MDU RESOURCES GROUP, INC.

Building a Strong America®

2021

Third Quarter Earnings Results

- **Third quarter earnings were $139.3 million, compared to $153.1 million in 2020.**
- **Earnings per share of $0.68, compared to $0.76 in 2020.**
- **2021 earnings per share guidance adjusted to a range of $1.90 to $2.05.**
- **Ended the quarter with combined construction backlog of $1.92 billion.**
- **Adjusted EBITDA guidance for 2021 to a range of $850 million to $900 million.**

Long-term EPS projection	Increased dividends	Paid dividends
5%-8% compound annual growth rate	**30** consecutive years	**83** consecutive years

Electric and Natural Gas Utilities

- Earnings of $5.2 million, compared to a loss of $800,000 in 2020.
- Higher sales volumes for both electric and natural gas as well as rate relief contributed to the increase.
- Customer count increased 1.7% from the prior year.

Pipeline

- Earnings of $10.6 million, compared to $8.0 million in 2020.
- Earnings increase was the result of higher AFUDC on North Bakken Expansion project, which is expected to be in service in early 2022.
- Recently received approval from the Federal Energy Regulatory Commission to use the FERC pre-filing review process on the natural gas pipeline expansion project in Wahpeton, North Dakota.

Construction Services

- Earnings of $23.1 million, compared to the prior year's record third quarter earnings of $29.8 million.
- $5.5 million, after tax, changes in estimates on an outside specialty contracting project, and higher employee costs associated with a shortage of available labor contributed to the decrease.
- Third quarter backlog of $1.27 billion, compared to a third quarter record of $1.28 billion last year.
- Revenue guidance adjusted to a range of $2.0 billion to $2.2 billion with margins comparable to 2020 levels.

Construction Materials

- Earnings of $96.3 million, compared to the prior year's record $107.3 million.
- Earnings were impacted by lower asphalt product sales and margins as well as lower contracting revenues and margins.
- Backlog of $652 million as of September 30, compared to $571 million in the prior year.
- Revenue guidance in the range of $2.1 billion to $2.3 billion with margins slightly lower than 2020 levels.

"This was a solid quarter for MDU Resources. ... Our regulated utility and natural gas pipeline businesses both had very strong results for the quarter, and our construction businesses' performance also remains solid although slightly behind last year's record third quarter earnings. ... We are well-positioned for growth with a combined construction backlog of $1.92 billion as of Sept. 30, which is 3% higher than the same period last year."

Dave Goodin
President and CEO | MDU Resources Group, Inc.

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