

**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME**  
Unaudited

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2026	2025
<b>REVENUES:</b>		
Electric sales	\$ 218	\$ 263
Excise and gross receipts tax collections	17	17
Total revenues	235	280
<b>OPERATING EXPENSES:</b>		
Purchased power	40	29
Other operating expenses	148	129
Provision for depreciation	34	35
Deferral of regulatory assets, net	(85)	(1)
General taxes	59	59
Total operating expenses	196	251
<b>OPERATING INCOME</b>	39	29
<b>OTHER INCOME (EXPENSE):</b>		
Miscellaneous income, net	1	1
Interest expense	(18)	(16)
Capitalized financing costs	2	1
Total other expense	(15)	(14)
<b>INCOME BEFORE INCOME TAXES</b>	24	15
<b>INCOME TAXES</b>	3	1
<b>NET INCOME</b>	\$ 21	\$ 14
<b>COMPREHENSIVE INCOME</b>	\$ 21	\$ 14

**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
Unaudited

<i>(In millions, except share amounts)</i>	March 31, 2026	December 31, 2025
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Restricted cash	\$ 3	\$ 5
Receivables -		
Customers	114	137
Less — Allowance for uncollectible customer receivables	6	7
	<u>108</u>	<u>130</u>
Affiliated companies	26	44
Other, net of allowance for uncollectible accounts of \$3 in 2026 and \$2 in 2025	12	11
Prepaid taxes and other	3	4
	<u>152</u>	<u>194</u>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
In service	4,018	3,991
Less — Accumulated provision for depreciation	1,665	1,650
	<u>2,353</u>	<u>2,341</u>
Construction work in progress	145	128
	<u>2,498</u>	<u>2,469</u>
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Goodwill	1,689	1,689
Regulatory assets	42	—
Property taxes	94	138
Other	42	38
	<u>1,867</u>	<u>1,865</u>
<b>TOTAL ASSETS</b>	<u>\$ 4,517</u>	<u>\$ 4,528</u>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Currently payable long-term debt	\$ 5	\$ 5
Short-term borrowings-		
Affiliated companies	328	266
Other	200	80
Accounts payable -		
Affiliated companies	59	59
Other	12	14
Accrued taxes	162	156
Accrued interest	18	8
Other	56	58
	<u>840</u>	<u>646</u>
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt and other long-term obligations	1,092	1,094
Accumulated deferred income taxes, net	360	353
Retirement benefits	72	71
Regulatory liabilities	—	48
Property taxes	80	165
Other	236	236
	<u>1,840</u>	<u>1,967</u>
<b>TOTAL LIABILITIES</b>	<u>2,680</u>	<u>2,613</u>
<b>COMMON STOCKHOLDER'S EQUITY:</b>		
Common stock, without par value, 105,000,000 shares authorized - 67,930,743 shares outstanding	1,693	1,692
Accumulated other comprehensive loss	(1)	(1)
Retained earnings	145	224
<b>TOTAL COMMON STOCKHOLDER'S EQUITY</b>	<u>1,837</u>	<u>1,915</u>
<b>TOTAL LIABILITIES AND COMMON STOCKHOLDER'S EQUITY</b>	<u>\$ 4,517</u>	<u>\$ 4,528</u>

**THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Unaudited

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2026	2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 21	\$ 14
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	8	34
Deferred income taxes and investment tax credits, net	5	(1)
Employee benefit costs, net	1	1
Change in current assets and liabilities-		
Receivables	39	(3)
Prepaid taxes and other current assets	1	2
Accounts payable	(6)	5
Accrued taxes	(34)	(31)
Accrued interest	10	10
Ohio settlement customer restitution and refunds	(61)	—
Other current liabilities	(9)	(4)
Collateral, net	1	2
Employee benefit plan funding and related payments	(1)	(1)
Other	1	4
Net cash provided from (used for) operating activities	(24)	32
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital investments	(50)	(48)
Asset removal costs	(8)	(6)
Net cash used for investing activities	(58)	(54)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Short-term borrowings - affiliated companies, net	62	—
Short-term borrowings - other, net	120	150
Redemptions and repayments-		
Long-term debt	(2)	(3)
Short-term borrowings - affiliated companies, net	—	(127)
Common stock dividend payments	(100)	—
Net cash provided from financing activities	80	20
Net change in cash, cash equivalents, and restricted cash	(2)	(2)
Cash, cash equivalents, and restricted cash at beginning of period	5	5
Cash, cash equivalents, and restricted cash at end of period	\$ 3	\$ 3
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Significant non-cash transactions:		
Accrued capital investments	\$ 13	\$ 7