

**ONEOK Announces Fourth-quarter
And Full-year 2013 Financial Results;
Affirms 2014 Financial Guidance**

February 24, 2014

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

<i>(Unaudited)</i>	Three Months Ended December 31,		Years Ended December 31,	
	2013	2012	2013	2012
	<i>(Thousands of dollars, except per share amounts)</i>			
Revenues	\$ 4,140,111	\$ 3,659,924	\$ 14,602,717	\$ 12,632,559
Cost of sales and fuel	3,488,457	3,055,604	12,313,034	10,281,718
Net margin	651,654	604,320	2,289,683	2,350,841
Operating expenses				
Operations and maintenance	236,210	203,032	872,125	806,087
Depreciation and amortization	108,034	86,415	384,377	335,844
Goodwill impairment	—	—	—	10,255
General taxes	24,328	21,420	118,328	102,891
Total operating expenses	368,572	310,867	1,374,830	1,255,077
Gain on sale of assets	11,539	6,133	11,881	6,736
Operating income	294,621	299,586	926,734	1,102,500
Equity earnings from investments	30,773	30,644	110,517	123,024
Allowance for equity funds used during construction	9,350	7,522	30,522	13,648
Other income	7,831	1,009	24,483	12,504
Other expense	(13,228)	(935)	(17,707)	(4,925)
Interest expense (net of capitalized interest of \$18,572, \$11,255, \$57,775 and \$41,776, respectively)	(90,130)	(83,591)	(334,206)	(302,305)
Income before income taxes	239,217	254,235	740,343	944,446
Income taxes	(55,154)	(58,360)	(163,382)	(215,195)
Income from continuing operations	184,063	195,875	576,961	729,251
Income from discontinued operations, net of tax	—	—	—	762
Gain on sale of discontinued operations, net of tax	—	—	—	13,517
Net income	184,063	195,875	576,961	743,530
Less: Net income attributable to noncontrolling interests	93,326	84,333	310,428	382,911
Net income attributable to ONEOK	\$ 90,737	\$ 111,542	\$ 266,533	\$ 360,619
Amounts attributable to ONEOK:				
Income from continuing operations	\$ 90,737	\$ 111,542	\$ 266,533	\$ 346,340
Income from discontinued operations	—	—	—	14,279
Net income	\$ 90,737	\$ 111,542	\$ 266,533	\$ 360,619
Basic earnings per share:				
Income from continuing operations	\$ 0.44	\$ 0.55	\$ 1.29	\$ 1.68
Income from discontinued operations	—	—	—	0.07
Net income	\$ 0.44	\$ 0.55	\$ 1.29	\$ 1.75
Diluted earnings per share:				
Income from continuing operations	\$ 0.43	\$ 0.53	\$ 1.27	\$ 1.64
Income from discontinued operations	—	—	—	0.07
Net income	\$ 0.43	\$ 0.53	\$ 1.27	\$ 1.71
Average shares <i>(thousands)</i>				
Basic	206,319	204,648	206,044	206,140
Diluted	210,552	209,243	209,695	210,710
Dividends declared per share of common stock	\$ 0.38	\$ 0.33	\$ 1.48	\$ 1.27

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

<i>(Unaudited)</i>	December 31, 2013	December 31, 2012
Assets	<i>(Thousands of dollars)</i>	
Current assets		
Cash and cash equivalents	\$ 149,313	\$ 583,618
Accounts receivable, net	1,549,563	1,349,371
Gas and natural gas liquids in storage	417,077	517,014
Commodity imbalances	82,144	90,211
Energy marketing and risk-management assets	1,687	48,577
Other current assets	171,018	175,869
Total current assets	2,370,802	2,764,660
Property, plant and equipment		
Property, plant and equipment	15,536,156	13,088,991
Accumulated depreciation and amortization	3,238,652	2,974,651
Net property, plant and equipment	12,297,504	10,114,340
Investments and other assets		
Investments in unconsolidated affiliates	1,229,838	1,221,405
Goodwill and intangible assets	1,182,515	996,206
Other assets	626,899	758,664
Total investments and other assets	3,039,252	2,976,275
Total assets	\$ 17,707,558	\$ 15,855,275

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

	December 31, 2013	December 31, 2012
<i>(Unaudited)</i>		
Liabilities and equity	<i>(Thousands of dollars)</i>	
Current liabilities		
Current maturities of long-term debt	\$ 10,656	\$ 10,855
Notes payable	564,462	817,170
Accounts payable	1,503,699	1,333,489
Commodity imbalances	212,136	272,436
Energy marketing and risk-management liabilities	4,032	9,990
Other current liabilities	401,422	369,054
Total current liabilities	2,696,407	2,812,994
Long-term debt, excluding current maturities	7,754,975	6,515,372
Deferred credits and other liabilities		
Deferred income taxes	1,938,262	1,592,802
Other deferred credits	472,734	701,657
Total deferred credits and other liabilities	2,410,996	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 206,618,877 shares at December 31, 2013; issued 245,811,180 shares and outstanding 204,935,043 shares at December 31, 2012	2,458	2,458
Paid-in capital	1,433,600	1,324,698
Accumulated other comprehensive loss	(121,987)	(216,798)
Retained earnings	2,020,815	2,059,024
Treasury stock, at cost: 39,192,303 shares at December 31, 2013, and 40,876,137 shares at December 31, 2012	(997,035)	(1,039,773)
Total ONEOK shareholders' equity	2,337,851	2,129,609
Noncontrolling interests in consolidated subsidiaries	2,507,329	2,102,841
Total equity	4,845,180	4,232,450
Total liabilities and equity	\$ 17,707,558	\$ 15,855,275

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

<i>(Unaudited)</i>	Years Ended December 31,	
	2013	2012
	<i>(Thousands of dollars)</i>	
Operating activities		
Net income	\$ 576,961	\$ 743,530
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	384,377	335,852
Charges attributable to exit activities, net of settlements	121,971	—
Impairment of goodwill	—	10,255
Gain on sale of discontinued operations	—	(13,517)
Equity earnings from investments	(110,517)	(123,024)
Distributions received from unconsolidated affiliates	106,364	120,442
Deferred income taxes	151,515	229,398
Share-based compensation expense	46,194	36,692
Pension and postretirement benefit expense, net of contributions	56,600	(57,073)
Allowance for equity funds used during construction	(30,522)	(13,648)
Gain on sale of assets	(11,881)	(6,736)
Other	(5,656)	27,982
Changes in assets and liabilities:		
Accounts receivable	(189,809)	(14,774)
Gas and natural gas liquids in storage	99,937	33,343
Accounts payable	165,076	(30,981)
Commodity imbalances, net	(52,233)	43,471
Energy marketing and risk-management assets and liabilities	25,072	(174,953)
Other assets and liabilities	(38,682)	(162,264)
Cash provided by operating activities	1,294,767	983,995
Investing activities		
Capital expenditures (less allowance for equity funds used during construction)	(2,256,585)	(1,866,153)
Acquisition	(394,889)	—
Proceeds from sale of discontinued operations, net of cash sold	—	32,946
Contributions to unconsolidated affiliates	(35,308)	(30,768)
Distributions received from unconsolidated affiliates	31,134	35,299
Proceeds from sale of assets	13,617	12,240
Other	—	2,237
Cash used in investing activities	(2,642,031)	(1,814,199)
Financing activities		
Repayment of notes payable, net	(252,708)	(24,812)
Issuance of debt, net of discounts	1,247,822	1,994,693
Long-term debt financing costs	(10,246)	(15,036)
Repayment of debt	(7,868)	(361,464)
Repurchase of common stock	—	(150,000)
Issuance of common stock	20,602	15,969
Issuance of common units, net of issuance costs	583,929	459,587
Dividends paid	(304,742)	(261,969)
Distributions to noncontrolling interests	(374,142)	(324,906)
Excess tax benefit from share-based awards	10,312	6,948
Cash provided by financing activities	912,959	1,339,010
Change in cash and cash equivalents	(434,305)	508,806
Change in cash and cash equivalents included in discontinued operations	—	8,859
Change in cash and cash equivalents from continuing operations	(434,305)	517,665
Cash and cash equivalents at beginning of period	583,618	65,953
Cash and cash equivalents at end of period	\$ 149,313	\$ 583,618
Supplemental cash flow information:		
Cash paid for interest, net of amounts capitalized	\$ 294,240	\$ 439,398
Cash paid (refunds received) for income taxes	\$ (16,640)	\$ 872

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

<i>(Unaudited)</i>	Three Months Ended December 31,		Years Ended December 31,	
	2013	2012	2013	2012
<i>(Millions of dollars, except as noted)</i>				
<u>ONEOK Partners</u>				
Net margin	\$ 440.9	\$ 399.5	\$ 1,647.1	\$ 1,641.8
Operating costs	\$ 136.9	\$ 122.1	\$ 521.5	\$ 482.5
Depreciation and amortization	\$ 62.7	\$ 53.1	\$ 236.7	\$ 203.1
Operating income	\$ 252.9	\$ 230.5	\$ 900.7	\$ 962.9
Capital expenditures	\$ 565.4	\$ 549.0	\$ 1,939.3	\$ 1,560.5
<u>Natural gas gathering and processing business (a)</u>				
Natural gas gathered (BBtu/d)	1,454	1,201	1,347	1,119
Natural gas processed (BBtu/d) (b)	1,193	964	1,094	866
NGL sales (MBbl/d)	88	70	79	61
Residue gas sales (BBtu/d)	562	430	497	397
Realized composite NGL net sales price (\$/gallon) (c)	\$ 0.87	\$ 1.05	\$ 0.87	\$ 1.06
Realized condensate net sales price (\$/Bbl) (c)	\$ 82.31	\$ 90.21	\$ 86.00	\$ 88.22
Realized residue gas net sales price (\$/MMBtu) (c)	\$ 3.64	\$ 4.27	\$ 3.53	\$ 3.87
<u>Natural gas liquids business</u>				
NGL sales (MBbl/d)	688	654	657	572
NGLs fractionated (MBbl/d) (d)	537	600	535	574
NGLs transported-gathering lines (MBbl/d) (a)	563	531	547	520
NGLs transported-distribution lines (MBbl/d) (a)	459	507	435	491
Average Conway-to-Mont Belvieu OPIS price differential - ethane in ethane/propane mix (\$/gallon)	\$ 0.05	\$ 0.07	\$ 0.04	\$ 0.17
<u>Natural gas pipelines business (a)</u>				
Natural gas transportation capacity contracted (MDth/d)	5,632	5,429	5,524	5,366
Transportation capacity subscribed	92%	90%	90%	89%
Average natural gas price				
Mid-Continent region (\$/MMBtu)	\$ 3.75	\$ 3.29	\$ 3.61	\$ 2.64
(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 our equity volumes.				
(d) - Includes volumes fractionated from company-owned and third-party facilities.				
<u>Natural Gas Distribution</u>				
Net margin	\$ 223.6	\$ 210.6	\$ 813.0	\$ 756.4
Operating costs	\$ 114.4	\$ 98.4	\$ 444.9	\$ 410.6
Depreciation and amortization	\$ 44.6	\$ 32.7	\$ 144.7	\$ 130.1
Operating income	\$ 64.6	\$ 79.5	\$ 223.4	\$ 215.7
Capital expenditures	\$ 85.7	\$ 74.6	\$ 292.1	\$ 280.3
<u>Natural gas volumes (Bcf)</u>				
Natural gas sales	57.2	48.8	164.2	141.4
Transportation	54.3	50.2	205.9	199.4
<u>Natural gas margins</u>				
Net margin on natural gas sales	\$ 188.3	\$ 176.8	\$ 681.6	\$ 631.8
Transportation margin	\$ 26.9	\$ 23.6	\$ 98.7	\$ 88.8
<u>Energy Services</u>				
Net margin	\$ (13.6)	\$ (6.2)	\$ (173.0)	\$ (49.3)
Operating costs	\$ 2.2	\$ 4.1	\$ 13.1	\$ 18.0
Depreciation and amortization	\$ 0.1	\$ 0.1	\$ 0.3	\$ 0.4
Goodwill impairment	\$ —	\$ —	\$ —	\$ 10.3
Operating loss	\$ (15.9)	\$ (10.3)	\$ (186.4)	\$ (77.9)

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

<i>(Unaudited)</i>	Three Months Ended December 31, 2013			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 253	\$ -	\$ 253
Natural Gas Distribution	64	-	-	64
Energy Services	(15)	-	-	(15)
Other	(7)	-	-	(7)
Operating income	42	253	-	295
Equity in earnings of ONEOK Partners	136	-	(136)	-
Other income (expense)	(11)	45	-	34
Interest expense	(24)	(66)	-	(90)
Income taxes	(52)	(3)	-	(55)
Income from continuing operations	91	229	(136)	184
Net Income	91	229	(136)	184
Less: Net income attributable to noncontrolling interests	-	-	93	93
Net income attributable to ONEOK	\$ 91	\$ 229	\$ (229)	\$ 91

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

<i>(Unaudited)</i>	Year Ended December 31, 2013			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 901	\$ -	\$ 901
Natural Gas Distribution	223	-	-	223
Energy Services	(186)	-	-	(186)
Other	(11)	-	-	(11)
Operating income	26	901	-	927
Equity in earnings of ONEOK Partners	494	-	(494)	-
Other income (expense)	(4)	151	-	147
Interest expense	(97)	(237)	-	(334)
Income taxes	(152)	(11)	-	(163)
Income from continuing operations	267	804	(494)	577
Net Income	267	804	(494)	577
Less: Net income attributable to noncontrolling interests	-	-	310	310
Net income attributable to ONEOK	\$ 267	\$ 804	\$ (804)	\$ 267

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CONSOLIDATING INCOME STATEMENT**

<i>(Unaudited)</i>	Three Months Ended December 31, 2012			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 231	\$ -	\$ 231
Natural Gas Distribution	80	-	-	80
Energy Services	(10)	-	-	(10)
Other	(1)	-	-	(1)
Operating income	69	231	-	300
Equity in earnings of ONEOK Partners	126	-	(126)	-
Other income (expense)	(1)	39	-	38
Interest expense	(25)	(58)	-	(83)
Income taxes	(57)	(1)	-	(58)
Income from continuing operations	112	211	(126)	197
Net Income	112	211	(126)	197
Less: Net income attributable to noncontrolling interests	-	-	85	85
Net income attributable to ONEOK	\$ 112	\$ 211	\$ (211)	\$ 112

<i>(Unaudited)</i>	Year Ended December 31, 2012			
	ONEOK	ONEOK Partners	Consolidating Entries	Consolidated
	<i>(Millions of dollars)</i>			
Operating income				
ONEOK Partners	\$ -	\$ 963	\$ -	\$ 963
Natural Gas Distribution	216	-	-	216
Energy Services	(78)	-	-	(78)
Other	2	-	-	2
Operating income	140	963	-	1,103
Equity in earnings of ONEOK Partners	506	-	(506)	-
Other income (expense)	2	142	-	144
Interest expense	(96)	(206)	-	(302)
Income taxes	(205)	(10)	-	(215)
Income from continuing operations	347	889	(506)	730
Income from discontinued operations, net of tax	14	-	-	14
Net Income	361	889	(506)	744
Less: Net income attributable to noncontrolling interests	-	-	383	383
Net income attributable to ONEOK	\$ 361	\$ 889	\$ (889)	\$ 361

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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>	Year Ended	
	December 31, 2013	
	<i>(Millions of dollars)</i>	
Net income	\$	577.0
Charges attributable to exit activities		122.0
Net income attributable to noncontrolling interests		(310.4)
Equity in earnings of ONEOK Partners		(493.6)
Distributions received from ONEOK Partners		536.2
Depreciation and amortization		147.6
Deferred income taxes		146.1
Other		46.2
Cash flow, before changes in working capital	\$	771.1

Note: 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.