

Blue skies, clear skies: **4** reasons to be optimistic





A Future as Limitless as the Sky

N**A****T****U****R****A****L** **G****A****S** **I****S** **O****U****R** **F****U****T****U****R****E**. Not just for our company and our customers, but for the future of our country. As our nation's policymakers seek new energy possibilities, natural gas—with its reliable delivery infrastructure and clean-burning efficiency—offers the country a bridge to the future.

At Atmos Energy, our brand reflects this optimistic outlook—a tomorrow without limits. As the largest all-natural-gas provider in the United States, our brand stands for four essential values: **1 SAFE AND RELIABLE SERVICE AS OUR TOP PRIORITY.** **2 THE COMFORT, CONVENIENCE, EFFICIENCY AND ENVIRONMENTAL BENEFITS OF NATURAL GAS.** **3 EXCELLENCE IN SERVING OUR CUSTOMERS AND LOOKING FOR WAYS TO IMPROVE.** **4 TRUST BETWEEN OUR COMPANY AND THE COMMUNITIES WE SERVE.**

For our company and our country, 2008 was a pivotal year. Energy was front and center. From global warming to the price at the pump, from the national elections to the world economy, energy was in the news.

As we have for more than 100 years, Atmos Energy continued to meet our customers' energy demands, improve our service promise, uphold our high standards for safety and reliability, enhance our communities by taking care of our customers and, all the while, keep our focus on financial performance with a keen eye toward tomorrow.



Year Ended September 30

Dollars in thousands, except per share data	2008	2007	Change
Operating revenues	\$ 7,221,305	\$ 5,898,431	22.4%
Gross profit	\$ 1,321,326	\$ 1,250,082	5.7%
Natural gas distribution net income	\$ 92,648	\$ 73,283	26.4%
Regulated transmission and storage net income	41,425	34,590	19.8%
Natural gas marketing net income	29,989	45,769	(34.5)%
Pipeline, storage and other net income	16,269	14,850	9.6%
Total	\$ 180,331	\$ 168,492	7.0%
Total assets	\$ 6,386,699	\$ 5,895,197	8.3%
Total capitalization*	\$ 4,172,284	\$ 4,092,069	2.0%
Net income per share – diluted	\$ 2.00	\$ 1.92	4.2%
Cash dividends per share	\$ 1.30	\$ 1.28	1.6%
Book value per share at end of year	\$ 22.60	\$ 22.01	2.7%
Consolidated natural gas distribution throughput (MMcf)	429,354	427,869	0.3%
Consolidated regulated transmission and storage transportation volumes (MMcf)	595,542	505,493	17.8%
Consolidated natural gas marketing throughput (MMcf)	389,392	370,668	5.1%
Heating degree days	2,820	2,879	(2.0)%
Degree days as a percentage of normal	100%	100%	—
Meters in service at end of year	3,191,779	3,187,127	0.1%
Return on average shareholders' equity	8.8%	8.8%	—
Shareholders' equity as a percentage of total capitalization (including short-term debt) at end of year	45.4%	46.3%	(1.9)%
Shareholders of record	21,756	22,829	(4.7)%
Weighted average shares outstanding – diluted (000s)	90,272	87,745	2.9%

* Total capitalization represents the sum of shareholders' equity and long-term debt, excluding current maturities.

Summary Annual Report

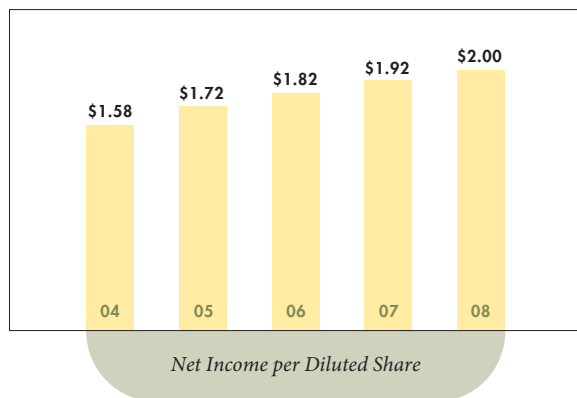
The financial information presented in this report about Atmos Energy Corporation is condensed. Our complete financial statements, including notes as well as management's discussion and analysis of financial condition and results of operations, are presented in our *Annual Report on Form 10-K*. Atmos Energy's chief executive officer and its chief financial officer have executed all certifications with respect to the financial statements contained therein and have completed management's report on internal control over financial reporting, which are required under the Sarbanes-Oxley Act of 2002 and all related rules and regulations of the Securities and Exchange Commission. Investors may request, without charge, our *Annual Report on Form 10-K* for the fiscal year ended September 30, 2008, by calling Investor Relations at 972-855-3729 between 8 a.m. and 5 p.m. Central time. Our *Annual Report on Form 10-K* also is available on Atmos Energy's Web site at www.atmosenergy.com. Additional investor information is presented on pages 33 and 34 of this report.

Opposite: Atmos Energy construction and maintenance technicians inspect new plastic piping destined for installation to help ensure the integrity of our pipelines.

Dear Fellow Shareholder

OUR 2008 FISCAL YEAR, ENDED SEPTEMBER 30, WAS HIGHLY SUCCESSFUL. Yet, at year-end, the economy was overshadowed by the world's worst financial and credit crisis since the Great Depression—causing growing uncertainties for both our customers and investors. Such a sobering situation makes our latest record earnings all the more valuable while it emphasizes the importance of prudent strategies to achieve continued performance.

Fiscal 2008 consolidated net income increased 7 percent, year over year, to \$180.3 million, and earnings per diluted share went up 4.2 percent from \$1.92 in fiscal 2007 to \$2.00 in fiscal 2008. Looking at the longer trend, Atmos Energy's compound average growth rate for diluted earnings per share over the past five years was 5.4 percent—furthering our stated goal of increasing earnings, on average, between 4 percent and 6 percent a year.



In fiscal 2008, we paid dividends totaling \$1.30 per share, with a dividend payout ratio of 65 percent. In November 2008, the board of directors again raised the annual dividend by 2 cents a share to an indicated rate of \$1.32. This increase, taking into account all mergers and acquisitions, marked the company's 25th consecutive annual dividend increase.

Rate strategy aids regulated operations

Net income from regulated operations in 2008 contributed almost three-fourths of net income, or \$1.49 per diluted share. Combined earnings from our natural gas distribution segment and from our regulated transmission and storage segment increased 24 percent to \$134.1 million.

During the fiscal year, we resolved 12 rate cases and other regulatory proceedings, which contributed \$34.5 million of incremental revenues. In the largest of these cases, we negotiated a three-year settlement with 438 of the 439 Texas cities served by our Mid-Tex Division. We obtained desired outcomes in other cases that were concluded in Georgia, Louisiana, Kansas, Tennessee, Virginia and West Texas.

These rate-case results support our goal of stabilizing our regulated earnings by decoupling our distribution revenues from our customers' gas consumption. Today about 97 percent of our distribution margins are unaffected by changes in weather due to weather normalization and similar rate-design mechanisms. We are continuing to seek additional improvements in our rate design to eliminate or reduce price volatility and provide more predictable and stable utility bills for our customers.

Traditional rate structures have discouraged utilities from offering energy-saving products and services by tying the recovery of their allowed rate of return to the amount of



*Robert W. Best, chairman and chief executive officer, (left)
and Kim R. Cocklin, president and chief operating officer*

natural gas delivered to customers. In return for more rate stabilization, we are launching energy efficiency and conservation programs in Texas and are enhancing our existing Missouri program. In Colorado, we also are developing a demand-side management program to meet new state regulations. These programs typically involve weatherizing homes for low-income customers and promoting energy conservation.

Texas intrastate pipeline benefits from Barnett Shale

Our Texas intrastate pipeline turned in an exceptional performance in 2008. The drilling boom in the Barnett Shale natural gas field near Fort Worth increased the total throughput of Atmos Pipeline-Texas by 18 percent over its 2007 delivered volumes and enhanced our ability to provide reliable service to our customers.

In July, wellhead prices for natural gas began to decline, and many producers in Texas began cutting back on drilling new wells. Even so, the state's natural gas production remains high, and much of that gas flows to market through our pipeline system.

To ensure continued reliability for serving our regulated distribution customers in Texas as well as to compete for new transportation business, Atmos Pipeline-Texas is expanding its system to serve the growing area north of Austin. When completed in our fiscal 2009 third quarter, this new loop will add sufficient transmission capacity along the I-35 corridor in the southern part of our system to serve new customer growth for many years in the future.

Nonregulated operations contribute 26% of net income

Net income for nonregulated operations in 2008 declined 24 percent, year over year, to \$46.2 million, or 51 cents per diluted share.

Lower volatility in natural gas prices reduced the opportunities for Atmos Energy Marketing to take advantage of seasonal and basis pricing spreads. Although our sales volumes to large industrial customers and municipal gas utilities increased 5 percent over 2007 volumes, delivered gas unit margins remained flat compared to those in 2007.

Atmos Pipeline and Storage added incremental earnings when it completed its Park City Gathering System in Edmonson County, Kentucky, in May 2008. It also closed on October 1, 2008, its purchase of the Shrewsbury Gathering System. This smaller nearby system has the potential to double the number of gas wells now connected to the gathering system and to interconnect with the Park City system and our other pipeline and storage assets in western Kentucky.

Assessment work proceeded in northeast Louisiana on our Fort Necessity Storage Project. In July, we completed a successful nonbinding "open season," which identified many parties interested in contracting for service from the proposed facility. We also engaged a financial adviser to seek potential project partners to mitigate the market risk and to assure access to development capital.

Fiscal 2009 outlook remains positive

We believe that both the company and its business will remain healthy and that we will be able to achieve our financial targets for fiscal 2009. We forecast that earnings per diluted share will range from \$2.05 to \$2.15.

Because of the uncertain economy, we have taken steps to preserve our credit and control discretionary costs. We are pursuing a prudent approach toward new construction and the borrowings needed for expansion. We forecast that fiscal 2009 capital expenditures will be approximately \$510 million to \$525 million, compared to \$472.3 million in fiscal 2008.

We have existing credit facilities in place to guarantee sufficient liquidity for all of our operations. Our cash flow remains solid, and our collections are among the best in the industry, as evidenced by the fact that our uncollectibles constitute less than 0.5 percent of total revenues.

We have assured our employees and the state agencies that regulate our operations that we will preserve all essential functions to serve our customers. We will not make any cutbacks that might undermine the reliability and safety of our service. We also will continue to assist our customers who are having difficulty paying their monthly gas bills during these trying economic times.

Natural gas serves the nation

We expect the Obama administration and Congress will enact new policies to promote energy efficiency and environmental improvements. Natural gas already is an anchor in the new administration's energy proposals, and the president-elect has called for producing more gas on the Outer Continental Shelf and building an Alaskan pipeline to tap shut-in North Slope gas reserves.

Global climate change now occupies a place of unprecedented importance in American politics. The concerns about



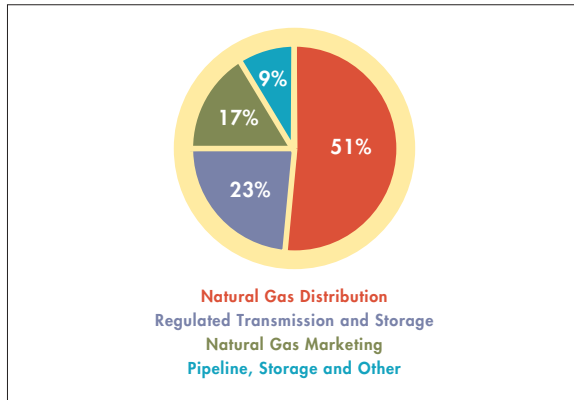
Atmos Energy Corporation celebrated 20 years of trading on the New York Stock Exchange on October 1, 2008, as Charles K. Vaughan, retired company chairman and CEO, rang the NYSE closing bell. He was accompanied by the company's Management Committee and guests.

global climate change will likely encourage a greater use of natural gas for reducing the greenhouse gas emissions that contribute to climate change. Natural gas offers the United States a bridge to the future, leading to cleaner, renewable energy while providing the most versatile fuel available for many needs.

In fact, a 2008 study by the American Gas Foundation found that the increased direct use of natural gas in residential and commercial applications can increase the productivity of our country's existing energy supplies, reduce our overall energy costs and cut carbon-related emissions.

Natural gas is an all-American resource, with 97 percent of our supply coming from North America. The Potential Gas Committee estimates the U.S. has at least an 82-year supply, and that estimate likely will go up significantly when updated in 2009. New exploration technologies are unlocking natural gas reserves once thought impossible to recover from shale and other difficult-to-produce formations. As a result, we will continue to work with all appropriate regulatory bodies to advocate the development and use of this critical resource.

A public policy measure that's very important to our shareholders is preserving the current limitation on capital gains taxes, especially for capital-intensive businesses like



Net Income by Segment

natural gas distribution companies. Extending this limit on the capital gains tax could help raise new funding and maintain investors' confidence. We encourage you to ask your members of Congress to vote to preserve the full value of your dividends by making the capital gains cap permanent.

Leadership changes announced

One of the most important duties of senior management is to prepare for the continued successful leadership of the business. As part of our succession planning, we made two high-level management changes.

Kim R. Cocklin, who had served as senior vice president, regulated operations, since June 2006, was promoted to the newly created position of president and chief operating officer, effective October 1, 2008. Kim has had extensive experience in all segments of the natural gas industry and has proved himself to be an excellent leader. In his current role, he oversees all regulated and nonregulated operations of the company.

Michael E. Haefner was named senior vice president, human resources, to succeed Wynn D. McGregor, who retired October 1, 2008. Mike had been president of his own consulting firm and had worked for 10 years as senior vice president of human resources for Sabre Holdings Corporation. He also had held leadership positions within Sabre while it was part of AMR Corporation and at Xerox Corporation and Eastman Kodak Company.

Wynn McGregor, who joined Atmos Energy in 1987, had served as senior vice president, human resources, since October 2005. Previously, he had been vice president, human resources, for 11 years and had held other human-resources management positions at Atmos Energy and other companies.

We appreciate his long and distinguished service.

We also announced on December 2, 2008, that J. Patrick Reddy resigned as senior vice president and chief financial officer, effective December 31. Pat joined the company in 1998 and served as vice president, corporate development, and as treasurer before being promoted to his current position in 2000. During his tenure, Atmos Energy made five significant acquisitions to more than triple in size. On behalf of the board of directors, I thank him for his many contributions and wish him the best.

In the interim, Fred E. Meisenheimer, vice president and controller, has been appointed by the board of directors to also serve as chief financial officer.

On September 1, we welcomed Ruben E. Esquivel to the board of directors. Mr. Esquivel is vice president for community and corporate relations at The University of Texas Southwestern Medical Center at Dallas. Previously, he served for more than a decade as president and CEO and as vice chairman of a manufacturer of test and measurement equipment for electrical power applications. He has been extremely active in Dallas civic affairs and has been honored repeatedly for his tireless commitment to the community.

Our brand represents strength

Twenty years ago, the board of directors chose the name Atmos Energy not only to differentiate a developing enterprise, but also to distinguish its way of doing business. As Atmos Energy has grown because of the board's clear vision, it has become a major American company, and our brand has come to reflect a set of consistent characteristics. In these unsettled times, our employees demonstrate these qualities everyday in all they do, and I thank them for their loyal and dedicated service.

Our annual report presents the four characteristics of our brand and what the enterprise stands for today. More than a trademark, our brand represents the strength of our reputation. It is one of our most valuable assets—if not the most valuable one of all.

Robert W. Best

Robert W. Best
Chairman and Chief Executive Officer

December 5, 2008

A Natural Gas Future

Natural gas has long been the bedrock of affordable energy for homes and businesses in this country. While the energy focus of the last century was on domestic and foreign oil, the 21st century holds the possibilities of new energy sources—and the possibility of our country making the leap from petroleum and coal to cleaner sources. As entrepreneurs and governments alike focus on wind, hydro, solar and even nuclear energy to power our future, natural gas offers us an energy platform we can depend on today and tomorrow.

Energy That's Responsible

Natural gas is not only available; it's clean, efficient, safe and reliable. A clean-burning fuel, natural gas is easy to use and easy on the environment. An efficient fuel, natural gas can be transported thousands of miles without losing its energy the way electricity does.

Because it moves through extensive pipeline networks that span the country, natural gas has transmission costs and carbon emissions that are minimal compared to the rail and truck transportation requirements for coal. A safe and reliable fuel, natural gas has a proven history of serving America. More than 68 million U.S. homes and businesses enjoy its benefits.


TOTAL EMISSIONS (Pounds per Billion Btu of Energy Input)			
POLLUTANT	NATURAL GAS	OIL	COAL
Carbon Dioxide	117,000	164,000	208,000
Carbon Monoxide	40	33	208
Nitrogen Oxides	92	448	457
Sulfur Dioxide	1	1,122	2,591
Particulates	7	84	2,744
Mercury	0.000	0.007	0.016

SOURCE: ENERGY INFORMATION ADMINISTRATION OF THE U.S. DEPARTMENT OF ENERGY

Homes using natural gas
appliances produce up to

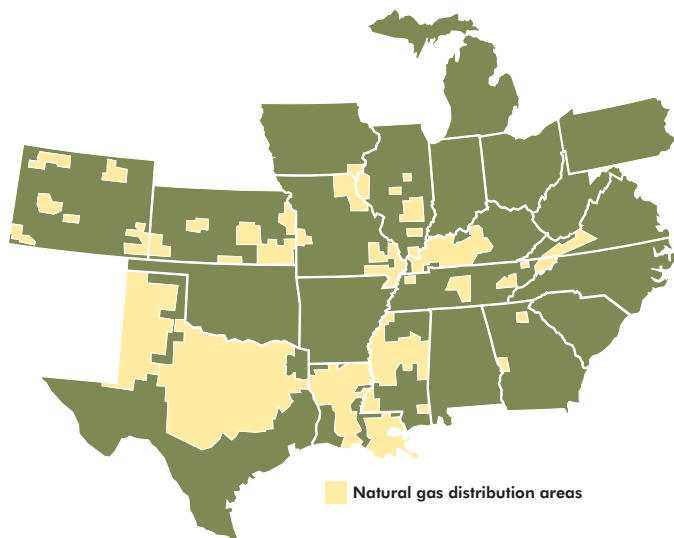
50%
LESS
carbon dioxide.





Under the ground, safe and out of sight, Atmos Energy operates approximately 83,500 miles of underground pipelines to deliver more than 1 billion cubic feet of natural gas annually while protecting communities, farms and ranches, livestock and wildlife, and the environment.

out of sight

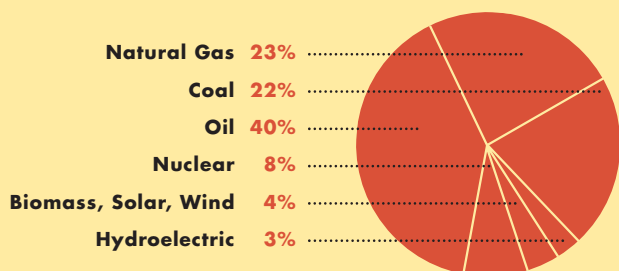


From our founding in Amarillo, Texas, 102 years ago, we have grown to be the country's largest all-natural-gas distribution company with operations primarily in the Southeastern and Midwestern states.

> We have at least 100 years of natural gas resources right here in America.



U.S. ENERGY CONSUMPTION



Highly Efficient

Natural gas is a terrific value. Unlike coal, oil or electricity, natural gas comes out of the ground clean and ready to use. Virtually no refining, converting or energy-depleting and costly processes are required to provide natural gas to consumers.

With 2.3 million miles of natural gas pipelines running underground, our country has a solid infrastructure that delivers nearly 97 percent of the original energy potential of each unit of natural gas. Electricity, on the other hand, can lose up to two-thirds of its original energy potential from fuel conversion at generating plants and losses in power lines. That just doesn't happen with natural gas.

As American as Natural Gas

Right now, right here in America, we have supplies of natural gas that experts say should last the rest of this century. Our country owns a ready-to-use energy source. And, new technologies are opening up geologic frontiers, like natural gas shale and deep offshore deposits, which were once thought impossible to tap. As a result, our country's natural gas resources could carry us at current demand far into the 22nd century.

Availability and environmental purity make natural gas the primary choice to reduce our dependence on foreign oil. The abundance of natural gas in the United States makes it a reliable energy platform on which we can add other clean and renewable forms of energy, such as wind, solar and biofuels.



Restaurant cuisine simply isn't done without natural gas cooktops. Dallas Culinary Institute chef and instructor Brendan Mesch demonstrates the responsiveness and elegance of a commercial-quality gas range.



3.2 million

N A T U R A L G A S C U S T O M E R S I N T H E U . S .

Clean and Pristine



Natural gas produces significantly fewer harmful emissions and greenhouse gases on its way to our homes and businesses. But that's just part of the story. Homes with natural gas appliances produce up to 50 percent less carbon dioxide than homes with all-electric appliances.

Natural gas helps us preserve our dwindling unspoiled countryside. It doesn't require the acquisition and transportation processes, such as surface mining and 100-car unit trains, needed to deliver coal for power plants. It doesn't require fleets of ocean tankers that spill millions of barrels of oil on coastal beaches. And, it doesn't require intrusive high-voltage transmission lines running across the country and through neighborhoods.

Warm and Comforting

Homes with natural gas are just more comfortable. Natural gas heating is more even, and the warmth is more consistent than it is with electric heating. The heat from a natural gas furnace enters a room at a higher temperature, helping to eliminate drafts and cool spots.

Homes served with natural gas are more attractive to prospective buyers and have better resale value. Newer amenities, such as outdoor kitchens, gas fireplaces and on-demand water heaters, rely on the immediacy of the natural gas flame. That's also why professional chefs and home gourmets alike appreciate gas ranges and cooktops. They offer simmer-to-sizzle responsiveness.

Safe, Reliable and Available

Delivering natural gas to customers safely and reliably is what we do. Our company works together with federal, state and local officials and public safety agencies to make natural gas pipelines the safest and most dependable energy delivery system in the country. Our natural gas pipelines and storage facilities are inherently safer than other transportation methods because they are buried in the ground. This keeps them relatively free from the effects of weather, tampering and accidents.

The Gas Is Always On

Atmos Energy's gas control centers in Dallas and in the Greater Nashville area monitor our system demand and supplies 24 hours a day, 7 days a week, to ensure that natural gas is flowing and there is enough to meet peak demands. In addition, the company has professional trading operations in Dallas and Houston to buy gas supplies on the spot market and for longer-term contracts. Monitoring usage, anticipating needs and buying natural gas efficiently help keep our product available and reasonably priced even in the coldest winter seasons.

Where we operate, most people know us as the local natural gas distribution company. However, other segments of our company keep natural gas powering industrial facilities, power plants, municipal gas systems and military installations. Our nonregulated gas marketing subsidiary, Atmos Energy Marketing, sells natural gas to approximately 1,000 large users. It also provides gas supply and asset management services to help ensure that our customers' gas supplies are available, economical and compliant with regulations.

Our Atmos Pipeline and Storage subsidiary operates our nonregulated pipeline, gathering and storage assets. Recently, it has been developing or acquiring gathering systems to move natural gas from wells to pipelines in western Kentucky. It also is developing a salt-dome gas storage project in northeastern Louisiana.



In our Dallas trading room, Atmos Energy gas supply professionals buy natural gas for upcoming needs and negotiate longer-term supply contracts to ensure we have sufficient resources to serve our customers reliably.





integrity

Atmos Energy constantly inspects its pipelines with special trucks, handheld equipment and even airplanes. Here, an all-terrain vehicle with sensitive gas “sniffing” equipment checks a pipeline right of way in the Tennessee countryside.



Above: Atmos Energy technicians and field employees undergo continual training and qualification to help ensure the safe and reliable operation of our distribution and transmission system. Below: We use pipeline inspection and repair devices, called pigs, to locate and repair cracks, corrosion and other anomalies to ensure the integrity of our gas pipelines.



Atmos Energy works closely with firefighters, EMTs, police and first-responders to help prevent accidents and prepare for handling critical situations.



Smart Business Means Safe Customers

Pipeline safety depends on good information and skilled experts who constantly monitor the status of our transmission and distribution systems. We qualify or requalify more than 900 Atmos Energy employees annually to make sure they meet federal requirements for pipeline operators. We also continually inspect our pipelines for leaks and degradation to ensure integrity and reliability.

We work closely with firefighters, police and emergency workers by providing training and specialized information to prevent pipeline incidents and promote safety measures. We also work with the Department of Homeland Security and other agencies to prevent terrorism and cybercrime. In 2008,

for example, Atmos Energy was among a selected group of major corporations that participated with security officials and international governments in the worldwide Cyber Storm II drill to help prevent attacks on critical infrastructure.

We have long been tending to our pipelines and the gas flowing in our system with extra precautions. The forerunner to Atmos Energy was one of the first distributors to inject an odorant into the natural gas flowing through pipelines in the early 1930s. Today, we also “pig our pipes,” running specialized equipment through our pipelines and using sensitive instruments to detect cracks, remove corrosion and inspect anomalies to prevent problems.

Calling 811 three days before digging allows Atmos Energy, the electric utility, cable and telephone companies and others to mark buried lines to keep everyone safe.

Our fleet of service trucks displays the 811 emblem to remind the public to dig safely.



**ALWAYS
CALL
BEFORE YOU
DIG**



Call 811

We actively support the “Call Before You Dig” nationwide program for adults and school children. The program communicates in both English and Spanish to call 811 toll-free to have all buried utility lines marked before digging or excavating. More than 60 percent of all pipeline accidents are caused by third-party damage from digging or careless activities. Calling 811, which is now the law in all states, is helping reduce damage to natural gas and other pipelines.

Safety at Home

Using natural gas is extremely safe because distributors like Atmos Energy put an odorant into the natural gas stream so that any leak is easy to detect. But we go much further than that. We produce safety programs, bill inserts and advertisements in English and Spanish to tell consumers what to do and what not to do if they smell gas.

We also inform our customers about the hazard of carbon monoxide—what it is and the importance of having carbon monoxide monitors. Furthermore, we distribute safety information about other topics, such as using space heaters, preventing accidental scalding and removing snow from gas meters and roof vents during the winter.

Our Business Is Service

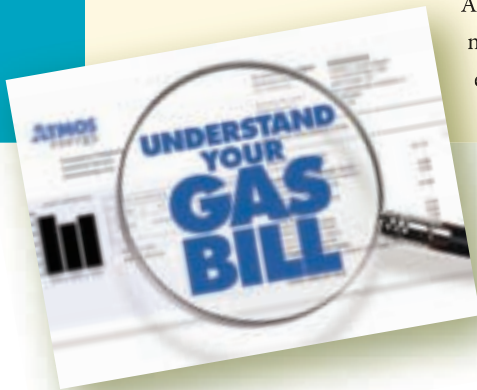
Service has always been a hallmark of our business. And, Atmos Energy has always taken pride in the men and women who serve our customers firsthand. From field technicians who install new service and maintain our underground infrastructure, to customer billing associates who keep bills accurate and up to date, to customer call center agents who strive for resolution on the first call, to team leaders who look for ways to improve our service—everyone at Atmos Energy is focused on the customer.

A Customer-Centered Vision

Most companies say they focus on the customer. But, with customer contact spread out among separate groups—and even to foreign countries, it's difficult to get customer service right. One group might be responsible for billing, another for collections, another for customers' calls and yet another for dispatching service technicians.

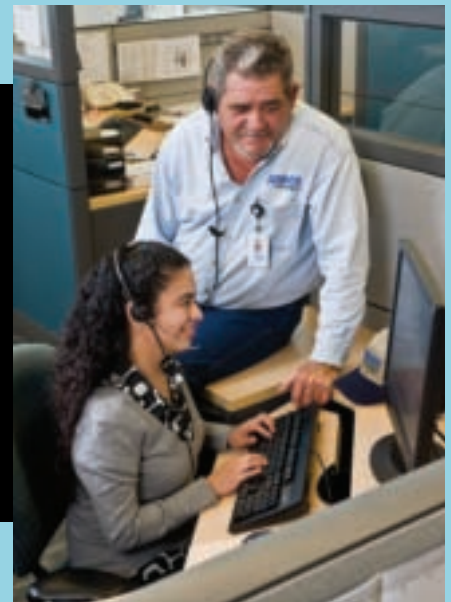
Today, Atmos Energy has reshaped that process by putting all customer-service functions under one organization. We put our customers in the center and we put ourselves in our customers' shoes, redesigning and relearning processes from their point of view. We are striving to bring fairness, positive resolution and transparency to every interaction.

And, to make that second-nature, we treat our employees that way, too.



ClearBill, our free, online bill-analysis tool, can help customers understand how the weather, number of billing days and various charges affect monthly gas bills.

Our customer call center agents work closely with our service technicians. To better understand each other's job, agents ride with technicians on service calls, and technicians listen in as agents handle calls.



A surprise visit to a customer by Jeff Hardgrave, vice president of customer service, is business as usual. Atmos Energy employees who directly serve our customers take turns doing other customer-focused jobs to see the customer experience as a seamless opportunity to form loyal relationships.

to serve





Only the best is good enough for us. We continually measure our customers' attitudes about our service. In one survey, we ask how we're doing on seven traits that make up service excellence. Customers are asked to rate us against the best brands they use. We far outperform most products, services and other utilities.

Our commitment to training, technology and one-call solutions are helping us build even stronger relationships.



Ah Ha!

The "Ah Ha!" Moments

Part of our redesigned customer focus includes learning how an action in one department affects another's ability to serve customers. We are encouraging our call center agents to ride with service technicians, billing people to take turns handling customer calls and executives to talk directly with customers.

We've even asked customers with unusual or complex issues to address our Leadership Team. These are valuable learning experiences for all of us. The eye-opening, "Ah Ha!" moments are helping us improve customer satisfaction.

We also have learned to look beyond our own walls to better understand the lives of our customers. At one time, we had a department of employees whose job was to collect bills. Now, the job of that same group of employees is to learn about our customers, to help them find ways to manage their

natural gas usage, to offer a payment plan that suits their needs and to give them options to stay current in their payments. It's a completely new focus.

Technology with a Human Touch

We also are deploying improved technology—not to reduce contacts with customers, but to make those contacts more personal and meaningful. Our Advanced Metering Infrastructure program has proven to be a boon to understanding when and how individual customers use natural gas. New wireless meters continuously record usage and automatically interface with our billing and customer service departments.

In this way, if a question arises about a bill, we can see the customer's actual day-by-day usage. If it's our mistake, we



Customers come in all shapes and sizes and with all kinds of needs, including those of the State Fair of Texas, symbolized by Big Tex. Atmos Energy serves the giant exhibition, which attracts more than 3 million visitors and ranks as the largest state fair in the country.

correct it. If not, we can ask the customer about usage on a certain day. For example, a spike in usage might coincide with heating up a pool for a backyard birthday party or hosting visiting family members who took lots of showers.

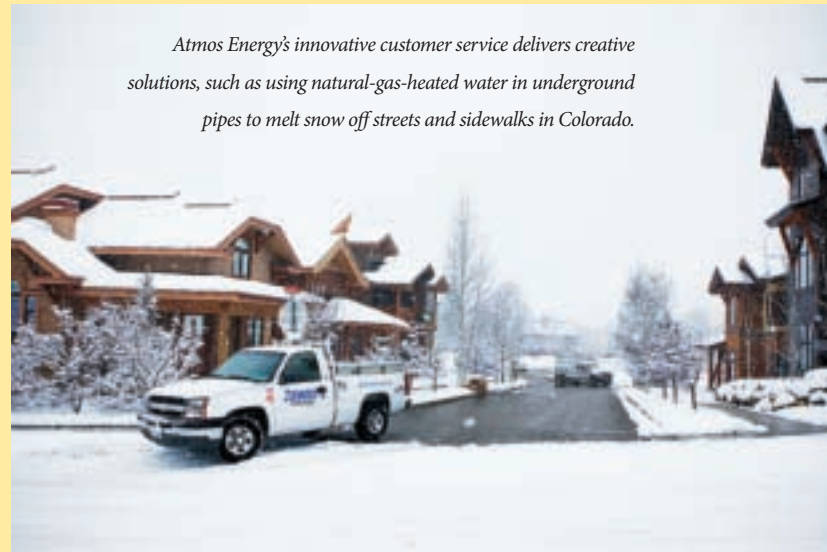
More Ways to Pay

We have expanded our customers' payment options. Besides accepting checks by mail, we take online payments by credit cards and electronic funds transfers from checking, savings and other accounts. We also have an extensive network of authorized local merchants that can transact bill payments in person. In some communities, automated kiosks can accept payments 24 hours a day.

We offer our Budget Billing plan to make bill amounts more predictable and to level out monthly payments.



Atmos Energy is expanding its Advanced Metering Infrastructure pilot project in Louisiana and Texas to read customers' meters by wireless radio technology. This state-of-the-art metering system measures a customer's hourly gas usage.



Atmos Energy's innovative customer service delivers creative solutions, such as using natural-gas-heated water in underground pipes to melt snow off streets and sidewalks in Colorado.

Another program, Sharing the Warmth, assists those who need help paying their gas bills by putting them in touch with local energy-assistance agencies.

Call Centers That Break the Mold

Our call centers are different for many reasons. First, they are right here in the United States. Second, they're staffed by full-time Atmos Energy employees—not outsourced to generic centers handling calls for multiple businesses. And, third, every call we receive is recorded as we continuously strive for resolving issues with one call. This approach has greatly improved the quality of our service. As we solve issues for our customers, we build those solutions back into our processes to improve continuously.

A Trust We Hold Dear

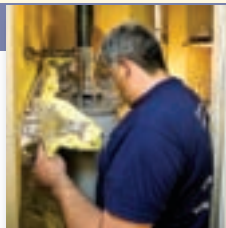
We are one of the country's larger infrastructure businesses. We not only have a physical presence in our communities, but also we hold a presence of trust—the trust communities and neighbors place in us. As the local gas company in more than 1,600 cities and towns, we are always conscious of how to responsibly support the communities we serve. With Atmos Energy, this trust goes beyond providing a product. It encompasses how we bring better service along with our natural gas product.

It's how we actively participate in civic events and celebrations that boost community spirit. It's how we support, with funds and volunteer time, local charitable activities as well as individuals, families and children with a helping hand. It's how we respond in times of disaster, crisis or uncertainty.

Promoting Conservation and the Environment

We work to help customers conserve on natural gas consumption. On our Web site and in our customer communications, we offer energy-saving tips and detailed information to keep homes warm and energy usage down. We also underwrite energy conservation and efficiency programs to weatherize homes, particularly for our low-income customers.

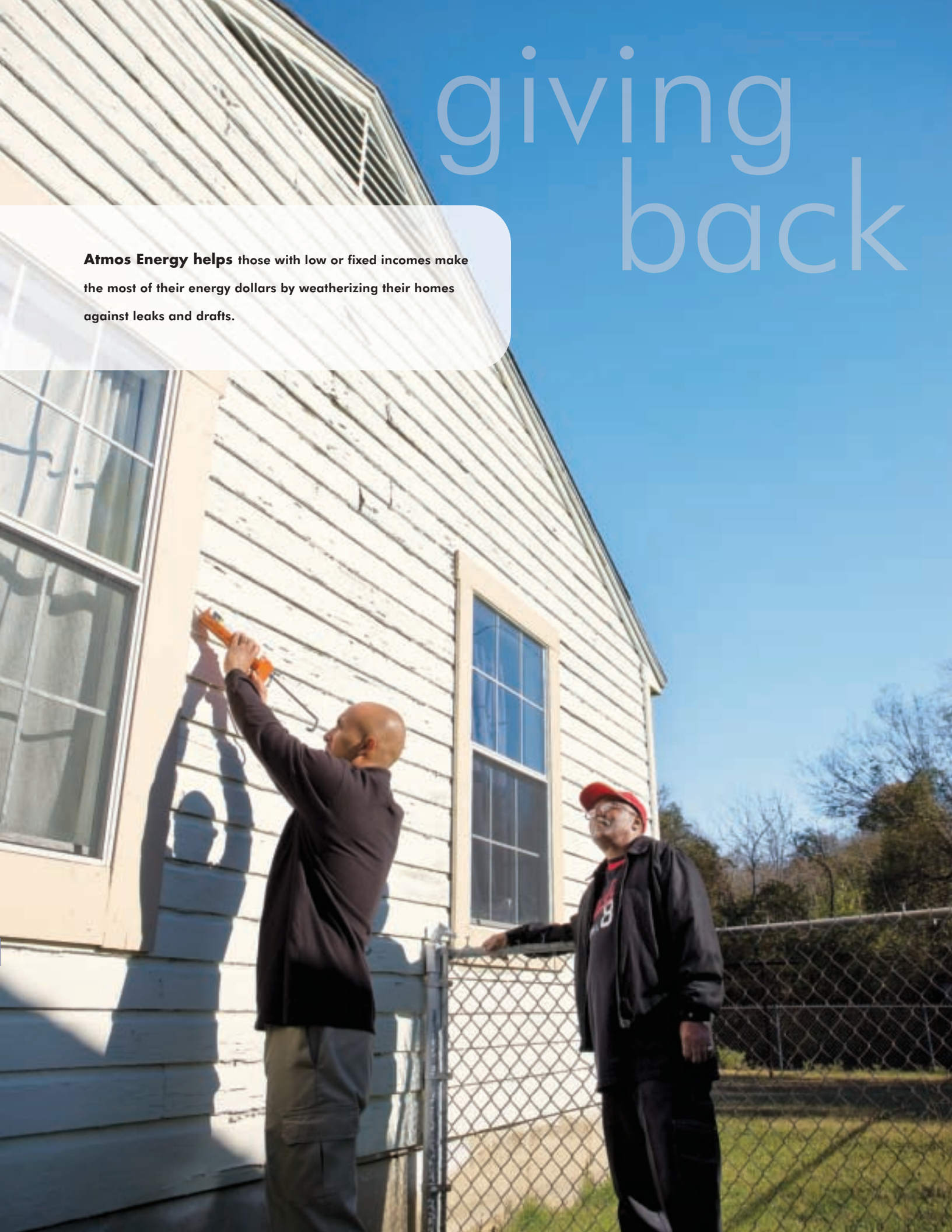
We support numerous environmental and recycling programs in the communities where we live and work. For example, we have been honored for our work to remediate former town gas sites. The residues and contamination buried at these old gas works must be removed carefully to protect the public.



Weatherizing homes helps keep families warm and energy bills low. Our Web site at atmosenergy.com has easy conservation tips as well as more detailed information for using natural gas wisely.

giving back

Atmos Energy helps those with low or fixed incomes make the most of their energy dollars by weatherizing their homes against leaks and drafts.





As a Junior Achievement volunteer in Glasgow, Kentucky, Operations Supervisor Butch Chidester taught five one-hour lessons about "Our City." In the final meeting about banking, Chidester gave each of the third-graders a calculator.



SHARING
the **WARMTH**

More than two dozen Atmos Energy employees in Murfreesboro, Tennessee, volunteered their weekends and days off to build a new Habitat for Humanity home for a local deserving family.



Using laser technologies and special techniques, we've been able to return a number of these sites to safe and productive community uses. In recognition of our efforts, the company received the Environmental Excellence New Technology Award from the Southern Gas Association.

Atmos Energy also is the recipient of the Continuing Excellence Award from the U.S. Environmental Protection Agency for continual improvement in the STAR Program, a voluntary partnership to reduce emissions of methane. The company joined the Natural Gas STAR program in 1999.

Keeping Rates Affordable

In our distribution business, which is regulated by cities and states, we work to establish standards and fair rates for our service. In rate filings, we try to negotiate settlements with

our regulators to help keep our costs low. By avoiding lengthy, litigated cases, we forge better agreements and reduce legal costs that ultimately increase service charges to customers.

Sharing Our Warmth

Our Sharing the Warmth program raises funds for community energy-assistance agencies that help those who are unable to pay their heating bills. Sharing the Warmth primarily assists low-income working families and elderly and disabled customers living on fixed incomes. Voluntary donations from our customers and employees are matched dollar-for-dollar by the company.

Most funding for energy assistance agencies comes from the federal Low Income Home Energy Assistance Program. Atmos Energy works with state energy-assistance officials to



< For the Dallas Public Library, Atmos Energy, working with many private donors and the Friends of the Dallas Public Library, contributed major funding for a new bookmobile to serve both the young and elderly in neighborhoods across the city.



You'll find our Big Blue cookers and Atmos Energy grill chefs supporting their communities at many charitable events.



Atmos Energy employees generously support the United Way campaigns in the communities we serve. They also volunteer their time to assist others during company-sponsored "Days of Caring" community-service events.

support expanding LIHEAP benefits for working and home-bound families who need help paying their energy bills. The company also coordinates with community groups, senior-citizens centers and churches to inform people who are eligible for LIHEAP.

Strong Hands and a Big Heart

In serving a community, we become part of its fabric. Local firefighters and emergency responders work alongside Atmos Energy employees to promote safety around pipelines and to protect the community if incidents should occur. When hurricanes, tornadoes, floods or other disasters strike, our employees are among the first on the scene to safely restore service to our customers and to help the community recover.

Education and Adopt-A-School programs particularly touch our hearts. Across our vast service territory, hundreds of our employees mentor students, teach reading, raise funds for schools and support higher education institutions.

We support numerous other charitable programs, as well, such as United Way, Meals on Wheels, Komen Race for the Cure, Habitat for Humanity and Special Olympics. You can often find our "Big Blue" cooking trailers staffed by volunteer employees grilling burgers and hot dogs at community events or feeding disaster victims and emergency workers.

Atmos Energy's employees throughout the country work with community leaders, civic groups and chambers of commerce to meet local needs where and when they arise.

Year Ended September 30

	2008	2007
Meters in service		
Residential	2,911,475	2,893,543
Commercial	268,845	272,081
Industrial	2,241	2,339
Public authority and other	9,218	19,164
Total meters	<u>3,191,779</u>	<u>3,187,127</u>
Heating degree days		
Actual (weighted average)	2,820	2,879
Percent of normal	100%	100%
Natural gas distribution sales volumes (MMcf)		
Residential	163,229	166,612
Commercial	93,953	95,514
Industrial	21,734	22,914
Public authority and other	13,760	12,287
Total	<u>292,676</u>	<u>297,327</u>
Natural gas distribution transportation volumes (MMcf)	<u>141,083</u>	<u>135,109</u>
Total natural gas distribution throughput (MMcf)	433,759	432,436
Intersegment activity (MMcf)	(4,405)	(4,567)
Consolidated natural gas distribution throughput (MMcf)	<u>429,354</u>	<u>427,869</u>
Consolidated regulated transmission and storage transportation volumes (MMcf)	<u>595,542</u>	<u>505,493</u>
Consolidated natural gas marketing throughput (MMcf)	<u>389,392</u>	<u>370,668</u>
Operating revenues (000s)		
Natural gas distribution sales revenues		
Residential	\$ 2,131,447	\$ 1,982,801
Commercial	1,077,056	970,949
Industrial	212,531	195,060
Public authority and other	137,821	114,298
Total gas distribution sales revenues	<u>3,558,855</u>	<u>3,263,108</u>
Transportation revenues	59,712	59,195
Other gas revenues	35,771	35,844
Total natural gas distribution revenues	<u>3,654,338</u>	<u>3,358,147</u>
Regulated transmission and storage revenues	108,116	84,344
Natural gas marketing revenues	3,436,563	2,432,280
Pipeline, storage and other revenues	22,288	23,660
Total operating revenues (000s)	<u>\$ 7,221,305</u>	<u>\$ 5,898,431</u>
Other statistics		
Gross plant (000s)	\$ 5,730,156	\$ 5,396,070
Net plant (000s)	\$ 4,136,859	\$ 3,836,836
Miles of pipe	83,645	82,725
Employees	4,750	4,653

September 30

Dollars in thousands, except share data	2008	2007
Assets		
Property, plant and equipment	\$ 5,650,096	\$ 5,326,621
Construction in progress	80,060	69,449
	5,730,156	5,396,070
Less accumulated depreciation and amortization	1,593,297	1,559,234
Net property, plant and equipment	4,136,859	3,836,836
Current assets		
Cash and cash equivalents	46,717	60,725
Accounts receivable, less allowance for doubtful accounts of \$15,301 in 2008 and \$16,160 in 2007	477,151	380,133
Gas stored underground	576,617	515,128
Other current assets	184,619	111,189
Total current assets	1,285,104	1,067,175
Goodwill and intangible assets	739,086	737,692
Deferred charges and other assets	225,650	253,494
	<u>\$ 6,386,699</u>	<u>\$ 5,895,197</u>
Capitalization and Liabilities		
Shareholders' equity		
Common stock, no par value (stated at \$.005 per share); 200,000,000 shares authorized; issued and outstanding: 2008 – 90,814,683 shares, 2007 – 89,326,537 shares	\$ 454	\$ 447
Additional paid-in capital	1,744,384	1,700,378
Accumulated other comprehensive loss	(35,947)	(16,198)
Retained earnings	343,601	281,127
Shareholders' equity	2,052,492	1,965,754
Long-term debt	2,119,792	2,126,315
Total capitalization	4,172,284	4,092,069
Current liabilities		
Accounts payable and accrued liabilities	395,388	355,255
Other current liabilities	460,372	408,273
Short-term debt	350,542	150,599
Current maturities of long-term debt	785	3,831
Total current liabilities	1,207,087	917,958
Deferred income taxes	441,302	370,569
Regulatory cost of removal obligation	298,645	271,059
Deferred credits and other liabilities	267,381	243,542
	<u>\$ 6,386,699</u>	<u>\$ 5,895,197</u>

Year Ended September 30

Dollars in thousands, except per share data	2008	2007	2006
Operating revenues			
Natural gas distribution segment	\$ 3,655,130	\$ 3,358,765	\$ 3,650,591
Regulated transmission and storage segment	195,917	163,229	141,133
Natural gas marketing segment	4,287,862	3,151,330	3,156,524
Pipeline, storage and other segment	31,709	33,400	25,574
Intersegment eliminations	(949,313)	(808,293)	(821,459)
	<u>7,221,305</u>	<u>5,898,431</u>	<u>6,152,363</u>
Purchased gas cost			
Natural gas distribution segment	2,649,064	2,406,081	2,725,534
Regulated transmission and storage segment	—	—	—
Natural gas marketing segment	4,194,841	3,047,019	3,025,897
Pipeline, storage and other segment	3,396	792	1,080
Intersegment eliminations	(947,322)	(805,543)	(816,718)
	<u>5,899,979</u>	<u>4,648,349</u>	<u>4,935,793</u>
Gross profit	<u>1,321,326</u>	<u>1,250,082</u>	<u>1,216,570</u>
Operating expenses			
Operation and maintenance	500,234	463,373	433,418
Depreciation and amortization	200,442	198,863	185,596
Taxes, other than income	192,755	182,866	191,993
Impairment of long-lived assets	—	6,344	22,947
Total operating expenses	<u>893,431</u>	<u>851,446</u>	<u>833,954</u>
Operating income	<u>427,895</u>	<u>398,636</u>	<u>382,616</u>
Miscellaneous income, net	2,731	9,184	881
Interest charges	<u>137,922</u>	<u>145,236</u>	<u>146,607</u>
Income before income taxes	292,704	262,584	236,890
Income tax expense	<u>112,373</u>	<u>94,092</u>	<u>89,153</u>
Net income	<u>\$ 180,331</u>	<u>\$ 168,492</u>	<u>\$ 147,737</u>
Per share data			
Basic net income per share	<u>\$ 2.02</u>	<u>\$ 1.94</u>	<u>\$ 1.83</u>
Diluted net income per share	<u>\$ 2.00</u>	<u>\$ 1.92</u>	<u>\$ 1.82</u>
Weighted average shares outstanding:			
Basic	<u>89,385</u>	<u>86,975</u>	<u>80,731</u>
Diluted	<u>90,272</u>	<u>87,745</u>	<u>81,390</u>

Year Ended September 30

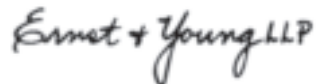
Dollars in thousands	2008	2007	2006
Cash Flows from Operating Activities			
Net income	\$ 180,331	\$ 168,492	\$ 147,737
Adjustments to reconcile net income to net cash provided by operating activities:			
Impairment of long-lived assets	—	6,344	22,947
Depreciation and amortization:			
Charged to depreciation and amortization	200,442	198,863	185,596
Charged to other accounts	147	192	371
Deferred income taxes	97,940	62,121	86,178
Stock-based compensation	14,032	11,934	10,234
Debt financing costs	10,665	10,852	11,117
Other	(5,492)	(1,516)	(2,871)
Changes in assets and liabilities	(127,132)	89,813	(149,860)
Net cash provided by operating activities	370,933	547,095	311,449
Cash Flows Used in Investing Activities			
Capital expenditures	(472,273)	(392,435)	(425,324)
Other, net	(10,736)	(10,436)	(5,767)
Net cash used in investing activities	(483,009)	(402,871)	(431,091)
Cash Flows from Financing Activities			
Net increase (decrease) in short-term debt	200,174	(213,242)	237,607
Net proceeds from issuance of long-term debt	—	247,217	—
Settlement of Treasury lock agreement	—	4,750	—
Repayment of long-term debt	(10,284)	(303,185)	(3,264)
Cash dividends paid	(117,288)	(111,664)	(102,275)
Issuance of common stock	25,466	24,897	23,273
Net proceeds from equity offering	—	191,913	—
Net cash provided by (used in) financing activities	98,068	(159,314)	155,341
Net increase (decrease) in cash and cash equivalents	(14,008)	(15,090)	35,699
Cash and cash equivalents at beginning of year	60,725	75,815	40,116
Cash and cash equivalents at end of year	\$ 46,717	\$ 60,725	\$ 75,815

**The Board of Directors and Shareholders of
Atmos Energy Corporation**

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Atmos Energy Corporation at September 30, 2008 and 2007, and the related consolidated statements of income, shareholders' equity, and cash flows for each of the three years in the period ended September 30, 2008 (not presented herein); and in our report dated November 18, 2008, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of Atmos Energy Corporation's internal control over financial reporting as of September 30, 2008, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated November 18, 2008 (not presented separately herein) expressed an unqualified opinion thereon.

The signature of Ernst & Young LLP is written in a cursive, handwritten style in black ink.

Dallas, Texas
November 18, 2008

Year Ended September 30

	2008	2007	2006	2005	2004
Balance Sheet Data at September 30 (000s)					
Capital expenditures	\$ 472,273	\$ 392,435	\$ 425,324	\$ 333,183	\$ 190,285
Net property, plant and equipment	4,136,859	3,836,836	3,629,156	3,374,367	1,722,521
Working capital	78,017	149,217	(1,616)	151,675	283,310
Total assets	6,386,699	5,895,197	5,719,547	5,610,547	2,902,658
Shareholders' equity	2,052,492	1,965,754	1,648,098	1,602,422	1,133,459
Long-term debt, excluding current maturities	2,119,792	2,126,315	2,180,362	2,183,104	861,311
Total capitalization	4,172,284	4,092,069	3,828,460	3,785,526	1,994,770
Income Statement Data					
Operating revenues (000s)	\$7,221,305	\$5,898,431	\$6,152,363	\$4,961,873	\$2,920,037
Gross profit (000s)	1,321,326	1,250,082	1,216,570	1,117,637	562,191
Net income (000s)	180,331	168,492	147,737	135,785	86,227
Net income per diluted share	2.00	1.92	1.82	1.72	1.58
Common Stock Data					
Shares outstanding (000s)					
End of year	90,815	89,327	81,740	80,539	62,800
Weighted average	90,272	87,745	81,390	79,012	54,416
Cash dividends per share	\$ 1.30	\$ 1.28	\$ 1.26	\$ 1.24	\$ 1.22
Shareholders of record	21,756	22,829	24,690	26,242	27,555
Market price - High	\$ 29.46	\$ 33.11	\$ 29.11	\$ 29.76	\$ 26.86
Low	\$ 25.09	\$ 26.47	\$ 25.79	\$ 24.85	\$ 23.68
End of year	\$ 26.62	\$ 28.32	\$ 28.55	\$ 28.25	\$ 25.19
Book value per share at end of year	\$ 22.60	\$ 22.01	\$ 20.16	\$ 19.90	\$ 18.05
Price/Earnings ratio at end of year	13.31	14.75	15.69	16.42	15.94
Market/Book ratio at end of year	1.18	1.29	1.42	1.42	1.40
Annualized dividend yield at end of year	4.9%	4.5%	4.4%	4.4%	4.8%
Customers and Volumes (as metered)					
Consolidated distribution gas sales volumes (MMcf)	292,676	297,327	272,033	296,283	173,219
Consolidated distribution gas transportation volumes (MMcf)	136,678	130,542	121,962	114,851	72,814
Consolidated distribution throughput (MMcf)	429,354	427,869	393,995	411,134	246,033
Consolidated transmission and storage transportation volumes (MMcf)	595,542	505,493	410,505	373,879	—
Consolidated natural gas marketing throughput (MMcf)	389,392	370,668	283,962	238,097	222,572
Meters in service at end of year	3,191,779	3,187,127	3,181,199	3,157,840	1,679,136
Heating degree days*	2,820	2,879	2,527	2,587	3,271
Degree days as a percentage of normal	100%	100%	87%	89%	96%
Gas distribution average cost of gas per Mcf sold	\$ 9.05	\$ 8.09	\$ 10.02	\$ 7.41	\$ 6.55
Gas distribution average transportation fee per Mcf	\$.43	\$.44	\$.49	\$.49	\$.36
Statistics					
Return on average shareholders' equity	8.8%	8.8%	8.9%	9.0%	9.1%
Number of employees	4,750	4,653	4,632	4,543	2,864
Net gas distribution plant per meter	\$ 1,091	\$ 1,020	\$ 969	\$ 927	\$ 994
Gas distribution operation and maintenance expense per meter	\$ 122	\$ 119	\$ 112	\$ 110	\$ 116
Meters per employee - gas distribution	700	713	723	730	612
Times interest earned before income taxes	3.06	2.75	2.55	2.59	3.05

*Heating degree days are adjusted for service areas with weather-normalized operations.

Senior Management Team



Robert W. Best
Chairman and
Chief Executive Officer



Kim R. Cocklin
President and
Chief Operating Officer



J. Patrick Reddy*
Senior Vice President and
Chief Financial Officer



Mark H. Johnson
Senior Vice President,
Nonregulated Operations



Louis P. Gregory
Senior Vice President and
General Counsel



Michael E. Haefner
Senior Vice President,
Human Resources

* Resigned effective December 31, 2008

Regulated Divisions



J. Kevin Akers
President,
Kentucky/Mid-States Division



Richard A. Erskine
President,
Atmos Pipeline-Texas Division



David E. Gates
President,
Mississippi Division



Gary W. Gregory
President,
West Texas Division



Tom S. Hawkins, Jr.
President,
Louisiana Division



John A. Paris
President,
Mid-Tex Division



Gary L. Schlessman
President,
Colorado-Kansas Division

Nonregulated Operations



Mark H. Johnson
President,
Atmos Energy Marketing, LLC



Ronald W. McDowell
Vice President,
New Business Ventures

Shared Services



Verlon R. Aston, Jr.
Vice President,
Governmental and
Public Affairs



Mark S. Bergeron
Vice President,
Gas Supply and Services



Charles M. Davis, Jr.
Vice President,
Corporate Development



Susan K. Giles
Vice President,
Investor Relations

Shared Services (continued)



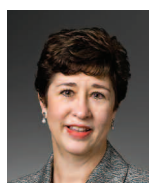
Richard J. Gius
Vice President and
Chief Information Officer



Conrad E. Gruber
Vice President,
Strategic Planning



John J. Hardgrave
Vice President,
Customer Service



Dwala J. Kuhn
Corporate Secretary



Fred E. Meisenheimer†
Vice President and Controller



Laurie M. Sherwood
Vice President and Treasurer

†Appointed interim Chief Financial Officer effective January 1, 2009



Travis W. Bain II
Chairman, Texas Custom Pools, Inc. Plano, Texas
Board member since 1988
Committees: Work Session/Annual Meeting (Chairman), Audit, Executive, Human Resources



Robert W. Best
Chairman and Chief Executive Officer, Atmos Energy Corporation Dallas, Texas
Board member since 1997



Dan Busbee
Adjunct Professor, Dedman School of Law, Southern Methodist University, Dallas, Texas
Board member since 1988
Committees: Audit (Chairman), Executive, Human Resources



Richard W. Cardin
Retired partner of Arthur Andersen LLP Nashville, Tennessee
Board member since 1997
Committees: Audit, Nominating and Corporate Governance



Richard W. Douglas
Executive Vice President, Jones Lang LaSalle LLC Dallas, Texas
Board member since 2007
Committees: Human Resources, Work Session/Annual Meeting



Ruben E. Esquivel
Vice President for Community and Corporate Relations, The University of Texas Southwestern Medical Center at Dallas Dallas, Texas
Board member since 2008
Committees: Audit, Human Resources



Thomas J. Garland
Chairman of the Tusculum Institute for Public Leadership and Policy Greenville, Tennessee
Board member since 1997
Committees: Human Resources, Work Session/Annual Meeting



Richard K. Gordon
General Partner, Juniper Energy LP, Juniper Capital LP and Juniper Advisory LP Houston, Texas
Board member since 2001
Committees: Human Resources (Chairman), Executive, Nominating and Corporate Governance



Dr. Thomas C. Meredith
Retired, formerly Commissioner of Mississippi Institutions of Higher Learning Jackson, Mississippi
Board member since 1995
Committees: Audit, Nominating and Corporate Governance



Phillip E. Nichol
Retired Senior Vice President of Central Division Staff, UBS PaineWebber Incorporated Dallas, Texas
Board member since 1985
Committees: Nominating and Corporate Governance (Chairman), Executive, Human Resources, Work Session/Annual Meeting



Nancy K. Quinn
Principal, Hanover Capital, LLC East Hampton, New York
Board member since 2004
Committees: Audit, Nominating and Corporate Governance



Stephen R. Springer
Retired Senior Vice President and General Manager, Midstream Division, The Williams Companies, Inc. Syracuse, Indiana
Board member since 2005
Committee: Work Session/Annual Meeting



Charles K. Vaughan
Retired Chairman of the Board, Atmos Energy Corporation Dallas, Texas
Board member since 1983
Committee: Executive (Chairman)



Richard Ware II
President, Amarillo National Bank Amarillo, Texas
Board member since 1994
Committees: Nominating and Corporate Governance, Work Session/Annual Meeting



Lee E. Schlessman
Honorary Director President, Dolo Investment Company Denver, Colorado
Retired from Board in 1998

Common Stock Listing

New York Stock Exchange. Trading symbol: ATO

Stock Transfer Agent and Registrar

American Stock Transfer and Trust Company
59 Maiden Lane
Plaza Level
New York, New York 10038
800-543-3038

To inquire about your Atmos Energy stock, please call AST at the telephone number above. You may use the agent's interactive voice response system 24 hours a day to learn about transferring stock or to check your recent account activity all without the assistance of a customer service representative. Please have available your Atmos Energy shareholder account number and your Social Security or federal taxpayer ID number.

To speak to an AST customer service representative, please call the same number between 8 a.m. and 7 p.m. Eastern time, Monday through Thursday, or 8 a.m. to 5 p.m. Eastern time on Friday.

You also may send an e-mail message on our agent's Web site at <http://www.amstock.com>. Please refer to Atmos Energy in your e-mail and include your Atmos Energy shareholder account number and your Social Security or federal taxpayer ID number.

Independent Registered Public Accounting Firm

Ernst & Young LLP
2100 Ross Avenue, Suite 1500
Dallas, Texas 75201
214-969-8000

Form 10-K

Atmos Energy Corporation's *Annual Report on Form 10-K* is available at no charge from Investor Relations, Atmos Energy Corporation, P.O. Box 650205, Dallas, Texas 75265-0205 or by calling 972-855-3729 between 8 a.m. and 5 p.m. Central time. Atmos Energy's Form 10-K also may be viewed on Atmos Energy's Web site at <http://www.atmosenergy.com>.

Annual Meeting of Shareholders

The 2009 Annual Meeting of Shareholders will be held in the Pavilion Ballroom at the Belo Mansion, 2101 Ross Avenue, Dallas, Texas 75201 on Wednesday, February 4, 2009, at 11 a.m. Central time.

Direct Stock Purchase Plan

Atmos Energy Corporation has a Direct Stock Purchase Plan that is available to all investors. For an Enrollment Application Form and a Plan Prospectus, please call AST at 800-543-3038. The Prospectus is also available on the Internet at <http://www.atmosenergy.com>. You may also obtain information by writing to Investor Relations, Atmos Energy Corporation, P.O. Box 650205, Dallas, Texas 75265-0205.

This is not an offer to sell, or a solicitation to buy, any securities of Atmos Energy Corporation. Shares of Atmos Energy common stock purchased through the Direct Stock Purchase Plan will be offered only by Prospectus.

Atmos Energy on the Internet

Information about Atmos Energy is available on the Internet at <http://www.atmosenergy.com>. Our Web site includes news releases, current and historical financial reports, other investor data, corporate governance documents, management biographies, customer information and facts about Atmos Energy's operations.

Atmos Energy Corporation Contacts

To contact Atmos Energy's Investor Relations, call 972-855-3729 between 8 a.m. and 5 p.m. Central time or send an e-mail message to InvestorRelations@atmosenergy.com.

Securities analysts and investment managers, please contact:

Susan K. Giles

Vice President, Investor Relations
972-855-3729 972-855-3040 (fax)
InvestorRelations@atmosenergy.com

Forward-Looking Statements

The matters discussed or incorporated by reference in this *Summary Annual Report* 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 report 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 report or any other of the Company’s 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 report. These risks and uncertainties are discussed in the Company’s *Annual Report on Form 10-K* for the fiscal year ended September 30, 2008. Although the Company believes these forward-looking statements to be reasonable, there can be no assurance that they will approximate actual experience or that the expectations derived from them will be realized. Further, the Company undertakes no obligation to update or revise any of its forward-looking statements, whether as a result of new information, future events or otherwise.

Other Information

You can view this *Summary Annual Report*, our *Annual Report on Form 10-K* and other financial documents for fiscal 2008 and previous years on our Web site at <http://www.atmosenergy.com>.

If you are a shareholder who would like to receive our *Summary Annual Report* and other company documents in the future electronically, please sign up for electronic distribution. It’s convenient and easy, and it saves costs to produce and distribute these materials.

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Front Cover: *General Plant Operator Wayne Eads checks a customer’s gas meter in Steamboat Springs, Colorado. Ensuring safe and reliable performance of our natural gas distribution system in the 1,600 communities we serve is our highest priority.*

Back Cover: *Jay Clapper, general plant operator in our Colorado-Kansas Division, is one of 4,750 Atmos Energy employees dedicated to serving our customers.*

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