NYSE: WMB | williams.com

Williams WE MAKE ENERGY HAPPEN

Bernstein 35th Annual Strategic Decisions Conference

May 30, 2019

Williams is a unique large-scale, low-volatility, growing natural gas infrastructure company with high quality revenues

STABILITY

- Irreplaceable asset base **handling 30%** of low-cost U.S. natural gas supplies
- **Volume-driven, natural gas strategy** drives low volatility in earnings and cash flow
- Large-scale energy company: **~$59 billion enterprise value**(1) with **IG credit ratings**
- 2019 gross margin projected to be **~97% fee-based**
- Met or exceeded Adjusted EBITDA street consensus each of the last **13 quarters**(2)
- **Exceeded midpoint for 2017 and 2018** key guidance metrics

GROWTH

- **Nation's largest and fastest growing interstate natural gas pipeline system, Transco**, with unrivaled proximity to growing Mid-Atlantic, Southeast and Gulf Coast demand centers
- **10-15% Northeast G&P gathered volume CAGR** expected 2018-2021
- **23% Adjusted EPS growth** CAGR expected 2017-2019 despite $5.1B in asset sales since 2016(3)
- Expecting **8% Adjusted EBITDA growth 2018-2019**(3); **5-7% annual Adjusted EBITDA growth longer term** beyond 2019

YIELD & COVERAGE

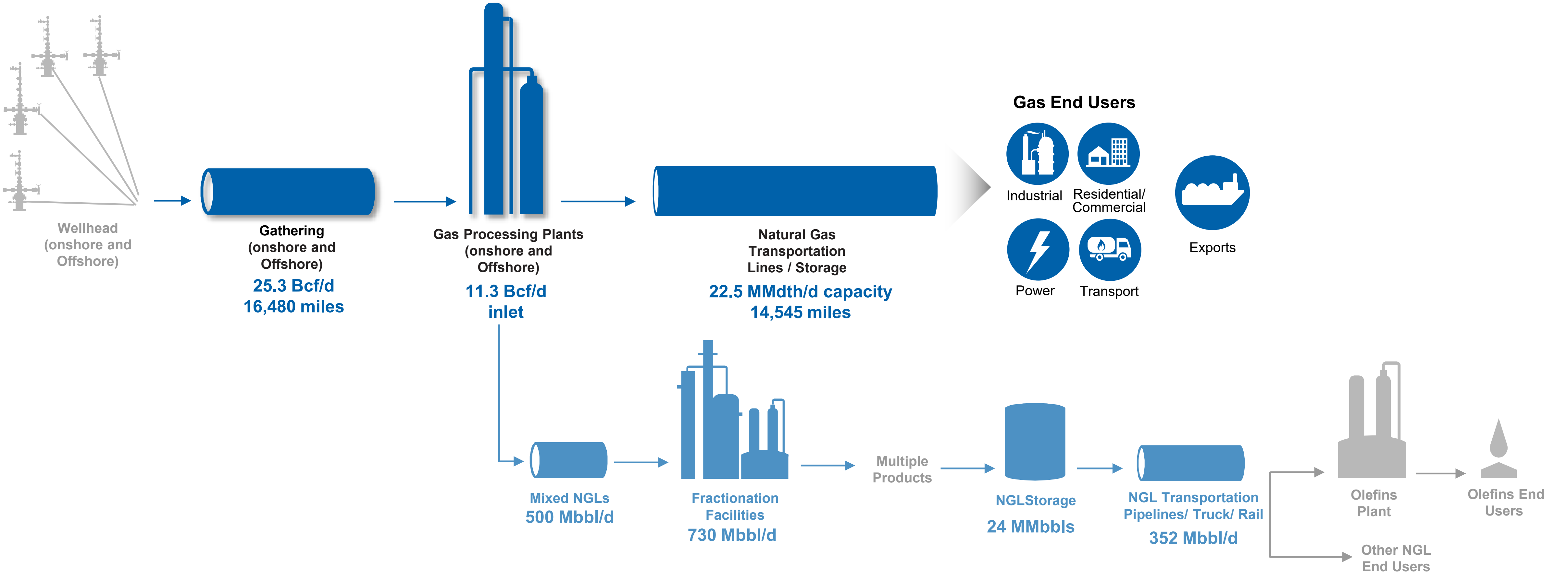
- **Attractive current dividend yield of 5.4%**(1)
- **12.5% dividend growth CAGR 2017-2019**
- Maintaining strong **dividend coverage of ~1.7x** for reinvestment in growth capital opportunities
- **~$1.25 billion excess cash available** after dividends in 2019
- **Deleveraging** through capital discipline, reinvesting cash flow and ongoing portfolio optimization transactions
- **Williams' 11.4x EV / NTM Adjusted EBITDA multiple** below long-term historical peer average of 13.1x(4)

(1) Enterprise value per FactSet as of 3/31/19. Enterprise value includes market capitalization plus total debt and non-controlling interest less cash and cash equivalents. Dividend yield per FactSet 5/20/19.
(2) Williams' adjusted EBITDA exceeded or was within 2% of the consensus estimate for EBITDA in each quarter 1Q 2016–1Q 2019.
(3) WMB 2017-2019 growth rates based on midpoint of guidance. Total asset sales since 2016 excludes $600 million net cash expected at the closing of the Marcellus/Utica JV (see press release dated 03/18/19).
(4) Data as of 3/31/19 per FactSet. Peer average represents EV / NTM Adj. EBITDA multiple from 1Q '13 to 1Q '19 and includes ENB, EPD, ET, KMI, OKE, TRGP and TRP.

Note: This slide contains non-GAAP financial measures. A reconciliation of all non-GAAP financial measures used in this presentation to their nearest GAAP comparable financial measures are included at the back of this presentation.

Consistent strategy focused on natural gas volume growth

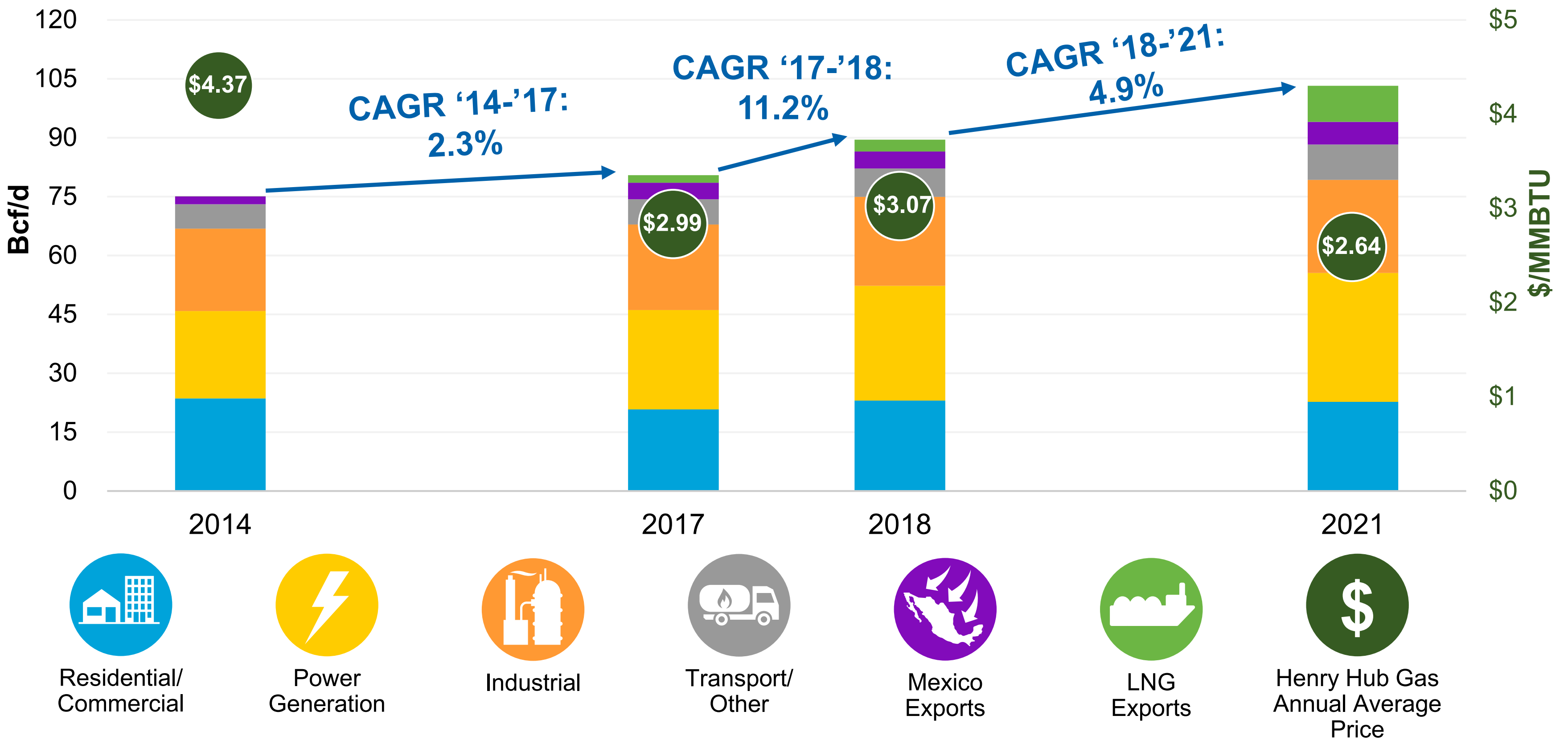
WILLIAMS HANDLES ~30% OF U.S. NATURAL GAS VOLUMES



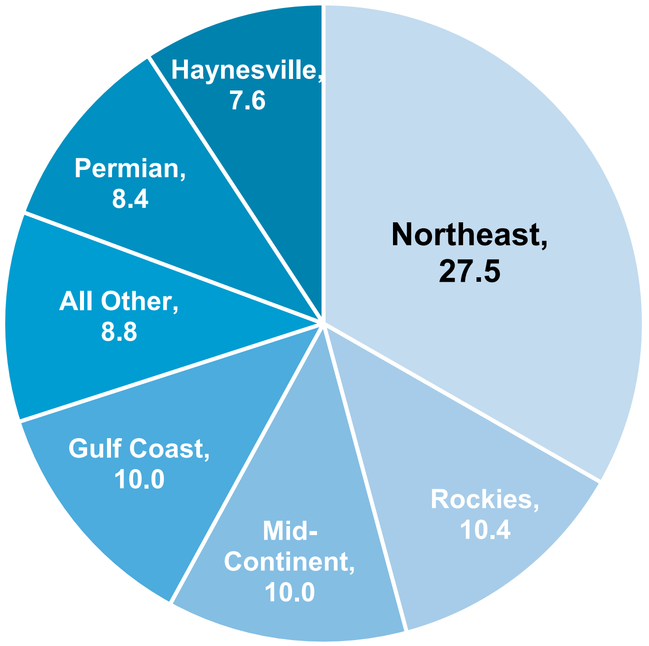
Source: Figures represent 100% capacity for operated and non-operated assets, including those in which Williams has a share of ownership. All data as of December 31, 2018.

Robust domestic and global natural gas demand forecasts continue to rise, reaching 103 Bcf/d by 2021

UNITED STATES NATURAL GAS DEMAND BY SECTOR (2014–2021)



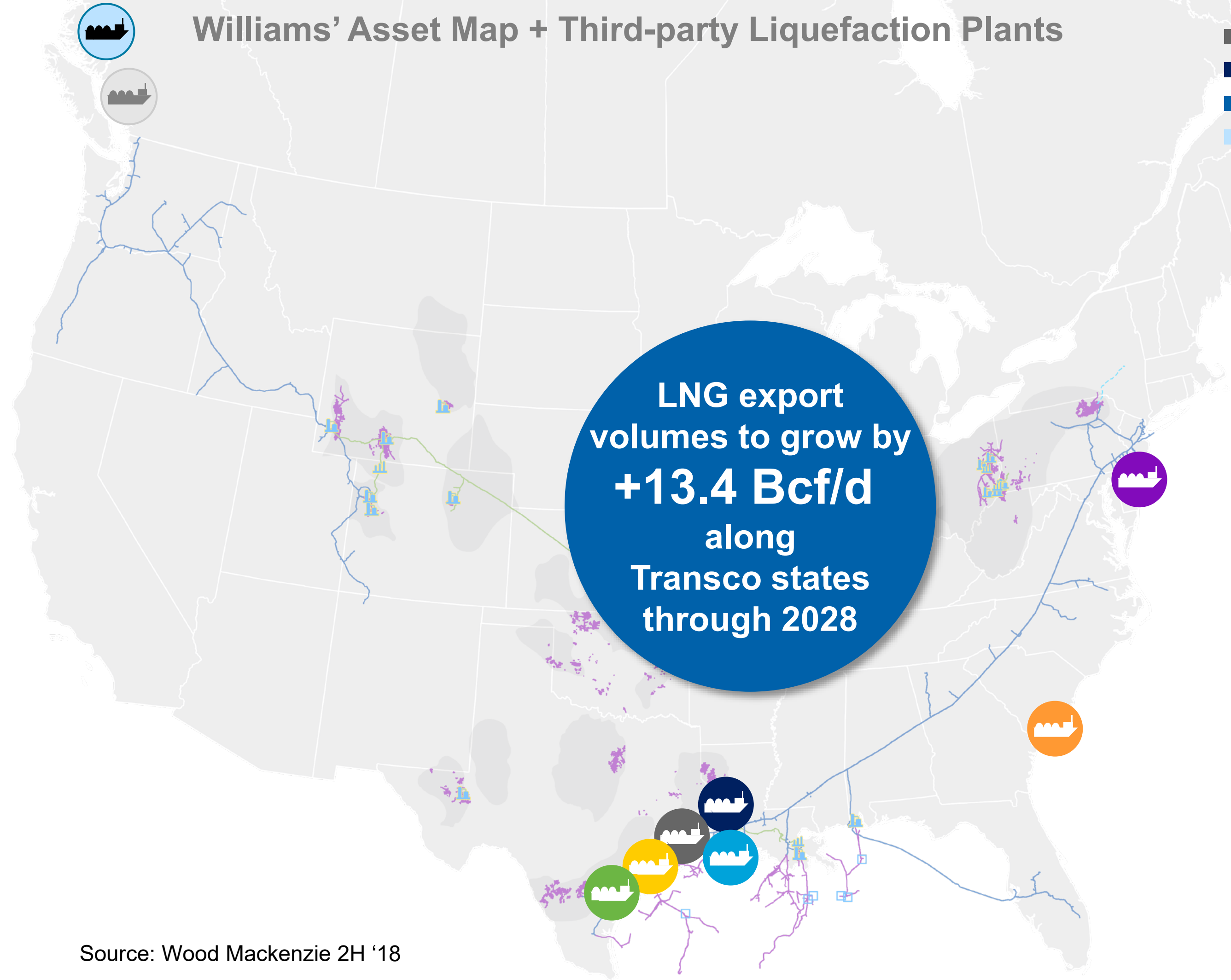
2018 UNITED STATES PRODUCTION BY REGION IN BCF/D

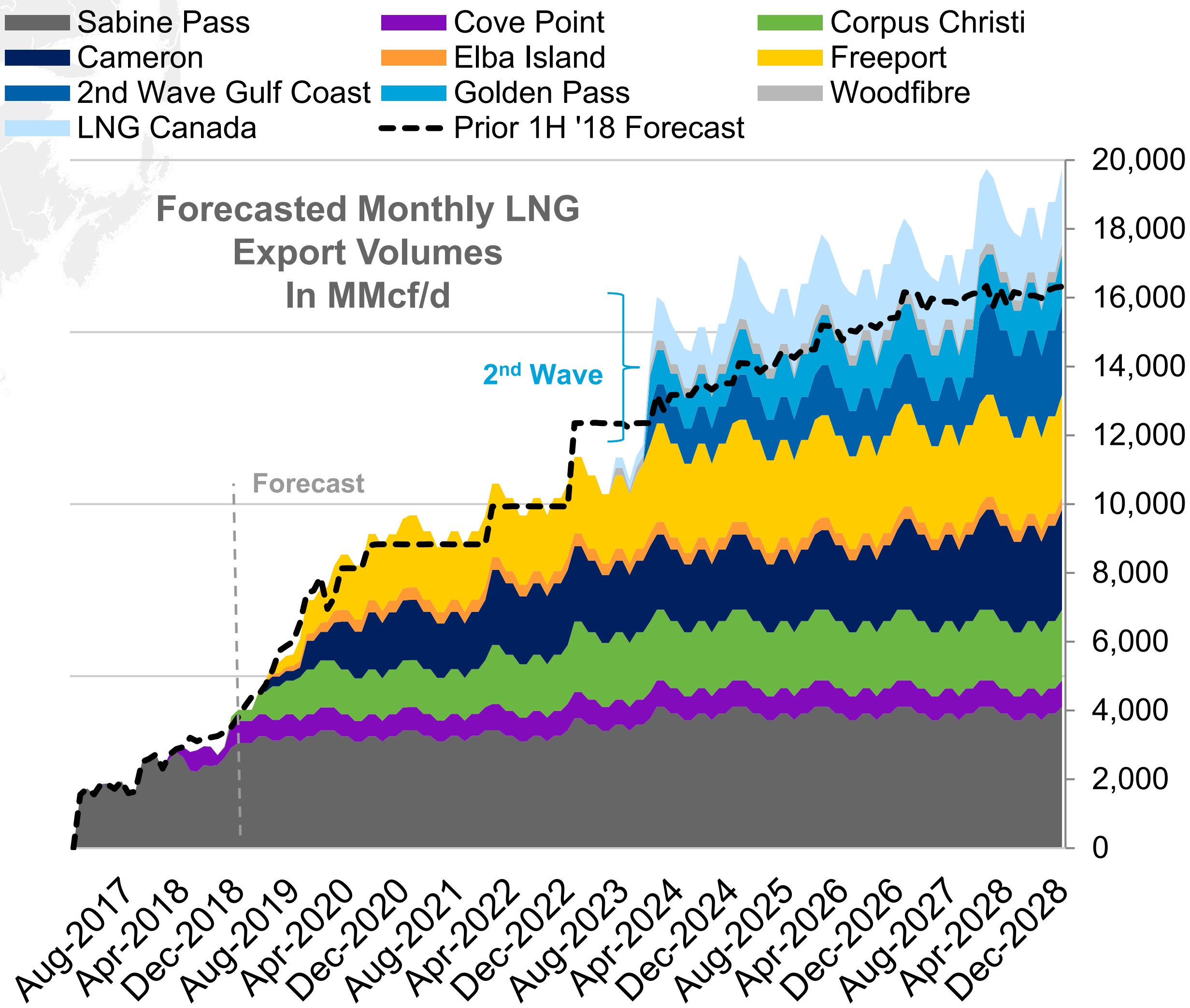


Sources: Wood Mackenzie 2H '18 for demand & production; U.S. Energy Information Administration for price history; NYMEX for forward curves as of 2-18-19

2nd wave of U.S. LNG export projects expected to drive an additional 6 Bcf/d of growth through 2028

Williams’ Asset Map + Third-party Liquefaction Plants

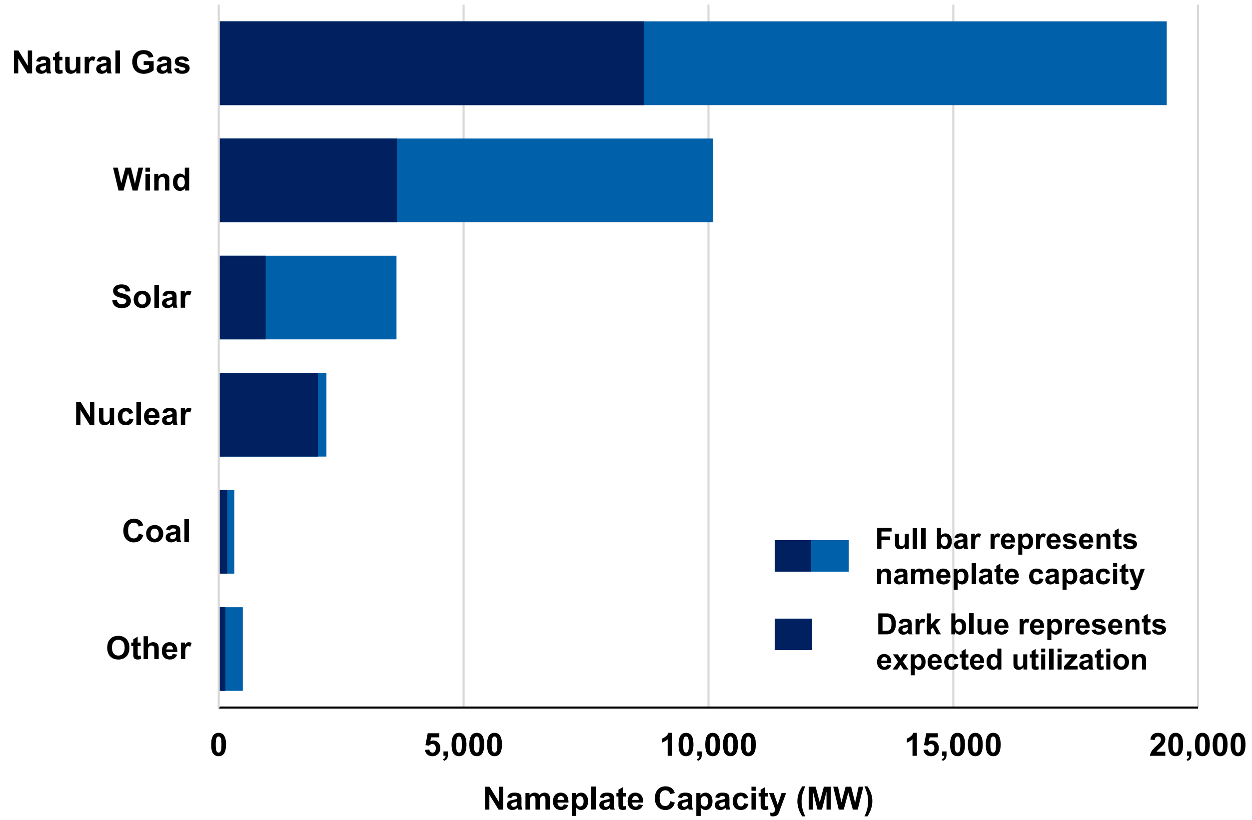




Source: Wood Mackenzie 2H ‘18

Natural gas continues to be the preferred fuel type for new power generation projects in the United States, followed by renewables

Power Generation Projects Under Construction by Fuel Type



Source: U.S. Energy Information Administration

Fuel Type of Choice

- Carbon intensity from the U.S. power sector **fell by ~25% since 2008** as natural gas displaced other fossil fuels in power generation
- Capacity added by natural gas-fired power generation projects **greater than all other sources combined**

Partnering with Renewables

- As states make strides toward **renewable power**, it is vital for **natural gas-fired** generation to follow as a backup fuel to ensure **grid reliability**
- Natural gas **pipeline capacity** is increasingly **valuable** as more capacity will be needed to support the **intermittent nature** of renewable power

Growth capital projects across the portfolio

	2018	2019	2020	2021	2022+
DEMAND DRIVEN	> Transco – Atlantic Sunrise 1.7 MMDth/d; $2.6B > Transco – Garden State 180 MDth/d; $116MM	> Northwest Pipeline – North Seattle Lateral Upgrade 159 MDth/d; $47MM > Transco – Gulf Connector 475 MDth/d; $167MM > Transco – St. James Supply 162 MDth/d; $34MM > Transco – Rivervale South to Market 190 MDth/d; $128MM > Transco – Rate Case	> Transco – Hillabee Phase 2 206 MDth/d > Transco – Gateway 65 MDth/d: $85MM > Transco – Southeastern Trail 296 MDth/d: $405MM > Transco – Emissions Reduction Program; $1.2B over 5 years	> Transco – Emissions Reduction Program > Transco – Northeast Supply Enhancement 400 MDth/d: $927MM	> Transco – Leidy South 580 MDth/d > Transco – Pursuing 20+ expansion opportunities including “Project 1” from Analyst Day, Emissions Reduction Program, Regional Energy Access 1.0 MMDth/d > Gulfstream - Phase VI 78 MDth/d
SUPPLY DRIVEN	> Atlantic Gulf Deepwater – Stampede > Northeast G&P – Susquehanna Gathering Expansion 700 MMcf/d	> West – DJ Processing Plants – 425 MMcf/d (Ft. Lupton III – 200 & Keenesburg I – 225) > West – Wamsutter – High Point, Hansen Lake & Echo Springs G&P Expansions > Northeast G&P – Rich Gas Growth Driving Oak Grove Expansions & Harrison Hub C3+ Pipeline > Northeast G&P – Susquehanna Gathering Expansion 500 MMcf/d > Atlantic Gulf Deepwater – Shell Appomattox (Norphlet Pipeline option), Lucius-Hadrian North & Buckskin	> Northeast G&P – Susquehanna Gathering Expansion 300 MMcf/d > Northeast G&P – Bradford Gathering Expansion 500 MMcf/d > West – DJ Processing Plant 225 MMcf/d (Keenesburg II)	> West – Bluestem NGL Pipeline > West – DJ Processing Plants 225 MMcf/d (Milton I)	> West – DJ Processing Plants 225 MMcf/d (Milton II) > Northeast G&P – Rich Gas Growth Driving Additional Oak Grove Expansions > Atlantic Gulf Deepwater – Additional Tie-backs: Whale, Ballymore, Tigris, Mexico Perdido & others

Green = In-service; Black = In Progress; Blue = Potential/Under Negotiation

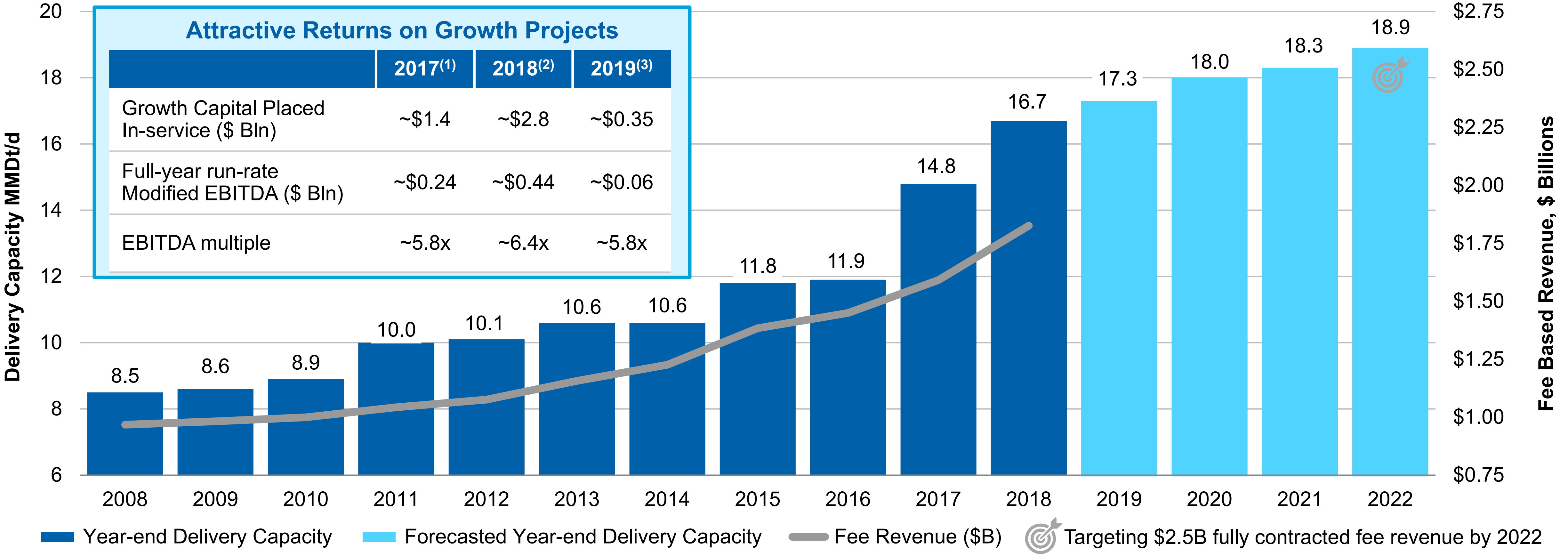
Note: Project cost estimates per initial FERC filings

Fully-contracted Transco expansions provide clear visibility into forecasted revenue

TRANSCO FULLY-CONTRACTED YEAR-END DELIVERY CAPACITY AND FEE-BASED REVENUE

Attractive Returns on Growth Projects

	2017[1]	2018[2]	2019[3]
Growth Capital Placed In-service ($ Bln)	~$1.4	~$2.8	~$0.35
Full-year run-rate Modified EBITDA ($ Bln)	~$0.24	~$0.44	~$0.06
EBITDA multiple	~5.8x	~6.4x	~5.8x



(1) Includes Gulf Trace, Hillabee (Ph. 1), Dalton, NY Bay Expansion, Virginia Southside II, Garden State I
(2) Includes Garden State II, Atlantic Sunrise
(3) Includes Gulf Connector, St. James Supply, Rivervale South to Market

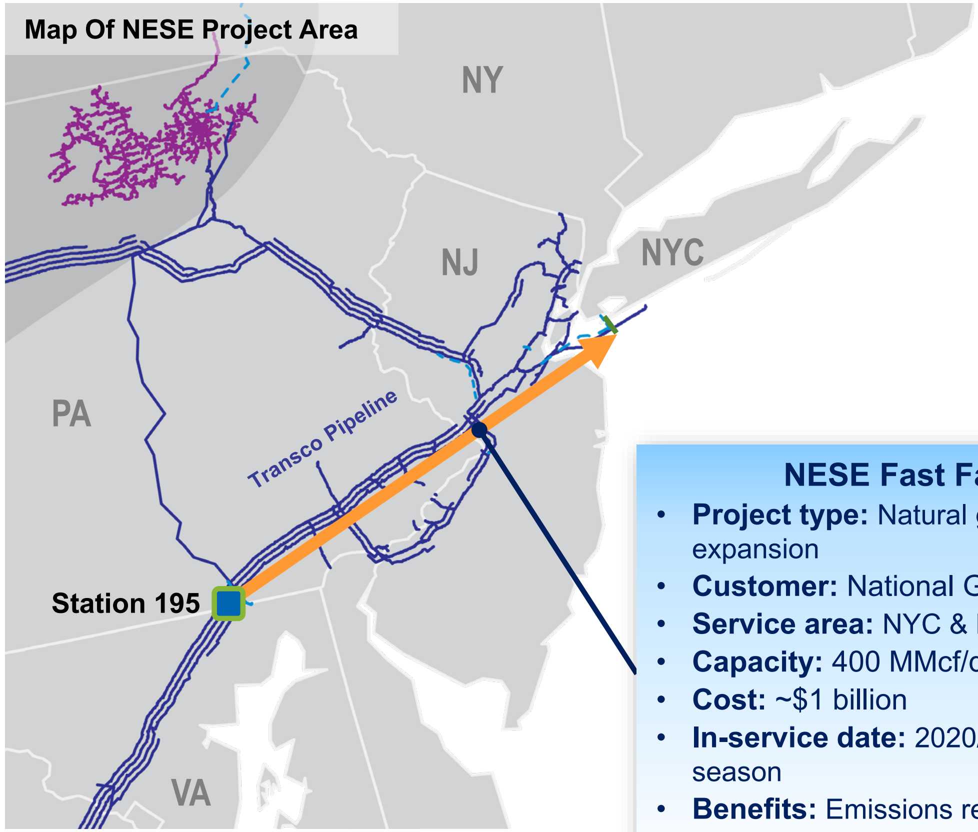
Applying a data-driven approach to NESE advocacy

Northeast Supply Enhancement (NESE)

> **DATA-DRIVEN ADVOCACY:**
- Analyzed data to pinpoint compelling narratives and segments of supporters to help communicate the importance of NESE
- Engaged unique allies to partner on project advocacy at an early stage
- Created a process to manage and monitor stakeholder engagement and support levels

> **ENVIRONMENTAL BENEFITS:**
- Supports conversion from heating oil to cleaner natural gas in National Grid's service area, allowing its customers to reduce local air emissions
- CO_2 emissions will ultimately be reduced by 200,000 tons per year – equivalent to removing 500,000 cars from the road per year

> **PROJECT PERMITTING STATUS:**
- Filed a new Clean Water Act Section 401 Water Quality Certification application on May 17th to further address the NYSDEC's discrete technical concerns raised on May 15th
- Confident that the project will be completed in time for 2020/2021 winter season



NESE Fast Facts
- **Project type:** Natural gas pipeline expansion
- **Customer:** National Grid
- **Service area:** NYC & Long Island
- **Capacity:** 400 MMcf/d
- **Cost:** ~$1 billion
- **In-service date:** 2020/2021 winter season
- **Benefits:** Emissions reductions, reliable & low-cost energy source, job creation, increased economic activity

(1) Consistent with Williams' practice for financial planning, the capital cost and in-service target are further risked to $1 billion and May 2020

Northeast G&P: Large footprint with room to grow

OVM & UEOM JV

- 2.1 Bcf/d of gathering capacity in dry/rich gas
- 1.5 Bcf/d of processing capacity
- 274,000 bpd fractionation and de-ethanization capacity

LMM & Marcellus South

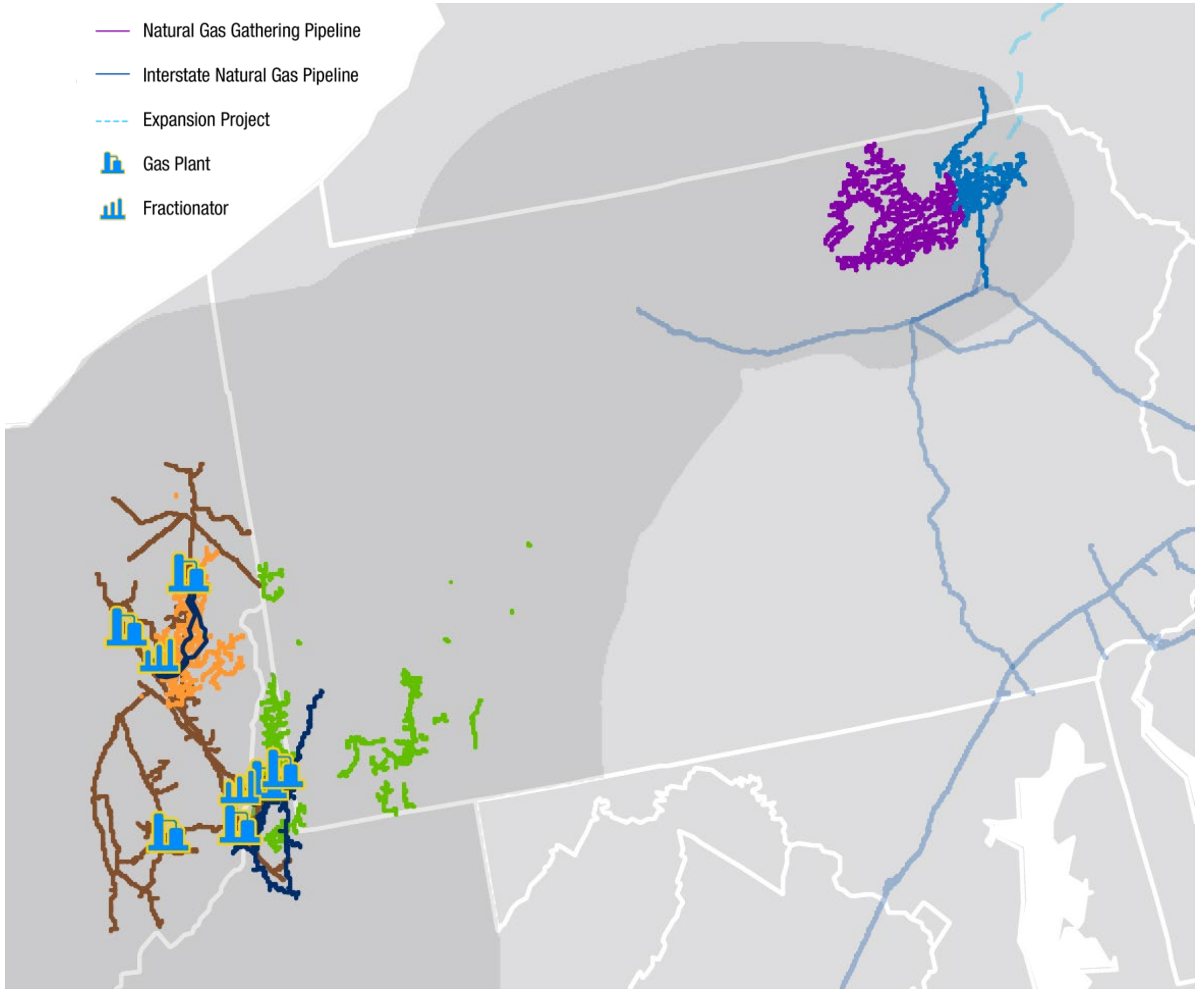
- Laurel Mountain Midstream
- Marcellus South

- 1.6 Bcf/d of gathering capacity in dry/rich gas

UTICA(1)

- Cardinal Gathering(2)
- Flint Gathering

- 1.4 Bcf/d of gathering capacity in dry/rich gas



SUSQUEHANNA SUPPLY HUB

- 3.6 Bcf/d of gathering capacity in dry gas

BRADFORD SUPPLY HUB(2)

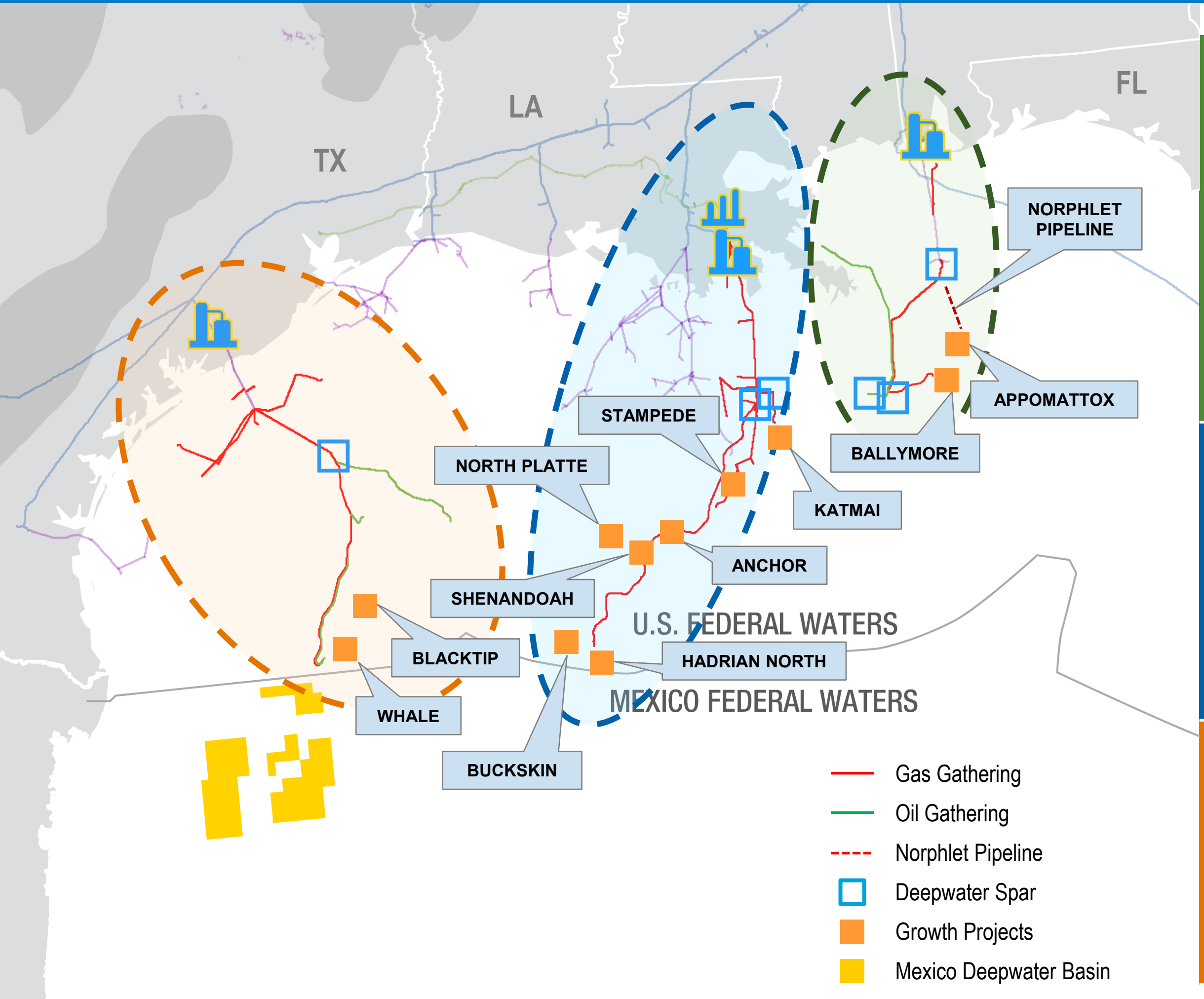
- 3.7 Bcf/d of gathering capacity in dry gas

BLUE RACER MIDSTREAM(3)

- 720+ miles of gathering pipeline in dry/rich gas
- 800 MMcf/d of processing capacity
- 134,000 bpd fractionation capacity
- 260 miles of NGL and condensate transport

(1) Gathering and processing statistics for Utica Supply Hub do not include Blue Racer; (2) Primarily cost-of-service based contracts; (3) Non-operated joint venture

Gulf of Mexico: Substantial discoveries in close proximity to existing assets expected to facilitate long-term growth



Gulf East

Norphlet pipeline purchase option closed as Shell brought first production on line May 23, 2019

- Appomattox is first commercial discovery brought into production in the Norphlet formation; long-term growth expected
  - Producer expected reserves: 650 MMboe
  - Producer expected peak production: 175 Mboe/d
- Other opportunities include Chevron/Total Ballymore discovery 3 miles from Blind Faith
  - Largest discovery by Total in the GOM, with more than 670 ft of net oil pay

Discovery

>1 TCF of gas discoveries within reach of KCC

- Hadrian North, Buckskin, Stampede dedications
  - Combined additional reserves: 150 Bcf
  - Stampede on line May 2018. Hadrian North and Buckskin target in-service dates: 2Q 2019
- Opportunities include discoveries at Anchor, Shenandoah, Katmai and North Platte

Gulf West

Only existing Oil & Gas pipelines near active Western Gulf exploration

- Current opportunities include Shell Whale & Blacktip (15 miles from existing pipelines) and Mexico Perdido discoveries
  - Shell Whale: One of Shell's largest finds in the GOM in the past decade, with over 1,400 feet of oil pay

Sources: Chevron 1/30/2018 Ballymore Press Release, Total 1/31/2018 Ballymore Press Release, Shell 1/31/2018 Whale Press Release, Shell 5/23/19 Norphlet press release

Fee-based business structure reinforces stability in cash flows

~97% of 2019 Gross Margin from Fee-based Sources

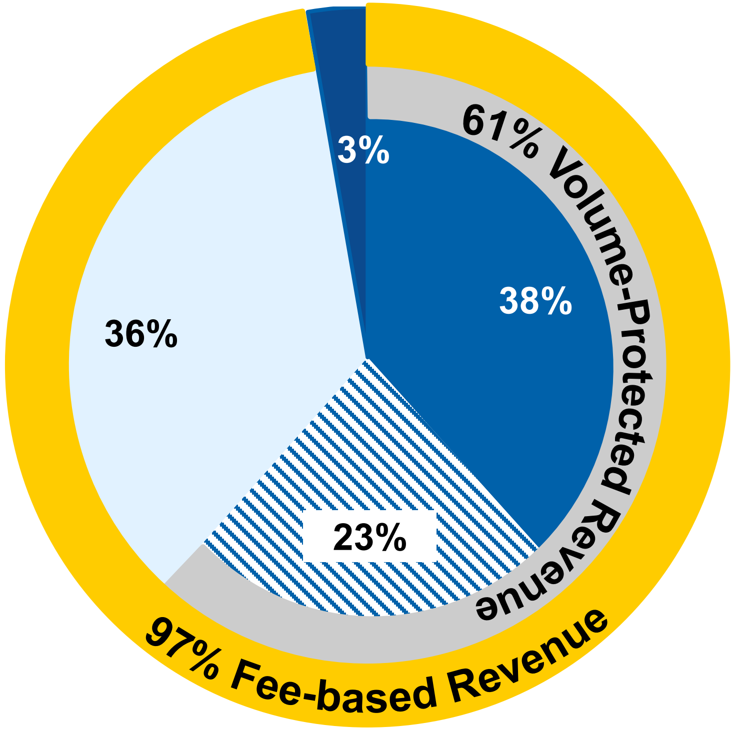
2019 Gross Margin[(1)]

3% NGL and Other Commodity Exposure

- Reduced commodity exposure with sale of Four Corners Area assets

36% Volume-driven Non-regulated Fee-based Revenue

- Volume-driven fee-based contracts for gathering, processing, NGL and oil transportation and other non-regulated services
- Some contracts include escalation provisions



38% Regulated Gas Pipeline Fee-based Revenue

- Fully contracted demand charge revenue
- Attractive positions exposed to growth

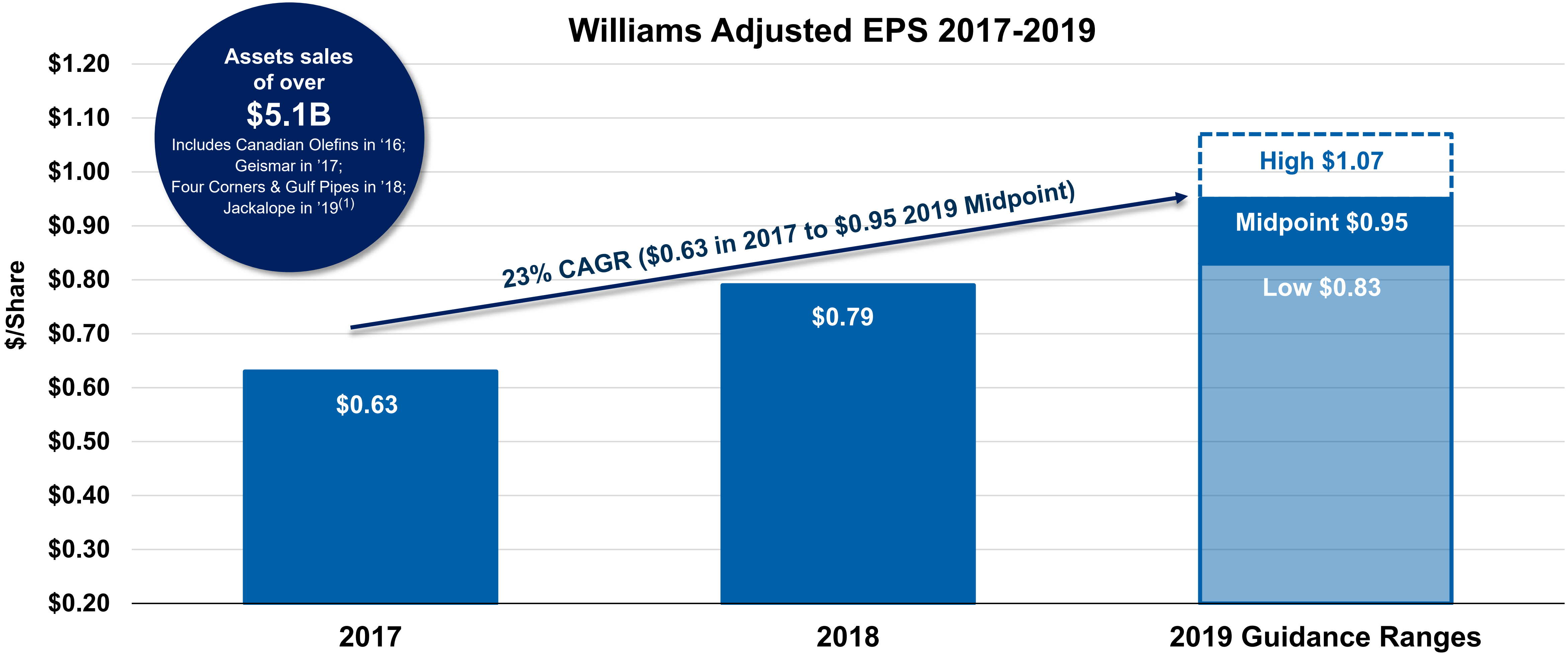
23% Volume-protected Non-regulated Fee-based Revenue

- Mix of capacity payments, Minimum Volume Commitments (MVCs)[(2)] and Cost of Service agreements

(1) Includes our proportional ownership of the gross margin of our equity method investments. Excludes certain regulated revenues, which are related to tracked operating costs.

(2) MVC revenue includes revenue level guaranteed by MVC and excludes any revenue on volumes exceeding MVC. MVC revenue also includes amortization of upfront payments associated with canceled MVCs.

Steady and predictable growth despite assets sales and commodity price volatility



(1) Note over $2B in book gains are removed from Adjusted EPS. Total asset sales since 2016 excludes $600 million net cash expected at the closing of the Marcellus/Utica JV (see press release dated 03/18/19).

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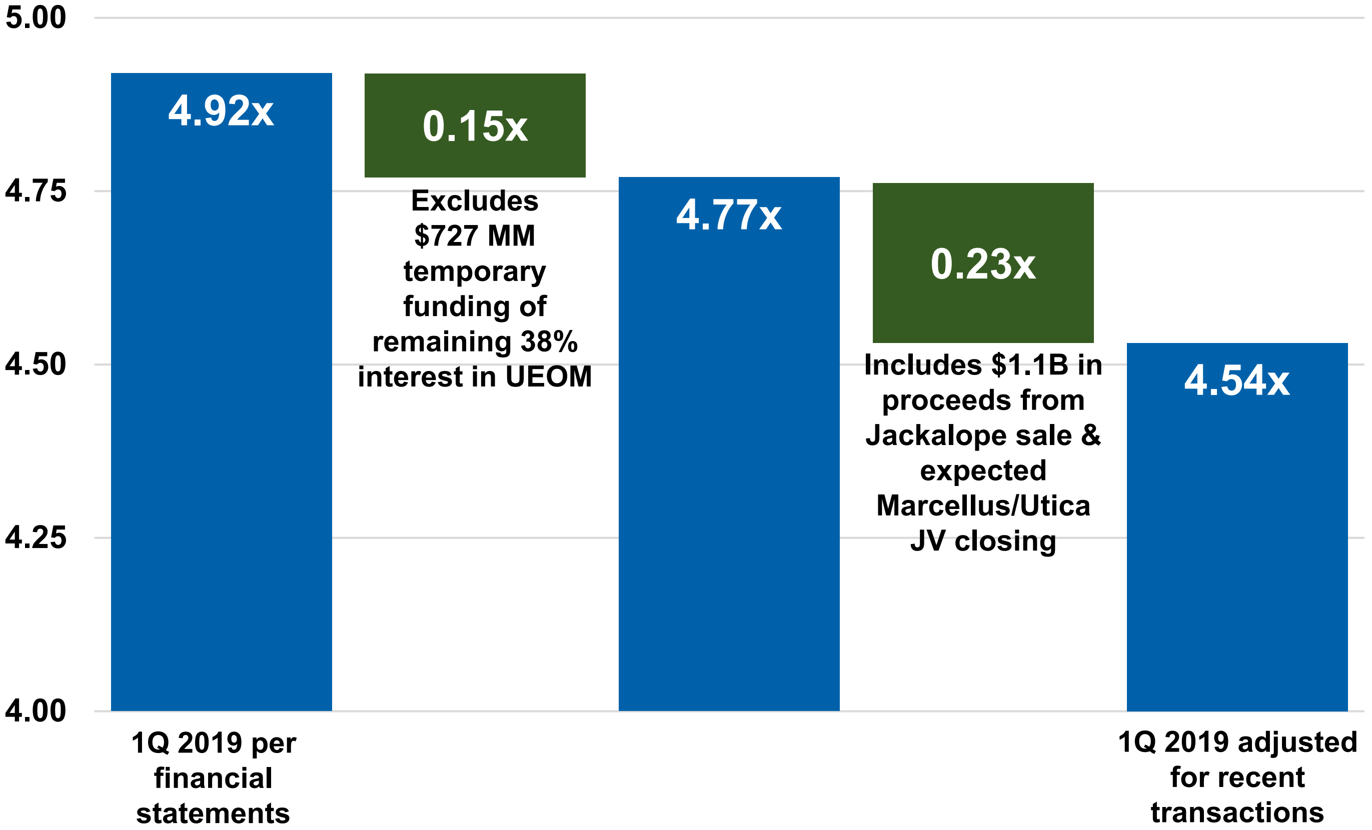
Recent transactions accelerate debt reduction

WMB 1Q ‘19 DEBT-TO-ADJUSTED EBITDA[1]



DELEVERAGING TRANSACTIONS

MARCELLUS/UTICA JV:

- Acquired remaining 38% interest in UEOM for $727 million
- Signed agreement for a new joint venture (JV) with partner CPPIB, includes UEOM and OVM assets
- Expect to receive $1.34 billion from JV partner for its 35% interest

JACKALOPE GAS GATHERING SALE:

- Completed sale of our 50% interest in Jackalope for $485 million
- Using proceeds for debt reduction and funding extensive portfolio of growth capital

[1]Book Debt-to-Adjusted EBITDA ratio does not represent leverage ratios measured for WMB credit agreement compliance or leverage ratios as calculated by the major credit ratings agencies. Consolidated debt is net of cash on hand and Adjusted EBITDA reflects the sum of the last four quarters. The 4.54x number is not reduced by lost Adjusted EBITDA resulting from the Jackalope Gas Gathering sale.

Making affordable, cleaner fuels available to communities

Sustainability Report

Summer 2019

- Performing **better than industry benchmark** for Total Recordable Injury Rate
- Maintaining **positive relationships** with nearly **85,000 landowners** across the United States
- Advancing **socially and environmentally** responsible projects such as NESE
- **Reduced methane emissions** from gas processing plants and transmission compressor stations more than **53% since 2012**
- Transco Emissions Reduction Program projected to **reduce nitrogen oxide emissions** by an estimated **72%**

Williams is a unique large-scale, low-volatility, growing natural gas infrastructure company with high quality revenues

- **Volume-driven, natural gas strategy** built on irreplaceable asset base **handling 30%** of low-cost U.S. natural gas supplies
- **Competitively advantaged natural gas infrastructure positions** generating abundant organic growth opportunities with **attractive returns**
- **Stable and predictable** fee-based cash flows driving expected **8% Adjusted EBITDA growth 2018-2019**(1); **5-7% annual Adjusted EBITDA growth longer term** beyond 2019
- Attractive current **dividend yield** of **5.4%**(1)
- **12.5% dividend growth CAGR 2017-2019;** maintaining strong **dividend coverage of ~1.7x** for reinvestment in growth capital opportunities
- **Deleveraging** through capital discipline, reinvesting cash flow, and ongoing portfolio optimization transactions

(1) Data and estimates per FactSet as of 5/20/19. WMB 2017-2019 growth rates based on midpoint of guidance.
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Forward Looking Statements

Forward-looking statements

- **The reports, filings, and other public announcements of The Williams Companies, Inc. (Williams) may contain or incorporate by reference statements that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). These forward-looking statements relate to anticipated financial performance, management's plans and objectives for future operations, business prospects, outcome of regulatory proceedings, market conditions, and other matters. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included herein that address activities, events or developments that we expect, believe or anticipate will exist or may occur in the future, are forward-looking statements. Forward-looking statements can be identified by various forms of words such as "anticipates," "believes," "seeks," "could," "may," "should," "continues," "estimates," "expects," "forecasts," "intends," "might," "goals," "objectives," "targets," "planned," "potential," "projects," "scheduled," "will," "assumes," "guidance," "outlook," "in-service date" or other similar expressions. These forward-looking statements are based on management's beliefs and assumptions and on information currently available to management and include, among others, statements regarding:**
  - Levels of dividends to Williams stockholders;
  - Future credit ratings of Williams and its affiliates;
  - Amounts and nature of future capital expenditures;
  - Expansion and growth of our business and operations;
  - Expected in-service dates for capital projects;
  - Financial condition and liquidity;
  - Business strategy;
  - Cash flow from operations or results of operations;
  - Seasonality of certain business components;
  - Natural gas and natural gas liquids prices, supply, and demand;
  - Demand for our services.

Forward-looking statements (cont'd)

> **Forward-looking statements are based on numerous assumptions, uncertainties and risks that could cause future events or results to be materially different from those stated or implied herein. Many of the factors that will determine these results are beyond our ability to control or predict. Specific factors that could cause actual results to differ from results contemplated by the forward-looking statements include, among others, the following:**

- Whether we are able to pay current and expected levels of dividends;
- Whether we will be able to effectively execute our financing plan;
- Availability of supplies, market demand, and volatility of prices;
- Inflation, interest rates, and general economic conditions (including future disruptions and volatility in the global credit markets and the impact of these events on customers and suppliers);
- The strength and financial resources of our competitors and the effects of competition;
- Whether we are able to successfully identify, evaluate and timely execute our capital projects and investment opportunities;
- Our ability to acquire new businesses and assets and successfully integrate those operations and assets into existing businesses as well as successfully expand our facilities, and to consummate asset sales on acceptable terms;
- Development and rate of adoption of alternative energy sources;
- The impact of operational and developmental hazards and unforeseen interruptions;
- The impact of existing and future laws and regulations, the regulatory environment, environmental liabilities, and litigation, as well as our ability to obtain necessary permits and approvals, and achieve favorable rate proceeding outcomes;
- Our costs and funding obligations for defined benefit pension plans and other postretirement benefit plans;
- Changes in maintenance and construction costs as well as our ability to obtain sufficient construction related inputs including skilled labor;
- Changes in the current geopolitical situation;
- Our exposure to the credit risk of our customers and counterparties;
- Risks related to financing, including restrictions stemming from debt agreements, future changes in credit ratings as determined by nationally recognized credit rating agencies and the availability and cost of capital;
- The amount of cash distributions from and capital requirements of our investments and joint ventures in which we participate;

Forward-looking statements (cont'd)

- Risks associated with weather and natural phenomena, including climate conditions and physical damage to our facilities;
- Acts of terrorism, cybersecurity incidents, and related disruptions;
- Additional risks described in our filings with the Securities and Exchange Commission (SEC).

> **Given the uncertainties and risk factors that could cause our actual results to differ materially from those contained in any forward-looking statement, we caution investors not to unduly rely on our forward-looking statements. We disclaim any obligations to and do not intend to update the above list or announce publicly the result of any revisions to any of the forward-looking statements to reflect future events or developments.**

> **In addition to causing our actual results to differ, the factors listed above and referred to below may cause our intentions to change from those statements of intention set forth herein. Such changes in our intentions may also cause our results to differ. We may change our intentions, at any time and without notice, based upon changes in such factors, our assumptions, or otherwise.**

> **Because forward-looking statements involve risks and uncertainties, we caution that there are important factors, in addition to those listed above, that may cause actual results to differ materially from those contained in the forward-looking statements. For a detailed discussion of those factors, see Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K filed with the SEC on February 21, 2019.**

Williams

Non-GAAP Reconciliations

Non-GAAP Disclaimer

- This presentation may include certain financial measures – adjusted EBITDA, adjusted income (“earnings”), adjusted earnings per share, distributable cash flow and dividend coverage ratio – that are non-GAAP financial measures as defined under the rules of the Securities and Exchange Commission.
- Our segment performance measure, modified EBITDA is defined as net income (loss) before income (loss) from discontinued operations, income tax expense, net interest expense, equity earnings from equity-method investments, other net investing income, remeasurement gain on equity-method investment, impairment of equity investments and goodwill, depreciation and amortization expense, and accretion expense associated with asset retirement obligations for nonregulated operations. We also add our proportional ownership share (based on ownership interest) of modified EBITDA of equity-method investments.
- Adjusted EBITDA further excludes items of income or loss that we characterize as unrepresentative of our ongoing operations. Management believes this measure provides investors meaningful insight into results from ongoing operations.
- Distributable cash flow is defined as adjusted EBITDA less maintenance capital expenditures, cash portion of net interest expense, income attributable to or dividends/distributions paid to noncontrolling interests and cash income taxes, and certain other adjustments that management believes affects the comparability of results. Adjustments for maintenance capital expenditures and cash portion of interest expense include our proportionate share of these items of our equity-method investments. We also calculate the ratio of distributable cash flow to the total cash dividends paid (dividend coverage ratio). This measure reflects Williams’ distributable cash flow relative to its actual cash dividends paid.
- This presentation is accompanied by a reconciliation of these non-GAAP financial measures to their nearest GAAP financial measures. Management uses these financial measures because they are accepted financial indicators used by investors to compare company performance. In addition, management believes that these measures provide investors an enhanced perspective of the operating performance of assets and the cash that the business is generating.
- Neither adjusted EBITDA, adjusted income, nor distributable cash flow are intended to represent cash flows for the period, nor are they presented as an alternative to net income or cash flow from operations. They should not be considered in isolation or as substitutes for a measure of performance prepared in accordance with United States generally accepted accounting principles.

Reconciliation of Income (Loss) Attributable to The Williams Companies, Inc. to Adjusted Income-2017

	2017				
(Dollars in millions, except per-share amounts)	*1st Qtr*	*2nd Qtr*	*3rd Qtr*	*4th Qtr*	*Year*
Income (loss) attributable to The Williams Companies, Inc. available to common stockholders	$ 373	$ 81	$ 33	$ 1,687	$ 2,174
Income (loss) - diluted earnings (loss) per common share	$ .45	$ .10	$ .04	$ 2.03	$ 2.62
Adjustments:					
Northeast G&P					
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
Total Northeast G&P adjustments	1	1	131	7	140
Atlantic-Gulf					
Constitution Pipeline project development costs	2	6	4	4	16
Settlement charge from pension early payout program	—	—	—	15	15
Regulatory adjustments resulting from Tax Reform	—	—	—	493	493
Benefit of regulatory asset associated with increase in Transco's estimated deferred state income tax rate following WPZ Merger	—	—	—	—	—
Share of regulatory charges resulting from Tax Reform for equity-method investments	—	—	—	11	11
Organizational realignment-related costs	1	2	2	1	6
Gain on sale of certain Gulf Coast pipeline assets	—	—	—	—	—
(Gain) loss on asset retirement	—	—	(5)	5	—
Total Atlantic-Gulf adjustments	3	8	1	529	541
West					
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
Charge for regulatory liability associated with the decrease in Northwest Pipeline's estimated deferred state income tax rates following WPZ Merger	—	—	—	—	—
Gain on sale of Four Corners assets	—	—	—	—	—
Gains from contract settlements and terminations	(13)	(2)	—	—	(15)
Total West adjustments	4	16	1,041	195	1,256

Reconciliation of Income (Loss) Attributable to The Williams Companies, Inc. to Adjusted Income-2017 (con't)

(Dollars in millions, except per-share amounts)	2017 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year
Other					
(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)
Impairment of certain assets	—	23	68	—	91
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
Benefit of regulatory assets associated with increase in Transco's estimated deferred state income tax rate following WPZ Merger	—	—	—	—	—
WPZ Merger costs	—	—	—	—	—
Gain on sale of certain Gulf Coast pipeline systems	—	—	—	—	—
Charitable contribution of preferred stock to Williams Foundation	—	—	—	—	—
Total Other adjustments	(13)	29	(999)	111	(872)
Adjustments included in Modified EBITDA	(5)	54	174	842	1,065
Adjustments below Modified EBITDA					
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	—	—	—	—	—
Investment impairment	—	—	—	—	—
Gain on deconsolidation of certain Permian assets	—	—	—	—	—
Allocation of adjustments to noncontrolling interests	77	(10)	(28)	(199)	(160)
	(199)	(10)	(28)	(190)	(427)
Total adjustments	(204)	44	146	652	638
Less tax effect for above items	77	(17)	(55)	(246)	(241)
Adjustments for tax-related items (1)	(127)	—	—	(1,923)	(2,050)
Adjusted income available to common stockholders	$ 119	$ 108	$ 124	$ 170	$ 521
Adjusted diluted earnings per common share (2)	$ .14	$ .13	$ .15	$ .20	$ .63
Weighted-average shares - diluted (thousands)	826,476	828,575	829,368	829,607	828,518

(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.

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

(Dollars in millions, except per-share amounts)	2018 1st Qtr	2018 2nd Qtr	2018 3rd Qtr	2018 4th Qtr	2018 Year	2019 1st Qtr
Income (loss) attributable to The Williams Companies, Inc. available to common stockholders	$ 152	$ 135	$ 129	$ (572)	$ (156)	$ 194
Income (loss) - diluted earnings (loss) per common share	$ .18	$ .16	$ .13	$ (.47)	$ (.16)	$ .16
Adjustments:						
Northeast G&P						
Expenses associated with new venture	$ —	$ —	$ —	$ —	$ —	$ 3
Settlement charge from pension early payout program	—	—	—	4	4	—
Total Northeast G&P adjustments	—	—	—	4	4	3
Atlantic-Gulf						
Constitution Pipeline project development costs	2	1	1	—	4	—
Settlement charge from pension early payout program	—	—	—	7	7	—
Regulatory adjustments resulting from Tax Reform	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	2	—	—	—	2	—
Gain on sale of certain Gulf Coast pipeline assets	—	—	—	(81)	(81)	—
Gain on asset retirement	—	—	(10)	(2)	(12)	—
Total Atlantic-Gulf adjustments	15	(19)	(12)	(76)	(92)	—
West						
Impairment of certain assets	—	—	—	1,849	1,849	12
Settlement charge from pension early payout program	—	—	—	6	6	—
Regulatory adjustments resulting from Tax Reform	(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	—
Gain on sale of Four Corners assets	—	—	—	(591)	(591)	2
Total West adjustments	(7)	—	12	1,264	1,269	14

Reconciliation of Income (Loss) Attributable to The Williams Companies, Inc. to Adjusted Income (con't)

(Dollars in millions, except per-share amounts)	2018 *1st Qtr*	2018 *2nd Qtr*	2018 *3rd Qtr*	2018 *4th Qtr*	2018 *Year*	2019 *1st Qtr*
<u>Other</u>						
Loss on early retirement of debt	7	—	—	—	7	—
Impairment of certain assets	—	66	—	—	66	—
Settlement charge from pension early payout program	—	—	—	5	5	—
Regulatory adjustments resulting from Tax Reform	—	1	—	—	1	—
(Benefit) adjustment of regulatory assets associated with increase in Transco's estimated deferred state income tax rate following WPZ Merger	—	—	(45)	—	(45)	12
WPZ Merger costs	—	4	15	1	20	—
Gain on sale of certain Gulf Coast pipeline systems	—	—	—	(20)	(20)	—
Charitable contribution of preferred stock to Williams Foundation	—	—	35	—	35	—
Total Other adjustments	7	71	5	(14)	69	12
Adjustments included in Modified EBITDA	15	52	5	1,178	1,250	29
<u>Adjustments below Modified EBITDA</u>						
Gain on deconsolidation of Jackalope interest	—	(62)	—	—	(62)	—
Gain on deconsolidation of certain Permian assets	—	—	—	(141)	(141)	2
Impairment of equity-method investments	—	—	—	32	32	74
Allocation of adjustments to noncontrolling interests	(5)	21	—	—	16	—
	(5)	(41)	—	(109)	(155)	76
Total adjustments	10	11	5	1,069	1,095	105
Less tax effect for above items	(3)	(3)	(1)	(267)	(274)	(26)
Adjustments for tax-related items (1)	—	—	110	—	110	—
Adjusted income available to common stockholders	$ 159	$ 143	$ 243	$ 230	$ 775	$ 273
Adjusted diluted earnings per common share (2)	$ .19	$ .17	$ .24	$ .19	$ .79	$ .22
Weighted-average shares - diluted (thousands)	830,197	830,107	1,026,504	1,212,822	976,097	1,213,592

(1) 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 Net Income to Modified EBITDA, Adjusted EBITDA and Distributable Cash Flow

(Dollars in millions, except coverage ratios)	2018 1st Qtr	2018 2nd Qtr	2018 3rd Qtr	2018 4th Qtr	2018 Year	2019 1st Qtr
The Williams Companies, Inc.						
Reconciliation of GAAP "Net Income (Loss)" to Non-GAAP "Modified EBITDA", "Adjusted EBITDA" and "Distributable cash flow"						
Net income (loss)	$ 270	$ 269	$ 200	$ (546)	$ 193	$ 214
Provision (benefit) for income taxes	55	52	190	(159)	138	69
Interest expense	273	275	270	294	1,112	296
Equity (earnings) losses	(82)	(92)	(105)	(117)	(396)	(80)
Impairment of equity-method investments	—	—	—	32	32	74
Other investing (income) loss - net	(4)	(68)	(2)	(145)	(219)	(1)
Proportional Modified EBITDA of equity-method investments	169	178	205	218	770	190
Depreciation and amortization expenses	431	434	425	435	1,725	416
Accretion for asset retirement obligations associated with nonregulated operations	8	10	8	7	33	9
Modified EBITDA	1,120	1,058	1,191	19	3,388	1,187
EBITDA adjustments	15	52	5	1,178	1,250	29
Adjusted EBITDA	1,135	1,110	1,196	1,197	4,638	1,216
Maintenance capital expenditures (1)	(110)	(160)	(138)	(122)	(530)	(93)
Preferred dividends	—	—	—	(1)	(1)	(1)
Net interest expense - cash portion (2)	(276)	(279)	(274)	(299)	(1,128)	(304)
Cash taxes	(1)	(10)	(1)	1	(11)	3
Income attributable to noncontrolling interests (3)	(25)	(24)	(19)	(28)	(96)	
Dividend and distributions paid to noncontrolling interests						(41)
Distributable cash flow	$ 723	$ 637	$ 764	$ 748	$ 2,872	$ 780
Total cash distributed (4)	$ 438	$ 443	$ 412	$ 411	$ 1,704	$ 460
Weighted-average shares - diluted (thousands) (5)	1,210,000	1,210,000	1,210,000	1,210,000	1,210,000	1,213,592
Distributable cash flow / share	$ 0.60	$ 0.53	$ 0.63	$ 0.62	$ 2.37	$ 0.64
Coverage ratios:						
Distributable cash flow divided by Total cash distributed	1.65	1.44	1.85	1.82	1.69	1.70
Net income (loss) divided by Total cash distributed	0.62	0.61	0.49	(1.33)	0.11	0.47

(1) Includes proportionate share of maintenance capital expenditures of equity-method investments.
(2) Includes proportionate share of interest expense of equity-method investments.
(3) Excludes allocable share of certain EBITDA adjustments.
(4) Includes cash dividends paid on common stock each quarter by WMB, as well as the public unitholders share of distributions declared by WPZ for the first two quarters of 2018.
(5) Shares in the 2018 periods reflect the WMB common shares outstanding per the 9/30/18 Consolidated Balance Sheet following the WPZ Merger.

Reconciliation of Modified EBITDA to Non-GAAP Adjusted EBITDA

	2018					2019
(Dollars in millions)	*1st Qtr*	*2nd Qtr*	*3rd Qtr*	*4th Qtr*	*Year*	*1st Qtr*
Net income (loss)	$ 270	$ 269	$ 200	$ (546)	$ 193	$ 214
Provision (benefit) for income taxes	55	52	190	(159)	138	69
Interest expense	273	275	270	294	1,112	296
Equity (earnings) losses	(82)	(92)	(105)	(117)	(396)	(80)
Impairment of equity-method investments	—	—	—	32	32	74
Other investing (income) loss - net	(4)	(68)	(2)	(145)	(219)	(1)
Proportional Modified EBITDA of equity-method investments	169	178	205	218	770	190
Depreciation and amortization expenses	431	434	425	435	1,725	416
Accretion expense associated with asset retirement obligations for nonregulated operations	8	10	8	7	33	9
Modified EBITDA	**$ 1,120**	**$ 1,058**	**$ 1,191**	**$ 19**	**$ 3,388**	**$ 1,187**
Northeast G&P	$ 250	$ 255	$ 281	$ 300	$ 1,086	$ 299
Atlantic-Gulf	451	475	492	605	2,023	560
West	413	389	412	(906)	308	332
Other	6	(61)	6	20	(29)	(4)
Total Modified EBITDA	**$ 1,120**	**$ 1,058**	**$ 1,191**	**$ 19**	**$ 3,388**	**$ 1,187**
Adjustments included in Modified EBITDA [(1)]:						
Northeast G&P	$ —	$ —	$ —	$ 4	$ 4	$ 3
Atlantic-Gulf	15	(19)	(12)	(76)	(92)	—
West	(7)	—	12	1,264	1,269	14
Other	7	71	5	(14)	69	12
Total Adjustments included in Modified EBITDA	**$ 15**	**$ 52**	**$ 5**	**$ 1,178**	**$ 1,250**	**$ 29**
Adjusted EBITDA:						
Northeast G&P	$ 250	$ 255	$ 281	$ 304	$ 1,090	$ 302
Atlantic-Gulf	466	456	480	529	1,931	560
West	406	389	424	358	1,577	346
Other	13	10	11	6	40	8
Total Adjusted EBITDA	**$ 1,135**	**$ 1,110**	**$ 1,196**	**$ 1,197**	**$ 4,638**	**$ 1,216**

(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.

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

Reconciliation of Net Income (Loss) to Adjusted Income

($ in millions, except per-share amounts)	2019 GUIDANCE		
	Low	Mid	High
Net income (loss)	$1,100	$1,250	$1,400
Less: Net income (loss) attributable to noncontrolling interests	90	90	90
Less: Preferred stock dividends	3	3	3
Net income (loss) attributable to The Williams Companies, Inc. available to common stockholders	1,007	1,157	1,307
Adjustments:			
Adjustments included in Modified EBITDA (1)		39	
Adjustments below Modified EBITDA (2)		(44)	
Total adjustments		(5)	
Less tax effect for above items (3)		4	
Adjusted income available to common stockholders	1,006	1,156	1,306
Adjusted diluted earnings per common share	**$0.83**	**$0.95**	**$1.07**
Weighted-average shares - diluted (millions)	1,217	1,217	1,217

(1) Includes 1Q 2019 adjustments of $29 and anticipated future adjustments of $10
(2) Includes 1Q 2019 adjustments of $76 and anticipated gain on sale of Jackalope equity investment of ~($120)
(3) Includes 1Q 2019 tax effect for adjustments of ($26) and taxes on anticipated gain on sale of Jackalope equity investment of ~$30

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

($ in millions, except per-share amounts and coverage ratios)

	2019 GUIDANCE		
	Low	Mid	High
Net income (loss)	$1,100	$1,250	$1,400
Provision (benefit) for income taxes		425	
Interest expense		1,200	
Equity (earnings) losses		(410)	
Impairment of equity-method investments		74	
Estimated 2Q 2019 gain on sale of equity-method investment (Jackalope)		(120)	
Proportional Modified EBITDA of equity-method investments		780	
Depreciation and amortization expenses and accretion for asset retirement obligations associated with nonregulated operations		1,760	
Other		2	
Modified EBITDA	**$4,811**	**$4,961**	**$5,111**
EBITDA Adjustments [1]		39	
Adjusted EBITDA	**$4,850**	**$5,000**	**$5,150**
Net Interest expense - cash portion [2]		(1,210)	
Maintenance capital expenditures [2]	(625)	(575)	(525)
Cash taxes		75	
Dividends and distributions paid to noncontrolling interests and other [3]		(190)	
Distributable cash flow (DCF)	**$2,900**	**$3,100**	**$3,300**
--- Distributable Cash Flow per share [4]	**$2.38**	**$2.55**	**$2.71**
Dividends paid		(1,850)	
Excess cash available after dividends	$1,050	$1,250	$1,450
Dividend per share		$1.52	
Coverage ratio (Distributable cash flow / Dividends paid)	**1.57x**	**1.68x**	**1.78x**

(1) Includes 1Q 2019 adjustments of $29 and anticipated future adjustments of $10

(2) Includes proportionate share of equity investments

(3) Prior guidance was based on income allocable to noncontrolling interests but current guidance reflects projected cash distributions to consolidated joint venture partners

(4) Distributable cash flow / 1,217 million diluted weighted-average common shares