



FOCUSED...



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...ON WHAT MATTERS MOST

Energy is a complex business, especially when it comes to charting the path ahead. But when you focus through the right lens, the picture becomes clearer.

At Southern Company, we have one defining mission—to provide clean, safe, reliable and affordable energy. And when we focus our efforts through that lens, what we see on the other side are the customers and communities we serve. Families. Business owners. Civic leaders. Friends and neighbors. Real people who deserve the best we have to give. That's why we get up in the morning. It's why we're here.

A professional portrait of Thomas A. Fanning, Chairman, President and CEO. He is a middle-aged man with short, light brown hair, smiling warmly at the camera. He is wearing a dark navy blue suit jacket over a white dress shirt and a light blue and white striped tie. He is standing in a modern office environment, leaning his right arm on a dark, curved table. The background features a large window with a grid pattern, through which some red and white elements are visible. The lighting is bright and even, highlighting his features and the texture of his suit.

THOMAS A. FANNING
Chairman, President and CEO

CHAIRMAN'S LETTER

Dear Fellow Shareholders: Throughout the entire history of Southern Company—102 years and counting—we have been defined by a single unifying characteristic: Our relentless focus on the customer. Every action we take, every decision we make, is arrived at by asking one simple question: How does it benefit the families, businesses and communities we serve?

This approach—more than any other component—has been the foundation of our success. Even during those times when our business faced issues and uncertainties, our customer-first philosophy has enabled us to excel at what we do.

Case in point: 2013.

It was a year in which a number of challenging circumstances converged. The weather in our region, for instance, was historically mild, resulting in one of the coolest summers of the past 20 years. During the same period, we saw the heaviest levels of rainfall in nearly 100 years, further contributing to the impact on summer revenues.

Economic growth was slower than expected in 2013, although we did see considerable improvement during the second half of the year.

We experienced budget and schedule issues with our 21st century coal gasification construction project in Kemper County, Miss., resulting in charges against earnings that speak to the inherent complexity of launching new proprietary technology.

All of this occurred against the backdrop of unprecedented state regulatory activity in each of our four retail jurisdictions—activity that I'm proud to report resulted, without exception, in constructive outcomes for the benefit of those we serve.

Even in the face of these headwinds, the Southern Company system and its 26,000 employees performed in an exemplary fashion. The full story of 2013 is perhaps best told through a brief review of our top strategic priorities:

EXCEL AT THE FUNDAMENTALS

We continued to set the pace in customer satisfaction. Southern Company and its four traditional operating companies occupied the top five positions in our annual proprietary customer satisfaction survey, in comparison with peer utilities from across the nation. Further, Southern Company was one of the top-ranked investor-owned utilities in the American Customer Satisfaction Index. We also raised the bar on system reliability, with the best transmission and distribution reliability in our history, continuing a trend of improvement that stretches over the past decade.

Perhaps most important, we experienced our safest year ever, with several of our organizations achieving the stated goal of Target Zero, an initiative that is celebrating its 10th anniversary. For the third consecutive year, we achieved a new all-time record low in recordable injuries, and also saw reductions in lost-workday cases and preventable vehicle accidents. More than ever, we remain committed to protecting the health and safety of our employees.

ACHIEVE SUCCESS WITH MAJOR CONSTRUCTION

Georgia Power continues to make exciting progress with the construction of nuclear units 3 and 4 at Plant Vogtle near Waynesboro, Ga. Meanwhile, construction continues to move forward at Mississippi Power's Kemper County coal gasification project, where start-up activities have now begun.

SUPPORT THE BUILDING OF A NATIONAL ENERGY POLICY

We remain the only electric utility in the nation committed to the full energy portfolio—an “all of the above” strategy that employs all available resources, including new nuclear, 21st century coal, natural gas, renewables and energy efficiency. Natural gas prices fluctuating between \$3 and \$8 per million BTU underscore the importance of this balanced approach. Meanwhile, we made significant strides in renewable energy, doubling the size of our competitive renewable portfolio and, at Georgia Power, beginning development of the nation's largest voluntary solar initiative among regulated utilities.

PROMOTE ENERGY INNOVATION

We completed our three-year smart grid investment project, upgrading our transmission and distribution system with devices that have reduced maintenance, improved reliability and enabled enough peak load reduction to power the city of Macon, Ga. We also implemented a comprehensive cyber security program to safeguard our smart grid applications.

VALUE AND DEVELOP OUR PEOPLE

For the fourth year in a row, we were named one of the Top 10 Companies for Blacks by DiversityInc, and for the seventh consecutive year we were recognized as the top-ranked utility among Military-Friendly Employers by G.I. Jobs magazine. We were also named one of the Best Employers for Workers Over 50 by AARP.

All of these accomplishments, and more, were made possible by our company's firm and unyielding focus on customers. In many ways, that focus serves as a “lens” through which we view the world around us—a world we

continually seek to improve through the production and delivery of clean, safe, reliable and affordable electricity.

I believe that energy represents far more than infrastructure; it has the power to provide comfort, well-being and prosperity to the world at large. In short, energy—and in particular, electricity—makes things better. In fact, no economic force today is more directly capable of making a positive difference in people's lives.

I frequently speak of energy as “growth capital”—because clean, safe, reliable, affordable energy helps drive our economy. In fact, studies say that an abundant, secure energy supply could add 3 to 4 million jobs by 2020, and \$5 trillion in economic benefits by 2030. In other words, we in the energy business have a tremendous opportunity to make a tangible impact on the lives of Americans.

That's important to understand at a time when our industry is facing a host of emerging impacts on the way we do business. Southern Company is at the forefront of those debates, including discussions on cyber security, distributed generation through rooftop solar arrays and federal regulation of greenhouse gas emissions. As always, our positions on these and other issues will be heavily informed by our customer-centered perspective.

In the meantime, we will continue to do what we have always done—bring clean, safe, reliable, affordable energy to the millions of people we serve. They include parents and grandparents, farming families and independent business owners, schools and hospitals—all living and working together in communities large and small. They are the American South, and we are proud to call them our neighbors.

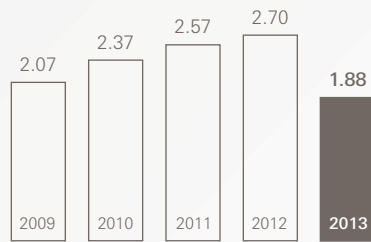
They are also the reason why, after more than a century of doing business, we aim to deliver dependable, predictable, sustainable value to shareholders like you. On behalf of our management and employees, I want to thank you for your continued support.

Sincerely,

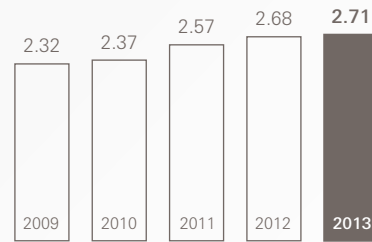


Thomas A. Fanning

March 31, 2014

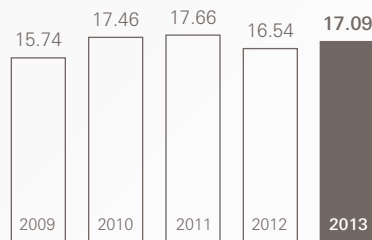


Basic Earnings Per Share
(In Dollars)

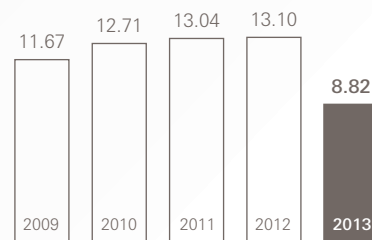


Basic Earnings Per Share Excluding Estimated Loss on Kemper IGCC, Leveraged Lease Restructure Charge, MC Asset Recovery Insurance Settlements, and Litigation Settlement with MC Asset Recovery*
(In Dollars)

* Not a financial measure under generally accepted accounting principles. See Glossary on page 32 for additional information and specific adjustments made to this measure by year.



Operating Revenues
(In Billions of Dollars)



Return On Average Common Equity
(Percent)

FINANCIAL HIGHLIGHTS

	2013	2012	Change
Operating Revenues (In Millions)	\$17,087	\$16,537	3.3 %
Earnings (In Millions)	\$1,644	\$2,350	(30.0)%
Basic Earnings Per Share	\$1.88	\$2.70	(30.4)%
Diluted Earnings Per Share	\$1.87	\$2.67	(30.0)%
Dividends Per Share (Amount Paid)	\$2.0125	\$1.9425	3.6 %
Dividend Yield (Year-End, Percent)	4.9	4.5	8.9 %
Average Shares Outstanding (In Millions)	877	871	0.7 %
Return On Average Common Equity (Percent)	8.82	13.10	(32.7)%
Book Value Per Share	\$21.43	\$21.09	1.6 %
Market Price Per Share (Year-End, Closing)	\$41.11	\$42.81	(4.0)%
Total Market Value Of Common Stock (Year-End, In Millions)	\$36,468	\$37,149	(1.8)%
Total Assets (In Millions)	\$64,546	\$63,149	2.2 %
Total Kilowatt-Hour Sales (In Millions)	183,401	183,617	(0.1)%
Retail	156,457	156,054	0.3 %
Wholesale	26,944	27,563	(2.2)%
Total Traditional Operating Company Customers (Year-End, In Thousands)	4,467	4,436	0.7 %



IN MISSISSIPPI, A CLEANER WAY FORWARD FOR COAL

One of the ways Southern Company is producing cleaner energy is through the use of cutting-edge coal technology. Mississippi Power's new coal-fired facility in Kemper County is expected to operate with a carbon footprint better than a similarly sized natural gas plant. What's the secret? A new process—developed at the Southern Company system-managed DOE National Carbon Capture Center—known as Transport Integrated Gasification, or TRIG™. The plant is expected to capture at least 65 percent of its carbon dioxide emissions, which will be transported offsite to recover domestic oil reserves.

CULTIVATING A CLEANER, BRIGHTER FUTURE FOR GENERATIONS TO COME

Clean energy is a pretty popular topic these days. At Southern Company, we're not just talking about it. We're actually doing it.

Just outside the little town of Louin, Miss.—in a place where the air is clear and the sky goes on forever—sits the cattle ranch of Jamie and Gina Dupree. The Duprees have been on this land for more than 20 years, building a business and a family on the same piece of real estate.

They used to raise chickens, until a powerful tornado ripped across their property and destroyed the entire operation. Today they tend 150 head of cattle and a small menagerie of horses, dogs and cats. They remain anchored to the land through good times and bad, because they see something worth preserving—a heritage and a legacy, but also a way of life.

Families like the Duprees remind us of the importance of keeping our air and water clean. Since 1990, the Southern Company system has reduced major emissions by 80 percent, while increasing generation by 40 percent. We're increasing natural gas generation while advancing innovations in nuclear, coal and renewables. And we're helping customers become more energy efficient.





The Dupree family of Louin, Miss. (L-R): Mandy, Gina, Justin and Jamie.

ADVANCING THE USE OF COST-EFFECTIVE SUSTAINABLE ENERGY SOURCES

The future is bright for renewable energy in Georgia, thanks to a newly approved initiative aimed at introducing more than 800 megawatts of solar energy by 2016.

Norrie McKenzie is a man with a mission. The vice president of renewable development for Georgia Power has been charged with implementing the nation's largest voluntarily developed solar energy portfolio among investor-owned utilities, targeting a solar portfolio of 800 megawatts by 2016.

It's a big assignment, and one that has the approval of the Georgia Public Service Commission, which signed off on the Georgia Power Advanced Solar Initiative in 2012. Included in the initiative are plans to secure purchase power agreements with large-scale solar projects through a competitive bidding process, as well as allowances for small- and medium-scale distributed generation, such as rooftop solar arrays for homes and businesses.

It's part of the Southern Company system's continuing commitment to renewable energy, as one component of a balanced portfolio that also includes new nuclear, 21st century coal, natural gas and energy efficiency.

Georgia Power Vice President of Renewable Development Norrie McKenzie surveys the 150-acre Simon Solar Farm, located near Social Circle, Ga. The 30-megawatt facility—the largest of its kind in the Southeast—produces electricity to be purchased by Georgia Power as part of a 20-year contractual agreement. The facility began commercial operation in January 2014.



EXPANDING OUR RENEWABLE ENERGY PORTFOLIO

Georgia Power's Advanced Solar Initiative is just one of the ways the Southern Company system is growing its renewable energy portfolio. Our Southern Power subsidiary manages more than 220 megawatts of solar energy in California, Nevada, New Mexico and North Carolina, and operates one of the nation's largest biomass plants in Nacogdoches, Texas. Meanwhile, Alabama Power and Georgia Power have contracted to purchase more than 650 megawatts of energy from wind farms in Kansas and Oklahoma. Overall, our system has added or announced more than 1,700 megawatts of renewables since January 2012.

WHERE SAFE ENERGY IS ALWAYS THE RIGHT CALL

In the South, Friday nights are for football.

In hundreds of communities, high school stadiums are filled with parents, students and others who love the game. The air is crisp and the excitement palpable. In Waynesboro, Ga.—near the site of Georgia Power's Plant Vogtle—the Burke County Bears set their sights on another state title, like the one they earned in 2011.

Scenes like this one reinforce the need for safe energy. That's why Georgia Power is equipping its new nuclear units at Plant Vogtle with increasingly advanced safety systems.

Because the people of Waynesboro have other things to worry about. Like winning state.

Go Bears.



MAKING NUCLEAR POWER EVEN SAFER

Plant Vogtle units 3 and 4 are moving steadily toward anticipated commercial operation in late 2017 and 2018, respectively. Their construction includes new “passive” safety systems that require much less operator intervention than previous designs.

Here's how it works: When additional cooling water is needed, a storage tank located above the reactor releases thousands of gallons of water. Gravity causes that water to cascade down the outside of the containment vessel, while condensation forms on the inside of the vessel. The condensation then evaporates and re-condenses, beginning a process of natural circulation that maintains water levels. The system also has fewer moving parts, such as piping and valves.

They've won four regional championships in a row, but football isn't the only thing that's outstanding about Burke County High School. In the last five years, the school's graduation rate has nearly doubled, far exceeding the statewide average in Georgia. The school has added new academic disciplines to its curriculum and continues to find ways to enrich the learning experience of its nearly 1,200 students. Principal Sam Adkins (L)—shown here with Vogtle 3 and 4 licensing manager Amy Aughtman—proudly points to the dedication of his staff and faculty, as well as the continued hard work of the students themselves.



THE LIFEBLOOD OF LIFE- SAVING TECHNOLOGY

In the highly charged world of emergency medicine, the need for reliable power takes on a different meaning. In downtown Atlanta, one of the nation's busiest trauma centers depends on Georgia Power for the energy it needs.

When the double doors open, things happen fast. Doctors, nurses and technicians cluster around the gurney, examining, prodding, assessing. Commands are issued and procedures executed with remarkable speed and urgency. Seconds matter.

The Marcus Trauma Center at Atlanta's Grady Hospital is one of the nation's premier trauma centers, treating more than 3,500 patients a year. Some cases are simple, while others are critical. And in almost every situation, technology plays a crucial role—technology that runs on electricity.

Southern Company's traditional operating companies are experts when it comes to keeping the lights on. We're consistently among the industry leaders in generation reliability. And in 2013, we set a new all-time record for reliability on our transmission and distribution system, continuing a trend of improvement that stretches over the past decade.



GRADY WAS THERE FOR HIM— AND HE'S GLAD THEY WERE

Jess Von Brandt was on his way to meet a friend. He was guiding his motorcycle through downtown Atlanta—nothing fancy, just minding his own business—when another vehicle swerved into him. He doesn't remember much after that.

Jess was lucky that day. He had suffered two broken legs, as well as a broken tailbone, pelvis and vertebrae. But he was alive. And when he woke up, he was in the trauma center at Grady Hospital.

Several operations later, Jess is healthy and riding again. He hopes he never has another accident. But if he does, he knows where he wants to go.





It's no secret that emergency room physicians—like Dr. Hany Atallah, chief of emergency medicine at Grady Hospital—depend on machines for much of their healing. But that's not the only kind of technology they consider essential to their craft.

Medical record-keeping has become a high-tech industry, with computers and keyboards replacing pens and paper charts. As a result, patient histories can be logged and accessed more quickly, while prescription drugs can be ordered electronically and delivered within minutes.

Systems like these require what's known as power quality, to prevent incremental fluctuations in the flow of energy that might disrupt sensitive data processing hardware. We consult with data-sensitive customers to help ensure a level of power quality that meets their needs.



Mountain Brook Mayor Terry Oden is a former U.S. Secret Service agent who once protected the likes of Jacqueline Kennedy, Lyndon Johnson, Ronald Reagan and others. These days, he's content to safeguard the interests of this vibrant community of 23,000. The city, which was incorporated in 1942, has its own school system, fire department and police force. And city officials here—including Mayor Oden—receive no pay.

OVER THE LONG HAUL, FORESIGHT MAKES ALL THE DIFFERENCE

It takes a lot of planning to run one of the nation's most reliable electric networks. Engineers like Lloyd Barnes (shown at right enjoying a cup of coffee with Mountain Brook Mayor Terry Oden) help maintain reliability today while developing long-term growth forecasts that predict the number of new customers and the amount of energy they will need over the next 20 to 30 years. The Southern Company system expects to invest more than \$14 billion over the next three years at our traditional operating companies, expanding, upgrading and maintaining generation, transmission and distribution assets.



A TOWN JUST LIKE ANY OTHER

The mayor says, "It's just like living in Mayberry." Welcome to Mountain Brook, Ala.—a small community with a lot of energy.

It's Friday afternoon in Mountain Brook, Ala., and school has just let out for the weekend. Everywhere, children of all ages are streaming along the sidewalks, darting in and out of storefronts, meeting and mingling in frantic shouts and secretive whispers.

Main Street in Mountain Brook is a lot like Main Street in most small towns. The merchants are local, and know the schoolchildren by name. Here you can find everything from ice cream shops and discount stores to hair salons and high-end boutiques.

A new city hall was erected just last year, with underground power lines installed by Alabama Power. The utility also consults with city officials year-round on tree trimming and other operational needs.

And so when the sun goes down in Mountain Brook, the lights go on. And Main Street becomes the kind of place where children—and their parents—can shop, go out to dinner or just cross the street safely.

Courtney Pereira in his Pensacola, Fla., Harley-Davidson dealership.



RIDING THE ROAD TO GREATER EFFICIENCY

A Gulf Coast business owner finds a new way to make his enterprise more profitable.

When somebody wants to buy a Harley-Davidson motorcycle in Pensacola, Fla., they go see Courtney Pereira.

For 22 years, Courtney has owned the only Harley dealership in the area. He caters to customers of all ages, incomes and backgrounds, who share one thing in common—a passion for hogs.

Courtney, meanwhile, has a passion for business, immersing himself in every aspect of his store's operation. That's why he engaged Gulf Power's energy experts to install efficient LED lighting throughout his facility.

LED lights not only use less electricity than traditional fixtures, they also produce less heat—which reduces the cooling energy needed during hot Florida summers. Which is important. Because, as everybody knows, there's nothing cooler than a Harley.



AUDITS HELP COMPANIES BECOME MORE ENERGY EFFICIENT

Gulf Power Commercial and Industrial Energy Consultant Kay Hill (L) supports Courtney Pereira's Harley-Davidson dealership with energy-efficient lighting that's expected to save at least 10 percent on his monthly power bill. It's just one of the ways Southern Company experts help customers—more than 200,000 of them in 2013—save energy and money by becoming more efficient. Since 2000, we've reduced peak demand by more than 4,100 megawatts through programs such as these.

ENJOYING A LIFETIME OF ENERGY SAVINGS

Meet the Hendersons of Montgomery, Ala. Like many Americans, they think the cost of some things is way too high. But their monthly power bill—now, there’s a real bright spot.

He was 16 years old and ready to take on the world. She was a pretty cheerleader at a rival high school. She remembers being “not too impressed” with him at first. But he kind of grew on her, and on the day he proposed, she said yes. And so it was that in the fall of 1942, Hank Henderson and Geneva Garner were married.

As an officer in the U.S. Air Force, Hank served in such exotic postings as Japan, Thailand and England. But he and Geneva always kept a special place in their hearts for their hometown in Montgomery, Ala.—where they settled for good on a quiet, tree-lined street in 1951.

These days, Hank enjoys teaching Sunday school, and Geneva tends the roses in her garden. They raised two children here, and the family now includes not only grandchildren, but great-grandchildren.

They still manage their own finances, and are grateful for the work being done by Alabama Power and other Southern Company subsidiaries to keep electric prices below the national average, where they’ve been for the past quarter century.

We’re just grateful for customers like Hank and Geneva.



Hank and Geneva Henderson on the front porch of their Montgomery, Ala., home.



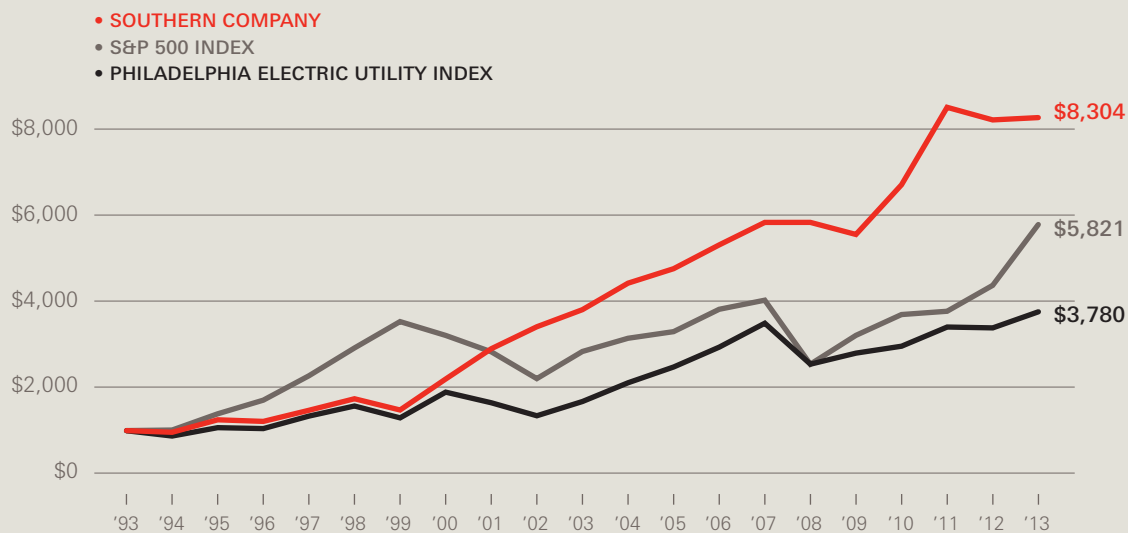
THERE'S SERIOUS VALUE IN CUSTOMER FOCUS

No two ways about it—Southern Company’s customer-focused business model is the linchpin of our success. In fact, value creation for investors begins with focus on the customer, and can be seen in the results we have delivered.

Over the long term, Southern Company has proven to be an outstanding investment, outperforming the S&P 500 over the 10-, 20- and 30-year periods ending Dec. 31, 2013. An important part of that performance has been our dividend, which increased for the 12th consecutive year in 2013 and has been paid every quarter since 1948.

Dividends have become a bit of a vanishing breed among U.S. stocks. In fact, over the past 60 years, the percentage of publicly traded companies paying dividends has fallen by half.

But dividends do more than provide cash to shareholders; they also help shape a company’s approach to risk. And once again, the proof is in the numbers: In 2013, Southern Company was the best stock in the Philadelphia Electric Utility Index in terms of volatility, and seventh-best among the S&P 500. Stocks with low volatility tend to be less prone to price swings during times of stress in the market, and therefore are considered more stable.

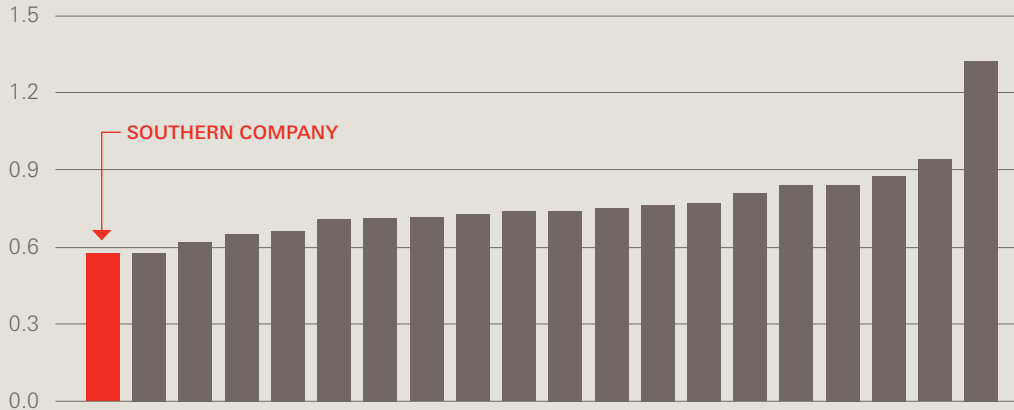


VALUE OF \$1,000 INVESTED OVER 20 YEARS

This performance graph compares the cumulative return on Southern Company (SO) common stock with the Philadelphia Electric Utility Index and the Standard & Poor’s (S&P) 500 Index for the past 20 years. The graph assumes that \$1,000 was invested on Dec. 31, 1993, in Southern Company’s common stock and each of the above indices and that all dividends were reinvested. A five-year performance graph is included in Appendix B to the Proxy Statement.

See Glossary on page 32 for information on total shareholder return.

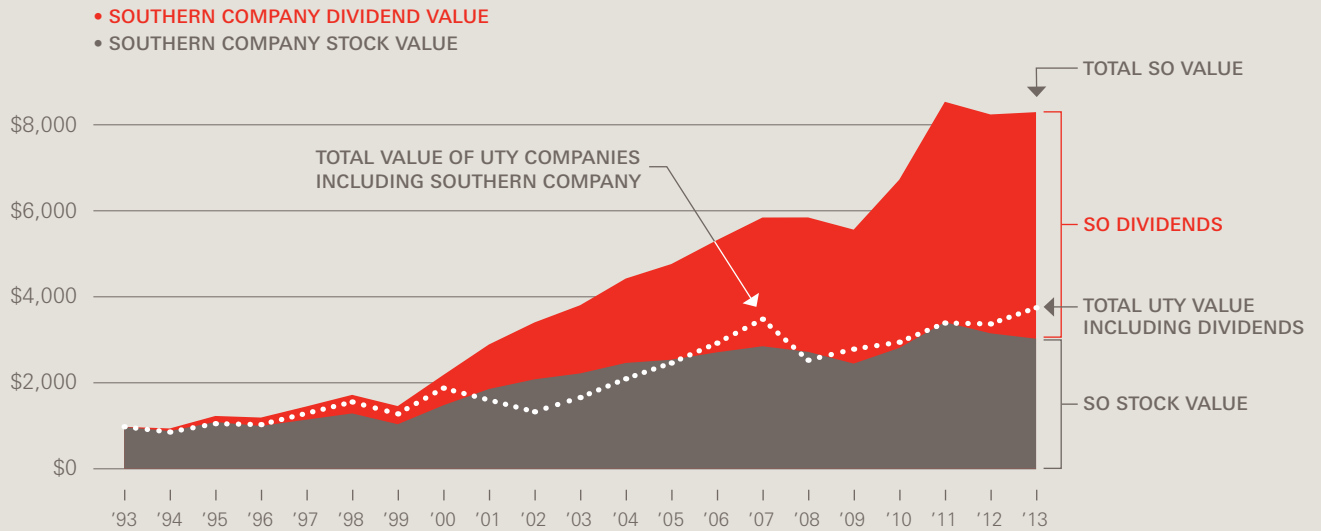
Source: Bloomberg



VALUE ADDED BY LOW VOLATILITY RELATIVE TO THE MARKET

This chart shows the volatility of each of the 20 utilities in the Philadelphia Electric Utility Index (UTY). Volatility refers to the tendency of a stock to react to swings in the market. Southern Company had the lowest level of volatility in the UTU Index and the seventh-lowest level of the 500 stocks in the S&P 500 Index.

See Glossary on page 32 for information on beta.
 Source: Bloomberg, five-year beta as of 12/31/2013



VALUE CREATED BY DIVIDEND & PRICE PERFORMANCE

This chart shows the power of Southern Company’s dividend relative to the 20 utilities in the Philadelphia Electric Utility Index (UTY). Over the last 20 years, a \$1,000 investment in SO grew to \$8,304, an 830 percent increase. Our price was up \$2,060 and our dividends, with reinvestment, accounted for an increase of \$5,244, or about 72 percent of the gain in value. The UTU companies, which include SO, made only \$2,780 on a \$1,000 investment, \$758 of which was due to price appreciation, with the remaining \$2,022 coming from dividends with reinvestment. Southern Company’s \$7,304 increase is about 2.6 times more than the increase generated by the UTU index. The graph assumes that \$1,000 was invested on Dec. 31, 1993, in Southern Company’s common stock and the UTU index and that all dividends were reinvested.

See Glossary on page 32 for information on total shareholder return.
 Source: Bloomberg

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking information based on current expectations and plans that involve risks and uncertainties. Forward-looking information includes, among other things, statements concerning projected cost and schedule for the completion of ongoing construction projects, economic growth, sales growth, capital expenditures, earnings per share growth, and load forecasts. 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; 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 Annual Report on Form 10-K for the year ended December 31, 2013 (Form 10-K), 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 legislative and regulatory initiatives regarding deregulation and restructuring of the electric utility industry, environmental laws including regulation of water, coal combustion residuals, and emissions of sulfur, nitrogen, carbon, soot, particulate matter, hazardous air pollutants, including mercury, and other substances, 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; current and future litigation, regulatory investigations, proceedings, or inquiries, including the pending Environmental Protection Agency civil actions against certain Southern Company subsidiaries, Federal Energy Regulatory Commission matters, and Internal Revenue Service and state tax audits; 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, including those relating to weather, the general economy and recovery from the recent recession, population and business growth (and declines), the effects of energy conservation 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 fuels; effects of inflation; ability to control costs and avoid cost overruns during the development and construction of facilities, which include the development and construction of facilities with designs that have not been finalized or previously constructed, including changes in labor costs and productivity factors, adverse weather conditions, shortages and inconsistent quality of equipment, materials, and labor, contractor or supplier delay or non-performance under construction or other agreements, delays associated with start-up activities, including major equipment failure, system integration, and operations, and/or unforeseen engineering problems; ability to construct facilities in accordance with the requirements of permits and licenses and to satisfy any operational and environmental performance standards, including the requirements of tax credits and other incentives; investment performance of Southern Company's employee and retiree benefit plans and the Southern Company system's nuclear decom-

missioning trust funds; advances in technology; 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; regulatory approvals and actions related to the Plant Vogtle expansion, including Georgia Public Service Commission (PSC) approvals and Nuclear Regulatory Commission actions; actions related to cost recovery for the Kemper County integrated coal gasification combined cycle facility (Kemper IGCC), including actions relating to proposed securitization, Mississippi PSC approval of Mississippi Power Company's proposed rate recovery plan, as ultimately amended, which includes the ability to complete the proposed sale of an interest in the Kemper IGCC to South Mississippi Electric Power Association, the ability to utilize bonus depreciation, which currently requires that the Kemper IGCC be placed in service in 2014, and satisfaction of requirements to utilize investment tax credits and grants; Mississippi PSC review of the prudence of Kemper IGCC costs; the outcome of any legal or regulatory proceedings regarding the Mississippi PSC's issuance of the Certificate of Public Convenience and Necessity for the Kemper IGCC, the settlement agreement between Mississippi Power Company and the Mississippi PSC, or the State of Mississippi legislation designed to enhance the Mississippi PSC's authority to facilitate development and construction of baseload generation in the State of Mississippi; the inherent risks involved in operating and constructing nuclear generating facilities, including environmental, health, regulatory, natural disaster, terrorism, and financial risks; 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 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 terrorist incidents and the threat of terrorist incidents, including cyber intrusion; interest rate fluctuations and financial market conditions and the results of financing efforts, including Southern Company's and its subsidiaries' credit ratings; the impacts of any potential U.S. credit rating downgrade or other sovereign financial issues, including impacts on interest rates, access to capital markets, impacts on currency exchange rates, counterparty performance, and the economy in general, as well as potential impacts on the benefits of U.S. Department of Energy loan guarantees; the ability of Southern Company and its subsidiaries to obtain additional generating capacity at competitive prices; catastrophic events such as fires, earthquakes, explosions, floods, hurricanes, 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 or operation of generating resources; the effect of accounting pronouncements issued periodically by standard-setting bodies; and other factors described elsewhere herein and in other reports, including the Form 10-K, filed by Southern Company from time to time with the Securities and Exchange Commission.

Southern Company expressly disclaims any obligation to update any forward-looking information.

FINANCIAL INFORMATION

The following condensed financial presentation should not be considered a substitute for the full financial statements, inclusive of footnotes and Management's Discussion and Analysis of Financial Condition and Results of Operations, provided to all shareholders in Appendix B to the Company's 2014 Proxy Statement and included in the Form 10-K as filed with the Securities and Exchange Commission. Appendix B to

the Proxy Statement and the Form 10-K also contain detailed discussions of major uncertainties, contingencies, risks, and other issues the Company faces. A copy of the Form 10-K and/or the Proxy Statement, when available, including the full financial statements, can be obtained by calling 1-800-554-7626 or accessing it online at <http://investor.southerncompany.com>.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of The Southern Company is responsible for establishing and maintaining an adequate system of internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002 and as defined in Exchange Act Rule 13a-15(f). A control system can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Under management's supervision, an evaluation of the design and effectiveness of Southern Company's internal control over financial reporting was conducted based on the framework in Internal Control—Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation,

management concluded that Southern Company's internal control over financial reporting was effective as of December 31, 2013.

Deloitte & Touche LLP, an independent registered public accounting firm, as auditors of Southern Company's financial statements, has issued an attestation report on the effectiveness of Southern Company's internal control over financial reporting as of December 31, 2013. Deloitte & Touche LLP's report on Southern Company's internal control over financial reporting appears in Appendix B to the Proxy Statement and in the Form 10-K as filed with the Securities and Exchange Commission.



Thomas A. Fanning
Chairman, President, and Chief Executive Officer



Art P. Beattie
Executive Vice President and Chief Financial Officer

February 27, 2014


REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Southern Company

We have audited the consolidated balance sheets and consolidated statements of capitalization of Southern Company and Subsidiary Companies (the Company) as of December 31, 2013 and 2012, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2013. We have also audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2013. Such consolidated financial statements, management's assessment of the effectiveness of the Company's internal control over financial reporting, and our report on the consolidated financial statements and internal control over financial reporting dated February 27, 2014, expressing an unqualified opinion (which is not included herein) are included in Appendix B to the proxy statement for the 2014 annual meeting of stockholders. The accompanying condensed consolidated financial statements are the responsibility of the

Company's management. Our responsibility is to express an opinion on such condensed consolidated financial statements in relation to the complete consolidated financial statements.

In our opinion, the information set forth in the accompanying condensed consolidated balance sheets as of December 31, 2013 and 2012, and the related condensed consolidated statements of income and of cash flows for each of the three years in the period ended December 31, 2013, is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.



Atlanta, Georgia
February 27, 2014

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

For the Years Ended December 31, 2013, 2012, and 2011

<i>(In Millions)</i>	2013	2012	2011
OPERATING REVENUES:			
Retail revenues	\$14,541	\$14,187	\$15,071
Wholesale revenues	1,855	1,675	1,905
Other electric revenues	639	616	611
Other revenues	52	59	70
Total operating revenues	17,087	16,537	17,657
OPERATING EXPENSES:			
Fuel	5,510	5,057	6,262
Purchased power	461	544	608
Other operations and maintenance	3,846	3,772	3,938
Depreciation and amortization	1,901	1,787	1,717
Taxes other than income taxes	934	914	901
Estimated loss on Kemper IGCC	1,180	–	–
Total operating expenses	13,832	12,074	13,426
OPERATING INCOME	3,255	4,463	4,231
OTHER INCOME AND (EXPENSE):			
Allowance for equity funds used during construction	190	143	153
Interest income	19	40	21
Interest expense, net of amounts capitalized	(824)	(859)	(857)
Other income (expense), net	(81)	(38)	(61)
Total other income and (expense)	(696)	(714)	(744)
EARNINGS BEFORE INCOME TAXES	2,559	3,749	3,487
Income taxes	849	1,334	1,219
CONSOLIDATED NET INCOME	1,710	2,415	2,268
Dividends on Preferred and Preference Stock of Subsidiaries	66	65	65
CONSOLIDATED NET INCOME AFTER DIVIDENDS ON PREFERRED AND PREFERENCE STOCK OF SUBSIDIARIES	\$ 1,644	\$ 2,350	\$ 2,203
COMMON STOCK DATA:			
Earnings per share (EPS)–			
Basic EPS	\$ 1.88	\$ 2.70	\$ 2.57
Diluted EPS	1.87	2.67	2.55
Average number of shares of common stock outstanding– <i>(in millions)</i>			
Basic	877	871	857
Diluted	881	879	864

Full disclosure of all financial information is included in Appendix B to the Proxy Statement and in the Form 10-K as filed with the Securities and Exchange Commission, including the accompanying footnotes, which are an integral part of the financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS*For the Years Ended December 31, 2013, 2012, and 2011*

<i>(In Millions)</i>	2013	2012	2011
OPERATING ACTIVITIES:			
Consolidated net income	\$ 1,710	\$ 2,415	\$ 2,268
Adjustments to reconcile consolidated net income to net cash provided from operating activities—			
Depreciation and amortization, total	2,298	2,145	2,048
Deferred income taxes	496	1,096	1,155
Investment tax credits	302	128	85
Allowance for equity funds used during construction	(190)	(143)	(153)
Pension, postretirement, and other employee benefits	131	(398)	(45)
Stock based compensation expense	59	55	42
Estimated loss on Kemper IGCC	1,180	—	—
Retail fuel cost over recovery—long-term	(123)	123	—
Other, net	82	(72)	(70)
Changes in certain current assets and liabilities—			
Receivables	(153)	234	362
Fossil fuel stock	481	(452)	(62)
Materials and supplies	36	(97)	(60)
Other current assets	(11)	(37)	(17)
Accounts payable	72	(89)	(5)
Accrued taxes	(85)	(71)	330
Accrued compensation	(138)	(28)	10
Retail fuel cost over recovery—short-term	(66)	129	(3)
Other current liabilities	16	(40)	18
Net cash provided from operating activities	6,097	4,898	5,903
INVESTING ACTIVITIES:			
Property additions	(5,463)	(4,809)	(4,525)
Investment in restricted cash	(149)	(280)	1
Distribution of restricted cash	96	284	63
Nuclear decommissioning trust fund purchases	(986)	(1,046)	(2,195)
Nuclear decommissioning trust fund sales	984	1,043	2,190
Cost of removal, net of salvage	(131)	(149)	(93)
Change in construction payables, net	(126)	(84)	198
Other investing activities	33	(127)	178
Net cash used for investing activities	(5,742)	(5,168)	(4,183)
FINANCING ACTIVITIES:			
Increase (decrease) in notes payable, net	662	(30)	(438)
Proceeds—			
Long-term debt issuances	2,938	4,404	3,719
Interest-bearing refundable deposit related to asset sale	—	150	—
Preference stock	50	—	—
Common stock issuances	695	397	723
Redemptions and repurchases—			
Long-term debt	(2,830)	(3,169)	(3,170)
Common stock repurchased	(20)	(430)	—
Payment of common stock dividends	(1,762)	(1,693)	(1,601)
Payment of dividends on preferred and preference stock of subsidiaries	(66)	(65)	(65)
Other financing activities	9	19	(20)
Net cash used for financing activities	(324)	(417)	(852)
NET CHANGE IN CASH AND CASH EQUIVALENTS	31	(687)	868
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	628	1,315	447
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 659	\$ 628	\$ 1,315

Full disclosure of all financial information is included in Appendix B to the Proxy Statement and in the Form 10-K as filed with the Securities and Exchange Commission, including the accompanying footnotes, which are an integral part of the financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

At December 31, 2013 and 2012

ASSETS (In Millions)	2013	2012
CURRENT ASSETS:		
Cash and cash equivalents	\$ 659	\$ 628
Restricted cash and cash equivalents	–	7
Receivables–		
Customer accounts receivable	1,027	961
Unbilled revenues	448	441
Under recovered regulatory clause revenues	58	29
Other accounts and notes receivable	304	235
Accumulated provision for uncollectible accounts	(18)	(17)
Fossil fuel stock, at average cost	1,339	1,819
Materials and supplies, at average cost	959	1,000
Vacation pay	171	165
Prepaid expenses	489	657
Other regulatory assets, current	124	163
Other current assets	39	74
Total current assets	5,599	6,162
PROPERTY, PLANT, AND EQUIPMENT:		
In service	66,021	63,251
Less accumulated depreciation	23,059	21,964
Plant in service, net of depreciation	42,962	41,287
Other utility plant, net	240	263
Nuclear fuel, at amortized cost	855	851
Construction work in progress	7,151	5,989
Total property, plant, and equipment	51,208	48,390
OTHER PROPERTY AND INVESTMENTS:		
Nuclear decommissioning trusts, at fair value	1,465	1,303
Leveraged leases	665	670
Miscellaneous property and investments	218	216
Total other property and investments	2,348	2,189
DEFERRED CHARGES AND OTHER ASSETS:		
Deferred charges related to income taxes	1,432	1,385
Prepaid pension costs	419	–
Unamortized debt issuance expense	139	133
Unamortized loss on reacquired debt	293	309
Other regulatory assets, deferred	2,557	4,032
Other deferred charges and assets	551	549
Total deferred charges and other assets	5,391	6,408
TOTAL ASSETS	\$64,546	\$63,149

Full disclosure of all financial information is included in Appendix B to the Proxy Statement and in the Form 10-K as filed with the Securities and Exchange Commission, including the accompanying footnotes, which are an integral part of the financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

At December 31, 2013 and 2012

LIABILITIES AND STOCKHOLDERS' EQUITY <i>(In Millions)</i>	2013	2012
CURRENT LIABILITIES:		
Securities due within one year	\$ 469	\$ 2,335
Interest-bearing refundable deposit related to asset sale	150	150
Notes payable	1,482	825
Accounts payable	1,376	1,387
Customer deposits	380	370
Accrued taxes—		
Accrued income taxes	13	10
Other accrued taxes	456	391
Accrued interest	251	237
Accrued vacation pay	217	212
Accrued compensation	303	433
Other regulatory liabilities, current	92	107
Other current liabilities	347	557
Total current liabilities	5,536	7,014
LONG-TERM DEBT	21,344	19,274
DEFERRED CREDITS AND OTHER LIABILITIES:		
Accumulated deferred income taxes	10,563	9,938
Deferred credits related to income taxes	202	211
Accumulated deferred investment tax credits	966	894
Employee benefit obligations	1,461	2,540
Asset retirement obligations	2,006	1,748
Other cost of removal obligations	1,270	1,194
Other regulatory liabilities, deferred	475	289
Other deferred credits and liabilities	584	668
Total deferred credits and other liabilities	17,527	17,482
TOTAL LIABILITIES	44,407	43,770
REDEEMABLE PREFERRED STOCK OF SUBSIDIARIES	375	375
TOTAL STOCKHOLDERS' EQUITY	19,764	19,004
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$64,546	\$63,149

Full disclosure of all financial information is included in Appendix B to the Proxy Statement and in the Form 10-K as filed with the Securities and Exchange Commission, including the accompanying footnotes, which are an integral part of the financial statements.

BOARD OF DIRECTORS

1. JUANITA POWELL BARANCO

*Executive Vice President and
Chief Operating Officer
Baranco Automotive Group (automobile sales)*

Atlanta, GA | Age 65 | elected 2006

Board committees: Governance (chair),
Nuclear/Operations

Other directorships: None

2. JON A. BOSCIA

*Founder and President
Boardroom Advisors, LLC
(board governance consulting firm)*

Sarasota, FL | Age 61 | elected 2007

Board committees: Audit (chair)

Other directorships: PHH Corporation

3. HENRY A. CLARK III

*Senior Advisor
Evercore Partners Inc.
(corporate finance advisory firm)*

New York, NY | Age 64 | elected 2009

Board committees: Finance (chair),
Compensation and Management Succession

Other directorships: None

4. THOMAS A. FANNING

*Chairman, President and CEO
Southern Company*

Atlanta, GA | Age 57 | elected 2010

Other directorships:
Federal Reserve Bank of Atlanta

5. DAVID J. GRAIN

*Founder and Managing Partner
Grain Management, LLC
(private equity firm)*

Sarasota, FL | Age 51 | elected 2012

Board committees: Audit

Other directorships:
Gateway Bank of Southwest Florida

6. H. WILLIAM HABERMEYER, JR.

*Retired President and CEO
Progress Energy Florida Inc. (energy)*

Tampa, FL | Age 71 | elected 2007

Board committees:
Nuclear/Operations (chair),
Compensation and Management Succession

Other directorships: Raymond James
Financial, Inc.

7. VERONICA M. HAGEN

*Presiding Director
Southern Company Board (effective May 2014)
Retired President and CEO
Polymer Group, Inc. (engineered materials)*

Charlotte, NC | Age 68 | elected 2008

Board committees: Compensation and
Management Succession (chair),
Nuclear/Operations

Other directorships: Polymer Group, Inc.,
Newmont Mining Corporation



8. WARREN A. HOOD, JR.

*Chairman and CEO
Hood Companies, Inc.
(packaging and construction products)*

Hattiesburg, MS | Age 62 | elected 2007

Board committees: Audit

Other directorships: Hood Companies, Inc., BancorpSouth, Inc.

9. LINDA P. HUDSON

*Retired President and CEO
BAE Systems, Inc.
(defense, aerospace and security)*

Charlotte, NC | Age 63 | elected 2014

Board committees: Audit

Other directorships: BAE Systems, Inc., Bank of America Corporation

10. DONALD M. JAMES

*Chairman and CEO
Vulcan Materials Company
(construction materials)*

Birmingham, AL | Age 65 | elected 1999

Board committees: Finance, Governance

Other directorships: Vulcan Materials Company, Wells Fargo & Company

11. DALE E. KLEIN

*Associate Vice Chancellor of Research
University of Texas System
Associate Director
The Energy Institute at the University
of Texas at Austin
Retired Chairman
U.S. Nuclear Regulatory Commission (energy)*

Austin, TX | Age 66 | elected 2010

Board committees: Governance, Nuclear/Operations

Other directorships: Pinnacle West Capital Corporation, Arizona Public Service Company

12. WILLIAM G. SMITH, JR.

*Presiding Director
Southern Company Board (until May 2014)
Chairman, President and CEO
Capital City Bank Group, Inc. (banking)*

Tallahassee, FL | Age 60 | elected 2006

Board committees: Compensation and Management Succession, Finance

Other directorships: Capital City Bank Group, Inc., Capital City Bank

13. STEVEN R. SPECKER

*Retired President and CEO
Electric Power Research Institute (energy)*

Scottsdale, AZ | Age 68 | elected 2010

Board committees: Governance, Nuclear/Operations

Other directorships: Trilliant Inc.

14. E. JENNER WOOD III

*Chairman, President and CEO
SunTrust Bank—Atlanta Division (banking)*

Atlanta, GA | Age 62 | elected 2012

Board committees: Governance, Nuclear/Operations

Other directorships: Oxford Industries, Inc.



1. ART P. BEATTIE

Executive Vice President and Chief Financial Officer

Beattie, 59, joined the company in 1976 as a junior accountant with Alabama Power. He has held his current position since August 2010. Beattie is responsible for the company's accounting, finance, tax, investor relations, treasury and risk management functions. He also serves as chief risk officer. Previously, Beattie served in several executive accounting and finance positions at Alabama Power, including chief financial officer, treasurer and comptroller.

2. W. PAUL BOWERS

Executive Vice President and President and CEO, Georgia Power

Bowers, 57, joined the company as a residential sales representative with Gulf Power in 1979. He has held his current position since January 2011. Previously, Bowers served as chief financial officer for Southern Company. He also served as president of Southern Company Generation, president and CEO of Southern Power, president and CEO of Southern Company's former United Kingdom subsidiary and senior vice president and chief marketing officer for Southern Company.

3. STAN W. CONNALLY, JR.

President and CEO, Gulf Power

Connally, 44, joined the company in 1989 as a co-op student at Georgia Power. He has held his current position since July 2012. Previously, he served as senior vice president and senior production officer for Georgia Power. He has served as plant manager at plants Watson, Daniel and Barry. He has also worked in customer operations and sales and marketing.

4. MARK A. CROSSWHITE

Executive Vice President and President and CEO, Alabama Power

Crosswhite, 51, joined the company in 2004 as senior vice president and general counsel for Southern Company Generation. He has held his current position since March 2014. He was previously executive vice president and chief operating officer for Southern Company, president and CEO of Gulf Power and executive vice president of external affairs and senior vice president and general counsel at Alabama Power. Prior to joining the company, he was a partner in the law firm of Balch & Bingham LLP in Birmingham, Ala., where he practiced for 17 years.

5. THOMAS A. FANNING

Chairman, President and CEO

Fanning, 57, joined the company as a financial analyst in 1980. He has held his current position since December 2010. Previously, Fanning served as executive vice president and chief operating officer for Southern Company, president and CEO of Gulf Power and chief financial officer for Southern Company, Georgia Power and Mississippi Power.

6. KIMBERLY S. GREENE

Executive Vice President and Chief Operating Officer

Greene, 47, has held her current role since March 2014. Previously, she was president and CEO of Southern Company Services. Prior to that, she was employed by TVA, where she served as chief financial officer, group president of strategy and external relations and chief generation officer. Prior to her time at TVA, she served as senior vice president of finance and treasurer for Southern Company and has held various positions with Mirant, including chief commercial officer, South region.



7. G. EDISON HOLLAND, JR.

Executive Vice President and President and CEO, Mississippi Power

Holland, 61, joined the company as vice president and corporate counsel for Gulf Power in 1992. He was named to his current position in May 2013. Previously, he was executive vice president, general counsel and corporate secretary of Southern Company, president and CEO of Savannah Electric and vice president of power generation and transmission at Gulf Power.

8. JAMES Y. KERR II

Executive Vice President and General Counsel

Kerr, 50, assumed his current role in March 2014. Previously, he was a partner with McGuireWoods LLP and a senior advisor at McGuireWoods Consulting LLC. He also served as co-chairman of McGuireWoods' energy industry team with focus in the areas of energy transactions and finance, energy regulation, energy policy and energy litigation. Prior to joining McGuireWoods, Kerr served as a Commissioner on the North Carolina Utilities Commission and was the former president of the National Association of Regulatory Utility Commissioners.

9. STEPHEN E. KUCZYNSKI

Chairman, President and CEO, Southern Nuclear

Kuczynski, 51, joined the company in July 2011 as chairman, president and CEO of Southern Nuclear. Previously, he was senior vice president of engineering and technical services for Exelon Nuclear. He also served as senior vice president of Exelon Nuclear's Midwest operations, senior vice president of operations support and plant manager and later site vice president for Exelon's Byron Nuclear Station.

10. MARK S. LANTRIP

Executive Vice President and President and CEO, Southern Company Services

Lantrip, 59, joined the company in 1981 as an analyst in Gulf Power's corporate planning department. He assumed his current position in March 2014. Previously, Lantrip was executive vice president of finance and treasurer of Southern Company Services and treasurer of Southern Company, with responsibility for financial planning and analysis, enterprise risk management, trust finance, capital markets and treasury.

11. CHARLES D. MCCRARY

Executive Vice President and Chairman, Alabama Power

McCrary, 62, joined the company as an assistant project planning engineer with Alabama Power in 1973. He assumed his current position in March 2014. Previously, McCrary was president and CEO of Alabama Power, chief production officer for Southern Company and president and CEO of Southern Power. He has held executive positions at Alabama Power and Southern Nuclear.

12. CHRISTOPHER C. WOMACK

Executive Vice President and President of External Affairs

Womack, 56, joined the company in 1988 as a governmental affairs representative for Alabama Power. He has held his current position since January 2009. Previously, Womack was executive vice president of external affairs for Georgia Power. He has also served as senior vice president of human resources and chief people officer for Southern Company as well as senior vice president and senior production officer of Southern Company Generation.



BASIC EARNINGS PER SHARE EXCLUDING ESTIMATED LOSS ON KEMPER IGCC, LEVERAGED LEASE RESTRUCTURE CHARGE, MC ASSET RECOVERY INSURANCE SETTLEMENTS AND LITIGATION SETTLEMENT WITH MC ASSET RECOVERY

Basic earnings per share of \$1.88 plus an excluded 83-cent charge related to Mississippi Power's construction of the Kemper integrated gasification combined cycle project, plus an excluded 2-cent charge related to the restructuring of a leveraged lease investment, and minus an excluded MC Asset Recovery insurance settlement of 2 cents in 2013; basic earnings per share of \$2.70 minus an excluded MC Asset Recovery insurance settlement of 2 cents in 2012; and basic earnings per share of \$2.07 plus an excluded 25-cent charge related to a litigation settlement with MC Asset Recovery in 2009.

BETA

A measure of the volatility of a stock in comparison to the market as a whole. Beta can be described as the tendency of a security's returns to respond to swings in the market.

BIOMASS

Plant matter such as dead trees and branches, yard clippings and wood chips used to generate electricity.

BOOK VALUE

A company's common stock equity as it appears on a balance sheet, equal to total assets minus liabilities, preferred and preference stock, and intangible assets such as goodwill. Book value per share refers to the book value of a company divided by the number of shares outstanding.

CARBON FOOTPRINT

The amount of equivalent carbon dioxide emitted from all greenhouse gases during activities, services or the creation of products.

COAL GASIFICATION

A process in which the energy stored in coal is converted to a gas, making it available for use in refineries for the synthesis of chemicals or in gas-fired power plants as a fuel.

CONTAINMENT VESSEL

A gas-tight shell or other enclosure around a nuclear reactor to confine fission products that otherwise might be released to the atmosphere in the event of an accident. Such enclosures are usually dome-shaped and made of steel-reinforced concrete.

CYBER SECURITY

Efforts to maintain the reliability and security of the computers, control systems and other electronic assets that help utilities operate their business.

DILUTED EARNINGS PER SHARE

A company's earnings per share calculated using fully diluted shares outstanding, including the impact of stock option grants and convertible bonds that can be converted into shares of stock in the issuing company.

DISTRIBUTED GENERATION

Small-scale, onsite power sources, such as rooftop solar installations or diesel generators, that enable customers to provide some of the energy for their own home or business and to send excess energy back to the grid when the resource produces more than is consumed. Customers with distributed generation remain likely to require the services of a utility to meet their electricity needs when the distributed generation resource is not producing.

DIVIDEND YIELD

The annual dividend income per share received from a company divided by its current stock price.

DOE

U.S. Department of Energy.

EARNINGS PER SHARE

Net income divided by the average number of shares of common stock outstanding.

ENERGY AUDIT

An onsite inspection in which recommendations are made for improving the energy efficiency of a home or business.

KILOWATT-HOUR

A unit of electricity, equal to 1,000 watt-hours, delivered by an electric utility steadily for one hour.

LEDs (LIGHT-EMITTING DIODES)

Semiconductor devices that produce visible light when an electrical current is passed through them. LED lighting can be more efficient, durable, versatile and longer lasting.

MEGAWATT

A measurement of electricity equal to 1,000 kilowatts and typically used when describing large amounts of generating capacity.

MERCURY

A naturally occurring element in the Earth's crust that is present in trace amounts in coal. When power plants burn coal, trace amounts of mercury are released.

RELIABILITY

As pertains to electric networks, the extent to which supply is available to meet demand.

RENEWABLE ENERGY

Energy generated directly from natural resources such as sunlight, wind, water, biomass, ocean tides and geothermal heat.

TOTAL SHAREHOLDER RETURN

Stock price appreciation plus reinvested dividends. (The distribution of shares of Mirant Corporation stock to Southern Company shareholders is treated as a special dividend for purposes of calculating Southern Company shareholder return.)

SHAREHOLDER INFORMATION

TRANSFER AGENT

Computershare Inc. is Southern Company's transfer agent, dividend-paying agent, investment plan administrator and registrar. If you have questions concerning your registered Southern Company shareowner account, please contact:

BY MAIL

Computershare
P.O. Box 30170
College Station, TX 77842-3170

BY PHONE-U.S.

9 a.m. to 7 p.m. ET
Monday through Friday
800-554-7626
(Automated voice response system
24 hours/day, 7 days/week)
Hearing Impaired: 800-231-5469

BY COURIER

Computershare
211 Quality Circle
Suite 210
College Station, TX 77845

BY PHONE-OUTSIDE U.S.

201-680-6693

SHAREOWNER SERVICES INTERNET SITE

To take advantage of Shareowner Services' online services, you will need to activate your account. This one-time authentication process will be used to validate your identity. You can use your 12-digit Investor ID or your Computershare Holder ID. The Internet address is www.computershare.com/investor. Through this site, registered shareowners can securely access their account information, as well as submit numerous transactions. Also, transfer instructions and service request forms can be obtained.

SOUTHERN INVESTMENT PLAN

The Southern Investment Plan provides a convenient way to purchase common stock and reinvest dividends. You can access the Southern Company website to review the prospectus.

DIRECT REGISTRATION

Southern Company common stock can be issued in direct registration (uncertificated) form. The stock is Direct Registration System eligible.

DIVIDEND PAYMENTS

The entire amount of dividends paid in 2013 is taxable. The board of directors sets the record and payment dates for quarterly dividends. A dividend of 50.75 cents per share was paid in March 2014. For the remainder of 2014, projected record dates are May 5, August 4 and November 3. Projected payment dates for dividends declared during the remainder of 2014 are June 6, September 6 and December 6.

ANNUAL MEETING

The 2014 Annual Meeting of Stockholders will be held Wednesday, May 28, at 10 a.m. ET at The Lodge Conference Center at Callaway Gardens, Highway 18, Pine Mountain, Ga. 31822.

AUDITORS

Deloitte & Touche LLP
191 Peachtree St. NE
Suite 2000
Atlanta, GA 30303

INVESTOR INFORMATION

For information about earnings and dividends, stock quotes and current news releases, please visit us at www.investor.southerncompany.com.

INSTITUTIONAL INVESTOR INQUIRIES

Southern Company maintains an investor relations office in Atlanta, 404-506-5310, to meet the information needs of institutional investors and securities analysts.

ELECTRONIC DELIVERY OF PROXY MATERIALS

Any stockholder may enroll for electronic delivery of proxy materials by logging on at www.icsdelivery.com/so.

CERTIFICATIONS

Southern Company has filed the required certifications of its chief executive officer and chief financial officer under Section 302 of the Sarbanes-Oxley Act of 2002, regarding the quality of its public disclosures as exhibits 31(a)1 and 31(a)2, respectively, to Southern Company's Annual Report on Form 10-K for the year ended December 31, 2013. The certification of Southern Company's chief executive officer regarding compliance with the New York Stock Exchange (NYSE) corporate governance listing standards, required by NYSE Rule 303A.12, will be filed with the NYSE following the 2014 Annual Meeting of Stockholders. Last year, Southern Company filed this certification with the NYSE on June 14, 2013.

ENVIRONMENTAL INFORMATION

Southern Company publishes information on its activities to meet environmental commitments. This information is available online at www.southerncompany.com/planetpower/#reports.

To request printed materials, write to:

Larry Monroe
*Chief Environmental Officer & Senior Vice President
Research and Environmental Affairs*
600 North 18th St.
Bin 14N-8195
Birmingham, AL 35203-2206

COMMON STOCK

Southern Company common stock is listed on the NYSE under the ticker symbol SO. On December 31, 2013, Southern Company had 143,800 shareholders of record.

The 2013 summary annual report is submitted for shareholders' information. It is not intended for use in connection with any sale or purchase of, or any solicitation of, offers to buy or sell securities.

Visit our website at www.southerncompany.com

Visit our Corporate Responsibility Report at
www.southerncompany.com/corporateresponsibility

Follow us on Twitter at www.twitter.com/southerncompany





SOUTHERNCOMPANY.COM