

NEWS RELEASE

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San Jose, California Corporate Secretary

SJW CORP. ANNOUNCES THIRD QUARTER FINANCIAL RESULTS

Board Declares Quarterly Dividend on Common Stock

SAN JOSE, CA, October 28, 2009 – SJW Corp. (NYSE: SJW) today reported financial results for the third quarter ended September 30, 2009. Operating revenue was \$69.3 million versus \$69.5 million for the same period in 2008. The decrease of approximately \$200,000 primarily reflects a decrease of \$3.2 million resulting from declining customer water usage, as well as \$881,000 in lower revenue from real estate operations due to a tenant vacancy in the real estate portfolio. The revenue decreases were partially offset by cumulative rate increases of \$3.5 million and revenue from new customers of \$372,000.

Net income was \$8.0 million for the third quarter, compared to \$8.3 million in the same period of 2008. Diluted earnings per share were \$0.43, compared to \$0.44 per share for the third quarter in 2008.

Water production costs for the third quarter of 2009 were \$28.6 million versus \$30.8 million for the same period in 2008. The decline in water production costs of \$2.2 million reflects \$1.6 million in lower customer water usage and \$1.0 million in savings due to greater surface water supply, offset by \$426,000 in higher per unit costs for purchased water and groundwater extraction charges.

Non-water production costs for the third quarter of 2009 were \$23.3 million versus \$21.7 million for the same period in 2008, an increase of \$1.6 million. This was attributable to an increase of \$485,000 in administrative and general expenses primarily related to pension plan expenses offset by lower transportation and legal and accounting expenses. In addition, there were increases of \$415,000 in depreciation and amortization expense, \$354,000 in other operating expense, \$254,000 in maintenance expense and \$119,000 in taxes other than income taxes. Income tax expense increased \$219,000 in the third quarter of 2009 to \$5.7 million from \$5.5 million in 2008 as a result of a higher effective tax rate in 2009.

Year-to-date operating revenue decreased by \$3.3 million to \$167.5 million from \$170.8 million in the first nine months of 2008. The decrease was attributable to \$10.8 million in lower customer water

usage and \$2.0 million in lower revenue from real estate operations, partially offset by \$9.0 million in cumulative rate increases and \$497,000 in revenue from new customers.

Year-to-date net income was \$12.6 million, compared to \$17.3 million in 2008. Earnings per basic and diluted share respectively were \$0.68 and \$0.67 in the first nine months of 2009, compared to \$0.94 and \$0.93 per basic and diluted share, respectively, for the same period in 2008.

Year-to-date water production costs decreased to \$66.1 million from \$69.9 million in 2008. The \$3.8 million decrease was primarily attributable to lower customer demand of \$5.7 million and savings due to greater surface water supply of \$1.2 million, offset by higher per unit costs for purchased water and groundwater extraction charges of \$3.1 million. Non-water production costs increased \$7.0 million to \$69.5 million from \$62.5 million. Components of the increase included \$3.0 million in administrative and general expenses consisting primarily of an increase in pension plan expenses, \$1.6 million in taxes other than income taxes, \$1.2 million in depreciation expense, \$1.1 million in other operating expenses and \$70,000 in maintenance expenses. Income tax expense decreased \$2.8 million year-to-date due to lower pre-tax income.

The Directors of SJW Corp. today declared a quarterly dividend on common stock of \$0.165 per share. The dividend is payable on December 1, 2009 to shareholders of record on November 9, 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)
(in thousands, except per share data)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	SEPTEMBER 30,		SEPTEMBER 30,	
	2009	2008	2009	2008
OPERATING REVENUE	\$ 69,326	69,507	\$167,541	170,818
OPERATING EXPENSE:				
Operation:				
Purchased water	15,174	16,390	35,564	37,562
Power	2,666	2,579	5,243	5,655
Groundwater extraction charge	10,743	11,845	25,275	26,678
Total production costs	<u>28,583</u>	<u>30,814</u>	<u>66,082</u>	<u>69,895</u>
Administrative and general	6,807	6,322	20,834	17,809
Other	4,697	4,343	13,221	12,095
Maintenance	3,550	3,296	9,682	9,612
Taxes, other than income	1,882	1,763	6,564	4,994
Depreciation & amortization	6,403	5,988	19,192	18,035
Income taxes	<u>5,735</u>	<u>5,516</u>	<u>8,811</u>	<u>11,611</u>
Total operating expense	<u>57,657</u>	<u>58,042</u>	<u>144,386</u>	<u>144,051</u>
OPERATING INCOME	11,669	11,465	23,155	26,767
Interest on long-term debt and other	<u>(3,652)</u>	<u>(3,208)</u>	<u>(10,604)</u>	<u>(9,514)</u>
NET INCOME	<u>\$ 8,017</u>	<u>8,257</u>	<u>\$ 12,551</u>	<u>17,253</u>
Other comprehensive income (loss), net	<u>1,363</u>	<u>3,718</u>	<u>(4,861)</u>	<u>960</u>
COMPREHENSIVE INCOME	<u>\$ 9,380</u>	<u>11,975</u>	<u>\$ 7,690</u>	<u>18,213</u>
Earnings per share				
-Basic	\$0.43	0.45	0.68	0.94
-Diluted	\$0.43	0.44	0.67	0.93
Dividend per share	\$0.16	0.16	0.49	0.48
Weighted average shares outstanding				
-Basic	18,494	18,423	18,482	18,401
-Diluted	18,690	18,619	18,673	18,603

SJW Corp.
Condensed Consolidated Balance Sheets
(Unaudited)
(in thousands)

	<u>September</u> <u>30, 2009</u>	<u>December</u> <u>31, 2008</u>
ASSETS		
UTILITY PLANT:		
Land	\$ 8,502	8,134
Depreciable plant and equipment	894,656	855,427
Construction in progress	16,013	7,142
Intangible assets	11,278	8,040
Total utility plant	<u>930,449</u>	<u>878,743</u>
Less accumulated depreciation and amortization	<u>292,215</u>	<u>272,562</u>
Net utility plant	<u>638,234</u>	<u>606,181</u>
REAL ESTATE INVESTMENT:	88,000	88,000
Less accumulated depreciation and amortization	<u>6,769</u>	<u>5,511</u>
Net real estate investment	<u>81,231</u>	<u>82,489</u>
CURRENT ASSETS:		
Cash and equivalents	1,860	3,406
Accounts receivable and accrued unbilled utility revenue	35,396	26,329
Prepaid expenses and other	2,605	2,226
Total current assets	<u>39,861</u>	<u>31,961</u>
OTHER ASSETS:		
Investment in California Water Service Group	42,832	51,071
Debt issuance costs, net of accumulated amortization	3,147	3,162
Regulatory assets	74,000	73,778
Other	1,959	2,235
	<u>121,938</u>	<u>130,246</u>
	<u>\$881,264</u>	<u>850,877</u>
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION:		
Common stock	\$ 9,635	9,611
Additional paid-in capital	21,859	20,548
Retained earnings	208,351	204,744
Accumulated other comprehensive income	14,562	19,423
Total shareholders' equity	<u>254,407</u>	<u>254,326</u>
Long-term debt, less current portion	<u>246,013</u>	<u>216,613</u>
Total capitalization	<u>500,420</u>	<u>470,939</u>
CURRENT LIABILITIES:		
Line of credit	4,300	18,400
Current portion of long-term debt	781	705
Accrued groundwater extraction charge and purchased water	8,291	5,256
Purchased power	1,511	563
Accounts payable	9,125	5,758
Accrued interest	3,951	4,567
Other current liabilities	9,365	8,074
Total current liabilities	<u>37,324</u>	<u>43,323</u>
DEFERRED INCOME TAXES AND CREDITS	102,194	98,713
ADVANCES FOR CONSTRUCTION AND CONTRIBUTIONS IN AID OF CONSTRUCTION	191,157	188,869
POSTRETIREMENT BENEFIT PLANS	43,281	42,331
OTHER NONCURRENT LIABILITIES	6,888	6,702
	<u>\$881,264</u>	<u>850,877</u>