



ONEOK

**FIRST-QUARTER
2019 RESULTS**

APRIL 30, 2019



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 Feb. 25, 2019, and April 30, 2019, and are not being updated or affirmed by this presentation.



Elk Creek Pipeline – Wyoming

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FINANCIAL STRENGTH – A COMPETITIVE ADVANTAGE

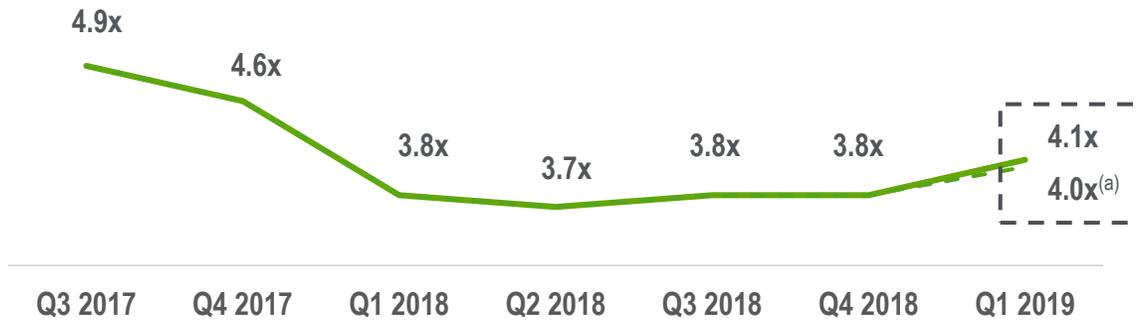
INCREASING EXCESS CASH

- ◆ Total liquidity of \$3.25 billion at March 31, 2019, with borrowing capacity of \$2.5 billion available on ONEOK's credit facility and \$750 million available on its three-year unsecured term loan agreement
- ◆ DCF in excess of dividends paid of \$153 million, a 35% increase compared with the fourth quarter 2018
- ◆ Investment-grade credit ratings provide a competitive advantage
 - S&P: BBB (stable); Moody's: Baa3 (stable)

Adjusted EBITDA Growth
(\$ in millions)



Debt-to-EBITDA Ratio
(trailing 12 months)



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

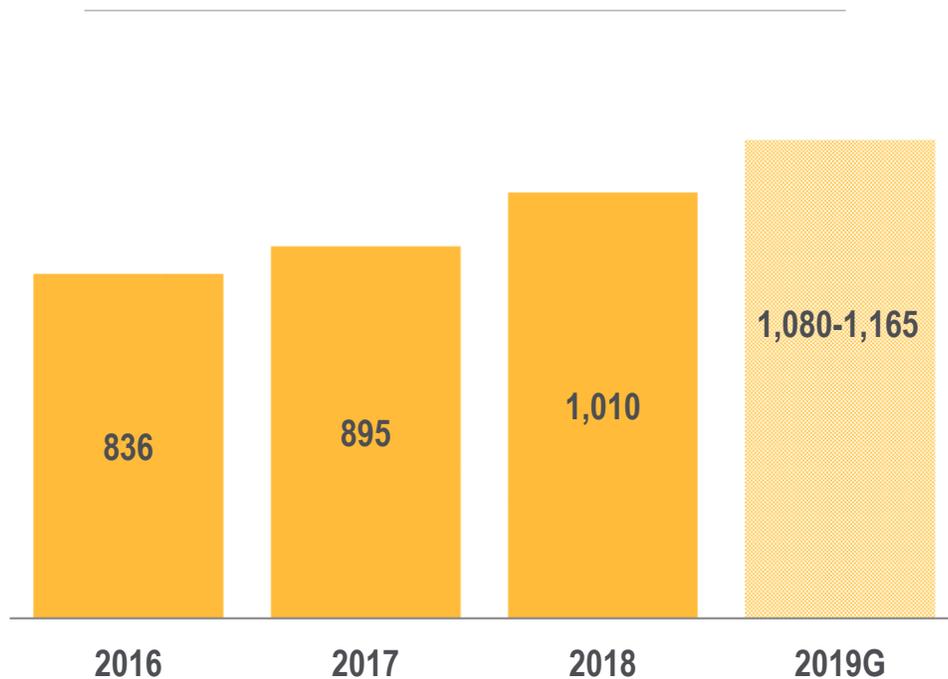


(a) Q1 2019 adjusted EBITDA annualized

NATURAL GAS LIQUIDS

VOLUME UPDATE

NGL Raw Feed Throughput Volume^(a)
(M Bbl/d)



Average NGL Raw Feed Throughput Volumes			
Region/Asset	Fourth Quarter 2018	First Quarter 2019	Average Bundled Rate (per gallon)
Bakken NGL Pipeline	157,000 bpd	167,000 bpd	~30 cents ^(c)
Mid-Continent	592,000 bpd	556,000 bpd	~ 9 cents ^(c)
Gulf Coast/Permian ^(b)	286,000 bpd	305,000 bpd	~ 5 cents ^(d)
Total	1,035,000 bpd	1,028,000 bpd	

(a) Represents physical raw feed volumes on which ONEOK charges a fee for transportation and/or fractionation services.

(b) Gulf Coast/Permian volumes consist of volume from the West Texas LPG pipeline system, Arbuckle Pipeline volume originating in Texas and any volume fractionated at ONEOK's Mont Belvieu fractionation facilities received from a third-party pipeline.

(c) Includes transportation and fractionation.

(d) Primarily transportation only.

NATURAL GAS GATHERING AND PROCESSING

VOLUME UPDATE

Rocky Mountain

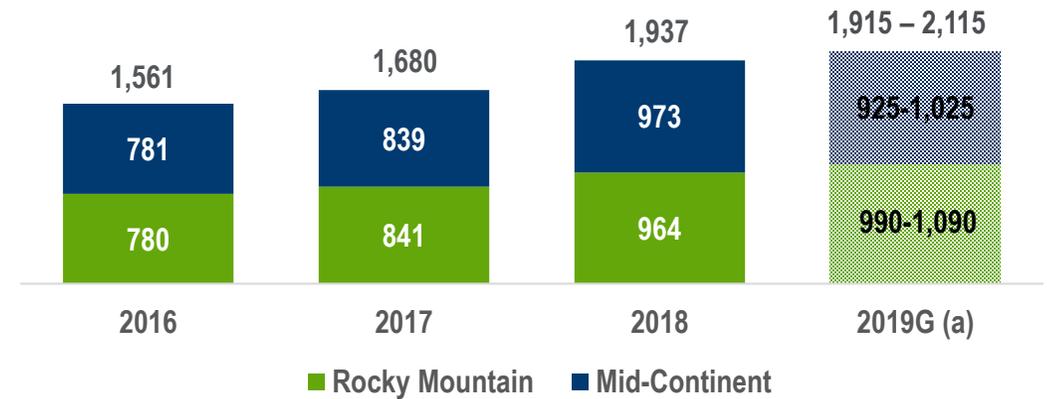
- ◆ Expect to connect approximately 620 wells in 2019
 - 78 well connects completed in the first quarter 2019
- ◆ First quarter 2019 natural gas volumes processed increased approximately 3%, compared with the fourth quarter 2018

Mid-Continent

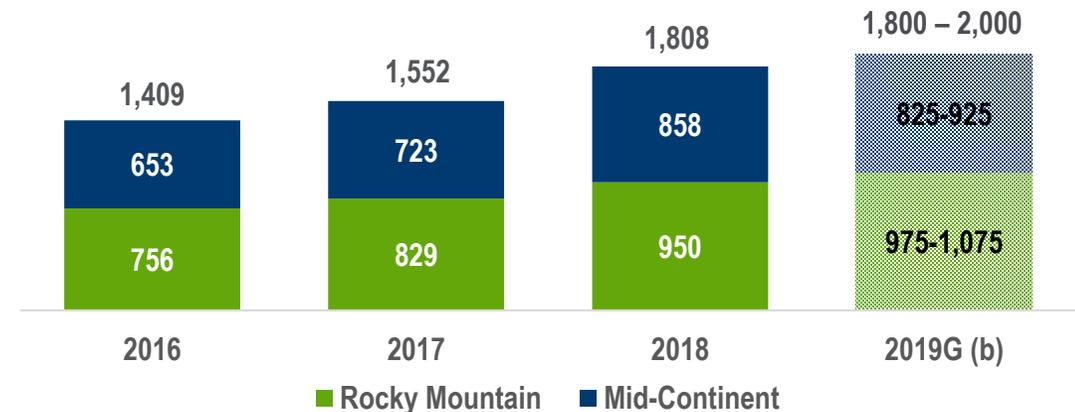
- ◆ Expect to connect approximately 100 wells in 2019
 - 32 well connects completed in the first quarter 2019

Region	Fourth Quarter 2018 – Average Gathered Volumes	First Quarter 2019 – Average Gathered Volumes	Fourth Quarter 2018 – Average Processed Volumes	First Quarter 2019 – Average Processed Volumes
Mid-Continent	1,009 MMcf/d	961 MMcf/d	900 MMcf/d	854 MMcf/d
Rocky Mountain	991 MMcf/d	1,031 MMcf/d	975 MMcf/d	1,003 MMcf/d
Total	2,000 MMcf/d	1,992 MMcf/d	1,875 MMcf/d	1,857 MMcf/d

Gathered Volumes (MMcf/d)



Processed Volumes (MMcf/d)



(a) 2019 guidance gathered volumes (BBtu/d): 2,540 – 2,800
 (b) 2019 guidance processed volumes (BBtu/d): 2,360 – 2,620

NATURAL GAS PIPELINES

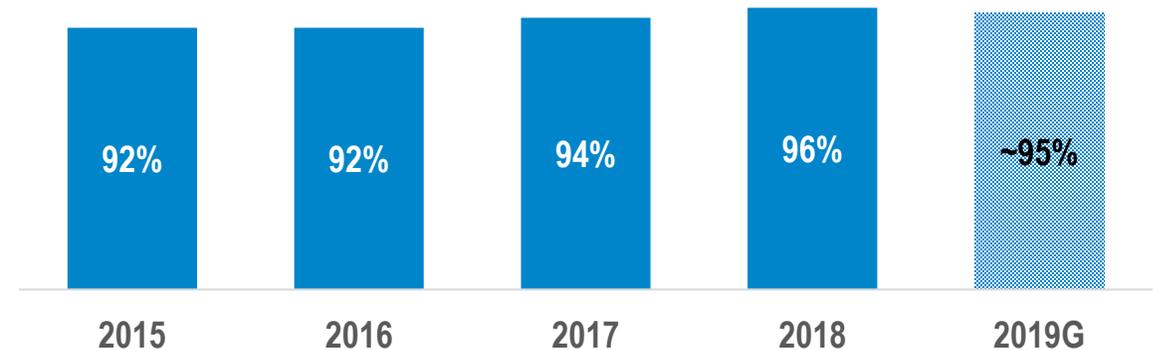
WELL-POSITIONED AND MARKET-CONNECTED

- ◆ Expect more than 95% fee-based earnings in 2019, and:
 - Approximately 95% of transportation capacity subscribed
 - Approximately 65% of natural gas storage capacity contracted
- ◆ Firm demand-based contracts serving primarily investment-grade utility customers
- ◆ Recently completed natural gas takeaway projects in the Permian Basin and STACK and SCOOP areas, including:
 - 300 MMcf/d expansion of the ONEOK WesTex Transmission system
 - 150 MMcf/d eastbound and 100 MMcf/d westbound expansions of the ONEOK Gas Transportation system
 - 750 MMcf/d of eastbound transportation capacity on ONEOK's Roadrunner Gas Transmission joint venture to make the pipeline bidirectional, expanding to ~1 Bcf/d in the third quarter 2019

Natural Gas Transportation Capacity Contracted (MDth/d)



Natural Gas Transportation Capacity Subscribed



BUSINESS SEGMENT PERFORMANCE

Q1 2019 VS. Q4 2018 ADJUSTED EBITDA VARIANCES

◆ Natural gas liquids increased

- **\$46.9 million increase** in optimization and marketing due primarily to higher earnings on the sale of purity NGLs held in inventory and increased optimization volumes.
- **\$9.7 million decrease** in exchange services due primarily to lower volumes in the Mid-Continent region and unfractionated NGLs in inventory, offset partially by higher volumes in the Williston and Permian basins and higher fee rates on the West Texas LPG system.
- **\$7.1 million decrease** in transportation and storage services from lower volumes on the North System^(a) due to seasonal demand.

◆ Natural gas pipelines increased

- **\$4.9 million increase** from lower operating costs due primarily to the timing of routine maintenance projects.
- **\$3.4 million increase** from higher firm transportation capacity contracted, offset partially by lower interruptible transportation revenues.
- **\$1.9 million increase** from equity in net earnings from investments on Northern Border Pipeline.

◆ Natural gas gathering and processing decreased

- **\$24.7 million decrease** due primarily to lower volumes in the Mid-Continent region, lower residue gas sales and contract settlements.
- **\$2.5 million decrease** due primarily to lower realized natural gas prices, net of hedges.
- **\$5.5 million increase** due primarily to lower operating costs.

(a) 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.

2019 FINANCIAL GUIDANCE

ANNOUNCED FEB. 25, 2019

				2019 Guidance Range		
(\$ in millions)				Midpoint		
Net income	\$	1,140	\$	1,270	\$	1,400
Adjusted EBITDA		2,500		2,600		2,700
Distributable cash flow		1,820		1,940		2,060
Capital-growth expenditures		2,500		3,100		3,700
Maintenance capital expenditures		160		180		200
Segment Adjusted EBITDA:						
Natural Gas Liquids		1,520		1,570		1,620
Natural Gas Gathering and Processing		620		650		680
Natural Gas Pipelines		360		375		390
Other		–		5		10

Note: Adjusted EBITDA and distributable cash flow are non-GAAP measures. Reconciliations to relevant GAAP measures are included in this presentation.

2019 FINANCIAL GUIDANCE

NON-GAAP RECONCILIATION

2019 Guidance Range

(Millions of dollars)

Reconciliation of Net Income to Adjusted EBITDA and Distributable Cash Flow

Net Income	\$ 1,140	-	\$ 1,400
Interest expense, net of capitalized interest	525	-	475
Depreciation and amortization	490	-	470
Income taxes	340	-	410
Noncash compensation expense	45	-	25
Equity AFUDC and other noncash items	(40)	-	(80)
Adjusted EBITDA	2,500	-	2,700
Interest expense, net of capitalized interest	(525)	-	(475)
Maintenance capital	(200)	-	(160)
Equity in net earnings from investments	(125)	-	(175)
Distributions received from unconsolidated affiliates	170	-	180
Other	-	-	(10)
Distributable cash flow	\$ 1,820	-	\$ 2,060

NON-GAAP RECONCILIATION

(\$ in Millions)	2017					2018					2019
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
Reconciliation of Net Income to Adjusted EBITDA											
Net income	\$186	\$176	\$167	\$65	\$594	\$266	\$282	\$314	\$293	\$1,155	\$337
Interest expense, net of capitalized interest	116	118	127	125	486	116	113	122	119	470	115
Depreciation and amortization	99	101	102	104	406	104	107	107	111	429	114
Impairment charges	-	-	20	-	20	-	-	-	-	-	-
Income taxes	55	44	97	251	447	76	88	102	97	363	78
Noncash compensation expense	2	3	5	3	13	9	12	6	11	38	6
Equity AFUDC and other noncash items	2	20	(1)	-	21	(1)	-	(1)	(5)	(7)	(13)
Adjusted EBITDA	\$460	\$462	\$517	\$548	\$1,987	\$570	\$602	\$650	\$626	\$2,448	\$637
Interest expense, net of capitalized interest	(116)	(118)	(127)	(125)	(486)	(116)	(113)	(122)	(119)	(470)	(115)
Maintenance capital	(24)	(23)	(33)	(67)	(147)	(30)	(44)	(63)	(51)	(188)	(41)
Equity earnings from investments	(40)	(39)	(40)	(40)	(159)	(40)	(37)	(39)	(42)	(158)	(43)
Distributions received from unconsolidated affiliates	47	50	49	50	196	50	48	47	52	197	59
Other	(3)	(2)	(2)	-	(7)	(2)	(3)	-	(2)	(7)	10
Distributable Cash Flow	\$324	\$330	\$364	\$366	\$1,384	\$432	\$453	\$473	\$464	\$1,822	\$507
Dividends paid to preferred shareholders	-	-	-	(1)	(1)	-	-	(1)	-	(1)	-
Distributions paid to public limited partners	(135)	(135)	-	-	(270)	-	-	-	-	-	-
Distributable cash flow to shareholders	\$189	\$195	\$364	\$365	\$1,113	\$432	\$453	\$472	\$464	\$1,821	\$507
Dividends paid	(130)	(130)	(283)	(285)	(828)	(316)	(327)	(339)	(352)	(1,334)	(354)
Distributable cash flow in excess of dividends paid	59	65	81	80	285	116	126	133	112	487	153
Dividends paid per share	\$0.615	\$0.615	\$0.745	\$0.745	\$2.720	\$0.770	\$0.795	\$0.825	\$0.855	\$3.245	\$0.860
Dividend coverage ratio	1.46	1.50	1.29	1.28	1.34	1.37	1.39	1.39	1.32	1.37	1.43
Number of shares used in computations (millions)	211	211	380	383	304	411	411	411	411	411	412

NON-GAAP RECONCILIATIONS

ONEOK has disclosed in this presentation adjusted EBITDA, distributable cash flow (DCF) and dividend coverage ratio, which are non-GAAP financial metrics, used to measure ONEOK's financial performance, and are defined as follows:

Adjusted EBITDA is defined as net income from continuing operations adjusted for interest expense, depreciation and amortization, noncash impairment charges, income taxes, noncash compensation expense, allowance for equity funds used during construction (equity AFUDC), and other noncash items; and

Distributable cash flow is defined as adjusted EBITDA, computed as described above, less interest expense, maintenance capital expenditures and equity earnings from investments, excluding noncash impairment charges, adjusted for cash distributions received from unconsolidated affiliates and certain other items; and

Dividend coverage ratio is defined as ONEOK's distributable cash flow to ONEOK shareholders divided by the dividends paid for the period.

These non-GAAP financial measures described above are useful to investors because they are used by many companies in the industry as a measurement of financial performance and are commonly employed by financial analysts and others to evaluate our financial performance and to compare our financial performance with the performance of other companies within our industry. Adjusted EBITDA, DCF and dividend coverage ratio should not be considered in isolation or as a substitute for net income or any other measure of financial performance presented in accordance with GAAP.

These non-GAAP financial measures exclude some, but not all, items that affect net income. Additionally, these calculations may not be comparable with similarly titled measures of other companies. In connection with our merger transaction, we have adjusted prior periods in the following table to conform to current presentation. Furthermore, these non-GAAP measures should not be viewed as indicative of the actual amount of cash that is available or that is planned to be distributed in a given period.



Elk Creek Pipeline — Kansas