



Analyst Call to Review

Fiscal 2022 First Quarter Financial Results

*February 9, 2022
9:00 a.m. Eastern*

Fiscal Q1 2022 Review

Q1 Fiscal 2022 Financial Performance



Fiscal 2022 Highlights

- **Financial Performance**

- YTD Diluted EPS of \$1.86
- \$684 million in capital spending; 88% allocated to safety and reliability spending
- 8.8% increase in fiscal 2022 annual dividend to \$2.72 per diluted share
 - 38th consecutive year of rising dividends

- **Executed Our Regulatory Strategy**

- Implemented \$72.6 million as of February 8, 2022; \$28.9 million net of excess deferred tax amortization
- \$35.8 million currently in progress

- **Strong Balance Sheet**

- Approximately \$3.1 billion in liquidity
- \$862 million of financing to support operations
 - Issued \$600 million 30-year senior notes at 2.85%
 - Settled \$262 million of equity forwards
- Equity capitalization at 59.0% as of December 31, 2021 excluding storm-related financing

Q1 Fiscal 2022 Financial Performance



Consolidated Financial Highlights

Segment Net Income <i>(\$millions, except EPS)</i>	Three Months Ended December 31	
	2021	2020
Distribution	\$ 179	\$ 154
Pipeline & Storage	70	64
Net Income	\$ 249	\$ 218
Diluted EPS¹	\$ 1.86	\$ 1.71
Capital Expenditures	\$ 684.2	\$ 456.8

1. 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.

Q1 Fiscal 2022 Financial Performance



Segment Operating Income Highlights

Three Months Ended December 31 (<i>\$millions</i>)	2021	2020	Change
Distribution	\$ 190.5	\$ 209.5	\$ (19.0)
Pipeline & Storage	85.4	89.3	(3.9)
Operating Income	\$ 275.9	\$ 298.8	\$ (22.9)

Distribution Key Drivers

- **\$32.2MM** – Net increase due to rate case outcomes
- **\$4.3MM** – Increase due to customer growth
- **\$28.8MM** – Decrease due to EDIT refunds¹
- **\$11.3MM** – Increase in other O&M - primarily employee, insurance and other administrative costs
- **\$3.2MM** – Increase in system maintenance expense
- **\$10.1MM** – Increase in D&A and property tax expense

Pipeline & Storage Key Drivers

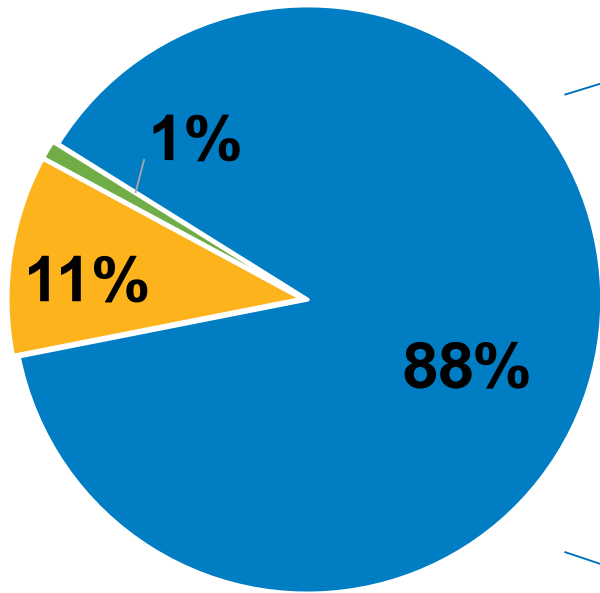
- **\$14.5MM** – Increase due to rate case outcomes
- **\$10.0MM** – Decrease due to EDIT refunds¹
- **\$5.8MM** – Increase in system maintenance expense
- **\$3.1MM** – Increase in D&A expense

¹ Reductions to operating income from excess deferred income tax (EDIT) refunds substantially offset by lower income tax expense by the end of the fiscal year.

Q1 Fiscal 2022 Financial Performance



Capital Spending Highlights



- Safety and Reliability
- Customer Expansion
- Other

<i>\$millions</i>	Fiscal 2021 YTD CapEx
\$ 302	Repair and replace transmission and distribution pipelines
108	Pipeline integrity management projects
74	Install & replace measurement & regulating equipment
63	Service line replacement
42	Fortifications
15	Enhance storage and compression capabilities
\$ 604	Total Safety and Reliability Spending
\$ 684	Total Capital Spending

Q1 Fiscal 2022 Financial Performance



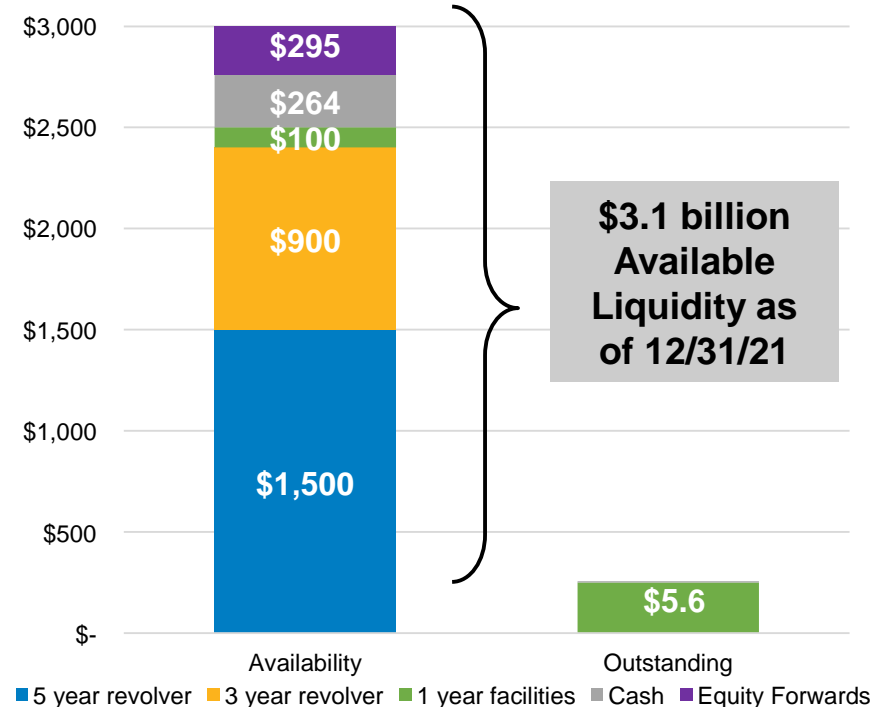
Strong Financial Foundation Supports Capital Spending Program

Capitalization and Liquidity Profile

Total Capitalization¹



Liquidity Profile as of December 31, 2021



1. Excluding the \$2.2 billion of incremental Winter Storm Uri financing, the equity capitalization rate is 59.0% as of December 31, 2021 and 60.6% as of September 30, 2021

Q1 Fiscal 2022 Financial Performance



Financing Highlights

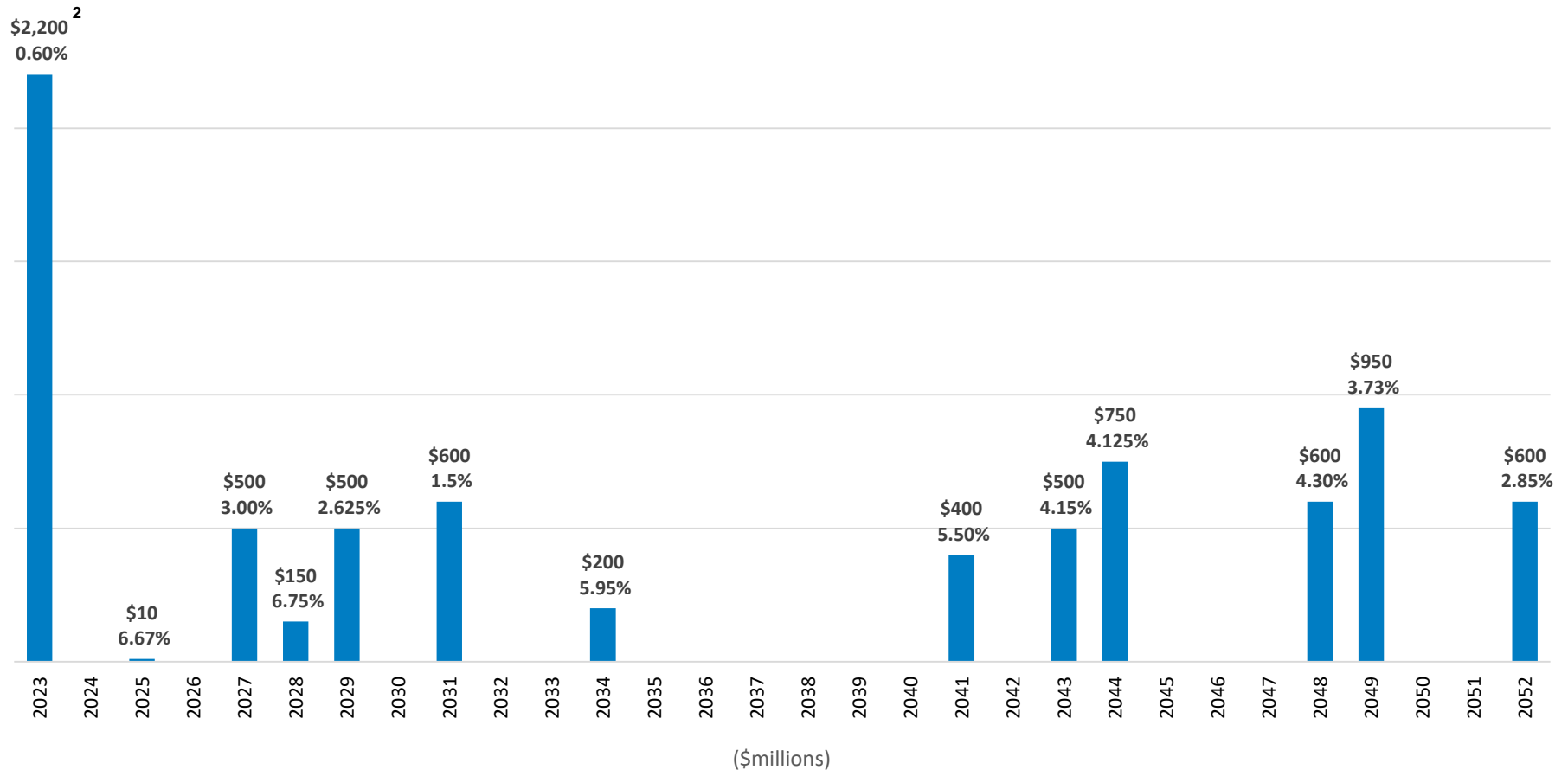
- **\$800 million of long-term debt financing issued**
 - \$600 million 2.85% 30-year senior notes issued in October 2021
 - \$200 million 2.625% senior notes issued in January 2022 due September 2029
- **Equity needs satisfied through our ATM program**
 - \$260.2 million of equity forward arrangements priced YTD fiscal 2022
 - \$261.9 million in settled equity forward arrangements
 - \$294.7 million available under equity forward agreements as of December 31, 2021
 - Maturities: September 30, 2022 to June 30, 2023
 - Shares: 3,094,440
 - Forward Share Price: \$95.23
 - \$499.7 million available for issuance through our ATM program as of December 31, 2021
- **\$3.2 billion currently available under existing shelf registration statement**

Q1 Fiscal 2022 Financial Performance



Manageable Debt Maturity Schedule Supports Capital Spending Program

Weighted Average Maturity ~19.2 Years¹



1. Excluding the \$2.2 billion of incremental Winter Storm Uri financing. Weighted average maturity is 14.2 years including the incremental financing.

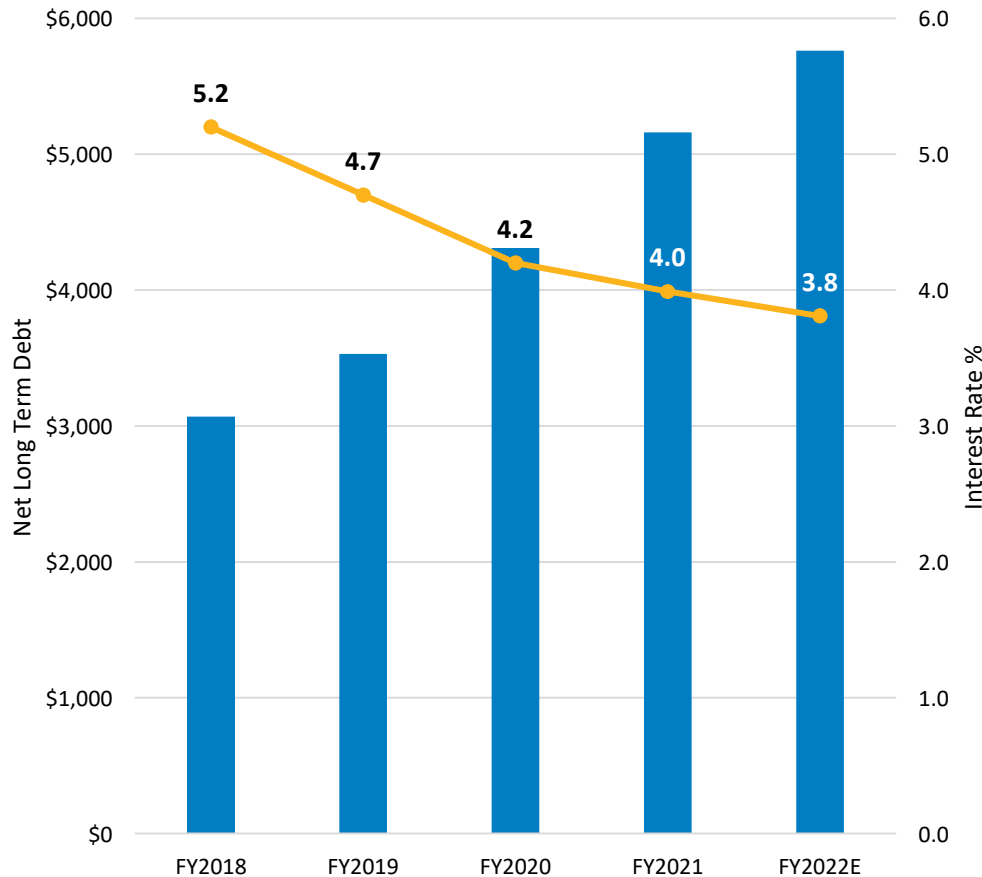
2. Figure includes a LIBOR floating rate component that may change over time.

Q1 Fiscal 2022 Financial Performance



Strong Investment Grade Ratings Support Affordable Customer Bills

Declining Weighted Average Cost of Debt¹



Strong Investment Grade Credit Ratings

	Moody's	Standard & Poor's
Senior Unsecured	A1	A-
Commercial Paper	P-1	A-2
Ratings Outlook	Negative	Negative

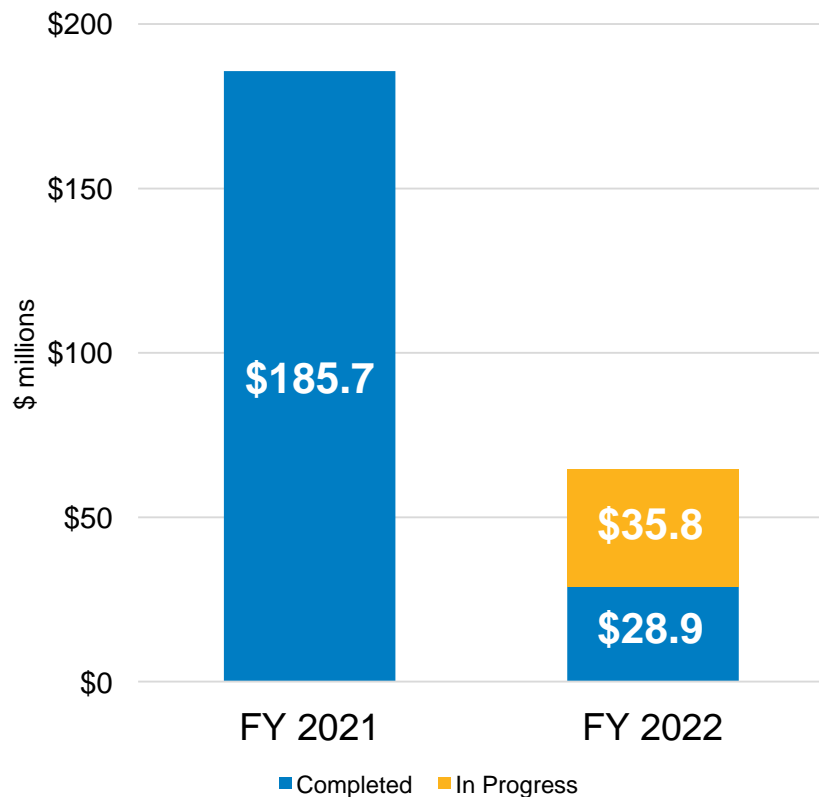
1. Excluding the \$2.2 billion of incremental Winter Storm Uri financing.

FY 2022 Financial Performance



Regulatory Highlights

Approved Annualized Operating Income Increases^{1,2}



Key Rate Activity Through February 8, 2022

- **\$28.9MM Completed**
 - \$ 21.7MM – Mid-Tex RRM
 - \$ 8.4MM – Mississippi SIR
 - \$ 2.6MM – Colorado SSIR
 - \$ 1.8MM – Kansas GSRS
 - \$ 0.3MM – Virginia SAVE
 - \$ 0.2MM – West TX RRM
 - \$ (5.6)MM – Mississippi SRF
- **\$35.8MM In-Progress**
 - \$ 14.4MM – Kentucky Rate Case
 - \$ 13.6MM – Mid-Tex DARR
 - \$ 3.7MM – Tennessee ARM
 - \$ 3.5MM – Kentucky PRP
 - \$ 0.6MM – Kansas SIP

1. Excluding the impact of EDIT fiscal 2021 rate outcomes were \$226.2 million

2. Excluding the impact of EDIT Q1 fiscal 2022 rate outcomes were \$72.6 million through February 8, 2022

Financial Outlook

Fiscal 2022E Guidance



<i>(\$millions, except EPS)</i>	FY 2021	FY 2022E ¹
Distribution	\$ 446	\$ 500 - 520
Pipeline & Storage	220	240 - 250
Total Net Income	\$ 666	\$ 740 - 770
Average Diluted Shares	129.8	136.0 - 138.5
Diluted EPS²	\$ 5.12	\$ 5.40 - \$ 5.60
Capital Spending	\$ 1,970	\$ 2,400 - \$ 2,500

1. Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2022 significantly above or below this outlook.

2. Since Atmos Energy has non-vested share-based payments with a non-forfeitable 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.

Financial Outlook

Fiscal 2022E Guidance



Selected Expenses (\$millions)	FY 2021	FY 2022E ¹
O&M	\$ 679	\$ 690 - 710
D&A	\$ 478	\$ 530 - 540
Interest	\$ 84	\$ 100 - 105
Income Tax	\$ 154	\$ 62 - 72
Effective Tax Rate	18.8%	7% - 9% ²

1. Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2022 significantly above or below this outlook.

2. Excluding the amortization of excess deferred tax liabilities, the effective rate is expected to be 22.5% - 24.5%.

Regulatory Information

Regulatory Mechanisms To Support Recovery



	Annual Revenue and Lag Mechanisms		Revenue Stability and Lag Mechanisms			Other
Jurisdiction	Annual Rate Stabilization	Infrastructure	Pension and Retirement Cost Trackers	WNA	Bad Debt in GCA	Recovery of Certain COVID-19 Costs
Colorado		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			
Kansas		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Kentucky		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tennessee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Virginia		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Louisiana	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Mississippi	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Mid-Tex	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
West Texas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
APT		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>

Key Regulatory Filings – Fiscal 2022E



Rate Filing Planned Timing

Q1 October – December	Q2 January – March	Q3 April – June	Q4 July – September
Mid-Tex and WTX Cities – Implemented RRM filing of \$59.0MM; \$21.9MM net of excess deferred income tax amortization	Colorado and Kansas – Implemented SSIR of \$2.6MM and GSRS of \$1.8MM	Mid-Tex and WTX Cities – Anticipate filing Rate Review Mechanism (RRM) in April 2022; new rates anticipated Q1 fiscal 2023	Mississippi – Anticipate Stable Rate Filing (SRF) in July 2022; new rates anticipated Q1 fiscal 2023
Mississippi – Implemented SRF and SIR filings of \$9.2MM; \$2.8MM net of excess deferred income tax amortization	Mid-Tex Dallas – Filed Dallas Annual Rate Review (DARR) in January 2022; new rates anticipated Q4 fiscal 2022	Louisiana – Anticipate filing Rate Stabilization Clause (RSC) in April 2022; new rates anticipated Q4 fiscal 2022	Colorado – Anticipate filing General Rate Case in July 2022; new rates anticipated Q2 fiscal 2023
Virginia – Implemented SAVE filing of \$0.3MM	Kansas – Filed System Integrity Program (SIP) in January 2022	Virginia – Anticipate filing SAVE in June 2022; new rates anticipated Q1 fiscal 2023	Kansas – Anticipate filing General Rate Case in July 2022; new rates anticipated Q2 fiscal 2023
	Atmos Pipeline – Texas (APT) – Anticipate filing GRIP in February 2022; new rates anticipated Q3 fiscal 2022		Kentucky – Anticipate PRP filing in August 2022; new rates anticipated Q1 fiscal 2023
	Tennessee – Filed Annual Review Mechanism (ARM) in February 2022; new rates anticipated Q3 2022		
	Mid-Tex ATM, WTX ALDC, WTX Triangle and Texas Environs – Anticipate filing GRIP in March 2022; new rates anticipated Q3 fiscal 2022		
	Mississippi – Anticipate filing System Integrity Rider (SIR) in March 2022; new rates anticipated Q1 fiscal 2023		

Implemented

Pending or anticipated

Regulatory Summary



Jurisdiction		Effective Date of Last Rate Action	Date of Last Rate Filing (Pending)	Authorized Operating Income \$millions	Requested Operating Income \$millions	Rate Base \$millions ⁽¹⁾	Requested Rate Base \$millions	Authorized Rate of Return ⁽¹⁾	Requested Rate of Return	Authorized Return on Equity ⁽¹⁾	Requested Return on Equity	Authorized Debt/Equity Ratio	Requested Debt/Equity Ratio	Meters at 12/31/21
Atmos Pipeline-TX (GUD 10580)		8/1/17		\$13.0		\$1,767		8.87%		11.50%		47/53		NA
Atmos Pipeline-TX GRIP	3	5/11/21		\$43.9		\$2,925		8.87%		11.50%		47/53		NA
Mid-Tex - City of Dallas DARR		9/1/21	1/14/22	\$1.7	\$13.6	\$4,293	\$5,052	7.57%	7.41%	9.80%	9.80%	41/59	41/59	234,555
Mid-Tex Cities RRM		12/1/21		\$21.7		\$4,399		7.36%		9.80%		42/58		1,297,044
Mid-Tex ATM Cities SOI/GRIP (GUD 10779)	3	9/1/21		\$11.1		\$4,307		7.97%		9.80%		40/60		184751
Mid-Tex Environs SOI/GRIP (GUD 10944)	3	9/1/21		\$4.6		\$4,307		7.97%		9.80%		40/60		84,456
WTX Cities RRM		12/1/21		\$0.2		\$760		7.36%		9.80%		42/58		150,342
WTX ALDC SOI	4	6/1/21		\$5.1		\$752		7.35%		2		2		153,375
WTX ALDC GRIP	3,4	9/1/20		\$5.9		\$672		8.57%		10.50%		48/52		NA
WTX Environs SOI/GRIP (GUD 10945)	3	9/1/21		\$1.3		\$765		7.97%		9.80%		40/60		24,430
WTX Triangle (GUD 10900)		9/1/21		\$0.4		\$40		7.71%		9.80%		40/60		NA
Louisiana RSC (U-35525)		7/1/21		(\$2.4)		\$837		7.30%		2		2		374,073
Mississippi SRF (2005-UN-0503)		11/1/21		(\$5.6)		\$474		7.81%		2		2		273,475
Mississippi SIR (2015-UN-049)		11/1/21		\$8.4		\$324		7.81%		2		2		NA
Kentucky PRP (2019-00253)		10/1/20	7/30/21	\$1.6	\$3.5	\$39	\$68	7.49%	7.66%	9.65%	10.35%	42/58	43/57	NA
Kentucky (2018-00281)	5	5/8/19	6/30/21	\$3.4	\$14.4	\$425	\$596	7.49%	7.66%	9.65%	10.35%	42/58	43/57	184,625

Regulatory Summary (continued)



Jurisdiction	Effective Date of Last Rate Action	Date of Last Rate Filing (Pending)	Authorized Operating Income \$millions	Requested Operating Income \$millions	Rate Base \$millions ⁽¹⁾	Requested Rate Base \$millions	Authorized Rate of Return ⁽¹⁾	Requested Rate of Return	Authorized Return on Equity ⁽¹⁾	Requested Return on Equity	Authorized Debt/Equity Ratio	Requested Debt/Equity Ratio	Meters at 12/31/21
Tennessee ARM (19-00067)	6/1/21	2/1/22	\$10.3	\$3.7	\$421	\$454	7.62%	7.53%	9.80%	9.80%	40/60	39/61	160,376
Kansas (19-ATMG-525-RTS)	4/1/20		(\$0.2)		\$242		7.03%		9.10%		44/56		140,382
Kansas GSRS	2/1/21		\$1.8		\$36		7.03%		9.10%		44/56		NA
Kansas SIP	-	1/14/21	-	\$0.6	-	\$6	-	7.03%	-	9.10%	-	44/56	NA
Colorado (17AL-0429G)	5/3/18		(\$0.2)		\$135		7.55%		9.45%		44/56		126,202
Colorado SSIR (20AL-0471G)	1/1/22		\$2.6		\$99		7.55%		9.45%		44/56		NA
Colorado GIS (18A-0765G)	4/1/19		\$0.1		\$1		7.55%		9.45%		44/56		NA
Virginia (PUR-2018-00014)	4/1/19		(\$0.4)		\$48		7.43%		9.20%		42/58		24,843
Virginia SAVE (PUR-2020-00107)	10/1/21		\$0.3		\$7		7.43%		9.20%		42/58		NA

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 final decision.
3. GRIP filings are based on existing returns and the change in net utility plant investment.
4. Includes the cities of Amarillo, Lubbock, Dalhart and Channing.
5. This amount includes \$3.5 million from the Kentucky annual pipe replacement program filing.

Colorado - Kansas Division



- **Kansas: Filed System Integrity Program (SIP) on January 14, 2022**
 - Requested an increase in annual operating income of \$0.6 million
 - Requested ROE: 9.10%; ROR: 7.03%
 - Requested capital structure: 44% debt / 56% equity
 - Requested rate base: \$5.9 million
- **Kansas: Implemented Gas Safety Reliability Surcharge (GSRS) on February 1, 2022**
 - Authorized an increase in annual operating income of \$1.8 million
 - Authorized ROE: 9.10%; ROR: 7.03%
 - Authorized capital structure: 44% debt / 56% equity
 - Authorized rate base: \$35.6 million
- **Colorado: Implemented System Safety and Integrity Rider (SSIR) on January 1, 2022**
 - Authorized an increase in annual operating income of \$2.6 million
 - Authorized ROE: 9.45%; ROR: 7.55%
 - Authorized capital structure: 44% debt / 56% equity
 - Authorized rate base: \$98.7 million

Kentucky/Mid-States Division



- **Tennessee: Filed Annual Review Mechanism (ARM) on February 1, 2022**
 - Requested an annual operating income increase of \$3.7 million
 - Requested ROE: 9.80%; ROR: 7.53%
 - Requested capital structure: 39% debt / 61% equity
 - Requested rate base: \$453.9 million
- **Kentucky: Filed Annual Pipe Replacement Program (PRP) on July 30, 2021**
 - Requested an annual operating income increase of \$3.5 million
 - Requested ROE: 10.35%; ROR: 7.66%
 - Requested capital structure: 43% debt / 57% equity
 - Requested rate base: \$67.9 million
 - Filing will be considered during Kentucky General Rate Case
- **Kentucky: Filed General Rate Case on June 30, 2021**
 - Requested an annual operating income increase of \$14.4 million
 - Requested ROE: 10.35%; ROR: 7.66%
 - Requested capital structure: 43% debt / 57% equity
 - Requested rate base: \$596.1 million

Kentucky/Mid-States Division



- **Virginia: Implemented SAVE Infrastructure Program on October 1, 2021**
 - Authorized an annual operating income increase of \$0.3 million
 - Authorized ROE: 9.20%; ROR: 7.43%
 - Authorized capital structure: 42% debt / 58% equity
 - Authorized rate base: \$7.5 million

- **Mid-Tex City of Dallas: Filed Dallas Annual Rate Review DARR on January 14, 2022**
 - Requested an increase in annual operating income of \$13.6 million
 - Requested ROE: 9.80%; ROR: 7.41%
 - Requested capital structure: 41% debt / 59% equity
 - Requested rate base: \$5.1 billion
 - Test year ending September 30, 2021

- **Mid-Tex Cities: Implemented 2020 Annual Rate Review Mechanism (RRM) on December 1, 2021**
 - Authorized an increase in annual operating income of \$55.5 million; \$21.7 million net of excess deferred income tax amortization
 - Authorized ROE of 9.80%; ROR of 7.36%
 - Authorized capital structure of 42% debt / 58% equity
 - Authorized system-wide rate base of \$4.4 billion
 - Test year ending December 31, 2020

- **Mississippi: Implemented Annual Stable Rate Filing (SRF) on November 1, 2021**
 - Authorized a decrease in annual operating income of (\$1.3) million; (\$5.6) million net of excess deferred income tax amortization
 - Authorized ROR: 7.81%
 - Authorized rate base: \$473.9 million
 - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2021 - October 2022
- **Mississippi: Implemented Annual System Integrity Rider (SIR) on November 1, 2021**
 - Authorized an increase in annual operating income of \$10.5 million; \$8.4 million net of excess deferred income tax amortization
 - Authorized ROR: 7.81%
 - Authorized rate base: \$323.7 million
 - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2021 - October 2022

- **West Texas Cities: Implemented 2020 Annual Rate Review Mechanism (RRM) on December 1, 2021**
 - Authorized annual operating income increase of \$3.5 million; \$0.2 million net of excess deferred income tax amortization
 - Authorized ROE: 9.80%; ROR: 7.36%
 - Authorized capital structure: 42% debt / 58% equity
 - Authorized rate base: \$759.9 million
 - Test year ending December 31, 2020

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 any of the company’s 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 risks and uncertainties include the following: federal, state and local regulatory and political trends and decisions, including the impact of rate proceedings before various state regulatory commissions; increased federal regulatory oversight and potential penalties; possible increased federal, state and local regulation of the safety of our operations; the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change; possible significant costs and liabilities resulting from pipeline integrity and other similar programs and related repairs; the inherent hazards and risks involved in distributing, transporting and storing natural gas; the availability and accessibility of contracted gas supplies, interstate pipeline and/or storage services; increased competition from energy suppliers and alternative forms of energy; adverse weather conditions; the impact of climate change; the inability to continue to hire, train and retain operational, technical and managerial personnel; increased dependence on technology that may hinder the Company’s business if such technologies fail; the threat of cyber-attacks or acts of cyber-terrorism that could disrupt our business operations and information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information; natural disasters, terrorist activities or other events and other risks and uncertainties discussed herein, all of which are difficult to predict and many of which are beyond our control; the capital-intensive nature of our business; our ability to continue to access the credit and capital markets to execute our business strategy; market risks beyond our control affecting our risk management activities, including commodity price volatility, counterparty performance or creditworthiness and interest rate risk; the concentration of our operations in Texas; the impact of adverse economic conditions on our customers; changes in the availability and price of natural gas; increased costs of providing health care benefits, along with pension and postretirement health care benefits and increased funding requirements; and the outbreak of COVID-19 and its impact on business and economic conditions. Accordingly, while 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. Further, we undertake no obligation to update or revise any of our 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 2022 and beyond that appear in this presentation are current as of February 8, 2022.