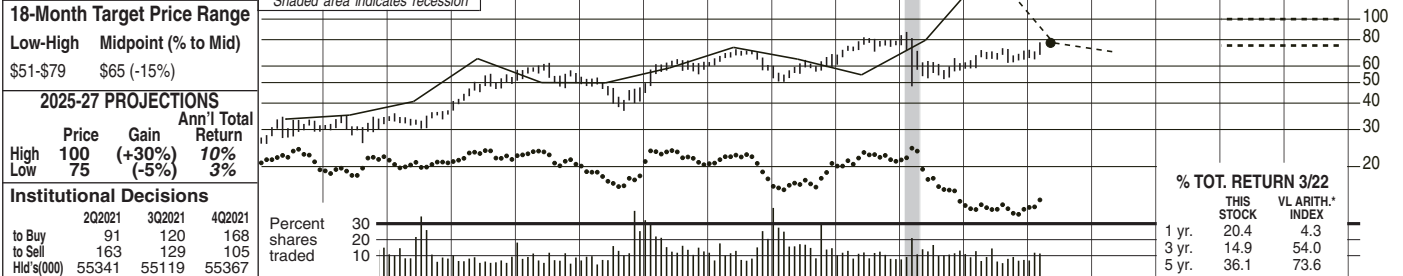


<b>TIMELINESS</b> 4 Lowered 4/16/21	High: 34.8 37.0 55.1 62.1 53.4 64.6 72.0 68.2 82.0 87.1 72.8 79.4	<b>LEGENDS</b> 0.77 x Dividends p sh divided by Interest Rate Relative Price Strength Options: Yes Shaded area indicates recession	<b>Target Price Range</b> 2025 2026 2027
<b>SAFETY</b> 2 Raised 5/1/15	Low: 25.8 30.3 36.9 47.1 36.8 44.7 57.0 50.5 60.8 48.1 58.2 64.4		
<b>TECHNICAL</b> 3 Raised 4/22/22			
<b>BETA</b> 1.00 (1.00 = Market)			



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
19.69	18.41	26.03	32.58	33.29	28.96	26.55	28.67	31.20	25.48	29.47	31.38	29.24	28.22	27.02	30.11	<b>30.10</b>	<b>30.35</b>	Revenues per sh	<b>32.50</b>
5.04	5.29	2.95	5.41	4.88	4.01	5.59	5.93	6.25	5.67	6.28	7.15	6.61	7.02	7.41	7.41	<b>7.85</b>	<b>8.25</b>	"Cash Flow" per sh	<b>9.50</b>
2.21	2.68	.18	2.32	1.66	1.01	1.97	2.61	2.89	2.83	2.63	3.38	3.47	3.53	3.73	3.74	<b>4.05</b>	<b>4.25</b>	Earnings per sh <sup>A</sup>	<b>5.00</b>
1.32	1.37	1.40	1.42	1.44	1.46	1.48	1.52	1.56	1.62	1.68	1.81	1.93	2.05	2.17	2.29	<b>2.41</b>	<b>2.53</b>	Div'd Decl'd per sh <sup>B</sup>	<b>2.95</b>
9.24	6.92	8.51	8.90	12.04	10.03	7.90	7.97	8.92	8.90	8.89	6.09	7.62	13.31	12.22	10.47	<b>9.20</b>	<b>8.90</b>	Cap'l Spending per sh	<b>9.25</b>
23.68	25.66	27.19	27.84	28.02	27.53	27.88	29.39	30.80	28.63	30.25	31.92	36.36	38.42	40.79	43.05	<b>45.35</b>	<b>47.55</b>	Book Value per sh <sup>C</sup>	<b>54.75</b>
33.37	37.80	38.64	38.97	39.27	43.92	44.21	44.50	44.67	51.19	53.38	53.54	60.00	61.48	62.79	64.74	<b>66.50</b>	<b>67.50</b>	Common Shs Outst'g <sup>D</sup>	<b>71.00</b>
15.8	15.0	NMF	9.9	18.1	31.1	17.1	18.2	19.0	16.1	22.3	19.5	16.8	21.2	17.0	17.7	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	<b>17.5</b>
.85	.80	NMF	.66	1.15	1.95	1.09	1.02	1.00	.81	1.17	.98	.91	1.13	.87	.97			Relative P/E Ratio	<b>.95</b>
3.8%	3.4%	4.2%	6.2%	4.8%	4.6%	4.4%	3.2%	2.8%	3.5%	2.9%	2.7%	3.3%	2.7%	3.4%	3.5%			Avg Ann'l Div'd Yield	<b>3.4%</b>

CAPITAL STRUCTURE as of 12/31/21				2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Revenues (Smill)	2300	
Total Debt \$4547.1 mill. Due in 5 Yrs \$1845.2 mill.				1173.9	1275.9	1393.6	1304.6	1573.0	1680.3	1754.3	1734.9	1696.9	1949.1	<b>2000</b>	<b>2050</b>	2050	2050	2050	2050	2050	2050	2050	Net Profit (Smill)	<b>360</b>
LT Debt \$4126.9 mill. LT Interest \$147.8 mill.				86.9	115.8	128.8	128.3	140.3	186.5	192.5	214.5	232.9	236.7	<b>265</b>	<b>285</b>	285	285	285	285	285	285	285	Income Tax Rate	<b>8.5%</b>
(LT interest earned: 2.8x)				35.5%	34.7%	33.7%	35.8%	25.1%	28.7%	19.2%	13.0%	12.2%	2.8%	<b>8.5%</b>	<b>8.5%</b>	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	AFUDC % to Net Profit	<b>1.0%</b>	
Leases, Uncapitalized Annual rentals \$2.2 mill.				5.4%	2.4%	2.4%	2.7%	5.3%	2.7%	1.4%	3.3%	2.5%	2.0%	<b>2.0%</b>	<b>1.0%</b>	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	Long-Term Debt Ratio	<b>45.5%</b>	
Pension Assets-12/21 \$458.4 mill.				43.2%	51.6%	47.9%	56.0%	66.5%	64.5%	57.5%	57.1%	57.9%	59.7%	<b>54.5%</b>	<b>53.0%</b>	53.0%	53.0%	53.0%	53.0%	53.0%	53.0%	Common Equity Ratio	<b>54.5%</b>	
Oblig \$478.3 mill.				56.8%	48.4%	52.1%	44.0%	33.5%	35.5%	42.5%	42.9%	42.1%	40.3%	<b>45.5%</b>	<b>47.0%</b>	47.0%	47.0%	47.0%	47.0%	47.0%	47.0%	Total Capital (Smill)	<b>7125</b>	
Pfd Stock None				2171.4	2704.7	2643.6	3332.7	4825.8	4818.4	5132.4	5502.2	6089.5	6914.0	<b>6615</b>	<b>6815</b>	6815	6815	6815	6815	6815	6815	Net Plant (Smill)	<b>8225</b>	
Common Stock 64,738,725 shs. as of 1/31/22				2742.7	2990.3	3239.4	3259.1	4469.0	4541.4	4854.9	5503.2	6019.7	6449.2	<b>6805</b>	<b>7130</b>	7130	7130	7130	7130	7130	7130	Return on Total Cap'l	<b>6.0%</b>	
MARKET CAP: \$5.0 billion (Large Cap)				5.5%	5.5%	6.1%	4.9%	4.0%	5.2%	5.0%	4.9%	5.0%	4.5%	<b>5.0%</b>	<b>5.0%</b>	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	Return on Shr. Equity	<b>9.0%</b>	
ELECTRIC OPERATING STATISTICS				7.1%	8.9%	9.4%	8.8%	8.7%	10.9%	8.8%	9.1%	9.1%	8.5%	<b>9.0%</b>	<b>9.0%</b>	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	Return on Com Equity <sup>E</sup>	<b>9.0%</b>	
2019 2020 2021				7.1%	8.9%	9.4%	8.8%	8.7%	10.9%	8.8%	9.1%	9.1%	8.5%	<b>9.0%</b>	<b>9.0%</b>	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	Retained to Com Eq	<b>4.0%</b>	
% Change Retail Sales (KWH)				1.8%	3.7%	4.3%	3.8%	3.3%	5.3%	3.9%	3.8%	3.8%	3.3%	<b>3.5%</b>	<b>3.5%</b>	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	All Div'ds to Net Prof	<b>58%</b>	
Avg. Indust. Use (MWH)				75%	58%	54%	57%	62%	52%	55%	58%	58%	61%	<b>60%</b>	<b>59%</b>	59%	59%	59%	59%	59%	59%			
Avg. Indust. Revs. per KWH (c)																								
Capacity at Yearend (Mw)																								
Peak Load, Summer (Mw)																								
Annual Load Factor (%)																								
% Change Customers (yr-end)																								
Fixed Charge Cov. (%)																								

**BUSINESS:** Black Hills Corporation is a holding company for Black Hills Energy, which serves 218,000 electric customers in CO, SD, WY and MT, and 1.1 million gas customers in NE, IA, KS, CO, WY, and AR. Has coal mining sub. Acq'd utility ops. from Aquila 7/08; SourceGas 2/16. Discontinued gas marketing in '11; gas & oil E&P in '17. Electric rev. breakdown: residential, 31%; commercial, 34%; industrial, 19%; other, 16%. Generating sources: coal, 34%; gas, 25%; wind, 11%; purchased, 30%. Fuel costs: 38% of revs. '21 deprec. rate: 3.1%. Has 2,900 employees. Chairman: David R. Emery. President & CEO: Linn Evans. Inc.: SD. Address: 7001 Mount Rushmore Rd., P.O. Box 1400, Rapid City, SD 57709-1400. Tel.: 605-721-1700. Internet: www.blackhillscorp.com.

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '19-'21	2019	2020	2021
of change (per sh)				+2.1	-7	+1.5
Revenues	-1.0%	-	2.0%	21406	21624	21358
"Cash Flow"	4.5%	3.5%	4.5%	7.38	7.31	8.51
Earnings	8.0%	5.5%	5.5%	NA	NA	NA
Dividends	4.0%	6.0%	5.5%	1022	1050	1078
Book Value	4.0%	6.5%	5.0%	NA	NA	NA

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	597.8	333.9	325.5	477.7	1734.9
2020	537.0	326.9	346.6	486.4	1696.9
2021	633.4	372.6	380.6	562.5	1949.1
2022	<b>650</b>	<b>400</b>	<b>400</b>	<b>550</b>	<b>2000</b>
2023	<b>675</b>	<b>400</b>	<b>400</b>	<b>575</b>	<b>2050</b>

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	1.73	.24	.44	1.13	3.53
2020	1.59	.33	.58	1.23	3.73
2021	1.54	.40	.70	1.11	3.74
2022	<b>1.65</b>	<b>.45</b>	<b>.65</b>	<b>1.30</b>	<b>4.05</b>
2023	<b>1.75</b>	<b>.45</b>	<b>.65</b>	<b>1.40</b>	<b>4.25</b>

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2018	.475	.475	.475	.505	1.93
2019	.505	.505	.505	.535	2.05
2020	.535	.535	.535	.565	2.17
2021	.565	.565	.565	.595	2.29
2022					

**Black Hills Corporation should post a solid earnings increase in 2022.** The company will benefit from a full year's effect of rate relief that was granted last year. In addition, a significant portion of the utilities' capital spending is recoverable through riders (surcharges) on customers' bills. We assume normal weather patterns after unfavorable weather hurt earnings by \$0.16 a share in the fourth quarter of 2021 and by \$0.07 for the full year, which helps explain why the profit growth Black Hills posted last year was minimal. The economy in the service area is healthy. There are some negative factors for the share-net comparison, namely a cut in the price of a power-sales contract, which took effect at the start of 2022, and a rise in average shares outstanding stemming from equity issuances that occurred last year and are planned for this year (\$100 million-\$120 million issued through an at-the-market program). Our estimate is at the midpoint of management's targeted range of \$3.95-\$4.15 a share.

**A gas rate case is pending in Arkansas, and other applications are upcoming.** The utility filed for an increase of \$21.6 million, based on a return on equity of 10.2% and a common-equity ratio of 50.9%. New tariffs are expected to take effect in the fourth quarter of 2022. Wyoming Electric plans to file a case by midyear, and Rocky Mountain Natural Gas, Black Hills' midstream gas subsidiary in Colorado, expects to file a petition later this year. Orders on these two cases are expected in 2023.

**We estimate a solid profit increase again in 2023.** Rate relief and additional rider revenues should be contributing factors. Our estimate of \$4.25 a share would provide bottom-line growth within Black Hills' annual goal of 5%-7%.

**The company is proposing a significant transmission project in Wyoming.** The estimated cost is \$260 million. If the state commission issues a certificate of need, construction of the line will begin in early 2023 and proceed in multiple segments through 2025.

**This untimely stock has a dividend yield that is about average for a utility.** The equity does not stand out for the next 18 months or the 3- to 5-year period.

*Paul E. Debbas, CFA*  
April 22, 2022

(A) Dil. EPS. Excl. nonrec. gains (losses): '08, (\$1.55); '09, (28c); '10, 10c; '15, (\$3.54); '16, (\$1.26); '17, 14c; '18, \$1.31; '19, (25c); '20, (8c); discount ops.: '08, \$4.12; '09, 7c; '11, 23c; '12, (16c); '17, (31c); '18, (12c). '19 & '21 EPS don't sum due to rounding. Next egs. due early May. '18 Div'ds pd. early Mar., Jun., Sept., & Dec. = Div'd reinv. plan avail. (C) Incl. def'd chgs. In '21: \$28.20/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq. in SD in '15: none; in CO in '17: 9.37%; earn. on avg. com. eq., '21: 8.9%. Regul. Climate: Avg.	Company's Financial Strength A
	Stock's Price Stability 85
	Price Growth Persistence 45
	Earnings Predictability 90