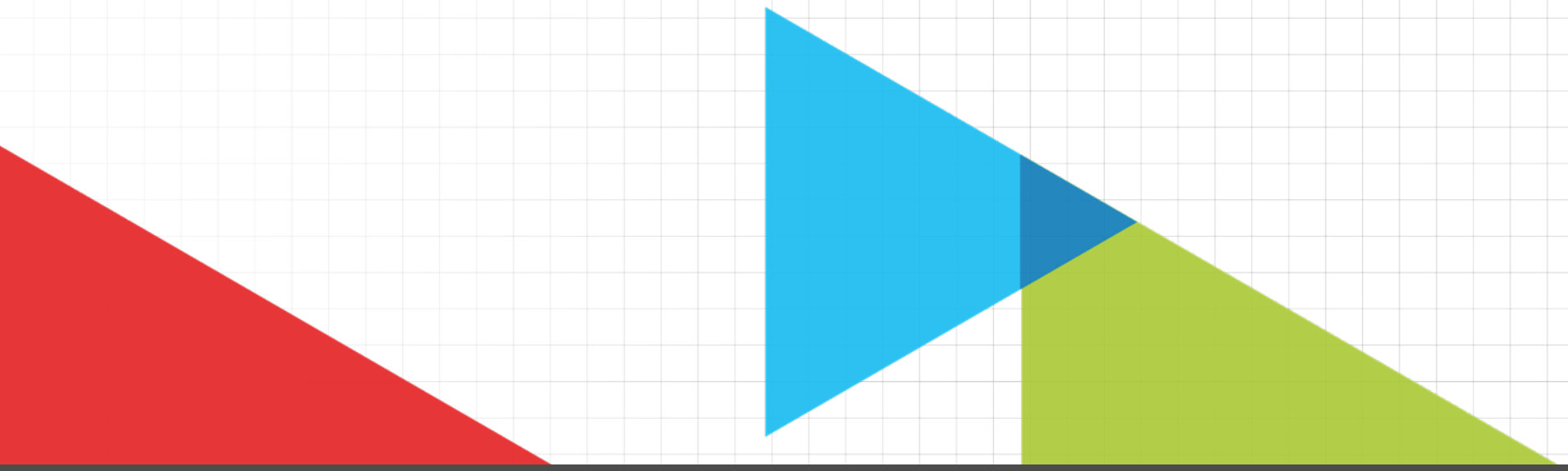


Earnings Conference Call

First Quarter 2017
May 3, 2017



Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this presentation is forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning negotiations for a service agreement with Westinghouse, earnings per share guidance, future dividends, Mississippi Power's expected rate filing, expected capital structure and credit metrics for Mississippi Power, financial objectives, and expected financing plans. Southern Company cautions that there are certain factors that can cause actual results to differ materially from the forward-looking information that has been provided. The reader is cautioned not to put undue reliance on this forward-looking information, which is not a guarantee of future performance and is subject to a number of uncertainties and other factors, many of which are outside the control of Southern Company and its subsidiaries; accordingly, there can be no assurance that such suggested results will be realized. The following factors, in addition to those discussed in Southern Company's and its subsidiaries' Annual Reports on Form 10-K for the year ended December 31, 2016, and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: the impact of recent and future federal and state regulatory changes, including environmental laws regulating emissions, discharges, and disposal to air, water, and land, and also changes in tax and other laws and regulations to which Southern Company and its subsidiaries are subject, including potential tax reform legislation, as well as changes in application of existing laws and regulations; current and future litigation, regulatory investigations, proceedings, or inquiries; the effects, extent, and timing of the entry of additional competition in the markets in which Southern Company's subsidiaries operate; variations in demand for electricity and natural gas, including those relating to weather, the general economy and recovery from the last recession, population and business growth (and declines), the effects of energy conservation and efficiency measures, including from the development and deployment of alternative energy sources such as self-generation and distributed generation technologies, and any potential economic impacts resulting from federal fiscal decisions; available sources and costs of natural gas and other fuels; limits on pipeline capacity; effects of inflation; the ability to control costs and avoid cost overruns during the development, construction, and operation of facilities, which include the development and construction of generating facilities with designs that have not been finalized or previously constructed, including changes in labor costs and productivity, adverse weather conditions, shortages and inconsistent quality of equipment, materials, and labor, sustaining nitrogen supply, contractor or supplier delay, non-performance under construction, operating, or other agreements, operational readiness, including specialized operator training and required site safety programs, unforeseen engineering or design problems, start-up activities (including major equipment failure and system integration), and/or operational performance (including additional costs to satisfy any operational parameters ultimately adopted by any Public Service Commission ("PSC")); the results of the bankruptcy filing by the contractors for Plant Vogtle Units 3 and 4, including any effect on the construction of Plant Vogtle Units 3 and 4, as well as the engineering, procurement, and construction agreement for Plant Vogtle Units 3 and 4 and Georgia Power's Department of Energy loan guarantees; any inability or failure of Toshiba Corporation to perform its obligations pursuant to its guarantee of certain obligations of Westinghouse under the engineering, procurement, and construction agreement for Plant Vogtle Units 3 and 4; the ability to construct facilities in accordance with the requirements of permits and licenses, to satisfy any environmental performance standards and the requirements of tax credits and other incentives, and to integrate facilities into the Southern Company system upon completion of construction; investment performance of the Southern Company system's employee and retiree benefit plans and nuclear decommissioning trust funds; advances in technology; ongoing renewable energy partnerships and development agreements; state and federal rate regulations and the impact of pending and future rate cases and negotiations, including rate actions relating to fuel and other cost recovery mechanisms; legal proceedings and regulatory approvals and actions related to Plant Vogtle Units 3 and 4, including Georgia PSC approvals and Nuclear Regulatory Commission actions; actions related to cost recovery for the integrated coal gasification combined cycle facility under construction in Kemper County Mississippi (the "Kemper IGCC"), including the ultimate impact of the 2015 decision of the Mississippi Supreme Court and related legal or regulatory proceedings, Mississippi PSC review of the prudence of Kemper IGCC costs and approval of further permanent rate recovery plans, actions relating to proposed securitization, satisfaction of requirements to utilize grants, and the ultimate impact of the termination of the proposed sale of an interest in the Kemper IGCC to South Mississippi Electric Power Association; the ability to successfully operate the electric utilities' generating, transmission, and distribution facilities and Southern Company Gas' natural gas distribution and storage facilities and the successful performance of necessary corporate functions; the inherent risks involved in operating and constructing nuclear generating facilities, including environmental, health, regulatory, natural disaster, terrorism, and financial risks; the inherent risks involved in transporting and storing natural gas; the performance of projects undertaken by the non-utility businesses and the success of efforts to invest in and develop new opportunities; internal restructuring or other restructuring options that may be pursued; potential business strategies, including acquisitions or dispositions of assets or businesses, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries; the possibility that the anticipated benefits from the acquisition of Southern Company Gas cannot be fully realized or may take longer to realize than expected, the possibility that costs related to the integration of Southern Company and Southern Company Gas will be greater than expected, the ability to retain and hire key personnel and maintain relationships with customers, suppliers, or other business partners, and the diversion of management time on integration-related issues; the ability of counterparties of Southern Company and its subsidiaries to make payments as and when due and to perform as required; the ability to obtain new short- and long-term contracts with wholesale customers; the direct or indirect effect on the Southern Company system's business resulting from cyber intrusion or terrorist incidents and the threat of terrorist incidents; interest rate fluctuations and financial market conditions and the results of financing efforts; changes in Southern Company's and any of its subsidiaries' credit ratings, including impacts on interest rates, access to capital markets, and collateral requirements; the impacts of any sovereign financial issues, including impacts on interest rates, access to capital markets, impacts on foreign currency exchange rates, counterparty performance, and the economy in general, as well as potential impacts on the benefits of the Department of Energy loan guarantees; the ability of Southern Company's electric utilities to obtain additional generating capacity (or sell excess generating capacity) at competitive prices; catastrophic events such as fires, earthquakes, explosions, floods, tornadoes hurricanes and other storms, droughts, pandemic health events such as influenzas, or other similar occurrences; the direct or indirect effects on the Southern Company system's business resulting from incidents affecting the U.S. electric grid, natural gas pipeline infrastructure, or operation of generating or storage resources; and the effect of accounting pronouncements issued periodically by standard-setting bodies. Southern Company and its subsidiaries expressly disclaim any obligation to update any forward-looking information.



Non-GAAP Financial Measures

In addition to including earnings in accordance with generally accepted accounting principles (GAAP), this presentation also includes historical adjusted earnings and earnings per share (EPS) excluding: (1) estimated probable losses relating to Mississippi Power's construction of the Kemper IGCC; (2) write-down of Gulf Power's ownership of Plant Scherer Unit 3 as a result of a retail rate case settlement approved by the Florida Public Service Commission; (3) costs related to the acquisition and integration of Southern Company Gas; (4) the Wholesale Gas Services business of Southern Company Gas; and (5) additional allowance for funds used during construction (AFUDC) equity as a result of extending the schedule for the Kemper IGCC.

The estimated probable losses relating to the Kemper IGCC significantly impacted the periods presented and similar charges of uncertain amounts may occur with uncertain frequency in future periods. Further charges related to Plant Scherer Unit 3 are not expected to recur. Further costs related to the Southern Company Gas acquisition are expected to occur in connection with related integration activities; however, the amount and duration of such expenditures is uncertain.

Earnings for the three months ended March 31, 2017 include additional AFUDC equity as a result of extending the schedule for the Kemper IGCC. Southern Company's 2017 earnings guidance, initially presented in October 2016, assumed construction would be complete and AFUDC equity would cease by November 30, 2016. As a result, Southern Company believes a presentation of EPS excluding these items provides investors with information comparable to the 2017 guidance. Management also uses such measures to evaluate Southern Company's performance in 2017.

This presentation also includes projected adjusted EPS for future periods excluding costs for acquisitions, the Wholesale Gas Services business of Southern Company Gas, any additional estimated losses associated with the Kemper IGCC, and additional AFUDC equity as a result of extending the schedule for the Kemper IGCC. The amount and duration of costs related to acquisitions, additional estimated losses associated with the Kemper IGCC, and any equity return related to the Kemper IGCC schedule extension are uncertain. Presenting earnings and EPS excluding Wholesale Gas Services provides investors with an additional measure of operating performance that excludes the volatility that results from mark-to-market and lower of weighted average cost or current market price accounting adjustments. Management uses earnings and EPS excluding these items to evaluate Southern Company's performance.



Southern Company Update

- Strong financial and operational results across our major businesses
- Southern Company Gas delivered as expected
- Southern Company Board of Directors increased the dividend by \$0.08 cents per share
- Resilient long-term financial objectives and value proposition



Vogtle 3 & 4

- Since the Westinghouse bankruptcy filing, work has continued at the site with meaningful improvements in productivity
- Interim Assessment Agreement with Westinghouse extended to May 12, 2017
- Negotiations for a services agreement with Westinghouse are in progress
- Comprehensive schedule and cost assessments continue



Kemper Project Update

- Both gasifiers are currently in outage with work progressing on various systems
- Work at the site remains focused on sustaining gasification reliability in support of an in-service declaration
- Mississippi Power expects to file its Kemper rate filing with the Mississippi PSC by June 3, 2017 deadline

Southern Company is committed to the financial integrity of Mississippi Power. Southern Company expects to maintain a capital structure and credit metrics for Mississippi Power which are supportive of investment grade ratings



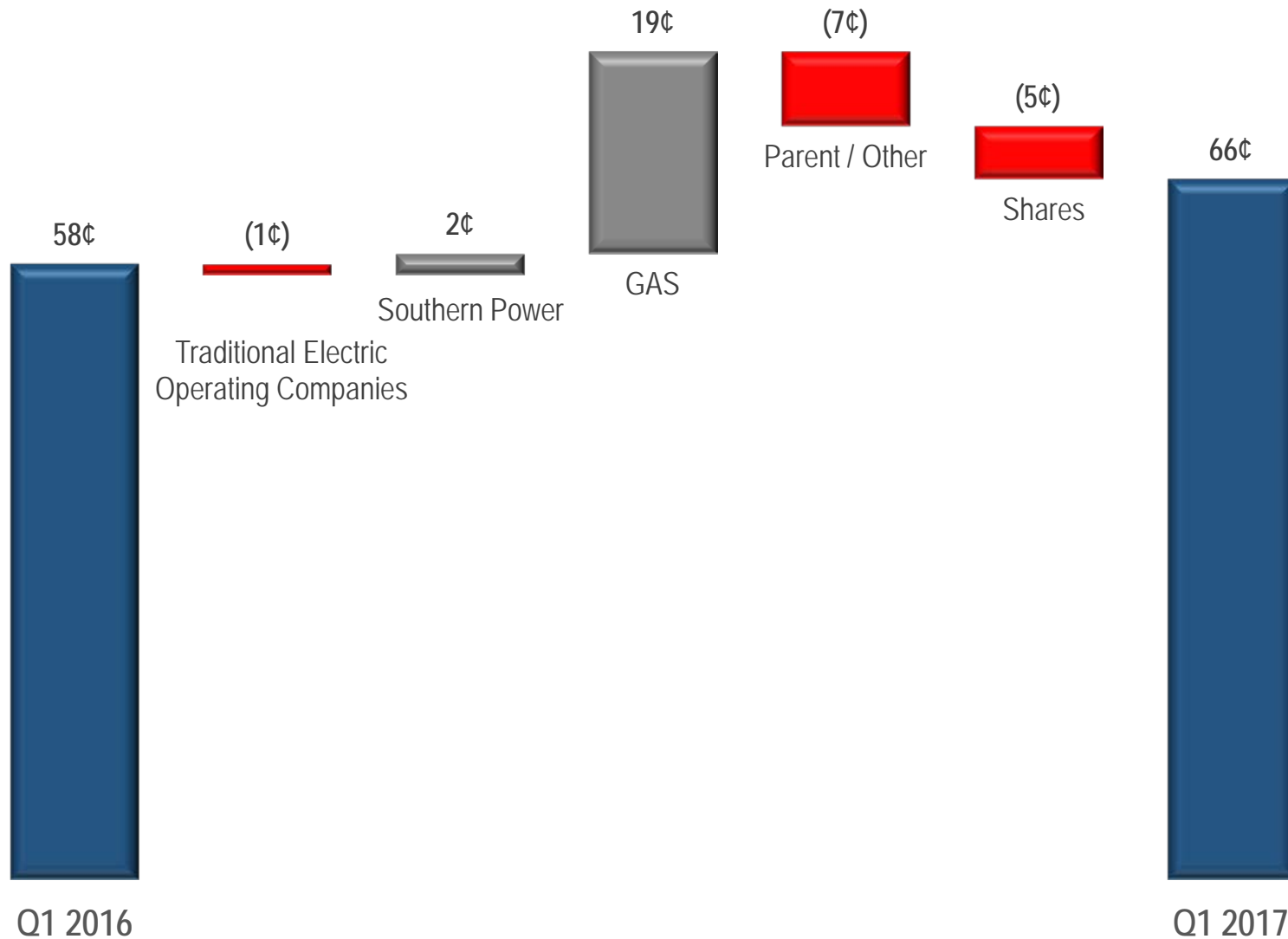
2017 Q1 Earnings Results

	Q1	
	2017	2016
Earnings Per Share As Reported	\$0.66	\$0.53
Kemper IGCC Impacts*	\$0.05	\$0.04
Loss on Plant Scherer Unit 3	\$0.02	-
Acquisition and Integration costs	-	\$0.01
Wholesale Gas Services	(\$0.07)	-
Earnings Per Share Excluding Items	\$0.66	\$0.58

* Kemper IGCC impacts for 2017 includes \$0.07 for the estimated probable losses relating to Mississippi Power's construction of the Kemper IGCC partially offset by \$(0.02) for additional AFUDC equity as a result of extending the schedule for the Kemper IGCC. Kemper IGCC impacts for 2016 represent the estimated probable losses relating to Mississippi Power's construction of the Kemper IGCC



Q1 2017 vs. Q1 2016 Adjusted EPS Drivers



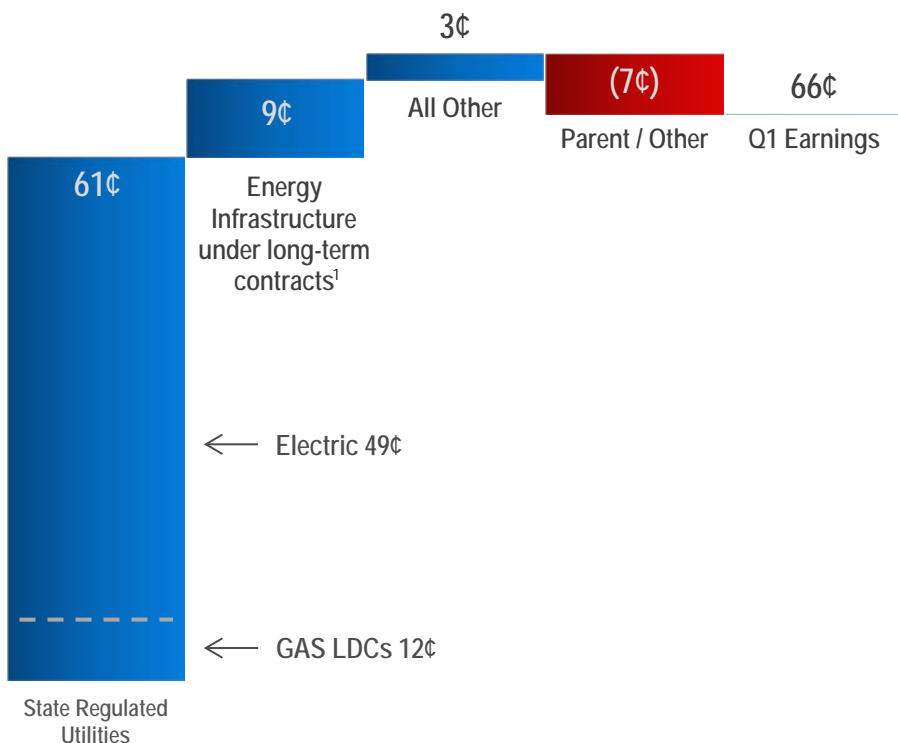
Excluding

- Estimated losses associated with the Kemper IGCC project and additional AFUDC equity as a result of extending the schedule for the Kemper IGCC
- Loss on Plant Scherer Unit 3
- Acquisition and integration expenses, as well as Wholesale Gas Services

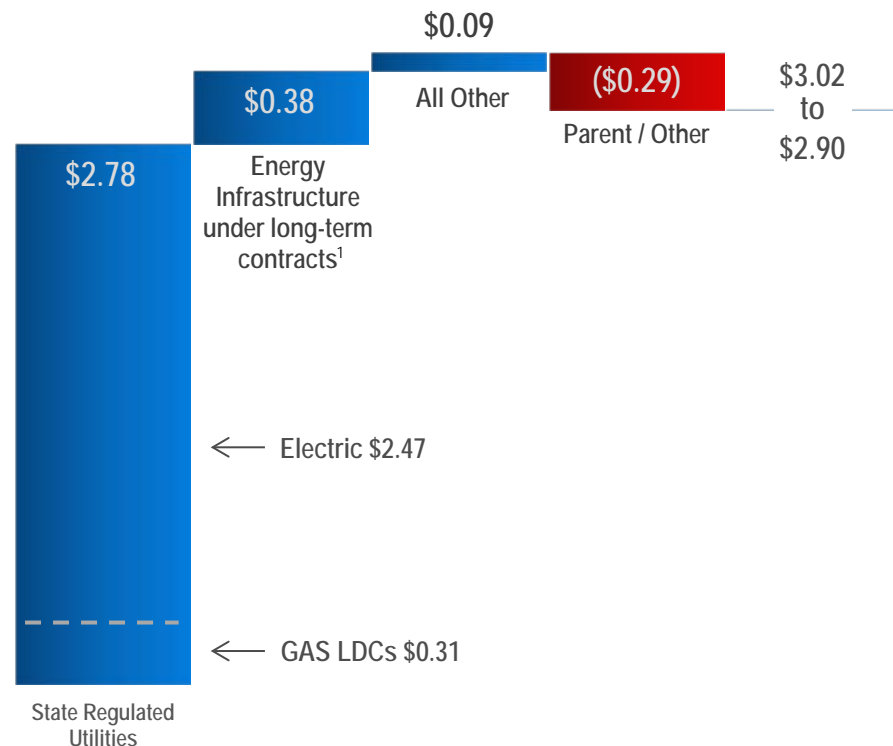


2017 Q1 and Projected Full Year Adjusted EPS

2017 Q1 Adjusted EPS



2017 Projected Full Year Adjusted EPS



2017 Q2 Estimate = \$0.70 per share

Notes

- 2017 Q1 average shares outstanding = 993M
- Estimated average shares outstanding for Full Year 2017 = 998M
- Excludes earnings from Wholesale Gas Services and projected acquisition and integration expenses
- Estimated losses associated with the Kemper IGCC project and additional AFUDC equity as a result of extending the schedule for the Kemper IGCC
- Full year guidance provided as of February 22, 2017

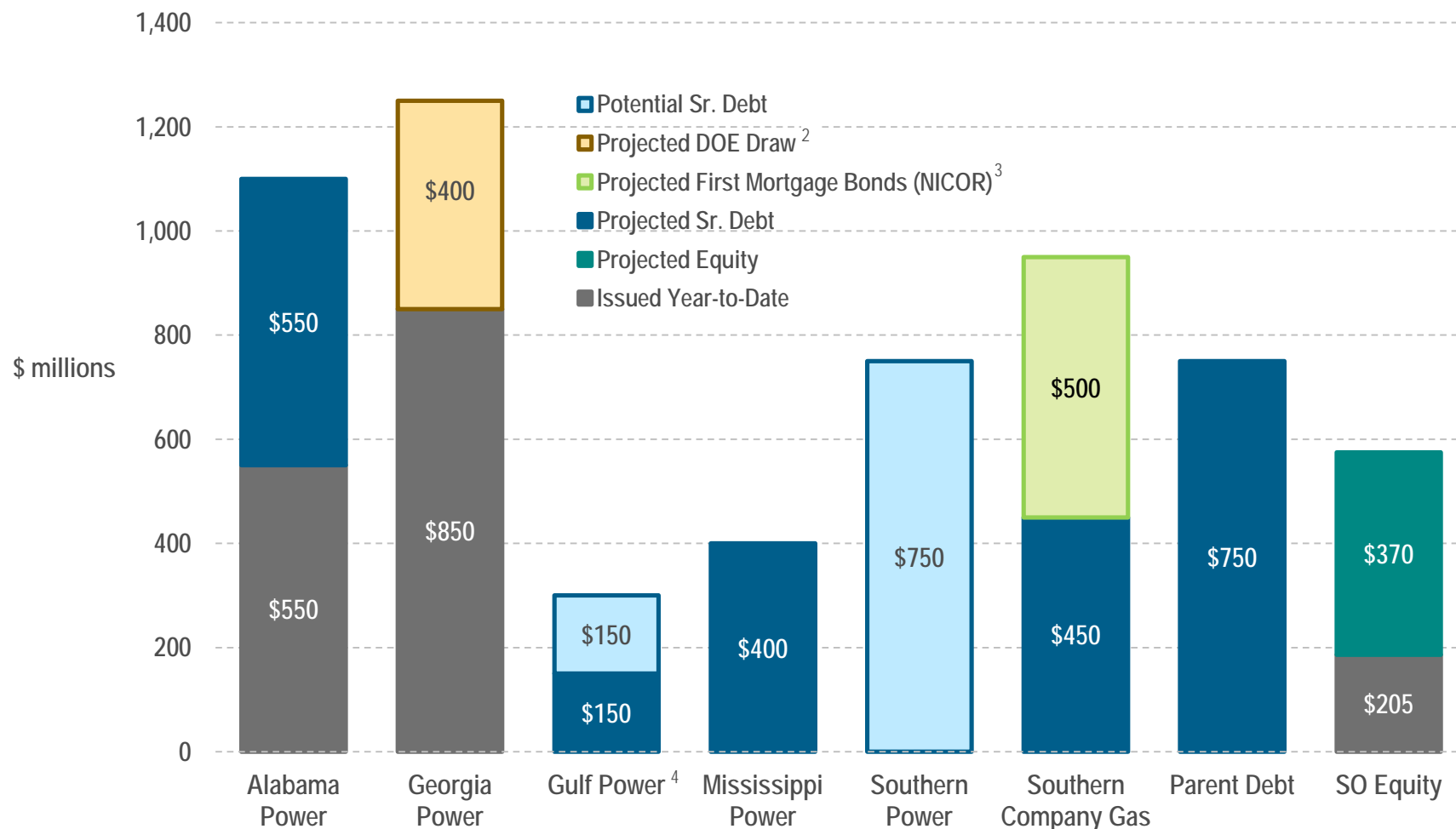
1. Includes Southern Power, interstate natural gas pipelines and company-owned distributed energy resources



Southern Company 2017 Financings¹

As of April 30, 2017

\$1.4 billion long-term debt issued year-to-date / \$4 billion remaining to be issued in 2017



1. Amount and timing of financings is subject to change based upon numerous factors, including market conditions, regulatory approvals, the Southern Company system's capital requirements and investment opportunities available to Southern Company and its subsidiaries

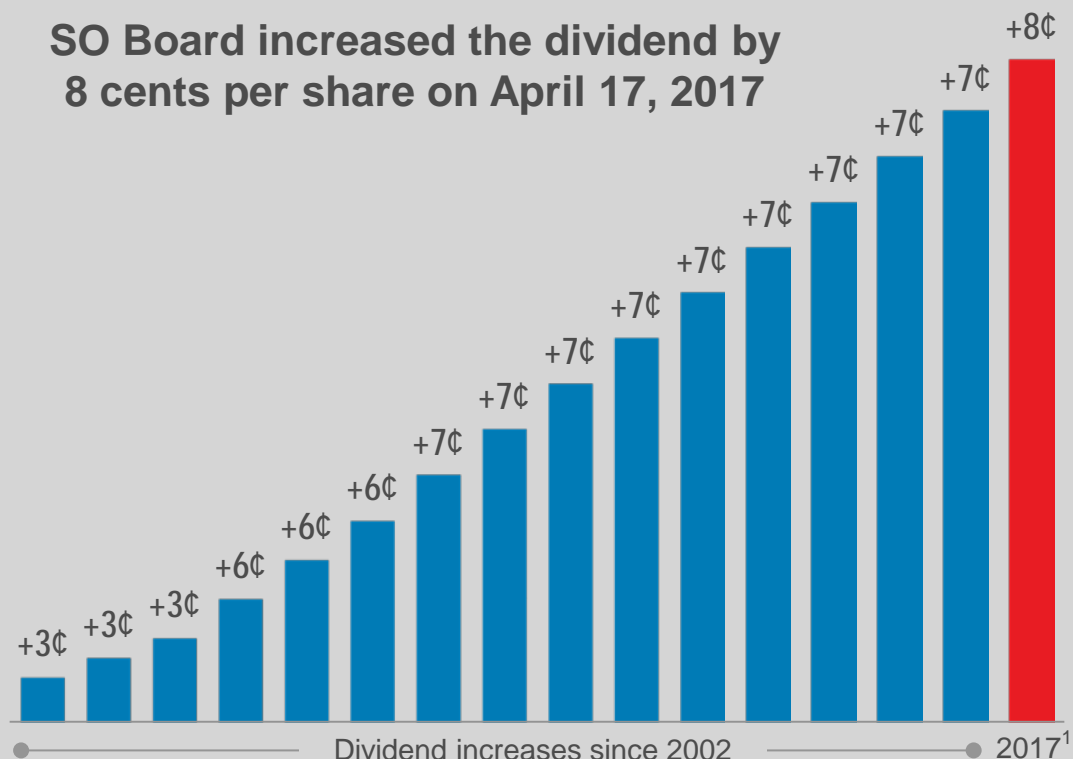
2. The bankruptcy of Westinghouse Electric Company LLC and WECTEC Global Project Services Inc. may impact Georgia Power's ability to make further borrowings under the DOE loan guarantee program

3. Subject to Illinois Commerce Commission approval

4. Gulf Power may, subject to applicable market conditions, call for redemption and refinance all or a portion of its \$150 million aggregate outstanding preference stock during 2017

Our Value Proposition & Financial Objectives

SO Board increased the dividend by 8 cents per share on April 17, 2017



- Superior risk-adjusted total shareholder return
- A high degree of financial integrity and strong investment grade credit ratings
- Strong, sustainable, returns on invested capital
- Regular, predictable, sustainable EPS and dividend growth

Our dividends and overall shareholder value proposition are supported by premier state-regulated electric and gas utilities

1. Future dividends are subject to the approval of the Southern Company Board of Directors



Appendix

2017 Q1 Earnings Results Reconciliation

(millions)	Q1	
	2017	2016
Net Income As Reported	\$658	\$489
Estimated Loss on Kemper IGCC	108	53
Tax Impact	(41)	(20)
Loss on Plant Scherer Unit 3	33	-
Tax Impact	(13)	-
Acquisition and Integration costs	4	20
Tax Impact	(1)	(6)
Wholesale Gas Services	(114)	-
Tax Impact	46	-
Earnings Guidance Comparability Item:		
Equity Return Related to Kemper IGCC Schedule Extension	(23)	-
Tax Impact	(5)	-
Net Income Excluding Items	\$652	\$536
Average Shares Outstanding	993	916
Earnings Per Share – Excluding Items	\$0.66	\$0.58

Note: Refer to the footnotes accompanying the financial highlights page of Southern Company's earnings package for the first quarter 2017 for further description of these reconciling items.



Southern Company Liquidity and Credit

As of March 31, 2017

Over \$8.4 billion in combined committed credit facilities and available liquidity of nearly \$4.8 billion

(in millions)	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Total</u>
Consolidated Credit Facilities Expirations	\$423	\$3,620	-	\$4,400	\$8,443

(in millions)	<u>Alabama Power</u>	<u>Georgia Power</u>	<u>Gulf Power</u>	<u>Mississippi Power</u>	<u>SEGCO</u>	<u>Southern Company Gas</u>	<u>Southern Power</u>	<u>Parent</u>	<u>Consolidated</u>
Unused Credit Lines	\$1,335	\$1,732	\$280	\$141	\$55	\$1,949	\$524	\$2,250	\$8,266
Cash ¹	696	21	32	6	-	28	93	106	1,094
Total	\$2,030	\$1,753	\$312	\$147	\$55	\$1,977	\$617	\$2,356	\$9,360
Less: Outstanding CP	-	-	-	-	28	1,023	381	1,252	2,682
Less: PCBs Floaters ²	890	868	82	40	-	-	-	-	1,880
Net Available Liquidity	\$1,140	\$885	\$230	\$107	\$28	\$954	\$236	\$1,104	\$4,798

Totals may not sum due to rounding

1. Consolidated cash balance includes amounts from non-SEC reporting subsidiaries including PowerSecure, Southern Nuclear, SouthernLINC and others

2. PCBs Floaters include all variable rate demand note pollution control revenue bonds outstanding

Long-term Debt Maturity Schedule

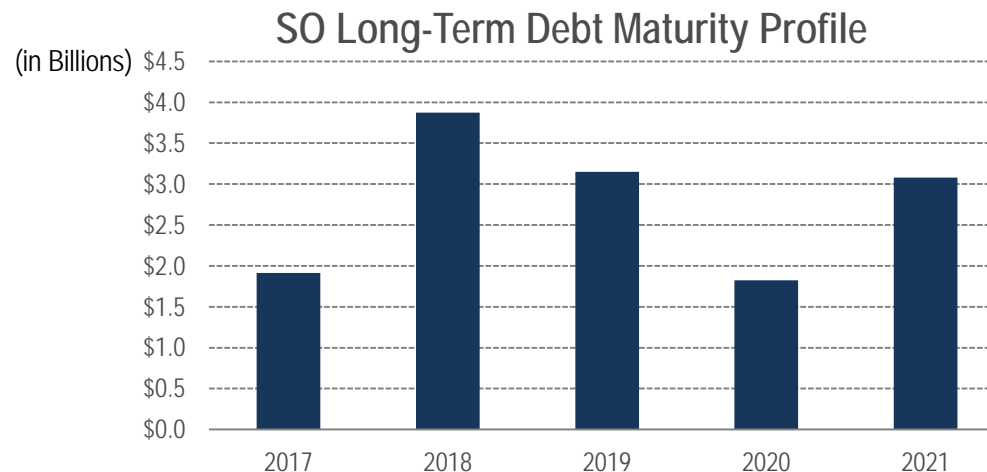
As of March 31, 2017

(in millions)	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>5Y Total</u>
Alabama Power	\$361	-	\$200	\$250	\$310	\$1,121
Georgia Power	450	750	500	494	369	2,563
Gulf Power	85	-	-	175	-	260
Mississippi Power	35	1,751	125	7	270	2,188
Southern Power	560	670	600	300	300	2,430
GAS Consolidated	22	155	350	-	330	857
Parent	400	1,000	1,350	600	1,500	4,850
Interco Loans (Elim)		(551)				(551)
SO Consolidated	\$1,913	\$3,875	\$3,150	\$1,825	\$3,079	\$13,842

Totals may not sum due to rounding

SO Consolidated includes SEGCO maturities and excludes capital leases

SO Long-Term Debt
Maturities 2017-2021
\$13.8B



Vogtle Construction Update

Unit 3

Progress

- ✓ Completed Auxiliary Bldg Walls & Floors to EL. 82'6"
- ✓ Placed concrete
 - ✓ in courses 05 & 06 of Shield Building
 - ✓ in cylindrical wall RC-02 & RC-04 from EL. 100'-117'-6"
 - ✓ inside containment to EL. 105'2" (South)
 - ✓ in CA01 East Steam Generator compartment walls to EL. 152'10"
- ✓ Began installation of reactor coolant piping
- ✓ ECS-1 & ECS-2 6.9 kV switchgears were set inside Annex
- ✓ Started battery installation for Initial Energization in Annex

Near term

- Auxiliary Pump House Bldg Turnover to SNC Operations
- Start Initial Energization

On the horizon

- Set both Steam Generators
- Place concrete slab at EL. 107'2" inside containment



Installation of Batteries for Initial Energization



Unit 4

Progress

- ✓ Placed concrete
 - ✓ in CA20 module walls to EL. 85'
 - ✓ inside containment to EL. 87'6" on the west side
 - ✓ first walls in Annex Building to EL. 107'2"
 - ✓ under the east side of Containment Vessel to EL. 90'6"
- ✓ Completed the Annex Basemat
- ✓ Installation, welding and concrete complete on course 02 of Shield Building
- ✓ Set the Reserve Auxiliary Transformers (RATs)
- ✓ Energized the 500kV Switchyard

Near term

- Place concrete inside containment to EL. 96'6" on the west side
- Erect course 03 of the Shield Building

On the horizon

- Set modules CA02 and CA03
- Complete Auxiliary Bldg Walls & Floors to EL. 82'6"



Reserve Auxiliary Transformers (RATs) Installed