MDU RESOURCES GROUP, INC.

2Q 2019 Results

Second quarter earnings of **$61.8** million, or **$0.31** per share, compared to $43.8 million, or $0.22 per share in 2018.

Increased 2019 earnings per share guidance to a range of $1.45 to $1.60.

- Construction services reported record revenue, earnings and backlog for the second quarter.
- Construction materials reported record second quarter revenues and backlog.
- Pipeline and midstream increased design capacity of the North Bakken Expansion project to 300 million cubic feet per day.
- Utility received approval on an electric rate settlement in Montana, and filed a natural gas rate increase request in Wyoming.

"With a 41% increase in year-over-year second quarter earnings driven by our strong operational performance and the positive impact of organic and acquisition growth, we are increasing our 2019 earnings per share range by 5 cents and our construction revenue guidance by $200 million for the year."

Dave Goodin
President and CEO
MDU Resources Group, Inc.

Long-term EPS projection
5-8%
compound annual growth rate

Increased dividends
28
consecutive years

Paid dividends
81
consecutive years

Construction Services

- Record second quarter earnings of $22.8 million, compared to $14.1 million in 2018.
- Record second quarter revenues of $464.9 million.
- Record second quarter backlog of $1.15 billion, up 30% from 2018.
- Increased forecasted 2019 revenues to a range of $1.6 billion to $1.8 billion.

Construction Materials

- Earnings of $29.2 million for the second quarter, compared to $24.3 million in 2018.
- Record second quarter revenues of $596.0 million.
- All-time record backlog of $1.04 billion, up 42% from 2018.
- Increased forecasted 2019 revenues slightly to a range of $2.0 billion to $2.2 billion.

Pipeline and Midstream

- Earnings of $7.1 million for the quarter, compared to $5.7 million in 2018.
- Placed settlement agreement rates into effect on May 1.
- Reported record transportation volumes for the tenth consecutive quarter.
- Continues construction on Line Section 22 and Demicks Lake projects, both expected to be in service later this year.

Electric and Natural Gas Utilities

- Earnings of $1.2 million for the quarter, compared to $2.3 million in 2018.
- 4% higher natural gas sales volumes.
- Benefited from rate recovery in certain jurisdictions.