

Our Vision

With integrity, create superior shareholder value by expanding upon our expertise to be the supplier of choice in all of our markets while being a safe and great place to work.

Our Mission

Provide value-added natural resource products and related services that exceed customer expectations.

CONTENTS

MDU Resources Group, Inc.	Page
Consolidated statements of income.....	1
Consolidated balance sheets.....	2
Consolidated statements of cash flows.....	3
Key financial data.....	4
Electric and natural gas distribution	
Electric	
Key financial and operating data.....	5-6
Natural gas distribution	
Key financial and operating data.....	7-8
Electric and natural gas distribution	
Key financial and operating data.....	9
Pipeline and energy services	
Key financial and operating data.....	10
Exploration and production	
Key financial and operating data.....	11-12
Construction materials and contracting	
Key financial and operating data.....	13
Construction services	
Key financial and operating data.....	14
Other	
Key financial and operating data.....	15

NOTE: This information is not given in connection with any sale or offer for sale or offer to buy any security.

MDU Resources Group, Inc.**CONSOLIDATED STATEMENTS OF INCOME**

Years ended December 31,	2014	2013	2012	2011	2010	2009
	(In thousands)					
Operating revenues.....	\$4,670,558	\$4,462,404	\$4,075,431	\$4,050,492	\$3,909,695	\$4,176,501
Operating expenses:						
Fuel and purchased power.....	89,312	83,528	72,380	64,485	63,065	65,717
Purchased natural gas sold.....	570,041	505,065	425,220	572,187	567,806	739,678
Operation and maintenance.....	2,929,050	2,805,697	2,631,479	2,491,135	2,375,901	2,407,064
Depreciation, depletion and amortization.....	401,368	386,856	359,205	343,395	328,843	330,542
Taxes, other than income.....	192,562	188,359	176,140	172,923	163,353	166,597
Write-downs of oil and natural gas properties.....	—	—	391,800	—	—	620,000
Total operating expenses.....	4,182,333	3,969,505	4,056,224	3,644,125	3,498,968	4,329,598
Operating income (loss).....	488,225	492,899	19,207	406,367	410,727	(153,097)
Earnings (loss) from equity method investments.....	(41)	(132)	5,383	4,693	30,816	8,499
Other income.....	9,962	6,768	6,642	6,520	8,018	9,331
Interest expense.....	87,016	83,917	76,699	81,354	83,011	84,099
Income (loss) before income taxes.....	411,130	415,618	(45,467)	336,226	366,550	(219,366)
Income taxes.....	119,969	136,736	(31,146)	110,274	122,530	(96,092)
Income (loss) from continuing operations.....	291,161	278,882	(14,321)	225,952	244,020	(123,274)
Income (loss) from discontinued operations, net of tax.....	3,177	(312)	13,567	(12,926)	(3,361)	—
Net income (loss).....	294,338	278,570	(754)	213,026	240,659	(123,274)
Net loss attributable to noncontrolling interest.....	(3,895)	(363)	—	—	—	—
Dividends declared on preferred stocks.....	685	685	685	685	685	685
Earnings (loss) on common stock.....	\$ 297,548	\$ 278,248	\$ (1,439)	\$ 212,341	\$ 239,974	\$ (123,959)

Notes to Consolidated Financial Statements as shown in the Annual Report to Stockholders for each respective year are an integral part of these consolidated statements.

MDU Resources Group, Inc.
CONSOLIDATED BALANCE SHEETS

December 31,	2014	2013	2012	2011	2010	2009
	(In thousands)					
ASSETS						
Current assets:						
Cash and cash equivalents.....	\$ 81,855	\$ 45,225	\$ 49,042	\$ 162,772	\$ 222,074	\$ 175,114
Receivables, net.....	693,318	713,067	678,123	646,251	583,743	531,980
Inventories.....	300,811	282,391	317,415	274,205	252,897	249,804
Deferred income taxes.....	23,806	25,048	22,846	40,407	32,890	28,145
Commodity derivative instruments.....	18,335	1,447	18,304	27,687	15,123	7,761
Prepayments and other current assets.....	76,848	49,510	42,351	43,316	60,441	68,854
Total current assets.....	1,194,973	1,116,688	1,128,081	1,194,638	1,167,168	1,061,658
Investments.....	117,920	112,939	103,243	109,424	103,661	145,416
Property, plant and equipment	9,693,171	8,803,866	8,107,751	7,646,222	7,218,503	6,766,582
Less accumulated depreciation, depletion and amortization.....	4,166,407	3,872,487	3,608,912	3,361,208	3,103,323	2,872,465
Net property, plant and equipment.....	5,526,764	4,931,379	4,498,839	4,285,014	4,115,180	3,894,117
Deferred charges and other assets:						
Goodwill.....	635,204	636,039	636,039	634,931	634,633	629,463
Other intangible assets, net.....	9,840	13,099	17,129	20,843	25,271	28,977
Other.....	325,277	251,188	299,160	311,275	257,636	231,321
Total deferred charges and other assets.....	970,321	900,326	952,328	967,049	917,540	889,761
Total assets.....	\$ 7,809,978	\$ 7,061,332	\$ 6,682,491	\$ 6,556,125	\$ 6,303,549	\$ 5,990,952
LIABILITIES AND EQUITY						
Current liabilities:						
Short-term borrowings.....	\$ —	\$ 11,500	\$ 28,200	\$ —	\$ 20,000	\$ 10,300
Long-term debt due within one year.....	269,449	12,277	134,108	139,267	72,797	12,629
Accounts payable.....	382,671	404,961	388,015	337,228	301,132	281,906
Taxes payable.....	45,631	74,175	46,475	70,176	56,186	55,540
Dividends payable.....	35,607	33,737	171	31,794	30,773	29,749
Accrued compensation.....	62,775	69,661	48,448	47,804	40,121	47,425
Commodity derivative instruments.....	—	7,483	—	13,164	24,428	36,907
Other accrued liabilities.....	172,561	171,106	204,698	259,320	222,639	192,729
Total current liabilities.....	968,694	784,900	850,115	898,753	768,076	667,185
Long-term debt.....	1,825,278	1,842,286	1,610,867	1,285,411	1,433,955	1,486,677
Deferred credits and other liabilities:						
Deferred income taxes.....	952,413	859,306	755,102	769,166	672,269	590,968
Other liabilities.....	813,809	718,938	818,159	827,228	736,447	674,475
Total deferred credits and other liabilities.....	1,766,222	1,578,244	1,573,261	1,596,394	1,408,716	1,265,443
Equity:						
Preferred stocks.....	15,000	15,000	15,000	15,000	15,000	15,000
Common stockholders' equity:						
Common stock.....	194,755	189,869	189,369	189,332	188,901	188,389
Other paid-in capital.....	1,207,188	1,056,996	1,039,080	1,035,739	1,026,349	1,015,678
Retained earnings.....	1,762,827	1,603,130	1,457,146	1,586,123	1,497,439	1,377,039
Accumulated other comprehensive (loss).....	(42,103)	(38,205)	(48,721)	(47,001)	(31,261)	(20,833)
Treasury stock at cost.....	(3,626)	(3,626)	(3,626)	(3,626)	(3,626)	(3,626)
Total common stockholders' equity.....	3,119,041	2,808,164	2,633,248	2,760,567	2,677,802	2,556,647
Total stockholders' equity.....	3,134,041	2,823,164	2,648,248	2,775,567	2,692,802	2,571,647
Noncontrolling interest.....	115,743	32,738	—	—	—	—
Total equity.....	3,249,784	2,855,902	2,648,248	2,775,567	2,692,802	2,571,647
Total liabilities and equity.....	\$ 7,809,978	\$ 7,061,332	\$ 6,682,491	\$ 6,556,125	\$ 6,303,549	\$ 5,990,952

Notes to Consolidated Financial Statements as shown in the Annual Report to Stockholders for each respective year are an integral part of these consolidated statements.

MDU Resources Group, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31,	2014	2013	2012	2011	2010	2009
	(In thousands)					
Operating activities:						
Net income (loss).....	\$ 294,338	\$ 278,570	\$ (754)	\$ 213,026	\$ 240,659	\$ (123,274)
Income (loss) from discontinued operations, net of tax.....	3,177	(312)	13,567	(12,926)	(3,361)	—
Income (loss) from continuing operations.....	291,161	278,882	(14,321)	225,952	244,020	(123,274)
Adjustments to reconcile net income (loss) to net of cash provided by operating activities:						
Depreciation, depletion and amortization.....	401,368	386,856	359,205	343,395	328,843	330,542
Earnings (loss), net of distributions, from equity method investments.....	550	2,281	(618)	(2,111)	(26,158)	(3,018)
Deferred income taxes.....	87,015	86,778	(7,503)	118,925	66,585	(169,764)
Unrealized (gain) loss on commodity derivatives.....	(23,400)	6,267	624	(1,827)	*	*
Write-downs of oil and natural gas properties.....	—	—	391,800	—	—	620,000
Excess tax benefit on stock-based compensation.....	(4,729)	—	(26)	**	**	**
Changes in current assets and liabilities, net of acquisitions..	(107,149)	24,785	(108,102)	(25,474)	(41,067)	196,883
Other noncurrent changes.....	(29,193)	(43,937)	(33,639)	(31,538)	(20,271)	(4,683)
Net cash provided by continuing operations.....	615,623	741,912	587,420	627,322	551,952	846,686
Net cash provided by (used in) discontinued operations.....	159	281	(2,680)	(674)	(319)	—
Net cash provided by operating activities.....	615,782	742,193	584,740	626,648	551,633	846,686
Investing activities:						
Capital expenditures.....	(972,102)	(909,400)	(872,920)	(497,000)	(449,282)	(448,675)
Acquisitions, net of cash acquired.....	(209,213)	—	(67,261)	(157)	(104,812)	(6,410)
Net proceeds from sale or disposition of property and other.....	276,415	124,541	40,110	40,107	76,386	26,679
Investments.....	709	302	9,725	(10,302)	704	(3,740)
Proceeds from sale of equity method investments.....	—	1,896	2,394	2,807	69,060	—
Net cash used in continuing operations.....	(904,191)	(782,661)	(887,952)	(464,545)	(407,944)	(432,146)
Net cash provided by discontinued operations.....	—	—	—	—	—	—
Net cash used in investing activities.....	(904,191)	(782,661)	(887,952)	(464,545)	(407,944)	(432,146)
Financing activities:						
Issuance of short-term borrowings.....	—	9,500	20,100	—	20,000	10,300
Repayment of short-term borrowings.....	(11,500)	—	—	(20,000)	(10,300)	(105,100)
Issuance of long-term debt.....	606,084	507,924	467,957	300	20,200	145,000
Repayment of long-term debt.....	(368,803)	(423,707)	(138,775)	(85,151)	(13,668)	(292,907)
Proceeds from issuance of common stock.....	150,060	14,554	88	5,744	4,972	65,207
Dividends paid.....	(136,712)	(98,405)	(159,768)	(123,323)	(119,157)	(115,023)
Excess tax benefit on stock-based compensation.....	4,729	—	26	1,239	1,186	601
Tax withholding on stock-based compensation.....	(5,564)	—	—	—	—	—
Contribution from noncontrolling interest.....	86,900	27,000	—	—	—	—
Net cash provided by (used in) continuing operations.....	325,194	36,866	189,628	(221,191)	(96,767)	(291,922)
Net cash provided by discontinued operations.....	—	—	—	—	—	—
Net cash provided by (used in) financing activities.....	325,194	36,866	189,628	(221,191)	(96,767)	(291,922)
Effect of exchange rate changes on cash and cash equivalents.....	(155)	(215)	(146)	(214)	38	782
Increase (decrease) in cash and cash equivalents.....	36,630	(3,817)	(113,730)	(59,302)	46,960	123,400
Cash and cash equivalents - beginning of year.....	45,225	49,042	162,772	222,074	175,114	51,714
Cash and cash equivalents - end of year.....	\$ 81,855	\$ 45,225	\$ 49,042	\$ 162,772	\$ 222,074	\$ 175,114
Interest paid, net of amount capitalized.....	\$ 81,351	\$ 81,689	\$ 74,378	\$ 78,133	\$ 80,962	\$ 81,267
Income taxes paid (refunded), net.....	\$ 69,087	\$ 24,857	\$ 3,277	\$ (12,287)	\$ 46,892	\$ 39,807

* Information not available for periods prior to 2011.

** Information not presented for periods prior to 2012.

Notes to Consolidated Financial Statements as shown in the Annual Report to Stockholders for each respective year are an integral part of these consolidated statements.

MDU Resources Group, Inc.
KEY FINANCIAL DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Capitalization ratios: (e)						
Total equity.....	61%	60%	60%	66%	64%	63%
Total debt.....	39%	40%	40%	34%	36%	37%
	100%	100%	100%	100%	100%	100%
Employees (year end).....	8,451	9,133	8,629	8,021	7,895	8,081
Security ratings						
MDU Resources Issuer Rating/Corporate Credit Rating						
Fitch Ratings.....	BBB+					
Standard & Poor's.....	BBB+					
Reconciliation of GAAP to adjusted earnings (000's)						
GAAP earnings.....	\$ 297,548	\$ 278,248	\$ (1,439)	\$ 212,341	\$ 239,974	\$ (123,959)
Adjustments net of tax:						
Exploration and production (earnings) loss.....	(96,733)	(94,450)	177,283	(b)	(b)	(b)
Discontinued operations.....	(3,177)	312	(13,567)	(b)	(b)	(b)
Multiemployer pension plan withdrawal liability.....	8,353	—	—	(b)	(b)	(b)
Natural gas gathering asset impairment.....	—	8,984	1,666	(b)	(b)	(b)
Net benefit related to natural gas gathering operations litigation...	—	(1,550)	(14,972)	(b)	(b)	(b)
Adjusted earnings on common stock.....	\$ 205,991	\$ 191,544	\$ 148,971	(b)	(b)	(b)
Adjusted EBITDA (000's) (c)(e).....	\$ 556,931	\$ 549,961	\$ 486,606	(b)	(b)	(b)
Earnings (loss) per common share - diluted:						
Earnings (loss) before discontinued operations - diluted.....	\$ 1.53	\$ 1.47	\$ (0.08)	\$ 1.19	\$ 1.29	\$ (0.67)
Discontinued operations, net of tax.....	.02	—	.07	(.07)	(.02)	—
Earnings (loss) per common share - diluted (a).....	\$ 1.55	\$ 1.47	\$ (0.01)	\$ 1.12	\$ 1.27	\$ (0.67)
Adjusted earnings per common share (c).....	\$ 1.07	\$ 1.01	\$ 0.79	(b)	(b)	(b)
Dividends declared per common share.....	\$.7150	\$.6950	\$.6750	\$.6550	\$.6350	\$.6225
Book value per common share.....	\$ 16.66	\$ 15.01	\$ 13.95	\$ 14.62	\$ 14.22	\$ 13.61
Market price ratios (year end)						
Dividend payout.....	46%	47%	(d)	58%	50%	(d)
Dividend yield (indicated annual rate).....	3.1%	2.3%	3.2%	3.1%	3.2%	2.7%
Price/earnings ratio.....	15.2x	20.8x	(d)	19.2x	16.0x	(d)
Market value as a percent of book value.....	141.1%	203.5%	152.3%	146.8%	142.5%	173.4%
Market price per common share						
High.....	\$ 36.05	\$ 30.97	\$ 23.21	\$ 24.05	\$ 24.15	\$ 24.22
Low.....	21.33	21.50	19.59	18.00	17.11	12.79
Year end.....	23.50	30.55	21.24	21.46	20.27	23.60
Weighted average common shares						
outstanding - diluted (000's).....	192,587	189,693	188,826	188,905	188,229	185,175

- (a) Reflects noncash write-downs of oil and natural gas properties of \$246.8 million after tax in 2012 and \$384.4 million after tax in 2009.
(b) Information not presented for periods prior to 2012.
(c) Based on adjusted earnings.
(d) Not meaningful due to effects of the after tax noncash write-downs of oil and natural gas properties, as previously discussed.
(e) Includes noncontrolling interest.

Note: The company believes that the non-GAAP financial measures shown above are useful to investors because the items excluded are not indicative of the company's continuing operating results. Also, the company's management uses these non-GAAP financial measures as indicators for planning and forecasting future periods. The presentation of this additional information is not meant to be considered a substitute for financial measures prepared in accordance with GAAP.

Electric

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 277,874	\$ 257,260	\$ 236,895	\$ 225,468	\$ 211,544	\$ 196,171
Operating expenses:						
Fuel and purchased power.....	89,312	83,528	72,380	64,485	63,065	65,717
Operation and maintenance.....	81,148	76,501	71,784	70,266	63,846	60,724
Depreciation, depletion and amortization.....	35,008	32,789	32,509	32,177	27,274	24,637
Taxes, other than income.....	11,075	10,168	10,370	9,444	9,063	8,384
Total operating expenses.....	216,543	202,986	187,043	176,372	163,248	159,462
Operating income.....	61,331	54,274	49,852	49,096	48,296	36,709
Other income.....	3,956	3,337	2,670	1,650	4,524	5,671
Interest expense.....	15,595	12,590	12,421	13,745	12,216	9,577
Income before income taxes.....	49,692	45,021	40,101	37,001	40,604	32,803
Income taxes.....	12,442	9,683	8,975	7,242	11,187	8,205
Net income.....	37,250	35,338	31,126	29,759	29,417	24,598
Dividends declared on preferred stocks.....	519	501	492	501	509	499
Earnings on common stock.....	\$ 36,731	\$ 34,837	\$ 30,634	\$ 29,258	\$ 28,908	\$ 24,099
Balance sheet data (000's)						
Property, plant and equipment.....	\$ 1,457,101	\$ 1,315,822	\$ 1,150,584	\$ 1,068,524	\$ 1,027,034	\$ 941,791
Less accumulated depreciation, depletion and amortization.....	496,258	502,944	474,622	463,848	446,689	427,328
Net property, plant and equipment.....	960,843	812,878	675,962	604,676	580,345	514,463
Other assets.....	69,768	71,405	84,362	68,264	63,291	55,203
Total identifiable assets.....	\$ 1,030,611	\$ 884,283	\$ 760,324	\$ 672,940	\$ 643,636	\$ 569,666
EBITDA (000's)*.....	\$ 100,295	\$ 90,400	\$ 85,031	\$ 82,923	\$ 80,094	\$ 67,017
Operating revenues by state						
North Dakota.....	64%	62%	62%	61%	61%	58%
Montana.....	21%	22%	22%	23%	22%	24%
South Dakota.....	5%	6%	5%	6%	6%	7%
Wyoming.....	10%	10%	11%	10%	11%	11%
	100%	100%	100%	100%	100%	100%
Other data						
Rate base - year end (000's).....	\$ 619,323	\$ 482,687	\$ 448,319	\$ 427,288	\$ 430,200	\$ 313,100
Average earned return on rate base	8.20%	8.70%	8.90%	9.80%	9.90%	9.20%
Gross plant investment per customer	\$ 10,463	\$ 9,738	\$ 8,702	\$ 8,376	\$ 8,211	\$ 7,665
Miles of transmission lines.....	3,089	3,065	3,063	3,025	3,025	3,023
Miles of distribution lines:						
Underground.....	1,826	1,721	1,656	1,597	1,574	1,550
Overhead.....	3,220	3,023	3,017	3,023	3,034	3,026
	5,046	4,744	4,673	4,620	4,608	4,576

* Based on earnings before preferred dividends.

Electric**KEY FINANCIAL AND OPERATING DATA**

Years ended December 31,	2014	2013	2012	2011	2010	2009
Retail sales (thousand kWh)						
Residential.....	1,225,246	1,199,429	1,111,571	1,075,084	1,027,642	972,614
Commercial.....	1,471,327	1,381,521	1,317,680	1,257,958	1,228,940	1,163,094
Industrial.....	520,424	503,505	476,459	459,434	444,075	443,122
Other.....	91,361	88,631	90,818	86,376	85,053	84,730
Total retail sales.....	<u>3,308,358</u>	<u>3,173,086</u>	<u>2,996,528</u>	<u>2,878,852</u>	<u>2,785,710</u>	<u>2,663,560</u>
Retail sales customers served (year end)						
Residential.....	115,164	111,618	108,414	104,541	102,428	100,667
Commercial.....	21,890	21,284	21,348	20,604	20,176	19,736
Industrial.....	245	244	277	276	332	326
Other.....	1,497	1,488	1,736	1,715	1,726	1,723
	<u>138,796</u>	<u>134,634</u>	<u>131,775</u>	<u>127,136</u>	<u>124,662</u>	<u>122,452</u>
Average cost of coal per MMBtu.....	\$ 1.74	\$ 1.73	\$ 1.69	\$ 1.62	\$ 1.55	\$ 1.52
Average cost of coal per ton.....	\$ 25.11	\$ 25.32	\$ 24.77	\$ 23.38	\$ 22.60	\$ 22.05
Electricity produced (thousand kWh).....	2,519,938	2,430,001	2,299,686	2,488,337	2,472,288	2,203,665
Electricity purchased (thousand kWh).....	1,010,422	971,261	870,516	645,567	521,156	682,152
Cost of fuel and purchased power per kWh.....	\$.025	\$.025	\$.023	\$.021	\$.021	\$.023

Natural Gas Distribution

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 921,986	\$ 851,945	\$ 754,848	\$ 907,400	\$ 892,708	\$ 1,072,776
Operating expenses:						
Purchased natural gas sold.....	603,176	534,746	457,428	594,573	589,306	757,613
Operation and maintenance.....	150,143	142,340	139,382	137,361	137,367	140,435
Depreciation, depletion and amortization.....	54,700	50,031	45,731	44,641	43,044	42,723
Taxes, other than income.....	48,334	45,999	44,728	47,969	47,294	55,106
Total operating expenses.....	856,353	773,116	687,269	824,544	817,011	995,877
Operating income.....	65,633	78,829	67,579	82,856	75,697	76,899
Other income.....	3,584	767	2,754	2,101	2,590	1,070
Interest expense.....	27,217	25,123	28,726	29,444	28,996	30,656
Income before income taxes.....	42,000	54,473	41,607	55,513	49,291	47,313
Income taxes.....	11,350	16,633	12,005	16,931	12,171	16,331
Net income.....	30,650	37,840	29,602	38,582	37,120	30,982
Dividends declared on preferred stocks.....	166	184	193	184	176	186
Earnings on common stock.....	\$ 30,484	\$ 37,656	\$ 29,409	\$ 38,398	\$ 36,944	\$ 30,796
Balance sheet data (000's)						
Property, plant and equipment	\$ 1,904,759	\$ 1,776,901	\$ 1,689,950	\$ 1,568,866	\$ 1,508,845	\$ 1,456,208
Less accumulated depreciation, depletion and amortization.....	671,681	642,406	616,806	582,825	558,247	546,324
Net property, plant and equipment.....	1,233,078	1,134,495	1,073,144	986,041	950,598	909,884
Other assets.....	698,830	651,573	630,315	693,050	681,414	678,260
Total identifiable assets.....	\$ 1,931,908	\$ 1,786,068	\$ 1,703,459	\$ 1,679,091	\$ 1,632,012	\$ 1,588,144
EBITDA (000's)*.....	\$ 123,917	\$ 129,627	\$ 116,064	\$ 129,598	\$ 121,331	\$ 120,692
Operating revenues by state						
Idaho.....	29%	34%	33%	33%	31%	32%
Minnesota.....	4%	4%	3%	4%	4%	3%
Montana.....	9%	8%	8%	8%	8%	7%
North Dakota.....	16%	14%	12%	12%	12%	11%
Oregon.....	8%	8%	9%	9%	9%	9%
South Dakota.....	7%	6%	6%	6%	6%	6%
Washington.....	25%	24%	27%	26%	28%	30%
Wyoming.....	2%	2%	2%	2%	2%	2%
	100%	100%	100%	100%	100%	100%
Other data						
Rate base - year end (000's).....	\$ 688,756	\$ 648,708	\$ 621,033	\$ 583,003	\$ 595,800	\$ 586,200
Average earned return on rate base	7.40%	8.40%	8.30%	10.60%	9.70%	9.30%
Gross plant investment per sales customer	\$ 2,120	\$ 2,014	\$ 1,966	\$ 1,852	\$ 1,797	\$ 1,755
Miles of distribution lines.....	18,847	18,509	18,245	18,040	17,854	17,274
Maximum day sendout (Mdk)	1,440	1,324	1,175	1,197	1,235	1,453

* Based on earnings before preferred dividends.

Natural Gas Distribution

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Sales volumes (Mdk)						
Residential.....	58,773	62,085	53,878	59,840	55,247	59,377
Commercial.....	41,041	42,028	36,417	39,437	36,444	39,104
Industrial.....	4,483	4,147	3,515	3,960	3,789	4,189
	<u>104,297</u>	<u>108,260</u>	<u>93,810</u>	<u>103,237</u>	<u>95,480</u>	<u>102,670</u>
Transportation volumes (Mdk)						
Commercial.....	1,958	1,991	1,699	1,749	1,709	1,755
Industrial.....	143,983	147,499	130,311	122,478	134,114	130,934
	<u>145,941</u>	<u>149,490</u>	<u>132,010</u>	<u>124,227</u>	<u>135,823</u>	<u>132,689</u>
	<u>250,238</u>	<u>257,750</u>	<u>225,820</u>	<u>227,464</u>	<u>231,303</u>	<u>235,359</u>
Sales customers served (year end)						
Residential.....	791,870	777,544	761,725	750,655	743,901	735,628
Commercial.....	100,288	98,727	96,857	95,241	94,497	93,062
Industrial and other.....	756	701	647	625	710	674
	<u>892,914</u>	<u>876,972</u>	<u>859,229</u>	<u>846,521</u>	<u>839,108</u>	<u>829,364</u>
Transportation customers served						
Commercial.....	107	109	106	112	114	122
Industrial.....	411	408	402	392	387	383
	<u>518</u>	<u>517</u>	<u>508</u>	<u>504</u>	<u>501</u>	<u>505</u>
Average cost of natural gas,						
including transportation, per dk.....	\$ 5.78	\$ 4.94	\$ 4.88	\$ 5.76	\$ 6.17	\$ 7.38
Degree days - percent of normal*						
Montana-Dakota/Great Plains.....	103%	105%	84%	101%	98%	104%
Cascade.....	89%	98%	96%	103%	96%	105%
Intermountain.....	95%	110%	91%	107%	100%	107%

* Degree days are a measure of the daily temperature-related demand for energy for heating.

Electric and Natural Gas Distribution

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Capitalization (000's)						
Common equity.....	\$ 1,005,965	\$ 865,805	\$ 814,341	\$ 792,094	\$ 767,013	\$ 733,582
Preferred stocks.....	15,000	15,000	15,000	15,000	15,000	15,000
Total debt.....	955,027	855,433	720,794	652,367	690,567	666,927
	<u>\$ 1,975,992</u>	<u>\$ 1,736,238</u>	<u>\$ 1,550,135</u>	<u>\$ 1,459,461</u>	<u>\$ 1,472,580</u>	<u>\$ 1,415,509</u>
Capitalization ratios						
Common equity.....	51%	50%	53%	54%	52%	52%
Preferred stocks.....	1%	1%	1%	1%	1%	1%
Total debt.....	48%	49%	46%	45%	47%	47%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
Gross capital expenditures (000's)						
Electric.....	\$ 185,121	\$ 168,557	\$ 112,035	\$ 52,072	\$ 85,787	\$ 115,240
Natural gas distribution.....	120,613	101,279	130,178	70,624	75,365	43,820
	<u>\$ 305,734</u>	<u>\$ 269,836</u>	<u>\$ 242,213</u>	<u>\$ 122,696</u>	<u>\$ 161,152</u>	<u>\$ 159,060</u>

Pipeline and Energy Services

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 215,868	\$ 202,068	\$ 193,157	\$ 278,343	\$ 329,809	\$ 307,827
Operating expenses:						
Purchased natural gas sold.....	58,835	57,498	50,542	125,355	153,884	138,768
Operation and maintenance.....	75,406	81,846	52,155 (a)	68,881	90,579 (b)	63,125
Depreciation, depletion and amortization.....	30,645	29,119	27,684	25,502	26,001	25,581
Taxes, other than income.....	13,366	13,559	13,637	13,240	13,035	10,965
Total operating expenses.....	178,252	182,022	144,018	232,978	283,499	238,439
Operating income.....	37,616	20,046	49,139	45,365	46,310	69,388
Other income (expense).....	864	940	482	1,145	(105)	335
Interest expense.....	10,048	10,330	7,742	10,516	9,064	8,896
Income before income taxes.....	28,432	10,656	41,879	35,994	37,141	60,827
Income taxes.....	9,699	3,390	15,291	12,912	13,933	22,982
Income from continuing operations.....	18,733	7,266	26,588	23,082	23,208	37,845
Net loss attributable to noncontrolling interest.....	(3,895)	(363)	—	—	—	—
Earnings on common stock.....	22,628	7,629	26,588 (a)	\$ 23,082	\$ 23,208 (b)	\$ 37,845
Natural gas gathering asset impairment.....	—	8,984	1,666	(c)	(c)	(c)
Net benefit related to natural gas gathering operations litigation.....	—	(1,550)	(14,972)	(c)	(c)	(c)
Adjusted earnings on common stock.....	\$ 22,628	\$ 15,063	\$ 13,282	(c)	(c)	(c)
Balance sheet data (000's)						
Property, plant and equipment.....	\$ 1,220,233	\$ 962,172	\$ 816,533	\$ 719,291	\$ 683,807	\$ 675,199
Less accumulated depreciation, depletion and amortization.....	295,836	271,136	292,893	296,962	276,941	255,250
Net property, plant and equipment.....	924,397	691,036	523,640	422,329	406,866	419,949
Other assets.....	157,505	107,665	98,830	104,468	116,209	118,281
Total identifiable assets.....	\$ 1,081,902	\$ 798,701	\$ 622,470	\$ 526,797	\$ 523,075	\$ 538,230
Adjusted EBITDA (000's) (d)(e).....	\$ 69,125	\$ 62,095	\$ 57,626	(c)	(c)	(c)
Capitalization (000's) (e)						
Common equity.....	\$ 439,511	\$ 257,674	\$ 203,796	\$ 194,549	\$ 218,388	\$ 221,002
Total debt.....	374,782	339,075	223,172	147,491	146,500	146,500
	\$ 814,293	\$ 596,749	\$ 426,968	\$ 342,040	\$ 364,888	\$ 367,502
Capitalization ratios (e)						
Common equity.....	54%	43%	48%	57%	60%	60%
Total debt.....	46%	57%	52%	43%	40%	40%
	100%	100%	100%	100%	100%	100%
Throughput (Mdk)						
Transportation.....	233,483	178,598	137,720	113,217	140,528	163,283
Gathering.....	38,372	40,737	47,084	66,500	77,154	92,598
Total.....	271,855	219,335	184,804	179,717	217,682	255,881
Storage operations						
Certificated capacity (MMcf).....	353,349	353,349	353,349	353,349	353,349	353,349
Maximum peak day deliverability (Mcf) - Feb. 1.....	387,000	375,000	379,000	312,000	335,000	375,000
Maximum day's withdrawal (Mcf).....	256,417	353,000	265,623	348,162	372,050	367,591
Customer natural gas storage balance (Mdk).....	14,885	26,693	43,731	36,021	58,784	61,506
Other data						
Gross capital expenditures (000's).....	\$ 177,409	\$ 127,092	\$ 133,787	\$ 45,556	\$ 14,255	\$ 70,168
System peak (Mcf).....	806,475	704,000	585,864	621,227	656,931	660,567
Miles of transmission lines.....	3,452	3,433	3,439	3,354	3,367	3,367
Miles of gathering lines.....	1,827	1,855	1,951	2,209	2,209	2,193

(a) Reflects a net benefit of \$24.1 million (\$15.0 million after tax) related to natural gas gathering operations litigation, largely reflected in operation and maintenance expense.

(b) Reflects a natural gas gathering arbitration charge of \$26.6 million (\$16.5 million after tax).

(c) Information not presented for periods prior to 2012.

(d) Based on adjusted earnings.

(e) Includes noncontrolling interest.

Note: The company believes that the non-GAAP financial measures shown above are useful to investors because the items excluded are not indicative of the company's continuing operating results. Also, the company's management uses these non-GAAP financial measures as indicators for planning and forecasting future periods. The presentation of this additional information is not meant to be considered a substitute for financial measures prepared in accordance with GAAP.

Exploration and Production
KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 547,571	\$ 536,023	\$ 448,617	\$ 453,586	\$ 434,354	\$ 439,655
Operating expenses:						
Operation and maintenance:						
Lease operating costs.....	88,239	82,187	77,731	75,563	68,462	70,109
Gathering and transportation.....	12,442	15,384	17,392	24,291	23,468	23,950
Other.....	43,293	42,946	36,994	36,521	32,568	39,231
Depreciation, depletion and amortization.....	198,199	186,458	160,681	142,645	130,455	129,922
Taxes, other than income:						
Production and property taxes.....	46,112	46,565	39,673	40,751	35,474	29,089
Other.....	1,057	1,081	988	25	758	753
Write-downs of oil and natural gas properties.....	—	—	391,800	—	—	620,000
Total operating expenses.....	389,342	374,621	725,259	319,796	291,185	913,054
Operating income (loss).....	158,229	161,402	(276,642)	133,790	143,169	(473,399)
Other income.....	77	560	113	235	83	290
Interest expense.....	13,834	14,315	9,018	7,445	8,580	10,621
Income (loss) before income taxes.....	144,472	147,647	(285,547)	126,580	134,672	(483,730)
Income taxes.....	47,739	53,197	(108,264)	46,298	49,034	(187,000)
Earnings (loss) on common stock.....	96,733 *	94,450 *	(177,283) *	\$ 80,282	\$ 85,638	\$ (296,730) *
Balance sheet data (000's)						
Property, plant and equipment.....	\$ 3,402,879	\$ 3,060,848	\$ 2,764,560	\$ 2,615,146	\$ 2,356,938	\$ 2,028,794
Less accumulated depreciation, depletion and amortization.....	1,781,105	1,588,317	1,405,590	1,248,299	1,109,274	982,008
Net property, plant and equipment.....	1,621,774	1,472,531	1,358,970	1,366,847	1,247,664	1,046,786
Other assets.....	116,290	143,600	180,047	114,709	95,144	90,842
Total identifiable assets.....	\$ 1,738,064	\$ 1,616,131	\$ 1,539,017	\$ 1,481,556	\$ 1,342,808	\$ 1,137,628
EBITDA (000's)**.....	\$ 333,105	\$ 354,687	\$ 276,577	***	***	***
Capitalization ratios						
Common equity.....	68%	69%	65%	72%	71%	66%
Total debt.....	32%	31%	35%	28%	29%	34%
	100%	100%	100%	100%	100%	100%

* Earnings (loss) includes:

Unrealized (gain) loss on commodity derivatives of \$(14.7) million after tax in 2014, \$3.9 million after tax in 2013 and \$392,000 after tax in 2012.

Write-downs of oil and natural gas properties of \$246.8 million after tax in 2012 and \$384.4 million after tax in 2009.

** Excludes unrealized commodity derivatives (gain) loss and write-downs of oil and natural gas properties.

*** Information not presented for periods prior to 2012.

Note: The company believes that the non-GAAP financial measures shown above are useful to investors because the items excluded are not indicative of the company's continuing operating results. Also, the company's management uses these non-GAAP financial measures as indicators for planning and forecasting future periods. The presentation of this additional information is not meant to be considered a substitute for financial measures prepared in accordance with GAAP.

Exploration and Production
KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Production data						
Production:						
Oil (MBbls).....	4,919	4,815	3,694	2,724	2,767	2,557
NGL (MBbls).....	609	781	828	776	495	554
Natural gas (MMcf).....	20,822	28,008	33,214	45,598	50,391	56,632
Average realized prices (excluding realized and unrealized gain/loss on commodity derivatives):						
Oil (per Bbl).....	\$ 83.33	\$ 89.70	\$ 84.84	\$ 91.62	\$ 70.61	\$ 53.57
NGL (per Bbl).....	\$ 36.06	\$ 37.39	\$ 39.81	\$ 54.06	\$ 44.93	\$ 32.18
Natural gas (per Mcf).....	\$ 4.02	\$ 2.89	\$ 2.08	\$ 3.30	\$ 3.57	\$ 2.99
Average realized prices (including realized gain/loss on commodity derivatives):						
Oil (per Bbl).....	\$ 85.96	\$ 89.35	\$ 86.54	\$ 86.20	\$ 69.59	\$ 50.67
NGL (per Bbl).....	\$ 36.06	\$ 37.39	\$ 39.81	\$ 54.06	\$ 44.93	\$ 32.18
Natural gas (per Mcf).....	\$ 3.81	\$ 2.96	\$ 2.91	\$ 3.84	\$ 4.36	\$ 5.16
Average depreciation, depletion and amortization rate, per BOE.....						
	\$ 21.17	\$ 17.41	\$ 15.28	\$ 12.25	\$ 10.64	\$ 9.85
Lease operating costs, including taxes, per BOE.....						
	\$ 9.80	\$ 8.01	\$ 7.73	\$ 6.81	\$ 5.87	\$ 5.59
Well information						
Net productive wells:						
Oil.....	195	171	266	305	284	258
Natural gas.....	1,580	1,541	1,571	2,753	3,054	3,121
	<u>1,775</u>	<u>1,712</u>	<u>1,837</u>	<u>3,058</u>	<u>3,338</u>	<u>3,379</u>
Drilling Activity *						
Net exploratory wells completed.....	1	5	27	4	7	3
Net development wells completed.....	21	38	40	48	134	104
Other data (000's)						
Gross capital expenditures.....	\$ 600,572	\$ 391,315	\$ 554,528	\$ 272,855	\$ 355,845	\$ 183,140
Reserve information						
Net proved reserves:						
Oil (MBbls).....	43,918	41,019	33,453	27,005	25,666	25,930
NGL (MBbls).....	7,187	6,602	7,153	7,342	7,201	8,286
Natural gas (MMcf).....	245,011	198,445	239,278	379,827	448,397	448,425
Total proved reserves (MBOE).....	91,940	80,695	80,486	97,651	107,599	108,954

* Drilling activity does not include wells in the process of drilling or under evaluation.

Construction Materials and Contracting
KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 1,765,330	\$ 1,712,137	\$ 1,617,425	\$ 1,510,010	\$ 1,445,148	\$ 1,515,122
Operating expenses:						
Operation and maintenance.....	1,571,507 *	1,505,191	1,442,551	1,337,456	1,260,362	1,292,016
Depreciation, depletion and amortization.....	68,557	74,470	79,527	85,459	88,331	93,615
Taxes, other than income.....	38,804	38,847	37,483	36,003	33,410	36,221
Total operating expenses.....	1,678,868	1,618,508	1,559,561	1,458,918	1,382,103	1,421,852
Operating income.....	86,462	93,629	57,864	51,092	63,045	93,270
Earnings (loss) from equity method investments.....	(41)	(640)	3,905	2,255	47	8
Other income.....	43	116	(39)	551	198	242
Interest expense.....	16,368	17,394	15,211	16,241	19,859	20,495
Income before income taxes.....	70,096	75,711	46,519	37,657	43,431	73,025
Income taxes.....	18,586	24,765	14,099	11,227	13,822	25,940
Earnings on common stock.....	51,510 *	50,946	32,420	26,430	29,609	47,085
Multiemployer pension plan withdrawal liability.....	8,353	-	-	-	-	-
Adjusted earnings on common stock.....	\$ 59,863	\$ 50,946	\$ 32,420	\$ 26,430	\$ 29,609	\$ 47,085
Balance sheet data (000's)						
Property, plant and equipment.....	\$ 1,529,942	\$ 1,510,355	\$ 1,504,981	\$ 1,499,852	\$ 1,486,375	\$ 1,514,989
Less accumulated depreciation, depletion and amortization.....	826,351	777,731	726,647	683,621	630,228	585,824
Net property, plant and equipment.....	703,591	732,624	778,334	816,231	856,147	929,165
Other assets.....	568,640	573,184	592,918	557,795	526,689	520,304
Total identifiable assets.....	\$ 1,272,231	\$ 1,305,808	\$ 1,371,252	\$ 1,374,026	\$ 1,382,836	\$ 1,449,469
EBITDA (000's).....	\$ 168,943 **	\$ 167,575	\$ 141,257	\$ 139,357	\$ 151,621	\$ 187,135
Capitalization ratios						
Common equity.....	66%	68%	64%	68%	68%	70%
Total debt.....	34%	32%	36%	32%	32%	30%
	100%	100%	100%	100%	100%	100%
Other data (000's)						
Gross capital expenditures.....	\$ 37,896	\$ 34,607	\$ 45,083	\$ 52,303	\$ 25,724	\$ 26,313
Aggregate reserves (tons).....	1,061,156	1,083,376	1,088,236	1,088,833	1,107,396	1,125,491
Sales (000's)						
Aggregates (tons)	25,827	24,713	23,285	24,736	23,349	23,995
Asphalt (tons).....	6,070	6,228	5,988	6,709	6,279	6,360
Ready-mixed concrete (cubic yards).....	3,460	3,223	3,157	2,864	2,764	3,042

* Reflects a multiemployer pension plan withdrawal liability of approximately \$14 million (\$8.4 million after tax).

** Based on adjusted earnings.

Construction Services

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 1,119,529	\$ 1,039,839	\$ 938,558	\$ 854,389	\$ 789,100	\$ 819,064
Operating expenses:						
Operation and maintenance.....	990,696	910,637	831,854	778,505	719,684	736,299
Depreciation, depletion and amortization.....	12,874	11,939	11,063	11,399	12,147	12,760
Taxes, other than income.....	33,650	32,017	29,110	25,341	23,917	25,750
Total operating expenses.....	1,037,220	954,593	872,027	815,245	755,748	774,809
Operating income.....	82,309	85,246	66,531	39,144	33,352	44,255
Other income.....	1,052	777	461	382	497	1,013
Interest expense.....	4,176	4,306	4,435	4,473	4,411	4,490
Income before income taxes.....	79,185	81,717	62,557	35,053	29,438	40,778
Income taxes.....	24,753	29,504	24,128	13,426	11,456	15,189
Earnings on common stock.....	\$ 54,432	\$ 52,213	\$ 38,429	\$ 21,627	\$ 17,982	\$ 25,589
Balance sheet data (000's)						
Property, plant and equipment.....	\$ 144,395	\$ 134,948	\$ 130,624	\$ 124,796	\$ 122,940	\$ 116,236
Less accumulated depreciation, depletion and amortization.....	81,382	76,762	78,776	74,396	72,569	67,712
Net property, plant and equipment.....	63,013	58,186	51,848	50,400	50,371	48,524
Other assets.....	391,589	392,428	377,699	368,119	337,256	280,371
Total identifiable assets	\$ 454,602	\$ 450,614	\$ 429,547	\$ 418,519	\$ 387,627	\$ 328,895
EBITDA (000's).....	\$ 96,235	\$ 97,962	\$ 78,055	\$ 50,925	\$ 45,996	\$ 58,028
Capitalization ratios						
Common equity.....	65%	74%	68%	61%	65%	66%
Total debt.....	35%	26%	32%	39%	35%	34%
	100%	100%	100%	100%	100%	100%
Gross capital expenditures (000's).....	\$ 26,942	\$ 15,102	\$ 14,835	\$ 9,711	\$ 14,849	\$ 12,814

Other

KEY FINANCIAL AND OPERATING DATA

Years ended December 31,	2014	2013	2012	2011	2010	2009
Income statement data (000's)						
Operating revenues.....	\$ 9,364	\$ 9,620	\$ 10,370	\$ 11,446	\$ 7,727	\$ 9,487
Operating expenses:						
Operation and maintenance.....	1,270	798	3,325	4,700	4,876	8,073
Depreciation, depletion and amortization.....	2,196	2,050	2,010	1,572	1,591	1,304
Taxes, other than income.....	164	123	151	150	402	329
Total operating expenses.....	3,630	2,971	5,486	6,422	6,869	9,706
Operating income (loss).....	5,734	6,649	4,884	5,024	858	(219)
Earnings from equity method investments.....	—	508	1,478	2,438	30,769	8,491
Other income.....	623	427	1,068	966	393	1,389
Interest expense.....	15	15	13	—	47	43
Income before income taxes.....	6,342	7,569	7,417	8,428	31,973	9,618
Income taxes.....	(1,119)	2,433	2,620	2,238	10,927	2,261
Income from continuing operations.....	7,461	5,136	4,797	6,190	21,046	7,357
Income (loss) from discontinued operations, net of tax.....	3,177	(312)	13,567 *	(12,926) **	(3,361)	—
Earnings on common stock.....	\$ 10,638	\$ 4,824	\$ 18,364	\$ (6,736)	\$ 17,685 ***	\$ 7,357
Other data (000's)						
Gross capital expenditures.....	\$ 2,131	\$ 2,249	\$ 791	\$ 18,759	\$ 2,182	\$ 3,196
Identifiable assets****	\$ 300,660	\$ 219,727	\$ 256,422	\$ 403,196	\$ 391,555	\$ 378,920

* Includes a benefit from a reversal of a \$21.0 million (\$13.0 million after tax) arbitration charge related to a guarantee of a construction contract.

** Includes an arbitration charge of \$21.0 million (\$13.0 million after tax) related to a guarantee of a construction contract.

*** Includes a gain on the sale of the Brazilian transmission lines of \$22.7 million (13.8 million after tax).

**** Includes assets not directly assignable to a business (i.e. cash and cash equivalents, certain accounts receivable, certain investments and other miscellaneous current and deferred assets).

Note: Intercompany eliminations have been excluded from this report.