

Analyst Call to Review Fiscal 2010 Third Quarter Financial Results

*August 5, 2010
8:00 a.m. Eastern*

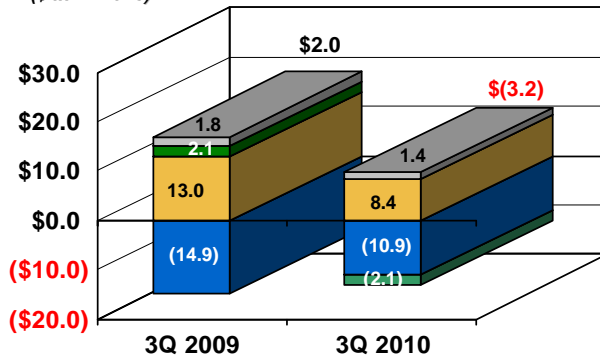
Forward Looking Statements

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 reports filed 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, 2009, and in our Quarterly Report on Form 10-Q for the three and six month periods ended March 31, 2010. 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

(\$ in millions)

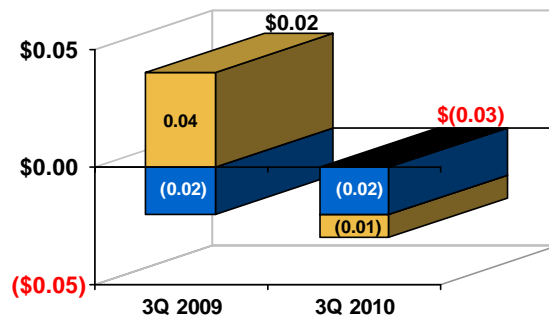


Key Drivers

- Decrease in natural gas marketing margins
- Decrease in regulated transmission and storage margins
- Rate increases in regulated segments
- Lower interest costs resulting from reduced borrowings and lower short-term interest rates
- Increase in O&M expense

■ Natural gas distribution ■ Regulated transmission & storage
■ Natural gas marketing ■ Pipeline, storage & other

Net Income (Loss) per Diluted Share



Notes

- Quarter-over-quarter increase of about 1.0 million weighted average diluted shares outstanding
- Nonregulated operations include unrealized mark-to-market net losses of \$0.12 per diluted share for 3Q 2010 compared with unrealized net gains of \$0.08 per diluted share for 3Q 2009
- 3Q 2009 includes the negative impact of a non-cash charge of \$0.02 per diluted share

■ Nonregulated Operations
■ Regulated Operations

Drivers

- \$6.4 million *decrease* in gross profit
 - \$5.2 million *increase* in natural gas distribution gross profit primarily from rate adjustments in Texas and Louisiana
 - \$4.3 million *decrease* in regulated transmission and storage gross profit primarily from
 - \$3.6 million *decrease* in transportation volumes primarily from reduced through-system volumes
 - \$3.5 million *decrease* resulting from lower per-unit transportation margins on through-system deliveries due to narrower basis spreads
 - \$3.1 million *increase* due to rate adjustments resulting from GRIP filings

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Drivers

- \$6.4 million *decrease* in gross profit (*continued*)
 - \$8.7 million *decrease* in natural gas marketing gross profit primarily due to
 - \$22.9 million *increase* in asset optimization margins primarily from the realization of net trading gains from rolling financial positions during the quarter, compared to the prior-year quarter, where AEM rolled positions to future periods and realized losses on the settlement of its financial positions
 - \$4.0 million *decrease* in delivered gas margins due to reduced per-unit margins and an 11 percent decrease in consolidated sales volumes
 - \$27.6 million *decrease* in unrealized margins

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Natural Gas Marketing Segment	Three Months Ended June 30		
	2010	2009	Change
	(In thousands, except physical position)		
Delivered gas	\$12,550	\$16,598	(\$4,048)
Asset optimization (1)	8,303	(14,580)	22,883
Unrealized margin	(14,548)	13,004	(27,552)
GROSS PROFIT	\$6,305	\$15,022	(\$8,717)
Net physical position (Bcf)	18.4	20.0	(1.6)

(1) Net of storage and demand fees of \$2.7 million and \$2.0 million

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Drivers

- \$2.5 million *increase* in O&M expenses primarily due to
 - \$1.3 million *increase* in contract labor
 - \$3.1 million *increase* in legal and other administrative costs
 - \$0.7 million *decrease* in employee wages and benefits costs
 - \$0.4 million *decrease* in provision for bad debt expense

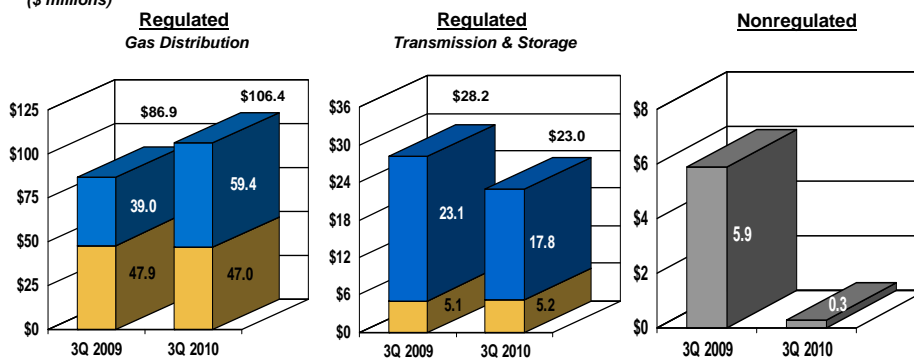
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Drivers

- \$4.9 million *increase* in taxes, other than income, primarily due to an increase in state gross receipts taxes imposed on higher distribution revenue and an increase in ad valorem taxes
- \$3.3 million *decrease* in operating expenses due to a non-cash charge to impair certain available-for-sale investments in fiscal 2009, which did not recur in the current-year period
- \$4.2 million *decrease* in interest charges primarily resulting from reduced borrowings at lower short-term rates

Capital Expenditures

(\$ millions)

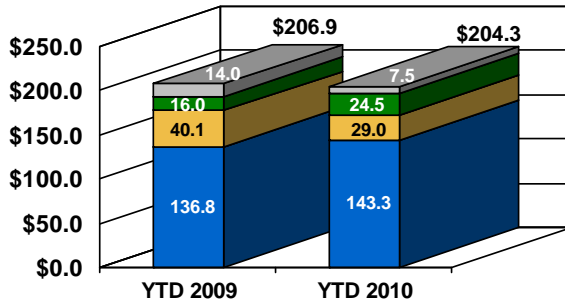


	FY 2010	FY 2009
Consolidated Q3 CAPEX	\$129.7 million	\$121.0 million
Regulated Growth Capex	\$ 77.2 million	\$ 62.1 million
Regulated Maintenance Capex	\$ 52.2 million	\$ 53.0 million
Nonregulated Capex	\$ 0.3 million	\$ 5.9 million

■ 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 by Segment

(\$ in millions)

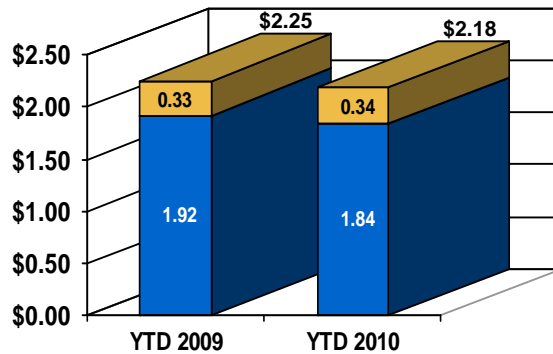


■ Natural gas distribution ■ Regulated transmission & storage
 ■ Natural gas marketing □ Pipeline, storage & other

Key Drivers

- Rate increases, primarily in Texas
- Decreased throughput and per-unit transportation margins at APT
- Decreased impact of one-time items
- Increase in distribution throughput
- Reduced O&M expenses

Net Income per Diluted Share



■ Nonregulated Operations
 ■ Regulated Operations

Notes

- Year-over-year increase of about 1.6 million weighted average diluted shares outstanding
- Nonregulated operations include unrealized mark-to-market net losses of \$0.07 per diluted share in the current-year period, compared with a net loss of \$0.11 per diluted share for the 2009 period
- YTD 2010 one-time regulated state sales tax refund contributed \$0.05 per diluted share
- YTD 2009 positive impact of one-time items totaling \$0.19 per diluted share

Drivers

- \$3.5 million *increase* in gross profit
 - \$19.8 million *increase* in natural gas distribution gross profit primarily from
 - \$27.9 million net *increase* due to rate adjustments
 - \$12.8 million *increase* from West Texas Division
 - \$5.1 million *increase* from Mid-Tex Division
 - \$3.6 million *increase* from Louisiana Division
 - \$2.7 million *increase* from Mississippi Division
 - \$10.8 million *increase* in consolidated throughput primarily associated with higher residential and commercial consumption and colder weather
 - \$7.8 million *decrease* due to a non-recurring adjustment to the estimate for unbilled revenues in the prior-year period
 - \$7.0 million *decrease* due to the prior-year reversal of unrecoverable gas costs that did not recur in the current year

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Drivers

- \$3.5 million *increase* in gross profit (*continued*)
 - \$16.3 million *decrease* in regulated transmission and storage gross profit primarily due to
 - \$11.0 million *decrease* resulting from lower per-unit transportation margins on through-system deliveries due to narrower basis spreads
 - \$4.3 million *decrease* in transportation volumes primarily from reduced through-system volumes offset in part from increased city-gate deliveries to residential customers
 - \$4.3 million *decrease* in market-based demand fees and compression activity associated with lower throughput
 - \$2.8 million *decrease* due to the absence of excess inventory sales
 - \$6.1 million *increase* due to rate adjustments resulting from GRIP filings

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Drivers

- \$3.5 million *increase* in gross profit (*continued*)
 - \$4.0 million *increase* in natural gas marketing gross profit primarily due to
 - \$19.3 million *increase* in asset optimization margins primarily due to net realized gains earned from AEM's trading strategy executed during the third fiscal quarter of this fiscal year
 - \$12.5 million *decrease* in delivered gas margins due to reduced per-unit margins and a five percent decrease in consolidated sales volumes
 - \$2.8 million *decrease* in unrealized margins

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<i>Natural Gas Marketing Segment</i>	Nine Months Ended June 30		
	2010	2009	Change
	(In thousands, except physical position)		
Delivered gas	\$45,763	\$58,316	(\$12,553)
Asset optimization (1)	39,623	20,286	19,337
Unrealized margin	(12,816)	(10,013)	(2,803)
GROSS PROFIT	\$72,570	\$68,589	\$3,981
Net physical position (Bcf)	18.4	20.0	(1.6)

(1) Net of storage and demand fees of \$8.7 million and \$7.5 million

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Drivers

- \$3.5 million *increase* in gross profit (*continued*)
 - \$4.1 million *decrease* in nonregulated pipeline, storage and other gross profit primarily due to
 - \$5.5 million *decrease* primarily from lower margins earned on storage optimization activities
 - \$4.1 million *decrease* in basis gains earned from utilizing leased capacity
 - \$2.6 million *decrease* from lower margins earned on asset management plans
 - \$9.1 million *increase* in unrealized margins

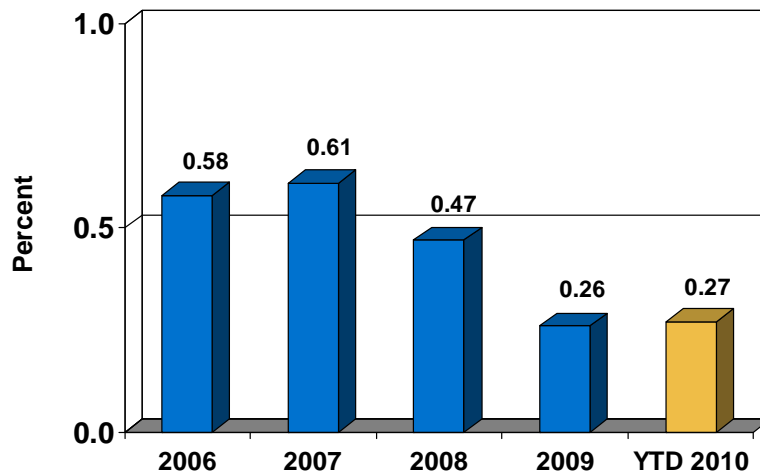
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Drivers

- *Decreased* O&M expenses of \$11.0 million primarily due to
 - \$7.4 million *decrease* from receipt of a state sales tax refund
 - \$7.0 million *decrease* resulting from lower pipeline maintenance costs at Atmos Pipeline-Texas
 - \$3.0 million *decrease* in legal and other administrative costs
 - \$7.7 million *increase* in employee wages and benefits costs
 - \$0.4 million *increase* in provision for bad debt expense

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Gas Distribution Bad Debt Expense as a % of Revenues

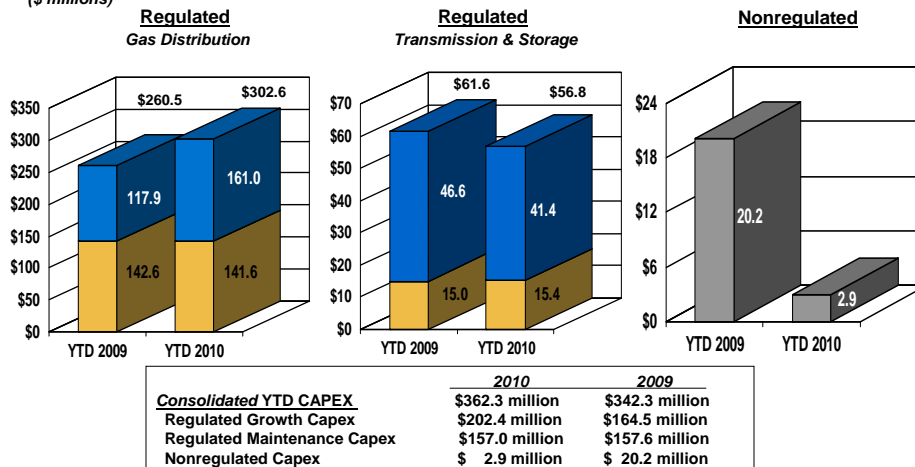


Drivers

- \$5.4 million *decrease* in operating expenses due to a non-cash charge to impair certain available-for-sale investments in fiscal 2009, which did not recur in the current-year period
- \$18.5 million *increase* in income tax expense primarily due to the absence in the current period of a one-time benefit of \$11.3 million from updating the company's deferred tax rates in fiscal 2009

Capital Expenditures

(\$ millions)



■ 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

Accelerated Share Buyback

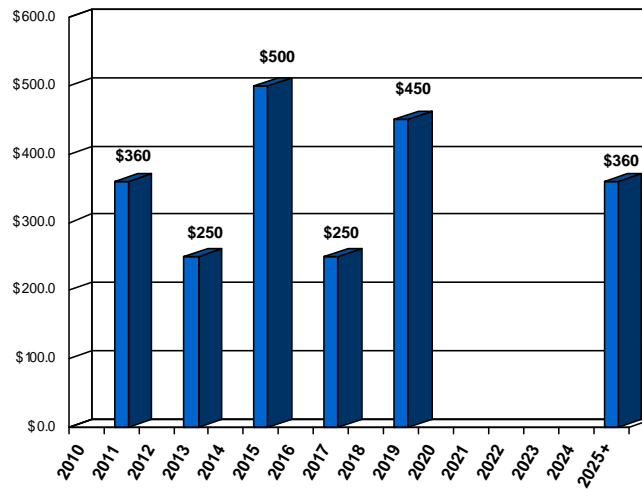
- Executed agreement with Goldman Sachs & Co. (GS) July 1, 2010
- Designed to offset dilutive impact of stock grants made under employee and director incentive compensation plans
- Total number of shares to be repurchased will be based generally on the volume-weighted average share price of Atmos Energy common stock during the expected 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
- Expected to add \$0.01 to \$0.02 to fiscal 2010 diluted earnings per share

Credit Facilities

- April 1, 2010, Atmos Energy Corporation renewed the \$25 million, 364-day committed credit facility from Amarillo National Bank on substantially the same terms
- December 2009, Atmos Energy Marketing amended and renewed its existing \$450 million committed revolving credit facility, to extend to December 9, 2010, on substantially the same terms
- October 2009, Atmos Energy Corporation entered into a \$200 million 364-day committed revolving credit facility that expires October 20, 2010
 - Replaced, on essentially the same terms the \$212.5 million, 364-day facility that was due to expire October 27, 2009

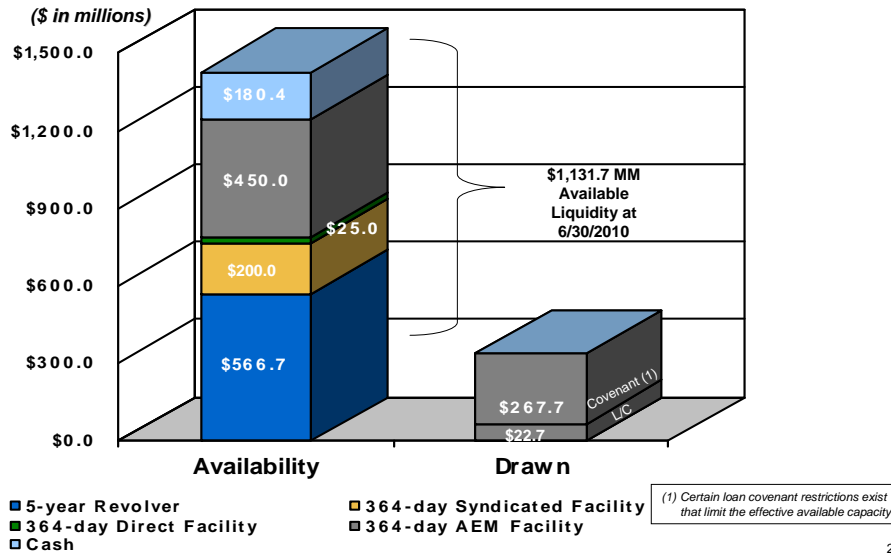
Debt Maturity

(\$ in millions)



- \$350 million unsecured 7.375% Senior Notes due May 2011
- \$10 million 6.27% Medium term notes due December 2010
- No short-term debt outstanding at June 30, 2010

Liquidity Profile



Investment Grade Credit Ratings

	Moody's	Standard & Poor's	Fitch
▪ Senior Unsecured	<i>Baa2</i>	<i>BBB+</i>	<i>BBB+</i>
▪ Commercial Paper	<i>P-2</i>	<i>A-2</i>	<i>F-2</i>
▪ Ratings Outlook	<i>Positive</i>	<i>Stable</i>	<i>Positive</i>

Kansas Rate Filing

- August 1, 2010, rates *implemented* on rate filing made January 29, 2010, resulting in an increase in annual operating income of \$3.9 million.
 - Settlement allows monthly residential customer charge increase to \$15.50 from \$12.65, approximately 58 percent of total base rate revenues are recovered through customer charge
 - Requested capital structure of 50.5 percent debt / 49.5 percent equity (order silent)
 - Requested ROE of 11.4 percent; Requested ROR of 9.11 percent (order silent)
 - Requested Rate Base: \$144.6 million (order silent)
 - Serves about 128,000 customers
 - Test year ended September 30, 2009

Missouri Rate Filing

- July 2010, unanimous “black box” *settlement reached* on rate filing made December 28, 2009, resulting in an increase in annual operating income of \$4.0 million. Final Commission approval pending.
 - Parties have agreed to September 1, 2010 implementation
 - Requested capital structure of 51 percent Debt / 49 percent Equity (settlement silent)
 - Requested ROE of 10.90 percent; Requested ROR of 8.86 percent (settlement silent)
 - Requested Rate Base: \$66.5 million (settlement silent)
 - Serves about 56,000 customers
 - Test year ended June 30, 2009

Louisiana Rate Stabilization Filings

- July 1, 2010, rates *implemented* under annual rate stabilization filing made March 23, 2010 for LGS jurisdiction, resulting in an increase in annual operating income of \$3.9 million.
 - Test year ended December 31, 2009
 - Authorized ROE of 10.4 percent; Authorized ROR of 8.54 percent
 - Authorized capital structure: 52 percent debt / 48 percent equity
 - Authorized rate base of \$251.6 million
 - Affects approximately 269,000 customers

Kentucky Rate Filing

- June 1, 2010, rates *implemented* from rate filing made October 29, 2009, resulting in an increase in annual operating income of \$6.6 million
 - Authorized monthly residential customer charge increase to \$12.50 from \$9.35, with approximately 65 percent of total base rate revenues recovered through customer charge
 - Approved pipeline replacement program utilizing a 10.5 percent ROE
 - Approved bad debt gas cost recovery through the GCA
 - Requested capital structure of 51 percent Debt / 49 percent Equity (order silent)
 - Requested ROE of 11.00 percent; Requested ROR of 9.00 percent (order silent)
 - Requested Rate Base: \$184.7 million (order silent)
 - Serves about 171,000 customers
 - Test year ended March 31, 2011

Louisiana Rate Stabilization Filings

- April 1, 2010, rates *implemented* for the annual rate stabilization for TransLa jurisdiction, resulting in an increase in annual operating income of \$1.7 million
 - Authorized ROE of 10.00 percent; overall return of 8.22 percent
 - Authorized capital structure: 52 percent debt / 48 percent equity
 - Authorized rate base of \$96.4 million
 - Test year ended September 30, 2009
 - Affects about 73,000 customers

GRIP Filings - Texas

- April 20, 2010, Texas Railroad Commission *approved* Atmos Pipeline-Texas 2009 GRIP filing made on February 12, 2010
 - \$13.4 million annual operating income increase related to return, depreciation and changes in taxes on approximately \$95.5 million in net investment during calendar 2009
- March 29, 2010, Mid-Tex Division 2009 GRIP *filed* seeking an annual increase of \$3.0 million for the City of Dallas and Mid-Tex Environs customers
 - Based on return, depreciation and changes in taxes related to system-wide increase in net investment of \$92.4 million during calendar 2009 (GRIP does not apply to Settled Cities under the RRM)
 - Currently on appeal at the Texas Railroad Commission

Rate Review Mechanism (RRM) Filings West Texas Cities

- April 1, 2010, rates *filed* under the third RRM, requesting an increase in annual operating income of \$4.2 million
 - Requested Capital structure: 52 percent Debt / 48 percent Equity
 - Requested ROE: 9.60 percent; Requested ROR: 8.19 percent
 - Requested Rate Base: \$135.6 million
 - Serves about 150,000 customers
 - Test year ended December 31, 2009

City of Amarillo

- April 1, 2010, rates *filed* under the second RRM, requesting an increase in annual operating income of \$2.4 million
 - Requested Capital structure: 52 percent Debt / 48 percent Equity
 - Requested ROE: 9.6 percent; Authorized ROR: not specified
 - Requested Rate Base: \$55.5 million
 - Serves about 74,000 customers
 - Test year ended December 31, 2009

Mid-Tex Rate Review Mechanism (RRM) Filings

- March 15, 2010, *filed* third RRM with Settled Cities to increase annual operating income by approximately \$56.8 million
 - Requested capital structure of 52 percent debt / 48 percent equity
 - Requested ROE of 9.60 percent; Requested ROR of 8.19 percent
 - Requested Rate Base: \$1.33 billion
 - Serves about 1.3 million customers

Rate Review Mechanism (RRM) Filings

City of Lubbock

- October 1, 2009, rates *implemented* from the first RRM filing made April 15, 2009, resulting in an increase in annual operating income of \$2.7 million
 - Authorized Capital structure: 52 percent Debt / 48 percent Equity
 - Authorized ROE: 9.60 percent; Authorized ROR: not specified
 - Authorized Rate Base: \$54.8 million
 - Serves about 74,000 customers
 - Test year ended December 31, 2008

City of Amarillo

- October 1, 2009, rates *implemented* from the first RRM filing made June 17, 2009, resulting in an increase in annual operating income of \$1.3 million
 - Authorized Capital structure: 52 percent Debt / 48 percent Equity
 - Authorized ROE: 9.6 percent; Authorized ROR: not specified
 - Authorized Rate Base: \$49.3 million
 - Serves about 70,000 customers
 - Test year ended December 31, 2008

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Rate Case Filing – City of Dallas & Environs

- January 26, 2010, the Texas Railroad Commission *issued* a final order authorizing an annual operating income increase of approximately \$3.0 million⁽¹⁾ for the City of Dallas and Environs customers
 - Authorized ROE of 10.40 percent; Authorized ROR of 8.60 percent
 - Authorized Capital Structure: 51.09 percent Debt / 48.91 percent Equity
 - Authorized system-wide Rate Base of \$1.28 billion
 - Test year ended June 30, 2008 with known and measurable rate base costs through December 31, 2008
 - Serves approximately 269,000 residential, commercial and industrial customers in City of Dallas and Environs

⁽¹⁾ Net of the GRIP 2008 rates that will be superseded, annual operating income should increase \$0.2 million

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Georgia Rate Filing

- March 31, 2010, rates *implemented* from rate filing made October 1, 2009, resulting in an increase in annual operating income of \$2.9 million
 - Authorized monthly residential customer charge increase to \$11.50 from \$10.50
 - Authorized capital structure of 52 percent Debt / 48 percent Equity
 - Authorized ROE of 10.70 percent; Requested ROR of 8.61 percent
 - Authorized Rate Base: \$60.2 million
 - Serves about 60,000 customers
 - Test year ended October 31, 2010

Colorado Rate Filing

- January 4, 2010, rates *implemented* from rate filing made July 8, 2009, resulting in an increase in annual operating income of \$1.9 million
 - Authorized ROE of 10.25 percent; Overall return of 8.56 percent
 - Authorized Capital Structure: 50 percent debt / 50 percent equity
 - Authorized Rate Base: \$86.2 Million
 - Three-year pilot to recover uncollectible gas cost through the GCA
 - Approved AMI pilot project for Greeley, Colorado; affects about 35,000 customers
 - Test year ended December 31, 2008
 - Serves about 111,000 customers

Mississippi Stable Rate Filing

- December 15, 2009, rates *implemented* from the annual stable rate filing made September 4, 2009, resulting in an increase in annual operating income of \$3.2 million
 - Authorized ROE of 10.04 percent; Authorized ROR of 8.27 percent
 - Authorized capital structure: 52 percent debt / 48 percent equity
 - Authorized Rate Base of about \$227 million
 - Serves about 270,000 customers
 - Test year ended June 30, 2009

Virginia Rate Filing

- November 23, 2009, rates *implemented* for an increase in annual operating income of \$1.4 million
 - Increased monthly residential customer charge to \$9.00 from \$7.35
 - Authorized capital structure of 52 percent debt / 48 percent equity
 - Authorized ROE of 9.5 percent to 10.5 percent
 - Authorized ROR of 8.46 percent to 8.96 percent
 - Authorized Rate Base: \$36.9 million
 - Serves about 22,000 customers

Ft. Necessity Gas Storage Project

- March 2010, entered into exclusive option and acquisition agreement with Delhi Gas Storage, LLC, a subsidiary of Icon NGS, LLC to develop the Ft. Necessity Storage project; extension granted through March 2011
- If the option is exercised, Atmos Energy will retain a non-controlling equity position in the project and will share in a percentage of the future profits
- Total investment is about \$20 million, no additional capital will be invested by Atmos Energy
- Project initially includes 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 could potentially be developed, if market demand exists
- Testing of the salt core samples was completed in March 2009, which showed favorable conditions for development
- FERC certificate received June 18, 2009
- Successful non-binding open season completed in July 2008
 - Participants requested storage capacity that was more than three times greater than the 5 billion cubic feet (Bcf) of capacity proposed in phase one of the project
 - Participants represented a diverse group of energy companies

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Earnings Guidance – Fiscal 2010E

- Atmos Energy still anticipates earnings to be in the range of \$2.15 – \$2.25 per diluted share, excluding unrealized gains and losses for the 2010 fiscal year
- Assumptions include:
 - Expected gross margin contribution from the marketing segment in the range of \$95 - \$105 million, excluding any unrealized gains and losses (mark-to-market impact)
 - Continued successful execution of rate strategy and collection efforts
 - Average gas cost purchases ranging from \$4 - \$6 per Mcf for the remainder of fiscal 2010
 - Bad debt expense of no more than \$9 million
 - Average annual short-term interest rate of 0.5% for the remainder of fiscal 2010
 - No material acquisitions

Note: Changes in these events or other circumstances that the company cannot currently anticipate could materially impact earnings, and could result in earnings for fiscal 2010 significantly above or below this outlook.

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Projected Net Income by Segment

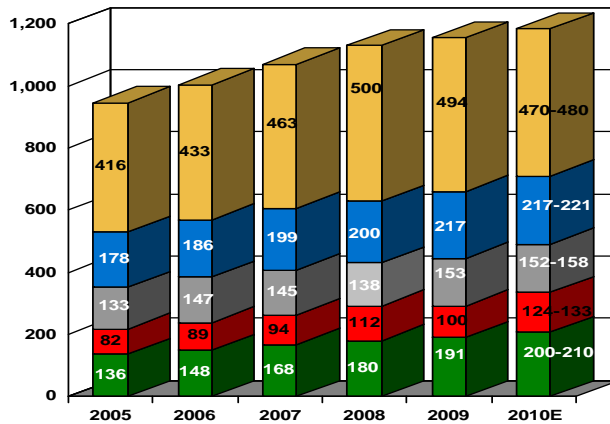
(\$ millions, except EPS)

	2007	2008	2009	2010E
Natural Gas Distribution	\$ 73	\$ 93	\$ 117	\$ 124– 128
Regulated Trans.& Storage	34	41	41	37 – 39
Natural Gas Marketing	46	30	20	33 – 35
Pipeline, Storage & Other	15	16	13	6 – 8
Total	168	180	191	200 – 210
Avg. Diluted Shares	87.7	90.2	92.0	92.2
Earnings Per Share **	\$ 1.92	\$ 2.00	\$ 2.08	\$ 2.15 - \$2.25

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

Selected Income Statement Components

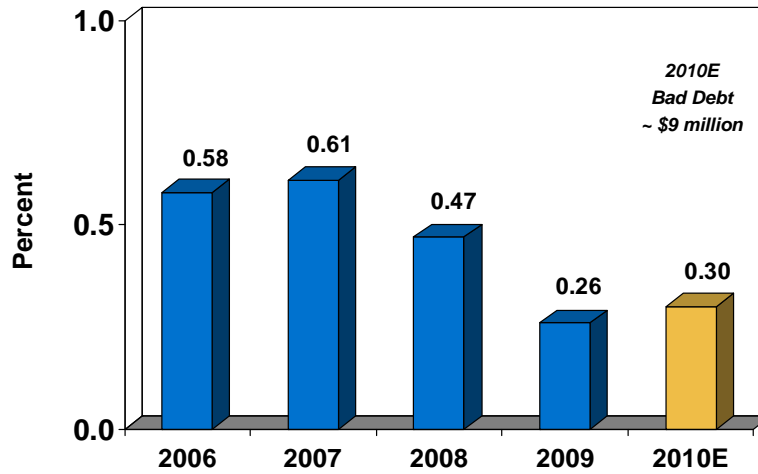
(\$ millions)



2010E Consolidated (\$ millions)

O & M	\$470 - \$480
D & A	\$217- \$221
Interest	\$152 - \$158
Income Tax	\$124 - \$133
Net Income	\$200 - \$210
Shares Out	92.2 million

Gas Distribution Bad Debt Expense as a % of Revenues



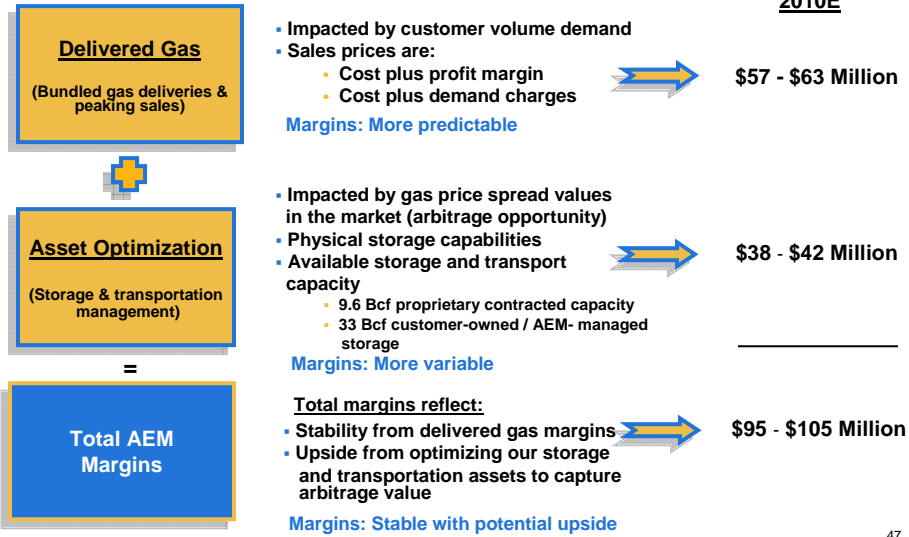
Projected Cash Flow

(\$ millions)

	2007	2008	2009	2010E
Cash Flows from Operations	\$ 547	\$ 371	\$ 919	\$ 560-580
Regulated Maintenance Capital ⁽¹⁾	(196)	(197)	(213)	(213-218)
Dividends	(112)	(117)	(121)	(125)
Cash Available for Debt Reduction and Growth Projects	\$ 239	\$ 57	\$ 585	\$ 222-237

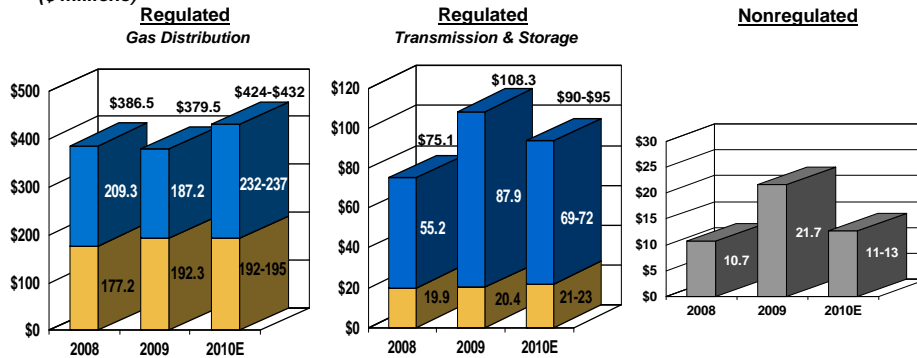
⁽¹⁾ Regulated maintenance capital represents capital spent that is equal to depreciation expense

Atmos Energy Marketing – Gross Profit Margin Composition



Capital Expenditures

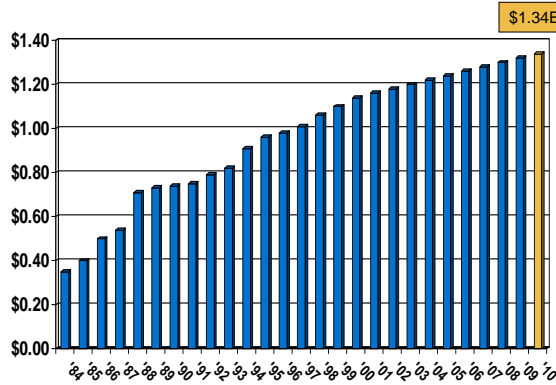
(\$ millions)



Consolidated fiscal 2010E CAPEX projection is \$525-\$540 million
 Regulated Capex \$514-\$527 million
 Nonregulated Capex \$11-\$13 million

■ Regulated **Growth** Capital represents capital spent in excess of depreciation expense that is expected to be recovered through rate increases. The projection for fiscal 2010 is \$301 - \$309 million.
■ Regulated **Maintenance** Capital represents capital spent that is equal to depreciation expense. The projection for fiscal 2010 is \$213 - \$218 million.

Annual Dividend Growth



Quarterly Dividend

- On August 4, 2010, the Company announced a quarterly dividend of \$0.335 per share
- 107th consecutive dividend declared
- To be paid on September 10, 2010 to shareholders of record on August 25, 2010

Note: Amounts are adjusted for mergers and acquisitions. For fiscal 2010, \$1.34 is the indicated annual dividend.

As a Reminder...

- The audio and slide presentation of this conference call will be available on Atmos Energy's website by 8:00 a.m. Eastern Daylight Time on August 5, 2010, through midnight November 2, 2010. Atmos Energy's website address is: www.atmosenergy.com.
- To listen to the live conference call, dial 877-485-3107 by 8:00 a.m. Eastern Daylight Time on August 5, 2010.

Appendix

Fiscal 2010 3Q

Q3 2009 Net Income vs. Q3 2010 Net Income

(\$ millions, except EPS)

	Q3 2009 GAAP	Q3 2009 MTM	One- Time Items	Q3 2009 ADJ	Q3 2010 GAAP	Q3 2010 MTM	One- Time Items	Q3 2010 ADJ
Natural Gas Distribution	\$ (15)	\$ ---	\$ 2	\$ (13)	\$ (11)	\$ ---	\$ ---	\$ (11)
Regulated Trans. & Storage	13	---	---	13	9	---	---	9
Natural Gas Marketing	2	(8)	---	(6)	(2)	11	---	9
Pipeline, Storage & Other	2	1	---	3	1	---	---	1
Total	\$ 2	\$ (7)	\$ 2^(a)	\$ (3)	\$ (3)	\$ 11	\$ ---	\$ 8
Avg. Diluted Shares	91.7	91.7	91.7	91.7	92.6	92.6	92.6	92.6
Earnings Per Share**	\$ 0.02	\$(0.08)	\$ 0.02	\$(0.04)	\$(0.03)	\$0.12	\$ ---	\$0.09

(a) Includes negative impact of an impairment adjustment of \$2.1 million or \$0.02 cents per diluted share

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

YTD 2009 Net Income vs. YTD 2010 Net Income

(\$ millions, except EPS)

	YTD 2009		One-Time Items	YTD 2009		YTD 2010		One-Time Items	YTD 2010	
	GAAP	MTM		ADJ	GAAP	MTM	ADJ			
Natural Gas Distribution	\$ 137	\$ ---	\$ (17)	\$ 120	\$ 143	\$ ---	\$ (5)	\$ 138		
Regulated Trans. & Storage	40	---	(1)	39	29	---	---	29		
Natural Gas Marketing	16	6	---	22	24	7	---	31		
Pipeline, Storage & Other	14	4	1	19	8	(1)	---	7		
Total	\$ 207	\$ 10	\$ (17)^(a)	\$ 200	\$ 204	\$ 6	\$ (5)^(b)	\$ 205		
Avg. Diluted Shares	91.2	91.2	91.2	91.2	92.9	92.9	92.9	92.9		
Earnings Per Share**	\$ 2.25	\$ 0.11	\$ (0.19)	\$ 2.17	\$ 2.18	\$ 0.07	\$ (0.05)	\$ 2.20		

(a) Includes positive impact of \$11.3 MM of tax benefit, \$4.3 MM of uncollectible gas costs, \$5.0 MM from an estimate for unbilled accounts and the negative impact of an impairment adjustment of \$3.3 million; totaling \$17.3 million or \$0.19 cents per diluted share

(b) Includes positive impact of state sales tax refund of \$4.5 million or \$0.5 cents per diluted share

** Since we have non-vested share-based payments with a nonforfeitable right to dividends, we are required to use the two-class method of computing earnings per share as of 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 YTD

Impact of Unrealized Margins on Nonregulated Segments

	For the Three Months Ended June 30, 2010			For the Three Months Ended June 30, 2009		
	Natural Gas Marketing	Pipeline, Storage & Other	Total	Natural Gas Marketing	Pipeline, Storage & Other	Total
Unrealized Margin	\$ (14,548)	\$ (198)		\$ 13,004	\$ (1,244)	
Segment Tax Rate	24.55%	44.39%		40.34%	40.30%	
Impact on Net Income	\$ (10,976)	\$ (110)	\$ (11,086)	\$ 7,759	\$ (743)	\$ 7,016
EPS Income Adjustment **	(116)	(1)	(117)	71	(7)	64
Net Income for EPS	\$ (10,860)	\$ (109)	\$ (10,969)	\$ 7,688	\$ (736)	\$ 6,952
Weighted Avg Diluted Shares	92,648	92,648	92,648	91,652	91,652	91,652
Impact on Diluted EPS	\$ (0.12)	\$ 0.00	\$ (0.12)	\$ 0.09	\$ (0.01)	\$ 0.08

	For the Nine Months Ended June 30, 2010			For the Nine Months Ended June 30, 2009		
	Natural Gas Marketing	Pipeline, Storage & Other	Total	Natural Gas Marketing	Pipeline, Storage & Other	Total
Unrealized Margin	\$ (12,816)	\$ 2,413		\$ (10,013)	\$ (6,673)	
Segment Tax Rate	40.28%	40.28%		40.41%	40.42%	
Impact on Net Income	\$ (7,654)	\$ 1,441	\$ (6,213)	\$ (5,967)	\$ (3,976)	\$ (9,943)
EPS Income Adjustment **	(94)	15	(79)	(71)	(38)	(109)
Net Income for EPS	\$ (7,560)	\$ 1,426	(6,134)	\$ (5,896)	\$ (3,938)	(9,834)
Weighted Avg Diluted Shares	92,856	92,856	92,856	91,246	91,246	91,246
Impact on Diluted EPS	\$ (0.08)	\$ 0.01	\$ (0.07)	\$ (0.07)	\$ (0.04)	\$ (0.11)

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

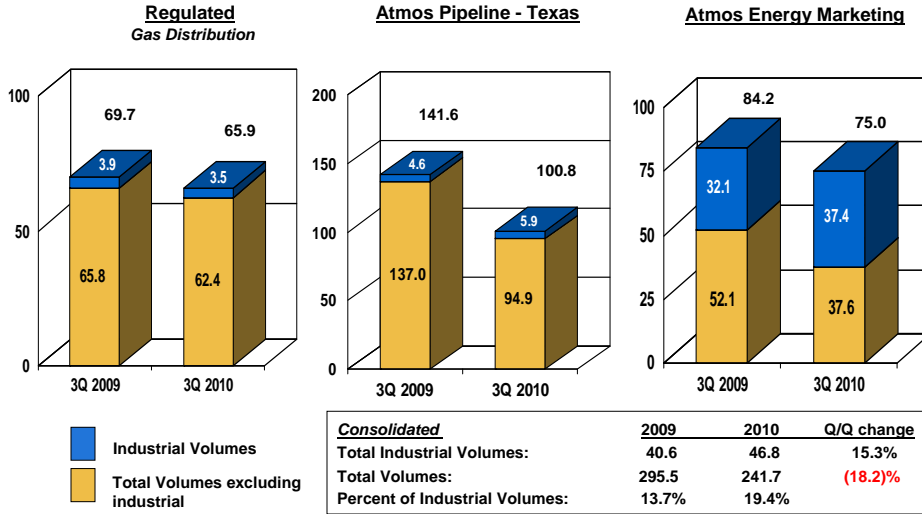
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Consolidated Financial Results – Fiscal 2010 3Q



Quarter-Over-Quarter Industrial Demand Increases 15%

(volumes in Bcf)

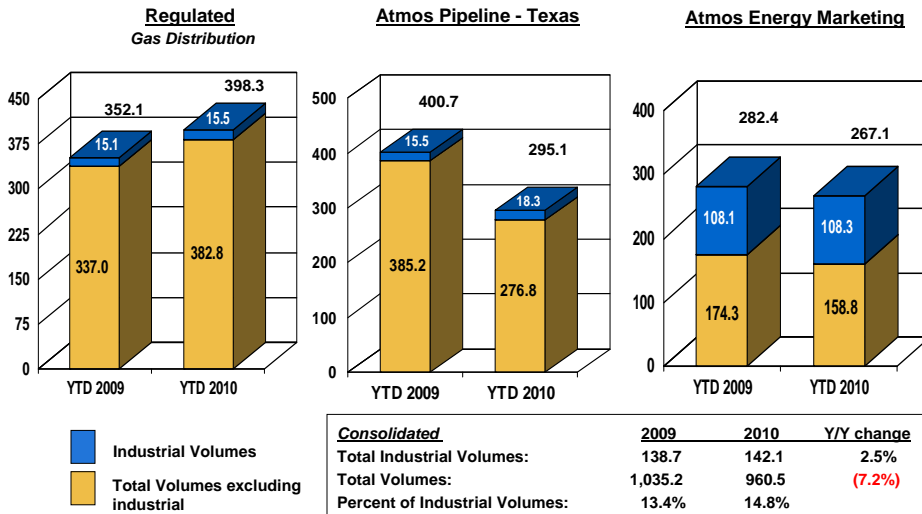


Consolidated Financial Results – Fiscal YTD



Year-Over-Year Industrial Demand Increases 3%

(volumes in Bcf)



Summary of Gas Distribution Revenue – Related Tax Information

- Gross profit margins, primarily in our Mid-Tex Division, include franchise fees and gross receipts taxes, which are calculated as a percentage of revenue (inclusive of gas costs). We record the expense for these taxes as a component of taxes, other than income.
- Timing differences exist between the recognition of revenue for gross receipts tax recovered from our customers and the recognition of expense of gross receipts tax, which may favorably or unfavorably affect net income; however, they should offset over time with no permanent impact on net income.

	Three Months Ended June 30			Nine Months Ended June 30		
	2010	2009	Change	2010	2009	Change
	(Amounts in Thousands)					
Amounts included in margin	\$ 21,000	\$ 20,070	\$ 930	\$ 86,955	\$ 88,759	\$ (1,804)
Amounts included in taxes, other	(30,799)	(27,746)	(3,053)	(87,262)	(90,539)	3,277
Difference / Impact	\$ (9,799)	\$ (7,676)	\$ (2,123)	\$ (307)	\$ (1,780)	\$ 1,473

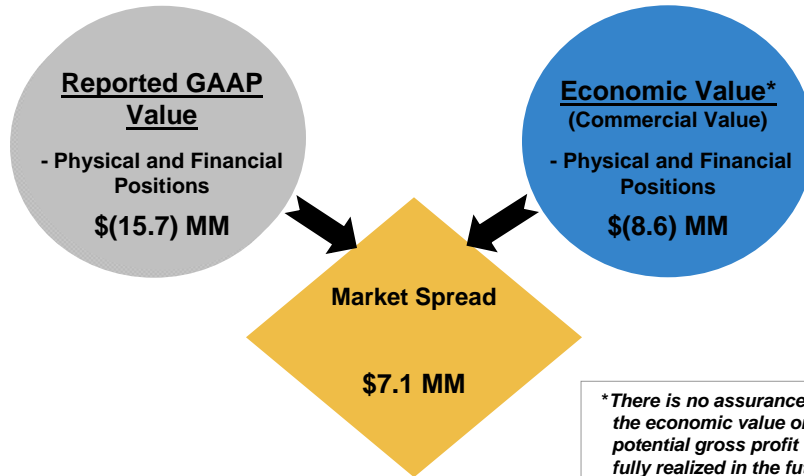
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Economic Value vs. GAAP Reported Results

- 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 historical 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.

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Economic Value vs. GAAP Reported Results



At June 30, 2010

**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 (\$ per mcf)		Market Spread (\$ per mcf)	
		WASP	WACOG	EV		Total (\$ in millions)	Total (\$ in millions)		
3/31/2009	21.9	7.0754	5.5508	1.5246	33.4	0.1093	2.4	1.4153	31.0
6/30/2009	20.0	7.7610	5.6598	2.1012	42.0	0.8376	16.7	1.2636	25.3
2009 Variance	(1.9)	\$ 0.6856	\$ 0.1090	\$ 0.5766	\$ 8.6	\$ 0.7283	\$ 14.3	\$ (0.1517)	\$ (5.7)
3/31/2010	22.7	5.2635	5.2388	0.0247	0.6	(0.3312)	(7.5)	0.3559	8.1
6/30/2010	18.4	4.9334	5.4016	(0.4682)	(8.6)	(0.8547)	(15.7)	0.3865	7.1
2010 Variance	(4.3)	\$ (0.3301)	\$ 0.1628	\$ (0.4929)	\$ (9.2)	\$ (0.5235)	\$ (8.2)	\$ 0.0306	\$ (1.0)

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

**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 (\$ per mcf)		Market Spread (\$ per mcf)		Total (\$ in millions)
		WASP	WACOG	EV		Total (\$ in millions)	Total (\$ in millions)	Total (\$ in millions)		
9/30/2008	8.0	14.9977	8.9220	6.0757	48.5	4.5643	36.4	1.5114	12.1	
6/30/2009	20.0	7.7610	5.6598	2.1012	42.0	0.8376	16.7	1.2636	25.3	
2009 Variance	12.0	\$ (7.2367)	\$ (3.2622)	\$ (3.9745)	\$ (6.5)	\$ (3.7267)	\$ (19.7)	\$ (0.2478)	\$ 13.2	
9/30/2009	13.8	8.0932	6.0232	2.0700	28.6	(0.7986)	(11.0)	2.8686	39.6	
6/30/2010	18.4	4.9334	5.4016	(0.4682)	(8.6)	(0.8547)	(15.7)	0.3865	7.1	
2010 Variance	4.6	\$ (3.1598)	\$ (0.6216)	\$ (2.5382)	\$ (37.2)	\$ (0.0561)	\$ (4.7)	\$ (2.4821)	\$ (32.5)	

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

Atmos Energy Corporation
Jurisdictional Rate Data
as of August 4, 2010

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	06/30/2010 Meters
Atmos Pipeline-Texas	5/24/04				417,111		8.26%		10.00%		50/50			n/a	n/a	n/a
Atmos Pipeline-Texas - GRIP ⁸	4/20/10		\$13.4		799,841		8.26%		10.00%		50/50			n/a	n/a	n/a
Mid-Tex - Settled Cities RRM	8/1/09	3/15/10	\$2.0	\$56.8	1,262,969	6	7.78%	8.19%	9.60%	9.60%	52/48	52/48	Y	Y	Y	1,251,299
Mid-Tex - Dallas Appeal & Environs	1/26/10		\$3.0		1,279,647		8.60%		10.40%		51/49			Y	Y	312,825
Mid-Tex - Dallas & Environs GRIP ⁸	1/26/10	3/29/10		\$3.0			8.60%	8.60%	10.40%	10.4%	51/49	51/49			n/a	n/a
Lubbock RRM	10/1/09	4/1/10	\$2.7	\$0.0	54,837	7	8.19%	8.19%	9.60%	9.60%	52/48	52/48	Y	Y	Y	73,402
West Texas Cities RRM	8/1/09	4/1/10	\$6.6	\$4.2	124,401		8.19%	8.19%	9.60%	9.60%	52/48	52/48	Y	Y	Y	154,389
Amarillo RRM	10/1/09	4/1/10	\$1.3	\$2.4	49,324	7	8.19%	8.19%	9.60%	9.60%	52/48	52/48	Y	Y	Y	70,292
Colorado	1/4/10		\$1.9		86,189		8.56%		10.25%		50/50			Y ¹⁰	N	110,118
Kansas	8/1/10		\$3.9		144,583	4			2		2			Y	Y	128,287
Georgia	3/31/10		\$2.9		60,212		8.61%		10.70%		52/48			N	Y	63,027
Illinois	11/1/00				24,564		9.18%		11.56%		67/33			N	N	22,977
Iowa	3/1/01				5,000				11.00%		57/43			N	N	3,499
Kentucky	6/1/10		\$6.6		184,697	4			2		2			Y	Y	175,781
Missouri	9/1/10		\$4.0		66,459	4			2		2			N	N	57,002
Tennessee	4/1/09		\$2.5		190,100		8.24%		10.30%		52/48			Y	Y	132,132
Virginia	11/23/09		\$1.4		36,861		8.43%		10.00%		52/48			Y	Y	23,196
TransLa	4/1/10		\$1.7		96,400		8.22%		10.00%		52/48		Y	N	Y	76,677
LGS	7/1/10		\$3.9		251,591		8.54%		10.40%		52/48		Y	N	Y	277,368
Mississippi	12/15/09		\$3.2		227,055		8.27%		10.04%		52/48		Y	N	Y	267,364

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 The Missouri jurisdiction has a straight-fixed variable rate design, which decouples gross profit margin from customer usage patterns.

⁶ Mid-Tex rate base for settled cities and Dallas both represented on a 'system-wide' basis.

⁷ The Amarillo and Lubbock City Councils approved three year RRM plans for their respective cities in the spring of 2009.

⁸ GRIP filings are based on existing returns and the change in net utility plant investment.

⁹ Net of GRIP 2008 rates that will be superceded, operating income should increase \$0.2 million

¹⁰ Recovery of gas portion of uncollectible accounts through GCA approved for a two year pilot

¹¹ Settlement reached which results in increase to operating income of \$4.0 million. Parties requested an effective date of September 1, 2010. Subject to final Commission approval.