

SJW CORP.

374 W. Santa Clara Street
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NEWS RELEASE

**Wire Release – National Circuit
For Release at 5:00 P.M. (Pacific Time)**

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SJW Land Company

Page 1 of 4

**For Release April 27, 2006
San Jose, California**

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SJW CORP. (NYSE: SJW) ANNOUNCES FIRST QUARTER FINANCIAL RESULTS

SAN JOSE, CA, April 27, 2006 – SJW Corp. (NYSE:SJW) diluted earnings per common share for the quarter ended March 31, 2006 were \$0.23, compared to \$0.15 for the same quarter in 2005. The increase in net income is inclusive of the net of tax gain on the sale of nonutility property of \$1,535,000, or \$0.08 per share, in January 2006.

Operating revenue for the first quarter was \$33,741,000 versus \$33,306,000 for the same period in 2005, representing an increase of \$435,000 or 1%. Approximately \$274,000 of the total revenue increase was attributable to cumulative rate increases, \$209,000 was due to new customers, and \$237,000 was due to increased parking revenue. The revenue increase was offset by approximately a \$274,000 decrease due to lower customer demand and an \$11,000 decrease resulting from other sources.

Total water production costs for the first quarter of 2006 consisting of purchased water, power and pump taxes, decreased \$945,000, or 9% from the first quarter of 2005. The decrease in production costs of \$1,397,000 was primarily attributable to a greater availability of surface water. However, the decrease was partially offset by increases of approximately \$87,000 due to higher customer demand, increases in the cost of purchased water and pump tax of \$341,000, and higher energy prices and other cost of \$24,000.

Total quarterly operating expenses for the first quarter of 2006, excluding water production costs and income taxes, increased \$1,505,000 or 9% from 2005. The changes consisted principally of: \$543,000 increase in general and administrative costs which included a \$433,000 increase for salaries, benefits and retirement costs, a \$153,000 increase for liability insurance, a \$137,000 increase for professional services, and a \$52,000 increase in other expenses offset by a \$232,000 refund of 2005 worker's compensation premiums. In addition, other operating expenses increased \$470,000, maintenance expenses increased \$267,000, and other taxes and depreciation expense increased \$225,000. Income tax expense decreased \$26,000 in the first quarter of 2006.

For the three months ended March 31, 2006, other comprehensive income of \$4,426,000, net of tax, was due to an increase in the market value of the investment in California Water Service Group.

The Directors of SJW Corp. today declared a quarterly dividend on common stock of \$0.14125 per share. The dividend is payable on June 1, 2006 to shareholders of record on May 8, 2006.

SJW Corp. is a publicly traded holding company headquartered in San Jose, California. SJW Corp., through its subsidiary San Jose Water Company, provides water service to a population of approximately one million people in San Jose and nearby communities.

This press release may contain certain forward-looking statements including but not limited to statements relating to SJW Corp.'s plans, strategies, objectives, expectations and intentions, which are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of SJW Corp. to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Certain factors that may cause actual results, performance or achievements to materially differ are described in SJW Corp.'s most recent reports on Form 10-K, Form 10-Q and form 8-K filed with the Securities and Exchange Commission. SJW Corp. undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

SJW Corp.
Condensed Consolidated Statements of Income and Comprehensive Income
(Unaudited)
(thousands of dollars, except share data)

	THREE MONTHS ENDED MARCH 31		TWELVE MONTHS ENDED MARCH 31	
	2006	2005	2006	2005
OPERATING REVENUE	\$33,741	\$33,306	\$180,540	\$169,154
OPERATING EXPENSE:				
Operation:				
Purchased water	6,654	7,012	44,595	41,722
Power	559	671	4,207	5,369
Pump taxes	<u>2,136</u>	<u>2,611</u>	<u>16,887</u>	<u>21,263</u>
Total production costs	9,349	10,294	65,689	68,354
Administrative and general	5,091	4,548	21,239	17,522
Other	3,661	3,191	14,652	12,834
Maintenance	2,305	2,038	9,742	8,604
Taxes, other than income	1,470	1,412	5,731	5,398
Depreciation & amortization	5,190	5,023	19,822	19,111
Income taxes	<u>1,894</u>	<u>1,920</u>	<u>14,747</u>	<u>12,319</u>
Total operating expense	<u>28,960</u>	<u>28,426</u>	<u>151,622</u>	<u>144,142</u>
OPERATING INCOME	4,781	4,880	28,918	25,012
Condemnation gain, net of taxes of \$2,624	-	-	-	3,776
Sale of nonutility property, net of taxes of \$1,056 and \$1,817	1,535	-	2,630	-
Interest on long-term debt and other	<u>(2,113)</u>	<u>(2,199)</u>	<u>(8,186)</u>	<u>(8,095)</u>
NET INCOME	<u>\$4,203</u>	<u>2,681</u>	<u>\$23,362</u>	<u>20,693</u>
Other comprehensive income (loss), net	<u>4,426</u>	<u>(2,777)</u>	<u>5,295</u>	<u>3,570</u>
COMPREHENSIVE INCOME (LOSS)	<u>\$8,629</u>	<u>(96)</u>	<u>\$28,657</u>	<u>24,263</u>
Earnings per share				
-Basic	\$0.23	\$0.15	\$1.28	\$1.13
-Diluted	\$0.23	\$0.15	\$1.26	\$1.12
Comprehensive income (loss) per share				
-Basic	\$0.47	(\$0.01)	\$1.57	\$1.33
-Diluted	\$0.47	(\$0.01)	\$1.55	\$1.32
Dividend per share	\$0.14	\$0.14	\$0.54	\$0.52
- Basic	18,271,270	18,271,026	18,271,340	18,273,242
- Diluted	18,530,097	18,441,938	18,502,248	18,411,390

SJW Corp.
Condensed Consolidated Balance Sheets
(Unaudited)
(thousands of dollars)

	<u>March 31</u> 2006	<u>December 31</u> 2005
ASSETS		
UTILITY PLANT:		
Land	\$ 4,412	1,735
Depreciable plant and equipment	657,053	648,931
Construction in progress	6,766	5,611
Intangible assets	<u>7,840</u>	<u>7,840</u>
Total utility plant	676,071	664,117
Less accumulated depreciation and amortization	<u>213,319</u>	<u>208,909</u>
Net utility plant	462,752	455,208
NONUTILITY PROPERTY:		
Less accumulated depreciation	<u>3,533</u>	<u>3,870</u>
Net nonutility property	31,906	34,850
CURRENT ASSETS:		
Cash and equivalents	9,817	9,398
Accounts receivable and accrued unbilled utility revenue	16,794	19,851
Long-lived assets held-for-sale	2,738	149
Prepaid expenses and other	<u>2,287</u>	<u>2,294</u>
Total current assets	31,636	31,692
OTHER ASSETS:		
Investment in Cal Water	49,553	42,051
Unamortized debt issuance and reacquisition costs	3,089	3,131
Regulatory assets	13,119	13,037
Other	<u>7,690</u>	<u>7,740</u>
	<u>73,451</u>	<u>65,959</u>
	<u><u>\$599,745</u></u>	<u><u>\$587,709</u></u>
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION:		
Common stock	\$ 9,516	9,516
Additional paid-in capital	15,736	15,368
Retained earnings	162,210	160,588
Accumulated other comprehensive income	<u>14,862</u>	<u>10,436</u>
Shareholders' equity	202,324	195,908
Long-term debt	<u>145,163</u>	<u>145,281</u>
Total capitalization	347,487	341,189
CURRENT LIABILITIES:		
Current portion of long-term debt	378	332
Pump tax and purchased water	2,936	3,985
Purchased power	611	804
Accounts payable	4,595	5,120
Accrued interest	2,215	3,618
Accrued taxes	4,527	1,619
Other current liabilities	<u>5,047</u>	<u>5,466</u>
Total current liabilities	20,309	20,944
DEFERRED INCOME TAXES AND CREDITS	57,901	54,100
ADVANCES AND CONTRIBUTIONS	155,835	154,235
OTHER NONCURRENT LIABILITIES	<u>18,213</u>	<u>17,241</u>
	<u><u>\$599,745</u></u>	<u><u>\$587,709</u></u>