Southern Company

Conference Call

May 21, 2018

Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements which are made pursuant to safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements, among other things, concerning the expected benefits of the transactions described herein, expected financing plans and future earnings projections. These forward-looking statements are often characterized by the use of words such as “expect,” “anticipate,” “plan,” “believe,” “may,” “should,” “will,” “could,” “continue” and the negative or plural of these words and other comparable terminology. Although Southern Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, including, but not limited to, factors and assumptions regarding the items outlined above. Actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from these expectations include, among other things, the following: the failure to receive, on a timely basis or otherwise, the required approvals by government or regulatory agencies (including the terms of such approvals); the inability to achieve the expected financial benefits of the proceeds of the transactions; the risk that a condition to closing of one or more of the transactions may not be satisfied; the ability to reach agreements for the sale of minority interests in Southern Power’s solar and wind portfolios; the impact of recent and future federal and state regulatory changes, including environmental laws and regulations governing air, water, land, and protection of other natural resources, and also changes in tax and other laws and regulations to which Southern Company and its subsidiaries are subject, as well as changes in application of existing laws and regulations; the uncertainty surrounding the federal tax reform legislation, including implementing regulations and Internal Revenue Service interpretations, actions that may be taken in response by regulatory authorities, and its impact, if any, on the credit ratings of Southern Company and its subsidiaries; current and future litigation or 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, 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; transmission constraints; 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 previously constructed, including changes in labor costs and productivity, adverse weather conditions, shortages, increased costs or inconsistent quality of equipment, materials, and labor, including any changes related to imposition of import tariffs, 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; the ability to construct facilities in accordance with the requirements of permits and licenses (including satisfaction of U.S. Nuclear Regulatory Commission (“NRC”) requirements), 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; 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; legal proceedings and regulatory approvals and actions related to Plant Vogtle Units 3 and 4, including Georgia Public Service Commission approvals and NRC actions; if certain adverse events were to occur, a decision by more than 10% of the owners of Plant Vogtle Units 3 and 4 not to proceed with construction upon the occurrence of certain adverse events; litigation related to the Kemper County energy facility; 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 these dispositions and other 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 and the possibility that costs related to the integration of Southern Company and Southern Company Gas will be greater than expected; 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 physical attack and the threat of physical attacks; 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 U.S. 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; impairments of goodwill or long-lived assets; and the effect of accounting pronouncements issued periodically by standard-setting bodies. There can be no assurance that any of the transactions will in fact be consummated.

Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements may be found under Item 1A. in Southern Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2017. Southern Company cautions that the foregoing list of important factors that may affect future results is not exhaustive. When relying on forward-looking statements to make decisions with respect to Southern Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. All subsequent written and oral forward-looking statements concerning the transactions or other matters attributable to Southern Company or any other person acting on its behalf are expressly qualified in their entirety by the cautionary statements referenced above. The forward-looking statements contained herein speak only as of the date of this presentation. Southern Company undertakes no obligation to update or revise any forward-looking statement, except as may be required by law.

Transaction Overview

Florida Assets

- **Gulf Power Company**
  - $5.75 billion in pre-tax proceeds
  - Approximately 460,000 customers *(less than 5% of Southern's customer base)*
- **Florida City Gas**
  - $530 million in pre-tax proceeds
  - Approximately 109,000 customers *(1% of Southern's customer base)*

Southern Power Assets

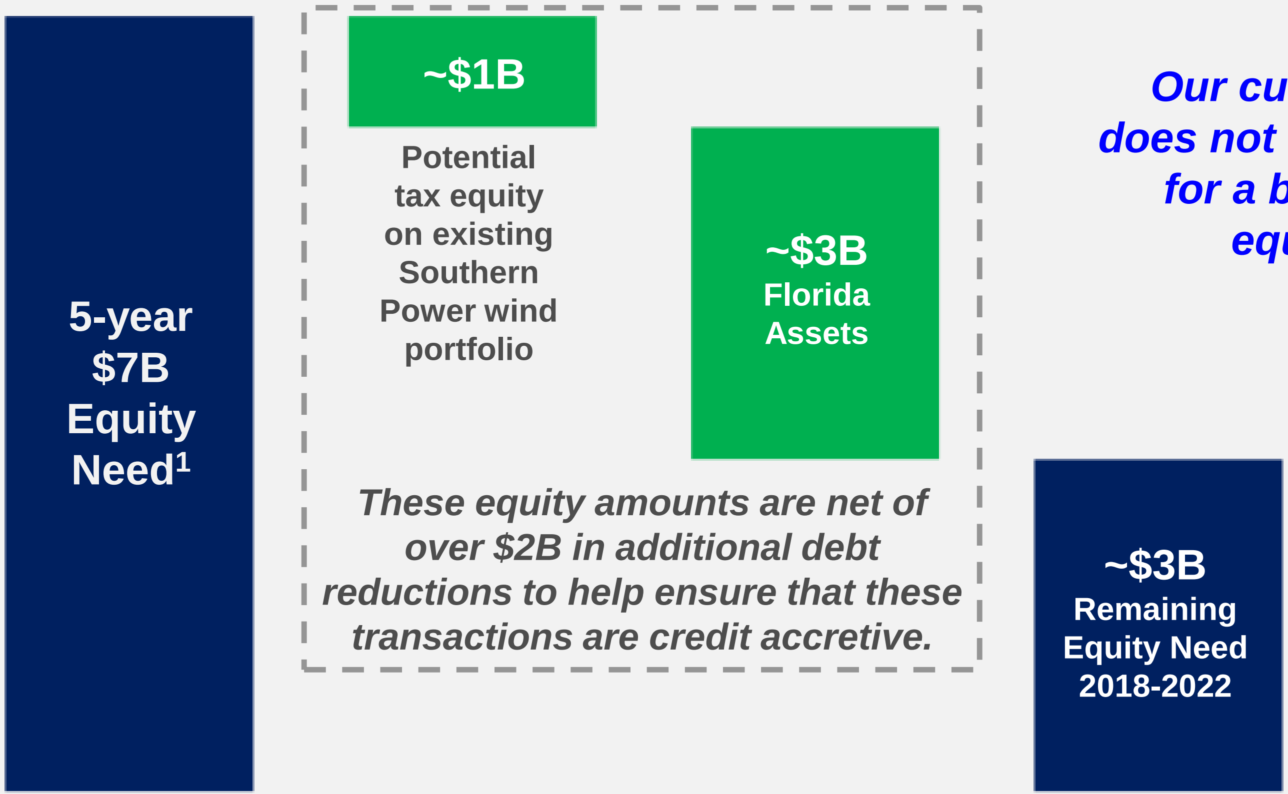
- $195 million in pre-tax proceeds
- Stanton Energy Center (65% ownership)
  - 659 MW jointly owned natural gas combined cycle
  - Near Orlando, Florida
- Plant Oleander
  - 791 MW capacity from five combustion turbine units
  - Cocoa, Florida

Value Accretive Drivers

- Proceeds: $6.475 billion pre-tax ($5.075 billion equity value net of debt)
- Prices paid are at the top end of recent M&A transactions and provide for appreciable value over SO's current share price
- Proceeds will be used to significantly reduce debt across Southern Company
- Accelerates utilization of tax carryforward positions
- Avoids approximately $3 billion in new share issuances
- Eliminates remarketing risk for two unregulated natural gas-fired plants
- Improved credit profile
- Stronger projected EPS within our 4% - 6% EPS guidance trajectory

Investor-friendly transactions expected to significantly reduce debt across Southern Company

Modest remaining $3 billion equity need is expected to be met over several years using SO equity plans[3]



Our current 5-year plan does not anticipate the need for a block or discrete equity offering[2]

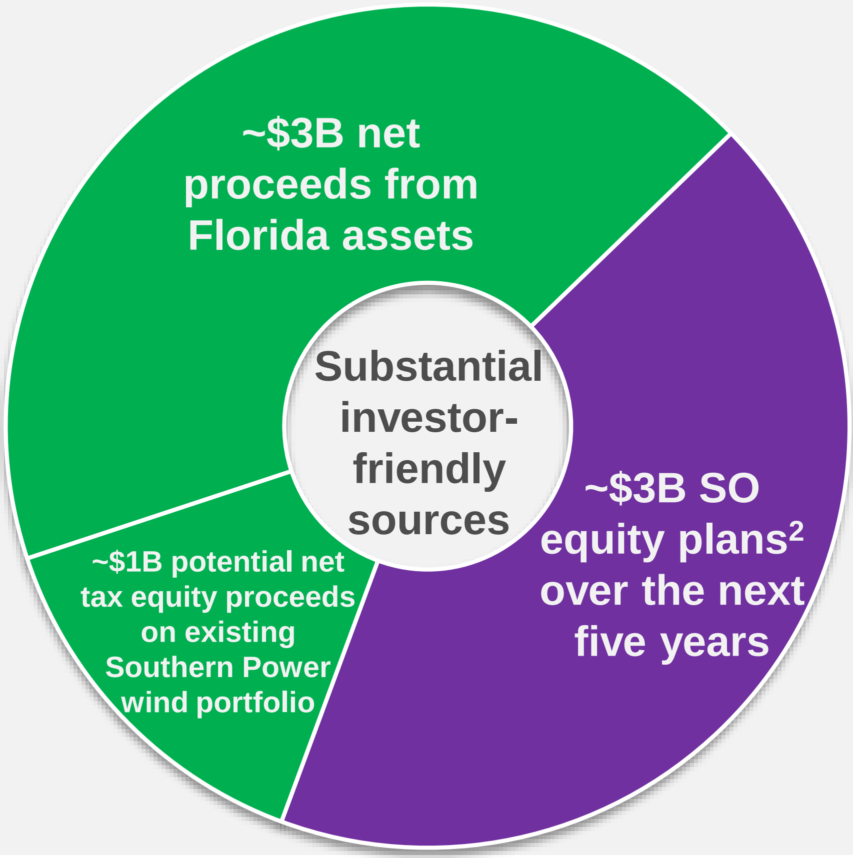
Our existing internal plans alone (excluding an ATM), can provide approximately $500M per year[3]

1. Net of anticipated proceeds from the sales of Elizabethtown Gas, Elkton Gas, Pivotal Home Solutions and a 33% equity interest in Southern Power's solar portfolio
2. Future financing activities are subject to market conditions and other factors.
3. Historically, equity plans have included Southern Investment Plan, Employee Savings Plan, employee stock option exercises and at-the-market (ATM) programs

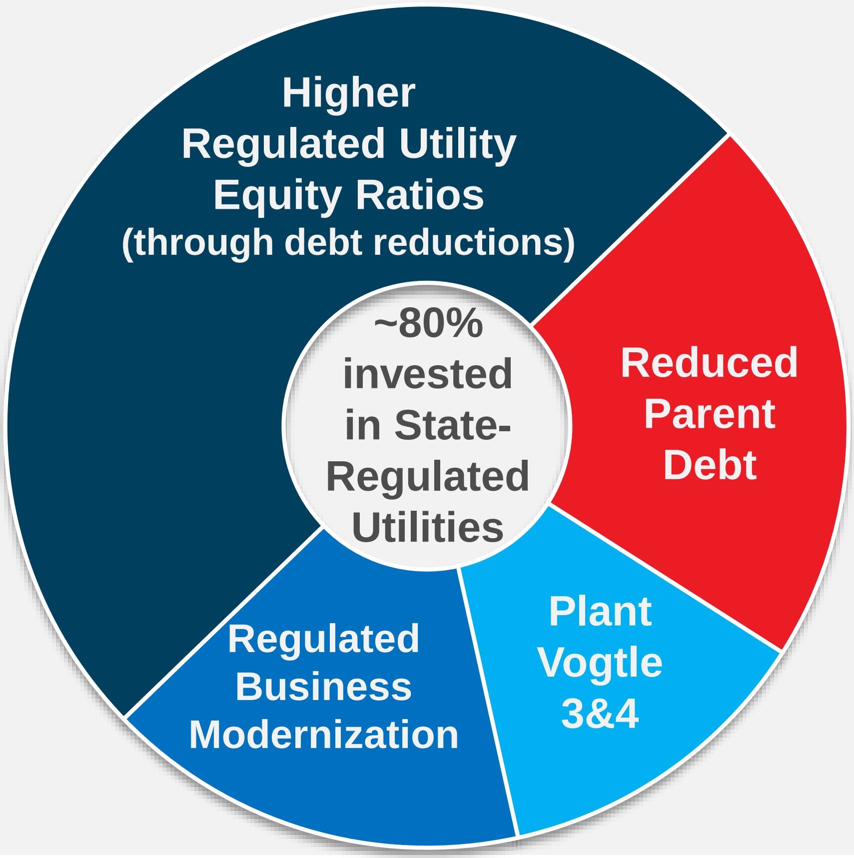
Sources and value accretive uses of equity

Executing on our plans to reduce debt and fund growth at our state-regulated utilities

Expected $7 billion in equity sources[1]



Credit and value accretive uses



1. Net of anticipated proceeds from the sales of Elizabethtown Gas, Elkton Gas, Pivotal Home Solutions and a 33% equity interest in Southern Power's solar portfolio.
2. Historically, SO equity plans have included Southern Investment Plan, Employee Savings Plan, employee stock option exercises and at-the-market (ATM) programs.

Southern Company's strategy and objectives remain the same

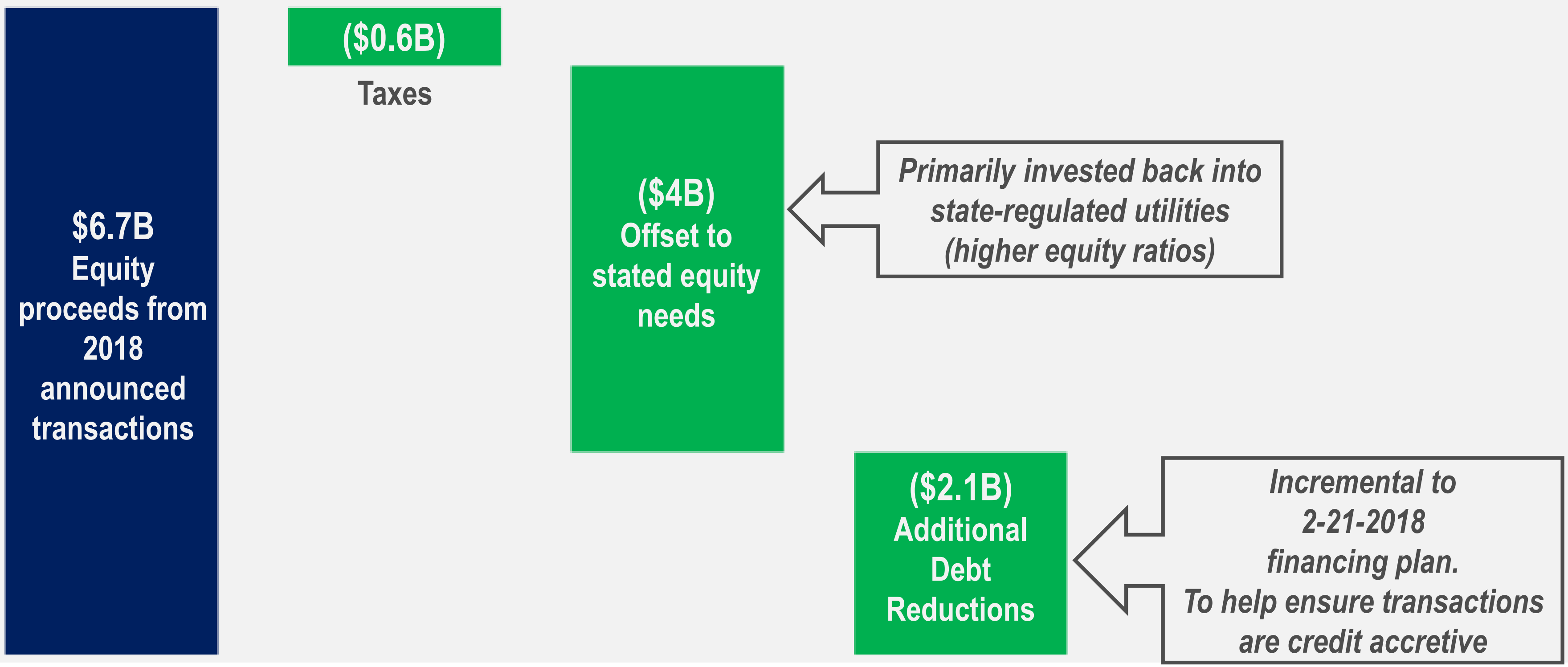
- High-quality state-regulated utilities
- A customer, community and relationship-focused business model
- Complementary investments in infrastructure under long-term contracts
- A strong commitment to credit quality and financial integrity
- Clean, safe, reliable, affordable energy

Transaction Value Drivers	Top of the 4% - 6% EPS Guidance Range Assumptions
• Prices paid provide for appreciable value over SO's current share price • Significant debt reduction • Stronger credit metrics • Accelerated equity proceeds improve credit profile • Stronger projected EPS within our 4% - 6% EPS guidance trajectory	• Incremental state-regulated utility investment opportunities • Optimized, investor-friendly sources of equity funding • More aggressive management of O&M inflation relative to the costs attributable to incremental capital investments • Better-than-expected growth from unregulated businesses

Additional Information

Expected Uses of Equity Proceeds 2018-2022

Includes equity proceeds from the pending sales of Pivotal Home Solutions, Gulf Power Company, Florida City Gas and Southern Power's ownership interests in Plants Stanton and Oleander. Also includes estimated proceeds from potential 3rd party tax equity on Southern Power's existing wind portfolio.



4% to 6% Earnings Per Share Growth Objective

Base Assumptions	Top of the Guidance Range Assumptions
• Continued constructive regulatory treatment, including Tax Reform mitigation plans • $33 billion of state-regulated capital investments over 5 years • Consolidated FFO to Debt: 16% to 16.5% *(excluding Vogtle 3&4 impact of minus ~1%)* • Over 90% of earnings growth from state-regulated utilities and existing unregulated assets	• Incremental state-regulated utility investment opportunities • Optimized, investor-friendly sources of equity funding • More aggressive management of O&M inflation relative to the costs attributable to incremental capital investments • Better-than-expected growth from unregulated businesses

Long-term EPS projected growth is 4% to 6% with or without Vogtle 3 & 4

During construction, the year-over-year earnings contribution of the project is expected to vary based on the ROEs approved in VCM 17

Southern Company Projected Long-term Debt Financings[1]

as of 5/21/18

Long-term Debt *(in millions)*	**YTD 2018**	**Remaining 2018**	**2019**	**2020**	**2018-2020**
Alabama Power	$ -	$400	$ -	$350	$750
Georgia Power[2]	-	725	1,800	1,850	4,375
Gulf Power	-	-	----------------Subject to closing----------------		
Mississippi Power	600	-	-	-	600
State-regulated Electrics	**$600**	**$1,125**	**$1,800**	**$2,200**	**$5,725**
Southern Power	-	-	-	-	-
Southern Company Gas Capital	-	-	-	300	300
Nicor	-	250	225	100	575
Holding Company[3]	-	-	500	500	1,000
Total Long-term Debt Issuance	**$600**	**$1,375**	**$2,525**	**$3,100**	**$7,600**

1. Amounts and timing are subject to change based upon numerous factors, including market conditions, regulatory approvals, the Southern Company system's capital requirements, available investment opportunities, and the completion of announced divestitures
2. May consist of senior notes, DOE draws, or a combination thereof
3. Does not include temporary funding expected to be repaid with proceeds from potential SPC wind tax-equity and/or pending Florida asset sales