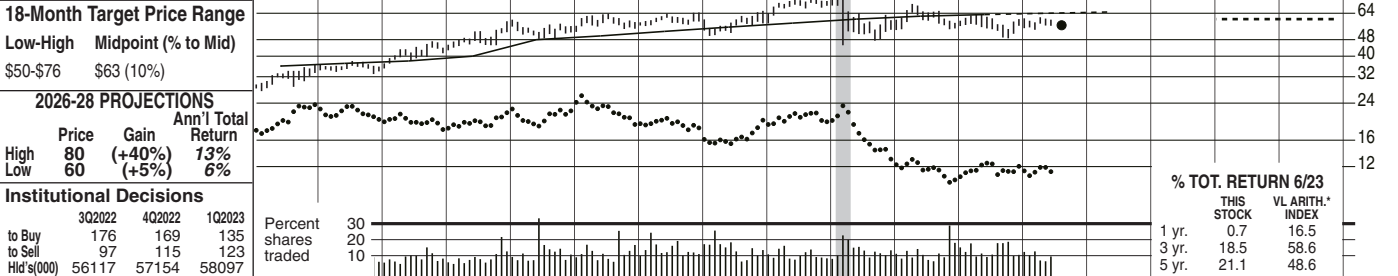


NORTHWESTERN NDQ-NWE

RECENT PRICE **56.16** P/E RATIO **16.3** (Trailing: 17.2 Median: 17.0) RELATIVE P/E RATIO **0.94** DIV/D YLD **4.6%** VALUE LINE

TIMELINESS **3** Lowered 7/7/23
SAFETY **2** Raised 7/27/18
TECHNICAL **1** Raised 7/21/23
BETA .95 (1.00 = Market)

High:	38.0	47.2	58.7	59.7	63.8	64.5	65.7	76.7	80.5	70.8	63.1	61.2	Target Price Range		
Low:	33.0	35.1	42.6	48.4	52.2	55.7	50.0	57.3	45.1	53.2	48.7	53.4	2026	2027	2028
LEGENDS ■ 25.0 x Dividends p sh . . . Relative Price Strength Options: Yes Shaded area indicates recession															



2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	© VALUE LINE PUB. LLC	26-28	
30.79	35.09	31.72	30.66	30.80	28.76	29.80	25.68	25.21	26.01	26.45	23.81	24.93	23.70	25.38	24.74	25.80	26.15	Revenues per sh	28.25	
3.70	4.40	4.62	4.76	5.42	5.18	5.45	5.39	5.92	6.74	6.76	6.96	7.07	6.86	6.92	6.46	6.80	7.20	"Cash Flow" per sh	8.35	
1.44	1.77	2.02	2.14	2.53	2.26	2.46	2.99	2.90	3.39	3.34	3.40	3.53	3.21	3.50	3.29	3.45	3.60	Earnings per sh A	4.15	
1.28	1.32	1.34	1.36	1.44	1.48	1.52	1.60	1.92	2.00	2.10	2.20	2.30	2.40	2.48	2.52	2.56	2.60	Div'd Decl'd per sh B = †	2.76	
3.00	3.47	5.26	6.30	5.20	5.89	5.95	5.76	5.89	5.96	5.60	5.64	6.26	8.02	8.03	8.62	8.50	7.75	Cap'l Spending per sh	7.00	
21.12	21.25	21.86	22.64	23.68	25.09	26.60	31.50	33.22	34.68	36.44	38.60	40.42	41.10	43.28	44.61	47.50	48.50	Book Value per sh C	52.30	
38.97	35.93	36.00	36.23	36.28	37.22	38.75	46.91	48.17	48.33	49.37	50.32	50.45	50.59	54.06	59.74	62.00	62.00	Common Shs Outst'g D	62.00	
21.7	13.9	11.5	12.9	12.6	15.7	16.9	16.2	18.4	17.2	17.8	16.8	19.9	18.6	17.4	17.3	Bold figures are Value Line estimates			Avg Ann'l P/E Ratio	16.5
1.15	.84	.77	.82	.79	1.00	.95	.85	.93	.90	.90	.91	1.06	.96	.94	.99	Relative P/E Ratio			.90	
4.1%	5.4%	5.7%	4.9%	4.5%	4.2%	3.7%	3.3%	3.6%	3.4%	3.5%	3.9%	3.3%	4.0%	4.1%	4.4%	Avg Ann'l Div'd Yield			4.0%	

CAPITAL STRUCTURE as of 3/31/23
 Total Debt \$2596.1 mill. Due in 5 Yrs \$1111.4 mill.
 LT Debt \$2348.6 mill. LT Interest \$95.0 mill.
 Incl. \$8.0 mill. finance leases.
 (Total Interest Coverage: 2.5x)

Pension Assets-12/22 \$441.5 mill. Oblig \$521.8 mill.

Pfd Stock None

Common Stock 59,794,897 shs. as of 4/21/23

MARKET CAP: \$3.4 billion (Mid Cap)

ELECTRIC OPERATING STATISTICS

	2020	2021	2022
% Change Retail Sales (KWH)	+4.4	+7	+3.7
Avg. Indust. Use (MWH)	33526	31792	34079
Avg. Indust. Revs. per KWH (c)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Winter (Mw)	NA	NA	2073
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.2	+1.6	+1.5

BUSINESS: NorthWestern Corporation (doing business as NorthWestern Energy) supplies electricity & gas in the Upper Midwest and Northwest, serving 463,000 electric customers in Montana and South Dakota and 301,000 gas customers in Montana, South Dakota, and Nebraska. Electric revenue breakdown: residential, 45%; commercial, 46%; industrial, 5%; other, 4%. Generating sources: coal, 28%; hydro, 26%; wind, 6%; natural gas, 6%; purchased power, 34%. Fuel costs: 33% of revenues. 2022 reported depreciation rate: 2.8%. Has approximately 1,500 employees. Board Chair: Dana J. Dykhouse. President and CEO: Brian B. Bird. Incorporated: DE. Address: 3010 West 69th Street, Sioux Falls, SD 57108. Telephone: 605-978-2900. Internet: www.northwesternenergy.com.

NorthWestern is still awaiting final approval on a settlement agreement for new electric and natural gas rates in Montana. To recap: in early April, the utility worked out an acceptable consensus with the Montana Consumer Counsel, the Montana Large Customer Group, and Walmart, Inc. The settlement has been submitted to the Montana Public Service Commission (MPSC) for the regulatory body's consideration. The MPSC has already granted interim rate hikes, starting from last October, to allow the company to begin the recoupment of some elevated spending. The agreed-to base rates would increase annual electric and natural gas revenues by \$67.4 million and \$14.1 million, respectively. Those levels are predicated on the same authorized returns on equity, namely 9.65% for electric and 9.55% for gas, that were last agreed upon in 2015 and 2017. Assuming the MPSC signs off on the agreement, the utility will have gotten about two-thirds of what it originally filed for in its general rate case. Importantly, NorthWestern would also receive pricing mechanisms geared towards reducing regulatory lag.

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '20-'22 of change (per sh) 5 Yrs. to '26-'28

	Past 10 Yrs.	Past 5 Yrs.	Est'd '20-'22 of change (per sh)
Revenues	-2.0%	-1.0%	2.5%
"Cash Flow"	3.0%	1.0%	3.5%
Earnings	3.5%	1.0%	3.5%
Dividends	5.5%	4.0%	2.0%
Book Value	6.0%	4.5%	3.5%

Cal-endar	QUARTERLY REVENUES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2020	335.3	269.4	280.6	313.4	1198.7
2021	400.8	298.2	326.0	347.3	1372.3
2022	394.5	323.0	335.1	425.2	1477.8
2023	454.5	350	360	435.5	1600
2024	460	355	365	440	1620

Cal-endar	EARNINGS PER SHARE A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2020	1.00	.43	.58	1.21	3.21
2021	1.24	.59	.70	.97	3.50
2022	1.08	.58	.47	1.16	3.29
2023	1.10	.59	.60	1.16	3.45
2024	1.15	.62	.63	1.20	3.60

Cal-endar	QUARTERLY DIVIDENDS PAID B = †				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2019	.575	.575	.575	.575	2.30
2020	.60	.60	.60	.60	2.40
2021	.62	.62	.62	.62	2.48
2022	.63	.63	.63	.63	2.52
2023	.64	.64			

Adding generating capacity to the rate base is key to the utility's future growth. (The rate base is the dollar value of assets for which a utility is allowed to earn an economic return.) In June, NorthWestern completed an \$83 million, 58-megawatt gas-fired power plant in South Dakota, with the potential for added capacity in the state down the road. A \$275 million, 175-mw facility in Montana was due to be operational later this year before a state judge revoked the company's air quality permit as part of a lawsuit filed by an environmental group. In June, the bench reversed that decision, citing a new state law that eliminated the need to consider climate impacts from greenhouse gas emissions. The 175-mw gas-fired plant is now expected to come on line in 2024. **This issue does not stand out relative to industry peers in regards to annual total return potential.** We think the likelihood of a constructive conclusion to the company's general rate case is already largely reflected in the recent share price. There are utilities with a comparable dividend yield and better growth prospects. *Anthony J. Glennon July 21, 2023*

(A) Diluted eps. Excl. nonrec. gains/(losses): '12, 40c; '15, 27c; '18, 52c; '19, 45c; '20, (15c); '21, 10c; '22, (4c); '1Q '23, (5c). '20 EPS don't sum due to rounding. Next eps. report due July 26th. (B) Div'ds paid in late Mar., June, Sept. & Dec. = Div'd reinvest. plan avail. † Shareholder invest. plan avail. (C) Incl. def'd charges. In '22: \$17.98/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in MT in '19 (elec.): 9.65%; in '17 (gas): 9.55%; in SD in '15: none specified; in NE in '07: 10.4%. Regulatory Climate: Below Average. Company's Financial Strength B++ Stock's Price Stability 90 Price Growth Persistence 40 Earnings Predictability 90

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