Fiscal 2017 Financial Results

November 9, 2017
10:00 a.m. Eastern
Fiscal 2017 Achievements

- Year-over-year adjusted earnings per share growth of 8.1\(^{(1)}\) percent; 15\(^{th}\) consecutive year of increased earnings per share
- Fiscal 2017 total shareholder return of 15.2%
- 7.8% increase in fiscal 2018 indicated annual dividend to $1.94 per diluted share; 34th consecutive year of rising dividends
- Achieved annualized increases from implemented rate activity of approximately $104 million
- Ample Liquidity
  - Issued 1.3M common shares under at-the-market (ATM) program for $98.8 million in net proceeds
  - Completed a public offering of $500 million of 3.00% senior unsecured notes due 2027 and $250 million of 4.125% senior unsecured notes due 2044. Proceeds of $753 million were partially used to repay $250 million of 6.35% senior notes expiring in 2017
- Completed the sale of nonregulated gas marketing business, making Atmos Energy a fully-regulated company
- Mike Haefner named President and Chief Executive Officer; Kim Cocklin as Executive Chairman

\(^{(1)}\) Excludes income from discontinued operations

As of November 8, 2017
### Fiscal 2017 Net Income versus Fiscal 2016 Net Income

<table>
<thead>
<tr>
<th>Fiscal 2017 Net Income ($ millions, except EPS)</th>
<th>Distribution</th>
<th>Pipeline &amp; Storage</th>
<th>Natural Gas Marketing</th>
<th>TOTAL</th>
<th>Average Diluted Shares</th>
<th>EPS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 268</td>
<td>$ 114</td>
<td>$ 14</td>
<td>$ 396</td>
<td>106.1</td>
<td>$ 3.73</td>
</tr>
<tr>
<td>Less: Discontinued Operations</td>
<td>---</td>
<td>---</td>
<td>(14)</td>
<td>(14)</td>
<td>106.1</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Net Income from Continuing Operations</td>
<td>$ 268</td>
<td>$ 114</td>
<td>---</td>
<td>$ 382</td>
<td>106.1</td>
<td>$ 3.60</td>
</tr>
</tbody>
</table>

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<thead>
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<th>Fiscal 2016 Net Income ($ millions, except EPS)</th>
<th>Distribution</th>
<th>Pipeline &amp; Storage</th>
<th>Natural Gas Marketing</th>
<th>TOTAL</th>
<th>Average Diluted Shares</th>
<th>EPS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 234</td>
<td>$ 111</td>
<td>$ 5</td>
<td>$ 350</td>
<td>103.5</td>
<td>$ 3.38</td>
</tr>
<tr>
<td>Less: Discontinued Operations</td>
<td>---</td>
<td>---</td>
<td>(5)</td>
<td>(5)</td>
<td>103.5</td>
<td>(0.05)</td>
</tr>
<tr>
<td>Net Income from Continuing Operations</td>
<td>$ 234</td>
<td>$ 111</td>
<td>---</td>
<td>$ 345</td>
<td>103.5</td>
<td>$ 3.33</td>
</tr>
</tbody>
</table>

* Since Atmos Energy has non-vested share-based payments with a nonforfeitable right to dividends, there is a requirement to use the two-class method of computing earnings per share. As a result, EPS cannot be calculated directly from the income statement.
Q4 Fiscal 2017 Net Income versus Q4 Fiscal 2016 Net Income

<table>
<thead>
<tr>
<th>Q4 Fiscal 2017 Net Income ($ millions, except EPS)</th>
<th>Distribution</th>
<th>Pipeline &amp; Storage</th>
<th>Natural Gas Marketing</th>
<th>TOTAL</th>
<th>Average Diluted Shares</th>
<th>EPS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$ 15</td>
<td>$ 21</td>
<td>$ ---</td>
<td>$ 36</td>
<td>106.8</td>
<td>$ 0.34</td>
</tr>
<tr>
<td>Less: Discontinued Operations</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>106.8</td>
<td>---</td>
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<tr>
<td>Net Income from Continuing Operations</td>
<td>$ 15</td>
<td>$ 21</td>
<td>$ ---</td>
<td>$ 36</td>
<td>106.8</td>
<td>$ 0.34</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q4 Fiscal 2016 Net Income ($ millions, except EPS)</th>
<th>Distribution</th>
<th>Pipeline &amp; Storage</th>
<th>Natural Gas Marketing</th>
<th>TOTAL</th>
<th>Average Diluted Shares</th>
<th>EPS *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income (Loss)</td>
<td>$ 15</td>
<td>$ 20</td>
<td>$ (1)</td>
<td>$ 34</td>
<td>104.7</td>
<td>$ 0.33</td>
</tr>
<tr>
<td>Less: Discontinued Operations</td>
<td>---</td>
<td>---</td>
<td>1</td>
<td>1</td>
<td>104.7</td>
<td>---</td>
</tr>
<tr>
<td>Net Income from Continuing Operations</td>
<td>$ 15</td>
<td>$ 20</td>
<td>$ ---</td>
<td>$ 35</td>
<td>104.7</td>
<td>$ 0.33</td>
</tr>
</tbody>
</table>

* Since Atmos Energy has non-vested share-based payments with a nonforfeitable right to dividends, there is a requirement to use the two-class method of computing earnings per share. As a result, EPS cannot be calculated directly from the income statement.
## Segment Financial Results – Fiscal 2017

### Distribution

<table>
<thead>
<tr>
<th>($ millions)</th>
<th>Year Ended 9/30</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2016</td>
<td>Change</td>
<td></td>
</tr>
<tr>
<td>Gross Profit *</td>
<td>$ 1,379.7</td>
<td>$ 1,281.2</td>
<td>$ 98.5</td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation &amp; Maintenance</td>
<td>413.1</td>
<td>408.0</td>
<td>5.1</td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>249.1</td>
<td>234.1</td>
<td>15.0</td>
<td></td>
</tr>
<tr>
<td>Taxes, other than Income</td>
<td>211.9</td>
<td>197.2</td>
<td>14.7</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>$ 505.6</td>
<td>$ 441.9</td>
<td>$ 63.7</td>
<td></td>
</tr>
</tbody>
</table>

### Key Drivers

**Year**
- **$98.5M gross profit increase:**
  - $72.4M net increase in rates
  - $ 5.8M increase from customer growth
  - $ 5.8M increase in transportation
  - $ 5.2M increase in revenue-related taxes
  - $ 2.9M net increase in consumption
- **$5.1M increase in O&M, primarily due to:**
  - higher employee-related costs and pipeline maintenance, partially offset by lower legal costs
- **$15.0M increase in D&A from increased capital investments**
- **$14.7M increase in other taxes primarily due to:**
  - $6.6M increase in property taxes due to increased capital investments
  - $5.1M increase in revenue-related tax expense

**Quarter**
- **$17.8M gross profit increase:**
  - $13.3M net increase in rates
  - $ 1.7M increase in transportation
  - $ 1.4M increase in revenue-related taxes
- **$3.2M increase in O&M, primarily due to:**
  - higher employee-related costs and pipeline maintenance
- **$4.5M increase in D&A from increased capital investments**
- **$2.9M increase in other taxes primarily due to:**
  - a $1.5M increase in revenue-related tax expense

*Gross Profit is a non-GAAP financial measure and is defined as operating revenues less purchased gas cost.*

As of November 8, 2017
# Segment Financial Results – Fiscal 2017

## Pipeline & Storage

<table>
<thead>
<tr>
<th></th>
<th>Year Ended 9/30</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2016</td>
<td>Change</td>
<td></td>
</tr>
<tr>
<td>Gross Profit*</td>
<td>$454.5</td>
<td>$427.2</td>
<td>$27.3</td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operation &amp; Maintenance</td>
<td>133.7</td>
<td>130.6</td>
<td>3.1</td>
<td></td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>70.4</td>
<td>56.7</td>
<td>13.7</td>
<td></td>
</tr>
<tr>
<td>Taxes, other than Income</td>
<td>28.5</td>
<td>24.6</td>
<td>3.9</td>
<td></td>
</tr>
<tr>
<td>Operating Income</td>
<td>$221.9</td>
<td>$215.3</td>
<td>$6.6</td>
<td></td>
</tr>
</tbody>
</table>

### Key Drivers

**Year**
- $27.3M increase in gross profit primarily from:
  - $24.6M increase in rates from the GRIP filing approved in fiscal 2016 and the rate case finalized in August 2017
  - $8.3M increase from increased through-system volumes from higher basis spreads and incremental throughput on the acquired EnLink Pipeline, partially offset by
    - $2.3M decrease from lower retention gas sales in the current year
  - $13.7M increase in D&A due to increased capital investments
  - $3.9M increase due to higher property taxes due to increased capital investments

**Quarter**
- $4.8M gross profit increase primarily from:
  - $2.1M increase in rates from GRIP filing approved in fiscal 2016 and the rate case finalized in August 2017
  - $4.0M increase from increased through-system volumes from higher basis spreads and incremental throughput on the acquired EnLink Pipeline
- $4.4M increase in D&A due to increased capital investments
- $2.0M increase due to higher property taxes due to increased capital investments

* Gross Profit is a non-GAAP financial measure and is defined as operating revenues less purchased gas cost.

As of November 8, 2017
As of November 8, 2017

Capital Spending Mix

Safety & Reliability Investments Enable Modernization of Infrastructure

**FISCAL 2017 CAPEX**

<table>
<thead>
<tr>
<th>$ millions</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 473</td>
<td>Repair and replace transmission and distribution pipelines</td>
</tr>
<tr>
<td>$ 129</td>
<td>Fortification</td>
</tr>
<tr>
<td>$ 118</td>
<td>Service line replacement</td>
</tr>
<tr>
<td>$ 97</td>
<td>Install and replace measurement &amp; regulating equipment</td>
</tr>
<tr>
<td>$ 53</td>
<td>Enhance storage and compression capabilities</td>
</tr>
<tr>
<td>$ 44</td>
<td>Pipeline integrity management projects</td>
</tr>
<tr>
<td>$ 914</td>
<td>Total Safety and Reliability Spending</td>
</tr>
<tr>
<td>$ 1,137</td>
<td>Total Capital Spending</td>
</tr>
</tbody>
</table>

**Safety and Reliability**

- **80%**

**Customer Expansion**

- **13%**

**Other**

- **7%**
Key Regulatory Developments - Fiscal 2017

Annualized Operating Income Increases from Implemented Rate Activity

Selected Rate Activity
Fiscal 2017

- $36.2M - Mid-Tex RRM
- $13.0M - APT SOI
- $ 9.7M - Mid-Tex DARR
- $ 9.0M - Mississippi SRF/SGR/SIR
- $ 6.7M - Tennessee ARM
- $ 6.2M - Louisiana-LGS RSC
- $ 5.0M - Kentucky PRP
- $ 4.7M - West TX ALDC GRIP
- $ 4.4M - Louisiana-TransLa RSC
- $ 4.3M - West Texas Cities RRM

As of November 8, 2017
Key Regulatory Developments - Fiscal 2017

- **Kentucky Rate Filing:** Filed rate case on September 28, 2017, requesting an increase in annual operating income of $4.8 million
  - Requested ROE of 10.30 percent; Requested ROR of 7.73 percent
  - Requested capital structure: 47 percent debt / 53 percent equity
  - Requested rate base: $430 million
  - Serves about 176,000 customers
  - Forward-looking test year ending March 2019

- **Louisiana – LGS:** Approved annual Rate Stabilization Clause (RSC) on September 20, 2017, providing for a net increase in annual operating income of $6.2 million
  - Authorized ROE of 9.80 percent; approved overall return of 7.43 percent
  - Approved capital structure: 47 percent debt / 53 percent equity
  - Approved rate base: $385 million
  - Serves about 276,000 customers
  - Test year ended December 31, 2016
Key Regulatory Developments - Fiscal 2017

- **Louisiana – TransLa:** *Approved* annual Rate Stabilization Clause (RSC) on September 20, 2017, providing for a net increase in annual operating income of $4.4 million
  - Authorized ROE of 9.80 percent; approved overall return of 7.50 percent
  - Approved capital structure: 47 percent debt / 53 percent equity
  - Approved rate base: $156 million
  - Serves about 74,000 customers
  - Test year ended September 30, 2016

- **Mississippi:** *Filed* annual Stable Rate Filing (SRF) on September 5, 2017, requesting an increase in annual operating income of $4.2 million
  - Requested ROE of 9.92 percent; overall return of 7.60 percent
  - Authorized capital structure: 47.5 percent debt / 52.5 percent equity
  - Requested rate base: $377 million
  - Serves about 248,000 customers
  - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2017 - October 2018
  - Test year ended June 30, 2017
Key Regulatory Developments - Fiscal 2017

**Mississippi:** *Filed* annual System Integrity Rider (SIR) on September 5, 2017, requesting a net increase in annual operating income of $8.1 million.

- Requested ROE of 9.92 percent; requested overall return of 7.60 percent
- Authorized actual capital structure: 47.5 percent debt / 52.5 percent equity
- Requested rate base: $47.8 million
- Serves about 248,000 customers
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2017 - October 2018

**Mississippi:** *Filed* annual Supplemental Growth Rider (SGR) on September 5, 2017, requesting a net increase in annual operating income of $1.4 million.

- Requested ROE of 12.00 percent; requested overall return of 8.69 percent
- Authorized actual capital structure: 47.5 percent debt / 52.5 percent equity
- Requested rate base: $8.9 million
- Serves about 248,000 customers
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2017 - October 2018
**Atmos Pipeline-Texas:**  *Filed* 2016 “Stub Period” Gas Reliability Infrastructure Program (GRIP) on September 1, 2017, requesting an annual operating income increase of $29.0 million.

- Based on return, depreciation and changes in taxes related to net investment change of $169.0 million from October 1, 2016 to December 31, 2016
- Authorized capital structure: 47.4 percent debt / 52.6 percent equity
- Authorized ROE: 11.50 percent
- Authorized ROR: 8.87 percent
- Approved rate base: $1.89 billion

**Mid-Tex Cities:**  *Filed* Statement of Intent with the City of Dallas on August 18, 2017, requesting a net increase in annual operating income of $2.2 million.

- In response to a “show cause” order filed by the City of Dallas on June 14, 2017
- Requested ROE of 10.50 percent; requested overall return of 8.15 percent
- Requested capital structure: 44 percent debt / 56 percent equity
- Requested system-wide rate base: $2.5 billion
- Serves about 225,000 customers
- Test year ended March 31, 2017
Key Regulatory Developments - Fiscal 2017

- **Atmos Pipeline - Texas**: Issued final order authorizing a net increase in annual operating income of $13.0 million (GUD 10580), effective August 1, 2017
  - Authorized ROE of 11.50 percent; overall return of 8.87 percent
  - Authorized capital structure: 47 percent debt / 53 percent equity
  - Authorized rate base: $1.77 billion
  - Approved Rider Rev benchmark at $69.4 million
  - Test year ended September 30, 2016

- **Kentucky PRP Rate Filing**: Filed annual Pipe Replacement Program (PRP) rate filing on July 28, 2017, requesting an increase in annual operating income of $5.6 million, which was subsequently approved in October 2017
  - Authorized ROE of 9.80 percent; Authorized ROR of 7.71 percent
  - Authorized capital structure: 51 percent debt / 49 percent equity
  - Authorized rate base: $42 million
  - Serves about 177,000 customers
  - Forward-looking test year ending September 2018

As of November 8, 2017
Key Regulatory Developments - Fiscal 2017

**Colorado:** *Filed* rate case June 26, 2017, requesting a net increase in annual operating income of $2.9 million

- Requested ROE of 10.5 percent; overall return of 8.14 percent
- Requested capital structure: 44 percent debt / 56 percent equity
- Requested rate base: $140.9 million
- Requested 5-year extension of the System Safety and Integrity Rider (SSIR) through 2023 (forward-looking, true-up, risk-based focused initially on specific materials)
- Serves about 116,000 customers
- Test year ended March, 2017

**Mid-Tex Cities:** *Settled* Annual Rate Review (RRM) providing a net increase in annual operating income of $36.2 million, effective June 1, 2017

- Authorized ROE of 10.50 percent; overall return of 8.36 percent
- Authorized capital structure: 45 percent debt / 55 percent equity
- Requested system-wide rate base: $2.4 billion
- Serves about 1.3 million customers
- Test year ended December 31, 2016
Key Regulatory Developments - Fiscal 2017

- **Mid-Tex Cities:** *Implemented* Dallas Annual Rate Review (DARR) June 1, 2017, providing a net increase in annual operating income of $9.7 million, subject to refund
  - Appealed to Texas Railroad Commission on May 26, 2017 (GUD 10640)
  - City of Dallas filed a “show cause” order on June 14, 2017, which required a Statement of Intent filing by August 18, 2017 for test year ended March 31, 2017
  - Authorized ROE of 10.10 percent; requested overall return of 8.38 percent
  - Requested capital structure: 41 percent debt / 59 percent equity
  - Requested system-wide rate base: $2.3 billion
  - Serves about 225,000 customers
  - Test year ended September 30, 2016

- **Tennessee Annual Review Mechanism - ARM:** *Issued order* on May 23, 2017, approving an increase in annual operating income of $6.7 million. Includes previously approved $4.6 million of deficiency for test year ended May 31, 2016.
  - Authorized ROE of 9.8 percent; overall return of 7.49 percent
  - Authorized capital structure: 47 percent debt / 53 percent equity
  - Authorized rate base: $303.0 million
  - Serves about 144,000 customers
  - Forward-looking test year ending May 31, 2018
Key Regulatory Developments - Fiscal 2017

**West Texas Cities of Amarillo/Lubbock/Dalhart/Channing:** Approved 2016 Gas Reliability Infrastructure Program (GRIP) on April 25, 2017, authorizing an increase in annual operating income of $4.7 million

- Based on return, depreciation and changes in taxes related to system-wide net investment change of $60.2 million from January 1, 2016 to December 31, 2016
- Authorized ROE of 10.5 percent; overall return of 8.57 percent
- Authorized actual capital structure: 48 percent debt / 52 percent equity
- System-wide rate base: $476.7 million
- Serves about 141,000 customers
- Test year ended December 31, 2016

**West Texas Cities:** Settled annual Rate Review Mechanism (RRM) authorizing an increase in annual operating income of $4.3 million, effective March 15, 2017

- Authorized ROE of 10.50 percent; requested overall return of 8.45 percent
- Requested capital structure: 45 percent debt / 55 percent equity
- Requested system-wide rate base: $450 million
- Serves about 136,000 customers
- Test year ended September 30, 2016
**Mississippi**: Settled annual Stable Rate Filing (SRF) on January 12, 2017, providing an increase in annual operating income of $4.4 million

- Authorized ROE of 9.73 percent; overall return of 7.85 percent
- Authorized capital structure: 47.5 percent debt / 52.5 percent equity
- Authorized rate base: $387.3 million
- Serves about 247,000 customers
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2016 - October 2017
- Test year ended June 30, 2016

**Mississippi**: Settled annual System Integrity Rider (SIR) on January 1, 2017, providing a net increase in annual operating income of $3.3 million

- Authorized ROE of 9.73 percent; authorized overall return of 7.85 percent
- Authorized actual capital structure: 47.5 percent debt / 52.5 percent equity
- Authorized rate base: $21.3 million
- Serves about 247,000 customers
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2016 - October 2017

As of November 8, 2017
Key Regulatory Developments - Fiscal 2017

**Mississippi:** *Settled* annual Supplemental Growth Rider (SGR) on January 1, 2017, providing a net increase in annual operating income of $1.3 million

- Authorized ROE of 12.00 percent; authorized overall return of 9.04 percent
- Authorized actual capital structure: 47.5 percent debt / 52.5 percent equity
- Authorized rate base: $17.4 million
- Serves about 247,000 customers
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2016 - October 2017

**Kentucky PRP Rate Filing:** *Settled* annual Pipe Replacement Program (PRP) rate filing on November 14, 2016, providing an increase in annual operating income of $5.0 million

- Authorized ROE of 9.80 percent; Authorized ROR of 7.71 percent
- Authorized capital structure: 51 percent debt / 49 percent equity
- Authorized rate base: $38 million
- Serves about 175,000 customers
- Forward-looking test year ending September 2017
Discontinued Operations

- October 31, 2016, announced the sale of Atmos Energy Marketing to a subsidiary of CenterPoint Energy
- Transaction closed on January 3, 2017; effective date of January 1, 2017
  - Included transfer of about 800 delivered gas customers and related asset optimization business
  - All cash price of $38.3 million, plus working capital of $109.0 million, for a total cash consideration of $147.3 million
  - Operating results of $0.13 per diluted share have been recorded as income from discontinued operations, net of income tax
- As a result, Atmos Energy fully exited the nonregulated marketing business
Strong Financial Foundation

Long-Term Debt Maturity and Liquidity Profile

Debt Maturity as of September 30, 2017

Liquidity Profile as of September 30, 2017

$ millions

$2,510

$ millions

$1,500.0

$35.0

$26.4

$447.7

$5.8

$0

$300

$600

$900

$1,200

$1,500

$1,800

$2,100

$2,400

$2,700

$3,000

Fiscal Year

2019

2019

2020

2021

2022

2023

2024

2025+

$450

$125

6.50%

2.13%

8.50%

1

1 These notes mature March 2019. The Treasury yield component associated with the anticipated refinancing of these notes has been effectively fixed at 3.782%.

2 Drawn under the $200 million floating rate multi-draw loan.
Long-Term Debt Issuances

June 8, 2017, issued $500 million of 3.00% senior notes due 2027 and $250 million of 4.125% senior notes due 2044

- Effective rate of these notes is 3.12% and 4.40%, after giving effect to offering costs and settlement of the associated forward starting interest rate swaps
- Net proceeds of approximately $753 million, excluding the loss on the settlement of interest rate swaps of $37 million were used
  - To repay $250 million 6.35% senior unsecured notes at maturity on June 15, 2017, and
  - For general corporate purposes, including the repayment of working capital borrowings pursuant to our commercial paper program
Constructive Rate Outcomes Drive Operating Income Growth

Annualized Increases from Implemented Rate Activity

- Customers and investors benefit from fair and reasonable regulation
- Earning on over 95% of annual CAPEX within 6 months of test year end
- ~50% of annual CAPEX is unlagged
- Distribution features:
  - 97% Weather Normalization stabilizes rates and margins
  - 76% Bad Debt Recovery insulates margins from the commodity portion of bad debt expense

As of November 8, 2017
<table>
<thead>
<tr>
<th>Q1</th>
<th>October – December</th>
<th>Q2</th>
<th>January – March</th>
<th>Q3</th>
<th>April – June</th>
<th>Q4</th>
<th>July – September</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kansas</td>
<td>Anticipate filing Gas System Reliability Surcharge (GSRS) in November 2017; new rates anticipated Q2 fiscal 2018</td>
<td>Atmos Pipeline Texas (APT) – Anticipate filing 2017 GRIP request in February 2018; new rates anticipated Q3 fiscal 2018</td>
<td>Mississippi – Anticipate filing System Integrity Rider (SIR) in March 2018; new rates anticipated Q1 fiscal 2019</td>
<td>Kentucky – Anticipate Pipe Replacement Program (PRP) filing in August 2018 new rates anticipated Q1 fiscal 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colorado</td>
<td>Anticipate filing System Safety and Integrity Rider (SSIR) in November 2017; new rates anticipated Q2 fiscal 2018</td>
<td>Tennessee – Anticipate filing annual mechanism in February 2018; new rates anticipated Q3 fiscal 2018</td>
<td>Louisiana – Anticipate LGS annual Rate Stabilization Clause filing in April 2018; new rates anticipated Q4 fiscal 2018</td>
<td>Mississippi – Anticipate Stable Rate Filing and Supplemental Growth Rider filings in September 2018; new rates anticipated Q1 fiscal 2019</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Louisiana</td>
<td>Anticipate filing TransLa jurisdiction annual Rate Stabilization Clause filing in December 2017; new rates anticipated Q3 fiscal 2018</td>
<td>Mid-Tex Cities – Anticipate Rate Review Mechanism (RRM) filing in March 2018; new rates anticipated fiscal 2018</td>
<td>Texas Environs Customers - Anticipate filing GRIP in March 2018; new rates anticipated Q3 fiscal 2018</td>
<td></td>
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</tr>
<tr>
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<td>Texas Environs Customers - Anticipate filing GRIP in March 2018; new rates anticipated Q3 fiscal 2018</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>West Texas ALDC – Anticipate filing annual GRIP request in March 2018; new rates anticipated Q3 fiscal 2018</td>
<td></td>
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<tr>
<td></td>
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<td>West Texas ALDC – Anticipate filing annual GRIP request in March 2018; new rates anticipated Q3 fiscal 2018</td>
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<tr>
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<td>West Texas Cities – Anticipate Rate Review Mechanism (RRM) filing in March 2018; new rates anticipated fiscal 2018</td>
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<tr>
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<td>West Texas Cities – Anticipate Rate Review Mechanism (RRM) filing in March 2018; new rates anticipated fiscal 2018</td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Capital Expenditures Drive Rate Base Growth

Consolidated 2018E CAPEX of $1.3 Billion - $1.4 Billion
Over 95% of annual CAPEX begins to earn a return within 6 months from end of test year

Safety & Reliability ~$1.0B - $1.1B

- **System integrity** - replacement of pipe, leak repairs and cathodic protection
- **Pipeline integrity** - includes replacement of pipelines, installation of pigging facilities, and other state and federal integrity management compliance costs
- **Other system improvements** - system enhancements and AMI

As of November 8, 2017

24
Sustainable and Growing Dividend

34 Consecutive Years of Dividend Increases

- Dividend increased 7.8% for Fiscal 2018
- The indicated annual dividend rate for Fiscal 2018 is $1.94
- Dividend has increased each year for the past 34 years
- Targeted payout ratio of 50% – 55%

Note: Amounts are adjusted for mergers and acquisitions.
Forward Looking Statements

The matters discussed or incorporated by reference in this presentation may contain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this presentation are forward-looking statements made in good faith by the company and are intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. When used in this presentation or in any of our other documents or oral presentations, the words “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “objective,” “plan,” “projection,” “seek,” “strategy” or similar words are intended to identify forward-looking statements. Such forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in this presentation, including the risks relating to regulatory trends and decisions, our ability to continue to access the credit and capital markets and the other factors discussed in our reports filed with the Securities and Exchange Commission. These factors include the risks and uncertainties discussed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2016, and in our Quarterly Report on Form 10-Q for the three and nine months ended June 30, 2017. Although we believe these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Further, we will only update our annual earnings guidance through our quarterly and annual earnings releases. All estimated financial metrics for fiscal year 2018 and beyond that appear in this presentation are current as of November 8, 2017.
Appendix
## Regulated Operations

<table>
<thead>
<tr>
<th>Jurisdictions</th>
<th>Effective Date of Last Rate Action</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized Operating Income $ millions</th>
<th>Requested Operating Income $ millions</th>
<th>Rate Base $ thousands (1)</th>
<th>Authorized Rate Base $ thousands</th>
<th>Requested Rate Base $ thousands</th>
<th>Date of Last Rate Filing (Pending)</th>
<th>Authorized Rate of Return</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atmos Pipeline-TX (GUD 10580)</td>
<td>8/1/17</td>
<td>8/1/17</td>
<td>$13.0</td>
<td>$1,767,600</td>
<td>8.87%</td>
<td>11.50%</td>
<td>47/53</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>1,767,600</td>
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</tr>
<tr>
<td>Atmos Pipeline-TX GRIP</td>
<td>9/1/17</td>
<td>9/1/17</td>
<td>$29.0</td>
<td>$1,888,492</td>
<td>8.87%</td>
<td>11.50%</td>
<td>47/53</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>1,888,492</td>
<td></td>
</tr>
<tr>
<td>Mid-Tex - City of Dallas SOI</td>
<td>8/18/17</td>
<td>8/18/17</td>
<td>$2.2</td>
<td>$2,480,157</td>
<td>8.57%</td>
<td>8.15%</td>
<td>10.50%</td>
<td>10.50%</td>
<td>48/52</td>
<td>44/56</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>1,888,492</td>
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</tr>
<tr>
<td>Mid-Tex Cities 2016 RRM</td>
<td>6/1/17</td>
<td>6/1/17</td>
<td>$36.2</td>
<td>$2,362,937</td>
<td>8.36%</td>
<td>10.50%</td>
<td>45/55</td>
<td>1,384,965</td>
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<td>NA</td>
<td>NA</td>
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<td>1,384,965</td>
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</tr>
<tr>
<td>Appealed Mid-Tex Dallas DARR (GUD 10640)</td>
<td>6/1/16</td>
<td>6/1/17</td>
<td>$5.4</td>
<td>$2,076,415</td>
<td>8.28%</td>
<td>8.38%</td>
<td>10.10%</td>
<td>10.10%</td>
<td>41/59</td>
<td>41/59</td>
<td>229,496</td>
<td>229,496</td>
<td>NA</td>
<td>2,076,415</td>
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<tr>
<td>Mid-Tex Environs GRIP (GUD 10607)</td>
<td>5</td>
<td>5/23/17</td>
<td>$1.6</td>
<td>$2,204,407</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>58,120</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>2,204,407</td>
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</tr>
<tr>
<td>West Texas Cities RRM</td>
<td>4</td>
<td>4/1/14</td>
<td>$8.4</td>
<td>$324,264</td>
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<td>2</td>
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<td>NA</td>
<td>324,264</td>
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<tr>
<td>West Texas Cities RRM</td>
<td>3/15/17</td>
<td></td>
<td>$4.3</td>
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<td>2</td>
<td>10.50%</td>
<td>2</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>2</td>
<td></td>
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<tr>
<td>WTX ALDC GRIP</td>
<td>5, 6</td>
<td>4/25/17</td>
<td>$4.7</td>
<td>$476,665</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>476,665</td>
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</tr>
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<td>WTX Environs GRIP (GUD 10608)</td>
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<td>5/23/17</td>
<td>$0.9</td>
<td>$476,665</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>476,665</td>
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</tr>
<tr>
<td>Louisiana-LGS (U-34424)</td>
<td>9/20/17</td>
<td></td>
<td>$6.2</td>
<td>$385,435</td>
<td>7.43%</td>
<td>9.80%</td>
<td>47/53</td>
<td>283,135</td>
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<td>NA</td>
<td>NA</td>
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<td>NA</td>
<td>385,435</td>
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<tr>
<td>Louisiana-Trans La (U-34343)</td>
<td>9/20/17</td>
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<td>$4.4</td>
<td>$156,200</td>
<td>7.50%</td>
<td>9.80%</td>
<td>47/53</td>
<td>76,429</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>156,200</td>
<td></td>
</tr>
</tbody>
</table>

(See Next Page for Footnote Explanations)

As of November 8, 2017
## Regulated Operations (continued)

<table>
<thead>
<tr>
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<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 9/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mississippi SRF (2005-UN-0503)</td>
<td>1/12/17</td>
<td>9/5/17</td>
<td>$ 4.4</td>
<td>$ 4.2</td>
<td>$ 387,252</td>
<td>$ 376,956</td>
<td>7.85%</td>
<td>7.60%</td>
<td>9.73%</td>
<td>9.92%</td>
<td>47/53</td>
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<tr>
<td>Mississippi SGR (2013-UN-023)</td>
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<td>9/5/17</td>
<td>$ 1.3</td>
<td>$ 1.4</td>
<td>$ 17,437</td>
<td>$ 8,891</td>
<td>9.04%</td>
<td>8.69%</td>
<td>12.00%</td>
<td>12.00%</td>
<td>47/53</td>
<td>NA</td>
<td>NA</td>
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<tr>
<td>Mississippi SIR (2015-UN-049)</td>
<td>1/1/17</td>
<td>9/5/17</td>
<td>$ 3.3</td>
<td>$ 8.1</td>
<td>$ 21,345</td>
<td>$ 47,757</td>
<td>7.85%</td>
<td>7.60%</td>
<td>9.73%</td>
<td>9.92%</td>
<td>47/53</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Kentucky (2017-00349)</td>
<td>8/15/16</td>
<td>9/28/17</td>
<td>$ 2.7</td>
<td>$ 4.8</td>
<td>$ 335,833</td>
<td>$ 430,095</td>
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<td>2</td>
<td>10.30</td>
<td>2</td>
<td>47/53</td>
<td>181,638</td>
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<td>Kentucky PRP (2017-00308)</td>
<td>11/14/16</td>
<td>7/28/17</td>
<td>$ 5.0</td>
<td>$ 5.6</td>
<td>$ 38,173</td>
<td>$ 42,401</td>
<td>7.71%</td>
<td>9.80%</td>
<td>51/49</td>
<td>NA</td>
<td>147,620</td>
<td>NA</td>
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<tr>
<td>Tennessee ARM (17-00012)</td>
<td>6/1/17</td>
<td></td>
<td>$ 6.7</td>
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<td>$ 302,953</td>
<td></td>
<td>7.49%</td>
<td></td>
<td>9.80%</td>
<td>47/53</td>
<td></td>
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<td>135,141</td>
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<tr>
<td>Kansas GSRS (17-ATMG-141-TAR)</td>
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<td></td>
<td>$ 0.8</td>
<td></td>
<td>$ 207,197</td>
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<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>48/52</td>
<td>44/56</td>
<td>118,410</td>
</tr>
<tr>
<td>Colorado (17AL-0429G)</td>
<td>1/1/16</td>
<td>6/26/17</td>
<td>$ 2.1</td>
<td>$ 2.9</td>
<td>$ 129,094</td>
<td>$ 140,938</td>
<td>7.82%</td>
<td>8.14%</td>
<td>9.60%</td>
<td>10.50%</td>
<td>48/52</td>
<td>44/56</td>
<td>24,153</td>
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<td>Colorado SSIR (16AL-0839G)</td>
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<td>$ 1.4</td>
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<td>$ 13,500</td>
<td></td>
<td>7.82%</td>
<td></td>
<td>9.60%</td>
<td>48/52</td>
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<tr>
<td>Virginia (PUE-2015-00119)</td>
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<td>2</td>
<td>2</td>
<td>20/80</td>
<td>20/80</td>
<td>24,153</td>
</tr>
</tbody>
</table>

1. Rate base, authorized rate of return and authorized return on equity presented in this table are those from the last base rate case for each jurisdiction. These rate bases, rates of return and returns on equity are not necessarily indicative of current or future rate bases, rates of return or returns on equity.
2. A rate base, rate of return, return on equity or debt/equity ratio was not included in the respective state commission’s final decision.
3. Division rate base is represented on a ‘system-wide’ basis.
4. Parameters including Rate of Return, Return on Equity and Capital Structure were identified for GRIP filings.
5. GRIP filings are based on existing returns and the change in net utility plant investment.
6. Includes the cities of Amarillo, Lubbock, Dalhart and Channing.

**Other**: Annual Rate Filing Mechanisms allowed in Mid-Tex Cities RRM, Mid-Tex Dallas DARR, West Texas Cities RRM, Louisiana, Mississippi and Tennessee; Bad Debt Rider allowed in all jurisdictions except Colorado, Louisiana and Mississippi; **WNA** allowed in all jurisdictions except Colorado.

As of November 8, 2017