



**Earnings Conference Call
Third Quarter 2012**

November 7, 2012

Safe Harbor

Some of the matters discussed in this presentation may contain forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are intended to be identified in this document by the words "anticipate", "believe", "estimate", "expect", "intend", "objective", "plan", "possible", "potential", "project" and similar expressions. Actual results may vary materially. Factors that could cause actual results to differ materially include, but are not limited to: general economic conditions, including the availability of credit, access to existing lines of credit, access to the commercial paper markets, actions of rating agencies and their impact on capital expenditures; the ability of the Company and its subsidiaries to access the capital markets and obtain financing on favorable terms; prices and availability of electricity, coal, natural gas and natural gas liquids, each on a stand-alone basis and in relation to each other as well as the processing contract mix between percent-of-liquids, percent-of-proceeds, keep-whole and fixed-fee; business conditions in the energy and natural gas midstream industries; competitive factors including the extent and timing of the entry of additional competition in the markets served by the Company; unusual weather; availability and prices of raw materials for current and future construction projects; Federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the Company's markets; environmental laws and regulations that may impact the Company's operations; changes in accounting standards, rules or guidelines; the discontinuance of accounting principles for certain types of rate-regulated activities; the cost of protecting assets against, or damage due to, terrorism or cyber-attacks and other catastrophic events; advances in technology; creditworthiness of suppliers, customers and other contractual parties; the higher degree of risk associated with the Company's nonregulated business compared with the Company's regulated utility business and other risk factors listed in the reports filed by the Company with the Securities and Exchange Commission including those listed in Risk Factors and Exhibit 99.01 to the Company's Form 10-K for the year ended December 31, 2011.

This presentation includes the non-GAAP measure of earnings before interest, taxes, depreciation and amortization ("EBITDA") when describing the Company's results of operations and financial performance. The Company has prepared a reconciliation of this measure to the most directly comparable GAAP measure.

Third Quarter EPS Results

	<u>3Q 2012</u>	<u>3Q 2011</u>
OG&E	\$1.69	\$1.60
OGE Enogex Holdings	0.18	0.19
Hold. Co.	-	0.01
Consolidated	\$1.87	\$1.80

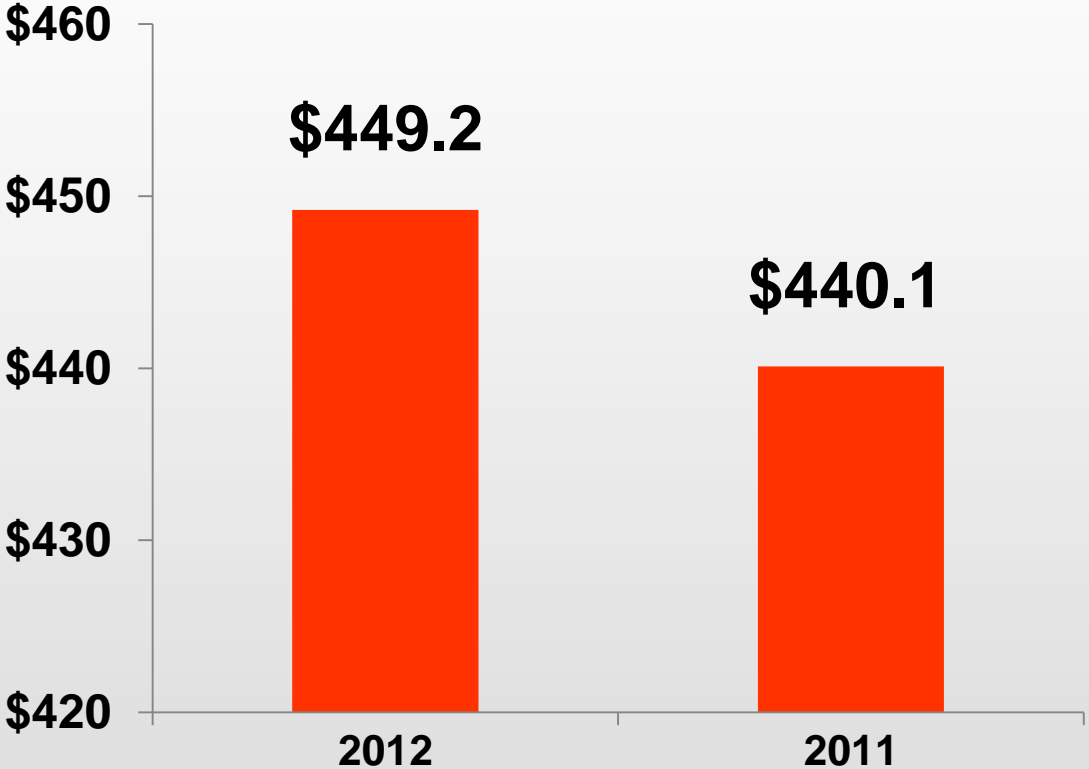
Third Quarter Results – OG&E

Net income for OG&E was \$167.2 million or \$1.69 per share in 2012 as compared to net income of \$158.6 million or \$1.60 per share in 2011. Primary drivers include:

In Millions of \$	<u>3Q 2012</u>	<u>3Q 2011</u>	<u>Variance</u> <u>Fav/(Unfav)</u>
Gross Margin	449.2	440.1	9.1
Operation & Maintenance	108.6	108.3	(0.3)
Depreciation & Amortization	63.5	54.9	(8.6)
Interest Expense	31.2	28.8	(2.4)
Income Tax Expense	58.4	70.9	12.5

Third Quarter Results - OG&E Gross Margin

Millions of \$



Gross Margin Drivers:

- Key Utility Investments ↑
- Transmission Revenues ↑
- Growth ↑
- Weather ↓

Third Quarter Results – Enogex Holdings

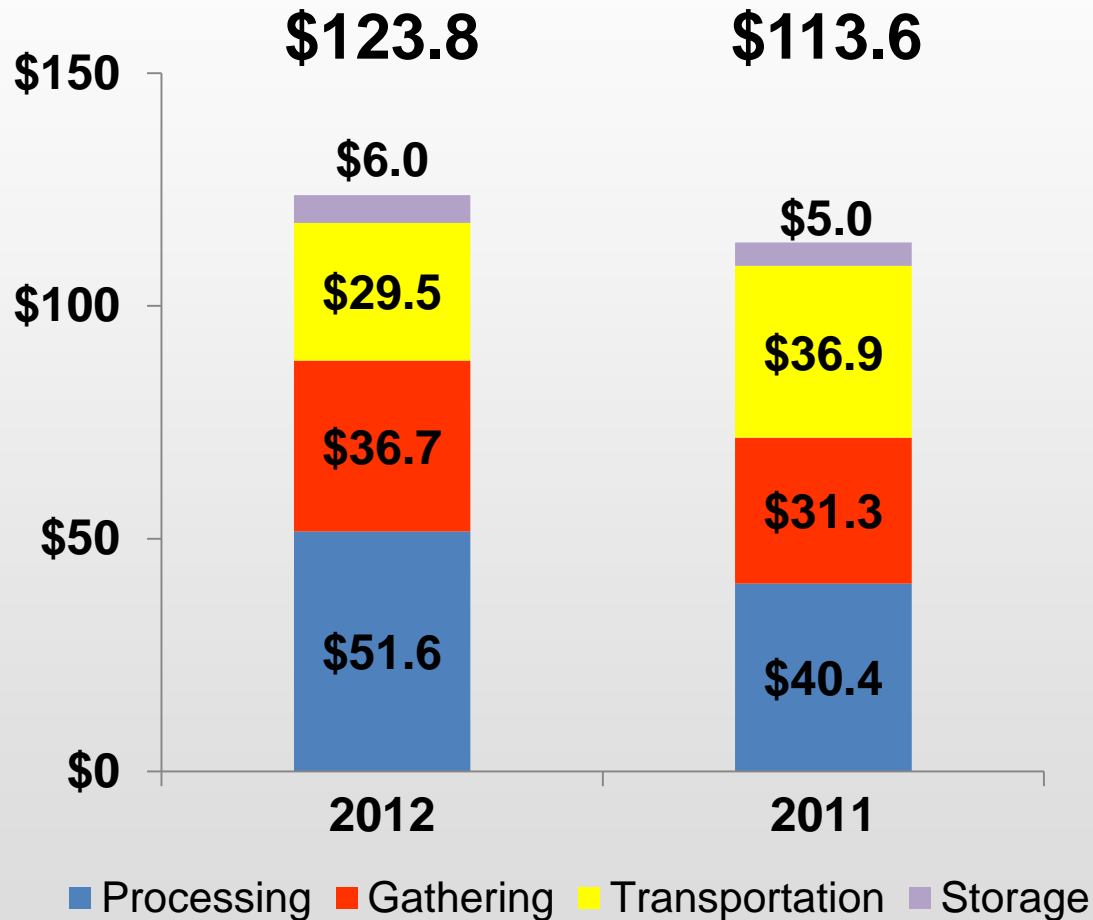
Net income to OGE was \$17.9 million or \$0.18 per share in 2012 as compared to net income of \$19.3 million or \$0.19 per share in 2011. Primary drivers include:

In Millions of \$	<u>3Q 2012</u>	<u>3Q 2011</u>	<u>Variance</u> <u>Fav/(Unfav)</u>
Gross Margin	123.8	113.6	10.2
Operation & Maintenance	42.3	43.5	1.2
Depreciation & Amortization	26.5	18.6	(7.9)
Taxes Other Than Income	9.8	5.4	(4.4)
Interest Expense	8.7	5.1	(3.6)
Enogex Holdings Net Income	24.7	22.0	2.7
OGE Enogex Holdings Net Income (OGE's Portion)	17.9	19.3	(1.4)

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Third Quarter Results - Enogex Holdings Gross Margin

Millions of \$



Gross Margin Drivers:

- Processed Volumes up 24%
- Increased Gathering Fees
- Condensate Volumes up 29%

2012 Outlook

- **The Company's 2012 earnings guidance is unchanged between approximately \$337 million and \$357 million of net income, or \$3.40 to \$3.60 per average diluted share assuming 99.1 million average diluted shares outstanding.**
- **OG&E is projected to be at the upper end of the earnings projection between approximately \$258 million to \$268 million or \$2.60 to \$2.70 per average diluted share in 2012 assuming normal weather patterns for the remainder of the year.**
- **OGE Enogex Holdings outlook remains unchanged between approximately \$80 million to \$95 million of net income or \$0.80 to \$0.95 per average diluted share in 2012. However, the projected volume increase for the gathering business has been reduced for 2012 primarily due to the timing of producer drilling programs.**



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Appendix

Reconciliation of estimated EBITDA to projected net income attributable to Enogex Holdings

<i>(In millions)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Net income attributable to Enogex Holdings	\$ 35.5	\$ 37.5	\$ 126.2	\$ 118.7
Add:				
Interest expense, net	8.7	5.2	23.7	17.2
Income tax expense (A)	---	---	0.1	0.1
Depreciation and amortization expense (B)	27.2	18.5	76.4	56.1
EBITDA	\$ 71.4	\$ 61.2	\$ 226.4	\$ 192.1
OGE Energy's Portion	\$ 58.0	\$ 53.1	\$ 184.1	\$ 169.4

(A) As of November 1, 2010, Enogex Holdings' earnings are no longer subject to tax (other than Texas state margin taxes) and are taxable at the individual partner level.

(B) Includes amortization of certain customer-based intangible assets associated with the acquisition from Cordillera Energy Partners III, LLC in November 2011, which is included in gross margin for financial reporting purposes.

Reconciliation of EBITDA to net income attributable to Enogex Holdings

<i>(In millions)</i>	Twelve Months Ended December 31, 2012 (A) (B)
Net income attributable to Enogex Holdings	\$ 176.0
Add:	
Interest expense, net	32.0
Depreciation and amortization expense (C)	100.0
EBITDA	\$ 308.0
OGE Energy's Portion	\$ 250.0

(A) Based on midpoint of 2012 guidance.

(B) As of November 1, 2010, Enogex Holdings' earnings are no longer subject to tax (other than Texas state margin taxes) and are taxable at the individual partner level.

(C) Includes amortization of certain customer-based intangible assets associated with the acquisition from Cordillera Energy Partners III, LLC in November 2011, which is included in gross margin for financial reporting purposes.

Projected Capital Expenditures 2012-2016

Dollars in millions	2012	2013	2014	2015	2016
OG&E Base Transmission	\$ 70	\$ 50	\$ 50	\$ 50	\$ 50
OG&E Base Distribution	175	175	175	175	175
OG&E Base Generation	80	75	75	75	75
OG&E Other	10	15	15	15	15
Total OG&E Base T&D, Gen & Other	335	315	315	315	315
OG&E Known and Committed Projects:					
Transmission Projects					
Sunnyside-Hugo	25	-	-	-	-
Sooner-Rose Hill	5	-	-	-	-
Balanced Portfolio 3E Projects	100	200	40	-	-
SPP Priority Projects	30	175	115	-	-
Total Transmission Projects	160	375	155	-	-
Other Projects:					
Smart Grid Program	85	25	25	10	10
Crossroads	40	-	-	-	-
System Hardening	10	15	-	-	-
Environmental - Low NOX	5	30	20	25	20
Total Other Projects	140	70	45	35	30
Total Known and Committed Projects	300	445	200	35	30
Total OG&E	635	760	515	350	345
Enogex:					
Maintenance	50	50	55	55	55
Known and Committed Projects:					
Western OK & TX Panhandle Expansion	435	295	-	-	-
Other Gathering, Etc.	20	25	20	15	15
Total Known and Committed Projects	455	320	20	15	15
Enogex (Base Maintenance and Committed Projects)*	505	370	75	70	70
OGE Energy	15	10	10	10	10
TOTAL OGE Consolidated	\$ 1,155	\$ 1,140	\$ 600	\$ 430	\$ 425

* These capital expenditures represent 100% of Enogex capital expenditures, of which a portion may be funded by ArLight.