

# First Quarter Earnings Call

May 8, 2025

**MDU**  
**LISTED**  
**NYSE**

# Legal Disclaimer



## Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. Other than statements of historical facts, all statements which address activities, events, or developments that the company anticipates will or may occur in the future are based on underlying assumptions (many of which are based, in turn, upon further assumptions), including but not limited to, statements identified by the words “anticipates,” “estimates,” “expects,” “intends,” “plans,” and “predicts” in each case related to such things as growth estimates, stockholder value creation, the company's "CORE" strategy, capital expenditures, financial guidance, trends, objectives, goals, strategies and other such matters, are forward-looking statements. These forward-looking statements are based on many assumptions and factors, which are detailed in the company's filings with the U.S. Securities and Exchange Commission.

While made in good faith, these forward-looking statements are based largely on the company's expectations and judgments and are subject to a number of risks and uncertainties, many of which are unforeseeable and beyond the company's control. For additional discussion regarding risks and uncertainties that may affect forward-looking statements, see "Risk Factors" disclosed in the company's most recent Annual Report on Form 10-K, and subsequent filings. Any changes in such assumptions or factors could produce significantly different results. Undue reliance should not be placed on forward-looking statements, which speak only as of the date they are made. Except as required by applicable law, the company undertakes no obligation to update the forward-looking statements, whether as a result of new information, future events, or otherwise.

## Company Information

MDU Resources Group, Inc.  
P.O. Box 5650  
Bismarck, ND 58506-5650  
[www.mdu.com](http://www.mdu.com)

**NYSE: MDU**

## Investor Contact

Brent Miller, *Treasurer*  
701-530-1730  
[brent.miller@mduresources.com](mailto:brent.miller@mduresources.com) or [investor@mduresources.com](mailto:investor@mduresources.com)

An abstract graphic featuring a complex network of white lines and dots on a solid green background. The lines connect various points, creating a web-like structure that spans the entire frame. The dots, representing nodes, are of varying sizes and are distributed across the green field, with some appearing as small specks and others as larger, more prominent circles. The overall effect is one of interconnectedness and dynamic movement.

# Company Outlook

# Our Foundation



## VISION

Energizing Lives for a  
Better Tomorrow



## MISSION

With integrity, deliver  
value as a leading  
energy provider and  
employer of choice



## VALUES

Integrity, Safety,  
Respect, Excellence,  
Stewardship

# Compelling Investment Opportunity



- Pure-play regulated energy delivery business
- Focusing on our “CORE”
- Extensive operational diversification
- Supportive regulatory environment
- Experienced management team with proven track record
- 6-8% long-term EPS growth rate
- 60-70% annual dividend payout ratio target



---

CUSTOMERS & COMMUNITIES  
OPERATIONAL EXCELLENCE  
RETURNS FOCUSED  
EMPLOYEE DRIVEN





# Electric and Natural Gas Outlook



- Safely meet customer demand by upgrading and expanding infrastructure and facilities
- Customer base expected to continue growing by **1-2% annually**
- Focused on timely regulatory recovery
- **580 MW** of data center load under signed electric service agreements
- Filed an advance determination of prudence on Feb. 14, 2025 to determine whether purchasing an ownership interest in Badger Wind Farm is reasonable and prudent

# Regulatory Update

Business	State	Filing Date	Annual Revenue Increase (%)	Annual Revenue Increase (in millions)	Status
<b>Filed cases with requested rates</b>					
Natural Gas Distribution	Montana	July 15, 2024	11.1%	\$9.4M	Pending Settlement agreement filed (8.6%/\$7.3M ) April 3, 2025 Interim rates (10.25%/\$7.7M) effective Feb. 1, 2025
Natural Gas Distribution	Wyoming	Oct. 31, 2024	14.0%	\$2.6M	Pending
<b>Settled cases with implemented rates</b>					
Natural Gas Distribution	Washington	March 29, 2024	7.9% 2.6%	\$29.8M \$10.8M	Approved Feb. 24, 2025 Final rates effective March 5, 2025 Final rates effective March 1, 2026 Additional filing April 30, 2025 (\$3.7M revenue reduction)
<b>Targeted rate cases in the next 12 months</b>					
Natural Gas Distribution	Idaho				
Electric	Wyoming Montana				



Excess generation  
due to transmission  
constraints

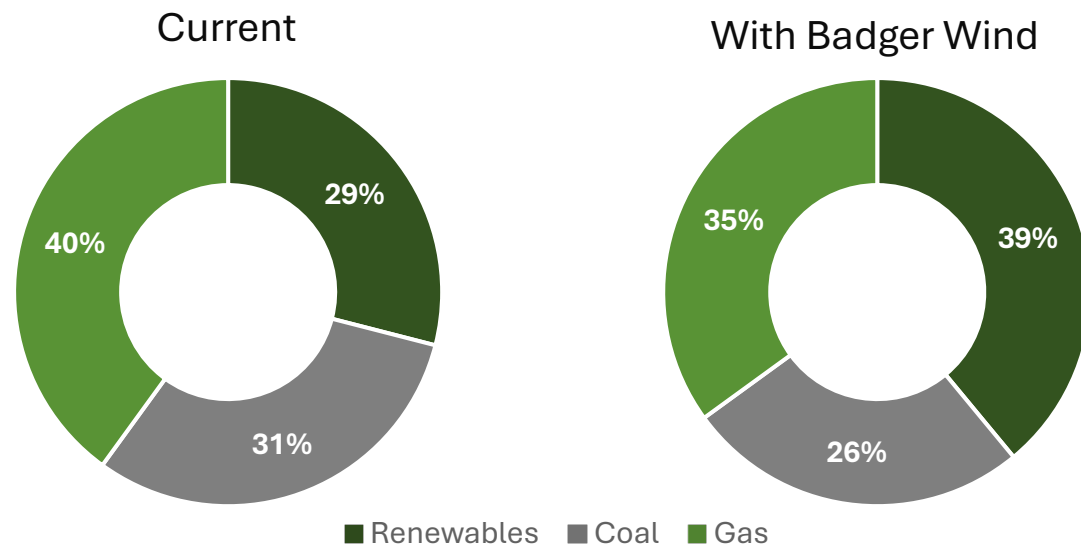
# Approach on Data Centers

- Minimal capital investment
- ROE accretive
- Beneficial to all parties
  - Data center purchasing energy from MISO
  - Reduces transmission charge to existing customers
  - Allows previously stranded power to reach market
- 580 MW of data center load under signed electric service agreements
  - 180 MW currently online
  - 100 MW expected online late this year
  - 300 MW phased in over 3 years



# Badger Wind Farm

MDU's Nameplate Generation Mix:



- Estimated cost of \$294 million
- 49% undivided ownership interest
- Represents 122.5 MW of the total capacity of 250 MW (27.5 MW to remain under PPA)
- Subject to regulatory approval from NDPSC



# Pipeline Outlook



- Held non-binding open season for potential **Bakken East Pipeline project**, which could consist of 375 miles of pipeline construction from the Bakken region to the eastern part of North Dakota
- Announced binding open season for the Baker Storage Field Enhancement and associated transportation expansion project, which could add **72 million cubic feet per day** of new firm natural gas storage deliverability and transportation service





# Affirmed 2025 Guidance

Earnings per share in the  
range of \$0.88 to \$0.98

---

Based on the following  
assumptions for the  
remainder of the year:

- Normal weather, economic and operating conditions
- Continued availability of necessary equipment and materials
- Electric and natural gas customer growth continuing at a rate of 1-2% annually
- No equity issuances

Guidance as of May 8, 2025

MDU | First Quarter Earnings Call | May 8, 2025



# Strong Long-Term Financial Guidance

**\$3.1 Billion**

Regulated Capital  
Investment

**7-8%**

Utility Rate Base Growth

**1-2%**

Customer Growth

**6-8%**

EPS Growth Rate

**60-70%**

Annual Dividend Payout  
Ratio Target

**No planned  
equity in 2025**



An abstract graphic featuring a complex network of white lines and dots of varying sizes on a solid green background. The network is dense and interconnected, with lines forming a web-like structure that spans the entire frame. The dots act as nodes within this network, with some being larger and more prominent than others. The overall effect is one of a dynamic, interconnected system.

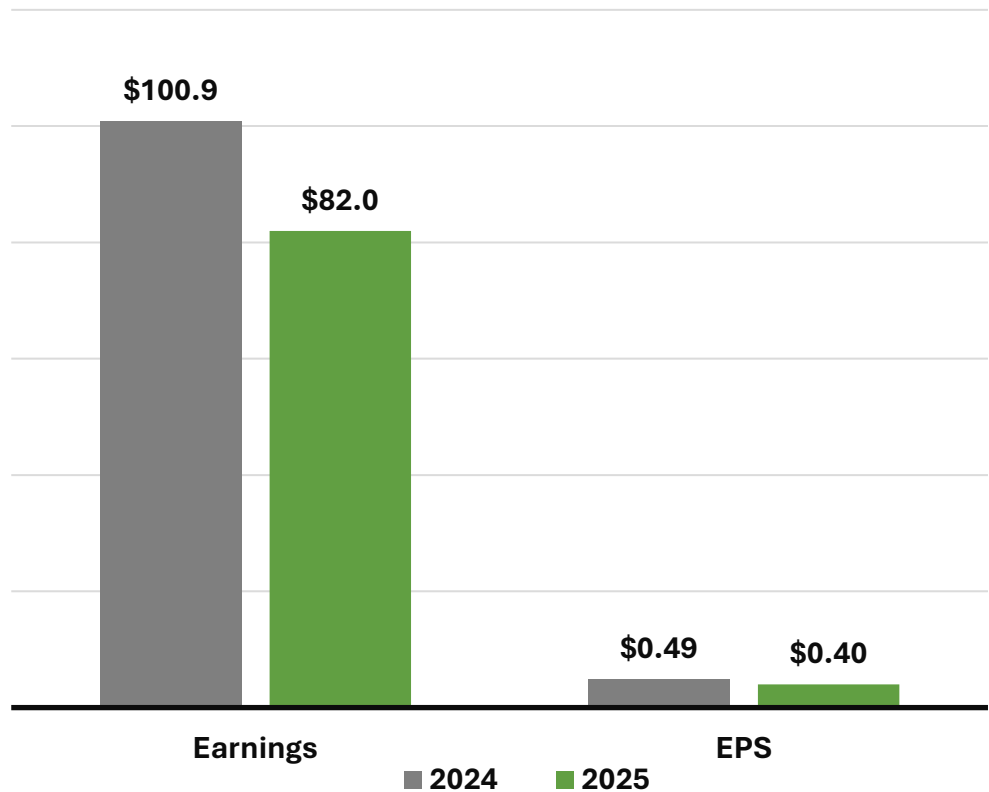
# Financial Results

# MDU Resources Group, Inc.

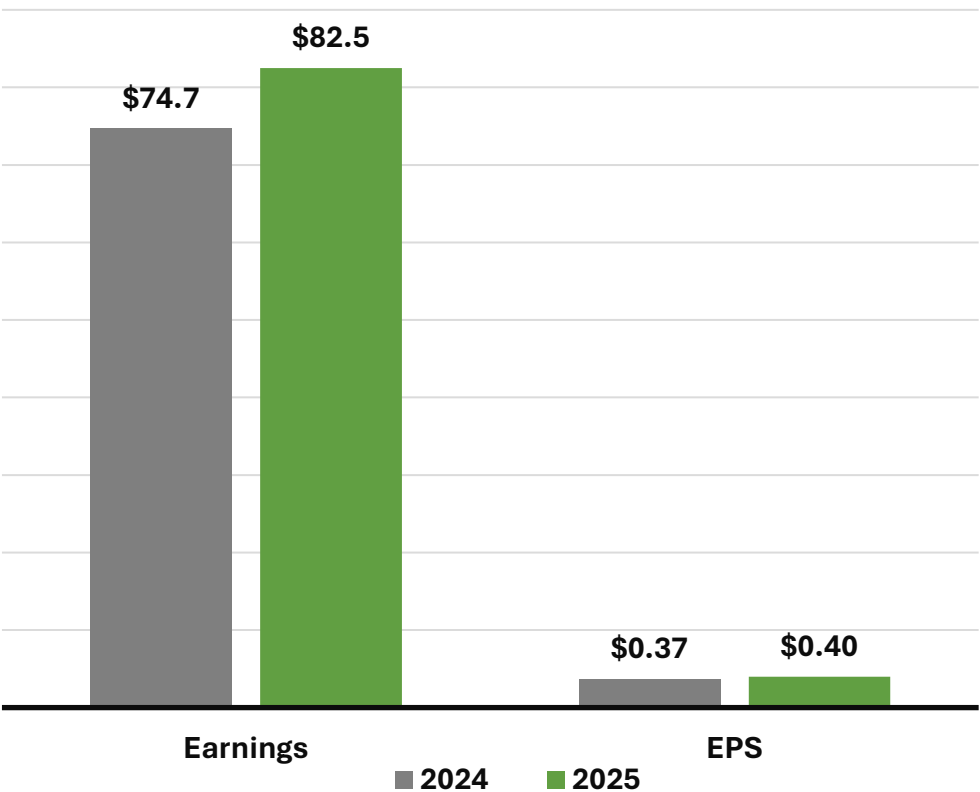
## First Quarter Earnings

Earnings in millions

Net Income



Income from Continuing Operations<sup>1</sup>



<sup>1</sup> On October 31, 2024, MDU Resources successfully completed the spinoff of Everus its former construction services business, which became an independent, publicly-traded company. Prior period results have been restated to reflect the spinoff. Everus' historical results of operations and certain costs associated with the spinoff are reported as discontinued operations.



# Electric Utility

## First Quarter Earnings

*Growing Demand Offset by Higher Operation and Maintenance Expense*



- Earnings of \$15.0 million
  - Increased sales volumes
  - Higher operation and maintenance expense
    - Higher contract services related to electric generation station outages
    - Increased software and insurance expenses
    - Increased payroll-related costs
  - Lower returns on nonqualified benefit plan investments



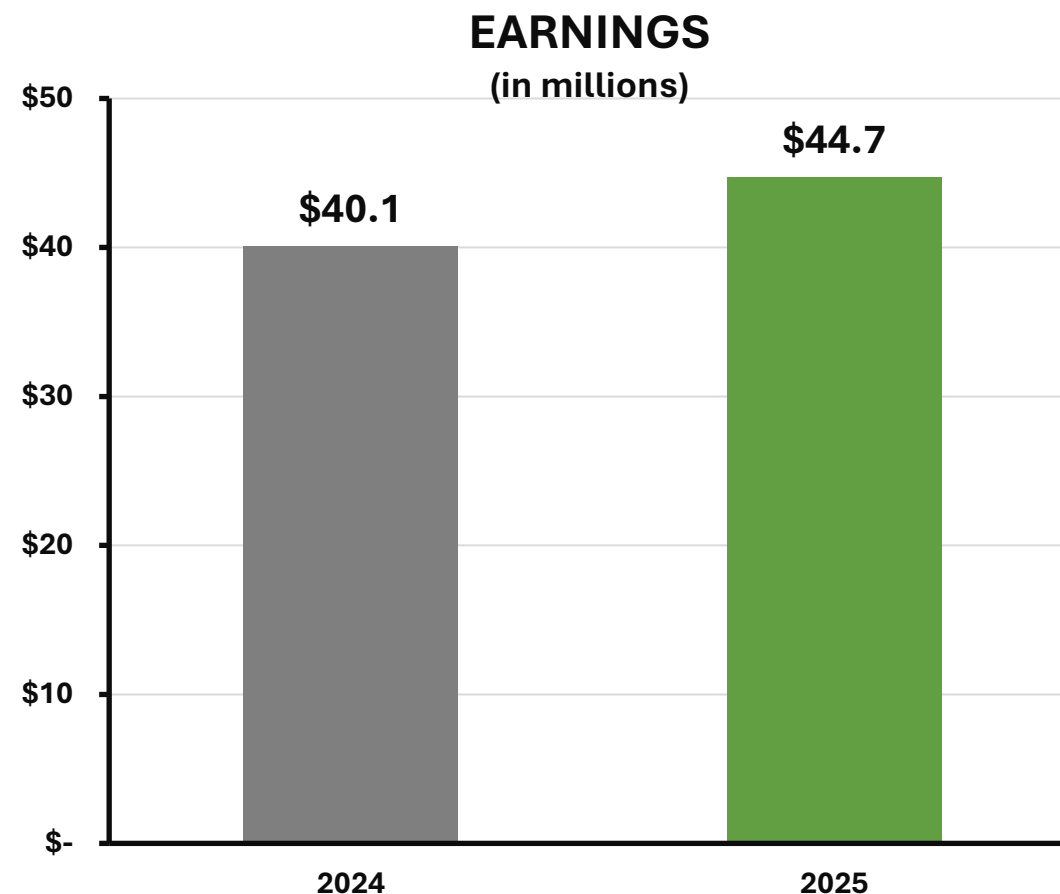
# Natural Gas Utility

## First Quarter Earnings

*Regulatory Progress and Colder Weather Drive Results*



- Earnings of \$44.7 million
  - Rate relief primarily in Washington and South Dakota, and interim rates in Montana
  - Higher retail sales volumes
  - Natural gas customer count increased 1.5% year-over-year
  - Higher operation and maintenance expense
  - Lower interest income and returns on nonqualified benefit plan investments



# Pipeline

## First Quarter Earnings

*Expansion Projects and Storage Demand Fuel Growth*

- Record first quarter earnings of \$17.2 million
  - Increased transportation revenue
  - Strong interruptible storage utilization
  - New peak day delivery record of nearly 1.9 billion cubic feet
  - Higher operation and maintenance expense
  - Lower returns on nonqualified benefit plan investments

