

OGE Energy Corp.
consolidated statements of income
(unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2011	2010	2011	2010
	<i>(In millions, except per share data)</i>			
OPERATING REVENUES				
Electric Utility operating revenues	\$ 445.9	\$ 430.1	\$ 2,211.5	\$ 2,109.9
Natural Gas Midstream Operations operating revenues	439.3	398.4	1,704.4	1,607.0
Total operating revenues	<u>885.2</u>	<u>828.5</u>	<u>3,915.9</u>	<u>3,716.9</u>
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)				
Electric Utility cost of goods sold	193.3	195.4	966.0	952.6
Natural Gas Midstream Operations cost of goods sold	342.8	302.8	1,311.9	1,234.8
Total cost of goods sold	<u>536.1</u>	<u>498.2</u>	<u>2,277.9</u>	<u>2,187.4</u>
Gross margin on revenues	349.1	330.3	1,638.0	1,529.5
OPERATING EXPENSES				
Other operation and maintenance	148.9	148.8	581.2	549.8
Depreciation and amortization	81.3	76.1	307.1	291.3
Impairment of assets	1.3	1.1	6.3	1.1
Gain on insurance proceeds	(3.0)	-	(3.0)	-
Taxes other than income	23.7	22.9	99.7	93.4
Total operating expenses	<u>252.2</u>	<u>248.9</u>	<u>991.3</u>	<u>935.6</u>
OPERATING INCOME	96.9	81.4	646.7	593.9
OTHER INCOME (EXPENSE)				
Interest income	0.1	-	0.5	-
Allowance for equity funds used during construction	4.3	4.2	20.4	11.4
Other income	8.2	7.9	19.3	13.7
Other expense	(9.5)	(9.1)	(21.7)	(17.9)
Net other income	<u>3.1</u>	<u>3.0</u>	<u>18.5</u>	<u>7.2</u>
INTEREST EXPENSE				
Interest on long-term debt	37.5	36.0	146.1	139.3
Allowance for borrowed funds used during construction	(2.3)	(2.0)	(10.4)	(5.5)
Interest on short-term debt and other interest charges	1.6	1.2	5.2	5.9
Interest expense	<u>36.8</u>	<u>35.2</u>	<u>140.9</u>	<u>139.7</u>
INCOME BEFORE TAXES	63.2	49.2	524.3	461.4
INCOME TAX EXPENSE	20.0	15.4	160.7	161.0
NET INCOME	43.2	33.8	363.6	300.4
Less: Net income attributable to noncontrolling interests	6.8	3.1	20.7	5.1
NET INCOME ATTRIBUTABLE TO OGE ENERGY	<u>\$ 36.4</u>	<u>\$ 30.7</u>	<u>\$ 342.9</u>	<u>\$ 295.3</u>
BASIC AVERAGE COMMON SHARES OUTSTANDING	98.0	97.5	97.9	97.3
DILUTED AVERAGE COMMON SHARES OUTSTANDING	99.4	99.2	99.2	98.9
BASIC EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.37</u>	<u>\$ 0.32</u>	<u>\$ 3.50</u>	<u>\$ 3.03</u>
DILUTED EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	<u>\$ 0.37</u>	<u>\$ 0.31</u>	<u>\$ 3.45</u>	<u>\$ 2.99</u>

OGE Energy Corp.
consolidated statements of retained earnings
(unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2011	2010	2011	2010
	<i>(In millions)</i>			
BALANCE AT BEGINNING OF PERIOD	\$ 1,576.8	\$ 1,386.5	\$ 1,380.6	\$ 1,227.8
Net income attributable to OGE Energy	36.4	30.7	342.9	295.3
Dividends declared on common stock	(38.4)	(36.6)	(148.7)	(142.5)
BALANCE AT END OF PERIOD	<u>\$ 1,574.8</u>	<u>\$ 1,380.6</u>	<u>\$ 1,574.8</u>	<u>\$ 1,380.6</u>

capitalization ratios
(unaudited)

	December 31	December 31
	2011	2010
Stockholders' equity	50.7%	50.4%
Long-term debt (includes long-term debt due within one year)	49.3%	49.6%

OGE Energy Corp.
consolidated statements of cash flows
(unaudited)

	Twelve Months Ended	
	December 31	
	2011	2010
	<i>(In millions)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 363.6	\$ 300.4
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities		
Depreciation and amortization	307.1	291.3
Impairment of assets	6.3	1.1
Deferred income taxes and investment tax credits, net	166.0	146.4
Allowance for equity funds used during construction	(20.4)	(11.4)
Gain on disposition and abandonment of assets	(2.7)	-
Gain on insurance proceeds	(3.0)	-
Stock-based compensation expense	7.8	7.4
Excess tax benefit on stock-based compensation	-	(0.7)
Price risk management assets	(1.7)	3.9
Price risk management liabilities	19.0	8.5
Regulatory assets	14.0	24.1
Regulatory liabilities	(1.9)	(12.4)
Other assets	(7.0)	6.3
Other liabilities	(37.4)	(37.0)
Change in certain current assets and liabilities		
Accounts receivable, net	(48.0)	11.9
Accrued unbilled revenues	(2.5)	0.4
Income taxes receivable	(3.6)	153.0
Fuel, materials and supplies inventories	54.2	(45.2)
Gas imbalance assets	0.7	0.7
Fuel clause under recoveries	(0.8)	(0.7)
Other current assets	(7.2)	(5.9)
Accounts payable	34.5	59.2
Gas imbalance liabilities	3.1	(5.3)
Fuel clause over recoveries	(22.2)	(157.6)
Other current liabilities	16.0	44.1
Net cash provided from operating activities	<u>833.9</u>	<u>782.5</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(1,270.4)	(879.9)
Acquisition of gathering assets	(200.4)	-
Reimbursement of capital expenditures	49.6	31.5
Proceeds from sale of assets	18.0	2.3
Proceeds from insurance	7.4	-
Net cash used in investing activities	<u>(1,395.8)</u>	<u>(846.1)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	246.3	246.2
Contributions from noncontrolling interest partners	216.4	183.2
Proceeds from line of credit	150.0	115.0
Increase (decrease) in short-term debt	132.1	(30.0)
Issuance of common stock	14.8	16.9
Excess tax benefit on stock-based compensation	-	0.7
Retirement of long-term debt	-	(289.2)
Purchase of treasury stock	(6.2)	-
Distributions to noncontrolling interest partners	(17.4)	(4.0)
Repayment of line of credit	(25.0)	(90.0)
Dividends paid on common stock	(146.8)	(141.0)
Net cash provided from financing activities	<u>564.2</u>	<u>7.8</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2.3	(55.8)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2.3	58.1
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 4.6</u>	<u>\$ 2.3</u>

OGE Energy Corp.
consolidated balance sheets
(unaudited)

	December 31 2011	December 31 2010
	<i>(In millions)</i>	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4.6	\$ 2.3
Accounts receivable, less reserve of \$3.8 and \$1.9, respectively	322.5	277.9
Accrued unbilled revenues	59.3	56.8
Income taxes receivable	8.3	4.7
Fuel inventories	100.7	158.8
Materials and supplies, at average cost	87.2	83.3
Price risk management	3.5	1.4
Gas imbalances	1.8	2.5
Deferred income taxes	32.1	18.7
Fuel clause under recoveries	1.8	1.0
Other	30.9	24.7
Total current assets	<u>652.7</u>	<u>632.1</u>
OTHER PROPERTY AND INVESTMENTS, at cost	46.7	44.9
PROPERTY, PLANT AND EQUIPMENT		
In service	10,315.9	9,188.0
Construction work in progress	499.0	460.0
Total property, plant and equipment	<u>10,814.9</u>	<u>9,648.0</u>
Less accumulated depreciation	<u>3,340.9</u>	<u>3,183.6</u>
Net property, plant and equipment	7,474.0	6,464.4
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	507.9	489.4
Intangible assets, net	137.0	2.8
Goodwill	39.4	-
Price risk management	0.3	0.8
Other	48.0	34.7
Total deferred charges and other assets	<u>732.6</u>	<u>527.7</u>
TOTAL ASSETS	<u><u>\$ 8,906.0</u></u>	<u><u>\$ 7,669.1</u></u>

OGE Energy Corp.
consolidated balance sheets
(unaudited)

	December 31	December 31
	2011	2010
	<i>(In millions)</i>	
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term debt	\$ 277.1	\$ 145.0
Accounts payable	388.0	321.7
Dividends payable	38.5	36.6
Customer deposits	67.6	67.0
Accrued taxes	42.3	39.3
Accrued interest	54.8	53.1
Accrued compensation	47.8	43.3
Price risk management	0.4	16.8
Gas imbalances	9.8	6.7
Fuel clause over recoveries	7.7	29.9
Other	64.5	55.1
Total current liabilities	<u>998.5</u>	<u>814.5</u>
LONG-TERM DEBT	2,737.1	2,362.9
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	360.8	372.4
Deferred income taxes	1,651.4	1,434.8
Deferred investment tax credits	6.1	9.4
Regulatory liabilities	230.7	193.1
Price risk management	0.1	-
Deferred revenues	40.8	36.7
Other	61.2	45.3
Total deferred credits and other liabilities	<u>2,351.1</u>	<u>2,091.7</u>
Total liabilities	<u>6,086.7</u>	<u>5,269.1</u>
STOCKHOLDERS' EQUITY		
Common stockholders' equity	1,035.3	969.2
Retained earnings	1,574.8	1,380.6
Accumulated other comprehensive loss, net of tax	(40.6)	(60.2)
Treasury stock, at cost	(6.2)	-
Total OGE Energy stockholders' equity	<u>2,563.3</u>	<u>2,289.6</u>
Noncontrolling interests	256.0	110.4
Total stockholders' equity	<u>2,819.3</u>	<u>2,400.0</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 8,906.0</u></u>	<u><u>\$ 7,669.1</u></u>

OGE Energy Corp.
financial and statistical data
(unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2011	2010	2011	2010
	<i>(In millions)</i>			
ELECTRIC UTILITY				
Operating revenues by classification				
Residential	\$ 172.3	\$ 165.0	\$ 943.5	\$ 894.8
Commercial	113.7	111.5	531.3	521.0
Industrial	47.8	48.0	216.0	212.5
Oilfield	37.7	37.2	165.1	162.8
Public authorities and street light	44.9	43.0	207.4	200.8
Sales for resale	14.4	15.3	65.3	65.8
Provision for rate refund	-	0.4	-	-
System sales revenues	430.8	420.4	2,128.6	2,057.7
Off-system sales revenues	0.7	2.0	36.2	21.7
Other	14.4	7.7	46.7	30.5
Total operating revenues	<u>\$ 445.9</u>	<u>\$ 430.1</u>	<u>\$ 2,211.5</u>	<u>\$ 2,109.9</u>
Sales of electricity - MWH (a) sales by classification				
Residential	1.9	2.0	9.9	9.6
Commercial	1.6	1.6	6.9	6.7
Industrial	1.0	0.9	3.9	3.8
Oilfield	0.8	0.8	3.2	3.1
Public authorities and street light	0.8	0.7	3.2	3.0
Sales for resale	0.3	0.3	1.4	1.4
System sales	6.4	6.3	28.5	27.6
Off-system sales	-	-	1.0	0.5
Total sales	<u>6.4</u>	<u>6.3</u>	<u>29.5</u>	<u>28.1</u>
Number of customers	789,146	782,558	789,146	782,558
Average cost of energy per KWH (b) - cents				
Natural gas	4.014	3.939	4.328	4.638
Coal	2.129	1.993	2.064	1.911
Total fuel	2.643	2.818	2.897	3.012
Total fuel and purchased power	3.039	3.124	3.215	3.309
Degree days				
Heating - Actual	1,264	1,223	3,359	3,528
Heating - Normal	1,403	1,403	3,631	3,631
Cooling - Actual	89	42	2,776	2,328
Cooling - Normal	61	61	1,911	1,911
NATURAL GAS MIDSTREAM OPERATIONS				
Operating revenues	\$ 455.3	\$ 418.1	\$ 1,787.1	\$ 1,707.7
Operating income	\$ 43.4	\$ 44.0	\$ 175.0	\$ 184.3
Net income attributable to OGE Enogex Holdings	\$ 19.1	\$ 22.3	\$ 82.2	\$ 91.1
Net cash provided from operating activities	\$ 84.1	\$ 63.2	\$ 264.9	\$ 304.1
Capital expenditures	\$ 334.2	\$ 76.7	\$ 612.5	\$ 234.2
Gathered volumes - TBtu/d (c)	1.36	1.34	1.36	1.32
Incremental transportation volumes - TBtu/d (d)	0.53	0.27	0.58	0.40
Total throughput volumes - TBtu/d	<u>1.89</u>	<u>1.61</u>	<u>1.94</u>	<u>1.72</u>
Natural gas processed - TBtu/d	0.88	0.85	0.79	0.82
Natural gas liquids sold (keep-whole) - million gallons	34	50	167	187
Natural gas liquids sold (purchased for resale) - million gallons	150	132	487	470
Natural gas liquids sold (percent-of-liquids) - million gallons	7	7	25	26
Natural gas liquids sold (percent-of-proceeds) - million gallons	2	1	6	5
Total natural gas liquids sold - million gallons	<u>193</u>	<u>190</u>	<u>685</u>	<u>688</u>
Average natural gas liquids sales price per gallon	\$ 1.09	\$ 1.04	\$ 1.16	\$ 0.96
Average natural gas sales price per MMBtu (e)	\$ 3.60	\$ 3.71	\$ 4.08	\$ 4.24

(a) Megawatt-hours.

(b) Kilowatt-hours.

(c) Trillion British thermal units per day.

(d) Incremental transportation volumes consist of natural gas moved only on the transportation pipeline.

(e) Million British thermal units.

Oklahoma Gas and Electric Company
statements of income
(unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2011	2010	2011	2010
	<i>(In millions)</i>			
OPERATING REVENUES	\$ 445.9	\$ 430.1	\$ 2,211.5	\$ 2,109.9
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)	205.1	207.4	1,013.5	1,000.2
Gross margin on revenues	240.8	222.7	1,198.0	1,109.7
OPERATING EXPENSES				
Other operation and maintenance	111.7	112.2	436.0	418.1
Depreciation and amortization	57.3	55.3	216.1	208.7
Taxes other than income	17.5	17.4	73.6	69.2
Total operating expenses	186.5	184.9	725.7	696.0
OPERATING INCOME	54.3	37.8	472.3	413.7
OTHER INCOME (EXPENSE)				
Interest income	0.1	-	0.5	0.1
Allowance for equity funds used during construction	4.3	4.2	20.4	11.4
Other income	4.8	4.3	8.0	6.5
Other expense	(3.5)	(0.2)	(8.4)	(1.6)
Net other income	5.7	8.3	20.5	16.4
INTEREST EXPENSE				
Interest on long-term debt	30.8	27.8	118.7	104.7
Allowance for borrowed funds used during construction	(2.3)	(2.0)	(10.4)	(5.5)
Interest on short-term debt and other interest charges	0.9	0.8	3.3	4.2
Interest expense	29.4	26.6	111.6	103.4
INCOME BEFORE TAXES	30.6	19.5	381.2	326.7
INCOME TAX EXPENSE	10.9	7.1	117.9	111.0
NET INCOME	\$ 19.7	\$ 12.4	\$ 263.3	\$ 215.7
BASIC AVERAGE COMMON SHARES OUTSTANDING	98.0	97.5	97.9	97.3
DILUTED AVERAGE COMMON SHARES OUTSTANDING	99.4	99.2	99.2	98.9
BASIC EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 0.20	\$ 0.13	\$ 2.69	\$ 2.22
DILUTED EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 0.20	\$ 0.13	\$ 2.65	\$ 2.18

Oklahoma Gas and Electric Company
statements of cash flows
(unaudited)

Twelve Months Ended

December 31

2011 **2010**

(In millions)

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	\$ 263.3	\$ 215.7
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities		
Depreciation and amortization	216.1	208.7
Deferred income taxes and investment tax credits, net	95.0	118.8
Allowance for equity funds used during construction	(20.4)	(11.4)
Stock-based compensation expense	3.0	-
Regulatory assets	14.0	24.1
Regulatory liabilities	(1.9)	(12.4)
Other assets	2.0	4.8
Other liabilities	(62.9)	(55.8)
Change in certain current assets and liabilities		
Accounts receivable, net	(40.1)	3.6
Accrued unbilled revenues	(2.5)	0.4
Fuel, materials and supplies inventories	54.0	(37.5)
Gas imbalance assets	0.1	-
Fuel clause under recoveries	(0.8)	(0.7)
Other current assets	(7.6)	(5.2)
Accounts payable	13.4	41.4
Accounts payable - affiliates	(3.1)	(0.2)
Income taxes payable - parent	23.0	106.6
Fuel clause over recoveries	(22.2)	(157.6)
Other current liabilities	26.9	22.4
Net cash provided from operating activities	<u>549.3</u>	<u>465.7</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	(844.5)	(631.6)
Reimbursement of capital expenditures	49.6	28.2
Proceeds from sale of assets	0.6	1.3
Net cash used in investing activities	<u>(794.3)</u>	<u>(602.1)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	246.3	246.2
Capital contribution from OGE Energy	50.0	-
Dividends paid on common stock	-	(60.2)
Changes in advances with parent	(51.3)	(49.6)
Net cash provided from financing activities	<u>245.0</u>	<u>136.4</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ -</u>	<u>\$ -</u>

Oklahoma Gas and Electric Company
balance sheets
(unaudited)

	December 31	December 31
	2011	2010
	<i>(In millions)</i>	
ASSETS		
CURRENT ASSETS		
Accounts receivable, less reserve of \$3.7 and \$1.6, respectively	\$ 182.4	\$ 142.3
Accrued unbilled revenues	59.3	56.8
Advances to parent	97.2	68.9
Fuel inventories	76.9	134.9
Materials and supplies, at average cost	81.1	77.1
Gas imbalances	-	0.1
Deferred income taxes	10.3	10.7
Fuel clause under recoveries	1.8	1.0
Other	28.0	20.4
Total current assets	<u>537.0</u>	<u>512.2</u>
OTHER PROPERTY AND INVESTMENTS, at cost	2.7	2.9
PROPERTY, PLANT AND EQUIPMENT		
In service	7,808.8	7,043.6
Construction work in progress	334.4	328.1
Total property, plant and equipment	<u>8,143.2</u>	<u>7,371.7</u>
Less accumulated depreciation	<u>2,592.3</u>	<u>2,494.4</u>
Net property, plant and equipment	5,550.9	4,877.3
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	507.9	489.4
Other	22.4	16.3
Total deferred charges and other assets	<u>530.3</u>	<u>505.7</u>
TOTAL ASSETS	<u><u>\$ 6,620.9</u></u>	<u><u>\$ 5,898.1</u></u>

Oklahoma Gas and Electric Company
balance sheets
(unaudited)

	December 31	December 31
	2011	2010
	<i>(In millions)</i>	
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable - affiliates	\$ 1.3	\$ 4.4
Accounts payable - other	193.4	144.1
Customer deposits	65.7	63.2
Accrued taxes	33.5	31.2
Accrued interest	43.2	41.6
Accrued compensation	26.6	22.2
Price risk management	2.2	1.3
Fuel clause over recoveries	7.7	29.9
Other	56.5	40.3
Total current liabilities	<u>430.1</u>	<u>378.2</u>
LONG-TERM DEBT	2,039.2	1,790.4
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	230.8	259.8
Deferred income taxes	1,146.0	1,055.3
Deferred investment tax credits	6.1	9.4
Regulatory liabilities	230.7	193.1
Price risk management	1.8	2.2
Other	42.2	31.6
Total deferred credits and other liabilities	<u>1,657.6</u>	<u>1,551.4</u>
Total liabilities	<u>4,126.9</u>	<u>3,720.0</u>
STOCKHOLDER'S EQUITY		
Common stockholder's equity	1,011.4	958.4
Retained earnings	1,485.1	1,221.8
Accumulated other comprehensive loss, net of tax	(2.5)	(2.1)
Total stockholder's equity	<u>2,494.0</u>	<u>2,178.1</u>
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u><u>\$ 6,620.9</u></u>	<u><u>\$ 5,898.1</u></u>

OGE Enogex Holdings LLC and subsidiaries
consolidated statements of income
(unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2011	2010	2011	2010
	<i>(In millions)</i>			
OPERATING REVENUES	\$ 455.3	\$ 418.1	\$ 1,787.1	\$ 1,707.7
COST OF GOODS SOLD (exclusive of depreciation and amortization shown below)	346.2	311.0	1,346.6	1,285.1
Gross margin on revenues	109.1	107.1	440.5	422.6
OPERATING EXPENSES				
Other operation and maintenance	41.2	39.4	162.5	145.3
Depreciation and amortization	20.8	17.8	77.6	71.3
Impairment of assets	1.3	1.1	6.3	1.1
Gain on insurance proceeds	(3.0)	-	(3.0)	-
Taxes other than income	5.4	4.8	22.1	20.6
Total operating expenses	65.7	63.1	265.5	238.3
OPERATING INCOME	43.4	44.0	175.0	184.3
OTHER INCOME (EXPENSE)				
Interest income	-	0.1	-	0.1
Other income	0.1	0.1	3.9	0.2
Other expense	(0.3)	(0.2)	(1.3)	(0.3)
Net other income (expense)	(0.2)	-	2.6	-
INTEREST EXPENSE				
Interest on long-term debt	5.4	6.8	21.8	29.0
Other interest charges	0.3	0.3	1.1	1.4
Interest expense	5.7	7.1	22.9	30.4
INCOME BEFORE TAXES	37.5	36.9	154.7	153.9
INCOME TAX EXPENSE	11.5	11.5	51.7	57.7
NET INCOME	26.0	25.4	103.0	96.2
Less: Net income attributable to noncontrolling interests	6.9	3.1	20.8	5.1
NET INCOME ATTRIBUTABLE TO OGE ENOGEX HOLDINGS LLC	\$ 19.1	\$ 22.3	\$ 82.2	\$ 91.1
BASIC AVERAGE COMMON SHARES OUTSTANDING	98.0	97.5	97.9	97.3
DILUTED AVERAGE COMMON SHARES OUTSTANDING	99.4	99.2	99.2	98.9
BASIC EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 0.19	\$ 0.23	\$ 0.84	\$ 0.94
DILUTED EARNINGS PER AVERAGE COMMON SHARE				
ATTRIBUTABLE TO OGE ENERGY COMMON SHAREHOLDERS	\$ 0.19	\$ 0.22	\$ 0.83	\$ 0.92

***OGE Enogex Holdings LLC and subsidiaries
consolidated statements of cash flows
(unaudited)***

	Twelve Months Ended	
	December 31	
	2011	2010
	<i>(In millions)</i>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 103.0	\$ 96.2
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities		
Depreciation and amortization	77.6	71.3
Impairment of assets	6.3	1.1
Deferred income taxes, net	83.7	32.1
(Gain) loss on disposition and abandonment of assets	(2.7)	0.3
Gain on insurance proceeds	(3.0)	-
Stock-based compensation expense	4.1	-
Price risk management assets	(2.0)	1.0
Price risk management liabilities	18.5	8.1
Other assets	(5.9)	0.7
Other liabilities	14.7	7.2
Change in certain current assets and liabilities		
Accounts receivable, net	(8.0)	8.3
Accounts receivable - affiliates	3.1	0.2
Natural gas, natural gas liquids, materials and supplies inventories	(0.1)	(7.0)
Gas imbalance assets	0.7	0.6
Other current assets	(0.2)	0.5
Accounts payable	15.4	8.0
Income taxes payable - parent	(32.2)	58.1
Gas imbalance liabilities	3.0	(5.3)
Other current liabilities	(11.1)	22.7
Net cash provided from operating activities	<u>264.9</u>	<u>304.1</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	(412.1)	(234.2)
Acquisition of gathering assets	(200.4)	-
Reimbursement of capital expenditures	-	3.3
Proceeds from insurance	7.4	-
Proceeds from sale of assets	17.5	0.9
Net cash used in investing activities	<u>(587.6)</u>	<u>(230.0)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions from noncontrolling interest partners	214.6	183.2
Proceeds from line of credit	150.0	115.0
Capital contribution from OGE Energy	70.9	5.2
Changes in advances with parent	47.5	238.6
Retirement of long-term debt	-	(289.2)
Distributions to noncontrolling interest partners	(17.4)	(4.0)
Repayment of line of credit	(25.0)	(90.0)
Distributions to OGE Energy	(115.6)	(232.5)
Net cash provided from (used in) financing activities	<u>325.0</u>	<u>(73.7)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>2.3</u>	<u>0.4</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>2.3</u>	<u>1.9</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 4.6</u>	<u>\$ 2.3</u>

***OGE Enogex Holdings LLC and subsidiaries
consolidated balance sheets
(unaudited)***

	<u>December 31</u> <u>2011</u>	<u>December 31</u> <u>2010</u>
	<i>(In millions)</i>	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 4.6	\$ 2.3
Accounts receivable, less reserve of less than \$0.1 and \$0.3, respectively	140.1	135.5
Accounts receivable - affiliates	1.3	4.4
Natural gas and natural gas liquids inventories	23.7	23.9
Materials and supplies, at average cost	3.8	3.5
Price risk management	5.7	2.8
Gas imbalances	1.8	2.5
Deferred income taxes	11.7	-
Other	3.9	4.6
Total current assets	<u>196.6</u>	<u>179.5</u>
OTHER PROPERTY AND INVESTMENTS, at cost	1.5	1.4
PROPERTY, PLANT AND EQUIPMENT		
In service	2,386.5	2,039.0
Construction work in progress	160.6	126.2
Total property, plant and equipment	<u>2,547.1</u>	<u>2,165.2</u>
Less accumulated depreciation	<u>658.0</u>	<u>611.7</u>
Net property, plant and equipment	1,889.1	1,553.5
DEFERRED CHARGES AND OTHER ASSETS		
Intangible assets, net	137.0	2.8
Goodwill	39.4	-
Price risk management	2.1	3.0
Other	23.3	17.1
Total deferred charges and other assets	<u>201.8</u>	<u>22.9</u>
TOTAL ASSETS	<u>\$ 2,289.0</u>	<u>\$ 1,757.3</u>

OGE Enogex Holdings LLC and subsidiaries
consolidated balance sheets
(unaudited)

	December 31	December 31
	2011	2010
	<i>(In millions)</i>	
LIABILITIES AND MEMBER'S INTEREST		
CURRENT LIABILITIES		
Accounts payable	\$ 170.7	\$ 159.4
Advances from parent	61.4	46.1
Customer deposits	1.9	3.8
Accrued taxes	8.6	8.0
Accrued interest	11.0	10.9
Accrued compensation	10.9	12.3
Price risk management	0.4	16.8
Gas imbalances	9.7	6.7
Other	11.3	18.5
Total current liabilities	<u>285.9</u>	<u>282.5</u>
LONG-TERM DEBT	598.1	472.8
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	60.1	45.9
Deferred income taxes	532.3	397.5
Price risk management	0.1	-
Deferred revenues	40.8	36.7
Other	4.5	2.8
Total deferred credits and other liabilities	<u>637.8</u>	<u>482.9</u>
Total liabilities	<u>1,521.8</u>	<u>1,238.2</u>
MEMBER'S INTEREST		
Member's interest	524.8	439.4
Accumulated other comprehensive loss, net of tax	(13.7)	(30.7)
Total OGE Enogex Holdings LLC member's interest	<u>511.1</u>	<u>408.7</u>
Noncontrolling interests	256.1	110.4
Total member's interest	<u>767.2</u>	<u>519.1</u>
TOTAL LIABILITIES AND MEMBER'S INTEREST	<u>\$ 2,289.0</u>	<u>\$ 1,757.3</u>