



**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION**

**(A direct, wholly-owned subsidiary of NorthWestern Energy Group, Inc.)**

**Financial Statements**

**For the Period Ending March 31, 2026**

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**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION**

**CONDENSED STATEMENTS OF INCOME**

(in thousands)

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Revenues</b>		
Electric	\$ 56,384	\$ 54,044
Gas	46,397	43,458
<b>Total Revenues</b>	102,781	97,502
<b>Operating Expenses</b>		
Fuel, purchased supply and direct transmission expense (exclusive of depreciation shown separately below)	49,889	46,300
Operating, administrative and general	17,520	17,126
Property and other taxes	1,847	1,983
Depreciation	13,112	12,675
<b>Total Operating Expenses</b>	82,368	78,084
Operating income	20,413	19,418
Interest expense, net	(6,767)	(6,272)
Other income, net	509	685
Income before income taxes	14,155	13,831
Income tax (expense) benefit	(3,011)	(1,928)
<b>Net Income</b>	\$ 11,144	\$ 11,903

See Notes to Condensed Financial Statements

**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION**  
**CONDENSED STATEMENTS OF COMPREHENSIVE INCOME**

(in thousands)

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Net Income	\$ 11,144	\$ 11,903
Other comprehensive income, net of tax:	—	—
<b>Comprehensive Income</b>	<b>\$ 11,144</b>	<b>\$ 11,903</b>

**Three Months Ended March 31,**

See Notes to Condensed Financial Statements

**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION**

**CONDENSED BALANCE SHEETS**

(in thousands)

	<b>As of March 31,</b>	<b>As of December</b>
	<b>2026</b>	<b>31,</b>
	<b>2026</b>	<b>2025</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 1,808	\$ 2,521
Restricted cash	10,105	9,570
Accounts receivable, net	37,972	41,834
Accounts receivable from related parties	3,323	699
Inventories	35,778	33,931
Regulatory assets	9,168	9,165
Prepaid expenses and other	16,407	10,577
<b>Total current assets</b>	<b>114,561</b>	<b>108,297</b>
Property, plant, and equipment, net	1,150,270	1,147,596
Goodwill	93,779	93,779
Regulatory assets	96,418	97,475
Other noncurrent assets	29,996	11,378
<b>Total Assets</b>	<b>\$ 1,485,024</b>	<b>\$ 1,458,525</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Current portion of long-term debt	\$ 104,983	\$ 104,967
Accounts payable	41,481	33,300
Accounts payable to related parties	—	—
Accrued expenses	36,187	33,829
Regulatory liabilities	12,369	17,464
<b>Total current liabilities</b>	<b>195,020</b>	<b>189,560</b>
Long-term debt	504,103	490,031
Deferred income taxes	47,528	44,781
Noncurrent regulatory liabilities	116,761	115,900
Other noncurrent liabilities	33,324	33,433
<b>Total Liabilities</b>	<b>896,736</b>	<b>873,705</b>
Commitments and Contingencies (Note 4)		
<b>Shareholders' Equity:</b>		
Common stock, par value \$0.01	0	0
Paid-in capital	582,428	582,104
Retained earnings	4,858	1,714
Accumulated other comprehensive income	1,002	1,002
<b>Total Shareholders' Equity</b>	<b>588,288</b>	<b>584,820</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 1,485,024</b>	<b>\$ 1,458,525</b>

See Notes to Condensed Financial Statements

**NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION**

**CONDENSED STATEMENTS OF CASH FLOWS**

(in thousands)

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>OPERATING ACTIVITIES:</b>		
Net Income	\$ 11,144	\$ 11,903
Adjustments to reconcile net income to cash provided by operations:		
Depreciation	13,112	12,675
Amortization of debt issuance costs	218	256
Stock-based compensation costs	324	368
Equity portion of allowance for funds used during construction	(264)	(214)
Deferred income taxes	3,035	1,214
Changes in current assets and liabilities:		
Accounts receivable	1,238	(6,327)
Inventories	(1,847)	706
Other current assets	(5,830)	554
Accounts payable	(4,546)	(6,989)
Accrued expenses	2,373	(7,904)
Regulatory assets	(3)	5,853
Regulatory liabilities	(5,095)	(2,782)
Other noncurrent assets and liabilities	(234)	8,458
<b>Cash Provided by Operating Activities</b>	<b>13,625</b>	<b>17,771</b>
<b>INVESTING ACTIVITIES:</b>		
Property, plant, and equipment additions	(19,803)	(18,240)
<b>Cash Used in Investing Activities</b>	<b>(19,803)</b>	<b>(18,240)</b>
<b>FINANCING ACTIVITIES:</b>		
Cash dividends to parent	(8,000)	(14,000)
Line of credit issuances, net	14,000	15,000
<b>Cash Provided by Financing Activities</b>	<b>6,000</b>	<b>1,000</b>
<b>Net (Decrease) Increase in Cash, Cash Equivalents, and Restricted Cash</b>	<b>(178)</b>	<b>531</b>
Cash, Cash Equivalents, and Restricted Cash, beginning of period	12,091	11,256
<b>Cash, Cash Equivalents, and Restricted Cash, end of period</b>	<b>\$ 11,913</b>	<b>\$ 11,787</b>
<b>Supplemental Cash Flow Information:</b>		
Cash (received) paid during the period for:		
Production tax credits <sup>(1)</sup>	—	(8,255)
Interest	5,518	5,650
Significant non-cash transactions:		
Capital expenditures included in accounts payable	24,349	1,154

(1) Proceeds from production tax credits transferred are included in cash provided by operating activities within the Condensed Statement of Cash Flows.

See Notes to Condensed Financial Statements

**NORTHWESTERN PUBLIC SERVICE CORPORATION**  
**CONDENSED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY**

(in thousands)

	Number of Common Shares	Number of Treasury Shares	Common Stock	Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
<b>Balance at December 31, 2024</b>	<b>0</b>	—	<b>\$ 0</b>	<b>\$ 580,992</b>	<b>\$ 10,187</b>	<b>\$ 829</b>	<b>\$ 592,008</b>
Net income	—	—	—	—	11,903	—	11,903
Stock based compensation	—	—	—	367	—	—	367
Cash dividend to parent	—	—	—	—	(14,000)	—	(14,000)
<b>Balance at March 31, 2025</b>	<b>0</b>	—	<b>\$ 0</b>	<b>\$ 581,359</b>	<b>\$ 8,090</b>	<b>\$ 829</b>	<b>\$ 590,278</b>
<b>Balance at December 31, 2025</b>	<b>0</b>	—	<b>\$ 0</b>	<b>\$ 582,104</b>	<b>\$ 1,714</b>	<b>\$ 1,002</b>	<b>\$ 584,820</b>
Net income	—	—	—	—	11,144	—	11,144
Stock based compensation	—	—	—	324	—	—	324
Cash dividend to parent	—	—	—	—	(8,000)	—	(8,000)
<b>Balance at March 31, 2026</b>	<b>0</b>	—	<b>\$ 0</b>	<b>\$ 582,428</b>	<b>\$ 4,858</b>	<b>\$ 1,002</b>	<b>\$ 588,288</b>

See Notes to Condensed Financial Statements

## NOTES TO CONDENSED FINANCIAL STATEMENTS

### (1) Nature of Operations and Basis of Consolidation

Northwestern Energy Public Service Corporation (NWE Public Service), a direct wholly-owned subsidiary of NorthWestern Energy Group, Inc., doing business as NorthWestern Energy, provides electricity and / or natural gas to approximately 160,200 customers in South Dakota and Nebraska. We have generated and distributed electricity in South Dakota and distributed natural gas in South Dakota and Nebraska since 1923.

The Condensed Financial Statements (Financial Statements) for the periods included herein have been prepared by NWE Public Service (NorthWestern, we, or us) in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information. Accordingly, the interim Financial Statements do not include all of the information and note disclosures required by GAAP for complete financial statements. The preparation of financial statements in conformity with the interim reporting guidance under GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Actual results could differ from those estimates. Events occurring subsequent to March 31, 2026, have been evaluated as to their potential impact to the Financial Statements through the date of issuance.

#### NorthWestern Energy Group, Inc. Pending Merger with Black Hills Corporation

On August 18, 2025, NorthWestern Energy Group, Inc. entered into a Merger Agreement with Black Hills and River Merger Sub Inc., a direct wholly owned subsidiary of Black Hills (Merger Sub). The Merger Agreement provides for an all-stock merger of equals between NorthWestern Energy Group, Inc. and Black Hills upon the terms and subject to the conditions set forth therein. The Merger Agreement provides for Merger Sub to merge with and into NorthWestern Energy Group, Inc. (Merger), with NorthWestern Energy Group, Inc. continuing as the surviving entity and a direct wholly owned subsidiary of Black Hills, which would assume a new corporate name as the resulting parent company of the combined corporate group. The completion of the Merger is subject to the satisfaction or waiver of certain conditions to closing. We anticipate the transaction closing in the second half of 2026, subject to the satisfaction or waiver of certain closing conditions.

### (2) Employee Benefit Plans

#### Pension and Other Postretirement Benefit Plans

We sponsor and/or contribute to pension and postretirement health care and life insurance benefit plans for eligible employees. We did not contribute to our pension plans during the three months ended March 31, 2026. We do not expect to contribute additional amounts to our pension plans during the remainder of 2026.

### (3) Financing Activities

On April 28, 2026, NWE Public Service priced \$150.0 million aggregate principal amount of South Dakota First Mortgage Bonds at a fixed interest rate of 5.51 percent maturing on June 15, 2036. We expect to complete the issuance and sale of these bonds on June 15, 2026. A portion of the proceeds will be utilized to redeem all \$60.0 million of NWE Public Service's 2.80 percent South Dakota First Mortgage Bonds due on June 15, 2026.

### (4) Commitments and Contingencies

## LEGAL PROCEEDINGS

We are subject to various legal proceedings, governmental audits and claims that arise in the ordinary course of business. In our opinion, the amount of ultimate liability with respect to these actions will not materially affect our financial position, results of operations, or cash flows.