

KINDER MORGAN, INC. DECLARES PARTIAL-PERIOD DIVIDEND OF \$0.14 PER SHARE

Full Quarter Dividend Would Be \$0.29 Per Share

HOUSTON, April 20, 2011 – Kinder Morgan, Inc. (NYSE: KMI) today reported first quarter cash available to pay dividends of \$251 million. Chairman and CEO Richard D. Kinder said that KMI is on target to meet or exceed its previously disclosed annual budget of \$820 million in cash available to pay dividends.

The board of directors declared a prorated dividend for the first quarter of \$0.14 per share, payable on May 16, 2011, to shareholders of record as of May 2, 2011. The initial dividend is prorated from Feb. 16, 2011, the day that KMI closed its initial public offering. Based on a full quarter, the dividend amounts to \$0.29 per share (\$1.16 annualized).

KMI owns the general partner of Kinder Morgan Energy Partners, L.P. (NYSE: KMP), one of the largest publicly traded pipeline limited partnerships in America, and has limited partner interests in KMP and Kinder Morgan Management, LLC (NYSE: KMR). Approximately 98 percent of the distributions KMI receives are attributable to KMP. KMI also owns a 20 percent interest in Natural Gas Pipeline Company of America.

KMI also announced the election of two independent members to its board of directors - Joel V. Staff, formerly Chairman and CEO of Reliant Energy, Inc., and Deborah A. Macdonald, formerly president of the Natural Gas Pipelines Group at Kinder Morgan, Inc. "I am delighted that Joel and Deb have agreed to join the KMI board," Kinder said. "They bring a wealth of experience, knowledge and dedication that will aid us in continuing our growth."

Please refer to KMP's first quarter earnings news release (also distributed today) for more detailed information on KMP and KMR.

Kinder Morgan, Inc. (NYSE: KMI) is a leading pipeline transportation and energy storage company in North America. It owns an interest in or operates more than 37,000 miles of pipelines and 180 terminals. Its pipelines transport natural gas, gasoline, crude oil, CO₂ and other products, and its terminals store petroleum products and chemicals and handle such products as ethanol, coal, petroleum coke and steel. KMI owns the general partner interest of

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Kinder Morgan Energy Partners, L.P. (NYSE: KMP), one of the largest publicly traded pipeline limited partnerships in the United States. Combined, the companies have an enterprise value of approximately \$55 billion. For more information please visit www.kindermorgan.com.

Please join KMI at 4:30 p.m. Eastern Time on Wednesday, April 20, at www.kindermorgan.com for a LIVE webcast conference call on the company's first quarter earnings.

The non-generally accepted accounting principles, or non-GAAP, financial measure of cash available to pay dividends is presented in this news release. This non-GAAP financial measure should not be considered as an alternative to a GAAP measure such as net income or any other GAAP measure of liquidity or financial performance. Cash available to pay dividends is a significant metric used by us and by external users of our financial statements, such as investors, research analysts, commercial banks and others, to compare basic cash flows generated by us to the cash dividends we expect to pay our shareholders on an ongoing basis. Management uses this metric to evaluate our overall performance. Cash available to pay dividends is also an important non-GAAP financial measure for our shareholders because it serves as an indicator of our success in providing a cash return on investment. This financial measure indicates to investors whether or not we typically are generating cash flow at a level that can sustain or support an increase in the quarterly dividends we are paying. Our dividend policy provides that, subject to applicable law, we will pay quarterly cash dividends generally representing the cash we receive from our subsidiaries less any cash disbursements and reserves established by our board of directors. Cash available to pay dividends is also a quantitative measure used in the investment community because the value of a share of an entity like KMI that pays out all or a substantial proportion of its cash flow, is generally determined by the dividend yield (which in turn is based on the amount of cash dividends the corporation pays to its shareholders). The economic substance behind our use of cash available to pay dividends is to measure and estimate the ability of our assets to generate cash flows sufficient to pay dividends to our investors.

We believe the GAAP measure most directly comparable to cash available to pay dividends is income from continuing operations. A reconciliation of cash available to pay dividends to income from continuing operations is provided in this release. Our non-GAAP measure described above should not be considered as an alternative to GAAP net income and has important limitations as an analytical tool. Our computation of cash available to pay dividends may differ from similarly titled measures used by others. You should not consider this non-GAAP measure in isolation or as a substitute for an analysis of our results as reported under GAAP. Management compensates for the limitations of this non-GAAP measure by reviewing our comparable GAAP measures, understanding the differences between the measures and taking this information into account in its analysis and its decision making processes.

This news release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Although Kinder Morgan believes that its expectations are based on reasonable assumptions, it can give no assurance that such assumptions will materialize. Important factors that could cause actual results to differ materially from those in the forward-looking statements herein include those enumerated in Kinder Morgan's Forms 10-K and 10-Q as filed with the Securities and Exchange Commission and those set forth herein under the caption "Other News."

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Kinder Morgan, Inc. and Subsidiaries Preliminary Cash Available to Pay Dividends (Non- GAAP, Unaudited) (in millions)

	Three Months Ended March 31,			
	2011		2010	
KMP distributions to us:				
From ownership of general partner interest (1)	\$	285	\$	251
On KMP units owned by us (2)		24		23
On KMR shares owned by us (3)		15		13
Total KMP distributions to us		324		287
NGPL PipeCo LLC's distributions to us		4		16
Total distributions received		328		303
General and administrative expenses and sustaining capital expenditures		(2)		-
Interest expense		(75)		(74)
Cash available to pay dividends before cash taxes		251		229
Cash taxes				1
Cash available to pay dividends	\$	251	\$	230

Notes

- (1) Based on (i) Kinder Morgan Energy Partners, L.P. (KMP) distributions of \$1.13 and \$1.05 per common unit paid in the first quarter of 2011 and 2010, respectively (versus the \$1.14 and \$1.07 per common unit declared for the first quarter of 2011 and 2010, respectively), (ii) 316.2 million and 298.2 million aggregate common units, Class B units and i-units outstanding as of January 31, 2011 and January 29, 2010, respectively and, (iii) with respect to the 7.9 million common units issued during 2010 that were deemed by us to be issued in connection with financing a portion of the acquisition of KMP's interests in the KinderHawk joint venture, we as general partner have waived receipt of its related incentive distributions from the second quarter 2010 through 2011.
- (2) Based on 21.7 million KMP units owned by us multiplied by the KMP per unit distribution paid, as outlined in footnote (1) above.
- (3) Assumes that we sold approximately 0.2 million Kinder Morgan Management, LLC (KMR) shares that we received as distributions in the first quarter in both 2011 and 2010, at the price used to calculate the number of KMR shares received in the quarterly distributions. We did not sell any KMR shares in the first quarter 2011 or 2010. We intend periodically to sell the KMR shares we receive as distributions to generate cash.

Kinder Morgan, Inc. and Subsidiaries Preliminary Consolidated Statement of Income (Unaudited)

(in millions, except per share amounts)

	Three Months Ended March 31,			
	2011		2010	
Revenues	\$	2,008.1	\$	2,157.6
Costs, expenses and other				
Operating expenses		1,125.2		1,471.1
Depreciation, depletion and amortization		256.1		282.3
General and administrative		180.4		115.7
Taxes, other than income taxes		48.7		45.4
Other expense (income)		0.7 1,611.1		(1.3) 1,913.2
		1,011.1		1,913.2
Operating income		397.0		244.4
Other income (expense)				
Earnings (loss) from equity investments		68.4		(374.2)
Amortization of excess cost of equity investments		(1.5)		(1.4)
Interest, net		(168.7)		(150.6)
Other, net	-	1.7		6.6
Income (loss) before income taxes		296.9		(275.2)
Income taxes		(95.9)		95.5
Net income (loss) from Continuing Operations		201.0		(179.7)
Loss from discontinued operations		-		(0.2)
Net income (loss)		201.0		(179.9)
Net (income) loss attributable to Noncontrolling Interests		(46.0)		19.0
Net income (loss) attributable to KMI	\$	155.0	\$	(160.9)
Calculation of Common Stockholders' interest in net income attributable to KMI (1) Net income attributable to KMI	\$	155.0		
Less: Members' interest in net income prior to Initial Public Offering	Ψ	(70.6)		
Investor retained shares interest in net income		(71.2)		
Common Stockholders' interest in net income	\$	13.2		
Basic Earnings per Common Share				
Net income	\$	0.12		
Weighted average common shares outstanding		110.6		
Diluted Earnings per Common Share				
Net income	\$	0.12		
Weighted average common shares outstanding		707.0		
Declared dividend per share (2)	\$	0.14		

Notes

⁽¹⁾ Earnings per share not applicable to the three months ended March 31, 2010.

⁽²⁾ Dividend per share has been prorated for the portion of the quarter Kinder Morgan, Inc. (KMI) was a public company. If KMI had been a public company for the entire quarter, the dividend would have been \$0.29 per share.

Kinder Morgan, Inc. and Subsidiaries

Preliminary Reconciliation of Cash Available to Pay Dividends to Income from Continuing Operations (Unaudited)

(in millions, except per share amounts)

20)11	2	2010
\$	201	\$	(180)
	256		282
	2		1
	(68)		374
	65		50

251

230

Three Months Ended March 31,

Loss (income) from equity investments (1)	(68)	3/4
Distributions from equity investments	65	50
Distributions from equity investments in excess of cumulative earnings	84	74
KMP certain items (2)	88	153
KMI purchase accounting (3)	(4)	(13)
Difference between cash and book taxes	93	(97)
Difference between cash and book interest expense for KMI	(33)	(35)
Sustaining capital expenditures (4)	(36)	(33)
KMP declared distribution on its limited partner units owned by the public (5)	(324)	(284)
Other (6)	(73)	(62)

Notes

Income from continuing operations (1)
Depreciation, depletion and amortization (1)
Amortization of excess cost of investments (1)

Cash available to pay dividends

- (1) Consists of the corresponding line items in the preceding Preliminary Unaudited Consolidated Statement of Income.
- (2) Consists of items such as hedge ineffectiveness, legal and environmental reserves, gain/loss on sale, insurance proceeds from casualty losses, and asset disposition expenses. First quarter of 2011 also includes KMP's portion (\$87 million) of a \$100 million one-time bonus expense incurred, which KMP is required to recognize in accordance with generally accepted accounting principles. However, KMP has no obligation, nor does it expect to pay any amounts in respect to such bonuses. KMI will pay the bonuses using the \$64 million (after-tax) in available earnings and profits reserved for this purpose and not paid in dividends to its Class A shareholders. KMP adds back these certain items in its calculation of distributable cash flow used to determine its distribution. For more information, see KMP's 1st Quarter 2011 Earnings Release filed on Form 8-K with the SEC on April 20, 2011.
- (3) Consists of non-cash purchase accounting adjustments related to the Going Private Transaction primarily associated with non-cash income recognized from the revaluation of KMP's crude hedges.
- (4) We define sustaining capital expenditures as capital expenditures that do not expand the capacity of an asset.
- (5) Declared distribution multiplied by limited partner units outstanding on the applicable record date less units owned by us. Includes distributions on KMR shares. KMP must generate the cash to cover the distributions on the KMR shares, but those distributions are paid in additional shares and KMP retains the cash. We do not have access to that cash.
- (6) Consists of timing differences between earnings and cash (for example, a lag between when earnings are recognized and distributions are paid, including distributions to us by KMP), the elimination of any earnings from our formerly owned Power segment, KMI certain items, including KMI's portion (\$13 million) of the one-time bonus described in footnote (2) above, and KMP's cash flow in excess of its distributions.

Kinder Morgan, Inc. and Subsidiaries Preliminary Consolidated Balance Sheet (Unaudited) (in millions)

	March 31, 2011		December 31, 2010	
ASSETS			-	
Cash and cash equivalents - KMI (1)	\$	12	\$	373
Cash and cash equivalents - KMP (1)		178		129
Other current assets		1,099		1,285
Property, plant and equipment, net - KMI (1)		2,438		2,468
Property, plant and equipment, net - KMP (1)		14,696		14,603
Investments - KMI (1)		407		405
Investments - KMP (1)		3,903		3,886
Goodwill - KMI (1)		3,598		3,597
Goodwill - KMP (1)		1,229		1,234
Deferred charges and other assets		847		928
TOTAL ASSETS	\$	28,407	\$	28,908
LIABILITIES AND SHAREHOLDERS' EQUITY				
Liabilities				
Short-term debt:				
KMI (1) (2) (3)		368	\$	751
KMP (1)		1,333		1,262
Other current liabilities		1,696		1,630
Long-term debt:				
KMI (1) (4)		2,778		2,780
KMP (1)		10,416		10,277
Preferred interest in general partner of KMP		100		100
Value of interest rate swaps		573		656
Deferred income taxes		2,054		2,093
Other long-term liabilities		875		820
Total liabilities		20,193		20,369
Shareholders' Equity				
Accumulated other comprehensive loss		(192)		(137)
Other shareholders' equity (5)		3,490		-
Other members' equity (5)		-		3,576
Total KMI equity		3,298		3,439
Noncontrolling interests		4,916		5,100
Total shareholders' equity		8,214		8,539
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	28,407	\$	28,908
KMI's debt, net of its cash and cash equivalents (6)	\$	3,171	\$	3,196
Distributions received from KMP and other equity investees (7)	\$	1,262	\$	1,239
Debt to Distributions Received		2.5		2.6

Notes

- (1) KMI amounts include its consolidated subsidiaries, excluding KMP. KMP amounts do not include allocations of purchase accounting adjustments associated with our 2007 Going Private Transaction. These allocations have been applied to KMI's amounts so that KMP's amounts agree to its First Quarter 2011 Earnings Release filed on Form 8-K with the SEC on April 20, 2011.
- $(2) \quad 2010 \ amount \ includes \ \$750.0 \ million \ of \ 5.35\% \ senior \ notes \ paid \ on \ January \ 5, \ 2011 \ with \ cash \ on \ hand \ and \ KMI's \ bank \ facility.$
- (3) Amounts include \$3 million and \$1 million as of March 31, 2011 and December 31, 2010, respectively, for allocations of purchase accounting adjustments related to KMP as described in footnote (1) above.
- (4) Amounts include (\$42) million and (\$44) million as of March 31, 2011 and December 31, 2010, respectively, for allocations of purchase accounting adjustments. Amounts also include \$2 million and \$5 million as of March 31, 2011 and December 31, 2010, respectively, for allocations of purchase accounting adjustments related to KMP as described in footnote (1) above.
- (5) On February 10, 2011, we converted from a Delaware limited liability company to a Delaware corporation.
- (6) Amounts include only KMI's short-term and long-term debt, net of its cash and its cash equivalents and exclude allocation of purchase accounting adjustments described in footnotes (3) and (4) above and the preferred interest in general partner of KMP.
- (7) Distributions received from equity investees is shown net of KMI's G&A and sustaining capital expenditures over last 12 months. Amounts exclude the \$170 million impact of the Interim Capital Transaction.