

Analyst Call to Review Fiscal 2011 Third Quarter Financial Results

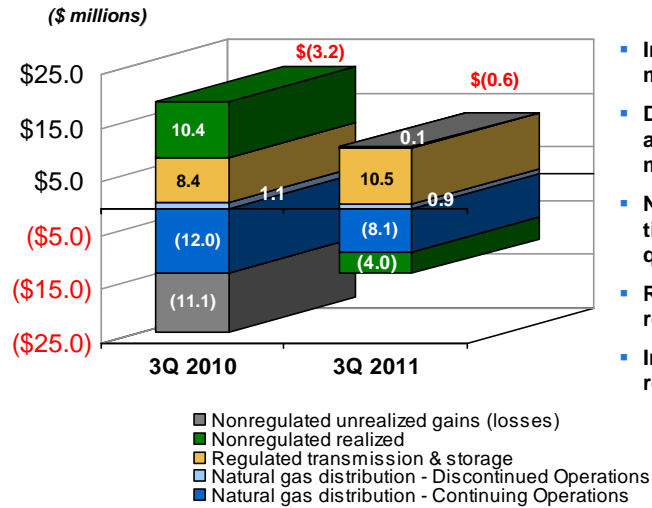
*August 4, 2011
10:00 a.m. Eastern*

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 capital markets, and the other factors discussed in our filings 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, 2010, and in our Quarterly Report on Form 10-Q for the three and six month periods ended March 31, 2011. 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.

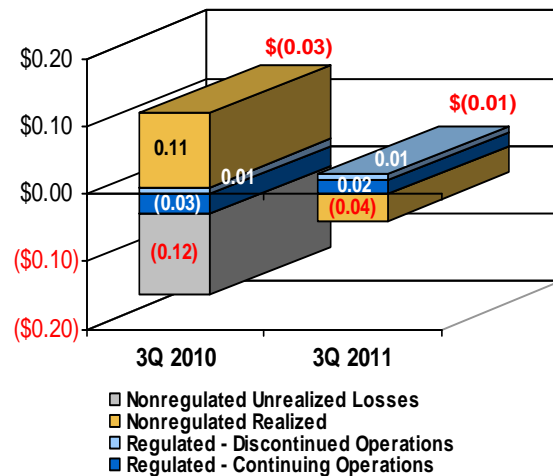
Net Income (Loss) by Segment



Key Drivers

- Increase in unrealized margins
- Decrease in realized asset optimization margins
- Net impact from one-time item quarter over quarter
- Rate increases in regulated operations
- Increased throughput in regulated operations

Net Income (Loss) per Diluted Share



Notes

- Nonregulated operations include no unrealized mark-to-market impact for 3Q 2011, compared to a loss of \$0.12 per diluted share in 3Q 2010
- 3Q 2011 negative impact of one-time item totaling \$0.06 per diluted share
- Quarter-over-quarter decrease of about 2.5 million weighted average diluted shares outstanding primarily due to the July 2010 share buy-back

Gross Profit by Segment (excludes Intersegment Eliminations)	Three Months Ended June 30				
	2011	% of total	2010	% of total	Change
	(In thousands, except percentages)				
Natural Gas Distribution	\$200,192	74.9%	\$191,331	77.1%	\$8,861
Regulated Transmission & Storage	53,570	20.1%	44,957	18.1%	8,613
<i>Total Regulated</i>	253,762	95.0%	236,288	95.2%	17,474
Gas delivery, storage, transport & other	16,850	6.3%	17,214	6.9%	(364)
Asset optimization	(3,623)	-1.4%	9,303	3.8%	(12,926)
<i>Total Nonregulated realized margins</i>	13,227	4.9%	26,517	10.7%	(13,290)
Unrealized margins	178	0.1%	(14,746)	-5.9%	14,924
<i>Total Nonregulated</i>	13,405	5.0%	11,771	4.8%	1,634
Total Gross Profit	\$267,167		\$248,059		\$19,108

Drivers

- **\$19.1 million increase in gross profit**
 - \$8.9 million *increase* in natural gas distribution gross profit from
 - \$7.5 million net *increase* in rates primarily in the Mid-Tex (\$3.7 million), Kentucky (\$1.3 million), Kansas (\$1.3 million) and Louisiana (\$0.8 million), service areas
 - \$1.2 million *increase* in consolidated throughput primarily associated with higher consumption
 - \$1.5 million *decrease* due to lower revenue-related taxes
 - \$8.6 million *increase* in regulated transmission and storage gross profit primarily the result of \$8.7 million net increase in new rates from the APT rate case

Drivers

- \$19.1 million *increase* in gross profit (*continued*)
 - \$ 1.6 million *increase* in nonregulated gross profit primarily due to
 - \$14.9 million *increase* in unrealized margins due to the timing of realized margins coupled with lower natural gas prices quarter-over-quarter
 - \$12.9 million *decrease* in realized asset optimization margins due to continued weak natural gas market fundamentals
 - \$0.4 million *decrease* in realized delivered gas margins primarily due to a \$0.03 per Mcf decrease in unit margins, partially offset by an 18 percent increase in consolidated sales volumes

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<i>Nonregulated Segment</i>	Three Months Ended June 30		
	2011	2010	Change
	(In thousands, except physical position)		
Gas delivery and related services	\$11,631	\$12,550	(\$919)
Storage and transportation services	4,042	3,319	723
Other	1,177	1,345	(168)
	16,850	17,214	(364)
Asset optimization (1)	(3,623)	9,303	(12,926)
Total realized margins	13,227	26,517	(13,290)
Unrealized margins	178	(14,746)	14,924
GROSS PROFIT	\$13,405	\$11,771	\$1,634
Net physical position (Bcf)	16.7	20.1	(3.4)

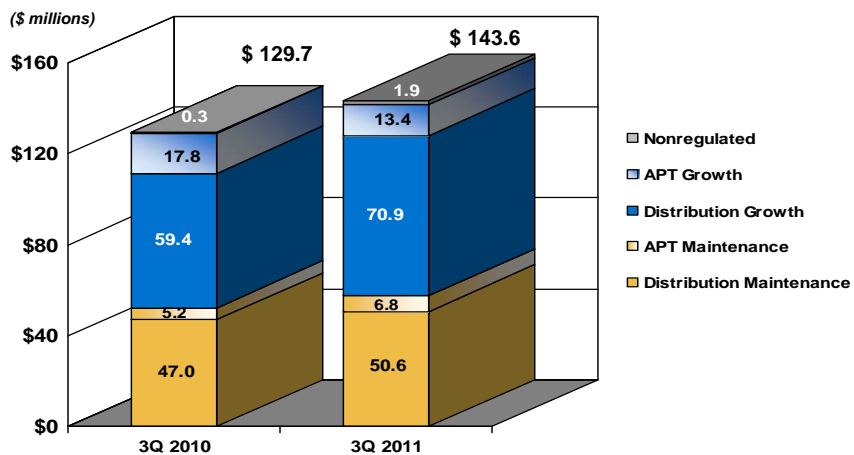
(1) Net of storage and demand fees of \$3.8 million and \$3.3 million

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Drivers

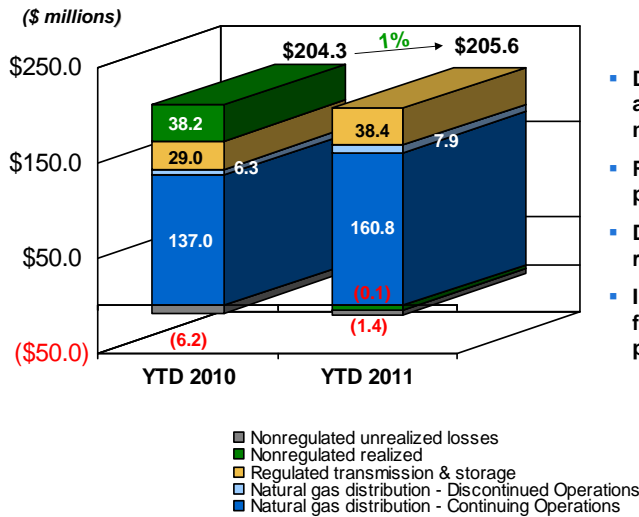
- *Increased* O&M expenses of \$1.1 million, primarily due to
 - \$2.1 million *increase* due to an increase in contract labor
 - \$0.7 million *increase* in vehicle costs
 - \$2.4 million *decrease* in employee-related costs
 - \$0.3 million *increase* in provision for bad debt expense
- *Increased* operating expenses due to an \$11.0 million noncash charge to partially impair the Park City and Shrewsbury natural gas gathering assets in the current quarter

Capital Expenditures



■ **Regulated Growth** Capital represents capital spent in excess of depreciation expense that is expected to be recovered through rate increases.
 ■ **Regulated Maintenance** Capital represents capital spent that is equal to depreciation expense.

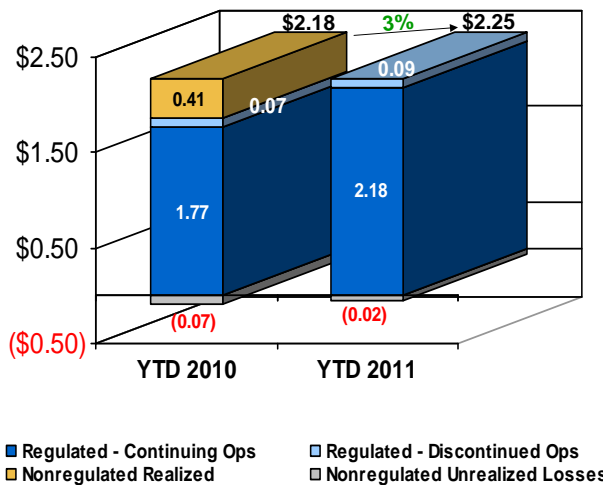
Net Income (Loss) by Segment



Key Drivers

- Decrease in realized asset optimization margins
- Rate increases, primarily in Texas
- Decreased throughput in regulated operations
- Increased net impact from one-time items period over period

Net Income (Loss) per Diluted Share



Notes

- Nonregulated operations include an unrealized mark-to-market net loss of \$0.02 per diluted share in the current-year period, compared with a net loss of \$0.07 per diluted share for the 2010 period
- YTD 2011 positive impact of one-time items totaling \$0.07 per diluted share
- YTD 2010 one-time state sales tax refund contributed \$0.05 per diluted share
- Period-over-period decrease of about 2.3 million weighted average diluted shares outstanding primarily due to the July 2010 share buy-back

Consolidated Financial Results – Fiscal YTD



Gross Profit by Segment (excludes Intersegment Eliminations)	Nine Months Ended June 30				
	2011	% of total	2010	% of total	Change
	(In thousands, except percentages)				
Natural Gas Distribution	\$870,132	80.1%	\$854,620	77.9%	\$15,512
Regulated Transmission & Storage	157,553	14.5%	146,998	13.4%	10,555
<i>Total Regulated</i>	<u>1,027,685</u>	<u>94.6%</u>	<u>1,001,618</u>	<u>91.3%</u>	<u>26,067</u>
Gas delivery, storage, transport & other	61,711	5.7%	59,416	5.4%	2,295
Asset optimization	(344)	0.0%	46,694	4.2%	(47,038)
<i>Total Nonregulated realized margins</i>	<u>61,367</u>	<u>5.7%</u>	<u>106,110</u>	<u>9.6%</u>	<u>(44,743)</u>
Unrealized margins	(2,726)	-0.3%	(10,403)	-0.9%	7,677
<i>Total Nonregulated</i>	<u>58,641</u>	<u>5.4%</u>	<u>95,707</u>	<u>8.7%</u>	<u>(37,066)</u>
Total Gross Profit	<u>\$1,086,326</u>		<u>\$1,097,325</u>		<u>(\$10,999)</u>

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Consolidated Financial Results – Fiscal YTD



Drivers

- \$10.9 million *decrease* in gross profit
 - \$15.5 million *increase* in natural gas distribution gross profit primarily from
 - \$35.8 million net *increase* in rates primarily in the Mid-Tex (\$21.0 million), Louisiana (\$4.5 million), Kentucky (\$3.6 million), Kansas (\$3.3 million) and Georgia (\$1.8 million) service areas
 - \$11.2 million *decrease* due to an eight percent decrease in consolidated throughput primarily associated with lower residential and commercial consumption and warmer weather
 - \$8.5 million *decrease* due to lower revenue-related taxes
 - \$10.6 million *increase* in regulated transmission and storage gross profit primarily from
 - \$8.7 million net *increase* in rates from the recent APT rate case
 - \$6.2 million *increase* in GRIP-related rate increases period over period
 - \$2.8 million *decrease* due to a decline in throughput to Mid-Tex
 - \$2.4 million *decrease* resulting from lower third party, market-based per-unit transportation margins

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Drivers

- \$10.9 million *decrease* in gross profit (*continued*)
 - \$37.1 million *decrease* in nonregulated gross profit primarily due to
 - \$47.0 million *decrease* in realized asset optimization margins due to greater intra-month trading gains realized in the prior-year period from more favorable trading opportunities in the daily cash market, combined with lower realized gains in the current-year period, due to continued weak natural gas market fundamentals
 - \$7.7 million *increase* in unrealized margins
 - \$2.3 million *increase* in realized margins primarily from delivered gas and transportation margins due to a nine percent increase in consolidated sales volumes

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Nonregulated Segment	Nine Months Ended June 30		
	2011	2010	Change
	(In thousands, except physical position)		
Gas delivery and related services	\$46,842	\$45,763	\$1,079
Storage and transportation services	10,913	9,746	1,167
Other	3,956	3,907	49
	<u>61,711</u>	<u>59,416</u>	<u>2,295</u>
Asset optimization (1)	(344)	46,694	(47,038)
Total realized margins	<u>61,367</u>	<u>106,110</u>	<u>(44,743)</u>
Unrealized margins	(2,726)	(10,403)	7,677
GROSS PROFIT	<u>\$58,641</u>	<u>\$95,707</u>	<u>(\$37,066)</u>
Net physical position (Bcf)	<u>16.7</u>	<u>20.1</u>	<u>(3.4)</u>

(1) Net of storage and demand fees of \$10.7 million and \$10.0 million

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Consolidated Financial Results – Fiscal YTD



Drivers

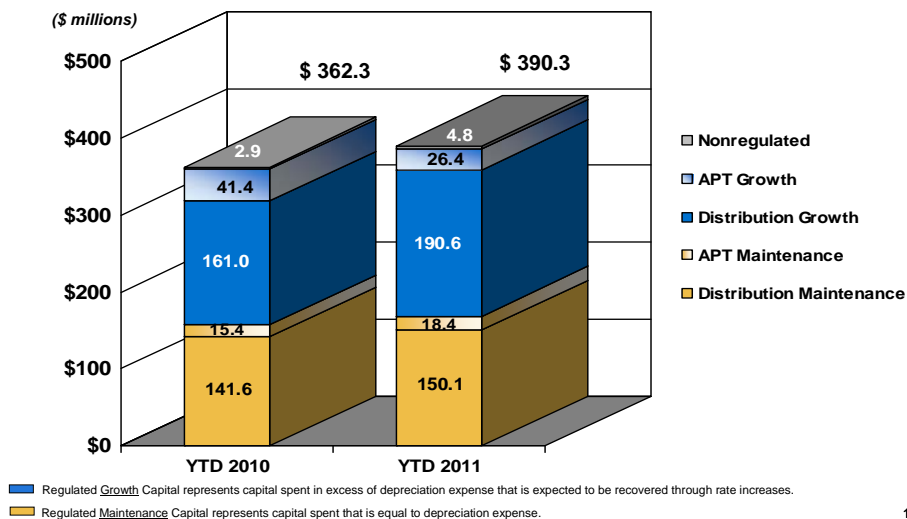
- *Decreased* O&M expenses of \$7.2 million, due to
 - \$11.4 million *decrease* in employee-related costs
 - \$7.4 million *increase* due to the absence in the current period of a state sales tax refund received in the prior-year period
 - \$1.3 million *decrease* in other administrative costs
 - \$1.8 million *decrease* in provision for doubtful accounts
- *Increased* operating expenses due to noncash impairment charges
 - \$19.3 million to impair the Ft. Necessity storage project in Louisiana
 - \$11.0 million to partially impair the Park City and Shrewsbury natural gas gathering assets in Kentucky
- *Increased* miscellaneous income of \$25.0 million primarily due to the unwinding of two Treasury lock agreements, which created a \$27.8 million cash gain in the current-year period
- *Decreased* income tax expense of \$10.0 million primarily due to
 - \$5.0 million tax benefit recognized related to the administrative settlement of various income tax positions, coupled with
 - Three percent period-over-period *decrease* in pretax income

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Consolidated Financial Results – Fiscal YTD



Capital Expenditures

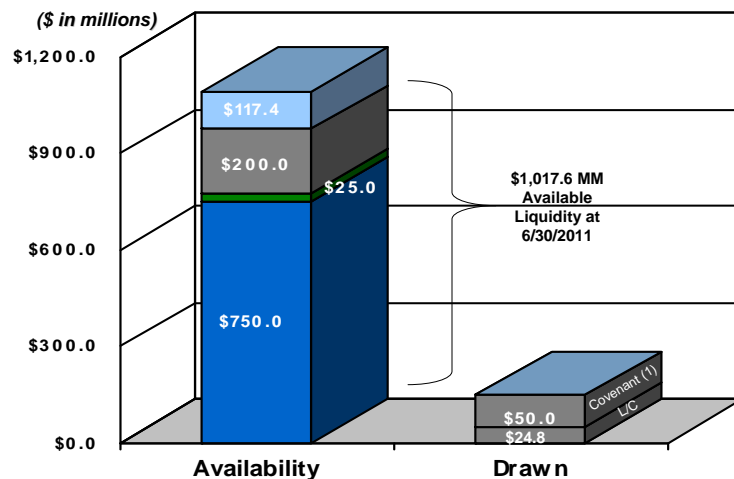


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Credit Facilities

- May 2, 2011, Atmos Energy Corporation replaced its five-year \$567 million committed credit facility scheduled to expire in December 2011, with a \$750 million five-year committed credit facility, with an accordion feature that could increase borrowing capacity to \$1 billion
- December 8, 2010, Atmos Energy Marketing replaced its expiring \$450 million 364-day committed credit facility with a \$200 million three-year committed credit facility, with an accordion feature that could increase the borrowing capacity to \$500 million
- October 15, 2010, Atmos Energy Corporation entered into a \$200 million 180-day committed revolving credit facility that expired April 13, 2011, and was not replaced as planned

Liquidity Profile



- 5-year Revolver
- 364-day Direct Facility
- 3-year AEM Facility
- Cash

(1) Certain loan covenant restrictions exist that limit the effective available capacity

Senior Notes

- June 10, 2011, issued \$400 million of 5.50% Senior Notes due in 2041, with a yield to maturity of 5.522% and an effective yield to maturity of 5.381%
 - Net proceeds of about \$394 million used to repay outstanding commercial paper, fund capital expenditures and for general corporate purposes
 - \$300 million of 30-year treasury locks executed in September 2010 at an all-in cost of 3.89%; which reduced the effective yield to maturity

Treasury Lock Unwind

- March 7, 2011, Atmos Energy Corporation unwound two Treasury lock agreements with a cumulative notional amount of \$250 million, generating a pre-tax cash gain of \$27.8 million (\$0.19 per diluted share)
 - Original financing plans included the issuance of \$250 million of 30-year unsecured senior notes in November 2011 primarily to fund the company's capital expenditure program. In September 2010, Atmos Energy entered into two Treasury lock agreements to fix the Treasury yield component of interest associated with the anticipated issuance.
 - After the extension of the Bush tax cuts in December 2010, which allowed for the continued use of bonus depreciation, Atmos Energy projected stronger cash flows in fiscal years 2011 and 2012. As a result, the need to issue the incremental \$250 million of debt in November 2011 has been eliminated and the related Treasury lock agreements have been unwound.

Investment Grade Credit Ratings

	Moody's*	Standard & Poor's	Fitch*
▪ Senior Unsecured	<i>Baa1</i>	<i>BBB+</i>	<i>A-</i>
▪ Commercial Paper	<i>P-2</i>	<i>A-2</i>	<i>F-2</i>
▪ Ratings Outlook	<i>Stable</i>	<i>Stable</i>	<i>Stable</i>

* On June 2, 2011, Fitch upgraded our rating to A- from BBB+ and affirmed the outlook at "Stable". On May 11, 2011, Moody's upgraded our rating to Baa1 from Baa2 and changed their outlook to "Stable" from "Under Review for Possible Upgrade"

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Sale of Distribution Assets in MO, IL and IA

- On May 12, 2011, Atmos Energy entered into a definitive agreement to sell all of our natural gas distribution assets located in Missouri, Illinois and Iowa to Liberty Energy, an affiliate of Algonquin Power & Utilities Corp. for approximately \$124 million
- The transaction includes the transfer of approximately 84,000 meters and should close in fiscal 2012
- The net assets for these operations are classified as "held for sale" in other current assets and liabilities in our condensed consolidated balance sheet as of June 30, 2011
- Operating results for these operations are classified as discontinued operations in our condensed consolidated statements of income for the periods ended June 30, 2011 and 2010
- Discontinued operations, which exclude corporate overhead and interest expense, are expected to contribute \$0.10 to fiscal 2011 diluted earnings per share

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Park City and Shrewsbury Gathering Assets

- In June 2011, Atmos Energy Holdings, Inc., a wholly-owned (nonregulated) subsidiary of Atmos Energy Corporation, partially impaired its natural gas gathering assets in Kentucky (Park City and Shrewsbury assets)
- As a result, during the fiscal 2011 third quarter, an \$11.0 million pretax noncash impairment loss was recognized (\$0.06 per diluted share)
- Original investment in the combined systems of approximately \$17.0 million. Estimated fair value of remaining gathering assets is approximately \$6.0 million at June 30, 2011

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Ft. Necessity Gas Storage Project

- As announced on March 9th, Atmos Energy evaluated its strategic alternatives and concluded that the project's returns no longer met the threshold returns required by the company. As a result, during the fiscal 2011 second quarter, \$19.3 million of capitalized costs associated with the project were written off and a corresponding pretax noncash loss of \$19.3 million was recognized. (\$0.12 per diluted share)
- In March 2010, a subsidiary of the company entered into an exclusive option and acquisition agreement with a third party storage developer to develop the proposed Ft. Necessity salt-dome gas storage facility.
- In January 2011, the third-party developer notified Atmos Energy that it would not begin the activities required to allow it to exercise the option by March 2011 and the option was terminated.
- Project initially included development of three 5 Bcf caverns of working gas storage for a total of 15 Bcf, with six-turn injection and withdrawal capabilities of the entire capacity; four additional storage caverns potentially could have been developed, if market demand existed.

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Accelerated Share Buyback

- Executed agreement with Goldman Sachs & Co. (GS) July 1, 2010
- Designed to offset dilutive impact of stock grants made under employee and director incentive compensation plans
- Total number of shares to be repurchased was based generally on the volume-weighted average share price of Atmos Energy common stock during the contract period (July 2010 – March 2011)
- Paid \$100 million to GS on July 7, 2010; received and immediately retired 2,958,580 shares of common stock
- March 4, 2011, after expiration of the contract period, GS delivered an additional 375,468 shares of common stock; thereby totaling 3,334,048 shares of common stock repurchased, at an effective repurchase price of \$29.99 per share
- Contributed approximately \$0.01 to fiscal 2010 diluted earnings per share
- Expect to contribute \$0.08 to fiscal 2011 diluted earnings per share

Louisiana Rate Stabilization Filings

- July 1, 2011, rates *implemented* for the annual rate stabilization for LGS jurisdiction, with an increase in annual operating income of \$4.1 million
 - Authorized ROE of 10.40 percent; overall return of 8.57 percent
 - Authorized capital structure: 52 percent debt / 48 percent equity
 - Authorized rate base of \$273.8 million
 - Test year ended December 31, 2010
 - Affects about 270,000 customers
- April 1, 2011, rates *implemented* for the annual rate stabilization for TransLa jurisdiction, with an increase in annual operating income of \$0.4 million
 - Authorized ROE of 10.00 percent; overall return of 8.37 percent
 - Authorized capital structure: 52 percent debt / 48 percent equity
 - Authorized rate base of \$93.3 million
 - Test year ended September 30, 2010
 - Affects about 73,000 customers

GRIP Filing – Mid-Tex

- Original GRIP filing on February 25, 2011, sought a \$3.5 million increase for the City of Dallas & Mid-Tex Environs customers combined
- June 22, 2011 rate *settlement* reached with City of Dallas customers creating a new Dallas Annual Rate Review (DARR) mechanism that addresses the GRIP recovery requested in the original filing (see next slide)
- June 27, 2011, the Railroad Commission of Texas *issued* a final order authorizing an annual operating income increase of approximately \$0.6 million for Mid-Tex Environs customers only
 - Based on return, depreciation and changes in taxes related to system-wide increase in net investment of \$107.8 million during calendar 2010 (GRIP does not apply to Settled Cities or City of Dallas under the RRM/DARR)
 - Authorized Cap Structure: 51.1 percent Debt / 48.9 percent Equity
 - Authorized ROE: 10.4 percent; Authorized ROR: 8.6 percent
 - Authorized system-wide rate base of \$1.27 Billion
 - Affects approximately 46,000 customers
 - Implemented July 1, 2011

City of Dallas Annual Rate Review - DARR

- June 22, 2011, rate *settlement* reached with the City of Dallas, granting an increase in annual operating income of approximately \$1.6 million
 - Effective July 1, 2011
 - Increase included in the monthly customer charge
 - Eliminates separate GRIP filing
- Established a Rider DARR – Dallas Annual Rate Review
 - Allowed ROE of 10.1 percent; overall return of 8.45 percent
 - 13-month average capital structure, with no caps on equity portion
 - Annual filing made by January 15th on a September 30 ending test year, with the first DARR filing to be made January 15, 2012
 - Approved rate base of \$1.27 billion
 - No expiration of mechanism
- Steel service line replacement program (Rider IR) remains effective until January 2013, when it is set to expire

Mid-Tex RRM & Infrastructure Replacement

- July 2011, rates *settled* for fourth RRM with the “Settled Cities”, resulting in an increase in annual operating income of \$5.5 million, inclusive of year two steel service line replacement program
 - Authorized ROE of 9.7 percent; overall return of 8.29 percent
 - Authorized capital structure: 50 percent debt / 50 percent equity
 - Authorized rate base: \$1.39 billion
 - Test year ended December 31, 2010
 - Serves about 1.3 million customers
 - Expect implementation of new rates September 1, 2011
- Steel service line replacement program
 - Commenced cost recovery of 50,000 lines on October 1, 2010; total of 100,000 lines to be replaced over a 2-year time period
 - Authorized ROE of 9.0 percent; use of actual capital structure with equity capped at 50 percent

Mid-Tex RRM & Infrastructure Replacement

- October 2010, rates *implemented* for third RRM with “Settled Cities”, resulting in an increase in annual operating income of \$23.1 million, which includes \$3.2 million for steel service line replacement program
 - Authorized ROE of 9.6 percent; overall return of 8.19 percent
 - Authorized capital structure: 52 percent debt / 48 percent equity
 - Authorized rate base not specified; Requested rate base: \$1.33 billion
 - Serves about 1.3 million customers
 - Authorized system-wide steel service line replacement program
 - Total of 100,000 lines to be replaced over a 2-year time period
 - Authorized ROE of 9.0 percent; use of actual capital structure with equity capped at 50 percent
- Two-cycle extension of RRM
 - Eliminated true-up provision
 - Allowed ROE will be 9.7 percent
 - Authorized use of actual capital structure with equity capped at 50 percent
 - General rate case must be filed on or before June 2013

Atmos Pipeline – Texas GRIP

- July 26, 2011, the Railroad Commission of Texas *issued* a final order authorizing an annual operating income increase of approximately \$12.6 million
 - Based on return, depreciation and changes in taxes related to net investment of \$73.0 million from April 1, 2010 to December 31, 2010
 - Authorized Cap Structure: 49.5 percent Debt / 50.5 percent Equity
 - Authorized ROE: 11.8 percent; Authorized ROR: 9.36 percent
 - Authorized Rate Base of \$ 817.0 Million
 - Implementation on August 1, 2011

Atmos Pipeline – Texas

- April 18, 2011, the Railroad Commission of Texas *issued* a final order authorizing an annual operating income increase of approximately \$20.4 million (GUD 10000)
 - Authorized ROE of 11.80 percent; Authorized ROR of 9.36 percent
 - Authorized capital structure: 49.5 percent debt / 50.5 percent equity
 - Authorized rate base: \$807.7 million
 - Effective May 1, 2011
 - Test year ended March 31, 2010
- **Key Rate Design Changes Approved**
 - Approved Straight Fixed Variable Rate Design, which provides recovery of all fixed costs through monthly customer charges
 - Approved three-year pilot program (Rider Rev) that allows an annual adjustment to regulated rates for variances in market-based revenue
 - Rider Rev provides for a 25/75 sharing of changes in market-based revenue from a base amount of approximately \$84 million (APT bears 25% of any increase or decrease from that base level)
 - Rider Rev reduces the volatility of APT's annual revenue stream

Rate Review Mechanism (RRM) Filings

West Texas Cities

- August 1, 2011, rates *settled* under the fourth RRM, for no change in operating income
 - Authorized Capital structure: 51.9 percent Debt / 48.1 percent Equity
 - Authorized ROE: 9.60 percent; Requested ROR: 8.19 percent
 - Authorized Rate Base: \$146.0 million
 - Serves about 150,000 customers
 - Test year ended December 31, 2010

City of Lubbock

- April 1, 2011, rates *filed* under the third RRM, requesting an increase in annual operating income of \$2.1 million
 - Requested Capital structure: 51.9 percent Debt / 48.1 percent Equity
 - Requested ROE: 9.6 percent; Requested ROR: 8.19 percent
 - Requested Rate Base: \$60.9 million
 - Serves about 73,000 customers
 - Test year ended December 31, 2010

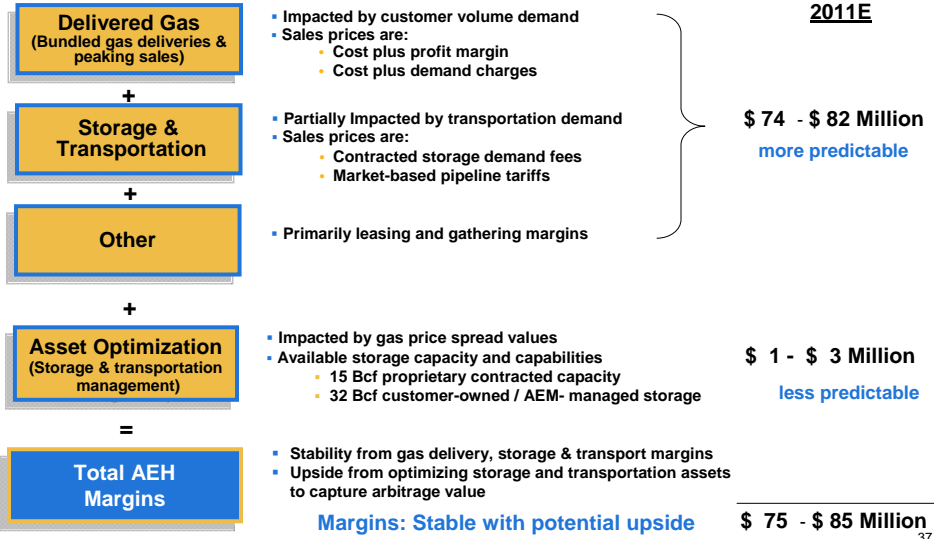
Projected Net Income by Segment

(\$ millions, except EPS)

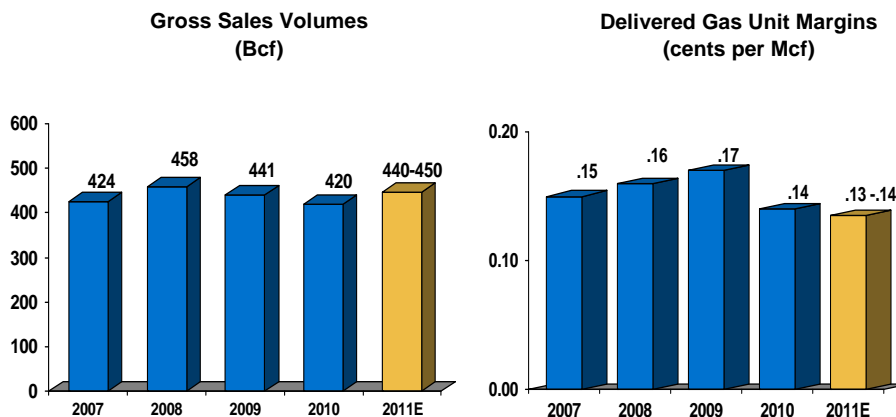
	2007	2008	2009	2010	2011E
Natural Gas Distribution	\$ 73	\$ 93	\$ 117	\$ 126	\$ 150 – 155
Regulated Trans. & Storage	34	41	41	41	51 – 53
Nonregulated	61	46	33	39	5 – 7
Total	168	180	191	206	206 – 215
Avg. Diluted Shares	87.5	89.9	91.6	92.4	90.7
Earnings Per Share **	\$ 1.91	\$ 1.99	\$ 2.07	\$ 2.20	\$ 2.25 – \$2.35

** Since we have non-vested share-based payments with a nonforfeitable right to dividends, we have been required to use the two-class method of computing earnings per share since October 1, 2009. As a result, EPS can no longer be calculated directly from the income statement.

Nonregulated – Gross Profit Margin Composition



Nonregulated – Delivered Gas Margins



Projected Cash Flow

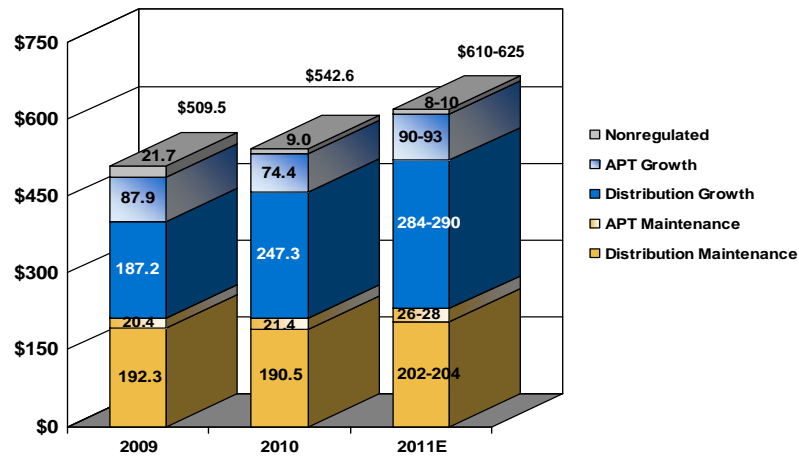
(\$ millions)

	2007	2008	2009	2010	2011E
Cash Flows from Operations	\$ 547	\$ 371	\$ 919	\$ 726	\$ 530-550
Regulated Maintenance Capital ⁽¹⁾	(196)	(197)	(213)	(212)	(230-234)
Dividends	(112)	(117)	(121)	(124)	(124)
Cash Available for Debt Reduction and Growth Projects	\$ 239	\$ 57	\$ 585	\$ 390	\$ 176-192

⁽¹⁾ Regulated maintenance capital represents capital spent that is equal to depreciation expense

Capital Expenditures

(\$ millions)



Regulated Growth Capital represents capital spent in excess of depreciation expense that is expected to be recovered through rate increases. The projection for fiscal 2011 is \$374 - \$383 million.

Regulated Maintenance Capital represents capital spent that is equal to depreciation expense. The projection for fiscal 2011 is \$228 - \$232 million.

- The audio and slide presentation of this conference call will be available on Atmos Energy's Web site by 10:00 a.m. Eastern Daylight Time on August 4, 2011, through midnight November 9, 2011. Atmos Energy's Web site address is: www.atmosenergy.com.
- To listen to the live conference call, dial 877-485-3107 by 10:00 a.m. Eastern Daylight Time on August 4, 2011.

Appendix

Consolidated Financial Results – Fiscal 2011



Discontinued Operations

(excludes corporate overhead and allocated interest)

	Three Months Ended June 30		Nine Months Ended June 30	
	2011	2010	2011	2010
	(In thousands)			
Operating revenues	\$11,524	\$8,952	\$71,047	\$62,121
Purchased gas cost	5,460	3,390	44,993	39,836
Gross Profit	6,064	5,562	26,054	22,285
Operating expenses				
Operation & maintenance	2,329	1,789	6,650	5,840
Depreciation & amortization	1,497	1,348	4,550	4,006
Taxes, other than income	646	575	1,719	1,808
Total operating expenses	4,472	3,712	12,919	11,654
Operating Income	1,592	1,850	13,135	10,631
Other expense	(94)	(75)	(159)	(264)
Income tax expense	590	700	5,122	4,094
Net Income	\$908	\$1,075	\$7,854	\$6,273

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Consolidated Financial Results – Fiscal 2011 3Q



Q3 2010 Net Income vs. Q3 2011 Net Income

	Q3 2010		One- Time Items	Q3 2010		Q3 2011		One- Time Items	Q3 2011	
	GAAP	MTM		ADJ	GAAP	MTM	ADJ			
Natural Gas Distribution	\$ (11)	\$ ---	\$ ---	\$ (11)	\$ (7)	\$ ---	\$ ---	\$ (7)		
Regulated Trans. & Storage	9	---	---	9	10	---	---	10		
Nonregulated	(1)	11	---	10	(4)	---	6	2		
Total	\$ (3)	\$ 11	\$ ---	\$ 8	\$ (1)	\$ ---	\$ 6^a	\$ 5		
Avg. Diluted Shares	92.6	92.6	92.6	92.6	90.1	90.1	90.1	90.1		
Earnings Per Share*	\$(0.03)	\$0.12	\$ ---	\$ 0.09	\$(0.01)	\$ ---	\$ 0.06	\$0.05		

(a) Includes negative impact of the Kentucky gathering project impairment of \$6.1 million, or \$0.06 per share

* Since we have non-vested share-based payments with a nonforfeitable right to dividends, we have been required to use the two-class method of computing earnings per share since October 1, 2009. As a result, EPS can no longer be calculated directly from the income statement.

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Consolidated Financial Results – Fiscal 2011 YTD



YTD 2010 Net Income vs. YTD 2011 Net Income

(\$ millions, except EPS)	YTD	MTM	One-Time Items	YTD	YTD	MTM	One-Time Items	YTD
	2010 GAAP			2010 ADJ	2011 GAAP			2011 ADJ
Natural Gas Distribution	\$ 143	\$ ---	\$(5)	\$ 138	\$ 169	\$ ---	\$ (18)	\$ 151
Regulated Trans. & Storage	29	---	---	29	38	---	(4)	34
Nonregulated	32	6	---	38	(1)	1	16	16
Total	\$ 204	\$ 6	\$(5)^a	\$ 205	\$ 206	\$ 1	\$ (6)^b	\$ 201
Avg. Diluted Shares	92.9	92.9	92.9	92.9	90.5	90.5	90.5	90.5
Earnings Per Share*	\$ 2.18	\$ 0.07	\$ (0.05)	\$ 2.20	\$ 2.25	\$ 0.02	\$(0.07)	\$ 2.20

(a) Includes positive impact of state sales tax refund of \$4.5 million, or \$0.05 per share

(b) Includes positive impact from unwinding treasury lock agreements of \$17.2 million, or \$0.19 per share; a tax benefit from an administrative settlement of various income tax positions of \$5.0 million, or \$0.05 per share; offset in part by the negative impact of the Ft. Necessity/Kentucky Gathering impairments of \$15.7 million, or \$0.17 per share, generating a total positive impact of \$6.5 million, or \$0.07 per share

* Since we have non-vested share-based payments with a nonforfeitable right to dividends, we have been required to use the two-class method of computing earnings per share since October 1, 2009. As a result, EPS can no longer be calculated directly from the income statement.

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Consolidated Financial Results – Fiscal 2011



Impact of Unrealized Margins on Nonregulated Segment

	For the Three Months Ended		For the Nine Months Ended	
	June 30		June 30	
	2011	2010	2011	2010
	(In thousands, except per share data)		(In thousands, except per share data)	
Unrealized Margin	\$ 178	\$ (14,746)	\$ (2,726)	\$ (10,403)
Segment Tax Rate	44.78%	24.82%	48.30%	40.28%
Impact on Net Income	\$ 98	\$ (11,086)	\$ (1,409)	\$ (6,213)
EPS Income Adjustment **	(4)	(117)	(31)	(79)
Net Income for EPS	\$ 102	\$ (10,969)	\$ (1,378)	\$ (6,134)
Weighted Avg Diluted Shares	90,127	92,648	90,530	92,856
Impact on Diluted EPS	\$ 0.00	\$ (0.12)	\$ (0.02)	\$ (0.07)

** Since we have non-vested share-based payments with a nonforfeitable right to dividends, we have been required to use the two-class method of computing earnings per share since October 1, 2009.

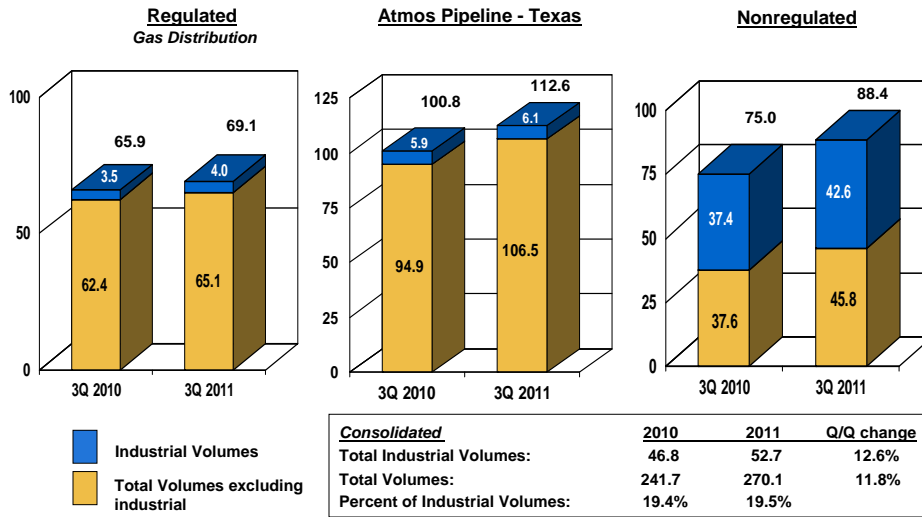
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Consolidated Financial Results – Fiscal 2011 3Q



Quarter-Over-Quarter Industrial Demand Increases 13%

(volumes in Bcf)

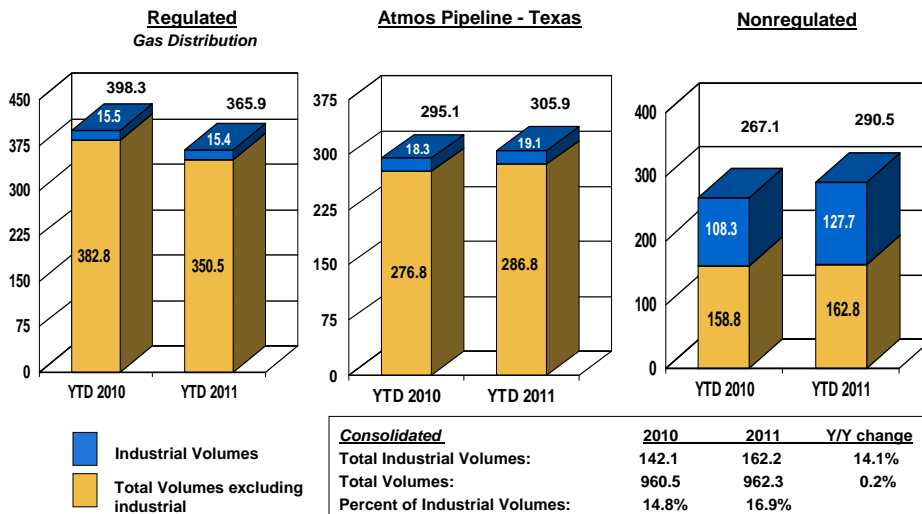


Consolidated Financial Results – Fiscal YTD



Year-Over-Year Industrial Demand Increases 14%

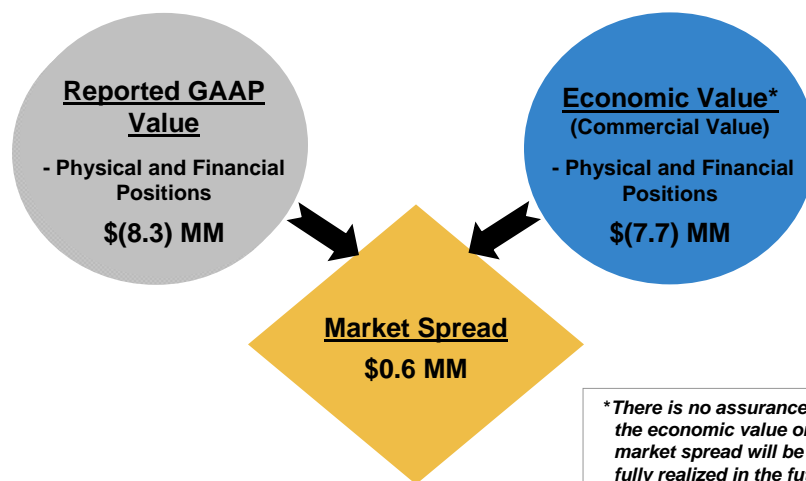
(volumes in Bcf)



Economic Value vs. GAAP Reported Results

- We commercially manage our storage assets by capturing arbitrage value through optimization strategies that create embedded (forward) value in the portfolio. We report the transactions for external financial reporting purposes in accordance with generally accepted accounting principles (“GAAP”).
- **GAAP Reported Value** is the period to period net change in fair value of the portfolio reported in the income statement that results from the process of marking to market the physical storage volumes and corresponding financial instruments in an interim period.
- **Economic Value** is the period to period forward margin of our storage portfolio that results from the process of calculating our weighted average cost of inventory (WACOG), and our weighted average sales price of our forward financials (WASP), then multiplying the difference times inventory volumes. This margin should be realized in cash when the hedged transaction is executed or when financials are settled and then reset to stay hedged against physical volumes.
 - **Economic Value** represents the “forward” economic margin of the transactions, while GAAP reported results reflect that portion of our “forward” margin that has been recorded in the income statement.
 - **Volatility** in earnings includes the impact of the accounting treatment of our storage portfolio in accordance with GAAP and is reflective of relatively high price volatility of the prompt month, and the relatively low volatility of the offsetting forward months.

Economic Value vs. GAAP Reported Results



Nonregulated



**Economic Value vs. GAAP Reported Results
Three Months Ended**

Period Ending	Physical Volume (Bcf)	Economic Value (EV) (\$ per mcf)			Total (\$ in millions)	GAAP Reported Value - MTM Total (\$ in millions)		Market Spread Total (\$ in millions)	
		WASP	WACOG	EV		(\$ per mcf)	(\$ in millions)	(\$ per mcf)	(\$ in millions)
3/31/2010	23.7	5.2744	5.2416	0.0328	0.8	(0.3452)	(8.1)	0.3780	8.9
6/30/2010	20.1	4.9202	5.3439	(0.4237)	(8.5)	(0.8197)	(16.5)	0.3960	8.0
2010 Variance	(3.6)	\$ (0.3542)	\$ 0.1023	\$ (0.4565)	\$ (9.3)	\$ (0.4745)	\$ (8.4)	\$ 0.0180	\$ (0.9)
3/31/2011	17.7	4.3730	4.3741	(0.0011)	(0.0)	(0.5144)	(9.1)	0.5133	9.1
6/30/2011	16.7	3.9891	4.4504	(0.4613)	(7.7)	(0.4980)	(8.3)	0.0367	0.6
2011 Variance	(1.0)	\$ (0.3839)	\$ 0.0763	\$ (0.4602)	\$ (7.7)	\$ 0.0164	\$ 0.8	\$ (0.4766)	\$ (8.5)

WASP: Weighted average sales price for gas held in storage

WACOG: *Historical* weighted average cost of AEM's gas in storage

EV: "Economic Value" which equals gas sales price (WASP) minus cost of gas (WACOG) on a per unit basis

Nonregulated



**Economic Value vs. GAAP Reported Results
Nine Months Ended**

Period Ending	Physical Volume (Bcf)	Economic Value (EV) (\$ per mcf)			Total (\$ in millions)	GAAP Reported Value - MTM Total (\$ in millions)		Market Spread Total (\$ in millions)	
		WASP	WACOG	EV		(\$ per mcf)	(\$ in millions)	(\$ per mcf)	(\$ in millions)
9/30/2009	15.9	7.8995	5.9370	1.9625	31.2	(0.8934)	(14.2)	2.8559	45.4
6/30/2010	20.1	4.9202	5.3439	(0.4237)	(8.5)	(0.8197)	(16.5)	0.3960	8.0
2010 Variance	4.2	\$ (2.9793)	\$ (0.5931)	\$ (2.3862)	\$ (39.7)	\$ 0.0737	\$ (2.3)	\$ (2.4599)	\$ (37.4)
9/30/2010	15.7	4.8276	5.3041	(0.4765)	(7.5)	(0.8156)	(12.8)	0.3391	5.3
6/30/2011	16.7	3.9891	4.4504	(0.4613)	(7.7)	(0.4980)	(8.3)	0.0367	0.6
2011 Variance	1.0	\$ (0.8385)	\$ (0.8537)	\$ 0.0152	\$ (0.2)	\$ 0.3176	\$ 4.5	\$ (0.3024)	\$ (4.7)

WASP: Weighted average sales price for gas held in storage

WACOG: *Historical* weighted average cost of AEM's gas in storage

EV: "Economic Value" which equals gas sales price (WASP) minus cost of gas (WACOG) on a per unit basis

Atmos Energy Corporation
Jurisdictional Rate Data
as of August 3, 2011

Jurisdiction	Effective Date of Last Rate Action	Date of Last Rate Filing (pending)	Authorized Operating Income (in millions)	Requested Operating Income (in millions)	Rate Base (in thousands) 1	Requested Rate Base (in thousands)	Authorized Rate of Return	Requested Rate of Return	Authorized Return on Equity	Requested Return on Equity	Authorized Debt/Equity Ratio	Requested Debt/Equity Ratio	Annual Revenue Stabilization	Bad debt Rider 3	WNA	6/30/2011 Meters
Atmos Pipeline-Texas	5/1/11		\$20.4		807,700		9.36%		11.80%		50/50			n/a	n/a	n/a
Atmos Pipeline-Texas - GRIP	7 8/1/11		\$12.6		816,976		9.36%		11.80%		50/50			n/a	n/a	n/a
Mid-Tex - Settled Cities 4th RRM	9/1/11		\$5.5		2	5	8.29%		9.70%		50/50		Y	Y	Y	1,247,002
Mid-Tex - Settled Cities 3rd RRM	10/1/10		\$23.1		2	5	8.19%		9.60%		52/48		Y	Y	Y	1,247,002
Mid-Tex - Dallas - DARR	6/22/11		\$1.6		1,268,601		8.45%		10.10%		51/49		Y	Y	Y	n/a
Mid-Tex - Environs GRIP	7 6/27/11		\$0.6		1,268,601		8.60%		10.40%		51/49			n/a	n/a	n/a
Lubbock RRM	9/1/10	4/1/11	-\$0.9	\$2.1	57,074	6	60,892	8.19%	8.19%	9.60%	52/48	52/48	Y	Y	Y	73,570
West Texas Cities RRM	8/1/11		\$0.0		146,039		8.19%		9.60%		52/48		Y	Y	Y	155,531
Amarillo RRM	8/1/10		\$1.2		55,537	6		8.19%	9.60%		52/48		Y	Y	Y	70,405
Colorado	1/4/10		\$1.9		86,189		8.57%		10.25%		50/50			Y ⁹	N	110,400
Kansas	8/1/10		\$3.9		144,583	4	2		2		2			Y	Y	128,531
Georgia	3/31/10		\$2.9		88,583		8.61%		10.70%		52/48			N	Y	64,912
Illinois	11/1/00				24,564		9.18%		11.56%		67/33			N	N	22,868
Iowa	3/1/01				5,000		2		11.00%		57/43			N	N	4,317
Kentucky	6/1/10		\$6.6		184,697	4	2		2		2			Y	Y	176,752
Missouri	9/1/10		\$4.0		66,459	4	2		2		49/51			N	N	56,534
Tennessee	4/1/09		\$2.5		190,100		8.24%		10.30%		52/48			Y	Y	133,532
Virginia	11/23/09		\$1.4		36,861		8.48%		10.00%		51/49			Y	Y	23,260
TransLa	4/1/11		\$0.4		93,260		8.37%		10.00%		52/48		Y	N	Y	76,090
LGS	7/1/11		\$4.1		273,775		8.57%		10.40%		52/48		Y	N	Y	277,944
Mississippi	4/5/11		\$0.0		239,197		2		9.86%		50/50		Y	N	Y	266,237

¹ The 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 The bad debt rider allows us to recover from ratepayers the gas cost portion of uncollectible accounts.

⁴ The rate base per the last filing was not included in the respective state commission's final decision; however, the amount presented represents the filed rate base included in the latest filing.

⁵ Mid-Tex rate base for settled cities and Dallas both represented on a 'system-wide' basis.

⁶ The Amarillo and Lubbock City Councils approved three year RRM plans for their respective cities in the spring of 2009.

⁷ GRIP filings are based on existing returns and the change in net utility plant investment.

⁸ Net of GRIP 2008 rates that will be superceded, operating income should increase \$0.2 million

⁹ Recovery of gas portion of uncollectible accounts through GCA approved for a two year pilot