

NORTHWESTERN CORPORATION

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share amounts)

	Year Ended December 31,		
	2015	2014	2013
Revenues			
Electric	\$ 944,428	\$ 877,967	\$ 865,239
Gas	269,871	326,896	287,605
Other	—	—	1,675
Total Revenues	<u>1,214,299</u>	<u>1,204,863</u>	<u>1,154,519</u>
Operating Expenses			
Cost of sales	372,864	482,591	479,546
Operating, general and administrative	297,475	305,886	285,569
Property and other taxes	133,442	114,592	105,540
Depreciation and depletion	144,702	123,776	112,831
Total Operating Expenses	<u>948,483</u>	<u>1,026,845</u>	<u>983,486</u>
Operating Income	265,816	178,018	171,033
Interest Expense, net	(92,153)	(77,802)	(70,486)
Other Income, net	7,583	10,198	7,737
Income Before Income Taxes	181,246	110,414	108,284
Income Tax (Expense) Benefit	(30,037)	10,272	(14,301)
Net Income	<u>\$ 151,209</u>	<u>\$ 120,686</u>	<u>\$ 93,983</u>
Average Common Shares Outstanding	47,298	40,156	38,145
Basic Earnings per Average Common Share	<u>\$ 3.20</u>	<u>\$ 3.01</u>	<u>\$ 2.46</u>
Diluted Earnings per Average Common Share	<u>\$ 3.17</u>	<u>\$ 2.99</u>	<u>\$ 2.46</u>

See Notes to Consolidated Financial Statements