

A woman wearing a white hard hat with a CPDS logo and a yellow safety vest is working on a wind turbine tower. She is wearing safety glasses and black gloves, and is looking out over a landscape with several wind turbines under a clear sky. The scene is lit with a cool, blue-toned light.

2021 Second Quarter Review

Aug. 4, 2021



Forward-Looking Statements

COMPANY INFORMATION

Black Hills Corporation

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This presentation includes “forward-looking statements” as defined by the Securities and Exchange Commission. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this presentation that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. This includes, without limitations, our 2021 and 2022 earnings guidance and long-term growth targets. These forward-looking statements are based on assumptions which we believe are reasonable based on current expectations and projections about future events and industry conditions and trends affecting our business. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties that, among other things, could cause actual results to differ materially from those contained in the forward-looking statements, including without limitation, the risk factors described in Item 1A of Part I of our 2020 Annual Report on Form 10-K and other reports that we file with the SEC from time to time, and the following:

- The accuracy of our assumptions on which our earnings guidance and growth targets are based;
- Our ability to obtain adequate cost recovery for our utility operations through regulatory proceedings and favorable rulings on periodic applications to recover costs for capital additions, plant retirements and decommissioning, fuel, transmission, purchased power and other operating costs, and the timing in which new rates would go into effect;
- Our ability to complete our capital program in a cost-effective and timely manner;
- Our ability to execute on our strategy;
- Our ability to successfully execute our financing plans;
- Our ability to achieve our greenhouse gas emissions intensity reduction goals;
- Board of Directors’ approval of any future quarterly dividends;
- The impact of future governmental regulation; and
- Other factors discussed from time to time in our filings with the SEC.

New factors that could cause actual results to differ materially from those described in forward-looking statements emerge from time-to-time, and it is not possible for us to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. We assume no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise.

2021 Second Quarter Review



READY TO SERVE

We take a programmatic approach to maintaining, upgrading and replacing critical infrastructure to better serve our customers and communities.

Delivering Results



Strong financial results



Resilient operational performance



Regulatory progress



Electric resource planning



Financial Outlook

2021

Reaffirmed EPS guidance of \$3.80 to \$4.00

2022

Reaffirmed EPS guidance of \$3.95 to \$4.15

2023-2025

5% to 7% long-term EPS growth target*

Dividend

5%+ annual growth rate target through 2025

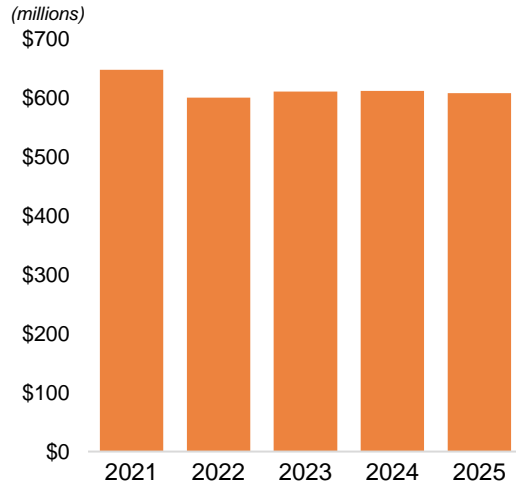
* 2023 to 2025 compound annual growth rate, off 2022 base

Disciplined Growth Plan with Upside



Capital Forecast

\$600+ million annual investment; \$3+ billion 2021-2025



Incremental Projects

- ▲ Electric generation and transmission projects
- ▲ Large natural gas pipeline and storage projects
- ▲ Additional long-term investment programs
- ▲ Investments to comply with safety requirements



Other Earnings Drivers

Pursuing Profitable Growth

- ▲ Data center and technology growth
- ▲ Population migration into our territories
- ▲ Innovative solutions, products and technologies, including renewables
- ▲ Cost discipline and focus on continuous improvement

South Dakota and Wyoming Electric Integrated Resource Plan*

Roadmap to Reliable, Cleaner and Cost-Effective Grid of the Future

Add 100MW of renewable generation



Convert 90MW coal generation to natural gas in 2025

Evaluate 20MW of battery storage



Maintain cost-effective, reliable capacity through engineered life



Evaluate and develop transmission opportunities



Support research for emissions-reducing technologies



* Preferred plan as submitted to South Dakota Public Utilities Commission and Wyoming Public Service Commission

Reducing Emissions

Greenhouse Gas Emissions Intensity Reduction Goals

Electric Operations

■ 40% by 2030*

■ 70% by 2040*

Gas Utilities

■ 50% by 2035*



www.blackhillsenergy.com/our-company/sustainability

Enhanced ESG Reporting

New and Updated Reporting Coming in August:

- ✓ **New** SASB disclosures
- ✓ **New** NCSI disclosures
- ✓ 2020 Corporate Sustainability Report
- ✓ 2020 AGA and EEI quantitative reports



Integrated Utility with Strong Growth Outlook

\$3+ billion

Capital Investment 2021-2025

- Incremental projects likely
- Additional growth opportunities

5% to 7%

Long-term EPS growth target¹

5%+

Annual dividend growth target²

50-60% payout target

- Integrated pure-play utility
- Diversified and complementary electric and gas mix
- Stable, growing and constructive service territories
- Strong financial position and liquidity
- Robust capital plan with timely recovery

¹ 2023 to 2025 compound annual growth rate, off 2022 base

² Future dividends subject to board approval

Financial Overview

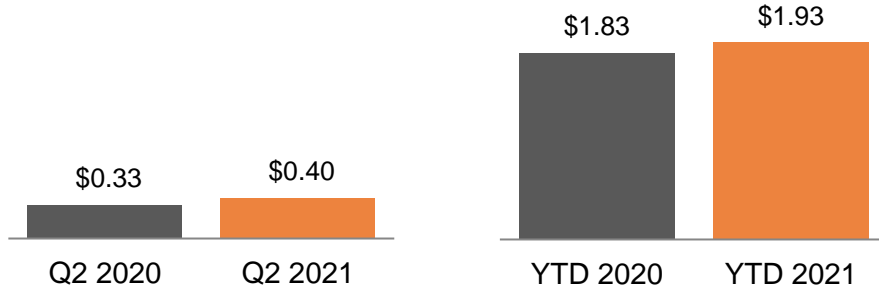


READY TO SERVE

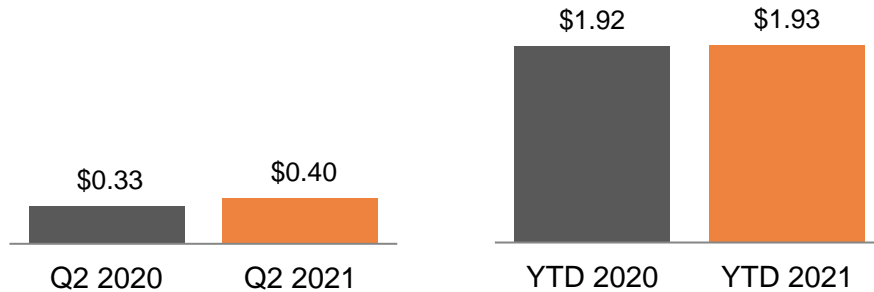
Cheyenne Prairie Generating Station is one of the most advanced, reliable and efficient power generation facilities in the country.

Q2 2021 Financial Review

EPS available for common stock (GAAP)



EPS, as adjusted (Non-GAAP)*

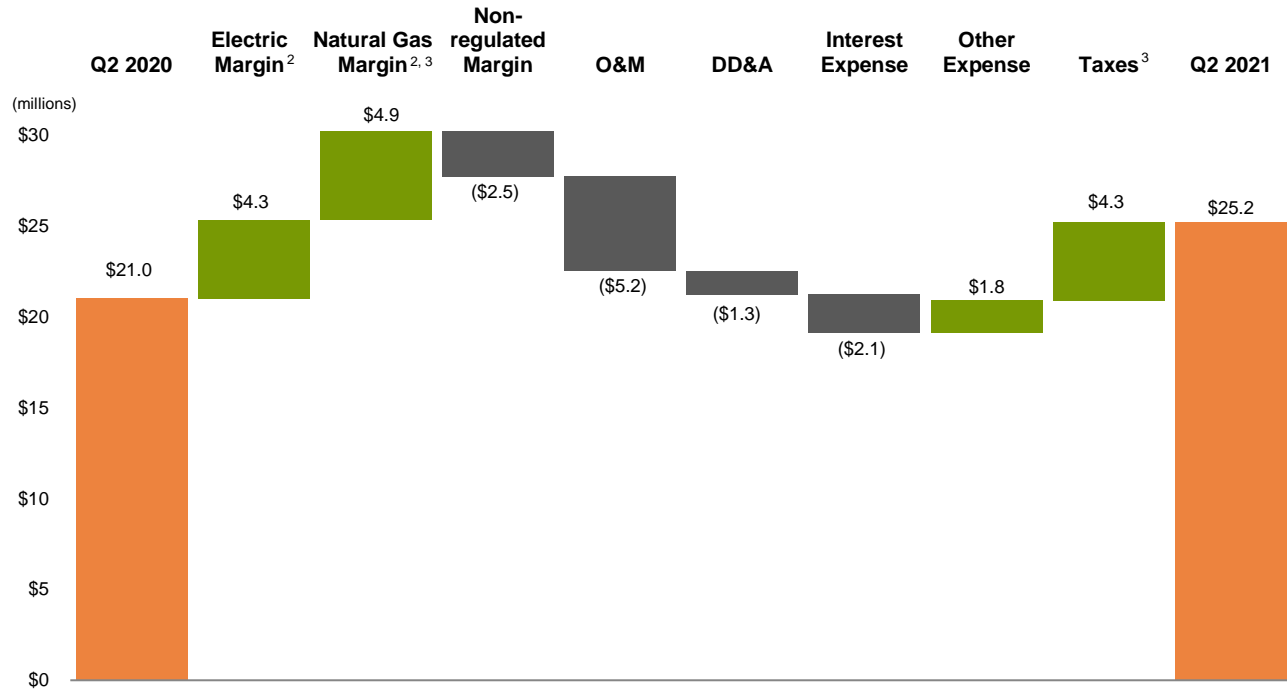


* EPS, as adjusted is a non-GAAP measure which is reconciled to GAAP in the Appendix

- ▲ New rates and riders
- ▲ Wholesale power margin benefit of \$0.03
- ▼ Weather benefit of \$0.01 versus normal and negative impact of (\$0.01) versus Q2 2020
- ▼ Higher O&M, DD&A and interest expense

Q2 2021 Earnings Drivers

Change in Net Income Available for Common Stock, as Adjusted¹



- ▲ New rates and rider recovery
- ▲ Wholesale power margin benefit
- ▲ Prior year COVID-19 impacts
- ▼ Higher employee costs and outside services
- ▼ Higher debt balance

¹ Non-GAAP measure; see Income Statement in Appendix

² Includes \$0.6 million negative margin impact for electric and \$0.1 million positive margin impact for gas, net of tax, related to weather

³ In the second quarter of 2021, Nebraska Gas delivered \$2.2 million (after-tax) of TCJA-related bill credits to its customers, which were offset by a reduction in income tax expense and resulted in a minimal impact to Net Income; there was also \$1.9 million of increased flow-through tax benefits related to repairs and certain indirect costs

Regulatory Activity

Jurisdiction	Filing Date	Annual Revenue Increase	ROE	Debt / Equity	Comments / Status
Colorado Gas Rider Proceeding 20AL-0379G	Sept. 11, 2020	n/a	n/a	n/a	Approved; final order received July 6
Colorado Gas Proceeding 21AL-0236G	June 1, 2021	\$14.6 million *	9.95% *	49.74% / 50.26% *	Seeking new rates in Q1 2022
Iowa Gas Docket RPU-2021-002	June 1, 2021	\$8.3 million *	10.15% *	49.99% / 50.01% *	Interim rates effective June 11; seeking final rates in Q1 2022 and new safety-focused rider
Kansas Gas Docket 21-BHCG-418-RTS	May 7, 2021	\$5.3 million *	10.15% *	49.66% / 50.34% *	Seeking new rates in Q1 2022 and renewal of 5-year safety-focused rider

Description	Jurisdiction	Recovery Period	Comments / Status
Winter Storm Uri Incremental Cost Recovery	AR Gas	5 years *	Recovery plan filed; interim rates effective June 1
	CO Gas	3 years *	Recovery plan filed
	CO Electric	2 years *	Recovery plan filed
	IA Gas	3 years *	Recovery plan filed; interim rates effective April 9
	KS Gas	5 years *	Recovery plan filed
	NE Gas	3 years	Approved; rates effective July 1
	SD Electric	1 year	Approved; rates effective June 1
	WY Gas	3 years *	Recovery plan filed

* As requested in filing

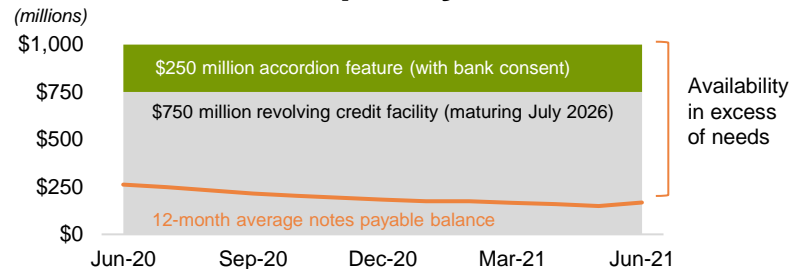
Solid Financial Position

Committed to Strong Investment-Grade Credit Ratings

Credit Ratings

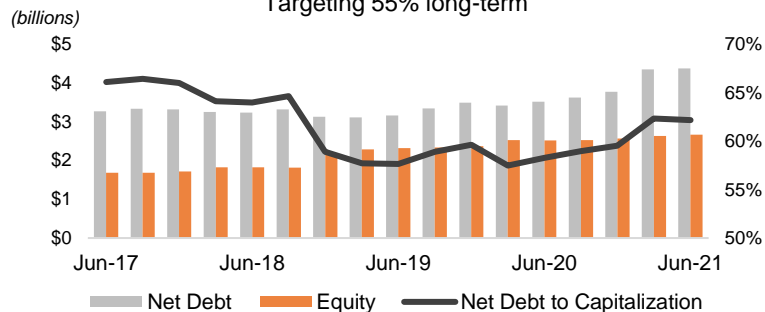
S&P	Moody's	Fitch
BBB+	Baa2	BBB+
Stable outlook	Stable outlook	Stable outlook

Liquidity



Capital Structure *

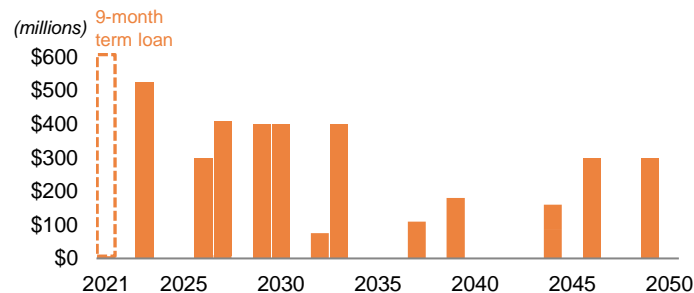
Targeting 55% long-term



Note: information as of June 30, 2021

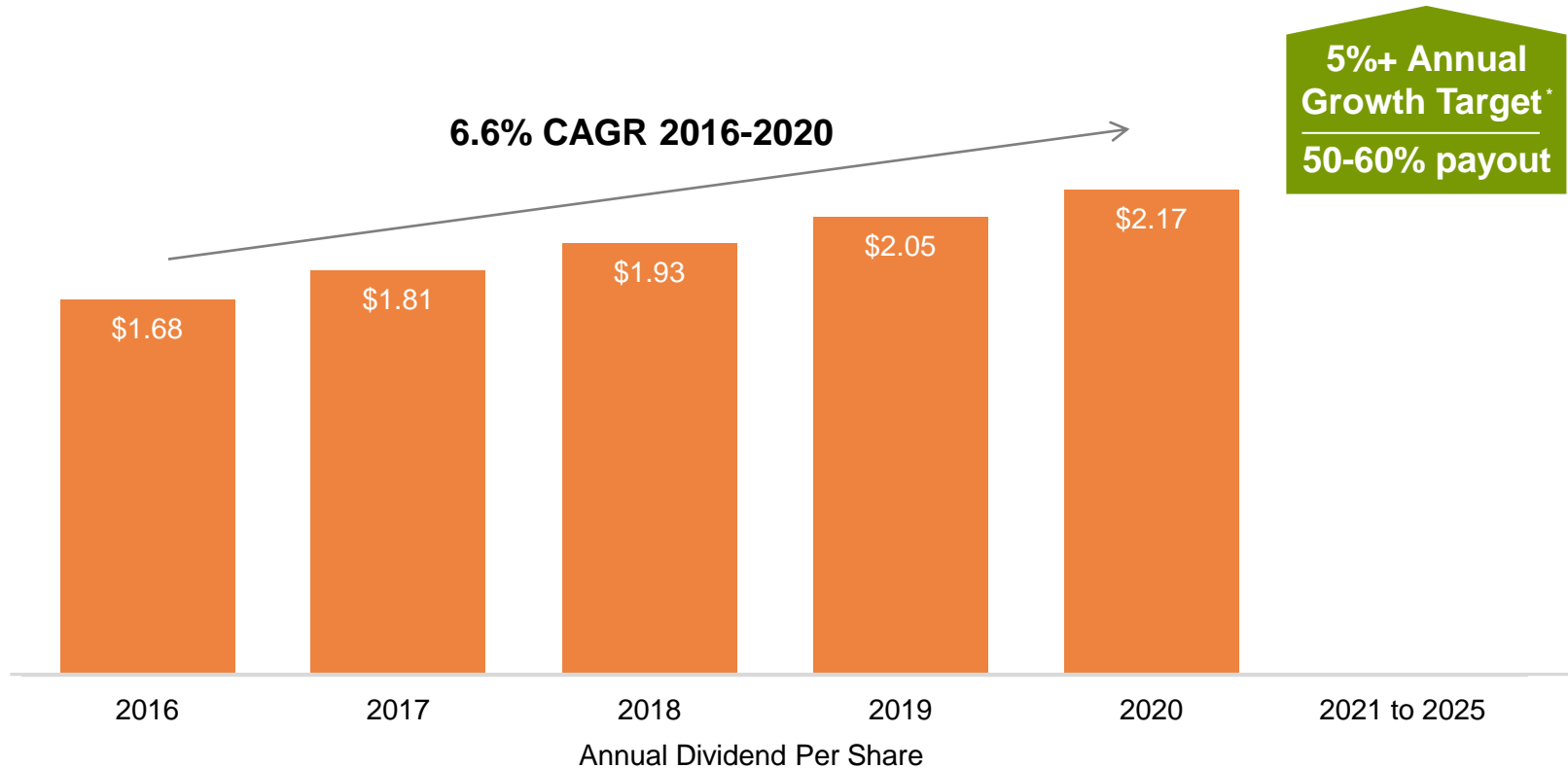
* Excludes noncontrolling interest

Debt Maturities



Strong Dividend Track Record

50 Consecutive Years of Annual Increases and 78 Consecutive Years Paid



* Future dividends subject to board approval

Appendix



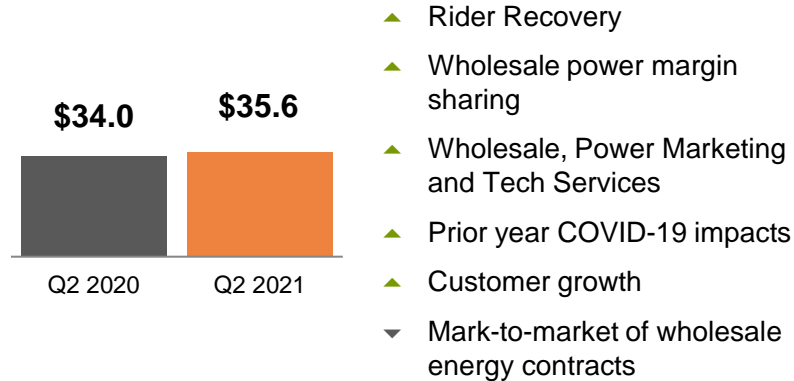
READY TO SERVE

To better serve our customers and improve the safety and reliability of our natural gas system, we are proactively replacing aging natural gas lines.

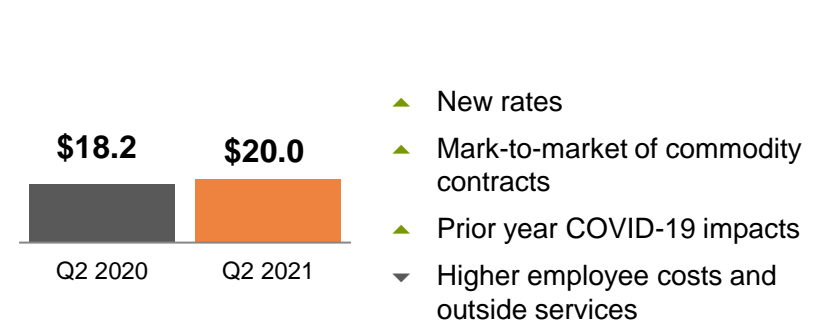
Performance by Segment

(Operating Income in millions)

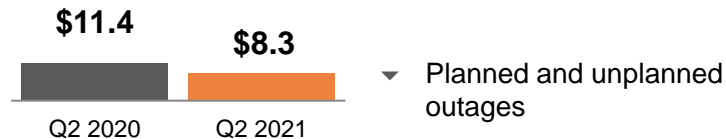
Electric Utilities



Gas Utilities



Power Generation*



Mining



* Power Generation includes 100% of Colorado IPP operations; financial results for the 49.9% minority owner of COIPP reflected through a reduction to net income attributable to noncontrolling interest

Income Statement

(in millions, except earnings per share)

	Second Quarter		Year to Date	
	2020	2021	2020	2021
Revenue	\$ 326.9	\$ 372.6	\$ 864.0	\$ 1,006.0
Gross margin* (non-GAAP)	255.3	264.1	604.5	604.4
Operations and maintenance expense	(131.7)	(138.4)	(271.3)	(283.1)
Depreciation, depletion and amortization	(56.7)	(58.4)	(113.1)	(115.7)
Operating income	66.9	67.3	220.1	205.6
Interest expense, net	(35.5)	(38.2)	(71.0)	(75.8)
Impairment of investment	-	-	(6.9)	-
Other income (expense), net	(1.9)	(0.2)	0.5	0.1
Income before taxes	29.5	28.9	142.7	129.9
Income tax (expense)	(4.8)	(0.6)	(20.8)	(1.1)
Net income before non-controlling interest	\$ 24.7	\$ 28.3	\$ 121.9	\$ 128.8
Net income attributable to non-controlling interest	(3.7)	(3.1)	(7.8)	(7.3)
Net income available to common stock	\$ 21.0	\$ 25.2	\$ 114.1	\$ 121.5
Non-GAAP adjustments	-	-	5.3	-
Net income available to common stock, as adjusted *	\$ 21.0	\$ 25.2	\$ 119.4	\$ 121.5
EPS - Net income available for common stock	\$ 0.33	\$ 0.40	\$ 1.83	\$ 1.93
EPS - Net income available for common stock, as adjusted *	\$ 0.33	\$ 0.40	\$ 1.92	\$ 1.93
Diluted shares outstanding	62.6	62.9	62.2	62.8
EBITDA, as adjusted*	\$ 121.7	\$ 125.5	\$ 333.7	\$ 321.4

* Non-GAAP measure; defined and/or reconciled to GAAP on slides 28-32

Capital Structure

(\$ in millions)

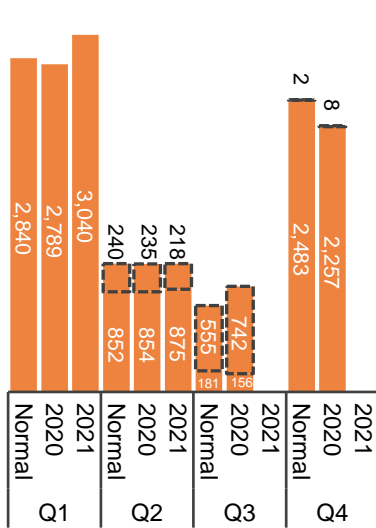
	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21
Capitalization					
Short-term Debt	\$ 4	\$ 94	\$ 243	\$ 823	\$ 837
Long-term Debt	3,533	3,527	3,528	3,529	3,530
Total Debt	3,537	3,621	3,771	4,352	4,367
Equity*	2,513	2,519	2,561	2,625	2,659
Total Capitalization	\$ 6,051	\$ 6,140	\$ 6,332	\$ 6,977	\$ 7,026
Net Debt to Net Capitalization					
Debt	\$ 3,537	\$ 3,621	\$ 3,771	\$ 4,352	\$ 4,367
Cash and Cash Equivalents	(32)	(7)	(6)	(13)	(1)
Net Debt	3,506	3,614	3,764	4,339	4,366
Net Capitalization	\$ 6,019	\$ 6,133	\$ 6,326	\$ 6,963	\$ 7,025
Debt to Capitalization	58.5%	59.0%	59.5%	62.4%	62.2%
Net Debt to Capitalization (Net of Cash)	58.2%	58.9%	59.5%	62.3%	62.1%
Long-term Debt to Total Debt	99.9%	97.4%	93.6%	81.1%	80.8%

* Excludes noncontrolling interest

Utility Weather and Demand

Electric Degree Days

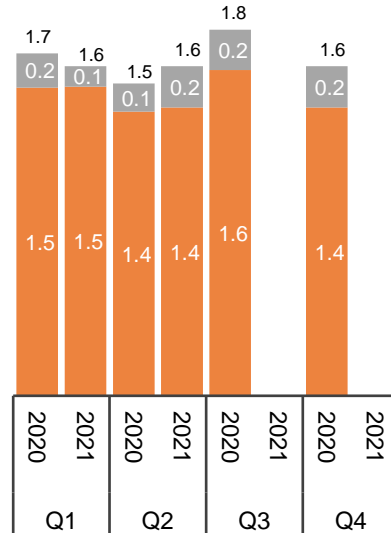
Total for all electric service areas weighted by customer count



Electric Utility Total

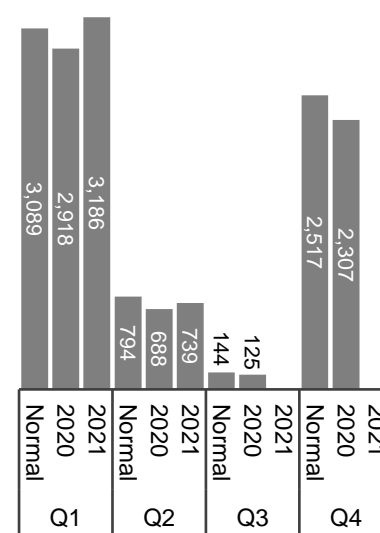
MWh Sales

(in millions)



Gas Degree Days*

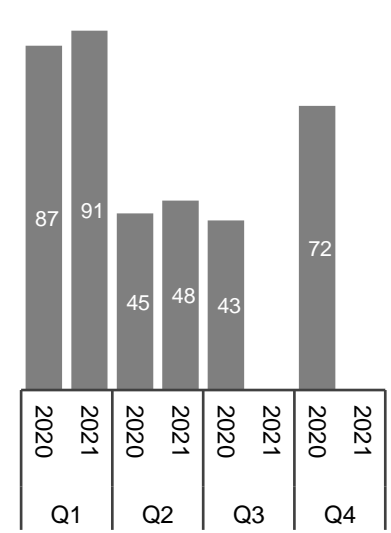
Total for all natural gas service areas weighted by customer count



Gas Utility Total

Dth Sales

(in millions)



■ Electric heating degree days
 Electric cooling degree days

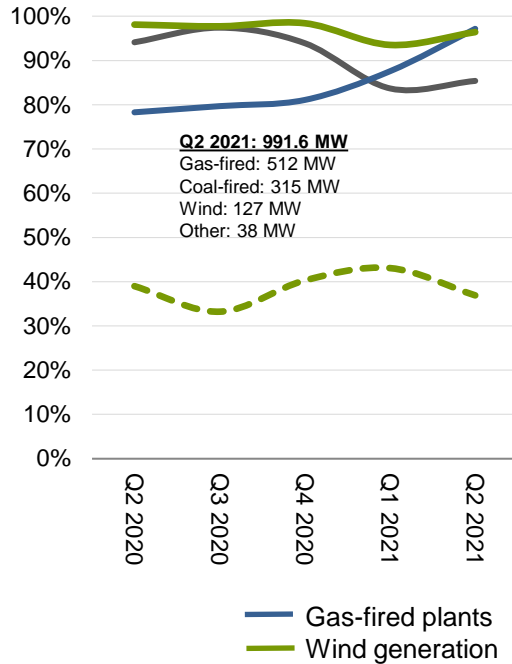
■ Utility customer sales
■ Off-system sales

* Gas Degree Days excludes Kansas data due to weather normalization in the state

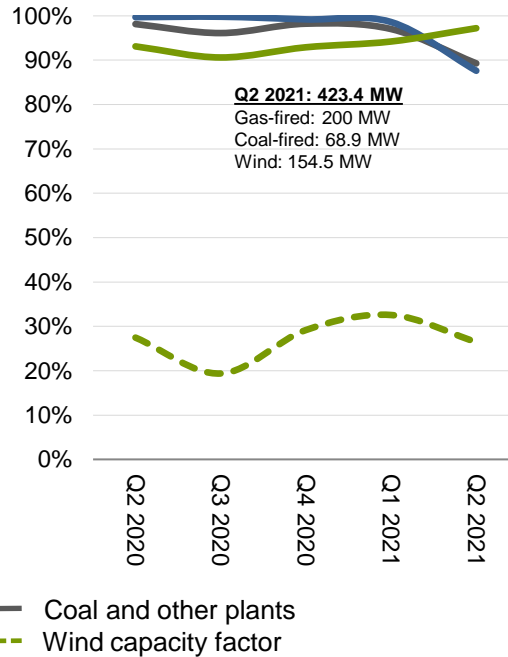
Note: normal degree days listed for prior quarters based on data as of 2020; current quarter normal based on average of currently available data

Electric Generation and Mining Performance

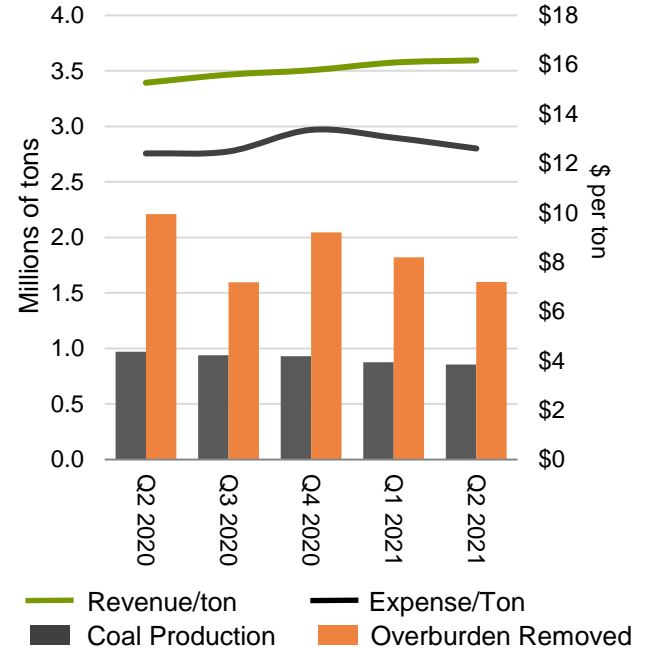
Utility-owned Generation Availability



IPP Generation Contract Availability



Mining Revenue and Expense per Ton Sold



Capital Investment by Segment and Recovery

(in millions)

	2021F	2022F	2023F	2024F	2025F	2021-2025F
Minimal Lag Capital - Electric Utilities ¹	\$37	\$23	\$0	\$0	\$0	\$61
Rider Eligible Capital - Electric Utilities ²	89	51	41	51	35	267
Growth Capital - Electric Utilities ³	30	21	18	23	22	114
Other	83	85	84	82	97	431
Electric Utilities	\$240	\$180	\$143	\$156	\$154	\$872
Minimal Lag Capital - Gas Utilities ¹	106	81	76	105	42	\$410
Rider Eligible Capital - Gas Utilities ²	178	169	164	161	161	833
Growth Capital - Gas Utilities ³	52	55	57	58	58	279
Other	42	43	43	7	65	199
Gas Utilities	\$377	\$347	\$339	\$330	\$326	\$1,720
Total Utilities	\$617	\$528	\$482	\$486	\$480	\$2,593
Power Generation	10	9	6	4	5	34
Mining	9	9	9	9	10	47
Corporate	11	5	13	13	13	54
Total Black Hills Base Forecast	\$647	\$550	\$510	\$512	\$508	\$2,727
^ Incremental Projects	0	~50	~100	~100	~100	~350
Total Black Hills Forecast	\$647	\$600	\$610	\$612	\$608	\$3,077

Incremental projects being evaluated for timing, cost and other factors

¹ Minimal Lag Capital - investment with regulatory lag of less than one year or incurred during expected regulatory test periods

² Rider Eligible Capital - capital expenditures recovered through state specific tariffs or FERC formula rates and meets minimal lag capital definition

³ Growth Capital - generates immediate revenue on customer connections

Note: Some totals may differ due to rounding

Regulated Utility Capital Investment by Type

(in millions)

	2021F	2022F	2023F	2024F	2025F	2021-2025F
Safety, Reliability and Integrity ¹	\$175	\$130	\$104	\$113	\$113	\$635
Growth ²	30	21	18	23	22	114
General Plant	34	30	21	19	19	123
Electric Utilities	\$240	\$180	\$143	\$156	\$154	\$872
Safety, Reliability and Integrity ¹	292	259	257	254	253	1,315
Growth ²	52	55	57	58	58	279
General Plant	34	34	26	19	14	126
Gas Utilities	377	347	339	330	326	\$1,720
Total Utilities	\$617	\$528	\$482	\$486	\$480	\$2,593

Incremental projects being evaluated for timing, cost and other factors

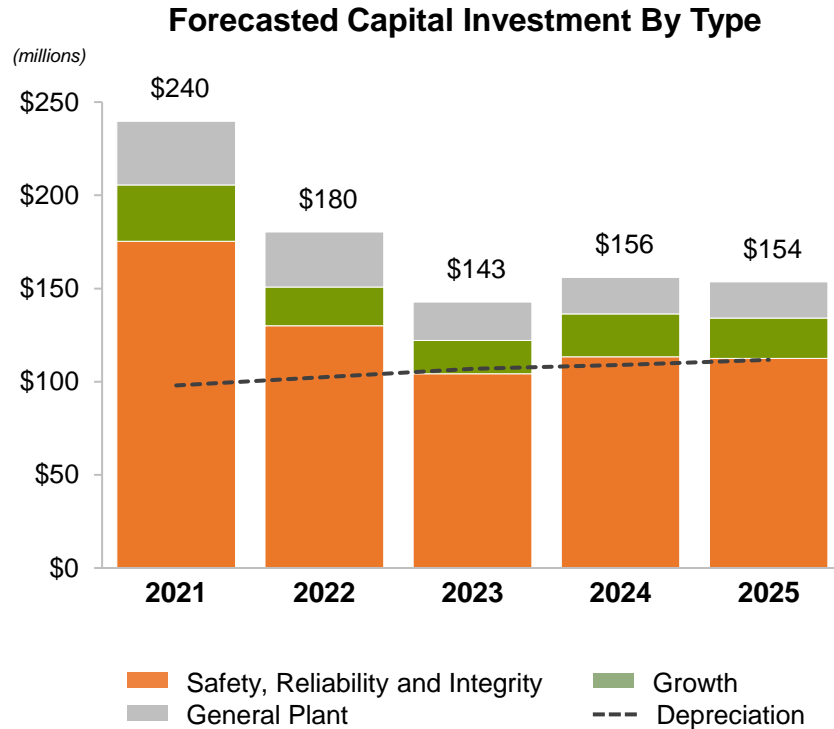
¹ Safety, Reliability and Integrity Capital - capital expenditures related to improving or maintaining system integrity

² Growth Capital - generates immediate revenue on customer connections

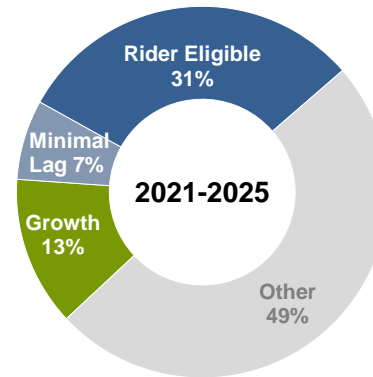
Note: Some totals may differ due to rounding

Electric Utilities Capital Investment

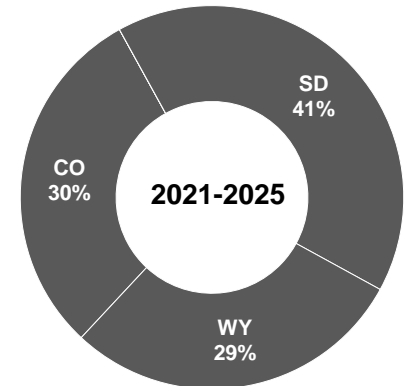
Five-year Forecast of \$0.9+ Billion Focused on Safety, System Integrity and Growth



51% with Timely Recovery*



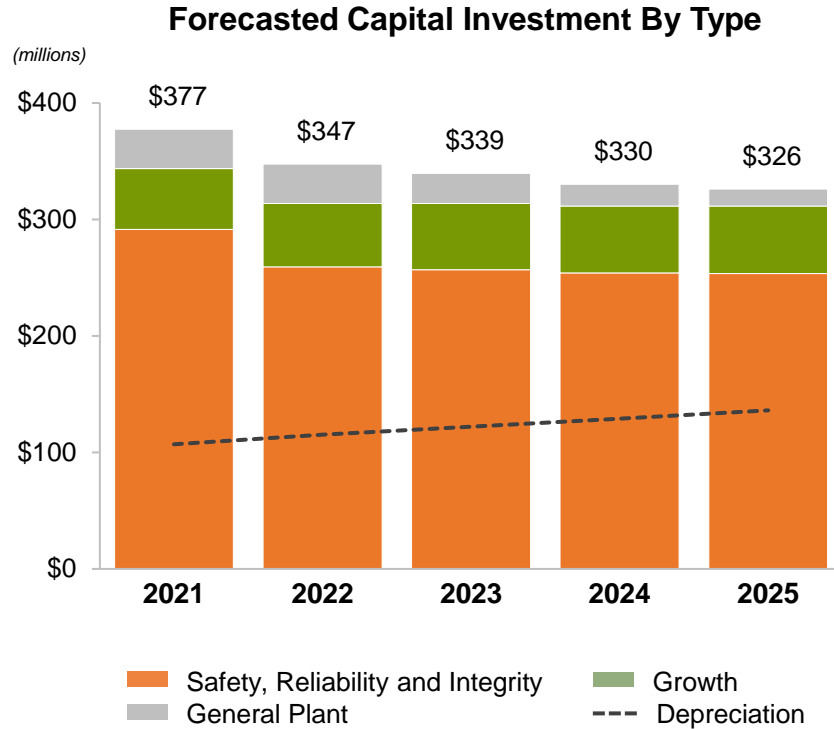
Forecasted Capital by State



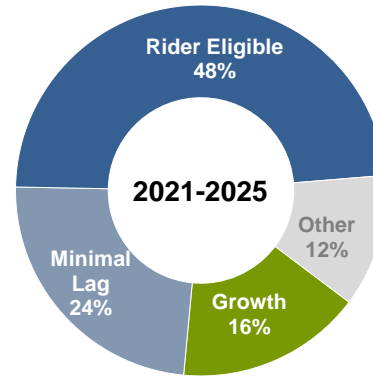
* Growth Capital - generates immediate revenue upon customer connections
 Minimal Lag Capital - capital expenditures with regulatory lag of less than one year or incurred during expected regulatory test periods
 Rider Eligible Capital - capital expenditures recovered through state specific tariffs or FERC formula rates and meets Minimal Lag Capital definition

Natural Gas Utilities Capital Investment

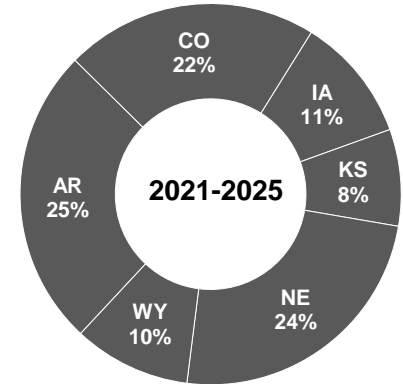
Five-year Forecast of \$1.7+ Billion Focused on Safety, System Integrity and Growth



88% with Timely Recovery*



Forecasted Capital by State



* Growth Capital - generates immediate revenue upon customer connections
 Minimal Lag Capital – capital expenditures with regulatory lag of less than one year or incurred during expected regulatory test periods
 Rider Eligible Capital - capital expenditures recovered through state specific tariffs and meets Minimal Lag Capital definition

2021 Earnings Guidance Assumptions

Black Hills reaffirmed its guidance for 2021 EPS available for common stock, to be in the range of \$3.80 to \$4.00, based on the following assumptions:

- Normal weather conditions within our utility service territories including temperatures, precipitation levels and wind conditions
- Normal operations and weather conditions for planned construction, maintenance and/or capital investment projects
- Completion of utility regulatory dockets
- No significant unplanned outages at any of our generating facilities
- Production tax credits of \$20 million associated with wind generation assets
- Equity issuance of \$100 million to \$120 million through the at-the-market equity offering program in 2021
- Capital investment of \$647 million in 2021
- No material net impact from COVID-19
- Constructive regulatory outcomes related to recovery of incremental Winter Storm Uri costs

2022 Earnings Guidance Assumptions

Black Hills reaffirmed its guidance for 2022 EPS available for common stock, to be in the range of \$3.95 to \$4.15, based on the following assumptions:

- Normal weather conditions within our utility service territories including temperatures, precipitation levels and wind conditions
- Normal operations and weather conditions for planned construction, maintenance and/or capital investment projects
- Completion of utility regulatory dockets
- No significant unplanned outages at any of our generating facilities
- Adjusted contract price for Wygen I power purchase agreement beginning Jan. 1, 2022
- Production tax credits of \$20 million associated with wind generation assets
- Equity issuance of \$100 million to \$120 million in 2021 and \$60 million to \$80 million in 2022 through the at-the-market equity offering program
- Capital investment of \$647 million in 2021 and \$600 million in 2022
- No material net impact from COVID-19
- Constructive regulatory outcomes related to recovery of incremental Winter Storm Uri costs

Non-GAAP Financial Measures

Gross Margin

Our financial information includes the financial measure Gross Margin, which is considered a “non-GAAP financial measure.” Generally, a non-GAAP financial measure is a numerical measure of a company’s financial performance, financial position or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP. Gross Margin (Revenues less Cost of Sales) is a non-GAAP financial measure due to the exclusion of depreciation from the measure. The presentation of Gross Margin is intended to supplement investors’ understanding of our operating performance.

Gross Margin is calculated as operating revenue less cost of fuel, purchased power and cost of gas sold. Our Gross Margin is impacted by the fluctuations in power purchases and natural gas and other fuel supply costs. However, while these fluctuating costs impact Gross Margin as a percentage of revenue, they only impact total Gross Margin if the costs cannot be passed through to our customers.

Our Gross Margin measure may not be comparable to other companies’ Gross Margin measure. Furthermore, this measure is not intended to replace operating income as determined in accordance with GAAP as an indicator of operating performance.

EBITDA and EBITDA, as adjusted

We believe that our presentation of earnings before interest, income taxes, depreciation and amortization (EBITDA) and EBITDA, as adjusted (EBITDA adjusted for special items as defined by management), both non-GAAP measures, are important supplemental measures of operating performance. We believe EBITDA and EBITDA, as adjusted, when considered with measures calculated in accordance with GAAP, give investors a more complete understanding of operating results before the impact of investing and financing transactions and income taxes. We have chosen to provide this information to investors to enable them to perform more meaningful comparisons of past and present operating results and as a means to evaluate the results of core on-going operations. Our presentation of EBITDA may be different from the presentation used by other companies and, therefore, comparability may be limited. Depreciation and amortization expense, interest expense, income taxes and other items have been and will be incurred and are not reflected in the presentation of EBITDA. Each of these items should also be considered in the overall evaluation of our results. Additionally, EBITDA does not consider capital expenditures and other investing activities and should not be considered a measure of our liquidity. We compensate for these limitations by providing relevant disclosure of our depreciation and amortization, interest and income taxes, capital expenditures and other items both in our reconciliation to the GAAP financial measures and in our consolidated financial statements, all of which should be considered when evaluating our performance.

Note: continued on next page

Non-GAAP Financial Measures

Net Income Available for Common Stock and EPS, as adjusted

We have provided non-GAAP earnings data reflecting adjustments for special items as specified in the GAAP to non-GAAP adjustment reconciliation table in this presentation. Operating Income (loss), as adjusted, Income (loss) from continuing operations, as adjusted, and Net income (loss), as adjusted, are defined as Segment Revenue, Operating Income (loss), Income (loss) from continuing operations and Net income (loss), adjusted for expenses, gains and losses that the company believes do not reflect the company's core operating performance. The company believes that non-GAAP financial measures are useful to investors because the items excluded are not indicative of the company's continuing operating results. The company's management uses these non-GAAP financial measures as an indicator for evaluating current periods and planning and forecasting future periods.

Earnings per share, as adjusted and earnings from continuing operations, per share, as adjusted

Earnings per share from continuing operations available for common stock, as adjusted, and earnings from continuing operations, per share, as adjusted, are Non-GAAP financial measures. Earnings per share, as adjusted, and earnings from continuing operations available for common stock, per share, as adjusted, are defined as GAAP Earnings per share and GAAP earnings from continuing operations, adjusted for expenses, gains and losses that the Company believes do not reflect the Company's core operating performance. Examples of these types of adjustments may include unique one-time non-budgeted events, impairment of assets, acquisition and disposition costs, and other adjustments noted in the earnings reconciliation tables in this presentation. The Company is not able to provide a forward-looking quantitative GAAP to Non-GAAP reconciliation for this financial measure because we do not know the unplanned or unique events that may occur later during the year.

Limitations on the Use of Non-GAAP Measures

Non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Our presentation of these non-GAAP financial measures should not be construed as an inference that our future results will not be affected by unusual, non-routine, or non-recurring items.

Non-GAAP measures should be used in addition to and in conjunction with results presented in accordance with GAAP. Non-GAAP measures should not be considered as an alternative to net income, operating income or any other operating performance measure prescribed by GAAP, nor should these measures be relied upon to the exclusion of GAAP financial measures. Our non-GAAP measures reflect an additional way of viewing our operations that we believe, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting our business than could be obtained absent this disclosure. Management strongly encourages investors to review our financial information in its entirety and not rely on a single financial measure.

Non-GAAP Financial Measures

	For the Six Months Ended June 30,			
	Earnings, as adjusted (in millions)		Earning Per Share, as adjusted	
	2020	2021	2020	2021
Net income (loss) available for common stock (GAAP)	\$ 114.1	\$ 121.5	\$ 1.83	\$ 1.93
<u>Adjustments (after tax)</u>				
Impairment of investment	5.3	-	0.08	-
Rounding	-	-	0.01	-
Total Non-GAAP adjustments	5.3	-	0.09	-
Net income available for common stock, as adjusted (Non-GAAP)	\$ 119.4	\$ 121.5	\$ 1.92	\$ 1.93

Non-GAAP Financial Measures

	Earnings, as adjusted (in millions)					Earnings Per Share, as adjusted				
	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
Net income (loss) available for common stock (GAAP)	\$ 73.0	\$ 177.0	\$ 258.4	\$ 199.3	\$ 227.6	\$ 1.37	\$ 3.21	\$ 4.66	\$ 3.28	\$ 3.65
Loss from discontinued operations (GAAP)	64.2	17.1	6.9	-	-	1.20	0.31	0.12	-	-
Net income from continuing operations available for common stock (GAAP)	137.1	194.1	265.3	199.3	227.6	2.57	3.52	4.78	3.28	3.65
<u>Adjustments, after tax</u>										
Acquisition / integration costs	29.7	2.8	-	-	-	0.56	0.05	-	-	-
Tax reform and other tax items	-	(11.7)	4.0	-	-	-	(0.21)	0.07	-	-
Legal restructuring - income tax benefit	-	-	(72.8)	-	-	-	-	(1.31)	-	-
Impairment of investment	-	-	-	15.2	5.3	-	-	-	0.25	0.08
Rounding	0.1	0.1	-	-	-	-	-	-	-	-
Total Non-GAAP adjustments	29.8	(8.8)	(68.8)	15.2	5.3	0.56	(0.16)	(1.24)	0.25	0.08
Net income from continuing operations available for common stock, as adjusted (Non-GAAP)	\$ 166.9	\$ 185.3	\$ 196.5	\$ 214.5	\$ 232.9	\$ 3.13	\$ 3.36	\$ 3.54	\$ 3.53	\$ 3.73

Non-GAAP Financial Measures

EBITDA

<i>(in thousands)</i>	Three Months Ended June 30		Six Months Ended June 30	
	2020	2021	2020	2021
Net income	\$ 24,694	\$ 28,287	\$ 121,918	\$ 128,774
Depreciation, depletion and amortization	56,663	58,443	113,065	115,712
Interest expense, net	35,545	38,202	70,998	75,802
Income tax expense (benefit)	4,831	586	20,833	1,080
EBITDA	\$ 121,733	\$ 125,518	\$ 326,814	\$ 321,368
Adjustments for unique items:				
Impairment of investment	—	—	6,859	—
EBITDA, as adjusted	\$ 121,733	\$ 125,518	\$ 333,673	\$ 321,368

Strategic Objectives



Profitable Growth

Achieve consistent growth that creates value

- Meet growing demand through innovative solutions and customer-focused, cost effective, rate-based utility assets
- Enhance reliability and satisfaction
- Acquire small utility systems within or near existing service territories

READY.

Valued Service

Deliver reliable and highly valued products and services

- Invest in infrastructure to maintain safety and reliability of electric and gas systems
- Cost effectively integrate additional renewable resources



Better Every Day

Continuously improve to achieve industry-leading results

- Achieve top-tier performance in a culture of continuous improvement
- Improve efficiencies through continued deployment of technology



Great Workplace

Promote a workplace that inspires individual growth and pride in what we do

- Be the safest company in our industry
- Be one of the best places to work
- Improve the wellness of employees
- Be a workplace of choice for women and minorities

Vision Be the energy partner of choice.

Mission Improving life with energy.

Company Values



Agility

We embrace change and challenge ourselves to adapt quickly to opportunities.



Customer Service

We are committed to providing a superior customer experience every day.



Partnership

Our partnerships with shareholders, communities, regulators, customers and each other make us all stronger.



Communication

Consistent, open and timely communication keeps us focused on our strategy and goals.



Integrity

We hold ourselves to the highest standards based on a foundation of unquestionable ethics.



Respect

We respect each other. Our unique talents and diversity anchor a culture of success.



Creating Value

We are committed to creating exceptional value for our shareholders, employees, customers and the communities we serve ... always.



Leadership

Leadership is an attitude. Everyone must demonstrate the care and initiative to do things right.



Safety

We commit to live and work safely every day.



BH
Black Hills Corporation
Ready