

**ONEOK Announces Second-quarter 2013 Financial Results;
Affirms 2013 Earnings Guidance and Three-year Financial Forecasts**

July 30, 2013

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

<i>(Unaudited)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
	<i>(Thousands of dollars, except per share amounts)</i>			
Revenues	\$ 3,349,236	\$ 2,529,260	\$ 6,890,681	\$ 5,943,860
Cost of sales and fuel	2,895,847	1,980,298	5,813,840	4,751,311
Net margin	453,389	548,962	1,076,841	1,192,549
Operating expenses				
Operations and maintenance	203,293	204,126	426,896	397,007
Depreciation and amortization	91,855	84,586	182,076	167,995
Goodwill impairment	-	-	-	10,255
General taxes	30,337	27,137	66,157	58,314
Total operating expenses	325,485	315,849	675,129	633,571
Gain on sale of assets	279	966	320	1,023
Operating income	128,183	234,079	402,032	560,001
Equity earnings from investments	26,421	29,169	52,276	63,789
Allowance for equity funds used during construction	5,656	1,849	14,743	2,824
Other income	3,134	686	10,498	6,446
Other expense	(806)	(4,898)	(3,402)	(3,071)
Interest expense (net of capitalized interest of \$11,631, \$9,742, \$24,499 and \$18,719, respectively)	(81,731)	(71,535)	(162,168)	(147,350)
Income before income taxes	80,857	189,350	313,979	482,639
Income taxes	(1,362)	(40,412)	(68,779)	(114,251)
Income from continuing operations	79,495	148,938	245,200	368,388
Income from discontinued operations, net of tax	-	-	-	762
Gain on sale of discontinued operations, net of tax	-	267	-	13,517
Net income	79,495	149,205	245,200	382,667
Less: Net income attributable to noncontrolling interests	78,576	88,212	131,760	198,809
Net income attributable to ONEOK	\$ 919	\$ 60,993	\$ 113,440	\$ 183,858
Amounts attributable to ONEOK:				
Income from continuing operations	\$ 919	\$ 60,726	\$ 113,440	\$ 169,579
Income from discontinued operations	-	267	-	14,279
Net income	\$ 919	\$ 60,993	\$ 113,440	\$ 183,858
Basic earnings per share:				
Income from continuing operations	\$ -	\$ 0.29	\$ 0.55	\$ 0.82
Income from discontinued operations	-	-	-	0.07
Net income	\$ -	\$ 0.29	\$ 0.55	\$ 0.89
Diluted earnings per share:				
Income from continuing operations	\$ -	\$ 0.29	\$ 0.54	\$ 0.80
Income from discontinued operations	-	-	-	0.07
Net income	\$ -	\$ 0.29	\$ 0.54	\$ 0.87
Average shares <i>(thousands)</i>				
Basic	206,143	207,292	205,811	207,454
Diluted	208,874	211,784	209,116	211,818
Dividends declared per share of common stock	\$ 0.36	\$ 0.33	\$ 0.72	\$ 0.635

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

	June 30, 2013	December 31, 2012
<i>(Unaudited)</i>		
Assets	<i>(Thousands of dollars)</i>	
Current assets		
Cash and cash equivalents	\$ 33,681	\$ 583,618
Accounts receivable, net	1,158,738	1,349,371
Gas and natural gas liquids in storage	434,996	517,014
Commodity imbalances	75,570	90,211
Energy marketing and risk-management assets	23,549	48,577
Other current assets	163,055	175,869
Total current assets	1,889,589	2,764,660
Property, plant and equipment		
Property, plant and equipment	14,085,131	13,088,991
Accumulated depreciation and amortization	3,105,646	2,974,651
Net property, plant and equipment	10,979,485	10,114,340
Investments and other assets		
Investments in unconsolidated affiliates	1,208,787	1,221,405
Goodwill and intangible assets	992,373	996,206
Other assets	772,040	758,664
Total investments and other assets	2,973,200	2,976,275
Total assets	\$ 15,842,274	\$ 15,855,275

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

	June 30, 2013	December 31, 2012
<i>(Unaudited)</i>		
Liabilities and equity	<i>(Thousands of dollars)</i>	
Current liabilities		
Current maturities of long-term debt	\$ 10,685	\$ 10,855
Notes payable	834,000	817,170
Accounts payable	1,214,322	1,333,489
Commodity imbalances	199,910	272,436
Energy marketing and risk-management liabilities	908	9,990
Other current liabilities	388,954	369,054
Total current liabilities	2,648,779	2,812,994
Long-term debt, excluding current maturities	6,511,359	6,515,372
Deferred credits and other liabilities		
Deferred income taxes	1,716,547	1,592,802
Other deferred credits	791,233	701,657
Total deferred credits and other liabilities	2,507,780	2,294,459
Commitments and contingencies		
Equity		
ONEOK shareholders' equity:		
Common stock, \$0.01 par value:		
authorized 600,000,000 shares; issued 245,811,180 shares and outstanding		
206,190,506 shares at June 30, 2013; issued 245,811,180 shares and		
outstanding 204,935,043 shares at December 31, 2012	2,458	2,458
Paid-in capital	1,278,213	1,324,698
Accumulated other comprehensive loss	(211,970)	(216,798)
Retained earnings	2,024,482	2,059,024
Treasury stock, at cost: 39,620,674 shares at June 30, 2013, and		
40,876,137 shares at December 31, 2012	(1,007,834)	(1,039,773)
Total ONEOK shareholders' equity	2,085,349	2,129,609
Noncontrolling interests in consolidated subsidiaries	2,089,007	2,102,841
Total equity	4,174,356	4,232,450
Total liabilities and equity	\$ 15,842,274	\$ 15,855,275

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**ONEOK, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS**

<i>(Unaudited)</i>	Six Months Ended June 30,	
	2013	2012
	<i>(Thousands of dollars)</i>	
Operating activities		
Net income	\$ 245,200	\$ 382,667
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	182,076	168,003
Charges attributable to exit activities	113,780	-
Impairment of goodwill	-	10,255
Gain on sale of discontinued operations	-	(13,517)
Equity earnings from investments	(52,276)	(63,789)
Distributions received from unconsolidated affiliates	51,546	69,490
Deferred income taxes	68,468	111,172
Share-based compensation expense	19,018	16,928
Allowance for equity funds used during construction	(14,743)	(2,824)
Gain on sale of assets	(320)	(1,023)
Other	(3,658)	28,553
Changes in assets and liabilities:		
Accounts receivable	190,633	541,053
Gas and natural gas liquids in storage	82,018	(11,445)
Accounts payable	(63,954)	(404,006)
Commodity imbalances, net	(57,885)	25,045
Energy marketing and risk-management assets and liabilities	(28,219)	(56,590)
Other assets and liabilities, net	56,597	(147,362)
Cash provided by operating activities	788,281	652,610
Investing activities		
Capital expenditures (less allowance for equity funds used during construction)	(1,060,333)	(780,697)
Proceeds from sale of discontinued operations, net of cash sold	-	32,008
Contributions to unconsolidated affiliates	(4,558)	(7,237)
Distributions received from unconsolidated affiliates	17,958	14,705
Proceeds from sale of assets	3,333	1,828
Other	-	942
Cash used in investing activities	(1,043,600)	(738,451)
Financing activities		
Borrowing (repayment) of notes payable, net	16,830	(246,051)
Issuance of debt, net of discounts	-	699,657
Long-term debt financing costs	-	(5,395)
Repayment of debt	(3,888)	(356,173)
Repurchase of common stock	-	(150,000)
Issuance of common stock	6,002	4,591
Issuance of common units, net of issuance costs	15,942	459,680
Dividends paid	(147,982)	(126,772)
Distributions to noncontrolling interests	(181,522)	(153,588)
Cash provided by (used in) financing activities	(294,618)	125,949
Change in cash and cash equivalents	(549,937)	40,108
Change in cash and cash equivalents included in discontinued operations	-	8,859
Change in cash and cash equivalents from continuing operations	(549,937)	48,967
Cash and cash equivalents at beginning of period	583,618	65,953
Cash and cash equivalents at end of period	\$ 33,681	\$ 114,920

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ONEOK, Inc. and Subsidiaries INFORMATION AT A GLANCE

<i>(Unaudited)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2013	2012	2013	2012
<i>(Millions of dollars, except as noted)</i>				
<u>ONEOK Partners</u>				
Net margin	\$ 412.0	\$ 401.5	\$ 782.6	\$ 822.6
Operating costs	\$ 124.0	\$ 123.4	\$ 262.2	\$ 239.2
Depreciation and amortization	\$ 58.2	\$ 51.0	\$ 112.9	\$ 100.3
Operating income	\$ 230.0	\$ 228.1	\$ 407.7	\$ 484.1
Capital expenditures	\$ 481.4	\$ 355.4	\$ 924.8	\$ 636.2
<u>Natural gas gathering and processing business (a)</u>				
Natural gas gathered (BBtu/d)	1,326	1,079	1,271	1,062
Natural gas processed (BBtu/d) (b)	1,055	823	1,022	796
NGL sales (MBbl/d)	75	57	73	55
Residue gas sales (BBtu/d)	467	385	451	371
Realized composite NGL net sales price (\$/gallon) (c)	\$ 0.85	\$ 1.01	\$ 0.85	\$ 1.05
Realized condensate net sales price (\$/Bbl) (c)	\$ 83.86	\$ 86.17	\$ 86.06	\$ 87.86
Realized residue gas net sales price (\$/MMBtu) (c)	\$ 3.57	\$ 3.79	\$ 3.55	\$ 3.77
<u>Natural gas pipelines business (a)</u>				
Natural gas transportation capacity contracted (MDth/d)	5,362	5,236	5,515	5,394
Transportation capacity subscribed	88%	87%	90%	89%
Average natural gas price				
Mid-Continent region (\$/MMBtu)	\$ 3.85	\$ 2.17	\$ 3.63	\$ 2.27
<u>Natural gas liquids business</u>				
NGL sales (MBbl/d)	677	506	628	508
NGLs fractionated (MBbl/d) (b)	537	529	525	557
NGLs transported-gathering lines (MBbl/d) (a)	554	523	526	511
NGLs transported-distribution lines (MBbl/d) (a)	432	478	413	481
Conway-to-Mont Belvieu OPIS average price differential - ethane in ethane/propane mix (\$/gallon)	\$ 0.06	\$ 0.23	\$ 0.04	\$ 0.24
(a) - Includes volumes for consolidated entities only.				
(b) - Includes volumes at company-owned and third-party facilities.				
(c) - Presented net of the impact of hedging activities on ONEOK Partners' equity volumes.				
<u>Natural Gas Distribution</u>				
Net margin	\$ 178.4	\$ 157.5	\$ 430.1	\$ 394.8
Operating costs	\$ 105.0	\$ 103.8	\$ 221.2	\$ 208.8
Depreciation and amortization	\$ 32.9	\$ 32.0	\$ 67.8	\$ 65.5
Operating income	\$ 40.6	\$ 21.7	\$ 141.2	\$ 120.6
Capital expenditures	\$ 68.9	\$ 72.9	\$ 122.6	\$ 131.4
<u>Natural gas volumes (Bcf)</u>				
Natural gas sales	22.5	15.3	95.4	81.0
Transportation	49.8	45.8	108.5	103.4
<u>Natural gas margins</u>				
Net margin on natural gas sales	\$ 147.6	\$ 130.6	\$ 361.6	\$ 331.6
Transportation margin	\$ 22.8	\$ 18.3	\$ 52.1	\$ 45.3
<u>Energy Services</u>				
Net margin	\$ (137.8)	\$ (10.4)	\$ (137.1)	\$ (25.9)
Operating costs	\$ 3.6	\$ 4.6	\$ 8.6	\$ 9.4
Depreciation and amortization	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2
Goodwill impairment	\$ -	\$ -	\$ -	\$ 10.3
Operating income (loss)	\$ (141.4)	\$ (15.1)	\$ (145.8)	\$ (45.8)

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**ONEOK, Inc. and Subsidiaries
CONSOLIDATING INCOME STATEMENT**

<i>(Unaudited)</i>	Three Months Ended June 30, 2013			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 230	\$ -	\$ 230
Natural Gas Distribution	41	-	-	41
Energy Services	(141)	-	-	(141)
Other	(2)	-	-	(2)
Operating income	(102)	230	-	128
Equity in earnings of ONEOK Partners	124	-	(124)	-
Other income	1	33	-	34
Interest expense	(24)	(58)	-	(82)
Income taxes	2	(3)	-	(1)
Income from continuing operations	1	202	(124)	79
Income (loss) from discontinued operations, net of tax	-	-	-	-
Net Income	1	202	(124)	79
Less: Net income attributable to noncontrolling interests	-	-	78	78
Net income attributable to ONEOK	\$ 1	\$ 202	\$ (202)	\$ 1

**ONEOK, Inc. and Subsidiaries
CONSOLIDATING INCOME STATEMENT**

<i>(Unaudited)</i>	Six Months Ended June 30, 2013			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 408	\$ -	\$ 408
Natural Gas Distribution	141	-	-	141
Energy Services	(146)	-	-	(146)
Other	(1)	-	-	(1)
Operating income	(6)	408	-	402
Equity in earnings of ONEOK Partners	227	-	(227)	-
Other income	5	69	-	74
Interest expense	(49)	(113)	-	(162)
Income taxes	(64)	(5)	-	(69)
Income from continuing operations	113	359	(227)	245
Income (loss) from discontinued operations, net of tax	-	-	-	-
Net Income	113	359	(227)	245
Less: Net income attributable to noncontrolling interests	-	-	132	132
Net income attributable to ONEOK	\$ 113	\$ 359	\$ (359)	\$ 113

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CONSOLIDATING INCOME STATEMENT

<i>(Unaudited)</i>	Three Months Ended June 30, 2012			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 228	\$ -	\$ 228
Natural Gas Distribution	22	-	-	22
Energy Services	(15)	-	-	(15)
Other	(1)	-	-	(1)
Operating income	6	228	-	234
Equity in earnings of ONEOK Partners	118	-	(118)	-
Other income (expense)	(1)	28	-	27
Interest expense	(25)	(47)	-	(72)
Income taxes	(37)	(3)	-	(40)
Income from continuing operations	61	206	(118)	149
Income (loss) from discontinued operations, net of tax	-	-	-	-
Net Income	61	206	(118)	149
Less: Net income attributable to noncontrolling interests	-	-	88	88
Net income attributable to ONEOK	\$ 61	\$ 206	\$ (206)	\$ 61

<i>(Unaudited)</i>	Six Months Ended June 30, 2012			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 484	\$ -	\$ 484
Natural Gas Distribution	121	-	-	121
Energy Services	(46)	-	-	(46)
Other	1	-	-	1
Operating income	76	484	-	560
Equity in earnings of ONEOK Partners	246	-	(246)	-
Other income (expense)	2	68	-	70
Interest expense	(47)	(100)	-	(147)
Income taxes	(107)	(7)	-	(114)
Income from continuing operations	170	445	(246)	369
Income (loss) from discontinued operations, net of tax	14	-	-	14
Net Income	184	445	(246)	383
Less: Net income attributable to noncontrolling interests	-	-	199	199
Net income attributable to ONEOK	\$ 184	\$ 445	\$ (445)	\$ 184

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ONEOK, Inc. and Subsidiaries

RECONCILIATION OF NON-GAAP FINANCIAL MEASURE

ONEOK, Inc. Stand-Alone Cash Flow, Before Changes in Working Capital

<i>(Unaudited)</i>	Six Months Ended June 30, 2013
	<i>(Millions of dollars)</i>
Net income	\$ 245.2
Charges attributable to exit activities	113.8
Net income attributable to noncontrolling interests	(131.8)
Equity in earnings of ONEOK Partners	(227.4)
Distributions received from ONEOK Partners	263.1
Depreciation, amortization and impairment	69.2
Deferred income taxes	65.4
Other	15.4
Cash flow, before changes in working capital	\$ 412.9

(a) ONEOK stand-alone cash flow, before changes in working capital, is a non-GAAP financial measure used by management, industry analysts, investors, lenders and rating agencies to assess the financial performance and the operating results of our fundamental business activities. ONEOK stand-alone cash flow, before changes in working capital, should not be considered in isolation or as a substitute for net income, income from operations or other measures of results of operations.

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**ONEOK, Inc. and Subsidiaries
EARNINGS GUIDANCE***

	Updated 2013 Guidance	Previous 2013 Guidance**	Change
<i>(Millions of dollars)</i>			
Operating income			
ONEOK Partners	\$ 934	\$ 936	\$ (2)
Natural Gas Distribution	227	227	-
Energy Services	(210)	(210)	-
Other	(3)	(3)	-
Operating income	948	950	(2)
Equity earnings from investments	112	110	2
Other income (expense)	19	19	-
Interest expense	(337)	(337)	-
Income before income taxes	742	742	-
Income taxes	(165)	(165)	-
Income from continuing operations	577	577	-
Income from discontinued operations, net of tax	-	-	-
Net income	577	577	-
Less: Net income attributable to noncontrolling interests	317	317	-
Net income attributable to ONEOK	\$ 260	\$ 260	-
Capital expenditures			
ONEOK Partners	\$ 2,360	\$ 2,640	\$ (280)
Natural Gas Distribution	286	286	-
Other	30	30	-
Total capital expenditures	\$ 2,676	\$ 2,956	\$ (280)

*Amounts shown are midpoints of ranges provided.

**Reflects the June announcement of the wind down of the energy services segment.

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**ONEOK, Inc. and Subsidiaries
EARNINGS GUIDANCE***

**Updated
2013
Guidance**
(Millions of dollars)

ONEOK, Inc. Stand-Alone Cash Flow, Before Changes in Working Capital

Net income	\$	577
Charges attributable to exit activities		136
Net income attributable to noncontrolling interests		(317)
Equity in earnings of ONEOK Partners		(512)
Distributions received from ONEOK Partners		548
Depreciation, amortization and impairment		150
Deferred income taxes		157
Other		48
Cash flow, before changes in working capital	\$	787

**Amounts shown are midpoints of ranges provided.*