

THE TOLEDO EDISON COMPANY AND SUBSIDIARIES
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

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

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2026	2025
REVENUES:		
Electric sales	\$ 94	\$ 117
Excise and gross receipts tax collections	7	7
Total revenues	101	124
OPERATING EXPENSES:		
Purchased power	29	20
Other operating expenses	66	63
Provision for depreciation	11	13
Deferral of regulatory assets, net	(43)	(6)
General taxes	18	18
Total operating expenses	81	108
OPERATING INCOME	20	16
OTHER INCOME (EXPENSE):		
Miscellaneous income, net	1	1
Interest expense	(8)	(7)
Capitalized financing costs	1	—
Total other expense	(6)	(6)
INCOME BEFORE INCOME TAXES	14	10
INCOME TAXES	2	2
NET INCOME	\$ 12	\$ 8
COMPREHENSIVE INCOME	\$ 12	\$ 8

THE TOLEDO EDISON COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Unaudited

<i>(In millions, except share amounts)</i>	March 31, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Restricted cash	\$ 2	\$ 2
Receivables -		
Customers	36	55
Less — Allowance for uncollectible customer receivables	2	2
	34	53
Affiliated companies	24	27
Other	11	10
Notes receivable from affiliated companies	—	21
Prepaid taxes and other	1	2
	72	115
PROPERTY, PLANT AND EQUIPMENT:		
In service	1,453	1,428
Less — Accumulated provision for depreciation	719	712
	734	716
Construction work in progress	35	39
	769	755
DEFERRED CHARGES AND OTHER ASSETS:		
Goodwill	501	501
Regulatory assets	72	26
Property taxes	25	37
Other	18	18
	616	582
TOTAL ASSETS	\$ 1,457	\$ 1,452
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	\$ 3	\$ 3
Short-term borrowings - affiliated companies	6	—
Accounts payable -		
Affiliated companies	30	30
Other	8	9
Accrued taxes	44	43
Accrued interest	10	4
Other	26	27
	127	116
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	542	543
Accumulated deferred income taxes, net	105	101
Retirement benefits	16	16
Property taxes	22	44
Other	172	171
	857	875
TOTAL LIABILITIES	984	991
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	332
Accumulated other comprehensive loss	(1)	(1)
Accumulated deficit	(5)	(17)
TOTAL COMMON STOCKHOLDER'S EQUITY	473	461
TOTAL LIABILITIES AND COMMON STOCKHOLDER'S EQUITY	\$ 1,457	\$ 1,452

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

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 12	\$ 8
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	(1)	7
Deferred income taxes and investment tax credits, net	3	(1)
Change in current assets and liabilities-		
Receivables	21	(3)
Prepaid taxes and other current assets	1	1
Accounts payable	(4)	—
Accrued taxes	(10)	(7)
Accrued interest	6	5
Ohio settlement customer restitution and refunds	(31)	—
Other current liabilities	(2)	(1)
Collateral, net	1	2
Other	1	1
Net cash provided from (used for) operating activities	<u>(3)</u>	<u>12</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(20)	(13)
Loans to affiliated companies, net	21	—
Asset removal costs	(3)	(1)
Net cash used for investing activities	<u>(2)</u>	<u>(14)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Short-term borrowings - affiliated companies, net	6	2
Redemptions and repayments-		
Long-term debt	(1)	(1)
Net cash provided from financing activities	<u>5</u>	<u>1</u>
Net change in cash, cash equivalents, and restricted cash	—	(1)
Cash, cash equivalents, and restricted cash at beginning of period	2	2
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 2</u>	<u>\$ 1</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	\$ 6	\$ 2