Analyst Call to Review

Fiscal 2020 Third Quarter Financial Results

August 6, 2020
10:00 a.m. Eastern
Fiscal 2020 YTD Highlights

- **Financial Performance**
  - YTD Adjusted Diluted EPS of $4.20
  - 17% increase in capital spending to $1.4 billion; 88% allocated to safety and reliability spending
  - Fiscal 2020 Adjusted EPS expected to range from $4.58 - $4.73
  - 9.5% increase in fiscal 2020 indicated annual dividend to $2.30 per diluted share - 36th consecutive year of rising dividends

- **Executing Our Regulatory Strategy**
  - $145.5 million completed
  - $140.5 million currently in progress

- **Strong Balance Sheet**
  - $358 million of equity settled through Q3; $547 million available under forward agreements as of June 30, 2020
  - $500 million of 30-year and $300 million of 10-year debt issuances in Q1
  - Equity capitalization at 58.8% at June 30, 2020

- **Ample Liquidity**
  - Approximately $2.9 billion in available liquidity

As of August 5, 2020
## COVID-19 Summary

### Safety
- Employees are performing their regular job responsibilities with more than 95% working remotely.
- Employees providing essential services in the community are following CDC guidelines, practicing physical distancing and wearing face coverings or appropriate PPE.
- Customer screening protocols protect customers, employees, and the community.
- Employees continue to focus on natural gas safety; virtual training classes began in April.

### Community Support
- Arranging financial support for customers experiencing financial hardship through LIHEAP, Sharing The Warmth program, payment arrangements and budget billing.
- Donated $1.5 million to support local food banks.
- Partnering with various non-profit agencies, schools, and hospitals throughout our footprint to assist the community.
- Recognized in five categories at the Southern Gas Association’s Excellence in Crisis awards for our work in our communities.

### Business Impact
- Considered an essential business in all eight states.
- Obtained incremental financing in April to further enhance liquidity.
- No material impact to YTD operating income.
- Collaborated with regulators to provide relief to customers and potential recovery of COVID-19 related costs.
- Continue to monitor potential material impacts to revenue, bad debt expense, O&M and capital spending.

As of August 5, 2020
Re–Opening Progress by State

Colorado
- Stay at Home Order expired on April 26th
- Retail, manufacturing and restaurants at 50% capacity
- School reopenings determined by district and health departments
- Mandatory mask requirements in all public indoor spaces through August 15, 2020

Mississippi
- Stay at Home Order expired on April 27th
- Office-based businesses at full capacity
- Retail and restaurants at 50% capacity
- School reopenings determined by district
- Mandatory mask requirements through August 17, 2020

Kansas
- Stay at Home Order expired on May 3rd
- All businesses, venues, and activities may open; gatherings of more than 45 not recommended
- Mandatory mask requirements in all public spaces until rescinded
- Statewide delay of school reopenings until after Labor Day

Tennessee
- Safer at Home Order expired on May 29th
- Office-based businesses, restaurants and retail at full capacity
- School reopenings determined by district
- Mandatory mask requirements in 89 counties through August 29, 2020

Kentucky
- Stay at Home Order expired on May 3rd
- Office-based businesses at 50%
- Restaurants at 25% capacity; bars closed
- Mandatory mask requirement through August 9, 2020

Texas
- Stay at Home Order expired on April 30th
- Restaurants at 50% capacity; bars closed
- Mandatory mask requirement in public spaces in certain counties until rescinded
- School reopenings determined by district

Louisiana
- Stay at Home Order expired on May 15th
- Businesses and Restaurants open at 50% capacity
- Mandatory mask requirement through August 28, 2020
- School reopenings determined by district

Virginia
- Stay at Home Order expired on May 15th
- Businesses, restaurants, retail, and religious services at full capacity
- Public or private in-person gatherings 250 or less
- Mandatory mask requirement until rescinded
- School reopenings determined by district
Consolidated Financial Results - Fiscal 2020

### Segment Net Income

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2020</th>
<th>June 30, 2019</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution</td>
<td>$59</td>
<td>$32</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pipeline &amp; Storage</td>
<td>59</td>
<td>48</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td><strong>$118</strong></td>
<td><strong>$80</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonrecurring One Time Tax Benefit</td>
<td>(21)</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Net Income</strong></td>
<td><strong>$97</strong></td>
<td><strong>$80</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$0.96</td>
<td>$0.68</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonrecurring One Time Tax Benefit</td>
<td>(0.17)</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted Diluted EPS</strong></td>
<td><strong>$0.79</strong></td>
<td><strong>$0.68</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Adjusted Net Income and diluted EPS are non-GAAP measures defined as Net Income and diluted EPS before the one-time, non-cash income tax benefit recognized in Q3 2020.

2. 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.

As of August 5, 2020
## Segment Operating Income Results

### Three Months Ended June 30

<table>
<thead>
<tr>
<th></th>
<th>2020 ($millions)</th>
<th>2019 ($millions)</th>
<th>Change ($millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution</td>
<td>$62.5</td>
<td>$48.7</td>
<td>$13.8</td>
</tr>
<tr>
<td>Pipeline &amp; Storage</td>
<td>76.5</td>
<td>73.5</td>
<td>3.0</td>
</tr>
<tr>
<td>Operating Income</td>
<td>$139.0</td>
<td>$122.2</td>
<td>$16.8</td>
</tr>
</tbody>
</table>

### Distribution Key Drivers

- $14.8MM – Increase in rates
- $1.8MM – Increase in customer growth
- $10.1MM – COVID-related decline in consumption/service order revenues
- $16.5MM – Decrease in O&M
  - Lower T&E spending
  - Decrease in employee costs
  - Temporary deferral of expenses
- $9.2MM – Increase in D&A and property tax expense
  - Increased capital investments

### Pipeline & Storage Key Drivers

- $13.3MM – Increase in rates
- $5.1MM – Decrease in thru system revenue
- $2.8MM – Increase in D&A
  - Increased capital investments

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As of August 5, 2020
## Segment Operating Income Results

### Nine Months Ended June 30 ($millions)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution</td>
<td>$496.3</td>
<td>$447.1</td>
<td>$49.2</td>
</tr>
<tr>
<td>Pipeline &amp; Storage</td>
<td>226.9</td>
<td>209.2</td>
<td>17.7</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td><strong>$723.2</strong></td>
<td><strong>$656.3</strong></td>
<td><strong>$66.9</strong></td>
</tr>
</tbody>
</table>

### Distribution Key Drivers
- $70.8MM – Increase in rates
- $10.3MM – Increase in customer growth
- $10.1MM – COVID-related decline in consumption/service order revenues
- $9.6MM – Decrease in O&M
- $24.8MM – Increase in D&A and property tax expense
  - ✔ Increased capital investments

### Pipeline & Storage Key Drivers
- $40.0MM – Increase in rates
- $8.2MM – Increase in D&A
  - ✔ Increased capital investments
- $6.6MM – Increase in O&M
  - ✔ Well integrity costs
  - ✔ Hydrotesting and in-line inspections

As of August 5, 2020
Capital Spending

88% Spent On Safety and Reliability

$1,199.2

17.2% increase

$1,405.7

YTD June 2019

YTD June 2020

$ millions

As of August 5, 2020
Safety & Reliability Investments Support Infrastructure Modernization

<table>
<thead>
<tr>
<th>$millions</th>
<th>Fiscal 2020 YTD CapEx</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 714</td>
<td>Repair and replace transmission and distribution pipelines</td>
</tr>
<tr>
<td>202</td>
<td>Service line replacement</td>
</tr>
<tr>
<td>118</td>
<td>Pipeline integrity management projects</td>
</tr>
<tr>
<td>88</td>
<td>Install &amp; replace measurement &amp; regulating equipment</td>
</tr>
<tr>
<td>74</td>
<td>Fortifications</td>
</tr>
<tr>
<td>38</td>
<td>Enhance storage and compression capabilities</td>
</tr>
<tr>
<td><strong>$ 1,234</strong></td>
<td></td>
</tr>
<tr>
<td><strong>$ 1,406</strong></td>
<td>Total Safety and Reliability Spending</td>
</tr>
</tbody>
</table>

As of August 5, 2020
Fiscal 2020 YTD Financing Recap

- **$1.0 billion of long-term debt financing issued through June 30, 2020**
  - $800 million in long-term debt issued in October 2019
    - $300 million 2.625% 10-year senior notes
    - $500 million 3.375% 30-year senior notes
  - $200 million term loan issued in April 2020

- **Equity forward recap**
  - $454 million of equity priced in fiscal 2020
  - $358 million in settled equity forward arrangements
  - $547 million net proceeds available under forward agreements at June 30, 2020
    - **Maturity:** September 30, 2020 to June 30, 2021
    - **Shares:** 5,146,620
    - **Forward Share Price:** $106.33
  - $621 million available for issuance as of June 30, 2020
Strong Financial Foundation Further Enhanced

Capitalization and Liquidity Profile

**Total Capitalization**

- Jun 30, 2020: 59% Equity, 41% LT Debt, 5% ST Debt
- Sep 30, 2019: 59% Equity, 36% LT Debt, 5% ST Debt

**Liquidity Profile as of June 30, 2020**

- Availability: $1,500.0
- Outstanding: $547.2
- One-year facilities: $208.1
- Five-year revolver: $700.0
- One-year facilities: $1,500.0
- Equity Forwards: $5.6

~ $2.9 billion Available Liquidity at 6/30/20

**Key 3Q 2020 Financing Activities**

- Issued $200MM 2-Year term loan
- Executed $600MM 364-day credit facility
- Executed two $50MM 364-day credit facilities
## COVID-19 Key Financial Factors

| **Revenue** | ~85% of distribution revenues earned through June 30, 2020  
| | 59% of distribution revenue\(^1\) is included in base charge  
| | >80% of APT revenues earned from LDC customers via demand charge  
| | 25% of APT through system revenue retained through Rider Rev  
| **Bad Debt Expense** | Regulatory asset treatment in 5 states  
| **O&M** | Regulatory asset treatment for COVID-19 related costs in 5 states\(^2\)  
| **Capital Spending** | No material supply chain issues  

\(^1\) Revenue excluding gas costs  

\(^2\) As of June 30, 2020 no amounts have been recorded as regulatory assets or liabilities for expenses related to COVID-19, including bad debt expense.
### Key Takeaways

- Residential: 68%
- Commercial: 43%
- Industrial: 23%
- Transport/Other: 20%
- Total: 59%

### Base Charge as a % of Revenue (1)

- Residential: 57%
- Commercial: 27%
- Industrial: 8%
- Transport/Other: 8%
- Total Nonresidential: 43%
- Total: 59%

### Q4 Revenue by Customer Class

#### Q4 Revenue by Customer Class

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>57%</td>
</tr>
<tr>
<td>Nonresidential</td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>27%</td>
</tr>
<tr>
<td>Industrial</td>
<td>8%</td>
</tr>
<tr>
<td>Transport/Other</td>
<td>8%</td>
</tr>
<tr>
<td>Total Nonresidential</td>
<td>43%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

### EPS Sensitivity

1% change in volumes thru Sept. 30, 2020

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>EPS Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$0.0015</td>
</tr>
<tr>
<td>Nonresidential</td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>$0.0015</td>
</tr>
<tr>
<td>Industrial</td>
<td>$0.0001</td>
</tr>
<tr>
<td>Transport/Other</td>
<td>$0.0009</td>
</tr>
<tr>
<td>Total Nonresidential</td>
<td>$0.0025</td>
</tr>
<tr>
<td>Total</td>
<td>$0.0040</td>
</tr>
</tbody>
</table>

(1) Revenue excluding gas costs

As of August 5, 2020
## Regulatory Approaches to COVID-19

<table>
<thead>
<tr>
<th>State</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colorado</td>
<td>Joint Petition filed with CPUC on April 7, 2020 for deferral of COVID related expenses</td>
</tr>
<tr>
<td>Kansas</td>
<td>Order received 7/9/20 Authorized deferral of incremental bad debt expenses and foregone fee revenue that may arise from customer protections</td>
</tr>
<tr>
<td>Kentucky</td>
<td>Tracking COVID related costs for potential future recovery</td>
</tr>
<tr>
<td>Louisiana</td>
<td>Order received 4/29/20 Authorized deferral of expenses incurred from the suspension of disconnections and collection of late fees imposed by the 3/13/20 executive order</td>
</tr>
<tr>
<td>Mississippi</td>
<td>Order received 4/14/20 Authorized deferral of incremental bad debt expenses and all associated credit and collection costs</td>
</tr>
<tr>
<td>Tennessee</td>
<td>Tracking COVID related costs for possible future recovery</td>
</tr>
<tr>
<td>Texas</td>
<td>Order received 4/8/20 Authorized deferral of expenses incurred to address the impact on utilities and their customers that otherwise would not have been incurred during the normal course of business, including incremental bad debt and associated credit and collection costs</td>
</tr>
<tr>
<td>Virginia</td>
<td>Order received 4/29/20 Authorized deferral of incremental bad debt, late payment fees suspended, reconnection costs, carrying costs and other incremental incurred costs</td>
</tr>
</tbody>
</table>
# Fiscal 2020E Guidance

<table>
<thead>
<tr>
<th>($millions, except EPS)</th>
<th>FY 2019</th>
<th>FY 2020E¹</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Distribution</strong></td>
<td>$329</td>
<td>$380 - 395</td>
</tr>
<tr>
<td><strong>Pipeline &amp; Storage</strong></td>
<td>182</td>
<td>180 - 195</td>
</tr>
<tr>
<td><strong>Total Net Income</strong></td>
<td>$511</td>
<td>$560 - 590</td>
</tr>
<tr>
<td><strong>Average Diluted Shares</strong></td>
<td>117.5</td>
<td>122.3 - 124.7</td>
</tr>
<tr>
<td><strong>Diluted EPS²</strong></td>
<td>$4.35</td>
<td>$4.58 - $4.73³</td>
</tr>
<tr>
<td><strong>Capital Spending</strong></td>
<td>$1,693</td>
<td>$1,850 - $1,950</td>
</tr>
</tbody>
</table>

¹. Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2020 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.

³. Excludes one-time tax benefit recognized in Q3 2020
## Fiscal 2020E Guidance

<table>
<thead>
<tr>
<th>Selected Expenses ($millions)</th>
<th>FY 2019</th>
<th>FY 2020E&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>O&amp;M</td>
<td>$ 630</td>
<td>$ 615 - 630</td>
</tr>
<tr>
<td>D&amp;A</td>
<td>$ 391</td>
<td>$ 425 - 435</td>
</tr>
<tr>
<td>Interest</td>
<td>$ 103</td>
<td>$ 75 - 85</td>
</tr>
<tr>
<td>Income Tax</td>
<td>$ 139</td>
<td>$ 145 - 165&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Effective Tax Rate</td>
<td>21.4%</td>
<td>20% - 23%&lt;sup&gt;3&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

1. Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2020 significantly above or below this outlook.

2. Excludes one-time tax benefit recognized in Q3 2020

3. Excluding the amortization of excess deferred tax liabilities the effective rate is expected to be 23% - 25% excluding the one-time tax benefit recognized in Q3 2020
**FY2020 Regulatory Accomplishments**

### Approved Annualized Operating Income Increases

- **FY 2019**
  - $115.2 millions

- **FY 2020**
  - $140.5 millions

### Key Rate Activity

**Through August 5, 2020**

- **$145.5MM Completed – FY20**
  - $49.3MM – APT GRIP
  - $34.4MM – Mid-Tex RRM
  - $15.5MM – Mid-Tex GRIPs*
  - $14.8MM – Louisiana RSC
  - $7.6MM – Mississippi SIR
  - $6.9MM – Mississippi SRF
  - $6.9MM – West TX GRIPs*
  - $4.9MM – West TX RRM
  - $2.9MM – Kentucky PRP
  - $2.1MM – Colorado SSIR

- **$140.5MM in Progress**
  - $94.1MM – Mid-Tex RRM
  - $17.1MM – Mid-Tex DARR
  - $10.5MM – Mississippi SIR
  - $8.4MM – Mississippi SRF
  - $7.1MM – West TX RRM
  - $3.0MM – Kentucky PRP

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*Due to the COVID-19 pandemic, the implementation date of the approved rates is September 1, 2020.*
<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>Mississippi – Implemented Stable Rate Filing (SRF) and System Integrity Rider (SIR) of $14.5 million</td>
<td>Mid-Tex(Dallas) – Filed Dallas Annual Rate Review (DARR) in January 2020; new rates anticipated Q4 fiscal 2020</td>
<td>Kansas – Implemented rate case of ($0.2 million) in April 2020</td>
<td>Mississippi – Filed Stable Rate Filing July 2020; new rates anticipated Q1 fiscal 2021</td>
<td></td>
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</tr>
<tr>
<td>Colorado – Implemented Annual System Safety and Integrity Rider (SSIR) of $2.1 million</td>
<td>Atmos Pipeline Texas (APT) – Filed 2019 GRIP in February 2020; new rates approved Q3 fiscal 2020</td>
<td>Virginia – Filed SAVE Annual filing in June 2020; new rates anticipated Q1 fiscal 2021</td>
<td>Kansas – Anticipate GSRS Annual filing in September 2020; new rates anticipated Q2 fiscal 2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-Tex Cities – Implemented Rate Review Mechanism (RRM) of $34.4 million</td>
<td>West Texas ALDC, Mid-Tex ATM and Texas Environs – Filed GRIP in February 2020; new rates anticipated Q4 fiscal 2020</td>
<td>Tennessee – Implemented Annual Review Mechanism (ARM) reconciliation of $0.7 million</td>
<td>Kentucky – PRP filed in July 2020; new rates anticipated Q1 fiscal 2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WTX Cities – Implemented Rate Review Mechanism (RRM) of $4.9 million</td>
<td>Mississippi – Filed System Integrity Rider (SIR) in March 2020; new rates anticipated Q1 fiscal 2021</td>
<td></td>
<td>West Texas ALDC – Anticipate Rate Case in September 2020; new rates anticipated Q3 fiscal 2021</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kentucky – Implemented PRP of $2.9 million</td>
<td>Louisiana – Implemented Annual Rate Stabilization Clause in July 2020 on an interim basis</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Mid-Tex and WTX Cities – Filed Rate Review Mechanism (RRM) filing in March 2020; new rates anticipated Q1 fiscal 2021</td>
<td></td>
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</tbody>
</table>
Atmos Pipeline - Texas: **Implemented** 2019 GRIP on May 20, 2020

- Authorized an annual operating income increase of $49.3 million
- Authorized ROE: 11.50%; ROR: 8.87%
- Authorized capital structure: 47% debt / 53% equity
- Authorized rate base: $2.7 billion
- Test year ending December 31, 2019
Kansas: Implemented rate case on April 1, 2020

- Authorized a $0.2 million decrease in annual operating income
- Authorized ROE: 9.10%; ROR: 7.03%
- Authorized capital structure: 44% debt / 56% equity
- Rate base value: $242.3 million
- Test year ended March 31, 2019

Colorado: Implemented System Safety and Integrity Rider (SSIR) on January 1, 2020

- Authorized an annual operating income increase of $2.1 million
- Authorized ROE: 9.45%; ROR: 7.55%
- Authorized capital structure: 44% debt / 56% equity
- Authorized Rate base value: $56.5 million
- Test year ended December 31, 2019
Kentucky PRP Rate Filing: Filed annual Pipe Replacement Program (PRP) filing on July 27, 2020
- Requested an annual operating income increase of $3.0 million
- Requested ROE of 9.65%; ROR of 7.49%
- Requested capital structure: 42% debt / 58% equity
- Requested rate base: $54.3 million
- Forward-looking test year ending September 2021

Virginia Rate Filing: Filed SAVE Infrastructure Program on June 1, 2020
- Requested an annual operating income increase of $0.4 million
- Requested ROE: 9.20%; ROR: 7.43%
- Requested capital structure: 42% debt / 58% equity
- Requested rate base: $3.8 million

Tennessee ARM Rate Filing: Implemented Annual Review Mechanism (ARM) True-Up filing on June 15, 2020
- Authorized an annual operating income increase of $0.7 million
- Authorized ROE of 9.80%; ROR of 7.70%
- Authorized capital structure: 40% debt / 60% equity
- Authorized rate base: $339 million
- Forward-looking test year ending September 2018
Virginia Rate Filing: **Implemented** New SAVE Infrastructure Program on October 1, 2019
- Authorized an annual operating income increase of $0.1 million
- Authorized ROE: 9.20%; ROR: 7.43%
- Authorized capital structure: 42% debt / 58% equity
- Authorized rate base: $0.7 million

Kentucky PRP Rate Filing: **Implemented** annual Pipe Replacement Program (PRP) filing on October 1, 2019
- Authorized an annual operating income increase of $2.9 million
- Authorized ROE of 9.65%; ROR of 7.49%
- Authorized capital structure: 42% debt / 58% equity
- Authorized rate base: $27.3 million
- Forward-looking test year ending September 2019
Louisiana: **Implemented** Annual Rate Stabilization Clause (RSC) on July 1, 2020

- Combined filing for Trans-La and LGS
- Authorized an increase in annual operating income of $14.8 million
- Authorized ROE of 9.80%; ROR of 7.57%
- Authorized capital structure of 42% debt / 58% equity
- Authorized system-wide rate base of $747 million
- Test year ended December 31, 2019
- Subject to refund
Mid-Tex Cities: **Filed** 2019 Annual Rate Review Mechanism (RRM) on March 31, 2020

- Requested an increase in annual operating income of $94.1 million
- Requested ROE of 9.80%; ROR of 7.56%
- Requested capital structure of 41% debt / 59% equity
- Requested system-wide rate base of $3.7 billion
- Test year ended December 31, 2019

Mid-Tex City of Dallas: **Filed** Dallas Annual Rate Review (DARR) on January 15, 2020

- Requested an increase in annual operating income of $17.1 million
- Requested ROE of 9.80%; ROR of 7.83%
- Requested capital structure of 40% debt / 60% equity
- Requested system-wide rate base of $3.5 billion
- Test year ended September 30, 2019

Mid-Tex ATM Cities: **Approved** 2019 GRIP on June 12, 2020; Rates to be **Implemented** on September 1, 2020

- Authorized an increase in annual operating income of $11.1 million
- Authorized ROE of 9.80%; ROR of 7.97%
- Authorized capital structure of 40% debt / 60% equity
- Authorized system-wide rate base of $3.7 billion
- Test year ended December 31, 2019
Mid-Tex Environs: Approved 2019 GRIP on May 20, 2020; Rates to be Implemented on September 1, 2020

- Authorized an increase in annual operating income of $4.4 million
- Authorized ROE of 9.80%; ROR of 7.97%
- Authorized capital structure of 40% debt / 60% equity
- Authorized system-wide rate base of $3.7 billion
- Test year ended December 31, 2019

Mid-Tex Cities: Implemented 2019 RRM on October 1, 2019

- Authorized an annual operating income increase of $34.4 million
- Authorized ROE: 9.80%; ROR: 7.83%
- Authorized capital structure: 42% debt / 58% equity
- Authorized rate base: $3.1 billion
- Test year ending December 31, 2018
Mississippi: Filed Annual Stable Rate Filing (SRF) on July 1, 2020

- Requested an annual operating income increase of $8.4 million
- Requested ROR: 7.81%
- Requested rate base: $475.9 million
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2020 - October 2021

Mississippi: Filed Annual System Integrity Rider (SIR) on March 2, 2020 and updated on July 1, 2020

- Requested an annual operating income increase of $10.5 million
- Requested ROR: 7.81%
- Requested rate base: $247.4 million
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2020 - October 2021

Mississippi: Implemented Annual System Integrity Rider (SIR) on November 1, 2019

- Authorized an annual operating income increase of $7.6 million
- Authorized ROR: 7.81%
- Authorized rate base: $185.8 million
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2019 - October 2020

As of August 5, 2020
Mississippi: Implemented Annual Stable Rate Filing (SRF) on November 1, 2019

- Authorized an annual operating income increase of $6.9 million
- Authorized ROR: 7.81%
- Authorized rate base: $448.5 million
- Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2019 - October 2020
West Texas Cities: Filed 2019 Annual Rate Review Mechanism (RRM) on March 31, 2020
- Requested an annual operating income increase of $7.1 million
- Requested ROE: 9.80%; ROR: 7.56%
- Requested capital structure: 41% debt / 59% equity
- Requested rate base: $662.2 million
- Test year ending December 31, 2019

West Texas Environs: Approved 2019 GRIP on June 16, 2020; Rates to be Implemented on September 1, 2020
- Authorized an annual operating income increase of $1.0 million
- Authorized ROE: 9.80%; ROR: 7.97%
- Authorized capital structure: 40% debt / 60% equity
- Authorized rate base: $668.0 million
- Test year ending December 31, 2019

West Texas ALDC: Approved 2019 GRIP on April 28, 2020; Rates to be Implemented on September 1, 2020
- Authorized an annual operating income increase of $5.9 million
- Authorized ROE: 10.50%; ROR: 8.57%
- Authorized capital structure: 48% debt / 52% equity
- Authorized rate base: $671.7 million
- Test year ending December 31, 2019
West Texas Triangle: **Implemented** 2019 Statement of Intent (SOI) on April 21, 2020

- Authorized an annual operating income decrease of $0.8 million
- Authorized ROE: 9.80%; ROR: 7.71%
- Authorized capital structure: 40% debt / 60% equity
- Authorized rate base: $37.4 million
- Test year ending March 31, 2019

West Texas Cities: **Implemented** 2018 Annual Rate Review Mechanism (RRM) on October 1, 2019

- Authorized an annual operating income increase of $4.9 million
- Authorized ROE: 9.80%; ROR: 7.83%
- Authorized capital structure: 42% debt / 58% equity
- Authorized rate base: $591.5 million
- Test year ending December 31, 2018
## Regulatory Summary

<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 $millions (1)</th>
<th>Requested Rate Base $millions</th>
<th>Authorized Rate of Return (1)</th>
<th>Requested Rate of Return</th>
<th>Authorized Return on Equity (1)</th>
<th>Requested Return on Equity</th>
<th>Authorized Debt/Equity Ratio</th>
<th>Requested Debt/Equity Ratio</th>
<th>Meters at 6/30/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atmos Pipeline-TX (GUD 10580)</td>
<td>8/1/17</td>
<td></td>
<td>$13.0</td>
<td>$1,767</td>
<td>8.87%</td>
<td>11.50%</td>
<td>47/53</td>
<td>NA</td>
<td></td>
<td></td>
<td>47/53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Atmos Pipeline-TX GRIP</td>
<td>3,5</td>
<td>5/20/20</td>
<td>$49.3</td>
<td>$2,698</td>
<td>8.87%</td>
<td>11.50%</td>
<td>47/53</td>
<td>NA</td>
<td></td>
<td></td>
<td>47/53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-Tex - City of Dallas DARR</td>
<td>6/1/19</td>
<td>1/15/20</td>
<td>$8.0</td>
<td>$17.1</td>
<td>$2,862</td>
<td>$3,511</td>
<td>7.96%</td>
<td>7.83%</td>
<td>9.80%</td>
<td>9.80%</td>
<td>40/60</td>
<td>40/60</td>
<td>232,222</td>
</tr>
<tr>
<td>Mid-Tex Cities RRM</td>
<td>10/1/19</td>
<td>3/31/20</td>
<td>$34.4</td>
<td>$94.1</td>
<td>$3,053</td>
<td>$3,733</td>
<td>7.83%</td>
<td>7.56%</td>
<td>9.80%</td>
<td>9.80%</td>
<td>42/58</td>
<td>41/59</td>
<td>1,260,142</td>
</tr>
<tr>
<td>Mid-Tex ATM Cities SOI/GRIP (GUD 10779)</td>
<td>3,5</td>
<td>6/12/20</td>
<td>$11.1</td>
<td>$3,655</td>
<td>7.97%</td>
<td>9.80%</td>
<td>40/60</td>
<td>177,370</td>
<td></td>
<td></td>
<td>40/60</td>
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</tr>
<tr>
<td>Mid-Tex Environs SOI/GRIP (GUD 10944)</td>
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<td>5/20/20</td>
<td>$4.4</td>
<td>$3,655</td>
<td>7.97%</td>
<td>9.80%</td>
<td>40/60</td>
<td>74,807</td>
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<td></td>
<td>40/60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Texas Division SOI</td>
<td>4/1/14</td>
<td></td>
<td>$8.4</td>
<td>$324</td>
<td>2</td>
<td>2</td>
<td>2</td>
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<td>2</td>
<td>2</td>
<td>NA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WTX Cities RRM</td>
<td>10/1/19</td>
<td>3/31/20</td>
<td>$4.9</td>
<td>$7.1</td>
<td>$592</td>
<td>$662</td>
<td>7.83%</td>
<td>7.56%</td>
<td>9.80%</td>
<td>9.80%</td>
<td>42/58</td>
<td>41/59</td>
<td>146,576</td>
</tr>
<tr>
<td>WTX ALDC GRIP</td>
<td>3,4, 5</td>
<td>4/28/20</td>
<td>$5.9</td>
<td>$672</td>
<td>8.57%</td>
<td>10.50%</td>
<td>48/52</td>
<td>148,660</td>
<td></td>
<td></td>
<td>48/52</td>
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<td></td>
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<tr>
<td>WTX Environs SOI/GRIP (GUD 10945)</td>
<td>3,5</td>
<td>6/16/20</td>
<td>$1.0</td>
<td>$668</td>
<td>7.97%</td>
<td>9.80%</td>
<td>40/60</td>
<td>24,419</td>
<td></td>
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<td>40/60</td>
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<td></td>
</tr>
<tr>
<td>WTX Triangle (GUD 10900)</td>
<td>4/21/20</td>
<td></td>
<td>($0.8)</td>
<td>$37</td>
<td>7.71%</td>
<td>9.80%</td>
<td>40/60</td>
<td>NA</td>
<td></td>
<td></td>
<td>40/60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Louisiana RSC (U-35525)</td>
<td>7/1/20</td>
<td></td>
<td>$14.8</td>
<td>$747</td>
<td>7.57%</td>
<td>9.80%</td>
<td>42/58</td>
<td>367,737</td>
<td></td>
<td></td>
<td>42/58</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mississippi SRF (2005-UN-0503)</td>
<td>11/1/19</td>
<td>7/1/20</td>
<td>$6.9</td>
<td>$8.4</td>
<td>$449</td>
<td>$476</td>
<td>7.81%</td>
<td>7.81%</td>
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<td>266,820</td>
</tr>
<tr>
<td>Mississippi SIR (2015-UN-049)</td>
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<td>7/1/20</td>
<td>$7.6</td>
<td>$10.5</td>
<td>$186</td>
<td>$247</td>
<td>7.81%</td>
<td>7.81%</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>NA</td>
</tr>
</tbody>
</table>
### Regulatory Summary (continued)

<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 $millions</th>
<th>Requested Rate Base $millions</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 6/30/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kentucky PRP (2019-00253)</td>
<td>10/1/19</td>
<td>7/27/20</td>
<td>$2.9</td>
<td>$3.0</td>
<td>$27</td>
<td>$54</td>
<td>7.49%</td>
<td>7.49%</td>
<td>9.65%</td>
<td>9.65%</td>
<td>42/58</td>
<td>42/58</td>
<td>NA</td>
</tr>
<tr>
<td>Kentucky (2018-00281)</td>
<td>5/7/19</td>
<td></td>
<td>$3.4</td>
<td>$425</td>
<td></td>
<td></td>
<td>7.49%</td>
<td></td>
<td>9.65%</td>
<td></td>
<td>42/58</td>
<td>182,628</td>
<td></td>
</tr>
<tr>
<td>Tennessee ARM (19-00067)</td>
<td>6/1/19</td>
<td></td>
<td>$2.4</td>
<td>$389</td>
<td></td>
<td></td>
<td>7.79%</td>
<td></td>
<td>9.80%</td>
<td></td>
<td>42/58</td>
<td>156,102</td>
<td></td>
</tr>
<tr>
<td>Kansas (19-ATMG-525-RTS)</td>
<td>2/24/20</td>
<td></td>
<td>($0.2)</td>
<td>$242</td>
<td></td>
<td></td>
<td>7.03%</td>
<td></td>
<td>9.10%</td>
<td></td>
<td>44/56</td>
<td>137,770</td>
<td></td>
</tr>
<tr>
<td>Colorado (17AL-0429G)</td>
<td>5/3/18</td>
<td></td>
<td>($0.2)</td>
<td>$135</td>
<td></td>
<td></td>
<td>7.55%</td>
<td></td>
<td>9.45%</td>
<td></td>
<td>44/56</td>
<td>122,607</td>
<td></td>
</tr>
<tr>
<td>Colorado SSIR (19AL-0607G)</td>
<td>1/1/20</td>
<td></td>
<td>$2.1</td>
<td>$57</td>
<td></td>
<td></td>
<td>7.55%</td>
<td></td>
<td>9.45%</td>
<td></td>
<td>44/56</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Colorado GIS (18A-0765G)</td>
<td>4/1/19</td>
<td></td>
<td>$0.1</td>
<td>$0.6</td>
<td></td>
<td></td>
<td>7.55%</td>
<td></td>
<td>9.45%</td>
<td></td>
<td>44/56</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Virginia (PUR-2018-00013)</td>
<td>4/1/19</td>
<td></td>
<td>($0.4)</td>
<td>$48</td>
<td></td>
<td></td>
<td>7.43%</td>
<td></td>
<td>9.20%</td>
<td></td>
<td>42/58</td>
<td>24,472</td>
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</tr>
<tr>
<td>Virginia SAVE (PUR-2019-00054)</td>
<td>10/1/19</td>
<td>6/1/20</td>
<td>$0.1</td>
<td>$0.4</td>
<td>$0.7</td>
<td>$4</td>
<td>7.43%</td>
<td>7.43%</td>
<td>9.20%</td>
<td>9.20%</td>
<td>42/58</td>
<td>42/58</td>
<td>NA</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 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. Due to the COVID-19 pandemic, the implementation date of the approved rates is September 1, 2020.
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 factors include the following: the outbreak of COVID-19 and its impact on business and economic conditions; 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; 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 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; 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; increased costs of providing health care benefits, along with pension and postretirement health care benefits and increased funding requirements; the inability to continue to hire, train and retain operational, technical and managerial personnel; the impact of climate change; the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change; 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; and natural disasters, terrorist activities or other significant events, all of which are difficult to predict and many of which are beyond our control. 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 2020 and beyond that appear in this presentation are current as of August 5, 2020.