

ATMOS ENERGY CORPORATION
CASE NO. GM -2004-0607

Pro Forma Capitalization as of March 31, 2004
for Atmos Energy Corporation
(in thousands)

Capital Component	Atmos Percentage of Capital	Atmos as of 3/31/04 Capital Dollars	Pro Forma Adjustments	Consolidated Capital Dollars	Consolidated Percentage of Capital
Common Equity	51.98%	\$932,849	\$559,248	\$1,492,097	40.03%
Preferred Stock	0.00%	0	0	\$0	0.00%
Long-Term Debt	48.02%	861,880 *	1,373,177	\$2,235,057	59.97%
Short-Term Debt	0.00%	0	0	\$0	0.00%
Total	100.00%	\$1,794,729	\$1,932,425	\$3,727,154	100.00%

Source: Atmos Energy Corporation's response to Staff Data Request No. 0036.

*Includes Current Maturities of Long-Term Debt of \$6,077.

**Selected Pro Forma Financial Ratios
for Atmos Energy Corporation**

<u>RATIO ANALYSIS</u>	Stand Alone Ratios as of 3-31-04	Pro-Forma Ratios	S&P Guidelines "AA" Rating (1)	S&P Guidelines "A" Rating (1)	S&P Guidelines "BBB" Rating (1)
Funds From Operations Interest Coverage:	3.12 x	3.82 x	4.20-5.00 x	3.50-4.20 x	2.50-3.50 x
Funds from Operations to Total Debt:	23.64%	11.72%	28-35 %	20-28 %	12-20 %
Total Debt to Total Capital:	48.02%	59.97%	38-45 %	45-52 %	52-62 %

⁽¹⁾ Source: "New Business Profile Scores Assigned for U.S. Utility and Power Companies; Financial Guidelines Revised." Standard & Poor's, June 2, 2004. Guidelines based on a business position of 4, which is Atmos' current business position.

<u>Rating Agency</u>	<u>Rating</u>	<u>Outlook</u>
Moody's	A3	Developing Outlook
S&P	A-	Watch Negative

Notes and Calculations:

Atmos Energy Corporation**Funds from Operations to Total Debt Ratio - Data Request 80****As of March 31, 2004****(Amounts in thousands)**

	Actual	Adjustment		Pro Forma
Cash flow from operating activities	203,783	58,167 (a)		261,950
Total Debt	861,880	1,373,177 (b)		2,235,057
Funds from operations to total capital ratio	23.64%	4.24%		11.72%

(a) - Adjustment reflects the net income effect of the pro forma adjustments presented on the condensed pro forma income statement.

(b) - Adjustment reflects the future issuance of debt to fund the acquisition of substantially all of the operations of TXU Gas.

Atmos Energy Corporation**Funds from Operations Interest Coverage Ratio - Data Request 80****As of March 31, 2004****(Amounts in thousands)**

	Actual	Adjustment		Pro Forma
Cash flow from operating activities	203,783	58,167 (a)		261,950
Interest on long-term debt	60,970	68,659 (a)		129,629
Other interest	4,426	-		4,426
Total interest charges	65,396	68,659		68,659
Funds from operations to total interest ratio	3.12	0.85		3.82

(a) - Adjustment reflects the net income effect of the pro forma adjustments presented on the condensed pro forma income statement.

(b) - Adjustment reflects the pro forma interest expense to be incurred upon the issuance of debt to partially fund the acquisition of substantially all of the operations of TXU Gas.

Atmos Energy Corporation
Response to Missouri Public Service Commission
Data Request Number 81

Net income \$ 85,208
Adjustments to reconcile net income to net cash provided by operating activities

Depreciation and amortization	89,493
Deferred income taxes	51,560
Equity in unconsolidated non-regulated	(26,514)
Other	(5,885)
Changes in assets and liabilities	
(Increase) decrease in intercompany	28,511
(Increase) decrease in accounts receivable	37,109
(Increase) decrease in inventories	6,619
(Increase) decrease in gas stored underground	(21,294)
(Increase) decrease in deferred gas	(27,190)
(Increase) decrease in other current	5,284
(Increase) decrease in deferred charges	(16,781)
(Increase) decrease in accounts payable	(32,306)
(Increase) decrease in other current	40,921
(Increase) decrease in deferred credits	(10,952)

Net cash provided by operating activities 203,783