



NOVEMBER 2021

INVESTOR PRESENTATION

FORWARD-LOOKING STATEMENTS AND USE OF NON-GAAP MEASURES

This presentation contains certain “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. Although the company believes that its expectations and beliefs are based on reasonable assumptions, there is no assurance that the company’s projections, including estimates for growth and financial guidance, will in fact be achieved. For a discussion of factors that may cause actual results to differ, refer to Item 1A – Risk Factors in the company’s most recent Form 10-K and subsequent filings with the SEC.

In addition, this presentation contains non-GAAP financial measures. The reconciliations between the non-GAAP and GAAP measures are provided at the end of this presentation.

MDU Resources is Building a Strong America®



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.

Company founded in 1924



Headquartered in Bismarck, ND

Utilities



Regulated Pipeline



Construction Materials



Construction Services

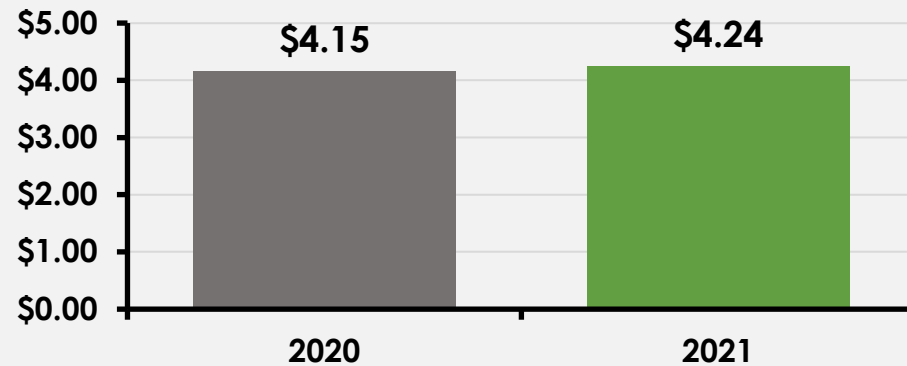


KEY PERFORMANCE INDICATORS

YTD AS OF SEPTEMBER 30, 2021

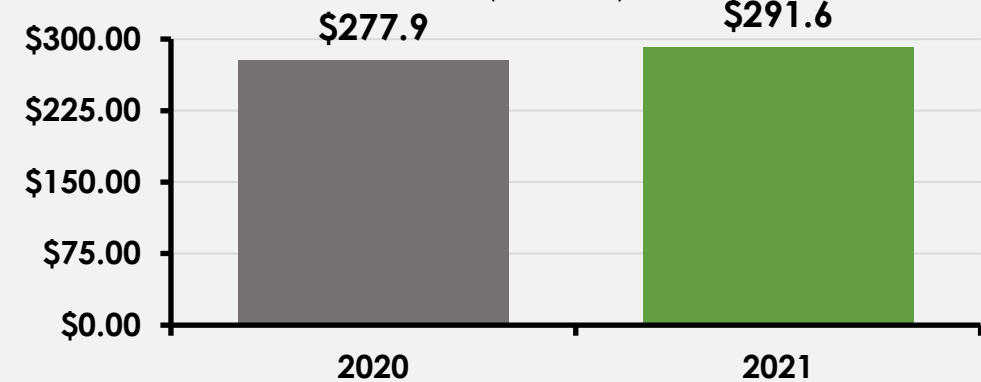
Operating Revenues

(in billions)



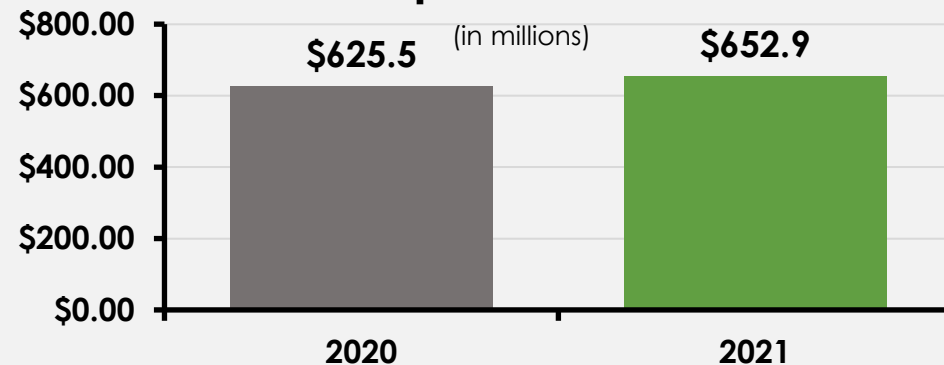
Net Income

(in millions)



EBITDA From Continuing Operations

(in millions)



Earnings Per Share



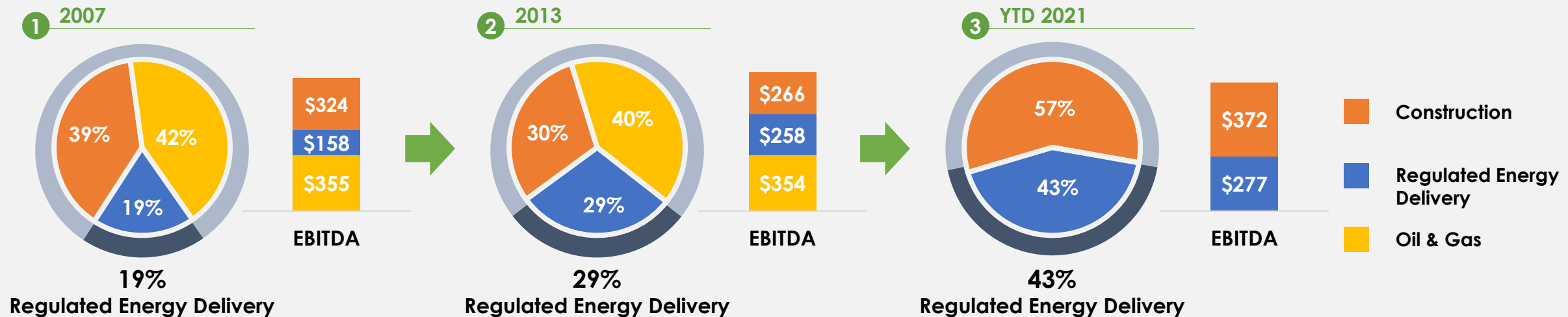
EBITDA MIX OVER TIME

Fundamentally enhanced business mix and improved customer diversification since 2007

- Divested volatile Oil & Gas business in 2014-16, **eliminating majority of commodity exposure**
- Improved mix of Regulated Energy Delivery earnings and EBITDA, **increasing long-term visibility**
- Expanded offerings in Construction Services to build technology infrastructure, **accelerating growth**
- Increased volume of public sector projects at Knife River, **increasing demand visibility**

EBITDA¹ Mix (2007–2020)

(Dollars in millions)



1. Note: EBITDA is considered a non-GAAP financial measure. This representation excludes "Other" and "Intersegment eliminations" and non-regulated energy EBITDA. See appendix for EBITDA reconciliation.

CAPITAL EXPENDITURES

MDU Resources' organic investments remain the primary driver of high-quality earnings growth

Regulated Energy Delivery Focus

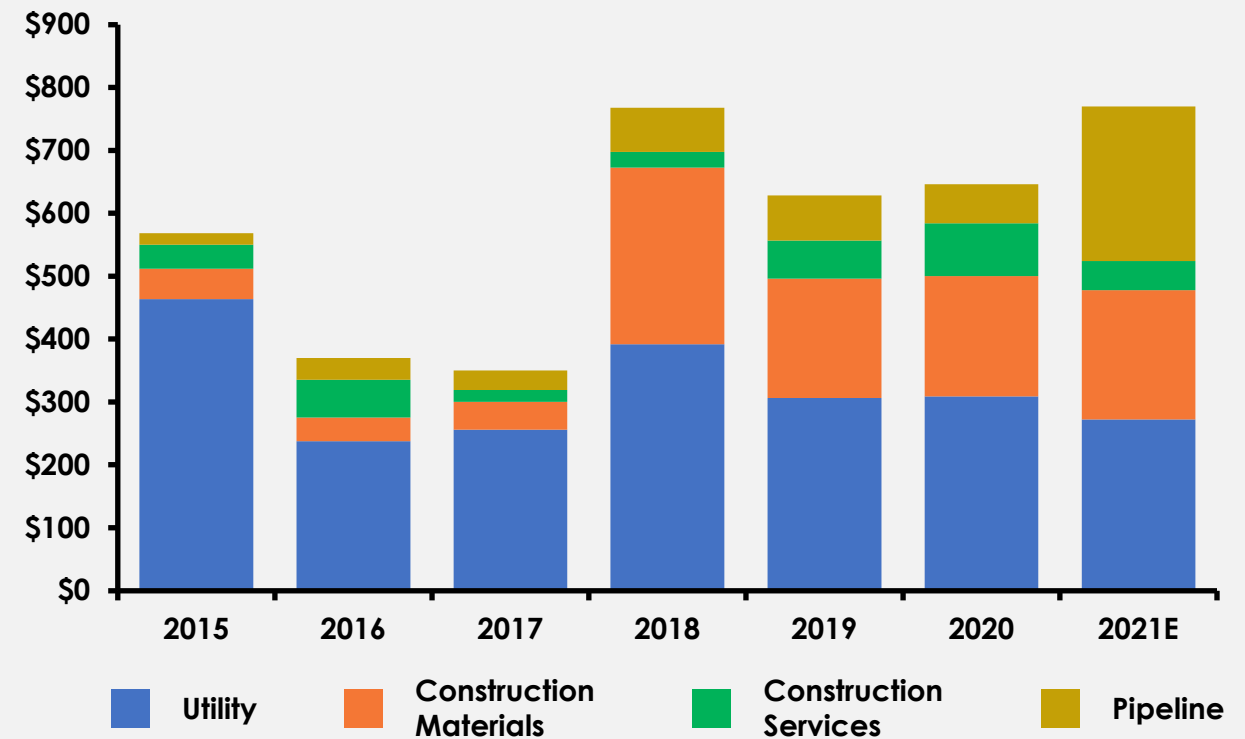
- Capital investments primarily in regulated businesses where rates of return have a high level of certainty
- System infrastructure upgrades and replacements
- Natural gas combustion turbine
- North Bakken Expansion

Construction Materials and Services Focus

- Equipment and plant replacements and upgrades
- Development of Honey Creek Deposits

Capital Expenditure by Segment

(\$ in millions)





Segment Overview



BUSINESS SEGMENT OVERVIEW

Regulated Energy Delivery Businesses

- Growing the business by investing in the safety and reliability of our existing system
- Focused on organic growth first while managing operating costs
- Looking to expand into areas where similar operating and growth objectives exist

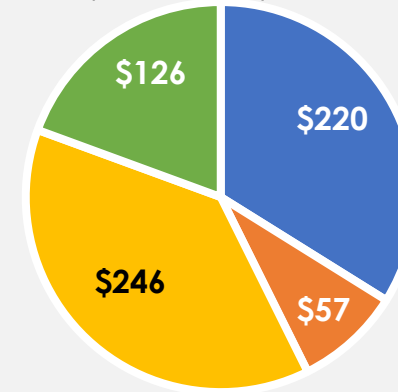
Construction Businesses

- Enhance shareholder value by generating cash and continued meaningful growth
- Take advantage of our vertical integration and grow through M&A and greenfield
- Create value by treating our people well and leading our markets in quality, service and safety

1. Note: EBITDA is considered a non-GAAP financial measure. See appendix for EBITDA reconciliation.

2021 EBITDA¹

YTD as of September 30 (\$ in millions)



Electric and Natural Gas

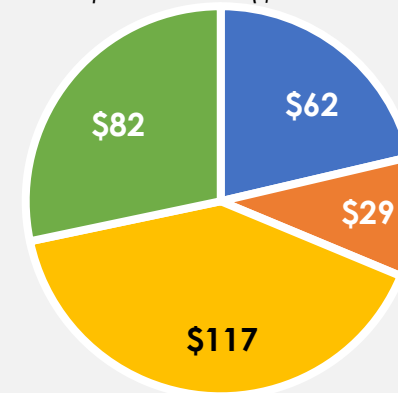
Pipeline

Construction Materials

Construction Services

2021 Earnings

YTD as of September 30 (\$ in millions)



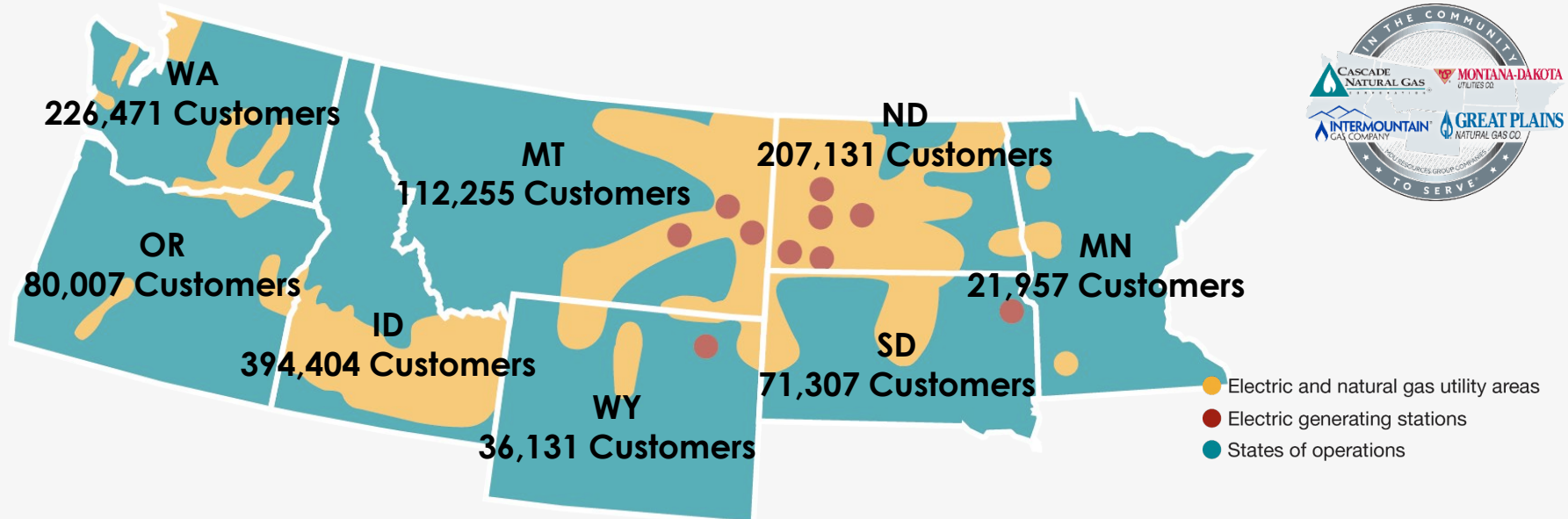
ELECTRIC AND NATURAL GAS SNAPSHOT

1,149,663
CUSTOMERS
As of 09.30.21

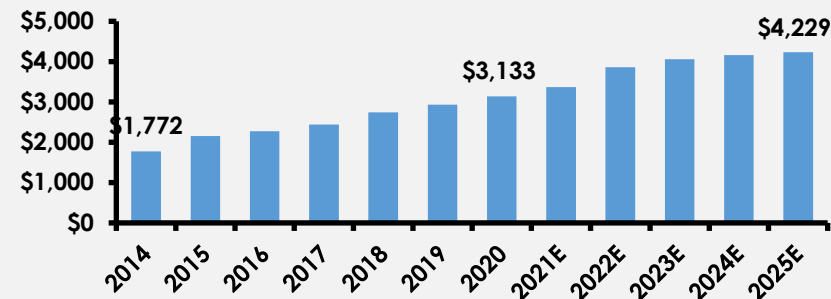
765 MW
OWNED GENERATION

28,900
MILES OF ELECTRIC AND
GAS TRANSMISSION AND
DISTRIBUTION

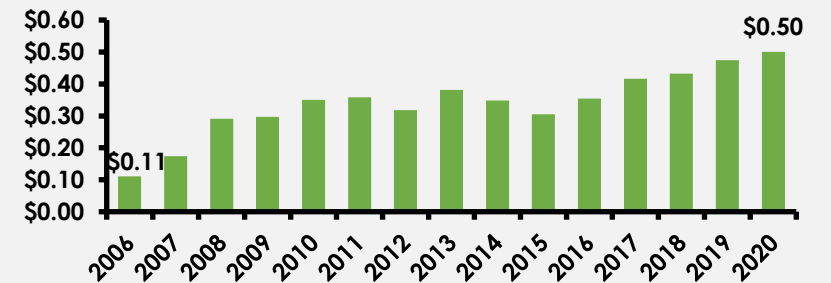
1,600
EMPLOYEES



Rate Base¹ (Regulated Energy Delivery)
(\$ in millions)



Segment EPS



1. Including CWIP. – Regulated Energy Deliver includes Electric and Natural Gas Utility and Pipeline

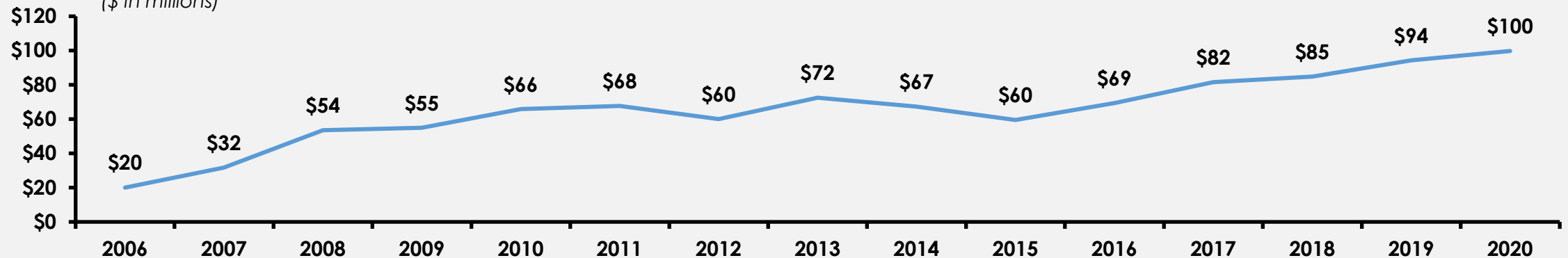
UTILITY INDUSTRY REGULATORY DYNAMICS

Constructive regulatory mechanisms help stabilize earnings performance

- MDU Utilities Group enjoys constructive regulatory relationships in all of its service territories, allowing it to ensure adequate and timely recovery of incurred costs
 - MDU Utilities Group operates in part on forecasted or forward test periods, supported by interim rate relief and/or full decoupling
 - In addition, MDU Utilities Group is allowed timely recovery via dedicated trackers and normalization mechanisms, such as fuel and purchased gas clause adjustments

MDU Utilities Group Income from Continuing Ops. (Electric and Natural Gas)

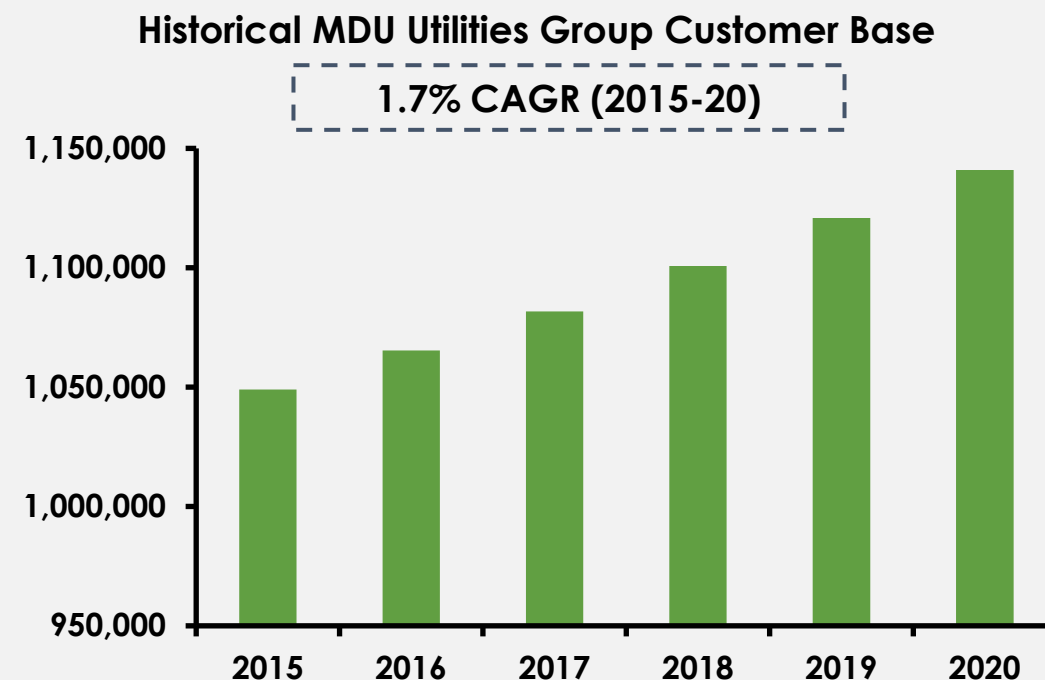
(\$ in millions)



RATE BASE ORGANIC GROWTH DRIVERS

Continuous rate base growth supported by strong customer growth and system investments

- Utility earnings growth is driven by capital deployment, resulting in rate base growth
- Rates are agreed upon with the utility commissions in its service territories
- Expect to grow rate base by ~5% annually over the next five years on a compound basis
- Organic growth driven in part by positive demographics
 - 1.7% annual customer growth rate since 2015 and 1-2% continued projected growth through 2025
 - Compares favorably to other utilities



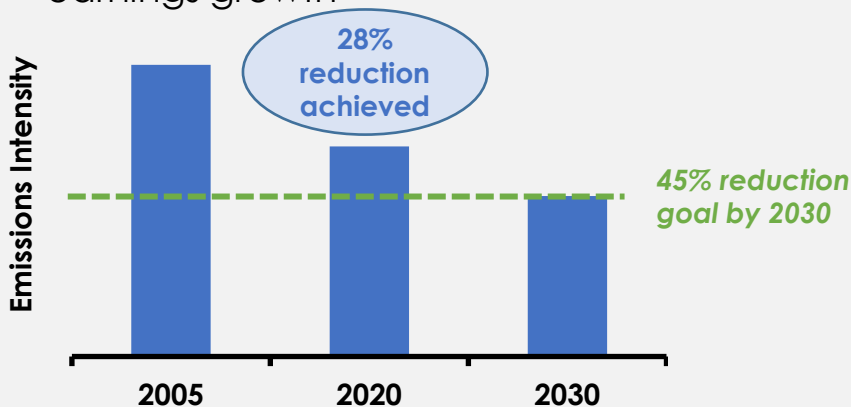
1. Including CWIP.

ENVIRONMENTAL FOCUS

Focused on operating our Utilities business with a decreasing environmental footprint

GHG Emissions Reduction Targets

- Target to **reduce electric utility GHG emissions intensity by 45% by 2030** vs. 2005 levels
- Reduction to be achieved primarily through the continued diversification of our electric generating fleet, helping drive rate base / earnings growth



Sustainable Operations



Retirement of Coal Facilities. In the process of retiring three aging coal facilities and replacing with an efficient natural gas combustion turbine

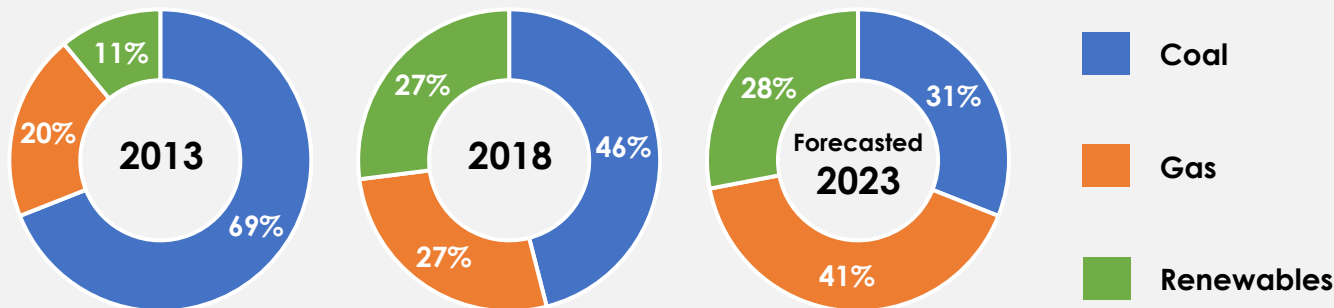


Water Use. Facilities safely utilize water from rivers, lakes and wells for various processes and cleanly discharge them back to the water bodies



Renewable Energy. Owned renewable generation facilities include three wind farms and one heat recovery facility, making up 25%+ of resources

Transitioning Our Electric Resources (Based on Nameplate Rating)



PIPELINE SNAPSHOT

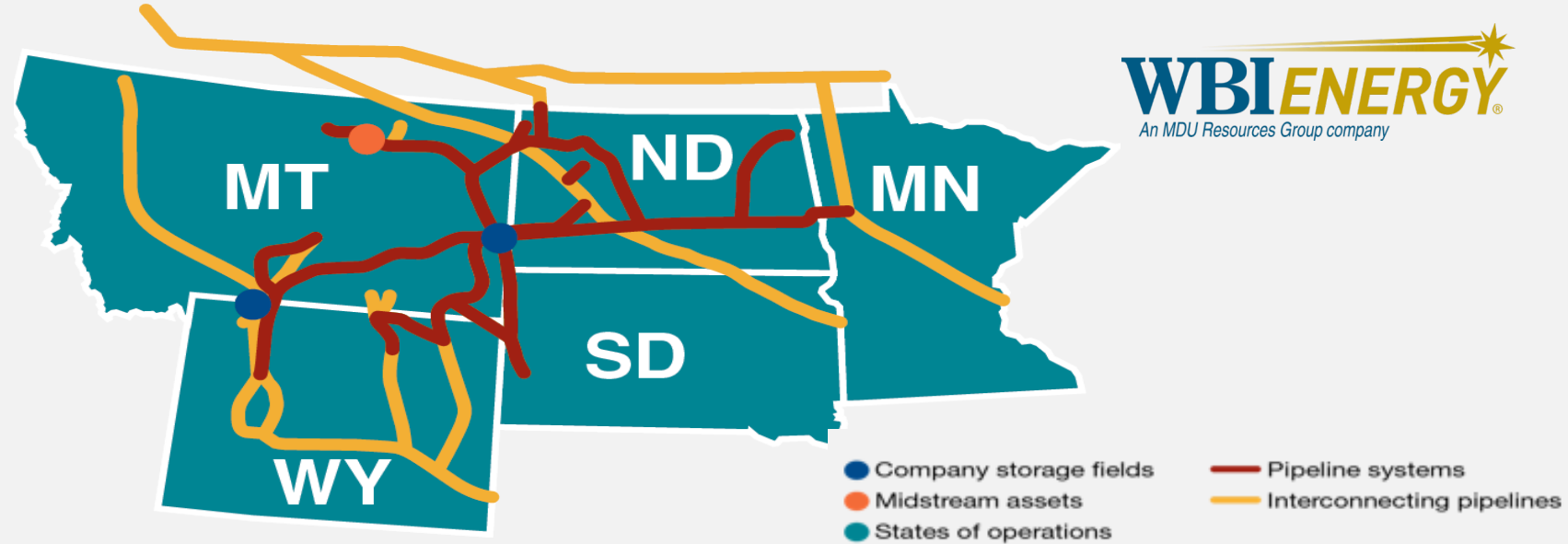
3,700
MILES OF PIPE

OVER 2.2 BCF/D
SYSTEM CAPACITY

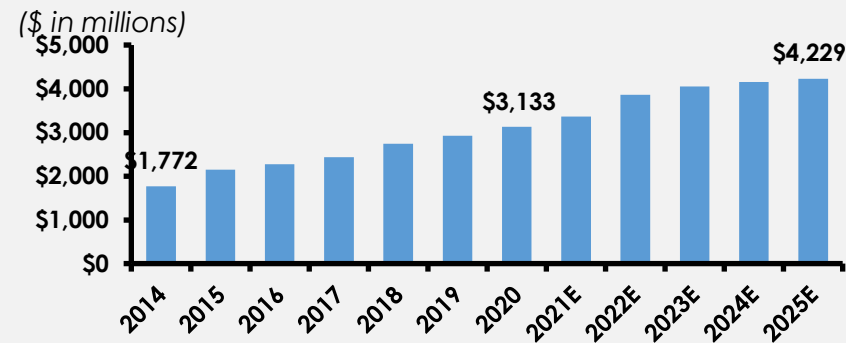
13
INTERCONNECTING
POINTS

325
EMPLOYEES

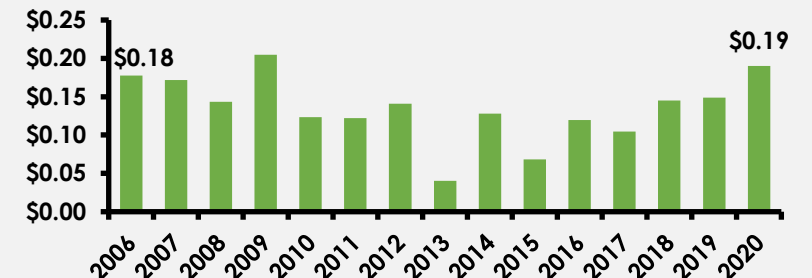
LARGEST
STORAGE FIELD IN
N. AMERICA



Rate Base¹ (Regulated Energy Delivery)



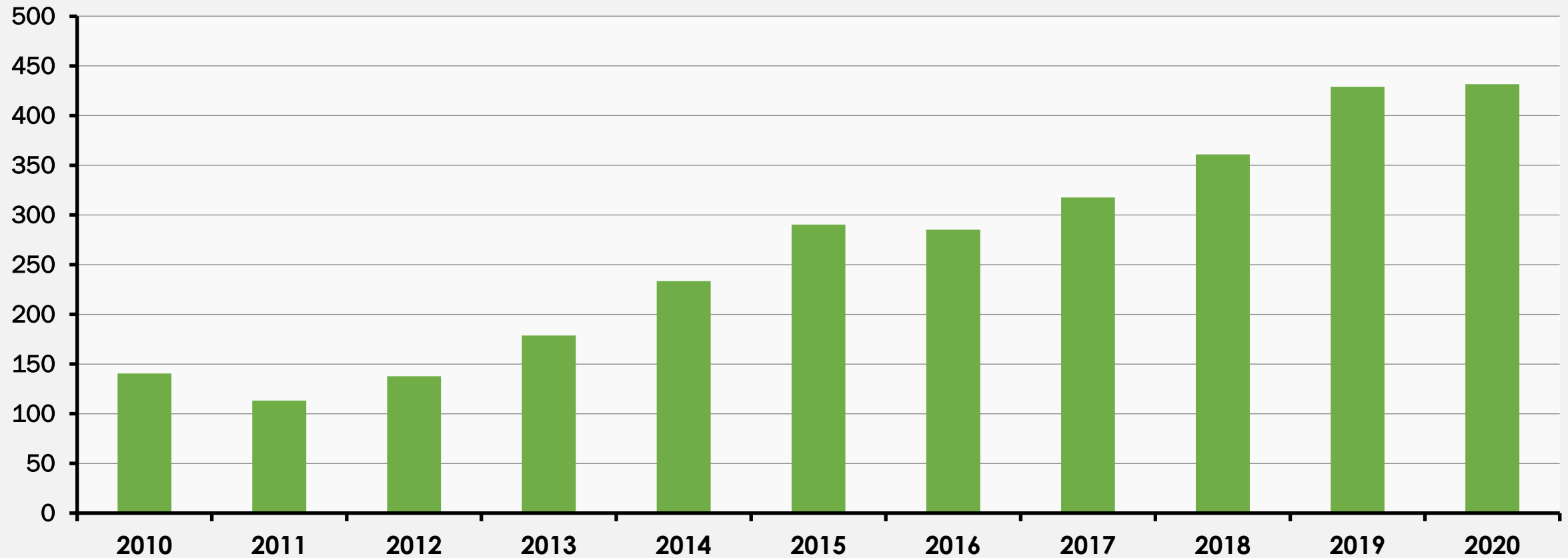
Segment EPS



1. Including CWIP. – Regulated Energy Deliver includes Electric and Natural Gas Utility and Pipeline

ANNUAL THROUGHPUT

Million Dekatherms



PIPELINE EXPANSION

WBI Energy is actively expanding its services in North Dakota through two key projects

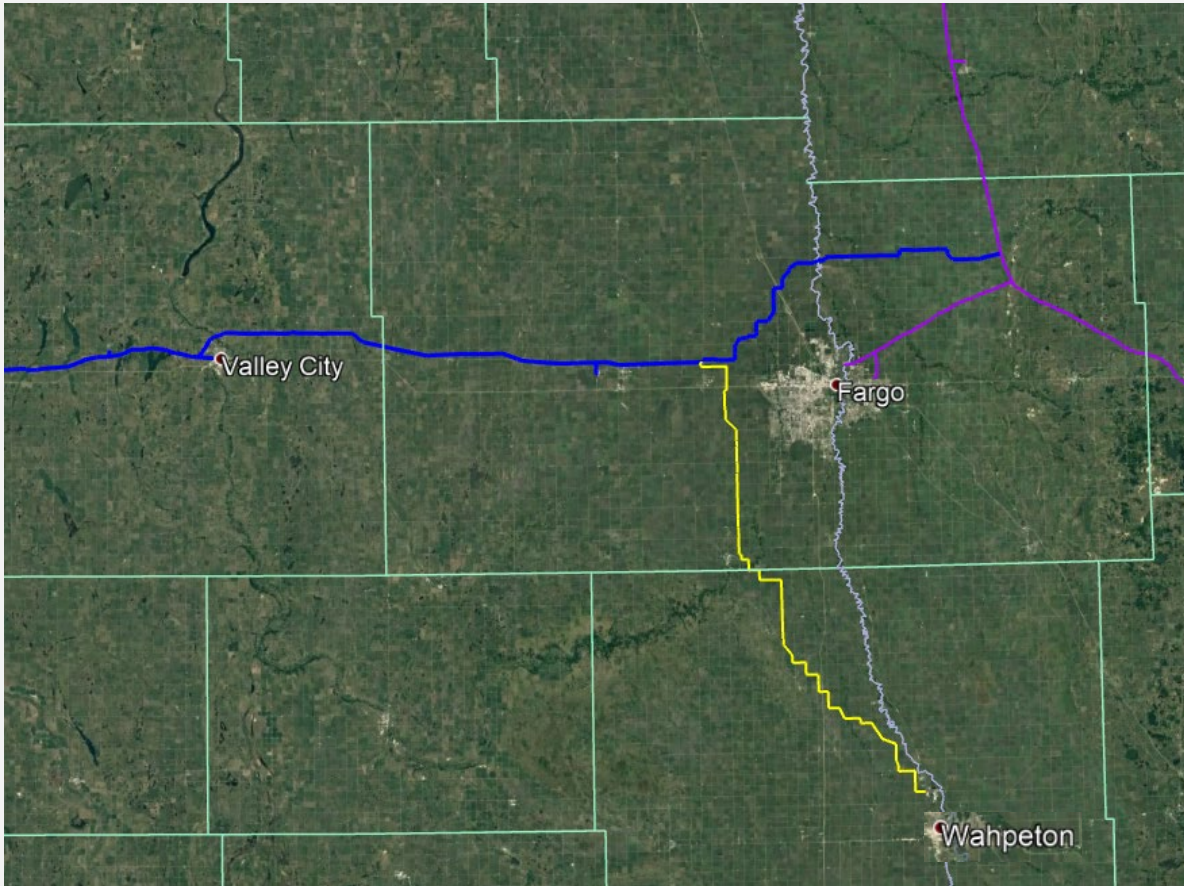
North Bakken Expansion

- As designed, will provide an additional 250 million cubic feet per day of natural gas transportation capacity, representing an 11.5% increase from 2020 levels
- Project is readily expandable through additional compression to 625 million cubic feet per day
- Project earned bipartisan support as a vital energy infrastructure project that will help Bakken producers reduce flaring and get more natural gas to market
- Expected to cost approximately \$260 million
- Expected to be in service in early 2022



PIPELINE EXPANSION

WBI Energy is actively expanding its services in North Dakota through two key projects



Wahpeton Expansion

- Constructing a 60 mile, 12-inch pipeline expansion and ancillary facilities to Wahpeton, ND
- Recently received approval to use the FERC pre-filing review process
- This expansion will increase service in Wahpeton, and extend natural gas service to Kindred, ND
- As designed, the expansion will have capacity to transport 20 million cubic feet per day of natural gas
- Expected to cost approximately \$75 million
- Expect to begin construction in early 2024 and have the pipeline in service in late 2024, pending regulatory approvals

CONSTRUCTION SERVICES SNAPSHOT

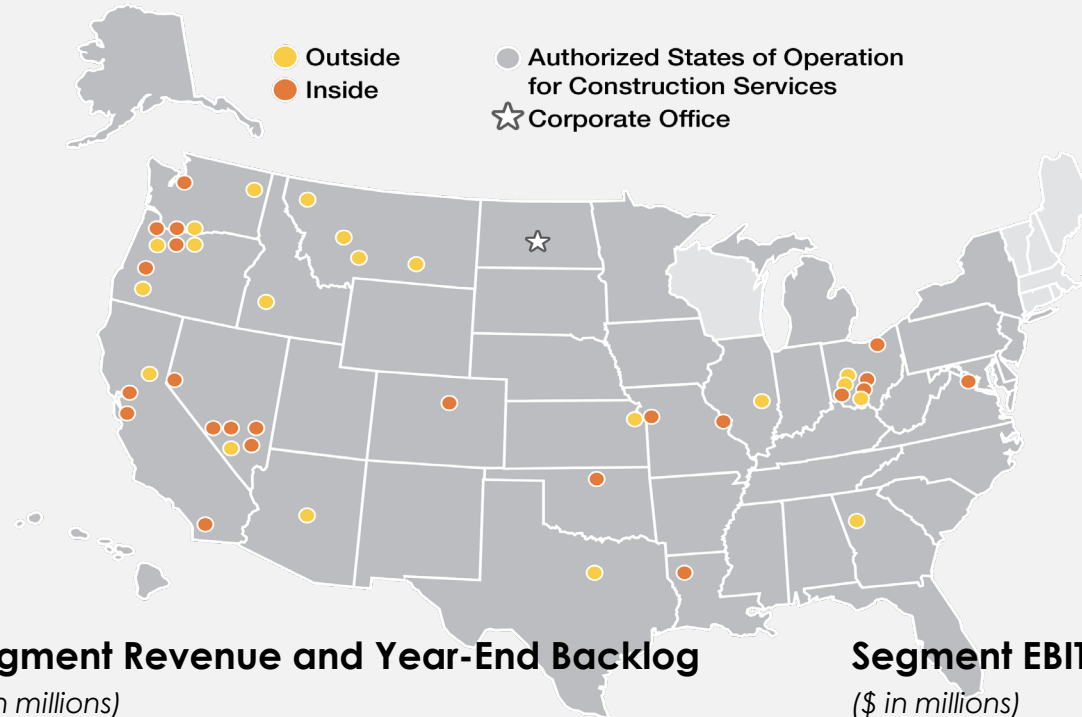
7,900
EMPLOYEES AT PEAK

43
STATES OF OPERATION

6
OUTSIDE CONSTRUCTION
COMPANIES

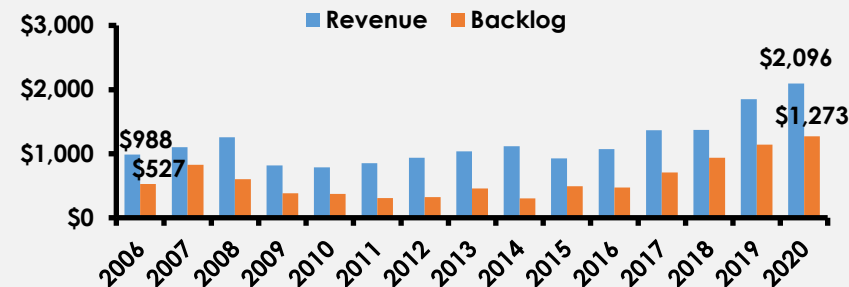
12
INSIDE CONSTRUCTION
COMPANIES

Ranked 4th
on EC&M's Top 50 Electrical
Contractors List



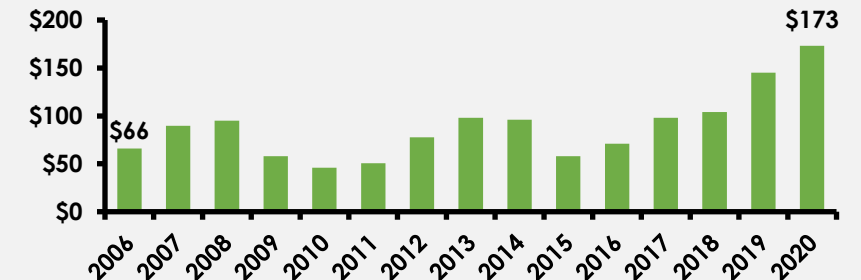
Segment Revenue and Year-End Backlog

(\$ in millions)



Segment EBITDA¹

(\$ in millions)



1. Note: EBITDA is considered a non-GAAP financial measure.

SUPPLEMENTAL GROWTH VIA M&A

25 acquisitions since inception

- Expanding into new geographies and services by acquiring complementary brands that enhance our portfolio
- Fostering deep relationships with acquisition targets to position us for M&A opportunities

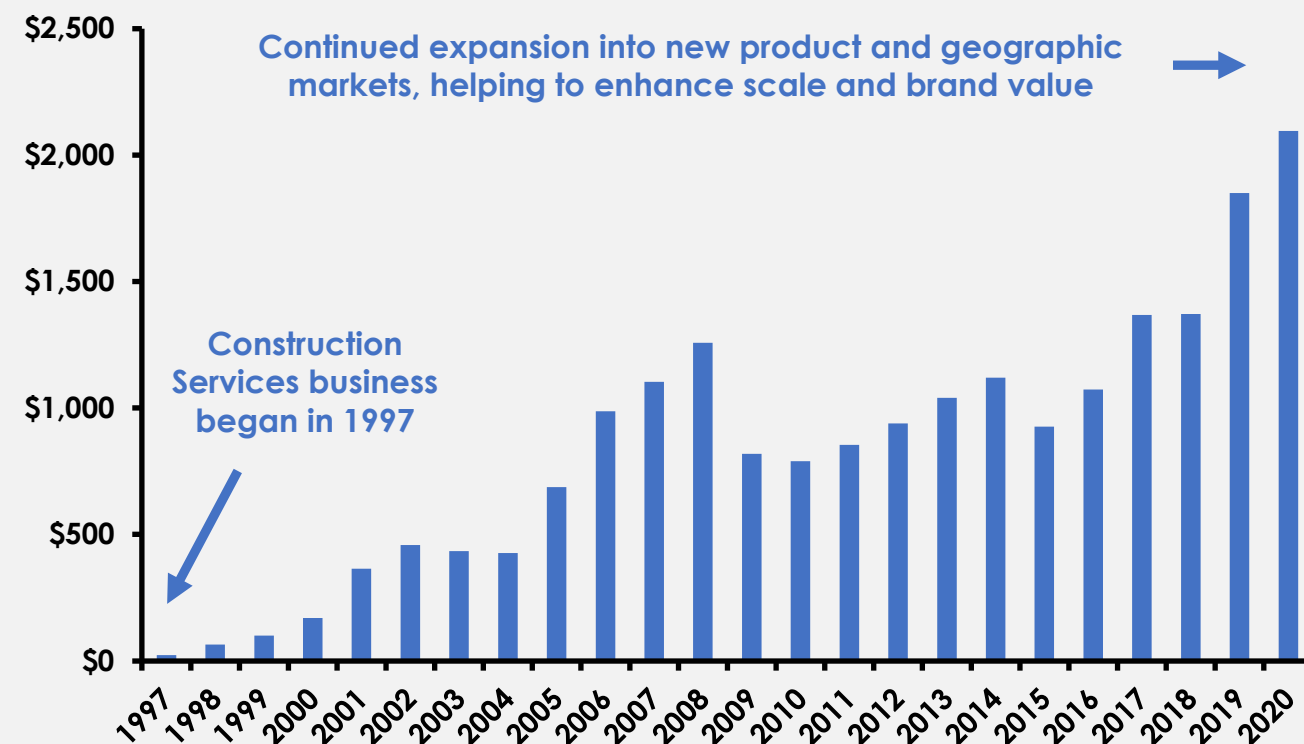
CSG Acquisition Example:

- Expands the geographic footprint to Mid-Atlantic region
- Northern Virginia is one of the world's largest data center markets in the world
- 6th largest metro area in the U.S.



Segment Revenue

(\$ in millions)



MULTIPLE HIGH-GROWTH OPPORTUNITIES

Infrastructure spending gap creates multiple levers for long-term growth

2020-2029 Infrastructure Systems ¹		Funding Gap
	Surface Transportation	\$1,205
	Electricity	\$197
	Airports	\$111
	Rail	\$10
Total		\$1,523

2018-2023 Cloud and Colocation CapEx Spending ²	2023 CapEx Spend	2018-2023 CAGR
	Physical Infrastructure	~\$29 8.5%
	Land and Building	~\$11 12.7%
Total		~\$40 9.6%

- >\$1.5 trillion spending gap in U.S. infrastructure drives large opportunity for MDU Construction Services
- Focusing on high-growth, essential markets: energy infrastructure, hospitality, healthcare, manufacturing, transportation and industrial
- Steadily increasing market share
- Continuous process and operation excellence improvements

1. ASCE's 2021 Infrastructure Report Card. Dollars in billions, based on 2019 dollars.

2. Omdia Cloud and Colocation Data Center Capex Market Tracker. Dollars in billions.

CONSTRUCTION MATERIALS SNAPSHOT

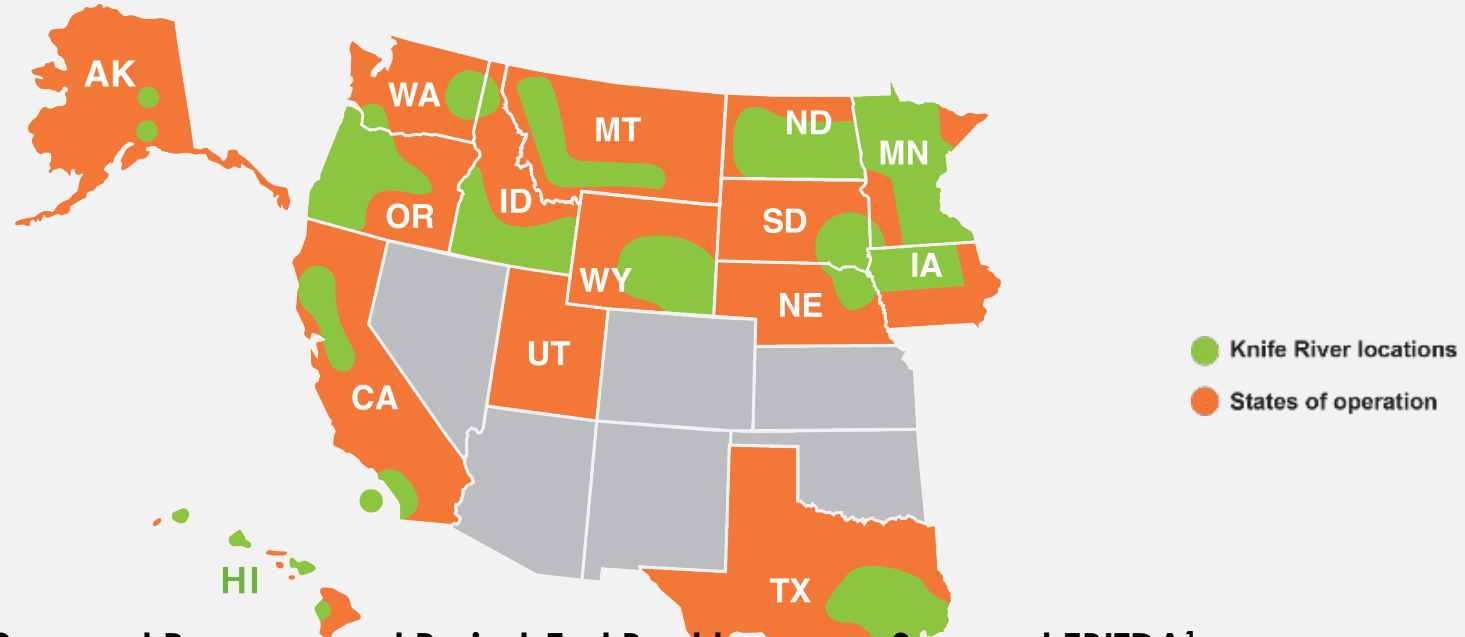


NEARLY 6,000
EMPLOYEES AT PEAK
SEASON

14
STATES OF OPERATION

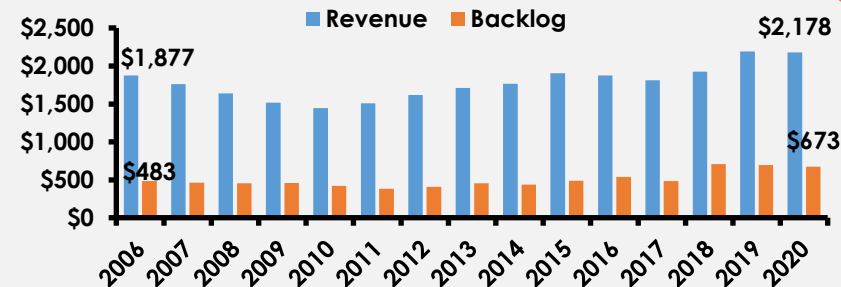
1.1 BILLION
TONS OF RESERVES

TOP 10
U.S. AGGREGATE
PRODUCER



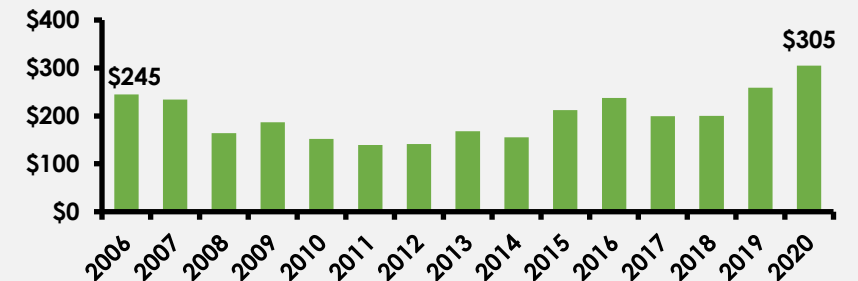
Segment Revenue and Period-End Backlog

(\$ in millions)



Segment EBITDA¹

(\$ in millions)



1. Note: EBITDA is considered a non-GAAP financial measure.

AGGREGATES FOCUSED

KRC Aggregates Overview

- Top 10 aggregate producer in the U.S.
- Well-positioned to expand market share given increasing reach and robust aggregate reserves
- Steady growth in aggregates sales volume since 2015
 - Slight decline in 2020 due to pandemic-related slowdowns and unfavorable weather in the South Region

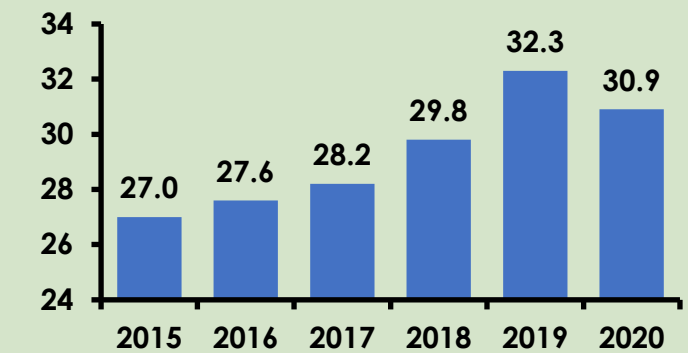
Why Aggregates?

- \$27 billion addressable market in the U.S.*
- Essential to infrastructure and construction; few product alternatives exist
- Meaningful upside potential: U.S. aggregates consumption is still ~20% below its 2006 peak*
- Pricing strength over 4+ decades despite several economic recessions

* Sourced from US Geological Survey, Mineral Commodity Summaries, January 2021

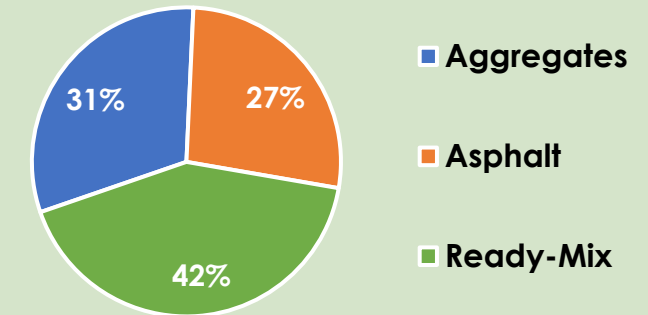
Aggregates Sales Volume

(Tons in millions)



Product Sales Mix

(% of 2020 Materials revenues)



BOLT-ON M&A

Knife River was built through a combination of organic growth and 85 acquisitions

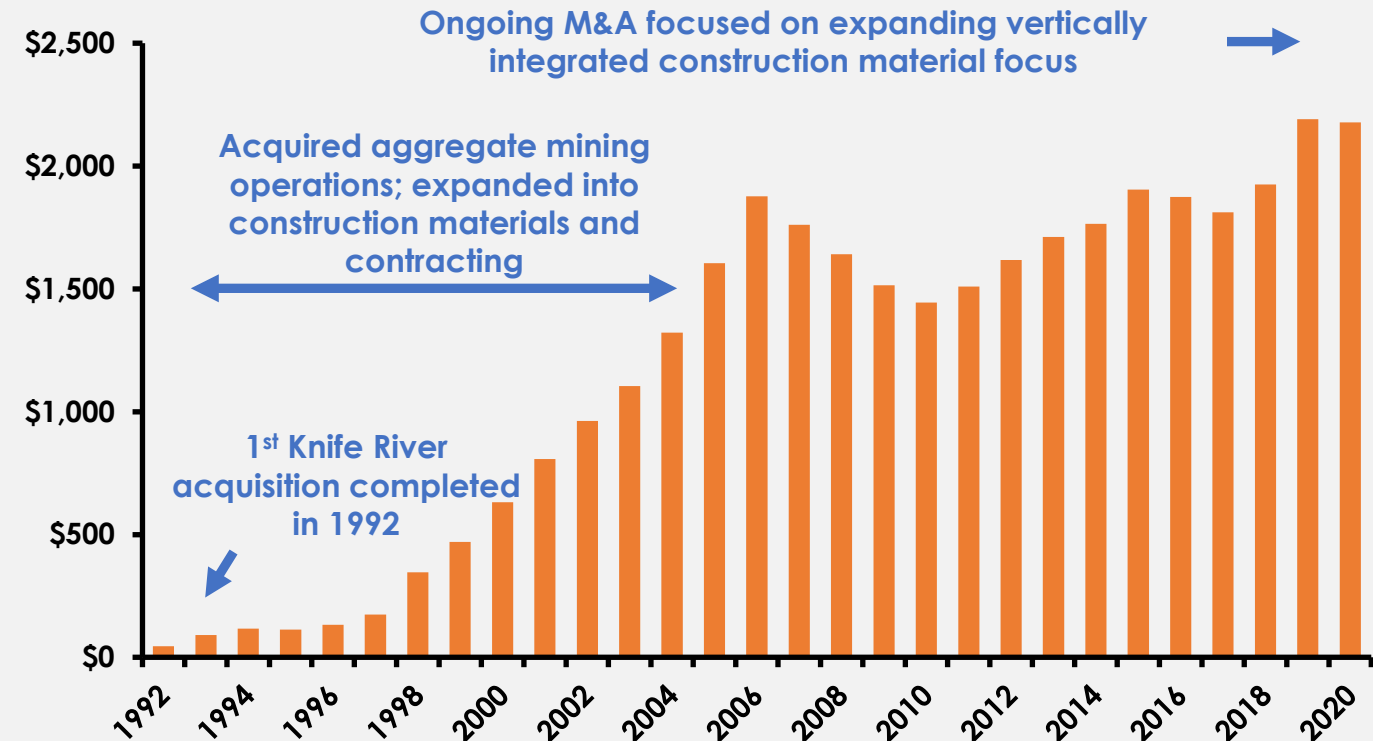
- Ample bolt-on M&A opportunities
- Familiarity with local markets
- Key areas of focus:
 - Adding high quality materials to reserves
 - Improving vertical integration advantage
 - Extending geographic reach

Acquisition Example: McMurry Ready-Mix Co.

- Nearly 100 million tons of aggregate reserves strategically positioned throughout central Wyoming
- Ready-mix plant complements Knife River's Wyoming presence

Segment Revenue

(\$ in millions)



FINANCIAL GUIDANCE

AS OF NOVEMBER 3, 2021

Select Historical Results				2021 Guidance	Forward Guidance Framework
	<u>2015</u>	<u>2020</u>	<u>2015-2020</u> <u>CAGR</u>		
Electric & Natural Gas Utility EPS	\$0.31	\$0.50	10%	-	5% Rate Base CAGR over 5 years Customer Growth: 1-2% annually
Pipeline EPS	\$0.07	\$0.19	22.1%	-	-
Construction Materials EBITDA (\$ in millions)	\$211.8	\$304.9	7.6%	Revenue: \$2.1 billion to \$2.3 billion EBITDA: Margins slightly lower than 2020	-
Construction Services EBITDA (\$ in millions)	\$57.6	\$173.1	24.4%	Revenue: \$2.0 billion to \$2.2 billion EBITDA: Margins comparable to 2020	-
Total Revenue (\$ in millions)	\$4,014.0	\$5,532.7	6.6%	-	-
Total EBITDA (\$ in millions)	\$550.0	\$856.7	9.3%	EBITDA: \$850 million to \$900 million	-
Total EPS	\$0.90	\$1.95	16.7%	\$1.90 to \$2.05 As of November 3, 2021	5-8% CAGR off 2020 base of \$1.95

General Guidance Assumptions:

- Continued recognition as essential service providers across all of our company markets.
- Normal weather conditions, including precipitation and temperatures, across all company markets
- Future acquisitions incremental to capital program
- Investing \$775 million for capital projects in 2021



Appendix



RECONCILIATION OF EBITDA GUIDANCE

	(in millions)	Low	High
Income from continuing operations		\$378.0	\$418.0
Adjustments:			
Interest expense		90.0	95.0
Income taxes		85.0	90.0
Depreciation, depletion and amortization		297.0	297.0
EBITDA from continuing operations		\$850.0	\$900.0

RECONCILIATION OF EBITDA

(\$ in millions)

	For the year ended December 31														
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Income from Continuing Ops.	\$307.8	\$322.8	\$293.7	(\$123.3)	\$244.0	\$226.0	(\$14.3)	\$168.7	\$185.0	\$176.4	\$233.1	\$285.0	\$269.4	\$335.2	\$390.5
Adjustments:															
Interest Expense	\$72.1	\$72.2	\$81.5	\$84.1	\$83.0	\$81.4	\$76.7	\$83.8	\$86.9	\$91.2	\$87.8	\$82.8	\$84.6	\$98.6	\$96.5
Income Taxes	\$166.1	\$190.0	\$147.5	(\$96.1)	\$122.5	\$110.3	(\$31.1)	\$74.3	\$64.4	\$70.7	\$93.1	\$65.0	\$47.5	\$63.3	\$84.6
Write-Down	--	--	\$135.8	\$620.0	--	--	\$391.8	--	--	--	--	--	--	--	--
Depreciation, Depletion & Amort.	\$256.5	\$301.9	\$366.0	\$330.5	\$328.8	\$343.4	\$359.2	\$200.4	\$203.1	\$211.7	\$216.3	\$207.5	\$220.2	\$256.0	\$285.1
EBITDA¹	\$802.5	\$887.0	\$1,024.5	\$815.3	\$778.4	\$761.0	\$782.2	\$527.2	\$539.4	\$550.0	\$630.4	\$640.3	\$621.7	\$753.0	\$856.7

1. Note: EBITDA is considered a non-GAAP financial measure.

MULTI-YEAR FINANCIALS

(\$ in millions, except per share data)

	For the year ended December 31					
	2015	2016	2017	2018	2019	2020
Revenue	\$4,014	\$4,129	\$4,443	\$4,532	\$5,337	\$5,533
Operating Profit	\$326	\$409	\$424	\$402	\$481	\$545
<i>Operating Margin</i>	8.1%	9.9%	9.5%	8.9%	9.0%	9.8%
EBITDA¹	\$550	\$630	\$640	\$622	\$753	\$857
<i>EBITDA Margin</i>	13.7%	15.3%	14.4%	13.7%	14.1%	15.5%
EPS	\$0.90	\$1.19	\$1.45	\$1.38	\$1.69	\$1.95
Cash Flow from Ops.²	\$662	\$462	\$448	\$500	\$542	\$768
ROIC³	5.5%	2.8%	8.1%	7.7%	8.1%	8.8%

1. Note: EBITDA is considered a non-GAAP financial measure.

2. Includes discontinued operations.

3. Adjusted for divestiture of E&P business

RECONCILIATION OF 2020 EBITDA

(\$ in millions)

	Nine Months Ended September 30, 2020						
	Electric	Natural Gas	Pipeline	Construction Services	Construction Materials	Other & Eliminations	Total
Income from continuing ops.	\$40.3	\$13.8	\$24.3	\$74.5	\$122.1	\$3.4	\$278.4
Adjustments:							
Interest Expense	20.1	27.5	5.7	3.3	15.9	0.6	\$73.1
Income Taxes	(8.3)	(2.4)	6.6	25.7	43.0	(3.4)	\$61.2
Depreciation, depletion and amortization	47.0	63.1	16.5	17.7	66.6	1.9	\$212.8
EBITDA	\$99.1	\$102.0	\$53.1	\$121.2	\$247.6	\$2.5	\$625.5

1. Note: EBITDA is considered a non-GAAP financial measure.

RECONCILIATION OF 2021 EBITDA

(\$ in millions)

	Nine Months Ended September 30, 2021						
	Electric	Natural Gas	Pipeline	Construction Services	Construction Materials	Other & Eliminations	Total
Income from Continuing Ops.	\$41.6	\$20.1	\$28.7	\$81.8	\$116.9	\$2.2	\$291.3
Adjustments:							
Interest Expense	19.8	27.6	5.6	2.6	14.4	0.2	70.2
Income Taxes	(4.0)	0.6	7.2	26.4	40.8	(2.2)	68.8
Depreciation, Depletion & Amort.	50.0	64.2	15.5	15.2	74.2	3.5	222.6
EBITDA¹	\$107.4	\$112.5	\$57.0	\$126.0	\$246.3	\$3.7	\$652.9

1. Note: EBITDA is considered a non-GAAP financial measure.