

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2020 AND 2019**

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**(UNAUDITED)**

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2020	2019
<b>REVENUES</b>	\$ 378	\$ 440
<b>OPERATING EXPENSES:</b>		
Purchased power	191	195
Other operating expenses	96	123
Provision for depreciation	41	39
Deferral of regulatory liabilities, net	1	30
General taxes	4	4
Total operating expenses	333	391
<b>OPERATING INCOME</b>	45	49
<b>OTHER INCOME (EXPENSE):</b>		
Miscellaneous income, net	15	7
Pension and OPEB mark-to-market adjustment	(61)	—
Interest expense	(23)	(24)
Capitalized financing costs	2	3
Total other expense	(67)	(14)
<b>INCOME (LOSS) BEFORE INCOME TAXES (BENEFITS)</b>	(22)	35
<b>INCOME TAXES (BENEFITS)</b>	(5)	8
<b>NET INCOME (LOSS)</b>	\$ (17)	\$ 27

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

<i>(In millions, except share amounts)</i>	March 31, 2020	December 31, 2019
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Restricted cash	\$ 8	\$ 8
Receivables-		
Customers	166	198
Less — Allowance for uncollectible customer receivables	3	4
	163	194
Affiliated companies	81	79
Other	31	35
Prepaid taxes and other	27	27
	310	343
<b>UTILITY PLANT:</b>		
In service	7,167	7,094
Less — Accumulated provision for depreciation	2,170	2,149
	4,997	4,945
Construction work in progress	268	244
	5,265	5,189
<b>OTHER PROPERTY AND INVESTMENTS:</b>		
Nuclear fuel disposal trust	275	270
Other	2	2
Investments - held for sale	254	256
	531	528
<b>DEFERRED CHARGES AND OTHER ASSETS:</b>		
Goodwill	1,811	1,811
Other	93	93
	1,904	1,904
	<u>\$ 8,010</u>	<u>\$ 7,964</u>
<b>LIABILITIES AND CAPITALIZATION</b>		
<b>CURRENT LIABILITIES:</b>		
Currently payable long-term debt	\$ 17	\$ 17
Short-term borrowings - affiliated companies	139	114
Accounts payable		
Affiliated companies	1	23
Other	174	161
Accrued compensation and benefits	39	44
Customer deposits	48	49
Accrued interest	29	22
Other	34	28
	481	458
<b>CAPITALIZATION:</b>		
Common stockholder's equity-		
Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding	136	136
Other paid-in capital	2,717	2,716
Accumulated other comprehensive loss	(5)	(5)
Retained earnings	700	717
Total common stockholder's equity	3,548	3,564
Long-term debt and other long-term obligations	1,657	1,661
	5,205	5,225
<b>NONCURRENT LIABILITIES:</b>		
Accumulated deferred income taxes	728	731
Nuclear fuel disposal costs	209	208
Retirement benefits	286	249
Regulatory liabilities	391	394
Asset retirement obligation	6	6
Other	526	518
Noncurrent liabilities - held for sale	178	175
	2,324	2,281
	<u>\$ 8,010</u>	<u>\$ 7,964</u>

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ (17)	\$ 27
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	41	76
Asset removal costs charged to income	4	6
Deferred income taxes and investment tax credits, net	(7)	(3)
Retirement benefits, net of payments	(15)	(12)
Pension and OPEB mark-to-market adjustment	61	—
Changes in current assets and liabilities-		
Receivables	33	6
Accounts payable	(9)	(46)
Accrued interest	7	5
Accrued compensation and benefits	(8)	(10)
Other current liabilities	3	7
Other	1	8
Net cash provided from operating activities	94	64
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
New financing-		
Long-term debt	—	400
Short-term borrowings - affiliated companies, net	25	—
Redemptions and repayments-		
Long-term debt	(4)	(303)
Short-term borrowings - affiliated companies, net	—	(63)
Common stock dividend payments	—	(20)
Other	—	3
Net cash provided from financing activities	21	17
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Property additions	(108)	(69)
Sales of investment securities held in trusts	12	79
Purchases of investment securities held in trusts	(14)	(83)
Asset removal costs	(5)	(7)
Net cash used for investing activities	(115)	(80)
Net change in cash, cash equivalents, and restricted cash	—	1
Cash, cash equivalents, and restricted cash at beginning of period	8	8
Cash, cash equivalents, and restricted cash at end of period	\$ 8	\$ 9