

Atmos Energy Corporation
Financial Highlights (Unaudited)

Statements of Income

(000s except per share)

	Three Months Ended June 30	
	2020	2019
Operating revenues		
Distribution segment	\$ 435,308	\$ 444,944
Pipeline and storage segment	158,008	149,198
Intersegment eliminations	<u>(100,321)</u>	<u>(108,404)</u>
	492,995	485,738
Purchased gas cost		
Distribution segment	126,093	139,518
Pipeline and storage segment	(11)	(96)
Intersegment eliminations	<u>(100,010)</u>	<u>(108,096)</u>
	26,072	31,326
Operation and maintenance expense	149,460	164,545
Depreciation and amortization	107,104	97,700
Taxes, other than income	<u>71,324</u>	<u>69,965</u>
Operating income	139,035	122,202
Other non-operating income	7,235	1,645
Interest charges	<u>19,580</u>	<u>19,592</u>
Income before income taxes	126,690	104,255
Income tax expense	<u>8,899</u>	<u>23,789</u>
Net income	<u>\$ 117,791</u>	<u>\$ 80,466</u>
Basic net income per share	<u>\$ 0.96</u>	<u>\$ 0.68</u>
Diluted net income per share	<u>\$ 0.96</u>	<u>\$ 0.68</u>
Cash dividends per share	<u>\$ 0.575</u>	<u>\$ 0.525</u>
Basic weighted average shares outstanding	<u>123,026</u>	<u>118,075</u>
Diluted weighted average shares outstanding	<u>123,032</u>	<u>118,430</u>

Summary Net Income by Segment (000s)

	Three Months Ended June 30	
	2020	2019
Distribution	\$ 58,899	\$ 32,398
Pipeline and storage	<u>58,892</u>	<u>48,068</u>
Net income	<u>\$ 117,791</u>	<u>\$ 80,466</u>

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

<u>Statements of Income</u> (000s except per share)	Nine Months Ended June 30	
	2020	2019
Operating revenues		
Distribution segment	\$ 2,196,817	\$ 2,341,668
Pipeline and storage segment	452,421	419,318
Intersegment eliminations	(303,015)	(302,821)
	2,346,223	2,458,165
Purchased gas cost		
Distribution segment	942,586	1,147,598
Pipeline and storage segment	290	(544)
Intersegment eliminations	(302,053)	(301,887)
	640,823	845,167
Operation and maintenance expense	449,529	452,572
Depreciation and amortization	318,082	290,537
Taxes, other than income	214,535	213,546
Operating income	723,254	656,343
Other non-operating income (expense)	9,133	(1,846)
Interest charges	68,980	74,390
Income before income taxes	663,407	580,107
Income tax expense	127,297	127,107
Net income	\$ 536,110	\$ 453,000
Basic net income per share	\$ 4.38	\$ 3.89
Diluted net income per share	\$ 4.37	\$ 3.88
Cash dividends per share	\$ 1.725	\$ 1.575
Basic weighted average shares outstanding	122,352	116,485
Diluted weighted average shares outstanding	122,463	116,673

Summary Net Income by Segment (000s)	Nine Months Ended June 30	
	2020	2019
Distribution	\$ 375,720	\$ 318,976
Pipeline and storage	160,390	134,024
Net income	\$ 536,110	\$ 453,000

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Balance Sheets (000s)	June 30, 2020	September 30, 2019
Net property, plant and equipment	\$ 12,880,850	\$ 11,787,669
Cash and cash equivalents	208,064	24,550
Accounts receivable, net	236,466	230,571
Gas stored underground	84,886	130,138
Other current assets	72,743	72,772
Total current assets	602,159	458,031
Goodwill	730,706	730,706
Deferred charges and other assets	657,267	391,213
	<u>\$ 14,870,982</u>	<u>\$ 13,367,619</u>
Shareholders' equity	\$ 6,461,471	\$ 5,750,223
Long-term debt	4,531,341	3,529,452
Total capitalization	10,992,812	9,279,675
Accounts payable and accrued liabilities	200,116	265,024
Other current liabilities	502,413	479,501
Short-term debt	—	464,915
Current maturities of long-term debt	157	—
Total current liabilities	702,686	1,209,440
Deferred income taxes	1,420,065	1,300,015
Regulatory excess deferred taxes	702,493	705,101
Deferred credits and other liabilities	1,052,926	873,388
	<u>\$ 14,870,982</u>	<u>\$ 13,367,619</u>

Atmos Energy Corporation
Financial Highlights, continued (Unaudited)

Condensed Statements of Cash Flows

(000s)

Cash flows from operating activities

	Nine Months Ended June 30	
	2020	2019
Net income	\$ 536,110	\$ 453,000
Depreciation and amortization	318,082	290,537
Deferred income taxes	137,996	120,220
One-time income tax benefit	(20,962)	—
Other	5,935	9,649
Changes in assets and liabilities	(81,675)	(64,478)
Net cash provided by operating activities	895,486	808,928

Cash flows from investing activities

Capital expenditures	(1,405,673)	(1,199,199)
Proceeds from the sale of discontinued operations	—	4,000
Debt and equity securities activities, net	(692)	(4,041)
Other, net	6,098	3,839
Net cash used in investing activities	(1,400,267)	(1,195,401)

Cash flows from financing activities

Net decrease in short-term debt	(464,915)	(500,838)
Proceeds from issuance of long-term debt, net of premium/discount	999,450	1,045,221
Net proceeds from equity offering	358,047	593,731
Issuance of common stock through stock purchase and employee retirement plans	14,125	14,128
Settlement of interest rate swaps	—	(90,141)
Repayment of long-term debt	—	(450,000)
Cash dividends paid	(210,674)	(181,982)
Debt issuance costs	(7,738)	(11,254)
Net cash provided by financing activities	688,295	418,865

Net increase in cash and cash equivalents	183,514	32,392
Cash and cash equivalents at beginning of period	24,550	13,771
Cash and cash equivalents at end of period	\$ 208,064	\$ 46,163

Statistics	Three Months Ended June 30		Nine Months Ended June 30	
	2020	2019	2020	2019
Consolidated distribution throughput (MMcf as metered)	69,162	76,192	372,590	404,370
Consolidated pipeline and storage transportation volumes (MMcf)	153,652	181,292	453,646	517,188
Distribution meters in service	3,322,332	3,284,722	3,322,332	3,284,722
Distribution average cost of gas	\$ 3.24	\$ 3.35	\$ 3.66	\$ 4.06

###