

# NEWS RELEASE

Wire Release - National Circuit  
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## SJW CORP. ANNOUNCES FIRST QUARTER FINANCIAL RESULTS

### Board Declares Quarterly Dividend on Common Stock

SAN JOSE, CA, May 6, 2009 – SJW Corp. (NYSE: SJW) today reported financial results for the first quarter of fiscal 2009, ended March 31, 2009. Operating revenue was \$40.0 million in the quarter compared to \$41.2 million in 2008. The \$1.2 million decrease in revenue primarily reflects a decrease of \$3.0 million in customer water usage as well as \$327,000 lower revenue from real estate operations. The revenue decreases were partially offset by cumulative rate increases of \$2.0 million and \$67,000 from new connections.

In the first quarter of 2009, net income was \$116,000 and diluted earnings per common share were \$0.01, compared to \$2.7 million and \$0.15 per share, respectively, in the first quarter of 2008.

Water production costs for the quarter ended March 31, 2009 were \$13.6 million compared to \$13.5 million in 2008 despite lower unit sales volume. The increase of approximately \$100,000 in water production costs reflects \$794,000 in higher per unit costs for purchased water, groundwater extraction and energy cost and \$553,000 in decreased surface water supply, offset by lower expenses of \$1.2 million due to lower customer demand.

Nonwater production costs for the first quarter were \$22.9 million compared to \$20.2 million in 2008. The increase of \$2.7 million was primarily attributable to an increase of \$1.3 million in administrative and general expense, primarily due to pension funding and legal and administrative fees related to the closing of the Bulverde, Texas acquisition which was finalized in the first quarter. Other increases were \$700,000 in taxes other than income tax, \$488,000 in depreciation expense and \$166,000 in all other expenses. Income tax expense for the first quarter decreased to \$101,000 in 2009 from \$1.8 million in 2008.

The Directors of SJW Corp. today declared a quarterly dividend on common stock of \$0.165 per share. The dividend is payable on June 1, 2009 to shareholders of record on May 18, 2009.

SJW Corp. is a publicly traded holding company headquartered in San Jose, California. SJW Corp. is the parent company of San Jose Water Company, SJWTX, Inc. and SJW Land Company. Together, San Jose Water Company and SJWTX, Inc. provide regulated and nonregulated water service to more than one million people in San Jose, California and nearby communities and in Canyon Lake, Texas and nearby communities. SJW Land Company owns and operates commercial buildings, has a majority interest in a real estate partnership, and has properties in the states of California, Florida, Connecticut, Texas, Arizona and Tennessee.

**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. The results for a quarter are not indicative of results for a full year due to seasonality. 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 and per share data)

	THREE MONTHS ENDED	
	MARCH 31	
	2009	2008
OPERATING REVENUE	\$40,021	41,253
OPERATING EXPENSE:		
Operation:		
Purchased water	7,789	6,996
Power	760	1,066
Groundwater extraction charge	5,052	5,416
Total production costs	13,601	13,478
Administrative and general	7,130	5,839
Other	3,977	3,683
Maintenance	2,916	3,044
Taxes other than income	2,290	1,590
Depreciation and amortization	6,551	6,063
Income taxes	101	1,786
Total operating expense	36,566	35,483
OPERATING INCOME	3,455	5,770
Interest on long-term debt and other	(3,339)	(3,052)
NET INCOME	\$ 116	2,718
Other comprehensive income (loss), net	(2,966)	733
COMPREHENSIVE INCOME (LOSS)	\$(2,850)	3,451
Earnings per share		
-Basic	\$0.01	0.15
-Diluted	\$0.01	0.15
Dividend per share	\$0.16	0.16
Weighted average shares outstanding		
- Basic	18,470	18,377
- Diluted	18,658	18,592

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

	<u>March 31</u> 2009	<u>December 31</u> 2008
<b>ASSETS</b>		
<b>UTILITY PLANT:</b>		
Land	\$ 8,402	8,134
Depreciable plant and equipment	866,872	855,427
Construction in progress	10,955	7,142
Intangible assets	10,790	8,040
Total utility plant	<u>897,019</u>	<u>878,743</u>
Less accumulated depreciation and amortization	279,503	272,562
Net utility plant	<u>617,516</u>	<u>606,181</u>
<b>REAL ESTATE INVESTMENT:</b>	88,000	88,000
Less accumulated depreciation and amortization	5,930	5,511
Net real estate investment	<u>82,070</u>	<u>82,489</u>
<b>CURRENT ASSETS:</b>		
Cash and equivalents	2,436	3,406
Accounts receivable and accrued unbilled utility revenue	24,800	26,329
Prepaid expenses and other	2,151	2,226
Total current assets	<u>29,387</u>	<u>31,961</u>
<b>OTHER ASSETS:</b>		
Investment in California Water Service Group	46,044	51,071
Unamortized debt issuance and reacquisition costs	3,123	3,162
Regulatory assets	73,499	73,778
Other	2,757	2,235
	<u>125,423</u>	<u>130,246</u>
	<u>\$854,396</u>	<u>850,877</u>
<b>CAPITALIZATION AND LIABILITIES</b>		
<b>CAPITALIZATION:</b>		
Common stock	\$ 9,624	9,611
Additional paid-in capital	21,112	20,548
Retained earnings	202,079	204,744
Accumulated other comprehensive income	16,457	19,423
Total shareholders' equity	<u>249,272</u>	<u>254,326</u>
Long-term debt, less current portion	226,407	216,613
Total capitalization	<u>475,679</u>	<u>470,939</u>
<b>CURRENT LIABILITIES:</b>		
Line of credit	16,700	18,400
Current portion of long-term debt	736	705
Accrued groundwater extraction charge and purchased water	4,025	5,256
Purchased power	338	563
Accounts payable	7,670	5,758
Accrued interest	3,493	4,567
Other current liabilities	7,695	8,074
Total current liabilities	<u>40,657</u>	<u>43,323</u>
<b>DEFERRED INCOME TAXES AND CREDITS</b>	97,850	98,713
<b>ADVANCES FOR CONSTRUCTION AND CONTRIBUTIONS</b>		
IN AID OF CONSTRUCTION	189,690	188,869
POSTRETIREMENT BENEFIT PLANS	43,814	42,331
OTHER NONCURRENT LIABILITIES	6,706	6,702
	<u>\$854,396</u>	<u>850,877</u>