

SJW CORP.
374 W. Santa Clara Street
San Jose, CA 95196

NEWS RELEASE

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

SUBSIDIARIES
San Jose Water Company
SJW Land Company

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**For Release July 28, 2005
San Jose, California**

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SJW CORP. (AMEX: SJW) ANNOUNCES SECOND QUARTER 2005

FINANCIAL RESULTS

SAN JOSE, CA, July 28, 2005 - SJW Corp. (AMEX: SJW) diluted earnings per common share for the quarter ended June 30, 2005 were \$0.62, compared to \$0.53 for the same quarter in 2004.

Operating revenue for the second quarter was \$44,799,000 versus \$45,609,000 for the same period in 2004, representing a decrease of \$810,000 or 2%. Revenue decreased \$6,580,000 due to lower customer usage, which was offset by \$5,866,000 in cumulative rate increases and \$252,000 due to new customers. Additionally, parking revenue decreased by \$221,000 and other revenues decreased by \$127,000.

Water production costs for the second quarter of 2005 consisting of purchased water, power and pump taxes, decreased \$3,160,000 from the second quarter of 2004. The decrease in production costs was primarily attributable to \$3,939,000 decrease in usage and \$676,000 as a result of greater availability of surface water. However, the decrease was partially offset by increases in the cost of purchased water and pump tax from Santa Clara Valley Water District of \$1,364,000 and other costs of \$91,000.

Quarterly operating expenses for the second quarter of 2005, excluding water production costs and income taxes, increased \$1,028,000 from 2004. The increase consisted principally of \$554,000 in general and administrative costs, which includes employee benefits and salaries and wages. Maintenance expenses increased \$163,000 and depreciation expense increased \$156,000 on added utility plant. Income tax expense for the second quarter of 2005 was higher than the same period in 2004 due to increased pre-tax earnings.

Year-to-date diluted earnings per common share were \$0.91 compared to \$0.72 for the same period in 2004. The increase in year-to-date earnings was primarily due to cumulative rate increases that were partially offset by the impact of lower customer demand. Year-to-date decrease in water production costs of \$3,311,000 was principally offset by increases in non-water production costs of \$1,852,000 and income tax expense of \$1,272,000.

Other comprehensive income of \$2,706,000 for the second quarter of 2005 and other comprehensive loss of \$71,000 for year-to-date was the result of changes in the market value of the investment in California Water Service Group.

At its meeting today, the Board of Directors of SJW Corp. declared a quarterly dividend on common stock of \$0.2675 per share. The dividend is payable on September 1, 2005 to shareholders of record on August 8, 2005.

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. 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		Six Months		Twelve Months	
	Ended June 30		Ended June 30		Ended June 30	
	2005	2004	2005	2004	2005	2004
Operating revenue	\$44,799	45,609	\$78,106	76,672	\$168,344	161,366
Operating expense:						
Operation:						
Purchased water	11,907	11,666	18,919	18,176	41,962	39,965
Power	849	1,597	1,520	2,411	4,621	5,593
Pump taxes	3,249	5,902	5,860	9,023	18,610	20,684
Other	8,454	7,771	16,194	15,330	31,041	30,128
Maintenance	2,342	2,179	4,381	4,287	8,768	8,335
Taxes, other than income	1,351	1,325	2,762	2,654	5,422	5,229
Depreciation and amortization	4,863	4,707	9,886	9,100	19,267	16,760
Income taxes	3,948	3,352	5,868	4,596	12,915	10,648
Total operating expense	<u>36,963</u>	<u>38,499</u>	<u>65,390</u>	<u>65,577</u>	<u>142,606</u>	<u>137,342</u>
Operating income	7,836	7,110	12,716	11,095	25,738	24,024
Long-term debt interest and other, net	<u>(2,121)</u>	<u>(2,303)</u>	<u>(4,320)</u>	<u>(4,514)</u>	<u>(4,137)</u>	<u>(8,475)</u>
Net income	<u>\$ 5,715</u>	<u>4,807</u>	<u>\$ 8,396</u>	<u>6,581</u>	<u>\$ 21,601</u>	<u>15,549</u>
Other comprehensive income (loss), net	<u>2,706</u>	<u>(481)</u>	<u>(71)</u>	<u>97</u>	<u>6,756</u>	<u>(769)</u>
Comprehensive income	<u>\$ 8,421</u>	<u>4,326</u>	<u>\$ 8,325</u>	<u>6,678</u>	<u>\$ 28,357</u>	<u>\$ 14,780</u>
Earnings per share						
- Basic	\$ 0.63	0.53	\$ 0.92	0.72	\$ 2.36	1.70
- Diluted	0.62	0.53	0.91	0.72	2.34	1.69
Comprehensive income per share						
- Basic	\$ 0.92	0.47	\$ 0.91	0.73	\$ 3.10	1.62
- Diluted	0.91	0.47	0.90	0.73	3.08	1.61
Dividends per share	\$ 0.26	0.26	\$ 0.53	0.51	\$ 1.04	0.99
Weighted average shares outstanding						
- Basic	9,136,172	9,138,841	9,135,843	9,136,758	9,136,144	9,136,098
- Diluted	9,232,708	9,193,895	9,226,839	9,191,077	9,215,305	9,176,292

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

	June 30 2005	December 31 2004
ASSETS		
Utility Plant	\$640,589	\$619,590
Less: accumulated depreciation and amortization	199,736	189,221
Net utility plant	440,853	430,369
Nonutility property, net	29,414	31,987
Current assets:		
Cash and equivalents	9,670	10,899
Short-term investments	2,950	-
Accounts receivable and accrued utility revenue	23,262	15,260
Long-lived assets held-for-sale	2,451	-
Prepaid expenses and other	1,897	2,211
Total current assets	40,230	28,370
Other assets:		
Investment in California Water Service Group	41,292	41,413
Debt issuance costs	3,216	3,300
Goodwill	1,744	1,744
Regulatory assets	7,227	8,064
Intangible pension asset	4,357	4,357
Other	2,782	2,548
	60,618	61,426
	\$571,115	\$552,152
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock	\$ 9,521	\$ 9,516
Additional paid-in capital	14,815	14,306
Retained earnings	152,034	148,525
Accumulated other comprehensive income	12,272	12,344
Shareholders' equity	188,642	184,691
Long-term debt	145,557	143,604
Total capitalization	334,199	328,295
Current Liabilities:		
Current portion of long-term debt	141	275
Pump tax and purchased water	6,464	3,856
Purchased power	1,087	848
Accounts payable	3,735	870
Accrued interest	3,618	3,619
Accrued taxes	3,836	890
Accrued payroll	1,195	1,066
Work order deposit	764	773
Other current liabilities	2,967	3,154
Total current liabilities	23,807	15,351
Deferred income taxes and credits	50,795	51,422
Advances and contributions	149,281	143,906
Other noncurrent liabilities	13,033	13,178
	\$571,115	\$552,152