AMERICAN TRANSMISSION SYSTEMS, INCORPORATED

UNAUDITED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
STATEMENTS OF INCOME
Unaudited

(In millions)	For the Three Months Ended June 30, 2026	For the Three Months Ended June 30, 2025	For the Six Months Ended June 30, 2026	For the Six Months Ended June 30, 2025
REVENUES	$ 301	$ 261	$ 590	$ 529
OPERATING EXPENSES:				
Other operating expenses	49	40	92	86
Provision for depreciation	53	50	104	99
Amortization of regulatory assets, net	2	2	3	3
General taxes	79	70	158	140
Total operating expenses	183	162	357	328
OPERATING INCOME	118	99	233	201
OTHER INCOME (EXPENSE):				
Miscellaneous income (expense), net	(5)	1	(4)	2
Interest expense	(23)	(20)	(45)	(39)
Capitalized financing costs	13	9	24	16
Total other expense	(15)	(10)	(25)	(21)
INCOME BEFORE INCOME TAXES	103	89	208	180
INCOME TAXES	21	18	43	36
NET INCOME	$ 82	$ 71	$ 165	$ 144

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
BALANCE SHEETS
Unaudited

(In millions, except share amounts)	June 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Receivables -		
Affiliated companies	$ 5	$ 12
Other	44	48
Notes receivable from affiliated companies	103	225
Prepaid taxes and other	3	5
	155	290
PROPERTY, PLANT AND EQUIPMENT:		
In service	7,589	7,379
Less — Accumulated provision for depreciation	1,821	1,754
	5,768	5,625
Construction work in progress	750	594
	6,518	6,219
DEFERRED CHARGES AND OTHER ASSETS:		
Property taxes	152	308
Operating lease right-of-use asset	410	411
Other	16	16
	578	735
TOTAL ASSETS	$ 7,251	$ 7,244
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	$ —	$ 75
Accounts payable - affiliated companies	69	35
Accrued taxes	308	305
Accrued interest	27	26
Other current liabilities	6	5
	410	446
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	2,111	1,937
Accumulated deferred income taxes, net	789	754
Property taxes	159	315
Regulatory liabilities	267	276
Noncurrent operating lease obligation	405	405
Other	6	7
	3,737	3,694
TOTAL LIABILITIES	4,147	4,140
COMMON STOCKHOLDER'S EQUITY:		
Common stock, no par value, 850 shares authorized - 1 share outstanding	1,555	1,555
Retained earnings	1,549	1,549
TOTAL COMMON STOCKHOLDER'S EQUITY	3,104	3,104
TOTAL LIABILITIES AND COMMON STOCKHOLDER'S EQUITY	$ 7,251	$ 7,244

AMERICAN TRANSMISSION SYSTEMS, INCORPORATED
STATEMENTS OF CASH FLOWS
Unaudited

	For the Six Months Ended June 30,	
(In millions)	**2026**	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 165	$ 144
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	108	103
Deferred income taxes and investment tax credits, net	34	11
Transmission revenue collections, net	16	54
Allowance for funds used during construction - equity	(18)	(12)
Changes in current assets and liabilities-		
Receivables	11	(2)
Prepaid taxes and other current assets	2	3
Accounts payable - affiliated companies	10	14
Accrued taxes	3	(3)
Accrued interest	1	1
Other	2	3
Net cash provided from operating activities	334	316
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(358)	(321)
Loans to affiliated companies, net	122	(119)
Asset removal costs	(29)	(24)
Other	(3)	(2)
Net cash used for investing activities	(268)	(466)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Long-term debt	175	225
Redemptions and repayments-		
Long-term debt	(75)	—
Common stock dividend payments	(165)	—
Other	(1)	—
Net cash provided from (used for) financing activities	(66)	225
Net change in cash and cash equivalents	—	75
Cash and cash equivalents at beginning of period	—	—
Cash and cash equivalents at end of period	$ —	$ 75
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	$ 53	$ 42