

MDU RESOURCES GROUP, INC.
NONCONSOLIDATED INCOME STATEMENT
TWELVE MONTHS ENDING DECEMBER 31, 2014

Operating Income

Electric Utility

Operating Revenues	\$275,190,692
Operating Expenses:	
Operation Expenses	150,378,718
Maintenance Expenses	19,911,405
Depreciation Expenses	34,787,813
Taxes Other Than Income Taxes	10,908,231
Income Taxes:	
Federal Taxes on Income	(16,220,674)
State Taxes on Income	(1,679,838)
Deferred Income Taxes	30,842,623
Total Electric Expenses	<u>228,928,278</u>
Net Electric Operation	\$46,262,414

Gas Utility

Operating Revenues	\$347,031,934
Operating Expenses:	
Operation Expenses	298,803,491
Maintenance Expenses	4,932,557
Depreciation Expenses	16,081,151
Taxes Other Than Income Taxes	8,008,098
Income Taxes:	
Federal Taxes on Income	(6,610,475)
State Taxes on Income	(702,707)
Deferred Income Taxes	12,537,452
Total Gas Expenses	<u>333,049,567</u>
Net Gas Operation	\$13,982,367

Net Utility Operating Income \$60,244,781

Revenues from Merchandising, Jobbing and Contract Work	\$736,917
(Less) Costs and Exp. Of Merch., Jobbing and Contract Work	683,818
Revenues from Nonutility Operations	4,540,460
(Less) Expense from Nonutility Operations	3,027,544
Equity in Earnings of Subsidiary Companies	250,078,156
Interest and Dividend Income	1,893,371
Allowance for Other Funds Used During Construction	3,987,830
Miscellaneous Nonoperating Income	29,688
Gain on Disposition of Property	1,213,126
Total Other Income	<u>258,768,186</u>

Loss on Disposition of Property	6,746
Miscellaneous Income Deductions	722,696
Total Other Income Deductions	<u>729,442</u>

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Taxes other than Income Taxes	278,444
Income Taxes - Federal	(1,980,896)
Income Taxes - State	(2,475,829)
Provision for Deferred Income Taxes	1,502,866
Investment Tax Credits	<u>(1,644,404)</u>
Total Taxes on Other Income and Deductions	(1,031,011)
Net Other Income and Deductions	\$259,069,755
Interest On Long-Term Debt	21,947,953
Amortization of Debt Discount and Expense	240,035
Amortization of Loss on Recquired Debt	719,510
Other Interest Expense	266,022
(Less) Allow for Borrowed Funds Used during Const.	<u>2,092,191</u>
Net Interest Charges	21,081,329
Net Income	<u><u>\$298,233,207</u></u>