

RGC Resources, Inc. and Subsidiaries
Condensed Consolidated Statements of Income
(Unaudited)

	Three months ended March 31,		Twelve months ended March 31,	
	2018	2017	2018	2017
Revenues	\$ 24,917,973	\$ 21,900,013	\$ 65,282,296	\$ 61,964,060
Cost of sales	13,911,264	11,070,283	32,613,630	29,565,896
Gross margin	11,006,709	10,829,730	32,668,666	32,398,164
Equity in earnings of MVP	191,513	93,625	583,805	275,646
Other operating expenses, net	5,688,676	5,251,093	21,714,978	20,794,514
Interest expense	633,186	469,480	2,235,084	1,740,026
Income before income taxes	4,876,360	5,202,782	9,302,409	10,139,270
Income tax expense	1,410,431	1,977,583	3,001,570	3,909,224
Net income	<u>\$ 3,465,929</u>	<u>\$ 3,225,199</u>	<u>\$ 6,300,839</u>	<u>\$ 6,230,046</u>
Net earnings per share of common stock:				
Basic	<u>\$ 0.47</u>	<u>\$ 0.45</u>	<u>\$ 0.87</u>	<u>\$ 0.87</u>
Diluted	<u>\$ 0.47</u>	<u>\$ 0.45</u>	<u>\$ 0.86</u>	<u>\$ 0.86</u>
Cash dividends per common share	<u>\$ 0.1550</u>	<u>\$ 0.1450</u>	<u>\$ 0.6000</u>	<u>\$ 0.5600</u>
Weighted average number of common shares outstanding:				
Basic	7,371,694	7,215,329	7,270,727	7,186,730
Diluted	7,413,351	7,244,845	7,317,112	7,204,684

Condensed Consolidated Balance Sheets
(Unaudited)

	March 31,	
	2018	2017
Assets		
Current assets	\$ 18,532,600	\$ 15,621,491
Total property, plant and equipment, net	155,594,897	141,531,553
Other assets	24,401,409	19,912,761
Total Assets	<u>\$ 198,528,906</u>	<u>\$ 177,065,805</u>
Liabilities and Stockholders' Equity		
Current liabilities	\$ 16,089,641	\$ 18,551,673
Long-term debt	55,490,316	50,096,333
Deferred credits and other liabilities	47,649,723	48,463,998
Total Liabilities	119,229,680	117,112,004
Stockholders' Equity	79,299,226	59,953,801
Total Liabilities and Stockholders' Equity	<u>\$ 198,528,906</u>	<u>\$ 177,065,805</u>