Analyst Call to Review

Fiscal 2024 First Quarter Financial Results

February 7, 2024
9:00 a.m. Eastern

Fiscal Q1 2024 Review

Q1 Fiscal 2024 Financial Performance

Fiscal 2024 Highlights

- **Financial Performance**
  - YTD Diluted EPS of $2.08
  - $770 million in capital spending; 82% allocated to safety and reliability spending
  - 8.8% increase in fiscal 2024 indicated annual dividend to $3.22 per diluted share
    - 40th consecutive year of rising dividends
- **Executed Our Regulatory Strategy**
  - Implemented $166.9 million as of February 6, 2024; $128.6 million, net of excess deferred tax amortization
  - $60.6 million currently in progress
- **Strong Balance Sheet**
  - Approximately $3.2 billion in available liquidity
  - $1.2 billion of financing to support operations
    - Issued $500 million 30-year senior notes at 6.20%[1]
    - Issued $400 million 10-year senior notes at 5.90%[2]
    - Settled $254 million of equity forwards
  - Equity capitalization at 60.2% as of December 31, 2023

1. *5.56% effective rate after giving effect to the settlement of our interest rate swaps.*
2. *4.35% effective rate after giving effect to the settlement of our interest rate swaps.*

Q1 Fiscal 2024 Financial Performance

ATMOS energy

Consolidated Financial Highlights

Segment Net Income *($millions, except EPS)*	**Three Months Ended December 31** 2023	2022
Distribution	$ 221	$ 195
Pipeline & Storage	90	77
Net Income	**$ 311**	**$ 272**
Diluted EPS[1]	**$ 2.08**	**$ 1.91**
Capital Expenditures	**$ 769.7**	**$ 795.7**

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 2024 Financial Performance

Segment Operating Income Highlights

Three Months Ended December 31 ($millions)	2023	2022	Change
Distribution	$ 280.5	$ 231.8	$ 48.7
Pipeline & Storage	118.6	89.4	29.2
Operating Income	**$ 399.1**	**$ 321.2**	**$ 77.9**

Distribution Key Drivers

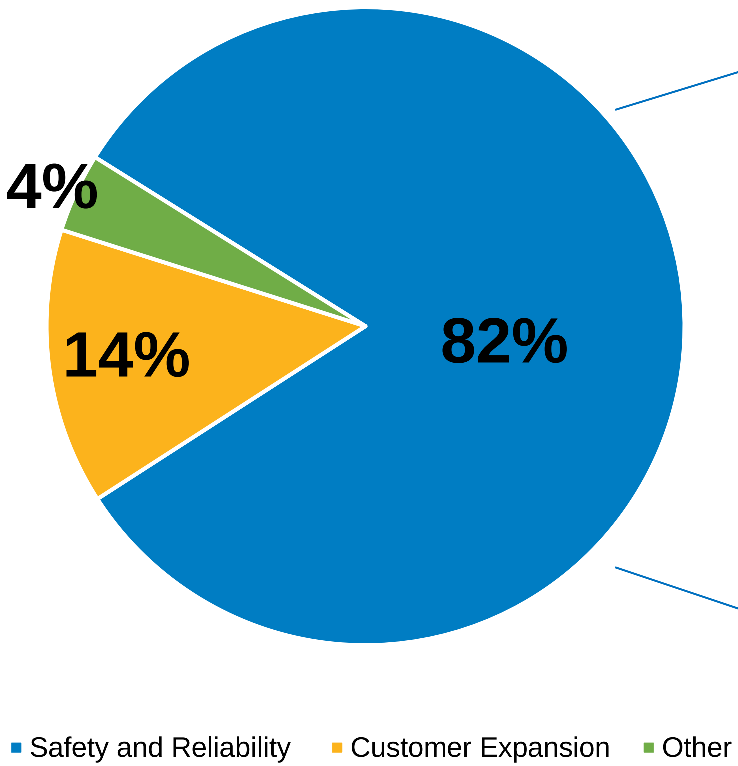
- **$64.6MM – Net increase due to rate adjustments**
- **$13.2MM – decrease in bad debt expense primarily due to change in how uncollectible customer accounts are recovered**
- **$5.3MM – Increase due to residential customer growth**
- **($14.0MM) – Increase in D&A**
- **($8.5MM) – Decrease in consumption, net of WNA**

Pipeline & Storage Key Drivers

- **$19.5MM – Increase due to rate adjustments**
- **$9.8MM – decrease in O&M – primarily timing of system maintenance work**
- **($4.6MM) – Net Increase in D&A**

Q1 Fiscal 2024 Financial Performance

Capital Spending Highlights

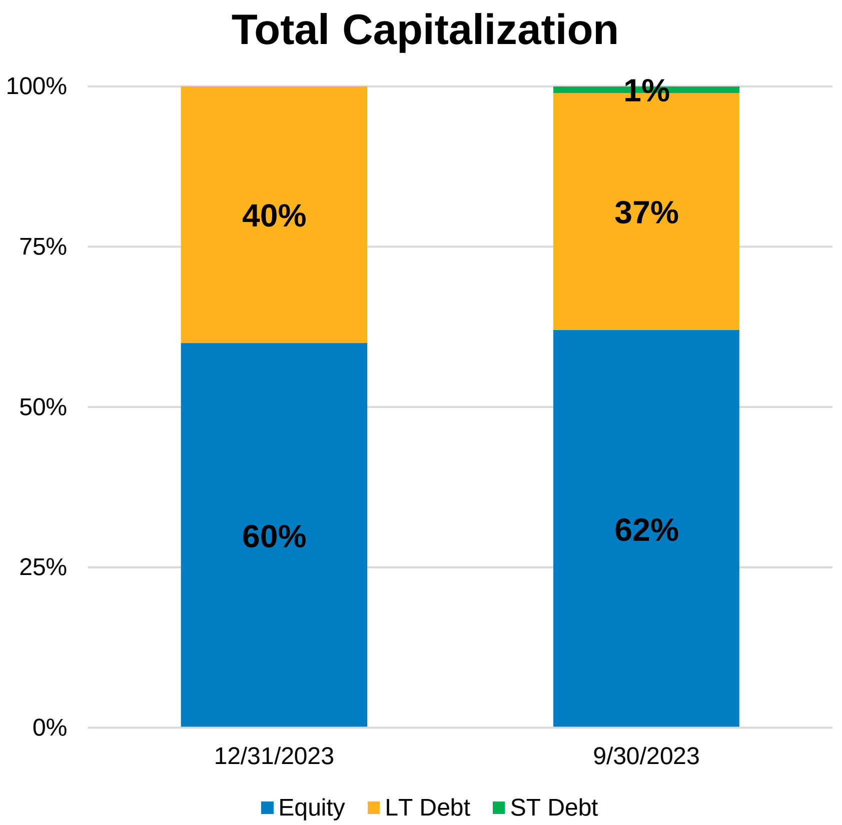


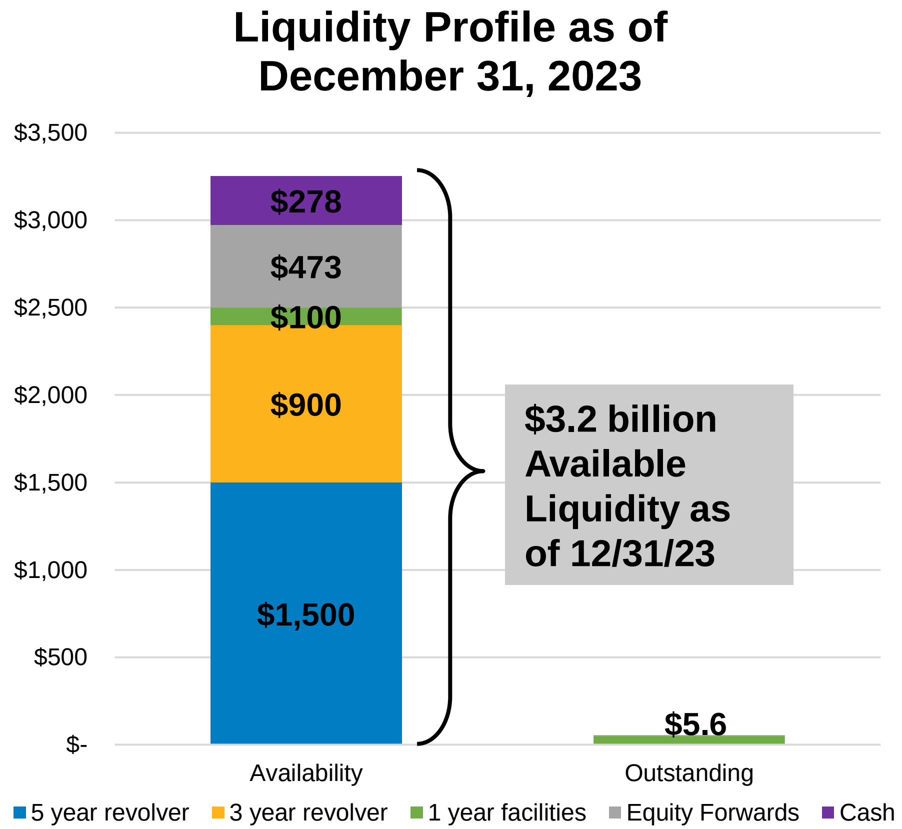
$millions	Fiscal 2024 YTD Capital Spending
$ 253	Repair and replace transmission and distribution pipelines
192	Fortifications
79	Install & replace measurement & regulating equipment
71	Service line replacement
21	Pipeline integrity management projects
16	Enhance storage and compression capabilities
$ 632	**Total Safety and Reliability Spending**
$ 770	**Total Capital Spending**

Q1 Fiscal 2024 Financial Performance

Strong Financial Foundation Supports Capital Spending Program

Capitalization and Liquidity Profile





Q1 Fiscal 2024 Financial Performance

Financing Highlights

- **$900 million of long-term debt financing issued**
  - $500 million 6.20% 30-year senior notes issued in October 2023[1]
  - $400 million 5.90% 10-year senior notes issued in October 2023[2]

- **Equity needs satisfied through our ATM program**
  - $261.4 million of equity forward arrangements priced
  - $254 million in settled equity forward arrangements
  - $473.5 million available under equity forward agreements as of December 31, 2023
    - Maturity: September 30, 2024 through June 30, 2025
    - Shares: 4,100,543
    - Forward Share Price: $115.47
  - $499.1 million available for issuance through our ATM program as of December 31, 2023

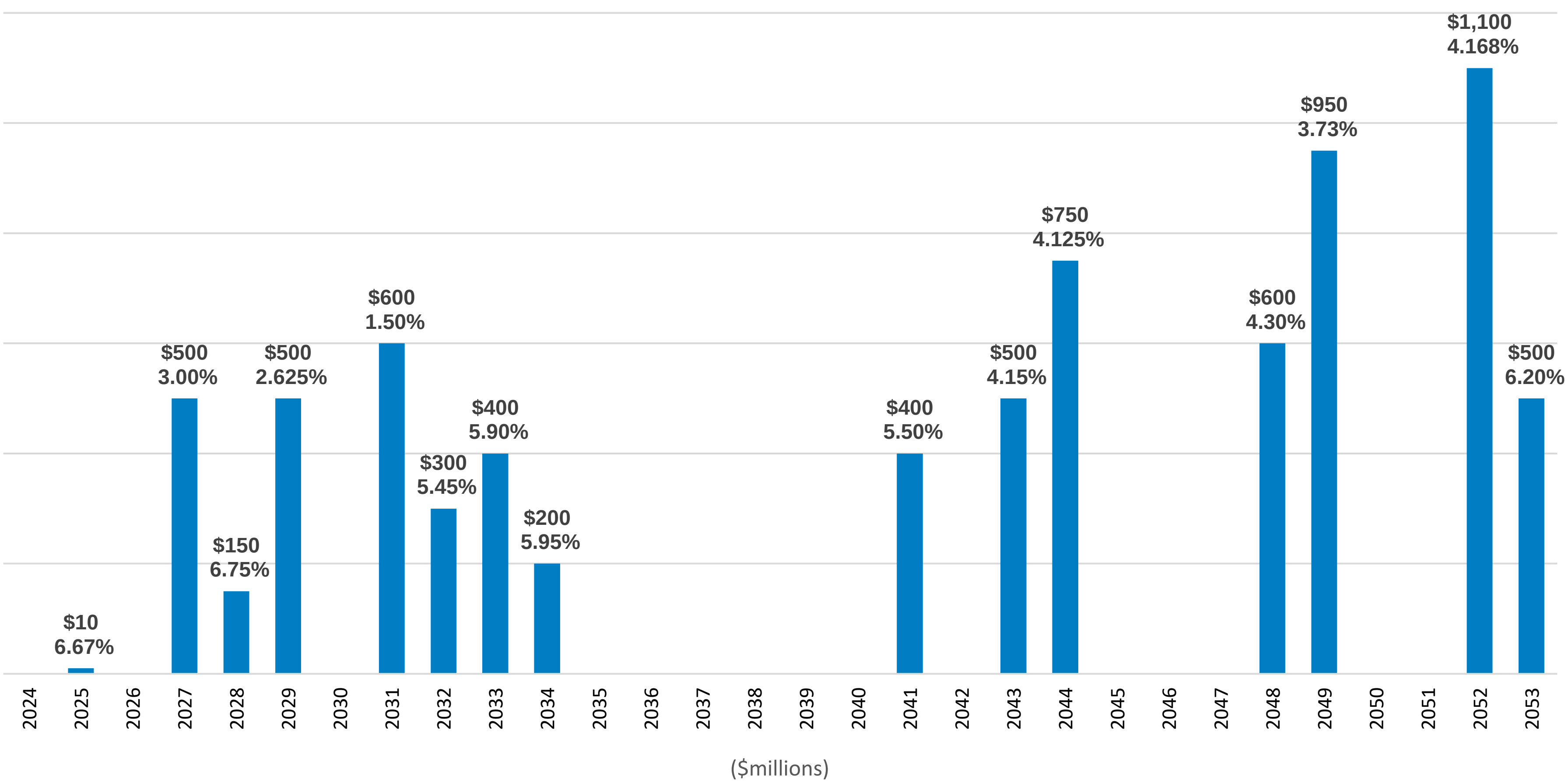
- **$3.1 billion currently available under existing shelf registration statement**

1. *5.56% effective rate after giving effect to the settlement of our interest rate swaps.*
2. *4.35% effective rate after giving effect to the settlement of our interest rate swaps.*

Q1 Fiscal 2024 Financial Performance

Manageable Debt Maturity Schedule Supports Capital Spending Program

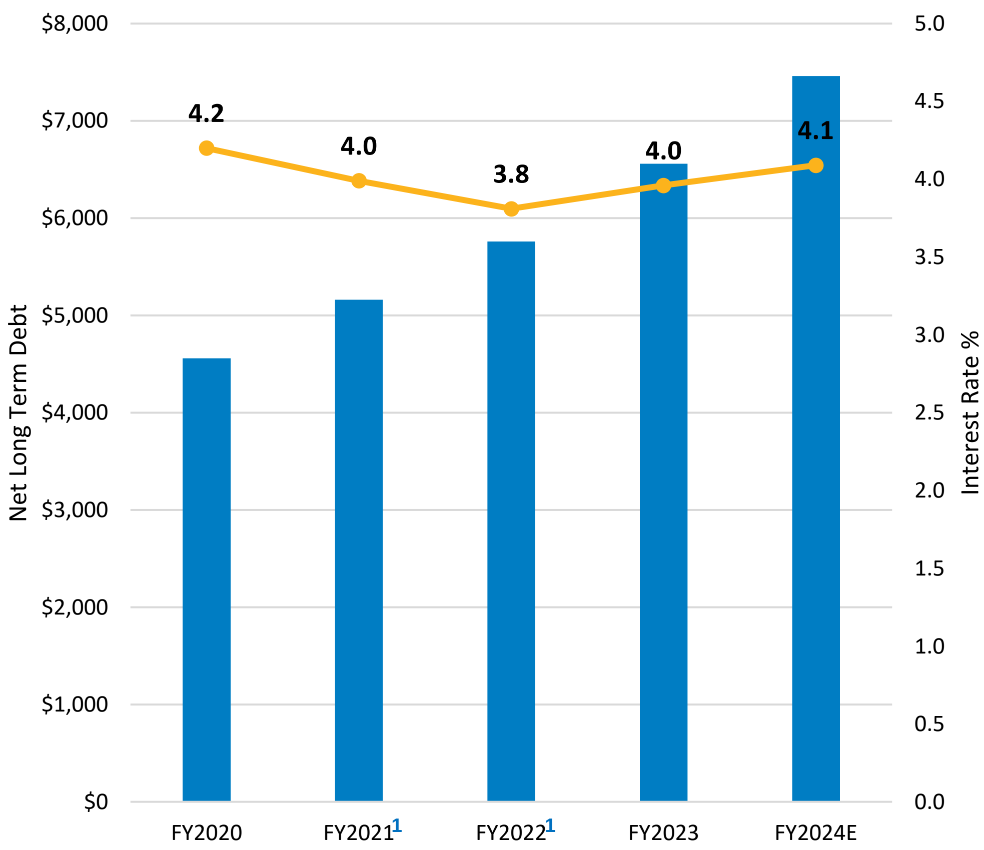
Weighted Average Maturity ~18.2 Years



Q1 Fiscal 2024 Financial Performance

Strong Investment Grade Ratings Support Affordable Customer Bills

Weighted Average Cost of Debt



Strong Investment Grade Credit Ratings

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

Forward Starting Interest Rate Swaps

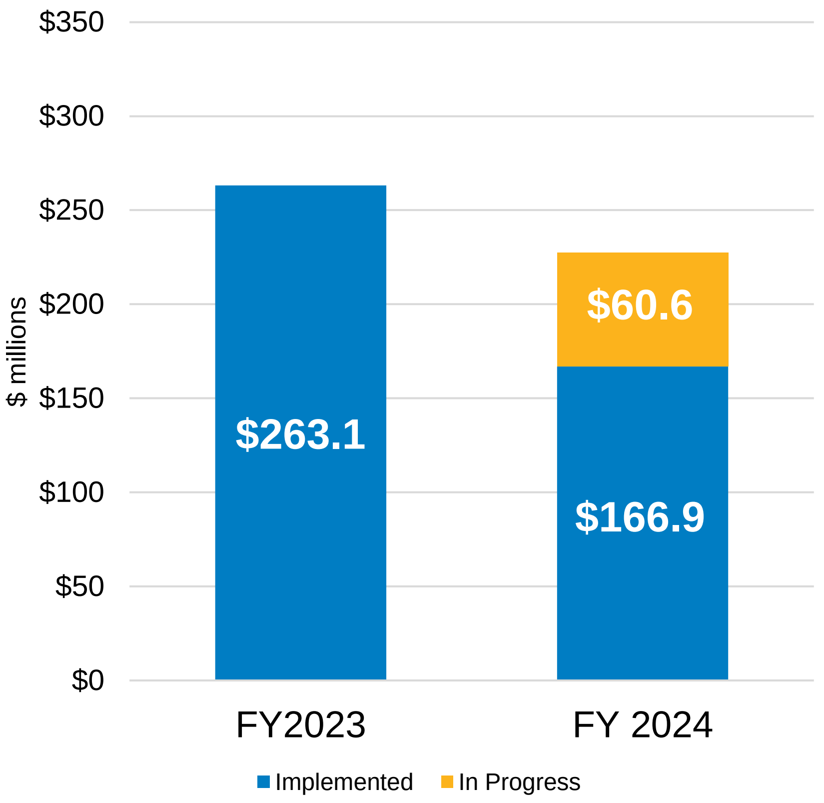
	Amount Hedged ($Millions)	Effective Interest Rate
FY2025	$600	1.75%
FY2026	$300	2.16%

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

FY 2024 Financial Performance

Regulatory Highlights

Approved Annualized Operating Income Increases[1,2]



Key Rate Activity
Through February 6, 2024

- **$166.9MM Implemented**
  - $ 98.6MM – Mid-Tex Cities RRM
  - $ 27.0MM – APT Rate Case
  - $ 11.5MM – Mississippi SRF
  - $ 11.0MM – Mississippi SIR
  - $ 8.6MM – West Texas Cities RRM
  - $ 2.9MM – Kentucky PRP
  - $ 2.8MM – Virginia Rate Case[3]
  - $ 2.1MM – Colorado SSIR
  - $ 1.8MM – Kansas GSRS
  - $ 0.6MM – Virginia SAVE

- **$60.6MM In-Progress**
  - $ 40.4MM – Mid-Tex DARR
  - $ 19.5MM – Tennessee ARM
  - $ 0.7MM – Kansas SIP

1. *Excluding the impact of EDIT fiscal 2023 rate outcomes were $268.8 million.*
2. *Excluding the impact of EDIT fiscal 2024 rate outcomes are $128.6 million.*
3. *Implemented subject to refund*

Financial Outlook

Fiscal 2024E Guidance

($millions, except EPS)	FY 2023	FY 2024E[1]
Distribution	$ 580	$ 645 - 665
Pipeline & Storage	306	340 - 350
Total Net Income	**$ 886**	**$ 985 - 1,015**
Average Diluted Shares	145.2	152 - 154
Diluted EPS[2]	**$ 6.10**	**$ 6.45 - 6.65**
Capital Spending	**$ 2,806**	**$ ~2,900**

1. *Changes in events or other circumstances that the Company cannot currently anticipate could materially impact earnings and could result in earnings for fiscal 2024 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 2024E Guidance

Selected Expenses *($millions)*	FY 2023	FY 2024E[1]
O&M	$ 765	$ 780 - 800
D&A	$ 604	$ 685 - 695
Interest	$ 137	$ 190 - 196
Income Tax	$ 114	$ 165 -180
Effective Tax Rate	11.4%	14% - 16%[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 2024 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		
Jurisdiction	**Annual Rate Stabilization**	**Infrastructure**	**Pension and Retirement Cost Trackers**	**WNA**	**Bad Debt in GCA**
Colorado		☒	☒		
Kansas		☒	☒	☒	☒
Kentucky		☒		☒	☒
Tennessee	☒	☒	☒	☒	☒
Virginia		☒		☒	☒
Louisiana	☒	☒	☒	☒	
Mississippi	☒	☒		☒	☒
Mid-Tex	☒	☒	☒	☒	☒
West Texas	☒	☒	☒	☒	☒
APT		☒	☒		

Key Regulatory Filings – Fiscal 2024E

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 $107.2MM	Colorado – Implemented SSIR filing of $2.1MM	**Mid-Tex and WTX Cities – Anticipate filing Rate Review Mechanism (RRM) in April 2024; new rates anticipated Q1 fiscal 2025**	**Mississippi – Anticipate Stable Rate Filing (SRF) in July 2024; new rates anticipated Q1 fiscal 2025**
Kentucky – Implemented PRP filing of $2.9MM	**Mid-Tex Dallas – Filed Dallas Annual Rate Review (DARR) in January 2024; new rates anticipated Q3 fiscal 2024**	**Louisiana – Anticipate filing Rate Stabilization Clause (RSC) in April 2024; new rates anticipated Q4 fiscal 2024**	**Colorado – Anticipate filing General Rate Case in July 2024; new rates anticipated Q2 fiscal 2025**
Virginia – Implemented SAVE filing of $0.6MM	**Atmos Pipeline – Texas (APT) – Anticipate filing GRIP in February 2024; new rates anticipated Q3 fiscal 2024**	**Virginia – Anticipate filing SAVE in June 2024; new rates anticipated Q4 fiscal 2024**	**Kentucky – Anticipate PRP filing in August 2024; new rates anticipated Q1 fiscal 2025**
Kansas – Implemented GSRS filing of $1.8MM	**Tennessee – Filed Annual Review Mechanism (ARM) in February 2024; new rates anticipated Q3 2024**	**Kentucky – Anticipate filing General Rate Case in June 2024; new rates anticipated Q1 fiscal 2025**	**Kansas – Anticipate filing Gas Safety Reliability Surcharge (GSRS) in August 2024; new rates anticipated Q1 fiscal 2025**
Mississippi – Implemented SRF and SIR filings of $22.5MM	**Mid-Tex ATM, WTX ALDC, WTX Triangle and Texas Environs – Anticipate filing GRIP in March 2024; new rates anticipated Q3 fiscal 2024**		**Mid-Tex – Anticipate filing General Rate Case in September 2024; new rates anticipated Q3 fiscal 2025**
APT – Implemented General Rate Case of $27.0MM	**Mississippi – Anticipate filing System Integrity Rider (SIR) in March 2024; new rates anticipated Q1 fiscal 2025**		**West Texas – Anticipate filing General Rate Case in September 2024; new rates anticipated Q3 fiscal 2025**
	Kansas – Filed System Integrity Program (SIP) in January 2024; new rates anticipated Q3 fiscal 2024		

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 12/31/23
Atmos Pipeline-TX (GUD 10580)		12/13/23		$27.0		$4,267		8.49%		11.45%		40/60		NA
Atmos Pipeline-TX GRIP	3	5/17/23		$84.9		$4,055		8.87%		11.50%		47/53		NA
Mid-Tex - City of Dallas DARR		9/1/23	1/12/24	$17.3	$40.4	$5,905	$6,845	7.43%	7.47%	9.80%	9.80%	40/60	40/60	235,147
Mid-Tex Cities RRM		10/1/23		$98.6		$6,070		7.35%		9.80%		42/58		1,342,750
Mid-Tex ATM Cities SOI/GRIP (GUD 10779)	3	6/9/23		$12.8		$5,933		7.97%		9.80%		40/60		189,570
Mid-Tex Environs SOI/GRIP (GUD 10944)	3	6/1/23		$6.0		$5,933		7.97%		9.80%		40/60		99,193
WTX Cities RRM		10/1/23		$8.6		$965		7.35%		9.80%		42/58		152,188
WTX ALDC SOI	4	6/1/21		$5.1		$752		7.35%		2		2		155,145
WTX ALDC GRIP	3,4	6/9/23		$6.9		$961		7.35%		2		41/59		NA
WTX Environs SOI/GRIP (GUD 10945)	3	6/1/23		$1.3		$958		7.97%		9.80%		40/60		24,361
WTX Triangle (GUD 10900)		6/1/23		$0.7		$56		7.71%		9.80%		40/60		NA
Louisiana RSC (U-36721)		7/1/23		$14.5		$1,094		7.30%		2		2		379,355
Mississippi SRF (2005-UN-0503)		12/1/23		$11.5		$592		7.82%		10.34%		39/61		274,493
Mississippi SIR (2015-UN-049)		12/1/23		$11.0		$473		7.82%		10.34%		39/61		NA
Kentucky (2018-00281)		5/20/22		$5.9		$569		6.82%		9.23%		45/55		186,398
Kentucky PRP (2023-00231)		10/1/23		$2.9		$41		6.94%		9.45%		45/55		NA

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 12/31/23
Tennessee ARM (24-XXXXX)		6/1/23	1/30/24	$0.0	$19.5	$499	554	7.58%	7.62%	9.80%	9.80%	38/62	38/62	166,139
Kansas (23-ATMG-538-RTS)		5/9/23		$2.0		$295		2		2		2		142,732
Kansas GSRS		11/2/23		$1.8		$17		2		2		2		NA
Kansas SIP		4/1/23	1/16/24	$0.8	$0.7	$13	$20	7.03%	2	9.10%	2	44/56	2	NA
Colorado (22AL-0348G)		5/14/23		$0.9		$230		7.00%		9.3%-9.6%		42-45/55-58		130,013
Colorado SSIR (23AL-0534G)		1/1/24		$2.1		$53		7.00% / 3.97%		2		42-58		NA
Colorado GIS (18A-0765G)		4/1/19		$0.1		$1		7.55%		9.45%		44/56		NA
Virginia (PUR-2018-00014)	5	6/30/23		$2.8		$67		8.63%		11.15%		39/61		25,177
Virginia SAVE (PUR-2023-00091)		10/1/23		$0.6		$16		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. *Implemented subject to refund*

Atmos Pipeline - Texas

- **Atmos Pipeline: Implemented 2023 Statement of Intent (SOI) on December 13, 2023**
  - Approved an increase in annual operating income of $27.0 million excluding the impact of EDIT
  - Approved ROE: 11.45%; ROR: 8.49%
  - Approved capital structure: 40% debt / 60% equity
  - Approved rate base: $4.3 billion
  - Test year ended December 31, 2022

Colorado - Kansas Division

- **Kansas: Implemented Gas Safety Reliability Surcharge (GSRS) on November 2, 2023**
  - Approved an increase in annual operating income of $1.8 million
  - Approved rate base: $16.5 million
  - Test Year October 2022 through June 2023

- **Kansas: Filed System Integrity Program (SIP) on January 16, 2024**
  - Requested an increase in annual operating income of $0.7 million
  - Requested rate base: $19.9 million
  - Test Year Ending December 31, 2023

- **Colorado: Implemented System Safety and Integrity Rider (SSIR) on January 1, 2024**
  - Approved an increase in annual operating income of $2.1 million
  - Approved rate base: $52.8 million
  - Test Year Ending December 31, 2024

Kentucky/Mid-States Division

- **Kentucky: Implemented Annual PRP on October 1, 2023**
  - Authorized an annual operating income increase of $2.9 million
  - Authorized ROE: 9.45%; ROR: 6.94%
  - Authorized capital structure: 45% debt / 55% equity
  - Authorized rate base: $40.5 million

- **Virginia: Implemented SAVE Infrastructure Program on October 1, 2023**
  - Authorized an annual operating income increase of $0.6 million
  - Authorized ROE: 9.20%; ROR: 7.43%
  - Authorized capital structure: 42% debt / 58% equity
  - Authorized rate base: $16.4 million

- **Virginia: Implemented General Rate Case on December 1, 2023**
  - Requested an annual operating income increase of $2.8 million
  - Requested ROE: 11.15%; ROR: 8.63%
  - Requested capital structure: 39% debt / 61% equity
  - Requested rate base: $66.6 million
  - Subject to refund

Kentucky/Mid-States Division

- **Tennessee: Filed Annual Review Mechanism (ARM) on January 30, 2024**
  - Requested an annual operating income increase of $19.5 million
  - Requested ROE: 9.80%; ROR: 7.62%
  - Requested capital structure: 38% debt / 62% equity
  - Requested rate base: $554.1 million

Mid-Tex Division

- **Mid-Tex Cities: Implemented Rate Review Mechanism (RRM) on October 1, 2023**
  - Authorized an increase in annual operating income of $98.6 million
  - Authorized ROE: 9.80%; ROR: 7.35%
  - Authorized capital structure: 42% debt / 58% equity
  - Authorized rate base: $6.1 billion
  - Test year ending December 31, 2022

- **Mid-Tex Cities: Filed Dallas Annual Rate Review DARR on January 12, 2024**
  - Requested an increase in annual operating income of $40.4 million
  - Requested ROE: 9.80%; ROR: 7.47%
  - Requested capital structure: 40% debt / 60% equity
  - Requested rate base: $6.8 billion
  - Test year ending September 30, 2023

Mississippi Division

- **Mississippi: Implemented Annual System Integrity Rider (SIR) on December 1, 2023**
  - Authorized an increase in annual operating income of $11.0 million
  - Authorized ROE: 10.34%; ROR: 7.82%
  - Authorized capital structure: 39% debt / 61% equity
  - Authorized rate base: $472.7 million
  - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2023 - October 2024

- **Mississippi: Implemented Annual Stable Rate Filing (SRF) on December 1, 2023**
  - Authorized an increase in annual operating income of $11.5 million
  - Authorized ROE: 10.34%; ROR: 7.82%
  - Authorized capital structure: 39% debt / 61% equity
  - Authorized rate base: $591.9 million
  - Forward-looking components - PP&E, accumulated depreciation, accumulated deferred income taxes, depreciation and ad valorem taxes from November 2023 - October 2024
  - Approved the recovery of uncollectible accounts through purchased gas cost mechanism rather than through base rates.

West Texas Division

- **West Texas Cities: Implemented Rate Review Mechanism (RRM) on October 1, 2023**
  - Authorized an increase in annual operating income of $8.6 million
  - Authorized ROE: 9.80%; ROR: 7.35%
  - Authorized capital structure: 42% debt / 58% equity
  - Authorized rate base: $965.3 million
  - Test year ending December 31, 2022

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 us 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 other of our 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 expressed or implied in the statements relating to our strategy, operations, markets, services, rates, recovery of costs, availability of gas supply and other factors. 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; 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; failure to attract and retain a qualified workforce; 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; 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; the impact of new cybersecurity compliance requirements; adverse weather conditions; the impact of greenhouse gas emissions or other legislation or regulations intended to address climate change; the impact of climate change; 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; and increased costs of providing health care benefits, along with pension and postretirement health care benefits and increased funding requirements. 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 2024 and beyond that appear in this presentation are current as of February 6, 2024.