

FirstEnergy Corp.
EPS Reconciliations

Earnings Per Share (EPS)					
(Reconciliation of GAAP to Operating (Non-GAAP) Earnings)					
(In millions, except per share amounts)					
Three Months Ended September 30, 2016	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
3Q 2016 Net Income - GAAP	\$ 283	\$ 78	\$ 86	\$ (67)	\$ 380
3Q 2016 Basic Earnings per share (avg. shares outstanding 425M)	\$ 0.66	\$ 0.18	\$ 0.20	\$ (0.15)	\$ 0.89
Excluding Special Items:					
Regulatory charges	0.02	—	—	—	0.02
Merger accounting - commodity contracts	—	—	0.01	—	0.01
Mark-to-market adjustments	—	—	(0.02)	—	(0.02)
Total Special Items	<u>\$ 0.02</u>	<u>\$ —</u>	<u>\$ (0.01)</u>	<u>\$ —</u>	<u>\$ 0.01</u>
Basic EPS - Operating (Non-GAAP)	<u>\$ 0.68</u>	<u>\$ 0.18</u>	<u>\$ 0.19</u>	<u>\$ (0.15)</u>	<u>\$ 0.90</u>
Three Months Ended September 30, 2015	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
3Q 2015 Net Income - GAAP	\$ 234	\$ 70	\$ 145	\$ (54)	\$ 395
3Q 2015 Basic Earnings per share (avg. shares outstanding 423M)	\$ 0.56	\$ 0.17	\$ 0.34	\$ (0.13)	\$ 0.94
Excluding Special Items:					
Regulatory charges	0.01	—	—	—	0.01
Trust securities impairment	0.01	—	0.06	—	0.07
Merger accounting - commodity contracts	—	—	0.02	—	0.02
Impact of non-core asset sales/impairments	0.01	—	—	0.01	0.02
Retail repositioning charges	—	—	0.01	—	0.01
Mark-to-market adjustments	—	—	(0.09)	—	(0.09)
Total Special Items	<u>\$ 0.03</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.01</u>	<u>\$ 0.04</u>
Basic EPS - Operating (Non-GAAP)	<u>\$ 0.59</u>	<u>\$ 0.17</u>	<u>\$ 0.34</u>	<u>\$ (0.12)</u>	<u>\$ 0.98</u>
Per share amounts for the special items and earnings drivers above and throughout this report are based on the after-tax effect of each item divided by the weighted average basic shares outstanding for the period. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount. The income tax rates range from 35% to 42%.					

FirstEnergy Corp.
EPS Reconciliations

Earnings Per Share (EPS)					
(Reconciliation of GAAP to Operating (Non-GAAP) Earnings)					
(In millions, except per share amounts)					
Nine Months Ended September 30, 2016	Regulated	Regulated	Competitive	Corporate /	FirstEnergy
	Distribution	Transmission	Energy Services	Other	Corp. Consolidated
2016 Net Income (Loss) - GAAP	\$ 594	\$ 223	\$ (1,029)	\$ (169)	\$ (381)
2016 Basic Earnings (Losses) per share (avg. shares outstanding 425M)	\$ 1.40	\$ 0.52	\$ (2.43)	\$ (0.39)	\$ (0.90)
Excluding Special Items:					
Regulatory charges	0.12	—	—	—	0.12
Trust securities impairment	—	—	0.02	—	0.02
Merger accounting - commodity contracts	—	—	0.04	—	0.04
Asset impairment/Plant exit costs	—	—	2.99	—	2.99
Mark-to-market adjustments	—	—	(0.02)	—	(0.02)
Total Special Items	<u>\$ 0.12</u>	<u>\$ —</u>	<u>\$ 3.03</u>	<u>\$ —</u>	<u>\$ 3.15</u>
Basic EPS - Operating (Non-GAAP)	<u>\$ 1.52</u>	<u>\$ 0.52</u>	<u>\$ 0.60</u>	<u>\$ (0.39)</u>	<u>\$ 2.25</u>
Nine Months Ended September 30, 2015	Regulated	Regulated	Competitive	Corporate /	FirstEnergy
	Distribution	Transmission	Energy Services	Other	Corp. Consolidated
2015 Net Income - GAAP	\$ 598	\$ 231	\$ 129	\$ (154)	\$ 804
2015 Basic Earnings per share (avg. shares outstanding 422M)	\$ 1.42	\$ 0.55	\$ 0.31	\$ (0.37)	\$ 1.91
Excluding Special Items:					
Regulatory charges	0.05	—	—	—	0.05
Trust securities impairment	0.01	—	0.10	—	0.11
Merger accounting - commodity contracts	—	—	0.05	—	0.05
Asset impairment/Plant exit costs	—	—	0.04	—	0.04
Impact of non-core asset sales/impairments	0.01	—	0.02	0.02	0.05
Retail repositioning charges	—	—	0.02	—	0.02
Mark-to-market adjustments	—	—	(0.10)	—	(0.10)
Total Special Items	<u>\$ 0.07</u>	<u>\$ —</u>	<u>\$ 0.13</u>	<u>\$ 0.02</u>	<u>\$ 0.22</u>
Basic EPS - Operating (Non-GAAP)	<u>\$ 1.49</u>	<u>\$ 0.55</u>	<u>\$ 0.44</u>	<u>\$ (0.35)</u>	<u>\$ 2.13</u>
<p>Per share amounts for the special items and earnings drivers above and throughout this report are based on the after-tax effect of each item divided by the weighted average basic shares outstanding for the period. The current and deferred income tax effect was calculated by applying the subsidiaries' statutory tax rate to the pre-tax amount with the exception of Asset impairment/Plant exit costs that included an impairment of goodwill, of which \$433 million of the \$800 million pre-tax impairment was non-deductible for tax purposes, and valuation allowances against state and local NOL carryforwards of \$159 million. With the exception of these items included in Asset impairment/Plant exit costs, the income tax rates ranges from 35% to 42%.</p>					