



Financial Highlights and Operating Statistics

(UNAUDITED)

Final

December 31, 2016

Reconciliation of Income (Loss) Attributable to The Williams Companies, Inc. to Adjusted Income
(UNAUDITED)

	2015					2016				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
<i>(Dollars in millions, except per-share amounts)</i>										
Income (loss) attributable to The Williams Companies, Inc. available to common stockholders	\$ 70	\$ 114	\$ (40)	\$ (715)	\$ (571)	\$ (65)	\$ (405)	\$ 61	\$ (15)	\$ (424)
Income (loss) - diluted earnings (loss) per common share	\$.09	\$.15	\$ (.05)	\$ (.95)	\$ (.76)	\$ (.09)	\$ (.54)	\$.08	\$ (.02)	\$ (.57)
Adjustments:										
<u>Williams Partners</u>										
Estimated minimum volume commitments	\$ 55	\$ 55	\$ 65	\$ (175)	\$ —	\$ 60	\$ 64	\$ 70	(194)	\$ —
Impairment of certain assets	3	24	2	116	145	—	389	—	22	411
Organizational realignment-related costs	—	—	—	—	—	—	—	—	24	24
Loss related to Canada disposition	—	—	—	—	—	—	—	32	2	34
Severance and related costs	—	—	—	—	—	25	—	—	12	37
Constitution Pipeline project development costs	—	—	—	—	—	—	8	11	9	28
Potential rate refunds associated with rate case litigation	—	—	—	—	—	15	—	—	—	15
ACMP Merger and transition-related expenses	32	14	2	2	50	5	—	—	—	5
Share of impairment at equity-method investments	8	1	17	7	33	—	—	6	19	25
Gain on asset retirement	—	—	—	—	—	—	—	—	(11)	(11)
Geismar Incident adjustment for insurance and timing	—	(126)	—	—	(126)	—	—	—	(7)	(7)
Loss related to Geismar Incident	1	1	—	—	2	—	—	—	—	—
Loss (recovery) related to Opal incident	1	—	(8)	1	(6)	—	—	—	—	—
Gain on extinguishment of debt	—	(14)	—	—	(14)	—	—	—	—	—
Expenses associated with strategic asset monetizations	—	—	—	—	—	—	—	—	2	2
Expenses associated with strategic alternatives	—	—	1	1	2	—	—	—	—	—
Total Williams Partners adjustments	100	(45)	79	(48)	86	105	461	119	(122)	563
<u>Williams NGL & Petchem Services</u>										
Impairment of certain assets	—	—	—	64	64	—	406	—	8	414
Loss related to Canada disposition	—	—	—	—	—	—	—	33	(1)	32
Canadian PDH facility project development costs	—	—	—	—	—	34	11	16	—	61
Gain on sale of certain assets	—	—	—	—	—	(10)	—	—	—	(10)
Total Williams NGL & Petchem Services adjustments	—	—	—	64	64	24	417	49	7	497
<u>Other</u>										
Expenses associated with strategic alternatives	—	7	18	5	30	6	13	21	7	47
Other ACMP Merger and transition-related expenses	6	9	7	12	34	2	—	—	—	2
Severance and related costs	—	—	—	—	—	1	—	—	4	5
Contingency gain	—	—	—	(9)	(9)	—	—	—	—	—
Accrued long-term charitable commitment	—	—	—	8	8	—	—	—	—	—
Total Other adjustments	6	16	25	16	63	9	13	21	11	54
Adjustments included in Modified EBITDA	106	(29)	104	32	213	138	891	189	(104)	1,114
<u>Adjustments below Modified EBITDA</u>										
Impairment of equity-method investments - Williams Partners	—	—	461	898	1,359	112	—	—	318	430
Impairment of goodwill - Williams Partners	—	—	—	1,098	1,098	—	—	—	—	—
Gain on sale of equity-method investment - Williams Partners	—	—	—	—	—	—	—	(27)	—	(27)
Interest expense related to potential rate refunds associated with rate case litigation - Williams Partners	—	—	—	—	—	3	—	—	—	3
Accelerated depreciation related to reduced salvage value of certain assets - Williams Partners	—	—	—	7	7	—	—	—	4	4
Change in depreciable life associated with organizational realignment - Williams Partners	—	—	—	—	—	—	—	—	(16)	(16)
ACMP Acquisition-related financing expenses - Williams Partners	2	—	—	—	2	—	—	—	—	—
Interest income on receivable from sale of Venezuela assets - Other	—	(9)	(18)	—	(27)	(18)	(18)	—	—	(36)
Allocation of adjustments to noncontrolling interests	(33)	21	(212)	(767)	(991)	(83)	(154)	(41)	(76)	(354)
	(31)	12	231	1,236	1,448	14	(172)	(68)	230	4
Total adjustments	75	(17)	335	1,268	1,661	152	719	121	126	1,118
Less tax effect for above items	(28)	4	(129)	(473)	(626)	(61)	(202)	(39)	19	(283)
Adjustments for tax-related items (1)	5	9	1	(74)	(59)	—	34	5	—	39
Adjusted income available to common stockholders	\$ 122	\$ 110	\$ 167	\$ 6	\$ 405	\$ 26	\$ 146	\$ 148	\$ 130	\$ 450
Adjusted diluted earnings per common share	\$.16	\$.15	\$.22	\$.01	\$.54	\$.03	\$.19	\$.20	\$.17	\$.60
Weighted-average shares - diluted (thousands)	752,028	752,775	753,100	751,930	752,460	751,040	751,297	751,858	752,818	751,761

(1) The fourth quarter of 2015 includes an unfavorable adjustment related to the translation of certain foreign-denominated unrecognized tax benefits. The second and third quarters of 2016 include a favorable adjustment related to the reversal of a cumulative anticipatory foreign tax credit.

Note: The sum of earnings per share for the quarters may not equal the total earnings per share for the year due to changes in the weighted-average number of common shares outstanding.

Consolidated Statement of Operations
(UNAUDITED)

	2015					2016				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
<i>(Dollars in millions, except per-share amounts)</i>										
Revenues:										
Service revenues	\$ 1,197	\$ 1,241	\$ 1,239	\$ 1,487	\$ 5,164	\$ 1,229	\$ 1,202	\$ 1,247	\$ 1,493	\$ 5,171
Product sales	519	598	560	519	2,196	431	534	658	705	2,328
Total revenues	1,716	1,839	1,799	2,006	7,360	1,660	1,736	1,905	2,198	7,499
Costs and expenses:										
Product costs	462	494	426	397	1,779	318	401	461	545	1,725
Operating and maintenance expenses	387	437	403	428	1,655	391	394	394	401	1,580
Depreciation and amortization expenses	427	428	432	451	1,738	445	446	435	437	1,763
Selling, general, and administrative expenses	196	174	177	194	741	221	158	177	167	723
Impairment of goodwill	—	—	—	1,098	1,098	—	—	—	—	—
Net insurance recoveries - Geismar Incident	—	(126)	—	—	(126)	—	—	—	(7)	(7)
Impairment of certain assets	3	24	2	180	209	8	802	1	62	873
Other (income) expense - net	14	16	3	7	40	15	23	92	12	142
Total costs and expenses	1,489	1,447	1,443	2,755	7,134	1,398	2,224	1,560	1,617	6,799
Operating income (loss)	227	392	356	(749)	226	262	(488)	345	581	700
Equity earnings (losses)	51	93	92	99	335	97	101	104	95	397
Impairment of equity-method investments	—	—	(461)	(898)	(1,359)	(112)	—	—	(318)	(430)
Other investing income (loss) - net	—	9	18	—	27	18	18	28	(1)	63
Interest incurred	(273)	(278)	(280)	(287)	(1,118)	(306)	(306)	(304)	(301)	(1,217)
Interest capitalized	22	16	17	19	74	15	8	7	8	38
Other income (expense) - net	16	34	20	32	102	15	17	20	22	74
Income (loss) before income taxes	43	266	(238)	(1,784)	(1,713)	(11)	(650)	200	86	(375)
Provision (benefit) for income taxes	30	83	(65)	(447)	(399)	2	(145)	69	49	(25)
Net income (loss)	13	183	(173)	(1,337)	(1,314)	(13)	(505)	131	37	(350)
Less: Net income (loss) attributable to noncontrolling interests	(57)	69	(133)	(622)	(743)	52	(100)	70	52	74
Net income (loss) attributable to The Williams Companies, Inc.	\$ 70	\$ 114	\$ (40)	\$ (715)	\$ (571)	\$ (65)	\$ (405)	\$ 61	\$ (15)	\$ (424)
Diluted earnings (loss) per common share:										
Net income (loss)	\$.09	\$.15	\$ (.05)	\$ (.95)	\$ (.76)	\$ (.09)	\$ (.54)	\$.08	\$ (.02)	\$ (.57)
Weighted-average number of shares used in computations (thousands)	752,028	752,775	749,824	749,902	749,271	750,322	750,649	751,858	750,954	750,673
Common shares outstanding at end of period (thousands)	748,912	749,529	749,740	749,789	749,789	750,484	750,599	750,757	750,934	750,934
Market price per common share (end of period)	\$ 50.59	\$ 57.39	\$ 36.85	\$ 25.70	\$ 25.70	\$ 16.07	\$ 21.63	\$ 30.73	\$ 31.14	\$ 31.14
Cash dividends declared per share	\$.58	\$.59	\$.64	\$.64	\$ 2.45	\$.64	\$.64	\$.20	\$.20	\$ 1.68

Note: The sum of earnings (loss) per share for the quarters may not equal the total earnings (loss) per share for the year due to changes in the weighted-average number of common shares outstanding.

Reconciliation of Non-GAAP “Modified EBITDA” to Non-GAAP “Adjusted EBITDA”
(UNAUDITED)

(Dollars in millions)	2015					2016				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Net income (loss)	\$ 13	\$ 183	\$ (173)	\$ (1,337)	\$ (1,314)	\$ (13)	\$ (505)	\$ 131	\$ 37	\$ (350)
Provision (benefit) for income taxes	30	83	(65)	(447)	(399)	2	(145)	69	49	(25)
Interest expense	251	262	263	268	1,044	291	298	297	293	1,179
Equity (earnings) losses	(51)	(93)	(92)	(99)	(335)	(97)	(101)	(104)	(95)	(397)
Impairment of equity-method investments	—	—	461	898	1,359	112	—	—	318	430
Other investing (income) loss - net	—	(9)	(18)	—	(27)	(18)	(18)	(28)	1	(63)
Proportional Modified EBITDA of equity-method investments	136	183	185	195	699	189	191	194	180	754
Impairment of goodwill	—	—	—	1,098	1,098	—	—	—	—	—
Depreciation and amortization expenses	427	428	432	451	1,738	445	446	435	437	1,763
Accretion for asset retirement obligations associated with nonregulated operations	6	9	6	7	28	7	8	9	7	31
Modified EBITDA	\$ 812	\$ 1,046	\$ 999	\$ 1,034	\$ 3,891	\$ 918	\$ 174	\$ 1,003	\$ 1,227	\$ 3,322
Williams Partners	\$ 817	\$ 1,053	\$ 1,021	\$ 1,112	\$ 4,003	\$ 955	\$ 604	\$ 1,070	\$ 1,235	\$ 3,864
Williams NGL & Petchem Services	(5)	(3)	(5)	(70)	(83)	(38)	(429)	(62)	(11)	(540)
Other	—	(4)	(17)	(8)	(29)	1	(1)	(5)	3	(2)
Total Modified EBITDA	\$ 812	\$ 1,046	\$ 999	\$ 1,034	\$ 3,891	\$ 918	\$ 174	\$ 1,003	\$ 1,227	\$ 3,322
Adjustments included in Modified EBITDA (1):										
Williams Partners	\$ 100	\$ (45)	\$ 79	\$ (48)	\$ 86	\$ 105	\$ 461	\$ 119	\$ (122)	\$ 563
Williams NGL & Petchem Services	—	—	—	64	64	24	417	49	7	497
Other	6	16	25	16	63	9	13	21	11	54
Total Adjustments included in Modified EBITDA	\$ 106	\$ (29)	\$ 104	\$ 32	\$ 213	\$ 138	\$ 891	\$ 189	\$ (104)	\$ 1,114
Adjusted EBITDA:										
Williams Partners	\$ 917	\$ 1,008	\$ 1,100	\$ 1,064	\$ 4,089	\$ 1,060	\$ 1,065	\$ 1,189	\$ 1,113	\$ 4,427
Williams NGL & Petchem Services	(5)	(3)	(5)	(6)	(19)	(14)	(12)	(13)	(4)	(43)
Other	6	12	8	8	34	10	12	16	14	52
Total Adjusted EBITDA	\$ 918	\$ 1,017	\$ 1,103	\$ 1,066	\$ 4,104	\$ 1,056	\$ 1,065	\$ 1,192	\$ 1,123	\$ 4,436

(1) Adjustments by segment are detailed in the "Reconciliation of Income (Loss) Attributable to The Williams Companies, Inc. to Adjusted Income," which is also included in these materials.

Williams Partners
(UNAUDITED)

	2015					2016				
	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>Year</i>	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>Year</i>
<i>(Dollars in millions)</i>										
Revenues:										
Service revenues	\$ 1,192	\$ 1,231	\$ 1,232	\$ 1,480	\$ 5,135	\$ 1,226	\$ 1,210	\$ 1,252	\$ 1,485	\$ 5,173
Product sales	519	599	560	518	2,196	428	530	655	705	2,318
Total revenues	1,711	1,830	1,792	1,998	7,331	1,654	1,740	1,907	2,190	7,491
Segment costs and expenses:										
Product costs	463	494	426	396	1,779	317	403	463	545	1,728
Operating and maintenance expenses	373	424	387	412	1,596	374	379	377	386	1,516
Selling, general, and administrative expenses	193	164	156	171	684	181	139	147	163	630
Net insurance recoveries - Geismar Incident	—	(126)	—	—	(126)	—	—	—	(7)	(7)
Impairment of certain assets	3	24	2	116	145	6	396	1	54	457
Other segment costs and expenses	(2)	(20)	(15)	(14)	(51)	10	10	43	(6)	57
Total segment costs and expenses	1,030	960	956	1,081	4,027	888	1,327	1,031	1,135	4,381
Proportional Modified EBITDA of equity-method investments	136	183	185	195	699	189	191	194	180	754
Modified EBITDA	817	1,053	1,021	1,112	4,003	955	604	1,070	1,235	3,864
Adjustments	100	(45)	79	(48)	86	105	461	119	(122)	563
Adjusted EBITDA	\$ 917	\$ 1,008	\$ 1,100	\$ 1,064	\$ 4,089	\$ 1,060	\$ 1,065	\$ 1,189	\$ 1,113	\$ 4,427

Statistics for Operated Assets

Interstate Transmission

Throughput (Tbtu)	1,207.8	967.9	981.5	978.5	4,135.7	1,132.8	983.9	1,040.0	1,073.1	4,229.8
Avg. daily transportation volumes (Tbtu)	13.5	10.6	10.7	10.7	11.3	12.5	10.8	11.3	11.7	11.6
Avg. daily firm reserved capacity (Tbtu)	13.5	14.0	14.5	14.8	14.2	15.0	14.5	14.6	14.7	14.7

Gathering and Processing

Gathering volumes (Bcf per day) - Consolidated ⁽¹⁾	8.58	8.44	8.15	8.20	8.34	8.24	8.13	8.39	8.21	8.25
Gathering volumes (Bcf per day) - Non-consolidated ⁽²⁾	3.35	3.67	3.73	3.65	3.60	3.74	3.69	3.67	3.80	3.73
Plant inlet natural gas volumes (Bcf per day) - Consolidated ⁽¹⁾	3.59	3.53	3.54	3.42	3.52	3.46	3.40	3.66	3.47	3.50
Plant inlet natural gas volumes (Bcf per day) - Non-consolidated ⁽²⁾	0.36	0.62	0.63	0.60	0.55	0.56	0.54	0.60	0.60	0.57

Consolidated ⁽¹⁾

Ethane margin (\$/gallon)	\$.13	\$.13	\$.13	\$.11	\$.12	\$.08	\$.02	\$.06	\$ —	\$.04
Non-ethane margin (\$/gallon)	\$.28	\$.26	\$.23	\$.25	\$.25	\$.20	\$.36	\$.25	\$.39	\$.29
NGL margin (\$/gallon)	\$.24	\$.22	\$.19	\$.20	\$.21	\$.15	\$.20	\$.18	\$.27	\$.20
Ethane equity sales (Mbbls/d)	14	13	17	18	16	22	26	23	15	22
Non-ethane equity sales (Mbbls/d)	35	32	32	36	34	35	29	40	34	34
NGL equity sales (Mbbls/d)	49	45	49	54	50	57	55	63	49	56
Ethane production (Mbbls/d)	29	39	43	42	38	49	61	56	48	54
Non-ethane production (Mbbls/d)	108	109	115	106	110	103	100	120	107	108
NGL production (Mbbls/d)	137	148	158	148	148	152	161	176	155	162

Non-consolidated ⁽²⁾

NGL equity sales (Mbbls/d)	5	6	5	5	5	5	5	5	5	5
NGL production (Mbbls/d)	16	21	21	19	19	17	19	21	21	20

Petrochemical Services

Geismar ethylene sales volumes (million lbs)	2	213	404	447	1,066	423	391	419	405	1,638
Geismar ethylene margin (\$/lb) ⁽³⁾	\$ —	\$.22	\$.16	\$.11	\$.15	\$.13	\$.15	\$.21	\$.15	\$.16
Canadian propylene sales volumes (million lbs)	39	38	44	40	161	33	8	46	—	87
Canadian alky feedstock sales volumes (million gallons)	7	6	6	7	26	7	2	6	—	15

Overland Pipeline Company ⁽²⁾

NGL transportation volumes (Mbbls)	10,845	13,860	15,075	15,527	55,307	16,814	18,410	18,535	18,078	71,837
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(1) Excludes volumes associated with equity-method investments that are not consolidated for financial reporting purposes.

(2) Includes 100% of the volumes associated with operated equity-method investments.

(3) Ethylene margin and ethylene margin per pound are calculated using financial results determined in accordance with GAAP, which include realized ethylene sales prices and ethylene COGS. Realized sales and COGS per unit metrics may vary from publicly quoted market indices or spot prices due to various factors, including, but not limited to, basis differentials, transportation costs, contract provisions, and inventory accounting methods.

Williams NGL & Petchem Services
(UNAUDITED)

	2015					2016				
	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>Year</i>	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>Year</i>
<i>(Dollars in millions)</i>										
Revenues:										
Service revenues	\$ —	\$ 1	\$ 1	\$ —	\$ 2	\$ —	\$ 2	\$ —	\$ —	\$ 2
Product sales	—	—	—	—	—	3	14	8	1	26
Total revenues	—	1	1	—	2	3	16	8	1	28
Segment costs and expenses:										
Product costs	—	—	—	—	—	2	7	4	—	13
Operating and maintenance expenses	4	2	4	3	13	9	20	15	3	47
Selling, general, and administrative expenses	2	2	2	2	8	38	12	18	2	70
Impairment of certain assets	—	—	—	64	64	2	406	-	8	416
Other (income) expense - net	(1)	—	—	1	-	(10)	-	33	(1)	22
Total segment costs and expenses	5	4	6	70	85	41	445	70	12	568
Modified EBITDA	(5)	(3)	(5)	(70)	(83)	(38)	(429)	(62)	(11)	(540)
Adjustments	—	—	—	64	64	24	417	49	7	497
Adjusted EBITDA	\$ (5)	\$ (3)	\$ (5)	\$ (6)	\$ (19)	\$ (14)	\$ (12)	\$ (13)	\$ (4)	\$ (43)

Capital Expenditures and Investments
(UNAUDITED)

(Dollars in millions)	2015					2016				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Capital expenditures:										
Williams Partners	\$ 735	\$ 715	\$ 692	\$ 653	\$ 2,795	\$ 463	\$ 518	\$ 491	\$ 472	\$ 1,944
Williams NGL & Petchem Services	91	102	78	85	356	45	34	17	1	97
Other	6	5	1	4	16	5	4	—	1	10
Total*	\$ 832	\$ 822	\$ 771	\$ 742	\$ 3,167	\$ 513	\$ 556	\$ 508	\$ 474	\$ 2,051
Purchases of businesses (net of cash acquired):										
Williams Partners	\$ —	\$ 112	\$ —	\$ —	\$ 112	\$ —	\$ —	\$ —	\$ —	\$ —
Total	\$ —	\$ 112	\$ —	\$ —	\$ 112	\$ —	\$ —	\$ —	\$ —	\$ —
Purchases of investments:										
Williams Partners	\$ 83	\$ 400	\$ 45	\$ 66	\$ 594	\$ 63	\$ 59	\$ 10	\$ 45	\$ 177
Other	—	—	1	—	1	—	—	—	—	—
Total	\$ 83	\$ 400	\$ 46	\$ 66	\$ 595	\$ 63	\$ 59	\$ 10	\$ 45	\$ 177
Summary:										
Williams Partners	\$ 818	\$ 1,227	\$ 737	\$ 719	\$ 3,501	\$ 526	\$ 577	\$ 501	\$ 517	\$ 2,121
Williams NGL & Petchem Services	91	102	78	85	356	45	34	17	1	97
Other	6	5	2	4	17	5	4	—	1	10
Total	\$ 915	\$ 1,334	\$ 817	\$ 808	\$ 3,874	\$ 576	\$ 615	\$ 518	\$ 519	\$ 2,228
Capital expenditures incurred, purchases of businesses (net of cash acquired), and purchases of investments:										
Increases to property, plant, and equipment	\$ 738	\$ 816	\$ 757	\$ 713	\$ 3,024	\$ 525	\$ 495	\$ 448	\$ 444	\$ 1,912
Purchases of businesses (net of cash acquired)	—	112	—	—	112	—	—	—	—	—
Purchases of investments	83	400	46	66	595	63	59	10	45	177
Total	\$ 821	\$ 1,328	\$ 803	\$ 779	\$ 3,731	\$ 588	\$ 554	\$ 458	\$ 489	\$ 2,089
*Increases to property, plant, and equipment	\$ 738	\$ 816	\$ 757	\$ 713	\$ 3,024	\$ 525	\$ 495	\$ 448	\$ 444	\$ 1,912
Changes in related accounts payable and accrued liabilities	94	6	14	29	143	(12)	61	60	30	139
Capital expenditures	\$ 832	\$ 822	\$ 771	\$ 742	\$ 3,167	\$ 513	\$ 556	\$ 508	\$ 474	\$ 2,051

Depreciation and Amortization and Other Selected Financial Data
(UNAUDITED)

<i>(Dollars in millions)</i>	2015					2016				
	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>Year</i>	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>Year</i>
Depreciation and amortization:										
Williams Partners	\$ 419	\$ 419	\$ 423	\$ 441	\$ 1,702	\$ 435	\$ 432	\$ 426	\$ 427	\$ 1,720
Williams NGL & Petchem	1	1	1	1	4	1	6	2	2	11
Other	7	8	8	9	32	9	8	7	8	32
Total	\$ 427	\$ 428	\$ 432	\$ 451	\$ 1,738	\$ 445	\$ 446	\$ 435	\$ 437	\$ 1,763
Other selected financial data:										
Cash and cash equivalents	\$ 341	\$ 204	\$ 125	\$ 100	\$ 100	\$ 164	\$ 135	\$ 77	\$ 170	\$ 170
Total assets	\$ 50,325	\$ 51,034	\$ 50,694	\$ 49,020	\$ 49,020	\$ 48,807	\$ 48,124	\$ 47,288	\$ 46,835	\$ 46,835
Capital structure:										
Debt										
Commercial paper	\$ —	\$ 1,743	\$ 1,530	\$ 499	\$ 499	\$ 135	\$ 196	\$ 2	\$ 93	\$ 93
Current	\$ 801	\$ 377	\$ 377	\$ 176	\$ 176	\$ 976	\$ 786	\$ 785	\$ 785	\$ 785
Noncurrent	\$ 21,559	\$ 21,158	\$ 21,680	\$ 23,812	\$ 23,812	\$ 23,701	\$ 24,394	\$ 23,932	\$ 22,624	\$ 22,624
Stockholders' equity	\$ 8,212	\$ 7,928	\$ 7,387	\$ 6,148	\$ 6,148	\$ 5,691	\$ 4,830	\$ 4,860	\$ 4,769	\$ 4,769
Debt to debt-plus-stockholders' equity ratio	73.1 %	74.6 %	76.2 %	79.9 %	79.9 %	81.3 %	84.0 %	83.6 %	83.1 %	83.1 %
Cash distributions received from interests in:										
Williams Partners L.P.										
General partner	\$ 226	\$ 227	\$ 224	\$ 14	\$ 691	\$ 15	\$ 216	\$ 224	\$ 78	\$ 533
Limited partner	289	288	289	289	1,155	289	288	289	295	1,161
	\$ 515	\$ 515	\$ 513	\$ 303	\$ 1,846	\$ 304	\$ 504	\$ 513	\$ 373	\$ 1,694

Dividend Coverage Ratio
(UNAUDITED)

(Dollars in millions, except per share amounts)	2015					2016				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Distributions from WPZ (accrued / "as declared" basis) ⁽³⁾	\$ 515	\$ 513	\$ 513	\$ 513	\$ 2,054	\$ 513	\$ 513	\$ 522	\$ 597	\$ 2,145
Williams NGL & Petchem Services adjusted cash flow (see below)	(5)	(3)	(5)	(6)	(19)	(14)	(12)	(13)	(4)	(43)
Corporate interest	(64)	(64)	(63)	(64)	(255)	(66)	(67)	(68)	(67)	(268)
Subtotal	446	446	445	443	1,780	433	434	441	526	1,834
WMB cash tax rate	-12%	0%	0%	0%	-3%	0%	-1%	0%	1%	0%
WMB cash taxes (excludes cash taxes paid by WPZ) ⁽¹⁾	55	—	—	—	55	2	3	—	(7)	(2)
Corporate Capex	(6)	(5)	(6)	(7)	(24)	(6)	(4)	—	(1)	(11)
WMB cash available for dividends and other uses ⁽⁴⁾	\$ 495	\$ 441	\$ 439	\$ 436	\$ 1,811	\$ 429	\$ 433	\$ 441	\$ 518	\$ 1,821
WMB dividends paid	(434)	(442)	(480)	(480)	(1,836)	(480)	(481)	(150)	(150)	(1,261)
Excess cash available after dividends	\$ 61	\$ (1)	\$ (41)	\$ (44)	\$ (25)	\$ (51)	\$ (48)	\$ 291	\$ 368	\$ 560
Dividend per share	\$ 0.5800	\$ 0.5900	\$ 0.6400	\$ 0.6400	\$ 2.4500	\$ 0.6400	\$ 0.6400	\$ 0.2000	\$ 0.2000	\$ 1.6800
Coverage ratio ⁽²⁾⁽³⁾	1.14	1.00	0.91	0.91	0.99	0.89	0.90	2.94	3.45	1.44

<u>Williams NGL & Petchem Services Adjusted Cash Flow:</u>										
Modified EBITDA	(5)	(3)	(5)	(70)	(83)	(38)	(429)	(62)	(11)	(540)
Segment adjustments	—	—	—	64	64	24	417	49	7	497
Adjusted EBITDA	(5)	(3)	(5)	(6)	(19)	(14)	(12)	(13)	(4)	(43)
Less: Maintenance Capex	—	—	—	—	—	—	—	—	—	—
Adjusted cash flow	(5)	(3)	(5)	(6)	(19)	(14)	(12)	(13)	(4)	(43)

Notes:

- (1) A refund was received in the first quarter of 2015 related to a 2014 tax Net Operating Loss, due to bonus depreciation, that yielded a carryback refund from 2012.
- (2) WMB cash available for dividends and other uses / WMB dividends paid.
- (3) Cash distributions for the third and fourth quarters of 2015 and the first quarter of 2016 have been increased by \$209 million, \$209 million, and \$10 million, respectively, in order to exclude the impact of the IDR waiver associated with the WPZ merger termination fee from the determination of coverage ratios. Cash distributions for the third quarter of 2016 has been increased by \$150 million in order to exclude the impact of the IDR waiver associated with the sale of the Canadian operations.
- (4) As previously announced, effective with the third quarter of 2016, Williams reduced its regular dividend from \$0.64 per share to \$0.20 per share. The dividend reduction supports Williams' plan to reinvest a portion of the cash available for dividends and other uses into Williams Partners.

WMB Dividend Coverage Ratio

2017
Guidance

(Dollars in billions, except per share amounts)

Distributions from WPZ (accrued / "as declared" basis)	\$1.6
Corporate interest	(0.3)
Subtotal	<u>\$1.3</u>
WMB cash tax rate	0.0%
WMB cash taxes (excludes cash taxes paid by WPZ)	-
Corporate Capex	<u>< (0.1)</u>
WMB cash available for dividends and other uses	\$1.3
WMB dividends paid	<u>(1.0)</u>
Excess cash available after dividends	\$0.3
Dividend per share	\$1.2000
Coverage ratio ⁽¹⁾	1.3x
<u>Memo:</u>	
WMB Economic Interest in WPZ Cash Coverage ⁽²⁾	\$0.4
WMB cash available for dividends and other uses	<u>1.3</u>
WMB Economic Distributable Cash Flow ⁽³⁾	\$1.7
Economic coverage ratio ⁽⁴⁾	1.7x
<u>Notes:</u>	
- Assumes WTI oil price of approximately \$55 per barrel and a Henry Hub natural gas price of approximately \$3.35 per mmbtu	
- WMB does not expect to be a U.S. federal income cash taxpayer through at least 2020, excluding taxes on any potential asset monetizations	
(1) WMB cash available for dividends and other uses / WMB dividends paid	
(2) WMB pro rata share (~74%) of WPZ Distributable Cash Flow in excess of Cash Distributions	
(3) WMB Economic Interest in WPZ Cash Coverage + WMB cash available for dividends and other uses	
(4) WMB Economic Distributable Cash Flow / WMB dividends paid	