

**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 December 31, 2016**

	<b>Regulated Distribution</b>	<b>Regulated Transmission</b>	<b>Competitive Energy Services</b>	<b>Corporate / Other</b>	<b>FirstEnergy Corp. Consolidated</b>
<b>4Q 2016 Net Income (Loss) - GAAP</b>	\$ 78	\$ 87	\$ (5,890)	\$ (71)	\$ (5,796)
<b>4Q 2016 Basic earnings (loss) per share (avg. shares outstanding 431M)</b>	\$ 0.18	\$ 0.20	\$ (13.66)	\$ (0.16)	\$ (13.44)
Excluding Special Items:					
Mark-to-market adjustments -					
Pension/OPEB actuarial assumptions	0.15	—	0.06	—	0.21
Other	—	—	0.03	—	0.03
Merger accounting - commodity contracts	—	—	0.01	—	0.01
Regulatory charges	0.01	—	—	—	0.01
Asset impairment/Plant exit costs	—	—	13.54	—	13.54
Debt redemption costs	—	—	0.01	—	0.01
Trust securities impairment	—	—	0.01	—	0.01
Total Special Items	<u>\$ 0.16</u>	<u>\$ —</u>	<u>\$ 13.66</u>	<u>\$ —</u>	<u>\$ 13.82</u>
<b>Basic EPS - Operating (Non-GAAP)</b>	<u>\$ 0.34</u>	<u>\$ 0.20</u>	<u>\$ —</u>	<u>\$ (0.16)</u>	<u>\$ 0.38</u>

**Three Months Ended December 31, 2015**

	<b>Regulated Distribution</b>	<b>Regulated Transmission</b>	<b>Competitive Energy Services</b>	<b>Corporate / Other</b>	<b>FirstEnergy Corp. Consolidated</b>
<b>4Q 2015 Net Income (Loss) - GAAP</b>	\$ 13	\$ 74	\$ (40)	\$ (273)	\$ (226)
<b>4Q 2015 Basic earnings (loss) per share (avg. shares outstanding 423M)</b>	\$ 0.03	\$ 0.18	\$ (0.10)	\$ (0.64)	\$ (0.53)
Excluding Special Items:					
Mark-to-market adjustments -					
Pension/OPEB actuarial assumptions	0.26	—	0.09	—	0.35
Other	—	—	(0.01)	—	(0.01)
Merger accounting - commodity contracts	—	—	0.11	—	0.11
Regulatory charges	0.01	—	—	—	0.01
Retail repositioning charges	—	—	0.02	—	0.02
Asset impairment/Plant exit costs	—	—	0.03	0.56	0.59
Trust securities impairment	—	—	0.04	—	0.04
Total Special Items	<u>\$ 0.27</u>	<u>\$ —</u>	<u>\$ 0.28</u>	<u>\$ 0.56</u>	<u>\$ 1.11</u>
<b>Basic EPS - Operating (Non-GAAP)</b>	<u>\$ 0.30</u>	<u>\$ 0.18</u>	<u>\$ 0.18</u>	<u>\$ (0.08)</u>	<u>\$ 0.58</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 41%.

**FirstEnergy Corp.**  
**EPS Reconciliations**

Earnings Per Share (EPS)					
(Reconciliation of GAAP to Operating (Non-GAAP) Earnings)					
(In millions, except per share amounts)					
Year Ended December 31, 2016	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
<b>2016 Net Income (Loss) - GAAP</b>	\$ 651	\$ 331	\$ (6,919)	\$ (240)	\$ (6,177)
<b>2016 Basic EPS (avg. shares outstanding 426M)</b>	\$ 1.53	\$ 0.78	\$ (16.23)	\$ (0.57)	\$ (14.49)
Excluding Special Items:					
Mark-to-market adjustments -					
Pension/OPEB actuarial assumptions	0.15	—	0.06	—	0.21
Other	—	—	0.01	—	0.01
Merger accounting - commodity contracts	—	—	0.05	—	0.05
Regulatory charges	0.13	—	—	—	0.13
Asset impairment/Plant exit costs	—	—	16.67	—	16.67
Debt redemption costs	—	—	0.01	0.01	0.02
Trust securities impairment	—	—	0.03	—	0.03
Total Special Items	<u>\$ 0.28</u>	<u>\$ —</u>	<u>\$ 16.83</u>	<u>\$ 0.01</u>	<u>\$ 17.12</u>
<b>Basic EPS - Operating (Non-GAAP)</b>	<u>\$ 1.81</u>	<u>\$ 0.78</u>	<u>\$ 0.60</u>	<u>\$ (0.56)</u>	<u>\$ 2.63</u>
Year Ended December 31, 2015	Regulated Distribution	Regulated Transmission	Competitive Energy Services	Corporate / Other	FirstEnergy Corp. Consolidated
<b>2015 Net Income - GAAP</b>	\$ 588	\$ 328	\$ 89	\$ (427)	\$ 578
<b>2015 Basic EPS (avg. shares outstanding 422M)</b>	\$ 1.39	\$ 0.78	\$ 0.21	\$ (1.01)	\$ 1.37
Excluding Special Items:					
Mark-to-market adjustments -					
Pension/OPEB actuarial assumptions	0.26	—	0.09	—	0.35
Other	—	—	(0.11)	—	(0.11)
Merger accounting - commodity contracts	—	—	0.16	—	0.16
Regulatory charges	0.07	—	—	—	0.07
Retail repositioning charges	—	—	0.05	—	0.05
Asset impairment/Plant exit costs	0.01	—	0.09	0.57	0.67
Trust securities impairment	0.02	—	0.13	—	0.15
Total Special Items	<u>\$ 0.36</u>	<u>\$ —</u>	<u>\$ 0.41</u>	<u>\$ 0.57</u>	<u>\$ 1.34</u>
<b>Basic EPS - Operating (Non-GAAP)</b>	<u>\$ 1.75</u>	<u>\$ 0.78</u>	<u>\$ 0.62</u>	<u>\$ (0.44)</u>	<u>\$ 2.71</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 41%.</p>					