

**NORTHWESTERN CORPORATION**

**CONSOLIDATED BALANCE SHEETS**

(in thousands, except per share amounts)

	<b>Year Ended December 31,</b>	
	<b>2015</b>	<b>2014</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 11,980	\$ 20,362
Restricted cash	6,634	29,662
Accounts receivable, net	154,410	163,479
Inventories	53,458	55,094
Regulatory assets	51,348	47,374
Deferred income taxes	—	20,843
Other	8,830	14,071
<b>Total current assets</b>	<b>286,660</b>	<b>350,885</b>
Property, plant, and equipment, net	4,059,499	3,758,008
Goodwill	357,586	355,128
Regulatory assets	517,223	455,757
Other noncurrent assets	57,672	54,165
<b>Total Assets</b>	<b>\$ 5,278,640</b>	<b>\$ 4,973,943</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Current maturities of capital leases	\$ 1,837	\$ 1,730
Short-term borrowings	229,874	267,840
Accounts payable	74,511	81,961
Accrued expenses	183,988	206,882
Regulatory liabilities	80,990	56,169
<b>Total current liabilities</b>	<b>571,200</b>	<b>614,582</b>
Long-term capital leases	26,325	28,162
Long-term debt	1,782,128	1,662,099
Deferred income taxes	501,532	446,600
Noncurrent regulatory liabilities	378,711	362,228
Other noncurrent liabilities	418,570	382,489
<b>Total Liabilities</b>	<b>3,678,466</b>	<b>3,496,160</b>
Commitments and Contingencies (Note 19)		
<b>Shareholders' Equity:</b>		
Common stock, par value \$0.01; authorized 200,000,000 shares; issued and outstanding 51,788,961 and 48,172,158, respectively; Preferred stock, par value \$0.01; authorized 50,000,000 shares; none issued	518	505
Treasury stock at cost	(93,948)	(92,558)
Paid-in capital	1,376,291	1,313,844
Retained earnings	325,909	264,758
Accumulated other comprehensive loss	(8,596)	(8,766)
<b>Total Shareholders' Equity</b>	<b>1,600,174</b>	<b>1,477,783</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 5,278,640</b>	<b>\$ 4,973,943</b>

See Notes to Consolidated Financial Statement