

Atmos Energy Corporation

June, 2007

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, 2006. 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 earnings guidance through our quarterly and annual earnings releases. All estimated financial metrics for fiscal year 2007 and beyond that appear in this presentation are current as of the date noted on each relevant slide.

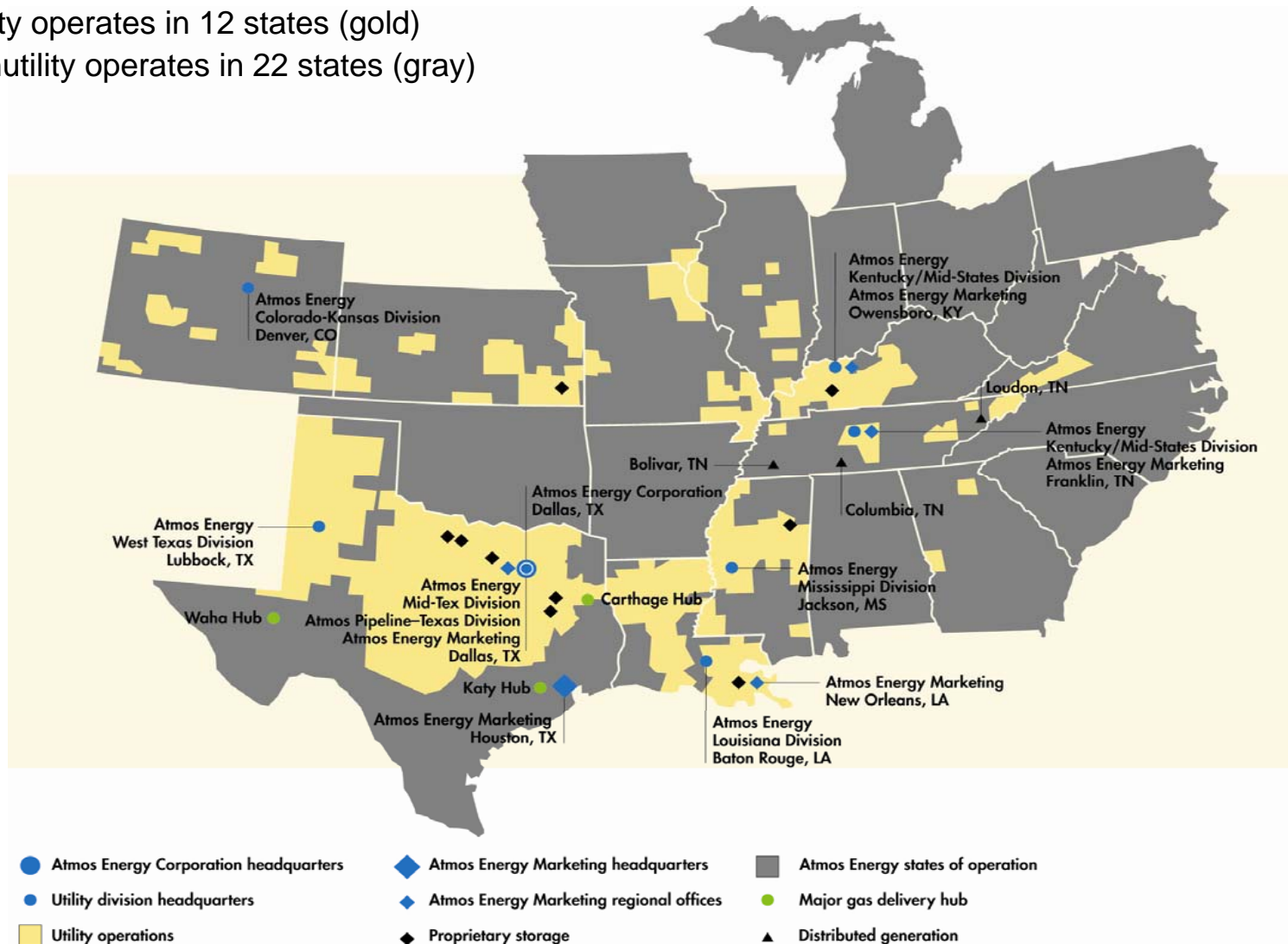
Company Profile

- The nation's largest pure-gas distribution company and complementary nonutility business
- Solid financial foundation
- Track record of creating shareholder value
 - Consistent earnings growth
 - 23 consecutive years of increasing dividends
- Focused strategy over time
 - Grow through prudent acquisitions
 - Maximize core natural gas utility earnings capability
 - Complement core utility business through select nonutility operations

Growth Through Acquisitions

Scope of Operations

- Utility operates in 12 states (gold)
- Nonutility operates in 22 states (gray)



Growth Through Acquisitions



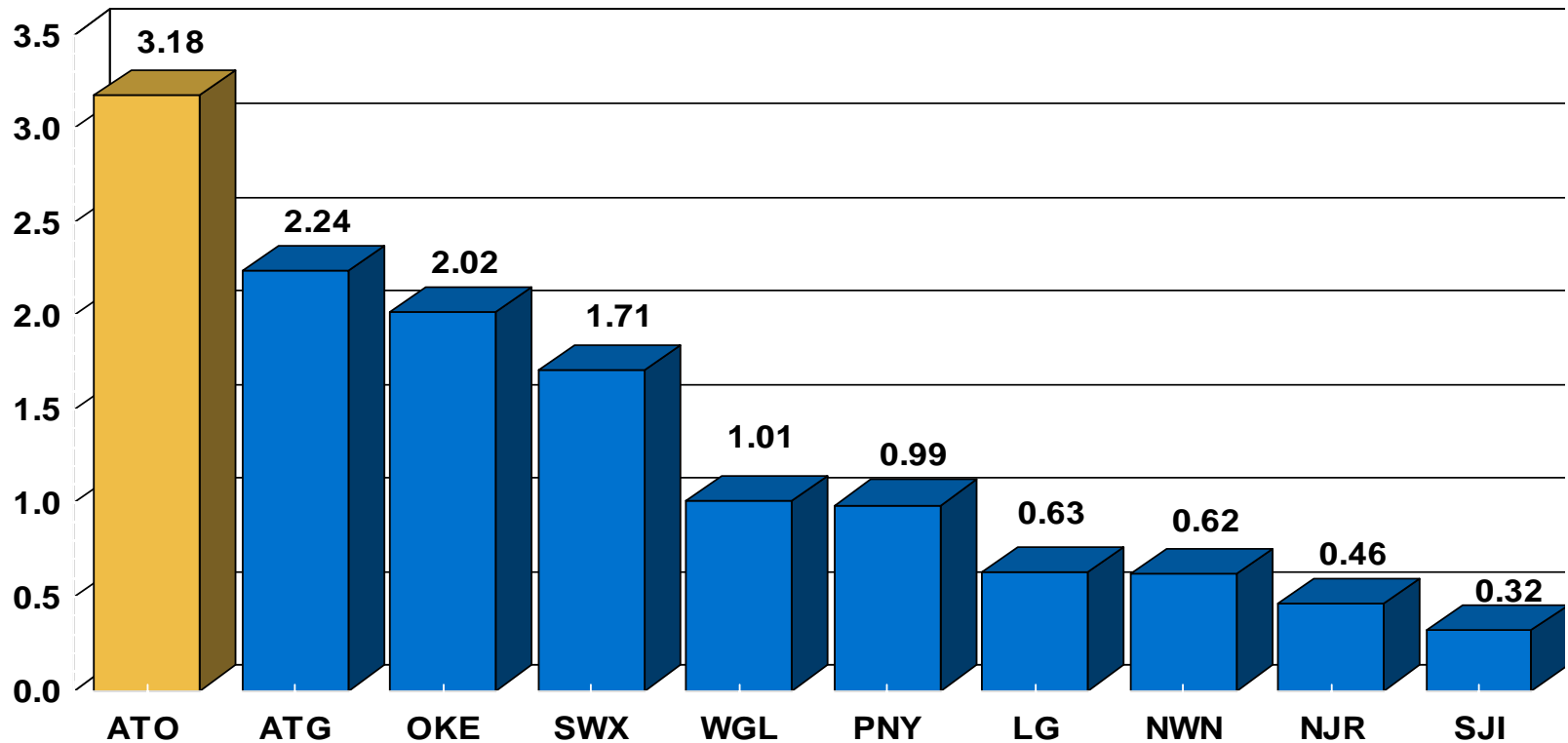
Successful Acquisition History

Acquisition Date	Company Acquired	Customers Acquired	Purchase Price \$ (000s)
1986	Trans Louisiana Gas	69,000	44,100
1987	Western Kentucky Gas	147,000	85,100
1993	Greeley Gas Company	98,000	111,717
1997	United Cities Gas Co	307,000	469,485
2000	ANG Missouri Assets	48,000	32,000
2001	55% interest in Woodward	-	26,657
2001	Louisiana Gas Service	279,000	363,399
2002	Mississippi Valley Gas	261,500	220,200
2004	ComFurT Gas Inc.	1,800	2,000
2004	TXU Gas Company	1,500,000	1,916,696

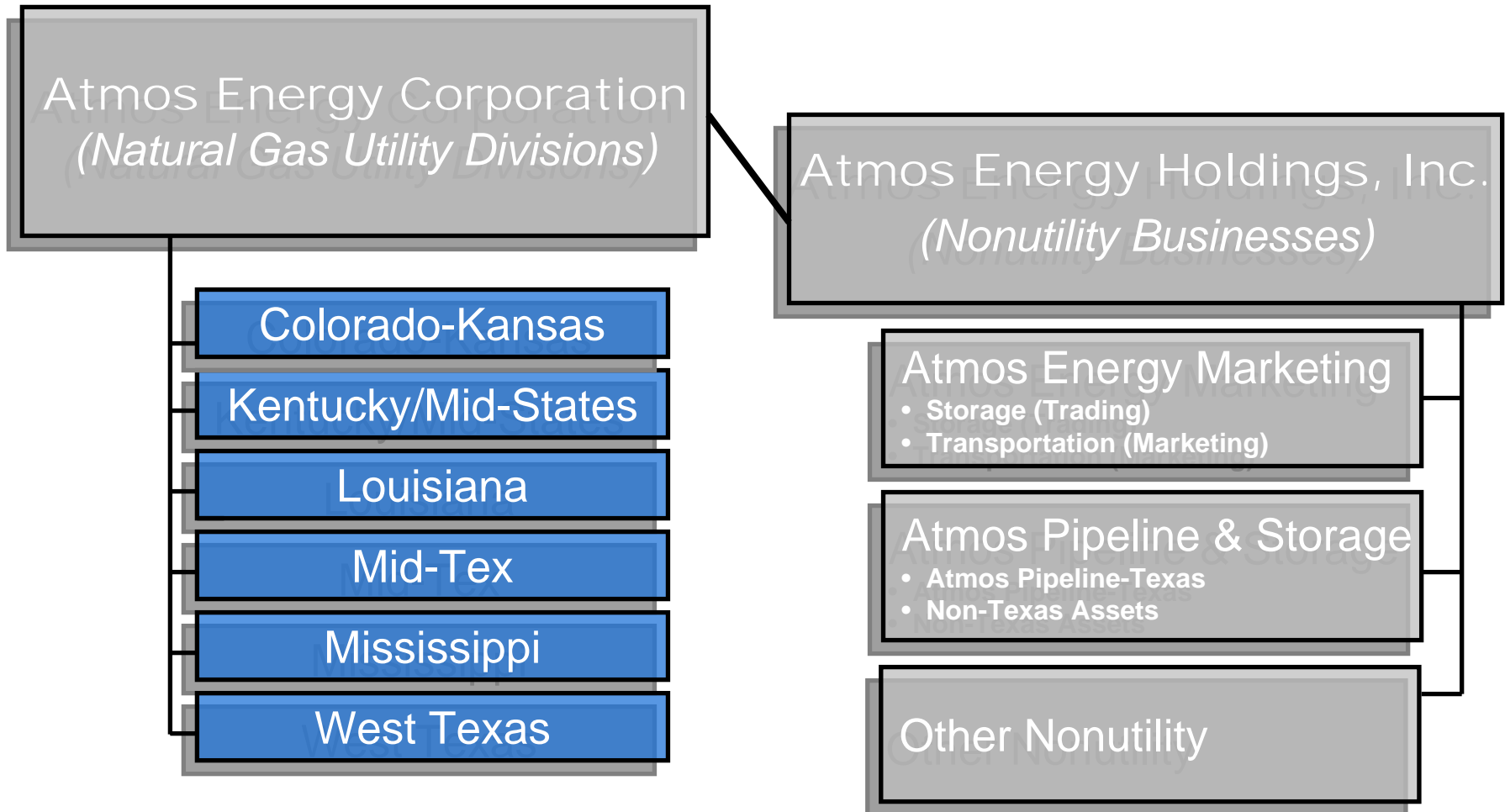
Growth Through Acquisitions

Largest Pure-Play LDC Based on Customers

(customers in millions)



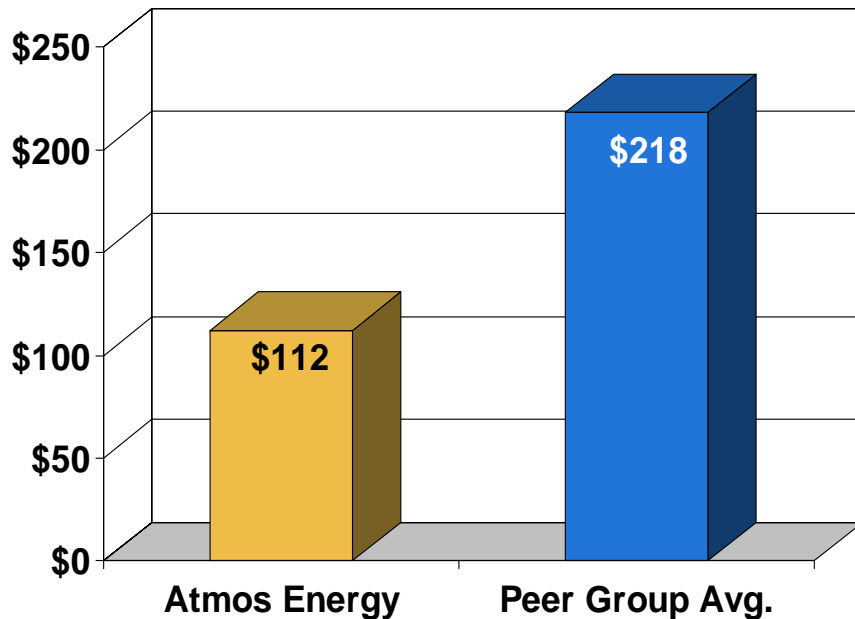
Maximizing Core Utility Contribution



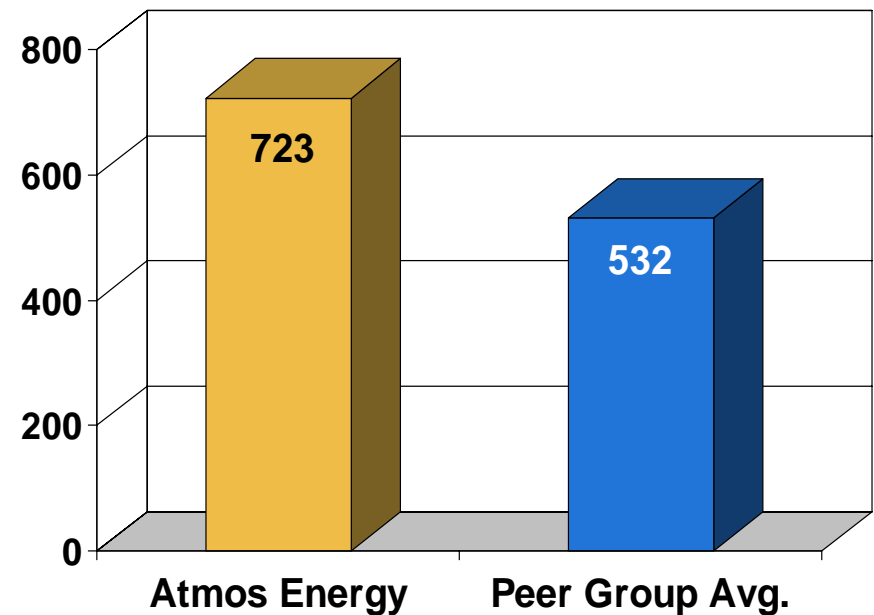
Maximizing Core Utility Contribution

Leading Utility Efficiency Metrics vs. Peers

2006 Utility O&M Expense Per Customer



Customers Served per Utility Employee

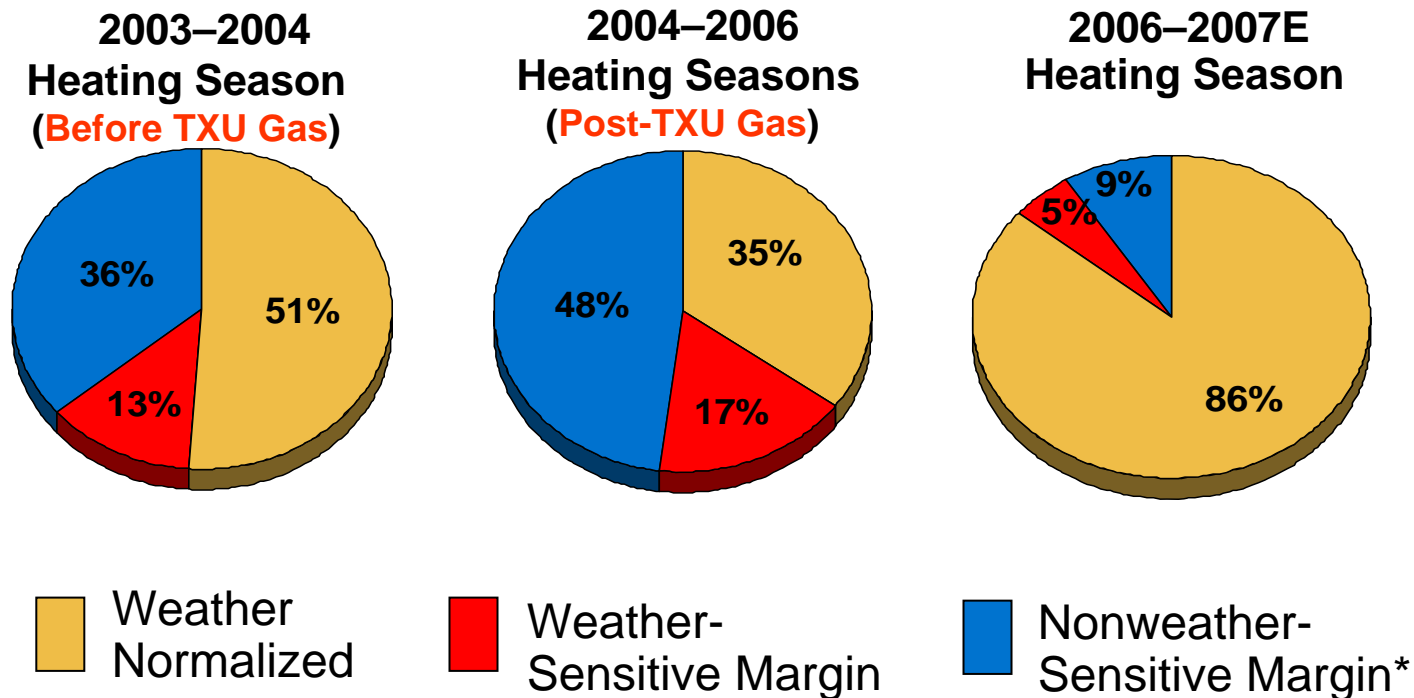


Note: Results are based on fiscal 2006 performance for Atmos and most recent information available for the peer group. Companies in the peer group include AGL Resources, KeySpan, Laclede, New Jersey Resources, Nisource, Northwest Natural Gas, Oneok, Piedmont Natural Gas, Southwest Gas and WGL Holdings.

Maximizing Core Utility Contribution

Stabilizing Utility Margin Sensitivity

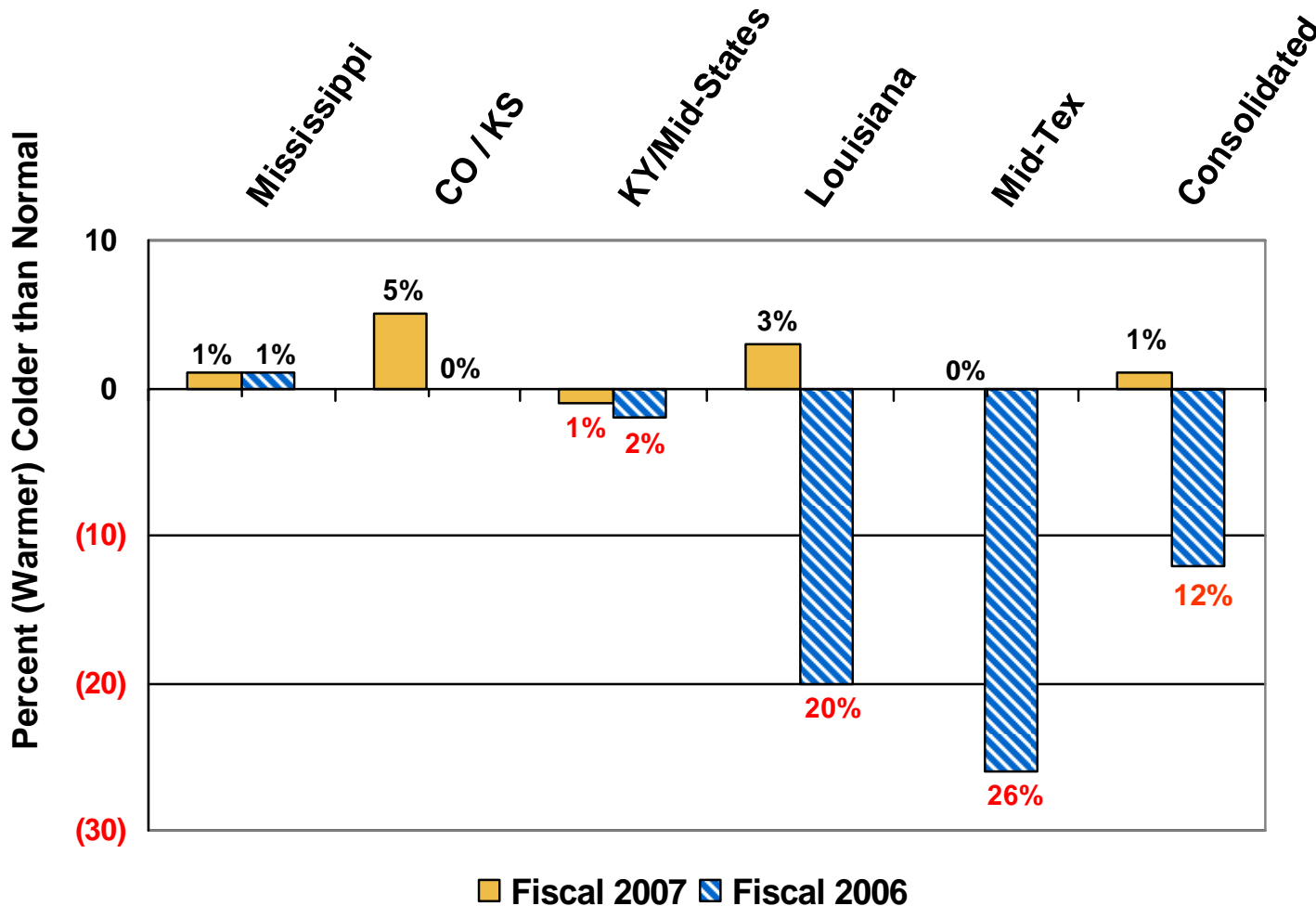
- Weather Normalization Adjustment (WNA) for Mid-Tex and Louisiana divisions became effective for the 2006-2007 winter heating season, which reduced our margin exposure to weather from 17 percent to 5 percent
- The 17 percent exposure to weather negatively impacted our gross profit margin by about \$26.0 million in the fiscal 2006 second quarter.
- In the current-year quarter, the 5 percent exposure to weather had a negligible impact on our gross profit margin.



* Non-weather sensitive margin is gas consumption not correlated to weather, i.e., gas clothes dryer, gas water heater, gas cooking, and includes monthly fixed charge

Maximizing Core Utility Contribution

Year-Over-Year Weather Effect by Division, as adjusted for WNA *



- Fiscal 2007 YTD consolidated gross profit was adversely affected by about \$2 million, despite weather that was 1 percent colder than normal, as adjusted for WNA
- Fiscal 2006 YTD consolidated gross profit was adversely affected by \$32.3 million due to weather that was 12 percent warmer than normal, as adjusted for WNA
- Louisiana and Mid-Tex divisions implemented weather-normalized rates during fiscal 2007, which accounted for an increase in gross profit of \$11.8 million year over year

* West Texas Division had no weather impact in either period

Maximizing Core Utility Contribution

Successfully Executing on the Utility Rate Strategy

	Number of Customers	Percentage of Total	Purchased Gas Cost Adjustments	WNA	GRIP/ Accelerated Capital Recovery	Decoupling/ Rate Stabilization	Gas Cost Bad Debt Recovery
Texas	1,800,000	57%	✓	✓	✓		Partial
Louisiana	350,000	11%	✓	✓	✓	✓	
Mississippi	270,000	8%	✓	✓	✓	✓	
Remaining Jurisdictions	760,000	24%	✓	Partial		Partial	Partial

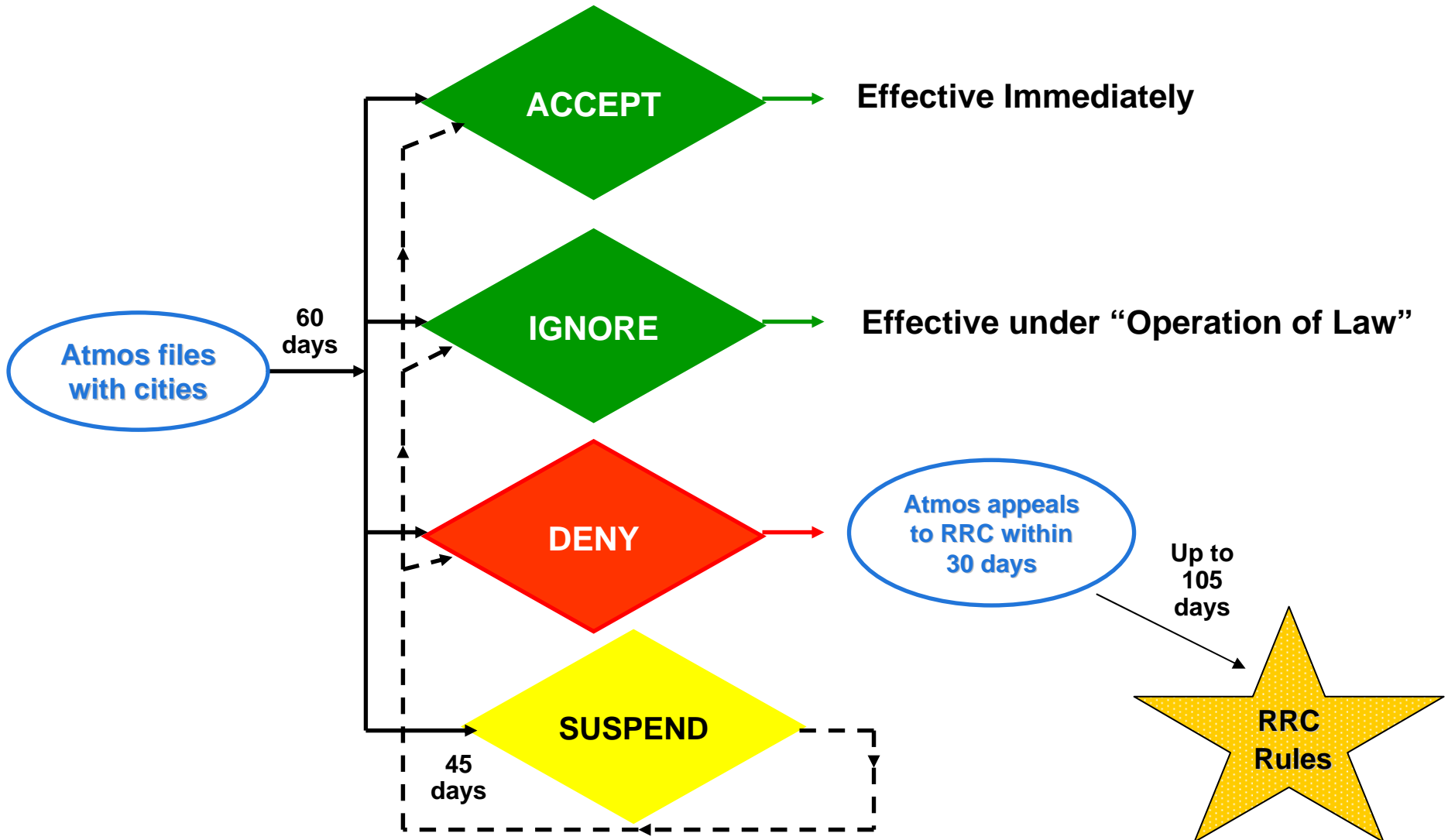
Partial means applicable within certain jurisdictions within the category.

Recent Regulatory Activity

- Missouri – favorable rate settlement
 - Provides decoupling mechanism via straight fixed/variable rate design
 - 3rd Atmos jurisdiction to achieve decoupling
- Mid-Tex – rate order issued in March 2007
 - WNA mechanism utilizing 10 year weather experience
 - Capital structure of 52% debt and 48% equity; 10% authorized ROE
 - Annual revenue increase of about \$4.5 million
 - GRIP-related refund of \$2.3 million
- Kentucky – pending rate case
 - Filed for over \$10 million in December 2006
 - Requested rate design changes including decoupling and gas cost portion of bad debt
 - Decision expected in August 2007
- Tennessee – pending rate case
 - Filed for \$11.0 million increase on May 4, 2007; \$4.24 per month per average customer
 - Requested 11.75% ROE
 - Requested a customer utilization adjustment to address declining use
- Texas – annual GRIP filings
 - 2006 GRIP filing on May 31, 2007, for a \$12.4 million revenue increase for the Mid-Tex utility division and a \$13.0 million revenue increase for Atmos Pipeline-Texas
 - Filings for 2006 expenditures for the West Texas and Lubbock jurisdictions expected in the next 30 days

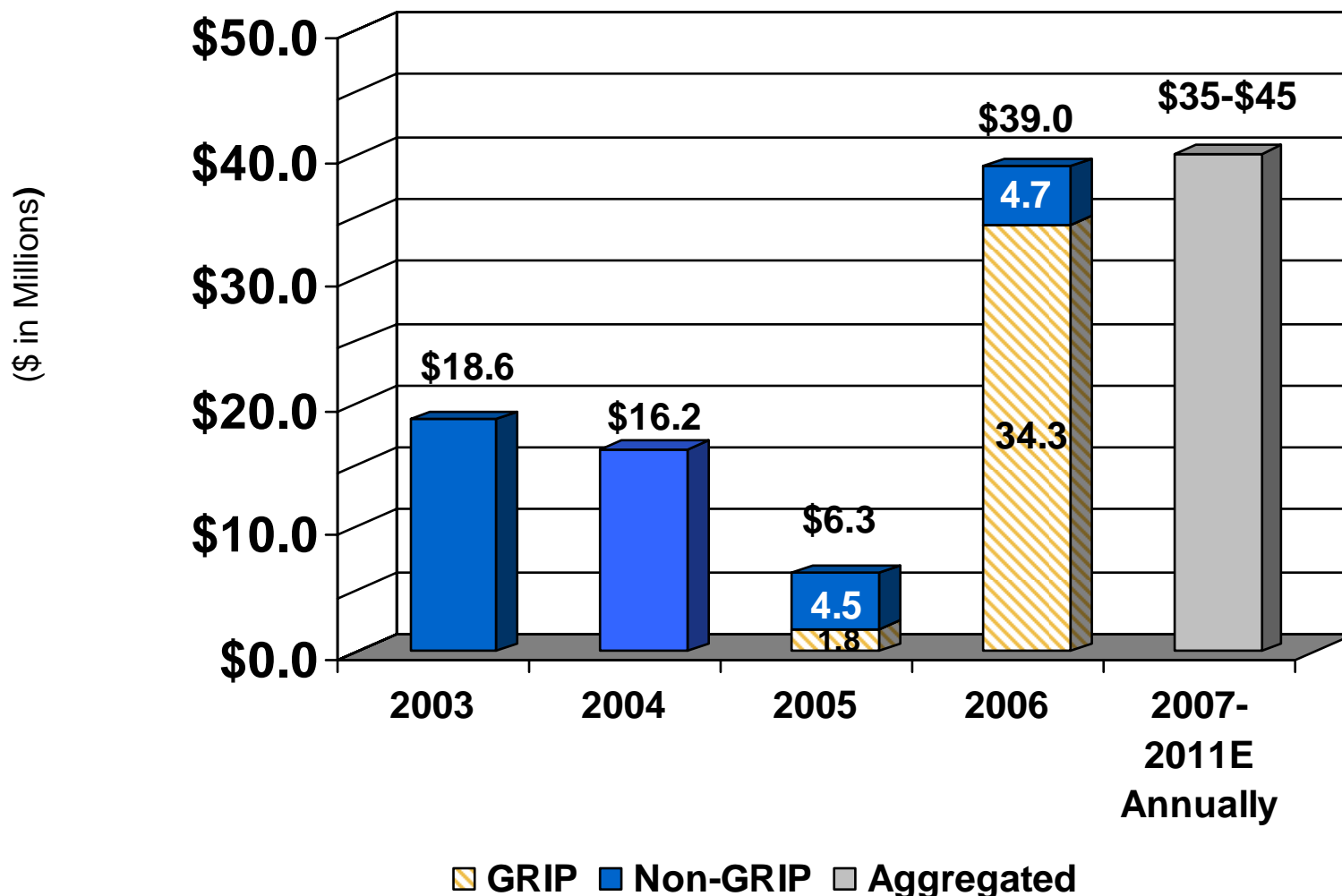
Maximizing Core Utility Earnings

GRIP Filing Process in Texas



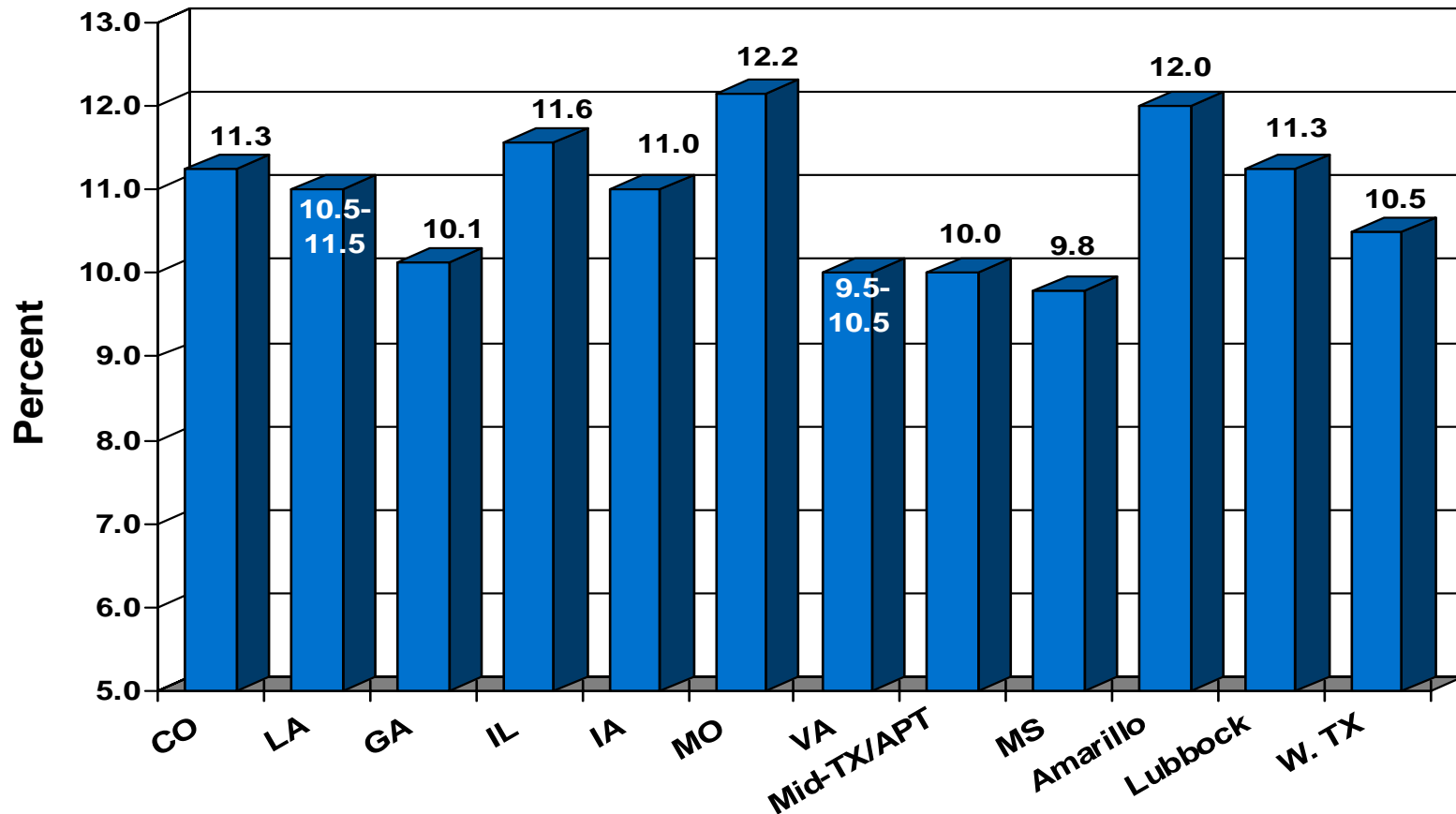
Maximizing Core Utility Contribution

Approved Annual Rate Increases in the Regulated Operations



Maximizing Core Utility Contribution

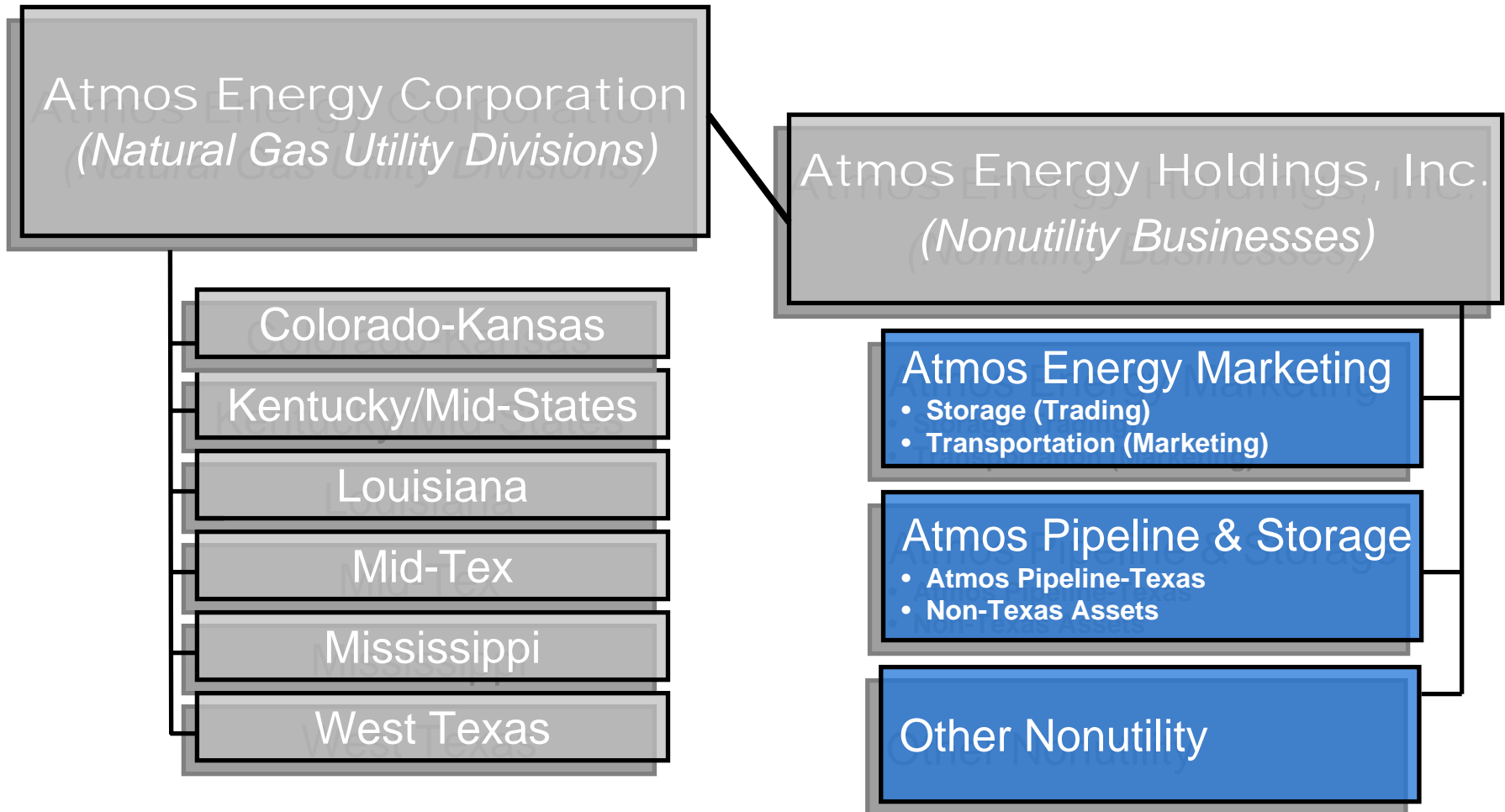
Authorized Regulatory Return on Equity (ROE)*



Consolidated GAAP ROE at 9/30/06 was 8.9%

* ROE not stated in state commission's decision in Kansas, Kentucky and Tennessee

Complementary Nonutility Operations



Nonutility Business Segments Complement Core Utility Business

Gas Marketing

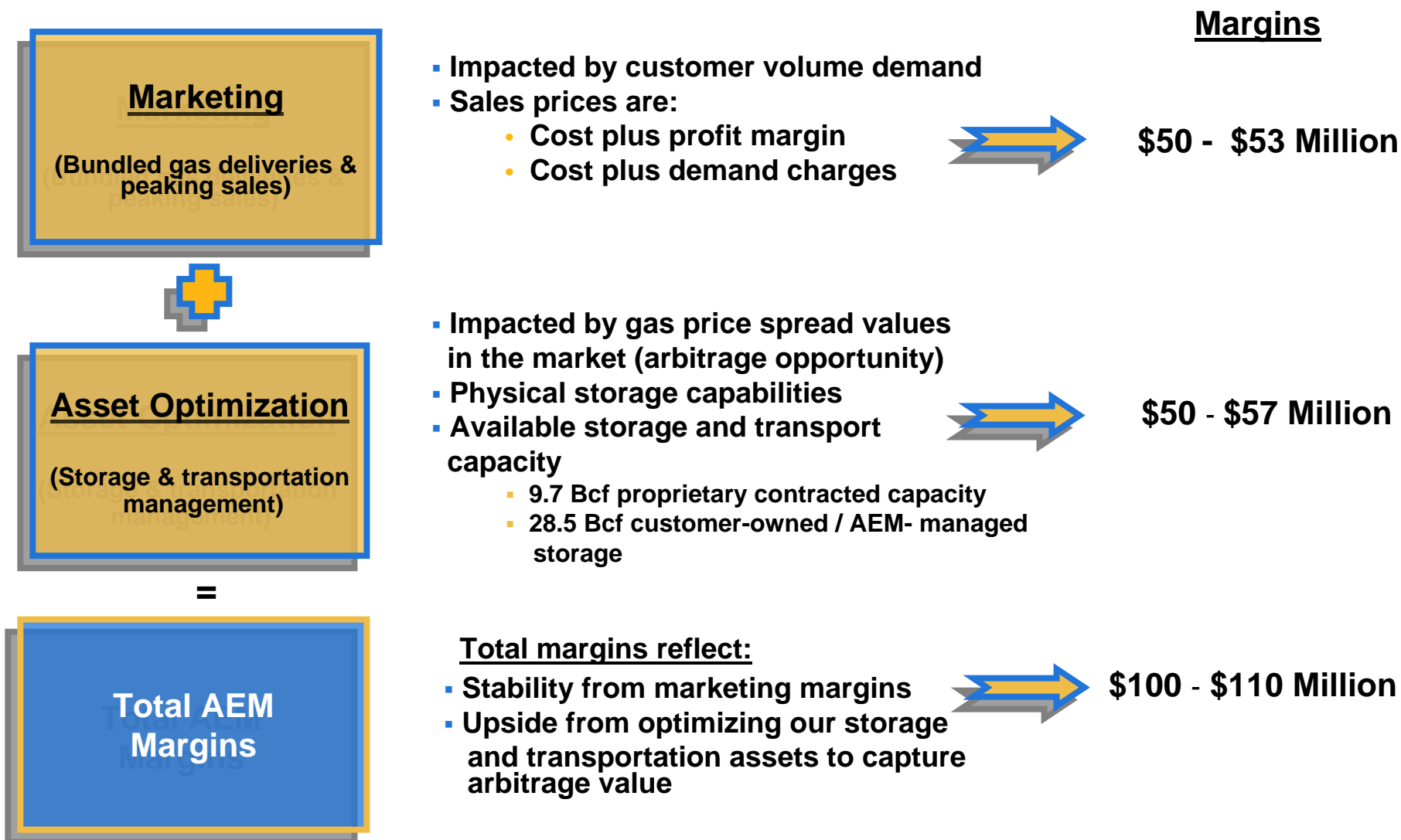
- Utilizes storage and transportation assets that are leased or managed to:
 - provide bundled city gate services (including base load sales, peaking sales, risk management and demand based storage services) to municipal, industrial, power generator, LDC and affiliate utility customers and
 - capture time and location price differentials (arbitrage) through various trading strategies

Pipeline & Storage

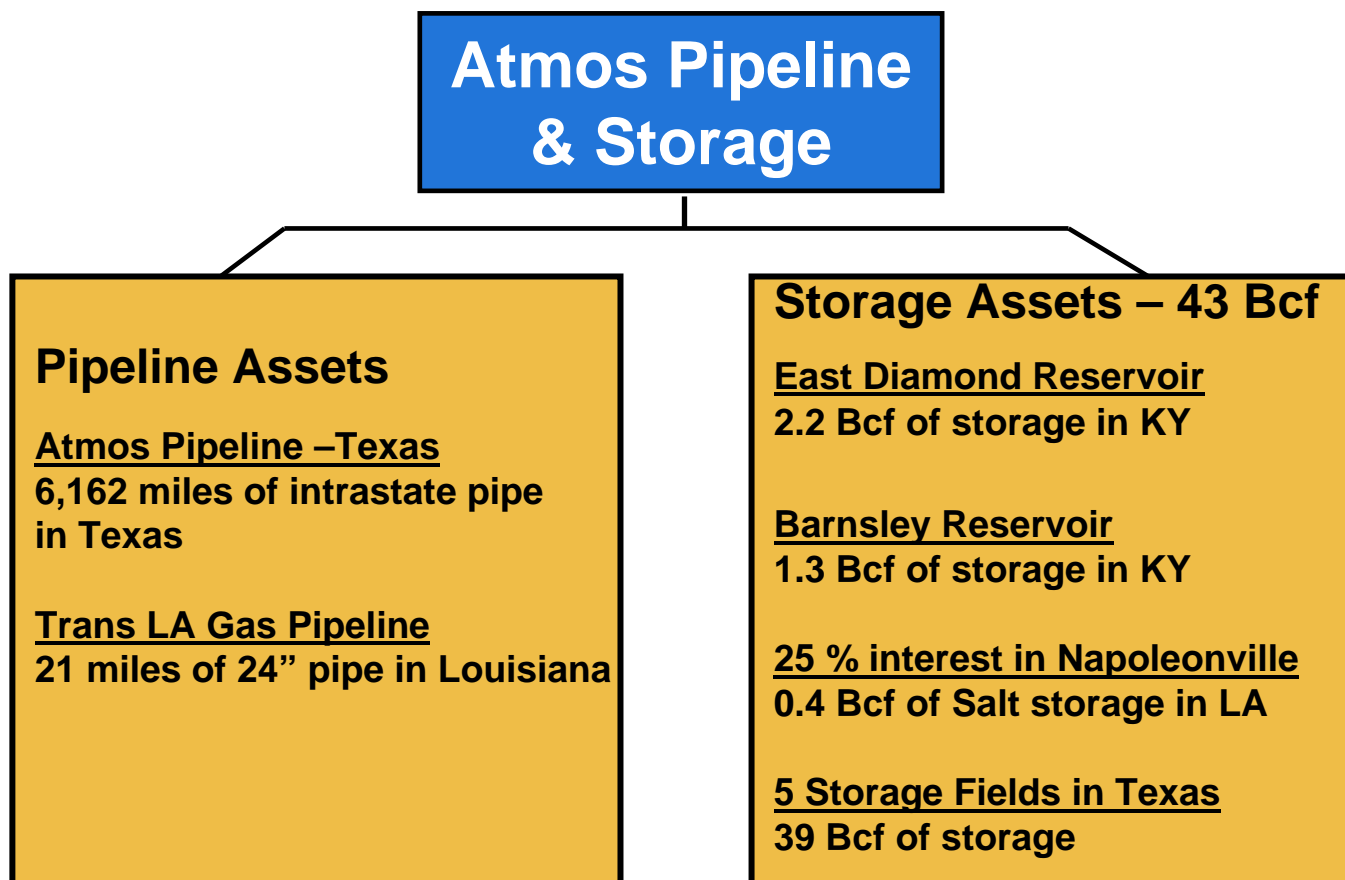
- Includes acquired pipeline and storage assets from TXU Gas (6,162 miles of intrastate pipelines and 5 storage facilities). Effective 10/1/04, these pipeline operations are regulated assets but functionally report under the nonutility businesses
- Owns or leases storage and pipeline assets in Texas, Kentucky and Louisiana that are utilized to provide storage and transportation services to municipal, industrial, power generator and affiliate utility customers

Complementary Nonutility Operations Atmos Energy Marketing

Gross Profit Margin Composition



Ownership of Strategic Asset Base Provides Revenue Growth & Stability



Upstream pipeline services and storage-type services provided to Atmos Energy’s Mid-Tex Division, affiliates & third parties

Complementary Nonutility Operations Atmos Pipeline - Texas

Regulated Asset Base in Texas Provides Revenue Growth and Stability

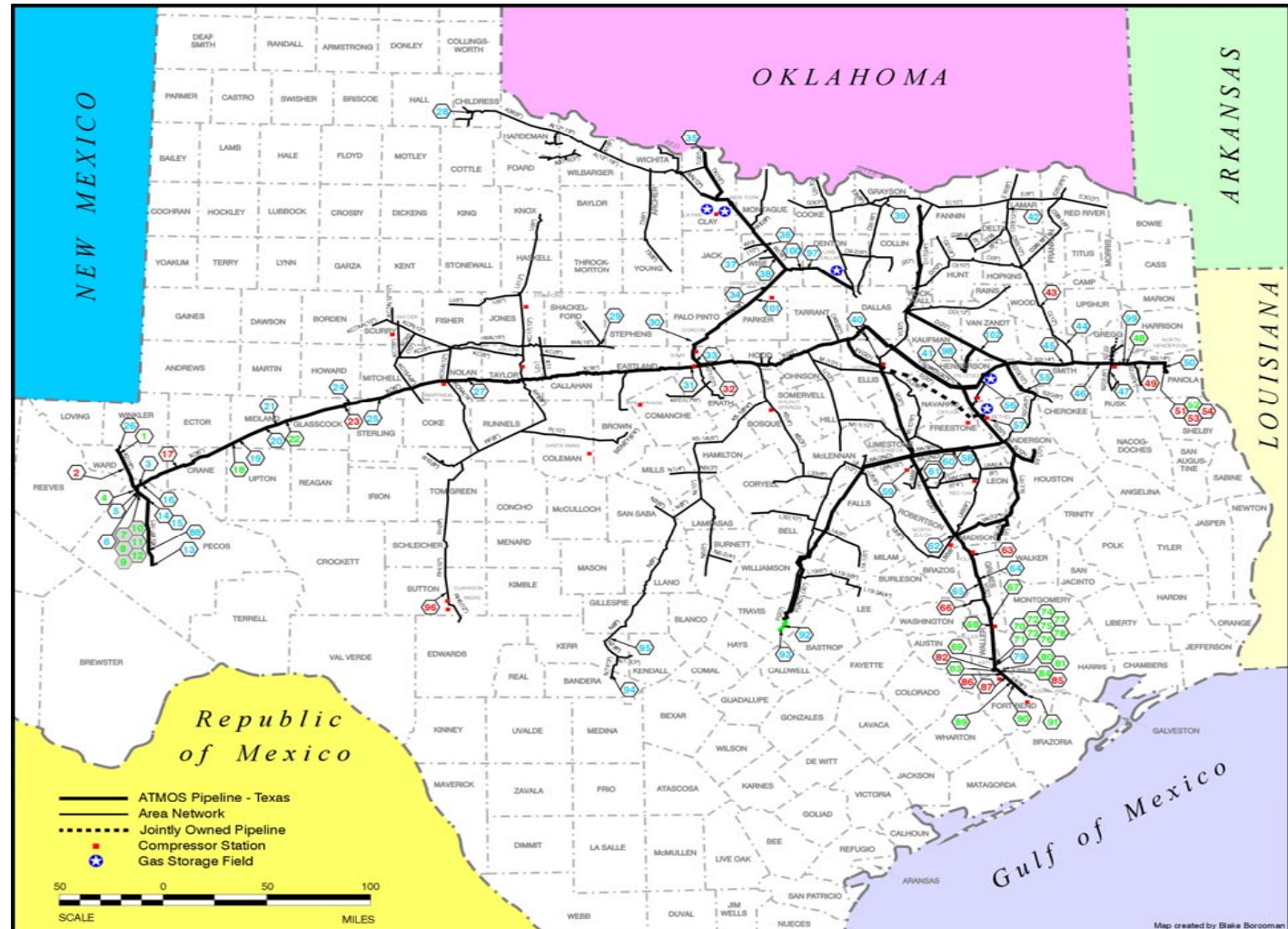
Pipeline Operations

- 1,800 miles of backbone intrastate pipeline
- Integrated with Mid-Tex Division LDC
- Five storage facilities
- Working storage capacity of 39 Bcf

Completed four major projects in 2006 on the pipeline which is expected to add about \$15 million of additional revenue in fiscal 2007

Additional opportunities exist in the highly productive Barnett Shale reservoir

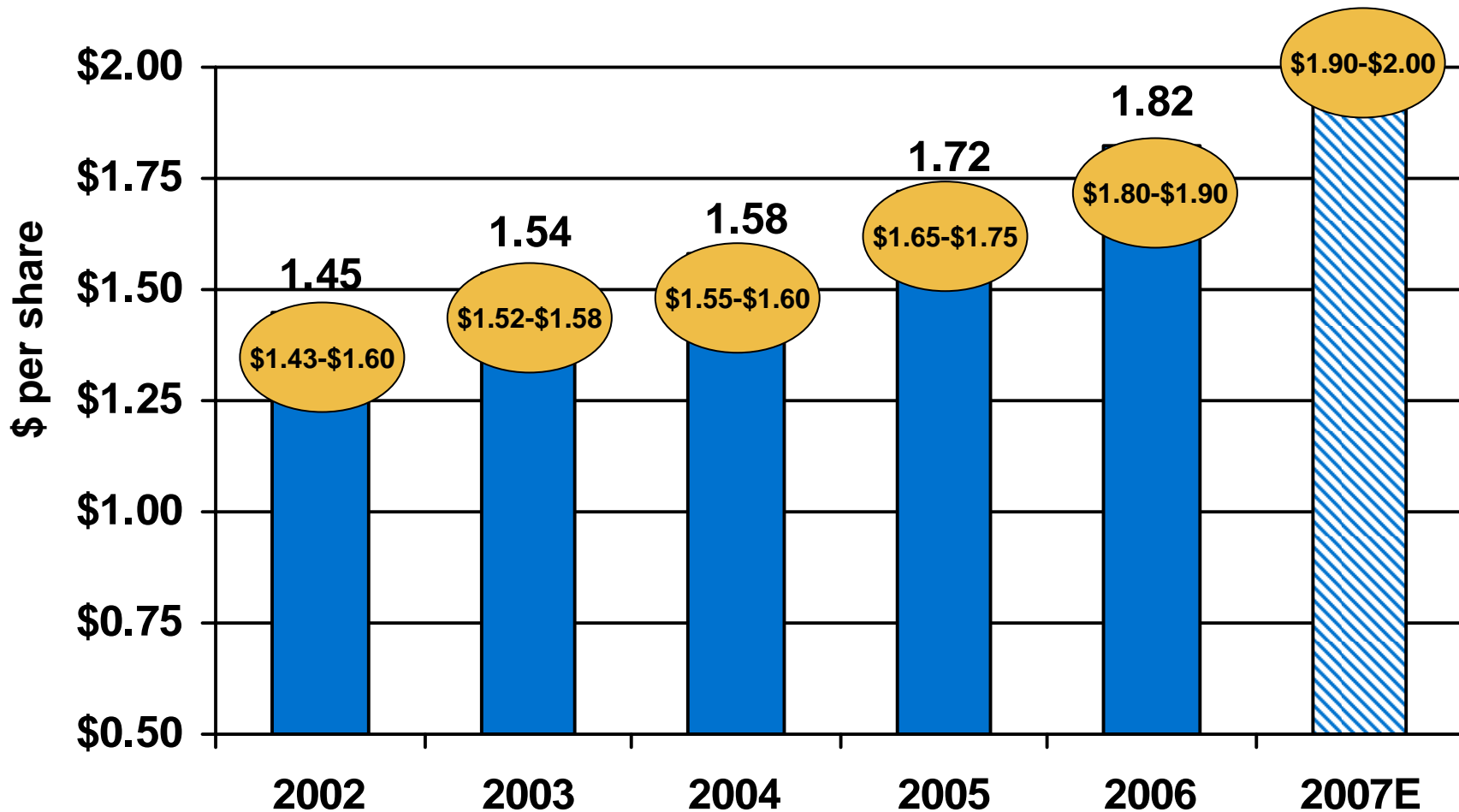
Pipeline transports and stores gas, and provides other pipeline services for distribution, industrial, electric generation, cross haul and other shippers



Natural Gas Gathering Project Update

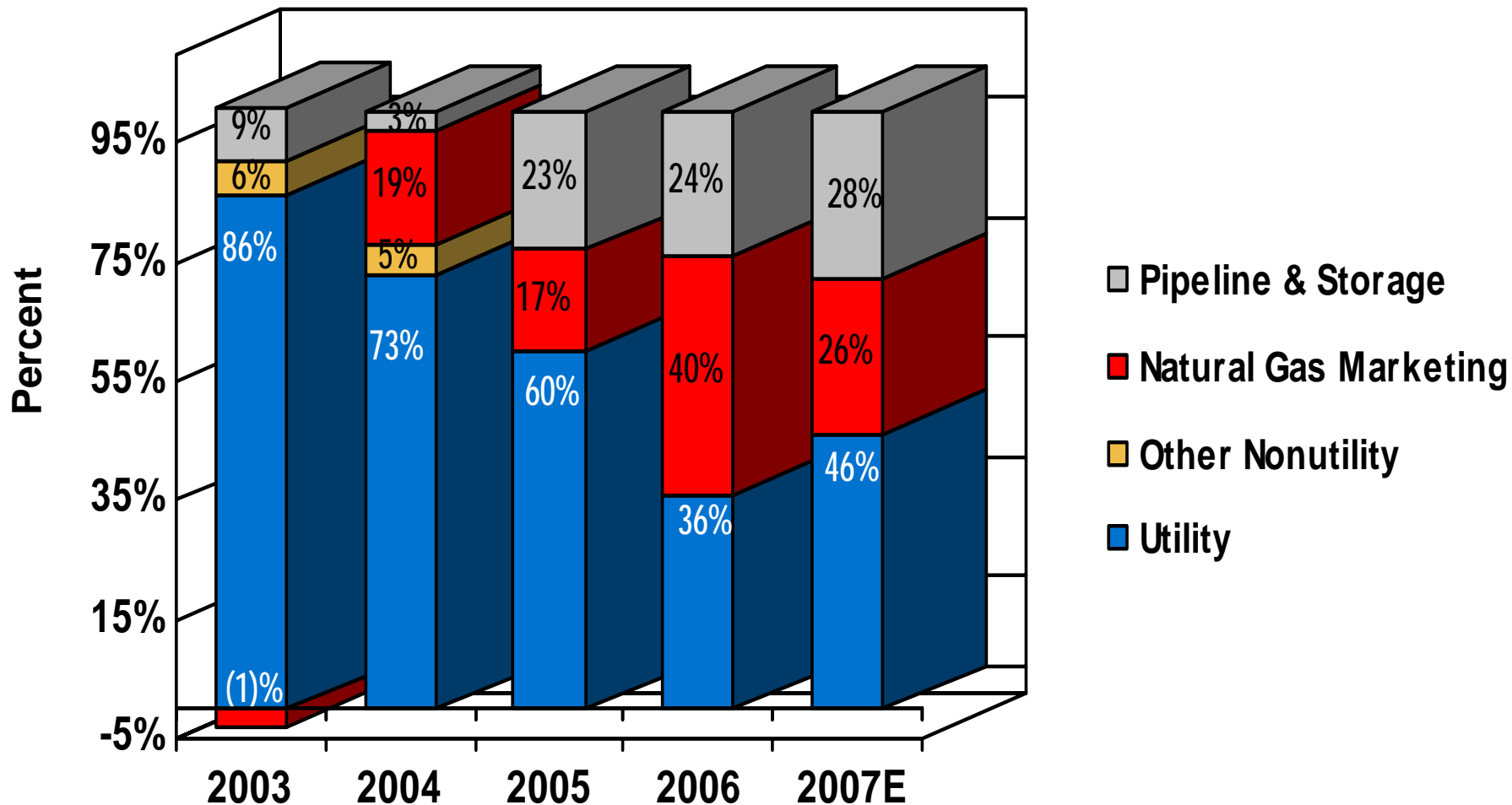
- In May 2006, announced plans to form a joint venture and construct a natural gas gathering system in Eastern Kentucky, referred to as Straight Creek
- Currently redesigning the original project to better serve the needs of the local producers in the area and to meet the company's economic requirements
- Redesigned project will likely be marginally smaller in both size and scope
- Revised in-service date expected to be delayed into the second half of fiscal 2008

Earnings Per Share Compared to Company Guidance Reflects Management's Commitment to Shareholders



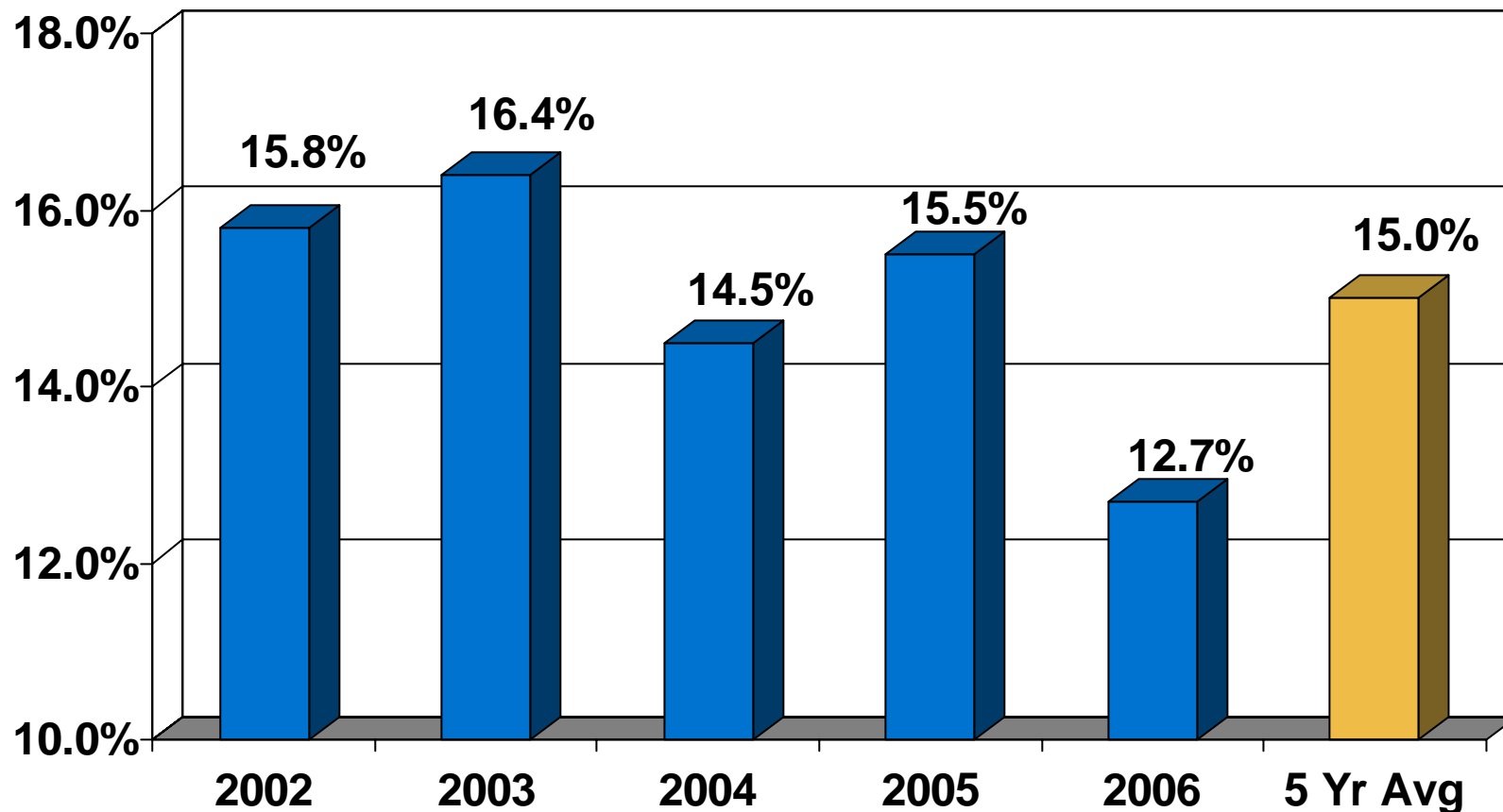
Financial Measures

Historical and Estimated Net Income Contribution by Segment



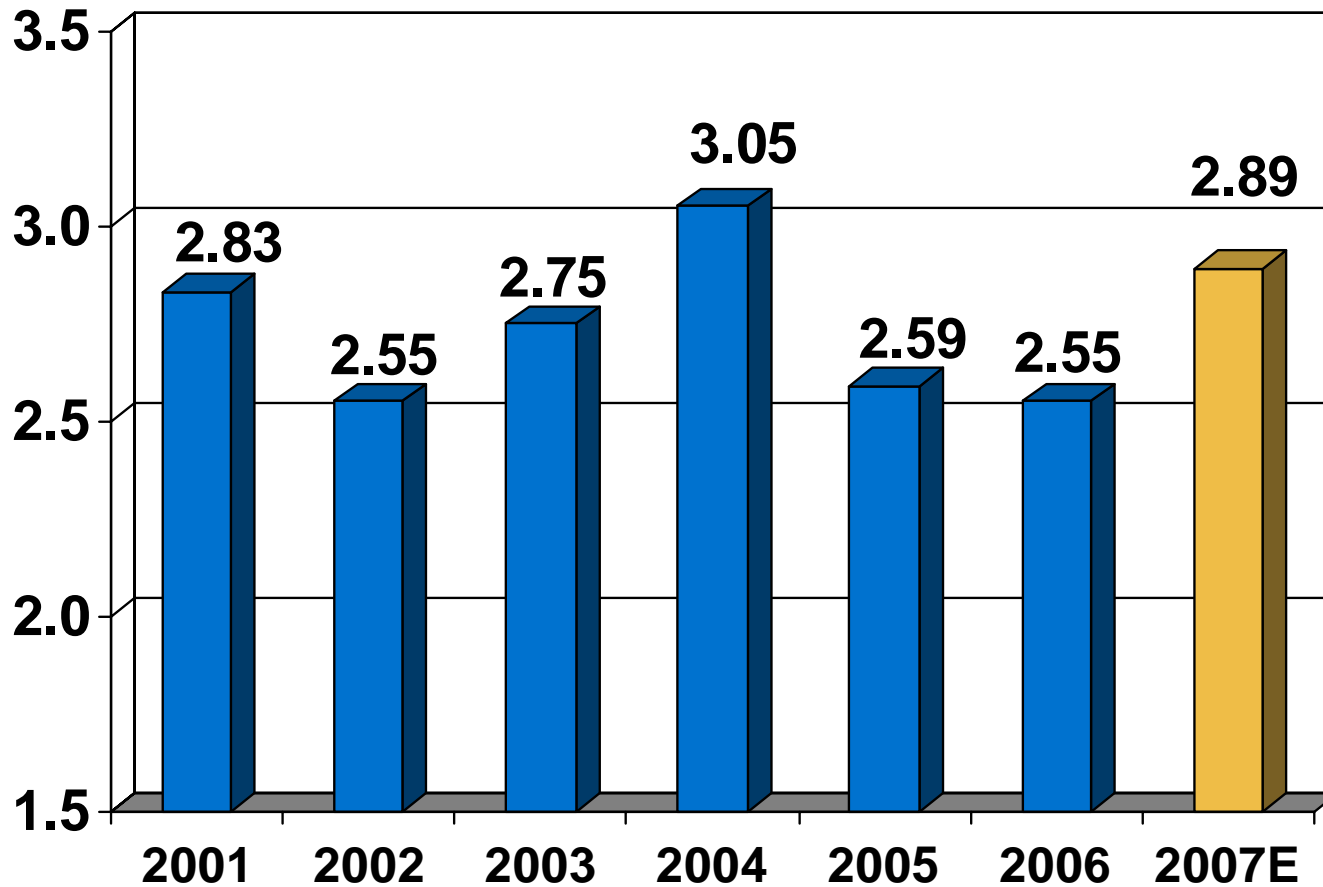
Financial Measures

Return on Invested Capital (ROIC*) Remains Strong



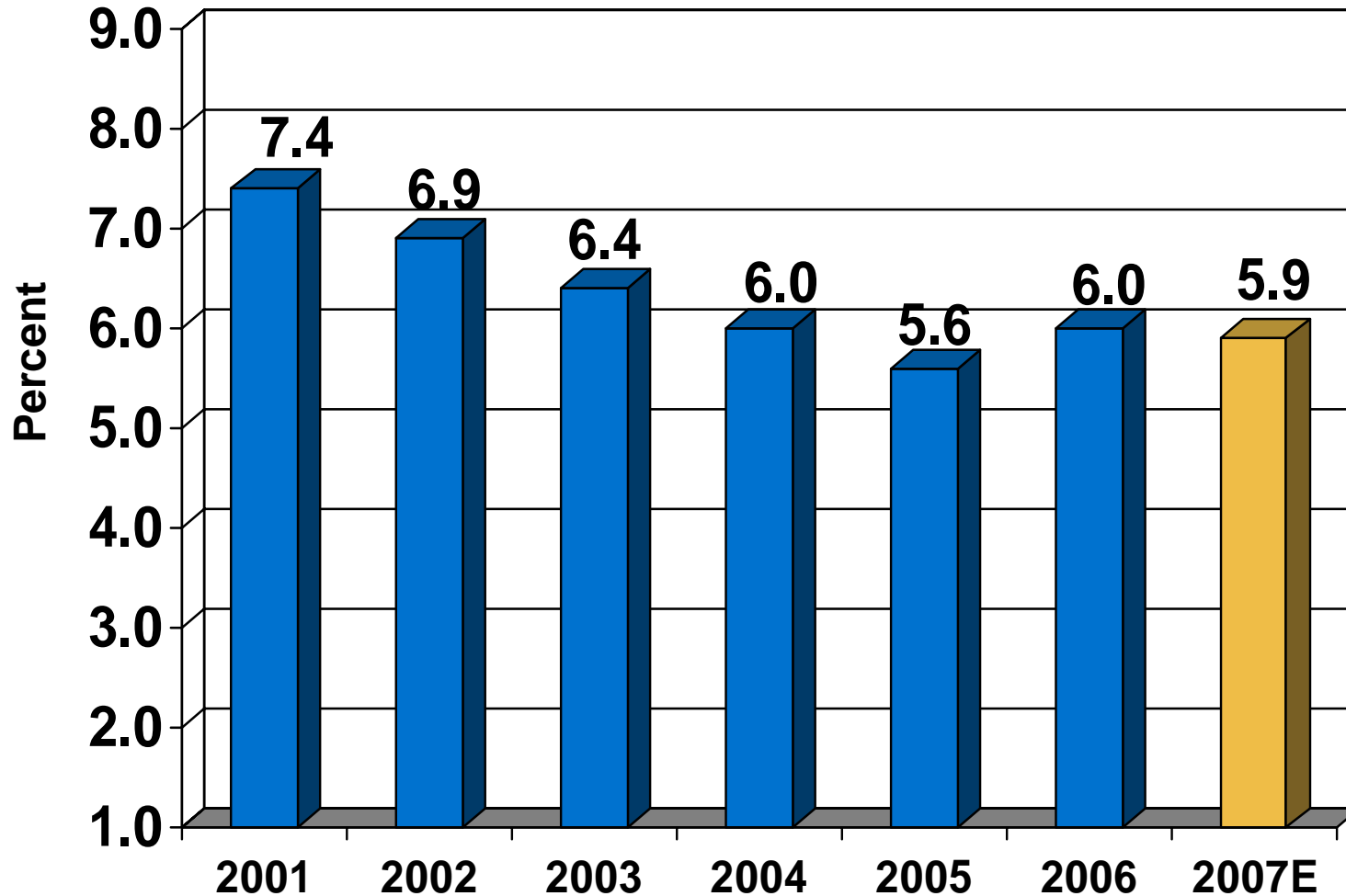
*ROIC - Return on invested capital is calculated using the following GAAP financial measures: Income before interest expense and income taxes plus common stock dividends paid, divided by the average of the year's beginning and ending long-term debt plus common equity. This measure is used to more precisely evaluate operational performance and management effectiveness.

Times Interest Earned Ratios*

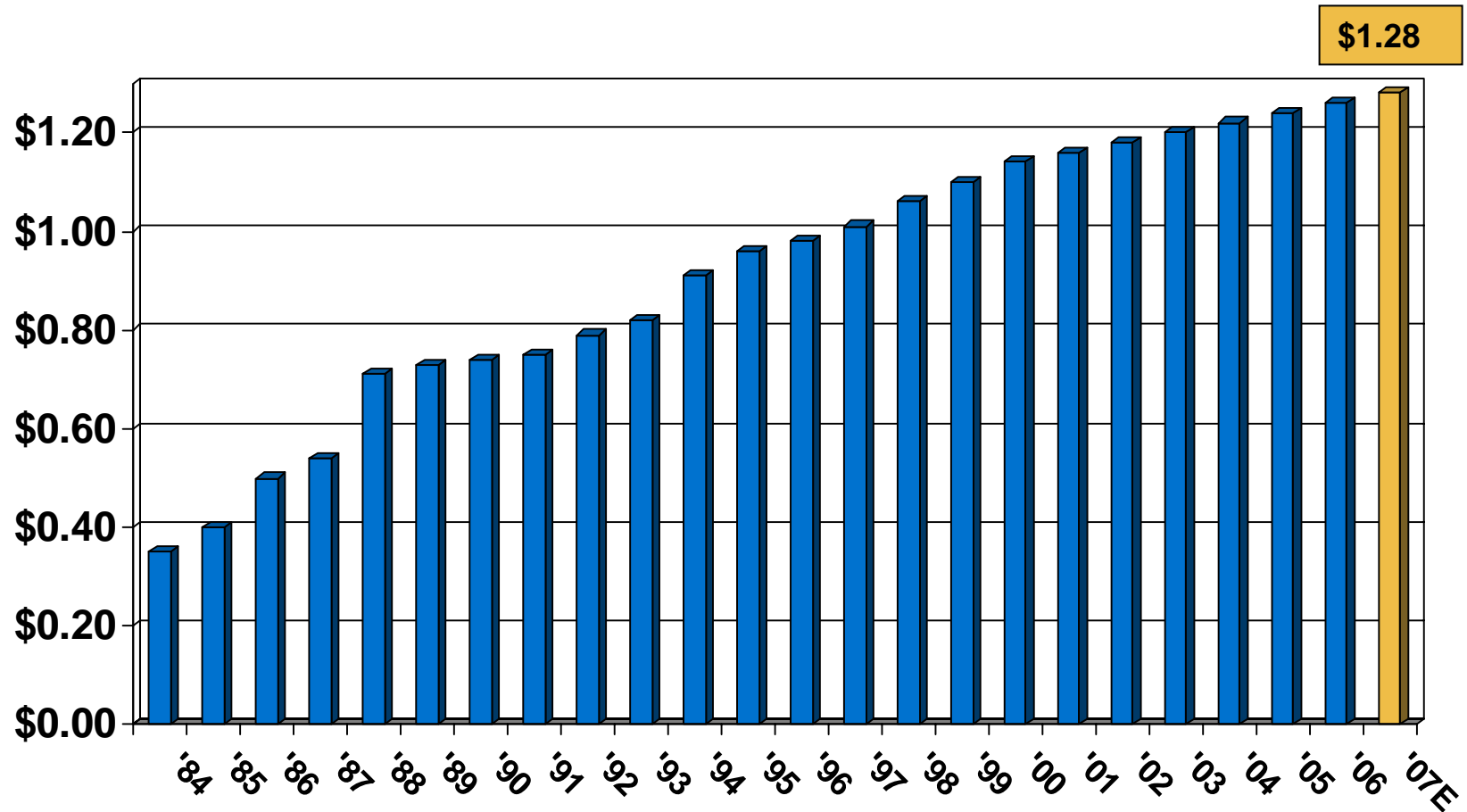


*The times interest earned ratio measures the ability to satisfy annual interest costs

Weighted Average Cost of Debt Remains Low



Annual Dividend for the Years 1984 – 2007E

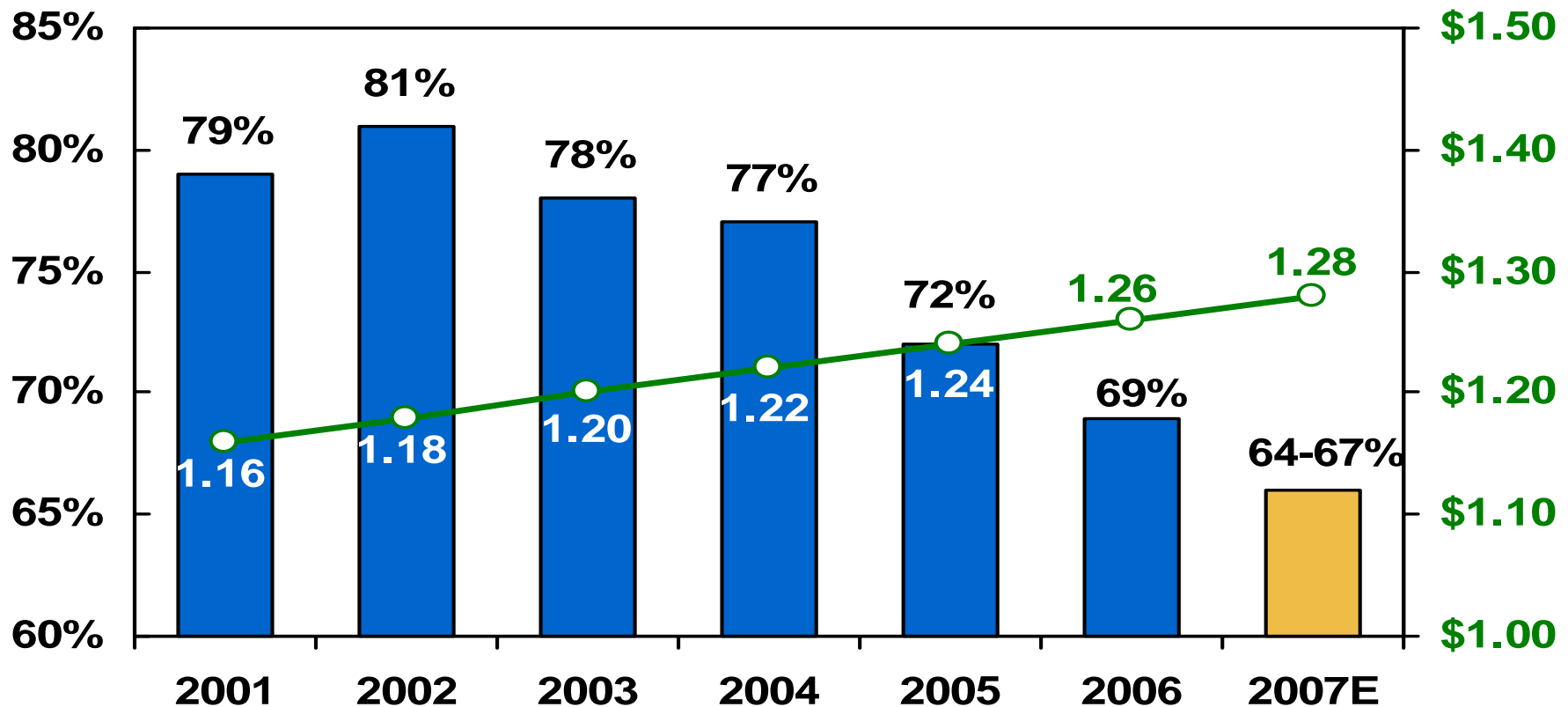


Note: Amounts are adjusted for mergers and acquisitions. For fiscal 2007, \$1.28 is the indicated annual dividend.

Dividend Payout Ratio Steadily Reduced

Payout

Dividend / Share



Current Dividend Yield Approximately 4%
Average LDC Payout Ratio = 65%

Shelf Registration and Common Stock Offering

- On December 4, 2006, Atmos Energy filed a registration statement with the SEC to issue up to \$900 million in new common stock and/or debt securities
- On December 13, 2006, we completed the sale of 6.3 million shares priced at \$31.50
 - Approximately \$192 million in net proceeds
 - 100% of proceeds used to reduce short-term debt
 - Reduced debt capitalization ratio from 60.9% (at 9/30/06) to 54.9% (at 12/31/06)
 - Dilutes fiscal 2007 net income per diluted share by approximately 5 cents

Ample Liquidity Maintained From Multiple Sources

- Atmos Energy Corporation has \$918 million in committed unsecured credit facilities
 - \$600 million 5-year facility (expires December 2011) to backstop our CP program
 - \$300 million 364-day facility (expires November 2007) to utilize only if liquidity under \$600 million CP program is exhausted
 - \$18 million credit facility supplements daily cash needs
- Atmos Energy has additional \$25 million uncommitted facility for miscellaneous letters of credit
- Atmos Energy Marketing has a \$580 million receivables-based demand credit facility
 - Primary purpose is to provide standby L/C's to AEM's gas suppliers
 - Fully guaranteed by Atmos Energy Holdings (sub of Atmos)
 - Non-recourse to Atmos Energy Corporation

Investment Grade Credit Ratings

Moody's

- Senior Unsecured Debt:
- Commercial Paper:
- Outlook:

Rating

Baa3
P-3
stable

Standard & Poor's

- Senior Unsecured Debt:
- Commercial Paper:
- Outlook:

BBB
A-2
stable

Fitch

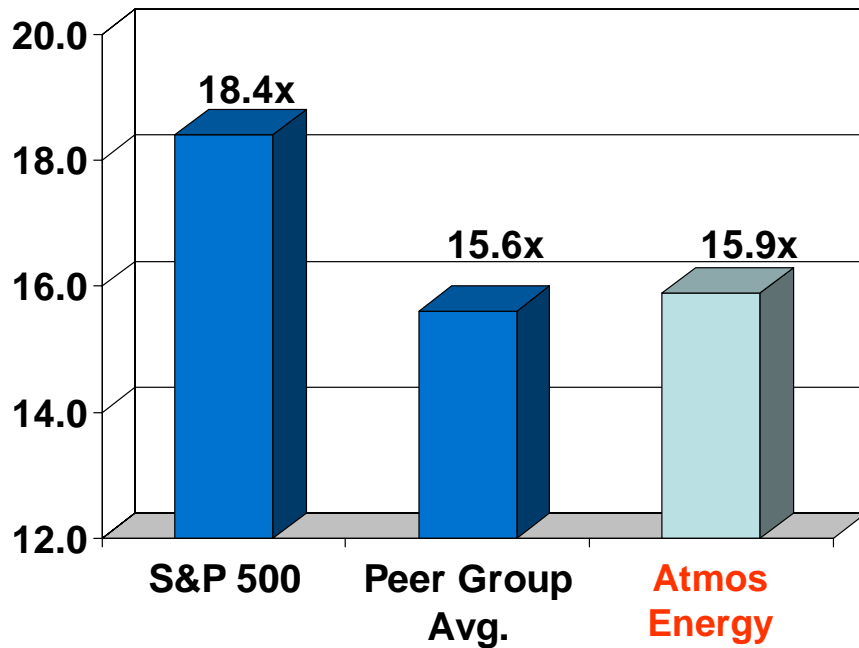
- Senior Unsecured Debt:
- Commercial Paper:
- Outlook:

BBB+
F-2
stable

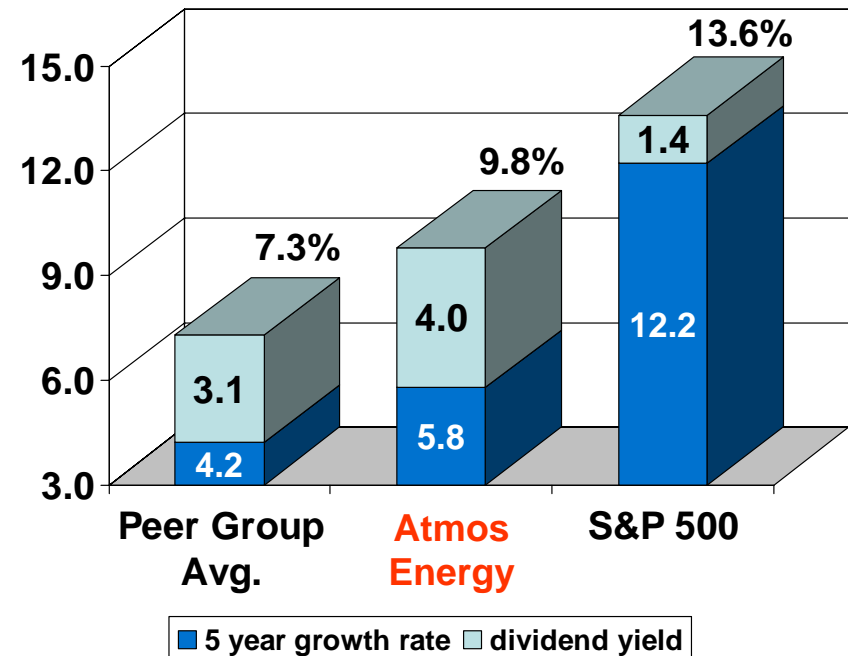
Financial Measures

Compelling Valuation and Total Return Propositions

Forward P/E Estimates



5 Year Expected Total Return



Source: Bloomberg @ 5/31/07

Companies in the peer group include AGL Resources, KeySpan, Laclede, New Jersey Resources, Nisource, Northwest Natural Gas, Oneok, Piedmont Natural Gas, Southwest Gas and WGL Holdings.