Southern Company

First Quarter 2019
Earnings Conference Call

May 1, 2019

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 Plant Vogtle Units 3 and 4, including cost and schedule estimates, earnings per share guidance, 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, 2018, 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 tax and environmental laws and regulations 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 extent and timing of costs and legal requirements related to coal combustion residuals; current and future litigation or regulatory investigations, proceedings, or inquiries, including litigation and other disputes related to the Kemper County energy facility; the effects, extent, and timing of the entry of additional competition in the markets in which Southern Company's subsidiaries operate, including from the development and deployment of alternative energy sources; variations in demand for electricity and natural gas; available sources and costs of natural gas and other fuels; the ability to complete necessary or desirable pipeline expansion or infrastructure projects, limits on pipeline capacity, and operational interruptions to natural gas distribution and transmission activities; transmission constraints; effects of inflation; the ability to control costs and avoid cost and schedule overruns during the development, construction, and operation of facilities, including Plant Vogtle Units 3 and 4, which includes components based on new technology that only recently began initial operation in the global nuclear industry at this scale, and including changes in labor costs, availability and productivity; challenges with management of contractors, subcontractors or vendors; adverse weather conditions; shortages, increased costs or inconsistent quality of equipment, materials, and labor; contractor or supplier delay; nonperformance under construction, operating, or other agreements; operational readiness, including specialized operator training and required site safety programs; engineering or design problems; design and other licensing-based compliance matters, including the timely resolution of Inspections, Tests, Analyses, and Acceptance Criteria and the related approvals by the U.S. Nuclear Regulatory Commission (NRC); challenges with 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 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 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 return on equity, equity ratios and 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 construction projects, such as Plant Vogtle Units 3 and 4 and pipeline projects, including public service commission approvals and Federal Energy Regulatory Commission and NRC actions; under certain specified circumstances, a decision by holders of more than 10% of the ownership interests of Plant Vogtle Units 3 and 4 not to proceed with construction, and the ability of other Vogtle owners to tender a portion of their ownership interests to Georgia Power following certain construction cost increases; in the event Georgia Power becomes obligated to provide funding to Municipal Electric Authority of Georgia (MEAG) with respect to the portion of MEAG's ownership interest in Plant Vogtle Units 3 and 4 involving Jacksonville Electric Authority, any inability of Georgia Power to receive repayment of such funding; the inherent risks involved in operating and constructing nuclear generating facilities; 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, including the proposed dispositions of Plant Mankato and the Nacogdoches biomass-fueled facility, which cannot be assured to be completed or beneficial to Southern Company or its subsidiaries; 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; access to capital markets and other financing sources; changes in Southern Company's and any of its subsidiaries' credit ratings; 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 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. 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) impacts related to (a) the sale of Gulf Power Company, (b) the disposition of Pivotal Home Solutions, and (c) other acquisition, disposition, and integration activities; (2) charges related to Mississippi Power Company's integrated coal gasification combined cycle project in Kemper County, Mississippi (Kemper IGCC); (3) earnings from the Wholesale Gas Services business of Southern Company Gas; and (4) net tax benefits as a result of implementing federal tax reform legislation.

The impacts of acquisitions, dispositions, and integration significantly impacted earnings and earnings per share for the three months ended March 31, 2019 and 2018. Further impacts are expected to be recorded in 2019 in connection with the sale of Gulf Power, as well as in connection with related to Southern Power Company's announced sales of Plant Mankato and Nacogdoches. Further costs related to the Southern Company Gas acquisition are expected to occur in connection with integration activities; however, the amount and duration of such expenditures are uncertain.

The charges relating to the Kemper IGCC also significantly impacted earnings and earnings per share for the three months ended March 31, 2018. Additional pre-tax closure costs, including mine reclamation of up to $25 million for the Kemper IGCC may occur through 2020. Mississippi Power is also currently evaluating its options regarding the final disposition of the carbon dioxide pipeline and is in discussions with the Department of Energy regarding property closeout and disposition, for which the related costs could be material.

Southern Company's earnings for the three months ended March 31, 2018 include net tax benefits as a result of implementing federal tax reform legislation. Additional adjustments are not expected.

For all periods, 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.

This presentation also includes projected adjusted EPS for future periods excluding: additional acquisition, integration and disposition impacts, any additional charges associated with the Kemper IGCC and Plant Vogtle Units 3 and 4, and earnings of the Wholesale Gas Services business of Southern Company Gas. Information concerning the magnitude of the impacts, if any, from these items on EPS is not available at this time. Accordingly, this presentation does not include a quantitative reconciliation of projected adjusted EPS (which is a forward-looking non-GAAP financial measure) because doing so would involve unreasonable efforts.

Southern Company believes presentation of EPS excluding the items described above provides investors with information comparable to guidance. Management also uses such measures to evaluate Southern Company's performance.

Vogtle 3 & 4 Re-baseline Complete

- Re-baseline process balances site’s schedule and cost objectives

- No changes to approved regulatory schedule or estimated cost to complete
  - Approved in-service dates of November 2021 / 2022 reaffirmed
  - No change to VCM 19 total project capital cost forecast of $8.4 billion

Vogtle 3 & 4 Re-baseline

- An average of 100,000 weekly earned hours expected to be needed through the start of Unit 3 Hot Functional Testing to meet approved regulatory schedule
  - Earnings above 100,000 hours should provide margin to regulatory approved in-service dates

- Aggressive site workplan is currently expected to provide for approximately six months of margin to November
  - Year-to-date operating average of approximately 130,000 weekly earned hours
  - Objective is to ramp to an average of 160,000 hours between late-summer 2019 and spring 2020

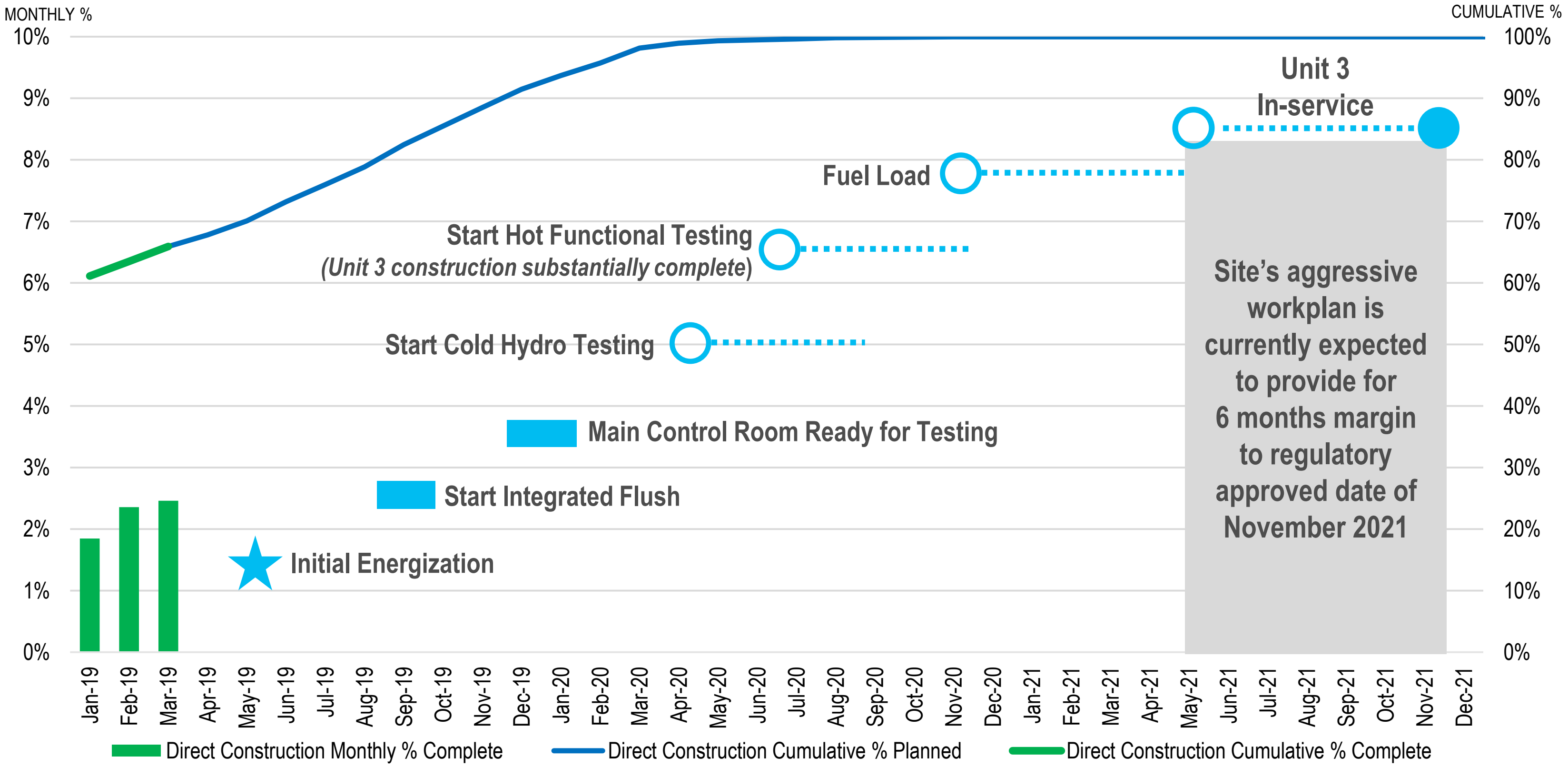
Vogtle 3 & 4 Update

- Completed project milestones:
  - Set Unit 3 containment vessel top head
  - Set first of two core make-up tanks for Unit 4
- Overall project is 77% complete
  - Unit 3 direct construction: 66% complete
  - Expect Unit 3 direct construction to approach 90% complete by year-end

Vogtle Unit 3 Direct Construction & Major Milestones[1]

(Direct Construction is Bechtel's Scope of Work)

Completing milestones within reasonable margins to the site's aggressive workplan would support our primary objective of successful completion on or before November 2021 for Unit 3.



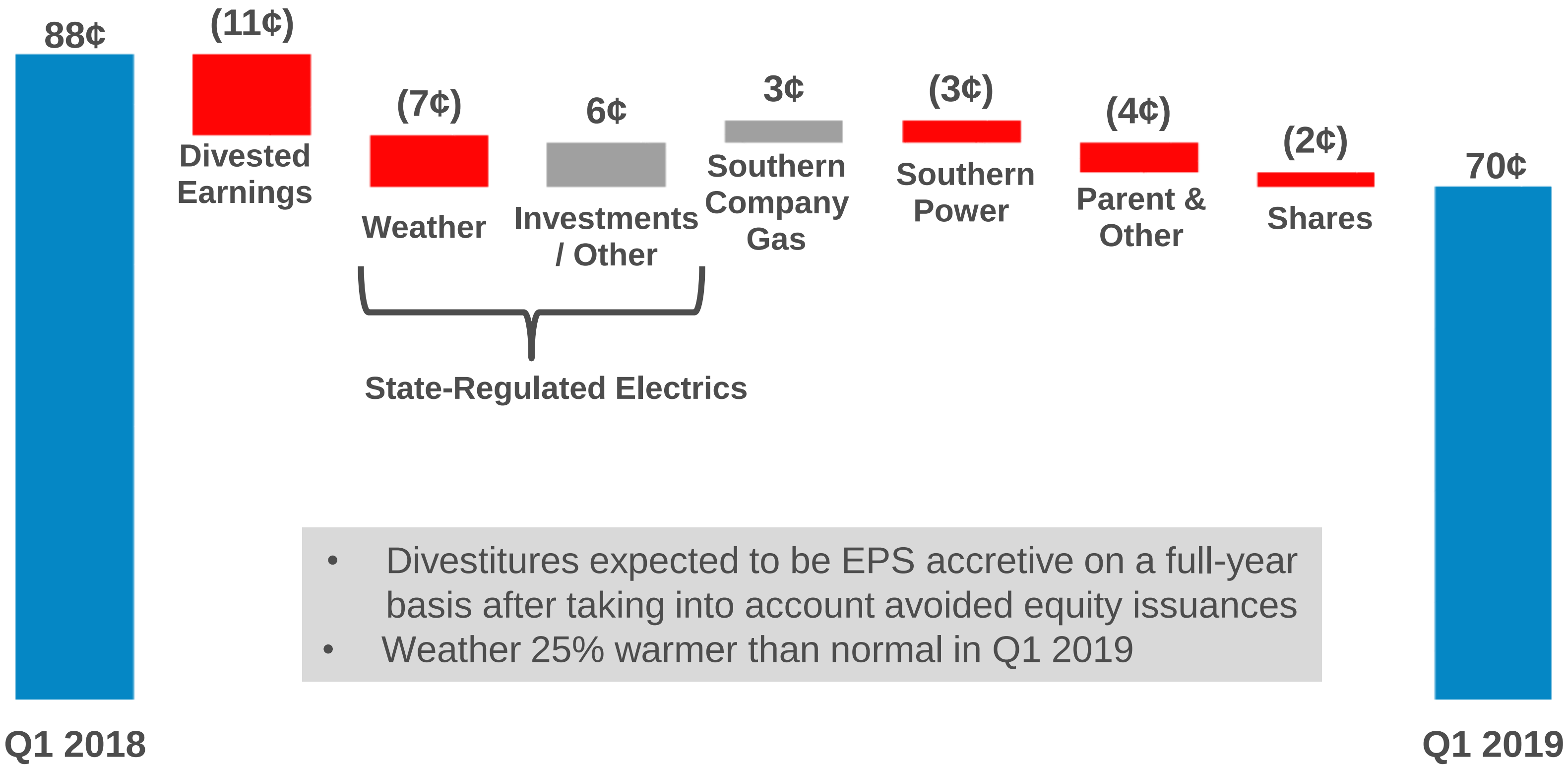
[1] Project milestone definitions included on slides 22 and 23 of appendix

Q1 2019 Earnings Results

	2019	2018
Earnings Per Share As Reported	**$2.01**	**$0.93**
Acquisition, Disposition, and Integration Impacts[1]	($1.26)	$0.05
Estimated Loss on Plants Under Construction[2]	-	$0.03
Wholesale Gas Services	($0.05)	($0.10)
Adoption of Tax Reform	-	($0.03)
Earnings Per Share Excluding Items	**$0.70**	**$0.88**

1. Represents impacts related to the sale of Gulf Power Company, Pivotal Home Solutions, and other impacts related to completed and pending dispositions.
2. Estimated Loss for Plants Under Construction for the three months ended March 31, 2019 and 2018 includes charges resulting from abandonment and closure activities associated with the mine and gasifier-related portions of the Kemper County IGCC.

Q1 2019 Year-Over-Year Adjusted EPS Drivers



- Divestitures expected to be EPS accretive on a full-year basis after taking into account avoided equity issuances
- Weather 25% warmer than normal in Q1 2019

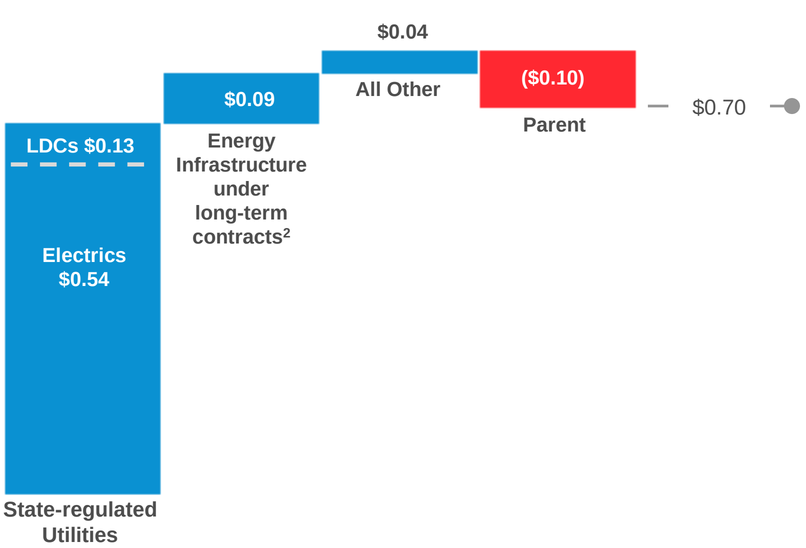
Notes:
Excludes charges related to Kemper IGCC; acquisition, integration and disposition impacts; impacts related to the adoption of tax reform; and earnings from Wholesale Gas Services
Divested earnings category includes (4¢) from Gulf Power Company, (4¢) from Southern Company Gas, and (3¢) from Southern Power Company

Service Territory Economic Update

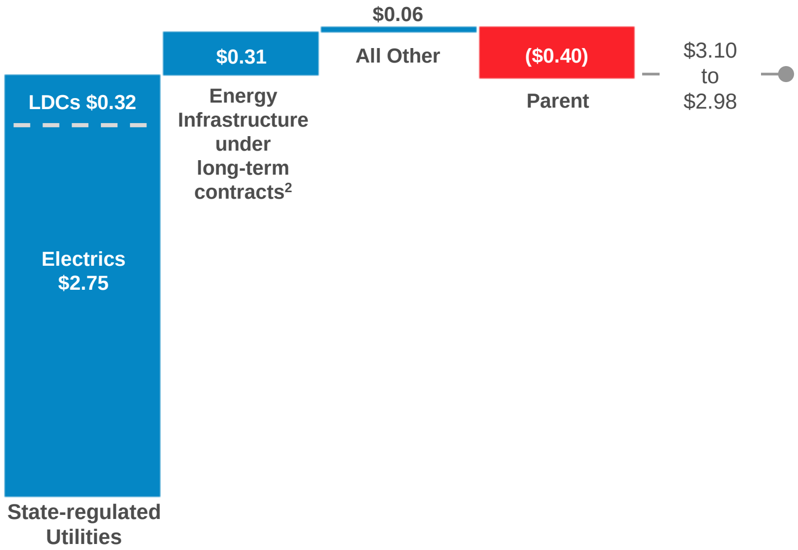
- 12,000 residential electric and 7,000 residential gas customers added in Q1 2019
- Job growth and population growth remain strong in the Southeast service territories compared to the national average
- Weather normalized retail electric sales were down 1.2% during Q1 2019
  - A slight increase in the residential class was offset by declines in commercial and industrial
- 2019 retail electric sales forecast includes flat to 1% growth
  - Guidance assumes lower end in 2019
- Economic development activity in the Southeast remains strong

Q1 2019 and Projected Full Year Adjusted EPS

Q1 2019 Adjusted EPS[1]



2019 Projected Full Year Adjusted EPS[3]



Q2 2019 Estimate = $0.71 per share

Notes
Excludes charges resulting from abandonment and closure activities associated with the mine and gasifier-related portions of the Kemper IGCC, acquisition, disposition, and integration impacts, and from Wholesale Gas Services.

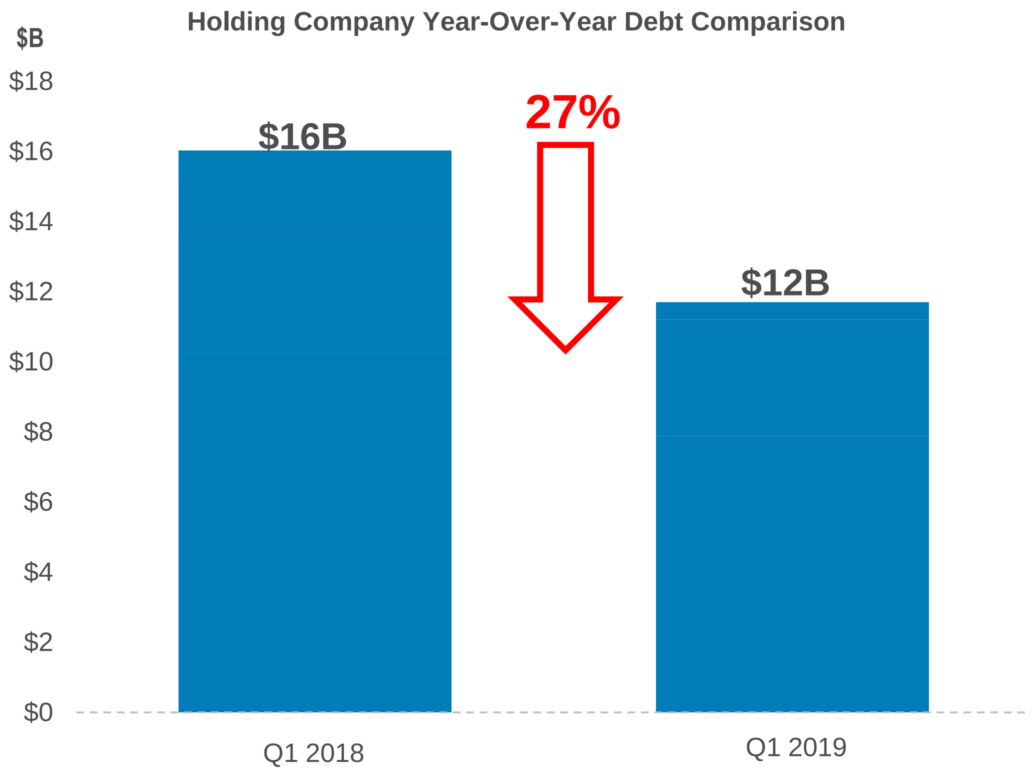
1. 2019 Q1 average shares outstanding = 1,038M
2. Includes Southern Power, interstate natural gas pipelines and Southern Company system-owned distributed energy resources
3. Guidance provided as of February 20, 2019

Nacogdoches Biomass Facility Transaction Overview

- Nacogdoches Biomass Facility Summary:
  - Located in Sacul, TX
  - 115MW wood-fired biomass plant
  - Output sold to Austin Energy
  - 2012 in-service date
- Definitive sales agreement with Austin Energy
- Transaction expected to close mid-2019
- Pre-tax proceeds of $460 million
- Transaction is consistent with financial plan discussed on Q4 2018 earnings call

Combined with Mankato sale, expected 2019 pre-tax proceeds of $1.1 billion

Strengthened Balance Sheet



Southern Company Debt Portfolio

- Average rate: 3.85%
- Average life: 17 years
- $7.8 billion in committed credit facilities
- $6.6 billion in available liquidity

Department of Energy Loan Guarantee

- Additional $1.67 billion capacity authorized in March 2019
  - – Brings total capacity to $5.13 billion
  - – $3.46 billion drawn to-date

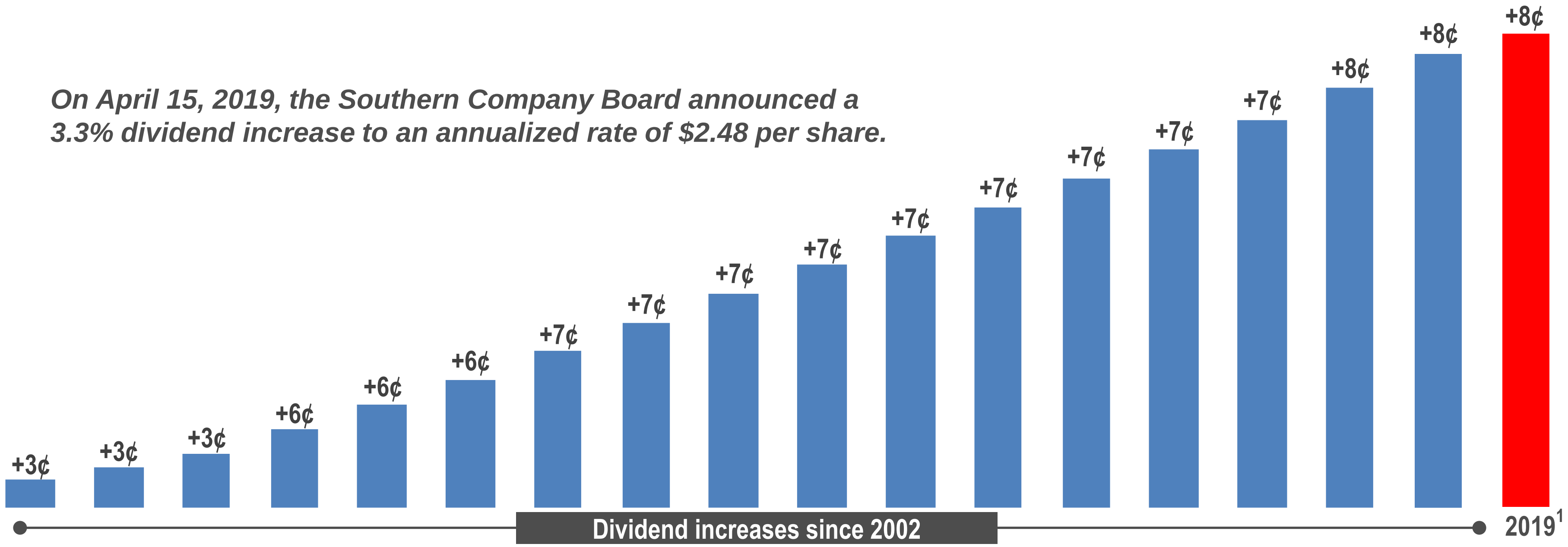
- Total estimated customer savings attributable to DOE loan guarantees of over $500 million

Dividend History

71 Years of Dividends Equal to or Greater Than Previous Year

Southern has a long-standing history of providing a regular, predictable and sustainable return to shareholders through our dividend which is supported by premier state-regulated utilities and energy infrastructure under long-term contracts

On April 15, 2019, the Southern Company Board announced a 3.3% dividend increase to an annualized rate of $2.48 per share.



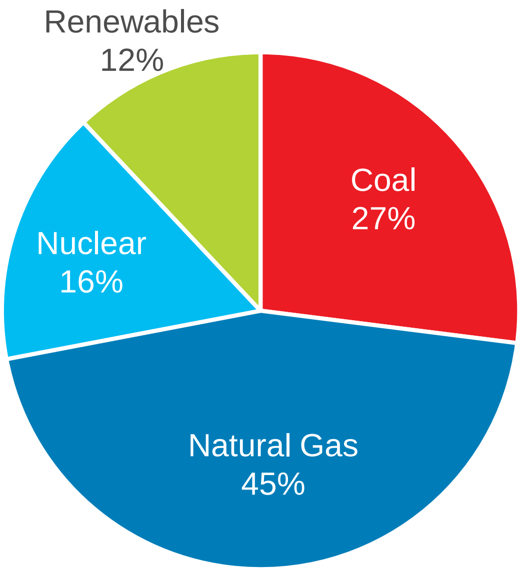
1. Future dividends are subject to approval of the Southern Company Board of Directors and depend on earnings, financial condition and other factors.

2019 Expected Regulatory Activity

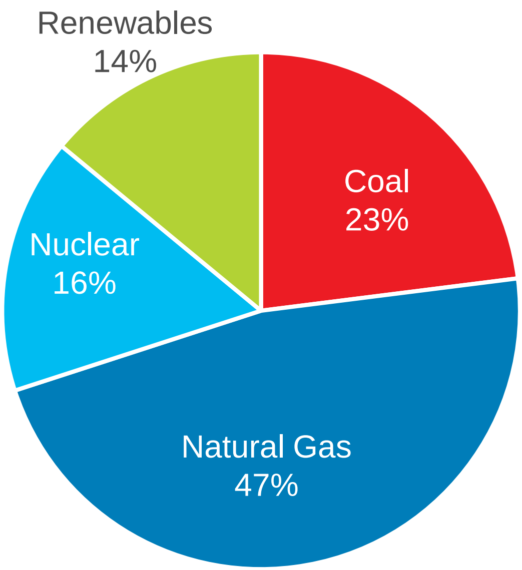
Company	Filing Type	Filing/Submitted Date	Expected Outcome Date
Georgia Power	Integrated Resource Plan	January 2019	July 2019
Georgia Power	Base Rate Case	By July 1, 2019	By Year-end 2019
Mississippi Power	Base Rate Case	Q4 2019	1st Half 2020
Atlanta Gas Light	Base Rate Case	By June 3, 2019	By Year-end 2019
Nicor Gas	Base Rate Case	November 2018	Q4 2019

Q1 2019 Energy Mix

Q1 2018 Total Generation Mix



Q1 2019 Total Generation Mix



Note:
Generation percentages include non-affiliate power purchase agreements.
Renewables category includes wind, solar, hydro, biomass, and landfill gas.

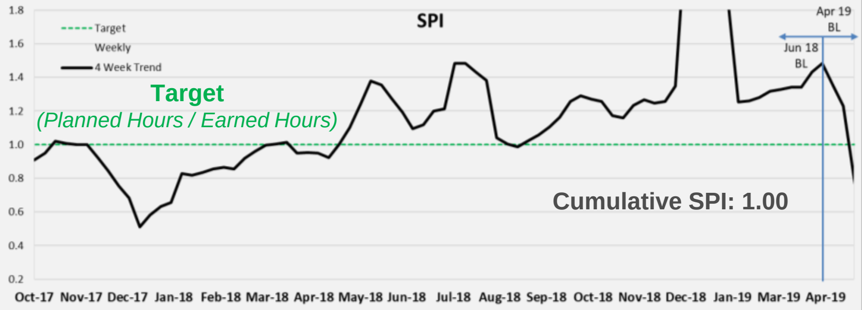
Appendix

Vogtle 3 & 4

Vogtle 3&4: Direct Construction Schedule and Cost Performance
(Bechtel Scope of Work)

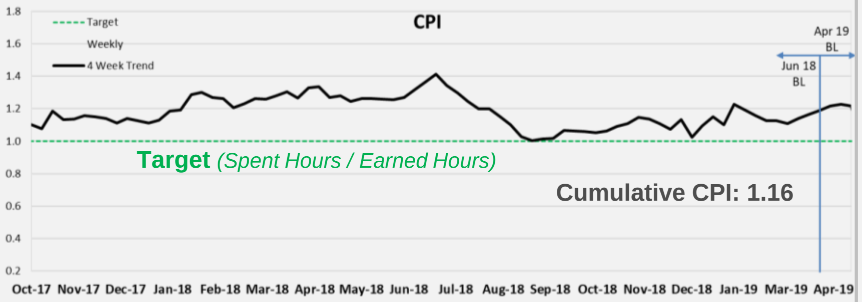
Working towards an accelerated workplan supports our primary objective of successful completion on or before November 2021 and November 2022

Direct Schedule Performance Index *(SPI - 4 week rolling average)*



- SPI reset to 1.0 with re-baseline for aggressive site workplan
- SPI of 1.25 supports regulatory approved in-service date for Unit 3 for the Bechtel scope of work

Direct Cost Performance Index *(CPI - 4 week rolling average)*



- Recent CPI results impacted by increased level of craft labor
- CPI could reach 1.4 and remain consistent with our current estimate to complete for the Bechtel scope of work

Note: Graphs depict site-wide aggregate index for schedule and cost performance that sets 1.0 as the goal. Above 1.0 is not meeting the goal, and below 1.0 is exceeding the goal.

Vogtle 3 & 4 Schedule Performance Index (SPI) & Cost Performance Index (CPI)

What They Are

- There are a fixed number of direct construction hours assumed to complete the entire project in the current schedule
- The project schedule is broken down into planned activities which are designed to earn the direct construction hours needed to complete the project
- Each week, we measure:
  1. how many direct construction hours were **planned versus** how many were **earned** (SPI)
  2. how many actual direct construction hours are **spent** to complete work **versus** how many hours were **earned** (CPI)

Why They Are Important

- The productivity and efficiency (SPI and CPI) of direct construction labor are the key indicators of performance versus current projections
- Indirect costs (e.g. oversight, cranes, scaffolding, etc.) have a significant correlation to direct construction

Note: SPI was reset to 1.0 with April 2019 re-baseline

Vogtle 3 & 4 Major Milestone Definitions

Initial Energization-
Energizing the main transformers to provide the initial supply of off-site power to the plant's electrical distribution system needed for testing. Individual electrical components – pumps, valve, motors - will be powered providing 'life' to the plant. Previously, plant equipment has been running on temporary power. This important milestone is needed to perform all subsequent testing.

Integrated Flush-
In order to clean and remove any foreign material that could potentially impact operation of equipment, all system piping and mechanical components that feed into the reactor vessel or coolant loops will be flushed. This flush will be performed utilizing permanent plant pumps and clean water, hydrolasing, air flushing, and some hand cleaning. Integrated flushing ensures systems can be tested without concern for damage from debris to meet the cleanliness and chemistry requirements necessary to operate systems per design.

Main Control Room Ready for Testing-
To prepare for testing, the main control room must be able to be safely staffed by plant operators, which includes complete lighting, ventilation, fire protection and communication capabilities. From the main control room, operators monitor and control equipment essential for safely starting and operating the plant. Having the equipment installed and operable in the main control room is a necessary step for completion of pre-operational testing and plant start-up.

Vogtle 3 & 4 Major Milestone Definitions

Cold Hydro Test-

Cold Hydro Testing contains several separate tests in different areas of the plant to verify that welds, joints, pipes, and other components of the reactor coolant system, steam-supply system and associated high pressure systems do not leak and will hold pressure. To accomplish these tests, internals will be installed in the reactor vessel and the integrated head package will be installed with all head bolts tensioned. The reactor coolant system will be filled and pressurized above normal operating conditions, backed down to normal design pressure, and held there while the comprehensive inspection is conducted.

Hot Functional Test-

Hot Functional Testing will demonstrate the integrated operation of the primary coolant system and steam supply system at design temperature and pressure with no fuel in the reactor. Operators use the heat generated by plant equipment to raise the temperature and pressure of plant systems to normal operating levels. The unit’s main turbine will be raised to normal operating speed using the plant’s steam. This test is the first time components and systems are operated together, allowing operators to exercise and validate procedures and is required before fuel is loaded into the reactor. Completion of the test marks the end of major construction.

Fuel Load-

Operators load nuclear fuel into the reactor for the first time in preparation for start-up testing and, ultimately, commercial operation. Completion of fuel load marks the end of major testing.

Financing

Long-term Debt Maturity Schedule[1]

Long-term Debt (in millions)	Remaining 2019	2020	2021	2019-2021
Alabama Power	$0	$250	$310	$560
Georgia Power	500	1,008	383	1,890
Mississippi Power	0	307	270	577
State-regulated Electrics	**$500**	**$1,565**	**$963**	**$3,027**
Southern Power	600	825	300	1,725
Southern Company Gas	350	0	330	680
Parent Company	0	900	1,500	2,400
Total Long-term Debt Maturities	**$1,475**	**$3,290**	**$3,193**	**$7,957**

1. Excludes finance leases and fixed rate pollution control bonds subject to remarketing; Total Long-term Debt Maturities also includes SEGCO maturities

Liquidity and Credit

Over $7.8 billion in committed credit facilities and available liquidity of $6.6 billion

(in millions)	2019	2020	2022	Total
Credit Facility Expirations	$163	$500	$7,200	$7,863

(in millions)	Alabama Power	Georgia Power	Mississippi Power	Southern Company Gas	Southern Power	Parent	Other[1]	Consolidated
Unused Credit Lines	$1,333	$1,736	$100	$1,895	$741	$1,999	$30	**$7,834**
Cash	759	9	212	57	133	65	126	1,361
Total	**$2,092**	**$1,745**	**$312**	**$1,952**	**$874**	**$2,064**	**$156**	**$9,195**
Less: Outstanding CP	-	275	-	361	5	508	2	**1,151**
Less: PCB Floaters[2]	854	550	40	-	-	-	-	**1,444**
Net Available Liquidity	**$1,238**	**$920**	**$272**	**$1,591**	**$869**	**$1,556**	**$154**	**$6,600**

1. Other includes amounts from non-SEC reporting subsidiaries including SEGCO, Power Secure, Southern Nuclear, Southern LINC and others
2. PCB Floaters include all variable rate demand note pollution control revenue bonds outstanding