



ONEOK

**FIRST-QUARTER
2018 RESULTS**

May 1, 2018

FORWARD-LOOKING STATEMENTS

Statements contained in this presentation that include company expectations or predictions should be considered forward-looking statements that are covered by the safe harbor protections provided under federal securities legislation and other applicable laws.

It is important to note that actual results could differ materially from those projected in such forward-looking statements. For additional information that could cause actual results to differ materially from such forward-looking statements, refer to ONEOK's Securities and Exchange Commission filings.

This presentation contains factual business information or forward-looking information and is neither an offer to sell nor a solicitation of an offer to buy any securities of ONEOK.

All references in this presentation to financial guidance are based on news releases issued on Jan. 22, 2018, Feb. 26, 2018, and May 1, 2018, and are not being updated or affirmed by this presentation.



Mont Belvieu I fractionator — Gulf Coast

INDEX

FINANCIAL STRENGTH	4
NATURAL GAS LIQUIDS	5
NATURAL GAS GATHERING AND PROCESSING	6
NATURAL GAS PIPELINES	7
FIRST-QUARTER 2018 VS. FOURTH-QUARTER 2017 SEGMENT VARIANCES	8
2018 FINANCIAL GUIDANCE	9
NON-GAAP RECONCILIATIONS	10

FINANCIAL STRENGTH

INCREASING EXCESS CASH AND IMPROVED LEVERAGE METRICS

- ◆ Continued growth since Q2 2017:
 - 78% increase in DCF in excess of dividends
 - 23% increase in adjusted EBITDA
- ◆ Adjusted EBITDA growth driving increased DCF in excess of dividends and improved leverage metrics
- ◆ \$1.2 billion equity offering in January prefunded a significant portion of ONEOK's capital-growth projects, immediately reducing debt

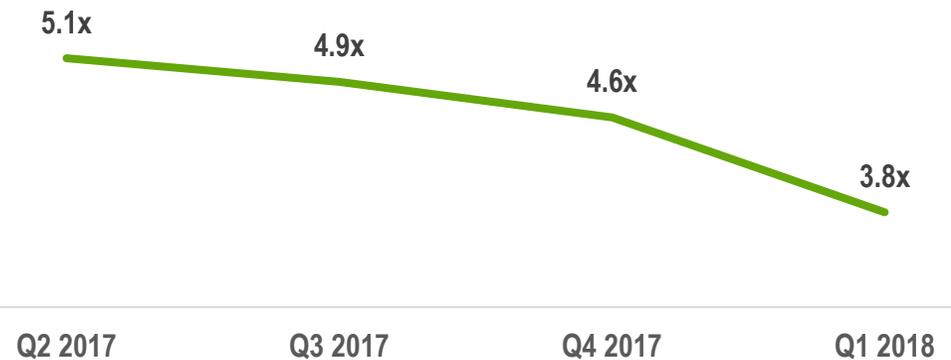
**Distributable Cash Flow (DCF)
in Excess of Dividends Paid**
(in millions)



Adjusted EBITDA Growth
(\$ in millions)



Debt-to-EBITDA Ratio
(trailing 12 months)



NATURAL GAS LIQUIDS

VOLUME UPDATE

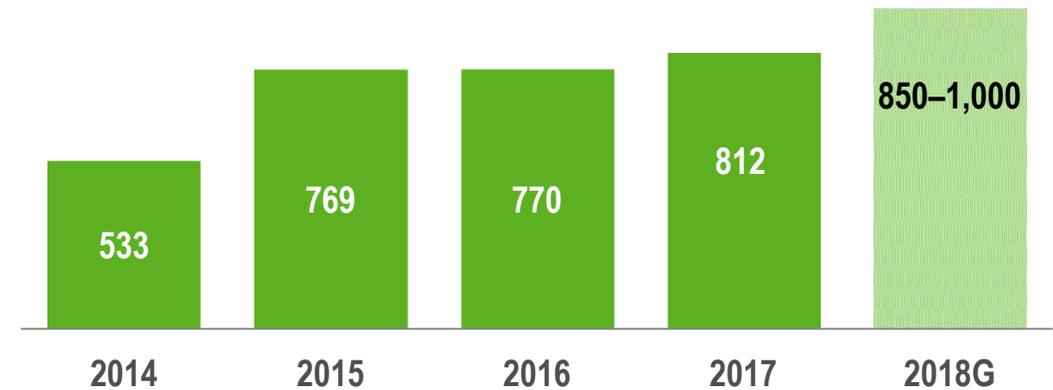
- ◆ 2018 volume growth expected to be driven primarily by increased producer activity in the STACK and SCOOP areas and increased ethane recovery in the Mid-Continent
 - First quarter 2018 volumes impacted due to seasonal weather
- ◆ Ethane rejection on ONEOK's system expected to decrease to approximately 70,000 bpd by the end of 2018
 - Approximately \$100 million of incremental adjusted EBITDA expected during 2018 compared with 2017
- ◆ Six to nine third-party natural gas processing plant connections expected in 2018
 - An existing third-party plant connection on ONEOK's system in the STACK and SCOOP area was expanded in the first quarter

Region/Asset	Fourth Quarter 2017 – Average Gathered Volumes	First Quarter 2018 – Average Gathered Volumes	Average Bundled Rate (per gallon)
Bakken NGL Pipeline	136,000 bpd	136,000 bpd	~30 cents*
Mid-Continent	529,000 bpd	527,000 bpd	< 9 cents*
West Texas LPG system	202,000 bpd	192,000 bpd	< 3 cents**
Total	867,000 bpd	855,000 bpd	

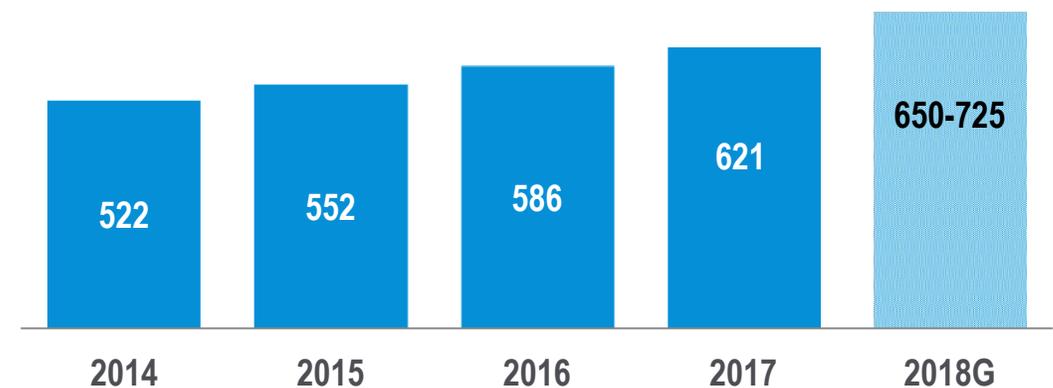
*Includes transportation and fractionation

**Transportation only

Gathered Volume (MBbl/d)



Fractionation Volume (MBbl/d)



NATURAL GAS GATHERING AND PROCESSING

VOLUME UPDATE

Mid-Continent

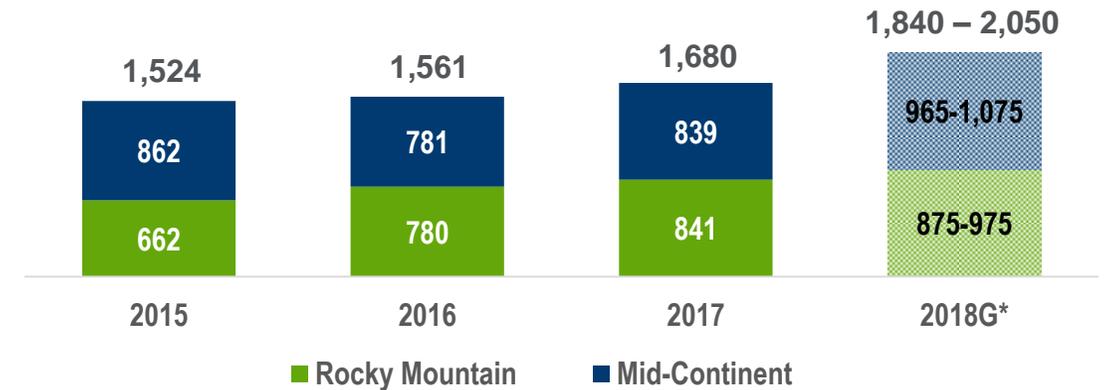
- ◆ Increased producer activity in the STACK and SCOOP areas expected to be largest driver of 2018 natural gas volume growth
- ◆ Expect to connect approximately 150 wells in 2018
 - 35 well connects completed in the first quarter
- ◆ Approximately 11 rigs on ONEOK's dedicated acreage

Williston Basin

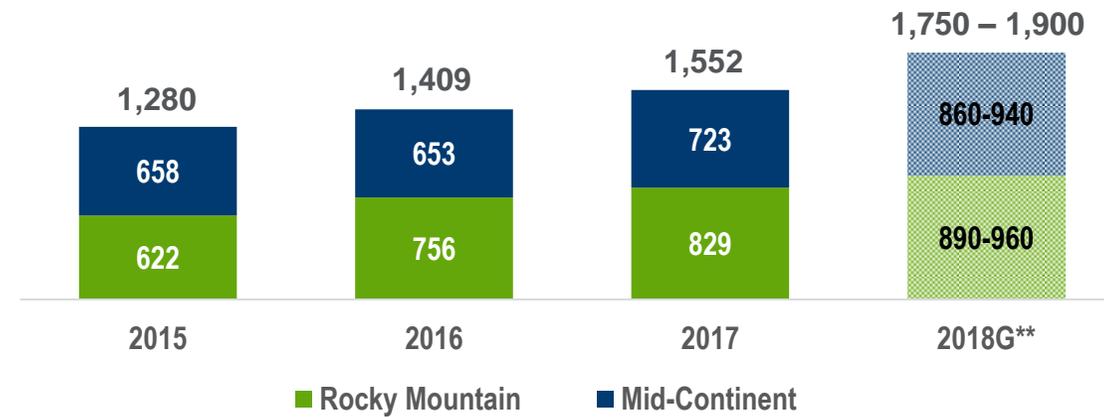
- ◆ Bear Creek natural gas processing plant expansion to 130 MMcf/d expected to be complete in the third quarter 2018
- ◆ First-quarter 2018 volumes impacted due to seasonal weather
- ◆ Expect to connect approximately 500 wells in 2018
 - 112 well connects completed in the first quarter
- ◆ Approximately 28 rigs on ONEOK's dedicated acreage

Region	Fourth Quarter 2017 – Average Gathered Volumes	First Quarter 2018 – Average Gathered Volumes	Fourth Quarter 2017 – Average Processed Volumes	First Quarter 2018 – Average Processed Volumes
Mid-Continent	915 MMcf/d	965 MMcf/d	792 MMcf/d	845 MMcf/d
Rocky Mountain	904 MMcf/d	911 MMcf/d	892 MMcf/d	888 MMcf/d
Total	1,819 MMcf/d	1,876 MMcf/d	1,684 MMcf/d	1,733 MMcf/d

Gathered Volumes (MMcf/d)



Processed Volumes (MMcf/d)



*2018 guidance gathered volumes (BBtu/d): 2,430-2,700

**2018 guidance processed volumes (BBtu/d): 2,310-2,500



NATURAL GAS PIPELINES

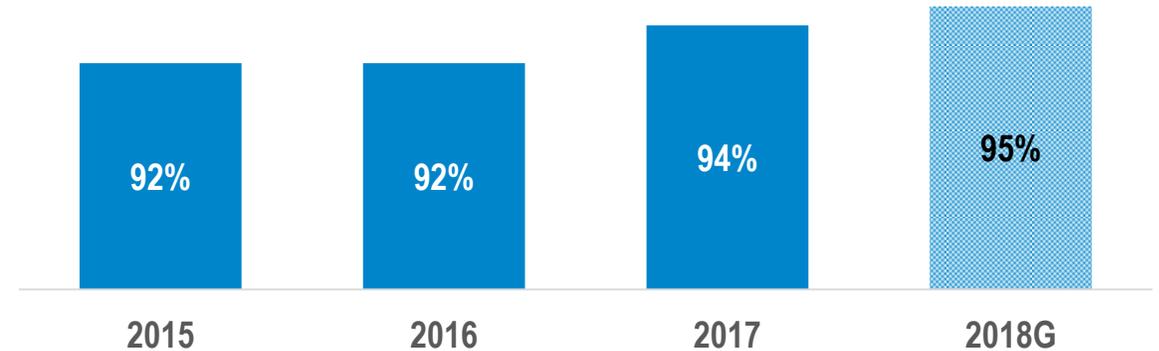
WELL-POSITIONED AND MARKET-CONNECTED

- ◆ Expect more than 95 percent fee-based earnings in 2018, and:
 - Approximately 95 percent of transportation capacity contracted
 - Approximately 65 percent of natural gas storage capacity contracted
- ◆ Firm demand-based contracts serving primarily investment-grade utility customers
- ◆ Well-positioned for additional natural gas takeaway options out of the Permian Basin and STACK and SCOOP areas
- ◆ 100 MMcf/d westbound expansion of ONEOK Gas Transportation Pipeline out of the STACK completed

Natural Gas Transportation Capacity Contracted (MDth/d)



Natural Gas Transportation Capacity Subscribed



BUSINESS SEGMENT PERFORMANCE

Q1 2018 VS. Q4 2017 ADJUSTED EBITDA VARIANCES

◆ Natural gas liquids increased

- **\$25.9 million increase** in optimization and marketing due primarily to wider location price differentials and the sale of NGL inventory previously held
- **\$14.5 million increase** due to lower operating costs, offset partially by higher property taxes
- **\$6.3 million decrease** in exchange services related to volume impacts from seasonal weather across ONEOK's operating footprint and lower volumes in the Barnett Shale, offset partially by higher volumes in the STACK and SCOOP areas
- **\$2.7 million decrease** in transportation and storage services due primarily to lower volumes on the North System* due to seasonal demand

◆ Natural gas gathering and processing decreased

- **\$9.5 million decrease** due primarily to higher third-party processing costs, temporary system constraints and the impact of seasonal weather primarily in the Williston Basin
- **\$4.6 million decrease** due to higher operating costs from the growth of ONEOK's operations, offset partially by lower employee-related costs
- **\$2.0 million increase** due to higher realized condensate and NGL prices

◆ Natural gas pipelines increased

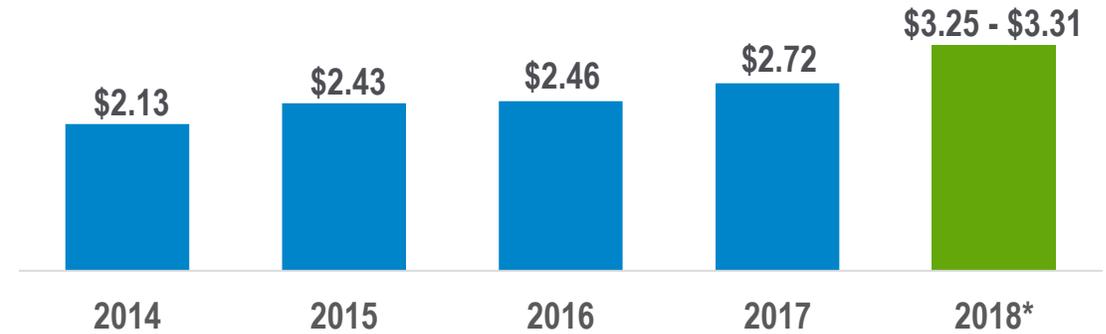
- **\$2.6 million increase** due primarily to higher interruptible transportation volumes
- **\$1.7 million increase** due to higher natural gas storage services

**The North System is a FERC-regulated NGL pipeline that transports NGL purity products and various refined products throughout the Midwest markets, particularly near Chicago, Illinois*

2018 FINANCIAL GUIDANCE SUMMARY

- ◆ Adjusted EBITDA: \$2,215 million – \$2,415 million
- ◆ Distributable cash flow: \$1,615 million – \$1,815 million
 - Target dividend coverage ratio of ≥ 1.2 times
- ◆ Net income: \$955 million – \$1,155 million
- ◆ Capital expenditures: \$2,090 million – \$2,480 million
 - Growth: \$1,950 million – \$2,300 million
 - Maintenance: \$140 million – \$180 million

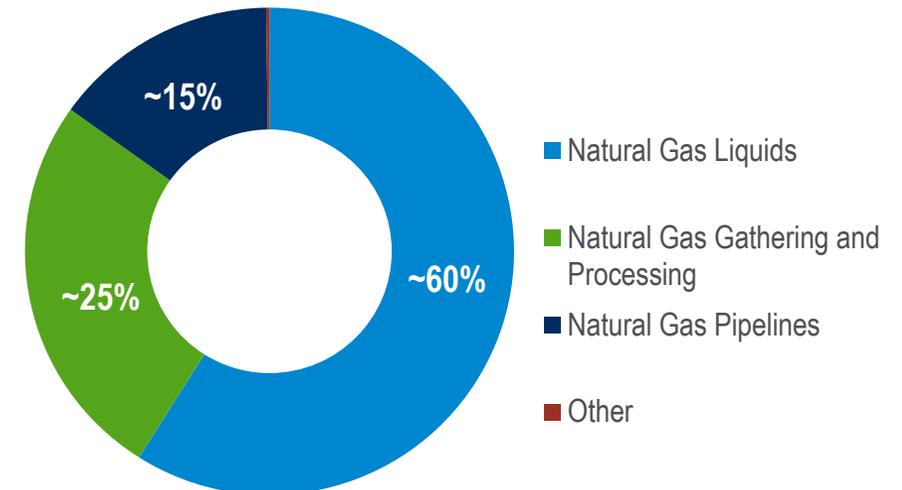
Dividends Paid Per Share Per Year



Second quarter dividend increased 2.5 cents per share on April 19, 2018.

2018 Adjusted EBITDA Guidance

2018 Guidance (\$ in millions)	Natural Gas Liquids	Natural Gas Gathering and Processing	Natural Gas Pipelines	Other
Adjusted EBITDA	\$1,300 – \$1,430	\$575 – \$625	\$335 – \$355	\$5



*Dividend paid in fourth quarter 2017, annualized, with previously announced 9-11% annual growth.

Note: Adjusted EBITDA, distributable cash flow and coverage ratio are non-GAAP measures. Reconciliations to relevant GAAP measures are included in the appendix.

NON-GAAP RECONCILIATION

ANNOUNCED JAN. 22, 2018

2018 Guidance Range

(Millions of dollars)

Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow

Net Income	\$ 955	-	\$ 1,155
Interest expense, net of capitalized interest	495	-	455
Depreciation and amortization	425	-	435
Income taxes	310	-	360
Noncash compensation expense	35	-	25
Other noncash items and equity AFUDC	(5)	-	(15)
Adjusted EBITDA	2,215	-	2,415
Interest expense, net of capitalized interest	(495)	-	(455)
Maintenance capital	(140)	-	(180)
Equity in net earnings from investments	(140)	-	(150)
Distributions received from unconsolidated affiliates	185	-	205
Other	(10)	-	(20)
Distributable cash flow	\$ 1,615	-	\$ 1,815

NON-GAAP RECONCILIATION

ANNOUNCED JAN. 22, 2018

2018 Guidance Range

(Millions of dollars)

Reconciliation of segment adjusted EBITDA to adjusted EBITDA

Segment adjusted EBITDA:

Natural Gas Liquids	\$ 1,300	-	\$ 1,430
Natural Gas Gathering and Processing	575	-	625
Natural Gas Pipelines	335	-	355
Other	5	-	5
Adjusted EBITDA	\$ 2,215	-	\$ 2,415



Bear Creek plant — Williston Basin