



**Non-GAAP Reconciliations,
Financial Highlights, and Operating Statistics**

(UNAUDITED)

Final

September 30, 2018

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

	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year
<i>(Dollars in millions, except per-share amounts)</i>									
Income (loss) attributable to The Williams Companies, Inc. available to common stockholders	\$ 373	\$ 81	\$ 33	\$ 1,687	\$ 2,174	\$ 152	\$ 135	\$ 129	\$ 416
Income (loss) - diluted earnings (loss) per common share	\$.45	\$.10	\$.04	\$ 2.03	\$ 2.62	\$.18	\$.16	\$.13	\$.46
Adjustments:									
<i>Northeast G&P</i>									
Share of impairment at equity-method investments	\$ —	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ —	\$ —	\$ —
Impairment of certain assets	—	—	121	—	121	—	—	—	—
Ad valorem obligation timing adjustment	—	—	7	—	7	—	—	—	—
Settlement charge from pension early payout program	—	—	—	7	7	—	—	—	—
Organizational realignment-related costs	1	1	2	—	4	—	—	—	—
<i>Total Northeast G&P adjustments</i>	1	1	131	7	140	—	—	—	—
<i>Atlantic-Gulf</i>									
Constitution Pipeline project development costs	2	6	4	4	16	2	1	1	4
Settlement charge from pension early payout program	—	—	—	15	15	—	—	—	—
Regulatory adjustments resulting from Tax Reform	—	—	—	493	493	11	(20)	—	(9)
Benefit of regulatory asset associated with increase in Transco's estimated deferred state income tax rate following WPZ Merger	—	—	—	—	—	—	—	(3)	(3)
Share of regulatory charges resulting from Tax Reform for equity-method investments	—	—	—	11	11	2	—	—	2
Organizational realignment-related costs	1	2	2	1	6	—	—	—	—
(Gain) loss on asset retirement	—	—	(5)	5	—	—	—	(10)	(10)
<i>Total Atlantic-Gulf adjustments</i>	3	8	1	529	541	15	(19)	(12)	(16)
<i>West</i>									
Estimated minimum volume commitments	15	15	18	(48)	—	—	—	—	—
Impairment of certain assets	—	—	1,021	9	1,030	—	—	—	—
Settlement charge from pension early payout program	—	—	—	13	13	—	—	—	—
Organizational realignment-related costs	2	3	2	1	8	—	—	—	—
Regulatory adjustments resulting from Tax Reform	—	—	—	220	220	(7)	—	—	(7)
Charge for regulatory liability associated with the decrease in Northwest Pipeline's estimated deferred state income tax rates following WPZ Merger	—	—	—	—	—	—	—	12	12
Gains from contract settlements and terminations	(13)	(2)	—	—	(15)	—	—	—	—
<i>Total West adjustments</i>	4	16	1,041	195	1,256	(7)	—	12	5
<i>Other</i>									
(Gain) loss related to Canada disposition	(2)	(1)	4	5	6	—	—	—	—
Expenses associated with strategic asset monetizations	1	4	—	—	5	—	—	—	—
Geismar Incident adjustments	(9)	2	8	(1)	—	—	—	—	—
Gain on sale of Geismar Interest	—	—	(1,095)	—	(1,095)	—	—	—	—
Gain on sale of RGP Splitter	—	(12)	—	—	(12)	—	—	—	—
Accrual for loss contingency	9	—	—	—	9	—	—	—	—
Severance and related costs	9	4	5	4	22	—	—	—	—
ACMP Merger and transition costs	—	4	3	4	11	—	—	—	—
Expenses associated with Financial Repositioning	8	2	—	—	10	—	—	—	—
(Gain) loss on early retirement of debt	(30)	—	3	—	(27)	7	—	—	7
Impairment of certain assets	—	23	68	—	91	—	66	—	66
Expenses associated with strategic alternatives	1	3	5	—	9	—	—	—	—
Settlement charge from pension early payout program	—	—	—	36	36	—	—	—	—
Regulatory adjustments resulting from Tax Reform	—	—	—	63	63	—	1	—	1
Benefit of regulatory assets associated with increase in Transco's estimated deferred state income tax rate following WPZ Merger	—	—	—	—	—	—	—	(45)	(45)
WPZ Merger costs	—	—	—	—	—	—	4	15	19
Charitable contribution of preferred stock to Williams Foundation	—	—	—	—	—	—	—	35	35
<i>Total Other adjustments</i>	(13)	29	(999)	111	(872)	7	71	5	83
Adjustments included in Modified EBITDA	(5)	54	174	842	1,065	15	52	5	72
<i>Adjustments below Modified EBITDA</i>									
Gain on disposition of equity-method investment	(269)	—	—	—	(269)	—	—	—	—
Accelerated depreciation by equity-method investments	—	—	—	9	9	—	—	—	—
Change in depreciable life associated with organizational realignment	(7)	—	—	—	(7)	—	—	—	—
Gain on deconsolidation of Jackalope interest	—	—	—	—	—	—	(62)	—	(62)
Allocation of adjustments to noncontrolling interests	77	(10)	(28)	(199)	(160)	(5)	21	—	16
	(199)	(10)	(28)	(190)	(427)	(5)	(41)	—	(46)
Total adjustments	(204)	44	146	652	638	10	11	5	26
Less tax effect for above items	77	(17)	(55)	(246)	(241)	(3)	(3)	(1)	(7)
Adjustments for tax-related items ⁽¹⁾	(127)	—	—	(1,923)	(2,050)	—	—	110	110
Adjusted income available to common stockholders	\$ 119	\$ 108	\$ 124	\$ 170	\$ 521	\$ 159	\$ 143	\$ 243	\$ 545
Adjusted diluted earnings per common share ⁽²⁾	\$.14	\$.13	\$.15	\$.20	\$.63	\$.19	\$.17	\$.24	\$.61
Weighted-average shares - diluted (thousands)	826,476	828,575	829,368	829,607	828,518	830,197	830,107	1,026,504	896,322

(1) The first quarter of 2017 includes an unfavorable adjustment related to the release of a valuation allowance. The fourth quarter of 2017 includes an unfavorable adjustment to reverse the tax benefit associated with remeasuring our deferred tax balances at a lower corporate rate resulting from Tax Reform. The third quarter of 2018 reflects tax adjustments driven by the WPZ Merger, primarily a valuation allowance for foreign tax credits.

(2) 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.

Reconciliation of Distributable Cash Flow (DCF)
(UNAUDITED)

	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year
The Williams Companies, Inc.									
<i>Reconciliation of GAAP "Net Income (Loss)" to Non-GAAP "Modified EBITDA", "Adjusted EBITDA" and "Distributable cash flow"</i>									
Net income (loss)	\$ 569	\$ 193	\$ 125	\$ 1,622	\$ 2,509	\$ 270	\$ 269	\$ 200	\$ 739
Provision (benefit) for income taxes	37	65	24	(2,100)	(1,974)	55	52	190	297
Interest expense	280	271	267	265	1,083	273	275	270	818
Equity (earnings) losses	(107)	(125)	(115)	(87)	(434)	(82)	(92)	(105)	(279)
Other investing (income) loss - net	(272)	(2)	(4)	(4)	(282)	(4)	(68)	(2)	(74)
Proportional Modified EBITDA of equity-method investments	194	215	202	184	795	169	178	205	552
Depreciation and amortization expenses	442	433	433	428	1,736	431	434	425	1,290
Accretion for asset retirement obligations associated with nonregulated operations	7	9	7	10	33	8	10	8	26
Modified EBITDA	1,150	1,059	939	318	3,466	1,120	1,058	1,191	3,369
EBITDA adjustments	(5)	54	174	842	1,065	15	52	5	72
Adjusted EBITDA	1,145	1,113	1,113	1,160	4,531	1,135	1,110	1,196	3,441
Maintenance capital expenditures ⁽¹⁾	(58)	(105)	(143)	(165)	(471)	(110)	(160)	(138)	(408)
Net interest expense - cash portion ⁽²⁾	(289)	(280)	(271)	(271)	(1,111)	(273)	(275)	(270)	(818)
Cash taxes	(5)	(1)	(11)	(11)	(28)	(1)	(10)	(1)	(12)
Income attributable to noncontrolling interests ⁽³⁾	(27)	(32)	(27)	(27)	(113)	(25)	(24)	(19)	(68)
WPZ restricted stock unit non-cash compensation	2	1	1	1	5	—	—	—	—
Amortization of deferred revenue associated with certain 2016 contract restructurings ⁽⁴⁾	(58)	(58)	(59)	(58)	(233)	—	—	—	—
Distributable cash flow	\$ 710	\$ 638	\$ 603	\$ 629	\$ 2,580	\$ 726	\$ 641	\$ 768	\$ 2,135
Total cash distributed ⁽⁵⁾	\$ 400	\$ 400	\$ 400	\$ 401	\$ 1,601	\$ 438	\$ 443	\$ 412	\$ 1,293
Coverage ratios:									
Distributable cash flow divided by Total cash distributed	1.78	1.60	1.51	1.57	1.61	1.66	1.45	1.86	1.65
Net income (loss) divided by Total cash distributed	1.42	0.48	0.31	4.04	1.57	0.62	0.61	0.49	0.57

(1) Includes proportionate share of maintenance capital expenditures of equity investments.

(2) Includes proportionate share of interest expense of equity investments.

(3) Excludes allocable share of certain EBITDA adjustments.

(4) Beginning first quarter 2018, as a result of the extended deferred revenue amortization period under the new GAAP revenue standard, we have discontinued the adjustment associated with these 2016 contract restructuring payments. The adjustments would have been \$32 million, \$31 million, and \$32 million for the first, second, and third quarters of 2018, respectively.

(5) Includes cash dividends paid each quarter by WMB, as well as the public unitholders share of distributions declared by WPZ for the 2017 periods and the first two quarters of 2018.

Reconciliation of "Net Income (Loss)" to "Modified EBITDA" and Non-GAAP "Adjusted EBITDA"

(UNAUDITED)

(Dollars in millions)	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year
Net income (loss)	\$ 569	\$ 193	\$ 125	\$ 1,622	\$ 2,509	\$ 270	\$ 269	\$ 200	\$ 739
Provision (benefit) for income taxes	37	65	24	(2,100)	(1,974)	55	52	190	297
Interest expense	280	271	267	265	1,083	273	275	270	818
Equity (earnings) losses	(107)	(125)	(115)	(87)	(434)	(82)	(92)	(105)	(279)
Other investing (income) loss - net	(272)	(2)	(4)	(4)	(282)	(4)	(68)	(2)	(74)
Proportional Modified EBITDA of equity-method investments	194	215	202	184	795	169	178	205	552
Depreciation and amortization expenses	442	433	433	428	1,736	431	434	425	1,290
Accretion expense associated with asset retirement obligations for nonregulated operations	7	9	7	10	33	8	10	8	26
Modified EBITDA	\$ 1,150	\$ 1,059	\$ 939	\$ 318	\$ 3,466	\$ 1,120	\$ 1,058	\$ 1,191	\$ 3,369
Northeast G&P	\$ 226	\$ 247	\$ 115	\$ 231	\$ 819	\$ 250	\$ 255	\$ 281	\$ 786
Atlantic-Gulf	450	454	430	(96)	1,238	451	475	492	1,418
West	385	356	(615)	286	412	413	389	412	1,214
Other	89	2	1,009	(103)	997	6	(61)	6	(49)
Total Modified EBITDA	\$ 1,150	\$ 1,059	\$ 939	\$ 318	\$ 3,466	\$ 1,120	\$ 1,058	\$ 1,191	\$ 3,369
Adjustments included in Modified EBITDA ⁽¹⁾:									
Northeast G&P	\$ 1	\$ 1	\$ 131	\$ 7	\$ 140	\$ —	\$ —	\$ —	\$ —
Atlantic-Gulf	3	8	1	529	541	15	(19)	(12)	(16)
West	4	16	1,041	195	1,256	(7)	—	12	5
Other	(13)	29	(999)	111	(872)	7	71	5	83
Total Adjustments included in Modified EBITDA	\$ (5)	\$ 54	\$ 174	\$ 842	\$ 1,065	\$ 15	\$ 52	\$ 5	\$ 72
Adjusted EBITDA:									
Northeast G&P	\$ 227	\$ 248	\$ 246	\$ 238	\$ 959	\$ 250	\$ 255	\$ 281	\$ 786
Atlantic-Gulf	453	462	431	433	1,779	466	456	480	1,402
West	389	372	426	481	1,668	406	389	424	1,219
Other	76	31	10	8	125	13	10	11	34
Total Adjusted EBITDA	\$ 1,145	\$ 1,113	\$ 1,113	\$ 1,160	\$ 4,531	\$ 1,135	\$ 1,110	\$ 1,196	\$ 3,441

(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.

Consolidated Statement of Operations
(UNAUDITED)

	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year
<i>(Dollars in millions, except per-share amounts)</i>									
Revenues:									
Service revenues	\$ 1,261	\$ 1,282	\$ 1,310	\$ 1,459	\$ 5,312	\$ 1,351	\$ 1,340	\$ 1,371	\$ 4,062
Service revenues - commodity consideration	—	—	—	—	—	101	94	121	316
Product sales	727	642	581	769	2,719	636	657	811	2,104
Total revenues	1,988	1,924	1,891	2,228	8,031	2,088	2,091	2,303	6,482
Costs and expenses:									
Product costs	579	537	504	680	2,300	613	636	790	2,039
Processing commodity expenses	—	—	—	—	—	35	26	30	91
Operating and maintenance expenses	371	392	403	410	1,576	357	388	389	1,134
Depreciation and amortization expenses	442	433	433	428	1,736	431	434	425	1,290
Selling, general, and administrative expenses	161	153	138	142	594	132	130	174	436
Impairment of certain assets	1	25	1,210	12	1,248	—	66	—	66
Gain on sale of Geismar Interest	—	—	(1,095)	—	(1,095)	—	—	—	—
Regulatory charges resulting from Tax Reform	—	—	—	674	674	—	—	—	—
Other (income) expense - net	4	6	24	37	71	29	1	(6)	24
Total costs and expenses	1,558	1,546	1,617	2,383	7,104	1,597	1,681	1,802	5,080
Operating income (loss)	430	378	274	(155)	927	491	410	501	1,402
Equity earnings (losses)	107	125	115	87	434	82	92	105	279
Other investing income (loss) - net	272	2	4	4	282	4	68	2	74
Interest incurred	(287)	(280)	(275)	(274)	(1,116)	(282)	(288)	(286)	(856)
Interest capitalized	7	9	8	9	33	9	13	16	38
Other income (expense) - net	77	24	23	(149)	(25)	21	26	52	99
Income (loss) before income taxes	606	258	149	(478)	535	325	321	390	1,036
Provision (benefit) for income taxes	37	65	24	(2,100)	(1,974)	55	52	190	297
Net income (loss)	569	193	125	1,622	2,509	270	269	200	739
Less: Net income (loss) attributable to noncontrolling interests	196	112	92	(65)	335	118	134	71	323
Net income (loss) attributable to The Williams Companies, Inc.	373	81	33	1,687	2,174	152	135	129	416
Preferred stock dividends	—	—	—	—	—	—	—	—	—
Net income (loss) available to common stockholders	\$ 373	\$ 81	\$ 33	\$ 1,687	\$ 2,174	\$ 152	\$ 135	\$ 129	\$ 416
Diluted earnings (loss) per common share:									
Net income (loss) ⁽¹⁾	\$.45	\$.10	\$.04	\$ 2.03	\$ 2.62	\$.18	\$.16	\$.13	\$.46
Weighted-average number of shares (thousands)	826,476	828,575	829,368	829,607	828,518	830,197	830,107	1,026,504	896,322
Common shares outstanding at end of period (thousands)	826,239	826,398	826,723	826,836	826,836	827,607	827,733	1,210,525	1,210,525
Market price per common share (end of period)	\$ 29.59	\$ 30.28	\$ 30.01	\$ 30.49	\$ 30.49	\$ 24.86	\$ 27.11	\$ 27.19	\$ 27.19
Cash dividends declared per share	\$.30	\$.30	\$.30	\$.30	\$ 1.20	\$.34	\$.34	\$.34	\$ 1.02
(1) 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.									

Northeast G&P
(UNAUDITED)

(Dollars in millions)	2017					2018			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year
Revenues:									
Service revenues:									
Nonregulated gathering and processing fee-based revenue	\$ 182	\$ 183	\$ 182	\$ 191	\$ 738	\$ 189	\$ 196	\$ 211	\$ 596
Other fee revenues	35	34	32	33	134	39	36	36	111
Nonregulated commodity consideration	—	—	—	—	—	4	4	6	14
Product sales:									
NGL sales from gas processing	4	4	2	4	14	4	5	6	15
Marketing sales	64	48	59	106	277	89	65	57	211
Tracked product sales	—	—	—	—	—	5	5	6	16
Total revenues	285	269	275	334	1,163	330	311	322	963
Segment costs and expenses:									
NGL cost of goods sold	4	1	2	1	8	4	5	6	15
Marketing cost of goods sold	65	48	59	106	278	90	65	57	212
Processing commodity expenses	—	—	—	—	—	2	2	3	7
Operating and administrative costs	86	88	99	103	376	85	91	96	272
Other segment costs and expenses	—	1	(1)	10	10	2	1	4	7
Impairment of certain assets	1	1	121	1	124	—	—	—	—
Tracked cost of goods sold	—	—	—	—	—	5	7	6	18
Total segment costs and expenses	156	139	280	221	796	188	171	172	531
Proportional Modified EBITDA of equity-method investments	97	117	120	118	452	108	115	131	354
Modified EBITDA	226	247	115	231	819	250	255	281	786
Adjustments	1	1	131	7	140	—	—	—	—
Adjusted EBITDA	\$ 227	\$ 248	\$ 246	\$ 238	\$ 959	\$ 250	\$ 255	\$ 281	\$ 786
NGL margin	\$ —	\$ 3	\$ —	\$ 3	\$ 6	\$ 2	\$ 2	\$ 3	\$ 7
Statistics for Operated Assets									
<i>Gathering and Processing</i>									
Gathering volumes (Bcf per day) - Consolidated ⁽¹⁾	3.32	3.28	3.28	3.37	3.31	3.38	3.44	3.62	3.48
Gathering volumes (Bcf per day) - Non-consolidated ⁽²⁾	3.55	3.58	3.48	3.61	3.55	3.82	3.59	3.73	3.71
Plant inlet natural gas volumes (Bcf per day) ⁽¹⁾	0.39	0.40	0.45	0.50	0.43	0.49	0.55	0.52	0.52
Ethane equity sales (Mbbls/d)	2.32	2.34	1.71	0.98	1.83	1.33	3.17	2.74	2.42
Non-ethane equity sales (Mbbls/d)	1.09	1.13	1.17	0.90	1.07	0.79	1.09	1.49	1.12
NGL equity sales (Mbbls/d)	3.41	3.47	2.88	1.88	2.90	2.12	4.26	4.23	3.54
Ethane production (Mbbls/d)	17	22	17	22	20	23	27	26	25
Non-ethane production (Mbbls/d)	15	17	19	22	18	21	21	23	22
NGL production (Mbbls/d)	32	39	36	44	38	44	48	49	47
(1) Includes gathering volumes associated with Susquehanna Supply Hub, Ohio Valley Midstream, and Utica Supply Hub, all of which are consolidated.									
(2) Includes 100% of the volumes associated with operated equity-method investments, including the Laurel Mountain Midstream partnership; and the Bradford Supply Hub and a portion of the Marcellus South Supply Hub within the Appalachia Midstream Services partnership. Volumes handled by Blue Racer Midstream (gathering and processing) and UEOM (processing only), which we do not operate, are not included.									

Atlantic-Gulf
(UNAUDITED)

	2017					2018				
	<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>Year</i>	
<i>(Dollars in millions)</i>										
Revenues:										
Service revenues:										
Nonregulated gathering & processing fee-based revenue	\$ 127	\$ 136	\$ 133	\$ 132	\$ 528	\$ 138	\$ 128	\$ 138	\$ 404	
Regulated transportation revenue	354	358	380	408	1,500	413	406	411	1,230	
Other fee revenues	34	34	31	33	132	32	34	34	100	
Tracked service revenue	21	19	20	19	79	26	22	24	72	
Nonregulated commodity consideration	—	—	—	—	—	15	12	18	45	
Product sales:										
NGL sales from gas processing	27	16	13	14	70	15	10	16	41	
Marketing sales	90	75	66	81	312	45	57	67	169	
Other sales	4	3	2	1	10	2	2	3	7	
Tracked product sales	13	31	25	23	92	31	36	45	112	
Total revenues	670	672	670	711	2,723	717	707	756	2,180	
Segment costs and expenses:										
NGL cost of goods sold	13	7	6	3	29	15	12	19	46	
Marketing cost of goods sold	89	73	64	81	307	44	56	67	167	
Other cost of goods sold	1	—	—	1	2	—	—	—	—	
Tracked cost of goods sold	15	33	27	24	99	33	38	48	119	
Processing commodity expenses	—	—	—	—	—	5	2	3	10	
Operating and administrative costs	157	169	193	208	727	177	181	181	539	
Other segment costs and expenses	(4)	(3)	(6)	26	13	(2)	(15)	(29)	(46)	
Regulatory charges resulting from Tax Reform	—	—	—	493	493	11	(20)	—	(9)	
Tracked operating and administrative costs	21	19	20	19	79	26	22	24	72	
Total segment costs and expenses	292	298	304	855	1,749	309	276	313	898	
Proportional Modified EBITDA of equity-method investments	72	80	64	48	264	43	44	49	136	
Modified EBITDA	450	454	430	(96)	1,238	451	475	492	1,418	
Adjustments	3	8	1	529	541	15	(19)	(12)	(16)	
Adjusted EBITDA	\$ 453	\$ 462	\$ 431	\$ 433	\$ 1,779	\$ 466	\$ 456	\$ 480	\$ 1,402	
NGL Margins	\$ 14	\$ 9	\$ 7	\$ 11	\$ 41	\$ 10	\$ 8	\$ 12	\$ 30	
Statistics for Operated Assets										
<i>Gathering, Processing and Crude Oil Transportation</i>										
Gathering volumes (Bcf per day) - Consolidated ⁽¹⁾	0.32	0.29	0.31	0.30	0.31	0.30	0.25	0.29	0.28	
Gathering volumes (Bcf per day) - Non-consolidated ⁽²⁾	0.55	0.54	0.39	0.28	0.44	0.24	0.25	0.25	0.25	
Plant inlet natural gas volumes (Bcf per day) - Consolidated ⁽¹⁾	0.56	0.57	0.52	0.54	0.55	0.54	0.43	0.51	0.49	
Plant inlet natural gas volumes (Bcf per day) - Non-consolidated ⁽²⁾	0.54	0.53	0.39	0.27	0.43	0.24	0.25	0.25	0.25	
Crude transportation volumes (Mbbls/d)	131	135	137	136	134	142	132	147	140	
Consolidated ⁽¹⁾										
Ethane margin (\$/gallon)	\$.02	\$.03	\$.04	\$.09	\$.04	\$.03	\$.16	\$.24	\$.15	
Non-ethane margin (\$/gallon)	\$.42	\$.36	\$.53	\$.72	\$.47	\$.66	\$.74	\$.76	\$.72	
NGL margin (\$/gallon)	\$.26	\$.23	\$.26	\$.46	\$.28	\$.40	\$.48	\$.51	\$.46	
Ethane equity sales (Mbbls/d)	6.09	3.74	4.29	2.36	4.11	2.82	1.91	3.05	2.59	
Non-ethane equity sales (Mbbls/d)	8.64	5.82	3.50	3.42	5.33	3.87	2.35	3.14	3.12	
NGL equity sales (Mbbls/d)	14.73	9.56	7.79	5.78	9.44	6.69	4.26	6.19	5.71	
Ethane production (Mbbls/d)	14	14	13	14	14	12	12	15	13	
Non-ethane production (Mbbls/d)	20	19	18	19	19	19	17	18	18	
NGL production (Mbbls/d)	34	33	31	33	33	31	29	33	31	
Non-consolidated ⁽²⁾										
NGL equity sales (Mbbls/d)	5	4	5	4	5	2	5	4	4	
NGL production (Mbbls/d)	21	22	22	19	21	18	20	20	19	
<i>Transcontinental Gas Pipe Line</i>										
Throughput (Tbtu)	939.1	887.6	938.5	1,017.5	3,782.7	1,099.9	965.5	1,092.3	3,157.7	
Avg. daily transportation volumes (Tbtu)	10.4	9.8	10.2	11.1	10.4	12.2	10.6	11.9	11.6	
Avg. daily firm reserved capacity (Tbtu)	12.8	13.2	14.1	14.9	13.8	15.4	15.0	15.0	15.2	
(1) Excludes volumes associated with equity-method investments that are not consolidated in our results.										
(2) Includes 100% of the volumes associated with operated equity-method investments.										

West

(UNAUDITED)

	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year	
<i>(Dollars in millions)</i>										
Revenues:										
Service revenues:										
Nonregulated gathering & processing fee-based revenue	\$ 363	\$ 382	\$ 398	\$ 502	\$ 1,645	\$ 386	\$ 398	\$ 387	\$ 1,171	
Regulated transportation revenue	117	112	113	118	460	109	104	106	319	
Other fee revenues	38	33	33	37	141	36	32	40	108	
Nonregulated commodity consideration	—	—	—	—	—	82	78	97	257	
Tracked service revenues	—	—	—	—	—	—	1	—	1	
Product sales:										
NGL sales from gas processing	64	61	68	82	275	85	76	90	251	
Olefin sales	1	—	—	—	1	—	—	—	—	
Marketing sales	387	368	408	534	1,697	419	465	615	1,499	
Other sales	4	5	9	20	38	10	9	16	35	
Tracked product sales	—	1	—	1	2	16	10	11	37	
Total revenues	974	962	1,029	1,294	4,259	1,143	1,173	1,362	3,678	
Segment costs and expenses:										
NGL cost of goods sold	27	31	31	32	121	85	81	101	267	
Marketing cost of goods sold	386	375	397	527	1,685	418	458	605	1,481	
Other cost of goods sold	3	3	10	20	36	7	8	12	27	
Tracked cost of goods sold	—	—	—	—	—	16	10	12	38	
Processing commodity expenses	—	—	—	—	—	30	20	26	76	
Operating and administrative costs	210	216	203	201	830	193	215	200	608	
Tracked operating and administrative costs	—	—	1	1	2	—	1	—	1	
Other segment costs and expenses	(12)	(2)	(1)	15	—	6	10	19	35	
Impairment of certain assets	—	1	1,021	10	1,032	—	—	—	—	
Regulatory charges resulting from Tax Reform	—	—	—	220	220	(7)	—	—	(7)	
Total segment costs and expenses	614	624	1,662	1,026	3,926	748	803	975	2,526	
Proportional Modified EBITDA of equity-method investments	25	18	18	18	79	18	19	25	62	
Modified EBITDA	385	356	(615)	286	412	413	389	412	1,214	
Adjustments	4	16	1,041	195	1,256	(7)	—	12	5	
Adjusted EBITDA	\$ 389	\$ 372	\$ 426	\$ 481	\$ 1,668	\$ 406	\$ 389	\$ 424	\$ 1,219	
NGL margin	\$ 37	\$ 30	\$ 37	\$ 50	\$ 154	\$ 52	\$ 53	\$ 60	\$ 165	

Statistics for Operated Assets

Gathering and Processing

Gathering volumes (Bcf per day) - Consolidated ⁽¹⁾	4.23	4.40	4.62	4.86	4.53	4.58	4.60	4.48	4.55	
Gathering volumes (Bcf per day) - Non-consolidated ⁽²⁾	—	—	—	—	—	—	—	0.15	0.05	
Plant inlet natural gas volumes (Bcf per day) - Consolidated ⁽¹⁾	1.99	2.01	2.11	2.17	2.07	2.16	2.12	2.11	2.13	
Plant inlet natural gas volumes (Bcf per day) - Non-consolidated ⁽²⁾	—	—	—	—	—	—	—	0.12	0.04	
Ethane equity sales (Mbbls/d)	3.00	10.55	10.87	11.90	9.11	19.01	10.23	12.19	13.78	
Non-ethane equity sales (Mbbls/d)	19.52	19.53	20.49	20.80	20.09	19.83	18.80	19.48	19.37	
NGL equity sales (Mbbls/d)	22.52	30.08	31.36	32.70	29.20	38.84	29.03	31.67	33.15	
Ethane margin (\$/gallon)	\$.04	\$.00	\$.02	\$.02	\$.02	\$.01	\$.07	\$.18	\$.07	
Non-ethane margin (\$/gallon)	\$.49	\$.40	\$.45	\$.61	\$.49	\$.69	\$.71	\$.69	\$.69	
NGL margin (\$/gallon)	\$.43	\$.26	\$.30	\$.39	\$.34	\$.35	\$.48	\$.49	\$.44	
Ethane production (Mbbls/d)	8	18	19	26	18	31	26	28	28	
Non-ethane production (Mbbls/d) - Consolidated ⁽¹⁾	55	57	62	63	59	62	61	59	60	
Non-ethane production (Mbbls/d) - Jackalope equity-method investment - 100%	—	—	—	—	—	—	—	5	2	
NGL production (Mbbls/d)	63	75	81	89	77	93	87	92	90	
<i>NGL Transportation volumes (Mbbls) ⁽³⁾</i>	18,338	20,558	21,015	21,424	81,335	21,263	21,334	22,105	64,702	
<i>Northwest Pipeline LLC</i>										
Throughput (Tbtu)	219.0	165.4	156.4	209.1	749.9	226.1	188.1	196.5	610.7	
Avg. daily transportation volumes (Tbtu)	2.4	1.8	1.7	2.3	2.1	2.5	2.1	2.1	2.2	
Avg. daily firm reserved capacity (Tbtu)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	

(1) Excludes volumes associated with equity-method investments that are not consolidated in our results.

(2) Includes 100% of the volumes associated with operated equity-method investments, including the Jackalope Gas Gathering System and Rocky Mountain Midstream.

(3) Includes 100% of the volumes associated with operated equity-method investments, including the Overland Pass Pipeline Company and Rocky Mountain Midstream.

Capital Expenditures and Investments

(UNAUDITED)

(Dollars in millions)	2017					2018				
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year	1st Qtr	2nd Qtr	3rd Qtr	Year	
Capital expenditures:										
Northeast G&P	\$ 58	\$ 81	\$ 173	\$ 101	\$ 413	\$ 114	\$ 104	\$ 114	\$ 332	
Atlantic-Gulf	388	398	371	508	1,665	764	746	549	2,059	
West	57	58	94	76	285	69	74	96	239	
Other	8	8	6	14	36	10	9	10	29	
Total ⁽¹⁾	\$ 511	\$ 545	\$ 644	\$ 699	\$ 2,399	\$ 957	\$ 933	\$ 769	\$ 2,659	
Purchases of investments:										
Northeast G&P	\$ 20	\$ 26	\$ 24	\$ 29	\$ 99	\$ 20	\$ 70	\$ 114	\$ 204	
Atlantic-Gulf	—	1	—	—	1	1	—	5	6	
West	32	—	—	—	32	—	—	593	593	
Total	\$ 52	\$ 27	\$ 24	\$ 29	\$ 132	\$ 21	\$ 70	\$ 712	\$ 803	
Summary:										
Northeast G&P	\$ 78	\$ 107	\$ 197	\$ 130	\$ 512	\$ 134	\$ 174	\$ 228	\$ 536	
Atlantic-Gulf	388	399	371	508	1,666	765	746	554	2,065	
West	89	58	94	76	317	69	74	689	832	
Other	8	8	6	14	36	10	9	10	29	
Total	\$ 563	\$ 572	\$ 668	\$ 728	\$ 2,531	\$ 978	\$ 1,003	\$ 1,481	\$ 3,462	
Capital expenditures incurred and purchases of investments:										
Increases to property, plant, and equipment	\$ 569	\$ 591	\$ 666	\$ 836	\$ 2,662	\$ 934	\$ 930	\$ 618	\$ 2,482	
Purchases of investments	52	27	24	29	132	21	70	712	803	
Total	\$ 621	\$ 618	\$ 690	\$ 865	\$ 2,794	\$ 955	\$ 1,000	\$ 1,330	\$ 3,285	
⁽¹⁾ Increases to property, plant, and equipment	\$ 569	\$ 591	\$ 666	\$ 836	\$ 2,662	\$ 934	\$ 930	\$ 618	\$ 2,482	
Changes in related accounts payable and accrued liabilities	(58)	(46)	(22)	(137)	(263)	23	3	151	177	
Capital expenditures	\$ 511	\$ 545	\$ 644	\$ 699	\$ 2,399	\$ 957	\$ 933	\$ 769	\$ 2,659	

Selected Financial Information

(UNAUDITED)

<i>(Dollars in millions)</i>	2017				2018		
	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>	<i>4th Qtr</i>	<i>1st Qtr</i>	<i>2nd Qtr</i>	<i>3rd Qtr</i>
Selected financial information:							
Cash and cash equivalents	\$ 639	\$ 1,918	\$ 1,172	\$ 899	\$ 1,292	\$ 275	\$ 42
Total assets	\$ 47,512	\$ 48,770	\$ 46,120	\$ 46,352	\$ 47,052	\$ 46,374	\$ 47,153
Capital structure:							
Debt:							
Commercial paper	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 823
Current	\$ —	\$ 1,951	\$ 502	\$ 501	\$ 501	\$ 2	\$ 33
Noncurrent	\$ 21,825	\$ 21,325	\$ 20,567	\$ 20,434	\$ 21,379	\$ 21,313	\$ 21,409
Stockholders' equity	\$ 8,444	\$ 8,306	\$ 8,109	\$ 9,656	\$ 9,473	\$ 9,345	\$ 15,610
Debt to debt-plus-stockholders' equity ratio	72.1%	73.7%	72.2%	68.4%	69.8%	69.5%	58.8%

Reconciliation of "Net Income (Loss)" to "Modified EBITDA", Non-GAAP "Adjusted EBITDA" and "Distributable Cash Flow"

	2018 Guidance			2019 Guidance		
	Low	Mid	High	Low	Mid	High
<i>(Dollars in billions, except coverage ratios)</i>						
Net income (loss)	\$ 0.975	\$ 1.075	\$ 1.175	\$ 1.050	\$ 1.200	\$ 1.350
Provision (benefit) for income taxes		0.260			0.400	
Interest expense		1.100			1.225	
Equity (earnings) losses		(0.375)			(0.450)	
Proportional Modified EBITDA of equity-method investments		0.725			0.825	
Depreciation and amortization expenses and accretion expense associated with asset retirement obligations for nonregulated operations		1.750			1.800	
Modified EBITDA	\$ 4.435	\$ 4.535	\$ 4.635	\$ 4.850	\$ 5.000	\$ 5.150
Adjustments included in Modified EBITDA:						
Constitution Pipeline project development costs		0.002			—	
(Gain) loss on early retirement of debt		0.007			—	
Regulatory charges resulting from Tax Reform		0.004			—	
Share of regulatory charges resulting from Tax Reform for equity-method investments		0.002			—	
Total Adjustments included in Modified EBITDA		0.015			—	
Adjusted EBITDA	\$ 4.450	\$ 4.550	\$ 4.650	\$ 4.850	\$ 5.000	\$ 5.150
Interest expense - net ⁽¹⁾		(1.150)			(1.235)	
Maintenance capital expenditures ⁽²⁾	(0.575)	(0.525)	(0.475)	(0.675)	(0.625)	(0.575)
Cash taxes - (Payment) Benefit		—			0.075	
Income attributable to noncontrolling interests (NCI) and other		(0.125)			(0.115)	
Distributable cash flow (DCF)	\$ 2.600	\$ 2.750	\$ 2.900	\$ 2.900	\$ 3.100	\$ 3.300
Dividends & Distributions paid ⁽³⁾		(1.705)			(1.850)	
Excess cash available after dividends & distributions	\$ 0.895	\$ 1.045	\$ 1.195	\$ 1.050	\$ 1.250	\$ 1.450
Dividend per share		\$ 1.36			\$ 1.52	
Coverage ratio ⁽⁴⁾	1.52x	1.61x	1.70x	1.57x	1.68x	1.78x
<p>(1) Includes proportionate share of interest expense of equity investments.</p> <p>(2) Includes proportionate share of maintenance capital expenditures of equity investments.</p> <p>(3) Includes WPZ distributions to public unitholders for 1Q and 2Q of 2018.</p> <p>(4) Distributable cash flow / Dividends & distributions paid.</p>						

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

2019
Guidance
Midpoint

(Dollars in billions, except per-share amounts)

Net income (loss)	\$	1.200
Less: Net income (loss) attributable to noncontrolling interests		0.115
Net income (loss) attributable to The Williams Companies, Inc.	\$	1.085
Adjustments:		
Adjustments included in Modified EBITDA		—
Adjustments below Modified EBITDA		—
Total adjustments		—
Less tax effect for above items		—
Adjustments for tax related items		—
Adjusted income available to common stockholders	\$	1.085
Adjusted diluted earnings per common share	\$	0.89
Weighted-average shares - diluted (billions)		1.217