

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report: May 22, 2003

(Date of earliest event reported)

The Williams Companies, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other
Jurisdiction of
Incorporation)

1-4174

(Commission File Number)

73-0569878

(IRS Employer
Identification No.)

One Williams Center Tulsa, Oklahoma

(Address of Principal Executive Offices)

74172

(Zip Code)

Registrant's telephone number, including area code (918) 573-2000

Not Applicable

(Former name or former address, if changed since last report)

Item 5. Other Events

The Williams Companies, Inc. ("Williams") is filing with the Securities & Exchange Commission supplemental pro forma financial information reflecting its Texas Gas pipeline system and its Williams Energy Partners segment as discontinued operations to supplement Williams' previously issued consolidated statement of operations and balance sheet included in Williams' Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2003.

Item 7. Financial Statements and Exhibits

The Company files the following exhibits as part of this report:

Exhibit 99.1	Pro forma Financial Information presenting Williams Energy Partners and Texas Gas Transmission Corporation as discontinued operations
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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

The Williams Companies, Inc.

Date: May 22, 2003

/s/ Brian K. Shore

Name: Brian K. Shore

Title: Corporate Secretary

INDEX TO EXHIBITS

Exhibit
Number
Description

- - - - -
- - - - -

Exhibit
99.1 Pro
forma
Financial
Information
presenting
Williams
Energy
Partners
and Texas
Gas
Transmission
Corporation
as
discontinued
operations

PRO FORMA FINANCIAL INFORMATION PRESENTING WILLIAMS ENERGY PARTNERS
AND TEXAS GAS TRANSMISSION CORPORATION AS DISCONTINUED OPERATIONS

As previously announced on February 20, 2003, Williams reported it intended to offer for sale its general partner and limited partner interests in Williams Energy Partners and its 5,800-mile Texas Gas pipeline system. In April 2003, Williams' Board of Directors approved resolutions that authorized management to execute and deliver, in the name of the sellers, agreements for the sales of the above mentioned businesses. The following unaudited pro forma financial information is included to supplement Williams' previously issued consolidated statements of operations and balance sheets included in Williams' Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2003, to present the operations of Williams Energy Partners and Texas Gas as discontinued operations. The combined revenues of these operations previously included in consolidated revenues as reported in Williams' Quarterly Report on Form 10-Q were \$187.4 million and \$168.9 million for the three months ended March 31, 2003 and 2002, respectively, and the combined net loss of these entities previously included in income (loss) from continuing operations was \$27.2 million for the three months ended March 31, 2003 and the combined net income of these entities previously included in income (loss) from continuing operations was \$38.7 million for the three months ended March 31, 2002. The unaudited pro forma consolidated statement of operations does not reflect any potential gain or loss related to the expected sales. Consistent with Williams' previously issued consolidated financial statements, other assets and/or businesses are also reported as discontinued operations, those being Kern River, Central, soda ash mining operations, Mid-America and Seminole pipelines, Midsouth refinery and related assets, Williams travel centers, and bio-energy facilities.

For comparative purposes, income (loss) from continuing operations as reported in Williams' Form 10-Q was a loss of \$57.7 million for the three months ended March 31, 2003 and income of \$98.4 million for the three months ended March 31, 2002. Additionally, the reported income from discontinued operations was \$4.5 million and \$9.3 million for the three months ended March 31, 2003 and 2002, respectively.

The unaudited pro forma financial information on the following pages should be read in conjunction with the historical financial statements and notes thereto included in the Williams Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2003 and other information filed with the Securities and Exchange Commission.

THE WILLIAMS COMPANIES, INC.
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

Three months
(Dollars in
millions,
except per-
share
amounts)
ended March

31, -----

----- 2003

2002 -----

-- Revenues:

Energy
Marketing &
Trading \$
3,781.5 \$
340.9 Gas
Pipeline
323.3 305.0
Exploration &
Production
266.4 227.7
Midstream Gas
& Liquids
1,133.2 400.0
Petroleum
Services
239.7 187.5
Other 14.0
16.8

Intercompany
eliminations
(585.3)
(24.8) -----

---- Total
revenues
5,172.8
1,453.1 -----

----- Segment
costs and
expenses:
Costs and
operating
expenses
4,764.1 742.9
Selling,
general and
administrative
expenses
130.0 141.2
Other expense
- net 7.6 .3

Total segment
costs and
expenses
4,901.7 884.4

General
corporate
expenses 22.9
38.2 -----

-- Operating
income
(loss):
Energy
Marketing &

Trading		
(130.5)	273.0	
Gas Pipeline		
149.4	115.2	
Exploration & Production		
124.0	106.7	
Midstream Gas & Liquids		
110.1	52.7	
Petroleum Services	18.5	
22.6	Other	
(0.4)	(1.5)	
General corporate expenses		
(22.9)	(38.2)	

Total operating income	248.2	
530.5		
Interest accrued		
(358.2)		
(204.0)		
Interest capitalized		
11.9	4.9	
Interest rate swap income		
(loss)	(2.8)	
10.2		
Investing income (loss)		
46.4	(216.4)	
Minority interest in income and preferred returns of consolidated subsidiaries		
(3.5)	(12.0)	
Other income (expense) - net	22.0	
(5.2)	-----	

--- Income
(loss) from
continuing
operations
before income
taxes and
cumulative
effect of
change in
accounting
principles

(36.0)	108.0	
Provision (benefit) for income taxes		
(5.5)	48.3	--

Income (loss) from continuing operations	(30.5)	59.7
Income (loss) from discontinued operations	(22.7)	48.0

Income (loss)
before
cumulative
effect of
change in
accounting
principles
(53.2) 107.7
Cumulative
effect of
change in
accounting
principles
(761.3) -- --

----- Net
income (loss)
(814.5) 107.7
Preferred
stock
dividends 6.8
69.7 -----

-- Income
(loss)
applicable to
common stock
\$ (821.3) \$
38.0

=====
=====
Basic and
diluted
earnings
(loss) per
common share:
Loss from
continuing
operations \$
(.08) \$ (.02)
Income (loss)
from
discontinued
operations
(.04) .09 ---

Income (loss)
before
cumulative
effect of
change in
accounting
principles
(.12) .07
Cumulative
effect of
change in
accounting
principles
(1.47) -- ---

----- Net
income (loss)
\$ (1.59) \$
.07

=====
=====
Basic
weighted-
average
shares
(thousands)
517,652
519,224
Diluted
weighted-
average
shares
(thousands)

517,652
519,224

THE WILLIAMS COMPANIES, INC.
PRO FORMA CONSOLIDATED BALANCE SHEET
(UNAUDITED)

(Dollars in
millions,
except per-
share
amounts)

March 31,
December 31,
2003 2002 --

ASSETS

Current
assets: Cash
and cash
equivalents
\$ 1,405.9 \$
1,652.2
Restricted
cash 323.1
102.8
Accounts and
notes
receivable
less
allowance of
\$114.3
(\$111.2 in
2002)
2,507.1
2,459.9
Inventories
365.0 427.3
Energy risk
management
and trading
assets --
296.7
Derivative
assets
7,772.8
5,024.3
Margin
deposits
853.5 804.8
Assets of
discontinued
operations
415.6
1,155.0
Deferred
income taxes
572.9 569.2
Other
current
assets and
deferred
charges
396.5 393.9

Total
current
assets
14,612.4
12,886.1
Restricted
cash 216.5
188.3
Investments
1,510.8
1,475.3
Property,
plant and

equipment,
at cost
16,542.5
16,437.4
Less
accumulated
depreciation
and
depletion
(3,733.4)
(3,711.5) --

12,809.1
12,725.9
Energy risk
management
and trading
assets --
1,821.6
Derivative
assets
2,415.2
1,865.1
Goodwill
1,060.2
1,060.2
Assets of
discontinued
operations
2,071.4
2,222.4
Other assets
and deferred
charges
746.7 743.6

Total assets
\$ 35,442.3 \$
34,988.5
=====

LIABILITIES
AND
STOCKHOLDERS'
EQUITY

Current
liabilities:
Notes
payable \$
967.6 \$
934.8
Accounts
payable
1,912.2
2,000.0
Accrued
liabilities
1,255.5
1,411.3
Liabilities
of
discontinued
operations
351.3 466.9
Energy risk
management
and trading
liabilities
-- 244.4
Derivative
liabilities
7,807.5
5,168.3
Long-term
debt due
within one
year 2,214.5
1,082.8 ----

----- Total
 current
 liabilities
 14,508.6
 11,308.5
 Long-term
 debt 9,761.4
 11,076.7
 Deferred
 income taxes
 2,799.5
 3,353.6
 Liabilities
 and minority
 interests of
 discontinued
 operations
 1,168.9
 1,254.7
 Energy risk
 management
 and trading
 liabilities
 -- 680.9
 Derivative
 liabilities
 2,023.0
 1,209.8
 Other
 liabilities
 and deferred
 income 941.2
 971.6
 Contingent
 liabilities
 and
 commitments
 Minority
 interests in
 consolidated
 subsidiaries
 86.8 83.7
 Stockholders'
 equity:
 Preferred
 stock, \$1
 per share
 par value,
 30 million
 shares
 authorized,
 1.5 million
 issued in
 2003 and
 2002 271.3
 271.3 Common
 stock, \$1
 per share
 par value,
 960 million
 shares
 authorized,
 520.8
 million
 issued in
 2003, 519.9
 million
 issued in
 2002 520.8
 519.9
 Capital in
 excess of
 par value
 5,186.6
 5,177.2
 Accumulated
 deficit
 (1,710.8)
 (884.3)
 Accumulated
 other

```

comprehensive
income
(loss)
(48.3) 33.8
Other (28.1)
(30.3) -----
-----
----- 4,191.5
5,087.6 Less
treasury
stock (at
cost), 3.2
million
shares of
common stock
in 2003 and
2002 (38.6)
(38.6) -----
-----
----- Total
stockholders'
equity
4,152.9
5,049.0 -----
-----
----- Total
liabilities
and
stockholders'
equity $
35,442.3 $
34,988.5
=====
=====

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