



NextEra Energy Reaches Agreement to Acquire Gulf Power, Florida City Gas and Two Natural Gas Facilities from Southern Company

May 21, 2018

Forward Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as “may,” “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “predict,” and “target” and other words and terms of similar meaning. Forward-looking statements involve estimates, expectations, projections, goals, forecasts, assumptions, risks and uncertainties. NEE cautions readers that any forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in any forward-looking statement. Such forward-looking statements include, but are not limited to, statements about the anticipated benefits of the proposed acquisitions from Southern Company of Gulf Power Company, Florida City Gas and two gas-fired plants (Southern Company assets), including future financial or operating results of NEE or the Southern Company assets, NEE’s or the Southern Company assets’ plans, objectives, expectations or intentions, the expected timing of completion of the transactions, the value of the transactions, as of the completion of the transactions or as of any other date in the future, and other statements that are not historical facts. Important factors that could cause actual results to differ materially from those indicated by any such forward-looking statements include risks and uncertainties relating to: the risk that NEE or Southern Company may be unable to obtain governmental and regulatory approvals required for the transactions, or required governmental and regulatory approvals may not be obtained on expected terms or in the time period anticipated and delay the transactions or result in the imposition of conditions that are not anticipated and could cause the parties to abandon the transactions; the risk that a condition to closing of the transactions may not be satisfied; the expected timing to consummate the proposed transactions; the risk that the businesses will not be integrated successfully; disruption from the transactions making it more difficult to maintain relationships with customers, employees or suppliers; the diversion of management time and attention on transaction-related issues; general worldwide economic conditions and related uncertainties; the effect and timing of changes in laws or in governmental regulations (including environmental); fluctuations in trading prices of securities of NEE and in the financial results of NEE or the Southern Company assets; the timing and extent of changes in interest rates, commodity prices and demand and market prices for electricity or gas; and other factors discussed or referred to in the “Risk Factors” section of NEE’s or Southern Company’s most recent Annual Reports on Form 10-K filed with the Securities and Exchange Commission. Additional risks and uncertainties are identified and discussed in NEE’s and Southern Company’s reports filed with the SEC and available at the SEC’s website at www.sec.gov. Each forward-looking statement speaks only as of the date of the particular statement and NEE does not undertake any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

NextEra Energy announces agreement to acquire Gulf Power, Florida City Gas, and the Stanton and Oleander natural gas power plants

Transaction Overview

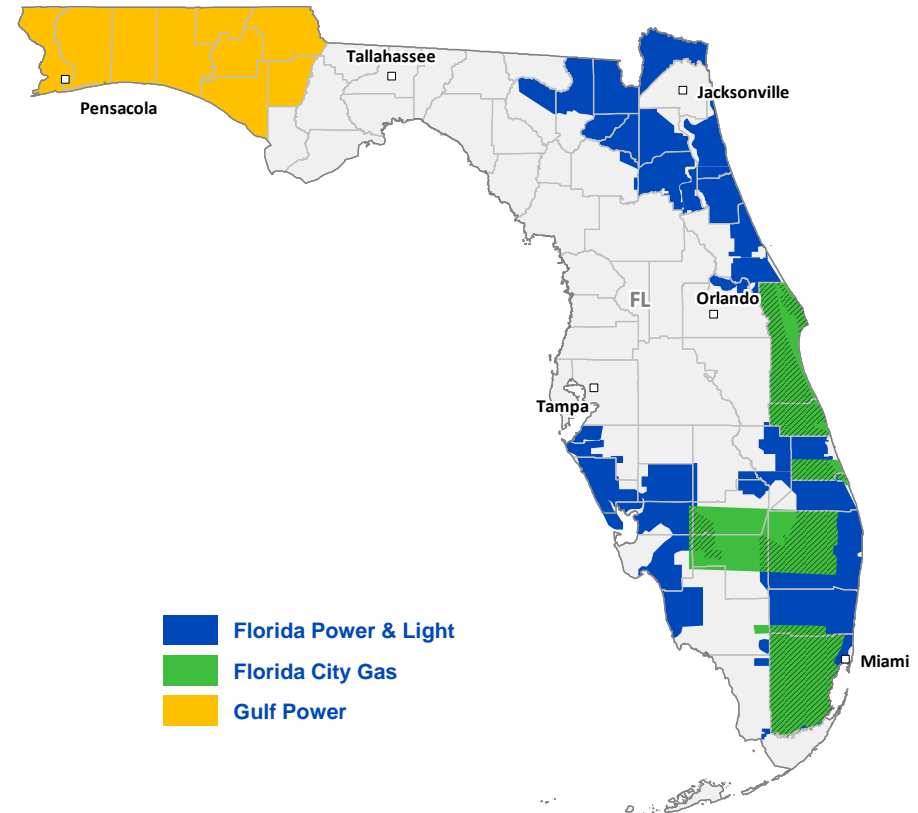
- **Addition of attractive regulated electric and natural gas franchises that are an excellent complement to our existing Florida operations**
 - NextEra to extend its best in class value proposition of low bills, clean energy, high reliability and outstanding customer service to additional FL customers
- **\$6.475 B total transaction value:**
 - ~\$5.1 B all cash consideration (expected to be financed with issuance of new debt)
 - Includes the assumption of ~\$1.4 B of Gulf Power debt
- **Transactions will expand NextEra Energy's regulated business operations**
 - As a result of improved credit metric thresholds, we expect to continue to maintain \$5 – \$7 B of excess balance sheet capacity

Transactions are expected to be \$0.15 and \$0.20 accretive to adjusted EPS expectations in 2020 and 2021, respectively

Gulf Power and Florida City Gas are an excellent geographic and strategic fit for NextEra Energy

Strategic Rationale

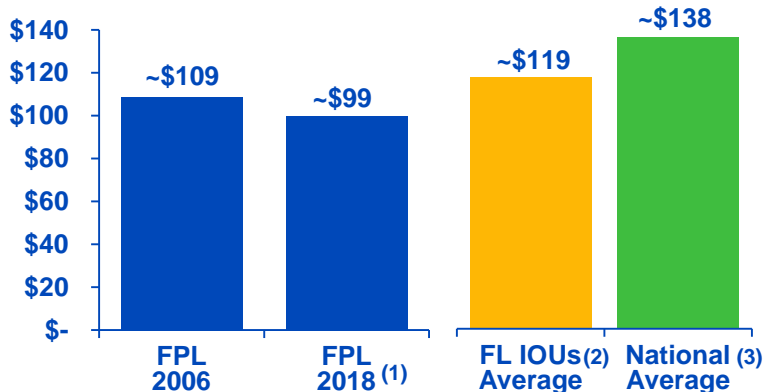
- **Complementary service territories to FPL**
- **Regulated by the Florida Public Service Commission**
 - Constructive and progressive regulatory environment
 - Stability and predictability of regulatory environment allows for focus on delivering value to customers
- **Florida economy continues to support long-term growth**



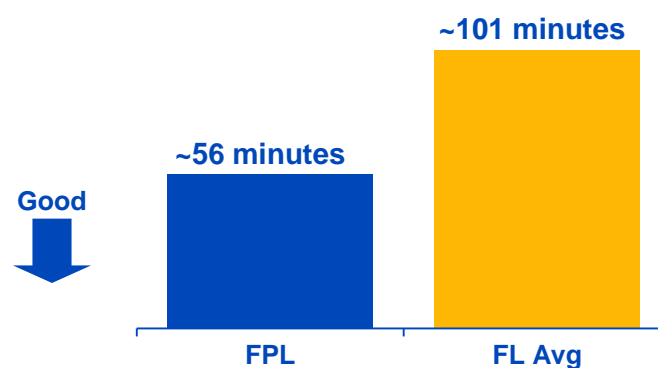
Florida Power & Light's focus is on providing customers low bills, high reliability and outstanding customer service

Delivering Customer Value

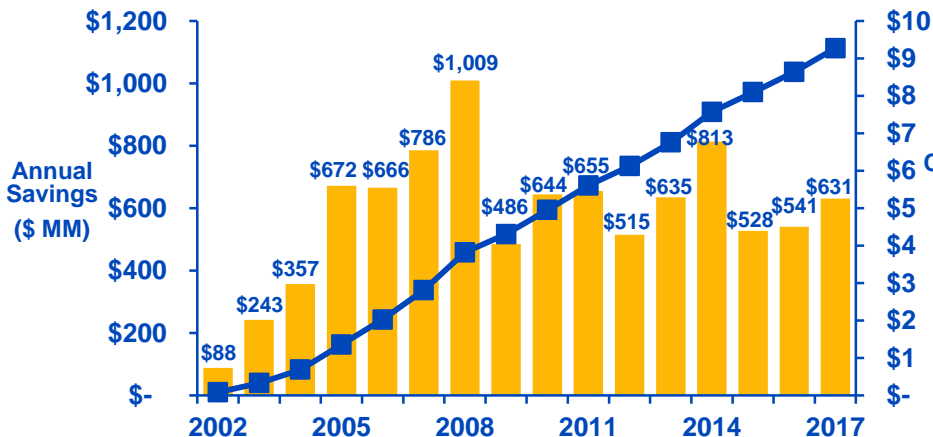
FPL 1,000-kWh Residential Bill



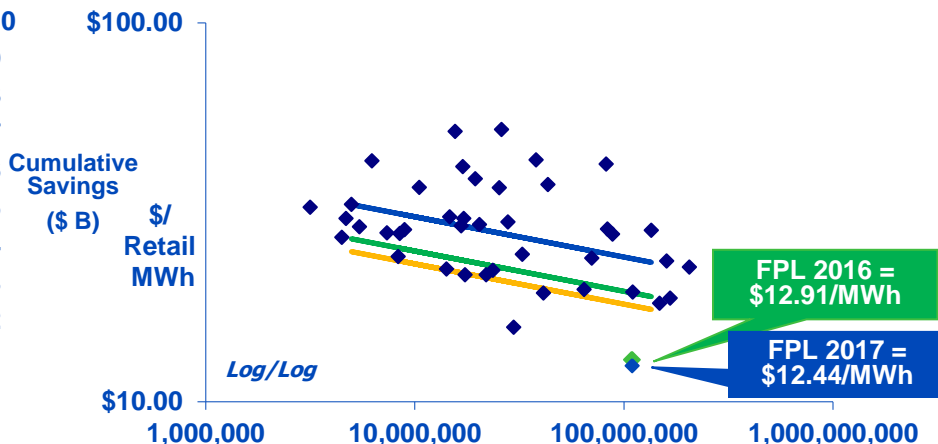
FPL Service Reliability (“SAIDI”)(4)



FPL Fuel Savings(5)



FPL Operational Cost Effectiveness(6)



1) Based on a typical 1,000 kWh residential bill for April 2018

2) FL IOUs Avg consists of data from FPL, TECO, Duke Energy Florida, FPUC and Gulf Power; as of April 2018

3) Source: EEI; National Average as of January 2018 based on reporting utilities

4) System Avg. Interruption Duration Index; as reported to FL PSC for 2017; FL Avg. consists of data from TECO, DEF and Gulf

5) Fuel savings computed using historical system generation, fuel costs and actual system heat rates for the period, and an estimate of what the system heat rate would have been without the efficiency improvements

6) FERC Form 1, 2016; excludes pensions and other employee benefits; holding companies with >100,000

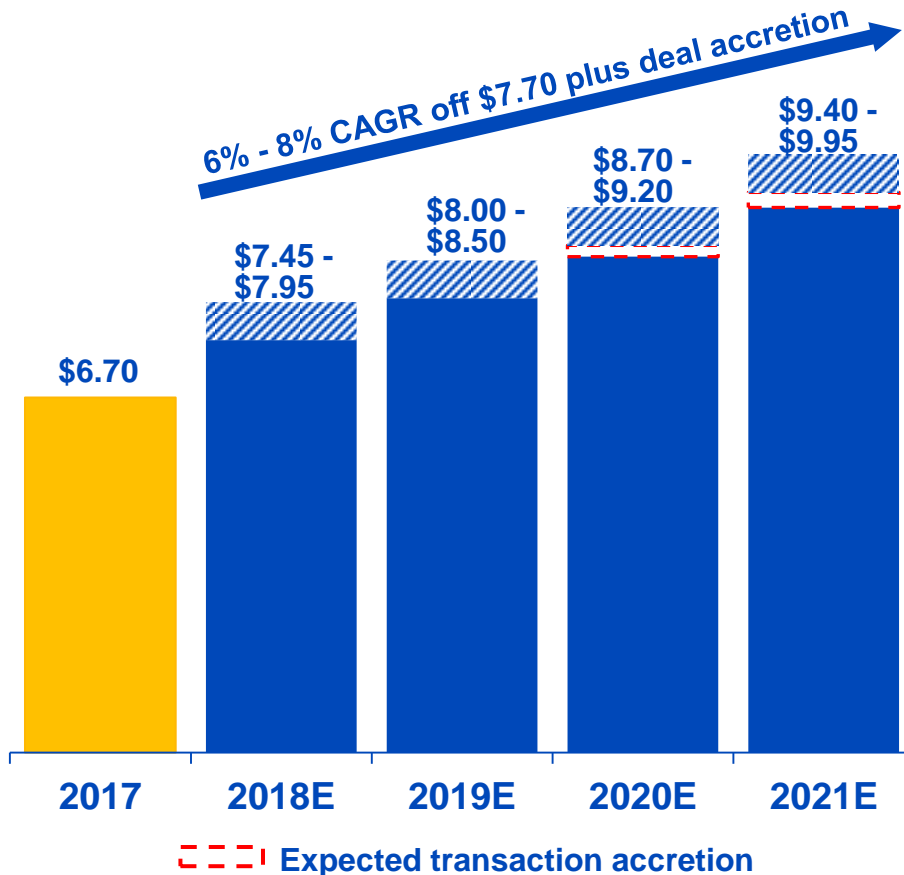
The transactions are subject to the receipt of key regulatory approvals

Expected Timeline & Key Approvals

- **Gulf Power and Stanton & Oleander natural gas power plants:**
 - Subject to FERC approval and Hart-Scott-Rodino antitrust requirements
 - Transactions are expected to close in first half of 2019
- **Florida City Gas:**
 - Subject to Hart-Scott-Rodino antitrust requirements
 - Expected to close in third quarter 2018

The transactions are expected to be immediately accretive to earnings upon closing

NextEra Energy's Adjusted Earnings Per Share Expectations⁽¹⁾



- Upon closing, transactions are expected to increase 2020 and 2021 adjusted EPS expectations by \$0.15 and \$0.20, respectively
 - Expect to increase our 2020 and 2021 adjusted EPS expectations ranges to reflect this accretion
- No impact to dividend policy
 - 12% to 14% per year through at least 2020, off a 2017 base of \$3.93 per share

Following the closing of the transactions we expect to continue to maintain \$5 to \$7 B of excess balance sheet capacity

Strong Financial Position

| Rating Agency | NextEra Energy Corporate Rating | Current Downgrade Threshold | Expected Post-Closing Downgrade Threshold ⁽¹⁾ |
|-------------------|---------------------------------|-----------------------------|--|
| Standard & Poor's | A- | 23% | Low 20% Range |
| Moody's | Baa1 | 20% | 18% |
| Fitch | A- | 4.25x | 4.25x |

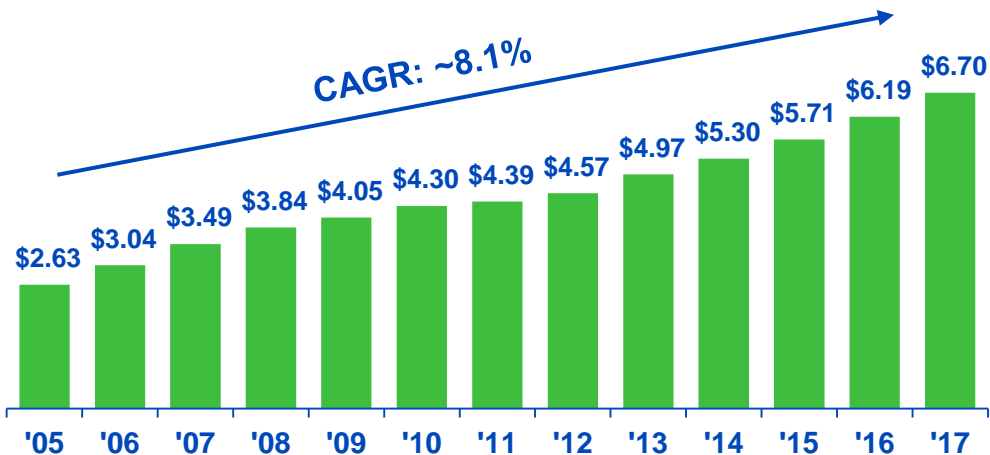
- Transactions expected to increase the regulated contribution to our business mix to ~70%
- Based on rating agency discussions, we anticipate further favorable adjustments to our credit metric thresholds upon closing
- At expected revised rating agency thresholds, we would continue to maintain \$5 – \$7 B in excess balance sheet capacity through 2021

The remaining excess balance sheet capacity serves as cushion, as its utilization is not currently assumed in our revised financial expectations

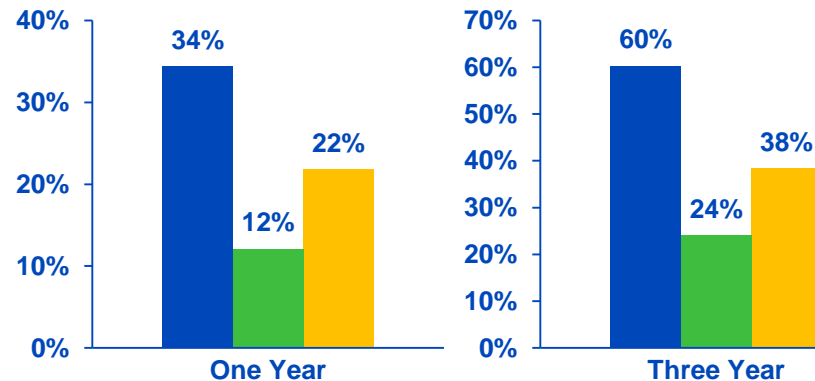


We have a long-term track record of delivering value to shareholders

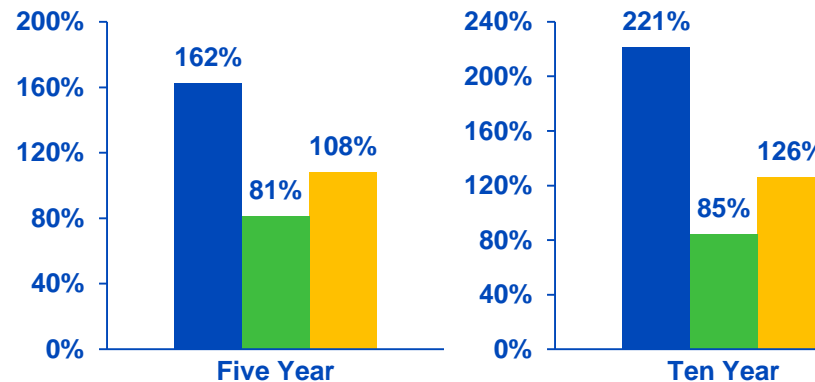
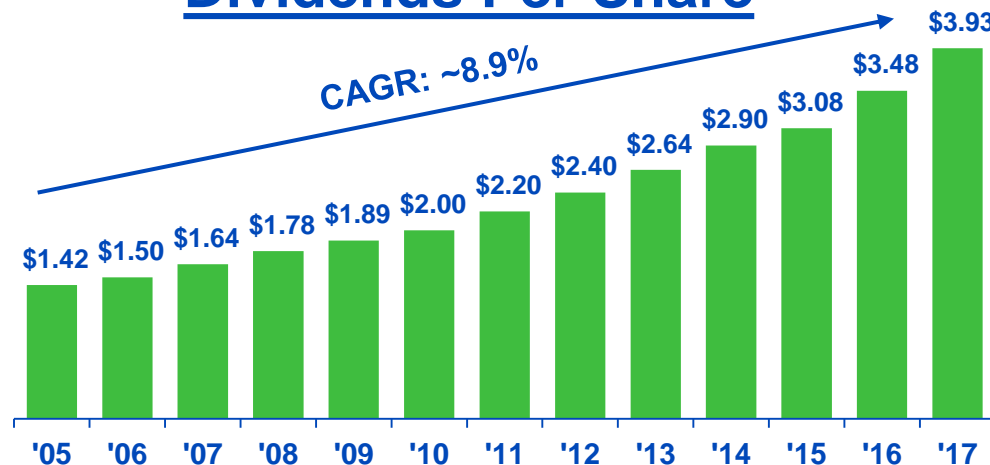
Adjusted Earnings Per Share⁽¹⁾



Total Shareholder Return⁽²⁾



Dividends Per Share



- NEE
- S&P 500 Utility Index
- S&P 500



1) See Appendix for reconciliation of adjusted amounts to GAAP amounts
 2) Source: FactSet; includes dividend reinvestment as of 12/31/2017

We believe the transactions are beneficial for all key stakeholders

Expected Benefits for All Stakeholders

- **Transactions expand NextEra Energy's regulated business operations**
 - Expected to lead to a reduction in credit metric thresholds, allowing NextEra to continue to maintain \$5 to \$7 B in excess balance sheet capacity
- **Allows NextEra to provide best in class customer value proposition to additional Florida customers**
- **Expected to be immediately accretive to NextEra Energy earnings**
- **Adds platforms that provide new opportunities to extend NextEra Energy's long-term growth**

Q & A

Appendix

Reconciliation of Earnings Per Share Attributable to NextEra Energy, Inc. to Adjusted Earnings Per Share

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| Earnings Per Share Attributable to NextEra Energy, Inc. (assuming dilution) | \$ 2.34 | \$ 3.23 | \$ 3.27 | \$ 4.07 | \$ 3.97 | \$ 4.74 | \$ 4.59 | \$ 4.56 | \$ 4.47 | \$ 5.60 | \$ 6.06 | \$ 6.25 | \$ 11.38 |
| Adjustments: | | | | | | | | | | | | | |
| Net losses (gains) associated with non-qualifying hedges | 0.47 | (0.38) | 0.36 | (0.70) | 0.07 | (0.69) | (0.75) | 0.15 | 0.27 | (0.70) | (0.64) | 0.23 | 0.46 |
| Loss (income) from other than temporary impairments, net | | 0.01 | 0.02 | 0.34 | 0.05 | (0.02) | 0.03 | (0.13) | (0.01) | - | 0.05 | - | (0.05) |
| Merger-related expenses | | 0.06 | | | | | | | | | 0.06 | 0.29 | 0.20 |
| Loss on sale of natural gas-fired generating assets | | | | | | | 0.36 | | | | | | |
| Gain from discontinued operations (Hydro) | | | | | | | | | (0.87) | | | | |
| Loss (gain) associated with Maine fossil | | | | | | | | | 0.16 | (0.05) | | | |
| Impairment charge | | | | | | | | | 0.70 | | | | 0.89 |
| Resolution of contingencies related to a previous asset sale | | | | | | | | | | | | (0.02) | |
| Gain on sale of natural gas generation facilities | | | | | | | | | | | | (0.95) | |
| Tax reform-related ⁽¹⁾ | | | | | | | | | | | | | (3.96) |
| Gain on disposal of fiber-optic telecommunications business | | | | | | | | | | | | | (2.32) |
| Operating loss (income) of Spain solar projects | | | | | | | | | 0.03 | 0.09 | (0.01) | 0.03 | (0.01) |
| Less related income tax expense (benefit) | (0.18) | 0.12 | (0.16) | 0.13 | (0.04) | 0.27 | 0.16 | (0.01) | 0.22 | 0.36 | 0.19 | 0.36 | 0.11 |
| Adjusted Earnings Per Share | \$ 2.63 | \$ 3.04 | \$ 3.49 | \$ 3.84 | \$ 4.05 | \$ 4.30 | \$ 4.39 | \$ 4.57 | \$ 4.97 | \$ 5.30 | \$ 5.71 | \$ 6.19 | \$ 6.70 |

1) Net of approximately \$0.08 of income tax benefit at FPL