

**FIRSTENERGY TRANSMISSION, LLC AND SUBSIDIARIES**  
**UNAUDITED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019**

**FIRSTENERGY TRANSMISSION, LLC  
CONSOLIDATED STATEMENTS OF INCOME  
(UNAUDITED)**

<i>(In millions)</i>	<b>For the Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>REVENUES</b>	\$ 325	\$ 285
<b>OPERATING EXPENSES:</b>		
Other operating expenses	34	44
Provision for depreciation	59	52
Amortization/deferral of regulatory assets/liabilities, net	3	3
General taxes	59	49
Total operating expenses	<u>155</u>	<u>148</u>
<b>OPERATING INCOME</b>	<u>170</u>	<u>137</u>
<b>OTHER INCOME (EXPENSE):</b>		
Miscellaneous income, net	3	—
Pension and OPEB mark-to-market adjustment	(19)	—
Interest expense	(47)	(38)
Capitalized financing costs	8	7
Total other expense	<u>(55)</u>	<u>(31)</u>
<b>INCOME BEFORE INCOME TAXES</b>	115	106
<b>INCOME TAXES</b>	<u>24</u>	<u>19</u>
<b>NET INCOME</b>	91	87
Income attributable to noncontrolling interest	<u>15</u>	<u>15</u>
<b>EARNINGS AVAILABLE TO PARENT</b>	<u>\$ 76</u>	<u>\$ 72</u>

**FIRSTENERGY TRANSMISSION, LLC  
CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)**

<i>(In millions)</i>	March 31, 2020	December 31, 2019
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 71	\$ 71
Receivables-		
Affiliated companies	66	63
Other, net of allowance for uncollectible accounts of \$3 in 2020 and \$4 in 2019	61	53
Notes receivable from affiliated companies	166	516
Prepaid taxes and other	21	20
	<u>385</u>	<u>723</u>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>		
In service	9,188	9,114
Less — Accumulated provision for depreciation	1,765	1,722
	<u>7,423</u>	<u>7,392</u>
Construction work in progress	518	404
	<u>7,941</u>	<u>7,796</u>
<b>OTHER PROPERTY AND INVESTMENTS:</b>		
Investment in non-affiliated companies	18	18
Other	6	6
	<u>24</u>	<u>24</u>
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Goodwill	224	224
Regulatory assets	2	2
Property taxes	166	227
Operating lease right-of-use asset	414	414
Other	8	8
	<u>814</u>	<u>875</u>
	<u>\$ 9,164</u>	<u>\$ 9,418</u>
<b>LIABILITIES AND CAPITALIZATION</b>		
<b>CURRENT LIABILITIES:</b>		
Short-term borrowings - affiliated companies	\$ 124	\$ 325
Accounts payable - affiliated companies	10	61
Accrued taxes	237	204
Accrued interest	51	54
Other	6	7
	<u>428</u>	<u>651</u>
<b>CAPITALIZATION:</b>		
Member's equity	1,055	1,055
Retained earnings	883	1,057
Total member's equity	1,938	2,112
Noncontrolling interest	766	751
Total equity	<u>2,704</u>	<u>2,863</u>
Long-term debt and other long-term obligations	4,095	3,846
	<u>6,799</u>	<u>6,709</u>
<b>NONCURRENT LIABILITIES:</b>		
Accumulated deferred income taxes	996	983
Property taxes	111	227
Regulatory liabilities	381	400
Noncurrent operating lease obligation	408	408
Other	41	40
	<u>1,937</u>	<u>2,058</u>
	<u>\$ 9,164</u>	<u>\$ 9,418</u>

**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

<i>(In millions)</i>	<b>For the Three Months Ended March 31,</b>	
	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 91	\$ 87
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	63	58
Pension and OPEB mark-to-market adjustment	19	—
Deferred income taxes and investment tax credits, net	12	6
Allowance for equity funds used during construction	(6)	(5)
Transmission revenue collections, net	(6)	4
Changes in current assets and liabilities-		
Receivables	(10)	(5)
Prepaid taxes and other current assets	(1)	(2)
Accounts payable	(71)	(14)
Accrued taxes	(23)	(27)
Accrued interest	(3)	(10)
Other	(8)	—
Net cash provided from operating activities	57	92
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Long-term debt	250	500
Short-term borrowings - affiliated companies, net	118	18
Redemptions and Repayments-		
Short-term borrowings - affiliated companies, net	(319)	(22)
Common stock dividend payments	(250)	—
Other	(1)	(5)
Net cash provided from (used for) financing activities	(202)	491
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Property additions	(194)	(179)
Loans to affiliated companies, net	350	(394)
Asset removal costs	(11)	(26)
Net cash provided from (used for) investing activities	145	(599)
Net change in cash, cash equivalents, and restricted cash	—	(16)
Cash, cash equivalents, and restricted cash at beginning of period	71	85
Cash, cash equivalents, and restricted cash at end of period	\$ 71	\$ 69

**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATING STATEMENTS OF INCOME**  
**(UNAUDITED)**

For the Three Months Ended March 31, 2020	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
<i>(In millions)</i>							
<b>REVENUES</b>	\$ —	\$ 204	\$ 65	\$ 57	\$ —	\$ (1)	\$ 325
<b>OPERATING EXPENSES:</b>							
Operation and maintenance expenses	—	23	3	9	—	(1)	34
Provision for depreciation	—	35	13	11	—	—	59
Amortization of regulatory assets, net	—	2	—	1	—	—	3
General taxes	—	56	3	—	—	—	59
Total operating expenses	—	116	19	21	—	(1)	155
<b>OPERATING INCOME</b>	—	88	46	36	—	—	170
<b>OTHER INCOME (EXPENSE):</b>							
Miscellaneous income, including net income from equity investees	87	1	—	1	—	(86)	3
Pension and OPEB mark-to-market adjustment	—	(12)	(2)	(5)	—	—	(19)
Interest expense	(18)	(16)	(7)	(6)	—	—	(47)
Capitalized financing costs	—	4	—	4	—	—	8
Total other income (expense)	69	(23)	(9)	(6)	—	(86)	(55)
<b>INCOME BEFORE INCOME TAXES (BENEFITS)</b>	69	65	37	30	—	(86)	115
<b>INCOME TAXES (BENEFITS)</b>	(7)	13	10	8	—	—	24
<b>NET INCOME</b>	76	52	27	22	—	(86)	91
Income attributable to noncontrolling interest	—	—	—	—	—	15	15
<b>EARNINGS AVAILABLE TO PARENT</b>	\$ 76	\$ 52	\$ 27	\$ 22	\$ —	\$ (101)	\$ 76

**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATING STATEMENTS OF INCOME**  
**(UNAUDITED)**

For the Three Months Ended March 31, 2019	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
<b>REVENUES</b>	\$ —	\$ 175	\$ 60	\$ 50	\$ —	\$ —	\$ 285
<b>OPERATING EXPENSES:</b>							
Operation and maintenance expenses	—	25	4	15	—	—	44
Provision for depreciation	—	31	12	9	—	—	52
Amortization/deferral of regulatory assets/ liabilities, net	—	2	—	1	—	—	3
General taxes	—	45	4	—	—	—	49
Total operating expenses	—	103	20	25	—	—	148
<b>OPERATING INCOME (LOSS)</b>	—	72	40	25	—	—	137
<b>OTHER INCOME (EXPENSE):</b>							
Miscellaneous income, net, including net income from equity investees	78	—	—	—	—	(78)	—
Pension and OPEB mark-to-market adjustment	—	—	—	—	—	—	—
Interest expense	(12)	(15)	(6)	(5)	—	—	(38)
Capitalized financing costs	—	3	—	4	—	—	7
Total other income (expense)	66	(12)	(6)	(1)	—	(78)	(31)
<b>INCOME BEFORE INCOME TAXES (BENEFITS)</b>	66	60	34	24	—	(78)	106
<b>INCOME TAXES (BENEFITS)</b>	(6)	12	8	5	—	—	19
<b>NET INCOME</b>	72	48	26	19	—	(78)	87
Income attributable to noncontrolling interest	—	—	—	—	—	15	15
<b>EARNINGS AVAILABLE TO PARENT</b>	<u>\$ 72</u>	<u>\$ 48</u>	<u>\$ 26</u>	<u>\$ 19</u>	<u>\$ —</u>	<u>\$ (93)</u>	<u>\$ 72</u>

**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATING BALANCE SHEETS**  
**(UNAUDITED)**

As of March 31, 2020	FET	ATSI	TRAIL	MAIT	PATH	Eliminations	Consolidated
	(In millions)						
<b>ASSETS</b>							
<b>CURRENT ASSETS:</b>							
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ 71	\$ —	\$ 71
Receivables-							
Affiliated companies	25	5	19	16	2	(1)	66
Other	—	30	21	10	—	—	61
Notes receivable from affiliated companies	—	—	—	166	—	—	166
Prepaid taxes and other	—	3	17	1	—	—	21
	<u>25</u>	<u>38</u>	<u>57</u>	<u>193</u>	<u>73</u>	<u>(1)</u>	<u>385</u>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>							
In service	—	5,126	2,190	1,872	—	—	9,188
Less — Accumulated provision for depreciation	—	1,137	259	369	—	—	1,765
	<u>—</u>	<u>3,989</u>	<u>1,931</u>	<u>1,503</u>	<u>—</u>	<u>—</u>	<u>7,423</u>
Construction work in progress	—	221	28	269	—	—	518
	<u>—</u>	<u>4,210</u>	<u>1,959</u>	<u>1,772</u>	<u>—</u>	<u>—</u>	<u>7,941</u>
<b>OTHER PROPERTY AND INVESTMENTS:</b>							
Investment in affiliated companies	3,493	—	—	—	—	(3,493)	—
Investment in non-affiliated companies	—	—	—	—	18	—	18
Other	1	—	5	—	—	—	6
	<u>3,494</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>18</u>	<u>(3,493)</u>	<u>24</u>
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>							
Goodwill	—	—	—	224	—	—	224
Accumulated deferred income tax benefits	14	—	—	—	—	(14)	—
Regulatory assets	—	—	—	—	2	—	2
Property taxes	—	166	—	—	—	—	166
Operating lease right-of-use asset	—	414	—	—	—	—	414
Other	—	6	1	1	—	—	8
	<u>14</u>	<u>586</u>	<u>1</u>	<u>225</u>	<u>2</u>	<u>(14)</u>	<u>814</u>
	<u>\$ 3,533</u>	<u>\$ 4,834</u>	<u>\$ 2,022</u>	<u>\$ 2,190</u>	<u>\$ 93</u>	<u>\$ (3,508)</u>	<u>\$ 9,164</u>
<b>LIABILITIES AND CAPITALIZATION</b>							
<b>CURRENT LIABILITIES:</b>							
Short-term borrowings - affiliated companies	\$ 86	\$ 32	\$ 5	\$ —	\$ 1	\$ —	\$ 124
Accounts payable - affiliated companies	—	7	1	2	—	—	10
Accrued taxes	—	212	25	1	—	(1)	237
Accrued interest	22	14	8	7	—	—	51
Other	—	6	—	—	—	—	6
	<u>108</u>	<u>271</u>	<u>39</u>	<u>10</u>	<u>1</u>	<u>(1)</u>	<u>428</u>
<b>CAPITALIZATION:</b>							
Member's equity	1,055	1,267	926	1,183	89	(3,465)	1,055
Retained earnings	883	728	36	29	1	(794)	883
Total member's equity	1,938	1,995	962	1,212	90	(4,259)	1,938
Noncontrolling interest	—	—	—	—	—	766	766
Total equity	1,938	1,995	962	1,212	90	(3,493)	2,704
Long-term debt and other long-term obligations	1,487	1,290	622	696	—	—	4,095
	<u>3,425</u>	<u>3,285</u>	<u>1,584</u>	<u>1,908</u>	<u>90</u>	<u>(3,493)</u>	<u>6,799</u>
<b>NONCURRENT LIABILITIES:</b>							
Accumulated deferred income taxes	—	511	270	228	1	(14)	996
Property taxes	—	111	—	—	—	—	111
Regulatory liabilities	—	214	124	42	1	—	381
Noncurrent operating lease obligation	—	408	—	—	—	—	408
Other	—	34	5	2	—	—	41
	<u>—</u>	<u>1,278</u>	<u>399</u>	<u>272</u>	<u>2</u>	<u>(14)</u>	<u>1,937</u>
	<u>\$ 3,533</u>	<u>\$ 4,834</u>	<u>\$ 2,022</u>	<u>\$ 2,190</u>	<u>\$ 93</u>	<u>\$ (3,508)</u>	<u>\$ 9,164</u>

**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATING BALANCE SHEETS**  
**(UNAUDITED)**

As of December 31, 2019	FET	ATSI	TRAIL	MAIT	PATH	Eliminations	Consolidated
	(In millions)						
<b>ASSETS</b>							
<b>CURRENT ASSETS:</b>							
Cash and cash equivalents	\$ —	\$ —	\$ —	\$ —	\$ 71	\$ —	\$ 71
Receivables-							
Affiliated companies	24	3	19	16	2	(1)	63
Other	—	24	21	8	—	—	53
Notes receivable from affiliated companies	423	93	—	—	—	—	516
Prepaid taxes and other	—	3	13	4	—	—	20
	<u>447</u>	<u>123</u>	<u>53</u>	<u>28</u>	<u>73</u>	<u>(1)</u>	<u>723</u>
<b>PROPERTY, PLANT AND EQUIPMENT:</b>							
In service	—	5,075	2,189	1,850	—	—	9,114
Less — Accumulated provision for depreciation	—	1,113	249	360	—	—	1,722
	<u>—</u>	<u>3,962</u>	<u>1,940</u>	<u>1,490</u>	<u>—</u>	<u>—</u>	<u>7,392</u>
Construction work in progress	—	185	19	200	—	—	404
	<u>—</u>	<u>4,147</u>	<u>1,959</u>	<u>1,690</u>	<u>—</u>	<u>—</u>	<u>7,796</u>
<b>OTHER PROPERTY AND INVESTMENTS:</b>							
Investment in affiliated companies	3,172	—	—	—	—	(3,172)	—
Investment in non-affiliated companies	—	—	—	—	18	—	18
Other	1	—	5	—	—	—	6
	<u>3,173</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>18</u>	<u>(3,172)</u>	<u>24</u>
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>							
Goodwill	—	—	—	224	—	—	224
Accumulated deferred income tax benefits	7	—	—	—	—	(7)	—
Regulatory assets	—	—	—	—	2	—	2
Property taxes	—	221	6	—	—	—	227
Operating lease right-of-use asset	—	414	—	—	—	—	414
Other	—	6	1	1	—	—	8
	<u>7</u>	<u>641</u>	<u>7</u>	<u>225</u>	<u>2</u>	<u>(7)</u>	<u>875</u>
	<u>\$ 3,627</u>	<u>\$ 4,911</u>	<u>\$ 2,024</u>	<u>\$ 1,943</u>	<u>\$ 93</u>	<u>\$ (3,180)</u>	<u>\$ 9,418</u>
<b>LIABILITIES AND CAPITALIZATION</b>							
<b>CURRENT LIABILITIES:</b>							
Short-term borrowings - affiliated companies	\$ —	\$ —	\$ 39	\$ 285	\$ 1	\$ —	\$ 325
Accounts payable - affiliated companies	—	41	10	11	—	(1)	61
Accrued taxes	—	188	16	—	—	—	204
Accrued interest	28	22	2	2	—	—	54
Other	—	7	—	—	—	—	7
	<u>28</u>	<u>258</u>	<u>67</u>	<u>298</u>	<u>1</u>	<u>(1)</u>	<u>651</u>
<b>CAPITALIZATION:</b>							
Member's equity	1,055	1,267	926	918	89	(3,200)	1,055
Retained earnings	1,057	706	9	7	1	(723)	1,057
Total member's equity	2,112	1,973	935	925	90	(3,923)	2,112
Noncontrolling interest	—	—	—	—	—	751	751
Total equity	2,112	1,973	935	925	90	(3,172)	2,863
Long-term debt and other long-term obligations	1,487	1,290	622	447	—	—	3,846
	<u>3,599</u>	<u>3,263</u>	<u>1,557</u>	<u>1,372</u>	<u>90</u>	<u>(3,172)</u>	<u>6,709</u>
<b>NONCURRENT LIABILITIES:</b>							
Accumulated deferred income taxes	—	500	268	221	1	(7)	983
Property taxes	—	221	6	—	—	—	227
Regulatory liabilities	—	228	121	50	1	—	400
Noncurrent operating lease obligation	—	408	—	—	—	—	408
Other	—	33	5	2	—	—	40
	<u>—</u>	<u>1,390</u>	<u>400</u>	<u>273</u>	<u>2</u>	<u>(7)</u>	<u>2,058</u>
	<u>\$ 3,627</u>	<u>\$ 4,911</u>	<u>\$ 2,024</u>	<u>\$ 1,943</u>	<u>\$ 93</u>	<u>\$ (3,180)</u>	<u>\$ 9,418</u>



**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATING STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

For the Three Months Ended March 31, 2020	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
	<i>(In millions)</i>						
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Net income	\$ 76	\$ 52	\$ 27	\$ 22	\$ —	\$ (86)	\$ 91
Adjustments to reconcile net income to net cash from operating activities-							
Depreciation and amortization	—	38	13	12	—	—	63
Pension and OPEB mark-to-market adjustment	—	12	2	5	—	—	19
Deferred income taxes and investment tax credits, net	(6)	10	2	6	—	—	12
Allowance for funds used during construction	—	(3)	—	(3)	—	—	(6)
Transmission revenue collections, net	—	(12)	1	5	—	—	(6)
Equity earnings of subsidiaries	(86)	—	—	—	—	86	—
Dividends received from equity investees	30	—	—	—	—	(30)	—
Changes in current assets and liabilities-							
Receivables	(1)	(7)	—	(2)	—	—	(10)
Prepaid taxes and other current assets	—	—	(4)	3	—	—	(1)
Accounts payable	—	(46)	(11)	(15)	—	1	(71)
Accrued taxes	—	(32)	9	1	—	(1)	(23)
Accrued interest	(6)	(8)	6	5	—	—	(3)
Other	—	(5)	(1)	(2)	—	—	(8)
Net cash provided from (used for) operating activities	7	(1)	44	37	—	(30)	57
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>							
New financing-							
Long-term debt	—	—	—	250	—	—	250
Short-term borrowings - affiliated companies, net	86	32	—	—	—	—	118
Redemptions and repayments							
Short-term borrowings - affiliated companies, net	—	—	(34)	(285)	—	—	(319)
Parent company equity contribution	—	—	—	265	—	(265)	—
Common stock dividend payments	(250)	(30)	—	—	—	30	(250)
Other	—	—	—	(1)	—	—	(1)
Net cash provided from (used for) financing activities	(164)	2	(34)	229	—	(235)	(202)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Property additions	—	(89)	(10)	(95)	—	—	(194)
Loans to affiliated companies, net	423	93	—	(166)	—	—	350
Investment in subsidiary	(265)	—	—	—	—	265	—
Asset removal costs	(1)	(5)	—	(5)	—	—	(11)
Net cash provided from (used for) investing activities	157	(1)	(10)	(266)	—	265	145
Net change in cash, cash equivalents and restricted cash	—	—	—	—	—	—	—
Cash, cash equivalents, and restricted cash at beginning of period	—	—	—	—	71	—	71
Cash, cash equivalents, and restricted cash at end of period	\$ —	\$ —	\$ —	\$ —	\$ 71	\$ —	\$ 71

**FIRSTENERGY TRANSMISSION, LLC**  
**CONSOLIDATING STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

For the Three Months Ended March 31, 2019	FET	ATSI	TrAIL	MAIT	PATH	Eliminations	Consolidated
<i>(In millions)</i>							
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>							
Net income	\$ 72	\$ 48	\$ 26	\$ 19	\$ —	\$ (78)	\$ 87
Adjustments to reconcile net income to net cash from operating activities-							
Depreciation and amortization	—	34	14	10	—	—	58
Deferred income taxes and investment tax credits, net	(5)	8	(1)	4	—	—	6
Allowance for funds used during construction	—	(2)	—	(3)	—	—	(5)
Transmission revenue collections, net	—	8	(2)	(2)	—	—	4
Equity earnings of subsidiaries	(78)	—	—	—	—	78	—
Changes in current assets and liabilities-							
Receivables	(1)	(2)	(1)	(2)	—	1	(5)
Prepaid taxes and other current assets	—	—	(2)	—	—	—	(2)
Accounts payable	—	2	—	—	(16)	—	(14)
Accrued taxes	—	(35)	8	1	—	(1)	(27)
Accrued interest	(12)	(9)	6	5	—	—	(10)
Other	—	(1)	—	1	—	—	—
Net cash provided from (used for) operating activities	(24)	51	48	33	(16)	—	92
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>							
New financing-							
Long-term debt	500	—	—	—	—	—	500
Short-term borrowings - affiliated companies	—	18	—	—	—	—	18
Redemptions and repayments-							
Short-term borrowings - affiliated companies	(11)	—	(11)	—	—	—	(22)
Other	(5)	—	—	—	—	—	(5)
Net cash provided from (used for) financing activities	484	18	(11)	—	—	—	491
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>							
Property additions	—	(85)	(4)	(90)	—	—	(179)
Loans to affiliated companies, net	(460)	34	(33)	65	—	—	(394)
Asset removal costs	—	(18)	—	(8)	—	—	(26)
Net cash used for investing activities	(460)	(69)	(37)	(33)	—	—	(599)
Net change in cash, cash equivalents and restricted cash	—	—	—	—	(16)	—	(16)
Cash, cash equivalents, and restricted cash at beginning of period	—	—	—	—	85	—	85
Cash, cash equivalents, and restricted cash at end of period	\$ —	\$ —	\$ —	\$ —	\$ 69	\$ —	\$ 69