

NORTHWESTERN CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	Year Ended December 31,	
	2008	2007
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 11,292	\$ 12,773
Restricted cash	14,727	14,482
Accounts receivable, net	155,672	143,482
Inventories	70,741	63,586
Regulatory assets	46,905	27,049
Prepaid energy supply	2,734	3,166
Deferred income taxes	685	2,987
Other	10,661	10,829
Total current assets	313,417	278,354
Property, Plant, and Equipment, Net	1,839,699	1,770,880
Goodwill	355,128	355,128
Regulatory assets	233,102	123,041
Other noncurrent assets	20,691	19,977
Total assets	\$ 2,762,037	\$ 2,547,380
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current maturities of capital leases	\$ 1,193	\$ 2,389
Current maturities of long-term debt	228,045	18,617
Accounts payable	94,685	91,588
Accrued expenses	215,431	168,610
Regulatory liabilities	49,223	40,635
Total current liabilities	588,577	321,839
Long-term capital leases	36,798	38,002
Long-term debt	634,011	787,360
Deferred income taxes	114,707	74,046
Noncurrent regulatory liabilities	222,969	194,959
Other noncurrent liabilities	401,442	308,150
Total liabilities	1,998,504	1,724,356
Commitments and Contingencies (Note 20)		
Shareholders' Equity:		
Common stock, par value \$0.01; authorized 200,000,000 shares; issued and outstanding 39,461,441 and 35,928,118, respectively; Preferred stock, par value \$0.01; authorized 50,000,000 shares; none issued	395	393
Treasury stock at cost	(89,487)	(10,781)
Paid-in capital	805,900	803,061
Retained earnings	34,371	16,603
Accumulated other comprehensive income	12,354	13,748
Total shareholders' equity	763,533	823,024
Total liabilities and shareholders' equity	\$ 2,762,037	\$ 2,547,380

See Notes to Consolidated Financial Statements