



ONEOK

**FIRST
QUARTER 2020
RESULTS**

APRIL 28, 2020

FORWARD-LOOKING STATEMENTS

Statements contained in this presentation that include company expectations, outlooks 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 or outlooks are based on the news release issued on April 28, 2020, which provides that, given the current environment, continued commodity price and market volatility, and uncertainty surrounding the COVID-19 pandemic, ONEOK is withdrawing its 2020 guidance expectations and 2021 outlook, originally provided on Feb. 24, 2020, as well as its prior dividend guidance, and that previously provided guidance and outlooks should no longer be relied upon, and are not being updated or affirmed by this presentation.

RESPONDING TO COVID-19

ONEOK - AN ESSENTIAL CRITICAL INFRASTRUCTURE BUSINESS



Employee and Contractor Support

We continue to monitor and take action considering CDC and government guidelines related to COVID-19.

- ◆ All employees are working from home who are able and we've enacted enhanced safety protocols and physical distancing for critical employees and contractors continuing to work on-site.
- ◆ Provided benefit adjustments including waiving charges for virtual visits and COVID-19 diagnostic tests.
- ◆ ONEOK opted into CARES Act 401(k) loan deferral and hardship withdrawal programs for employees.



Community Support

Approximately \$600,000 pledged to support COVID-19 relief across operating areas, including:

- ◆ Partnering with the North Dakota Community Foundation to create the ONEOK Hospitality Employee COVID-19 Relief Fund.
- ◆ Partnering with local organizations to create the Tulsa Restaurant Employee Relief Fund.
- ◆ Continuing to evaluate support for public schools and community organizations to support those on the front line who help meet immediate needs.



Business Sustainability

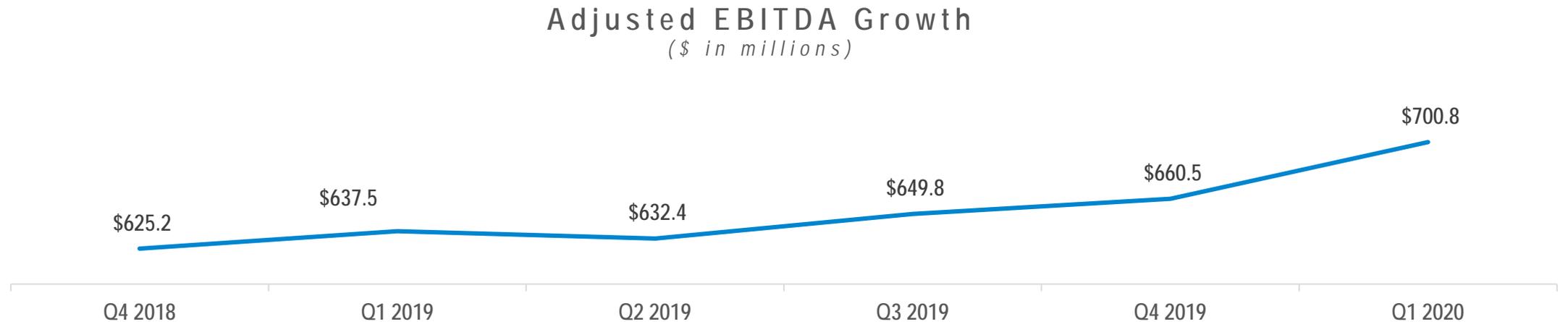
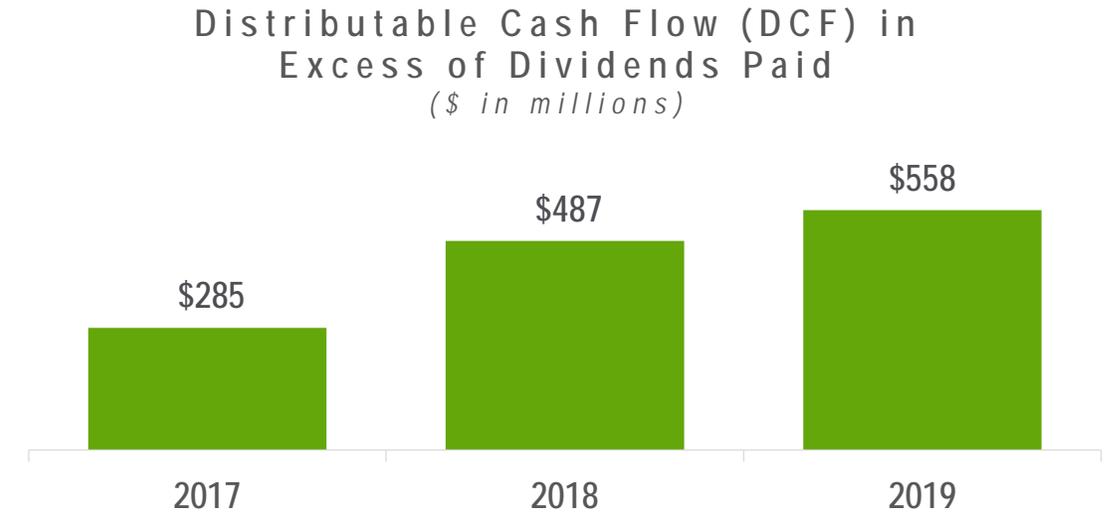
We remain focused on operating assets safely, reliably and in an environmentally responsible manner while continuing to provide essential services for customers and communities.

- ◆ Proactively postponed several capital-growth projects to enhance financial strength and flexibility during this period of market uncertainty.
- ◆ Continuing to hire new employees for critical positions.
- ◆ Maintaining regular communication with the financial community.
- ◆ Prioritizing communication, including frequent updates to our board of directors from executive management.

FINANCIAL STRENGTH – A COMPETITIVE ADVANTAGE

INCREASING LIQUIDITY

- ◆ Significant liquidity from a \$1.75 billion senior notes issuance completed in March 2020
 - No borrowings outstanding under ONEOK's \$2.5 billion credit facility and \$532 million of cash and cash equivalents as of March 31, 2020
- ◆ DCF in excess of dividends paid of \$136 million for the first quarter 2020, a 24% increase compared with the fourth quarter 2019
- ◆ Investment-grade credit ratings provide a competitive advantage
 - S&P: BBB (stable); Moody's: Baa3 (positive)
- ◆ Net debt-to-EBITDA ratio of 4.86 times on an annualized run-rate basis



WELL-CAPITALIZED CUSTOMER BASE

DIVERSIFIED COUNTERPARTIES WITH HIGH CREDIT QUALITY

No single customer represents more than 10% of ONEOK's revenue.

	Investment-grade Customers YE 2019	Primary Customers	Contract Structure
Natural Gas Liquids	~80% of commodity sales	<ul style="list-style-type: none"> • Large integrated and well-capitalized producers, and independent production companies • Large industrial companies • Other midstream operators • Petrochemical, refining and marketing companies 	<ul style="list-style-type: none"> • Limited counterparty credit exposure due to contract structure^(a) • Fee-based, bundled service volume commitments and plant dedications
Natural Gas Gathering and Processing	~90% of commodity sales	<ul style="list-style-type: none"> • Large integrated and well-capitalized producers, and independent production companies 	<ul style="list-style-type: none"> • Limited counterparty credit exposure due to contract structure^(b) • Fee contracts with a POP component^(c)
Natural Gas Pipelines	~85% of revenue	<ul style="list-style-type: none"> • Local natural gas utilities and municipalities • Electric-generation facilities • Large industrial companies 	<ul style="list-style-type: none"> • Fee-based, demand charge contracts

(a) In the Natural Gas Liquids segment, ONEOK purchases NGLs from gathering and processing customers and deducts a fee from the amounts remitted back.

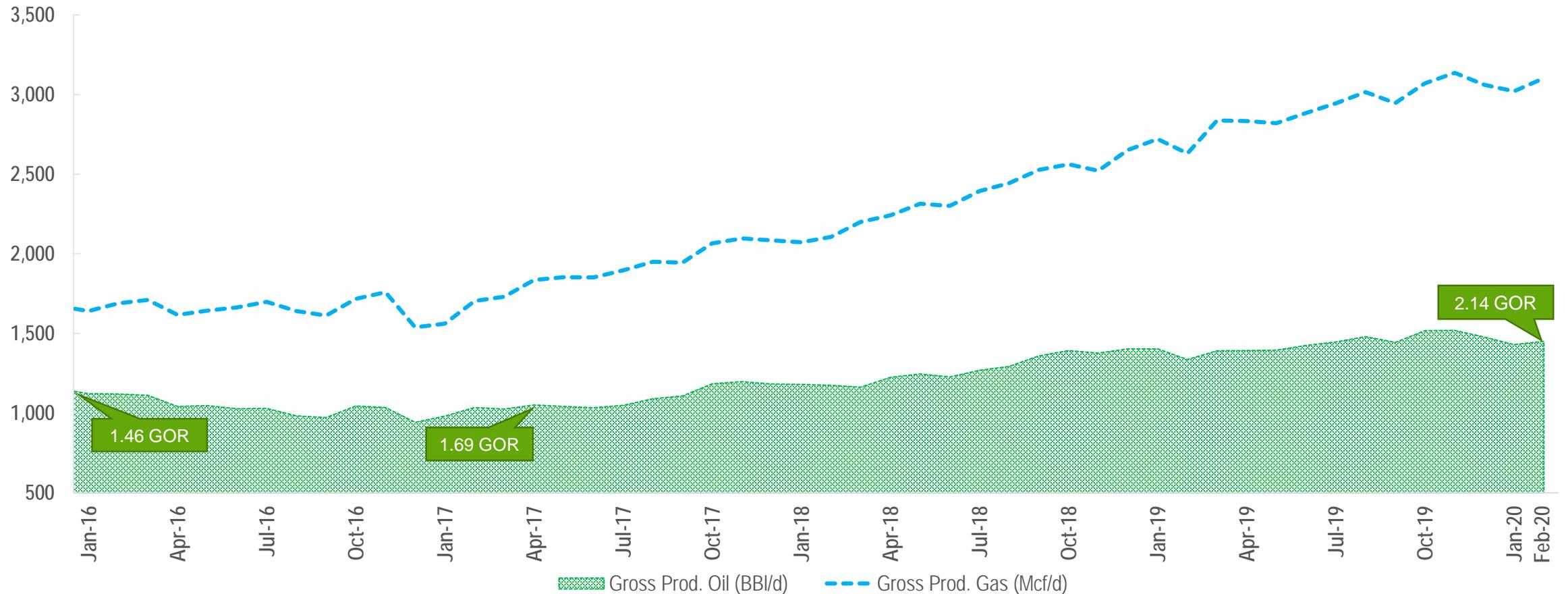
(b) In the Natural Gas Gathering and Processing Segment, ONEOK purchases NGLs and natural gas from producers at the wellhead and remits a portion of the sales proceeds back to the producer after deducting a processing fee.

(c) Percent of proceeds (POP) contracts result in retaining a portion of the commodity sales proceeds associated with the agreement. Under certain POP with fee contracts, ONEOK's contractual fees and POP percentage may increase or decrease if production volumes, delivery pressures or commodity prices change relative to specified thresholds. In the current commodity price environment, contractual fees on these contracts have decreased, which impacts the average fee rate in the natural gas gathering and processing segment.

WILLISTON BASIN

INCREASING GAS-TO-OIL RATIOS (GOR) DRIVING VOLUME GROWTH

- ◆ Producer efficiencies across the basin leading to increasing production with fewer rigs.
- ◆ Natural gas production of more than 3.1 Bcf/d reported in February 2020, compared with 2.6 Bcf/d in February 2019.

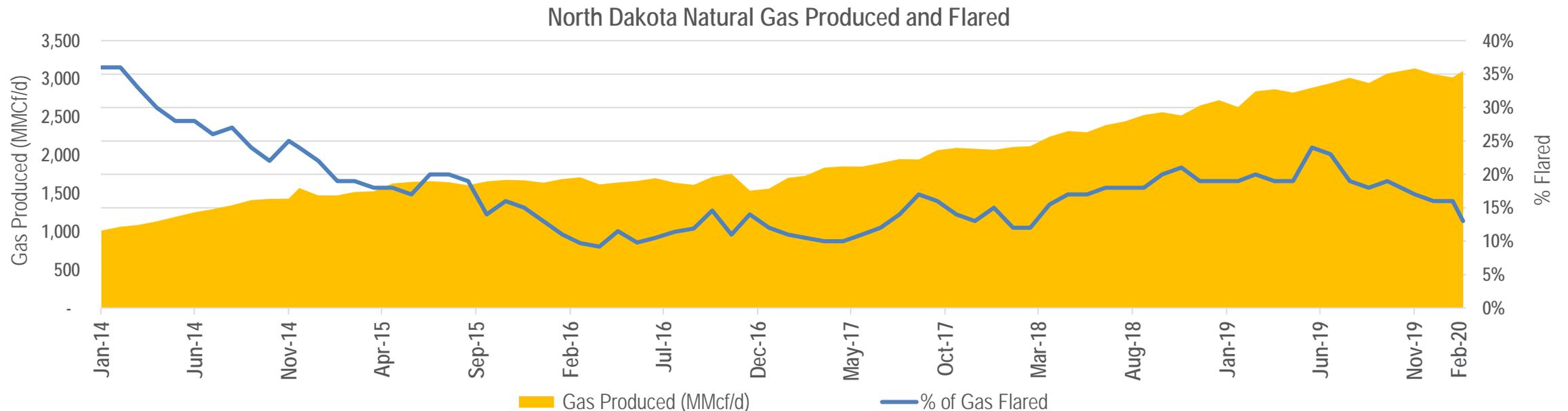


Source: North Dakota Industrial Commission and North Dakota Pipeline Authority.

WILLISTON BASIN

INCREASED NATURAL GAS CAPTURE RESULTS

- ◆ Increased NGL and natural gas value uplift
- ◆ Approximately 87% of North Dakota's natural gas production was captured in February 2020
- ◆ North Dakota Industrial Commission (NDIC) policy targets:
 - Natural gas capture: currently 88%, increasing to 91% by November 2020
- ◆ February statewide flaring was approximately 400 MMcf/d, with approximately 250 MMcf/d estimated to be on ONEOK's dedicated acreage
- ◆ Producers incentivized to increase natural gas capture rates to maximize the value of wells drilled



Source: NDIC Department of Mineral Resources.

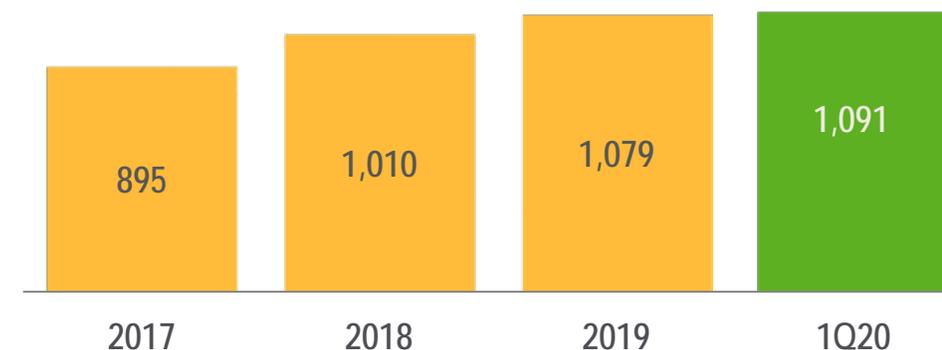
NATURAL GAS LIQUIDS

VOLUME UPDATE

- Rocky Mountain and Gulf Coast/Permian NGL volumes increased approximately 8% and 3%, respectively, compared with the fourth quarter 2019.
- ◆ 2020 third-party or ONEOK natural gas processing plant connections:
 - New connections: Rocky Mountain region (1); Permian Basin (1)
 - Existing connection expansions: Rocky Mountain region (2)
- ◆ March 2020 project completions:
 - Arbuckle II Pipeline from the Mid-Continent to Mont Belvieu, Texas
 - Full completion of the MB-4 fractionator in Mont Belvieu, Texas
 - Expansion of the West Texas LPG Pipeline system^(a)

Average NGL Raw Feed Throughput Volumes ^(b)			
Region	Fourth Quarter 2019	First Quarter 2020	Average Bundled Rate (per gallon)
Rocky Mountain ^(c)	196,000 bpd	211,000 bpd	~ 28 cents ^(f)
Mid-Continent ^(d)	550,000 bpd	519,000 bpd	~ 9 cents ^(f)
Gulf Coast/Permian ^(e)	350,000 bpd	361,000 bpd	~ 6 cents ^(g)
Total	1,096,000 bpd	1,091,000 bpd	

NGL Raw Feed Throughput Volume^(b)
(M B b l / d)



(a) 45,000 bpd of capacity complete; remaining portion expected to be completed in May 2020.

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

(c) Rocky Mountain: Bakken NGL pipeline, Elk Creek NGL pipeline and railed volume.

(d) Mid-Continent: ONEOK transportation and/or fractionation volumes from Overland Pass pipeline (OPPL) and all volumes originating in Oklahoma, Kansas and the Texas Panhandle.

(e) Gulf Coast/Permian: 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.

(f) Includes transportation and fractionation.

(g) Primarily transportation only.

NATURAL GAS GATHERING AND PROCESSING

VOLUME UPDATE

Rocky Mountain

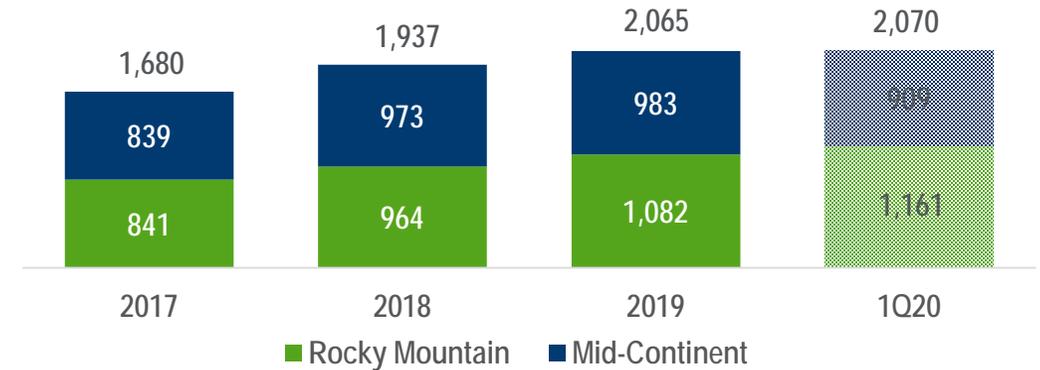
- ◆ 107 well connects completed in the first quarter 2020
- ◆ First quarter 2020 natural gas volumes processed increased approximately 5%, compared with the fourth quarter 2019
- ◆ Demicks Lake II natural gas processing plant completed in January 2020

Mid-Continent

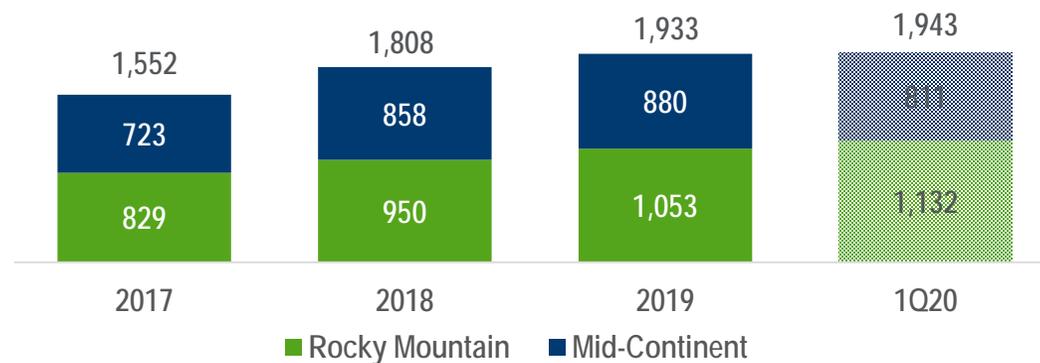
- ◆ 17 well connects completed in the first quarter 2020

Region	Fourth Quarter 2019 – Average Gathered Volumes	First Quarter 2020 – Average Gathered Volumes	Fourth Quarter 2019 – Average Processed Volumes	First Quarter 2020 – Average Processed Volumes
Mid-Continent	974 MMcf/d	909 MMcf/d	879 MMcf/d	811 MMcf/d
Rocky Mountain	1,106 MMcf/d	1,161 MMcf/d	1,080 MMcf/d	1,132 MMcf/d
Total	2,080 MMcf/d	2,070 MMcf/d	1,959 MMcf/d	1,943 MMcf/d

Gathered Volumes (MMcf/d)



Processed Volumes (MMcf/d)

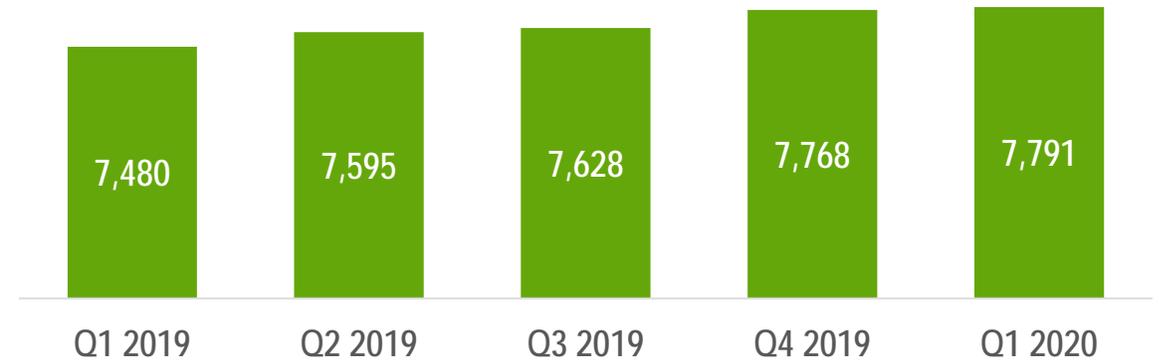


NATURAL GAS PIPELINES

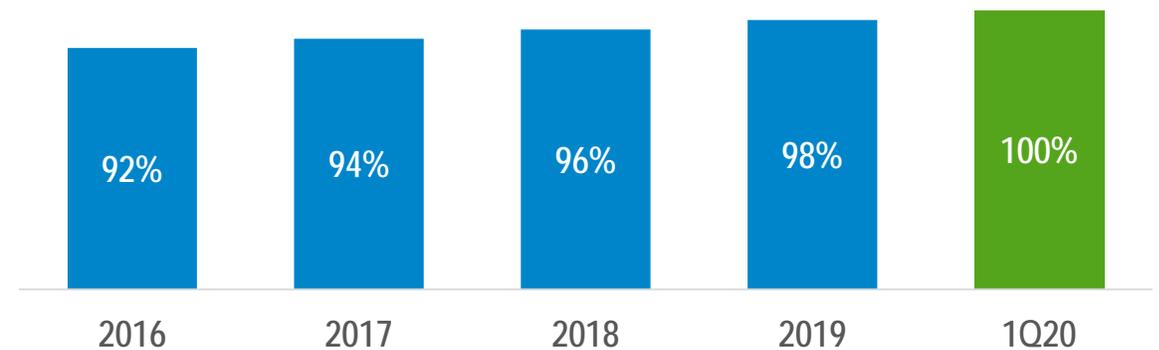
WELL-POSITIONED AND MARKET-CONNECTED

- ◆ Natural gas transportation capacity contracted increased 4% compared with the first quarter 2019
- ◆ Expect more than 95% fee-based earnings in 2020, and:
 - Approximately 98% of transportation capacity contracted
 - Approximately 65% of natural gas storage capacity contracted

Natural Gas Transportation Capacity Contracted (MDth/d)



Natural Gas Transportation Capacity Contracted



BUSINESS SEGMENT PERFORMANCE

Q1 2020 VS. Q4 2019 ADJUSTED EBITDA VARIANCES

◆ Natural gas liquids increased

- **\$40.3 million increase** in exchange services due primarily to \$36.1 million in lower transportation and third-party fractionation costs and \$9.5 million in higher volumes primarily in the Rocky Mountain region, partially offset by lower Mid-Continent region volumes; offset partially by \$3.6 million in lower earnings from unfractionated NGLs in inventory and \$3.3 million lower product price differentials.
- **\$17.2 million increase** from lower operating costs due primarily to lower employee-related costs and the timing of routine maintenance projects.
- **\$10.7 million decrease** in optimization and marketing due primarily to lower earnings related to the sale of NGL products previously held in inventory.
- **\$9.3 million decrease** in transportation and storage services from lower volumes on the North System^(a) due to seasonal demand.

◆ Natural gas pipelines increased

- **\$8.0 million increase** from lower operating costs due primarily to employee-related costs and the timing of routine maintenance projects.
- **\$3.3 million increase** in equity earnings due primarily to seasonal contracts on Northern Border Pipeline.
- **\$3.0 million increase** from higher firm transportation rates and capacity contracted and higher interruptible transportation revenues.

◆ Natural gas gathering and processing decreased

- **\$40.8 million decrease** due primarily to lower realized commodity prices impacting fee-based contracts with a percent of proceeds component.
- **\$5.8 million increase** from lower operating costs due primarily to lower employee-related costs and outside services.
- **\$4.0 million increase** due primarily to higher volumes in the Williston Basin, offset partially by lower volumes in the Mid-Continent region and natural production declines.

(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.

2020 OUTLOOK

NON-GAAP RECONCILIATION

	2020 Outlook		
	<i>(Millions of dollars)</i>		
Reconciliation of net income to adjusted EBITDA and distributable cash flow			
Net income	\$ 500	-	\$ 900
Interest expense, net of capitalized interest	695	-	645
Depreciation and amortization	585	-	545
Income taxes	160	-	290
Impairment charges	642	-	642
Noncash compensation expense	35	-	15
Equity AFUDC and other noncash items	(17)	-	(37)
Adjusted EBITDA	\$ 2,600	-	\$ 3,000
Interest expense, net of capitalized interest	(695)	-	(645)
Maintenance capital	(170)	-	(130)
Equity in net earnings from investments	(120)	-	(180)
Distributions received from unconsolidated affiliates	165	-	185
Other	5	-	(45)
Distributable cash flow	\$ 1,785	-	\$ 2,185

NON-GAAP RECONCILIATION

	2017		2018			2019					2020	
	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
	(\$ in Millions)											
Reconciliation of net income (loss) to adjusted EBITDA and distributable cash flow												
Net income (loss)	\$594	\$266	\$282	\$314	\$293	\$1,155	\$337	\$312	\$309	\$321	\$1,279	\$(142)
Interest expense, net of capitalized interest	486	116	113	122	119	470	115	117	130	130	492	141
Depreciation and amortization	406	104	107	107	111	429	114	115	121	127	477	132
Income tax expense (benefit)	447	76	88	102	97	363	78	99	97	98	372	(55)
Impairment charges	20	-	-	-	-	-	-	-	-	-	-	642
Noncash compensation expense	13	9	12	6	11	38	6	5	10	6	27	(1)
Equity AFUDC and other noncash items	21	(1)	-	(1)	(5)	(7)	(13)	(16)	(17)	(21)	(67)	(16)
Adjusted EBITDA	\$1,987	\$570	\$602	\$650	\$626	\$2,448	\$637	\$632	\$650	\$661	\$2,580	\$701
Interest expense, net of capitalized interest	(486)	(116)	(113)	(122)	(119)	(470)	(115)	(117)	(130)	(130)	(492)	(141)
Maintenance capital	(147)	(30)	(44)	(63)	(51)	(188)	(41)	(44)	(48)	(63)	(196)	(25)
Equity in net earnings from investments, excluding noncash impairment charges	(159)	(40)	(37)	(39)	(42)	(158)	(43)	(34)	(38)	(40)	(155)	(45)
Distributions received from unconsolidated affiliates	196	50	48	47	52	197	59	100	44	55	258	49
Other	(7)	(2)	(3)	0	(2)	(7)	10	4	3	4	21	(17)
Distributable cash flow	\$1,384	\$432	\$453	\$473	\$464	\$1,822	\$507	\$541	\$481	\$487	\$2,016	\$522
Dividends paid to preferred shareholders	(1)	-	-	(1)	-	(1)	-	(1)	-	-	(1)	-
Distributable cash flow to common shareholders	\$1,113	\$432	\$453	\$472	\$464	\$1,821	\$507	\$540	\$481	\$487	\$2,015	\$522
Dividends paid	(828)	(316)	(327)	(339)	(352)	(1,334)	(354)	(357)	(368)	(378)	(1,457)	(386)
Distributable cash flow in excess of dividends paid	\$285	\$116	\$126	\$133	\$112	\$487	\$153	\$183	\$113	\$109	\$558	\$136
Dividends paid per share	\$2.72	\$0.77	\$0.80	\$0.83	\$0.86	\$3.245	\$0.86	\$0.87	\$0.89	\$0.92	\$3.53	\$0.935
Dividend coverage ratio	1.34	1.37	1.39	1.39	1.32	1.37	1.43	1.51	1.31	1.29	1.38	1.35
Number of shares used in computations (millions)	304	411	411	411	411	411	412	413	413	413	413	413

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 (loss) 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 (loss) 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. 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.