MDU RESOURCES GROUP, INC.

Building a Strong America®

2022 Third Quarter Earnings Results

- **Reported third quarter adjusted earnings of $152.0 million, or 75 cents per share, compared to third quarter 2021 earnings of $139.3 million, or 68 cents per share.**
- **2022 adjusted earnings per share guidance affirmed at $1.75 to $1.90.**
- **Ended the quarter with combined construction backlog of $2.9 billion.**
- **Affirmed EBITDA guidance for 2022 to $875 million to $925 million.**

Long-term EPS projection	Increased dividends	Paid dividends
5%-8% compound annual growth rate	**31** consecutive years	**84** consecutive years

Electric and Natural Gas Utilities

- Earnings of $3.5 million, compared to earnings of $5.2 million in 2021.
- Increased interest expense as a result of increased debt balances and higher average interest rates impacted results.
- Benefited from North Dakota interim rate relief and higher rate recovery through decoupling mechanisms.
- Intend to file a Montana electric rate case and an Idaho natural gas rate case during the fourth quarter.

Pipeline

- Earnings of $9.8 million, compared to $10.6 million in 2021.
- Benefited from increased transportation revenues and record transportation volumes due largely from the North Bakken Expansion Project.
- Revenues were partially offset by lower allowance for funds used during construction, higher depreciation, and higher interest expense.
- Continuing work on a number of expansion projects that are expected to add more than 300 million cubic feet per day of incremental capacity as they are completed in 2023-24, pending regulatory approvals.

Construction Services

- Earnings of $28.0 million, compared to $23.1 million in 2021.
- All-time record quarterly revenue of $737.0 million, up 43% compared to $514.8 million in 2021.
- Electrical and mechanical workloads increased 70%. Workloads were favorably impacted by progress made on large hospitality, data center, and renewable projects.
- Backlog as of September 30 was an all-time record $2.00 billion, up 57% compared to $1.27 billion last year.
- Increased 2022 revenue guidance range by $100 million, to a range of $2.5 billion to $2.7 billion with margins lower than 2021.

Construction Materials

- Earnings of $102.8 million, compared to $96.3 million in 2021.
- All-time record quarterly revenue of $975.4 million, up 17% compared to $831.3 million in 2021.
- Benefited from higher average materials pricing across its product lines.
- Record third quarter backlog of $895 million as of September 30, up 37% compared to $652 million in 2021.
- 2022 revenue guidance affirmed in the range of $2.45 billion to $2.65 billion with margins slightly lower than 2021.

"Our quarter over quarter results have improved, with very strong demand for construction materials and construction services as evidenced by record revenues and record backlogs at both our construction businesses. With the strong year-to-date results and growing backlog, we increased our annual revenue guidance range at construction services by an estimated $100 million. While we continue to experience and adapt to inflationary pressures across our businesses, we are gaining momentum on recovering from these impacts. Our utility and natural gas pipeline businesses continue to perform well, though higher interest costs impacted results."

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