

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 1**

**ONEOK, Inc. and Subsidiaries  
CONSOLIDATED STATEMENTS OF INCOME**

<i>(Unaudited)</i>	<b>Three Months Ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<i>(Thousands of dollars, except per share amounts)</i>	
<b>Revenues</b>		
Commodity sales	\$ 2,216,717	\$ 1,283,511
Services	532,894	490,948
<b>Total revenues</b>	<b>2,749,611</b>	<b>1,774,459</b>
Cost of sales and fuel (exclusive of items shown separately below)	2,143,843	1,195,738
Operations and maintenance	164,769	155,145
Depreciation and amortization	99,419	94,478
General taxes	27,153	21,870
(Gain) loss on sale of assets	7	(4,206)
<b>Operating income</b>	<b>314,420</b>	<b>311,434</b>
Equity in net earnings from investments	39,564	32,914
Allowance for equity funds used during construction	13	208
Other income	4,341	305
Other expense	(750)	(637)
Interest expense (net of capitalized interest of \$1,441 and \$2,887, respectively)	(116,462)	(118,247)
<b>Income before income taxes</b>	<b>241,126</b>	<b>225,977</b>
<b>Income taxes</b>	<b>(54,941)</b>	<b>(50,066)</b>
<b>Income from continuing operations</b>	<b>186,185</b>	<b>175,911</b>
Income (loss) from discontinued operations, net of tax	—	(952)
<b>Net income</b>	<b>186,185</b>	<b>174,959</b>
Less: Net income attributable to noncontrolling interests	98,824	91,513
<b>Net income attributable to ONEOK</b>	<b>\$ 87,361</b>	<b>\$ 83,446</b>
Amounts attributable to ONEOK:		
Income from continuing operations	\$ 87,361	\$ 84,398
Income (loss) from discontinued operations	—	(952)
<b>Net income</b>	<b>\$ 87,361</b>	<b>\$ 83,446</b>
Basic earnings per share:		
Income from continuing operations	\$ 0.41	\$ 0.40
Income (loss) from discontinued operations	—	—
<b>Net income</b>	<b>\$ 0.41</b>	<b>\$ 0.40</b>
Diluted earnings per share:		
Income from continuing operations	\$ 0.41	\$ 0.40
Income (loss) from discontinued operations	—	—
<b>Net income</b>	<b>\$ 0.41</b>	<b>\$ 0.40</b>
Average shares ( <i>thousands</i> )		
Basic	211,619	210,781
Diluted	213,602	211,071
<b>Dividends declared per share of common stock</b>	<b>\$ 0.615</b>	<b>\$ 0.615</b>

-more-

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 2**

**ONEOK, Inc. and Subsidiaries  
CONSOLIDATED BALANCE SHEETS**

<i>(Unaudited)</i>	<b>March 31, 2017</b>	<b>December 31, 2016</b>
<b>Assets</b>	<i>(Thousands of dollars)</i>	
<b>Current assets</b>		
Cash and cash equivalents	\$ 310,808	\$ 248,875
Accounts receivable, net	734,844	872,430
Natural gas and natural gas liquids in storage	193,339	140,034
Commodity imbalances	30,904	60,896
Other current assets	108,552	106,898
Assets of discontinued operations	—	551
<b>Total current assets</b>	<b>1,378,447</b>	<b>1,429,684</b>
<b>Property, plant and equipment</b>		
Property, plant and equipment	15,154,360	15,078,497
Accumulated depreciation and amortization	2,600,776	2,507,094
<b>Net property, plant and equipment</b>	<b>12,553,584</b>	<b>12,571,403</b>
<b>Investments and other assets</b>		
Investments in unconsolidated affiliates	956,388	958,807
Goodwill and intangible assets	1,002,384	1,005,359
Other assets	176,755	162,998
Assets of discontinued operations	—	10,500
<b>Total investments and other assets</b>	<b>2,135,527</b>	<b>2,137,664</b>
<b>Total assets</b>	<b>\$ 16,067,558</b>	<b>\$ 16,138,751</b>

**-more-**

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 3**

**ONEOK, Inc. and Subsidiaries  
CONSOLIDATED BALANCE SHEETS  
(Continued)**

<i>(Unaudited)</i>	<b>March 31, 2017</b>	<b>December 31, 2016</b>
	<i>(Thousands of dollars)</i>	
<b>Liabilities and equity</b>		
<b>Current liabilities</b>		
Current maturities of long-term debt	\$ 410,650	\$ 410,650
Short-term borrowings	1,290,729	1,110,277
Accounts payable	703,278	874,731
Commodity imbalances	114,542	142,646
Accrued interest	90,151	112,514
Other current liabilities	122,624	166,042
Liabilities of discontinued operations	—	19,841
<b>Total current liabilities</b>	<b>2,731,974</b>	<b>2,836,701</b>
<b>Long-term debt, excluding current maturities</b>	<b>7,919,826</b>	<b>7,919,996</b>
<b>Deferred credits and other liabilities</b>		
Deferred income taxes	1,612,039	1,623,822
Other deferred credits	334,206	321,846
Liabilities of discontinued operations	—	7,471
<b>Total deferred credits and other liabilities</b>	<b>1,946,245</b>	<b>1,953,139</b>
<b>Commitments and contingencies</b>		
<b>Equity</b>		
ONEOK shareholders' equity:		
Common stock, \$0.01 par value: authorized 600,000,000 shares; issued 245,811,180 shares and outstanding 210,906,018 shares at March 31, 2017; issued 245,811,180 shares and outstanding 210,681,661 shares at December 31, 2016	2,458	2,458
Paid-in capital	1,232,069	1,234,314
Accumulated other comprehensive loss	(139,062)	(154,350)
Retained earnings	30,887	—
Treasury stock, at cost: 34,905,162 shares at March 31, 2017, and 35,129,519 shares at December 31, 2016	(887,970)	(893,677)
<b>Total ONEOK shareholders' equity</b>	<b>238,382</b>	<b>188,745</b>
Noncontrolling interests in consolidated subsidiaries	3,231,131	3,240,170
<b>Total equity</b>	<b>3,469,513</b>	<b>3,428,915</b>
<b>Total liabilities and equity</b>	<b>\$ 16,067,558</b>	<b>\$ 16,138,751</b>

-more-

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 4**

**ONEOK, Inc. and Subsidiaries**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**Three Months Ended  
March 31,**

*(Unaudited)*

**2017                      2016**

*(Thousands of dollars)*

**Operating activities**

Net income	\$	186,185	\$	174,959
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization		99,419		94,478
Equity in net earnings from investments		(39,564)		(32,914)
Distributions received from unconsolidated affiliates		39,520		34,789
Deferred income taxes		53,397		53,725
Share-based compensation expense		5,907		8,232
Pension and postretirement benefit expense, net of contributions		(5,018)		3,039
Allowance for equity funds used during construction		(13)		(208)
(Gain) loss on sale of assets		7		(4,206)
Changes in assets and liabilities:				
Accounts receivable		137,586		68,326
Natural gas and natural gas liquids in storage		(53,305)		(27,991)
Accounts payable		(122,843)		(64,088)
Commodity imbalances, net		1,888		2,968
Settlement of exit activities liabilities		(4,119)		(6,186)
Accrued interest		(22,363)		(24,413)
Risk-management assets and liabilities		45,977		(23,813)
Other assets and liabilities, net		(53,571)		(26,030)
<hr/>				
Cash provided by operating activities		269,090		230,667

**Investing activities**

Capital expenditures (less allowance for equity funds used during construction)	(112,737)	(196,411)
Contributions to unconsolidated affiliates	(4,422)	(158)
Distributions received from unconsolidated affiliates in excess of cumulative earnings	7,400	11,764
Proceeds from sale of assets	296	14,858
<hr/>		
Cash used in investing activities	(109,463)	(169,947)

**Financing activities**

Dividends paid	(129,842)	(129,235)
Distributions to noncontrolling interests	(136,680)	(137,980)
Borrowing (repayment) of short-term borrowings, net	180,452	(101,773)
Issuance of long-term debt, net of discounts	—	1,000,000
Debt financing costs	—	(2,770)
Repayment of long-term debt	(1,951)	(652,148)
Issuance of common stock	3,722	3,964
Other	(13,395)	(1,189)
<hr/>		
Cash used in financing activities	(97,694)	(21,131)
<hr/>		
Change in cash and cash equivalents	61,933	39,589
Change in cash and cash equivalents included in discontinued operations	—	11
<hr/>		
Change in cash and cash equivalents from continuing operations	61,933	39,600
Cash and cash equivalents at beginning of period	248,875	97,619
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Cash and cash equivalents at end of period	\$	310,808
	\$	137,219

**-more-**

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 5**

**ONEOK, Inc. and Subsidiaries  
INFORMATION AT A GLANCE**

<i>(Unaudited)</i>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<i>(Millions of dollars, except as noted)</i>	
<b><u>Natural Gas Liquids</u></b>		
Operating costs	\$ 78.7	\$ 73.2
Depreciation and amortization	\$ 41.1	\$ 40.7
Equity in net earnings from investments	\$ 13.7	\$ 13.3
Adjusted EBITDA	\$ 278.2	\$ 270.2
NGLs transported-gathering lines <i>(MBbl/d)</i> (a)	764	751
NGLs fractionated <i>(MBbl/d)</i> (b)	574	550
NGLs transported-distribution lines <i>(MBbl/d)</i> (a)	550	474
Average Conway-to-Mont Belvieu OPIS price differential - ethane in ethane/propane mix <i>(\$/gallon)</i>	\$ 0.03	\$ 0.03
Capital expenditures	\$ 20.5	\$ 34.2
(a) - Includes volumes for consolidated entities only.		
(b) - Includes volumes at company-owned and third-party facilities.		
<b><u>Natural Gas Gathering and Processing</u></b>		
Operating costs	\$ 71.8	\$ 69.6
Depreciation and amortization	\$ 45.0	\$ 41.9
Equity in net earnings from investments	\$ 2.6	\$ 2.8
Adjusted EBITDA	\$ 104.0	\$ 100.0
Natural gas gathered <i>(BBtu/d)</i> (a)	1,985	2,128
Natural gas processed <i>(BBtu/d)</i> (a) (b)	1,863	1,948
NGL sales <i>(MBbl/d)</i> (a)	172	155
Residue natural gas sales <i>(BBtu/d)</i> (a)	793	941
Realized composite NGL net sales price <i>(\$/gallon)</i> (a) (c) (d)	\$ 0.19	\$ 0.20
Realized condensate net sales price <i>(\$/Bbl)</i> (a) (c) (e)	\$ 32.32	\$ 33.72
Realized residue natural gas net sales price <i>(\$/MMBtu)</i> (a) (c) (e)	\$ 2.38	\$ 2.62
Average fee rate <i>(\$/MMBtu)</i> (a)	\$ 0.83	\$ 0.68
Capital expenditures	\$ 63.2	\$ 141.5
(a) - Includes volumes for consolidated entities only.		
(b) - Includes volumes at company-owned and third-party facilities.		
(c) - Includes the impact of hedging activities on ONEOK Partners' equity volumes.		
(d) - Net of transportation and fractionation costs.		
(e) - Net of transportation costs.		
<b><u>Natural Gas Pipelines</u></b>		
Operating costs	\$ 31.8	\$ 27.5
Depreciation and amortization	\$ 12.5	\$ 11.2
Equity in net earnings from investments	\$ 23.2	\$ 16.8
Adjusted EBITDA	\$ 83.0	\$ 74.3
Natural gas transportation capacity contracted <i>(MDth/d)</i> (a)	6,757	6,156
Transportation capacity contracted (a)	97%	93%
Capital expenditures	\$ 25.0	\$ 17.9
(a) - Includes volumes for consolidated entities only.		

**-more-**

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 6**

**ONEOK, Inc. Stand-alone  
CASH FLOW AVAILABLE FOR DIVIDENDS**

<i>(Unaudited)</i>	<b>Three Months Ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<i>(Millions of dollars)</i>	
Recurring cash flows:		
Distributions from ONEOK Partners – declared	\$ 197.5	\$ 197.5
Interest expense	(25.8)	(25.7)
Released contracts from the former energy services business	(2.9)	(6.2)
Corporate expenses, excluding certain noncash items	(9.5)	(3.2)
Equity compensation reimbursed by ONEOK Partners	5.1	7.0
Cash flows from recurring activities	<b>164.4</b>	169.4
Capital expenditures	<b>(0.2)</b>	(0.1)
Cash flow available for dividends	<b>164.2</b>	169.3
Dividends declared	<b>(129.7)</b>	(129.2)
Free cash flow	<b>\$ 34.5</b>	\$ 40.1
Dividend coverage ratio	<b>1.27</b>	1.31

**ONEOK, Inc. Stand-alone  
RECONCILIATION OF CASH FLOW AVAILABLE FOR DIVIDENDS  
AND FREE CASH FLOW TO NET INCOME**

<i>(Unaudited)</i>	<b>Three Months Ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<i>(Millions of dollars)</i>	
Net income attributable to ONEOK	\$ 87.4	\$ 83.4
Depreciation and amortization	0.8	0.7
Deferred income taxes	50.4	51.4
Equity in earnings of ONEOK Partners	(171.2)	(164.8)
Distributions from ONEOK Partners - declared	197.5	197.5
Equity compensation reimbursed by ONEOK Partners	5.1	7.0
Energy services realized working capital	(2.9)	(6.2)
Other	(2.7)	0.4
Total cash flows	<b>164.4</b>	169.4
Capital expenditures	<b>(0.2)</b>	(0.1)
Cash flow available for dividends	<b>164.2</b>	169.3
Dividends declared	<b>(129.7)</b>	(129.2)
Free cash flow	<b>\$ 34.5</b>	\$ 40.1

-more-

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 7**

**ONEOK, Inc.**

**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

<i>(Unaudited)</i>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<i>(Thousands of dollars, except per share amounts)</i>	
<b>Reconciliation of Income from Continuing Operations to Adjusted EBITDA and Distributable Cash Flow</b>		
Income from continuing operations	\$ 186,185	\$ 175,911
Interest expense, net of capitalized interest	116,462	118,247
Depreciation and amortization	99,419	94,478
Income taxes	54,941	50,066
Other noncash items and equity AFUDC	2,605	2,927
<b>Adjusted EBITDA</b>	<b>459,612</b>	<b>441,629</b>
Interest expense, net of capitalized interest	(116,462)	(118,247)
Maintenance capital	(24,389)	(22,143)
Equity in net earnings from investments	(39,564)	(32,914)
Distributions received from unconsolidated affiliates	46,920	46,553
Other	(1,935)	7,928
<b>Distributable cash flow</b>	<b>324,182</b>	<b>322,806</b>
Distributions paid to public limited partners	(135,480)	(135,480)
<b>Distributable cash flow to ONEOK shareholders</b>	<b>188,702</b>	<b>187,326</b>
Dividends per share	0.615	0.615
Dividend coverage ratio, as calculated per DCF	1.46	1.45
Number of units used in computation <i>(thousands)</i>	210,685	209,807

**-more-**

**ONEOK Announces Higher  
First-quarter 2017 Financial Results**

**May 2, 2017**

**Page 8**

**ONEOK Partners, L.P. and Subsidiaries  
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

<i>(Unaudited)</i>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
	<i>(Thousands of dollars, except per unit amounts)</i>	
<b>Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow</b>		
Net income	\$ 270,026	\$ 256,286
Interest expense, net of capitalized interest	90,707	92,555
Depreciation and amortization	98,626	93,736
Income taxes	3,837	2,028
Other noncash items and equity AFUDC	958	(19)
<b>Adjusted EBITDA</b>	<b>464,154</b>	<b>444,586</b>
Interest expense, net of capitalized interest	(90,707)	(92,555)
Maintenance capital	(24,236)	(22,143)
Equity in net earnings from investments	(39,564)	(32,914)
Distributions received from unconsolidated affiliates	46,920	46,553
Other	(1,203)	4,034
<b>Distributable cash flow</b>	<b>\$ 355,364</b>	<b>\$ 347,561</b>
Distributions to general partner	(107,198)	(107,198)
<b>Distributable cash flow to limited partners</b>	<b>\$ 248,166</b>	<b>\$ 240,363</b>
Distributions declared per limited partner unit	\$ 0.79	\$ 0.79
Distribution coverage ratio	1.10	1.06
Number of units used in computation ( <i>thousands</i> )	285,826	285,826