The future is bright

First quarter fiscal 2024 update

February 1, 2024

Participants on today's call



Steven L. Lindsey

President and
Chief Executive Officer



Steven P. Rasche

Executive Vice President
and Chief Financial Officer



Scott E. Doyle

Executive Vice President
and Chief Operating Officer



Adam W. Woodard

Vice President
and Treasurer

Executing on our strategy

- Focused on operational excellence and cost management
- Executed on capital investment plan centered on utility infrastructure upgrades and new business
- Delivered Q1 FY24 net economic earnings per share of $1.47
- New rates effective for Spire Alabama and Spire Gulf
- Added Scott Doyle as EVP & COO
- Committed to delivering safe, reliable and affordable energy solutions for customers while protecting the planet

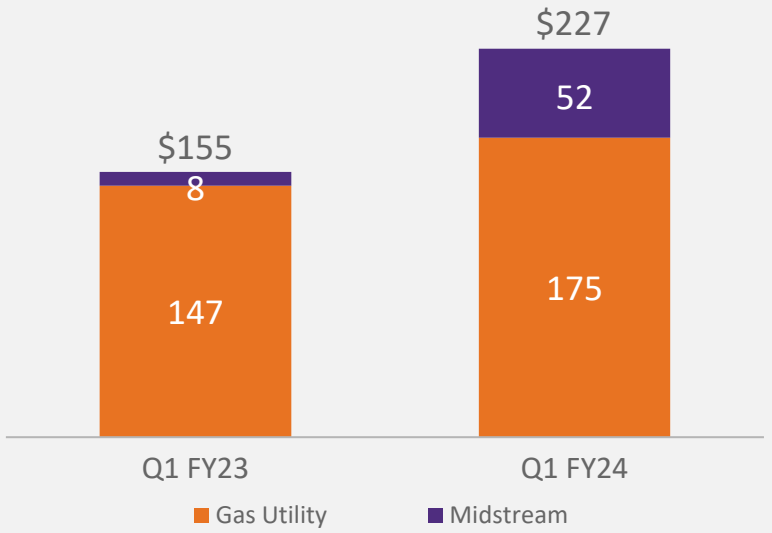


Increasing capital investment

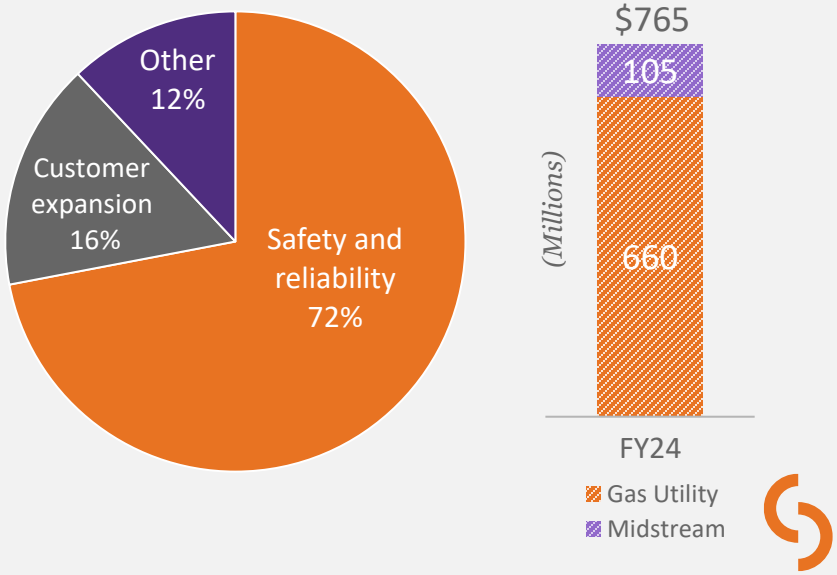
- Q1 FY24 capex totaled $227M driven by gas utility investment
  - Gas utility investment includes
    - $73M of infrastructure upgrades and advanced meters
    - $30M of new business
  - Spire Storage expansion remains on pace
- FY24 capital expenditure target remains $765M
- Spire Missouri filed for $17.3M in ISRS revenues in Jan. 2024

YTD capital expenditures

(Millions)

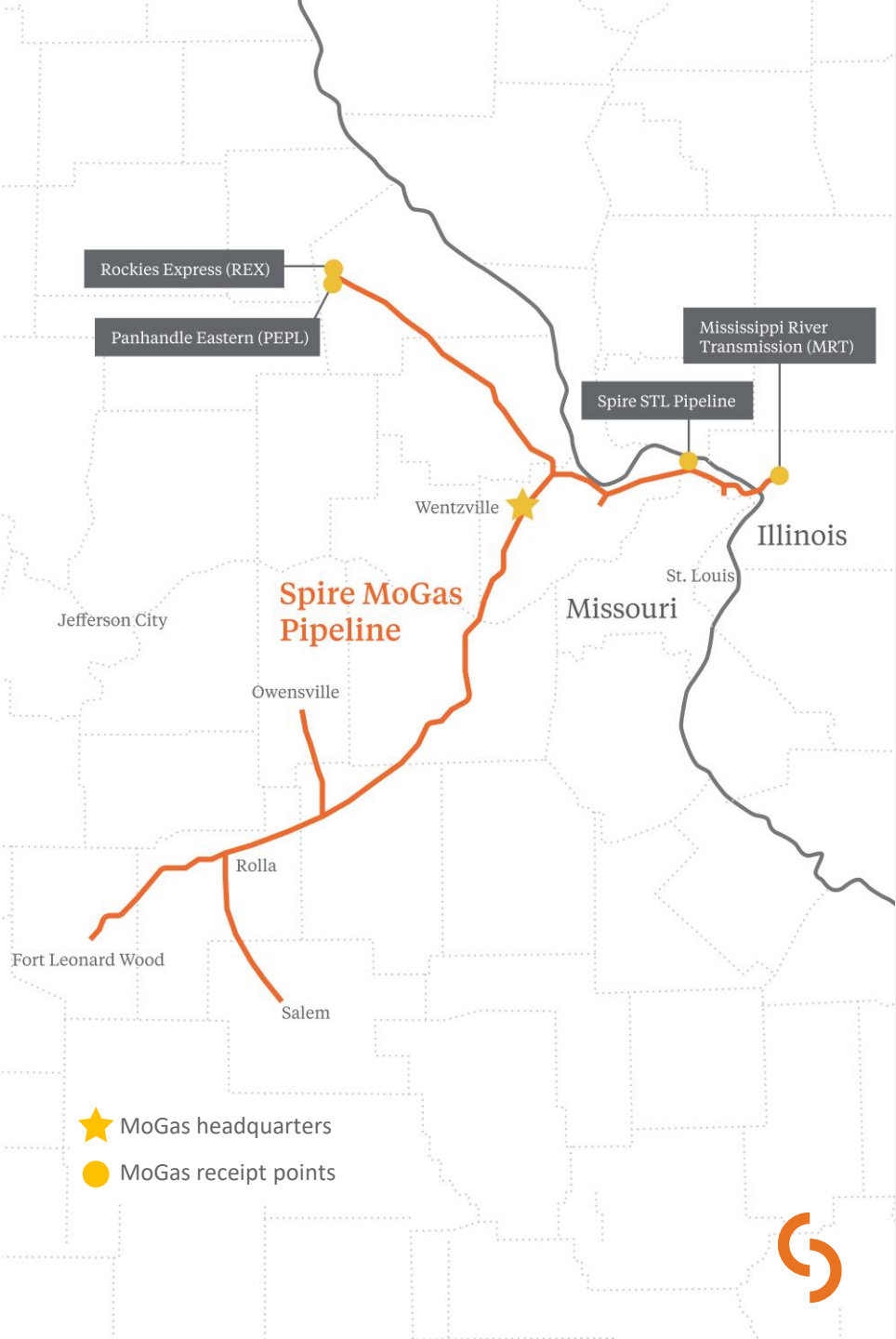


FY24 gas utility investment



Acquisition of MoGas/Omega

- MoGas and Omega pipeline businesses acquired for $175M
  - MoGas is a 263-mile gas pipeline system primarily in Missouri
  - Omega is a connected distribution system serving Fort Leonard Wood
- Bolsters resiliency and expands Missouri footprint
- Results will be included in Midstream segment in Q2 FY24



Q1 FY24 net economic earnings

Three months ended December 31,	Millions 2023	Millions 2022	Per diluted common share 2023	Per diluted common share 2022
Net Income [GAAP]	**$ 85.1**	$ 91.0	**$ 1.52**	$ 1.66
Fair value and timing adjustments, pre-tax	**(5.2)**	(7.8)	**(0.10)**	(0.15)
Acquisition activities, pre-tax	**1.9**	—	**0.03**	—
Income tax adjustments[1]	**0.9**	1.9	**0.02**	0.04
Net Economic Earnings (NEE)[2]	**$ 82.7**	$ 85.1	**$ 1.47**	$ 1.55

By segment	2023	2022	Variance
Gas Utility	**$ 75.8**	$ 62.9	$ 12.9
Gas Marketing	**7.2**	25.7	(18.5)
Midstream	**2.4**	3.8	(1.4)
Other	**(2.7)**	(7.3)	4.6
Average diluted shares outstanding	**53.6**	52.6	

Overall results are $2.4M lower due to:

- Strong performance from market conditions in 2023 that did not recur in 2024 for Gas Marketing and Midstream segments
- Gas Utility segment earnings were $12.9M higher due to:
  - Higher contribution margin from new rates, partially offset by lower commercial and industrial customer usage
  - Lower operation and maintenance expense
- Other results include settlement of an interest rate hedge, partially offset by slightly higher corporate costs

[1]Income tax effects of all NEE adjustments.
[2]See net economic earnings reconciliation to GAAP in the Appendix.

Key Q1 FY24 variances

(Millions) Three months ended December 31,	As reported 2023	As reported 2022	Pension reclass	Net variance	Notes
Operating Revenues	$ **756.6**	$ 814.0		$ (57.4)	Lower commodity costs
Contribution Margin[1]					
Gas Utility	$ **323.8**	$ 301.0		$ 22.8	New rates in MO +$22.5M and AL +$3.9M; Lower C&I usage
Gas Marketing	**19.7**	48.1		(28.4)	Return of more normalized market conditions
Midstream	**14.9**	15.2		(0.3)	
Other and eliminations	**0.1**	0.1		—	
	$ **358.5**	$ 364.4		$ (5.9)	
Operation and Maintenance					
Gas Utility	$ **116.7**	$ 119.9	$ (0.1)	$ (3.3)	Lower employee related costs partially offset by higher insurance expense
Gas Marketing	**4.4**	6.3	—	(1.9)	Lower costs from lower margin activity
Midstream	**8.6**	5.8	—	2.8	Acquisition costs related to MoGas +$1.9M[2]; Greater scale
Other and eliminations	**1.0**	0.1	—	0.9	Higher insurance expense
	$ **130.7**	$ 132.1	$ (0.1)	$ (1.5)	
Depreciation and Amortization	$ **67.0**	$ 62.1	$ —	$ 4.9	Increased capital investment
Taxes, Other than Income Taxes[3]	$ **21.6**	$ 20.0	$ —	$ 1.6	
Interest Expense, Net	$ **50.6**	$ 43.6	$ —	$ 7.0	Higher ST interest rates and higher LT debt levels
Other Income, Net	$ **17.5**	$ 6.0	$ (0.1)	$ 11.4	Carrying cost credits +$1.7M; Settlement of an interest rate hedge +$8.2M; Higher returns on non-qualified benefit plans
Income tax expense	$ **21.0**	$ 21.6	$ —	$ (0.6)	

[1]Contribution margin is operating revenues less gas costs and gross receipts taxes. See contribution margin (non-GAAP) reconciliation in Appendix.
[2]Excluded from net economic earnings.
[3]Excludes gross receipts tax.

Outlook

- Affirm long-term 5-7% NEEPS growth target beyond 2024
  - Midpoint of FY24 guidance of $4.35 as a base
  - 7-8% utility rate base growth
- Affirm FY24 NEEPS expectation of $4.25-$4.45 and NEE by business segment
- Capex targets remain
  - $765M in FY24
  - $7.2B over 10 years (through 2033)

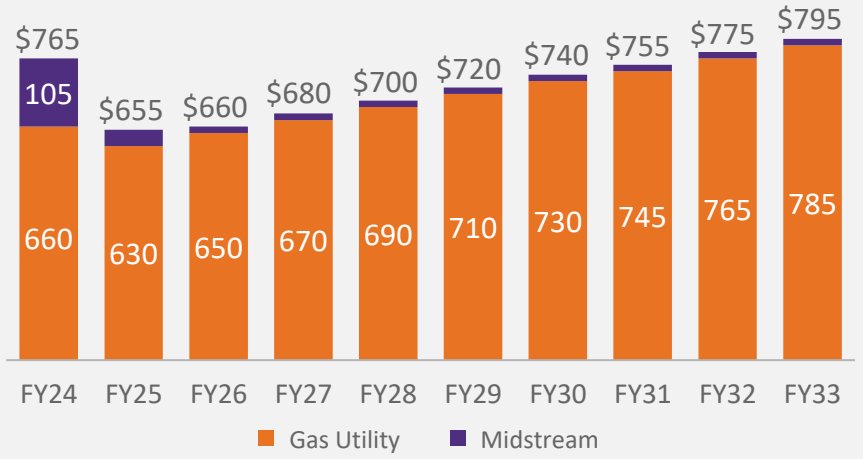
NEE by business segment

(Millions)

	FY23 actual	FY24 target
Gas Utility	$200	$230 – $240
Gas Marketing	48	19 – 23
Midstream	14	21 – 27
Corporate & Other	(34)	(22) – (18)

Capital expenditures forecast ~$7.2B

(Millions)

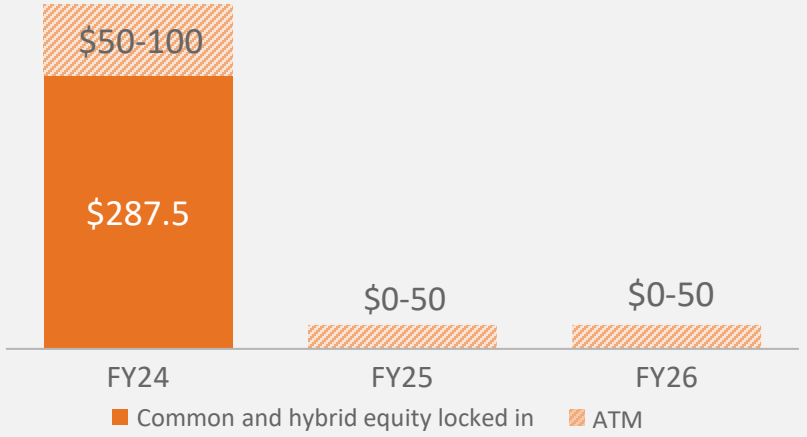


Financing

- Equity
  - $112.5M forward sale settled Dec. 2023[1]
  - $175M Equity Units conversion[2]
  - $200M 3-year ATM authorized
- Debt
  - Long-term largely tied to remarketing or refinancing of maturing debt
  - $200M 9-month loan funded Jan. 3
  - Prior period deferred gas balances expected to be substantially recovered by end of this heating season
- FFO / Debt target of 15-16%

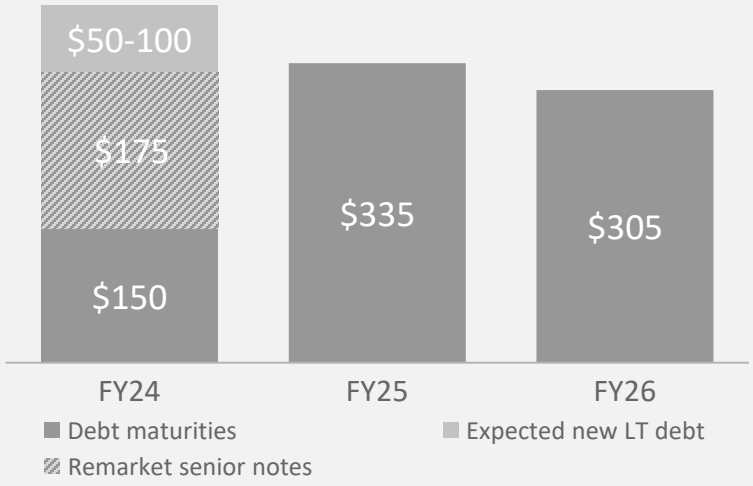
Equity forecast

(Millions)



Long-term debt forecast

(Millions)



[1]*1.74M shares settled on Dec. 11, 2023; average share price of $63.60.*
[2]*Conversion of 2021 Equity Units, ~2.7M shares, in March 2024 at a price no less than $64.24.*

Looking ahead

- Committed to delivering safe, reliable and affordable energy to customers and communities
- Remain focused on execution, efficiencies and operational excellence
- Achieving earnings growth, capex and sustainability targets



Appendix

Forward-looking statements and use of non-GAAP measures

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements in this presentation speak only as of today, and we assume no duty to update them. Forward-looking statements are typically identified by words such as, but not limited to: “estimates,” “expects,” “anticipates,” “intends,” “targets,” “plans,” “forecasts,” and similar expressions. Although our forward-looking statements are based on reasonable assumptions, various uncertainties and risk factors may cause future performance or results to be different than those anticipated. More complete descriptions and listings of these uncertainties and risk factors can be found in our annual (Form 10-K) and quarterly (Form 10-Q) filings with the Securities and Exchange Commission.

This presentation also includes “net economic earnings,” “net economic earnings per share,” and “contribution margin,” which are non-GAAP measures used internally by management when evaluating the Company’s performance and results of operations. Net economic earnings exclude from net income, as applicable, the after-tax impacts of fair-value accounting and timing adjustments associated with energy-related transactions, the impacts of acquisition, divestiture, and restructuring activities and the largely non-cash impacts of impairments and other non-recurring or unusual items such as certain regulatory, legislative, or GAAP standard-setting actions. The fair value and timing adjustments, which primarily impact the Gas Marketing segment, include net unrealized gains and losses on energy-related derivatives resulting from the current changes in fair value of financial and physical transactions prior to their completion and settlement, lower of cost or market inventory adjustments, and realized gains and losses on economic hedges prior to the sale of the physical commodity. Management believes that excluding these items provides a useful representation of the economic impact of actual settled transactions and overall results of ongoing operations. Contribution margin is defined as operating revenues less natural gas costs and gross receipts tax expense, which are directly passed on to customers and collected through revenues. These internal non-GAAP operating metrics should not be considered as an alternative to, or more meaningful than, GAAP measures such as operating income, net income or earnings per share. Reconciliation of net economic earnings to net income is contained in our SEC filings and in the Appendix to this presentation.

Note: Years shown in this presentation are fiscal years ended September 30.

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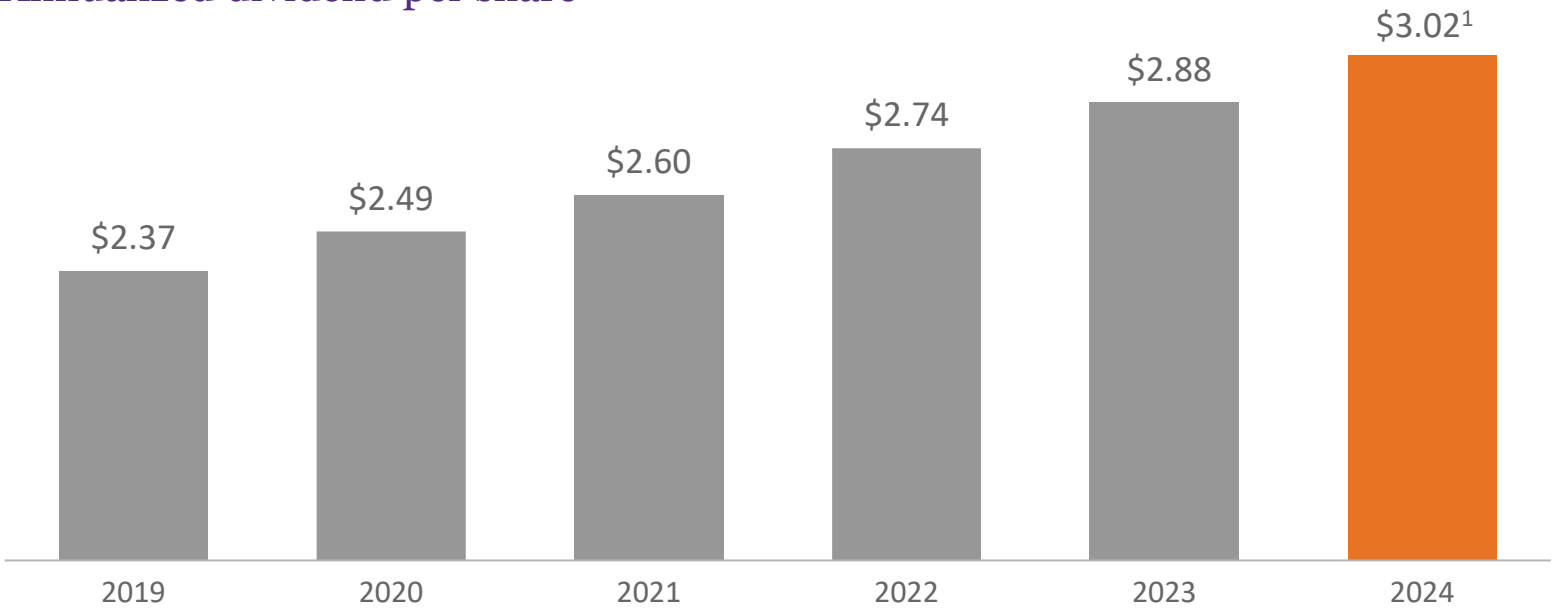
Our Spire utility portfolio

	Alabama	Gulf	Mississippi	Missouri
Primary office	Birmingham	Mobile	Hattiesburg	St. Louis
Customers[1]	430,300	84,000	18,300	1,203,000
Pipeline miles	~24,400	~4,200	~1,200	~31,400
Rate base *(Millions)*			$50[2]	$3,413[3]
Avg. common equity (*Millions*)	$713[4]	$139[4]		
Return on equity	9.70%[5]	9.95%[6]	9.83%	
Equity capitalization	55.5%[5]	55.5%[6]	50.0%	

[1]Average customers for 12 months ended 9/30/23.
[2]Mississippi net plant less deferred taxes for Rate Stabilization Adjustment (RSA) purposes, as of 6/30/23.
[3]Actual rate base at March 31, 2023.
[4]The Rate Stabilization and Equalization (RSE) mechanism in Alabama uses average common equity, rather than rate base, for ratemaking purposes. Amounts shown are actual average common equity for fiscal 2023.
[5]Terms of renewed RSE, effective 10/1/22 through 9/30/25. Allowed ROE range of 9.50% - 9.90%, with a 9.70% midpoint. Spire Alabama is eligible for a 10 bp increase in its ROE in the current year if it exceeds the threshold number of miles of pipeline replaced in the prior year under the Accelerated Infrastructure Modernization (AIM) mechanism. Spire Alabama qualified for the additional ROE for fiscal 2023, but does not plan to apply it.
[6]Terms of revised RSE effective 10/1/21 through 09/30/25. Allowed ROE range of 9.7% - 10.3%, with a 9.95% midpoint.

Growing our dividend

Annualized dividend per share



- 2024 annualized dividend increased 4.9% to $3.02 per share
- Supported by long-term 5-7% earnings growth
- 2024 marks 21 consecutive years of increases; 79 years of continuous payment

[1]*Quarterly dividend of $0.755 per share paid on January 3, 2024, annualized.*

Q1 FY24 NEE reconciliation to GAAP

(Millions, except per share amounts)	Gas Utility	Gas Marketing	Midstream	Other	Total	Per diluted common share[2]
Three months ended December 31, 2023						
Net Income (Loss) [GAAP]	**$ 75.5**	**$ 11.4**	**$ 0.9**	**$ (2.7)**	**$ 85.1**	**$ 1.52**
Adjustments, pre-tax:						
Fair value and timing adjustments	0.4	(5.6)	—	—	(5.2)	(0.10)
Acquisition, divestiture and restructuring activities	—	—	1.9	—	1.9	0.03
Income tax effect of adjustments[1]	(0.1)	1.4	(0.4)	—	0.9	0.02
Net Economic Earnings (Loss) [Non-GAAP]	**$ 75.8**	**$ 7.2**	**$ 2.4**	**$ (2.7)**	**$ 82.7**	**$ 1.47**
Three months ended December 31, 2022						
Net Income (Loss) [GAAP]	**$ 62.9**	**$ 31.6**	**$ 3.8**	**$ (7.3)**	**$ 91.0**	**$ 1.66**
Adjustments, pre-tax:						
Fair value and timing adjustments	—	(7.8)	—	—	(7.8)	(0.15)
Income tax effect of adjustments[1]	—	1.9	—	—	1.9	0.04
Net Economic Earnings (Loss) [Non-GAAP]	**$ 62.9**	**$ 25.7**	**$ 3.8**	**$ (7.3)**	**$ 85.1**	**$ 1.55**

[1]Income taxes are calculated by applying federal, state, and local income tax rates applicable to ordinary income to the amounts of the pre-tax reconciling items and then adding any estimated effects of enacted state or local income tax laws for periods before the related effective date.

[2]Net economic earnings per share is calculated by replacing consolidated net income with consolidated net economic earnings in the GAAP diluted EPS calculation.

Q1 FY24 contribution margin reconciliation to GAAP

(Millions)	Gas Utility	Gas Marketing	Midstream	Other	Eliminations	Consolidated
Three months ended December 31, 2023						
Operating Income (Loss) [GAAP]	**$ 122.3**	**$ 14.7**	**$ 3.3**	**$ (1.1)**	**$ —**	**$ 139.2**
Operation and maintenance	116.7	4.4	8.6	5.0	(4.0)	130.7
Depreciation and amortization	64.2	0.4	2.3	0.1	—	67.0
Taxes, other than income taxes	51.6	0.3	0.7	0.1	—	52.7
Less: Gross receipts tax expense	(31.0)	(0.1)	—	—	—	(31.1)
Contribution Margin [non-GAAP]	**323.8**	**19.7**	**14.9**	**4.1**	**(4.0)**	**358.5**
Natural gas costs	360.4	16.5	—	—	(9.9)	367.0
Gross receipts tax expense	31.0	0.1	—	—	—	31.1
Operating Revenues	**$ 715.2**	**$ 36.3**	**$ 14.9**	**$ 4.1**	**$ (13.9)**	**$ 756.6**
Three months ended December 31, 2022						
Operating Income (Loss) [GAAP]	**$ 101.9**	**$ 41.4**	**$ 7.1**	**$ (0.2)**	**$ —**	**$ 150.2**
Operation and maintenance	119.9	6.3	5.8	4.0	(3.9)	132.1
Depreciation and amortization	59.7	0.3	1.9	0.2	—	62.1
Taxes, other than income taxes	49.9	0.1	0.4	—	—	50.4
Less: Gross receipts tax expense	(30.4)	—	—	—	—	(30.4)
Contribution Margin [non-GAAP]	**301.0**	**48.1**	**15.2**	**4.0**	**(3.9)**	**364.4**
Natural gas costs	401.6	26.0	—	—	(8.4)	419.2
Gross receipts tax expense	30.4	—	—	—	—	30.4
Operating Revenues	**$ 733.0**	**$ 74.1**	**$ 15.2**	**$ 4.0**	**$ (12.3)**	**$ 814.0**