THE TOLEDO EDISON COMPANY AND SUBSIDIARIES

UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024

THE TOLEDO EDISON COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
UNAUDITED

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(In millions)	2025	2024	2025	2024
REVENUES:				
Electric sales	$ 115	$ 111	$ 232	$ 215
Excise and gross receipts tax collections	6	6	13	13
Total revenues	121	117	245	228
OPERATING EXPENSES:				
Purchased power	18	18	38	43
Other operating expenses	58	61	121	118
Provision for depreciation	13	13	26	25
Deferral of regulatory assets, net	—	(2)	(6)	(15)
General taxes	17	16	35	33
Total operating expenses	106	106	214	204
OPERATING INCOME	15	11	31	24
OTHER INCOME (EXPENSE):				
Miscellaneous income, net	1	1	2	2
Interest expense	(8)	(8)	(15)	(15)
Capitalized financing costs	1	1	1	1
Total other expense	(6)	(6)	(12)	(12)
INCOME BEFORE INCOME TAXES	9	5	19	12
INCOME TAXES	1	1	3	2
NET INCOME	$ 8	$ 4	$ 16	$ 10
COMPREHENSIVE INCOME	$ 8	$ 4	$ 16	$ 10

THE TOLEDO EDISON COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
UNAUDITED

(In millions, except share amounts)	June 30, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Restricted cash	$ 3	$ 3
Receivables -		
Customers	54	50
Less — Allowance for uncollectible customer receivables	2	2
	52	48
Affiliated companies	36	36
Other	11	13
Notes receivable from affiliated companies	31	—
Prepaid taxes and other	1	2
	134	102
PROPERTY, PLANT AND EQUIPMENT:		
In service	1,488	1,459
Less — Accumulated provision for depreciation	733	717
	755	742
Construction work in progress	32	33
	787	775
DEFERRED CHARGES AND OTHER ASSETS:		
Goodwill	501	501
Regulatory assets	63	58
Property taxes	19	40
Other	12	9
	595	608
TOTAL ASSETS	$ 1,516	$ 1,485
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	$ 3	$ 2
Short-term borrowings - affiliated companies	—	61
Accounts payable -		
Affiliated companies	30	28
Other	10	8
Accrued taxes	40	41
Accrued interest	3	3
Other	24	21
	110	164
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	545	447
Accumulated deferred income taxes, net	116	115
Retirement benefits	22	22
Property taxes	19	40
Other	174	169
	876	793
TOTAL LIABILITIES	986	957
EQUITY:		
Common stockholder's equity-		
Common stock, $5 par value, 60,000,000 shares authorized - 29,402,054 shares outstanding	147	147
Other paid-in capital	332	331
Accumulated other comprehensive loss	(1)	(1)
Retained earnings	52	51
TOTAL EQUITY	530	528
TOTAL LIABILITIES AND EQUITY	$ 1,516	$ 1,485

THE TOLEDO EDISON COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED

(In millions)	For the Six Months Ended June 30, 2025	For the Six Months Ended June 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 16	$ 10
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	20	10
Deferred income taxes and investment tax credits, net	(1)	—
Employee benefit costs, net	(1)	(1)
Change in current assets and liabilities-		
Receivables	(2)	(14)
Prepaid taxes and other current assets	1	—
Accounts payable	2	8
Accrued taxes	(1)	—
Other current liabilities	(1)	(4)
Collateral, net	3	4
Other	3	8
Net cash provided from operating activities	39	21
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(28)	(24)
Loans to affiliated companies, net	(31)	—
Asset removal costs	(3)	(3)
Net cash used for investing activities	(62)	(27)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Long-term debt	100	—
Short-term borrowings - affiliated companies, net	—	14
Redemptions and repayments-		
Long-term debt	(1)	(1)
Short-term borrowings - affiliated companies, net	(61)	—
Common stock dividend payments	(15)	(7)
Net cash provided from financing activities	23	6
Net change in cash, cash equivalents, and restricted cash	—	—
Cash, cash equivalents, and restricted cash at beginning of period	3	2
Cash, cash equivalents, and restricted cash at end of period	$ 3	$ 2
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	$ 4	$ 1