

SMART VALUE

WHAT'S SMART ABOUT SOUTHERN COMPANY?

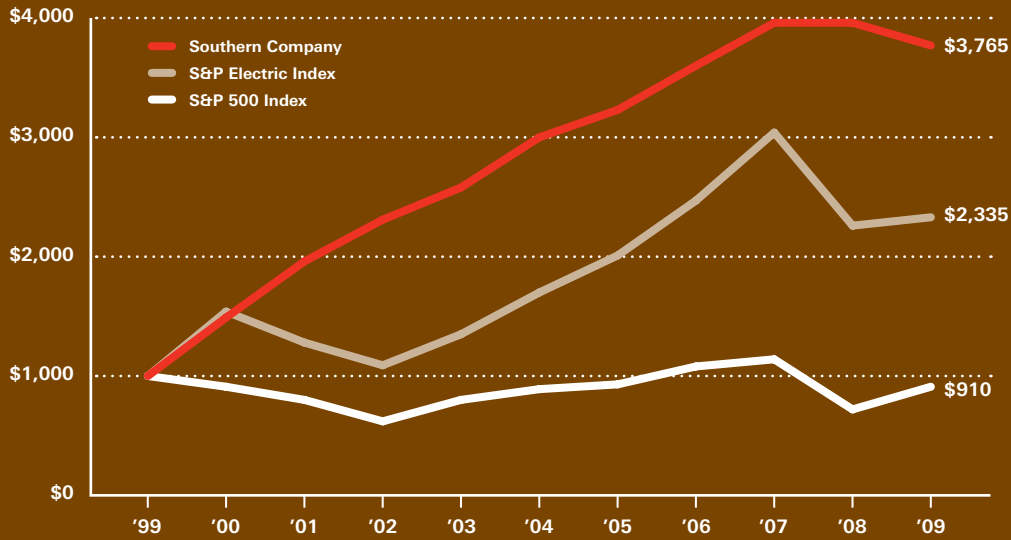
Our financial strength and integrity and our commitment to remain a solid investment for our shareholders.

Southern Company's business results for 2009 were solid, even in the face of economic headwinds. We continued to provide the highest quality of service and reliability at competitive prices to our customers in the Southeast. We continued to maintain our constructive regulatory relationships. We continued to invest wisely in our company's infrastructure. And, we continued to meet our commitment to our investors with exceptional long-term returns. A key component of maintaining that commitment is paying a dividend. For more than 62 years, Southern Company has paid a dividend every single quarter to its investors. In 2009, one of the most challenging years in the history

of our company, we raised our dividend 4.2 percent, marking eight consecutive years of increases and more than 30 percent growth. Now, that's commitment. It's also a reflection of our confidence in the strength of our business and the long-term viability of our region. Going forward, our SO Smart initiative will determine how we integrate smart, new technologies into our proven business and deliver the next generation of clean, reliable, affordable energy. As always, we will maintain our commitment to making conservative, informed, and balanced decisions based on common sense as we research and deploy new technologies.

SO. It's a Smart Value

On September 30, 1949, Southern Company (SO) stock was listed on the New York Stock Exchange. It sold in the \$10 range that day, closing up at \$10.36. An investment in SO on Sept. 30, 1949, with all dividends reinvested, would have provided an annual average return of more than 11.8 percent for 60 years. We have managed through numerous economic and financial challenges for six decades, while continuing to be a major contributor to the long-term prosperity of the Southeast and a solid investment for you, our shareholders. Thank you for your confidence and your investment in Southern Company.

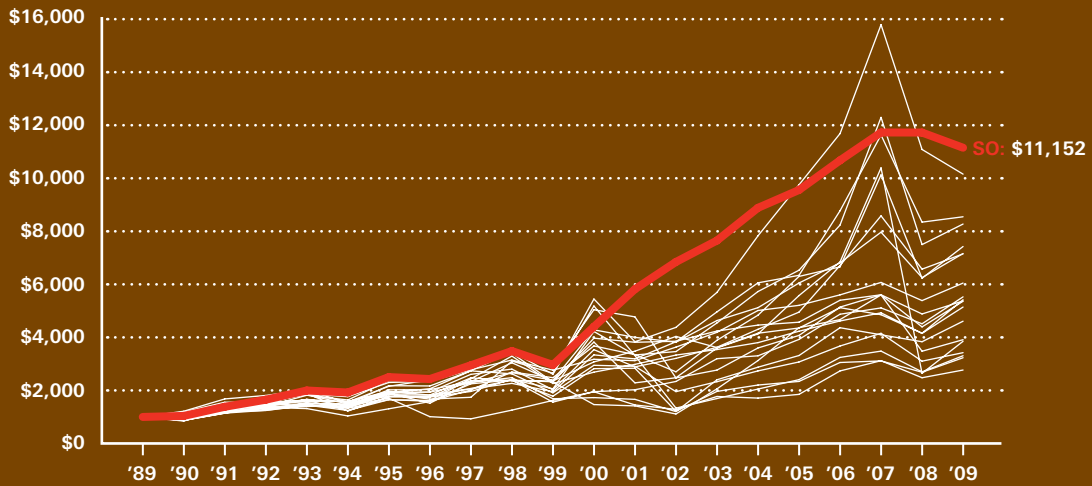


Value of \$1,000 invested in SO over 10 years

This performance graph compares the cumulative return on Southern Company (SO) common stock with the Standard & Poor's Electric Utility Index and the Standard & Poor's 500 Index for the past 10 years. The graph assumes that \$1,000 was invested on December 31, 1999, in Southern Company's common stock and each of the above indices and that all dividends were reinvested.

(A five-year performance graph is included in Appendix C to the Proxy Statement.)

(See Glossary on page 32 for information on total shareholder return.)



SO vs Peer Utilities – Value of \$1,000 invested over 20 years

This graph compares a \$1,000 investment in Southern Company (SO) common stock made on December 31, 1989, and held for 20 years with the same type of investment in each of the other large-cap electric utilities followed by ValueLine. *Source: Bloomberg*