

ONE Gas, Inc.

EARNINGS GUIDANCE*

<i>(Unaudited)</i>	2017 Guidance Before Adoption	Adoption of Accounting Standard**	2017 Guidance
	<i>(Millions of dollars)</i>		
Operating income			
Net margin	\$ 924	\$ —	\$ 924
Operations and maintenance	419	—	419
Depreciation and amortization	155	—	155
General taxes	57	—	57
Operating income	293	—	293
Other income (expense)	(1)	—	(1)
Interest expense	(45)	—	(45)
Income before income taxes	247	—	247
Income taxes	(94)	4	(90)
Net income	\$ 153	\$ 4	\$ 157
Earnings per share, diluted	\$ 2.89	\$ 0.08	\$ 2.97

	2017 Guidance
	<i>(Millions of dollars)</i>
Capital expenditures	
System integrity and replacements	\$ 255
Customer growth	72
Other	23
Total capital expenditures	\$ 350

*Amounts shown are midpoints of ranges provided.

** New accounting standard for share-based compensation.