

COMMONWEALTH OF KENTUCKY
CASE NO: 2024-00313

REPORT OF ACTION
Prepared August 13, 2025

Reference is made to the order entered into on November 26, 2024, which requires the Company to make a report to the Commission within ten days after filing its 10Q or 10K filing with the SEC regarding the issuance of common stock and/or debt securities under the \$8,000,000,000 universal shelf registration.

Atmos Energy Corporation hereby reports:

Atmos Energy Corporation At-The-Market (ATM) Equity Distribution Agreement

On December 3, 2024, Atmos Energy Corporation (“Atmos Energy”) entered into an equity distribution agreement (the “Equity Distribution Agreement”) with the Managers (the “Managers”) and Forward Purchasers (the “Forward Purchasers”) named in Schedule A thereto and with respect to the offering and sale from time to time through the Managers, as Atmos Energy’s sales agents, of shares of Atmos Energy’s common stock, no par value, having an aggregate offering price of up to \$1,700,000,000 (including shares of common stock that may be sold pursuant to the forward sale agreements described below, the “Shares”) through December 3, 2027. The entry into the Equity Distribution Agreement follows the completion of sales under its prior \$1,000,000,000 at-the-market program and equity distribution agreement, dated May 8, 2024. Sales of the Shares, if any, will be made by means of ordinary brokers’ transactions through the facilities of the New York Stock Exchange at market prices, in block transactions or as otherwise agreed between Atmos Energy and the Managers. Under the terms of the Agreement, Atmos Energy may also sell Shares from time to time to a Manager as principal for its own account at a price to be agreed upon at the time of sale. The Agreement provides that each Manager, when it is acting as Atmos Energy’s sales agent, will be entitled to a commission of 1.00% of the gross offering proceeds of the Shares sold through such Manager. Atmos Energy has no obligation to offer or sell any Shares under the Agreement, and may at any time suspend offers and sales under the Agreement.

The Equity Distribution Agreement provides that, in addition to the issuance and sale of shares by Atmos Energy to or through the Managers, Atmos Energy may enter into forward sale agreements under the master forward sale confirmations (the “Master Forward Sale Confirmations”) dated December 3, 2024, between Atmos Energy and each Forward Purchaser and the related supplemental confirmations to be entered into between Atmos Energy and the relevant Forward Purchaser. In connection with each such forward sale agreement, the relevant Forward Purchaser will, at Atmos Energy’s request, borrow from third parties and, through the relevant Manager, sell a number of Shares equal to the number of Shares underlying the particular forward sale agreement to hedge the forward sale agreement (each such Manager, when acting as agent for a Forward Purchaser, a “Forward Seller”).

Atmos Energy will not initially receive any proceeds from the sale of borrowed shares of Atmos Energy’s common stock by a Forward Seller. Atmos Energy expects to receive proceeds from the sale of Shares by a Forward Seller upon future physical settlement of the relevant forward sale agreement with the relevant Forward Purchaser on dates specified by Atmos Energy on or prior to the maturity date of the relevant forward sale agreement. If Atmos Energy elects to cash settle or net share settle a forward sale agreement, Atmos Energy may not (in the case of cash settlement) or will not (in the case of net share settlement) receive any proceeds, and Atmos

Energy may owe cash (in the case of cash settlement) or shares of common stock (in the case of net share settlement) to the relevant Forward Purchaser. In connection with each forward sale agreement, the relevant Forward Seller will receive, in the form of a reduced initial forward sale price payable by the relevant Forward Purchaser under its forward sale agreement, a commission of 1.00% of the volume weighted average of the sales prices of all borrowed shares of common stock sold during the applicable period by it as a Forward Seller.

During the nine months ended June 30, 2025, we executed forward sales under our ATM equity sales program with various forward sellers who borrowed and sold 5,967,768 shares of our common stock at an aggregate price of \$871.5 million. During the nine months ended June 30, 2025, we also settled forward sale agreements with respect to 4,907,436 shares that had been borrowed and sold by various forward sellers under the ATM program for net proceeds of \$568.6 million. As of June 30, 2025, \$828.5 million of equity was available for issuance under our existing ATM program. Additionally, we had \$1.7 billion in available proceeds from outstanding forward sale agreements, as detailed below.

Maturity	Shares Available	Net Proceeds Available (In thousands)	Forward Price
December 31, 2025	2,184,204	\$ 278,186	\$ 127.36
March 31, 2026	3,627,033	464,239	\$ 127.99
June 30, 2026	669,043	89,359	\$ 133.56
December 31, 2026	3,392,352	474,012	\$ 139.73
March 31, 2027	2,477,820	378,610	\$ 152.80
Total	12,350,452	\$ 1,684,406	\$ 136.38

Atmos Energy intends to use the net proceeds received upon the issuance and sale of shares of Common Stock to fund capital spending primarily to enhance the safety and reliability of our system and for general corporate purposes.

Atmos Energy Corporation 5.200% Senior Notes due 2035 (Exhibit A)

On June 16, 2025 Atmos Energy Corporation (“Atmos Energy”) entered into an underwriting agreement (the “Underwriting Agreement”) with Credit Agricole Securities (USA) Inc., J.P. Morgan Securities LLC, and U.S. Bancorp Investments, Inc., as representatives of the several underwriters, with respect to the offering and sale in an underwritten public offering (the “Offering”) by Atmos Energy of \$500 million aggregate principal amount of its 5.200% Senior Notes due 2035 (the “Notes”).

On June 26, 2025, Atmos Energy completed a public offering of \$500 million aggregate principal amount of its 5.200% Senior Notes due August 2035, with an effective interest rate of 5.35%, after giving effect to the estimated offering costs. The offering has been registered under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to a registration statement on Form S-3 (Registration No. 333-283563) of Atmos Energy and the Prospectus Supplement dated June 16, 2025, which was filed with the Securities and Exchange Commission pursuant to Rule 424(b) of the Securities Act on June 18, 2025. Atmos Energy received net proceeds from the offering, after underwriting discount and offering expenses, of \$493.9 million which were used for general corporate purposes.

The Notes were issued pursuant to an indenture dated as of March 26, 2009 (the “Base Indenture”) between Atmos Energy and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee (the “Trustee”), and an officers’ certificate delivered to the Trustee pursuant to Section 301 of the Base Indenture (the “Officers’ Certificate,” and the Base Indenture, as modified by the Officers’ Certificate, is referred to herein as the “Indenture”). The Notes are represented by a global security executed by Atmos Energy on June 26, 2025 (the “Global Security”). The Notes are unsecured senior obligations that rank equally in right of payment with all of Atmos Energy’s other existing and future unsubordinated debt. The Notes bear interest at an annual rate of 5.200%, payable by Atmos Energy on February 15 and August 15 of each year, beginning on February 15, 2026, and mature on August 15, 2035.

Underwriter	Principal Amount of the Notes	
Credit Agricole Securities (USA) Inc.	\$	120,000,000
J.P. Morgan Securities LLC	\$	120,000,000
U.S. Bancorp Investments, Inc.	\$	120,000,000
MUFG Securities Americas Inc.	\$	46,666,667
Regions Securities LLC	\$	46,666,667
Truist Securities, Inc.	\$	46,666,666
Total	\$	500,000,000

Atmos completed the \$500 million senior unsecured debt offering in a single tranche of 10-year notes. With the conflict between Israel and Iran looming in the background, a level of uncertainty hovered over the markets on Friday, June 13th, and through the weekend. However, on the morning of June 16th, with equity futures in the green and treasury yields higher by 2-4 basis points, issuers seemed eager to access the debt capital markets. Thirteen issuers, including Atmos, launched new deals across the entire curve, including two issuers, EOG and Enbridge, seeking \$3.5 billion and \$2.25 billion respectively.

Within an hour of announcing the transaction, we were fully subscribed, and within an hour and a half we were at ~\$1.0 billion of investor demand (2.3x oversubscribed) with a healthy mix of real and fast money accounts. After 2 hours into our offering, the book continued to increase to \$1.7 billion (3.5x oversubscribed).

Ultimately, the book ended up growing to nearly \$2.7 billion or ~5.4x oversubscribed with 5 orders at or above \$100 million from high quality accounts including: NISA Investment Advisors (\$137 million), Wellington (\$150 million), Invesco (\$111 million), Loomis (\$275 million), and State Farm (\$100 million). Due to the size and quality of the book build, we tightened pricing by 25 bps and announced pricing and guidance at T+80. Significant demand remained with only \$600 million of orders dropping for a final order book of \$2.1 billion or ~4.2x oversubscribed. With our coupon set at 5.2% we were scheduled to receive net proceeds of approximately \$494 million on June 26th.

Atmos Energy Corporation Forward Starting Interest Rate Swaps

We manage interest rate risk by periodically entering into financial instruments to effectively fix the Treasury yield component of the interest cost associated with anticipated financings. The following table summarizes our existing forward starting interest rate swaps as of June 30, 2025. These swaps were designated as cash flow hedges at the time the agreements were executed.

Planned Debt Issuance Date	Amount Hedged	Effective Interest Rate
	(In thousands)	
Fiscal 2026	\$ 300,000	2.16 %
	\$ 300,000	

\$8B Shelf Registration

On December 3, 2024, we filed a shelf registration statement with the Securities and Exchange Commission (SEC) that allows us to issue up to \$8.0 billion in common stock and/or debt securities, which expires December 3, 2027. At June 30, 2025, \$5.8 billion of securities were available for issuance under this shelf registration statement.

Please refer to the SEC website for confirmed copies of the registration statement and prospectus supplements to complete our filing requirements.

Atmos Energy Corporation



Rebecca Reneau
Manager Treasury Services

Atmos Energy Corporation
June 2025 Debt Offering Summary

EXHIBIT A

Offering in June 2025:

\$500,000,000 Senior Notes, 5.200%; due August 2035; offered at 99.615%	\$	500,000,000	
Less: Original Issue Discount		1,925,000	
Less: Underwriting discount at 0.650%		<u>3,250,000</u>	
Net Proceeds before legal, accounting and other offering costs	\$		494,825,000

Less: Expenses (to be capitalized; amortized over life of debt)

Attorneys Fees	162,052	①
Accounting Fees	50,000	①
SEC Filing Fee	76,550	①
Printing & Postage Expenses (Donnelley)	27,896	①
Trustee fees	13,000	①
Rating agency fees	812,500	①
Misc	<u>4,853</u>	①

Net Proceeds \$ 493,678,149

Shelf Registration Costs (related to offering) 10,139

Net Proceeds Less Shelf Registration Costs \$ 493,668,010

Σ ① =	1,146,851	Total Expenses
	<u>3,250,000</u>	Underwriting Discount
	<u><u>4,396,851</u></u>	Total fees and underwriting discount

Underwriters

Credit Agricole Securities (USA) Inc.
J.P. Morgan Securities LLC
U.S. Bancorp Investments, Inc.
MUFG Securities Americas Inc.
Regions Securities LLC
Truist Securities, Inc.

Total

**Principal Amount
of the
2035 Notes**

\$	<u>120,000,000</u>
\$	<u>120,000,000</u>
\$	<u>120,000,000</u>
\$	<u>46,666,667</u>
\$	<u>46,666,667</u>
\$	<u>46,666,666</u>
\$	<u><u>500,000,000</u></u>

Managers

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New York, NY 10019

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Columbus, Ohio 43215

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Forward Purchasers

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