.03	d.06	1.78
2016	.62	1.13	Nil	d.10	1.65

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.18	.18	.18	.18	.72
2012	.19	.19	.19	.40	.97
2013	- -	.20	.20	.20	.60
2014	.21	.21	.21	.23	.86
2015	.23	.23	.23	.24	

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 504,300 customers at 9/30/14 in Monmouth and Ocean Counties, and other N.J. Counties. Fiscal 2014 volume: 260 bill. cu. ft. (4% interruptible, 27% residential and commercial and electric utility, 69% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2014 dep. rate: 3.0%. Has 968 empls. Off./dir. own about 1.4% of common (12/14 Proxy). Chrmn., CEO & Pres.: Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources faced a difficult operating environment this past fiscal year (ended September 30th). Indeed, the annual top line declined about 27%, on a year-over-year basis, to roughly $2.73 billion. We consider this more of a technicality due to lower natural gas pricing when viewed against 2014's comparable figures and not necessarily a slowdown in NJR's overall business operations. This is evident in the New Jersey Natural Gas (NJNG) division's penchant for consistently adding new customer accounts. In fact, that division saw its average active customer meters rise by approximately 7,860 last year. At the same time, total system throughput also advanced nicely over the course of fiscal 2015, rising 31%, to 341 bcf for the year. However, on the downside, the sharp drop in top-line volumes did weigh on both fixed- and variable-cost absorption. To that end, operating expenses increased 400 basis points as a function of revenues. On balance, these factors equated to a 15% bottom line decline, to $1.78 a share, for the year.

The company appears poised to log a mid-single-digit earnings decline this year. Natural gas and other petroleum commodity prices could remain depressed in fiscal 2016, as well. Many of the OPEC nations are in talks to reduce the glut of supply on the market but individually no one wants to reduce output and thus market share. This is weighing on the wholesale natural gas arm, or Energy Services unit, which has been having a tough time over the past year. On the upside, the NJNG regulated utility division continues to grow nicely, likely as a reflection of a firming up in the residential new construction market in its service territory. Additional contributions should stem from the Clean Energy Ventures unit, which is benefiting from solar installations that are coming on line.

At their recent quotation, these neutrally ranked shares are not overly compelling. As an income vehicle, NJR is also lacking, considering the dividend yield is below the industry average of about 3.2%. Meanwhile, the stock is trading above our Target Price Range, suggesting it offers little to no appreciation potential for the pull to 2018-2020.

Bryan J. Fong *December 4, 2015*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early Jan., April, July, and October. 1Q '13 div'd paid in 4Q '12. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2014: $377.6 million, $4.48/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	90
Price Growth Persistence	55
Earnings Predictability	60

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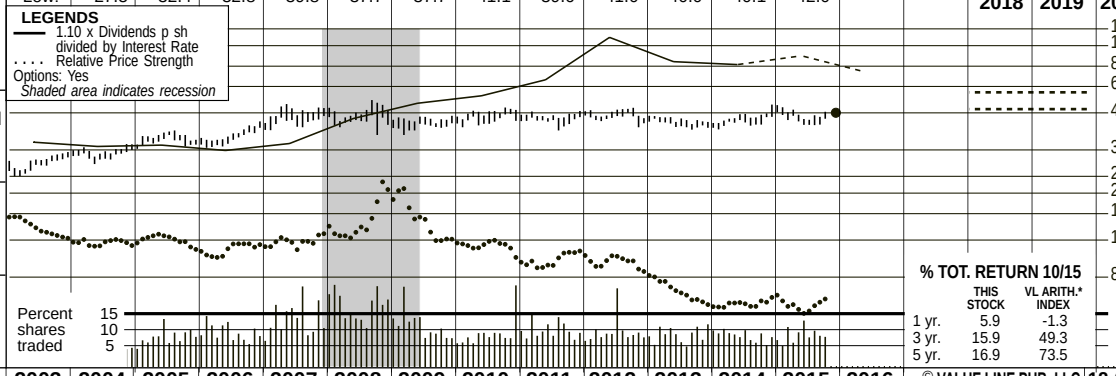
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE 47.99 | P/E RATIO 24.2 (Trailing: 25.0 Median: 18.0) | RELATIVE P/E RATIO 1.35 | DIV'D YLD 3.9% | VALUE LINE

TIMELINESS 3 Raised 12/4/15
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Lowered 12/4/15
BETA .65 (1.00 = Market)

High:	34.1	39.6	43.7	52.8	55.2	46.5	50.9	49.0	50.8	46.6	52.6	52.3
Low:	27.5	32.4	32.8	39.8	37.7	37.7	41.1	39.6	41.0	40.0	40.1	42.0

Target Price Range 2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+25%)	9%
Low	50	(+5%)	5%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	3	0	0	1	0	0	0
to Sell	2	0	4	1	0	1	0	0	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	79	93	80
to Sell	66	55	76
Hld's(000)	16761	17253	16711

% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	5.9	-1.3
3 yr.	15.9	49.3
5 yr.	16.9	73.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
18.17	21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	*26.90*	*28.10*	Revenues per sh	*31.25*
3.72	3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	*4.50*	*5.00*	"Cash Flow" per sh	*6.45*
1.70	1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	*1.80*	*2.20*	Earnings per sh A	*3.30*
1.23	1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	*1.87*	*1.91*	Div'ds Decl'd per sh B■	*2.10*
4.78	3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	*5.80*	*6.15*	Cap'l Spending per sh	*6.80*
17.12	17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	*28.75*	*29.85*	Book Value per sh D	*33.85*
25.09	25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	*27.50*	*27.75*	Common Shs Outst'g C	*28.00*
14.5	12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.83	.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	*Value Line*		Relative P/E Ratio	*1.05*
5.0%	5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 9/30/15
Total Debt $846.9 mill. **Due in 5 Yrs** $360.0 mill.
LT Debt $621.7 mill. **LT Interest** $45.0 mill.

(Total interest coverage: 3.0x)

Pension Assets-12/14 $279.2 mill. **Oblig.** $487.3 mill.

Pfd Stock None

Common Stock 27,371,642 shares **as of 10/23/15**

MARKET CAP $1.3 billion (Mid Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
910.5	1013.2	1033.2	1037.9	1012.7	812.1	848.8	730.6	758.5	754.0	*740*	*780*	Revenues ($mill)	*875*
58.1	65.2	74.5	68.5	75.1	72.7	63.9	59.9	60.5	58.7	*49.0*	*61.0*	Net Profit ($mill)	*92.5*
36.0%	36.3%	37.2%	36.9%	38.3%	40.5%	40.4%	42.4%	40.8%	41.5%	*43.0%*	*40.0%*	Income Tax Rate	*38.0%*
6.4%	6.4%	7.2%	6.6%	7.4%	8.9%	7.5%	8.2%	8.0%	7.8%	*6.7%*	*7.8%*	Net Profit Margin	*10.6%*
47.0%	46.3%	46.3%	44.9%	47.7%	46.1%	47.3%	48.5%	47.6%	44.8%	*44.5%*	*44.5%*	Long-Term Debt Ratio	*44.0%*
53.0%	53.7%	53.7%	55.1%	52.3%	53.9%	52.7%	51.5%	52.4%	55.2%	*55.5%*	*55.5%*	Common Equity Ratio	*56.0%*
1108.4	1116.5	1106.8	1140.4	1261.8	1284.8	1356.2	1424.7	1433.6	1389.0	*1435*	*1495*	Total Capital ($mill)	*1685*
1373.4	1425.1	1495.9	1549.1	1670.1	1854.2	1893.9	1973.6	2062.9	2121.6	*2205*	*2295*	Net Plant ($mill)	*2580*
6.5%	7.1%	8.5%	7.7%	7.3%	7.0%	6.2%	5.7%	5.8%	5.8%	*4.5%*	*5.5%*	Return on Total Cap'l	*6.5%*
9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	*6.5%*	*7.5%*	Return on Shr. Equity	*10.0%*
9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	7.6%	*6.5%*	*7.5%*	Return on Com Equity	*10.0%*
3.7%	4.5%	6.0%	4.5%	5.0%	4.0%	2.4%	1.6%	1.5%	1.1%	*Nil*	*1.0%*	Retained to Com Eq	*3.5%*
63%	59%	52%	59%	56%	61%	73%	80%	81%	85%	*104%*	*87%*	All Div'ds to Net Prof	*64%*

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	9.5	9.5	5.2
Other	321.0	353.1	272.7
Current Assets	330.5	362.6	277.9
Accts Payable	96.1	91.4	54.4
Debt Due	248.2	274.7	225.2
Other	88.5	103.3	105.7
Current Liab.	432.8	469.4	385.3
Fix. Chg. Cov.	316%	321%	298%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	1.0%	-6.5%	*2.0%*
"Cash Flow"	3.0%	-1.0%	*4.5%*
Earnings	2.5%	-4.0%	*7.0%*
Dividends	3.5%	3.5%	*2.5%*
Book Value	3.5%	3.0%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	309.6	104.0	87.5	229.5	730.6
2013	277.9	131.7	88.2	260.7	758.5
2014	293.4	133.1	87.2	240.3	754.0
2015	261.7	138.3	91.3	*248.7*	*740*
2016	*270*	*145*	*95.0*	*270*	*780*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	1.51	.05	d.39	1.05	2.22
2013	1.40	.08	d.31	1.07	2.24
2014	1.40	.04	d.32	1.04	2.16
2015	1.04	.08	d.24	*.92*	*1.80*
2016	*1.20*	*.10*	*d.20*	*1.10*	*2.20*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.435	.435	.435	.445	1.75
2012	.445	.445	.445	.455	1.79
2013	.455	.455	.455	.460	1.83
2014	.460	.460	.460	.465	1.85
2015	.465	.465	.465	.4675	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 704,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 35%; commercial, 22%; industrial, gas transportation, and other, 43%. Employs 1,092. BlackRock Inc. owns 9.2% of shares; officers and directors, 2.1% (4/15 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas reported decent third-quarter results. A loss of $0.24 a share was better than our expectations, aided by higher utility margins and additional customer gains. Utility margins increased due to gas cost incentive sharing. Results were hampered by lower gas storage revenues. The fourth quarter appears likely to show another year-over-year decline as the El Nino weather pattern usually causes weather extremes including more high-temperature days. Thus, we have lowered our fourth-quarter estimate by $0.11 a share to $0.92.

The operating environment continues to gradually improve for Northwest Natural Gas. The Portland area population is increasing at a decent rate, as employment is rising and new home sales are driving natural gas usage higher. Too, incentives are driving natural gas conversions in home heating through its oil-to-gas furnace replacement program. These should drive revenues higher over the long haul.

The Mist storage facility remains on track. Northwest Natural filed an amendment toward the Mist site certificate. In addition, the cost of the expansion is approximately $125 million and the facility is still expected to be put into service during the winter of 2018-2019. This project should be a long-term plus.

Northwest Natural Gas raised its quarterly dividend slightly, to $0.4675. Through this is lower than we expected, it is the 60th annual raise for this dividend aristocrat. The small increase may signal a need for capital near term. While the yield remains attractive at nearly 4%, we expect that the payout growth rate will likely be lower than others in the industry over the coming years. Still, payout growth could accelerate, possibly once the Mist project comes on line.

Northwest Natural Gas shares are neutrally ranked for Timeliness. These shares have unspectacular total-return potential, as they are trading just below our 3- to 5-year Target Price Range. Still, they carry our Highest Safety rank (1) and the company has a Financial Strength rating of A. Most conservative, income-seeking accounts should find these shares appealing.

John E. Seibert III *December 4, 2015*

(A) Diluted earnings per share. Excludes nonrecurring items: '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2014: $368.9 million, $13.52/share.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	30
Earnings Predictability	95

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SOUTH JERSEY INDS. NYSE-SJI

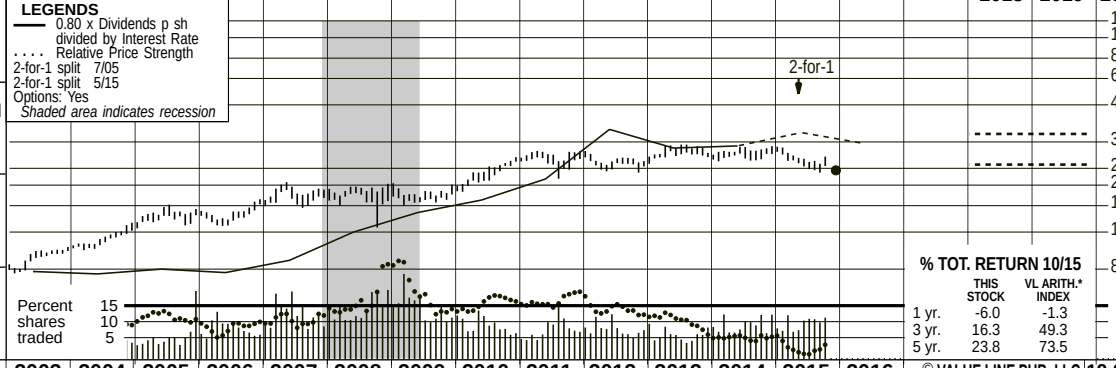
RECENT PRICE 23.47 | P/E RATIO 15.5 (Trailing: 18.3 Median: 17.0) | RELATIVE P/E RATIO 0.87 | DIV'D YLD 4.6% | VALUE LINE

TIMELINESS 4 Lowered 9/18/15
SAFETY 2 Lowered 1/4/91
TECHNICAL 3 Raised 11/20/15
BETA .80 (1.00 = Market)

High:	13.3	16.2	17.1	20.6	20.3	20.4	27.1	29.0	29.0	31.1	30.6	30.4
Low:	9.8	12.5	12.8	15.6	12.6	16.0	18.6	21.4	22.9	25.3	25.9	22.9

Target Price Range 2018 | 2019 | 2020

LEGENDS
— 0.80 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 7/05
2-for-1 split 5/15
Options: Yes
Shaded area indicates recession



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+50%)	15%
Low	25	(+5%)	7%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	1	0	0	0	0	1	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	1	2	1	2	1	0	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	97	107	83
to Sell	60	64	79
Hld's(000)	42328	40934	42248

% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-6.0	-1.3
3 yr.	16.3	49.3
5 yr.	23.8	73.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
8.80	11.22	17.65	10.35	13.17	14.75	15.89	15.88	16.15	16.18	14.19	15.48	13.71	11.16	11.18	12.98	14.15	14.60	Revenues per sh	17.75
.92	.97	.95	1.06	1.12	1.22	1.25	1.75	1.60	1.74	1.86	2.10	2.23	2.34	2.48	2.67	2.45	2.70	"Cash Flow" per sh	3.75
.50	.54	.57	.61	.68	.79	.86	1.23	1.05	1.14	1.19	1.35	1.45	1.52	1.52	1.57	1.45	1.60	Earnings per sh A	2.30
.36	.37	.37	.38	.39	.41	.43	.46	.51	.56	.61	.68	.75	.83	.90	.96	1.02	1.10	Div'ds Decl'd per sh B ■	1.35
1.09	1.11	1.41	1.74	1.18	1.34	1.60	1.26	.94	1.04	1.83	2.79	3.20	4.01	4.84	5.01	4.30	4.50	Cap'l Spending per sh	5.00
3.37	3.62	3.91	4.84	5.63	6.20	6.75	7.55	8.12	8.67	9.12	9.54	10.33	11.63	12.64	13.65	15.00	15.95	Book Value per sh C	18.40
44.61	46.00	47.44	48.83	52.92	55.52	57.96	58.65	59.22	59.46	59.59	59.75	60.43	63.31	65.43	68.33	70.00	72.00	Common Shs Outst'g D	76.00
13.3	13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	18.0	Bold figures are		Avg Ann'l P/E Ratio	14.0
.76	.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	.95	Value Line		Relative P/E Ratio	.90
5.4%	5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	3.4%	estimates		Avg Ann'l Div'd Yield	4.2%

CAPITAL STRUCTURE as of 9/30/15
Total Debt $1366.7 mill. **Due in 5 Yrs** $868.5 mill.
LT Debt $937.4 mill. **LT Interest** $22.0 mill.
(Total interest coverage: 4.0x)

Leases, Uncapitalized Annual rentals $.7 mill.
Pension Assets-12/14 $180.5 mill. **Oblig.** $265.4 mill.

Pfd Stock None

Common Stock 69,294,447 shs.
as of 11/2/15, adj. for 2-for-1 split

MARKET CAP: $1.6 billion (Mid Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
921.0	931.4	956.4	962.0	845.4	925.1	828.6	706.3	731.4	887.0	990	1050	Revenues ($mill)	1350
48.6	72.0	61.8	67.7	71.3	81.0	87.0	93.3	97.1	104.0	100	115	Net Profit ($mill)	175
41.5%	41.3%	41.9%	47.7%	23.0%	15.2%	22.4%	10.8%	10.8%	20.0%	20.0%	22.0%	Income Tax Rate	25.0%
5.3%	7.7%	6.5%	7.0%	8.4%	8.8%	10.5%	13.2%	13.3%	11.7%	10.1%	11.0%	Net Profit Margin	13.0%
44.9%	44.7%	42.7%	39.2%	36.5%	37.4%	40.5%	45.0%	45.1%	48.0%	47.5%	47.5%	Long-Term Debt Ratio	47.0%
55.1%	55.3%	57.3%	60.8%	63.5%	62.6%	59.5%	55.0%	54.9%	52.0%	52.5%	52.5%	Common Equity Ratio	53.0%
710.3	801.1	839.0	848.0	856.4	910.1	1048.3	1337.6	1507.4	1791.9	2000	2200	Total Capital ($mill)	2650
877.3	920.0	948.9	982.6	1073.1	1193.3	1352.4	1578.0	1859.1	2134.1	2350	2450	Net Plant ($mill)	2800
8.3%	10.1%	8.6%	8.9%	9.0%	9.5%	8.9%	7.4%	6.8%	6.4%	5.5%	6.0%	Return on Total Cap'l	7.0%
12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	10.0%	Return on Shr. Equity	12.5%
12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	11.2%	9.5%	10.0%	Return on Com Equity	12.5%
6.2%	10.2%	6.7%	6.7%	6.4%	7.1%	6.7%	5.8%	4.8%	4.3%	2.5%	3.0%	Retained to Com Eq	5.0%
50%	37%	48%	49%	51%	50%	52%	55%	59%	61%	71%	69%	All Div'ds to Net Prof	59%

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	3.8	4.2	2.1
Other	479.1	562.5	476.8
Current Assets	482.9	566.7	478.9
Accts Payable	259.8	273.0	189.1
Debt Due	374.9	395.6	429.3
Other	130.3	181.6	188.6
Current Liab.	765.0	850.2	807.0
Fix. Chg. Cov.	370%	432%	475%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	-1.0%	-5.5%	7.0%
"Cash Flow"	8.0%	7.5%	7.0%
Earnings	8.0%	6.5%	7.0%
Dividends	8.5%	10.0%	7.0%
Book Value	8.5%	8.0%	6.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	274.8	121.9	112.0	197.6	706.3
2013	255.6	122.6	128.8	224.4	731.4
2014	350.2	133.3	122.4	281.1	887.0
2015	383.0	177.7	141.1	288.2	990
2016	405	175	155	315	1050

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.83	.14	.07	.49	1.52
2013	.76	.16	d.02	.62	1.52
2014	1.01	.15	d.05	.47	1.57
2015	.86	.03	d.07	.63	1.45
2016	.90	.05	Nil	.65	1.60

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	- -	.183	.183	.384	.75
2012	- -	.202	.202	.423	.83
2013	- -	.222	.222	.458	.90
2014	- -	.237	.237	.488	.96
2015	- -	.251	.251	.251	

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 366,854 customers in New Jersey's southern counties. Gas revenue mix '14: residential, 43%; commercial, 19%; cogeneration and electric generation, 17%; industrial, 21%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, South Jersey Exploration, Marina Energy, South Jersey Energy Service Plus, and SJI Midstream. Has about 700 employees. Off./dir. own .8% of common shares; BlackRock, Inc., 9.5%; The Vanguard Group, Inc., 6.9% (3/15 proxy). Pres. & CEO: Michael J. Renna. Inc.: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries are once again trading near a multiyear low. The stock has declined in recent weeks, following a nice rebound in price that occurred in September and October. The company reported mixed results for the September interim. The top line advanced approximately 15%, on a year-to-year basis. Utility revenues increased at a strong pace, and growth from the nonutility operations was fairly healthy, as well. That said, operating expenses increased, too, and South Jersey Industries reported a share deficit of $0.07 for the recent period.

The company's core businesses should continue to perform well going forward. Utility South Jersey Gas ought to benefit from significant infrastructure investment and healthy customer growth. This mainstay line recently received approval from the New Jersey Board of Public Utilities to lower customer rates. This reduces customer bills, but will not hurt earnings. Elsewhere, prospects for the company's nonutility operations also appear favorable. SJ Energy Services will probably benefit from the improving performance of its solar assets and contributions from its Combined Heat and Power facilities. Commodity marketing business SJ Energy Group ought to gain from additional contracts scheduled to come on line in 2016 and 2017. Moreover, the company's interest in the Penn East pipeline should contribute to earnings growth by the latter part of the decade.

This issue is ranked to trail the broader market averages for the coming six to 12 months. Looking further out, we project solid growth in revenues, earnings, and dividends for the company over the pull to 2018-2020. Healthy performance from the utility operation, along with contributions from commodity marketing and new fuel supply contracts on the nonutility side, should both drive growth and improve earnings quality in the coming years. On top of that, SJI earns good marks for Safety, Financial Strength, Price Stability, and Earnings Predictability. The healthy dividend yield is another inducement. All things considered, this equity offers solid total return potential, on a risk-adjusted basis.

Michael Napoli, CFA *December 4, 2015*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $1.05; '08, $1.29; '09, $0.97; '10, $1.11; '11, $1.49; '12, $1.49; '13, $1.28; '14, $1.46. Excl. nonrecur. gain (loss): '01, $0.07; '08, $0.16; '09, ($0.22); '10, ($0.24); '11, $0.04; '12, ($0.03); '13, ($0.24); '14, ($0.11). Earnings may not sum due to rounding. Next egs. report due late February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2014: $357.2 mill., $5.23 per shr. (D) In mill., adj. for split.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	50
Earnings Predictability	80

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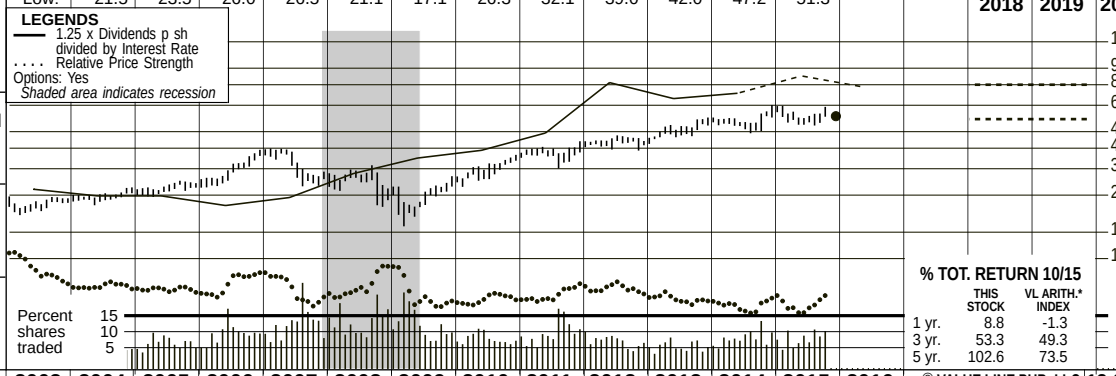
SOUTHWEST GAS NYSE-SWX

RECENT PRICE **56.73** | P/E RATIO **18.8** (Trailing: 20.4 / Median: 16.0) | RELATIVE P/E RATIO **1.05** | DIV'D YLD **3.0%** | VALUE LINE

TIMELINESS 3 Lowered 6/12/15
SAFETY 3 Lowered 1/4/91
TECHNICAL 1 Raised 11/20/15
BETA .80 (1.00 = Market)

High:	26.2	28.1	39.4	39.9	33.3	29.5	37.3	43.2	46.1	56.0	64.2	63.7
Low:	21.5	23.5	26.0	26.5	21.1	17.1	26.3	32.1	39.0	42.0	47.2	51.3

Target Price Range
2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	80	(+40%)	11%
Low	55	(-5%)	3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	3	0	0	0	0	0	0
to Sell	0	0	5	0	0	0	0	3	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	83	94	109
to Sell	87	81	80
Hld's(000)	35979	36094	36799

% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	8.8	-1.3
3 yr.	53.3	49.3
5 yr.	102.6	73.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
30.24	32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	45.61	**50.50**	**51.55**	Revenues per sh	**55.75**
4.45	4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	8.47	**8.45**	**9.00**	"Cash Flow" per sh	**11.25**
1.27	1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	3.01	**2.85**	**3.20**	Earnings per sh A	**4.50**
.82	.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.46	**1.62**	**1.74**	Div'ds Decl'd per sh B■†	**2.10**
7.41	7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	8.53	**9.40**	**9.80**	Cap'l Spending per sh	**11.55**
16.31	16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	31.95	**33.35**	**34.70**	Book Value per sh	**39.40**
30.99	31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	46.52	**48.00**	**49.00**	Common Shs Outst'g C	**52.00**
21.1	16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	17.9	*Bold figures are*		Avg Ann'l P/E Ratio	**15.0**
1.20	1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	.94	*Value Line*		Relative P/E Ratio	**.95**
3.1%	4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	2.7%	*estimates*		Avg Ann'l Div'd Yield	**3.1%**

CAPITAL STRUCTURE as of 9/30/15
Total Debt $1560.2 mill. **Due in 5 Yrs** $405.0 mill.
LT Debt $1540.4 mill. **LT Interest** $72.0 mill.
(Total interest coverage: 3.8x) (50% of Cap'l)
Leases, Uncapitalized Annual rentals $6.0 mill.
Pension Assets-12/14 $799.7 mill. **Oblig.** $1132.4 mill.
Pfd Stock None

Common Stock 47,375,398 shs.
as of 10/28/15

MARKET CAP: $2.7 billion (Mid Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
1714.3	2024.7	2152.1	2144.7	1893.8	1830.4	1887.2	1927.8	1950.8	2121.7	**2425**	**2525**	Revenues ($mill)	**2900**
48.1	80.5	83.2	61.0	87.5	103.9	112.3	133.3	145.3	141.1	**135**	**155**	Net Profit ($mill)	**235**
29.7%	37.3%	36.5%	40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	35.7%	**35.0%**	**35.0%**	Income Tax Rate	**35.0%**
2.8%	4.0%	3.9%	2.8%	4.6%	5.7%	6.0%	6.9%	7.4%	6.7%	**5.6%**	**6.1%**	Net Profit Margin	**8.1%**
63.8%	60.6%	58.1%	55.3%	53.5%	49.1%	43.2%	49.2%	49.4%	52.4%	**49.5%**	**49.5%**	Long-Term Debt Ratio	**47.5%**
36.2%	39.4%	41.9%	44.7%	46.5%	50.9%	56.8%	50.8%	50.6%	47.6%	**50.5%**	**50.5%**	Common Equity Ratio	**52.5%**
2076.0	2287.8	2349.7	2323.3	2371.4	2291.7	2155.9	2576.9	2793.7	3123.9	**3175**	**3350**	Total Capital ($mill)	**3900**
2489.1	2668.1	2845.3	2983.3	3034.5	3072.4	3218.9	3343.8	3486.1	3658.4	**3850**	**4050**	Net Plant ($mill)	**4500**
4.3%	5.5%	5.5%	4.5%	5.4%	6.1%	6.4%	6.4%	6.3%	5.7%	**5.5%**	**5.5%**	Return on Total Cap'l	**7.0%**
6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	**8.5%**	**9.0%**	Return on Shr. Equity	**11.5%**
6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	9.5%	**8.5%**	**9.0%**	Return on Com Equity	**11.5%**
2.2%	5.2%	4.8%	2.1%	4.1%	5.1%	5.3%	6.1%	6.1%	5.0%	**3.5%**	**4.0%**	Retained to Com Eq	**6.0%**
65%	42%	44%	63%	48%	43%	43%	40%	41%	47%	**58%**	**55%**	All Div'ds to Net Prof	**46%**

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	41.1	39.6	33.0
Other	453.6	567.2	445.6
Current Assets	494.7	606.8	478.6
Accts Payable	183.5	168.0	129.3
Debt Due	11.1	24.2	19.8
Other	239.6	277.9	345.6
Current Liab.	434.2	470.1	494.7
Fix. Chg. Cov.	430%	395%	383%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	1.0%	-1.5%	*4.5%*
"Cash Flow"	4.5%	6.0%	*5.5%*
Earnings	8.5%	11.0%	*7.0%*
Dividends	5.0%	8.0%	*8.0%*
Book Value	5.0%	5.0%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) D Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	657.6	409.8	371.8	488.6	1927.8
2013	613.5	411.6	387.3	538.4	1950.8
2014	608.4	453.2	432.5	627.7	2121.7
2015	734.2	538.6	505.4	**646.8**	**2425**
2016	**760**	**560**	**520**	**685**	**2525**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	1.70	d.08	d.09	1.33	2.86
2013	1.73	.22	d.06	1.22	3.11
2014	1.51	.21	.04	1.25	3.01
2015	1.53	.10	d.10	**1.32**	**2.85**
2016	**1.60**	**.20**	**Nil**	**1.40**	**3.20**

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.250	.265	.265	.265	1.05
2012	.265	.295	.295	.295	1.15
2013	.295	.330	.330	.330	1.29
2014	.330	.365	.365	.365	1.43
2015	.365	.405	.405	.405	

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 1.9 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2014 margin mix: residential and small commercial, 85%; large commercial and industrial, 4%; transportation, 11%. Total throughput: 1.9 billion therms. Has 6,232 employees. Off. & Dir. own 1.5% of common stock; BlackRock Inc., 9.6%; The Vanguard Group, Inc., 6.9%; GAMCO Investors, Inc., 6.8%; T. Rowe Price Assoc., Inc., 6.5% (3/15 Proxy). Chairman: Michael J. Melarkey. Pres. & CEO: John Hester. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Tel.: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have pulled back in price in recent weeks, following a nice rally in September and October. The company reported mixed results for the September interim. Revenues advanced roughly 17%, on a year-to-year basis. Construction services revenue increased significantly, thanks to additional pipe replacement work and acquisitions completed in the fourth quarter of last year. This business reported net income of $14.2 million, up about 6% from the prior-year figure. But despite support from growth in the customer base and rate relief, utility revenues decreased roughly 3%. Moreover, performance here was hurt by a reduction in the cash surrender value of company-owned life insurance policies, due to weakness in equity markets during the quarter. Greater employee-related costs also affected results, and the utility reported a net loss of $18.9 million. Overall, Southwest Gas posted a deficit of $0.10 per share for the recent period.

We envision solid performance in the coming quarters. The construction services line appears well positioned for growth with a strong base of utility clients and multiyear pipeline replacement programs. This line ought to experience healthy demand, given the need to replace aging infrastructure. Strength in the U.S. dollar may present a near-term headwind for this unit's Canadian business, though. Elsewhere, the natural gas utility operation should continue to benefit from customer growth, infrastructure tracker mechanisms, and expansion projects. Greater operating expenses may well be at least a partial offset here, though. Overall, we anticipate further top-line growth and a nice share-earnings rebound for Southwest Gas in 2016.

This issue is neutrally ranked for year-ahead performance. However, we do anticipate decent total returns for the stock over the pull to late decade. This should be supported by healthy growth in revenues and share earnings for the company in the coming years. The dividend yield is decent for a gas utility, and prospects for growth in the payout are very good. Moreover, Southwest Gas earns good marks for Price Stability, Price Growth Persistence, and Earnings Predictability.

Michael Napoli, CFA *December 4, 2015*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due late February. (B) Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions. (D) Totals may not sum due to rounding.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	85
Earnings Predictability	80

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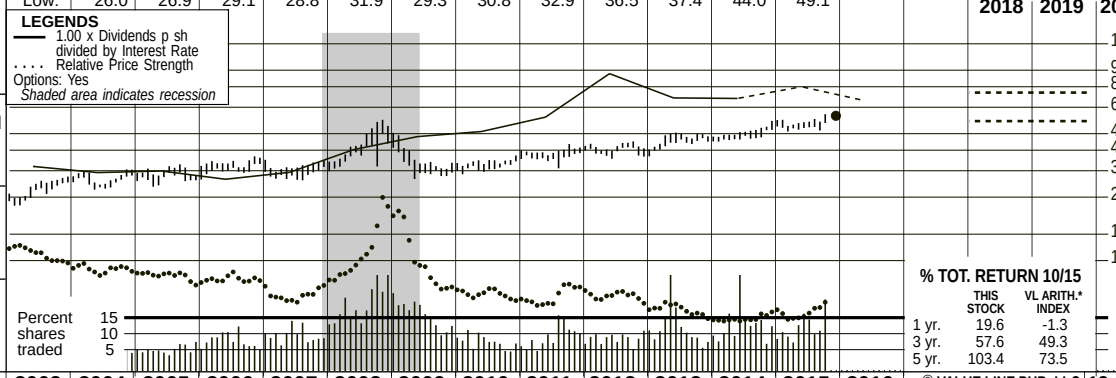
LACLEDE GROUP NYSE-LG

RECENT PRICE **58.27** | P/E RATIO **17.8** (Trailing: 18.4 / Median: 14.0) | RELATIVE P/E RATIO **0.99** | DIV'D YLD **3.4%** | VALUE LINE

TIMELINESS 3 Raised 10/16/15
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 11/27/15
BETA .70 (1.00 = Market)

High:	32.5	34.3	37.5	36.0	55.8	48.3	37.8	42.8	44.0	48.5	55.2	59.4
Low:	26.0	26.9	29.1	28.8	31.9	29.3	30.8	32.9	36.5	37.4	44.0	49.1

Target Price Range
2018 | 2019 | 2020



2018-20 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+30%)	10%
Low	55	(-5%)	2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2014	1Q2015	2Q2015
to Buy	85	116	115
to Sell	99	69	77
Hld's(000)	34804	35230	35958

% TOT. RETURN 10/15

	THIS STOCK	VL ARITH.* INDEX
1 yr.	19.6	-1.3
3 yr.	57.6	49.3
5 yr.	103.4	73.5

1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
26.04	29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	37.68	*46.64*	*53.50*	Revenues per sh A	*60.00*
2.56	2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	3.87	5.07	*5.30*	"Cash Flow" per sh	*6.35*
1.47	1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	3.16	*3.40*	Earnings per sh A B	*4.20*
1.34	1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	1.84	*1.96*	Div'ds Decl'd per sh C■	*2.20*
2.58	2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	3.96	*4.59*	*7.00*	Cap'l Spending per sh	*6.65*
14.96	14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	34.93	*36.34*	*39.60*	Book Value per sh D	*48.10*
18.88	18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	43.18	*43.30*	*43.00*	Common Shs Outst'g E	*45.00*
15.8	14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8	16.5		Avg Ann'l P/E Ratio	*15.5*
.90	.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.20	1.04	.83		Relative P/E Ratio	*.95*
5.8%	6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%	3.5%		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 9/30/15
Total Debt $2189.5 mill. **Due in 5 Yrs** $525.0 mill.
LT Debt $1771.5 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 4.1x)

Leases, Uncapitalized Annual rentals $12.0 mill.
Pension Assets-9/14 $506.6 mill. **Oblig.** $692.5 mill.
Pfd Stock None
Common Stock 43,350,411 shs. **as of 10/20/15**

MARKET CAP: $2.5 billion (Mid Cap)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		18-20
1597.0	1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	1976.4	*2300*	Revenues ($mill) A	*2700*
40.1	50.5	49.8	57.6	64.3	54.0	63.8	62.6	52.8	84.6	136.9	*145*	Net Profit ($mill)	*190*
34.1%	32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	*28.0%*	*28.0%*	Income Tax Rate	*30.0%*
2.5%	2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	6.9%	*6.4%*	Net Profit Margin	*7.0%*
48.1%	49.5%	45.3%	44.4%	42.9%	40.5%	38.9%	36.1%	46.6%	55.1%	*54.5%*	*53.0%*	Long-Term Debt Ratio	*51.0%*
51.8%	50.4%	54.6%	55.5%	57.1%	59.5%	61.1%	63.9%	53.4%	44.9%	*45.5%*	*47.0%*	Common Equity Ratio	*49.0%*
707.9	798.9	784.5	876.1	906.3	899.9	937.7	941.0	1959.0	3359.4	*3345.1*	*3645*	Total Capital ($mill)	*4400*
679.5	763.8	793.8	823.2	855.9	884.1	928.7	1019.3	1776.6	2759.7	*2927.5*	*3045*	Net Plant ($mill)	*3520*
7.6%	8.4%	8.5%	8.1%	8.7%	7.4%	8.1%	7.9%	3.3%	3.1%	*4.0%*	*4.5%*	Return on Total Cap'l	*5.0%*
10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	*8.7%*	*8.5%*	Return on Shr. Equity	*8.5%*
10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	5.6%	*8.7%*	*8.5%*	Return on Com Equity	*8.5%*
3.1%	5.1%	4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	1.0%	1.5%	*3.7%*	*3.5%*	Retained to Com Eq	*4.0%*
72%	59%	63%	56%	53%	64%	56%	59%	81%	73%	*58%*	*56%*	All Div'ds to Net Prof	*52%*

CURRENT POSITION ($MILL.)	2013	2014	9/30/15
Cash Assets	53.0	16.1	13.8
Other	422.9	588.8	516.3
Current Assets	475.9	604.9	530.1
Accts Payable	140.2	176.7	146.5
Debt Due	74.0	287.1	418.0
Other	139.0	319.0	289.3
Current Liab.	353.2	782.8	853.8
Fix. Chg. Cov.	337%	423%	409%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14 to '18-'20
Revenues	-2.5%	-15.5%	*7.0%*
"Cash Flow"	3.0%	-2.0%	*8.5%*
Earnings	4.0%	-2.0%	*10.0%*
Dividends	2.5%	3.0%	*4.5%*
Book Value	7.0%	7.5%	*7.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2012	410.9	358.2	186.9	169.5	1125.5
2013	307.0	397.6	165.3	147.1	1017.0
2014	468.6	694.5	241.8	222.3	1627.2
2015	619.6	877.4	275.2	204.2	1976.4
2016	*700*	*900*	*350*	*350*	*2300*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2012	1.12	1.32	.38	d.03	2.79
2013	1.14	1.34	.25	d.30	2.02
2014	1.09	1.59	.33	d.35	2.35
2015	1.09	2.18	.32	d.43	3.16
2016	*1.15*	*2.20*	*.35*	*d.30*	*3.40*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.415	.415	.415	.415	1.66
2013	.425	.425	.425	.425	1.70
2014	.44	.44	.44	.44	1.76
2015	.46	.46	.46	.46	
2016	.49				

BUSINESS: Laclede Group, Inc., is a holding company for Laclede Gas, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City. Has roughly 1.6 million customers. Purchased SM&P Utility Resources, 1/02; divested, 3/08. Acquired Missourri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2014: 2.0 bill. Revenue mix for regulated operations: residential, 66%; commercial and industrial, 24%; transportation, 2%; other, 8%. Has around 3,152 employees. Officers and directors own 3.2% of common shares (1/15 proxy). Chairman: William E. Nasser; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 700 Market Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Laclede Group had worse-than-expected fiscal year-end results (ended September 30th). Fourth-quarter revenues fell to $204.2 million, hurt by lower natural gas prices and a severe decrease in gas marketing revenues. However, the Alagasco purchase helped to partially offset warmer fall weather conditions. Losses expanded to $0.43 a share, hurt by lower gross contributions and a sizable increase in maintenance and depreciation expense.

Fiscal 2016 should be a banner year for the company. Laclede has received positive outcomes for rate cases, which went into effect December 1st. These include $4.4 million in new Laclede Gas spending and $1.9 million at Missouri Gas. These should boost recoveries and allow for better system reliability. Capital expenditures are expected to be around $315 million this year, with recovery methods in place that should allow for better earnings. This should total around $1.6 billion in capital spending out to decade's end. Laclede has ample liquidity to fund spending plans. The company will look to capitalize on natural gas conversions for industrial processes, including more volume in its Spire natural gas fuel station. In addition, Laclede could look to purchase municipal gas utilities over the coming quarters, though nothing specific has been mentioned as of yet. All told, we believe the company will be able to earn $3.40 a share in fiscal 2016.

The dividend remains a top draw. Indeed, management at Laclede recently raised the quarterly dividend by 6.5%, to $0.49 a share. This remains well covered by earnings, and dividend increases appear poised to outgrow others in the industry over the coming years, as management has set a target a payout ratio of around 55%-65%. We think that payouts will reach $2.20 a share over the long haul.

Shares of Laclede Group are neutrally ranked for Timeliness. These shares do not stand out for total-return potential, but maintain a solid yield with ample room for growth over the coming years. Laclede has an Above-Average Safety rank and a below-market-average Beta. Conservative, long-term investors would be best served waiting for a dip in price.

John E. Seibert III *December 4, 2015*

(A) Fiscal year ends Sept. 30th. **(B)** Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. **(C)** Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. **(D)** Incl. deferred charges. In '14: $383.8 mill., $8.85/sh. **(E)** In millions. **(F)** Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	80

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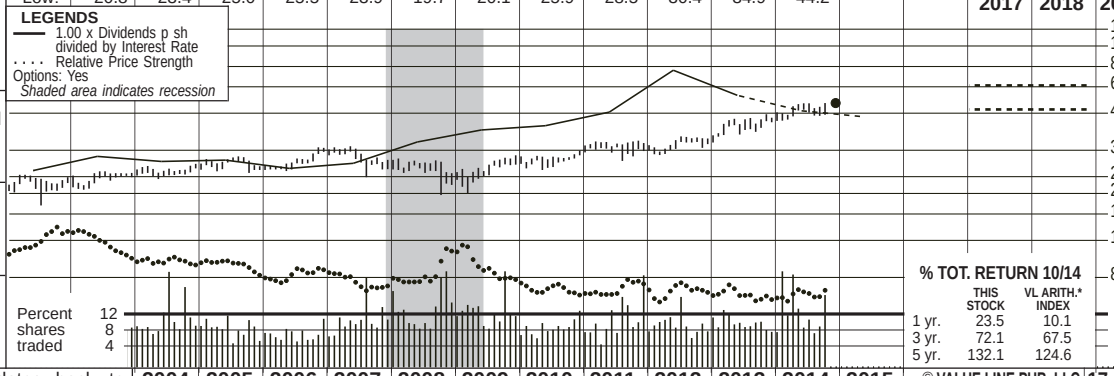
ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
53.61	17.3	(Trailing: 17.8 Median: 15.0)	0.94	2.9%	VALUE LINE

TIMELINESS 2 Raised 5/16/14
SAFETY 1 Raised 6/6/14
TECHNICAL 4 Lowered 11/14/14
BETA .80 (1.00 = Market)

High:	25.5	27.6	30.0	33.1	33.5	29.3	30.3	32.0	35.6	37.3	47.4	54.9
Low:	20.8	23.4	25.0	25.5	23.9	19.7	20.1	25.9	28.5	30.4	34.9	44.2

Target Price Range
2017 | 2018 | 2019



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+20%)	8%
Low	50	(-5%)	1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	6	0	0	0	0
to Sell	0	0	0	0	1	0	0	0	0

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	112	158	128
to Sell	126	93	139
Hld's(000)	59676	67187	69353

% TOT. RETURN 10/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	23.5	10.1
3 yr.	72.1	67.5
5 yr.	132.1	124.6

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
46.50	61.75	75.27	66.03	79.52	53.69	53.12	48.15	38.10	42.88	49.15	52.95	Revenues per sh A	61.30
2.91	3.90	4.26	4.14	4.19	4.29	4.64	4.72	4.76	5.14	5.40	5.60	"Cash Flow" per sh	6.20
1.58	1.72	2.00	1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.96	3.05	Earnings per sh A B	3.50
1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	1.56	Div'ds Decl'd per sh C■	1.75
3.03	4.14	5.20	4.39	5.20	5.51	6.02	6.90	8.12	9.32	8.30	9.35	Cap'l Spending per sh	9.95
18.05	19.90	20.16	22.01	22.60	23.52	24.16	24.98	26.14	28.47	30.60	32.85	Book Value per sh	38.90
62.80	80.54	81.74	89.33	90.81	92.55	90.16	90.30	90.24	90.64	100.50	100.50	Common Shs Outst'g D	106.00
15.9	16.1	13.5	15.9	13.6	12.5	13.2	14.4	15.9	15.9	16.1		Avg Ann'l P/E Ratio	16.5
.84	.86	.73	.84	.82	.83	.84	.90	1.01	.89	.84		Relative P/E Ratio	1.05
4.9%	4.5%	4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%	3.1%		Avg Ann'l Div'd Yield	3.0%
2920.0	4973.3	6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4940.9	5320	Revenues ($mill) A	6500
86.2	135.8	162.3	170.5	180.3	179.7	201.2	199.3	192.2	230.7	289.8	305	Net Profit ($mill)	370
37.4%	37.7%	37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	39.2%	39.0%	Income Tax Rate	40.0%
3.0%	2.7%	2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	5.9%	5.7%	Net Profit Margin	5.7%
43.2%	57.7%	57.0%	52.0%	50.8%	49.9%	45.4%	49.4%	45.3%	48.8%	44.5%	45.0%	Long-Term Debt Ratio	45.0%
56.8%	42.3%	43.0%	48.0%	49.2%	50.1%	54.6%	50.6%	54.7%	51.2%	55.5%	55.0%	Common Equity Ratio	55.0%
1994.8	3785.5	3828.5	4092.1	4172.3	4346.2	3987.9	4461.5	4315.5	5036.1	5540	6000	Total Capital ($mill)	7500
1722.5	3374.4	3629.2	3836.8	4136.9	4439.1	4793.1	5147.9	5475.6	6030.7	6725	7250	Net Plant ($mill)	8700
5.8%	5.3%	6.1%	5.9%	5.9%	5.9%	6.9%	6.1%	6.1%	5.9%	6.5%	6.5%	Return on Total Cap'l	6.5%
7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.5%	9.0%	Return on Shr. Equity	9.0%
7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	8.9%	9.5%	9.0%	Return on Com Equity	9.0%
1.7%	2.3%	3.6%	3.0%	3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.5%	4.5%	Retained to Com Eq	4.5%
77%	73%	63%	65%	65%	68%	62%	62%	65%	56%	50%	51%	All Div'ds to Net Prof	50%

CAPITAL STRUCTURE as of 6/30/14
Total Debt $2455.9 mill. **Due in 5 Yrs** $1120.0 mill.
LT Debt $1955.9 mill. **LT Interest** $115.0 mill.
(LT interest earned: 3.9x; total interest coverage: 3.9x)
Leases, Uncapitalized Annual rentals $16.7 mill.
Pfd Stock None
Pension Assets-9/13 $396.9 mill. **Oblig.** $455.8 mill.
Common Stock 100,351,676 shs. **as of 8/1/14**
MARKET CAP: $5.4 billion (Large Cap)

CURRENT POSITION ($MILL.)	2012	2013	6/30/14
Cash Assets	64.2	66.2	51.4
Other	763.8	617.1	723.2
Current Assets	828.0	683.3	774.6
Accts Payable	215.2	241.6	312.7
Debt Due	571.1	368.0	500.0
Other	489.7	368.9	343.0
Current Liab.	1276.0	978.5	1155.7
Fix. Chg. Cov.	448%	537%	490%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	1.5%	-10.0%	6.0%
"Cash Flow"	4.0%	3.0%	4.0%
Earnings	4.0%	3.0%	7.5%
Dividends	1.5%	1.5%	3.5%
Book Value	6.0%	4.0%	6.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2011	1133.3	1581.5	843.6	789.2	4347.6
2012	1084.0	1225.5	576.4	552.6	3438.5
2013	1034.2	1309.0	857.9	685.2	3886.3
2014	1255.1	1964.3	942.7	778.8	4940.9
2015	1385	2005	1050	880	5320

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2011	.81	1.40	.04	.01	2.26
2012	.68	1.12	.31	- -	2.10
2013	.85	1.23	.36	.08	2.50
2014	.95	1.38	.45	.23	2.96
2015	.98	1.40	.48	.19	3.05

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.335	.335	.335	.34	1.35
2011	.34	.34	.34	.345	1.37
2012	.345	.345	.345	.35	1.39
2013	.35	.35	.35	.37	1.42
2014	.37	.37	.37	.39	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to more than three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for 2013: 65%, residential; 29%, commercial; 4%, industrial; and 2% other. 2013 depreciation rate 3.0%. Has around 4,720 employees. Officers and directors own 1.6% of common stock (12/13 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Atmos Energy might be able to register some profit growth in fiscal 2015, which started on October 1st, versus last year's tally. The natural gas distribution division, accounting for the largest portion of revenues, ought to benefit from increased throughput, if weather conditions cooperate (leading to a boost in consumption levels). Moreover, the other segments, including the regulated pipeline unit, may perform reasonably well, overall. All things considered, share net stands to rise about 3%, to $3.05, for the entire year. That slower rate of expansion reflects the tough comparison. Concerning fiscal 2016, we believe that the bottom line could reach $3.20 a share, assuming that operating margins grow further.

Meanwhile, several rate filings are pending. Particularly, there are five proceedings seeking $47.6 million of annual operating income, combined, in Kentucky, Virginia, Texas, and Mississippi. Even so, there are no guarantees that the company will receive everything it requests.

The energy firm has strengthened its already solid finances. Atmos managed to expand an existing revolving credit facility from $950 million up to $1.5 billion, while extending the maturity date one additional year, to 2019. Also, it completed the public offering of $500 million, 4.12% notes due 2044, which replaced $500 million, 4.95% notes that expired October, 2014. Thus, interest expense was reduced by about $8 million annually.

The quarterly common stock dividend was just raised a couple of pennies, to $0.39 a share. What's more, our 2017-2019 projections indicate that additional, steady increases in the distribution will likely occur. The payout ratio during that time ought to be in the 50% range, which is reasonable.

These shares have been trading around record highs since our last report in September. We attribute that partly to Atmos' strong operating performance in the final quarter of fiscal 2014. As a result, the stock is presently expected to outpace the broader market in the year ahead (Timeliness rank 2: Above Average). Note, also, the Highest (1) rank for Safety. But the price movement has dampened long-term total return possibilities.

Frederick L. Harris, III December 5, 2014

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '03, d17¢; '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢. Next egs. rpt. due early Feb. (C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. (D) In millions. (E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	70
Earnings Predictability	90

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NEW JERSEY RES. NYSE-NJR

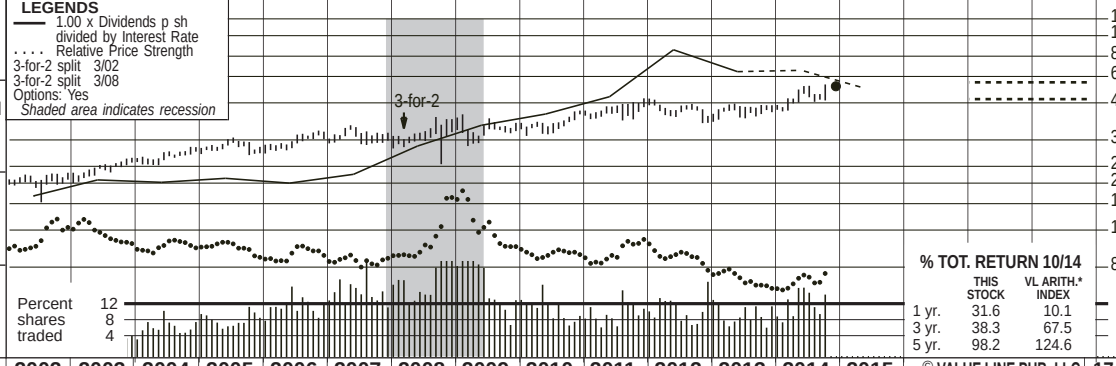
RECENT PRICE **57.53** | P/E RATIO **22.6** (Trailing: 12.3 / Median: 16.0) | RELATIVE P/E RATIO **1.23** | DIV'D YLD **3.1%** | VALUE LINE

TIMELINESS 3 Lowered 10/31/14
SAFETY 1 Raised 9/15/06
TECHNICAL 4 Lowered 11/14/14
BETA .80 (1.00 = Market)

High:	26.4	29.7	32.9	35.4	37.6	41.1	42.4	44.1	50.5	50.3	47.6	59.8
Low:	20.0	24.3	27.1	27.7	30.3	24.6	30.0	33.5	39.6	38.5	39.1	43.8

Target Price Range
2017 | 2018 | 2019

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 3/02
3-for-2 split 3/08
Options: Yes
Shaded area indicates recession



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+5%)	4%
Low	50	(-15%)	Nil

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	1	0
Options	1	1	1	0	2	0	0	0	0
to Sell	0	0	1	0	1	0	0	0	0

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	85	95	117
to Sell	71	63	80
Hld's(000)	23263	23924	26044

% TOT. RETURN 10/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	31.6	10.1
3 yr.	38.3	67.5
5 yr.	98.2	124.6

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
17.73	22.65	29.42	51.22	44.11	62.29	60.89	76.19	79.63	72.62	90.74	62.34	64.10	72.60	54.16	76.77	88.80	87.50	Revenues per sh A	95.60
1.74	1.86	1.99	2.12	2.14	2.38	2.50	2.62	2.73	2.44	3.62	3.16	3.26	3.40	3.71	3.85	5.40	4.50	"Cash Flow" per sh	5.55
1.04	1.11	1.20	1.30	1.39	1.59	1.70	1.77	1.87	1.55	2.70	2.40	2.46	2.58	2.71	2.73	4.20	3.10	Earnings per sh B	3.80
.73	.75	.76	.78	.80	.83	.87	.91	.96	1.01	1.11	1.24	1.36	1.44	1.54	1.62	1.71	1.80	Div'ds Decl'd per sh C■	1.92
1.07	1.21	1.23	1.10	1.02	1.14	1.45	1.28	1.28	1.46	1.72	1.81	2.10	2.26	2.51	2.65	2.00	2.00	Cap'l Spending per sh	2.00
7.26	7.57	8.29	8.80	8.71	10.26	11.25	10.60	15.00	15.50	17.28	16.59	17.62	18.73	19.60	21.30	22.75	24.25	Book Value per sh D	29.95
40.07	39.92	39.59	40.00	41.50	40.85	41.61	41.32	41.44	41.61	42.06	41.59	41.17	41.45	41.53	41.66	42.10	40.00	Common Shs Outst'g E	40.00
15.3	15.2	14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0	11.6		Avg Ann'l P/E Ratio	14.0
.80	.87	.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.07	.90	.64		Relative P/E Ratio	.88
4.6%	4.5%	4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.4%	3.7%	3.5%		Avg Ann'l Div'd Yield	3.5%

CAPITAL STRUCTURE as of 9/30/14
Total Debt $933.7 mill. **Due in 5 Yrs** $315.2 mill.
LT Debt $598.2 mill. **LT Interest** $16.3 mill.
Incl. $57.9 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/14 $268.6 mill. **Oblig.** $355.5 mill.
Pfd Stock None

Common Stock 42,249,211 shs.
as of 11/21/14
MARKET CAP: $2.4 billion (Mid Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
2533.6	3148.3	3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3738.2	3500	Revenues ($mill) A	3825
71.6	74.4	78.5	65.3	113.9	101.0	101.8	106.5	112.4	113.7	176.9	125	Net Profit ($mill)	150
39.1%	39.1%	38.9%	38.8%	37.8%	27.1%	41.4%	30.2%	7.1%	25.4%	35.0%	35.0%	Income Tax Rate	35.0%
2.8%	2.4%	2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	4.7%	4.0%	Net Profit Margin	4.0%
40.3%	42.0%	34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	36.6%	35.5%	34.0%	Long-Term Debt Ratio	29.5%
59.7%	58.0%	65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	63.4%	64.5%	66.0%	Common Equity Ratio	70.5%
783.8	755.3	954.0	1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1400.3	1410	1470	Total Capital ($mill)	1700
880.4	905.1	934.9	970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1643.1	1675	1710	Net Plant ($mill)	1815
10.1%	11.2%	9.6%	7.7%	10.7%	9.7%	9.7%	9.7%	9.2%	9.0%	12.5%	9.5%	Return on Total Cap'l	9.5%
15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.0%	13.0%	Return on Shr. Equity	12.5%
15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.8%	12.8%	18.0%	13.0%	Return on Com Equity	12.5%
7.8%	8.5%	6.3%	3.6%	9.5%	7.2%	6.7%	6.2%	6.2%	5.2%	11.0%	6.0%	Retained to Com Eq	7.0%
49%	50%	50%	64%	40%	50%	52%	55%	55%	59%	41%	57%	All Div'ds to Net Prof	50%

CURRENT POSITION ($MILL.)	2012	2013	9/30/14
Cash Assets	4.5	3.0	2.2
Other	642.8	742.9	680.5
Current Assets	647.3	745.9	682.7
Accts Payable	265.8	332.8	330.3
Debt Due	287.6	434.2	335.5
Other	99.7	84.8	125.3
Current Liab.	653.1	851.8	791.1
Fix. Chg. Cov.	700%	700%	700%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	2.5%	-3.5%	6.0%
"Cash Flow"	5.0%	4.5%	7.0%
Earnings	6.5%	5.5%	6.0%
Dividends	6.5%	8.5%	4.0%
Book Value	8.0%	4.5%	7.0%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2011	713.2	977.0	648.1	670.9	3009.2
2012	642.4	612.9	425.1	568.5	2248.9
2013	736.0	960.9	767.5	733.7	3198.1
2014	878.4	1579.6	688.3	591.9	3738.2
2015	915	1035	790	760	3500

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2011	.71	1.62	.23	.02	2.58
2012	1.09	1.79	.10	d.27	2.71
2013	.85	1.64	.23	d.01	2.73
2014	.95	3.61	.11	d.46	4.20
2015	1.00	1.70	.30	.10	3.10

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.34	.34	.34	.34	1.36
2011	.36	.36	.36	.36	1.44
2012	.38	.38	.38	.80	1.94
2013	- -	.40	.40	.40	1.20
2014	.42	.42	.42	.45	

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 497,400 customers at 9/30/13 in Monmouth and Ocean Counties, and other N.J. Counties. Fiscal 2013 volume: 213 bill. cu. ft. (5% interruptible, 29% residential and commercial and electric utility, 66% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2013 dep. rate: 2.4%. Has 936 empls. Off./dir. own about 1.3% of common (12/13 Proxy). Chrmn., CEO & Pres.: Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources registered healthy financial results for fiscal 2014 (ended September 30th). Revenues rose 17% last year, thanks to double-digit increases in its nonutility business and, to a lesser extent, a mid single-digit gain in utility volumes. Earlier in the year, the NJR Energy Services division got a solid boost from the polar vortex and the extremely cold weather patterns that followed across the better part of the United States. At the same time, the regulated utility segment, New Jersey Natural Gas (NJNG), continued to benefit from an overall uptrend in new customer accounts. During the last twelve months of 2014, NJNG added 7,599 active customer accounts. Finally, the NJR Clean Energy Ventures, Midstream, and the Home Service operations were also nicely complementary to NJR's core businesses. On balance, these factors contributed to an impressive annual earnings advance of more than 50%, to $4.20 a share.

However, 2015's prospects appear to be a bit more modest. We have left our bottom-line estimate unchanged at $3.10 a share. This decline would represent a correction of about 25% and is more in line with historical levels. We view this as more of an anomaly due to 2014's difficult comparison rather than a weakening of NJR's underlying fundamentals.

Capital expenditures and "green" initiatives should bear fruit down the road. The NJNG unit has a 5-year $102.5 million infrastructure enhancement plan in the works. That project will strengthen overall system reliability, safety and integrity. At the same time, the company has about 50 mw of solar facilities that have recently gone into service or are in the development stage. Finally, in October, it acquired what will be its largest onshore wind project, based in Kansas, it should generate 48 mw of power.

These shares have advanced more than 10% in price since our September review. What's more, a recent hike in the quarterly payout of about 7%, on a sequential basis, to $0.45 a share is encouraging. However, at its recent quotation, the stock is trading near the top end of our Target Price Range, thus limiting 3- to 5-year total return potential.

Bryan J. Fong *December 5, 2014*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early Jan., April, July, and October. 1Q '13 div'd paid in 4Q '12. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2013: $402.2 million, $9.65/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A+
Stock's Price Stability	95
Price Growth Persistence	55
Earnings Predictability	60

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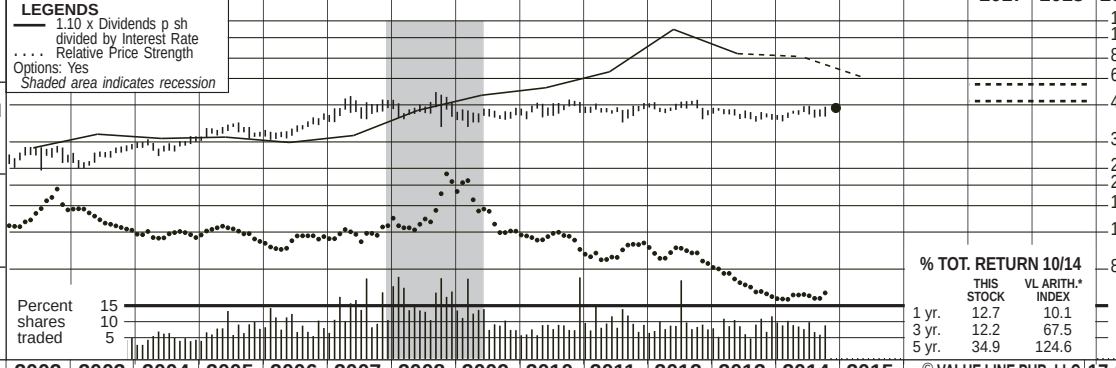
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE 46.40 | P/E RATIO 19.7 (Trailing: 21.2 Median: 17.0) | RELATIVE P/E RATIO 1.07 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 4 Lowered 12/5/14
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Lowered 10/17/14
BETA .70 (1.00 = Market)

High:	31.3	34.1	39.6	43.7	52.8	55.2	46.5	50.9	49.0	50.8	46.6	47.8
Low:	24.0	27.5	32.4	32.8	39.8	37.7	37.7	41.1	39.6	41.0	40.0	40.1

Target Price Range 2017 | 2018 | 2019



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+30%)	10%
Low	50	(+10%)	6%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	0	0	0	0	0	0
to Sell	2	0	1	0	1	0	0	0	0

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	65	76	84
to Sell	68	48	53
Hld's(000)	15615	15905	16493

% TOT. RETURN 10/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	12.7	10.1
3 yr.	12.2	67.5
5 yr.	34.9	124.6

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
16.77	18.17	21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	*28.90*	*29.65*	Revenues per sh	*30.70*
3.24	3.72	3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	*5.15*	*5.35*	"Cash Flow" per sh	*6.35*
1.02	1.70	1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	*2.25*	*2.40*	Earnings per sh A	*3.30*
1.22	1.23	1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	*1.85*	*1.87*	Div'ds Decl'd per sh B■	*2.10*
4.02	4.78	3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	*5.55*	*5.80*	Cap'l Spending per sh	*6.80*
16.59	17.12	17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	*28.60*	*29.65*	Book Value per sh D	*34.20*
24.85	25.09	25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	*27.00*	*27.50*	Common Shs Outst'g C	*28.00*
26.7	14.5	12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
1.39	.83	.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	*Value Line*		Relative P/E Ratio	*1.05*
4.5%	5.0%	5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	*estimates*		Avg Ann'l Div'd Yield	*3.3%*

CAPITAL STRUCTURE as of 9/30/14
Total Debt $851.7 mill. **Due in 5 Yrs** $200 mill.
LT Debt $621.7 mill. **LT Interest** $45.0 mill.

(Total interest coverage: 6.5x)

Pension Assets-12/13 $267.1 mill. **Oblig.** $391.1 mill.

Pfd Stock None

Common Stock 27,206,484 shares as of 10/24/14

MARKET CAP $1.3 billion (Mid Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
707.6	910.5	1013.2	1033.2	1037.9	1012.7	812.1	848.8	730.6	758.5	*780*	*815*	Revenues ($mill)	*860*
50.6	58.1	65.2	74.5	68.5	75.1	72.7	63.9	59.9	60.5	*78.0*	*81.0*	Net Profit ($mill)	*92.5*
34.4%	36.0%	36.3%	37.2%	36.9%	38.3%	40.5%	40.4%	42.4%	40.8%	*39.0%*	*38.0%*	Income Tax Rate	*37.5%*
7.1%	6.4%	6.4%	7.2%	6.6%	7.4%	8.9%	7.5%	8.2%	8.0%	*7.8%*	*8.1%*	Net Profit Margin	*10.7%*
46.0%	47.0%	46.3%	46.3%	44.9%	47.7%	46.1%	47.3%	48.5%	47.6%	*47.5%*	*47.0%*	Long-Term Debt Ratio	*46.0%*
54.0%	53.0%	53.7%	53.7%	55.1%	52.3%	53.9%	52.7%	51.5%	52.4%	*52.5%*	*53.0%*	Common Equity Ratio	*54.0%*
1052.5	1108.4	1116.5	1106.8	1140.4	1261.8	1284.8	1356.2	1424.7	1433.6	*1480*	*1545*	Total Capital ($mill)	*1765*
1318.4	1373.4	1425.1	1495.9	1549.1	1670.1	1854.2	1893.9	1973.6	2062.9	*2145*	*2230*	Net Plant ($mill)	*2510*
5.9%	6.5%	7.1%	8.5%	7.7%	7.3%	7.0%	6.2%	5.7%	5.8%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.5%*
8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	*8.0%*	*8.0%*	Return on Shr. Equity	*9.5%*
8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	8.1%	*8.0%*	*8.0%*	Return on Com Equity	*9.5%*
2.7%	3.7%	4.5%	6.0%	4.5%	5.0%	4.0%	2.4%	1.6%	1.5%	*1.5%*	*2.0%*	Retained to Com Eq	*3.5%*
69%	63%	59%	52%	59%	56%	61%	73%	80%	81%	*82%*	*78%*	All Div'ds to Net Prof	*64%*

CURRENT POSITION ($MILL.)	2012	2013	9/30/14
Cash Assets	8.9	9.5	8.3
Other	274.8	321.0	239.8
Current Assets	283.7	330.5	248.1
Accts Payable	85.6	96.1	71.0
Debt Due	190.3	248.2	230.0
Other	92.5	88.5	84.7
Current Liab.	368.4	432.8	385.7
Fix. Chg. Cov.	329%	316%	312%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	1.5%	-5.5%	*1.0%*
"Cash Flow"	3.0%	-.5%	*4.0%*
Earnings	2.5%	-2.5%	*6.5%*
Dividends	3.5%	4.5%	*2.5%*
Book Value	3.5%	3.5%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	323.1	161.2	93.3	271.2	848.8
2012	309.6	104.0	87.5	229.5	730.6
2013	277.9	131.7	88.2	260.7	758.5
2014	293.4	133.2	87.2	*266.2*	*780*
2015	*285*	*150*	*100*	*280*	*815*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	1.53	.08	d.31	1.09	2.39
2012	1.51	.05	d.39	1.05	2.22
2013	1.40	.08	d.31	1.07	2.24
2014	1.40	.04	d.32	*1.13*	*2.25*
2015	*1.45*	*.10*	*d.30*	*1.15*	*2.40*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.415	.415	.415	.435	1.68
2011	.435	.435	.435	.445	1.75
2012	.445	.445	.445	.455	1.79
2013	.455	.455	.455	.460	1.83
2014	.460	.460	.460	.465	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 681,000 customers, in Oregon (90% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 59%; commercial, 29%; industrial, gas transportation, and other, 12%. Employs 1,092. BlackRock Inc. owns 9.4% of shares; officers and directors, 2.1% (4/14 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas reported mixed third-quarter results. Though gross margins at its utility segment expanded, gas storage profits fell, more than offsetting the gain. A later start to the winter season caused lower total usage. Though these effects are fleeting, losses rose a bit to $0.32 a share. Positive seasonality should lead to better bottom-line results, as lower temperatures should prompt higher usage and better storage profits. Too, a rising customer count in Portland augurs well for increased usage rates. All told, we have raised our share-net estimate by $0.10 to $2.25, for 2014.

Rate cases should be decided in the new year. A docket involving pensions should come to completion in early 2015. Too, the company has decisions pending on environmental recovery mechanisms, and interstate storage sharing. These decisions could come at any time, which may well benefit income, should the outcomes be positive.

Northwest's Mist expansion project appears to be on track. The company already received Oregon Public Utility Commission approval for two new rates on the venture, which has yet to get approval by Portland General Electric, and be launched. Company approval is scheduled for the fourth quarter, with service expected by 2017. This should allow for higher revenues and increased margins, eventually.

Management raised the quarterly dividend 1% to $0.465. This is the 59th annual raise at the company, which has remained the top priority for management. The balance sheet appears to be in solid condition, and most of the cash flows ought to be used to keep funding the dividend. The payout ratio continues to be higher than the historical levels, so we expect increases going forward to be small. The yield remains one of the best attributes of this issue.

Income-minded investors may want to consider shares of Northwest Natural Gas. This issue carries our Highest mark for Safety and a top score for Price Stability. Although, it only offers modest appreciation potential, the stock has decent total return prospects on a risk-adjusted basis, after factoring in the dividend component.

John E. Seibert III *December 5, 2014*

(A) Diluted earnings per share. Excludes nonrecurring items: '98, $0.15; '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢; May not sum due to rounding. Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2013: $369.6 million, $13.65/share.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	100

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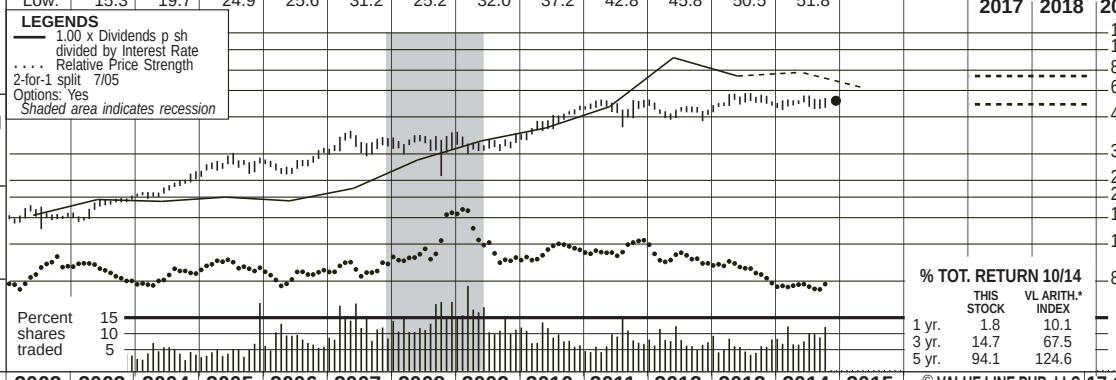
SOUTH JERSEY INDS. NYSE-SJI

RECENT PRICE **57.10** | P/E RATIO **17.7** (Trailing: 16.6 Median: 17.0) | RELATIVE P/E RATIO **0.96** | DIV'D YLD **3.6%** | VALUE LINE

TIMELINESS 3 Lowered 8/15/14
SAFETY 2 Lowered 1/4/91
TECHNICAL 3 Lowered 10/24/14
BETA .80 (1.00 = Market)

High:	20.3	26.5	32.4	34.3	41.3	40.6	40.8	54.2	58.0	58.0	62.3	60.7
Low:	15.3	19.7	24.9	25.6	31.2	25.2	32.0	37.2	42.8	45.8	50.5	51.8

Target Price Range 2017 | 2018 | 2019



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	75	(+30%)	10%
Low	55	(-5%)	3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	1	2
Options	0	0	0	0	0	0	0	0	0
to Sell	1	1	4	1	1	4	1	1	0

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	77	77	78
to Sell	64	70	73
Hld's(000)	20772	20490	20673

% TOT. RETURN 10/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	1.8	10.1
3 yr.	14.7	67.5
5 yr.	94.1	124.6

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
20.89	17.60	22.43	35.30	20.69	26.34	29.51	31.78	31.76	32.30	32.36	28.37	30.97	27.42	22.31	22.36	**25.00**	**27.15**	Revenues per sh	**34.20**
1.44	1.84	1.95	1.90	2.12	2.24	2.44	2.51	3.51	3.20	3.48	3.72	4.21	4.46	4.69	4.95	**5.00**	**5.50**	"Cash Flow" per sh	**7.45**
.64	1.01	1.08	1.15	1.22	1.37	1.58	1.71	2.46	2.09	2.27	2.38	2.70	2.89	3.03	3.03	**3.30**	**3.50**	Earnings per sh A	**4.80**
.72	.72	.73	.74	.75	.78	.82	.86	.92	1.01	1.11	1.22	1.36	1.50	1.65	1.80	**1.95**	**2.10**	Div'ds Decl'd per sh B ■	**2.60**
3.06	2.19	2.21	2.82	3.47	2.36	2.67	3.21	2.51	1.88	2.08	3.67	5.59	6.39	8.02	9.68	**7.95**	**8.15**	Cap'l Spending per sh	**8.70**
6.23	6.74	7.25	7.81	9.67	11.26	12.41	13.50	15.11	16.25	17.33	18.24	19.08	20.66	23.26	25.28	**26.45**	**28.55**	Book Value per sh C	**32.90**
21.56	22.30	23.00	23.72	24.41	26.46	27.76	28.98	29.33	29.61	29.73	29.80	29.87	30.21	31.65	32.72	**34.00**	**35.00**	Common Shs Outst'g D	**38.00**
21.2	13.3	13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	18.9	*Bold figures are*		Avg Ann'l P/E Ratio	**14.0**
1.10	.76	.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	1.06	*Value Line*		Relative P/E Ratio	**.90**
5.3%	5.4%	5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	3.1%	*estimates*		Avg Ann'l Div'd Yield	**3.9%**

CAPITAL STRUCTURE as of 9/30/14
Total Debt $1158.8 mill. **Due in 5 Yrs** $548.5 mill.
LT Debt $935.4 mill. **LT Interest** $22.0 mill.
(Total interest coverage: 4.0x)

Leases, Uncapitalized Annual rentals $.9 mill.
Pension Assets-12/13 $178.1 mill. **Oblig.** $216.4 mill.

Pfd Stock None

Common Stock 33,646,410 shs. **as of 11/1/14**

MARKET CAP: $1.9 billion (Mid Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
819.1	921.0	931.4	956.4	962.0	845.4	925.1	828.6	706.3	731.4	**850**	**950**	Revenues ($mill)	**1300**
43.0	48.6	72.0	61.8	67.7	71.3	81.0	87.0	93.3	97.1	**110**	**122.5**	Net Profit ($mill)	**182.5**
40.9%	41.5%	41.3%	41.9%	47.7%	23.0%	15.2%	22.4%	10.8%	25.0%	**20.0%**	**25.0%**	Income Tax Rate	**25.0%**
5.2%	5.3%	7.7%	6.5%	7.0%	8.4%	8.8%	10.5%	13.2%	13.3%	**12.9%**	**12.9%**	Net Profit Margin	**14.0%**
48.7%	44.9%	44.7%	42.7%	39.2%	36.5%	37.4%	40.5%	45.0%	45.1%	**52.0%**	**50.5%**	Long-Term Debt Ratio	**48.0%**
51.0%	55.1%	55.3%	57.3%	60.8%	63.5%	62.6%	59.5%	55.0%	54.9%	**48.0%**	**49.5%**	Common Equity Ratio	**52.0%**
675.0	710.3	801.1	839.0	848.0	856.4	910.1	1048.3	1337.6	1507.4	**1875**	**2025**	Total Capital ($mill)	**2400**
799.9	877.3	920.0	948.9	982.6	1073.1	1193.3	1352.4	1578.0	1859.1	**2050**	**2200**	Net Plant ($mill)	**2650**
7.9%	8.3%	10.1%	8.6%	8.9%	9.0%	9.5%	8.9%	7.4%	6.8%	**6.5%**	**6.5%**	Return on Total Cap'l	**8.0%**
12.4%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	**12.0%**	**12.5%**	Return on Shr. Equity	**14.5%**
12.5%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	11.7%	**12.0%**	**12.5%**	Return on Com Equity	**14.5%**
5.9%	6.2%	10.2%	6.7%	6.7%	6.4%	7.1%	6.7%	5.8%	4.8%	**5.0%**	**5.0%**	Retained to Com Eq	**6.5%**
52%	50%	37%	48%	49%	51%	50%	52%	55%	59%	**60%**	**60%**	All Div'ds to Net Prof	**54%**

CURRENT POSITION ($MILL.)	2012	2013	9/30/14
Cash Assets	4.6	3.8	3.8
Other	390.2	479.1	421.9
Current Assets	394.8	482.9	425.7
Accts Payable	193.3	259.8	211.6
Debt Due	363.9	374.9	223.4
Other	94.6	130.3	169.1
Current Liab.	651.8	765.0	604.1
Fix. Chg. Cov.	579%	370%	354%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	-1.5%	-5.5%	6.0%
"Cash Flow"	8.5%	6.5%	8.0%
Earnings	9.0%	5.5%	8.0%
Dividends	8.0%	10.0%	8.0%
Book Value	9.0%	7.5%	6.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	331.9	160.5	137.6	198.6	828.6
2012	274.8	121.9	112.0	197.6	706.3
2013	255.6	122.6	128.8	224.4	731.4
2014	350.2	133.3	122.4	**244.1**	**850**
2015	**370**	**150**	**145**	**285**	**950**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	1.63	.20	.01	1.05	2.89
2012	1.65	.28	.13	.97	3.03
2013	1.52	.31	d.04	1.23	3.03
2014	2.02	.30	d.10	**1.08**	**3.30**
2015	**1.90**	**.35**	**.05**	**1.20**	**3.50**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	- -	.330	.330	.695	1.36
2011	- -	.365	.365	.768	1.50
2012	- -	.403	.403	.845	1.65
2013	- -	.443	.443	.915	1.80
2014	- -	.473	.473	.473	

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 362,256 customers in New Jersey's southern counties, which covers about 2,500 square miles and includes Atlantic City. Gas revenue mix '13: residential, 42%; commercial, 20%; cogeneration and electric generation, 16%; industrial, 22%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, Marina Energy, and South Jersey Energy Service Plus. Has about 700 employees. Off./dir. own .8% of common shares; BlackRock Inc., 9.5%; The Vanguard Group Inc., 7.1% (3/14 proxy). Chrmn. & CEO: Edward Graham. Inc.: NJ. Addr.: 1 South Jersey Plaza, Folsom, NJ 08037. Tel.: 609-561-9000. Web: www.sjindustries.com.

Shares of South Jersey Industries have pulled back somewhat in recent weeks, following a nice advance from late September to early November. The company posted unfavorable results for the third quarter. Revenues declined roughly 5%, on a year-over-year basis. South Jersey reported a share deficit of $0.10, which fell short of the prior-year tally. The utility business posted modest top-line growth, and greater earnings for the recent interim. However, this was more than offset by weakness at the non-utility operation. We expect an unfavorable bottom-line comparison in the fourth quarter, too, though full-year earnings ought to advance nicely, thanks to a strong showing in the first quarter.

We envision solid operating performance from 2015 onward. Utility South Jersey Gas ought to be an important driver of earnings growth going forward. This line should continue to benefit from customer additions, as natural gas remains the fuel of choice within its service territory. SJG should further gain from a significant number of heating conversions to natural gas, which can offer homeowners significant cost savings. We expect improvement on the nonutility side, as well. SJ Energy Group's gas marketing activities should benefit from contributions from a growing portfolio of capacity assets, along with an emphasis on fee-based manager activities. Elsewhere, SJ Energy Services segment should continue to gain from its portfolio of on-site energy production assets. This includes its Combined Heat and Power (CHP) thermal projects. Long-term prospects remain bright here, given the multitude of successful applications for this technology and the high returns associated with these projects.

This stock is neutrally ranked for year-ahead relative price performance. Conservative investors with a long time horizon may find something to like here. South Jersey earns good marks for Safety, Price Stability, and Earnings Predictability. We anticipate solid growth in revenues, share earnings, and dividends at the company for the pull to late decade. Total return potential is decent, on a risk-adjusted basis, thanks to the healthy dividend yield.

Michael Napoli, CFA *December 5, 2014*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $2.10; '08, $2.58; '09, $1.94; '10, $2.22; '11, $2.97; '12, $2.97; '13, $2.55. Excl. nonrecur. gain (loss): '01, $0.13; '08, $0.31; '09, ($0.44); '10, ($0.47); '11, $0.08; '12, ($0.06); '13, ($0.48). Earnings may not sum due to rounding. Next egs. report due in February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2013: $296.1 mill., $9.05 per shr. (D) In mill., adj. for split.

Company's Financial Strength	A
Stock's Price Stability	95
Price Growth Persistence	60
Earnings Predictability	95

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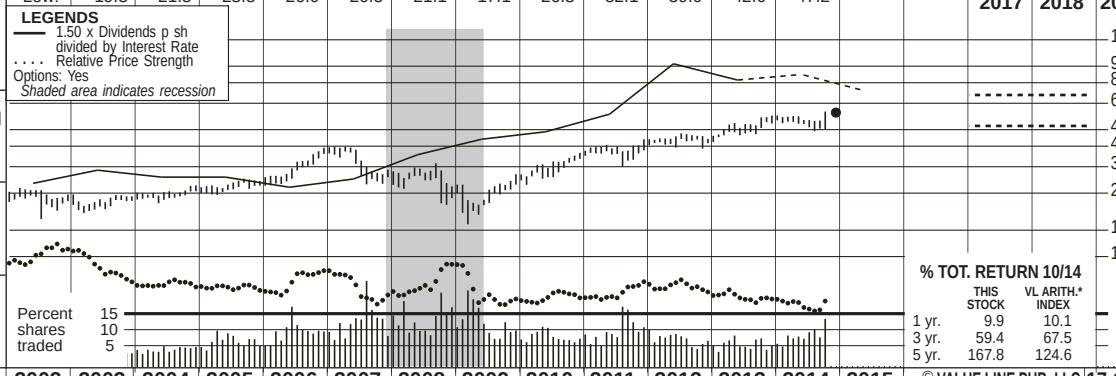
SOUTHWEST GAS NYSE-SWX

RECENT PRICE 57.73 | P/E RATIO 18.2 (Trailing: 19.4 Median: 16.0) | RELATIVE P/E RATIO 0.99 | DIV'D YLD 2.7% | VALUE LINE

TIMELINESS 2 Raised 9/19/14
SAFETY 3 Lowered 1/4/91
TECHNICAL 3 Lowered 10/24/14
BETA .85 (1.00 = Market)

High:	23.6	26.2	28.1	39.4	39.9	33.3	29.5	37.3	43.2	46.1	56.0	59.8
Low:	19.3	21.5	23.5	26.0	26.5	21.1	17.1	26.3	32.1	39.0	42.0	47.2

Target Price Range 2017 | 2018 | 2019



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+20%)	7%
Low	50	(-15%)	Nil

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	1	0	0	0	0	0
to Sell	3	0	0	2	3	0	0	0	2

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	81	98	92
to Sell	74	68	91
Hld's(000)	36373	35950	36272

% TOT. RETURN 10/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	9.9	10.1
3 yr.	59.4	67.5
5 yr.	167.8	124.6

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
30.17	30.24	32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	42.08	*43.60*	*44.25*	Revenues per sh	*53.00*
4.48	4.45	4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.24	*8.40*	*8.80*	"Cash Flow" per sh	*10.00*
1.65	1.27	1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.11	*3.05*	*3.25*	Earnings per sh A	*4.00*
.82	.82	.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	*1.46*	*1.56*	Div'ds Decl'd per sh B■†	*1.80*
6.40	7.41	7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	7.86	*8.50*	*9.40*	Cap'l Spending per sh	*12.00*
15.67	16.31	16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.35	30.47	*31.90*	*32.80*	Book Value per sh	*37.00*
30.41	30.99	31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.36	*47.00*	*48.00*	Common Shs Outst'g C	*50.00*
13.2	21.1	16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	15.8	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
.69	1.20	1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	.89	*Value Line*		Relative P/E Ratio	*.95*
3.8%	3.1%	4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	2.7%	*estimates*		Avg Ann'l Div'd Yield	*3.0%*

CAPITAL STRUCTURE as of 9/30/14
Total Debt $1449.0 mill. **Due in 5 Yrs** $90.0 mill.
LT Debt $1437.7 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 4.1x) (48% of Cap'l)
Leases, Uncapitalized Annual rentals $7.0 mill.
Pension Assets-12/13 $762.3 mill. **Oblig.** $944.7 mill.
Pfd Stock None

Common Stock 46,518,555 shs. as of 10/29/14

MARKET CAP: $2.7 billion (Mid Cap)

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
1477.1	1714.3	2024.7	2152.1	2144.7	1893.8	1830.4	1887.2	1927.8	1950.8	*2050*	*2125*	Revenues ($mill)	*2650*
58.9	48.1	80.5	83.2	61.0	87.5	103.9	112.3	133.3	145.3	*145*	*157.5*	Net Profit ($mill)	*200*
34.8%	29.7%	37.3%	36.5%	40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	*35.0%*	*35.0%*	Income Tax Rate	*35.0%*
4.0%	2.8%	4.0%	3.9%	2.8%	4.6%	5.7%	6.0%	6.9%	7.4%	*7.1%*	*7.4%*	Net Profit Margin	*7.5%*
64.2%	63.8%	60.6%	58.1%	55.3%	53.5%	49.1%	43.2%	49.2%	49.4%	*49.0%*	*49.0%*	Long-Term Debt Ratio	*49.5%*
35.8%	36.2%	39.4%	41.9%	44.7%	46.5%	50.9%	56.8%	50.8%	50.6%	*51.0%*	*51.0%*	Common Equity Ratio	*50.5%*
1968.6	2076.0	2287.8	2349.7	2323.3	2371.4	2291.7	2155.9	2576.9	2793.7	*2950*	*3100*	Total Capital ($mill)	*3650*
2336.0	2489.1	2668.1	2845.3	2983.3	3034.5	3072.4	3218.9	3343.8	3486.1	*3650*	*3800*	Net Plant ($mill)	*4200*
5.0%	4.3%	5.5%	5.5%	4.5%	5.4%	6.1%	6.4%	6.4%	6.3%	*6.0%*	*6.5%*	Return on Total Cap'l	*6.5%*
8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	*9.5%*	*10.0%*	Return on Shr. Equity	*11.0%*
8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	10.3%	*9.5%*	*10.0%*	Return on Com Equity	*11.0%*
4.3%	2.2%	5.2%	4.8%	2.1%	4.1%	5.1%	5.3%	6.1%	6.1%	*5.0%*	*5.0%*	Retained to Com Eq	*6.0%*
49%	65%	42%	44%	63%	48%	43%	43%	40%	41%	*47%*	*48%*	All Div'ds to Net Prof	*45%*

CURRENT POSITION ($MILL.)	2012	2013	9/30/14
Cash Assets	25.5	41.1	39.2
Other	432.9	453.6	411.3
Current Assets	458.4	494.7	450.5
Accts Payable	155.7	183.5	99.0
Debt Due	50.1	11.1	11.3
Other	329.3	239.6	283.7
Current Liab.	535.1	434.2	394.0
Fix. Chg. Cov.	399%	430%	392%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	.5%	-3.0%	*4.0%*
"Cash Flow"	4.5%	5.0%	*4.5%*
Earnings	9.5%	9.5%	*6.0%*
Dividends	4.0%	6.5%	*7.0%*
Book Value	5.0%	4.5%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	628.4	388.5	352.6	517.7	1887.2
2012	657.6	409.8	371.8	488.6	1927.8
2013	613.5	411.6	387.3	538.4	1950.8
2014	608.4	453.2	432.5	*555.9*	*2050*
2015	*650*	*465*	*430*	*580*	*2125*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	1.48	.09	d.34	1.19	2.43
2012	1.70	d.08	d.09	1.34	2.86
2013	1.73	.22	d.06	1.22	3.11
2014	1.51	.21	.04	*1.29*	*3.05*
2015	*1.60*	*.25*	*.05*	*1.35*	*3.25*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.238	.250	.250	.250	.99
2011	.250	.265	.265	.265	1.05
2012	.265	.295	.295	.295	1.15
2013	.295	.330	.330	.330	1.29
2014	.330	.365	.365	.365	

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 1.9 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2013 margin mix: residential and small commercial, 85%; large commercial and industrial, 4%; transportation, 11%. Total throughput: 2.2 billion therms. Has 5,980 employees. Off. & Dir. own 1.4% of common stock; BlackRock Inc., 9.4%; The Vanguard Group, Inc., 7.2%; GAMCO Investors, Inc., 7.0%; T. Rowe Price Assoc., Inc., 6.6% (3/14 Proxy). Chairman: Michael J. Melarkey. CEO: Jeffrey W. Shaw. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Tel.: 702-876-7237. Web: www.swgas.com.

Shares of Southwest Gas have advanced sharply in recent weeks, and are trading near an all-time high. The company posted strong performance for the third quarter. Revenues advanced roughly 12%, on a year-over-year basis. Share earnings of $0.04 were a nice improvement over the prior-year result. Both revenues and share net exceeded expectations. This was primarily the result of a record contribution from construction services subsidiary NPL. This business posted earnings of $13.4 million for the recent interim. Elsewhere, revenues at the natural gas segment benefited from rate relief in California and the addition of roughly 29,000 new customers over the past 12 months. But cost of gas sold also increased at a fast pace, and this business posted a loss of $11.5 million for the September period. Losses are fairly common here in the third quarter, due to seasonal factors.

We expect favorable comparisons for the coming quarters. NPL should continue to benefit from healthy demand, given the need to replace aging infrastructure. Moreover, this line has recently completed several acquisitions that will expand its customer base, geographic scope, and technical service offerings. These additions will create one of the largest underground natural gas distribution contractors in North America. Meanwhile, the utility business ought to further benefit from modest growth in its customer base. Efforts to control operating expenses should also bear fruit. Recently granted rate relief will continue to support performance going forward. A focus on procuring rate relief is important, as the utility depends on such approved revenue increases to compensate it for higher operating costs and investment in infrastructure.

These shares are favorably ranked for Timeliness. Moreover, this equity earns good marks for Price Stability, Earnings Predictability, and Price Growth Persistence. We expect solid growth in revenues, share earnings, and dividends at Southwest Gas over the pull to 2017-2019. However, this appears to be partly reflected in the recent quotation, and appreciation potential is limited at this juncture. Moreover, the dividend yield is below average for a utility.

Michael Napoli, CFA *December 5, 2014*

(A) Diluted earnings. Excl. nonrec. gains (losses): '02, (10¢); '05, (11¢); '06, 7¢. Earnings may not sum due to rounding. Next egs. report due late February. (B) Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	75

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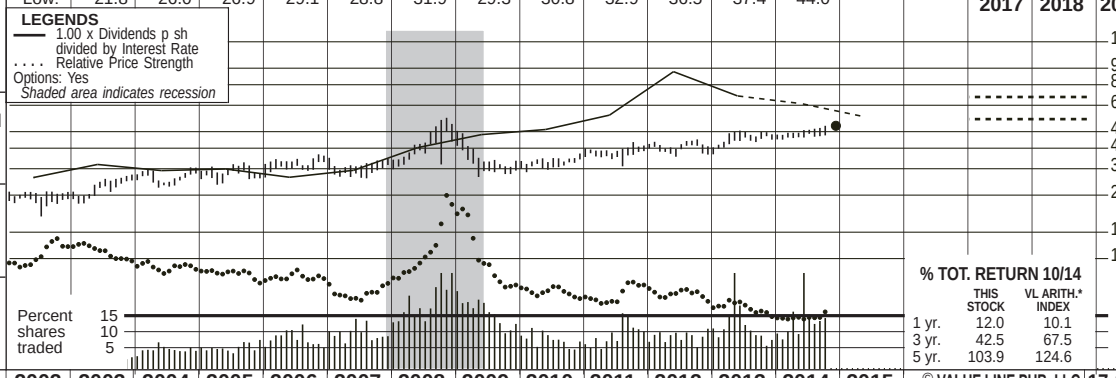
LACLEDE GROUP NYSE-LG

RECENT PRICE 51.18 | P/E RATIO 18.0 (Trailing: 21.8 Median: 14.0) | RELATIVE P/E RATIO 0.98 | DIV'D YLD 3.6% | VALUE LINE

TIMELINESS 3 Raised 5/9/14
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 10/24/14
BETA .70 (1.00 = Market)

High:	30.0	32.5	34.3	37.5	36.0	55.8	48.3	37.8	42.8	44.0	48.5	51.7
Low:	21.8	26.0	26.9	29.1	28.8	31.9	29.3	30.8	32.9	36.5	37.4	44.0

Target Price Range 2017 | 2018 | 2019



2017-19 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+35%)	11%
Low	55	(+5%)	6%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	1	1
to Sell	0	0	0	0	0	0	0	1	1

Institutional Decisions

	4Q2013	1Q2014	2Q2014
to Buy	84	77	125
to Sell	69	76	53
Hld's(000)	21362	21514	32190

% TOT. RETURN 10/14

	THIS STOCK	VL ARITH.* INDEX
1 yr.	12.0	10.1
3 yr.	42.5	67.5
5 yr.	103.9	124.6

1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	© VALUE LINE PUB. LLC	17-19
31.04	26.04	29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.90	31.10	*37.75*	*55.80*	Revenues per sh A	*57.75*
3.02	2.56	2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.12	*3.90*	*5.05*	"Cash Flow" per sh	*6.15*
1.58	1.47	1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	2.35	*3.00*	Earnings per sh A B	*4.05*
1.32	1.34	1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	1.70	1.76	*1.84*	Div'ds Decl'd per sh C■	*2.20*
2.68	2.58	2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.83	4.00	*3.97*	*6.95*	Cap'l Spending per sh	*6.65*
14.57	14.96	14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.67	32.00	*35.00*	*37.10*	Book Value per sh D	*40.45*
17.63	18.88	18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.55	32.70	*43.10*	*43.00*	Common Shs Outst'g E	*45.00*
15.5	15.8	14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	21.3	19.8		Avg Ann'l P/E Ratio	*15.5*
.81	.90	.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.92	1.19	1.03		Relative P/E Ratio	*.95*
5.4%	5.8%	6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	4.0%	3.8%		Avg Ann'l Div'd Yield	*3.5%*

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		17-19
1250.3	1597.0	1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	1627.2	*2400*	Revenues ($mill) A	*2600*
36.1	40.1	50.5	49.8	57.6	64.3	54.0	63.8	62.6	52.8	84.6	*130*	Net Profit ($mill)	*180*
34.8%	34.1%	32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	29.6%	25.0%	27.6%	*30.0%*	Income Tax Rate	*30.0%*
2.9%	2.5%	2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	5.2%	5.2%	*5.4%*	Net Profit Margin	*7.0%*
51.6%	48.1%	49.5%	45.3%	44.4%	42.9%	40.5%	38.9%	36.1%	46.6%	*55.0%*	*54.0%*	Long-Term Debt Ratio	*52.0%*
48.3%	51.8%	50.4%	54.6%	55.5%	57.1%	59.5%	61.1%	63.9%	53.4%	*45.0%*	*46.0%*	Common Equity Ratio	*48.0%*
737.4	707.9	798.9	784.5	876.1	906.3	899.9	937.7	941.0	1959.0	3359.4	*3420*	Total Capital ($mill)	*3790*
646.9	679.5	763.8	793.8	823.2	855.9	884.1	928.7	1019.3	1776.6	2759.7	*2895*	Net Plant ($mill)	*3130*
6.6%	7.6%	8.4%	8.5%	8.1%	8.7%	7.4%	8.1%	7.9%	3.3%	*3.5%*	*4.5%*	Return on Total Cap'l	*5.5%*
10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	*6.6%*	*8.0%*	Return on Shr. Equity	*10.0%*
10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.4%	5.0%	*6.6%*	*8.0%*	Return on Com Equity	*10.0%*
2.7%	3.1%	5.1%	4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	1.0%	*2.4%*	*3.0%*	Retained to Com Eq	*4.5%*
73%	72%	59%	63%	56%	53%	64%	56%	59%	81%	75%	*61%*	All Div'ds to Net Prof	*54%*

CAPITAL STRUCTURE as of 9/30/14
Total Debt $2138.1 mill. **Due in 5 Yrs** $100.0 mill.
LT Debt $1851.0 mill. **LT Interest** $50.0 mill.
(Total interest coverage: 4.3x)

Leases, Uncapitalized Annual rentals $12.0 mill.
Pension Assets-9/14 $506.6 mill. **Oblig.** $692.5 mill.
Pfd Stock None
Common Stock 43,167,152 shs. **as of 8/4/14**

MARKET CAP: $2.2 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2012	2013	9/30/14
Cash Assets	27.5	53.0	16.1
Other	315.5	422.9	588.8
Current Assets	343.0	475.9	604.9
Accts Payable	89.5	140.2	176.7
Debt Due	40.1	74.0	287.1
Other	122.5	139.0	319.0
Current Liab.	252.1	353.2	782.8
Fix. Chg. Cov.	443%	337%	423%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '11-'13 to '17-'19
Revenues	.5%	-12.0%	*2.0%*
"Cash Flow"	3.5%	.5%	*7.0%*
Earnings	5.0%	1.0%	*8.0%*
Dividends	2.0%	2.5%	*5.0%*
Book Value	6.0%	7.0%	*6.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2011	444.2	543.8	344.3	271.0	1603.3
2012	410.9	358.2	186.9	169.5	1125.5
2013	307.0	397.6	165.3	147.1	1017.0
2014	468.6	694.5	241.8	222.3	1627.2
2015	*750*	*920*	*380*	*350*	*2400*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2011	1.05	1.25	.69	d.13	2.86
2012	1.12	1.32	.38	d.03	2.79
2013	1.14	1.34	.25	d.30	2.02
2014	1.09	1.59	.33	d.35	2.35
2015	*1.00*	*2.10*	*.10*	*d.20*	*3.00*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	.405	.405	.405	.405	1.62
2012	.415	.415	.415	.415	1.66
2013	.425	.425	.425	.425	1.70
2014	.44	.44	.44	.44	
2015	.46				

BUSINESS: Laclede Group, Inc., is a holding company for Laclede Gas, which distributes natural gas across Missouri, including the cities of St. Louis and Kansas City. Has roughly 1.6 million customers. Purchased SM&P Utility Resources, 1/02; divested, 3/08. Acquired Missourri Gas 9/13, Alabama Gas Co 9/14. Utility therms sold and transported in fiscal 2013: .86 bill. Revenue mix for regulated operations: residential, 65%; commercial and industrial, 21%; transportation, 2%; other, 12%. Has around 2,326 employees. Officers and directors own approximately 4% of common shares (1/14 proxy). Chairman: William E. Nasser; CEO: Suzanne Sitherwood. Inc.: Missouri. Address: 720 Olive Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

The Laclede Group closed its fiscal year on a mixed note (Year ended September 30th). Fourth-quarter revenues climbed to $222.3 million, aided by the contributions from Missouri Gas and a partial quarter of Alagasco income. Still, the bottom line fell to a loss of $0.35 a share, hurt by higher interest expenses but partially offset by an elevated share count. With the higher share count, and acquisition-related expenses GAAP earnings only reached $2.35 for 2014. *Note: The first three quarters share earnings were not restated as part of the 10-K release, thus earnings will not sum.*

The company completed its Alagasco merger. Indeed, Laclede completed its purchase in September, allowing it to expand its coverage area outside of Missouri, and into Alabama. This move has significantly increased the debt load, but will provide for solid earnings expansion going forward. The deal came a year after the purchase of Missouri Gas, which doubled the customer base.

The new year should be a banner year for The Laclede Group. A cooler-than-usual winter is expected in the coverage areas, allowing for solid expansion. Too, the company will receive full years of revenues from its Alagasco purchase, providing for higher gross contributions. Acquisition-related expenses should fall, and synergies should start to be achieved on its bottom line. The company received approval for an ISRS increase of $2.8 million for legacy Laclede and $2.0 million for Missouri Gas. These should allow for solid earnings expansion in 2015. We expect profits will hit $3.00 per share.

Management raised its quarterly dividend by 5% to $0.46 a share. This remains a top draw for the company and should continue to expand at a strong clip going forward. It remains well covered by cash flows, and is projected to grow 5% annually out to the 2017-2019 period.

These shares are neutrally ranked for Timeliness (3). They offer a solid and growing payout, and have some appreciation potential as well. The stock earns our highest mark for Price Stability and has an Above-Average Safety rank. This issue should appeal to risk-averse and income-seeking long-term accounts.

John E. Seibert III *December 5, 2014*

(A) Fiscal year ends Sept. 30th. (B) Based on diluted shares outstanding. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '13: $545.9 mill., $16.70/sh. (E) In millions. (F) Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	40
Earnings Predictability	85

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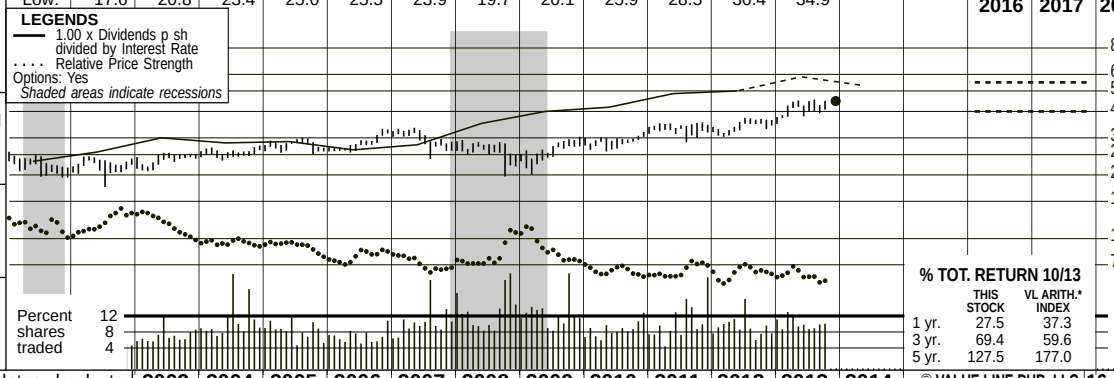
ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
44.80	16.7	(Trailing: 17.8 Median: 14.0)	0.91	3.3%	VALUE LINE

TIMELINESS 3 Lowered 7/12/13
SAFETY 2 Raised 12/16/05
TECHNICAL 4 Lowered 11/22/13
BETA .80 (1.00 = Market)

High:	24.5	25.5	27.6	30.0	33.1	33.5	29.3	30.3	32.0	35.6	37.3	47.4
Low:	17.6	20.8	23.4	25.0	25.5	23.9	19.7	20.1	25.9	28.5	30.4	34.9

Target Price Range
2016 | 2017 | 2018



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+25%)	8%
Low	40	(-10%)	1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	5	0	0	0	0
to Sell	0	0	3	0	0	1	0	0	0

Institutional Decisions

	1Q2013	2Q2013	3Q2013
to Buy	125	126	128
to Sell	120	121	123
Hld's(000)	56136	57357	60255

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	27.5	37.3
3 yr.	69.4	59.6
5 yr.	127.5	177.0

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
54.39	46.50	61.75	75.27	66.03	79.52	53.69	53.12	48.15	38.10	42.95	45.65	Revenues per sh A	56.30
3.23	2.91	3.90	4.26	4.14	4.19	4.29	4.64	4.72	4.76	5.15	5.35	"Cash Flow" per sh	6.20
1.71	1.58	1.72	2.00	1.94	2.00	1.97	2.16	2.26	2.10	2.50	2.70	Earnings per sh A B	3.30
1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	1.40	1.48	Div'ds Decl'd per sh C■	1.70
3.10	3.03	4.14	5.20	4.39	5.20	5.51	6.02	6.90	8.12	9.35	9.15	Cap'l Spending per sh	10.00
16.66	18.05	19.90	20.16	22.01	22.60	23.52	24.16	24.98	26.14	28.50	30.50	Book Value per sh	34.65
51.48	62.80	80.54	81.74	89.33	90.81	92.55	90.16	90.30	90.24	90.50	92.00	Common Shs Outst'g D	103.00
13.4	15.9	16.1	13.5	15.9	13.6	12.5	13.2	14.4	15.9	15.9		Avg Ann'l P/E Ratio	14.5
.76	.84	.86	.73	.84	.82	.83	.84	.90	1.01	.91		Relative P/E Ratio	.95
5.2%	4.9%	4.5%	4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%	3.5%		Avg Ann'l Div'd Yield	3.6%
2799.9	2920.0	4973.3	6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	3886.3	4200	Revenues ($mill) A	5800
79.5	86.2	135.8	162.3	170.5	180.3	179.7	201.2	199.3	192.2	230.7	250	Net Profit ($mill)	340
37.1%	37.4%	37.7%	37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	38.2%	38.0%	Income Tax Rate	40.0%
2.8%	3.0%	2.7%	2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	5.9%	6.0%	Net Profit Margin	5.9%
50.2%	43.2%	57.7%	57.0%	52.0%	50.8%	49.9%	45.4%	49.4%	45.3%	49.0%	49.0%	Long-Term Debt Ratio	49.0%
49.8%	56.8%	42.3%	43.0%	48.0%	49.2%	50.1%	54.6%	50.6%	54.7%	51.0%	51.0%	Common Equity Ratio	51.0%
1721.4	1994.8	3785.5	3828.5	4092.1	4172.3	4346.2	3987.9	4461.5	4315.5	5035	5500	Total Capital ($mill)	7000
1516.0	1722.5	3374.4	3629.2	3836.8	4136.9	4439.1	4793.1	5147.9	5475.6	6030	6440	Net Plant ($mill)	8000
6.2%	5.8%	5.3%	6.1%	5.9%	5.9%	5.9%	6.9%	6.1%	5.8%	6.0%	6.0%	Return on Total Cap'l	6.5%
9.3%	7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	9.0%	9.0%	Return on Shr. Equity	9.5%
9.3%	7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	8.1%	9.0%	9.0%	Return on Com Equity	9.5%
2.8%	1.7%	2.3%	3.6%	3.0%	3.1%	2.7%	3.5%	3.3%	2.8%	4.0%	4.0%	Retained to Com Eq	4.5%
70%	77%	73%	63%	65%	65%	68%	62%	62%	65%	56%	55%	All Div'ds to Net Prof	52%

CAPITAL STRUCTURE as of 6/30/13
Total Debt $2597.6 mill. **Due in 5 Yrs** $1320.0 mill.
LT Debt $2455.6 mill. **LT Interest** $110.0 mill.
(LT interest earned: 3.1x; total interest coverage: 3.1x)
Leases, Uncapitalized Annual rentals $17.6 mill.
Pfd Stock None
Pension Assets-9/12 $343.1 mill. **Oblig.** $480.0 mill.
Common Stock 90,640,211 shs. as of 8/2/13
MARKET CAP: $4.1 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2011	2012	6/30/13
Cash Assets	131.4	64.2	32.0
Other	879.6	763.8	650.3
Current Assets	1011.0	828.0	682.3
Accts Payable	291.2	215.2	229.9
Debt Due	208.8	571.1	142.0
Other	367.6	489.7	348.7
Current Liab.	867.6	1276.0	720.6
Fix. Chg. Cov.	432%	448%	445%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	5.0%	-7.0%	3.5%
"Cash Flow"	4.0%	3.0%	4.5%
Earnings	5.0%	3.0%	7.5%
Dividends	1.5%	1.5%	4.0%
Book Value	6.5%	4.0%	5.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2010	1292.9	1940.3	770.2	786.3	4789.7
2011	1133.3	1581.5	843.6	789.2	4347.6
2012	1084.0	1225.5	576.4	552.6	3438.5
2013	1034.2	1309.0	857.9	685.2	3886.3
2014	1085	1390	945	780	4200

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2010	1.00	1.17	d.03	.02	2.16
2011	.81	1.40	.04	.01	2.26
2012	.68	1.12	.31	- -	2.10
2013	.85	1.23	.36	.08	2.50
2014	.88	1.32	.40	.10	2.70

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.33	.33	.33	.335	1.33
2010	.335	.335	.335	.34	1.35
2011	.34	.34	.34	.345	1.37
2012	.345	.345	.345	.35	1.39
2013	.35	.35	.35	.37	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to more than three million customers through six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Gas sales breakdown for 2012: 65%, residential; 28%, commercial; 3%, industrial; and 4% other. 2012 depreciation rate 3.3%. Has around 4,760 employees. Officers and directors own 1.2% of common stock (12/12 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Incorporated: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

Decent operating results appear to be in store for Atmos Energy Corporation in fiscal 2014, which began on October 1st. The bread-and-butter natural gas distribution unit stands to benefit nicely from a rise in throughput, if weather conditions cooperate (leading to a boost in consumption levels). Furthermore, the other divisions, including the regulated transmission and storage segment, ought to perform reasonably well, overall. All things considered, we look for this year's share net to advance about 8%, to $2.70. Assuming additional expansion of operating margins, the bottom line might grow at a similar rate, to $2.90 a share, in fiscal 2015.

We are constructive about the company's 2016-2018 prospects. Atmos is one of the country's largest natural gas-only distributors, boasting more than three million customers across eight states. Moreover, the other businesses, particularly pipelines, possess healthy overall growth potential. Lastly, it seems likely that management will eventually resume its successful strategy of acquiring less efficient utilities and shoring up their profitability via expense-reduction efforts, rate relief, and dogged marketing initiatives. (The last major transaction occurred in October, 2004, when Atmos Energy bought TXU Gas Company.)

The quarterly common stock dividend was recently increased almost 6%, to $0.37 a share. Our 2016-2018 projections indicate that further, steady hikes in the distribution probably will take place. The payout ratio over that period ought to be within a manageable range (i.e., 50% to 55%).

Atmos stock recently traded at its highest level ever. We believe that movement reflects the market's anticipation of decent operating results for the energy company during the new fiscal year. Other positives include a 2 (Above Average) Safety rating and excellent grade for Price Stability.

But 3- to 5-year total return potential is not attractive. That's partly because the recent quotation is already within our Target Price Range. Meanwhile, the shares are ranked 3 (Average) for Timeliness.

Frederick L. Harris, III *December 6, 2013*

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '03, d17¢; '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢; '13, 14¢. Next egs. rpt. due early Feb.
(C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail.
(D) In millions.
(E) Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	90

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NEW JERSEY RES. NYSE-NJR

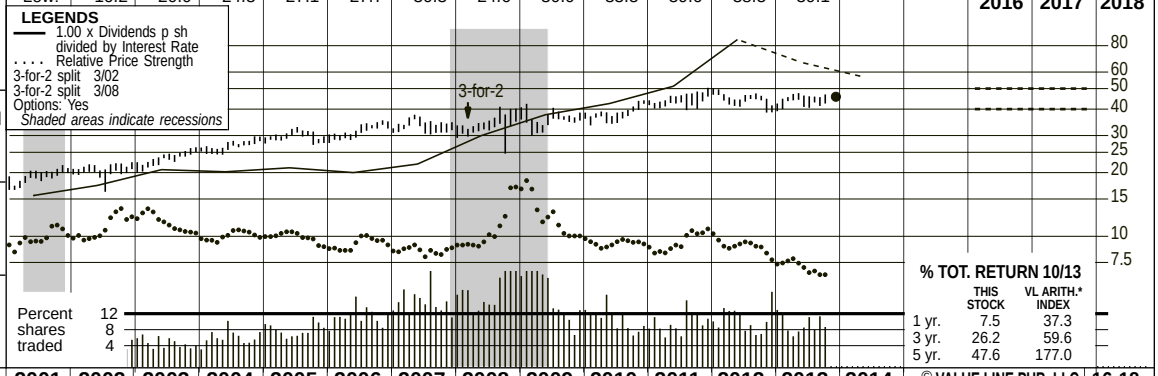
RECENT PRICE **45.78** | P/E RATIO **16.5** (Trailing: 16.9 / Median: 16.0) | RELATIVE P/E RATIO **0.90** | DIV'D YLD **3.7%** | VALUE LINE

TIMELINESS 3 Lowered 9/20/13
SAFETY 1 Raised 9/15/06
TECHNICAL 4 Lowered 12/6/13
BETA .70 (1.00 = Market)

High:	22.4	26.4	29.7	32.9	35.4	37.6	41.1	42.4	44.1	50.5	50.3	47.6
Low:	16.2	20.0	24.3	27.1	27.7	30.3	24.6	30.0	33.5	39.6	38.5	39.1

Target Price Range
2016 | 2017 | 2018

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
3-for-2 split 3/02
3-for-2 split 3/08
Options: Yes
Shaded areas indicate recessions



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+20%)	8%
Low	45	(Nil)	3%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	1	0
Options	0	0	0	0	0	1	0	0	0
to Sell	0	3	0	0	0	1	0	0	0

Institutional Decisions

	1Q2013	2Q2013	3Q2013
to Buy	72	75	91
to Sell	68	64	58
Hld's(000)	24522	23432	23011

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	7.5	37.3
3 yr.	26.2	59.6
5 yr.	47.6	177.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
17.31	17.73	22.65	29.42	51.22	44.11	62.29	60.89	76.19	79.63	72.62	90.74	62.34	64.10	72.60	54.16	76.77	82.35	Revenues per sh A	90.00
1.63	1.74	1.86	1.99	2.12	2.14	2.38	2.50	2.62	2.73	2.44	3.62	3.16	3.26	3.40	3.74	3.90	3.85	"Cash Flow" per sh	4.60
.99	1.04	1.11	1.20	1.30	1.39	1.59	1.70	1.77	1.87	1.55	2.70	2.40	2.46	2.58	2.71	2.73	2.80	Earnings per sh B	3.55
.71	.73	.75	.76	.78	.80	.83	.87	.91	.96	1.01	1.11	1.24	1.36	1.44	1.54	1.60	1.64	Div'ds Decl'd per sh C■	1.72
1.15	1.07	1.21	1.23	1.10	1.02	1.14	1.45	1.28	1.28	1.46	1.72	1.81	2.10	2.26	2.00	2.00	2.00	Cap'l Spending per sh	2.00
6.92	7.26	7.57	8.29	8.80	8.71	10.26	11.25	10.60	15.00	15.50	17.28	16.59	17.62	18.73	18.15	20.00	20.15	Book Value per sh D	25.55
40.23	40.07	39.92	39.59	40.00	41.50	40.85	41.61	41.32	41.44	41.61	42.06	41.59	41.17	41.45	41.53	41.66	40.00	Common Shs Outst'g E	40.00
13.5	15.3	15.2	14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8	16.0		Avg Ann'l P/E Ratio	14.0
.78	.80	.87	.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.08	.89		Relative P/E Ratio	.95
5.3%	4.6%	4.5%	4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.3%	3.7%		Avg Ann'l Div'd Yield	3.4%

2544.4	2533.6	3148.3	3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	3198.1	3295	Revenues ($mill) A	3600
65.4	71.6	74.4	78.5	65.3	113.9	101.0	101.8	106.5	112.8	115	115	Net Profit ($mill)	145
39.4%	39.1%	39.1%	38.9%	38.8%	37.8%	27.1%	41.4%	30.2%	8.6%	35.0%	35.0%	Income Tax Rate	35.0%
2.6%	2.8%	2.4%	2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	3.6%	3.4%	Net Profit Margin	4.0%
38.1%	40.3%	42.0%	34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	37.5%	38.5%	Long-Term Debt Ratio	33.0%
61.9%	59.7%	58.0%	65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	62.5%	61.5%	Common Equity Ratio	67.0%
676.8	783.8	755.3	954.0	1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1330	1305	Total Capital ($mill)	1520
852.6	880.4	905.1	934.9	970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1515	1545	Net Plant ($mill)	1640
10.7%	10.1%	11.2%	9.6%	7.7%	10.7%	9.7%	9.7%	9.7%	9.4%	9.5%	9.5%	Return on Total Cap'l	10.5%
15.6%	15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.9%	13.5%	14.0%	Return on Shr. Equity	14.0%
15.6%	15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	13.9%	13.5%	14.0%	Return on Com Equity	14.0%
7.7%	7.8%	8.5%	6.3%	3.6%	9.5%	7.2%	6.7%	6.2%	6.2%	5.5%	6.0%	Retained to Com Eq	7.5%
51%	49%	50%	50%	64%	40%	50%	52%	55%	56%	58%	58%	All Div'ds to Net Prof	48%

CAPITAL STRUCTURE as of 6/30/13
Total Debt $881.6 mill. **Due in 5 Yrs** $214.3 mill.
LT Debt $516.2 mill. **LT Interest** $19.6 mill.
Incl. $65.8 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/12 $207.8 mill. **Oblig.** $332.2 mill.
Pfd Stock None

Common Stock 41,380,558 shs.
as of 8/5/13
MARKET CAP: $1.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2011	2012	6/30/13
Cash Assets	7.4	4.5	1.9
Other	725.0	642.8	748.4
Current Assets	732.4	647.3	750.3
Accts Payable	66.0	265.8	336.3
Debt Due	166.9	287.6	365.4
Other	470.5	99.7	93.8
Current Liab.	703.4	653.1	795.5
Fix. Chg. Cov.	700%	700%	700%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	4.5%	-3.5%	6.0%
"Cash Flow"	5.0%	6.0%	5.0%
Earnings	7.0%	8.5%	5.5%
Dividends	6.5%	8.5%	3.0%
Book Value	8.0%	6.5%	5.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2010	609.6	918.4	479.8	631.5	2639.3
2011	713.2	977.0	648.1	670.9	3009.2
2012	642.4	612.9	425.1	568.5	2248.9
2013	736.0	960.9	767.5	733.7	3198.1
2014	760	985	790	760	3295

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2010	.66	1.55	.28	d.03	2.46
2011	.71	1.62	.23	.02	2.58
2012	1.09	1.79	.10	d.27	2.71
2013	.85	1.64	.23	d.01	2.73
2014	.87	1.66	.25	.02	2.80

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.34	.34	.34	.34	1.36
2011	.36	.36	.36	.36	1.44
2012	.38	.38	.38	.80	1.94
2013	- -	.40	.40	.40	
2014	.42				

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 500,070 customers at 9/30/12 in Monmouth and Ocean Counties, and other N.J. Counties. Fiscal 2012 volume: 161 bill. cu. ft. (6% interruptible, 31% residential and commercial and electric utility, 63% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2012 dep. rate: 2.3%. Has 927 empls. Off./dir. own about 1.1% of common (12/12 Proxy). Chrmn., CEO & Pres. : Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources recently posted solid fourth-quarter and fiscal-year financial results (ended September 30th). Indeed, revenues increased more than 40% to about $3.2 billion. This stemmed from double-digit gains at both the utility and nonutility segments, which reflected a more than 15% rise in system throughput volumes, to 844.1 bcf. New Jersey Natural Gas (NJNG), the regulated utility subsidiary, posted steady growth from customer additions, the continued benefits of its accelerated infrastructure investments, and regulatory initiatives. The NJNG unit added 7,456 new customers last year, which contributed nicely to overall operations. Additional gains stemmed from the NJR Energy Services, NJR Midstream, and NJR Home Services divisions. These positive factors were partially offset by declining contributions from the Clean Energy Ventures segment. On balance, NJR's bottom line ticked modestly higher, to $2.73 for the year. This was in line with our expectations.

We look for low- to mid-single-digit top- and bottom-line gains in fiscal 2014, to $3.295 billion and $2.80 a share, respectively. This ought to be supported by 14,000-16,000 new customers at the regulated utility division for fiscal 2014 and 2015, combined. The company has many capital projects in the works to help boost system capacity and reliability. At this point, the bulk of the damages related to Hurricane Sandy have been fixed. Those costs were lower than previously expected, but will still be about $35 million to $40 million. The remaining $9 million-$14 million will be deployed over the next two years. The company plans to file a rate case somewhere over that time frame, to cover the bulk of those expenses.

The company's first wind project adds to its alternative energy portfolio. NJR bought the wind farm for $22 million from OwnEnergy. It consists of six GE wind turbines with a total capacity of 9.72 megawatts. The farm is located in Montana and should be operational by the third quarter of this fiscal year. It helps to diversify NJR's clean energy investments and offsets its reliance on solar power.

These high-quality shares have modest appeal as an income vehicle.

Bryan J. Fong *December 6, 2013*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early Jan., April, July, and October. 1Q '13 div'd paid in 4Q '12. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2012: $441.3 million, $10.63/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	55

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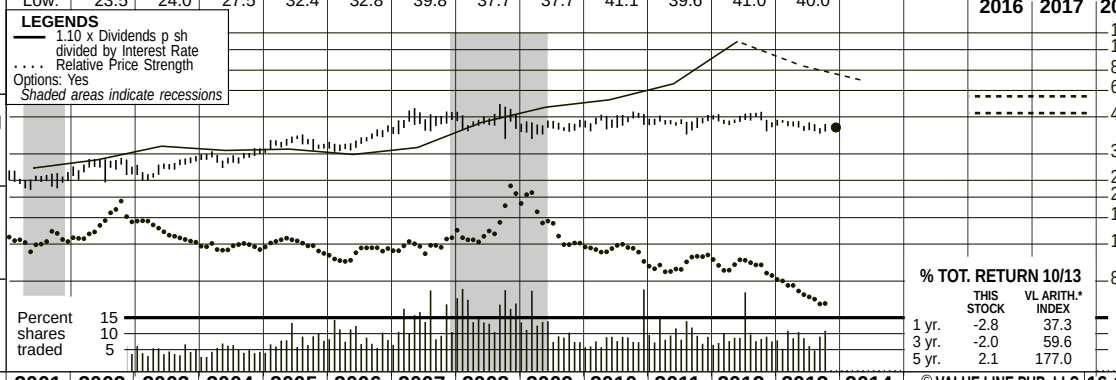
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE 42.80 | P/E RATIO 19.3 (Trailing: 19.3 Median: 17.0) | RELATIVE P/E RATIO 1.05 | DIV'D YLD 4.3% | VALUE LINE

TIMELINESS 3 Raised 7/5/13
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Lowered 11/8/13
BETA .65 (1.00 = Market)

High:	30.7	31.3	34.1	39.6	43.7	52.8	55.2	46.5	50.9	49.0	50.8	46.6
Low:	23.5	24.0	27.5	32.4	32.8	39.8	37.7	37.7	41.1	39.6	41.0	40.0

Target Price Range 2016 | 2017 | 2018



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+40%)	12%
Low	50	(+15%)	8%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	3	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q2013	2Q2013	3Q2013
to Buy	75	79	74
to Sell	53	63	53
Hld's(000)	16036	15076	15196

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-2.8	37.3
3 yr.	-2.0	59.6
5 yr.	2.1	177.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
15.82	16.77	18.17	21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	**26.50**	**27.40**	Revenues per sh	**28.95**
3.72	3.24	3.72	3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	**4.05**	**4.25**	"Cash Flow" per sh	**5.30**
1.76	1.02	1.70	1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	**2.15**	**2.30**	Earnings per sh A	**3.20**
1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	**1.83**	**1.87**	Div'ds Decl'd per sh B■	**2.00**
5.07	4.02	4.78	3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	**6.10**	**6.35**	Cap'l Spending per sh	**6.95**
16.02	16.59	17.12	17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	**27.90**	**29.10**	Book Value per sh D	**31.65**
22.86	24.85	25.09	25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	**27.00**	**27.00**	Common Shs Outst'g C	**28.00**
14.4	26.7	14.5	12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	*Bold figures are*		Avg Ann'l P/E Ratio	**17.0**
.83	1.39	.83	.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.35	*Value Line*		Relative P/E Ratio	**1.15**
4.8%	4.5%	5.0%	5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	*estimates*		Avg Ann'l Div'd Yield	**3.3%**

CAPITAL STRUCTURE as of 9/30/13
Total Debt $741.7 mill. **Due in 5 Yrs** $200 mill.
LT Debt $681.7 mill. **LT Interest** $45.0 mill.

(Total interest coverage: 3.3x)

Pension Assets-12/12 $249.6 mill. **Oblig.** $435.9 mill.

Pfd Stock None

Common Stock 27,002,556 shares as of 10/25/13

MARKET CAP $1.2 billion (Mid Cap)

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		16-18
611.3	707.6	910.5	1013.2	1033.2	1037.9	1012.7	812.1	848.8	730.6	**715**	**740**	Revenues ($mill)	**810**
46.0	50.6	58.1	65.2	74.5	68.5	75.1	72.7	63.9	59.9	**58.0**	**62.0**	Net Profit ($mill)	**90.0**
33.7%	34.4%	36.0%	36.3%	37.2%	36.9%	38.3%	40.5%	40.4%	42.4%	**38.0%**	**37.5%**	Income Tax Rate	**31.0%**
7.5%	7.1%	6.4%	6.4%	7.2%	6.6%	7.4%	8.9%	7.5%	8.2%	**8.1%**	**8.4%**	Net Profit Margin	**11.1%**
49.7%	46.0%	47.0%	46.3%	46.3%	44.9%	47.7%	46.1%	47.3%	48.5%	**48.5%**	**48.5%**	Long-Term Debt Ratio	**48.0%**
50.3%	54.0%	53.0%	53.7%	53.7%	55.1%	52.3%	53.9%	52.7%	51.5%	**51.5%**	**51.5%**	Common Equity Ratio	**52.0%**
1006.6	1052.5	1108.4	1116.5	1106.8	1140.4	1261.8	1284.8	1356.2	1424.7	**1470**	**1525**	Total Capital ($mill)	**1705**
1205.9	1318.4	1373.4	1425.1	1495.9	1549.1	1670.1	1854.2	1893.9	1973.6	**2055**	**2135**	Net Plant ($mill)	**2400**
5.7%	5.9%	6.5%	7.1%	8.5%	7.7%	7.3%	7.0%	6.2%	5.7%	**5.0%**	**5.0%**	Return on Total Cap'l	**6.5%**
9.1%	8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	**7.5%**	**8.0%**	Return on Shr. Equity	**10.0%**
9.0%	8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	8.2%	**7.5%**	**8.0%**	Return on Com Equity	**10.0%**
2.6%	2.7%	3.7%	4.5%	6.0%	4.5%	5.0%	4.0%	2.4%	1.6%	**1.0%**	**1.5%**	Retained to Com Eq	**4.0%**
72%	69%	63%	59%	52%	59%	56%	61%	73%	80%	**85%**	**81%**	All Div'ds to Net Prof	**63%**

CURRENT POSITION ($MILL.)	2011	2012	9/30/13
Cash Assets	5.8	8.9	16.1
Other	342.9	274.8	179.6
Current Assets	348.7	283.7	195.7
Accts Payable	86.3	85.6	67.7
Debt Due	181.6	190.3	60.0
Other	146.6	92.5	214.8
Current Liab.	414.5	368.4	342.5
Fix. Chg. Cov.	334%	329%	249%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	2.0%	-4.0%	*-.5%*
"Cash Flow"	3.0%	1.0%	*1.0%*
Earnings	3.5%	0.5%	*4.5%*
Dividends	3.5%	4.5%	*2.5%*
Book Value	4.0%	4.0%	*3.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	286.5	162.4	95.1	268.1	812.1
2011	323.1	161.2	93.3	271.2	848.8
2012	309.6	104.0	87.5	229.5	730.6
2013	277.9	131.7	88.2	**267.2**	**715**
2014	**240**	**140**	**90**	**270**	**740**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1.64	.26	d.28	1.11	2.73
2011	1.53	.08	d.31	1.09	2.39
2012	1.51	.05	d.39	1.05	2.22
2013	1.40	.08	d.31	**.98**	**2.15**
2014	**1.45**	**.10**	**d.30**	**1.05**	**2.30**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.395	.395	.395	.415	1.60
2010	.415	.415	.415	.435	1.68
2011	.435	.435	.435	.445	1.75
2012	.445	.445	.445	.455	1.79
2013	.455	.455	.455	.460	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 681,000 customers, in Oregon (90% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 59%; commercial, 29%; industrial, gas transportation, and other, 12%. Employs 1,092. BlackRock Inc. owns 8.2% of shares; officers and directors, 1.8% (4/13 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas reported decent third-quarter results. Though the top line was lower than expected, the bottom-line loss of $0.31 a share was better than expected. Margins expanded, allowing for the smaller loss, and the top line benefited from a recovering Portland area. The company received small increases in residential rates, which should benefit margins heading forward. The company has some outstanding rates cases concerning the pensions and incentive sharing percentages, which will likely be decided in 2014, leaving further upside to 2014 estimates. A $7 million disallowance from recovery was ruled to be too low, and will take until 2014 for a decision, potentially hurting next year's bottom line. We lowered our top line estimate by $20 million, to $715 million.

Compressed natural gas vehicles may be able to provide Northwest Natural Gas with some growth opportunities. The company filed a tariff, that if approved, would establish rates for vehicles. We think this could be decided in early 2014, but would take some time to be implemented.

The board raised the dividend by 1%, to $0.46 quarterly. This dividend aristocrat has raised its payout for 58 consecutive years. That said, this increase is one of the smallest that it has had in a decade. The yield remains one of the highest in the industry, and will likely continue to be the main attraction here. Further out, we expect dividend increases to remain small, as the company historically has kept a payout ratio between 60% and 70% (Its projected to pay out 85% in 2013).

The balance sheet is in good shape. The company sold some bonds worth $50 million during the third quarter, and cash flow remains solid. We think that capital projects will accelerate after decisions are given in the aforementioned cases.

Northwest Natural Gas shares have a Timeliness rank of 3 (Average). They are ranked 1 (Highest) for Safety and offer a good yield and 3- to 5-year total return potential. This issue carries a high Financial Strength rating of A, and has our highest Price Stability score. This issue is a solid choice for investors with a low risk tolerance.

John E. Seibert III *December 6, 2013*

(A) Diluted earnings per share. Excludes nonrecurring items: '98, $0.15; '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢; Next earnings report due in early February.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2012: $387.9 million, $14.41/share.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	55
Earnings Predictability	95

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SOUTH JERSEY INDS. NYSE-SJI

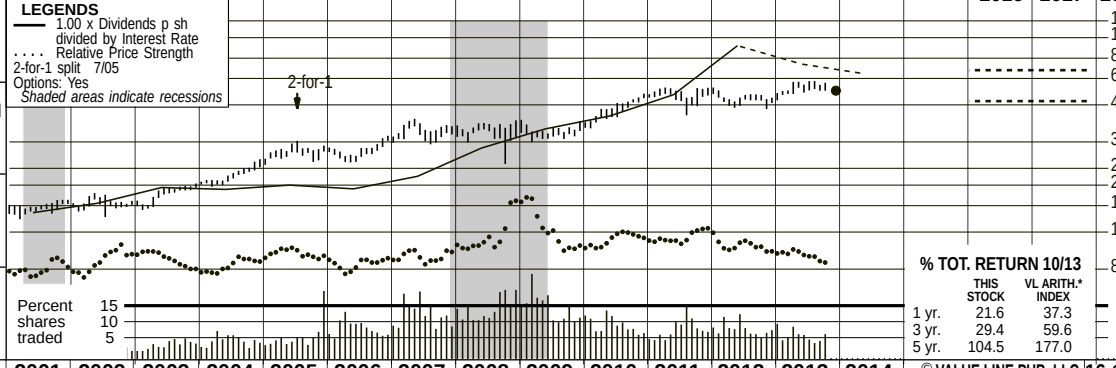
RECENT PRICE **55.97** | P/E RATIO **18.8** (Trailing: 20.2 / Median: 16.0) | RELATIVE P/E RATIO **1.03** | DIV'D YLD **3.5%** | VALUE LINE

TIMELINESS 4 Lowered 11/22/13
SAFETY 2 Lowered 1/4/91
TECHNICAL 4 Lowered 12/6/13
BETA .70 (1.00 = Market)

High:	18.3	20.3	26.5	32.4	34.3	41.3	40.6	40.8	54.2	58.0	58.0	62.3
Low:	14.1	15.3	19.7	24.9	25.6	31.2	25.2	32.0	37.2	42.8	45.8	50.5

Target Price Range
2016 | 2017 | 2018

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 7/05
Options: Yes
Shaded areas indicate recessions



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+25%)	9%
Low	50	(-10%)	1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	1	0	1	0	0	2	0
Options	0	0	0	0	0	0	0	0	0
to Sell	1	1	6	1	3	1	1	3	1

Institutional Decisions

	1Q2013	2Q2013	3Q2013
to Buy	76	76	72
to Sell	56	63	60
Hld's(000)	19844	20301	20540

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	21.6	37.3
3 yr.	29.4	59.6
5 yr.	104.5	177.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
16.18	20.89	17.60	22.43	35.30	20.69	26.34	29.51	31.78	31.76	32.30	32.36	28.37	30.97	27.42	22.31	*23.10*	*25.05*	Revenues per sh	*33.35*
1.60	1.44	1.84	1.95	1.90	2.12	2.24	2.44	2.51	3.51	3.20	3.48	3.72	4.21	4.46	4.69	*4.30*	*4.80*	"Cash Flow" per sh	*6.25*
.86	.64	1.01	1.08	1.15	1.22	1.37	1.58	1.71	2.46	2.09	2.27	2.38	2.70	2.90	3.03	*2.85*	*3.15*	Earnings per sh A	*4.40*
.72	.72	.72	.73	.74	.75	.78	.82	.86	.92	1.01	1.11	1.22	1.36	1.50	1.65	*1.80*	*1.95*	Div'ds Decl'd per sh B ■	*2.45*
2.30	3.06	2.19	2.21	2.82	3.47	2.36	2.67	3.21	2.51	1.88	2.08	3.67	5.59	6.39	8.02	*6.90*	*7.15*	Cap'l Spending per sh	*8.35*
6.43	6.23	6.74	7.25	7.81	9.67	11.26	12.41	13.50	15.11	16.25	17.33	18.24	19.08	20.66	23.26	*23.85*	*24.65*	Book Value per sh C	*30.55*
21.54	21.56	22.30	23.00	23.72	24.41	26.46	27.76	28.98	29.33	29.61	29.73	29.80	29.87	30.21	31.65	*32.50*	*33.50*	Common Shs Outst'g D	*36.00*
13.8	21.2	13.3	13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	16.9	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.80	1.10	.76	.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.15	1.08	*Value Line*		Relative P/E Ratio	*.95*
6.1%	5.3%	5.4%	5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*4.0%*

CAPITAL STRUCTURE as of 9/30/13
Total Debt $978.9 mill. **Due in 5 Yrs** $476.4 mill.
LT Debt $580.4 mill. **LT Interest** $10.0 mill.
(Total interest coverage: 4.9x)

Pension Assets-12/12 $150.2 mill. **Oblig.** $224.4 mill.

Pfd Stock None

Common Stock 32,207,008 common shs. **as of 11/1/13**

MARKET CAP: $1.8 billion (Mid Cap)

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		16-18
696.8	819.1	921.0	931.4	956.4	962.0	845.4	925.1	828.6	706.3	*750*	*840*	Revenues ($mill)	*1200*
34.6	43.0	48.6	72.0	61.8	67.7	71.3	81.0	87.0	93.3	*90.0*	*105*	Net Profit ($mill)	*155*
40.6%	40.9%	41.5%	41.3%	41.9%	47.7%	23.0%	15.2%	22.4%	10.8%	*25.0%*	*25.0%*	Income Tax Rate	*25.0%*
5.0%	5.2%	5.3%	7.7%	6.5%	7.0%	8.4%	8.8%	10.5%	13.2%	*12.0%*	*12.5%*	Net Profit Margin	*12.9%*
50.8%	48.7%	44.9%	44.7%	42.7%	39.2%	36.5%	37.4%	40.5%	45.0%	*43.0%*	*44.0%*	Long-Term Debt Ratio	*42.0%*
49.0%	51.0%	55.1%	55.3%	57.3%	60.8%	63.5%	62.6%	59.5%	55.0%	*57.0%*	*56.0%*	Common Equity Ratio	*58.0%*
608.4	675.0	710.3	801.1	839.0	848.0	856.4	910.1	1048.3	1337.6	*1365*	*1475*	Total Capital ($mill)	*1900*
748.3	799.9	877.3	920.0	948.9	982.6	1073.1	1193.3	1352.4	1578.0	*1780*	*1875*	Net Plant ($mill)	*2400*
7.3%	7.9%	8.3%	10.1%	8.6%	8.9%	9.0%	9.5%	8.9%	7.4%	*7.0%*	*7.5%*	Return on Total Cap'l	*8.5%*
11.5%	12.4%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	*11.5%*	*12.5%*	Return on Shr. Equity	*14.0%*
11.6%	12.5%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	12.7%	*11.5%*	*12.5%*	Return on Com Equity	*14.0%*
5.0%	5.9%	6.2%	10.2%	6.7%	6.7%	6.4%	7.1%	6.7%	5.8%	*4.0%*	*5.0%*	Retained to Com Eq	*6.0%*
57%	52%	50%	37%	48%	49%	51%	50%	52%	55%	*65%*	*62%*	All Div'ds to Net Prof	*57%*

CURRENT POSITION ($MILL.)	2011	2012	9/30/13
Cash Assets	7.5	4.6	4.4
Other	333.1	390.2	360.6
Current Assets	340.6	394.8	365.0
Accts Payable	153.7	193.3	200.5
Debt Due	323.6	363.9	398.5
Other	110.7	94.6	110.7
Current Liab.	588.0	651.8	709.7
Fix. Chg. Cov.	505%	579%	420%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	.5%	-3.5%	*3.5%*
"Cash Flow"	8.5%	7.5%	*6.0%*
Earnings	9.5%	6.5%	*7.5%*
Dividends	7.5%	10.0%	*8.5%*
Book Value	10.0%	7.0%	*6.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	329.3	151.6	160.7	283.5	925.1
2011	331.9	160.5	137.6	198.6	828.6
2012	274.8	121.9	112.0	197.6	706.3
2013	255.6	122.6	128.8	*243*	*750*
2014	*275*	*145*	*150*	*270*	*840*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1.49	.24	.10	.87	2.70
2011	1.63	.20	.01	1.05	2.89
2012	1.65	.28	.13	.98	3.03
2013	1.52	.31	d.04	*1.06*	*2.85*
2014	*1.60*	*.35*	*.10*	*1.10*	*3.15*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	- -	.298	.298	.628	1.22
2010	- -	.330	.330	.695	1.36
2011	- -	.365	.365	.768	1.50
2012	- -	.403	.403	.845	1.65
2013	- -	.443	.443	.915	

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 347,725 customers in New Jersey's southern counties, which covers about 2,500 square miles and includes Atlantic City. Gas revenue mix '12: residential, 37%; commercial, 18%; cogeneration and electric generation, 21%; industrial, 24%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, Marina Energy, and South Jersey Energy Service Plus. Has 700 employees. Off./dir. control 1.0% of common shares; BlackRock Inc., 7.6% (3/13 proxy). Chrmn. & CEO: Edward Graham. Inc.: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Telephone: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have traded in a holding pattern over the past six months, following a nice advance in the early part of the year. The company has reported fairly mixed results in recent periods. In the September interim, the top line advanced roughly 15%. However, operating costs increased at a faster pace, and the company posted a share loss of $0.04, well below the prior-year tally. Utility net income improved nicely, on a year-over-year basis. On the other hand, results were less favorable at the Retail Energy segment. Earnings weakness was most pronounced in the wholesale commodity business, which posted a loss of $4.9 million for the quarter. This line has suffered from pipeline capacity constraints and a lack of volatility in gas prices, which have eroded margins. Overall, we look for moderate revenue growth but a bottom-line decrease for the full-year 2013.

Long-term prospects appear more favorable, and we expect solid share-net improvement from 2014 onward. South Jersey Gas should generate healthy results going forward. Modest customer growth at the utility ought to continue, as natural gas remains the fuel of choice within its service territory. SJG should further benefit from customer interest in converting from other sources of fuel. Spending on projects under the Accelerated Infrastructure Replacement Program ought to improve service quality and allow the utility to earn a good return on these investments. On the nonutility side, Marina Energy will drive performance at the Retail Energy segment. Demand for new retail projects remains strong, and Marina stands to further benefit from the development and operation of such highly profitable projects. The Wholesale segment will likely continue to face challenges, but efforts to improve profitability there ought to pay off down the line.

This equity offers some appeal for conservative, income-seeking investors. South Jersey scores favorable marks for Safety, Price Stability, and Earnings Predictability. Also, the current dividend yield is respectable for a utility. However, total return potential appears fairly limited from the recent quotation.

Michael Napoli, CFA *December 6, 2013*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $2.10; '08, $2.58; '09, $1.94; '10, $2.22; '11, $2.97; '12, $2.97. Excl. nonrecur. gain (loss): '01, $0.13; '08, $0.31; '09, ($0.44); '10, ($0.47); '11, $0.08; '12, ($0.06). Earnings may not sum due to rounding. Next egs. report due in February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2012: $352.7 mill., $11.14 per shr. (D) In mill., adj. for split.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	75
Earnings Predictability	90

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SOUTHWEST GAS NYSE-SWX

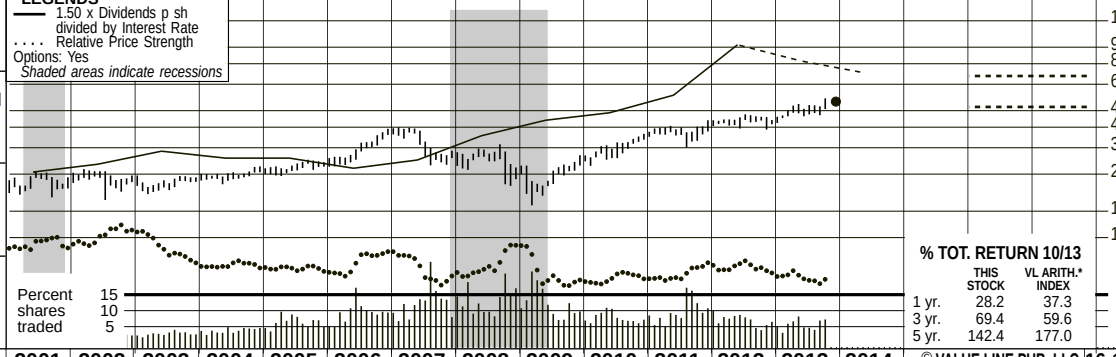
RECENT PRICE 52.92 | P/E RATIO 15.7 (Trailing: 16.4 Median: 16.0) | RELATIVE P/E RATIO 0.86 | DIV'D YLD 2.6% | VALUE LINE

TIMELINESS 3 Lowered 11/16/12
SAFETY 3 Lowered 1/4/91
TECHNICAL 4 Lowered 11/29/13
BETA .80 (1.00 = Market)

High:	25.3	23.6	26.2	28.1	39.4	39.9	33.3	29.5	37.3	43.2	46.1	55.0
Low:	18.1	19.3	21.5	23.5	26.0	26.5	21.1	17.1	26.3	32.1	39.0	42.0

Target Price Range 2016 | 2017 | 2018

LEGENDS
— 1.50 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded areas indicate recessions



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+30%)	10%
Low	50	(-5%)	2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	7	1	0	0	0	0	2
to Sell	1	0	7	1	1	2	0	1	2

Institutional Decisions

	1Q2013	2Q2013	3Q2013
to Buy	95	89	86
to Sell	66	74	74
Hld's(000)	35168	35299	35742

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	28.2	37.3
3 yr.	69.4	59.6
5 yr.	142.4	177.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
26.73	30.17	30.24	32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	41.77	41.95	43.85	Revenues per sh	50.00
3.85	4.48	4.45	4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	7.73	8.40	8.70	"Cash Flow" per sh	9.60
.77	1.65	1.27	1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	2.86	3.25	3.45	Earnings per sh A	4.00
.82	.82	.82	.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	1.18	1.32	1.40	Div'ds Decl'd per sh B■†	1.64
6.19	6.40	7.41	7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	8.57	8.60	9.05	Cap'l Spending per sh	10.00
14.09	15.67	16.31	16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	28.39	30.10	31.90	Book Value per sh	35.00
27.39	30.41	30.99	31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	46.15	46.50	47.00	Common Shs Outst'g C	50.00
24.1	13.2	21.1	16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	15.0	Bold figures are		Avg Ann'l P/E Ratio	15.0
1.39	.69	1.20	1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.98	.95	Value Line		Relative P/E Ratio	1.00
4.4%	3.8%	3.1%	4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	2.8%	estimates		Avg Ann'l Div'd Yield	2.7%
						1231.0	1477.1	1714.3	2024.7	2152.1	2144.7	1893.8	1830.4	1887.2	1927.8	1950	2060	Revenues ($mill)	2500
						38.5	58.9	48.1	80.5	83.2	61.0	87.5	103.9	112.3	133.3	155	165	Net Profit ($mill)	200
						30.5%	34.8%	29.7%	37.3%	36.5%	40.1%	34.0%	34.7%	36.2%	36.2%	35.0%	35.0%	Income Tax Rate	35.0%
						3.1%	4.0%	2.8%	4.0%	3.9%	2.8%	4.6%	5.7%	6.0%	6.9%	7.9%	8.0%	Net Profit Margin	8.0%
						66.0%	64.2%	63.8%	60.6%	58.1%	55.3%	53.5%	49.1%	43.2%	49.2%	48.0%	48.5%	Long-Term Debt Ratio	49.5%
						34.0%	35.8%	36.2%	39.4%	41.9%	44.7%	46.5%	50.9%	56.8%	50.8%	52.0%	51.5%	Common Equity Ratio	50.5%
						1851.6	1968.6	2076.0	2287.8	2349.7	2323.3	2371.4	2291.7	2155.9	2579	2700	2900	Total Capital ($mill)	3450
						2175.7	2336.0	2489.1	2668.1	2845.3	2983.3	3034.5	3072.4	3218.9	3343.8	3450	3550	Net Plant ($mill)	3800
						4.2%	5.0%	4.3%	5.5%	5.5%	4.5%	5.4%	6.1%	6.4%	6.5%	7.0%	7.0%	Return on Total Cap'l	7.0%
						6.1%	8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	11.0%	11.0%	Return on Shr. Equity	11.5%
						6.1%	8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	10.2%	11.0%	11.0%	Return on Com Equity	11.5%
						1.7%	4.3%	2.2%	5.2%	4.8%	2.1%	4.1%	5.1%	5.3%	6.0%	6.5%	6.5%	Retained to Com Eq	6.5%
						72%	49%	65%	42%	44%	63%	48%	43%	43%	41%	40%	40%	All Div'ds to Net Prof	41%

CAPITAL STRUCTURE as of 9/30/13
Total Debt $1324.4 mill. **Due in 5 Yrs** $204.0 mill.
LT Debt $1280.4 mill. **LT Interest** $60.0 mill.
(Total interest coverage: 4.8x) (48% of Cap'l)
Leases, Uncapitalized Annual rentals $7.0 mill.
Pension Assets-12/12 $645.0 mill. **Oblig.** $962.5 mill.
Pfd Stock None

Common Stock 46,350,863 shs. as of 10/28/13

MARKET CAP: $2.5 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2011	2012	9/30/13
Cash Assets	21.9	25.5	13.9
Other	439.7	432.9	334.3
Current Assets	461.6	458.4	348.2
Accts Payable	186.8	155.7	101.1
Debt Due	322.6	50.1	44.0
Other	338.2	329.3	261.3
Current Liab.	847.6	535.1	406.4
Fix. Chg. Cov.	359%	399%	462%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	1.5%	-1.5%	3.5%
"Cash Flow"	3.5%	3.0%	5.5%
Earnings	6.0%	6.5%	8.0%
Dividends	2.0%	4.0%	7.0%
Book Value	4.5%	5.0%	4.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	668.8	385.8	307.7	468.1	1830.4
2011	628.4	388.5	352.6	517.7	1887.2
2012	657.6	409.8	371.8	488.6	1927.8
2013	613.5	411.6	387.3	537.6	1950
2014	650	435	415	560	2060

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	1.42	d.02	d.11	.98	2.27
2011	1.48	.09	d.34	1.19	2.43
2012	1.70	d.08	d.09	1.34	2.86
2013	1.73	.22	d.06	1.36	3.25
2014	1.80	.27	d.02	1.40	3.45

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.225	.238	.238	.238	.94
2010	.238	.250	.250	.250	.99
2011	.250	.265	.265	.265	1.05
2012	.265	.295	.295	.295	1.15
2013	.295	.33	.33	.33	

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 1.9 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2012 margin mix: residential and small commercial, 85%; large commercial and industrial, 4%; transportation, 11%. Total throughput: 2.1 billion therms. Sold PriMerit Bank, 7/96. Has 6,015 employees. Off. & Dir. own 1.5% of common stock; BlackRock Inc., 8.2%; GAMCO Investors, Inc., 7.5%; T. Rowe Price Associates, Inc., 6.7% (3/13 Proxy). Chairman: Michael J. Melarkey. CEO: Jeffrey W. Shaw. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Telephone: 702-876-7237. Internet: www.swgas.com.

Shares of Southwest Gas have advanced nicely in price since our September review. The company's third-quarter performance surpassed our expectations, thanks to strength in the construction services subsidiary NPL. Southwest posted top-line growth of around 4%. A share loss of $0.06 marked a nice improvement from the prior-year figure. Such losses are common in the third quarter, due to the seasonal nature of the business. Looking forward, solid results will probably continue in the fourth quarter. Overall, we expect a modest revenue advance and strong bottom-line growth for full-year 2013.

Performance will probably remain healthy from 2014 onward. Rate relief and fairly modest customer growth should support results at the utility operations. Meanwhile, NPL ought to further benefit from healthy demand, considering the need to replace aging infrastructure. Moreover, efforts to control expenses should support the bottom line.

The company is seeking higher rates in California. Southwest is requesting a total increase of $11.6 million from the California Public Utilities Commission. Hearings on this matter were held in August of 2013. A final decision is expected in December. Assuming Southwest's request is granted, the new rates would take effect in January of 2014. The company's focus on rate relief is important, as it depends on such approved revenue increases to compensate for higher operating costs and investment in infrastructure.

Readers ought to be aware of several caveats. The company will probably continue to incur greater operating expenses in the coming years as it expands its footprint. Moreover, insufficient, or lagging, rate relief may hurt results at the utility business.

This issue is neutrally ranked for year-ahead performance. Southwest Gas earns favorable marks for Price Stability and Earnings Predictability. However, the dividend yield is below the group average, and the stock's total return potential is not particularly attractive from the recent quotation. Investors can probably find more-attractive opportunities elsewhere.

Michael Napoli, CFA *December 6, 2013*

(A) Based on avg. shares outstand. thru. '97, then diluted. Excl. nonrec. gains (losses): '97, 16¢; '02, (10¢); '05, (11¢); '06, 7¢. Earnings may not sum due to rounding. Next egs. report due late February. (B) Dividends historically paid early March, June, September, and December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	95
Earnings Predictability	75

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LACLEDE GROUP NYSE-LG

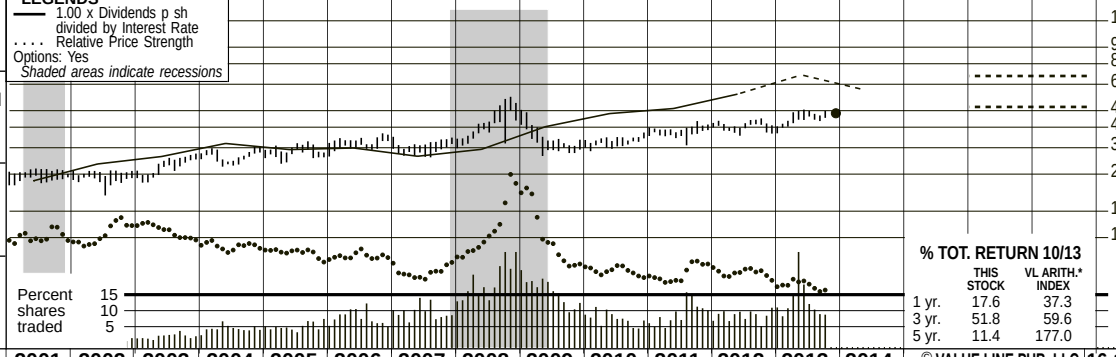
RECENT PRICE **46.61** | P/E RATIO **16.9** (Trailing: 16.6 / Median: 14.0) | RELATIVE P/E RATIO **0.92** | DIV'D YLD **3.8%** | VALUE LINE

TIMELINESS 4 Lowered 8/16/13
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 10/25/13
BETA .65 (1.00 = Market)

High:	25.0	30.0	32.5	34.3	37.5	36.0	55.8	48.3	37.8	42.8	44.0	48.5
Low:	19.0	21.8	26.0	26.9	29.1	28.8	31.9	29.3	30.8	32.9	36.5	37.4

Target Price Range
2016 | 2017 | 2018

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded areas indicate recessions



2016-18 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+50%)	*13%*
Low	50	(+5%)	*5%*

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	1	2	0	0	0	0	0	0
to Sell	0	1	2	0	0	0	0	0	0

Institutional Decisions

	1Q2013	2Q2013	3Q2013
to Buy	83	103	86
to Sell	55	60	68
Hld's(000)	13119	20780	21047

% TOT. RETURN 10/13

	THIS STOCK	VL ARITH.* INDEX
1 yr.	17.6	37.3
3 yr.	51.8	59.6
5 yr.	11.4	177.0

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	© VALUE LINE PUB. LLC	16-18
34.33	31.04	26.04	29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.76	39.19	*50.00*	Revenues per sh A	*56.05*
3.32	3.02	2.56	2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	3.93	*4.75*	"Cash Flow" per sh	*5.85*
1.84	1.58	1.47	1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	2.02	*2.95*	Earnings per sh A B	*3.85*
1.30	1.32	1.34	1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.65	1.69	*1.76*	Div'ds Decl'd per sh C■	*2.00*
2.44	2.68	2.58	2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.71	*4.50*	*5.80*	Cap'l Spending per sh	*5.60*
14.26	14.57	14.96	14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.60	*40.32*	*34.70*	Book Value per sh D	*38.95*
17.56	17.63	18.88	18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.62	*25.95*	*32.00*	Common Shs Outst'g E	*33.00*
12.5	15.5	15.8	14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5	*21.3*		Avg Ann'l P/E Ratio	*15.5*
.72	.81	.90	.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82	.97	*1.22*		Relative P/E Ratio	*1.05*
5.6%	5.4%	5.8%	6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%	3.9%		Avg Ann'l Div'd Yield	*3.8%*

CAPITAL STRUCTURE as of 9/30/13
Total Debt $912.7 mill. **Due in 5 Yrs** $100.0 mill.
LT Debt $912.7 mill. **LT Interest** $40.0 mill.
(Total interest coverage: 6.1x)

Leases, Uncapitalized Annual rentals $3.7 mill.
Pension Assets-9/11 $274.1 mill. **Oblig.** $503.8 mill.
Pfd Stock None
Common Stock 32,709,763 shs. **as of 11/21/13**

MARKET CAP: $1.5 billion (Mid Cap)

2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		16-18
1050.3	1250.3	1597.0	1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	1017.0	*1600*	Revenues ($mill) A	*1850*
34.6	36.1	40.1	50.5	49.8	57.6	64.3	54.0	63.8	63.1	52.8	*95.0*	Net Profit ($mill)	*127.0*
35.0%	34.8%	34.1%	32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	32.0%	*25.0%*	*30.0%*	Income Tax Rate	*27.0%*
3.3%	2.9%	2.5%	2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	*5.2%*	*5.9%*	Net Profit Margin	*6.9%*
50.4%	51.6%	48.1%	49.5%	45.3%	44.4%	42.9%	40.5%	38.9%	36.0%	*46.6%*	*46.0%*	Long-Term Debt Ratio	*46.5%*
49.4%	48.3%	51.8%	50.4%	54.6%	55.5%	57.1%	59.5%	61.1%	64.0%	*53.4%*	*54.0%*	Common Equity Ratio	*53.5%*
605.0	737.4	707.9	798.9	784.5	876.1	906.3	899.9	937.7	941.0	*1960*	*2070*	Total Capital ($mill)	*2395*
621.2	646.9	679.5	763.8	793.8	823.2	855.9	884.1	928.7	1019.3	*1775*	*1865*	Net Plant ($mill)	*2160*
7.4%	6.6%	7.6%	8.4%	8.5%	8.1%	8.7%	7.4%	8.1%	6.5%	*3.5%*	*6.0%*	Return on Total Cap'l	*6.0%*
11.5%	10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.6%	*5.0%*	*9.5%*	Return on Shr. Equity	*10.0%*
11.6%	10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.6%	*5.0%*	*9.5%*	Return on Com Equity	*10.0%*
3.1%	2.7%	3.1%	5.1%	4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	*1.0%*	*3.5%*	Retained to Com Eq	*4.5%*
74%	73%	72%	59%	63%	56%	53%	64%	56%	60%	*85%*	*60%*	All Div'ds to Net Prof	*52%*

CURRENT POSITION ($MILL.)	2011	2012	9/30/13
Cash Assets	43.3	27.5	53.0
Other	325.8	315.5	422.9
Current Assets	369.1	343.0	475.9
Accts Payable	96.6	89.5	140.2
Debt Due	46.0	25.0	- -
Other	89.3	137.6	213.0
Current Liab.	231.9	252.1	353.2
Fix. Chg. Cov.	463%	442%	337%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '10-'12 to '16-'18
Revenues	5.0%	-5.5%	*-3.0%*
"Cash Flow"	5.0%	4.5%	*4.5%*
Earnings	7.0%	4.0%	*6.0%*
Dividends	2.0%	3.0%	*3.5%*
Book Value	5.5%	6.5%	*-3.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2010	491.2	635.3	324.5	284.0	1735.0
2011	444.2	543.8	344.3	271.0	1603.3
2012	410.9	358.2	186.9	169.5	1125.5
2013	307.0	397.6	165.3	147.1	1017.0
2014	*510*	*550*	*290*	*250*	*1600*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2010	1.03	1.26	.21	d.07	2.43
2011	1.05	1.25	.69	d.13	2.86
2012	1.12	1.32	.38	d.03	2.79
2013	1.14	1.34	.25	d.30	2.02
2014	*1.25*	*1.40*	*.40*	*d.10*	*2.95*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2010	.395	.395	.395	.395	1.58
2011	.405	.405	.405	.405	1.62
2012	.415	.415	.415	.415	1.66
2013	.425	.425	.425	.425	
2014	.44				

BUSINESS: Laclede Group, Inc., is a holding company for Laclede Gas, which distributes natural gas in eastern Missouri, including the city of St. Louis, St. Louis County, and parts of 10 other counties. Has roughly 628,000 customers. Purchased SM&P Utility Resources, 1/02; divested, 3/08. Utility therms sold and transported in fiscal 2013: .86 bill. Revenue mix for regulated operations: residential, 65%; commercial and industrial, 21%; transportation, 2%; other, 12%. Has around 2,326 employees. Officers and directors own approximately 7% of common shares (1/13 proxy). Chairman: William E. Nasser; CEO: Suzanne Sitherwood. Incorporated: Missouri. Address: 720 Olive Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Laclede reported lower-than-expected fiscal fourth-quarter earnings (years end September 30th). Indeed, costs related to the merger, and a lower than expected top line, caused the bottom-line loss to exceed our estimate. Still, the company is in a solid position heading into 2014, and income growth should be robust. The Missouri Gas Energy acquisition should start to pay off in the new fiscal year, and the company is nearing completion of its natural gas vehicle fueling station. Too, Laclede should look to achieve synergies of between $25 million and $34 million over the next 18 months. Missouri Gas also filed an infrastructure rate case, which could help in the latter half of the fiscal year. *Note: Due to share count changes, quarterly earnings per share will not add up.*

The purchase of Missouri Gas Energy has been completed for an aggregate price of approximately $975 million. Southern waived the requirement that Laclede purchase the NeGasCo assets at the same time, but Laclede could still be on the hook for purchasing the assets should Algonquin Power not receive regulatory approval, though we think this is unlikely.

The balance sheet has been greatly altered over the fiscal year. The sale of around 10 million shares and the raising of $430 million in new debt lifted total assets by $1 billion. The debt outstanding has an average interest rate of $4.35%, which boost earnings during a rising rate environment. Our 2013 book value per share will appear somewhat inflated due to the share dilution that occurred midyear.

Laclede raised its quarterly dividend to $0.44 a share. This increase of 3.5% is well covered by earnings, and has the potential to be further raised out to 2016-2018. This 11th consecutive raise is a top attribute of this issue.

The Timeliness rank of Laclede Group stock is 4 (Below Average). This equity currently is trading at an above-historical-average price-to-earnings ratio. It has high Price Stability, and a yield that is average for the sector. Still, most investors would be best served waiting for a better price entry point.

John E. Seibert III *December 6, 2013*

(A) Fiscal year ends Sept. 30th.
(B) Based on average shares outstanding in '97, then diluted. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '12: $456.0 mill., $20.41/sh.
(E) In millions.
(F) Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	85

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ATMOS ENERGY CORP. NYSE-ATO

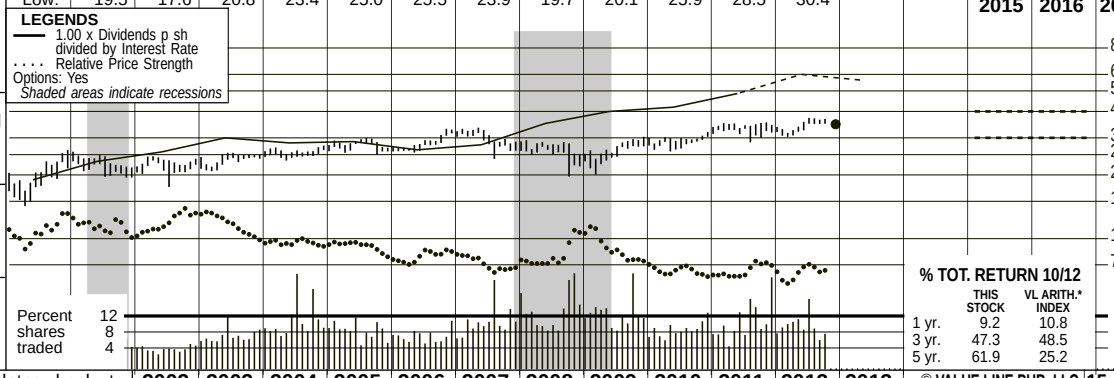
RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
34.78	15.0	(Trailing: 15.1 Median: 14.0)	1.01	4.1%	VALUE LINE

TIMELINESS 2 Raised 8/17/12
SAFETY 2 Raised 12/16/05
TECHNICAL 3 Lowered 11/23/12
BETA .70 (1.00 = Market)

High:	25.8	24.5	25.5	27.6	30.0	33.1	33.5	29.3	30.3	32.0	35.6	37.3
Low:	19.5	17.6	20.8	23.4	25.0	25.5	23.9	19.7	20.1	25.9	28.5	30.4

Target Price Range
2015 | 2016 | 2017

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded areas indicate recessions



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+15%)	7%
Low	30	(-15%)	1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	1	0	0	0	0	0	0	0
Options	0	0	0	0	2	0	0	1	0
to Sell	0	0	1	0	0	1	0	2	0

Institutional Decisions

	4Q2011	1Q2012	2Q2012
to Buy	132	127	112
to Sell	103	117	131
Hld's(000)	48646	50572	51653

% TOT. RETURN 10/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	9.2	10.8
3 yr.	47.3	48.5
5 yr.	61.9	25.2

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
22.82	54.39	46.50	61.75	75.27	66.03	79.52	53.69	53.12	48.15	*38.20*	*41.75*	Revenues per sh A	*63.10*
3.39	3.23	2.91	3.90	4.26	4.14	4.19	4.29	4.64	4.72	*4.75*	*5.10*	"Cash Flow" per sh	*5.65*
1.45	1.71	1.58	1.72	2.00	1.94	2.00	1.97	2.16	2.26	2.10	*2.35*	Earnings per sh A B	*2.70*
1.18	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.38	*1.40*	Div'ds Decl'd per sh C■	*1.48*
3.17	3.10	3.03	4.14	5.20	4.39	5.20	5.51	6.02	6.90	*8.15*	*8.50*	Cap'l Spending per sh	*8.80*
13.75	16.66	18.05	19.90	20.16	22.01	22.60	23.52	24.16	24.98	*26.20*	*29.00*	Book Value per sh	*34.65*
41.68	51.48	62.80	80.54	81.74	89.33	90.81	92.55	90.16	90.30	*90.00*	*91.00*	Common Shs Outst'g D	*103.00*
15.2	13.4	15.9	16.1	13.5	15.9	13.6	12.5	13.2	14.4	15.9		Avg Ann'l P/E Ratio	*13.0*
.83	.76	.84	.86	.73	.84	.82	.83	.84	.90	1.01		Relative P/E Ratio	*.85*
5.4%	5.2%	4.9%	4.5%	4.7%	4.2%	4.8%	5.3%	4.7%	4.2%	4.1%		Avg Ann'l Div'd Yield	*4.2%*
950.8	2799.9	2920.0	4973.3	6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	3438.5	*3800*	Revenues ($mill) A	*6500*
59.7	79.5	86.2	135.8	162.3	170.5	180.3	179.7	201.2	199.3	192.2	*215*	Net Profit ($mill)	*280*
37.1%	37.1%	37.4%	37.7%	37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	33.8%	*35.0%*	Income Tax Rate	*38.5%*
6.3%	2.8%	3.0%	2.7%	2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	5.6%	*5.7%*	Net Profit Margin	*4.3%*
53.9%	50.2%	43.2%	57.7%	57.0%	52.0%	50.8%	49.9%	45.4%	49.4%	*45.5%*	*45.0%*	Long-Term Debt Ratio	*49.0%*
46.1%	49.8%	56.8%	42.3%	43.0%	48.0%	49.2%	50.1%	54.6%	50.6%	*54.5%*	*55.0%*	Common Equity Ratio	*51.0%*
1243.7	1721.4	1994.8	3785.5	3828.5	4092.1	4172.3	4346.2	3987.9	4461.5	*4315*	*4800*	Total Capital ($mill)	*7000*
1300.3	1516.0	1722.5	3374.4	3629.2	3836.8	4136.9	4439.1	4793.1	5147.9	*5475*	*5800*	Net Plant ($mill)	*6700*
6.8%	6.2%	5.8%	5.3%	6.1%	5.9%	5.9%	5.9%	6.9%	6.1%	*6.0%*	*6.0%*	Return on Total Cap'l	*5.5%*
10.4%	9.3%	7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	*8.0%*	*8.0%*	Return on Shr. Equity	*8.0%*
10.4%	9.3%	7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	8.8%	*8.0%*	*8.0%*	Return on Com Equity	*8.0%*
1.9%	2.8%	1.7%	2.3%	3.6%	3.0%	3.1%	2.7%	3.5%	3.3%	*3.0%*	*3.5%*	Retained to Com Eq	*3.5%*
82%	70%	77%	73%	63%	65%	65%	68%	62%	62%	*65%*	*59%*	All Div'ds to Net Prof	*54%*

CAPITAL STRUCTURE as of 6/30/12
Total Debt $2419.9 mill. **Due in 5 Yrs** $660.0 mill.
LT Debt $1956.3 mill. **LT Interest** $110.0 mill.
(LT interest earned: 3.1x; total interest coverage: 3.1x)
Leases, Uncapitalized Annual rentals $17.7 mill.
Pfd Stock None
Pension Assets-9/11 $280.2 mill. **Oblig.** $429.4 mill.
Common Stock 90,173,217 shs. as of 8/3/12
MARKET CAP: $3.1 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2010	2011	6/30/12
Cash Assets	132.0	131.4	27.7
Other	743.2	879.6	748.0
Current Assets	875.2	1011.0	775.7
Accts Payable	266.2	291.2	178.2
Debt Due	486.2	208.8	463.6
Other	413.7	367.6	468.4
Current Liab.	1166.1	867.6	1110.2
Fix. Chg. Cov.	440%	432%	430%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	6.5%	-3.5%	*3.5%*
"Cash Flow"	4.5%	4.5%	*3.5%*
Earnings	7.0%	4.0%	*4.0%*
Dividends	1.5%	1.5%	*1.5%*
Book Value	6.5%	4.5%	*6.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2009	1716.3	1821.4	780.8	650.6	4969.1
2010	1292.9	1940.3	770.2	786.3	4789.7
2011	1133.3	1581.5	843.6	789.2	4347.6
2012	1084.0	1225.5	576.4	552.6	3438.5
2013	*1095*	*1300*	*725*	*680*	*3800*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2009	.83	1.29	.02	d.17	1.97
2010	1.00	1.17	d.03	.02	2.16
2011	.81	1.40	.04	.01	2.26
2012	.68	1.12	.31	- -	2.10
2013	*.74*	*1.36*	*.22*	*.03*	*2.35*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.325	.325	.325	.33	1.31
2009	.33	.33	.33	.335	1.33
2010	.335	.335	.335	.34	1.35
2011	.34	.34	.34	.345	1.37
2012	.345	.345	.345	.35	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to over three million customers via six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Combined 2011 gas volumes: 281.5 MMcf. Breakdown: 57%, residential; 32%, commercial; 7%, industrial; and 4% other. 2011 depreciation rate 3.3%. Has around 4,750 employees. Officers and directors own 1.5% of common stock (12/11 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Inc.: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

We believe that Atmos Energy will stage an earnings turnaround in the new fiscal year, which began on October 1st. The core natural gas distribution segment stands to benefit from a rise in throughput, if weather conditions cooperate (leading to a boost in consumption levels). Moreover, the other operations, including the natural gas marketing business and pipeline unit, ought to perform reasonably well, overall. As a result, we expect consolidated share net to climb about 12%, to $2.35, in fiscal 2013. Assuming additional expansion of operating margins, the bottom line could well advance roughly 5% or so, to $2.45 a share, the following year.

Steady, although unspectacular, results appear to be in store for the company over the 2015-2017 time frame. The utility ranks as one of the country's biggest natural gas-only distributors, boasting roughly three million customers across nine states. Furthermore, the other businesses, especially pipelines, possess healthy overall expansion prospects. Finally, we believe that the company will eventually resume its successful strategy of purchasing less efficient utilities and shoring up their profitability through expense-reduction efforts, rate relief, and aggressive marketing initiatives. (The last major transaction occurred in October, 2004, when Atmos Energy bought TXU Gas Company.) But given our exclusion of future acquisitions, because of size and timing issues, annual earnings-per-share growth may be in the mid-single-digit range over the coming three to five years.

The stock offers an appealing dividend yield, which is higher than the average of all gas utility equities tracked by *Value Line*. Our 2015-2017 projections indicate that further, albeit moderate, increases in the distribution are likely to take place. The payout ratio ought to remain within a manageable range (i.e., 50% to 60%). What's more, these shares currently hold a 2 (Above Average) rank for both Safety and Timeliness, as well as an excellent score for Price Stability. All things considered, a variety of investors might wish to take a look here.

Frederick L. Harris, III *December 7, 2012*

(A) Fiscal year ends Sept. 30th. **(B)** Diluted shrs. Excl. nonrec. items: '03, d17¢; '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; '11, (1¢). Excludes discontinued operations: '11, 10¢; '12, 27¢. Next egs. rpt. due early Feb. **(C)** Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. **(D)** In millions. **(E)** Qtrs may not add due to change in shrs outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	90

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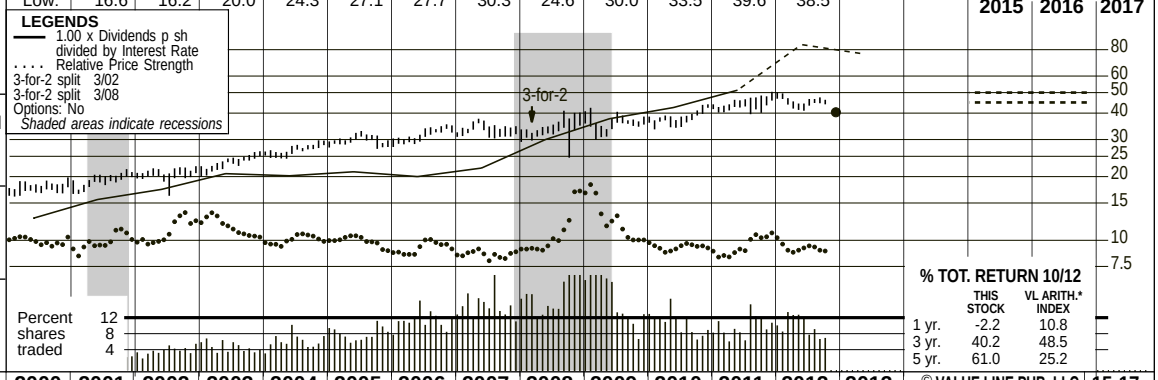
NEW JERSEY RES. NYSE-NJR

RECENT PRICE **40.33** | P/E RATIO **14.1** (Trailing: 13.4 / Median: 15.0) | RELATIVE P/E RATIO **0.95** | DIV'D YLD **4.0%** | VALUE LINE

TIMELINESS 3 Raised 9/14/12
SAFETY 1 Raised 9/15/06
TECHNICAL 3 Lowered 11/30/12
BETA .65 (1.00 = Market)

High:	21.7	22.4	26.4	29.7	32.9	35.4	37.6	41.1	42.4	44.1	50.5	50.3
Low:	16.6	16.2	20.0	24.3	27.1	27.7	30.3	24.6	30.0	33.5	39.6	38.5

Target Price Range 2015 | 2016 | 2017



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+25%)	9%
Low	45	(+10%)	7%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	1	0	0	0	0	0	0	0
Options	0	1	0	0	0	0	0	0	0
to Sell	0	2	0	0	0	0	0	0	0

Institutional Decisions

	4Q2011	1Q2012	2Q2012
to Buy	66	75	68
to Sell	65	71	80
Hld's(000)	24285	24119	23904

% TOT. RETURN 10/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-2.2	10.8
3 yr.	40.2	48.5
5 yr.	61.0	25.2

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
13.48	17.31	17.73	22.65	29.42	51.22	44.11	62.29	60.89	76.19	79.63	72.62	90.74	62.34	64.10	72.60	54.16	70.00	Revenues per sh A	76.50
1.48	1.63	1.74	1.86	1.99	2.12	2.14	2.38	2.50	2.62	2.73	2.44	3.62	3.16	3.26	3.40	3.74	3.85	"Cash Flow" per sh	4.45
.92	.99	1.04	1.11	1.20	1.30	1.39	1.59	1.70	1.77	1.87	1.55	2.70	2.40	2.46	2.58	2.71	2.90	Earnings per sh B	3.40
.69	.71	.73	.75	.76	.78	.80	.83	.87	.91	.96	1.01	1.11	1.24	1.36	1.44	1.52	1.60	Div'ds Decl'd per sh C■	1.68
1.19	1.15	1.07	1.21	1.23	1.10	1.02	1.14	1.45	1.28	1.28	1.46	1.72	1.81	2.10	2.26	2.00	2.00	Cap'l Spending per sh	2.00
6.73	6.92	7.26	7.57	8.29	8.80	8.71	10.26	11.25	10.60	15.00	15.50	17.28	16.59	17.62	18.73	18.15	19.10	Book Value per sh D	24.20
40.69	40.23	40.07	39.92	39.59	40.00	41.50	40.85	41.61	41.32	41.44	41.61	42.06	41.59	41.17	41.45	41.53	40.00	Common Shs Outst'g E	40.00
13.6	13.5	15.3	15.2	14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8	16.8		Avg Ann'l P/E Ratio	14.0
.85	.78	.80	.87	.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.95	1.05	1.08		Relative P/E Ratio	.95
5.6%	5.3%	4.6%	4.5%	4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%	3.3%		Avg Ann'l Div'd Yield	3.5%

1830.8	2544.4	2533.6	3148.3	3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	2248.9	2800	Revenues ($mill) A	3060
56.8	65.4	71.6	74.4	78.5	65.3	113.9	101.0	101.8	106.5	112	120	Net Profit ($mill)	140
38.7%	39.4%	39.1%	39.1%	38.9%	38.8%	37.8%	27.1%	41.4%	30.2%	35.0%	35.0%	Income Tax Rate	35.0%
3.1%	2.6%	2.8%	2.4%	2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	5.0%	4.3%	Net Profit Margin	4.5%
50.6%	38.1%	40.3%	42.0%	34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	39.2%	39.5%	Long-Term Debt Ratio	34.0%
49.4%	61.9%	59.7%	58.0%	65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	60.8%	60.5%	Common Equity Ratio	66.0%
732.4	676.8	783.8	755.3	954.0	1028.0	1182.1	1144.8	1154.4	1203.1	1339.0	1265	Total Capital ($mill)	1470
756.4	852.6	880.4	905.1	934.9	970.9	1017.3	1064.4	1135.7	1295.9	1484.9	1350	Net Plant ($mill)	1430
8.7%	10.7%	10.1%	11.2%	9.6%	7.7%	10.7%	9.7%	9.7%	9.7%	9.5%	10.5%	Return on Total Cap'l	10.0%
15.7%	15.6%	15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	14.0%	16.0%	Return on Shr. Equity	14.0%
15.7%	15.6%	15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.0%	13.7%	14.0%	16.0%	Return on Com Equity	14.0%
6.9%	7.7%	7.8%	8.5%	6.3%	3.6%	9.5%	7.2%	6.7%	6.2%	6.0%	7.5%	Retained to Com Eq	7.5%
56%	51%	49%	50%	50%	64%	40%	50%	52%	55%	56%	53%	All Div'ds to Net Prof	49%

CAPITAL STRUCTURE as of 9/30/12
Total Debt $812.8 mill. **Due in 5 Yrs** $214.3 mill.
LT Debt $525.2 mill. **LT Interest** $19.6 mill.
Incl. $65.8 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/12 $207.8 mill. **Oblig.** $332.2 mill.
Pfd Stock None

Common Stock 41,689,123 shs.
as of 11/23/12
MARKET CAP: $1.7 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2010	2011	9/30/12
Cash Assets	.9	7.4	4.5
Other	784.1	725.0	642.8
Current Assets	785.0	732.4	647.3
Accts Payable	47.3	66.0	265.8
Debt Due	178.9	166.9	287.6
Other	479.6	470.5	99.7
Current Liab.	705.8	703.4	653.1
Fix. Chg. Cov.	700%	700%	700%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	7.0%	-1.5%	2.5%
"Cash Flow"	5.0%	4.5%	5.0%
Earnings	7.5%	7.0%	5.5%
Dividends	6.0%	8.0%	4.0%
Book Value	8.0%	7.5%	5.5%

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2009	801.3	937.5	441.1	412.6	2592.5
2010	609.6	918.4	479.8	631.5	2639.3
2011	713.2	977.0	648.1	670.9	3009.2
2012	642.4	612.9	425.1	568.5	2248.9
2013	790	765	575	670	2800

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2009	.77	1.71	.03	d.12	2.40
2010	.66	1.55	.28	d.03	2.46
2011	.71	1.62	.23	.02	2.58
2012	1.09	1.79	.10	d.27	2.71
2013	1.15	1.84	.15	d.24	2.90

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.31	.31	.31	.31	1.24
2010	.34	.34	.34	.34	1.36
2011	.36	.36	.36	.36	1.44
2012	.38	.38	.38	.38	1.52
2013	.40				

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 494,964 customers at 9/30/11 in Monmouth and Ocean Counties, and other N.J. Counties. Fiscal 2011 volume: 178 bill. cu. ft. (5% interruptible, 35% residential and commercial and electric utility, 60% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2011 dep. rate: 2.2%. Has 891 empls. Off./dir. own about 1.1% of common (12/11 Proxy). Chrmn., CEO & Pres. : Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources posted a mixed bag of financial results for fiscal 2012 (ended September 30th). Indeed, the top line declined approximately 25% on a year-over-year basis. This reflected diminished volumes at both the utility and nonutility divisions. However, this was not alarming, being largely due to lower year-to-year comparable natural gas prices. Overall, management was successful at trimming unnecessary expenses, thereby boosting profitability for the year. And, on balance, NJR logged a modest 5% earnings advance, to $2.71 a share. However, this was slightly lower than we had previously anticipated. Consequently,

We have reduced our top- and bottom-line estimates for 2013 accordingly. Helped by low natural gas prices, New Jersey Resources has been quite successful at growing the number of customer accounts at the New Jersey Natural Gas regulated utility division. That unit comprises the bulk of the company's business mix, and is expected to add 6,000 to 7,000 new customers this year alone. Elsewhere, the NJR Clean Energy Ventures segment has multiple capital projects for alternative energy investments in its pipeline. On the downside, the NJR Energy services unit will likely continue to experience difficulties this year, as historically low natural gas prices and reduced volatility weigh on the wholesale market's profitability. Meanwhile, cost-cutting efforts that helped to boost the bottom line in 2012, will not be as effective with sustained top-line weakness this year. Thus, we have reduced our earnings estimate by $0.25, to $2.90 a share, for fiscal 2013.

The board recently approved a quarterly divided increase of about 5%, to $0.40 a share. This payout came on the heels of the regularly scheduled fourth-quarter dividend, due to concerns that the tax rate on dividends may rise next year.

These neutrally ranked shares are trading down roughly 13% in price since our September review. The bulk of this move likely stemmed from concerns for how the effects of Hurricane Sandy may weigh on the company's operations, as well as general concerns over higher taxes on dividends and capital gains.

Bryan J. Fong *December 7, 2012*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2011: $434.2 million, $10.48/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	55
Earnings Predictability	50

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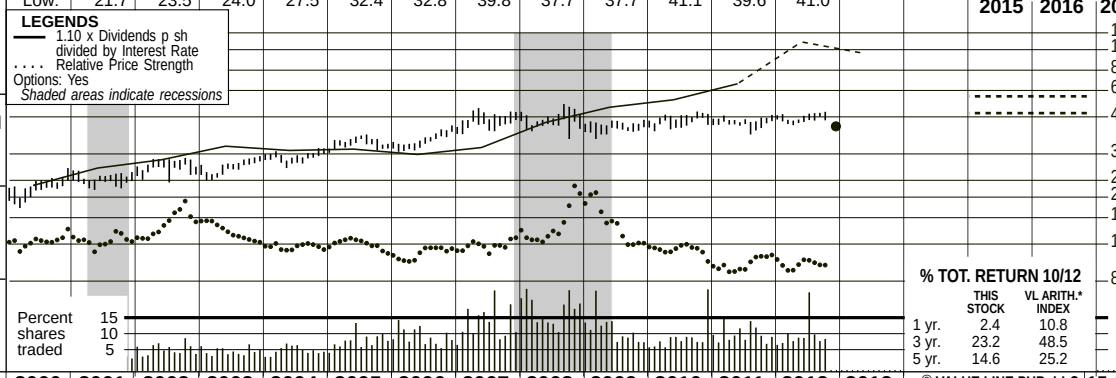
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE **43.28** | P/E RATIO **18.5** (Trailing: 18.4 / Median: 17.0) | RELATIVE P/E RATIO **1.15** | DIV'D YLD **4.2%** | VALUE LINE

TIMELINESS 3 Raised 9/21/12
SAFETY 1 Raised 3/18/05
TECHNICAL 3 Lowered 12/7/12
BETA .55 (1.00 = Market)

High:	26.8	30.7	31.3	34.1	39.6	43.7	52.8	55.2	46.5	50.9	49.0	50.8
Low:	21.7	23.5	24.0	27.5	32.4	32.8	39.8	37.7	37.7	41.1	39.6	41.0

Target Price Range 2015 | 2016 | 2017



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+40%)	12%
Low	50	(+15%)	8%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	0	0	0	0	0	0
to Sell	2	0	1	0	0	0	0	0	0

Institutional Decisions

	4Q2011	1Q2012	2Q2012
to Buy	72	69	70
to Sell	43	58	51
Hld's(000)	16071	16355	16429

% TOT. RETURN 10/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	2.4	10.8
3 yr.	23.2	48.5
5 yr.	14.6	25.2

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
16.86	15.82	16.77	18.17	21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	*29.25*	*29.10*	Revenues per sh	*30.55*
3.86	3.72	3.24	3.72	3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	*4.50*	*4.60*	"Cash Flow" per sh	*4.95*
1.97	1.76	1.02	1.70	1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	*2.25*	*2.45*	Earnings per sh A	*3.15*
1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	*1.79*	*1.83*	Div'ds Decl'd per sh B■	*1.96*
3.70	5.07	4.02	4.78	3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	*6.60*	*7.00*	Cap'l Spending per sh	*8.10*
15.37	16.02	16.59	17.12	17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	*26.95*	*27.35*	Book Value per sh D	*27.75*
22.56	22.86	24.85	25.09	25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	*27.00*	*27.50*	Common Shs Outst'g C	*28.00*
11.7	14.4	26.7	14.5	12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.73	.83	1.39	.83	.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.08	1.20	*Value Line*		Relative P/E Ratio	*1.15*
5.2%	4.8%	4.5%	5.0%	5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	*estimates*		Avg Ann'l Div'd Yield	*3.3%*

CAPITAL STRUCTURE as of 9/30/12
Total Debt $817.5 mill. **Due in 5 Yrs** $200 mill.
LT Debt $641.7 mill. **LT Interest** $45.0 mill.

(Total interest coverage: 3.4x)

Pension Assets-12/11 $216 mill. **Oblig.** $391.1 mill.

Pfd Stock None

Common Stock 26,902,000 shares

MARKET CAP $1.2 billion (Mid Cap)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		15-17
641.4	611.3	707.6	910.5	1013.2	1033.2	1037.9	1012.7	812.1	848.8	*790*	*800*	Revenues ($mill)	*855*
43.8	46.0	50.6	58.1	65.2	74.5	68.5	75.1	72.7	63.9	*60.0*	*70.0*	Net Profit ($mill)	*90.0*
34.9%	33.7%	34.4%	36.0%	36.3%	37.2%	36.9%	38.3%	40.5%	40.4%	*38.5%*	*36.0%*	Income Tax Rate	*32.5%*
6.8%	7.5%	7.1%	6.4%	6.4%	7.2%	6.6%	7.4%	8.9%	7.5%	*8.1%*	*8.8%*	Net Profit Margin	*10.3%*
47.6%	49.7%	46.0%	47.0%	46.3%	46.3%	44.9%	47.7%	46.1%	47.3%	*47.0%*	*47.0%*	Long-Term Debt Ratio	*48.5%*
51.5%	50.3%	54.0%	53.0%	53.7%	53.7%	55.1%	52.3%	53.9%	52.7%	*53.0%*	*53.0%*	Common Equity Ratio	*52.5%*
937.3	1006.6	1052.5	1108.4	1116.5	1106.8	1140.4	1261.8	1284.8	1356.2	*1370*	*1410*	Total Capital ($mill)	*1515*
995.6	1205.9	1318.4	1373.4	1425.1	1495.9	1549.1	1670.1	1854.2	1893.9	*1985*	*1895*	Net Plant ($mill)	*1895*
5.9%	5.7%	5.9%	6.5%	7.1%	8.5%	7.7%	7.3%	7.0%	6.2%	*6.0%*	*6.5%*	Return on Total Cap'l	*7.0%*
8.9%	9.1%	8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	*8.5%*	*9.5%*	Return on Shr. Equity	*11.5%*
8.5%	9.0%	8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	8.9%	*8.5%*	*9.0%*	Return on Com Equity	*11.5%*
1.9%	2.6%	2.7%	3.7%	4.5%	6.0%	4.5%	5.0%	4.0%	2.4%	*2.5%*	*3.0%*	Retained to Com Eq	*4.0%*
79%	72%	69%	63%	59%	52%	59%	56%	61%	73%	*80%*	*75%*	All Div'ds to Net Prof	*62%*

CURRENT POSITION ($MILL.)	2010	2011	9/30/12
Cash Assets	3.5	5.8	5.7
Other	326.8	342.9	192.2
Current Assets	330.3	348.7	197.9
Accts Payable	93.2	86.3	61.3
Debt Due	267.4	181.6	175.8
Other	107.6	146.6	108.3
Current Liab.	468.2	414.5	345.4
Fix. Chg. Cov.	366%	334%	344%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	4.5%	1.0%	*-1.5%*
"Cash Flow"	3.0%	3.5%	*-0.5%*
Earnings	4.0%	4.5%	*3.0%*
Dividends	3.0%	4.5%	*2.5%*
Book Value	4.0%	4.0%	*1.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	437.4	149.1	116.9	309.3	1012.7
2010	286.5	162.4	95.1	268.1	812.1
2011	323.1	161.2	93.3	271.2	848.8
2012	317.5	106.6	89.8	*276.1*	*790*
2013	*315*	*140*	*90*	*255*	*800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	1.78	.12	d.25	1.18	2.83
2010	1.64	.26	d.28	1.11	2.73
2011	1.53	.08	d.31	1.09	2.39
2012	1.51	.05	d.39	*1.08*	*2.25*
2013	*1.50*	*.15*	*d.25*	*1.05*	*2.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.375	.375	.375	.395	1.52
2009	.395	.395	.395	.415	1.60
2010	.415	.415	.415	.435	1.68
2011	.435	.435	.435	.445	1.75
2012	.445	.445	.445	.455	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 681,000 customers, in Oregon (90% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 57%; commercial, 26%; industrial, gas transportation, and other, 17%. Employs 1,061. BlackRock Inc. owns 7.8% of shares; officers and directors, 1.7% (4/12 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas Co.'s third-quarter results were mixed. Revenues decreased to $89.8 million, down 4% year over year. Losses narrowed to $0.29 a share compared to last year's $0.31. Margins expanded while sales declined. Increases in natural gas storage income (up 8%) likely will have a small but positive effect on profits and sales.

NW Natural received mixed results from a base rate case filed in Oregon. The Oregon Public Utility Commission (PUC) allowed the company to collect higher fixed charges, increasing revenues by $8.7 million. The PUC also lowered rates that NW Natural charges for natural gas. Although margins should decline as a result of this rate decrease, total volume should increase over the next few years, somewhat limiting the downside effect. As a result, we have lowered our earnings estimate for 2012 to $2.25 a share from $2.45. The higher fixed charges could lower earnings variability. Pension cost base-rate decisions were deferred by the PUC, but the outcome will have an effect on future profitability.

NW Natural is focused on increasing its industrial customer base. By filing to lower the base rate by 14%, the company would entice more businesses to switch to natural gas for their processes. This would potentially grow and diversify the customer base while increasing revenues. The company is also on track with its joint venture with Encana in the Jonah field, which should produce 8%-10% of the annual natural gas requirements. Both these initiatives are crucial to long-term growth.

NW Natural has raised its annual dividend to $1.82 a share. This is the 57th consecutive year that the company has increased its dividend and this trend is likely to continue. The stock retreat since our last report and the dividend increase have caused the yield to expand, but it is still below average for gas utilities.

NW Natural has a Timeliness rank of 3 (Average). Although this issue has below market average appreciation potential, conservative investors with an income objective should consider this issue because it has a high and growing yield and Highest Safety rank (1); however, this issue is not for performance-minded investors.

John E. Seibert III *December 7, 2012*

(A) Diluted earnings per share. Excludes nonrecurring items: '98, $0.15; '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢; Next earnings report due late January.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes intangibles. In 2011: $371.4 million, $13.88/share.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	65
Earnings Predictability	90

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SOUTH JERSEY INDS. NYSE-SJI

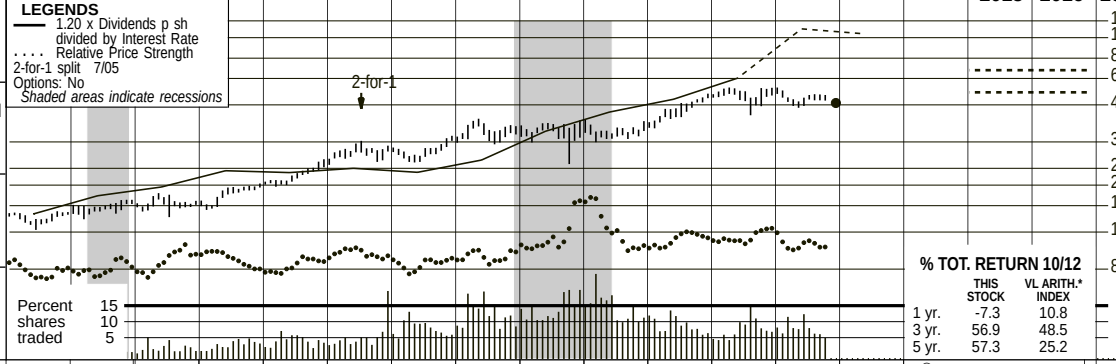
RECENT PRICE **48.96** | P/E RATIO **15.2** (Trailing: 15.7 Median: 15.0) | RELATIVE P/E RATIO **1.03** | DIV'D YLD **3.6%** | VALUE LINE

TIMELINESS 3 Lowered 11/23/12
SAFETY 2 Lowered 1/4/91
TECHNICAL 2 Raised 10/19/12
BETA .65 (1.00 = Market)

High:	17.0	18.3	20.3	26.5	32.4	34.3	41.3	40.6	40.8	54.2	58.0	58.0
Low:	13.8	14.1	15.3	19.7	24.9	25.6	31.2	25.2	32.0	37.2	42.8	45.8

Target Price Range
2015 | 2016 | 2017

LEGENDS
— 1.20 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 7/05
Options: No
Shaded areas indicate recessions



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+45%)	12%
Low	55	(+10%)	7%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	3	0	1	3	0	3	2

Institutional Decisions

	4Q2011	1Q2012	2Q2012
to Buy	59	68	78
to Sell	60	64	55
Hld's(000)	17847	17213	18018

% TOT. RETURN 10/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-7.3	10.8
3 yr.	56.9	48.5
5 yr.	57.3	25.2

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
16.52	16.18	20.89	17.60	22.43	35.30	20.69	26.34	29.51	31.78	31.76	32.30	32.36	28.37	30.97	27.42	*23.00*	*26.45*	Revenues per sh	*33.35*
1.54	1.60	1.44	1.84	1.95	1.90	2.12	2.24	2.44	2.51	3.51	3.20	3.48	3.72	4.21	4.46	*4.60*	*4.75*	"Cash Flow" per sh	*6.25*
.85	.86	.64	1.01	1.08	1.15	1.22	1.37	1.58	1.71	2.46	2.09	2.27	2.38	2.70	2.89	*3.15*	*3.35*	Earnings per sh A	*4.50*
.72	.72	.72	.72	.73	.74	.75	.78	.82	.86	.92	1.01	1.11	1.22	1.36	1.50	*1.65*	*1.82*	Div'ds Decl'd per sh B ■	*2.30*
2.01	2.30	3.06	2.19	2.21	2.82	3.47	2.36	2.67	3.21	2.51	1.88	2.08	3.67	5.59	6.39	*6.20*	*6.45*	Cap'l Spending per sh	*7.20*
8.03	6.43	6.23	6.74	7.25	7.81	9.67	11.26	12.41	13.50	15.11	16.25	17.33	18.24	19.08	20.66	*23.00*	*24.60*	Book Value per sh C	*27.80*
21.51	21.54	21.56	22.30	23.00	23.72	24.41	26.46	27.76	28.98	29.33	29.61	29.73	29.80	29.87	30.21	*31.50*	*32.50*	Common Shs Outst'g D	*36.00*
13.3	13.8	21.2	13.3	13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	18.4	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.83	.80	1.10	.76	.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.07	1.16	*Value Line*		Relative P/E Ratio	*.95*
6.4%	6.1%	5.3%	5.4%	5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	2.8%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 9/30/12
Total Debt $906.8 mill. **Due in 5 Yrs** $434.0 mill.
LT Debt $566.4 mill. **LT Interest** $16.0 mill.
(Total interest coverage: 6.3x)

Pension Assets-12/11 $116.7 mill. **Oblig.** $195.0 mill.

Pfd Stock None

Common Stock 31,262,570 common shs. **as of 11/1/12**

MARKET CAP: $1.5 billion (Mid Cap)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		15-17
505.1	696.8	819.1	921.0	931.4	956.4	962.0	845.4	925.1	828.6	*725*	*860*	Revenues ($mill)	*1200*
29.4	34.6	43.0	48.6	72.0	61.8	67.7	71.3	81.0	87.0	*100*	*105*	Net Profit ($mill)	*160*
41.4%	40.6%	40.9%	41.5%	41.3%	41.9%	47.7%	23.0%	15.2%	22.4%	*20.0%*	*25.0%*	Income Tax Rate	*30.0%*
5.8%	5.0%	5.2%	5.3%	7.7%	6.5%	7.0%	8.4%	8.8%	10.5%	*13.8%*	*12.2%*	Net Profit Margin	*13.3%*
53.6%	50.8%	48.7%	44.9%	44.7%	42.7%	39.2%	36.5%	37.4%	40.5%	*44.0%*	*43.0%*	Long-Term Debt Ratio	*43.0%*
46.1%	49.0%	51.0%	55.1%	55.3%	57.3%	60.8%	63.5%	62.6%	59.5%	*56.0%*	*57.0%*	Common Equity Ratio	*57.0%*
512.5	608.4	675.0	710.3	801.1	839.0	848.0	856.4	910.1	1048.3	*1300*	*1400*	Total Capital ($mill)	*1750*
666.6	748.3	799.9	877.3	920.0	948.9	982.6	1073.1	1193.3	1352.4	*1480*	*1600*	Net Plant ($mill)	*1900*
7.6%	7.3%	7.9%	8.3%	10.1%	8.6%	8.9%	9.0%	9.5%	8.9%	*8.5%*	*8.0%*	Return on Total Cap'l	*9.5%*
12.4%	11.5%	12.4%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	*14.0%*	*13.0%*	Return on Shr. Equity	*16.0%*
12.5%	11.6%	12.5%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	13.9%	*14.0%*	*13.0%*	Return on Com Equity	*16.0%*
4.7%	5.0%	5.9%	6.2%	10.2%	6.7%	6.7%	6.4%	7.1%	6.7%	*6.5%*	*5.5%*	Retained to Com Eq	*7.5%*
62%	57%	52%	50%	37%	48%	49%	51%	50%	52%	*52%*	*56%*	All Div'ds to Net Prof	*52%*

CURRENT POSITION ($MILL.)	2010	2011	9/30/12
Cash Assets	2.4	7.5	4.2
Other	421.4	333.1	319.6
Current Assets	423.8	340.6	323.8
Accts Payable	165.2	153.7	111.1
Debt Due	362.1	323.6	340.4
Other	113.2	110.7	101.3
Current Liab.	640.5	588.0	552.8
Fix. Chg. Cov.	532%	505%	570%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	1.5%	-1.5%	*2.5%*
"Cash Flow"	8.0%	8.0%	*7.0%*
Earnings	9.5%	7.0%	*9.0%*
Dividends	6.5%	9.5%	*9.0%*
Book Value	10.5%	7.0%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	362.2	134.5	127.1	221.6	845.4
2010	329.3	151.6	160.7	283.5	925.1
2011	331.9	160.5	137.6	198.6	828.6
2012	274.8	121.9	112.0	*216.3*	*725*
2013	*305*	*150*	*150*	*255*	*860*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	1.46	.15	d.06	.83	2.38
2010	1.49	.24	.10	.87	2.70
2011	1.63	.20	.01	1.05	2.89
2012	1.65	.28	.13	*1.09*	*3.15*
2013	*1.70*	*.30*	*.15*	*1.20*	*3.35*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	- -	.270	.270	.568	1.11
2009	- -	.298	.298	.628	1.22
2010	- -	.330	.330	.695	1.36
2011	- -	.365	.365	.768	1.50
2012	- -	.403	.403	.845	

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 347,725 customers in New Jersey's southern counties, which covers about 2,500 square miles and includes Atlantic City. Gas revenue mix '11: residential, 41%; commercial, 20%; cogeneration and electric generation, 14%; industrial, 25%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, Marina Energy, and South Jersey Energy Service Plus. Has 675 employees. Off./dir. control 1.0% of common shares; BlackRock Inc., 7.8% (3/12 proxy). Chrmn. & CEO: Edward Graham. Inc.: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Telephone: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have pulled back somewhat over the past two months. Revenue declined for the third quarter, but that was largely due to a lower natural gas pricing environment. The mainstay utility segment reported a moderate top-line decline, and the nonutility businesses posted considerably lower revenues. But operating costs also declined, and the bottom-line picture was much brighter. Share net came in at $0.13, well above the prior-year tally.

The company appears to have made it through Hurricane Sandy in good shape. Flooding and high winds from the super storm dealt a significant blow to New Jersey residents. But service disruption at the utility was minimal, and SJI's nonutility energy projects experienced mostly superficial damage.

We look for moderate earnings growth going forward. We expect healthy results from most of SJI's businesses. Utility South Jersey Gas ought to benefit from modest customer growth going forward. Natural gas remains the fuel of choice within its service territory, and the utility should continue to benefit from customer interest in converting from other sources of fuel. In addition, spending on infrastructure projects under the Capital Investment Recovery Tracker program ought to improve service and allow the utility to earn a good return on these investments. On the nonutility side, healthy demand for renewable and natural gas-fired energy projects should benefit the Retail Energy line. Efforts to reposition the marketing unit may also bear fruit.

The board of directors has increased the dividend by roughly 10%. The quarterly dividend is now $0.4425 per share, beginning with the December payout. The company cited strong recent performance and myriad growth opportunities as reasons for the hike. Dividend increases will likely continue in the coming years.

These shares are neutrally ranked for Timeliness. We anticipate higher revenues and earnings for the company by 2015-2017. Moreover, South Jersey earns good marks for Safety, Price Stability, and Earnings Predictability. This equity offers decent, and fairly well-defined, total return potential for the coming years.

Michael Napoli, CFA *December 7, 2012*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $2.10; '08, $2.58; '09, $1.94; '10, $2.22; '11, $2.97. Excl. nonrecur. gain (loss): '01, $0.13; '08, $0.31; '09, ($0.44); '10, ($0.47); '11, $0.08. Excl gain (losses) from discont. ops.: '01, ($0.02); '02, ($0.04); '03, ($0.09); '05, ($0.02); '06, ($0.02); '07, $0.01. Next egs. report due in February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2011: $315.2 mill., $10.43 per shr. (D) In mill., adj. for split.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	90
Earnings Predictability	85

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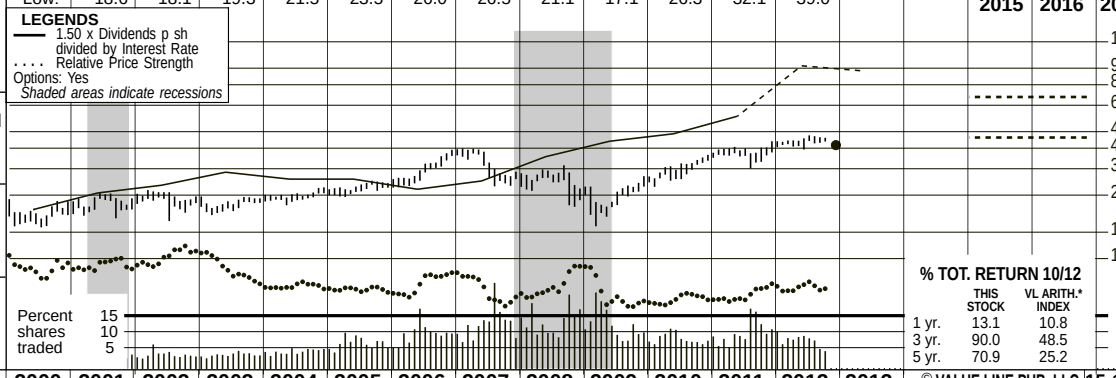
SOUTHWEST GAS NYSE-SWX

RECENT PRICE 41.30 | P/E RATIO 13.8 (Trailing: 15.2 Median: 17.0) | RELATIVE P/E RATIO 0.93 | DIV'D YLD 3.1% | VALUE LINE

TIMELINESS 3 Lowered 11/16/12
SAFETY 3 Lowered 1/4/91
TECHNICAL 3 Raised 8/10/12
BETA .75 (1.00 = Market)

High:	24.7	25.3	23.6	26.2	28.1	39.4	39.9	33.3	29.5	37.3	43.2	46.1
Low:	18.6	18.1	19.3	21.5	23.5	26.0	26.5	21.1	17.1	26.3	32.1	39.0

Target Price Range 2015 | 2016 | 2017



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	70	(+70%)	17%
Low	45	(+10%)	6%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	1	0	0	0	0	0	1
Options	0	0	2	0	0	2	0	0	1
to Sell	1	0	4	0	1	3	0	0	1

Institutional Decisions

	4Q2011	1Q2012	2Q2012
to Buy	56	64	85
to Sell	95	79	70
Hld's(000)	34237	35127	34847

% TOT. RETURN 10/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	13.1	10.8
3 yr.	90.0	48.5
5 yr.	70.9	25.2

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
24.09	26.73	30.17	30.24	32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.18	41.07	*42.25*	*43.10*	Revenues per sh	*52.00*
3.00	3.85	4.48	4.45	4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.46	6.81	*7.40*	*7.75*	"Cash Flow" per sh	*9.40*
.25	.77	1.65	1.27	1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	2.43	*2.72*	*2.85*	Earnings per sh A	*3.75*
.82	.82	.82	.82	.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	1.06	*1.18*	*1.30*	Div'ds Decl'd per sh B■†	*1.60*
8.19	6.19	6.40	7.41	7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.73	8.29	*7.85*	*8.50*	Cap'l Spending per sh	*9.60*
14.20	14.09	15.67	16.31	16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.62	26.66	*27.95*	*30.85*	Book Value per sh	*36.00*
26.73	27.39	30.41	30.99	31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.56	45.96	*46.50*	*47.00*	Common Shs Outst'g C	*50.00*
69.3	24.1	13.2	21.1	16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	15.7	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
4.34	1.39	.69	1.20	1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	.99	*Value Line*		Relative P/E Ratio	*1.00*
4.7%	4.4%	3.8%	3.1%	4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	2.8%	*estimates*		Avg Ann'l Div'd Yield	*2.8%*

CAPITAL STRUCTURE as of 9/30/12
Total Debt $1261.1 mill. **Due in 5 Yrs** $343.0 mill.
LT Debt $1256.0 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 3.8x) (50% of Cap'l)
Leases, Uncapitalized Annual rentals $6.0 mill.
Pension Assets-12/11 $551.8 mill. **Oblig.** $832.8 mill.
Pfd Stock None

Common Stock 46,140,788 shs. as of 10/26/12

MARKET CAP: $1.9 billion (Mid Cap)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		15-17
1320.9	1231.0	1477.1	1714.3	2024.7	2152.1	2144.7	1893.8	1830.4	1887.2	*1965*	*2025*	Revenues ($mill)	*2600*
38.6	38.5	58.9	48.1	80.5	83.2	61.0	87.5	103.9	112.3	*125*	*135*	Net Profit ($mill)	*190*
32.8%	30.5%	34.8%	29.7%	37.3%	36.5%	40.1%	34.0%	34.7%	36.2%	*36.0%*	*35.0%*	Income Tax Rate	*35.0%*
2.9%	3.1%	4.0%	2.8%	4.0%	3.9%	2.8%	4.6%	5.7%	6.0%	*6.4%*	*6.7%*	Net Profit Margin	*7.3%*
62.5%	66.0%	64.2%	63.8%	60.6%	58.1%	55.3%	53.5%	49.1%	43.2%	*49.0%*	*48.0%*	Long-Term Debt Ratio	*48.5%*
34.1%	34.0%	35.8%	36.2%	39.4%	41.9%	44.7%	46.5%	50.9%	56.8%	*51.0%*	*52.0%*	Common Equity Ratio	*51.5%*
1748.3	1851.6	1968.6	2076.0	2287.8	2349.7	2323.3	2371.4	2291.7	2155.9	*2550*	*2800*	Total Capital ($mill)	*3500*
1979.5	2175.7	2336.0	2489.1	2668.1	2845.3	2983.3	3034.5	3072.4	3218.9	*3320*	*3400*	Net Plant ($mill)	*3750*
4.3%	4.2%	5.0%	4.3%	5.5%	5.5%	4.5%	5.4%	6.1%	6.4%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.0%*
5.9%	6.1%	8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	*9.5%*	*9.5%*	Return on Shr. Equity	*10.5%*
6.5%	6.1%	8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	9.2%	*9.5%*	*9.5%*	Return on Com Equity	*10.5%*
1.9%	1.7%	4.3%	2.2%	5.2%	4.8%	2.1%	4.1%	5.1%	5.3%	*5.5%*	*5.0%*	Retained to Com Eq	*6.0%*
70%	72%	49%	65%	42%	44%	63%	48%	43%	43%	*44%*	*45%*	All Div'ds to Net Prof	*42%*

CURRENT POSITION ($MILL.)	2010	2011	9/30/12
Cash Assets	116.1	21.9	22.1
Other	329.8	439.7	327.7
Current Assets	445.9	461.6	349.8
Accts Payable	165.5	186.8	90.6
Debt Due	75.1	322.6	5.1
Other	356.4	338.2	369.5
Current Liab.	597.0	847.6	465.2
Fix. Chg. Cov.	299%	359%	375%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	1.5%	-1.5%	*4.0%*
"Cash Flow"	3.5%	3.0%	*6.5%*
Earnings	6.0%	6.5%	*9.0%*
Dividends	2.0%	4.0%	*8.0%*
Book Value	4.5%	5.0%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	689.9	387.6	317.5	498.8	1893.8
2010	668.8	385.8	307.7	468.1	1830.4
2011	628.4	388.5	352.6	517.7	1887.2
2012	657.6	409.8	371.8	*525.8*	*1965*
2013	*670*	*420*	*390*	*545*	*2025*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	1.12	d.01	d.18	1.01	1.94
2010	1.42	d.02	d.11	.98	2.27
2011	1.48	.09	d.34	1.19	2.43
2012	1.70	d.08	d.09	*1.19*	*2.72*
2013	*1.80*	*.10*	*d.30*	*1.25*	*2.85*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.215	.225	.225	.225	.89
2009	.225	.238	.238	.238	.94
2010	.238	.250	.250	.250	.99
2011	.250	.265	.265	.265	1.05
2012	.265	.295	.295	.295	

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 1.9 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2011 margin mix: residential and small commercial, 86%; large commercial and industrial, 4%; transportation, 10%. Total throughput: 2.1 billion therms. Sold PriMerit Bank, 7/96. Has 5,754 employees. Off. & Dir. own 1.6% of common stock; BlackRock Inc., 8.5%; GAMCO Investors, Inc., 8.3%; T. Rowe Price Associates, Inc., 6.7% (3/12 Proxy). Chairman: Michael J. Melarkey. CEO: Jeffrey W. Shaw. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Telephone: 702-876-7237. Internet: www.swgas.com.

Southwest Gas reported improved results for the third quarter. Revenues increased at a moderate clip, and the company posted a much lower share loss for the interim, partly because Southwest experienced healthy growth in the construction business. Utility revenues were roughly flat, compared with the prior-year period, but were supported by higher rates in Arizona. Efforts to control operating costs benefited the bottom line. We anticipate healthy results for the fourth quarter, and greater revenues and share net for full-year 2012.

The Public Utilities Commission of Nevada has approved a $7 million annualized rate increase. The new rates became effective in November. However, the rate hike is much lower than the $27 million increase the company had been seeking. Including other aspects of the decision, Southwest estimates an annual operating income benefit of around $11.4 million. The company also identified several items it may request to have formally reconsidered by the commission. Southwest's focus on this matter is to be expected, as it depends on approved revenue increases to help it cope with higher costs and as compensation for infrastructure investment.

Performance may well continue to improve in 2013. The utility business should benefit from modest customer growth and recently granted rate relief. Meantime, the construction services subsidiary should continue to experience healthy demand, given the need to replace aging infrastructure.

The stock is not without risk. The company will probably incur greater operating expenses as it continues to expand. Moreover, lagging rate relief or unfavorable temperature variations could hurt the performance of the utility business.

This stock is now neutrally ranked for Timeliness. But the shares have some positive characteristics. Namely, Southwest Gas earns good marks for Price Stability and Earnings Predictability. Dividend growth ought to continue, as well, though the yield will probably remain below the industry average. Even so, this stock has decent total return potential for the coming years.

Michael Napoli, CFA *December 7, 2012*

(A) Based on avg. shares outstand. thru. '96, then diluted. Excl. nonrec. gains (losses): '97, 16¢; '02, (10¢); '05, (11¢); '06, 7¢. Next egs. report due late February. (B) Dividends historically paid early March, June, September, December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions.

Company's Financial Strength	B
Stock's Price Stability	100
Price Growth Persistence	90
Earnings Predictability	75

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LACLEDE GROUP NYSE-LG

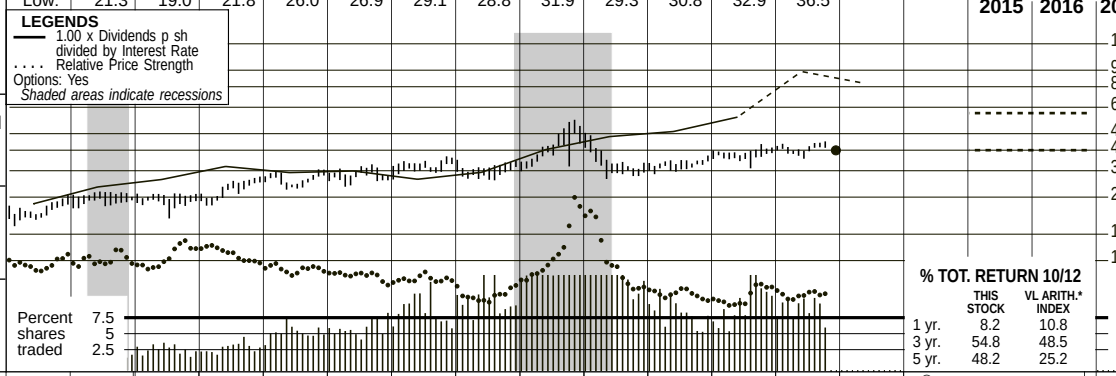
RECENT PRICE **39.89** | P/E RATIO **13.7** (Trailing: 14.3 Median: 14.0) | RELATIVE P/E RATIO **0.92** | DIV'D YLD **4.3%** | VALUE LINE

TIMELINESS 3 Lowered 9/23/11
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 11/23/12
BETA .55 (1.00 = Market)

High:	25.5	25.0	30.0	32.5	34.3	37.5	36.0	55.8	48.3	37.8	42.8	44.0
Low:	21.3	19.0	21.8	26.0	26.9	29.1	28.8	31.9	29.3	30.8	32.9	36.5

Target Price Range
2015 | 2016 | 2017

LEGENDS
— 1.00 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded areas indicate recessions



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	60	(+50%)	*14%*
Low	45	(+15%)	*6%*

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	1	0	0	0	0	0	0
to Sell	0	0	1	0	0	0	0	0	0

Institutional Decisions

	4Q2011	1Q2012	2Q2012
to Buy	64	62	62
to Sell	58	71	64
Hld's(000)	10812	11161	10921

% TOT. RETURN 10/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	8.2	10.8
3 yr.	54.8	48.5
5 yr.	48.2	25.2

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
31.03	34.33	31.04	26.04	29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	71.48	49.76	*50.40*	Revenues per sh A	*52.00*
3.29	3.32	3.02	2.56	2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	4.62	4.58	*4.65*	"Cash Flow" per sh	*5.20*
1.87	1.84	1.58	1.47	1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	2.79	*2.85*	Earnings per sh A B	*3.30*
1.26	1.30	1.32	1.34	1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	1.66	*1.74*	Div'ds Decl'd per sh C■	*1.84*
2.35	2.44	2.68	2.58	2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	3.02	4.71	*2.85*	Cap'l Spending per sh	*3.00*
13.72	14.26	14.57	14.96	14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	25.56	26.60	*28.35*	Book Value per sh D	*33.00*
17.56	17.56	17.63	18.88	18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	22.43	22.62	*23.0*	Common Shs Outst'g E	*23.5*
11.9	12.5	15.5	15.8	14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0	14.5		Avg Ann'l P/E Ratio	*15.5*
.75	.72	.81	.90	.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.81	.97		Relative P/E Ratio	*1.05*
5.6%	5.6%	5.4%	5.8%	6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%	4.1%		Avg Ann'l Div'd Yield	*3.8%*

CAPITAL STRUCTURE as of 9/30/12
Total Debt $364.4 mill. **Due in 5 Yrs** $50.0 mill.
LT Debt $339.4 mill. **LT Interest** $25.0 mill.
(Total interest coverage: 4.6x)

Leases, Uncapitalized Annual rentals $.9 mill.
Pension Assets-9/11 $248.0 mill. **Oblig.** $384.2 mill.
Pfd Stock None
Common Stock 22,262,000 shs. **as of 9/30/12**

MARKET CAP: $900 million (Small Cap)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		15-17
755.2	1050.3	1250.3	1597.0	1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	1125.5	*1150*	Revenues ($mill) A	*1225*
22.4	34.6	36.1	40.1	50.5	49.8	57.6	64.3	54.0	63.8	63.1	*65.0*	Net Profit ($mill)	*78.0*
35.4%	35.0%	34.8%	34.1%	32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	32.0%	*31.0%*	Income Tax Rate	*33.0%*
3.0%	3.3%	2.9%	2.5%	2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	5.6%	*5.6%*	Net Profit Margin	*6.4*
47.5%	50.4%	51.6%	48.1%	49.5%	45.3%	44.4%	42.9%	40.5%	38.9%	36.0%	*38.5%*	Long-Term Debt Ratio	*37.5%*
52.3%	49.4%	48.3%	51.8%	50.4%	54.6%	55.5%	57.1%	59.5%	61.1%	64.0%	*61.5%*	Common Equity Ratio	*62.5%*
546.6	605.0	737.4	707.9	798.9	784.5	876.1	906.3	899.9	937.7	941.0	*1050*	Total Capital ($mill)	*1240*
594.4	621.2	646.9	679.5	763.8	793.8	823.2	855.9	884.1	928.7	1019.3	*1025*	Net Plant ($mill)	*1100*
6.0%	7.4%	6.6%	7.6%	8.4%	8.5%	8.1%	8.7%	7.4%	8.1%	*6.5%*	*7.5%*	Return on Total Cap'l	*7.5%*
7.8%	11.5%	10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.6%	*9.5%*	Return on Shr. Equity	*10.0%*
7.8%	11.6%	10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	11.1%	10.6%	*9.5%*	Return on Com Equity	*10.0%*
NMF	3.1%	2.7%	3.1%	5.1%	4.3%	5.2%	5.9%	3.6%	4.9%	4.3%	*4.0%*	Retained to Com Eq	*4.5%*
NMF	74%	73%	72%	59%	63%	56%	53%	64%	56%	60%	*61%*	All Div'ds to Net Prof	*55%*

CURRENT POSITION ($MILL.)	2010	2011	9/30/12
Cash Assets	86.9	43.3	27.5
Other	327.3	325.8	315.5
Current Assets	414.2	369.1	343.0
Accts Payable	95.6	96.6	89.5
Debt Due	154.6	46.0	25.0
Other	83.7	89.3	137.6
Current Liab.	333.9	231.9	252.1
Fix. Chg. Cov.	391%	463%	242%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	8.0%	.5%	*-6.5%*
"Cash Flow"	5.0%	7.0%	*2.5%*
Earnings	6.5%	6.0%	*3.0%*
Dividends	1.5%	2.5%	*2.5%*
Book Value	5.0%	6.5%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2009	674.3	659.1	309.9	251.9	1895.2
2010	491.2	635.3	324.5	284.0	1735.0
2011	444.2	543.8	344.3	271.0	1603.3
2012	410.9	358.2	186.9	169.5	1125.5
2013	*365*	*400*	*210*	*175*	*1150*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2009	1.42	1.40	.31	d.22	2.92
2010	1.03	1.26	.21	d.07	2.43
2011	1.05	1.25	.69	d.13	2.86
2012	1.12	1.32	.38	d.03	2.79
2013	*1.20*	*1.35*	*.40*	*d.10*	*2.85*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.375	.375	.375	.375	1.50
2009	.385	.385	.385	.385	1.54
2010	.395	.395	.395	.395	1.58
2011	.405	.405	.405	.405	1.62
2012	.415	.415	.415	.415	

BUSINESS: Laclede Group, Inc., is a holding company for Laclede Gas, which distributes natural gas in eastern Missouri, including the city of St. Louis, St. Louis County, and parts of 10 other counties. Has roughly 628,000 customers. Purchased SM&P Utility Resources, 1/02; divested, 3/08. Utility therms sold and transported in fiscal 2012: 1.0 bill. Revenue mix for regulated operations: residential, 64; commercial and industrial, 21%; transportation, 2%; other, 13%. Has around 1,640 employees. Officers and directors own approximately 8% of common shares (1/12 proxy). Chairman: William E. Nasser; CEO: Suzanne Sitherwood. Incorporated: Missouri. Address: 720 Olive Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Laclede Group's fourth-quarter results were better than expected (Years end September). Revenues decreased to $169.5 million, due to lower commodities costs, which were passed through to natural gas customers. Losses were narrowed to $0.03 a share compared to last year's deficit of $0.13. Margin expansion (5.6% in 2012 versus 4.0% in 2011) played a major factor in this year's earnings decreasing only slightly, even though there was a large decline in sales.

Increases in infrastructure replacement spending are a key component of Laclede's growth strategy. Over half of the $115 million spent on infrastructure is eligible to be recovered through the Infrastructure System Replacement Surcharge (ISRS), which charges customers for infrastructure replacement and improvement. This program leads to higher fixed revenues with greater margins, which allows for more consistent financial results.

Laclede is investing in emerging technologies in its non-regulated division, such as compressed natural gas (CNG) for vehicles. This segment advanced 37% over fiscal 2011. Commercial vehicle fleets, like the one at AT&T, are increasingly using CNG as an economical fuel source. As this trend plays out, Laclede's earnings will increasingly come from the nonregulated gas division, which should grow margins further.

Laclede raised its quarterly dividend to $0.425 a share, increasing the payout by 2.4% per year. The share price has come down since our last report bringing the yield up to 4.3%. This is well covered by earnings. Dividend growth has the potential to be quite noticeable over the next few years. This is the 10th year in a row that Laclede has raised its dividend, and this trend is likely to persist.

Laclede has a Timeliness rank of 3 (Average). This issue is likely to track the broader averages over the next six to 12 months. Its Above-Average Safety rank and growing dividend may appeal to income investors. This dividend also has the potential to be one of the strongest in the natural gas distribution field, thanks to the company's stronger-than-average cash flow potential.

John E. Seibert III *December 7, 2012*

(A) Fiscal year ends Sept. 30th.
(B) Based on average shares outstanding thru. '97, then diluted. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late January. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '11: $429.9 mill., $19.17/sh.
(E) In millions.
(F) Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	80

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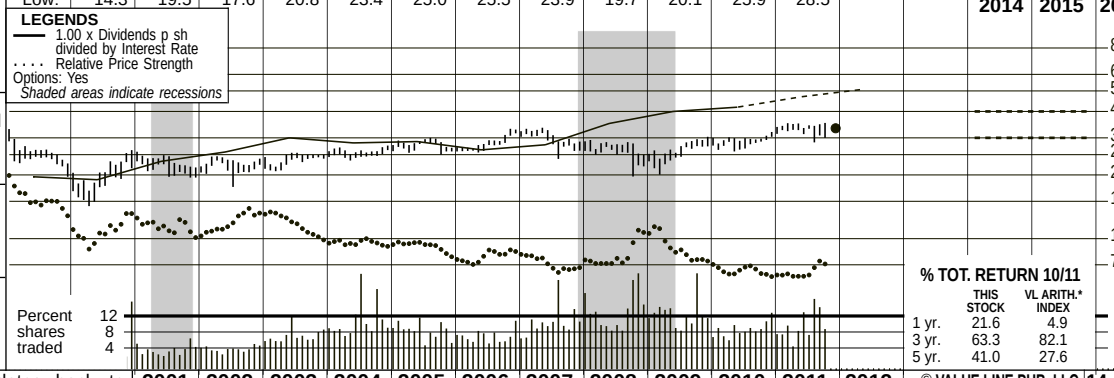
ATMOS ENERGY CORP. NYSE-ATO

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
33.30	14.0	(Trailing: 14.3 Median: 14.0)	1.04	4.2%	VALUE LINE

TIMELINESS 3 Raised 2/25/11
SAFETY 2 Raised 12/16/05
TECHNICAL 3 Raised 10/7/11
BETA .70 (1.00 = Market)

High:	26.3	25.8	24.5	25.5	27.6	30.0	33.1	33.5	29.3	30.3	32.0	35.6
Low:	14.3	19.5	17.6	20.8	23.4	25.0	25.5	23.9	19.7	20.1	25.9	28.5

Target Price Range
2014 | 2015 | 2016



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	40	(+20%)	9%
Low	30	(-10%)	2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	1	1	0	0	0	0	0	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	97	112	110
to Sell	107	105	116
Hld's(000)	50750	50093	50338

% TOT. RETURN 10/11

	THIS STOCK	VL ARITH.* INDEX
1 yr.	21.6	4.9
3 yr.	63.3	82.1
5 yr.	41.0	27.6

Atmos Energy's history dates back to 1906 in the Texas Panhandle. Over the years, through various mergers, it became part of Pioneer Corporation, and, in 1981, Pioneer named its gas distribution division Energas. In 1983, Pioneer organized Energas as a separate subsidiary and distributed the outstanding shares of Energas to Pioneer shareholders. Energas changed its name to Atmos in 1988. Atmos acquired Trans Louisiana Gas in 1986, Western Kentucky Gas Utility in 1987, Greeley Gas in 1993, United Cities Gas in 1997, and others.

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
35.36	22.82	54.39	46.50	61.75	75.27	66.03	79.52	53.69	53.12	*48.05*	*51.10*	Revenues per sh A	*64.75*
3.03	3.39	3.23	2.91	3.90	4.26	4.14	4.19	4.29	4.64	*4.80*	*5.15*	"Cash Flow" per sh	*5.55*
1.47	1.45	1.71	1.58	1.72	2.00	1.94	2.00	1.97	2.16	2.26	*2.40*	Earnings per sh A B	*2.70*
1.16	1.18	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	*1.38*	Div'ds Decl'd per sh C■	*1.45*
2.77	3.17	3.10	3.03	4.14	5.20	4.39	5.20	5.51	6.02	*6.90*	*7.10*	Cap'l Spending per sh	*7.65*
14.31	13.75	16.66	18.05	19.90	20.16	22.01	22.60	23.52	24.16	*24.90*	*27.70*	Book Value per sh	*30.10*
40.79	41.68	51.48	62.80	80.54	81.74	89.33	90.81	92.55	90.16	*90.50*	*91.00*	Common Shs Outst'g D	*105.00*
15.6	15.2	13.4	15.9	16.1	13.5	15.9	13.6	12.5	13.2	14.4		Avg Ann'l P/E Ratio	*13.0*
.80	.83	.76	.84	.86	.73	.84	.82	.83	.84	.90		Relative P/E Ratio	*.85*
5.1%	5.4%	5.2%	4.9%	4.5%	4.7%	4.2%	4.8%	5.3%	4.7%	4.2%		Avg Ann'l Div'd Yield	*4.1%*
1442.3	950.8	2799.9	2920.0	4973.3	6152.4	5898.4	7221.3	4969.1	4789.7	4347.6	*4650*	Revenues ($mill) A	*6800*
56.1	59.7	79.5	86.2	135.8	162.3	170.5	180.3	179.7	201.2	199.3	*220*	Net Profit ($mill)	*285*
37.3%	37.1%	37.1%	37.4%	37.7%	37.6%	35.8%	38.4%	34.4%	38.5%	36.4%	*38.5%*	Income Tax Rate	*40.5%*
3.9%	6.3%	2.8%	3.0%	2.7%	2.6%	2.9%	2.5%	3.6%	4.2%	4.6%	*4.7%*	Net Profit Margin	*4.2%*
54.3%	53.9%	50.2%	43.2%	57.7%	57.0%	52.0%	50.8%	49.9%	45.4%	*49.5%*	*49.0%*	Long-Term Debt Ratio	*49.0%*
45.7%	46.1%	49.8%	56.8%	42.3%	43.0%	48.0%	49.2%	50.1%	54.6%	*50.5%*	*51.0%*	Common Equity Ratio	*51.0%*
1276.3	1243.7	1721.4	1994.8	3785.5	3828.5	4092.1	4172.3	4346.2	3987.9	*4460*	*4940*	Total Capital ($mill)	*6200*
1335.4	1300.3	1516.0	1722.5	3374.4	3629.2	3836.8	4136.9	4439.1	4793.1	*5150*	*5400*	Net Plant ($mill)	*6400*
5.9%	6.8%	6.2%	5.8%	5.3%	6.1%	5.9%	5.9%	5.9%	6.9%	*6.0%*	*6.0%*	Return on Total Cap'l	*6.0%*
9.6%	10.4%	9.3%	7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	*9.0%*	*9.0%*	Return on Shr. Equity	*9.0%*
9.6%	10.4%	9.3%	7.6%	8.5%	9.8%	8.7%	8.8%	8.3%	9.2%	*9.0%*	*9.0%*	Return on Com Equity	*9.0%*
2.1%	1.9%	2.8%	1.7%	2.3%	3.6%	3.0%	3.1%	2.7%	3.5%	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
79%	82%	70%	77%	73%	63%	65%	65%	68%	62%	*62%*	*57%*	All Div'ds to Net Prof	*53%*

CAPITAL STRUCTURE as of 6/30/11
Total Debt $2208.5 mill. **Due in 5 Yrs** $1240.0 mill.
LT Debt $2206.1 mill. **LT Interest** $110.0 mill.
(LT interest earned: 3.2x; total interest coverage: 3.1x)
Leases, Uncapitalized Annual rentals $18.2 mill.
Pfd Stock None
Pension Assets-9/10 $301.7 mill. **Oblig.** $407.5 mill.
Common Stock 90,285,306 shs. **as of 7/29/11**
MARKET CAP: $3.0 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2009	2010	6/30/11
Cash Assets	111.2	132.0	117.4
Other	717.7	743.2	872.3
Current Assets	828.9	875.2	989.7
Accts Payable	207.4	266.2	312.2
Debt Due	72.7	486.2	2.4
Other	457.3	413.7	333.7
Current Liab.	737.4	1166.1	648.3
Fix. Chg. Cov.	416%	440%	435%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10 to '14-'16
Revenues	9.5%	3.0%	*1.0%*
"Cash Flow"	4.0%	5.5%	*4.0%*
Earnings	5.0%	4.0%	*5.0%*
Dividends	2.0%	1.5%	*2.0%*
Book Value	6.5%	5.0%	*4.5%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2008	1657.5	2484.0	1639.1	1440.7	7221.3
2009	1716.3	1821.4	780.8	650.6	4969.1
2010	1292.9	1940.3	770.2	786.3	4789.7
2011	1133.3F	1581.5F	843.6	789.2	4347.6
2012	*1255*	*1740*	*850*	*805*	*4650*

Fiscal Year Ends	EARNINGS PER SHARE A B E Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2008	.82	1.24	d.07	.02	2.00
2009	.83	1.29	.02	d.17	1.97
2010	1.00	1.17	d.03	.02	2.16
2011	.81	1.40	.04	.01	2.26
2012	*.92*	*1.38*	*.07*	*.03*	*2.40*

Cal-endar	QUARTERLY DIVIDENDS PAID C■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.32	.32	.32	.325	1.29
2008	.325	.325	.325	.33	1.31
2009	.33	.33	.33	.335	1.33
2010	.335	.335	.335	.34	1.35
2011	.34	.34	.34	.345	

BUSINESS: Atmos Energy Corporation is engaged primarily in the distribution and sale of natural gas to over three million customers via six regulated natural gas utility operations: Louisiana Division, West Texas Division, Mid-Tex Division, Mississippi Division, Colorado-Kansas Division, and Kentucky/Mid-States Division. Combined 2010 gas volumes: 323 MMcf. Breakdown: 59%, residential; 32%, commercial; 6%, industrial; and 3% other. 2010 depreciation rate 3.3%. Has around 4,915 employees. Officers and directors own 1.4% of common stock (12/10 Proxy). President and Chief Executive Officer: Kim R. Cocklin. Inc.: Texas. Address: Three Lincoln Centre, Suite 1800, 5430 LBJ Freeway, Dallas, Texas 75240. Telephone: 972-934-9227. Internet: www.atmosenergy.com.

We believe that Atmos Energy Corporation will generate higher earnings in fiscal 2012 (which began on October 1st), compared to last year's figure. The bread-and-butter natural gas distribution segment stands to benefit from a rise in throughput, if weather conditions cooperate (which ought to boost consumption levels). That division will also enjoy a full year of higher rates in such states as Texas, Louisiana, and Iowa. Elsewhere, we expect the nonregulated operations, which include the natural gas marketing unit and pipeline segment, to perform reasonably well, overall. As a result, consolidated share net ought to advance about 6%, to $2.40, in the new fiscal year. Assuming additional expansion of operating margins, the bottom line could increase at a similar rate, possibly to $2.50 a share, in fiscal 2013.

Steady, although unspectacular, results appear to be in store for the company over the next three to five years. The utility ranks as one of the country's largest natural gas-only distributors, boasting more than three million customers across 12 states. Also, the unregulated units, especially pipelines, possess healthy overall growth prospects. Lastly, we look for the company to eventually resume its successful strategy of purchasing less efficient utilities and shoring up their profitability through expense-reduction initiatives, rate relief, and aggressive marketing initiatives. But given our exclusion of future acquisitions, because of size and timing issues, annual earnings-per-share growth may well be in the mid-single-digit range over the 2014-2016 horizon.

The stock offers an appealing dividend yield, which is above the average gas utility equity tracked by *Value Line*. Our long-range projections indicate that further increases in the payout, though moderate, are likely to occur. Earnings coverage ought to remain adequate. Other positives include a 2 (Above Average) Safety rank and an excellent rating for Price Stability.

Meanwhile, these shares are ranked to perform just in line with the broader market for the coming six to 12 months.

Frederick L. Harris, III *December 9, 2011*

(A) Fiscal year ends Sept. 30th. (B) Diluted shrs. Excl. nonrec. items: '03, d17¢; '06, d18¢; '07, d2¢; '09, 12¢; '10, 5¢; Q2 '11, 5¢; Q3, (6¢). Excludes discontinued operations: '11, 10¢. Next egs. rpt. due early Feb. (C) Dividends historically paid in early March, June, Sept., and Dec. ■ Div. reinvestment plan. Direct stock purchase plan avail. (D) In millions. (E) Qtrs may not add due to change in shrs outstanding. (F) Restated for discontinued operations.

Company's Financial Strength	B+
Stock's Price Stability	100
Price Growth Persistence	45
Earnings Predictability	90

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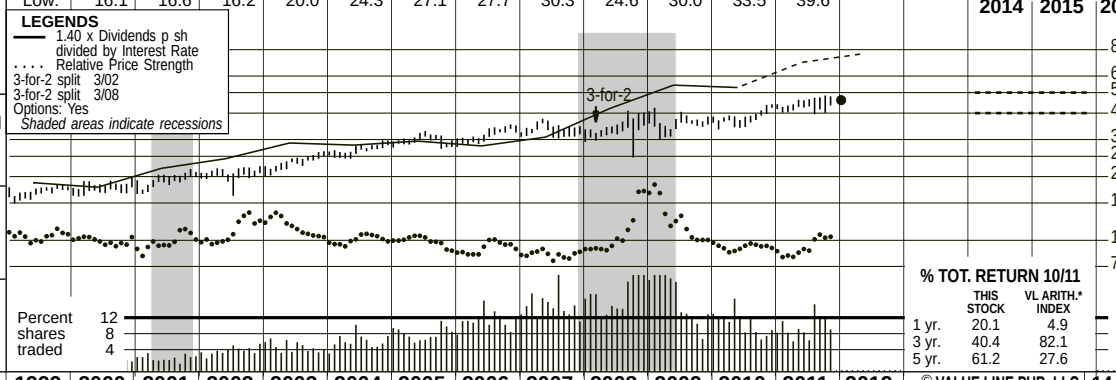
NEW JERSEY RES. NYSE-NJR

RECENT PRICE **46.16** | P/E RATIO **16.7** (Trailing: 17.9 / Median: 15.0) | RELATIVE P/E RATIO **1.25** | DIV'D YLD **3.3%** | VALUE LINE

TIMELINESS 4 Lowered 3/11/11
SAFETY 1 Raised 9/15/06
TECHNICAL 2 Raised 11/4/11
BETA .65 (1.00 = Market)

High:	19.8	21.7	22.4	26.4	29.7	32.9	35.4	37.6	41.1	42.4	44.1	48.5
Low:	16.1	16.6	16.2	20.0	24.3	27.1	27.7	30.3	24.6	30.0	33.5	39.6

Target Price Range
2014 | 2015 | 2016



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	50	(+10%)	5%
Low	40	(-15%)	Nil

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	1	0
to Sell	0	3	0	0	0	0	0	2	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	67	58	69
to Sell	57	67	58
Hld's(000)	23545	23841	23955

% TOT. RETURN 10/11

	THIS STOCK	VL ARITH.* INDEX
1 yr.	20.1	4.9
3 yr.	40.4	82.1
5 yr.	61.2	27.6

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
11.36	13.48	17.31	17.73	22.65	29.42	51.22	44.11	62.29	60.89	76.19	79.63	72.62	90.74	62.34	63.81	72.65	**77.50**	Revenues per sh A	**84.65**
1.42	1.48	1.63	1.74	1.86	1.99	2.12	2.14	2.38	2.50	2.62	2.73	2.44	3.62	3.16	3.28	3.42	**3.80**	"Cash Flow" per sh	**4.40**
.86	.92	.99	1.04	1.11	1.20	1.30	1.39	1.59	1.70	1.77	1.87	1.55	2.70	2.40	2.46	2.58	**2.85**	Earnings per sh B	**3.35**
.68	.69	.71	.73	.75	.76	.78	.80	.83	.87	.91	.96	1.01	1.11	1.24	1.36	1.44	**1.52**	Div'ds Decl'd per sh C■	**1.64**
1.18	1.19	1.15	1.07	1.21	1.23	1.10	1.02	1.14	1.45	1.28	1.28	1.46	1.72	1.81	2.09	2.26	**2.00**	Cap'l Spending per sh	**2.00**
6.47	6.73	6.92	7.26	7.57	8.29	8.80	8.71	10.26	11.25	10.60	15.00	15.50	17.28	16.59	17.53	18.74	**19.15**	Book Value per sh D	**24.25**
40.03	40.69	40.23	40.07	39.92	39.59	40.00	41.50	40.85	41.61	41.32	41.44	41.61	42.06	41.59	41.36	41.42	**40.00**	Common Shs Outst'g E	**40.00**
11.8	13.6	13.5	15.3	15.2	14.7	14.2	14.7	14.0	15.3	16.8	16.1	21.6	12.3	14.9	15.0	16.8		Avg Ann'l P/E Ratio	**14.0**
.79	.85	.78	.80	.87	.96	.73	.80	.80	.81	.89	.87	1.15	.74	.99	.96	1.25		Relative P/E Ratio	**.95**
6.7%	5.6%	5.3%	4.6%	4.5%	4.4%	4.2%	3.9%	3.7%	3.3%	3.1%	3.2%	3.0%	3.3%	3.5%	3.7%	3.3%		Avg Ann'l Div'd Yield	**3.5%**

2048.4	1830.8	2544.4	2533.6	3148.3	3299.6	3021.8	3816.2	2592.5	2639.3	3009.2	**3100**	Revenues ($mill) A	**3385**
52.3	56.8	65.4	71.6	74.4	78.5	65.3	113.9	101.0	102.4	106.5	**115**	Net Profit ($mill)	**135**
38.0%	38.7%	39.4%	39.1%	39.1%	38.9%	38.8%	37.8%	27.1%	37.6%	29.6%	**35.0%**	Income Tax Rate	**35.0%**
2.6%	3.1%	2.6%	2.8%	2.4%	2.4%	2.2%	3.0%	3.9%	3.9%	3.5%	**4.0%**	Net Profit Margin	**4.0%**
50.1%	50.6%	38.1%	40.3%	42.0%	34.8%	37.3%	38.5%	39.8%	37.2%	35.5%	**39.5%**	Long-Term Debt Ratio	**34.0%**
49.9%	49.4%	61.9%	59.7%	58.0%	65.2%	62.7%	61.5%	60.2%	62.8%	64.5%	**60.5%**	Common Equity Ratio	**66.0%**
706.2	732.4	676.8	783.8	755.3	954.0	1028.0	1182.1	1144.8	1154.4	1203.1	**1265**	Total Capital ($mill)	**1470**
743.9	756.4	852.6	880.4	905.1	934.9	970.9	1017.3	1064.4	1135.7	1295.9	**1320**	Net Plant ($mill)	**1400**
8.5%	8.7%	10.7%	10.1%	11.2%	9.6%	7.7%	10.7%	9.7%	9.8%	**9.7%**	**10.0%**	Return on Total Cap'l	**10.0%**
14.8%	15.7%	15.6%	15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.1%	13.7%	**15.0%**	Return on Shr. Equity	**14.0%**
14.9%	15.7%	15.6%	15.3%	17.0%	12.6%	10.1%	15.7%	14.6%	14.1%	13.7%	**15.0%**	Return on Com Equity	**14.0%**
6.1%	6.9%	7.7%	7.8%	8.5%	6.3%	3.6%	9.5%	7.2%	6.8%	3.2%	**7.5%**	Retained to Com Eq	**7.5%**
59%	56%	51%	49%	50%	50%	64%	40%	50%	52%	55%	**51%**	All Div'ds to Net Prof	**47%**

CAPITAL STRUCTURE as of 9/30/11
Total Debt $593.7 mill. **Due in 5 Yrs** $129.1 mill.
LT Debt $426.8 mill. **LT Interest** $19.6 mill.
Incl. $69.9 mill. capitalized leases.
(LT interest earned: 7.5x; total interest coverage: 7.5x)
Pension Assets-9/11 $155.7 mill. **Oblig.** $270.2 mill.
Pfd Stock None

Common Stock 41,446,786 shs.
as of 11/21/11
MARKET CAP: $1.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2009	2010	9/30/11
Cash Assets	36.2	.9	7.4
Other	648.0	784.1	725.0
Current Assets	684.2	785.0	732.4
Accts Payable	44.4	47.3	66.0
Debt Due	149.9	178.9	166.9
Other	361.9	479.6	470.5
Current Liab.	556.2	705.8	703.4
Fix. Chg. Cov.	711%	700%	700%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10 to '14-'16
Revenues	12.0%	1.5%	*2.5%*
"Cash Flow"	6.0%	6.0%	*4.5%*
Earnings	8.5%	8.5%	*5.0%*
Dividends	5.0%	7.5%	*5.0%*
Book Value	8.5%	10.0%	*6.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.) A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2008	811.1	1178	1000	827.1	3816.2
2009	801.3	937.5	441.1	412.6	2592.5
2010	609.6	918.4	479.8	631.5	2639.3
2011	713.2	977.0	648.1	670.9	3009.2
2012	***735***	***1000***	***670***	***695***	***3100***

Fiscal Year Ends	EARNINGS PER SHARE A B Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2008	1.31	1.86	d.10	d.39	2.70
2009	.77	1.71	.03	d.12	2.40
2010	.66	1.55	.28	d.03	2.46
2011	.71	1.62	.23	.02	2.58
2012	***.77***	***1.68***	***.30***	***.10***	***2.85***

Cal-endar	QUARTERLY DIVIDENDS PAID C E■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.267	.28	.28	.28	1.11
2009	.31	.31	.31	.31	1.24
2010	.34	.34	.34	.34	1.36
2011	.36	.36	.36	.36	1.44
2012	.38				

BUSINESS: New Jersey Resources Corp. is a holding company providing retail/wholesale energy svcs. to customers in New Jersey, and in states from the Gulf Coast to New England, and Canada. New Jersey Natural Gas had about 490,310 customers at 9/30/10 in Monmouth and Ocean Counties, and other N.J. Counties. Fiscal 2010 volume: 150 bill. cu. ft. (5% interruptible, 39% residential and commercial and electric utility, 56% incentive programs). N.J. Natural Energy subsidiary provides unregulated retail/wholesale natural gas and related energy svcs. 2010 dep. rate: 2.2%. Has 887 empls. Off./dir. own about 1.5% of common (12/10 Proxy). Chrmn., CEO & Pres. : Laurence M. Downes. Inc.: NJ Addr.: 1415 Wyckoff Road, Wall, NJ 07719. Tel.: 732-938-1480. Web: www.njresources.com.

New Jersey Resources' results in fiscal 2011 (ended September 30th) were solid. Indeed, the company's top line advanced 14%, to just over $3.0 billion. This was largely a result of double-digit gains from the nonutility operations. The utility portion of its business was also a contributing factor, although that division registered only a 3.7% volume advance. Over the course of the year, New Jersey Natural Gas (NJNG) added 6,783 new customer accounts. Almost half of this was due to new construction, which is certainly encouraging, considering that in most parts of the country home building has come to a standstill. On the capital project front, NJR completed the remaining nine projects included in its Accelerated Infrastructure Program (AIP I). These should contribute nicely this year.

We look for the company to log a nice double-digit earnings advance this year. The NJNG division has targeted 12,000-14,000 new customer accounts through the end of 2012. At this point, it is about halfway to reaching the high end of that range. Elsewhere, the company has already begun work on its six capital projects that make up AIP II. Those investments will help to boost the reliability of its distribution system. Further gains should stem from its Clean Energy Ventures, Midstream Assets, and Home Service divisions.

The balance sheet appears to be improving and is currently in good shape. Cash reserves rebounded more than eightfold over the course of 2011. That financial cushion now sits at approximately $7.5 million. At the same time, NJR has trimmed its long-term debt load about 0.5%, leaving it well within manageable levels. Meanwhile, the company repurchased almost 245,000 shares this year, leaving about 1.4 million shares under the current buyback authorization. What's more, the board of directors recently approved a 5.6% hike in the quarterly dividend, to $0.38 a share.

Shares of New Jersey Resources have appeal as an income vehicle, based on the utility's dividend growth prospects, though the yield here is below the industry average (3.7%). On the downside, the stock is untimely for the year ahead.

Bryan J. Fong *December 9, 2011*

(A) Fiscal year ends Sept. 30th.
(B) Diluted earnings. Qtly egs may not sum to total due to change in shares outstanding. Next earnings report due late Jan.
(C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available.
(D) Includes regulatory assets in 2010: $454.6 million, $10.99/share.
(E) In millions, adjusted for splits.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	50

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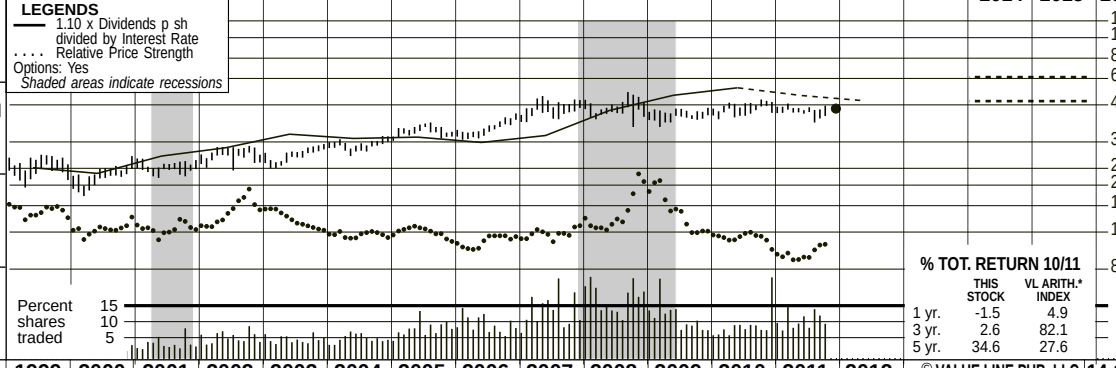
N.W. NAT'L GAS NYSE-NWN

RECENT PRICE **46.16** | P/E RATIO **16.3** (Trailing: 19.2 Median: 17.0) | RELATIVE P/E RATIO **1.22** | DIV'D YLD **3.9%** | VALUE LINE

TIMELINESS 4 Lowered 5/13/11
SAFETY 1 Raised 3/18/05
TECHNICAL 2 Raised 11/4/11
BETA .60 (1.00 = Market)

High:	27.5	26.8	30.7	31.3	34.1	39.6	43.7	52.8	55.2	46.5	50.9	48.7
Low:	17.8	21.7	23.5	24.0	27.5	32.4	32.8	39.8	37.7	37.7	41.1	39.6

Target Price Range
2014 | 2015 | 2016



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+40%)	12%
Low	50	(+10%)	6%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	1	0
Options	0	0	0	0	0	0	0	0	0
to Sell	2	0	0	0	0	2	0	0	1

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	53	54	54
to Sell	73	65	66
Hld's(000)	15073	15895	16264

% TOT. RETURN 10/11

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-1.5	4.9
3 yr.	2.6	82.1
5 yr.	34.6	27.6

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
16.02	16.86	15.82	16.77	18.17	21.09	25.78	25.07	23.57	25.69	33.01	37.20	39.13	39.16	38.17	30.45	*32.15*	*33.00*	Revenues per sh	*48.25*
3.41	3.86	3.72	3.24	3.72	3.68	3.86	3.65	3.85	3.92	4.34	4.76	5.41	5.31	5.20	5.15	*5.35*	*5.65*	"Cash Flow" per sh	*6.95*
1.61	1.97	1.76	1.02	1.70	1.79	1.88	1.62	1.76	1.86	2.11	2.35	2.76	2.57	2.83	2.73	*2.55*	*2.70*	Earnings per sh A	*3.40*
1.18	1.20	1.21	1.22	1.23	1.24	1.25	1.26	1.27	1.30	1.32	1.39	1.44	1.52	1.60	1.68	*1.74*	*1.78*	Div'ds Decl'd per sh B■	*1.90*
3.02	3.70	5.07	4.02	4.78	3.46	3.23	3.11	4.90	5.52	3.48	3.56	4.48	3.92	5.09	9.30	*3.75*	*4.50*	Cap'l Spending per sh	*8.15*
14.55	15.37	16.02	16.59	17.12	17.93	18.56	18.88	19.52	20.64	21.28	22.01	22.52	23.71	24.88	25.95	*27.35*	*28.75*	Book Value per sh D	*34.40*
22.24	22.56	22.86	24.85	25.09	25.23	25.23	25.59	25.94	27.55	27.58	27.24	26.41	26.50	26.53	26.67	*26.75*	*26.80*	Common Shs Outst'g C	*26.95*
12.9	11.7	14.4	26.7	14.5	12.4	12.9	17.2	15.8	16.7	17.0	15.9	16.7	18.1	15.2	17.9	*Bold figures are*		Avg Ann'l P/E Ratio	*17.0*
.86	.73	.83	1.39	.83	.81	.66	.94	.90	.88	.91	.86	.89	1.09	1.01	1.10	*Value Line*		Relative P/E Ratio	*1.15*
5.7%	5.2%	4.8%	4.5%	5.0%	5.6%	5.1%	4.5%	4.6%	4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.8%	*estimates*		Avg Ann'l Div'd Yield	*3.3%*

CAPITAL STRUCTURE as of 9/30/11
Total Debt $782.9 mill. **Due in 5 Yrs** $200 mill.
LT Debt $601.7 mill. **LT Interest** $42.1 mill.

(Total interest coverage: 7.0x)

Pension Assets-12/10 $219 mill. **Oblig.** $337.3 mill.

Pfd Stock None

Common Stock 26,702,926 shares

MARKET CAP $1.2 billion (Mid Cap)

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		14-16
650.3	641.4	611.3	707.6	910.5	1013.2	1033.2	1037.9	1012.7	812.1	*860*	*885*	Revenues ($mill)	*1300*
50.2	43.8	46.0	50.6	58.1	65.2	74.5	68.5	75.1	72.7	*70.0*	*70.0*	Net Profit ($mill)	*90.0*
35.4%	34.9%	33.7%	34.4%	36.0%	36.3%	37.2%	36.9%	38.3%	31.4%	*30.0%*	*30.0%*	Income Tax Rate	*30.0%*
7.7%	6.8%	7.5%	7.1%	6.4%	6.4%	7.2%	6.6%	7.4%	8.9%	*8.0%*	*8.0%*	Net Profit Margin	*7.1%*
43.0%	47.6%	49.7%	46.0%	47.0%	46.3%	46.3%	44.9%	47.7%	46.5%	*45%*	*43%*	Long-Term Debt Ratio	*36%*
53.2%	51.5%	50.3%	54.0%	53.0%	53.7%	53.7%	55.1%	52.3%	53.5%	*55%*	*57%*	Common Equity Ratio	*64%*
880.5	937.3	1006.6	1052.5	1108.4	1116.5	1106.8	1140.4	1261.8	1294.8	*1330*	*1350*	Total Capital ($mill)	*1445*
965.0	995.6	1205.9	1318.4	1373.4	1425.1	1495.9	1549.1	1670.1	1854.2	*1930*	*2020*	Net Plant ($mill)	*2425*
6.9%	5.9%	5.7%	5.9%	6.5%	7.1%	8.5%	7.7%	7.3%	5.6%	*6.5%*	*6.5%*	Return on Total Cap'l	*7.5%*
10.0%	8.9%	9.1%	8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	*9.5%*	*9.0%*	Return on Shr. Equity	*10.0%*
10.2%	8.5%	9.0%	8.9%	9.9%	10.9%	12.5%	10.9%	11.4%	10.5%	*9.5%*	*9.0%*	Return on Com Equity	*10.0%*
3.5%	1.9%	2.6%	2.7%	3.7%	4.5%	6.0%	4.5%	5.0%	4.0%	*3.0%*	*3.0%*	Retained to Com Eq	*4.5%*
67%	79%	72%	69%	63%	59%	52%	59%	56%	61%	*68%*	*67%*	All Div'ds to Net Prof	*56%*

CURRENT POSITION ($MILL.)	2009	2010	9/30/11
Cash Assets	8.4	3.5	25.9
Other	319.8	326.8	224.6
Current Assets	328.2	330.3	250.5
Accts Payable	123.7	93.2	50.1
Debt Due	137.0	267.4	181.2
Other	131.9	107.6	171.3
Current Liab.	392.6	468.2	402.6
Fx. Chg. Cov.	395%	495%	460%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10 to '14-'16
Revenues	8.5%	9.5%	*5.5%*
"Cash Flow"	4.0%	7.0%	*5.0%*
Earnings	6.0%	9.5%	*4.5%*
Dividends	2.0%	3.5%	*3.5%*
Book Value	3.5%	4.0%	*6.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	387.7	191.3	109.7	349.2	1037.9
2009	437.4	149.1	116.9	309.3	1012.7
2010	286.5	162.4	95.1	268.1	812.1
2011	323.1	161.2	93.3	*282.4*	*860*
2012	*320*	*170*	*150*	*245*	*885*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	1.62	.08	d.38	1.25	2.57
2009	1.78	.12	d.25	1.18	2.83
2010	1.64	.26	d.28	1.11	2.73
2011	1.53	.08	d.31	*1.24*	*2.55*
2012	*1.75*	*.15*	*d.45*	*1.25*	*2.70*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.355	.355	.355	.375	1.44
2008	.375	.375	.375	.395	1.52
2009	.395	.395	.395	.415	1.60
2010	.415	.415	.415	.435	1.68
2011	.435	.435	.435	.435	

BUSINESS: Northwest Natural Gas Co. distributes natural gas to 90 communities, 668,000 customers, in Oregon (90% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 2.5 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 57%; commercial, 26%; industrial, gas transportation, and other, 17%. Employs 1,061. BlackRock Inc. owns 7.9% of shares; officers and directors, 1.5% (4/11 proxy). CEO: Gregg S. Kantor. Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Telephone: 503-226-4211. Internet: www.nwnatural.com.

Northwest Natural Gas' earnings are likely to slide somewhat this year. The dip can be mainly attributed to Senate Bill 967 and its charge of over $4 million in the second quarter. That said, since this was a one-time event, earnings should pick up to about $2.70 in 2012.

Preparations for the Oregon rate case are proceeding on schedule. This case, Northwest's first since 2003, is scheduled to be filed by yearend. Given the length of time since the last settlement, we believe a favorable outcome is likely. The new rates should become effective by November, 2012, boosting the top and bottom lines from that period on.

Current projects are slated to push up the top and bottom lines for the 3- to 5-year pull. The company's joint venture with Encana (to develop natural gas reserves in Jonah Field, Wyoming) is going forward without delays, with 14 wells being drilled thus far, and nine producing. Five more were scheduled to begin production by the first week of December, and six more should begin drilling by yearend. However, much of the benefit from this venture will be evident in the long term, with only marginal benefits in the near term. Meanwhile, another project could provide a needed near-term boost. The company is currently finishing the Gill Ranch storage facility's second injection cycle, with the reservoirs functioning without difficulties. Northwest is ahead of schedule on finishing its share of the plant's design capacity (about 15 billion cubic feet), with the end date forecasted by April, when the next gas injection is scheduled. Should all go well, the facility's storage capacity will be considerably expanded, allowing for greater customer capacity, resulting in a boost to the customer base going forward. This, in turn, should bolster the top and bottom lines for the 2014-2016 period.

The long-term picture is mixed at this point. Though NWN has several projects that should work to boost revenue and earnings (mentioned above), our concern remains the glut in natural gas, and the resulting low prices, which could work to offset much of the company's gains.

These untimely shares have moderate appeal as an income vehicle.

Sahana Zutshi *December 9, 2011*

(A) Diluted earnings per share. Excludes nonrecurring items: '98, $0.15; '00, $0.11; '06, ($0.06); '08, ($0.03); '09, 6¢. Next earnings report due late January.
(B) Dividends historically paid in mid-February, May, August, and November.
■ Dividend reinvestment plan available.
(C) In millions.
(D) Includes Intangibles. In 2010: $348.9 million. $13.08/share.

Company's Financial Strength	A
Stock's Price Stability	100
Price Growth Persistence	60
Earnings Predictability	90

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SOUTH JERSEY INDS. NYSE-SJI

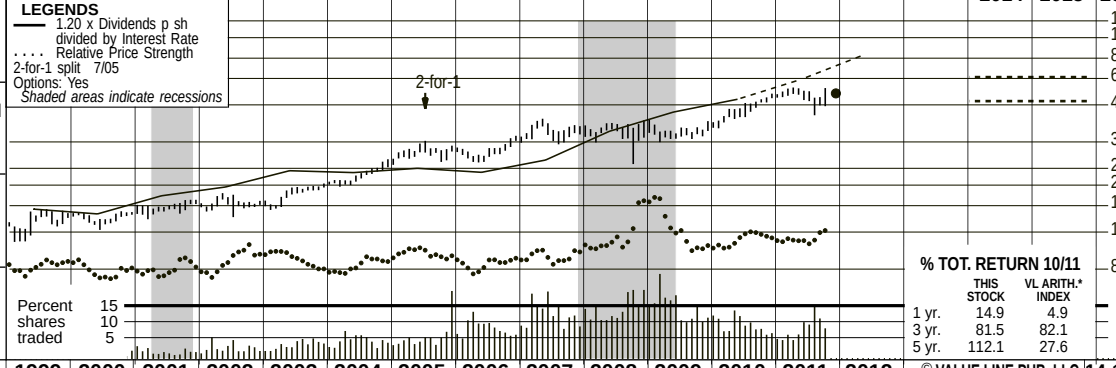
RECENT PRICE **54.37** | P/E RATIO **18.0** (Trailing: 20.1 / Median: 15.0) | RELATIVE P/E RATIO **1.34** | DIV'D YLD **3.0%** | VALUE LINE

TIMELINESS 4 Lowered 8/19/11
SAFETY 2 Lowered 1/4/91
TECHNICAL 3 Lowered 9/2/11
BETA .65 (1.00 = Market)

High:	15.1	17.0	18.3	20.3	26.5	32.4	34.3	41.3	40.6	40.8	54.2	58.0
Low:	12.3	13.8	14.1	15.3	19.7	24.9	25.6	31.2	25.2	32.0	37.2	42.8

Target Price Range
2014 | 2015 | 2016

LEGENDS
— 1.20 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 7/05
Options: Yes
Shaded areas indicate recessions



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+20%)	8%
Low	50	(-10%)	2%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	2	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	5	0	3	1	0	2	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	58	64	68
to Sell	68	73	66
Hld's(000)	17863	17547	17887

% TOT. RETURN 10/11

	THIS STOCK	VL ARITH.* INDEX
1 yr.	14.9	4.9
3 yr.	81.5	82.1
5 yr.	112.1	27.6

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
16.50	16.52	16.18	20.89	17.60	22.43	35.30	20.69	26.34	29.51	31.78	31.76	32.30	32.36	28.37	30.97	*29.70*	*31.55*	Revenues per sh	*38.25*
1.65	1.54	1.60	1.44	1.84	1.95	1.90	2.12	2.24	2.44	2.51	3.51	3.20	3.48	3.72	4.21	*3.85*	*4.45*	"Cash Flow" per sh	*5.75*
.83	.85	.86	.64	1.01	1.08	1.15	1.22	1.37	1.58	1.71	2.46	2.09	2.27	2.38	2.70	*2.90*	*3.20*	Earnings per sh A	*4.10*
.72	.72	.72	.72	.72	.73	.74	.75	.78	.82	.86	.92	1.01	1.11	1.22	1.36	*1.50*	*1.64*	Div'ds Decl'd per sh B ■	*2.10*
2.08	2.01	2.30	3.06	2.19	2.21	2.82	3.47	2.36	2.67	3.21	2.51	1.88	2.08	3.67	5.59	*4.85*	*5.15*	Cap'l Spending per sh	*7.05*
7.34	8.03	6.43	6.23	6.74	7.25	7.81	9.67	11.26	12.41	13.50	15.11	16.25	17.33	18.24	19.08	*19.70*	*21.90*	Book Value per sh C	*26.45*
21.44	21.51	21.54	21.56	22.30	23.00	23.72	24.41	26.46	27.76	28.98	29.33	29.61	29.73	29.80	29.87	*31.00*	*32.00*	Common Shs Outst'g D	*34.00*
12.2	13.3	13.8	21.2	13.3	13.0	13.6	13.5	13.3	14.1	16.6	11.9	17.2	15.9	15.0	16.8	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.82	.83	.80	1.10	.76	.85	.70	.74	.76	.74	.88	.64	.91	.96	1.00	1.08	*Value Line*		Relative P/E Ratio	*.95*
7.2%	6.4%	6.1%	5.3%	5.4%	5.2%	4.7%	4.6%	4.3%	3.7%	3.0%	3.2%	2.8%	3.1%	3.4%	3.0%	*estimates*		Avg Ann'l Div'd Yield	*3.7%*

CAPITAL STRUCTURE as of 9/30/11
Total Debt $689.2 mill. **Due in 5 Yrs** $330.7 mill.
LT Debt $424.2 mill. **LT Interest** $24.0 mill.
(Total interest coverage: 5.8x)

Pension Assets-12/10 $120.6 mill. **Oblig.** $167.5 mill.

Pfd Stock None

Common Stock 30,140,819 common shs. **as of 11/1/11**

MARKET CAP: $1.6 billion (Mid Cap)

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		14-16
837.3	505.1	696.8	819.1	921.0	931.4	956.4	962.0	845.4	925.1	*920*	*1010*	Revenues ($mill)	*1300*
26.8	29.4	34.6	43.0	48.6	72.0	61.8	67.7	71.3	81.0	*85.0*	*100*	Net Profit ($mill)	*135*
42.2%	41.4%	40.6%	40.9%	41.5%	41.3%	41.9%	47.7%	23.0%	15.2%	*28.0%*	*30.0%*	Income Tax Rate	*30.0%*
3.2%	5.8%	5.0%	5.2%	5.3%	7.7%	6.5%	7.0%	8.4%	8.8%	*9.2%*	*9.9%*	Net Profit Margin	*10.4%*
57.0%	53.6%	50.8%	48.7%	44.9%	44.7%	42.7%	39.2%	36.5%	37.4%	*41.0%*	*39.0%*	Long-Term Debt Ratio	*38.0%*
35.9%	46.1%	49.0%	51.0%	55.1%	55.3%	57.3%	60.8%	63.5%	62.6%	*59.0%*	*61.0%*	Common Equity Ratio	*62.0%*
516.2	512.5	608.4	675.0	710.3	801.1	839.0	848.0	856.4	910.1	*1035*	*1150*	Total Capital ($mill)	*1450*
607.0	666.6	748.3	799.9	877.3	920.0	948.9	982.6	1073.1	1193.3	*1300*	*1400*	Net Plant ($mill)	*1700*
6.9%	7.6%	7.3%	7.9%	8.3%	10.1%	8.6%	8.9%	9.0%	9.5%	*9.5%*	*10.0%*	Return on Total Cap'l	*10.5%*
12.1%	12.4%	11.5%	12.4%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	*14.0%*	*14.5%*	Return on Shr. Equity	*15.0%*
12.8%	12.5%	11.6%	12.5%	12.4%	16.3%	12.8%	13.1%	13.1%	14.2%	*14.0%*	*14.5%*	Return on Com Equity	*15.0%*
3.5%	4.7%	5.0%	5.9%	6.2%	10.2%	6.7%	6.7%	6.4%	7.1%	*6.5%*	*7.0%*	Retained to Com Eq	*7.0%*
76%	62%	57%	52%	50%	37%	48%	49%	51%	50%	*55%*	*52%*	All Div'ds to Net Prof	*53%*

CURRENT POSITION ($MILL.)	2009	2010	9/30/11
Cash Assets	3.8	2.4	2.6
Other	364.6	421.4	324.4
Current Assets	368.4	423.8	327.0
Accts Payable	123.9	165.2	131.4
Debt Due	231.7	362.1	265.0
Other	123.2	113.2	105.4
Current Liab.	478.8	640.5	501.8
Fix. Chg. Cov.	585%	532%	513%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10 to '14-'16
Revenues	4.0%	1.0%	*4.0%*
"Cash Flow"	8.0%	9.5%	*7.0%*
Earnings	10.5%	9.5%	*9.0%*
Dividends	5.5%	8.5%	*9.5%*
Book Value	10.5%	8.0%	*6.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	348.1	135.8	210.4	267.7	962.0
2009	362.2	134.5	127.1	221.6	845.4
2010	329.3	151.6	160.7	283.5	925.1
2011	331.9	160.5	137.6	*290*	*920*
2012	*365*	*175*	*160*	*310*	*1010*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	1.32	.26	.04	.67	2.27
2009	1.46	.15	d.06	.83	2.38
2010	1.49	.24	.10	.87	2.70
2011	1.63	.20	.01	*1.06*	*2.90*
2012	*1.70*	*.25*	*.10*	*1.15*	*3.20*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	- -	.245	.245	.515	1.01
2008	- -	.270	.270	.568	1.11
2009	- -	.298	.298	.628	1.22
2010	- -	.330	.330	.695	1.36
2011	- -	.365	.365	.768	

BUSINESS: South Jersey Industries, Inc. is a holding company. Its subsidiary, South Jersey Gas Co., distributes natural gas to 347,725 customers in New Jersey's southern counties, which covers about 2,500 square miles and includes Atlantic City. Gas revenue mix '10: residential, 44%; commercial, 21%; cogeneration and electric generation, 12%; industrial, 23%. Non-utility operations include: South Jersey Energy, South Jersey Resources Group, Marina Energy, and South Jersey Energy Service Plus. Has 650 employees. Off./dir. control 1.0% of common shares; Black Rock Inc., 8.3% (4/11 proxy). Chrmn. & CEO: Edward Graham. Inc.: NJ. Address: 1 South Jersey Plaza, Folsom, NJ 08037. Telephone: 609-561-9000. Internet: www.sjindustries.com.

Shares of South Jersey Industries have come off a recent high. The company posted less-than-stellar off-season results for the third quarter. The utility business reported modest top-line growth for the interim, but this was more than offset by lower revenues from South Jersey's nonutility operations. Share earnings came in at $0.01, well below our estimate and the prior-year tally.

The company now expects a bottom-line advance of 7% to 11% for full-year 2011, somewhat below its prior guidance of 9% to 15% growth. Wholesale gas marketing continues to be hurt by unfavorable industry conditions. This includes thin storage spreads and a lack of price volatility. Moreover, the startup of one of the company's solar projects has been pushed back from the fourth quarter of 2011 until the first quarter of 2012. In addition, challenges in the marketing business due to pipeline disruptions within the Marcellus region had made it difficult to move gas to end users. Recently introduced pipeline capacity appears to have alleviated this constraint.

Prospects for the utility business appear favorable. South Jersey Gas should continue to experience modest customer growth. Natural gas remains the fuel of choice within the utility's service territory. This business should further benefit from customer interest in converting to natural gas from other fuel sources. Meanwhile, the company's nonutility operations will likely improve in the coming years, given its pipeline of energy projects and opportunities in the Marcellus region.

The board of directors has increased the dividend by roughly 10%. The quarterly dividend is now $0.4025, beginning with the December payout. Steady increases in the cash distribution will likely continue in the coming years.

These shares are unfavorably ranked for Timeliness. We expect higher revenues and earnings for the company by 2014-2016. Moreover, South Jersey earns good marks for Safety, Price Stability, and Earnings Predictability. However, this appears to be partly reflected in the present quotation. This equity offers unimpressive, though fairly well-defined, total return potential for the coming years.

Michael Napoli, CFA *December 9, 2011*

(A) Based on GAAP egs. through 2006, economic egs. thereafter. GAAP EPS: '07, $2.10; '08, $2.58; '09, $1.94; '10, $2.22. Excl. nonrecur. gain (loss): '01, $0.13; '08, $0.31; '09, ($0.44); '10, ($0.47). Excl gain (losses) from discont. ops.: '01, ($0.02); '02, ($0.04); '03, ($0.09); '05, ($0.02); '06, ($0.02); '07, $0.01. Egs. may not sum due to rounding. Next egs. report due late February. (B) Div'ds paid early April, July, Oct., and late Dec. ■ Div. reinvest. plan avail. (C) Incl. reg. assets. In 2010: $248.4 mill., $8.32 per shr. (D) In mill., adj. for split.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	90
Earnings Predictability	85

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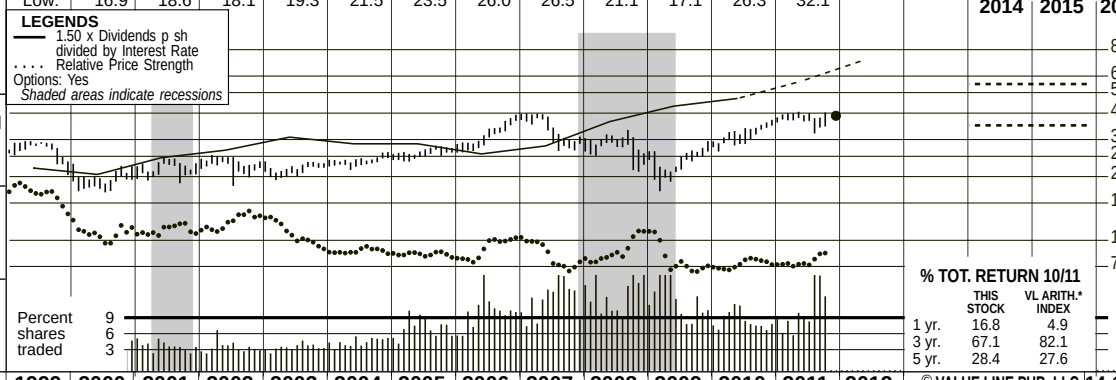
SOUTHWEST GAS NYSE-SWX

RECENT PRICE **38.81** | P/E RATIO **17.4** (Trailing: 17.6 Median: 18.0) | RELATIVE P/E RATIO **1.30** | DIV'D YLD **2.8%** | VALUE LINE

TIMELINESS 3 Lowered 8/20/10
SAFETY 3 Lowered 1/4/91
TECHNICAL 3 Raised 5/27/11
BETA .75 (1.00 = Market)

High:	23.0	24.7	25.3	23.6	26.2	28.1	39.4	39.9	33.3	29.5	37.3	40.6
Low:	16.9	18.6	18.1	19.3	21.5	23.5	26.0	26.5	21.1	17.1	26.3	32.1

Target Price Range
2014 | 2015 | 2016



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+40%)	11%
Low	35	(-10%)	1%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	2	0	0	1	0	1	0
Options	2	0	7	1	2	0	0	0	0
to Sell	2	0	9	2	2	2	0	1	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	60	76	70
to Sell	80	80	76
Hld's(000)	33193	33317	33998

% TOT. RETURN 10/11

	THIS STOCK	VL ARITH.* INDEX
1 yr.	16.8	4.9
3 yr.	67.1	82.1
5 yr.	28.4	27.6

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
23.03	24.09	26.73	30.17	30.24	32.61	42.98	39.68	35.96	40.14	43.59	48.47	50.28	48.53	42.00	40.14	*39.25*	*39.15*	Revenues per sh	*49.00*
2.65	3.00	3.85	4.48	4.45	4.57	4.79	5.07	5.11	5.57	5.20	5.97	6.21	5.76	6.16	6.45	*6.35*	*6.90*	"Cash Flow" per sh	*7.90*
.10	.25	.77	1.65	1.27	1.21	1.15	1.16	1.13	1.66	1.25	1.98	1.95	1.39	1.94	2.27	*2.15*	*2.50*	Earnings per sh A	*3.10*
.82	.82	.82	.82	.82	.82	.82	.82	.82	.82	.82	.82	.86	.90	.95	1.00	*1.06*	*1.10*	Div'ds Decl'd per sh B■†	*1.25*
6.79	8.19	6.19	6.40	7.41	7.04	8.17	8.50	7.03	8.23	7.49	8.27	7.96	6.79	4.81	4.72	*7.00*	*7.30*	Cap'l Spending per sh	*8.00*
14.55	14.20	14.09	15.67	16.31	16.82	17.27	17.91	18.42	19.18	19.10	21.58	22.98	23.49	24.44	25.59	*26.35*	*27.10*	Book Value per sh	*32.00*
24.47	26.73	27.39	30.41	30.99	31.71	32.49	33.29	34.23	36.79	39.33	41.77	42.81	44.19	45.09	45.60	*46.50*	*48.00*	Common Shs Outst'g C	*50.00*
NMF	NMF	24.1	13.2	21.1	16.0	19.0	19.9	19.2	14.3	20.6	15.9	17.3	20.3	12.2	14.0	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
NMF	NMF	1.39	.69	1.20	1.04	.97	1.09	1.09	.76	1.10	.86	.92	1.22	.81	.89	*Value Line*		Relative P/E Ratio	*1.00*
5.4%	4.7%	4.4%	3.8%	3.1%	4.2%	3.8%	3.6%	3.8%	3.5%	3.2%	2.6%	2.6%	3.2%	4.0%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*2.7%*

1396.7	1320.9	1231.0	1477.1	1714.3	2024.7	2152.1	2144.7	1893.8	1830.4	*1825*	*1880*	Revenues ($mill)	*2450*
37.2	38.6	38.5	58.9	48.1	80.5	83.2	61.0	87.5	104.0	*100*	*120*	Net Profit ($mill)	*155*
34.5%	32.8%	30.5%	34.8%	29.7%	37.3%	36.5%	40.1%	34.0%	34.7%	*36.0%*	*35.0%*	Income Tax Rate	*35.0%*
2.7%	2.9%	3.1%	4.0%	2.8%	4.0%	3.9%	2.8%	4.6%	5.7%	*5.5%*	*6.4%*	Net Profit Margin	*6.3%*
56.2%	62.5%	66.0%	64.2%	63.8%	60.6%	58.1%	55.3%	53.5%	49.1%	*44.0%*	*46.0%*	Long-Term Debt Ratio	*46.5%*
39.6%	34.1%	34.0%	35.8%	36.2%	39.4%	41.9%	44.7%	46.5%	50.9%	*56.0%*	*54.0%*	Common Equity Ratio	*53.5%*
1417.6	1748.3	1851.6	1968.6	2076.0	2287.8	2349.7	2323.3	2371.4	2292.0	*2185*	*2400*	Total Capital ($mill)	*3000*
1825.6	1979.5	2175.7	2336.0	2489.1	2668.1	2845.3	2983.3	3034.5	3072.4	*3200*	*3300*	Net Plant ($mill)	*3600*
5.1%	4.3%	4.2%	5.0%	4.3%	5.5%	5.5%	4.5%	5.4%	6.2%	*6.0%*	*6.5%*	Return on Total Cap'l	*7.0%*
6.0%	5.9%	6.1%	8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	*8.0%*	*9.0%*	Return on Shr. Equity	*9.5%*
6.6%	6.5%	6.1%	8.3%	6.4%	8.9%	8.5%	5.9%	7.9%	8.9%	*8.0%*	*9.0%*	Return on Com Equity	*9.5%*
1.9%	1.9%	1.7%	4.3%	2.2%	5.2%	4.8%	2.1%	4.1%	5.0%	*4.0%*	*5.0%*	Retained to Com Eq	*6.0%*
71%	70%	72%	49%	65%	42%	44%	63%	48%	44%	*49%*	*44%*	All Div'ds to Net Prof	*40%*

CAPITAL STRUCTURE as of 9/30/11
Total Debt $1158.0 mill. **Due in 5 Yrs** $221.1 mill.
LT Debt $936.9 mill. **LT Interest** $70.0 mill.
(Total interest coverage: 3.2x) (44% of Cap'l)
Leases, Uncapitalized Annual rentals $5.0 mill.
Pension Assets-12/10 $505.6 mill. **Oblig.** $708.9 mill.
Pfd Stock None

Common Stock 45,911,371 shs. as of 10/28/11

MARKET CAP: $1.8 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2009	2010	9/30/11
Cash Assets	65.3	116.1	19.8
Other	352.3	329.8	266.8
Current Assets	417.6	445.9	286.6
Accts Payable	158.9	165.5	99.6
Debt Due	1.3	75.1	221.1
Other	314.0	356.4	361.0
Current Liab.	474.2	597.0	681.7
Fix. Chg. Cov.	251%	299%	326%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10 to '14-'16
Revenues	5.0%	4.0%	*2.0%*
"Cash Flow"	3.5%	3.0%	*4.5%*
Earnings	3.5%	6.0%	*9.0%*
Dividends	1.0%	2.0%	*4.5%*
Book Value	4.5%	5.0%	*4.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	813.6	447.3	374.4	509.4	2144.7
2009	689.9	387.6	317.5	498.8	1893.8
2010	668.8	385.8	307.7	468.1	1830.4
2011	628.4	388.5	352.6	*455.5*	*1825*
2012	*650*	*400*	*360*	*470*	*1880*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	1.14	d.06	d.38	.71	1.39
2009	1.12	d.01	d.18	1.01	1.94
2010	1.42	d.02	d.11	.98	2.27
2011	1.48	.09	d.34	*.92*	*2.15*
2012	*1.55*	*.10*	*d.15*	*1.00*	*2.50*

Cal-endar	QUARTERLY DIVIDENDS PAID B■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.205	.215	.215	.215	.85
2008	.215	.225	.225	.225	.89
2009	.225	.238	.238	.238	.94
2010	.238	.250	.250	.250	.99
2011	.250	.265	.265	.265	

BUSINESS: Southwest Gas Corporation is a regulated gas distributor serving approximately 1.8 million customers in sections of Arizona, Nevada, and California. Comprised of two business segments: natural gas operations and construction services. 2010 margin mix: residential and small commercial, 86%; large commercial and industrial, 4%; transportation, 10%. Total throughput: 2.2 billion therms. Sold PriMerit Bank, 7/96. Has 4,802 employees. Off. & Dir. own 1.7% of common stock; BlackRock Inc., 8.6%; T. Rowe Price Associates, Inc., 7.2%; GAMCO Investors, Inc., 7.0% (3/11 Proxy). Chairman: James J. Kropid. CEO: Jeffrey W. Shaw. Inc.: CA. Address: 5241 Spring Mountain Road, Las Vegas, Nevada 89193. Telephone: 702-876-7237. Internet: www.swgas.com.

Southwest Gas reported mixed results for the third quarter. The top line advanced nicely for the period, as growth in construction revenues more than offset weakness in the utility business. However, expenses also increased, and the company posted a share loss of $0.34 for the period. Unimpressive bottom-line results will probably continue for the fourth quarter, and we expect a share-net decline for full-year 2011.

Performance may well improve going forward. Pipeline construction-services subsidiary NPL should further boost growth. This business will probably further benefit from the replacement of aging infrastructure in the coming years. The natural gas utility business will likely continue to experience softness in demand in the coming quarters, though this should be partly offset by rate relief (discussed below). Overall, we expect nice improvement in revenues and earnings for 2012. That said, our estimates may prove somewhat optimistic, should material economic weakness emerge.

The company's Arizona rate case continues to progress. Southwest is seeking a revenue increase of $73.2 million (about 9.3%), a decoupled rate structure, and programs promoting energy efficiency. A decision on this matter is expected shortly. Efforts to procure rate relief are important, as the company depends on such approved revenue increases to help it cope with rising costs and to provide compensation for investments in infrastructure.

Investors should be aware of several caveats. Southwest will likely incur greater operating costs as it continues to expand. Moreover, unfavorable temperature variations or lagging rate relief could hurt performance at the utility business.

We would take a pass here. These shares are neutrally ranked for year-ahead performance. Looking further out, we anticipate higher revenues and share earnings for the company by 2014-2016. But this appears to be reflected in the present quotation, so the stock has below-average appreciation potential for the coming years. Moreover, Southwest's dividend yield is subpar for a utility. Thus, investors can probably find more-attractive choices elsewhere.

Michael Napoli, CFA *December 9, 2011*

(A) Based on avg. shares outstand. thru. '96, then diluted. Excl. nonrec. gains (losses): '97, 16¢; '02, (10¢); '05, (11¢); '06, 7¢. Excl. loss from disc. ops.: '95, 75¢. Totals may not sum due to rounding. Next egs. report due late February. (B) Dividends historically paid early March, June, September, December. ■† Div'd reinvestment and stock purchase plan avail. (C) In millions.

Company's Financial Strength	B
Stock's Price Stability	95
Price Growth Persistence	65
Earnings Predictability	75

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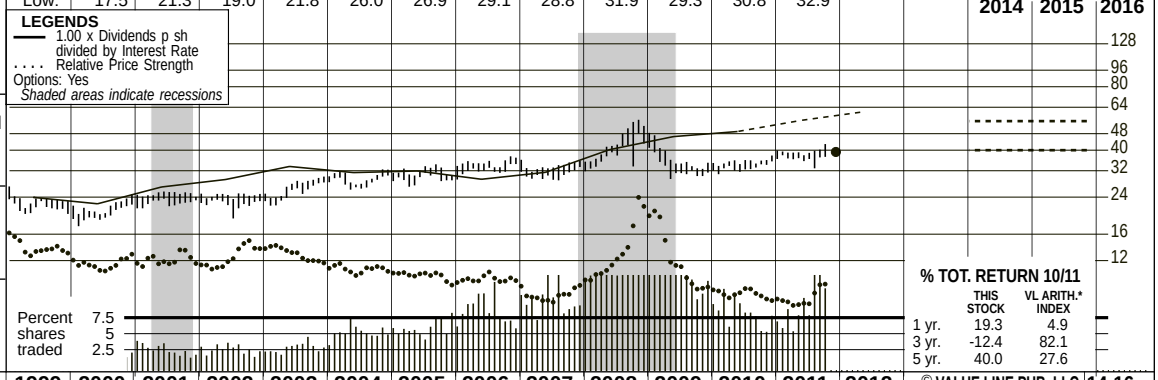
LACLEDE GROUP NYSE-LG

RECENT PRICE 39.29 | P/E RATIO 15.2 (Trailing: 13.7 Median: 14.0) | RELATIVE P/E RATIO 1.14 | DIV'D YLD 4.2% | VALUE LINE

TIMELINESS 3 Lowered 9/23/11
SAFETY 2 Raised 6/20/03
TECHNICAL 3 Lowered 8/5/11
BETA .60 (1.00 = Market)

High:	24.8	25.5	25.0	30.0	32.5	34.3	37.5	36.0	55.8	48.3	37.8	42.8
Low:	17.5	21.3	19.0	21.8	26.0	26.9	29.1	28.8	31.9	29.3	30.8	32.9

Target Price Range 2014 | 2015 | 2016



2014-16 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+40%)	12%
Low	40	(Nil)	5%

Insider Decisions

	J	F	M	A	M	J	J	A	S
to Buy	0	0	0	0	0	0	0	0	0
Options	0	1	0	0	0	0	0	0	0
to Sell	0	1	0	0	0	0	0	0	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	52	62	72
to Sell	58	57	55
Hld's(000)	10275	10630	10983

% TOT. RETURN 10/11

	THIS STOCK	VL ARITH.* INDEX
1 yr.	19.3	4.9
3 yr.	-12.4	82.1
5 yr.	40.0	27.6

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
24.79	31.03	34.33	31.04	26.04	29.99	53.08	39.84	54.95	59.59	75.43	93.51	93.40	100.44	85.49	77.83	*71.25*	*71.75*	Revenues per sh	*86.55*
2.55	3.29	3.32	3.02	2.56	2.68	3.00	2.56	3.15	2.79	2.98	3.81	3.87	4.22	4.56	4.11	*4.60*	*4.50*	"Cash Flow" per sh	*5.20*
1.27	1.87	1.84	1.58	1.47	1.37	1.61	1.18	1.82	1.82	1.90	2.37	2.31	2.64	2.92	2.43	2.86	*2.65*	Earnings per sh A B	*3.05*
1.24	1.26	1.30	1.32	1.34	1.34	1.34	1.34	1.34	1.35	1.37	1.40	1.45	1.49	1.53	1.57	1.61	*1.65*	Div'ds Decl'd per sh C■	*1.80*
2.63	2.35	2.44	2.68	2.58	2.77	2.51	2.80	2.67	2.45	2.84	2.97	2.72	2.57	2.36	2.56	*3.00*	*3.15*	Cap'l Spending per sh	*3.15*
13.05	13.72	14.26	14.57	14.96	14.99	15.26	15.07	15.65	16.96	17.31	18.85	19.79	22.12	23.32	24.02	*25.50*	*25.55*	Book Value per sh D	*31.15*
17.42	17.56	17.56	17.63	18.88	18.88	18.88	18.96	19.11	20.98	21.17	21.36	21.65	21.99	22.17	22.29	*22.50*	*23.00*	Common Shs Outst'g E	*26.00*
15.5	11.9	12.5	15.5	15.8	14.9	14.5	20.0	13.6	15.7	16.2	13.6	14.2	14.3	13.4	13.7	13.0		Avg Ann'l P/E Ratio	*15.5*
1.04	.75	.72	.81	.90	.97	.74	1.09	.78	.83	.86	.73	.75	.86	.89	.87	.82		Relative P/E Ratio	*1.05*
6.3%	5.6%	5.6%	5.4%	5.8%	6.6%	5.7%	5.7%	5.4%	4.7%	4.4%	4.3%	4.4%	3.9%	3.9%	4.7%	4.3%		Avg Ann'l Div'd Yield	*3.8%*

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012		14-16
1002.1	755.2	1050.3	1250.3	1597.0	1997.6	2021.6	2209.0	1895.2	1735.0	1603.3	*1650*	Revenues ($mill) A	*2250*
30.5	22.4	34.6	36.1	40.1	50.5	49.8	57.6	64.3	54.0	63.8	*61.0*	Net Profit ($mill)	*80.0*
32.7%	35.4%	35.0%	34.8%	34.1%	32.5%	33.4%	31.3%	33.6%	33.4%	31.4%	*33.0%*	Income Tax Rate	*35.0%*
3.0%	3.0%	3.3%	2.9%	2.5%	2.5%	2.5%	2.6%	3.4%	3.1%	4.0%	*3.7%*	Net Profit Margin	*3.5%*
49.5%	47.5%	50.4%	51.6%	48.1%	49.5%	45.3%	44.4%	42.9%	40.5%	*39.0%*	*40.0%*	Long-Term Debt Ratio	*40.0%*
50.2%	52.3%	49.4%	48.3%	51.8%	50.4%	54.6%	55.5%	57.1%	59.5%	*61.0%*	*60.0%*	Common Equity Ratio	*60.0%*
574.1	546.6	605.0	737.4	707.9	798.9	784.5	876.1	906.3	899.9	*935*	*980*	Total Capital ($mill)	*1350*
602.5	594.4	621.2	646.9	679.5	763.8	793.8	823.2	855.9	884.1	*930*	*975*	Net Plant ($mill)	*1300*
6.9%	6.0%	7.4%	6.6%	7.6%	8.4%	8.5%	8.1%	8.7%	7.4%	*8.0%*	*7.5%*	Return on Total Cap'l	*7.0%*
10.5%	7.8%	11.5%	10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	*11.0%*	*10.5%*	Return on Shr. Equity	*10.0%*
10.5%	7.8%	11.6%	10.1%	10.9%	12.5%	11.6%	11.8%	12.4%	10.1%	*11.0%*	*10.5%*	Return on Com Equity	*10.0%*
1.8%	NMF	3.1%	2.7%	3.1%	5.1%	4.3%	5.2%	5.9%	3.6%	*5.0%*	*4.0%*	Retained to Com Eq	*4.0%*
83%	113%	74%	73%	72%	59%	63%	56%	53%	64%	*56%*	*62%*	All Div'ds to Net Prof	*58%*

CAPITAL STRUCTURE as of 6/30/11
Total Debt $364.3 mill. **Due in 5 Yrs** $155.0 mill.
LT Debt $364.3 mill. **LT Interest** $20.0 mill.
(Total interest coverage: 4.0x)

Leases, Uncapitalized Annual rentals $.9 mill.
Pension Assets-9/10 $240.9 mill. **Oblig.** $398.4 mill.
Pfd Stock None
Common Stock 22,429,189 shs. **as of 7/28/11**

MARKET CAP: $875 million (Small Cap)

CURRENT POSITION ($MILL.)	2009	2010	6/30/11
Cash Assets	74.6	86.9	60.9
Other	294.2	327.3	283.7
Current Assets	368.8	414.2	344.6
Accts Payable	72.8	95.6	101.8
Debt Due	129.8	154.6	- -
Other	96.5	83.7	83.7
Current Liab.	299.1	333.9	185.5
Fix. Chg. Cov.	420%	391%	395%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '08-'10 to '14-'16
Revenues	11.5%	7.0%	*Nil*
"Cash Flow"	4.5%	7.5%	*3.5%*
Earnings	6.0%	7.5%	*2.5%*
Dividends	1.5%	2.5%	*2.5%*
Book Value	4.5%	7.0%	*5.0%*

Fiscal Year Ends	QUARTERLY REVENUES ($ mill.)A Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2008	504.0	747.7	505.5	451.8	2209.0
2009	674.3	659.1	309.9	251.9	1895.2
2010	491.2	635.3	324.5	284.0	1735.0
2011	444.2	543.8	344.3	271.0	1603.3
2012	*455*	*610*	*328*	*257*	*1650*

Fiscal Year Ends	EARNINGS PER SHARE A B F Dec.31	Mar.31	Jun.30	Sep.30	Full Fiscal Year
2008	.99	1.39	.41	d.14	2.64
2009	1.42	1.40	.31	d.22	2.92
2010	1.03	1.26	.21	d.07	2.43
2011	1.05	1.25	.69	d.13	2.86
2012	*1.08*	*1.33*	*.30*	*d.06*	*2.65*

Cal-endar	QUARTERLY DIVIDENDS PAID C ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.365	.365	.365	.365	1.46
2008	.375	.375	.375	.375	1.50
2009	.385	.385	.385	.385	1.54
2010	.395	.395	.395	.395	1.58
2011	.405	.405	.405	.405	

BUSINESS: Laclede Group, Inc., is a holding company for Laclede Gas, which distributes natural gas in eastern Missouri, including the city of St. Louis, St. Louis County, and parts of 10 other counties. Has roughly 625,000 customers. Purchased SM&P Utility Resources, 1/02; divested, 3/08. Therms sold and transported in fiscal 2010: .97 mill. Revenue mix for regulated operations: residential, 68%; commercial and industrial, 24%; transportation, 2%; other, 6%. Has around 1,700 employees. Officers and directors own approximately 8% of common shares (1/11 proxy). Chairman and CEO: Douglas H. Yaeger; President: Suzanne Sitherwood. Inc.: Missouri. Address: 720 Olive Street, St. Louis, Missouri 63101. Telephone: 314-342-0500. Internet: www.thelacledegroup.com.

Laclede Group may well register a drop in profits during fiscal 2012, which began on October 1st, compared to last year's figure. That's partially because we anticipate a difficult comparison for the third quarter. Indeed, Laclede Gas (the core division) benefited from a substantial gain, last April, on the sale of 320,000 barrels of propane from inventory that was no longer required to serve utility customers. Furthermore, margins for Laclede Energy Resources could continue to be squeezed by narrower regional price differentials (reflecting the less-than-optimal economic environment). At this juncture, it seems that earnings per share will decrease about 7%, to $2.65, in the new fiscal year. But the bottom line may stage a recovery in fiscal 2013, perhaps to $2.80 a share, assuming additional expansion of operating margins.

We anticipate an unexciting performance for the company over the next three to five years. Expansion of the customer base for the natural gas distributor will probably remain sluggish, at best. That's attributable largely to the fact that the service territory, which is located in eastern Missouri, has been in a mature phase for some time. Present difficulties aside, Laclede Energy Resources appears to have promising long-term potential. Nonetheless, it tends to contribute just a small portion to total profits. All told, the company's annual share-net advances may only be in the mid-single-digit range during the 2014-2016 period.

Of course, a business combination could brighten things. We believe that Laclede Group possesses adequate financial resources to support such an initiative. However, it appears that management is satisfied with the status quo at this juncture.

The stock's dividend yield of 4.2% is one of the highest of all natural gas utility equities that are tracked by *Value Line*. Even so, additional increases in the distribution may be moderate. That is largely because the utility's long-term prospects are not spectacular. Meanwhile, these good-quality shares are ranked to perform only in line with the broader market averages for the coming six to 12 months.

Frederick L. Harris, III *December 9, 2011*

(A) Fiscal year ends Sept. 30th.
(B) Based on average shares outstanding thru. '97, then diluted. Excludes nonrecurring loss: '06, 7¢. Excludes gain from discontinued operations: '08, 94¢. Next earnings report due late Jan. (C) Dividends historically paid in early January, April, July, and October. ■ Dividend reinvestment plan available. (D) Incl. deferred charges. In '10: $487.1 mill., $21.85/sh.
(E) In millions.
(F) Qtly. egs. may not sum due to rounding or change in shares outstanding.

Company's Financial Strength	B++
Stock's Price Stability	100
Price Growth Persistence	50
Earnings Predictability	80

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