



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC	25-27
19.24	20.12	22.04	19.21	20.70	20.41	19.06	19.26	20.34	19.18	20.09	22.86	22.73	20.34	19.29	21.80	23.75	24.85	Revenues per sh	28.75
4.01	4.22	4.43	4.43	4.51	4.91	5.18	5.27	5.28	5.47	5.69	6.64	6.41	6.33	6.98	7.20	7.30	7.65	"Cash Flow" per sh	9.25
2.10	2.28	2.25	2.32	2.36	2.55	2.67	2.70	2.77	2.84	2.83	3.21	3.00	3.17	3.25	3.42	3.55	3.70	Earnings per sh A	4.75
1.54	1.60	1.66	1.73	1.80	1.87	1.94	2.01	2.08	2.15	2.22	2.30	2.38	2.46	2.54	2.62	2.70	2.78	Div'd Decl'd per sh B	3.10
4.01	4.65	5.10	5.70	4.85	5.23	5.54	6.16	6.58	6.22	7.38	7.37	7.74	7.17	7.04	6.83	7.55	7.85	Cap'l Spending per sh	7.50
15.24	16.23	17.08	18.15	19.21	20.32	21.09	21.43	21.98	22.59	25.00	23.98	23.92	26.11	26.48	26.30	27.05	28.00	Book Value per sh C	32.25
746.27	763.10	777.19	819.65	843.34	865.13	867.77	887.09	907.78	911.72	990.39	1007.6	1033.8	1053.3	1056.5	1060.0	1070.0	1070.0	Common Shs Outst'g D	1070.0
16.2	16.0	16.1	13.5	14.9	15.8	17.0	16.2	16.0	15.8	17.8	15.5	15.1	17.6	17.9	18.4	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	16.5
.87	.85	.97	.90	.95	.99	1.08	.91	.84	.80	.93	.78	.82	.94	.92	1.00			Relative P/E Ratio	.90
4.5%	4.4%	4.6%	5.5%	5.1%	4.6%	4.3%	4.6%	4.7%	4.8%	4.4%	4.6%	5.3%	4.4%	4.4%	4.2%			Avg Ann'l Div'd Yield	4.0%

CAPITAL STRUCTURE as of 3/31/22
 Total Debt \$54156 mill. Due in 5 Yrs \$15427 mill.
 LT Debt \$50633 mill. LT Interest \$1754 mill.
 Incl. \$215 mill. finance leases.
 (LT interest earned: 3.3x)
Leases, Uncapitalized Annual rentals \$307 mill.
Pension Assets-12/21 \$17225 mill.
Oblig \$16382 mill.
Pfd Stock \$291 mill. Pfd Div'd \$15 mill.
 Incl. 10 mill. shs. 5.83% cum. pfd. (\$25 stated value); 475,115 shs. 4.2%-5.44% cum. pfd. (\$100 par).
Common Stock 1,062,524,675 shs.
MARKET CAP: \$78 billion (Large Cap)

ELECTRIC OPERATING STATISTICS

	2019	2020	2021
% Change Retail Sales (KWH)	-8.5	-5.3	+2.0
Avg. Indust. Use (MWH)	2947	NA	NA
Avg. Indust. Rev. per KWH (c)	6.03	NA	NA
Capacity at Yearend (Mw)	41940	NA	NA
Peak Load, Summer (Mw)	34209	NA	NA
Annual Load Factor (%)	60.3	NA	NA
% Change Customers (yr-end)	-8.9	+1.3	+1.5

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '19-'21 of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '19-'21
Revenues	-	.5%	6.0%
"Cash Flow"	4.0%	4.5%	5.0%
Earnings	3.0%	3.0%	6.5%
Dividends	3.5%	3.5%	3.5%
Book Value	3.0%	2.5%	3.5%

QUARTERLY REVENUES (mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	5412	5098	5995	4914	21419
2020	5018	4620	5620	5117	20375
2021	5910	5198	6238	5767	23113
2022	6648	5700	6852	6200	25400
2023	6950	6000	7150	6500	26600

EARNINGS PER SHARE A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2019	.75	.85	1.25	.32	3.17
2020	.81	.75	1.18	.51	3.25
2021	1.09	.67	1.22	.44	3.42
2022	.97	.80	1.30	.48	3.55
2023	1.00	.85	1.35	.50	3.70

QUARTERLY DIVIDENDS PAID B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2018	.58	.60	.60	.60	2.38
2019	.60	.62	.62	.62	2.46
2020	.62	.64	.64	.64	2.54
2021	.64	.66	.66	.66	2.62
2022	.66	.68	.68	.68	2.70

BUSINESS: The Southern Company, through its subsidiaries, supplies electricity to 4.4 mill. customers in GA, AL, and MS. Also has a competitive generation business. Acq'd AGL Resources (renamed Southern Company Gas, 4.4 mill. customers in GA, NJ, IL, VA, & TN) 7/16. Sold Gulf Power 1/19. Electric revenue breakdown: residential, 37%; commercial, 30%; industrial, 19%; other, 14%. Generating sources: gas, 44%; coal, 20%; nuclear, 16%; other, 11%; purchased, 9%. Fuel costs: 29% of revenues. '21 reported deprec. rates (utility): 2.7%-3.6%. Has 27,300 employees. Chairman, President and CEO: Thomas A. Fanning, Inc.: Delaware. Address: 30 Ivan Allen Jr. Blvd., N.W., Atlanta, Georgia 30308. Tel.: 404-506-0747. Internet: www.southerncompany.com.

Southern Company's Georgia Power subsidiary expects to complete two nuclear units by the first quarter and fourth quarter of 2023, respectively. This is later than the company expected when it reported third-quarter earnings in early November, but unchanged from when it reported fourth-period results in mid-February. The project, which will add two units at the site of the Vogtle station, has had numerous delays and cost overruns. The most recent capital-cost estimate for the utility's 45.7% share of the project is \$10.4 billion, with \$1.7 billion remaining.

We look for earnings to advance moderately in 2022 and 2023. The utilities should benefit from rate relief and volume growth. Georgia Power will file a rate case next month, which ought to boost its earning power next year. Our 2022 estimate, which we trimmed by a nickel a share, is at the midpoint of management's guidance of \$3.50-\$3.60. Once the units are completed, however, earnings growth will probably accelerate. In fact, Southern Company has issued a preliminary profit target of \$4.00-\$4.30 a share for 2024,

which we think is attainable. However . . . **Any further delays in the Vogtle project would hurt the bottom line.** The company estimates that a three-month delay at Unit 3 would cost \$0.02 a share, and the same delay at Unit 4 would cost \$0.05. Our 2022 and 2023 estimates are based on the assumption that the project is completed in accordance with the current schedule. **The board of directors raised the dividend in the current quarter.** The increase was \$0.02 a share (3.0%), the same as in each of the past five years. We think dividend growth will accelerate along with earnings growth once Vogtle 3 and 4 are completed. **The untimely stock's dividend yield is just slightly above the utility average.** The valuation has changed; for a while, the yield was more than a percentage point above the mean. It appears as if the market has become even more comfortable with the risks of the nuclear construction project. Total return potential is subpar for the next 18 months and low for the 3- to 5-year period.

Paul E. Debbas, CFA *May 13, 2022*

(A) Diluted EPS. Excl. nonrec. gain (losses): '09, (25c); '13, (83c); '14, (59c); '15, (25c); '16, (28c); '17, (\$2.37); '18, (78c); '19, \$1.30; '20, (17c); '21, (54c). Next earnings report due late July. (B) Div's paid in early Mar., June, Sept., and Dec. ■ Div'd reinvestment plan available. (C) Incl. def'd charges. In '21: \$1.83/sh. (D) In mill. (E) Rate base: AL, MS, fair value; FL, GA, orig. cost. Allowed return on common eq. (blended): 12.5%; earned on avg. com. eq., '21: 12.8%. Regulatory Climate: GA, AL Above Average; MS, FL Average.