ATMOS energy

Atmos Energy Corporation
2015 Summary Annual Report

Safety: Our Core Value

For Atmos Energy, **safety** is far more than a program, department or investment. It is a value that we ascribe to and observe in all we do. It is all-inclusive in our strategy and inherent in our culture.

Cover Travis Cooper (left), an operations manager, and Quint Nance, a senior field construction coordinator, both in the Mid-Tex Division, inspect construction in East Texas on Atmos Energy's largest current capital project.

The multi-year job will install about 62 miles of 30-inch coated steel pipe in two segments on Atmos Pipeline–Texas' transmission system. When completed in fiscal 2016, the new pipeline will transport natural gas from our storage fields to help meet rising demands in the Dallas-Fort Worth Metroplex from Mid-Tex customers and from other local distribution companies.

The project also will substantially improve service reliability. Although hampered by heavy rains, the pipeline project remains on schedule—a tribute to the engineering and project management expertise of the teams responsible for our infrastructure program.

Modernizing and Improving Our Pipeline Infrastructure

Atmos Energy continues to modernize its pipeline infrastructure to make it even **safer and more reliable**. During the past five years, we have invested approximately $4.0 billion to fortify, replace or expand our system. We plan to increase our spending on pipeline modernization by more than 50 percent through fiscal 2020.

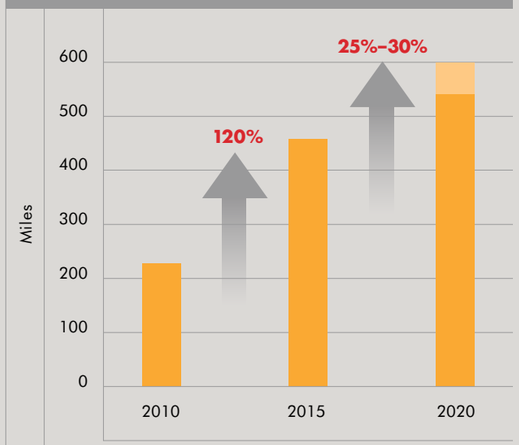
Atmos Energy's natural gas transmission and distribution pipelines span almost 76,000 miles and range in size from 2 inches to 36 inches in diameter. We also have some 3.1 million service lines that carry gas from our mains to our customers' premises.

Our pipelines, which were installed over many decades, are made of various materials. The most common types are coated steel and polyethylene plastic. However, we also have pipelines made of cast iron, bare steel and vintage plastic.

Our modernization program along with federal and state compliance rules and regulations determine the pipeline assets selected for repair or replacement every year.

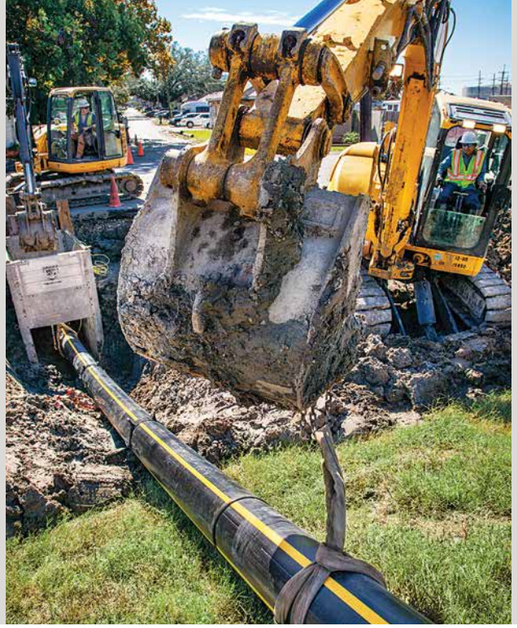
Investing in Infrastructure

Distribution Main Annual Replacement Mileage



During the past five years, the number of miles of pipeline we have replaced annually has increased by 120 percent. We expect that our annual replacements will go up another 25 percent to 30 percent during the next five years.

A major replacement project in our West Texas Division near Amarillo involves constructing a new 16-inch coated steel pipeline to retire an aging bare steel line installed in the 1930s. Engineer Matt McDonald (left) and Dustin Crosley, Amarillo operations supervisor, test the wall thickness of the existing pipe before it is tied in with the new line.



In Marrero, Louisiana, the main natural gas artery serving our customers on the west bank of the Mississippi River in the Greater New Orleans Region is being replaced by our Louisiana Division. The pipeline, installed some 70 to 80 years ago, is one of our many modernization projects across the state. The division expects to replace over many years a significant portion of its distribution mains as well as aging meters, risers, regulator stations and town border stations. **Below:** A collection of sensitive instruments, called a "smart pig," is sent through a pipeline to detect cracks, corrosion, dents or deterioration that might cause a failure. We regularly inspect our pipelines as part of our pipeline integrity management programs.

To assist in assessing a pipeline's condition, we use field instrumentation and engineering analysis to identify anomalies, cracks, deterioration or corrosion that might occur. We also conduct hydrostatic testing when needed to ensure that a pipeline can operate in excess of its normal operating pressure and during peak-service periods.

The obvious benefit of our modernization program is safer and more reliable service for our customers and the communities we serve. Fortunately, we have received approvals for very balanced regulatory mechanisms to support the necessary investments to make these improvements.

Furthermore, our customers' bills have remained relatively flat despite our modernization expenditures. The abundance and low cost of natural gas in the United States today is keeping our average residential bills very affordable—a situation that we anticipate will remain for years to come.

Our natural gas customers are seeing virtually no effect on their bills from our investing in pipeline infrastructure. Since fiscal 2007, our average monthly residential bills, adjusted for seasonality, have been below $62. We expect our bills to remain affordable through fiscal 2020 because of the country's abundant supplies of low-cost natural gas. In fiscal 2015, our average monthly residential bill of $52 was the lowest among all household utility bills, based on comparable regional or national data.

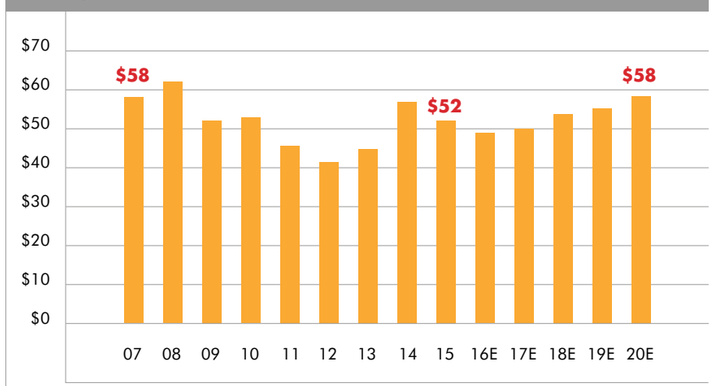
Monthly Utility Bills

Natural Gas	$52
Cable TV	$77
Electricity	$128
Water & Sewer	$137
Mobile Phone	$138

See data sources on page 36.

Atmos Energy Annualized Monthly Residential Bills

Average Customer Bill Remains Affordable



Estimated bills for fiscal 2016 through fiscal 2020 are based on normal weather.

Training Our Employees

On the surface, natural gas distribution and transmission may appear to be simple, but underground it's another story. There, complicated technologies, nearly $7.5 billion of net assets and thousands of pages of federal and state regulations and our own standards all interact. To render safe and reliable service requires that our service technicians and construction and maintenance operators be not only dedicated, but also highly trained.

Since opening in 2010, Atmos Energy's Charles K. Vaughan Center has conducted more than 37,000 hours of training for nearly 3,800 employees, who have taken about 400 classes. The center offers some 15 standard courses and is in use nearly full time.

Our Charles K. Vaughan Center marked its fifth anniversary in 2015 as the gas industry's best-in-class training facility. The center offers fully equipped classrooms and labs along with two highly advanced facilities for hands-on learning. Inside the 48,600-square-foot center is the Flow Lab, containing every type of gas regulation, control and metering device used on our system. Outside on the 11-acre site is Gas City, a simulated neighborhood with apartments, single-residence houses, commercial buildings and city streets. Its flexibility reinforces our employees' training for all types of real-life scenarios.

Gas Games, a friendly competition among Atmos Energy's field employees, reinforces technical skills and the underlying principle that safety is integral to everything we do.

Our employees are well-trained professionals. Field employees spend approximately one-fifth of their time in the classroom and four-fifths practicing skills. Back at work, their learning continues with on-the-job training guided by senior technicians at their locations. In addition, a cadre of Safety Champions lead monthly safety huddles to discuss best practices with their peers.

Continual training and certification for all field employees is mandatory, so that they meet federal Operator Qualification (OQ) standards. A field employee cannot turn a valve, set a meter or locate an underground pipeline without having up-to-date OQ certification.

One of the most valuable lessons we teach is not a technical skill—it's a leadership skill. Called Coaching in the Moment, this important technique prepares our employees to talk courteously, but clearly, with others about working safely.

Our employees are empowered to protect themselves, their fellow workers and the public by communicating openly and honestly at all times. Safety is always our first priority.

Technical Training

FISCAL YEAR	2011	2012	2013	2014	2015
Number of Classes	79	77	53	75	104
Number of Employees	802	708	415	762	1,070
Total Training Hours	24,508	20,150	12,123	21,016	37,209

Table-top safety exercises stress internal development and coordination with our communities. At a drill for our Mississippi Division employees, Scott Powell, Atmos Energy's director of safety, security and compliance, outlines a scenario to test emergency plans and responses and to help ensure our employees are prepared.

We make annual evaluations of our emergency plans and provide e-learning for field employees to inform them about changes in procedures, such as installing excess flow valves on new and replaced customer service lines.

Fiscal 2015 Training Hours

Technical training at Vaughan Center	37,209
Offsite technical training	8,988
Safety training	81,945
Operator Qualification and compliance training	19,816

Protecting Our Employees

Our **service employees** are much better trained today, using improved techniques, technologies and tools. They rely on carefully designed safety procedures when responding to all natural gas service requests. They are especially vigilant when handling any emergency call, whether it's a suspected gas leak or a situation involving a hazardous gas release.

We train our employees to evaluate every situation carefully, to rely on engineering controls, to always protect customers and the public first and to safeguard local first responders from taking undue risks.

Hazard prevention is standard procedure at Atmos Energy and is rooted in our safety policies, personal protective equipment practices, Material Safety Data Sheet procedures, hazardous substance training as well as basic and advanced skills courses.

Shoring is an extension of the personal protective equipment that our employees must use. All excavations below a specific depth must be protected with proper shoring equipment or the ditch must be tiered to proper standards to avoid a cave-in. Advanced training is required for employees who are authorized to supervise these types of excavations.

Trevor Brewer (center), a senior service technician in our Kentucky/Mid-States Division at Columbia, Tennessee, is one of the company's Safety Champions. They share their knowledge about proper operating procedures with fellow employees and encourage their peers to discuss ways to improve safety on the job and at home.

Equally critical is driving safety for our 4,000 vehicles. We provide employees training for backing, Smith System driver's education and first-person videos by our own employees who impart lessons learned to their colleagues. We are installing on all vehicles new flashing lights to signal when the vehicle's brakes are applied; the warning lights have proved highly effective at reducing collisions. We also are using inside our vehicles DriveCam® video technology, which records an employee's performance behind the wheel for training and accident prevention.

Our Enterprise Safety Committee sponsors some 220 operational safety-team leads. They organize safety huddles at company locations and develop Safety Champions who coach their peers. In safety huddles, employees share stories about their own experiences to help our organization improve based on the real-life learning of these employees and their inherent credibility with fellow employees.

Improved technologies, such as this remote methane leak detector, help keep our employees safe while they protect the public. An RMLD can quickly and efficiently detect a natural gas leak up to 100 feet away and is used for leak surveying and responding to emergency calls.

Professional driver's training and backing training are part of our core learning program for all field technicians, who operate some 4,000 vehicles in daily service.

Health and Wellness

33,000 pounds

lost by 3,900 employees and spouses since 2010

Our health and wellness programs have helped 3,900 employees and their spouses work and live at their best by shedding 33,000 pounds since the programs began in 2010. Besides improving fitness and lowering medical insurance costs, our programs encourage employees to avoid injuries.

Damage prevention seminars for professional excavators encourage calling 811 before digging and stress industry best practices for safe excavation. In Austin, Texas, Texas811, the Austin Fire Department and Atmos Energy demonstrated not only how to dig safely, but also steps to take if a natural gas line is hit.

Eliminating Leaks and Third-Party Damages

Pipeline leaks are a **primary safety focus** of all natural gas utilities, with extensive precautions taken to prevent, detect and repair them.

Leaks occur for various reasons, but one of the leading causes is damage to pipelines caused by third parties. This typically is the result of careless excavation, often when an excavator violates state law by failing to have buried utility facilities located and marked. Anyone excavating at depths greater than the state requirement must, by law, call the universal toll-free 811 number. The 811 Center then dispatches professional line locators to find all underground utility lines in the area and to mark them with colored flags and paint to guide safe digging. This service is provided at no cost to the excavator.

Our damage prevention efforts have yielded a steady decline in damages to our pipeline systems. Since 2010, we have reduced damages per 1,000 line locates by 11 percent. That improvement is all the more impressive in light of the economic development activities in our service areas that have caused annual requests for facility-locates to rise by 24 percent since 2010 to more than 1.9 million annual requests.

Eliminating third-party damages requires vigilance and diligence by our damage prevention specialists, who contact repeat offenders to seek their cooperation to observe the law and to protect their workers and the public.

An especially important part of our damage prevention program is sponsoring training and meetings by our state One-Call organizations to reach professional excavators. We are a Gold Sponsor of the national Common Ground Alliance and we are a strong ally with our states' damage prevention councils to promote safety.

Along with fewer damages, the number of active leaks on our system has declined by 31 percent since 2010.

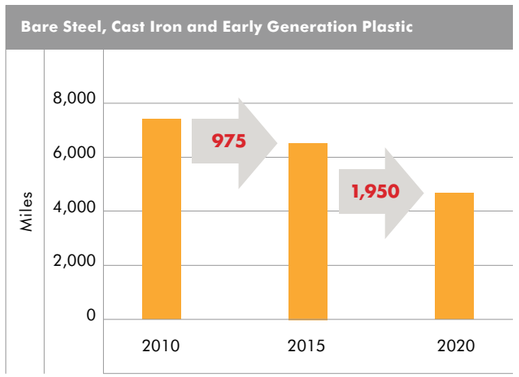
We continue to seek better leak detection technologies as part of our comprehensive safety strategy. Innovative gas-analysis instruments, involving mass spectroscopy, are approximately 1,000 times more sensitive than traditional leak detection equipment and are capable of sensing gas leaks down to one part per billion in ambient air while reducing false positives from naturally occurring methane.

We are conducting tests with this equipment mounted in a vehicle to determine whether the technology can measure and monitor methane levels from gas pipeline leaks, as compared to methane emissions from countless other sources, such as farm animals, vehicles and pollution.

In the center of downtown Dallas, Atmos Energy is testing an advanced leak detection technology that is much more sensitive for identifying methane releases than conventional methods. The instrumentation is installed in a standard SUV, making it highly mobile and allowing sampling to occur at driving speeds. The technician driving the vehicle also is informed in real time of potential leaks that can be investigated promptly. **Right:** Brandon Nelson, a compliance specialist in the Mid-Tex Division, and Tamera Hewitt, a geographic information system specialist in the division, evaluate maps from a survey to help identify areas needing closer attention for potential leaks.

An existing natural gas pipeline (below) is located by Jeff Knight, a crew leader in the Louisiana Division, in preparation to install a new main to serve additional customers in Covington. Line locators use colored flags and temporary spray paint to mark the routes of all underground utility facilities, so that excavators know to dig only by hand within tolerance zones around the buried lines. Line-locating of utility lines is provided to the public free of charge.

Targeted Infrastructure Replacement



Replacing aging pipeline infrastructure and service lines helps reduce potential leaks on our system. Since fiscal 2010, we have replaced nearly 1,000 miles of pipelines. We plan to double our replacements by fiscal 2020.

Increasing **public awareness** about natural gas safety is the best and most effective defense to prevent pipeline incidents.

Since 2006, Atmos Energy has conducted one of the industry's best public awareness programs to reach the 23 million adults in our service areas, 31,000 public and school officials, 13,000 emergency officials and 219,000 professional excavators. Independent opinion research shows that our messages are getting through.

A compelling example is Call 811. Since the national One-Call number went into effect in 2007, pipeline damages on Atmos Energy's system have dropped dramatically, declining from 4.0 damages per 1,000 line locates in 2008 to 2.8 in 2015.

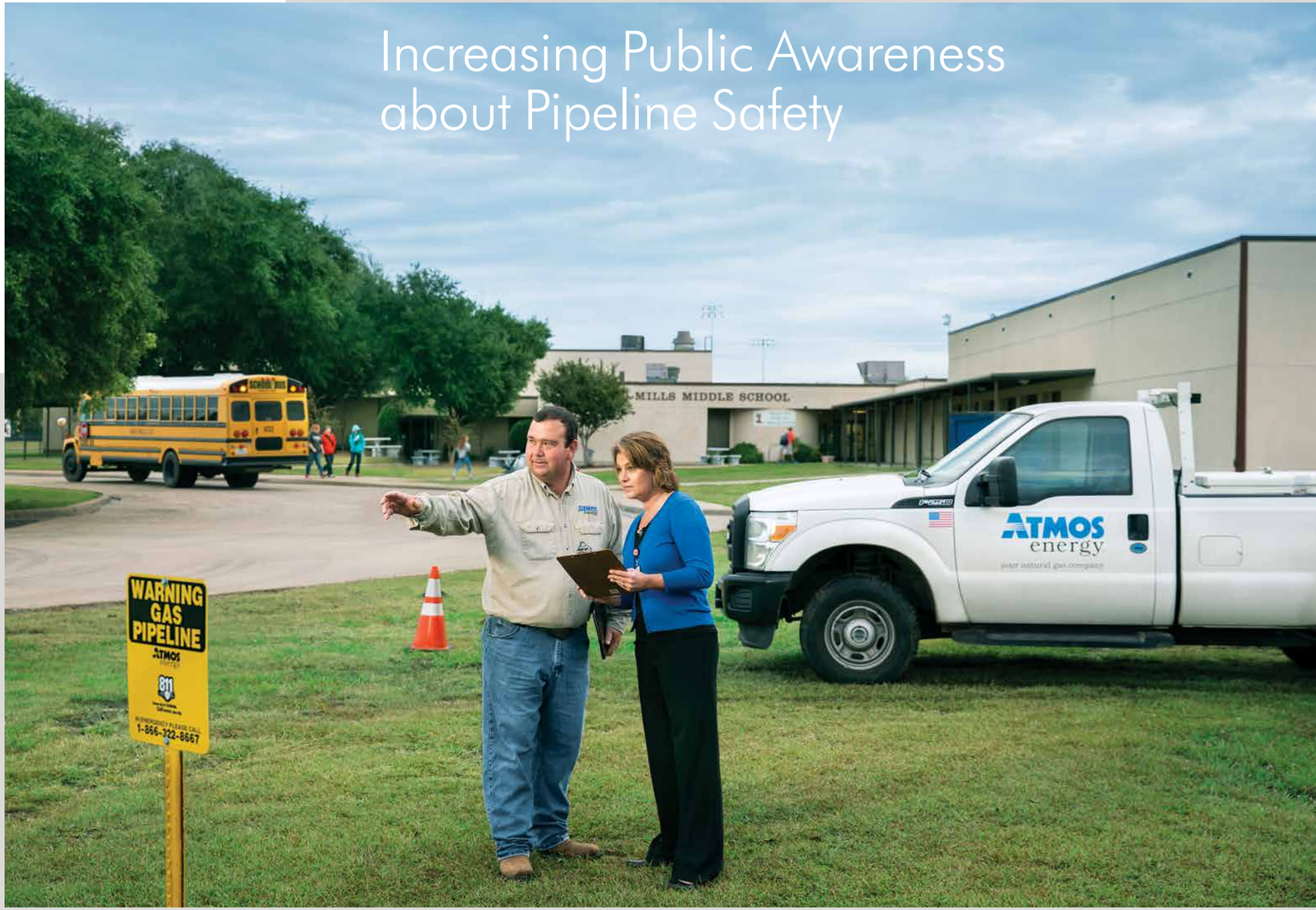
According to the Common Ground Alliance, calling 811 has reduced the risk of damaging a pipeline to less than 1 percent if an excavator calls 811, waits until the buried utility lines are marked and then observes the markings on the ground while digging.

At a day-long, free workshop about the science, engineering and technology of natural gas distribution systems, pipeline inspectors from states in which we operate learn to fuse high-density polyethylene pipe. The training, held at our Charles K. Vaughan Center, gives the officials, many who are new to their job, hands-on experience with typical assets they will find in our operations.

811
Know what's **below.**
Call before you dig.

Calling 811, the national toll-free number to have all underground utility lines located and marked, has dramatically reduced third-party damages to pipelines and utility facilities. We publicize calling 811 through regional and national advertising, customer bill inserts, community safety events, damage prevention programs for professional excavators and support for the national Common Ground Alliance and our states' damage prevention councils.

Increasing Public Awareness about Pipeline Safety



Raising awareness with school officials about pipeline safety, especially at schools near our high-pressure pipeline rights of way, is a major program we began in 2015. At the Caddo Mills Middle School in Caddo Mills, Texas, Terry Katenkamp, a field construction coordinator in our Mid-Tex Division, shows Principal Anne Payne the safest route for buses to take away from our transmission line in case of an evacuation.

We cooperate and coordinate with first responders to safeguard our communities. In Basehor, Kansas, Bruce Main, a crew leader in our Colorado-Kansas Division, conducts Natural Gas 101 training for the Fairmount Township Fire Department. Atmos Energy employees have provided this training for more than 1,700 first responders in 46 communities. Chiefs and training officers from many fire departments have praised our program, but those who lead rural or volunteer fire departments have been especially appreciative because of their limited training resources. In Mississippi, our program has been adopted as part of the state fire marshal training.

To protect our customers and the public, our centralized dispatch center maintains around-the-clock readiness for emergency calls. We regularly audit our emergency-call procedures and closely monitor response times. We constantly strive to improve our performance.

Atmos Energy has been a supporter of stronger safety legislation and regulations. A showcase example of effective regulation is the natural-gas pipe testing requirement for all Texas schools. It has virtually eliminated school gas leaks. Similarly, pipeline damage prevention laws in Virginia and Louisiana have lowered third-party damages and have helped dissuade careless excavators from working in these states. We are presently advocating, along with other members of the American Gas Association, reauthorization by Congress of the federal Pipeline Safety Act.

Cross-bore Safety

Our new cross-bore safety program warns those most at risk, such as Leon Molinario of Leon's Plumbing in Metairie, Louisiana, while the program seeks to eliminate an unforeseen hazard. A cross bore is a natural gas or other utility line that inadvertently was installed through a sewer pipe. If a clog develops, plumbers and drain-cleaning technicians usually use a power augur to remove the blockage. Instead, we encourage them to use a video camera first to see if a cross bore is present. Here, Joseph Dimm, a senior service technician in the Louisiana Division, provides assistance.

Anthony Tetto, a senior consultant for AEGIS, our primary insurance provider, leads a Loss Control Review at our Mississippi Division. Drawing upon utility engineering and risk assessment expertise from throughout North America, AEGIS provides an objective review of our operating procedures and practices to help us identify potential problem areas and improve public and employee safety. In the assessment meetings, key operating, engineering and support personnel review safety policies, practices and programs.

Measuring Our Safety Progress

How do you know whether your company is the safest natural gas distributor in the country?

Atmos Energy consistently rates better than industry averages on all safety measures reported by the American Gas Association and by other industry organizations. We also score below the national averages for employee accidents reported by the federal Occupational Safety and Health Administration.

We focus on measuring three areas of safety. *System safety* includes excavation damages, leaks found, age of open leaks and unprotected bare-steel pipeline mileage. *Employee safety* tracks primarily employee injuries and vehicle collisions. *Public safety* looks at emergency response times.

Although we have multiple safety goals to achieve within each of these three areas, we are more concerned with measuring our overall progress of being incident-free every day, the top goal we strive for in our culture of safety.

3 Types of Safety Measures

- System Safety
- Employee Safety
- Public Safety

To improve our performance, we participate in the AGA's peer-evaluation program of safety practices. Beginning with 10 pilot companies, the program now has 50 participating utilities. Its key topics are: a culture of safety, worker procedures and risk management.

We also participate in quarterly outside audits of company safety processes. Conducted by our primary insurance provider, these Loss Control Reviews are rotated among our operating divisions to examine and assess safety procedures and to share best practices.

We are especially proud that Atmos Energy employees have taken leading roles on safety committees at both the AGA and the Southern Gas Association. And, in key safety measures, Atmos Energy has a robust process for continuous improvement. It encourages enhancements to safety procedures and processes as we adopt new technologies and modernize our pipeline infrastructure.

Accurate and up-to-date records are essential to document all the work we do on our pipelines, whether installing a new facility, repairing it, reconfiguring it or replacing it. We have launched a major information technology project to deliver state-of-the-art recordkeeping for our construction and replacement projects. Above, Daniel Waguespack, Lousiana Division compliance manager, notes changes to be made to an existing installation.

Key Safety Results: 2010–2015

Active leaks down	31%
Enterprise damage rate down	19%
Employee injuries down	35%
Approximate miles of bare steel, cast iron and early-generation plastic pipe replaced	1,000

Our goal at Atmos Energy is to be the safest natural gas provider in the United States. We take pride in all our achievements and improvements. Yet, we remain focused on being incident-free every day. Safety is our core value.

Staying Focused on Safety

- Invest in employees and infrastructure
- Explore innovative technologies to enhance safety
- Conduct rigorous, multi-year planning for continuous improvement

Pipeline Modernization

Our strategy is to grow by investing in our regulated assets to increase their safety and reliability. Through fiscal 2020, we expect to spend between $5.4 billion and $6.4 billion to replace, fortify and expand pipelines and service lines. Work is under way near Canton, Texas, on one of our largest projects. We are adding 62 miles of new pipelines to boost reliability and to meet our customers' growing demand for natural gas.

To Our Shareholders

In fiscal 2015, we made spectacular progress on our quest to become the nation's safest natural gas distributor.

575 miles	148,000 hours	Highly Advanced Technology
We replaced 575 miles of aging natural gas distribution and transmission pipelines to enhance the safety and reliability of our system.	We provided nearly 148,000 hours of technical and safety training to our service and construction technicians to help them render even safer, more reliable and superior customer service.	We began evaluating the latest and most advanced technology designed to detect pipeline leaks, and we launched a multi-year information technology project to manage and document the construction in our pipeline modernization program.

We also did very well financially.

$3.09 EPS	$1.56 | share	25.5 percent	$63.77 | share
Earnings per diluted share grew for the 13th consecutive year in fiscal 2015, and net income increased by 8.7 percent to $315.1 million, as compared to $289.8 million in fiscal 2014.	Our fiscal 2015 cash dividend was $1.56 per share. In November 2015, the board of directors continued our consecutive annual dividend increases for the 32nd year by raising the indicated rate for fiscal 2016 by 7.7 percent to $1.68 per share.	Total shareholder return in fiscal 2015 was 25.5 percent.	The market price of our stock reached an all-time high on November 4, 2015, of $63.77 a share.

The capital investments we are making to replace, fortify and expand our distribution and transmission assets are driving our financial results.

Since fiscal 2010, our capital spending has risen at a compounded annual growth rate of 12.4 percent to reach $975 million in fiscal 2015. More than 75 percent of our investment during the past five years has been dedicated to safety and reliability projects.

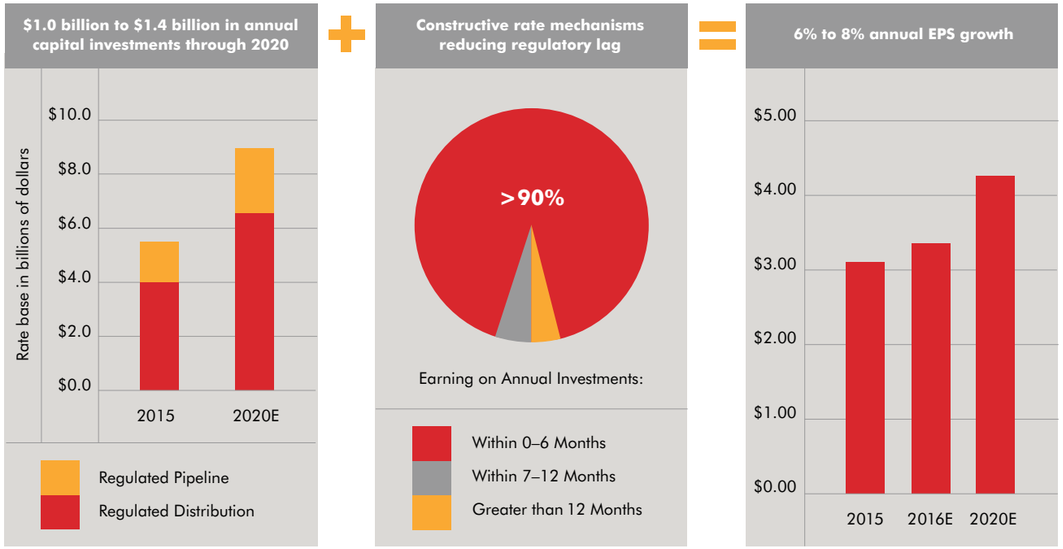
This significant increase in capital investment has occurred because most regulators in our market areas have approved constructive and balanced rate mechanisms. These mechanisms provide for the recovery of more than 90 percent of our capital within six months of the test year.

Kim R. Cocklin
Chief Executive Officer

The balanced regulatory environments in our markets today are the result of relationships built on trust with our regulators, legislators, community leaders and customers. These relations were fostered by our former CEO and current chairman, Robert W. Best. Bob built upon the foundation laid by our founder, Charles K. Vaughan, that a successful utility is one that is trusted and is focused on providing safe, reliable and competitively priced service.

Earnings Growth Through Infrastructure Investments and Rate Mechanisms

Constructive regulatory mechanisms support efficient conversion of our rate-base growth opportunities into our financial results.



Large Investments, Yet Low Customer Bills
Regulatory authorities in the states we serve recognize the critical need to accelerate capital outlays to continue to make our safe system even safer. With the resulting rate mechanisms in place today, we plan to continue investing in our pipeline infrastructure program far into the future.

Equally important, even with these large expenditures for improvements, the average monthly bill for our service remains very affordable.

Our average residential bill, adjusted for seasonality, has averaged less than $60 a month since 2007, and we expect our residential bills will remain in that range for at least several more years.

After taking inflation into account, we expect our bills will actually *go down*. This positive benefit is occurring because natural gas continues to be abundant, affordable, domestically available and clean. Reputable forecasts show prices supporting this outcome for at least the next decade.

The net effect is that we are significantly upgrading our infrastructure—with all the incumbent benefits of public safety and reliability of gas deliveries even on the coldest days—without our customers paying more for these service improvements.

Atmos Energy's annualized monthly gas bills, in fact, may be one of the lowest costs in the household budget of our average residential customer, as shown on page 4.

Financial Results
Contributions to fiscal 2015 net income were $205 million from regulated distribution operations, $94 million from regulated pipeline operations and $16 million from nonregulated operations.

Our financial performance continues to reflect the successful implementation of our long-term strategy of enhancing the safety and reliability of our infrastructure.

Fiscal 2015 benefited from rate outcomes approved in fiscal 2014 and 2015; they increased our regulated gross profit by $118 million.

Additionally, weather, which was 8 percent colder than normal in fiscal 2015, contributed 5 cents per diluted share of earnings for the year.

Recent rate-design changes in Tennessee, Mississippi and Colorado are expected to support increased capital investments in those states in the future.

At September 30, 2015, our balance sheet had a debt-to-capitalization ratio of 47.7 percent, compared to 46.2 percent at year-end in fiscal 2014. The company also had nearly $900 million in net liquidity to meet anticipated financial needs.

In late September 2015, we replaced an existing $1.25 billion revolving credit agreement, which was set to expire in August 2019, with a new $1.25 billion revolving credit agreement through September 2020 on substantially the same terms. The new credit agreement retains an "accordion" feature, which allows us the opportunity to increase the facility to $1.5 billion.

Our strong financial position contributed to the recent upgrade of our corporate credit rating to A by Fitch Ratings and to an improvement in our outlook to Positive by Standard & Poor's.

Outlook
We will continue to execute our strategy of growth by investing in our existing assets.

Our announced guidance for earnings per diluted share in fiscal 2016 ranges between $3.20 and $3.40, excluding unrealized margins. Contributions to net income from regulated operations are forecast to be between $315 million and $355 million, and net income from nonregulated operations is expected to be in the range of $14 million to $19 million.

We operate approximately 76,000 miles of distribution and transmission pipelines and more than 3.1 million service lines connected to customers' premises.

Our primary focus is to replace as soon as possible all the remaining cast iron pipe in our system and to evaluate for replacement all existing bare steel pipelines. In addition, our modernization program will continue to emphasize the replacement or fortification of older coated steel pipelines and early-vintage plastic pipe.

We have replaced nearly 1,000 miles of cast iron, bare steel and early-generation plastic pipe since 2010, and we expect to double our replacement mileage during the next five years.

We project our capital expenditures in fiscal 2016 to be between $1.0 billion and $1.1 billion and our annual capital expenditures from fiscal 2017 through fiscal 2020 to range between $1.1 billion and $1.4 billion.

Our total regulated rate base value is expected to grow at a compounded annual growth rate between 9 percent and 10 percent, from approximately $5.5 billion at year-end of fiscal 2015 to between $8.5 billion and $9.0 billion by fiscal 2020.

Accordingly, we project that earnings per diluted share will increase between 6 percent and 8 percent a year. This growth rate, combined with an attractive dividend, should yield an overall shareholder return between 9 percent and 11 percent each year through fiscal 2020.

Management Changes
As part of our senior-management succession planning, the board of directors announced promotions for two key officers, effective October 1, 2015.

Michael E. Haefner, 55, was promoted from executive vice president to president and chief operating officer of Atmos Energy Corporation. In this role, he has oversight for Atmos Energy's regulated distribution divisions, customer service operations, regulated intrastate pipeline division, nonregulated operations and the gas supply and services group. Mike also was elected to the board of directors, effective November 4, 2015.

One of the most important responsibilities of the board is to establish for the CEO position a succession plan that is seamless and transparent to continue the success of the company. It is equally important that the plan is controlled by the board—that it is not required due to poor operational performance, failing health or financial distress. This plan reflects the board's deliberate and careful consideration and their confidence that succession will be successful.

Mike had been executive vice president from January 2015 through September 2015 and had previously served as senior vice president of human resources.

Before joining Atmos Energy in 2008, he had worked for 10 years as senior vice president, human resources, at Sabre Holdings Corporation, the parent company of Sabre Airline Solutions, Sabre Travel Network and Travelocity. He also held leadership positions within Sabre from 1991 to 1997 while it was a division of AMR Corporation, the parent of American Airlines. Earlier, he had worked as an outside management consultant for Xerox Corporation and in computing research at Eastman Kodak Company.

Mike earned a bachelor's degree in mathematics from St. John Fisher College and a master's degree in computer science from State University of New York at Buffalo.

Mike has the vision, experience and leadership skills, as well as the understanding of our culture and values, to ensure our continued financial and operational success.

The board of directors also named Marvin L. Sweetin, 52, to the newly created position of senior vice president, safety and enterprise services. Marvin had been senior vice president, utility operations, since 2011.

He also had served as vice president of customer service, director of technical training and director of procurement.

Before joining Atmos Energy in 2000, Marvin worked at Atlantic Richfield for 13 years in various roles, supporting petroleum exploration and production activities around the world.

He earned a bachelor's degree in petroleum engineering technology from Oklahoma State University and a master's degree in business administration from the University of Dallas.

Investing these two officers with increased responsibilities for the company's success helps ensure our progress toward becoming the safest natural gas provider. Both leaders have demonstrated managerial excellence and made valuable contributions to our company.

They are supported by our 4,800 employees, who are committed to serving our customers exceptionally well while ensuring safety for themselves, their fellow employees and the people in the 1,408 communities we serve. On our journey to becoming the safest natural gas company, we have the right employees in the right place, getting the right results the right way.

Kim R. Cocklin
Chief Executive Officer
November 6, 2015

An Attractive Investment

Atmos Energy's High-Growth Natural Gas Delivery Investment Proposition

One of the largest all-natural-gas distributors in the U.S.

- Competitve total shareholder return of **9% to 11%**
- **6% to 8%** forecasted EPS growth through fiscal 2020; attractive dividend yield
- About **95%** of earnings are regulated and rate base driven

Diversified asset base with constructive rate regulation

- Regulated distribution assets in **8 states** serving more than **3 million customers**
- **Favorably positioned** regulated pipeline spans Texas shale-gas supply basins
- Constructive rate mechanisms **reduce or eliminate** regulatory lag

Strong rate base growth and minimal regulatory lag

- Strong forecasted regulated **rate-base growth** through fiscal 2020
- Annual regulated capital expenditures between **$1.0 billion and $1.4 billion** through fiscal 2020; more than **80%** to be spent on safety and reliability
- Earning on more than **90%** of annual capital within 6 months; **96%** within 12 months

Solid financial foundation with consistent performance

- **13 consecutive years** of EPS growth; **32 consecutive years** of dividend growth
- **7.7% increase** in indicated dividend for fiscal 2016
- **High investment-grade** credit ratings (A-, A2, A) with ample liquidity

Financial Highlights

Year Ended September 30 — Dollars in thousands, except per share data	2015	2014	Change
Operating revenues	$ 4,142,136	$ 4,940,916	(16.2)%
Gross profit	$ 1,680,017	$ 1,582,426	6.2%
Regulated distribution net income	$ 204,813	$ 171,585	19.4%
Regulated pipeline net income	94,662	86,191	9.8%
Nonregulated net income	15,600	32,041	(51.3)%
Total	$ 315,075	$ 289,817	8.7%
Total assets	$ 9,092,945	$ 8,594,704	5.8%
Total capitalization*	$ 5,650,185	$ 5,542,218	1.9%
Net income per share — diluted	$ 3.09	$ 2.96	4.4%
Cash dividends per share	$ 1.56	$ 1.48	5.4%
Book value per share at end of year	$ 31.48	$ 30.74	2.4%
Consolidated regulated distribution throughput (MMcf)	429,322	451,803	(5.0)%
Consolidated regulated pipeline transportation volumes (MMcf)	528,068	493,360	7.0%
Consolidated nonregulated delivered gas sales volumes (MMcf)	351,427	377,441	6.9%
Meters in service at end of year	3,151,312	3,115,069	1.2%
Return on average shareholders' equity	10.0%	9.9%	1.0%
Shareholders' equity as a percentage of total capitalization (including short-term debt) at end of year	52.3%	53.8%	(2.8)%
Shareholders of record	14,940	15,807	(5.5)%
Weighted average shares outstanding — diluted (000s)	101,892	97,608	4.4%

*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 our 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 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, 2015, 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 website at www.atmosenergy.com. Additional investor information is presented on pages 35 and 36 of this report.

Atmos Energy at a Glance

Year Ended September 30	2015	2014
Meters in service		
Residential	2,878,740	2,846,664
Commercial	262,655	258,404
Industrial	1,508	1,530
Public authority and other	8,409	8,471
Total meters	3,151,312	3,115,069
Heating degree days*		
Actual (weighted average)	2,608	2,685
Percent of normal	98%	102%
Regulated distribution sales volumes (MMcf)		
Residential	170,522	187,431
Commercial	100,323	105,074
Industrial	14,452	15,746
Public authority and other	8,053	9,069
Total	293,350	317,320
Regulated distribution transportation volumes (MMcf)	148,998	147,776
Total regulated distribution throughput (MMcf)	442,348	465,096
Intersegment activity (MMcf)	(13,026)	(13,293)
Consolidated regulated distribution throughput (MMcf)	429,322	451,803
Consolidated regulated pipeline transportation volumes (MMcf)	528,068	493,360
Consolidated nonregulated delivered gas sales volumes (MMcf)	351,427	377,441
Operating revenues (000s)		
Regulated distribution sales revenues		
Residential	$ 1,761,689	$ 1,933,099
Commercial	772,187	876,042
Industrial	74,981	90,536
Public authority and other	53,401	64,779
Total regulated distribution sales revenues	2,662,258	2,964,456
Transportation revenues	67,475	64,049
Other gas revenues	27,852	27,707
Total regulated distribution revenues	2,757,585	3,056,212
Regulated pipeline revenues	97,662	92,166
Nonregulated revenues	1,286,889	1,792,538
Total operating revenues (000s)	$ 4,142,136	$ 4,940,916
Other statistics		
Gross plant (000s)	$ 9,240,100	$ 8,447,700
Net plant (000s)	$ 7,430,580	$ 6,725,906
Miles of pipe	75,806	73,248
Employees	4,753	4,761

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

Condensed Consolidated Balance Sheets

Year Ended September 30 — Dollars in thousands, except share data	2015	2014
Assets		
Property, plant and equipment	$ 8,959,702	$ 8,200,121
Construction in progress	280,398	247,579
	9,240,100	8,447,700
Less accumulated depreciation and amortization	1,809,520	1,721,794
Net property, plant and equipment	7,430,580	6,725,906
Current assets		
Cash and cash equivalents	28,653	42,258
Accounts receivable, less allowance for doubtful accounts of $15,283 in 2015 and $23,992 in 2014	295,160	343,400
Gas stored underground	236,603	278,917
Other current assets	70,569	111,265
Total current assets	630,985	775,840
Goodwill	742,702	742,029
Deferred charges and other assets	288,678	350,929
	$ 9,092,945	$ 8,594,704
Capitalization and Liabilities		
Shareholders' equity		
Common stock, no par value (stated at $0.005 per share); 200,000,000 shares authorized; issued and outstanding: 2015 – 101,478,818 shares, 2014 – 100,388,092 shares	$ 507	$ 502
Additional paid-in capital	2,230,591	2,180,151
Accumulated other comprehensive loss	(109,330)	(12,393)
Retained earnings	1,073,029	917,972
Shareholders' equity	3,194,797	3,086,232
Long-term debt	2,455,388	2,455,986
Total capitalization	5,650,185	5,542,218
Current liabilities		
Accounts payable and accrued liabilities	238,942	308,086
Other current liabilities	457,954	405,869
Short-term debt	457,927	196,695
Total current liabilities	1,154,823	910,650
Deferred income taxes	1,411,315	1,286,616
Regulatory cost of removal obligation	427,553	445,387
Pension and postretirement liabilities	287,373	340,963
Deferred credits and other liabilities	161,696	68,870
	$ 9,092,945	$ 8,594,704

Condensed Consolidated Statements of Income

Year Ended September 30 — Dollars in thousands, except per share data	2015	2014	2013
Operating revenues			
Regulated distribution segment	$ 2,763,835	$ 3,061,546	$ 2,399,493
Regulated pipeline segment	370,112	318,459	268,900
Nonregulated segment	1,472,209	2,067,292	1,587,914
Intersegment eliminations	(464,020)	(506,381)	(380,847)
	4,142,136	4,940,916	3,875,460
Purchased gas cost			
Regulated distribution segment	1,526,258	1,885,031	1,318,257
Regulated pipeline segment	—	—	—
Nonregulated segment	1,399,349	1,979,337	1,524,583
Intersegment eliminations	(463,488)	(505,878)	(379,430)
	2,462,119	3,358,490	2,463,410
Gross profit	1,680,017	1,582,426	1,412,050
Operating expenses			
Operation and maintenance	541,868	505,154	488,020
Depreciation and amortization	274,796	253,987	235,079
Taxes, other than income	231,958	211,936	187,072
Total operating expenses	1,048,622	971,077	910,171
Operating income	631,395	611,349	501,879
Miscellaneous expense, net	(4,389)	(5,235)	(197)
Interest charges	116,241	129,295	128,385
Income from continuing operations before income taxes	510,765	476,819	373,297
Income tax expense	195,690	187,002	142,599
Income from continuing operations	315,075	289,817	230,698
Income from discontinued operations, net of tax ($0, $0 and $3,986)	—	—	7,202
Gain on sale of discontinued operations, net of tax ($0, $0 and $2,909)	—	—	5,294
Net income	$ 315,075	$ 289,817	$ 243,194
Basic earnings per share			
Income per share from continuing operations	$ 3.09	$ 2.96	$ 2.54
Income per share from discontinued operations	—	—	0.14
Net income per share — basic	$ 3.09	$ 2.96	$ 2.68
Diluted earnings per share			
Income per share from continuing operations	$ 3.09	$ 2.96	$ 2.50
Income per share from discontinued operations	—	—	0.14
Net income per share — diluted	$ 3.09	$ 2.96	$ 2.64
Weighted average shares outstanding:			
Basic	101,892	97,606	90,533
Diluted	101,892	97,608	91,711

Condensed Consolidated Statements of Cash Flows

Year Ended September 30 — Dollars in thousands	2015	2014	2013
Cash Flows from Operating Activities			
Net income	$ 315,075	$ 289,817	$ 243,194
Adjustments to reconcile net income to net cash provided by operating activities:			
Gain on sale of discontinued operations	—	—	(8,203)
Depreciation and amortization:			
Charged to depreciation and amortization	274,796	253,987	236,928
Charged to other accounts	1,209	969	679
Deferred income taxes	192,886	189,952	141,336
Stock-based compensation	27,491	25,531	17,814
Debt financing costs	5,922	9,409	8,480
Other	(850)	(428)	(2,887)
Changes in assets and liabilities	19,990	(29,251)	(24,214)
Net cash provided by operating activities	836,519	739,986	613,127
Cash Flows Used in Investing Activities			
Capital expenditures	(975,132)	(835,251)	(845,033)
Proceeds from the sale of discontinued operations	—	—	153,023
Other, net	377	(2,325)	(4,904)
Net cash used in investing activities	(974,755)	(837,576)	(696,914)
Cash Flows from Financing Activities			
Net increase (decrease) in short-term debt	254,780	(165,865)	(208,070)
Net proceeds from issuance of long-term debt	493,538	—	493,793
Net proceeds from equity offering	—	390,205	—
Settlement of Treasury lock agreements	13,364	—	(66,626)
Repayment of long-term debt	(500,000)	—	(131)
Cash dividends paid	(160,018)	(146,248)	(128,115)
Repurchase of equity awards	(7,985)	(8,717)	(5,150)
Issuance of common stock	30,952	4,274	46
Net cash provided by financing activities	124,631	73,649	85,747
Net increase (decrease) in cash and cash equivalents	(13,605)	(23,941)	1,960
Cash and cash equivalents at beginning of year	42,258	66,199	64,239
Cash and cash equivalents at end of year	$ 28,653	$ 42,258	$ 66,199

Report of Independent Registered Public Accounting Firm on Condensed Financial Statements

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, 2015 and 2014, and the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the three years in the period ended September 30, 2015 (not presented separately herein); and in our report dated November 6, 2015, we expressed an unqualified opinion on those consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated financial statements as of September 30, 2015 and 2014 and for each of the three years in the period ended September 30, 2015 (presented on pages 27 through 29) 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, 2015, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated November 6, 2015 (not presented separately herein) expressed an unqualified opinion thereon.

Ernst & Young LLP

Dallas, Texas
November 6, 2015

Condensed Financial and Statistical Summary 2011–2015

Year Ended September 30	2015	2014	2013	2012	2011
Balance Sheet Data at September 30 (000s)					
Capital expenditures	$ 975,132	$ 835,251	$ 845,033	$ 732,858	$ 622,965
Net property, plant and equipment	7,430,580	6,725,906	6,030,655	5,475,604	5,147,918
Working capital	(523,838)	(134,810)	(301,353)	(447,992)	143,355
Total assets	9,092,945	8,594,704	7,934,268	7,495,675	7,282,871
Shareholders' equity	3,194,797	3,086,232	2,580,409	2,359,243	2,255,421
Long-term debt, excluding current maturities	2,455,388	2,455,986	2,455,671	1,956,305	2,206,117
Total capitalization	5,650,185	5,542,218	5,036,080	4,315,548	4,461,538
Income Statement Data					
Operating revenues (000s)	$ 4,142,136	$ 4,940,916	$ 3,875,460	$ 3,436,162	$ 4,286,435
Gross profit (000s)	1,680,017	1,582,426	1,412,050	1,323,739	1,300,820
Income from continuing operations (000s)	315,075	289,817	230,698	192,196	189,588
Income from discontinued operations, net of tax (000s)	—	—	12,496	24,521	18,013
Net income (000s)	315,075	289,817	243,194	216,717	207,601
Income per share from continuing operations—diluted	3.09	2.96	2.50	2.10	2.07
Income per share from discontinued operations—diluted	—	—	0.14	0.27	0.20
Net income per diluted share	3.09	2.96	2.64	2.37	2.27
Common Stock Data					
Shares outstanding (000s)					
End of year	101,479	100,388	90,640	90,240	90,296
Weighted average—diluted	101,892	97,608	91,711	91,172	90,652
Cash dividends per share	$ 1.56	$ 1.48	$ 1.40	$ 1.38	$ 1.36
Shareholders of record	14,940	15,807	16,662	17,775	18,680
Market price—High	$ 58.81	$ 53.40	$ 45.19	$ 36.94	$ 34.98
Low	$ 47.35	$ 41.08	$ 33.20	$ 30.60	$ 28.87
End of year	$ 58.18	$ 47.70	$ 42.59	$ 35.79	$ 32.45
Book value per share at end of year	$ 31.48	$ 30.74	$ 28.47	$ 26.14	$ 24.98
Price/Earnings ratio at end of year	18.83	16.11	16.13	15.10	14.30
Market/Book ratio at end of year	1.85	1.55	1.50	1.37	1.30
Annualized dividend yield at end of year	2.7%	3.1%	3.3%	3.9%	4.2%
Customers and Volumes (as metered)					
Consolidated regulated distribution sales volumes (MMcf)	293,350	317,320	272,773	255,725	289,927
Consolidated regulated distribution transportation volumes (MMcf)	135,972	134,483	124,264	135,258	134,093
Consolidated regulated distribution throughput (MMcf)	429,322	451,803	397,037	390,983	424,020
Consolidated regulated pipeline transportation volumes (MMcf)	528,068	493,360	467,178	466,527	435,012
Consolidated nonregulated delivered gas sales volumes (MMcf)	351,427	377,441	343,669	351,628	384,799
Meters in service at end of year	3,151,312	3,115,069	3,011,980	3,116,589	3,213,191
Regulated distribution average cost of gas per Mcf sold	$ 5.20	$ 5.94	$ 4.91	$ 4.64	$ 5.30
Regulated distribution average transportation fee per Mcf	$ 0.49	$ 0.47	$ 0.45	$ 0.43	$ 0.46
Statistics					
Return on average shareholders' equity	10.0%	9.9%	9.7%	9.3%	9.1%
Number of employees	4,753	4,761	4,720	4,759	4,949
Net regulated distribution plant per meter	$ 1,799	$ 1,670	$ 1,567	$ 1,468	$ 1,362
Regulated distribution operation and maintenance expense per meter	$ 123	$ 124	$ 126	$ 118	$ 111
Meters per employee—regulated distribution	688	679	662	680	676
Times interest earned before income taxes	4.19	4.63	4.01	3.27	3.13

Atmos Energy Officers

Senior Management Team

Kim R. Cocklin
Chief Executive Officer

Michael E. Haefner
President and
Chief Operating Officer

Bret J. Eckert
Senior Vice President and
Chief Financial Officer

Louis P. Gregory
Senior Vice President,
General Counsel and
Corporate Secretary

Marvin L. Sweetin
Senior Vice President,
Safety and
Enterprise Services

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,
Colorado-Kansas Division

Tom S. Hawkins Jr.
President,
Louisiana Division

John A. Paris
President,
Mid-Tex Division

David J. Park
President,
West Texas Division

Atmos Energy Officers

Nonregulated Operations

Mark S. Bergeron
President,
Atmos Energy Holdings, Inc.

Shared Services

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

Clay C. Cash
Vice President,
Customer Service

Christopher T. Forsythe
Vice President and Controller

Susan K. Giles
Vice President,
Investor Relations

Richard J. Gius
Vice President and
Chief Information Officer

Shared Services (continued)

Conrad E. Gruber
Vice President,
Strategic Planning

Kenneth M. Malter
Vice President,
Gas Supply and Services

Kelli L. Martin
Vice President,
Workforce Development

John S. McDill
Vice President,
Pipeline Safety

Edward Pace McDonald IV
Vice President, Tax

Daniel M. Meziere
Vice President and Treasurer

John M. Robbins
Vice President, Human Resources

Board of Directors

Robert W. Best
Chairman of the Board,
Atmos Energy Corporation
Dallas, Texas
Board member since 1997
Committee: Executive
(Chair)

Kim R. Cocklin
Chief Executive Officer,
Atmos Energy Corporation
Dallas, Texas
Board member since 2009

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

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

Richard K. Gordon
General Partner of Juniper
Energy LP and Co-founder
of Juniper Capital II
Houston, Texas
Board member since 2001
Committees: Human
Resources (Chair),
Executive, Nominating and
Corporate Governance

Robert C. Grable
Partner, Kelly Hart &
Hallman LLP
Fort Worth, Texas
Board member since 2009
Committees: Audit,
Human Resources,
Work Session/Annual Meeting

Michael E. Haefner
President and Chief
Operating Officer,
Atmos Energy Corporation
Dallas, Texas
Board member since 2015

Dr. Thomas C. Meredith
President, Effective
Leadership LLC
Oxford, Mississippi
Board member since 1995
Committees: Work Session/
Annual Meeting (Chair),
Executive, Human Resources,
Nominating and Corporate
Governance

Nancy K. Quinn
Independent Energy
Consultant
Key Biscayne, Florida
Board member since 2004
Lead Director since 2013
Committees: Audit (Chair),
Executive, Nominating and
Corporate Governance

Richard A. Sampson
General Partner and Founder,
RS Core Capital, LLC
Denver, Colorado
Board member since 2012
Committees: Audit,
Human Resources

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

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

Charles K. Vaughan
Honorary Director,
Retired Chairman
of the Board and
Retired Lead Director,
Atmos Energy Corporation
Dallas, Texas
Board member from
1983 to 2012

Corporate Information

Common Stock Listing
New York Stock Exchange. Trading symbol: ATO

Stock Transfer Agent and Registrar
American Stock Transfer & Trust Company, LLC
Operations Center
6201 15th Avenue
Brooklyn, New York 11219
800-543-3038

To inquire about your Atmos Energy common 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 8 p.m. Eastern time, Monday through Friday.

You also may send an email message on our transfer agent's website at www.amstock.com. Please refer to Atmos Energy in your email message and include your Atmos Energy shareholder account number.

Independent Registered Public Accounting Firm
Ernst & Young LLP
One Victory Park
Suite 2000
2323 Victory Avenue
Dallas, Texas 75219
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 website at www.atmosenergy.com.

Annual Meeting of Shareholders
The 2016 Annual Meeting of Shareholders will be held at the Charles K. Vaughan Center, 3697 Mapleshade Lane, Plano, Texas 75075 on Wednesday, February 3, 2016, at 9:00 a.m. Central time.

Direct Stock Purchase Plan
Atmos Energy 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 at 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 www.atmosenergy.com. Our website 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 email message to InvestorRelations@atmosenergy.com.

Securities analysts and investment managers, please contact:
Susan K. Giles
Vice President, Investor Relations
972-855-3729 (voice) 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, 2015. 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 2015 and previous years at www.atmosenergy.com.

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

To receive these documents by electronic delivery next year, please visit www.atmosenergy.com or www.proxyvote.com to give your consent. Please remember that accessing our *Summary Annual Report* and other company documents over the Internet may result in charges to you from your Internet service provider or telephone company.

Opposite: The High Five Interchange, the first-ever confluence of five stacked highways, is a Dallas landmark. Its height exceeds a 12-story building and its roadways include 37 permanent bridges and other unusual design and construction features. One other feature is a natural gas transmission pipeline beneath the site. To assure greater safety and reliability, our Mid-Tex Division is replacing a segment of the 20-inch pipeline that crosses a creek and runs through a highly developed urban area.

Data sources for the chart Monthly Utility Bills on page 4

- Natural Gas $52: Atmos Energy enterprise average monthly residential billing for fiscal 2015, adjusted for seasonality
- Cable $77: Federal Communications Commission 2013 research at www.fcc.gov; Table 1, overall average, "Next Most Popular Service" category
- Electricity $128: U.S. Energy Information Administration report; Average Annual Energy Bills by Census Division, 2009–2040 Table of Energy Expenditure, Residential, Electricity. Average of monthly electric bills for 2014 of the following regions: West North Central, East South Central, West South Central, Mountain
- Water & Sewer $137: www.circleofblue.org; average of the 30 major U.S. cities, excluding the highest and lowest values
- Mobile Phone $138: www.usnews.com; average of four service providers referred to in first paragraph of article

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Atmos Energy Corporation
P.O. Box 650205
Dallas, Texas 75265-0205
atmosenergy.com