

**MONTANA - DAKOTA UTILITIES CO.**  
**NET TAXABLE INCOME (LOSS) FOR EACH COMPANY**  
**INCLUDED IN MDU RESOURCES GROUP, INC.'S 2011**  
**CONSOLIDATED FEDERAL INCOME TAX RETURN**

Company	Taxable Income(Loss)	Excess Tax Depreciation	Taxable Income (Loss) after Elimination	System Tax Liability
Alaska Basic Industries, Inc.	\$0	\$0	\$0	\$0
Ames Sand & Gravel, Inc.	319,862	394,338	714,200	\$108,753
Anchorage Sand & Gravel Company, Inc.	3,289,512	1,414,041	4,703,553	\$1,118,434
Baldwin Contracting Company, Inc.	716,088	27,460	743,548	\$243,470
Bell Electric Contractors, Inc.	(2,462,974)	(24,894)	(2,487,868)	(\$837,411)
WBI Energy Midstream, LLC	9,432,222	(3,807,085)	5,625,137	\$3,206,955
Bombard Electric, LLC	7,979,169	20,770	7,999,939	\$2,712,917
Bombard Mechanical, LLC	(1,231,165)	(85,489)	(1,316,654)	(\$418,596)
Capital Electric Construction Company	245,808	88,939	334,747	\$83,575
Capital Electric Line Builders	771,755	563,707	1,335,462	\$262,397
Cascade Natural Gas Corp.	(4,908,153)	23,979,501	19,071,348	(\$1,668,772)
Centennial Energy Holdings, Inc.	(508,714)	0	(508,714)	(\$172,963)
Centennial Energy Resources International, Inc.	8,373,469	0	8,373,469	\$2,846,979
CGC Resources, Inc.	0	0	0	\$0
Concrete, Inc.	1,515,343	(1,761,100)	(245,757)	\$515,217
Connolly-Pacific Co.	8,889,936	(1,147,051)	7,742,885	\$3,022,578
Continental Line Builders, Inc.	(34,493)	0	(34,493)	(\$11,728)
Coordinating and Planning Services, Inc.	(550)	0	(550)	(\$187)
Desert Fire Holdings, Inc.	(2,191,205)	(46,078)	(2,237,283)	(\$745,010)
Desert Fire Protection, Inc.	26,943	0	26,943	\$9,161
DSS Company	3,345,203	(1,188,171)	2,157,032	\$1,137,369
E.S.I. Inc.	1,592,503	(37,361)	1,555,142	\$541,451
Fairbanks Materials, Inc.	23,489	594,668	618,157	\$7,986
Fidelity E & P Company	(33,402,157)	580,559	(32,821,598)	(\$11,356,733)
Fidelity Oil Company	36,085,848	(3,879,855)	32,205,993	\$12,269,188
Frebco, Inc.	(888,162)	(143,596)	(1,031,758)	(\$301,975)
Futuresource Capital Corp.	1,679,742	1,047,633	2,727,375	\$571,112
Granite City Ready Mix, Inc.	713,917	(182,713)	531,204	\$242,732
Hamlin Electric Company	(2,353,478)	11,390	(2,342,088)	(\$800,183)
Harp Engineering, Inc	(32)	0	(32)	(\$11)
ILB Hawaii, Inc.	(5,778)	0	(5,778)	(\$1,965)
Intermountain Gas Company	5,802,205	13,773,201	19,575,406	\$1,972,750
International Line Builders, Inc.	10,189,371	(77,634)	10,111,737	\$3,464,386
Jebro	608,368	7,671,693	8,280,061	\$206,845
JTL Group, Inc. - Montana	9,835,145	(3,208,003)	6,627,142	\$3,343,949
JTL Group, Inc. - Wyoming	675,288	(458,251)	217,037	\$229,598
Kent's Oil Service	3,236,941	113,504	3,350,445	\$1,100,560
Knife River Corporation	(359,561)	(1,002,147)	(1,361,708)	(\$122,251)
Knife River Corporation - North Central	16,430,415	(3,173,995)	13,256,420	\$5,586,341
Knife River Corporation - Northwest	12,434,377	(2,887,953)	9,546,424	\$4,227,688
Knife River Corporation - South	(133,029)	(3,011,184)	(3,144,213)	(\$45,230)
Knife River Dakota, Inc.	9,248,109	0	9,248,109	\$3,144,357
Knife River Hawaii, Inc.	9,246,533	0	9,246,533	\$3,143,821
Knife River Marine, Inc.	252,051	(42,387)	209,664	\$85,697

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KRC Holdings, Inc.	(34,260,793)	464,820	(33,795,973)	(\$11,648,670)
Lone Mountain Excavations & Utilities, LLC	(1,280,523)	(61,936)	(1,342,459)	(\$435,378)
Loy Clark Pipeline Co.	1,392,213	1,957	1,394,170	\$473,352
LTM, Incorporated	201,493	(1,637,833)	(1,436,340)	\$68,508
MDU Construction Services Group, Inc.	(8,156,750)	11,751	(8,144,999)	(\$2,773,295)
MDU Industrial Services, Inc.	0	0	0	\$0
MDU Resources Group, Inc.	(63,665,386)	72,461,665	8,796,279	(\$21,646,231)
Midland Technical Crafts, Inc.	168,377	0	168,377	\$57,248
Northstar Materials, Inc.	4,326,827	(626,957)	3,699,870	\$1,471,121
Oregon Electric Construction, Inc.	6,911,926	222,889	7,134,815	\$2,350,055
Pouk & Steinle, Inc.	(117,890)	0	(117,890)	(\$40,083)
Prairielands Energy Marketing, Inc.	107,343	8,606	115,949	\$36,497
Rocky Mountain Contractors	12,798	91,542	104,340	\$4,351
The Wagner-Smith Company	62,534	(9,525)	53,009	\$21,262
USI Industrial Services, Inc.	1,194,330	2,033	1,196,363	\$406,072
Wagner Industrial Electric, Inc.	(3,655,594)	(14,107)	(3,669,701)	(\$1,242,902)
Wagner-Smith Equipment Co.	14,094,712	8,128,047	22,222,759	\$4,792,202
Wagner-Smith Pumps & Systems, Inc.	3,224	0	3,224	\$1,096
Warner Enterprises, Inc.	(126,003)	(110,907)	(236,910)	(\$42,841)
WBI Energy Services, Inc.	0	0	0	\$0
WBI Holdings, Inc.	(50)	0	(50)	(\$17)
WBI Pipeline & Storage Group, Inc.	0	0	0	\$0
West Hawaii Concrete	479,582	(853,534)	(373,952)	\$163,058
WBI Energy Transmission, Inc.	(11,838,869)	37,860,368	26,021,499	(\$4,025,215)
Nevada Solar Solutions	(15,887,098)	16,329,167	442,069	(\$5,401,613)
Knife River Equipment	(2,808,958)	3,012,567	203,609	(\$955,046)
Intersource Insurance Company	2,968,699	0	2,968,699	\$1,009,358
MDU Resources Group, Inc. and Includible Subsidiaries	<u>\$4,606,305</u>	<u>\$159,397,070</u>	<u>\$164,003,375</u>	<u>\$1,566,144</u>