

DEMOGRAPHICS

Population (2014 census estimate)

North Dakota 739,482

MSAs (2014)

Fargo - Moorhead..... 228,291

Bismarck - Mandan 126,597

Grand Forks - East Grand Forks..... 101,842

Employment Profile (2015 Annual Avg.)

Health Care and Social Assistance 61,189

Retail Trade 50,966

Accommodation & Food Services..... 36,590

Construction 35,993

Educational Services 35,715

Wholesale Trade 27,273

Manufacturing..... 25,805

Mining, Quarrying &

Oil & Gas Extraction..... 23,773

Transportation & Warehousing 22,630

Public Administration..... 22,450

Finance and Insurance 18,143

Professional, Scientific & Technical Services ... 17,878

Administrative & Waste Services 14,413

Other Services (except Public Admin)..... 13,111

Arts, Entertainment & Recreation 9,930

Information 6,794

Real Estate, Rental & Leasing 6,181

Management of Companies & Enterprises 5,358

Agriculture, Forestry, Fishing & Hunting 4,274

Utilities 4,105

Total Nonfarm Employment 464,800

Total Nonfarm Private Employment 381,000

GROWING BUSINESSES

Northrop Grumman - Construction of a 36,000 sq. ft. aerospace manufacturing facility at the Grand Sky UAS Business Park. The facility will employ 100+ employees.

Bobcat - 320+ employees and a 39,000 sq. ft. expansion of their headquarters in West Fargo.

National Information Solutions Cooperative (NISC) - Adding a 33,000 sq. ft. expansion and 70+ employees to their Mandan computer software development facility.

General Atomics - Construction of a new 19,000 sq. ft. aerospace training facility at the Grand Sky UAS Business Park.

Appareo Systems LLC - 180+ new employees in 46,000 sq. ft. expansion in Fargo.

Dakota Gasification - A \$402 million expansion that will create an estimated 40 jobs in Beulah and produce 1,100 tons of urea fertilizer daily.

ONEOK - A \$355 million new gas plant in Watford City that will create an estimated 50 jobs and process 200 million cubic feet of natural gas per day.



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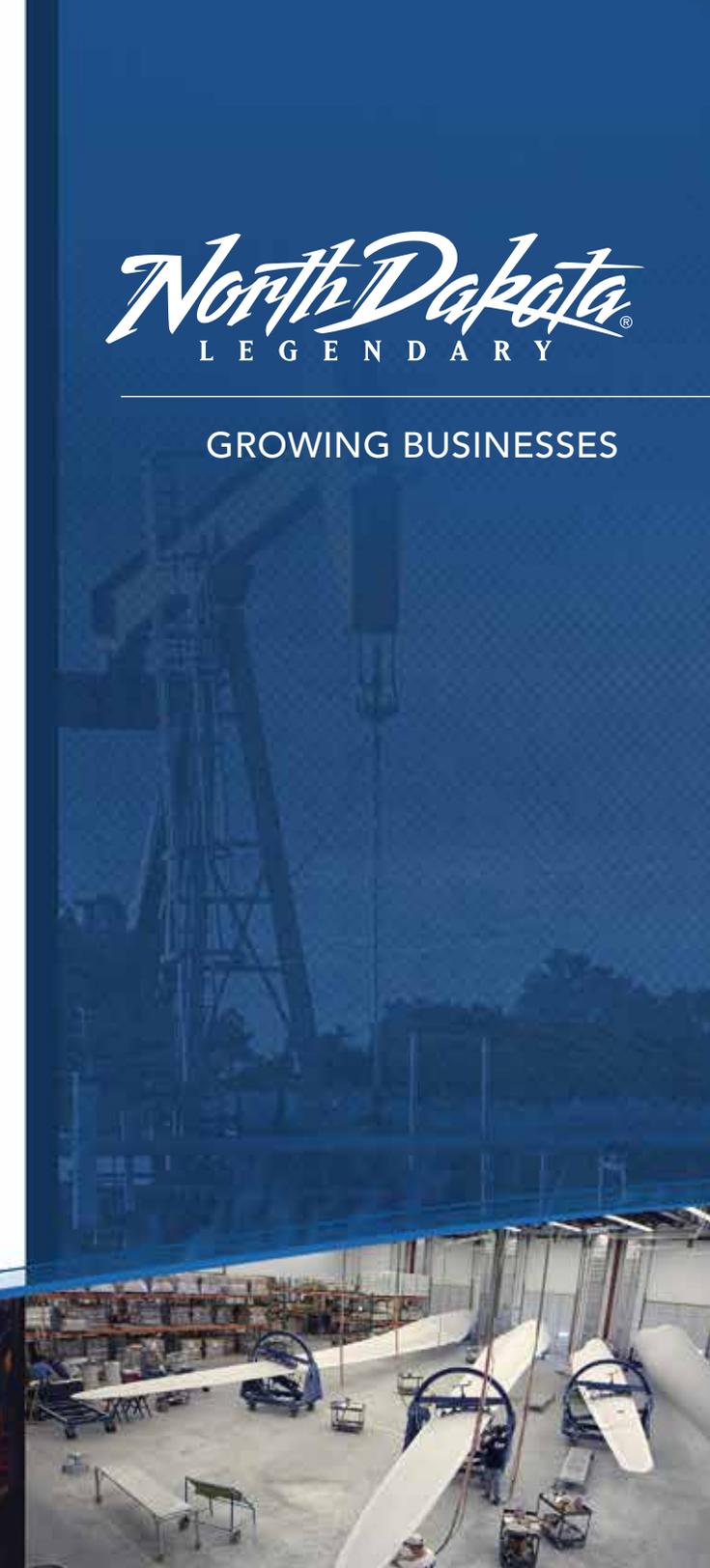
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GROWING BUSINESSES



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STRATEGIC INCENTIVES

Property Tax Exemptions

- Up to five-year property tax exemption. Additional five years available for agricultural processors or projects located in property leased from a governmental entity.
- In lieu of a property tax exemption, in full or part, a company may negotiate a fixed or graduated rate for a period not to exceed 20 years.
- North Dakota exempts all personal property from property taxation except that of certain oil and gas refineries and utilities.

Corporate Tax Exemptions

- Five-year corporate income tax exemption for new or expanding primary sector business
- Salary and R&D tax credits available

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing, computer/telecommunication equipment, water, electricity and interstate communications for technology-based business

Financial Incentives

- North Dakota Development Fund – gap financing loan and equity program
- PACE Program – interest buy down program at Bank of North Dakota
- Match Program- loans at U.S. Treasury yield rate + 0.25% to businesses other than retail that create new wealth, provide needed jobs and demonstrate considerable financial strength.

Job Training Programs

- One-stop job training assistance – both state and federal programs available for businesses
- Workforce 2020 – state-funded program for training new technologies and processes
- New Jobs Training Program – “no cost” program utilizing employee withholding tax

Workers Compensation

- Lowest workers compensation premium rates in the nation (2014)

STRONG INFRASTRUCTURE

Voice/Data

- 100% fiber optic broadband communication network links all regions of the state
- Minimal investment needed to reach major fiber trunk
- Dakota Carrier Network operates multiple SONET systems in ND, SD and MN. DCN's Ethernet core utilizes an MPLS core capable of 2 terabits of switching capacity per node and sub 50ms failover redundancy
- Reliable T1, DS3 and OCx services with a core supporting sub 50ms failover capabilities
- Ideal physical environment with minimal risk of natural disasters

Transportation

- Two major Interstates: I-94 East/West, I-29 North/South
- Foreign trade zone
- Two Canada-Mexico Trade Corridors
 - › Fifth largest port of entry for Canadian goods by truck and rail
 - › 24-hour ports of entry along the North Dakota-Canadian border
- Extensive cargo rail by Burlington Northern Santa Fe and Canadian Pacific
 - › BNSF – main line route including Seattle to Chicago
 - › CP – main line route including Vancouver to Chicago
- Five international airports – Bismarck, Fargo, Grand Forks, Minot and Williston
- Three additional commercial airports – Devils Lake, Dickinson and Jamestown

COMPETITIVE BUSINESS COSTS

Power

- Power offered at industrial rates of avg. 8.29 cents/kWh (YTD August 2015)
- 56% of electricity generated in the state is provided to interstate trade
- Supporting “green” business trend by developing renewable energy sources

Public Policy

- Person-to-person access to public officials
- Only state-owned bank in the nation offers business expansion funds

Taxes

- In 2013, State Legislature lowered top corporate income tax rate from 4.53% to 4.31%

LEGENDARY QUALITY OF LIFE

Primary/Secondary Education

- 11.8 to 1 student to teacher ratio (2013-2014 school year)
- #4 in high school graduation rates – North Dakota's high school graduation rate is 91% compared to the national average of 81% (2012)

Post Secondary Education

- North Dakota college enrollment rates amongst 18-24 year olds is 46.5% (2013) compared to the national average of 42.7% (2013)
- Nineteen college and university campuses, including two major research universities

Workforce Proficiency

- North Dakota is a right-to-work state. Union membership is 5% (2014) of the workforce
- 7.1% annual average turnover rate for private manufacturers in North Dakota

Quality of Life

- North Dakota has the 4th strongest personal income growth in the nation
- North Dakotans enjoy an 18 minute average commute to work compared to the national average of 26 minutes