



2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
25.69	33.01	37.20	39.13	39.16	38.17	30.56	31.72	27.14	28.02	27.64	26.39	23.61	26.52	24.45	24.49	25.15	26.45	Revenues per sh	29.40
3.92	4.34	4.76	5.41	5.31	5.20	5.18	5.00	4.94	5.04	5.05	4.91	4.93	5.28	5.28	5.15	4.85	5.20	"Cash Flow" per sh	6.15
1.86	2.11	2.35	2.76	2.57	2.83	2.73	2.39	2.22	2.24	2.16	1.96	2.12	d1.94	2.33	2.19	2.35	2.55	Earnings per sh ^A	3.20
1.30	1.32	1.39	1.44	1.52	1.60	1.68	1.75	1.79	1.83	1.85	1.86	1.87	1.88	1.89	1.90	1.91	1.92	Div'ds Decl'd per sh ^B	1.97
5.52	3.48	3.56	4.48	3.92	5.09	9.35	3.76	4.91	5.13	4.40	4.37	4.87	7.43	7.43	7.95	7.80	6.15	Cap'l Spending per sh	6.25
20.64	21.28	22.01	22.52	23.71	24.88	26.08	26.70	27.23	27.77	28.12	28.47	29.71	25.85	26.41	28.42	29.70	31.85	Book Value per sh ^D	38.40
27.55	27.58	27.24	26.41	26.50	26.53	26.58	26.76	26.92	27.08	27.28	27.43	28.63	28.74	28.88	30.47	31.00	31.00	Common Shs Outst'g ^C	32.00
16.7	17.0	15.9	16.7	18.1	15.2	17.0	19.0	21.1	19.4	20.7	23.7	26.9	--	26.6	30.9	Bold figures are Value Line estimates	--	Avg Ann'l P/E Ratio	24.0
.88	.91	.86	.89	1.09	1.01	1.08	1.19	1.34	1.09	1.09	1.19	1.41	--	1.44	1.68	--	--	Relative P/E Ratio	1.35
4.2%	3.7%	3.7%	3.1%	3.3%	3.7%	3.6%	3.9%	3.8%	4.2%	4.1%	4.0%	3.3%	3.0%	3.0%	2.8%	--	--	Avg Ann'l Div'd Yield	2.6%

CAPITAL STRUCTURE as of 6/30/20				2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Revenues (\$mill)	23-25
Total Debt \$1187.1 mill. Due in 5 Yrs \$910.0 mill.				812.1	848.8	730.6	758.5	754.0	723.8	676.0	762.2	706.1	746.4	780	820	Revenues (\$mill)	940		
LT Debt \$918.9 mill. LT Interest \$40.0 mill.				72.7	63.9	59.9	60.5	58.7	53.7	58.9	d55.6	67.3	65.3	80.0	85.0	Net Profit (\$mill)	95.0		
(Total interest coverage: 3.7x)				40.5%	40.4%	42.4%	40.8%	41.5%	40.0%	40.9%	--	26.4%	16.2%	21.0%	21.0%	Income Tax Rate	21.0%		
Pension Assets-12/19 \$313.1 mill. Oblig. \$515.7 mill.				8.9%	7.5%	8.2%	8.0%	7.8%	7.4%	8.7%	NMF	9.5%	8.8%	9.4%	9.7%	Net Profit Margin	10.9%		
Pfd Stock None				46.1%	47.3%	48.5%	47.6%	44.8%	42.5%	44.4%	47.9%	48.1%	48.2%	47.5%	47.0%	Long-Term Debt Ratio	47.5%		
Common Stock 30,547,293 shares as of 8/3/20				53.9%	52.7%	51.5%	52.4%	55.2%	57.5%	55.6%	52.1%	51.9%	51.8%	52.5%	53.0%	Common Equity Ratio	52.5%		
MARKET CAP \$1.6 billion (Mid Cap)				1284.8	1356.2	1424.7	1433.6	1389.0	1357.7	1529.8	1426.0	1468.9	1672.0	1755	1855	Total Capital (\$mill)	1825		
CURRENT POSITION				1854.2	1893.9	1973.6	2062.9	2121.6	2182.7	2260.9	2255.0	2421.4	2438.9	2535	2640	Net Plant (\$mill)	3065		
Cash Assets				7.0%	6.2%	5.7%	5.8%	5.8%	5.5%	5.1%	NMF	5.8%	5.2%	5.0%	5.5%	Return on Total Cap'l	5.5%		
Other				10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	8.8%	7.5%	8.0%	8.0%	Return on Shr. Equity	8.5%		
Current Assets				10.5%	8.9%	8.2%	8.1%	7.6%	6.9%	6.9%	NMF	8.8%	7.5%	8.0%	8.0%	Return on Com Equity	8.5%		
Accts Payable				4.0%	2.4%	1.6%	1.5%	1.1%	.6%	.9%	NMF	2.1%	1.4%	1.5%	2.0%	Retained to Com Eq	3.0%		
Debt Due				61%	73%	80%	81%	85%	92%	87%	NMF	76%	82%	81%	75%	All Div'ds to Net Prof	61%		
Other				BUSINESS: Northwest Natural Holding Co. distributes natural gas to 1000 communities, 750,000 customers, in Oregon (89% of customers) and in southwest Washington state. Principal cities served: Portland and Eugene, OR; Vancouver, WA. Service area population: 3.7 mill. (77% in OR). Company buys gas supply from Canadian and U.S. producers; has transportation rights on Northwest Pipeline system. Owns local underground storage. Rev. breakdown: residential, 37%; commercial, 22%; industrial, gas transportation, 41%. Employs 1,167. BlackRock Inc. owns 15.5% of shares; Off/Dir. own less than 1% (4/20 proxy). CEO: David H. Anderson, Inc.: Oregon. Address: 220 NW 2nd Ave., Portland, OR 97209. Tel.: 503-226-4211. Internet: www.nwnatural.com.															

Northwest Natural Holding recorded mixed second-quarter results. Revenues expanded to \$135.0 million, aided by additional contributions from the North Mist natural gas storage facility and its recently acquired water operations. It added around 13,000 new customers over the past 12 months, growing its base by 1.7%. However, the company incurred higher gas costs and maintenance expenses. Moreover, interest expense rose due to a higher debt load, but a tax benefit helped some. Overall, these factors led to a net loss of \$0.17 per share during the quarter. Still, the utility ought to have better results in the coming months, as it will likely benefit from new legislation in Oregon. This allows utilities to recover 5% of renewable natural gas' incremental costs, which would equate to about \$30 million annually. Additionally, the company filed for a \$45.8 million increase in revenues with the Oregon Public Utility Commission. If approved, this would take effect in November, though we don't think it will earn the full amount. Northwest sold about 1.4 million shares in June, which will spread profits among a higher total share count.

Overall, we have reduced our 2020 full-year share-net estimate by a dime to \$2.35.

The long-term outlook is bright here. Revenues will likely expand at a steady clip, assuming the company's rate cases yield favorable outcomes. Moreover, the entry into the water utility space should further enhance the top line as it closed several new water utility transactions. These include Suncadia in Washington State and its first water utility in Texas. Too, Northwest closed on a few water utilities in Idaho and will likely see some economies of scale emerge over the long haul. We project that earnings will expand to \$2.55 per share in 2021 and \$3.20 per share by mid-decade.

Shares of Northwest Natural Holding are neutrally ranked for Timeliness. This equity holds ample 3- to 5-year recovery potential based on our projections. Too, the dividend yield is attractive, though we expect modest increases in the payout in the years ahead. Overall, we think this equity will appeal to conservative long-term accounts.

John E. Seibert III August 28, 2020

Cal-endar	QUARTERLY REVENUES (\$ mill.)	Full Year			
Mar.31	Jun.30	Sep.30	Dec.31	Full Year	
2017	297.3	136.3	88.2	240.4	762.2
2018	264.7	124.6	91.2	226.7	706.1
2019	285.4	123.4	90.3	247.3	746.4
2020	285.2	135.0	105	254.8	780
2021	305	145	110	260	820

Cal-endar	EARNINGS PER SHARE ^A	Full Year			
Mar.31	Jun.30	Sep.30	Dec.31	Full Year	
2017	1.40	.10	d.30	d3.14	d1.94
2018	1.46	d.01	d.39	1.27	2.33
2019	1.50	.07	d.61	1.26	2.19
2020	1.58	d.17	d.40	1.34	2.35
2021	1.60	d.05	d.35	1.35	2.55

Cal-endar	QUARTERLY DIVIDENDS PAID ^B	Full Year			
Mar.31	Jun.30	Sep.30	Dec.31	Full Year	
2016	.4675	.4675	.4675	.470	1.87
2017	.470	.470	.470	.4725	1.88
2018	.4725	.4725	.4725	.475	1.89
2019	.475	.475	.475	.4775	1.90
2020	.4775	.4775	.4775		

(A) Diluted earnings per share. Excludes non-recurring items: '06, (\$0.06); '08, (\$0.03); '09, \$0.06; May not sum due to rounding. Next earnings report due in early November.
 (B) Dividends historically paid in mid-February, May, August, and November.
 (C) In millions.
 (D) Includes intangibles. In 2019: \$343.2 million, \$11.26/share.